

[7 December, 1999]

RAJYA SABHA

**The Insurance Regulatory and Development
Authority Bill, 1999 - Contd.**

DR. M.N. DAS (Orissa) : Madam, yesterday the House witnessed one of the finest debates on the subject of the Insurance Regulatory and Development Authority Bill. I listened with rapt attention to what the hon. Finance Minister said; I listened with rapt attention to what the former Finance Minister, Shri Pranab Mukherjee said; and I also listened to all the eminent members of this house who took part in the deliberations. Out of the heat generated, I could find a little ray of light and that light was focussed on the time at which we have taken up this Bill. Madam, we must not forget one thing. We are on the verge of the 21st century. The time goes by its own imperatives. Time has its own compulsions. And any government of the time has to go by the compulsions of the time, in the perspective of progress, development and modernisation of the country. During this decade of the century, India is thinking of economic reforms. Whether you call it second generation reforms or third general reforms, but reforms are a must. I could not dare ask my leader Dr. Manmohan Singh, "What actually motivated you to think of liberalization, globalization, modernization and the rest?". But I come to my own conclusions after thinking of what the time calls for. Madam, we have to learn lessons from other countries when we think of a bigger economic programme for our country. We all know why the super power of this century, a great super power, the Soviet Union collapsed. What was the tragedy that led to the collapse of such a tremendous power on the earth, a power that could go to the nuclear heights, space exploration, intercontinental ballistic missiles, all powerful to draw the attention for 70 years as a model for socialist or communist countries of the world or of the communist-minded people of the earth? But what has happened to that country? There may be many factors leading to the collapse of the Soviet Union. But one factor, the external factor, is perhaps the prime factor. During the period of Stalin and Gorbachov, the Soviet Union decided to close its doors and windows to all economic forces, influences, operating outside. When in 1988, Mr. Gorbachov came to the helm of affairs, what did he see? He saw that the 70 years of experiment both in agriculture field and industrial sector had yielded no result. How did collectivization of agriculture and collective farms work? The initial period of Stalin was successful. But in the course of time, agriculture declined so much that the produce of 1913, on the eve

of time, agriculture declined so much that the produce of 1913, on the eve of the 1st World War, was the same as the production in the year 1985. Why? It was because of the public sector management of the entire agriculture.

Now what has happened to industry? Since Russia could not be influenced by the economic forces outside, the industry stagnated. What was produced in the Soviet Union was not finding markets outside and even in the Eastern Europe. Even inside the country people would not use their own products because they were of substandard quality. Mr. Gorbachov himself collected statistics in the year 1985. He found that 71 per cent of the Russian manufactured televisions were not usable. Why should the people purchase such things either inside or outside? So he decided about the great policy of Perestroika that we have to restructure our State, restructure our production system and we have to open our doors and windows. So closing the mind to outside influence is a dangerous thing for any country. Now, look at our great neighbour, China. During the era of Mao Zedong -- according to him, the United States was a fascist country -- he said, "No relations with the United States; no relations with the Western countries." But, just after Mao Zedong, when Deng Xiao Ping took over power, he totally demolished the Mao's philosophy, particularly in national fields, in public sector. He wanted to open China to the rest of the world, so much so that in the year 1988, the China-U.S. trade reached 13 billion dollars, and China opened its doors to all manufacturers, industrialists and private industries. Perhaps, our Government, -- I say, 'perhaps', as I am not sure -- our hon. Finance Minister is taking into consideration what our great neighbour, China, has done. So, privatisation, globalisation and modernisation have become the order of the day. But, here, I must caution the hon. Finance Minister and his Government that when we think of newness, we should not leap in the dark. With the best of intentions, our Finance Minister might be thinking, "Yes, we are taking a step in the unknown, we are jumping into the unknown, with the hope that we may land the country on the soft bed of sweet smelling roses." But, a slight miscalculation here and there, a slight carelessness, a slight slackness, may land the country on a bed of thorns, or may be under the deep sea full of thorns. Why do I say so? When I talk of China, when China opened the doors of liberalisation, globalisation, etc., the Chinese Government, being the Communist Government and a monolithic Government, could impose terms

and conditions on all foreign investors: "Either abide by these terms and conditions, or do not come at all." And, what are those terms and conditions? The Government must first guard the self-interests of its own country. He said: "We will supply you materials; we will supply you cheap manpower, and there is no labour unrest in the country; you are safe to initiate your own industry. Start it, but your profits cannot be according to your own decision or will. That must be controlled and regulated by the Government. You have to first heed the interests of the common people of China; thereafter, whatever you produce, we will decide the market, not you alone, and whatever profit comes, your share will be this much alone and not the entire profit that you might earn." Unless we learn certain things from China in the matters of globalisation, modernisation and liberalisation, perhaps we may land ourselves into an Indonesian type of a failure. Liberalisation, modernisation and privatisation having brought economic collapse to Indonesia, we must be careful about that.

Now, regarding LIC and GIC, I do not want to hold a brief for them. But, there is a saying: "Known devils are better than unknown angels." They may be known devils, but they have made substantial contribution to our national wealth. They have rendered good service to the people, however minimal in percentage. We could have rectified them, modified them, controlled them and made the public sector work up to the required standards. But, instead of doing that, we decided to open up the insurance business to the insiders as well as the outsiders, mainly the foreign agencies. This is all good. But these foreign agencies must be kept under thorough control of the Government. Finding India a very fertile soil for their industries, these businessmen would come to this country. But what is their motive? Their motive is not patriotic. Their motive is not to serve the interests of the Indian people. Their only motive is to make profit. This profit-making would encourage them to resort to various means. There would be bogus companies. There would be fraudulent companies. They know the art of motivating the people. They are more intelligent than our Government servants. It is very difficult to control them. Have we not seen in India, in recent times, how some of these fraudulent companies have mushroomed, whether it is in the plantation sector or this or that sector? Millions of people have suffered because of their clever and intelligent game. Unless we take care of these things, many more people of India will

be deceived in the name of insurance. When we think of insurance coverage, to whom are we going to give this coverage? Forty crores of people here are living below the poverty line and in slums, and if fire breaks out in a slum area, within an hour, hundreds of houses are burnt. How are you going to protect them through insurance cover? The rich people can insure their houses against earthquakes, cyclones and even mob fury. But how can these poor people insure their houses? How can they insure their health? How can they insure themselves against accidents and even against deaths, to earn family income benefits? So, herein should come the social security measures to be adopted by the Government through these insurance agencies. It was not for nothing that my party, the Congress Party, had moved such amendments in the Lok Sabha. The purpose was that insurance agencies coming from outside, or, even from within the country, must also spend some amount of money for social security, group insurance, so that the common people can be benefited.

So, my humble submission to the hon. Finance Minister would be to take care of these social security measures and welfare of the common people, when the insurance sector is opened up. Sir, so far as the word 'authority' or the 'Insurance Regulatory Authority' is concerned, I want to say one thing with all humility. The highest authorities in India today are the greatest suspects. The society suspects every authority in India today. Do we not have scams and scandals emerging from the highest authorities, percolating down to the lowest of cadres of the administration? How are you going to prevent those things? Who will control this authority? A slight slackness on the part of any member of this Authority or his nexus with the business community or these private agencies that are coming from abroad would ultimately harm the country more than it would help us. So, unless we take care of all these things while instituting the authority, constituting the body, unless we take care of those people, they cannot take care of the common people. They would take care of only themselves. So, Madam, you are taking a leap into the dark, but let there be light in the darkness in advance so that nothing goes wrong.

THE DEPUTY CHAIRMAN : Now, I have eight speakers listed over here. No more speakers are going to be added. We have to finish it within the stipulated time of 52 minutes which is left. So, Sangh Priyaji, you have only two minutes.

SHRI SANGH PRIYA GAUTAM (Uttar Pradesh) : Madam, as per my calculation, my Party has 12 minutes more, and I will take three-five minutes more than that.

THE DEPUTY CHAIRMAN : No, no. I have the calculation.

SHRI SANGH PRIYA GAUTAM : Yes, my calculation is here.

THE DEPUTY CHAIRMAN : You don't challenge the Chair, please. It will be in your interest because our Secretariat has calculated the time, and you have two minutes. Please speak according to the time.

SHRI SANGH PRIYA GAUTAM : Kindly check it again.

THE DEPUTY CHAIRMAN : Okay, if you don't want to speak, I will cut your name.

SHRI SANGH PRIYA GAUTAM : Madam, my party was allotted 66 minutes, and I think, we have taken 48 minutes only. Kindly check it. There is no harm in it.

THE DEPUTY CHAIRMAN : It includes the Minister's time also.

SHRI SANGH PRIYA GAUTAM : No, no. Minister's time is separate.

THE DEPUTY CHAIRMAN : No! ...*(Interruptions)*... Now, don't argue. Please sit down. कौशिक जी, आप बोलिये । *(व्यवधान)* आप बैठिये । अभी उनका समय नहीं आया है, जब आएगा तब बोलेंगे । मैं खाली इनफार्मेशन दे रही हूँ । .. *(व्यवधान)* The Minister's time is always within the stipulated time. It cannot be from somewhere else. We cannot give extra time from the House. You should realise that the Minister will have to reply, and he is replying on behalf of the Government, and you are part of the Government. Are you outside the Government?

श्री संघ प्रिय गौतम : मैं गवर्नमेंट में तो हूँ लेकिन मिनिस्टर नहीं हूँ ।

THE DEPUTY CHAIRMAN : I wish you become one.

श्री रमा शंकर कौशिक (उत्तर प्रदेश) : उपसभापति महोदया, मैं बीमा विनियामक और विकास प्राधिकरण विधेयक, 1999 को प्रवर समिति के पास भेजने के लिए निवेदन कर रहा हूँ। इस विधेयक के जरिये से एक ऐसी व्यवस्था का सूत्रपात हो रहा है जो सब को आश्चर्य में डालने

[उपसभाध्यक्ष (श्री सनातन बिसि) पीठासीन हुए]

वाली बात होगी हमारे देश की, संप्रभुता, पार्लियामेंट की शक्ति हमारे फेडरल करेक्टर का हास, हमारे राज्यों की सरकारों, नगर पालिकाओं के क्षेत्रों में भी दखलंदाजी का अंदेशा पैदा हो गया है। यह बड़ी हास्यास्पद बात लगती है जब भारत सरकार इस बात को एलान के साथ कह रही है हम किसी के दबाव में आ कर इस विधेयक को नहीं ला रहे हैं। आज की दुनिया में आर्थिक व्यवस्था के तीन प्रमुख क्षेत्र हैं। एक है कृषि क्षेत्र, एक है उद्योग क्षेत्र और एक है सेवा क्षेत्र। कृषि क्षेत्र में हम ने अपने को विश्व व्यापार संगठन के हाथों में सौंप दिया है। उद्योग के मामले में भी पेटेंट कानूनों के जरिये तथा और भी बहुत सी बातों के जरिये हमने अपने उद्योगों को भी उनके हाथों में गिरवी रख दिया है। और अब जो तीसरा नम्बर है, वह सेवा क्षेत्र का है। सेवा क्षेत्र आज की दुनिया में बहुत महत्वपूर्ण क्षेत्र है। सेवा क्षेत्र में बीमा, बैंक, प्रचार प्रसार, रेडियो, दूरदर्शन इत्यादि यह सारी चीज़ें आती हैं। ऐसी स्थिति में जबकि चारों तरफ हिंदुस्तान में इस बात की चर्चा आम है कि हम गेहूँ का आयात क्यों कर रहे हैं, हमारे मंत्री जी ने उस पर सीमा शुल्क लगाया है, यह बात अपनी जगह सही है लेकिन हम आयात क्यों कर रहे हैं जब हमारे यहां गेहूँ के भंडार हैं, जब हमारे यहां खाद्यान्न के भंडार हैं तो हम आयात क्यों कर रहे हैं? बात साफ है कि विश्व व्यापार संगठन से बंधे होने के कारण हमें गेहूँ का आयात करना पड़ेगा। हमारी मजबूरी है। उस आयात को हमें हर साल तीन प्रतिशत बढ़ाना पड़ेगा। इस बात को सरकार क्यों नहीं कहती है? सीमा शुल्क बढ़ाने से क्या समस्या का निदान हो जाएगा? आपने 340 वस्तुओं पर, जो केवल प्रसाधन की वस्तुएं थीं, सीमा शुल्क खत्म कर दिया, हटा दिया, विश्व व्यापार संगठन और विदेशी कंपनियों के दबाव के कारण। तो क्या यह सीमा शुल्क रहेगा और इस सीमा शुल्क के रहते भी क्या गेहूँ का आयात बंद होगा? सवाल इस बात का है। विदेशी तो बहुत सब्सिडी अपने खाद्यान्नों पर देते हैं। 35 से 74-75 फीसदी सब्सिडी खाद्यान्नों पर विदेशों में दी जा रही है। इसलिए वे तो अपने गेहूँ को ऐसे भी भेज सकते हैं चूंकि उन्होंने जब आपकी व्यवस्था को ठप्प करना है, जब आपके किसान की स्थिति को खराब करना है तो वे कुछ भी कर सकते हैं। उस समय क्या होगा! यह बात आप क्यों नहीं कहते।

इसी प्रकार से श्रीमन, मैं कहना चाहता हूँ कि सेवा क्षेत्र पर भी यह उनका हमला है। यह बीमा विधेयक जो पहली दफा इस मामले में आ रहा है इसके साथ जैसा मैंने निवेदन किया कि सेवा

[7 December, 1999]

RAJYA SABHA

क्षेत्र में बैंक भी आएंगे, रेडियो टेलीविजन भी आएगा, संचार व्यवस्था भी आएगी, सफाई व्यवस्था भी आएगी, स्वास्थ्य भी आएगा - सारी की सारी व्यवस्थाएं आएंगी और यह बात बड़ी हास्यास्पद लगती है, जैसा कि मैंने शुरू में कहा कि भारत सरकार कहती है कि हम किसी के दबाव में इस बात को नहीं कर रहे हैं।

श्रीमन, जिस पर भारत सरकार ने दस्तखत किए हैं उसके कुछ अनुच्छेद में आपको पढ़कर सुनाना चाहूंगा। सेवा समझौते के अनुच्छेद 1 का पैरा 3बी सेवा की परिभाषा करते हुए कहता है-

3 (B) Services include any service in any sector and except services supplied in exercise of Governmental authority इसके आगे पैरा 3सी फिर कहता है -

3 (C) A service supplied in exercise of Governmental authority means any service which is supplied neither on a commercial basis nor in competition with one or more service suppliers. और भी इसके आगे वह कहता है -यह अनुच्छेद जिस पर सरकार ने दस्तखत किए हैं, अनुच्छेद 1 पैरा 3ए -

A (3) (a) Measures taken by -

- (i) Central, regional and local Governments and authorities
- (ii) Non-governmental bodies in the exercise of power delegated by central, regional or local Governments or authorities.

इतना व्यापक है यह समझौता कि सरकारी, प्रशासनिक और सैनिक कार्यों को छोड़ प्रत्येक सेवा के क्षेत्र में विदेशी कंपनियों को व्यापार की पूरी छूट देनी होगी। इसलिए मैंने शुरू में कहा कि श्रीमन यह हमारे फेडरल कैरेक्टर को भी खत्म कर रहा है। यह हमारी जो राज्य सरकारें हैं उनके भी अधिकारों में हस्तक्षेप कर रहा है और जो हमारी नगरपालिकाएं हैं उनके अधिकारों में भी हस्तक्षेप कर रहा है - चूंकि स्वास्थ्य सेवाएं भी, जल -कर व्यवस्था भी और जो काम ऐसे होते हैं - वे सारी सेवाएं इसके अंतर्गत आ जाएंगी।

श्रीमन, महत्वपूर्ण प्रश्न यह उठता है कि आखिर इस समझौते को जो सेवा क्षेत्र का समझौता है, इतना व्यापक और इतना स्पष्ट क्यों बनाया गया है। वह उनकी मजबूरी है। विदेशी कंपनियों की मजबूरी है। विदेशी सरकारों की मजबूरी है चूंकि सेवा क्षेत्र उनके यहां एक बहुत

महत्वपूर्ण क्षेत्र बन गया है। आपको आश्चर्य होगा श्रीमन, कि स्विटजरलैंड की 90 फीसदी आमदनी सेवा क्षेत्र से आती है। इंग्लैंड, अमेरिका और फ्रांस की आबादी को जो रोजगार है उसका दो तिहाई हिस्सा सेवा क्षेत्र से आता है। इसलिए इस सेवा क्षेत्र को इतना व्यापक बनाया गया है कि हमारे यहां भी वे दखलंदाजी दे सकें और हमारे बीमा, हमारे बैंक और हमारे जो और इस ढंग के काम हैं उन कामों में उनकी दखलंदाजी हो जाए। उनकी बहुराष्ट्रीय कंपनियों का कब्जा हो जाए। जिस प्रकार से हमने अपने कृषि क्षेत्र को बंधक बना रखा है, उद्योग क्षेत्र को बंधक बना दिया है इसी प्रकार से सेवा क्षेत्र के विकास और सारी चीजों को बंधक बनाते चले जा रहे हैं, यह बात हम लोगों को समझ लेनी चाहिए।

श्रीमन, इसके अतिरिक्त सबसे बड़ी जो इस समय उनके सामने समस्या है वह समस्या यह भी है कि सेवा क्षेत्र उनके यहां पूरा का पूरा सैचुरेटेड हो गया है और सैचुरेटेड होने के कारण वहां पर बड़ी परेशानियां हो गयी हैं। करीब-करीब पांच सौ विदेशी कंपनियों का दीवाला निकल चुका है। लायड कंपनी जो इंग्लैंड की सबसे बड़ी बीमा कंपनी थी उसके ऊपर तीन हजार लाख स्टर्लिंग पाउंड का घाटा है। ऐसी स्थिति में उन्हें बाजार चाहिए और हम बाजार दे सकते हैं। सेवा क्षेत्र में आप को कितनी छूट है, यह बात बहुत स्पष्ट रूप से सामने आ चुकी है। आप बीमा क्षेत्र में उन कंपनियों का निवेश 26 फीसदी करने जा रहे हैं, लेकिन आप को आश्चर्य होगा कि अमेरिका में 3 फीसदी और जापान में 4 फीसदी विदेशी निवेश इस क्षेत्र में है। आप कहीं भी देख लीजिए, यह 5 फीसदी से ज्यादा नहीं है। ऐसी स्थिति में आप बहु-राष्ट्रीय कंपनियों का निवेश अपने यहां 26 फीसदी क्यों करने जा रहे हैं? आप समझते हैं कि इससे रोजगार के बाजार के अवसर आप को मिलेंगे, लेकिन आप उस में कम्पीट नहीं कर सकते। आप उन बहुराष्ट्रीय कंपनियों के सामने, उन बैंकों के सामने कम्पीट नहीं कर सकते जिन के पास भारी मात्रा में पूंजी है। जापान में 3 ऐसे बैंक हैं जोकि आप के सकल घरेलू उत्पाद से 3 गुना पूंजी रखते हैं। विश्व में और भी कई जगह ऐसी कंपनीज हैं, अमेरिका में भी हैं जिन के पास बड़ी भारी पूंजी है और सारी व्यवस्था उन के पास है। इसलिए आप वहां प्रवेश नहीं कर सकते हैं। फिर इजाजत नहीं है और अगर इजाजत हो जाए तो आपकी बीमा कंपनियां इस हैसियत में नहीं हैं कि विदेश में जाकर व्यापार कर सकें। हां अगर आप ने उस समय समझौते में समझ-बूझकर काम लिया होता और श्रम सेवा में उसे जोड़ा होता तो हम अपने टैक्नीशियन दे सकते थे, इंजीनियर दे सकते थे। लेकिन श्रम सेवा को उस समझौते में शामिल नहीं किया गया और भारत के पास जो गुण था, योग्यता थी, जिस का फायदा हम बाजार में उठा सकते थे, उससे हम वंचित रह गए। श्रम सेवा जो हमारे पास अतिरिक्त है, हमारे पास ज्यादा है जिस के तहत हम अपने टैक्नीशियंस व इंजीनियर्स भेज सकते थे, लेकिन उस की भी पाबंदी आप के ऊपर लग गयी। इसलिए सेवा क्षेत्र वाले मामले में अगर आप समझते हैं कि इस से आप को रोजगार के अवसर मिलेंगे और आप बाजार में कम्पीट

कर सकेंगे, वह संभव नहीं है। इस तरह आप अपनी ही व्यवस्था को भंग करते हुए आगे बढ़ रहे हैं जोकि भारत के नक्शे को ही बदल देगा जिस में पेटेंट कानून, बीमा, बैंक - ये सारी चीजें सेवा क्षेत्र में ही आती हैं। इसलिए इन मामलों में हम को बहुत सावधानी के साथ आगे बढ़ना चाहिए और इसी कारण मेरा प्रस्ताव था कि आप इस को प्रवर समिति के सुपुंद कीजिए।

श्रीमन् दूसरा महत्वपूर्ण पहलू यह है कि हमारे देश की एल0आई0सी0/जी0आई0सी0 आज की विद्यमान परिस्थितियों में अच्छा काम कर रही हैं और इन परिस्थितियों में कोई भी विदेशी कंपनी यहां नहीं आने वाली है जो गरीबी की रेखा के नीचे रहने वाली 40 फीसदी जनता को बीमे की सुविधा दे सके, उन को बीमा क्षेत्र के लाभ दे सके। कोई बहुराष्ट्रीय कंपनी अच्छा काम नहीं करेगी, सिर्फ आप के राष्ट्रीय स्तर की कंपनी ही इस काम को कर सकती है। अब जहां तक प्राइवेट कंपनियों का सवाल है, आप ने अपने यहां यह प्रयोग कर के देखा है। वर्ष 1956 तक आप के यहां ऐसा ही था - प्रीमियमों का गलत आंकलन था, लेखा-जोखा गलत था और उन्होंने पैसे का उपयोग तक वांछित जगहों पर नहीं किया था। यह सारी चीजें हम देख चुके हैं और ये सारी चीजें दूसरी जगहों पर भी हैं। मैंने 5 सौ विदेशी कंपनियों का जिक्र किया जोकि घाटे में चल रही हैं, जिन का दिवाला निकल चुका है। उस का जहां एक कारण यह है कि उन के यहां सेवा क्षेत्र का व्यापार पूरी तरह से सेचुरेट हो गया है, वहीं दूसरा कारण यह भी है कि उन के प्रीमियम के लेखे-जोखे और सारी चीजें उनकी भी गलत साबित हो चुकी हैं। तो वह प्रयोग उन लोगों ने भी देखा है और यहां तो हम लोग देख ही चुके हैं जिस को लेकर हम ने 1956 में एल.आई.सी. का और 1972 में जनरल इंयोरेंस कंपनी का राष्ट्रीयकरण किया।

श्रीमन् आज हमारे देश में जो स्थितियां विद्यमान हैं, जहां कि लोगों को शिक्षा के पर्याप्त अवसर नहीं हैं, बीमे के फायदे की जानकारी लोगों के पास तक नहीं है और यह बात सही है कि एल.आई.सी. सिर्फ आबादी के 7 फीसदी भाग को ही कवर कर पाई है। इसमें कोई संदेह नहीं, लेकिन यह भी सही है कि एल.आई.सी. का जितना भी व्यापार हिन्दुस्तान में है, उसका 45 फीसदी व्यापार उन गांवों में है, जिनकी आबादी पांच हजार से कम है। जिन गांवों की आबादी पांच हजार या छह हजार है, उनमें 45 फीसदी व्यापार उनका है। इस बात को भी हमें देखना चाहिए और इस बात को भी देखना चाहिए कि उनकी उत्पादकता बढ़ी है या नहीं, उनका व्यापार बढ़ा है या नहीं, उनके खर्च का अनुपात घटा है या बढ़ा है? वह भी उनका घटा है और ग्रामीण क्षेत्र के व्यापार में भी जबरदस्त बढ़ौतरी हुई है। यह सारी बातें अपनी जगह सही है। उनके जीवन फंड में भी बहुत बढ़ौतरी हुई है, इसमें कोई संदेह नहीं है। हमारे कई माननीय सदस्यों ने इस बात पर प्रकाश डाला है।

श्रीमन्, जो सामाजिक बीमा योजना और सामूहिक बीमा योजना हैं उस व्यापार में भी

हमारे एल.आई.सी. और हमारे जी.आई.सी. ने बड़ी पहल की है। आपको फंड भी काफी दिया है। जहां तक हमारी और दूसरी जिम्मेदारियां हैं उनको भी पूरा करने में मदद की है। आप देखें, 1997 में समाप्त होने वाले वर्ष में, जो उनका नया व्यापार था, वह 56,740 करोड़ रुपए का हो गया, जो कि वर्ष 1958 में 336 करोड़ रुपए के करीब था। तो व्यापार भी बढ़ा है, प्रीमियम-दर भी बढ़ी है। दूसरे देशों की प्रीमियम दर हमसे कम है, अमरीका में 331 प्रतिशत है, कहीं 205% है, कहीं 256% है, लेकिन हमारे यहां 580 प्रतिशत है, शायद फ्रांस का ज्यादा है। ऐसी स्थिति में हम यह समझ नहीं पा रहे हैं कि इस प्रकार से क्यों हमारी सरकार अपने इस उद्योग को खतम करने के लिए सोच रही है? एल0आई0सी0 और जी0आई0सी0 हमारी ठीक ढंग से काम कर रही हैं फिर विदेशी कंपनियों को क्यों ला रहे हैं? विदेशी कंपनियों से कोई फायदा होने वाला नहीं है, इनके आने से कोई लाभ हमें होने वाला नहीं है। प्राइवेटाइजेशन करने से आपके जो गरीबी रेखा के नीचे के लोग हैं, उनको परेशानी होने वाली है, फायदा होने वाला नहीं है।

श्रीमन्, दूसरी बात मुझे यह कहनी है कि इनका कहना है कि हम डायलूट नहीं करेंगे, एल0आई0सी0 और जी0आई0सी0 हमारे ऐसे ही बने रहेंगे, लेकिन विधेयक में यह प्रावधान किया गया है कि 6 साल बाद कोई भी 26 फीसदी से ज्यादा नहीं रख पाएगा। मैं जानना चाहूंगा कि उस समय सरकार क्या करेगी? इसका मतलब तो यह हुआ कि डायलूट होगा, 6 साल बाद होगा वह अलग बात है, 6 साल के बाद क्या स्थितियां होंगी वह भी अलग बात है, लेकिन डायलूट होगा क्योंकि 6 साल का प्रावधान इन्होंने अपने विधेयक में ही कर रखा है। फिर 6 साल में कोई भी 26 फीसदी से ज्यादा इक्विटी नहीं रख पाएगा। नतीजा यह होगा कि जो आपका प्रावधान है, उसके मुताबिक काम करना पड़ेगा। यह तो सरकार खुद ही करने जा रही है। ऐसी स्थिति में मैं यह समझता हूँ कि इस विधेयक पर विचार जरूरी है क्योंकि इससे हमारे आगे के रास्ते बड़े खराब होने जा रहे हैं। हमारा आर्थिक ढांचा, हमारा सामाजिक ढांचा इससे प्रभावित होने जा रहा है।

उपसभाध्यक्ष (श्री सनातन बिसि) : आप खतम करें। आपका टाइम खतम हो गया।

श्री रमा शंकर कौशिक : श्रीमन्, यह बात हम सभी लोग जानते हैं कि बहुराष्ट्रीय कंपनियां यहां कोई पुण्य कमाने की दृष्टि से आने वाली नहीं हैं। उनको तो अपना रोजगार करना है, अपना मुनाफा कमाना है। इसके साथ ही, जैसा मैंने आपको वह अनुच्छेद पढ़कर सुनाया, जिस पर भारत सरकार ने दस्तखत किए हैं, उसमें यह भी है कि उनके साथ आपको राष्ट्रीय व्यवहार करना पड़ेगा। उनके साथ आप कोई ऐसा व्यवहार नहीं कर सकते, उनको आपको पूरे तरीके से सम्मान देना पड़ेगा और उनके साथ राष्ट्रीय व्यवहार करना पड़ेगा। आप कहते हैं कि उनको आप अपने कब्जे में रखेंगे, यह बिल्कुल निर्मूल बात है। किसी भी ढंग से इस बात को स्वीकार नहीं

किया जा सकता। हम अपनी प्रभुसत्ता को, हम अपने पार्लियामेंट के अधिकारों को, अपनी राज्य सरकारों को, अपनी नगरपालिकाओं को निरीह बना देंगे, जैसा कि उस अनुच्छेद के जरिए से, उस समझौते की शर्तों से स्पष्ट है, जिस पर भारत सरकार ने दस्तखत किए हैं।

श्रीमन्, इन्हीं शब्दों के साथ, चूंकि आप बार बार कह रहे हैं, मैं अपनी बात खतम करता हूँ और यही मांग करता हूँ कि इस विधेयक को प्रवर समिति के सुपुर्द किया जाए। धन्यवाद।

THE VICE-CHAIRMAN (SHRI SANATAN BISI) : The House is adjourned till 2 O' clock.

The House then adjourned for lunch at one of the clock.

The House reassembled after lunch at two minutes past two of the clock,

[THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) in the Chair.]

उपसभाध्यक्ष (श्री संघ प्रिय गौतम): महोदय, बोलने से पहले मैं एक प्रार्थना करना चाहता हूँ कि उपसभापति महोदय ने चेयर से कहा था कि मेरे 2 ही मिनट बाकी हैं, इसलिए मुझे 2 मिनट बोलना है। उनका निर्णय मुझे शिरोधार्य है और चूंकि हमने चरित्र और सिद्धांत की राजनीति करने का फैसला लिया है, इसलिए मैं 2 मिनट में अपनी बात कह सकता हूँ लेकिन यह निर्णय भूल से हुआ है। कल मुझे बताया गया था कि मेरे 12 मिनट बाकी हैं। इसलिए यदि आपकी कृपा हो तो मैं ज्यादा समय लेना चाहूंगा।

उपसभाध्यक्ष (श्री अधिक शिरोडकर) : बी.जे.पी. को जो समय दिया गया था, उसमें अब केवल 2 मिनट बचे हैं।

श्री संघ प्रिय गौतम : उपसभाध्यक्ष जी, मैं इस विधेयक का समर्थन करता हूँ और इसलिए करता हूँ क्योंकि यह केवल मेरी सरकार का ही विधेयक नहीं है, राष्ट्रीय लोकतांत्रिक गठबंधन ने लोकसभा का चुनाव लड़ने से पहले एक राष्ट्रीय एजेंडा तैयार किया था, जिसमें एक मुद्दा यह था कि अगर हम सत्ता में आए तो हम आर्थिक सुधारों को जारी रखेंगे और चूंकि यह आर्थिक सुधारों की प्रक्रिया का एक अंग है, इसलिए मैं इस बिल का समर्थन करता हूँ। उपसभाध्यक्ष महोदय, इस मुद्दे पर हमने जनता से वोट मांगा था। जनता ने हमको वोट दिया, सत्ता

में बिठाया, इसलिए हम नैतिकता के आधार पर इस विधेयक को लाए और आज इसका समर्थन कर रहे हैं ।

महोदय, दूसरी बात यह है कि जब कांग्रेस सत्ता में थी और उदारीकरण की नीति को वह इस देश में लाई थी, तब हम उस तरफ बैठे थे । तब हमने उसका स्वागत किया था और सिद्धांत रूप में उसका समर्थन किया था, इसलिए आज भी हम इसका समर्थन कर रहे हैं । कांग्रेस भी इसका समर्थन कर रही है, वह इसलिए कि उन्होंने इस नीति को स्वीकार किया था। इसलिए हमारे वामपंथी भाई जो दोस्ती और कन्वीनियेंस ऑफ मैरिज की बात करते हैं, उनका भ्रम मैं दूर करना चाहता हूं । I have got something in my mind also. I represent the poor people of the country. इसलिए मैं यह कहना चाहता हूं कि यह जो आर्थिक और सेवा का मुद्दा है हम आज कोई नया इतिहास खोलने नहीं जा रहे हैं। हमारे देश के जितने भी राजनीतिक दल हैं वह जब कभी भी प्रांतीय स्तर पर, राष्ट्रीय स्तर पर अपनी बैठकें और सम्मेलन करते हैं तब आम तौर से राजनीतिक और आर्थिक विषयों पर चर्चा करके प्रस्ताव पारित करते हैं, प्रदेशों की आर्थिक स्थिति का जायजा लेते हैं, आलोचना करते हैं, संकल्प लेते हैं, सुझाव देते हैं, देश को एक संदेश देते हैं। इसलिए आज कोई यह नया अवसर तो है नहीं। जब कभी भी इस देश पर आर्थिक संकट आया है हमने संसद में इस सदन में अल्पकालिक चर्चा के बहाने और ध्यानाकर्षण प्रस्ताव के बहाने इस मुद्दे पर हमेशा चर्चा की है। इसलिए कोई आर्थिक मुद्दा अछूता नहीं रहा है। इसके अलावा चाहे डंकल प्रस्ताव हो, चाहे गेट हो, चाहे आर्थिक उदारीकरण हो, चाहे व्यापार का भूमंडलीकरण हो, चाहे विश्व व्यापार संगठन हो इस पर भी किसी न किसी बहाने सदन के अंदर और सदन के बाहर चर्चा होती रही है और इस सदन की समितियों ने चर्चा की है और इस चर्चा का परिणाम क्या निकला? सैद्धांतिक रूप से कांग्रेस ने इस मुद्दे को स्वीकार किया, भारतीय जनता पार्टी ने समर्थन किया, समाजवादी, वामपंथी दलों ने विरोध किया। वही स्थिति आज भी ज्यों की त्यों बनी हुई है और इसमें कोई परिवर्तन होने वाला नहीं है। इसलिए इसको प्रवर समिति को भेजने का कोई औचित्य नहीं है। On this basis, I reject this idea outrightly. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI ADHIKSHIRODKAR) : Gautam Saheb, please don't pay attention to them. They want to deduct your time by interrupting you. Please continue.

SHRIMATI KAMLA SINHA (Bihar) : How can he reject it? He is not a Minister. He can give a suggestion to the Minister. ...*(Interruptions)*...

SHRI SANGH PRIYA GAUTAM : As a Member, I will independently say anything, whatever I feel. महोदय, इसलिए वह औचित्यपूर्ण नहीं है और फिर हम ऐसे मुकाम पर पहुँच गए जाने-अनजाने कि हम वहाँ से वापिस नहीं हो सकते। मैं आपको एक उदाहरण देना चाहता हूँ। हमारे देश के ज्यादातर सांसद गांव से, गरीब घरों से, किसानों के घरों से आते हैं। हमने कभी ए0सी0 देखा नहीं, ए0सी0 में रहे नहीं। हमारे चाचा, ताऊ, मामा फूफा, भैया-भतीजे, रिस्तेदार, परिवार के लोग कभी ए0सी0 इस्तेमाल नहीं करते। लेकिन हम लोग ए0सी0 सदन में बैठते हैं, ए0सी0 घर में रहते हैं, ए0सी0 कार में जाते हैं, ए0सी0 गाड़ी में जाते हैं, ए0सी0 हवाई जहाज में जाते हैं, ए0सी0 रेल में जाते हैं और अनेकों बहाने प्रदूषण के टटोलते हैं। इसलिए हम इसके आदि हो गए हैं और हम इसको जानते हैं कि ए0सी0 से प्रदूषण होता है, हमारी सेहत खराब होती है, हमारी उम्र कम होती है लेकिन हम इसको छोड़ नहीं सकते। इसलिए मजबूरी बन गई, यह मजबूरी बन गई।.....(समय की घंटी)

महोदय, अब मैंने.....(व्यवधान)..... आपसे प्रार्थना है कि.....(व्यवधान).....

उपसभाध्यक्ष (श्री अधिक शिरोडकर) : कुछ क्षण के लिए मेरी तरफ देखिए उनकी तरफ नहीं।

श्री संघ प्रिय गौतम : मैंने पहले कहा कि मैं इस विधेयक का समर्थन करता हूँ। लेकिन मैं श्री यशवंत सिन्हा जी से और अपनी सरकार से कुछ निवेदन करना चाहता हूँ। उनका ध्यान राष्ट्रीय एजेंडा की तरफ आकर्षित करना चाहता हूँ। अपने राष्ट्रीय एजेंडा के इकोनॉमी के चैप्टर में पहले यह था कि

"We will continue with the reform process and give it a strong swadeshi thrust so that the national economy grows on the principle that India shall be built by Indians."

एक तो मैं इस ओर ध्यान दिलाना चाहता हूँ। This is our agenda. मेहरबानी करके इसका ख्याल रखें। दूसरी बात इसी में आगे कही है -

"It means that we will facilitate the domestic industry to give it enough muscles to compete with the multi-nationals in the local and global market. We want the domestic companies to flourish and accord it a trans-national status."

इसका भी हम ध्यान रखें, मैं सरकार से यह अपील कर रहा हूँ। अब तीसरी बात,

"We will carefully analyse the effects of globalisation, calibrate a process by devising a time-table to suit our national conditions and requirements so as not to undermine, but strengthen, the national economy, the indigenous industrial base in the financial and service sector."

इसलिए मैं दो महानुभावों को उद्धृत करके अपनी बात समाप्त कर रहा हूँ। हम आज श्री वल्लभ भाई पटेल और डॉ. अम्बेडकर का उदाहरण देते हैं। ये दोनों महान पुरुष थे, राष्ट्रनिर्माता थे, राष्ट्रीय व्यक्ति थे। इन दोनों की सोच क्या थी, यह कह कर मैं अपनी बात समाप्त कर रहा हूँ।

Shri Vallabhbhai Patel, as President of the A.I.C.C. in his speech in 1931 at Karachi about economic and social growth, emphasised on Swadeshi and said, कांग्रेस वालों का ध्यान चाहता हूँ, "Whatever we produce in our country, we must encourage through the exclusion of foreign. This is a condition for national growth. Thus, we must encourage and carry on an intensive propaganda on behalf of indigenous insurance companies, banking, shipping and the like. We should not belittle or neglect them on the ground of their inferiority or dearness."

श्री मोहम्मद सलीम (पश्चिम बंगाल) : ये आप कहां इतिहास से दूँडकर ले आए हैं ? वह कहते हैं के क्या अब तो ज़माना बदल गया है, अब ये सब पुरानी बातें नहीं चलनी चाहिए।

श्री संघ प्रिय गौतम : वल्लभ भाई पटेल ने आगे क्या कहा, वह कहता हूँ। "The State shall control the key industries and services, mineral resources, waterways, shipping and other means of public interest." This is what Vallabhbhai Patel had said. (Time-bell)

SHRI GURUDAS DAS GUPTA (West Bengal) : Sir, he should be given time.

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) : I don't mind giving him time, but who is giving up his time here?

SHRI GURUDAS DAS GUPTA : The House will give time. We shall sit late to listen to him.

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) : Gautam Ji, you have already exceeded your time. Please conclude.

SHRI SANGH PRIYA GAUTAM : I will finish within half a minute. Dr. B.R. Ambedkar had, in his memorandum and draft article on the rights and the status of the poor people while framing the Indian Constitution on March 24, 1947, said:

"Insurance shall be a monopoly of the State and that it shall compel every adult citizen to take a life insurance policy commensurate with his wages, as may be prescribed by the Legislature."

इसलिए उपसभाध्यक्ष जी, मैं प्रार्थना करता हूँ एक उदाहरण देकर ...(व्यवधान).... एक बात मुझे कह लेने दीजिए। कल बात आई थी उड़ीसा की। उड़ीसा में चक्रवात आ गया, लोग मर गए लेकिन एक विदेशी कंपनी ने बजाय बिजली के दाम माफ करने के, तीन गुना बढ़ाने की इच्छा व्यक्त की। मैं यह भी जानना चाहूंगा कि कितनी विदेशी कंपनियां इस देश में ऐसी हैं जिन्होंने उड़ीसा के विकटिम्स के लिए मदद की है, इसका भी पता लगाया जाए। इसलिए मैं यह प्रार्थना करूंगा कि हम इसको बढ़ावा जरूर दें। हमारे नेशनल एजेंडा का यह कार्यक्रम है। लेकिन हम अपने पूर्वजों के कथन को भी न भूलें और हम अपने हितों को न भूलें। मैं इस विधेयक का समर्थन करता हूँ।

*श्री मोहम्मद सलीम : सर, एक बात पर गौर किया जाना चाहिए। हमारे ऊपर यह लांछन लगाया जाता है कि जब ट्रेजरी बेंचें से कुछ बोलते हैं तो विरोधी पक्ष के लोग बोलने नहीं देते हैं, बाधा डालते हैं। आप देखिए कि विरोधी पक्ष के लोग ज्यादा उत्साह दे रहे हैं, प्रोत्साहन दे रहे हैं। वह उनको सुनना चाहते हैं क्योंकि यह राष्ट्रहित की बात है।

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) : I appreciate your change of heart.

*Transliteration of the speech in Persian Script is available in the Hindi version of the Debate.

SHRI GURUDAS DAS GUPTA : Sir, may I suggest one thing? This is a Bill of national importance. Let the two principal parties allow their Members to speak and act and vote according to their conscience. Then, we will find what the real situation is.

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) : If it comes to my knowledge that they are being asked to speak against their conscience, I will take notice of it, but not from you. ...*(Interruptions)*...

SHRI V.P. DURAISAMY (Tamil Nadu) : Mr. Vice-Chairman, Sir, I thank you for giving me this opportunity to speak on the Insurance Regulatory and Development Authority Bill, 1999. On behalf of my party, DMK, I rise to support this Bill. This Bill has created an uproar in the country, apart from generating a lot of heat and political propaganda. However, one should bear in mind that when this Bill becomes an Act, it will not immediately lead to privatisation of the insurance sector. In the case of the insurance sector, a healthy competition is missing. If there is competition in this sector, then, there will be an awareness of the benefits of insurance, timely payment of premium, immediate release of loans and timely disposal of the matured policies. According to this Bill, private companies cannot act on their own. This Bill makes it clear about certain benefits to the society, requirements of the villages and imposes some conditions on investment or deposits. Therefore, the argument that there is a chance of transferring the profit by multinational companies to their countries is ill-conceived. During the period of the United Front Government, this Bill was introduced, but it could not be passed. Various political parties felt the need for such a Bill. So far as insurance benefits are concerned, these do not reach the rural areas. Out of the 100 crore population, only one per cent of the population is under medical insurance. Now, the time has come to open up the insurance sector to the private sector. Healthy competition is a must and essential for the growth and development of the insurance sector because, only then, people will derive several benefits. There is a word in this Bill, "nominee" I request the hon. Minister to kindly elaborate it a little more. There is an apprehension that some non-corporate persons like NRIs, trusts, etc., will make investments which are not covered by the provisions of the Bill. Let the House be informed about this point also. The hon. Minister should ensure that the provisions of this Bill are not misused. If anybody misuses the provisions

of this Bill, he should be penalised severely. We do not know whether the Bill seeks to create a statutory, strong and vibrant authority.

Sir, I and the other Members of the House request the hon. Minister not to raise the foreign equity participation beyond 26 per cent. This Bill should clarify as to who can come and invest here, in clear terms. After a company gets a licence, its functioning should be closely monitored by the proposed Authority. I hope the hon. Finance Minister has taken legal opinion while formulating the Bill so that nobody can interpret the provisions of the Bill in a wrong manner.

Sir, I want to know: what will happen to the existing agents working in the life insurance sector. I would request the hon. Minister to protect and safeguard the interests of the existing agents. I want the hon. Minister to make clear the distinction between an old agent and a new agent. I also want the hon. Minister to allay the fears of the people about the capital flight by foreign promoters. Kindly see that they cannot take away Indian policy-holders' money. I would also appeal to my friends to support this Bill. Let us pass this Bill and see how the Act functions. We need not fear about foreign promoters because our country is very strong and powerful. Nobody can take us for granted. Sir, I would like to inform my friends who are opposing this Bill that our Life Insurance Corporation and General Insurance Corporation have branches in foreign countries also. When our insurance companies can function in foreign countries, why should not foreign companies function in our country? We are going to have a regulating authority which will oversee their functions.

Sir, yesterday, we witnessed our senior Member Mr. Gurudas Das Gupta and Mr. Nilotpal Basu giving valuable suggestions that were welcomed by our hon. Finance Minister. Our hon. Member Dr. Selvie Das also mooted an important point. These companies should give employment opportunities to the minority sections as well as the Scheduled Castes and Scheduled Tribes and the backward communities. Whatever may be our party differences, the suggestions of Mr. Gurudas Das Gupta can be taken into account while formulating the Bill. Thank you.

SHRI R. MARGABANDU (Tamil Nadu) : Sir, I rise to oppose this Bill, on behalf of my party, the AIADMK, for various reasons. We also

demand that this Bill should be sent to a Select Committee for further consideration. The reasons are manifold. The evils experienced while insurance was in the private sector, progressive Governments think it fit to nationalise this sector as well as other sectors. Sir, the evils were examined in the year 1956. Late Pandit Jawahar Lal Nehru and Mr. C.D. Deshmukh, the then Finance Minister, brought in the legislation for nationalisation. The Life Insurance Corporation Act was passed in the year 1956 with Rs.5 crores of capital. At that time, when the Bill was introduced, Mr. C.D. Deshmukh, on 19th January, 1956, expressed his opinion, "Insurance is an essential service which a welfare state must make available to its people. The nationalisation of life insurance will be another milestone on the road the country has chosen to reach its goal of a socialistic pattern of society. It is a measure conceived in a genuine spirit of service to the people."

With that spirit, the legislation was introduced. Later, both the Centre and the States wanted to nationalise everything, finding that the private companies were looting the nation and not serving the nation properly. And the nationalisation schemes were brought in. It is a policy of the nation. But now, when the Governments were thinking of nationalising several sectors, this BJP Government is planning and programming to drive in the reverse gear. What has been nationalised, they want to privatise. Banks nationalisation and abolition of privy purses had been adopted when the Congress was in power. Now, in spite of several objections from several quarters in the whole of India, this Government is determined to privatise the insurance sector. The interest of the common man must be and was the primary consideration for the nationalisation. Now, that interest is being bartered away by this Government by privatising this sector. Sir, these insurance companies have been granting loans at a very low rate of interest for providing roads, drinking water and drainages. These companies have also been giving insurance coverage to the rural section. These companies have been providing free insurance coverage to the agricultural labourers, to the hut dwellers. The rate of premium is also minimum and they have been providing an excellent consumer service and proper security to the policy holders. These are the benefits which have flown from this sector. Now, I come to the improvement that has been made by the insurance sector. I would like to inform the House that the Government had given Rs. five crores to this company in the year 1956. Now, they have the assets worth Rs. 91, 458 crores. The LIC has so far

[7 December, 1999]

RAJYA SABHA

paid Rs. 585 crores to the Government in the form of income tax. The total income of the LIC now is Rs. 25,933 crores. Rs. 172 crores have been given to the Government in the form of profit and dividend. Dividend to the extent of Rs. 3511 crores have been paid to the policy holders. Now, the compulsion on the part of the Government, I believe, is that the insurance sector in the foreign countries has become saturated. Now, the foreign companies and the Indian capitalists are pressurising the Government to privatise this sector. An assurance has been given that the foreign investment shall not exceed 26 per cent. Who is going to control it? Once this sector has been opened up to the foreign investment, the foreign investment will increase to a great extent. Yesterday, my colleague, Shri Gurudas Das Gupta has stated that the Congress party was opposing this Bill. They had suggested four amendments. These four amendments were not carried out by way of the Government amendments to this Bill. But a mere assurance was given by the Finance Minister and the Congress party was satisfied with that assurance. What is the guarantee that the assurance given by the Finance Minister will be carried out unless this Bill is suitably amended? Sir, during the last five years, globalisation, liberalisation have taken place. The object of the Bill is to get more funds from the foreign countries for building up the infrastructure. But where is the investment? The foreign companies are only investing in areas where they can make profit just like Pepsi, Coca Cola and so on. They have put their money only in such companies and they are making a lot of profit because they are controlling these companies. So, what is the necessity for privatising the insurance sector? No technological input is needed in this sector. We can continue with the insurance sector without privatising it because the Government is earning a lot from this sector. Why is the Government thinking of privatising this sector? Is it because of the inefficiency of the Government that they are privatising this sector? Is it because the Government is not able to control or command the insurance sector? The Government is thinking very much about the foreign countries. What is the position of the foreign companies? One multinational company in America called the Prudential Company had paid Rs. 1,800 crores by way of fine for default. The Metropolitan company had paid Rs. 72 crores by way of fine. Some of the companies have been blacklisted. As a matter of fact, one of the five hundred big companies called the First Executive company had gone on insolvency. So, this has been the previous experience of these companies. If those companies are invited here and the money belonging to

common people is given to them and if they become insolvent, if they become bankrupt, what would be the fate of the policyholders who have put their hard earned money into this sector?

Sir, in Tamil Nadu, there are several Nidhis like Sneham, Omega. They have floated a lot of money, but they have become bankrupt, they have become insolvent, and the persons who have contributed their money are helpless now. After the introduction of globalisation, the Harshad Mehta share scam came to the surface. These are the things which we will experience by privatising the insurance sector. The Government should take note of all these things. So many difficulties can arise. If foreign companies are allowed, there will be a problem in the settlement of claims. That will lead to undercutting the premium, aggressive marketing, etc. They will mislead the people. Problems will arise in transferring the funds, in accountability of the foreign companies. There will be litigation problems also. I humbly request, on behalf of my party, that all these things should be taken note of and the Government should see to it that proper safeguards are provided for protecting the interests of Indian companies. Hitherto, whenever it was given to the private people, it has been concentrated only in the hands of urbanised people and only the rich people are utilising it. But the LIC has reached the common man in villages.

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) : Please conclude.

SHRI R. MARGABANDU : Just one minute, please. Sir, 2.12 crore persons are involved in the insurance sector. What will happen to them? Where is the job security? Will those people be absorbed somewhere else or not? These are the things which should be taken into consideration before privatising this sector. I humbly request the Government to reconsider all these things. The various quarters throughout India have been clamouring about it. They are opposing it. Every day, we are finding that slogans are raised, protests are made by the public. Let these things be considered, let this Bill be referred to a Select Committee, and let the opinion of all sections of the people, cutting across party lines, either the ruling party or the Opposition parties, be taken. Let us go in a phased manner, in a peaceful way. That will not affect the common man.

I now pose the last question to this Government. If the money is invested, and if the foreigners become bankrupt and insolvent and go away with our money, who is going to answer the people? What is the assurance given by this Government? Has the Government given any assurance in this Bill that even after privatising this sector the interests of the common man will be safeguarded? So, I oppose the Bill by tooth and nail. I request that it should be referred to a Select Committee.

SHRI JOYANTA ROY (West Bengal) : Sir, I rise to oppose this Bill. I am sorry to subscribe to the views expressed by the hon. Members on this side and that side of the House because it is supposed to be a death-sentence to the long-cherished policies and principles of self-dependence of the country. Sir, there are sufficient reasons to believe that "imperialism" has taken a calculated move to snatch away the economic sovereignty of the country. Therefore, Sir, this will be a historical blunder on the part of this Parliament to pass this Bill because of the fact that our national economy is going to be shattered if such a move is being endorsed by the highest democratic forum of the country. Sir, I do believe that if such a move is endorsed by this Parliament, our posterity would not forgive us. The entire nation would have to pay for this misdeed in the near future. Sir, on the 22nd November, it was witnessed by the entire nation that the ruling Party and the main Opposition, both in coalition, had taken a move to pass this suicidal Bill. Sir, we, the Left alone, cautioned our countrymen, time and again, through political effort in and outside Parliament, about this danger. But, unfortunately, Sir, in the name of globalisation of the economy and a new industrial policy, the national economy has already been brought under the dictate of G-7 countries. Sir, it is amusing when our learned friends commented here that if we amend this Bill for allowing the foreign companies, it will encourage mobilisation of extra resources of more than four lakh crores of rupees. Sir, it is an absolutely absurd proposition. It cannot take place because the insurance coverage now-a-days is only seven per cent. Around 40 per cent of the people are living below the poverty line. Now, if the Government is sincere to cover the rest of the 60 per cent population, then, the main effort would have been to boost the performance of the LIC and the GIC. There is no need to invite foreign companies. The experience of allowing foreign companies is bitter for us. When most of the developed countries have their own laws to protect the insurance sector in their respective countries, it is

mysterious why our Government is taking a different way. Sir, we should take into consideration that the performance of the LIC and the GIC, since nationalisation, is satisfactory. In comparison with the Gross Domestic Product, the growth is nearly 15 to 20 per cent. It is quite satisfactory. Yes; it requires some reforms in respect of administration and in respect of performance. But if we invite these foreign companies, it will open up the pandora's box which will ultimately exploit the entire population of this country. Therefore, Sir, I resist this Bill. I ask all my colleagues to stand unitedly to resist this Bill. I ask our hon. Finance Minister to think over the matter because the performance of the LIC and the GIC has already generated a surplus capital of more one lakh thirty thousand crores. And if we can pay more attention and make more effort, in my opinion, it could generate more than four lakh crores of extra money which could be invested in our agricultural sector, infrastructure sector and power sector. Therefore, Sir, I, at the end, would request our hon. Finance Minister to please pay heed to our appeal, constitute a House Committee and send this Bill to Select Committee of the House for a thorough review. Now, at this point of time, the entire nation is looking up to us and seeing what we are doing here. Therefore, Sir, through you, I request the Government to think over it and constitute a Select Committee for further review of this Bill. Thank you.

श्री बलबन्त सिंह रामूवालिआ (उत्तर प्रदेश) : धन्यवाद । सर, इस बिल पर बोलते समय मुझे दुख भी है, लेकिन एक खुशी भी है कि इतिहास में हर चीज एक्सपोज हो रही है । मेरे बी.जे.पी. के मित्र और उन के दोस्त सारी जिंदगी यह कहते रहे, 'भगवान राम और शबरी के बेर और वह भी जूठे ।' ये बात तो गरीबनी शबरी की करते रहे, लेकिन अमल आज रसगुल्ला खाने वालों की सेवा करने का कर रहे हैं और रसगुल्ला भी कलकत्ते का होता तो मैं मान जाता, वाशिंगटन और लंदन के रसगुल्ले देकर सेवा कर रहे हैं ।

श्री टी.एन. चतुर्वेदी (उत्तर प्रदेश) : ये रसगुल्ले आप ने इकट्ठे कर के रखे थे जब आप मिनिस्टर थे ।

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) : Let us not miss the sweetness of the rasgulla.

श्री बलवन्त सिंह रामवालिया : सर, मैं ने तो बहुत नरमी से कहा है कि गरीबों के विरोध में काम हो रहा है। कल श्री यशवन्त सिन्हा जी ने बार-बार कहा कि 6 बिलियन डॉलर्स का इनवेस्टमेंट मिलेगा। सर, एक बात मैं माननीय वित्त मंत्री जी से कहना चाहता हूँ कि आप भारत के एक अरब लोगों के सामने हाथ खड़े कर के यह मान लीजिए कि हम फेल हो गए हैं। सर, यह सरकार इश्योरेंस करने में फेल हो गयी है, भारत के साधनों का प्रयोग करने में असफल रही है और इसलिए ये अपनी असफलता मानकर विदेशियों को इनविटेशन दे रहे हैं कि आप आइए। सर, यह देश की बेइज्जती है। इस के अतिरिक्त आप जिन विदेशियों को बुला रहे हो, वह यहां किस लिए आ रहे हैं ? वह इस देश का धन, उस के साधनों से अपनी पूंजी विकसित करने और यहां की पूंजी को ले जाने के लिए आ रहे हैं। वह यहां त्रिवेणी संगम और इलाहबाद में स्नान करने नहीं आ रहे हैं और न वे यहां गुरुग्रंथ साहब का पाठ करने आ रहे हैं। वह तो सीधा सौदा करने आ रहे हैं कि हम मुनाफा लेंगे और उसे अपने देश में ले जाएंगे और हम सभी दरवाजों के ताले तोड़कर उन से कह रहे हैं कि आइए, पधारिए, मुनाफा लीजिए और वापिस जाइए, यह देश आप के मुनाफे के लिए है। सर, इस से ज्यादा बेइज्जती की बात क्या होगी।

सर, एक बुरी बात जो हमारे देश की 'साइकी' में आ रही है। सर, जैसे 15-20 वर्ष पहले विदेशी कपड़ा पहनने की बात थी, विदेशी रेडियो या टी.वी. रखने की बात थी, अब हम विदेशी पूंजी को बढ़ावा देने में लगे हैं।

(उपसभापति पीठासीन हुईं)

आज आप मुंबई स्टॉक एक्सचेंज या नेशनल स्टॉक एक्सचेंज के किसी भी रोज का इंडेक्स देखिए, वह कभी ऊपर जाता है, तो कभी नीचे आता है और जो इक्विटी शेयर्स इनवेस्टर्स को ज्यादातर एट्रेक्ट करते हैं, वह विदेशी कंपनियों के होते हैं। वह इसलिए कि हम सारा दिन रेडियो और टी.वी. पर विदेशी चीजों की तारीफ करते रहते हैं। जब बहुत सारी पार्टियां अपने इलेक्शन मैनिफेस्टो में विदेशियों की तारीफ करेंगी तो विदेशियों का इनवेस्ट करने का रुझान बढ़ेगा। ऑनरेबल मैडम, यह खतरनाक रुझान है। यह इस देश में विदेशी पूंजी खर्च करने, लगाने का फौबिया क्रिएट किया जा रहा है। मैंने कभी कहानी पढ़ी थी, जिसमें पढ़ा था कि एक दोस्त के पांव में कांटा चुभा तो दूसरे दोस्त के दिल में दर्द हुआ। यह तो पढ़ा था, लेकिन यह कभी नहीं पढ़ा था कि हुकूमत में बैठकर विदेशियों के प्रति ज्यादा दर्द होता है, अपनों का दर्द ही नहीं होता। ऐसा कभी नहीं सुना था। मैं पूछता हूँ, उपसभापति जी, आपके माध्यम से, कि क्या यह आपकी गवर्नमेंट की प्रायोरिटीज हैं ? भारतीय जनता पार्टी और उसके सहयोगी दलों को इस देश की एक

अरब जनता के प्रति जवाबदेह होना होगा कि आपकी प्रायरिटी जो किसान खुदकुशी कर रहे हैं उनको बचाने की क्यों नहीं है ? आपकी प्रायरिटी बेरोजगारों को रोजगार देने की क्यों नहीं है ? जो सिर दर्द और पेट दर्द की दवा 15/- रुपए और 20/- से कम नहीं मिलती उसको कम में दवा दिलाने की प्रायरिटी क्यों नहीं है ? क्या आपकी प्रायरिटी विदेशियों को बीमा कंपनियों में, बीमा सेक्टर में खींचकर लाकर उनको मुनाफा देकर वापस जाने देने की है ? क्या यह देश के साथ अन्याय नहीं है ।

मैडम, अब आप देखिए, विदेशी कंपनियों की अंधाधुंध बाढ़, विदेशियों की सेवा और विदेशी पूंजीपतियों की गुलामी जैसी, मैं गुलामी सीधे नहीं कह रहा हूँ, गुलामी जैसी मैंने कहा है, गुलामी जैसी जो यह बात मजबूत की जा रही है इसके पीछे क्या है ? पिछले दो साल से यहां एक जाल बिछ रहा है ।

न तुम बचोगे न साथी तुम्हारा ।

डूबाओगी किशती तो डूबोगी सारे ।

मैडम, यह जाल बिछ रहा है और जाल क्या बिछ रहा है ? पिछले साल मैं आप देखें, कार और स्कूटर की सेल 26 प्रतिशत बढ़ी है, जबकि साइकिल की सेल 12 प्रतिशत बढ़ी है । साइकिल की केवल 12 फीसदी क्यों रही और कार, स्कूटर की 26 फीसदी क्यों हुई ? मेरी कुछ फैमली कनाडा और अमरीका में रहती हैं इसलिए मेरा तजुबा है, यह इसलिए बढ़ी क्योंकि आप यहां विदेशी बैंक लाए और वह बैंक कहते हैं कि कार ले जाओ सिर्फ दस हजार रुपया दे जाओ ओर बाकी ले लेंगे । आदमी किधर बचकर जाएगा । यह एक जाल बिछ गया है । निकल नहीं सकेंगी मछली और यह मछली फंसकर मरेगी ।

उपसभापति : रामूवालिया जी ।

श्री बलवन्त सिंह रामूवालिया : जरा इतनी जल्दी नहीं । हमें तो वर्षों के बाद टाइम मिला है बोलने के लिए।

उपसभापति : रामूवालिया जी, अब तो मछली खुद पकड़ी गई ।

श्री बलवन्त सिंह रामूवालिया : आदरणीया, जहां 40 फीसदी लोग गरीबी रेखा से नीचे रहते हैं वहां कारों की सेल बढ़ रही है और यह इसलिए बढ़ रही है कि जिनकी जेब में थोड़ा सा पैसा होता है उनको विदेशी बैंक फंसा रहे हैं । अब तक किसान कर्ज से खुदकुशी कर रहे थे

और अब आने वाले पांच-सात साल में टाई लगाने वालों को भी खुदकुशी करने वालों की कतार में खड़ा करने का प्रबंध यह विदेशी बैंक कर रहे हैं ।

आदरणीय मैडम, संघ प्रिय गौतम जी किधर चले गए ? अच्छा, हैं । मैं इनसे एक बात कहूँ कि आपको आगे जवाब देना पड़ेगा । अगर और कोई करता है इस बीमा विधेयक का संपाद तो माफ तो उन्हें भी नहीं करना चाहिए भारत के जन-साधारण की ओर से, मगर क्या आपको फिक्र है अनुसूचित जाति और अनुसूचित जनजाति के लोगों की क्योंकि उनके लिए नौकरी ज़ीरा प्रतिशत भी नहीं है ? आपने कैसे मदद कर दी इनकी । मैं भारत का कल्याण मंत्री रहा हूँ । --- (व्यवधान) --- आप सुनिष्पत्ति ज़ातीकए मत । मैं कुछ ऐसा नहीं कहता ।

श्री एम. वेंकैया नायडु (कर्नाटक) : उपसभापति जी, मुझे याद आ रहा है, जब रामूवालिया जी मंत्री थे, यह बीमा विधेयक उसी समय कैबिनेट ने एपूव किया था । क्या वह इसको भूल गए ?

श्री बलवन्त सिंह रामूवालिया : माननीय उपसभापति जी, मैं अर्ज कर रहा हूँ कि मेरे ऊपर लांचन रहा, मेरे खिलाफ देवेगोडा जी को लिखकर दिया गया कि रामूवालिया जाट है, अपर कास्ट से है, इसको क्यों कल्याण मंत्री बना दिया ? लेकिन मैं कह सकता हूँ कि 153 एस.सी., एस.टी. के मੈम्बरों ने मेरे पक्ष में रजोल्यूशन किया कि पिछले 50 वर्षों में नॉन शैडयूल्ड कास्ट होते हुए भी रामूवालिया एक ऐसा मिनिस्टर आया है जिसने शैडयूल्ड कास्ट के लिए सबसे ज्यादा कोशिश की है । श्री यशवंत सिन्हा जी से मैं कहना चाहता हूँ, वे कह रहे हैं कि रेगुलेटरी अथारिटी आ रही है, यह क्या होती है अथारिटी ? रेगुलेटर होता है अथारिटी नहीं होती । रेगुलेटर बहुतेरे होते हैं, जैसे गैस कनेक्शन का रेगुलेटर होता है, वह खुल जाता है तो सारी फेमिली की मृत्यु हो जाती है । यह रेगुलेटर आपका खुलने वाला है, रहेगा नहीं । मैं एक मिसाल देता हूँ कि जब मैं मंत्री था तो श्री गिल प्रसार भारती के सी.ई.ओ. थे, मेरी भी कास्ट गिल है, मैंने उनको फोन किया और पंजाबी में बोला कि सरदार जी, डा0 अम्बेडकर का जन्मदिन मनाना है तो इसको जरा एक घंटा चलने दें, तो सरदार जी ने मुझे जवाब दिया कि रामूवालिया जी, हम इन फिज़ूल बातों को टी.वी. पर नहीं आने देते । यह रेगुलेटरी है । मैंने क्या कर लिया उनका ? मैं उनका कुछ नहीं कर सका । आप भी कुछ नहीं कर सकोगे रेगुलेटरी में ।

उपसभापति : अभी आपको यह बात कह रहे हैं न कि I am the regulatory authority of the House.

श्री बलवन्त सिंह रामूवालिया : बहुत अच्छी रेगुलेटरी अथॉरिटी है आपकी, भगवान हरेक को दे । तो मैं कह रहा था, संघ प्रिय गौतम जी, आपको उत्तर देना होगा इस देश के 35 प्रतिशत, 30 प्रतिशत उन अनुसूचित जाति, जनजाति, पिछड़े वर्ग और गरीब वर्ग के लोगों को, जिनके पास दवाई नहीं, नौकरी नहीं, इंटरव्यू देने के लिए किराया नहीं, जिनको धक्के मिल रहे हैं, प्राइवेट लोग उनको निकाल रहे हैं, कि आपने उन वर्गों के लिए इस करोड़ों-अरबों रुपए के मुनाफे में दो आने, चार पैसे भी क्यों नहीं रखे ? अभी भी वक्त है श्री यशवंत सिन्हा जी, पानी दूर नहीं गया है, बहकर वापिस आ जाएगा, अभी भी उनके लिए कुछ रख लीजिए । श्री कृष्णा मेनन ने यू.एन.ओ. में कहा था - "British came to India not for the good of India, but for the goods of India". अभी भी जो आपके इंश्योरेंस वाले आ रहे हैं, ये इसीलिए आ रहे हैं कि वे इस देश को लूट सकें और इस देश से पैसा बना सकें । तो मैं आखिर में सिर्फ छोटी सी रिक्वेस्ट करने के बाद इजाजत लेना चाहूंगा कि इस देश में जब प्राइवेटाइजेशन का इतना शौक नहीं आया था, उस वक्त सोशल ऑब्जिगेशन एक शब्द था । इब्राहीम साहब चले गए, कैबिनेट की मीटिंग में जब विदेशी एयरलाइंस टाटा वाले लाने लगे तो हमने उसका यह कहकर विरोध किया कि नार्थ-ईस्ट को, कश्मीर को जो सोशल ऑब्जिगेशन है, सस्ते किराए पर जो सुविधा है, वह नहीं मिलेगी, जो गुरूदास जी ने कल सबसिडाइज्ड इंश्योरेंस का कॉन्सेप्ट कहा, मुझे बताइए कि इसमें एल.आई.सी., जी.आई.सी. ... (व्यवधान)...

SHRI T.N. CHATURVEDI : Madam, can the hon. Member refer to the discussion held in a Cabinet meeting?

SHRI MD. SALIM : He is not referring to the discussion held in a Cabinet meeting. He is 07.12.1999 making it clear why he is opposed to the Bill.

श्री बलवन्त सिंह रामूवालिया : कई बातें आपके मुंह से भी निकल सकती हैं, अगर मैंने कोई गलत बात कही है तो उसे रिकार्ड से निकाल दें, मुझे ऐतराज नहीं है । जैसे आपने विदेशी कम्पनियों को खुली छूट दी है, मेरी भी खुली छूट है आपको । तो मैं अर्ज कर रहा था कि अभी 84 प्रतिशत लोन्स जो हम लेते हैं एल.आई.सी. या इन इंश्योरेंस कम्पनियों से, वह प्रोडक्टिव चैनल में जाता है । हम लेते हैं, हुडको लेता है, एल.आई.सी. से पैसा लिया जाता है, उनके पास ह्यूज मनी है । 80 परसेंट उसका जाता है पॉज़िटिव प्रोडक्टिव चैनल्स के लिए लेकिन आप मुझे बता दो कि आपने सेहत के लिए, एजुकेशन के लिए, बेरोजगार नौजवानों को सस्ते लोन देने के लिए, जंगलों

में बसने वाले ट्राईबल्स के लिए, कर्जदार किसान के लिए कहां प्रावधान किया है ? महोदया, मुझे एक ही बात नज़र आती है कि इन्होंने जितने खुले दिल से मुल्क विदेशी कंपनियों के हवाले किया है, उतने ही खुले दिल से हम इसका विरोध करते हैं।

श्री गांधी आज़ाद (उत्तर प्रदेश) : उपसभापति महोदया, यह बीमा विनियामक और विकास प्राधिकरण विधेयक, 1999 संख्या बल के आधार पर लोकसभा से पारित हो चुका है और यहां भी विपक्ष की बड़ी पार्टी जो है, उसके साथ सहमति हो जाने के कारण इसका संख्या बल के आधार पर पारित हो जाना सुनिश्चित है।

महोदया, विधेयक का प्रस्ताव रखते समय वित्त मंत्री जी ने जो कहा था, उस संबंध में कुछ सवाल पैदा होते हैं। उन सवालों का मैं वित्त मंत्री जी से स्पष्टीकरण चाहता हूं। महोदया, वित्त मंत्री जी ने कहा था कि एल.आई.सी. और जी.आई.सी. प्रबंधन को विश्वास में लेकर इस विधेयक को लाया गया है। तो सवाल यह उठता है कि जब एल.आई.सी. और जी.आई.सी. प्रबंधन को विश्वास में लेकर यह विधेयक लाया गया है तो एल.आई.सी. और जी.आई.सी. के अधिकारी और कर्मचारी आंदोलन पर क्यों हैं ? इसी तरह से वित्त मंत्री जी ने कहा था कि रोज़गार के अवसर उपलब्ध होंगे और छंटनी नहीं की जाएगी। मैं मंत्री जी से यह जानना चाहूंगा कि क्या इस प्रकार का कोई आकलन किया गया है कि प्रति वर्ष कितने रोज़गार के अवसर उपलब्ध होंगे और जो रोज़गार के अवसर मिलेंगे उनमें अनुसूचित जाति और अनुसूचित जनजाति के लोगों के हितों की रक्षा किस प्रकार की जाएगी ?

महोदया, मंत्री जी ने यह भी कहा था कि विदेशी कंपनियों का निवेश 26 प्रतिशत का होगा और 26 प्रतिशत लाभ की हिस्सेदारी भी होगी। तो मैं मंत्री जी से यह जानना चाहता हूं कि क्या उस 26 प्रतिशत लाभ का निवेश इस देश के कल्याण के लिए, गरीबों के कल्याण के लिए किया जाएगा ? अगर उस रुपए को लेकर वे अपने देश चले जाते हैं तो उसका आर्थिक तंत्र पर क्या प्रभाव पड़ेगा ? इसी प्रकार गरीबी की रेखा के नीचे जीवन-यापन करने वाले लोगों पर इस विधेयक का क्या असर पड़ेगा ? महोदया, इन सारी शंकाओं के समाधान की आशा रखते हुए मैं इस विधेयक का समर्थन करता हूं।

THE DEPUTY CHAIRMAN : Prof. Sankaralingam. Just a few minutes, okay.

PROF. M. SANKARALINGAM (Tamil Nadu) : Madam Deputy Chairman, I will co-operate with you and finish my speech as early as possible.

3.00P.M

Madam. I am supporting this Bill with a special request to the hon. Finance Minister that when we open up the insurance business to the private sector, we should say that 50 per cent of the business should be in the agrarian sector. That should be specified very clearly because, now, privatisation has created a fear in our country and that the benefits of it do not go to the poor people and that privatisation does not help the poor people. So, I request the hon. Finance Minister to look into this matter and allocate this much percentage for the agrarian sector. Sir, Section 32 (a), (b) and (c) clearly state that the general insurance business in the rural areas, as also in the social sector, will be as may be specified. My request is that, in the rural areas, it should cover dry crop cultivation also. Compulsory crop insurance should be insisted and fifty per cent of this private sector business should be allocated for that because our farmers raise crops only with the hope and prayer to the God that two or three spells of rains will help them to reap the harvest, but, very often, they suffer very much because of the vagaries of the weather. So, with this request, I wish to impress upon the Government that it should make it very clear that, basically, the private agencies or the foreign agencies must invest in crop insurance and for the welfare of the agriculturists, cattle and sheep breeders. With these words, I support the Bill.

THE DEPUTY CHAIRMAN : The discussion is complete now. Mr. Yashwant Sinha, how much time will you take, because I have to announce the time of voting?

SHRI YASHWANT SINHA : Madam, I will try and be brief.

THE DEPUTY CHAIRMAN : Will you be brief like Mr. Gurudas Das Gupta is or like Mr. Sanatan Bisi is?

SHRI YASHWANT SINHA : I will take about forty to forty-five minutes, Madam.

THE DEPUTY CHAIRMAN : So, we will have the voting before four.

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SHRI GURUDAS DAS GUPTA : So, the voting will be at four.

THE DEPUTY CHAIRMAN : No. It will be before four because, after he finishes his speech, nobody will speak, and I will put it to vote.

SHRI NILOTPAL BASU (West Bengal) : Madam, our amendments are also there.

THE DEPUTY CHAIRMAN : No, amendments will come later. But after he finishes, I will put it to vote.

SHRI NILOTPAL BASU : Madam, we hope we will be allowed to speak briefly...

THE DEPUTY CHAIRMAN : No. You have already taken forty-five minutes or more than that.

SHRI NILOTPAL BASU : Madam, I am thankful to you for that, but...

THE DEPUTY CHAIRMAN : But I don't want to give you too much of opportunity to thank me all the time.

SHRI NILOTPAL BASU : Madam, only briefly...

THE DEPUTY CHAIRMAN : Briefly, you can.

SHRI GURUDAS DAS GUPTA : Madam, you must give us time to thank the hon. Minister.

THE DEPUTY CHAIRMAN : Don't thank anybody, but the main thing is...

SHRI NILOTPAL BASU : Madam, we want to seek clarifications also.

THE DEPUTY CHAIRMAN : Now, do not unnecessarily delay. Yes, Mr. Yashwant Sinha.

SHRI YASHWANT SINHA : Madam Deputy Chairperson, I am extremely obliged to the hon. Members of this House for their participation in the discussion on the motion for consideration of the Insurance Regulatory and Development Authority Bill. I am particularly grateful to my friends, the hon. Members of the Congress Party, as also to the Bahujan Samaj Party, for their support to this Bill.

Madam Deputy Chairperson, a number of issues have been raised and I shall try and deal with the more important of them, as I go along. I would like to begin by saying that the hon. Member, Shri Nilotpal Basu, had mentioned in this House that eleven years ago, when he was a student activist, he had been influenced by a speech which I had made on the 'International Order' and that I had spoken about the American law -- the 301 and the super 301. I am quite sure, Madam Deputy Chairperson, that eleven years from now, Mr. Basu will, perhaps, be obliged to say that he was equally influenced by this speech that I am now going to make in this House. Madam Deputy Chairperson, the first point which I would like to take up is the point in regard to the hurry, the haste, the Government is showing in going ahead with this legislation. In fact, I remember the remarks of some hon. Members. Shri Ibrahim is not here; he referred to *zid*, the obstinacy, of the Government to go ahead with this legislation. I would submit most humbly, Madam Deputy Chairperson, that the reform of the financial sector was taken up by the Congress Government when it was in power between 1991 and 1996, when the hon. Leader of the Opposition was the Finance Minister of this country when a number of very important changes were brought about in the financial sector, in the banking sector. The hon. Members of this House would be aware of this and because the insurance sector is an integral and important part of the financial sector, the idea was to cover this sector also with reforms. Therefore, the then Government appointed a Committee in April, 1993, more than six years ago -- April, 1993 -- under the Chairmanship of the former Governor of the RBI, late Shri R.N. Malhotra, to go into this whole question and submit their report. Not only was Shri Malhotra himself an extremely distinguished economic administrator of this country, but the Committee was a Committee of experts. This Committee went into the entire question in as much detail as was required and then submitted its report to the Government on 7th January, 1994. The Government then appointed another

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Committee under Shri A.C. Mukherjee, to go into the nitty-gritty, the details, of the recommendations and this Committee once again examined the details of the suggestions which had been made by the Malhotra Committee and submitted its report and as a result of that an Insurance Regulatory Authority was set up in January, 1996.

Now, the matter was taken up further when the United Front Government came to power and we are aware of the fact that the then Finance Minister had introduced a Bill to set up an Insurance Regulatory Authority on a statutory basis, in Parliament in December, 1996. This Bill was referred to the Standing Committee on Finance. The report of the Standing Committee was received, the recommendations were examined and based on those recommendations, a revised Bill was brought before Parliament in August, 1997. Therefore, when I came to this House, Madam Deputy Chairperson, I was a little surprised when two former members of the Cabinet of that Government, Shri Ibrahim and Shri Ramoowalia, stood here in this House and opposed this Bill, as they said, "tooth and nail". I don't recall having read anywhere in any print media or heard over the visual media any protest that these two gentleman might have lodged with the then Government about the Insurance Regulatory Authority Bill which was brought by them.

SHRI GURUDAS DAS GUPTA : So, what?

SHRI YASHWANT SINHA : Because, Madam, we have been talking about change of heart. Change of heart does take place. Change of heart has taken place among those who supported this legislation. They are opposing this legislation now. ...*(Interruptions)* ...

THE DEPUTY CHAIRMAN : See, it is his viewpoint. Please listen to him.

SHRI NILOTPAL BASU : It is Cabinet secrecy. ...*(Interruptions)* ...

THE DEPUTY CHAIRMAN : Let him put his argument.

SHRI GURUDAS DAS GUPTA : He has a wrong point. Sushmaji

recommended that privatisation should not be done. The BJP has turned around. We are not making that point. ...*(Interruptions)* ...

SHRI YASHWANT SINHA : You made that point most vociferously in this House. How can you say that point was not made? ...*(Interruptions)* ...

SHRI GURUDAS DAS GUPTA : Don't rub on a wrong point.

SHRI YASHWANT SINHA : Madam Deputy Chairperson, Shri Gurudas Das Gupta spoke in this House for 45 minutes. ...*(Interruptions)*... I did not interrupt. Madam Deputy Chairman, Gurudas Das Gupta spoke in this House for full forty-five minutes. I did not interrupt. Mr. Nilotpal Basu spoke for full forty-five minutes. I sat quietly and listened to each word they said. Let them have patience to listen to the points I am making. ...*(Interruptions)*...

SHRI GURUDAS DAS GUPTA : You are impatient to pass the Bill.
(Interruptions)

THE DEPUTY CHAIRMAN : Mr. Gurudas Das Gupta, let us take it that you had your say and everybody had his say -- whether supporting or opposing the Bill is different. The Minister did not interrupt.

SHRI GURUDAS DAS GUPTA : I should not follow him.

THE DEPUTY CHAIRMAN : You should follow him as per the decorum of the House.

SHRI GURUDAS DAS GUPTA : I have always respected the decorum of the House, more than anybody else.

SHRI YASHWANT SINHA : Madam Deputy Chairperson, I was saying that, as far as we are concerned, I had given ample notice of the intention of the Government in my Budget Speech of 1st June, 1998. In that speech, as hon. Members will recall, I had said specifically that the Government proposed to open up the insurance sector to the Indian private

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sector for competition. After that, we worked on a revised Bill. We brought it before Parliament; I introduced it in the other House on 15th December, 1998. That Bill was referred to the Standing Committee on Finance. The Standing Committee on Finance considered that Bill and gave its report in March, 1999. We could not take up that Bill further, we could not bring it before Parliament because Lok Sabha got dissolved immediately thereafter. Therefore, the Bill was introduced in the last Session of Parliament and it is coming up for discussion in this Session of Parliament.

Six years, two references to the Standing Committee on Finance, deliberations in the Standing Committee, two Expert Committees which have gone into this, a whole lot of experts, trade unions and others making contributions to the thinking process, to the evolution of this particular piece of legislation! Now, the point I wish to make, Madam Deputy Chairperson, is, all those who have moved amendments are suggesting that we refer it to a Select Committee of the House. If their intention is that they do not want this Bill to be passed, as they have said, I respect their feelings. But reference to a Select Committee for what? What is it that we want to study further? Opposition, I can understand. But all these issues, Madam Deputy Chairperson, have been studied in great details. If six years is not a long enough period in the life of this nation, how much more time do we want to spend on consideration of this Bill? I will, most earnestly, plead with the House, Madam Deputy Chairperson, through you, that we have taken enough time. We have consulted all those who have to be consulted and the time has come now to take this Bill into consideration and pass it. Any further reference to a Select Committee is not going to help.

The second issue which I would like to take is that it has been said that we are not doing it on our own volition, that we are under pressure, the Government is under pressure. What is the pressure? The pressure is, World Bank, IMF, Washington, G-7. We are all under pressure! That Government was under pressure when they decided to reform the insurance sector! The UF Government was under pressure because they brought the Bill to set up the regulatory authority! We are under pressure because we have brought this Bill forward! I can only say, Madam Deputy Chairperson, that the ancients, when they could not explain a natural phenomenon, created a God. There was a God for lightening, there was a God for

diseases, there was a God for every natural phenomenon, because they could not understand. I noticed the same thing; and, if you cannot understand the thing, you say, it is being done under pressure. I am afraid I cannot buy this argument. This Government is under no pressure from any quarter. We are doing this on our own. ...*(Interruptions)*... I would suggest you leave the concern of the treasury benches to us. Please mind your own flock. Then comes the WTO. A point was made as to why we do not wait for the WTO to compel us under the service sector negotiations to open the insurance sector and then do it. If there is something, about which we come to our own conclusion, that it is beneficial for this country, shall we wait for somebody to put pressure and shall we wait for some international agency to make it mandatory before we start implementing it? I cannot understand it. An example was given here of China saying that China has used insurance as a bargaining counter for entering the WTO. China has used a whole lot of other things also for bargaining to get into the WTO. Let me tell you that China started opening the insurance sector way back in 1985. Madam Deputy Chairperson, ...*(Interruptions)* ...

SHRI GURUDAS DAS GUPTA : On a very limited scale....*(Interruptions)* ...

SHRI YASHWANT SINHA : Hang on...*(Interruptions)* ... Hang on every straw; you want to hang on to every straw. ...*(Interruptions)*... I have absolutely no problem with that. ...*(Interruptions)*... Madam Deputy Chairperson, the point which I had made I would like to repeat despite the fact that I explained it in the other House, despite the fact that I covered it here when I was moving this Bill for consideration. I find that there is some confusion in the minds of the hon. Members and this is in regard to what the Bill is not about at all, namely, the LIC and the GIC. This Bill is not about the privatisation of the LIC and the GIC. I had made that point clear right in the beginning. This Bill has no provision which says that we will dilute the equity of the LIC and the GIC. I would like to explain, Madam Deputy Chairperson, that we are all aware that LIC is a statutory body. The GIC was created by an Act of Parliament which says that all the 100 per cent equity of the GIC will be held by the Government and unless any Government comes to this House, to the Parliament and says that they want to change that statute which governs the GIC and they want to change the Act under which the GIC was set up, they cannot dilute it.

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Parliament is supreme; Parliament is sovereign. So any Government which wants to do it will have to come to the Parliament. It cannot be done stealthily; it cannot be done surreptitiously. There is no intention on our part to dilute the stakes that the Government hold in the LIC and the GIC. Let us not talk of privatisation of the LIC and the GIC. ...*(Interruptions)* ...

THE DEPUTY CHAIRMAN : Mr. Jibon Roy, if you do not keep quiet, ... *(Interruptions)* .. If you do not keep quiet... *(Interruptions)* ... You had your say. Please keep quiet now. I have given enough time to your party. Let the Minister answer, please. Have patience. ... *(Interruptions)* ...

SHRI YASHWANT SINHA : Madam Deputy Chairperson, our case is not that the LIC and the GIC have not functioned. It is not our case at all. When statistics were quoted in this House about what they have done for the development of this country, for the promotion of the insurance sector, I am not challenging those figures. They have worked very well. I have no hesitation in saying this in favour of the GIC and the LIC that they have discharged their responsibilities very well. But there is need to do more. It is not possible for one company in life insurance and one company with four subsidiaries in general insurance to cover a country of the size and dimension of India. That is why the penetration of the insurance coverage has remained inadequate in our country over a period of time. What is it that we are trying to achieve? We are trying to achieve what the other countries have achieved. I have figures here, but I would not like to take the time of the House about how much is the penetration of life insurance and specially the general insurance in various other developing countries, Asian countries, Latin American countries, etc.

DR. BIPLAB DASGUPTA (West Bengal) : What about Pakistan? ...*(Interruptions)* ...

SHRI YASHWANT SINHA : Madam, 100 per cent foreign equity is there...*(Interruptions)*...Pakistan allowed 100 per cent foreign equity in the insurance sector...*(Interruptions)*...

DR. BIPLAB DASGUPTA : What is the coverage of insurance?...
(Interruptions)... Why don't you quote Sri Lanka?... (Interruptions)...

SHRI YASHWANT SINHA : Forget about the coverage...
(Interruptions) ...

DR. BIPLAB DASGUPTA : Can you quote the coverage of
insurance in Pakistan... (Interruptions) ...

SHRI YASHWANT SINHA : Why? Is Pakistan holding light to
you?... (Interruptions) ... Is Pakistan your role model?... (Interruptions) ...

DR. BIPLAB DASGUPTA : I did not say that... (Interruptions) ...

SHRI YASHWANT SINHA : Then, why Pakistan?...
(Interruptions) ...

DR. BIPLAB DASGUPTA : You quote a country which is having a
higher coverage than India... (Interruptions)... Whatever he is quoting; he is
quoting... (Interruptions) ...

SHRI YASHWANT SINHA : You quote... (Interruptions)... I stop
quoting ... (Interruptions) ...

SHRI JIBON ROY (West Bengal) : Madam, they are taking out
everything... (Interruptions) ... At least, you allow us to protest...
(Interruptions) ...

THE DEPUTY CHAIRMAN : I will not allow you to interrupt...
(Interruptions) ... Please sit down... (Interruptions) ...

SHRI JIBON ROY : At least, you allow us to protest...
(Interruptions) ...

THE DEPUTY CHAIRMAN : I am not allowing you...
(Interruptions) ... please, sit down... (Interruptions) ... Don't shout in the
House... (Interruptions) ... Please, sit down... (Interruptions) ... I am

not allowing you... *(Interruptions)* ...Your voice is so loud. You do not bother that you are speaking in the House, and you scream at the top while I am presiding over the House... *(Interruptions)* ...You should know that... *(Interruptions)* ...Your voice is not very respectable... *(Interruptions)* ...I am very sorry... *(Interruptions)* ...You all go through me. Is this the way you address the Chair?... *(Interruptions)* ...You cannot speak directly to the Minister... *(Interruptions)* ...Please realize this... *(Interruptions)* ...

SHRI SATISHCHANDRA SITARAM PRADHAN (Maharashtra) : Madam, his voice is insured...*(Interruptions)* ...

SHRI JIBON ROY : Madam, can I ask...*(Interruptions)* ...

THE DEPUTY CHAIRMAN : No ...*(Interruptions)*... Don't ask... *(Interruptions)* ...I am not allowing... *(Interruptions)* ...No. Please, no... *(Interruptions)* ...I am not allowing... *(Interruptions)* ...This you know very well... *(Interruptions)* ...Let him complete. We have enough time for voting...*(Interruptions.)*...Let him finish his speech first... *(Interruptions)* ...

SHRI YASHWANT SINHA : Madam Deputy Chairperson, the Malhotra Committee itself had gone into the question of competence of the L.I.C. and the G.I.C. to be able to face competition and it came to the conclusion that the L.I.C. and the G.I.C. were equipped to face competition, and, six years down the line, they have prepared themselves much better to be able to face the competition. I don't understand, Madam* Deputy Chairperson, why, when we stand at the edge of a new millennium, somebody should stand up in this House and say that there should be no competition and that there should be 'A' sector which should be State's monopoly and, I would like to state it very clearly, as a matter of policy of this Government, that we are not in favour of State's monopoly in 'A' sector, we are in favour of competition between the private sector and the public sector and that is exactly what we proposed to do in this sector also.. *(Interruptions)* ...That is why, in the Budget speech, I have said that we bring a competition polic. ...*(Interruptions)* ...And we will have a lot of competitive people... *(Interruptions)* ...

SHRI GURUDAS DAS GUPTA : At the cost of the nation...
(Interruptions) ...

SHRI YASHWANT SINHA : I would like to remind to those who are talking about the cost to the nation that the L.I.C. and the G.I.C. have subsidiaries, fully owned branches, in 27 countries of the world. Madam, 52 branches, subsidiaries, etc., are there in 27 countries of the world.

SHRI GURUDAS DAS GUPTA : So what?... (Interruptions)...

SHRI YASHWANT SINHA : "So" means, the L.I.C. and the G.I.C. are ready for competition... (Interruptions) ... They are facing competition in London. They are facing competition in Singapore. They are facing competition all over the world and they are ready to face competition in this country. Another point, which I would like to make here, is, if we can go out, if the L.I.C. and the G.I.C. can go out, other countries have a right to come here... (Interruptions) ...

SHRI GURUDAS DAS GUPTA : Are you comparing India with Singapore?... (Interruptions) ... A country, which has 100 crores of population... (Interruptions) ...

SHRI YASHWANT SINHA : The other issue is, you have talked about loss of sovereignty, that this country is going to lose its sovereignty because we are permitting 26 per cent foreign equity in the insurance sector. A similar statement had been made when the banking sector was opened up for competition and the foreign equity in the banking sector was allowed up to 20 per cent. Loss of sovereignty! What has happened? What is the experience of the banking sector? What is the experience in the mutual fund sector? The U.T.I. used to be the only mutual fund in the country. In 1993, we opened the mutual fund sector to the private sector. What is the result? The business of mutual fund has gone up from Rs. 4,564 crores in 1986-87 to Rs. 80,590 crores in 1995-96, and now it will be more than Rs. 100,000 crores... (Interruptions) ... Now, what is the size of achievement?... (Interruptions) ...

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SHRI GURUDAS DAS GUPTA : Madam, it is absolutely a wrong comparison...*(Interruptions)*... Absolutely a wrong comparison...*(Interruptions)* ...

SHRI YASHWANT SINHA : The point I am making is this...*(Interruptions)* ... Have the Indian public sector banks lost to the foreign banks or to the Indian private banks?...*(Interruptions)* ...

SHRI GURUDAS DAS GUPTA : Who said that?...*(Interruptions)* ...

SHRI YASHWANT SINHA : What has happened? ..*(Interruptions)*... Nothing has happened ...*(Interruptions)*... They have been able to hold their position...*(Interruptions)* ... The point I am making is that the L.I.C. and the G.I.C. are fully geared to face competition. They will be able to hold their position and anyone who thinks that the workers are going to lose their jobs, that the L.I.C. is going to close down its shop, that the G.I.C. is going to close down its shop, it is absolutely unfounded and I refute those charges.

SHRI NILOTPAL BASU : Why are you misquoting us?
...*(Interruptions)*...

SHRI GURUDAS DAS GUPTA : We have never raised it.

THE DEPUTY CHAIRMAN : Mr. Salim, there are other speakers also in the House, other than Mr. Nilotpal and Mr. Gurudas Das Gupta. Do you think the Minister should answer only you? He has to answer the whole House. ... *(Interruptions)*... Just one minute. ...*(Interruptions)*... You defend yourself. You can say that you did not say it. But someone else might have said it....*(Interruptions)*... Nobody is giving you the authority to speak on...*(Interruptions)*

SHRI YASHWANT SINHA : I am coming to that point. But why should I be prevented from making my point? ...*(Interruptions)*... Yes, yes, I have heard him. I have been a Member of this House, Madam ...*(Interruptions)*... Where has it been laid down that a Minister, when replying

to a debate, will only reply only to specific questions raised by the Members and will not make his own points?

SHRI GURUDAS DAS GUPTA : Your philosophy...
(Interruptions)

SHRI YASHWANT SINHA : I am coming to the philosophy. The only point which I will not touch is fiction. I will touch facts. I will touch the philosophy. I leave fiction for you to touch. Yesterday, Mr. Gurudas Das Gupta stood here in this House and said that he was addressing the 100 crore people of this country. ... (Interruptions)... Yes, I am also addressing the 100 crore people of this country. ... (Interruptions)... Madam, if Yashwant Sinha and his Government get up and say that there should be 26 per cent foreign equity in the insurance sector. If we say that we would welcome foreign investment, direct investment; then we are committing a sin. I did not want to take up this issue. But if the West Bengal Government says the same thing, then it becomes pious. The foreign investment which comes to West Bengal is an act of piety.... (Interruptions)... If we invite foreign investment ... (Interruptions)... I am coming to the philosophy because he stood and said here about foreign investment, about foreign technology. Madam, how are we compromising national interests by inviting foreign investment, by inviting foreign technology? This is the point which has been made here by a section of the people sitting in this House. Now, I have all the facts here on which multi-national companies have been invited to do business, etc. ... (Interruptions) ... How many times ... (Interruptions) ...

SHRI MD. SALIM : Please read it out ... (Interruptions) ...

THE DEPUTY CHAIRMAN : Please sit down. (Interruptions)
Please sit down. (Interruptions) I said, "Please sit down." Did you not hear me? (Interruptions)

SHRI YASHWANT SINHA : Madam, a point was made here that foreign investment will come into this country and will exploit us and the money will be taken out, and the nation will be a loser. Madam, when I had made the Budget speech in 1998, I had talked of "an Indian insurance company". "An Indian insurance company" has to be defined. "An Indian

company" has not been defined anywhere. A domestic company has been defined in the Income-tax Act. So, we went into this question. We had to determine how we would like to define an Indian company. I am grateful to Shri Pranab Mukherjee when he said that we should go by some fixed definition of a company. Now, as far as the Insurance Regulatory Authority and Development Bill is concerned, we are going by the definition in the Income-Tax Act because we have said clearly, what is a foreign company is defined in the Income-Tax Act, what is a domestic company is defined in the Income-Tax Act, and what is a company is also defined in the Income Tax Act. It all falls in one place and the only difference that we are making -- and that too in the statute -- is in regard to foreign equity. What should be the foreign equity in an Indian company in the insurance sector? It is 26%. If we had not defined it, then this whole thing would have been left vague like the earlier Bill which was brought during the United Front Government. Therefore, we have decided to be quite upfront about it, quite candid about it, and say we will permit about 26% in the insurance sector. Now, that is the cap. Madam, Deputy Chairperson, again, Mr. Pranab Mukherjee and some other friends have raised the issue as to what will happen if this cap is breached through some other methods, and, in this context, the Foreign Contribution Regulation Act has been quoted because they talk of trusts, persons and others also. I would like to say that if we go by the definition of the Income-Tax Act, where a company is defined, a domestic company is defined, and a foreign company is defined, then, according to all the advice which is available to me, the legal advice that is available to me in Government, I have assured myself that the 26% cap cannot be breached. It will not be open for any company which has a foreign-share holding, which is registered in India, to become the Indian partner and hold 74% and give 26% to a foreign company. That will be precluded. Now, all these companies will have to be registered with the Insurance Regulatory Authority. We will take care of it at that time. Then, we have a provision in this Act that nobody, no company, can alienate one per cent or more of its shares without the approval of the Authority. Now, that is a second control that we have that it will not be possible for any company to off-load its shares, alienate its shares, bit by bit. We have, therefore, taken all the precautions that are necessary because I was absolutely aware of the fact that such financial engineering can go on and some companies might try and get control over an Indian insurance

company. I admit it. That is why we have drafted the Bill in such a manner that this will not become possible.

Now, about the funds of the insurance companies. An insurance company has only two kinds of funds, the share-holders' fund and the policy-holders' fund. We have made it very clear that policy-holders' funds cannot be sent out of this country. They have to be invested here in this country and the manner of investment will be determined by the Insurance Regulatory Authority. We have said here that as against 75% for the L.I.C. today, and 45% for the G.I.C., we are saying 50% will have to be invested in Government securities and Government-approved securities. As far as the balance 50% is concerned, Madam Deputy Chairperson, there, the Insurance Regulatory Authority will lay down detailed guidelines and they will then determine how this has to be done.

Now, we have a concern about the social sector, a concern which has been raised by all sections of the House and which I also share fully that social sector should not be neglected. That is why we accepted the amendment of the Congress Party which was moved in the Lok Sabha and have clearly and unambiguously said that there will be a complete level playing field between the public sector and the private sector. There is no obligation that the 'Regulator' shall impose on the public sector anything which he shall not impose on the private sector. ...*(Interruptions)* ...

SHRI GURUDAS DAS GUPTA : It is a joke of the century. ...*(Interruptions)* ...

SHRI YASHWANT SINHA : Mr. Gurudas Das Gupta, if you are in a hilarious mood then everything that I am saying will appear as a joke to you. Please laugh. ...*(Interruptions)* ...

SHRI GURUDAS DAS GUPTA : How is it to be carried? You kindly tell me the provision in the law.

SHRI YASHWANT SINHA : What is this? I have been in this House for a long time....*(Interruptions)*...

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SHRI SURESH A. KESWANI (Maharashtra) : How are you going to guarantee the repayment of Government securities? Today the Government securities have become the biggest question. A number of States have failed to honour the guarantees, which they have given, and banks are facing very serious problems.

SHRI YASHWANT SINHA : That is another issue. We will discuss that separately when we discuss about banks. But one issue that I want to clarify is that there is a general impression that the LIC and the GIC are doing a lot out of their funds in the social sector. If I am not mistaken, Mr. Gurudas Das Gupta himself was referring to cross-subsidisation and he was saying that a higher premium in the sector was supporting a lower premium in the rural sector. I would like to make it clear, Madam Deputy Chairman, that the LIC was given a dispensation by the Government in the year 1988-89. It was exempt from income tax. As a result of that, it built up a corpus of funds which stands today at Rs.304 crores. It is out of that corpus that it is supporting some of these rural-cum-weaker sections insurance policies that are in vogue. Here is a list of 24 such sections that have been decided by the Government, like field workers, bread-earning women in remote rural areas etc. The Government got this fund created as a result of the exemption. Out of that fund, these policies are being run by the LIC. The rural policy of the LIC is something that is profitable. It is entirely wrong to think that the LIC is losing money in doing its rural business and that when new companies will come, they will pick up the high-value urban business and that the rural business will be left for the LIC, which will have an unprofitable business. It is not like the DTC, Delhi Transport Corporation, where the private operators run on profitable routes and leave the unprofitable routes to the DTC.

DR. BIPLAB DASGUPTA : What about crop insurance by the GIC?

SHRI YASHWANT SINHA : As far as the GIC is concerned, I have this page No.58 giving the Expenditure Budget of the Government of India. It shows clearly the money made available to the GIC year after year by the Government of India's Budget for social security and welfare schemes for the poor, like hut insurance, rural group life insurance etc. The Government of India Budget finances all these.

SHRI GURUDAS DAS GUPTA : How are you going to compel the private firms in this respect? Let us know this.

DR. BIPLAB DASGUPTA : What about crop insurance?

SHRI GURUDAS DAS GUPTA : What is the strength of law?

DR. BIPLAB DASGUPTA : Why are you avoiding this question?

SHRI GURUDAS DAS GUPTA : What is the strength of law to compel the private sector?

DR. BIPLAB DASGUPTA : He is avoiding. He has to answer these questions.

THE DEPUTY CHAIRMAN : Mr. Minister, you finish your speech.

SHRI YASHWANT SINHA : I will plead with folded hands. I have not finished my speech. I will cover each and every point that has been raised. Just bear with me and have a little patience.

SHRI SANGH PRIYA GAUTAM : They cannot have that.

SHRI YASHWANT SINHA : This is all that I am pleading for. Once I have done, you ask your questions.

Madam Deputy Chairperson, a point was raised here about 300 American companies having failed and about banks and insurance companies in Japan having failed, and a forecast was made that the same thing was going to happen to India.

There was a crisis in East Asia. We were not sucked into that crisis. Why were we not sucked into that crisis? I am standing here and saying this not because I have got the support of the Congress Party. I have stood up on a foreign soil and said the same thing that it is because of the extremely cautious and good policies that have been followed by

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successive Governments of India that we were able to avoid being sucked into the East Asian crisis. Therefore, if something bad has happened somewhere else, to say that that catastrophe is necessarily going to overtake us is like saying 'since all stars are round, the Earth must also be round'. Such a theory has been discounted long ago. Therefore, Madam. ...*(Interruptions)*... I can only reply according to my competence. I wish I had more competence....*(Interruptions)*... Madam, let me say, as per my information, there is no central regulatory authority in the US. The United States of America does not have a central regulatory authority. Each State in the US has its own regulation. They have their own regulatory authority. And each company, which wants to do insurance business in the US, has to register and seek the permission of each State Government in the US. Therefore, there is no one central regulatory authority there.

SHRI GURUDAS DAS GUPTA : We never said 'one central authority'.

SHRI YASHWANT SINHA : Therefore, the point that I am making here is that we through this statutory body, are setting up a strong regulatory framework. That regulatory framework will have its own rules and regulations under which it is going to regulate the insurance business in this country. Therefore, for us to imagine or presume that the regulator had already failed and that it should be free for all, is not justified, on the basis of the experience that we have had so far.

Mr. Pranab Mukherjee raised a very important issue. You, Madam, had joined him in confirming that point before this House. That was about the accountability of the regulator to Parliament. The regulator will be entirely accountable to Parliament. The Finance Minister shall be accountable to the Legislature. What are the various ways in which the regulator will be accountable? These are: (1) An Annual Report will be furnished to both Houses of Parliament. (2) Regulations made by the Authority shall be laid on the Table of the House. (3) An Advisory committee to help the Regulatory Authority will be set up. (4) The Authority is liable to be superseded under the Act, if the Government were to feel that they were not discharging their functions well. That ultimate weapon the Government has retained in its hands. (5) The Government would issue policy directives to the Authority. So, the Government has

retained the ultimate control. Therefore, the Government is accountable to Parliament, as far as the Regulator is concerned.

Madam, there are two related issues. One is in regard to the technology and new products. A point was made here, why not import the technology. Import the technology and be done with it. And when the technology changes, again import the technology. That means, go on importing the technology. This is something which has not been followed by this country. We have kept all our options open. Wherever we can import technology, we have imported it. Wherever we felt that a technological collaboration was necessary, we have allowed that. Wherever we felt that only drawings and designs will do, we have permitted import of only drawings and designs. That is why, through these limited 26 per cent equity, we are trying to get that technology. It will be wrong to say that in the insurance sector, today, technology is merely confined to some computer expertise. It is much more than that. Because the Indian market is not yet fully developed, we sit here and talk about new technology, new products. We are only thinking that somebody's voice and somebody's legs. ... *(Interruptions)* ...

THE DEPUTY CHAIRMAN : Mr. Gurudas Das Gupta, has the Minister completed his reply? ... *(Interruptions)* ...

SHRI NILOTPAL BASU : What kind of technology is needed by you?

SHRI GURUDAS DAS GUPTA : Let us know what kind of technology is needed by you? What is the technology you will get from outside by having joint entrepreneurship?

SHRI YASHWANT SINHA : Madam Deputy Chairperson, the other issue which I wanted to bring to the notice of this House was about reinsurance. It was pointed out that through reinsurance, the companies which will have a foreign equity will try and siphon off funds. That fear is unfounded. India is spending something like \$300 to \$400 million every year for reinsurance; and the reinsurer of this country is the GIC. The GIC will continue to be the reinsurer even when the insurance sector is opened

up for the private sector. It is our belief that once private operators come into this market, we will ourselves become a centre of reinsurance. It will not be necessary for us to spend that \$300, \$400, \$500 million that we are spending today on reinsurance abroad. We will be able to attract foreign funds, more foreign funds, premia into this country because India has the potential to become a reinsurance sector by itself. Therefore, there is absolutely no question of money being siphoned off.

Finally, I would like to say about the point which Pranabbabu made, when he initiated this debate in the House. "What is this 26 per cent?" Madam, this 26 per cent is only an enabling clause. Anywhere, have we said in our Bill that our Indian insurance company must necessarily have 26 per cent foreign equity? We haven't said that. We have merely said that in case any Indian insurance company wants to have foreign equity, the cap will be 26 per cent. That's all. Now, it is possible. I have information -- I am sure, many hon. Members also do -- that there are Indian firms which are planning to set up 100 per cent Indian companies. There are others who are planning various levels of foreign equity. It is, therefore, not right to say that just because we are giving 26 per cent to the foreign partner, we are playing into the hands of the multinationals, we are opening up the womb of this country to foreigners, we are surrendering our sovereignty, we are surrendering our freedom, I would like to plead most earnestly, Madam Deputy Chairman, that those fears are unfounded, and absolutely unfounded. They have no basis in reality. The Bill has been considered carefully by the two Parliamentary Committees. All the recommendations of the second report of the Standing Committee on Finance have been accepted by the Government. We had a flexible approach in the other House when amendments were moved. The Government itself thought it wise to move those amendments as official amendments. We have incorporated them in the Bill which we have brought before this House.

Madam, therefore, I would like to say that points very valid in their own way, arguments very strong in their own way, have been made in this House, but they are not based on fact; , they might be based on fiction. But fiction is not something which the Government can consider. So, those fears having been proved to be unfounded, I would suggest, Madam Deputy Chairperson, that the House pass this Bill.

THE DEPUTY CHAIRMAN : I shall first put the motion moved by Shri Rama Shanker Kaushik for reference of the Bill to a Select Committee of the Rajya Sabha, to vote. ...*(Interruptions)* ...

SHRI NILOTPAL BASU : Madam, the hon. Minister has given his reply. Our feeling is that some of the points that we have raised during the course of the debate have not been covered. Please allow us to put pointed questions. ... *(Interruptions)* ...

THE DEPUTY CHAIRMAN : The point is, if I allow the Pandora's box to open, then, there will be another debate which I am not prepared to have.

SHRI NILOTPAL BASU : Madam, please allow short, pointed, questions.

SHRI GURUDAS DAS GUPTA : Madam, kindly recall. When I had raised this issue, you had said, "Don't raise it during the speech of the hon. Minister. You can raise it subsequently."

SHRI YASHWANT SINHA : As if that prevented Mr. Gurudas Das Gupta from interrupting me!

SHRI GURUDAS DAS GUPTA : I am having two small points, Madam.

THE DEPUTY CHAIRMAN : Mr. Gurudas Das Gupta, if, in a 51-minute speech, you cannot make your point, I think, all your life you speak and you won't make your point. *(Interruptions)* . No, please. If I give you an assurance, then I have to give him an assurance; then to another one and then to another one. The whole debate is going to re-open. *(Interruption)*... Please cooperate with the Chair.

I shall now put the amendment moved by Mr. Rama Shanker Kaushik for reference of the Bill to a Select Committee of the Rajya Sabha to vote.

SHRI GURUDAS DAS GUPTA : Madam, we want to speak on it.

THE DEPUTY CHAIRMAN : You have already spoken. Just a second. Please sit down. I had requested you not to speak. But you did not abide by my suggestion. If you so like, I can give you the record. You gave reasons why you want this Bill to go to a Select Committee. So, you have already abrogated your right to speak. So, now I am putting it to vote.

The question is:

That the Bill to provide for the establishment of an Authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto and further to amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, be referred to a Select Committee of the Rajya Sabha consisting of the following members with instructions to report within three months from the date of reference:

1. Shri K.R. Malkani
2. Shri Vayalar Ravi
3. Shri E. Balanandan
4. Shri S.R. Bommai
5. Shri Ranjan Prasad Yadav
6. Shri Gurudas Das Gupta
7. Shri R. Margabandu
8. Prof. Ram Gopal Yadav
9. Dr. Alladi P. Rajkumar
10. Shri Kanshi Ram

with instructions to report within three months from the date of reference."

The motion was negatived.

THE DEPUTY CHAIRMAN : I shall now... (*Interruption*). Please sit down, Mr. Gurudas Das Gupta. Your amendment is coming. I shall now put the amendment moved by Shri Gurudas Das Gupta for reference of the Bill to a Select Committee of the Rajya Sabha to vote.

SHRI GURUDAS DAS GUPTA : Madam, I want to say something.

THE DEPUTY CHAIRMAN : Do you want a division? Okay. *(Interruption)*. No talking. Division.

SHRI GURUDAS DAS GUPTA : Just one point, Madam.

THE DEPUTY CHAIRMAN: No point. You have made your point.

SHRI GURUDAS DAS GUPTA : Members are within their right according to the procedure of division to make their submissions while the amendment is put to vote. I only implore upon you, Madam, to allow us for two minutes. *(Interruptions)* . It is my right. *(Interruptions)* .

THE DEPUTY CHAIRMAN : Mr. Gurudas Das Gupta, just a second. I am only trying...*(Interruptions)*. Mr. Gurudas Das Gupta, would you like me to get yesterday's record of the Rajya Sabha? When you made your point, when you were moving your motion, you did give reasons...*(Interruptions)*.. .

SHRI GURUDAS DAS GUPTA : I have given other amendments.

THE DEPUTY CHAIRMAN : When those amendments come, I will see. Now, on this, you have spoken. So you are not speaking any more.

SHRI GURUDAS DAS GUPTA : I abide by your ruling, Madam.

THE DEPUTY CHAIRMAN : Please abide by it. Please be nice.

I shall now put the motion moved by Shri Gurudas Das Gupta for reference of the Bill to the Select Committee of the Rajya Sabha to vote. Now, the question is:

"That the Bill to provide for the establishment of an authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and

SHRI GURUDAS DAS GUPTA : Madam, I want to say something.

THE DEPUTY CHAIRMAN : Do you want a division? Okay.
(*Interruption*). No talking. Division.

SHRI GURUDAS DAS GUPTA : Just one point, Madam.

THE DEPUTY CHAIRMAN: No point. You have made your point.

SHRI GURUDAS DAS GUPTA : Members are within their right according to the procedure of division to make their submissions while the amendment is put to vote. I only implore upon you, Madam, to allow us for two minutes. (*Interruptions*) . It is my right. (*Interruptions*) .

THE DEPUTY CHAIRMAN : Mr. Gurudas Das Gupta, just a second. I am only trying....(*Interruptions*). Mr. Gurudas Das Gupta, would you like me to get yesterday's record of the Rajya Sabha? When you made your point, when you were moving your motion, you did give reasons...(*Interruptions*)... .

SHRI GURUDAS DAS GUPTA : I have given other amendments.

THE DEPUTY CHAIRMAN : When those amendments come, I will see. Now, on this, you have spoken. So you are not speaking any more.

SHRI GURUDAS DAS GUPTA : I abide by your ruling, Madam.

THE DEPUTY CHAIRMAN : Please abide by it. Please be nice.

I shall now put the motion moved by Shri Gurudas Das Gupta for reference of the Bill to the Select Committee of the Rajya Sabha to vote. Now, the question is:

"That the Bill to provide for the establishment of an authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and

4.00 P.M

for matters connected therewith or incidental thereto and further to amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, be referred to a Select Committee of the Rajya Sabha consisting of the following Members namely:-

1. Shri K.R.Malkani
2. Shri Vayalar Ravi
3. Shri E.Balanandan
4. Shri S.R.Bomma
5. Shri Ranjan Prasad Yadav
6. Shri Gurudas Das Gupta
7. Shri R. Margabandu
8. Prof. Ram Gopal Yadav
9. Dr.Alladi P. Rajkumar
10. Shri Kanshi Rana

with the instructions to report by the first day of the next Session."

The House divided

THE DEPUTY CHAIRMAN:

Ayes - 50

Ansari, Shri Jalaludin
 Azmi, Maulana Obaidullah Khan
 Balanandan, Shri E.
 Basu, Shri Nilotpal
 Bhandary, Shri Ram Deo
 Bisi, Shri Sanatan
 Bommai, Shri S. R.
 Borgohain, Shri Drupad

Chitharanjan, Shri J.
Das, Shri Khagen
Das, Dr. (Ms.) P. Selvie
Dasari, Shri N.R.
Dasgupta, Dr. Biplab
Das Gupta, Shri Gurudas
Dubey, Shrimati Saroj
Gaya Singh, Shri
Gowda, Shri H.K. Javare
Gupta, Shri Prem Chand
Hasan, Shri Munavvar
Ibrahim, Shri C.M.
Kaushik, Shri Rama Shanker
Lama, Shri Dawa
Malhoutra, Shri Jayant Kumar
Manian, Shri O.S.
Margabandu, Shri R.
Masthan, Dr. D.
Md. Salim, Shri
Mishra, Shri Janeshwar
Mukherjee, Shri Dipankar
Murty, Dr. Y. Radhakrishna
Nayyar, Shri Kuldip
Niraikulathan, Shri S.
Ojha, Shri Nagendra Nath
Pillai, Shri S. Ramachandran
Poulose, Shri C.O.
Rajendran, Shri N.
Ramoowalia, Shri Balwant Singh
Ray, Prof. (Shrimati) Bharati
Reddy, Dr. C. Narayana
Roy, Shri Abani
Roy, Shri Jibon
Roy, Shri Joyanta
Sengupta, Shri Bratin
Singh, Shri Amar
Soundararajan, Shri P.
Sundaram, Shri N. Thalavai

Raghavan, Shri A. Vijaya
Yadav, Shri Naresh
Yadav, Prof. Ram Gopal
Yadav, Shri Ranjan Prasad

Noes - 116

Adik, Shri Govindrao
Agarwal, Shri Ramdas
Agarwalla, Shri Parmeshwar Kumar
Agniraj, Shri S.
Azad, Shri Gandhi
Azad, Shri Ghulam Nabi
Azmi, Shrimati Shabana
Bagrodia, Shri Santosh
Bairagi, Shri Balkavi
Bakht, Shri Sikander
Bangaru Laxman, Shri
Barik, Shri Rahasbihari
Barongpa, Shri Sushil
Bhattacharjee, Shri Karnendu
Bhendia, Shri Jhumuk Lal
Bhundar, Sardar Balwinder Singh
Birla, Shri Krishna Kumar
Chandresh Kumari, Shrimati
Chaturvedi, Shri Bhuvnesh
Chaturvedi, Shri T.N.
Chaudhari, Chunni Lal
Chauhan, Shri Dara Singh
Chavan, Shri S.B.
Das, Dr. M.N.
Dave, Shri Anantary Devashanker
Deo, Shri V. Kishore Chandra S.
Dhindsa, Shri Sukh Dev Singh
Dhyani, Shri Manohar Kant
Duraismy, Shri V.P.

Fernandes, Shri Oscar
 Gadgil, Shri V.N.
 Gautam, Shri Sangh Priya
 Goradia, Shri Prafull
 Goyal, Shri Vedprakash P.
 Gupta, Shri Banarsi Das
 Hanumanthappa, Shri H.
 Hiphei, Shri
 Jamir, Shri C. Apok
 Jethmalani, Shri Ram
 Judev, Shri Dilip Singh
 Kadar, Shri M.A.
 Kalmadi, Shri Suresh
 Katara, Shri Kanak Mal
 Kaushal, Shri Swaraj
 Keswani, Shri Suresh A.
 Khan (Durru), Shri Aimaduddin Ahmad
 Khan, Shri K.M.
 Khan, Shri K. Rahman
 Khaparde, Miss Saroj
 Khuntia, Shri Ramachandra
 Kohli, Shri O.P.
 Kovind, Shri Ram Nath
 Kujur, Shri Maurice
 Lakhawat, Shri Onkar Singh
 Pramod Mahajan, Shri
 Majhi, Shri Bhagaban
 Malkani, Shri K.R.
 Manmohan Singh, Dr.
 Mehta, Shri Lalitbhai
 Miri, Shri Govindram
 Mishra, Shri Dina Nath
 Mukherjee, Shri Pranab
 Nahata, Shrimati Jayaprada
 Naidu, Shri M. Venkaiah
 Nandy, Shri Pritish
 Narendra Mohan Shri,
 Nariman, Shri Fali Sam

Nongtdu, Shri Onward L.
 Parmar, Shri Rajubhai A.
 Patel, Shri Ahmed
 Patil, Dr. Gopalrao Vithalrao
 Poojary, Shri Janardhana
 Pradhan, Shri Satishchandra Sitaram
 Raghavji, Shri
 Rai, Shri Lajpat
 Rajagopal, Shri O.
 Rajkumar, Dr. Alladi P.
 Ramachandraiah, Shri C.
 Ramji Lal, Shri
 Rao, Shri K. Kalavenkata
 Ravi, Shri Vayalar
 Ray, Shri Dilip
 Rebello, Miss Mabel
 Rebia, Shri Nabam
 Reddy, Shri Solipeta Ramachandra
 Rumandla, Shri Ramachandraiah
 Saifullah, Shri K.M.
 Salve, Shri N.K.P.
 Sankaralingam, Prof. M.
 Sarma, Shrimati Basanti
 Sethi, Shri Ananta
 Sharma, Dr. Mahesh Chandra
 Sharma, Shrimati Malti
 Shirodkar, Shri Adhik
 Shourie, Shri Arun
 Sibal, Shri Kapil
 Singh, Shri Devi Prasad
 Singh, Shri Jaswant
 Singh, Shri Raj Nath
 Singh, Dr. Ranbir
 Singh, Shri W. Angou
 Singhal, Shri B.P.
 Singhvi, Dr. L.M.
 Sinha, Shrimati Kamla
 Sinha, Shri Shatrughan

Sivasubramanian, Shri S.
Solanki, Shri Gopalsinh G.
Solanki, Shri Madhavsinh
'Surya', Shri Rajnath Singh
Thirunavukkarasu, Shri C.P.
Topden, Shri Karma
Topno, Miss Frida
Varma, Prof. Ram Bakhsh Singh
Virumbi, Shri S. Viduthalai
Yadav, Shri Janardan
Zahidi, Shri Khan Ghufra

The motion was negatived

THE DEPUTY CHAIRMAN : I shall now put to vote the amendment moved by Shri Dipankar Mukherjee for reference of the Bill to a Select Committee of the Rajya Sabha.

The question is:

"That the Bill to provide for the establishment of an Authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto and further to amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, be referred to the Select Committee of the Rajya Sabha consisting of the following Members namely:-

1. Shri K.R. Malkani
2. Shri Vayalar Ravi
3. Shri E. Balanandan
4. Shri S.R. Bommai
5. Shri Ranjan Prasad Yadav
6. Shri Gurudas Das Gupta
7. Shri R. Margabandu

8. Prof. Ram Gopal Yadav
9. Dr. Alladi P. Rajkumar
10. Shri S. Viduthalai Virumbi

with instructions to report by the first day of the next Session."

The motion was negatived.

THE DEPUTY CHAIRMAN: I shall now put Shri J. Chitharanjan's amendment to vote.

The question is:

"That the Bill to provide for the establishment of an Authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto and further to amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, be referred to the Select Committee of the Rajya Sabha consisting of the following Members namely:-

1. Shri K.R. Malkani
2. Shri Vayalar Ravi
3. Shri E. Balanandan
4. Shri S.R. Bommai
5. Shri Ranjan Prasad Yadav
6. Shri Gurudas Das Gupta
7. Shri R. Margabandu
8. Prof. Ram Gopal Yadav
9. Dr. Alladi P. Rajkumar
10. Shri Kanshi Ram Rana

with instructions to report by the first day of the next Session."

[7 December, 1999]

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The motion was negatived.

THE DEPUTY CHAIRMAN: I shall now put to vote the amendment moved by Shri Jibon Roy for reference of the Bill to a Select Committee of the House.

The question is:

"That the Bill to provide for the establishment of an Authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto and further to amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, be referred to a Select Committee of the Rajya Sabha consisting of the following Members namely:-

1. Shri K.R. Malkani
2. Shri Vayalar Ravi
3. Shri E. Balanandan
4. Shri S.R. Bommai
5. Shri Ranjan Prasad Yadav
6. Shri J. Chitharanjan
7. Shri R. Margabandu
8. Prof. Ram Gopal Yadav
9. Dr. Alladi P. Rajkumar
10. Shri S. Viduthalai Virumbi

with instructions to report by the first day of the next Session."

The motion was negatived.

THE DEPUTY CHAIRMAN : I shall now put to vote the amendment moved by Shri Bratin Sengupta for reference of the Bill to a Select Committee of the House.

The question is:

"That the Bill to provide for the establishment of an Authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and for matters therewith or incidental thereto and further to amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, be referred to a Select Committee of the Rajya Sabha consisting of the following Members namely:-

1. Shri Jibon Roy
2. Shri S. Ramachandran Pillai
3. Shri K.R. Malkani
4. Dr. Mahesh Chandra Sharma
5. Shri Raghavji
6. Miss Saroj Khaparde
7. Shri Khan Ghufraan Zahidi
8. Prof. (Smt.) Bharati Ray
9. Shri E. Balanandan
10. Shri Pranab Mukherjee

with instructions to report by the first day of the next Session."

The motion was negatived.

THE DEPUTY CHAIRMAN: I shall now put to vote the amendment moved by Shri Ramachandran Pillai for reference of the Bill to a Select Committee of the House.

The question is:

"That the Bill to provide for the establishment of an Authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto and further to amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, be referred to a Select Committee of the Rajya Sabha consisting of the following Members namely:-

1. Shri K.R. Malkani
2. Shri Vayalar Ravi
3. Shri E. Balanandan
4. Shri S.R. Bommai
5. Shri Ranjan Prasad Yadav
6. Shri J. Chitharanjan
7. Shri R. Margabandu
8. Prof. Ram Gopal Yadav
9. Dr. Alladi P. Rajkumar
10. Shri S. Viduthalai Virumbi

with instructions to report by the first day of the next Session."

The motion was negatived.

THE DEPUTY CHAIRMAN : We shall now take up the motion for consideration moved by Shri Yashwant Sinha. The question is :

"That the Bill to provide for the establishment of an Authority to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto and further to amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

THE DEPUTY CHAIRMAN : We shall now take up clause- by-clause consideration of the Bill.

Clauses 2 and 3 were added to the Bill.

THE DEPUTY CHAIRMAN : We shall now take up clause 4. There are two amendments, no. 10 and 11, by Shri Nilotpal Basu and others.

CLAUSE 4 (COMPOSITION OF AUTHORITY)

SHRI NILOTPAL BASU : Madam, I beg to move:

(10) That at page 3, line 6, *for* the word "or" the word "and" be *substituted*.

(11) That at page 3, line 11, for the word "or" the word "and" be *substituted*.

THE DEPUTY CHAIRMAN : I shall now put the amendments, no. 10 and 11, to vote.

Amendments, No. 10 and 11 were negatived.

Clause 4 was added to the Bill.

Clauses 5 to 10 were added to the Bill.

THE DEPUTY CHAIRMAN : We shall now take up clause 11 of the Bill. There is one amendment, No. 12, by Shri Nilotpai Basu.

Clause 11 : (Vacancies, etc., not to invalidate proceedings of Authority.)

SHRI NILOTPAL BASU : Madam, I move :

(12) That at page 4, line 21, the following words, "or any defect in the constitution of," be *omitted*.

THE DEPUTY CHAIRMAN : I shall now put the amendment, No. 12, to vote.

Amendment, No. 12, was negatived.

Clause 11 was added to the Bill.

Clauses 12 and 13 were added to the Bill.

THE DEPUTY CHAIRMAN : We shall now take up clause 14 of the Bill. There are five amendments, No., 13 to 16, by Shri Nilotpai Basu and others; and No. 28, by Shri Balwant Singh Ramcowalia.

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CLAUSE 14 (DUTIES, POWERS AND FUNCTIONS OF AUTHORITY)

SHRI NILOTPAL BASU : I beg to move. (13) That at page 5, line 16, the following be *added* at the end namely:- "and to check that there is no undercutting of premiums and unreasonable incentives to capture the markets."

(14) That at page 5, line 24, the word "etc." be *inserted* at the end.

(15) That at page 5, line 28, the words "and transparency" be *inserted* at the end.

(16) That at page 5, line 38, the words "for Life Insurance and General Insurance Sectors" be *inserted* at the end.

SHRI BALWANT SINGH RAMOOWALIA : I beg to move:

(28) That at page 5 after line 43, following be inserted, namely:-

"(1a) monitoring the delay in repayment of assured money to the policy holders with legal powers to enforce decisions."

THE DEPUTY CHAIRMAN : I shall now put the Amendments, No. 13 to 16, and No. 28, to vote.

Amendments, No. 13 to 16, and No. 28, were negatived.

Clause 14 was added to the Bill.

New Clause - 14A and 14-B

THE DEPUTY CHAIRMAN: There is an amendment (No.4) for insertion of new clause 14A by Shri Gurudas Das Gupta and Shri J. Chitharanjan. Do you want to move?

SHRI GURUDAS DAS GUPTA : Madam, I want not only to move the amendment but also to speak. I seek your permission to speak for two minutes.

Madam, I beg to move:

(4) That at page 16, *after* line 4, the following be *inserted*, namely:-

"14A. In section 27(1)(b)(ii) for the words "in the manner following, namely, twenty-five per cent of the said sum in Government securities, a further sum equal to not less than twenty-five per cent of said sum in Government securities or other approved securities and the balance in any of the approved investments specified in sub-section (1) of section 27A or subject to the limitations, conditions and restrictions specified in sub-section (2) of that section in other investment", the following be substituted, namely:-

- "(i) twenty-five per cent of the said sum in Union Government securities;
- (ii) another twenty-five per cent of the said sum in State Government securities;
- (iii) a further twenty-five per cent of the said sum in rural and socially oriented sectors owned by local self-governed bodies like Panchayats, Municipalities, etc.;
- (iv) the remaining twenty-five per cent in any of the approved investments specified in sub-section (1) of section 27A or subject to the limitations, conditions and restrictions specified in sub-section (2) of that section or any other investments."

Madam, a question was raised by the Congress Party in the other House and here also. They wanted that there should be a condition or a situation or a provision, in whatever form it be, which enables the Government to ensure not fifty per cent--fifty per cent is the mandated quota of the Government of the investible fund--but seventy-five per cent of the investible fund goes for developmental activities. The hon. Minister did not make that a part of the law.

The hon. Minister had only stated that the Government might direct the Regulatory Authority. Many friends from different parties say

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that there should be a statutory provision to ensure that seventy-five per cent, not fifty per cent only, of the investible funds, whether private or public, goes, in a directed direction, for directed investment to enable development of infrastructure, to assist different projects of social safety and security and to ensure that the whole fund goes to socially important sectors. Why do I want this statutory provision? If fifty per cent of the investible fund is allowed to be used by the sweet will of the private insurance companies, that money may be used for taking over profitable Indian firms, playing in the stock market and making gain in the real estate business. Therefore, I don't feel assured by the statement of the hon. Minister. I want it to be made a part of the law so that the investible fund representing national savings of the country is utilised for the good of the country.

The question was proposed.

THE DEPUTY CHAIRMAN : Now I shall put the amendment (No.4) moved by Shri Gurudas Das Gupta to vote. The question is:

(4) That at page 16, *after* line 4, the following be *inserted*, namely:-

"14A. In section 27(1)(b)(ii) for the words "in the manner following, namely, twenty-five per cent of the said sum in Government securities, a further sum equal to not less than twenty-five per cent of said sum in Government securities or other approved securities and the balance in any of the approved investments specified in sub-section (1) of section 27A or subject to the limitations, conditions and restrictions specified in sub-section (2) of that section in other investment", the following be *substituted*, namely:-

- "(i) twenty-five per cent of the said sum in Union Government securities;
- (ii) another twenty-five per cent of the said sum in State Government securities;

- (iii) a further twenty-five per cent of the said sum in rural and socially oriented sectors owned by local self-governed bodies like Panchayats, Municipalities, etc.;
- (iv) the remaining twenty-five per cent in any of the approved investments specified in sub-section (1) of section 27A or subject to the limitations, conditions and restrictions specified in sub-section (2) of that section or any other investments."

The House divided.

THE DEPUTY CHAIRMAN:

Ayes - 50

Ansari, Shri Jalaludin
 Azmi, Maulana Obaidullah Khan
 Balanandan, Shri E.
 Basu, Shri Nilotpal
 Bhandary, Shri Ram Deo
 Bisi, Shri Sanatan
 Bommai, Shri S. R.
 Borgohain, Shri Drupad
 Chitharanjan, Shri J.
 Das, Shri Khagen
 Das, Dr. (Ms.) P. Selvie
 Dasari, Shri N.R.
 Dasgupta, Dr. Biplab
 Das Gupta, Shri Gurudas
 Dubey, Shrimati Saroj
 Gaya Singh, Shri
 Gowda, Shri H.K. Javare
 Gupta, Shri Prem Chand
 Hasan, Shri Munavvar
 Ibrahim, Shri C.M.
 Kaushik, Shri Rama Shanker

Lama, Shri Dawa
 Malhoutra, Shri Jayant Kumar
 Manian, Shri O.S.
 Margabandu, Shri R.
 Masthan, Dr. D.
 Md. Salim, Shri
 Mishra, Shri Janeshwar
 Mukherjee, Shri Dipankar
 Murty, Dr. Y. Radhakrishna
 Nayyar, Shri Kuldip
 Niraikulathan, Shri S.
 Ojha, Shri Nagendra Nath
 Pillai, Shri S. Ramachandran
 Poulse, Shri C.O.
 Rajendran, Shri N.
 Ramoowalia, Shri Balwant Singh
 Ray, Prof. (Shrimati) Bharati
 Reddy, Dr. C. Narayana
 Roy, Shri Abani
 Roy, Shri Jibon
 Roy, Shri Joyanta
 Sengupta, Shri Bratin
 Singh, Shri Amar
 Soundararajan, Shri P.
 Sundaram, Shri N. Thalavai
 Vijaya Raghavan, Shri A.
 Yadav, Shri Naresh
 Yadav, Prof. Ram Gopal
 Yadav, Shri Ranjan Prasad

Noes - 114

Adik, Shri Govindrao
 Agarwal, Shri Ramdas
 Agarwalla, Shri Parmeshwar Kumar
 Agniraj, Shri S.
 Azad, Shri Gandhi

Azad, Shri Ghulam Nabi
Bagrodia, Shri Santosh
Bairagi, Shri Balkavi
Bakht, Shri Sikander
Bangaru Laxman, Shri
Barik, Shri Rahasbihari
Barongpa, Shri Sushil
Bhattacharjee, Shri Karnendu
Bhundar, Sardar Balwinder Singh
Birla, Shri-Krishna Kumar
Chandresh Kumari, Shrimati
Chaturvedi, Shri Bhuvnesh
Chaturvedi, Shri T.N.
Chaudhari, Chunni Lal
Chauhan, Shri Dara Singh
Chavan, Shri S.B.
Das, Dr. M.N.
Dave, Shri Anantary Devashanker
Deo, Shri V. Kishore Chandra S.
Dhindsa, Shri Sukh Dev Singh
Dhyani, Shri Manohar Kant
Duraisamy, Shri V.P.
Fernandes, Shri Oscar
Gadgil, Shri V.N.
Gautam, Shri Sangh Priya
Goradia, Shri Prafull
Goyal, Shri Vedprakash P.
Gupta, Shri Banarsi Das
Hanumanthappa, Shri H.
Hiphei, Shri
Jamir, Shri C. Apok
Jethmalani, Shri Ram
Judev, Shri Dilip Singh
Kadar, Shri M.A.
Kalmadi, Shri Suresh
Katara, Shri Kanak Mal
Kaushal, Shri Swaraj

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Keswani, Shri Suresh A.
Khan (Durru), Shri Aimaduddin Ahmad
Khan, Shri K.M.
Khan, Shri K. Rahman
Khaparde, Miss Saroj
Khuntia, Shri Ramachandra
Kohli, Shri O.P.
Kovind, Shri Ram Nath
Kujur, Shri Maurice
Laxman, Shri Bangaru
Mahajan, Shri Pramod
Majhi, Shri Bhagaban
Malkani, Shri K.R.
Manmohan Singh, Dr.
Mehta, Shri Lalitbhai
Miri, Shri Govindram
Mishra, Shri Dina Nath
Mukherjee, Shri Pranab
Nahata, Shrimati Jayaprada
Naidu, Shri M. Venkaiah
Nandy, Shri Pritish
Narendra Mohan, Shri,
Nariman, Shri Fali Sam
Nongtdu, Shri Onward L.
Parmar, Shri Rajubhai A.
Patel, Shri Ahmed
Patil, Dr. Gopalrao Vithalrao
Poojary, Shri Janardhana
Pradhan, Shri Satishchandra Sitaram
Raghavji, Shri
Rai, Shri Lajpat
Rajagopal, Shri O.
Rajkumar, Dr. Alladi P.
Ramachandraiah, Shri C.
Ramji Lal, Shri
Rao, Shri K. Kalavenkata
Ravi, Shri Vayalar

Ray, Shri Dilip
Ray, Miss Mabel Rebello,
Rebia, Shri Nabam
Reddy, Shri Solipeta Ramachandra
Rumandla, Shri Ramachandraiah
Saifullah, Shri K.M.
Salve, Shri N.K.P.
Sankaralingam, Prof. M.
Sarma, Shrimati Basanti
Sethi, Shri Ananta
Sharma, Dr. Mahesh Chandra
Sharma, Shrimati Malti
Shirodkar, Shri Adhik
Shourie, Shri Arun
Sibal, Shri Kapil
Singh, Shri Devi Prasad
Singh, Shri Jaswant
Singh, Shri Raj Nath
Singh, Dr. Ranbir
Singh, Shri W. Angou
Singhvi, Dr. L.M.
Sinha, Shrimati Kamla
Sinha, Shri Shatrughan
Sivasubramanian, Shri S.
Solanki, Shri Gopalsinh G.
Solanki, Shri Madhavsinh
'Surya', Shri Rajnath Singh
Thirunavukkarasu, Shri C.P.
Topden, Shri Karma
Topno, Miss Frida
Varma, Prof. Ram Bakhsh Singh
Virumbi, Shri S. Viduthalai
Yadav, Shri Janardan
Zahidi, Shri Khan Ghufan

The motion was negatived.

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NEW CLAUSES 14-A AND 14-B

SHRI JIBON ROY : I move:

(3) That at page 16, *after* line 4, the following be inserted namely:-

14-A. In sub-section (2) of Section 27, para (b) shall be *omitted*.

14.B. In sub-section (1) of Section 27 A, para (b) shall be *omitted*.

The question was put and the motion was negatived.

Clauses 15 to 24 were added to the Bill.

THE DEPUTY CHAIRMAN : Now I will take up clause 25. There is one amendment.

CLAUSE 25: ESTABLISHMENT OF INSURANCE ADVISORY
COMMITTEE

SHRI NILOTPAL BASU : I move:

(17) That at page 9, line 14, *for* the word "association" the word "associations" be *substituted*.

The question was put and the motion was negatived.

THE DEPUTY CHAIRMAN : I now put Clause 25 to vote.

Clause 25 was added to the Bill.

THE DEPUTY CHAIRMAN : Now I will take up Clause 26. There is one amendment.

CLAUSE 26 POWER TO MAKE REGULATIONS

SHRI NILOTPAL BASU : I move:

(18) That at page 9, *after* line 35, the following words and brackets be *inserted* namely:-

"(dd) the terms and conditions of agents, other intermediaries and surveyors; and"

The question was put and the motion was negatived.

THE DEPUTY CHAIRMAN : Now I put Clause 26 to vote.

Clause 26 was added to the Bill.

Clauses 27 to 32 were added to the Bill.

THE DEPUTY CHAIRMAN : We shall now take up the First Schedule. There are 16 amendments. Amendment No. 1 is by Shri Vayalar Ravi. He is not here. Amendment No. 2 is by Shri K.R. Malkani.

SHRI GURUDAS DAS GUPTA : Madam, where is Mr. Vayalar Ravi?

THE DEPUTY CHAIRMAN : I am not supposed to know where the Member is. It is not a part of my job.

SHRI GURUDAS DAS GUPTA : Madam, we are concerned about Shri Vayalar Ravi.

THE DEPUTY CHAIRMAN : Don't worry. We will take care of his welfare. Mr. Malkani, are you not moving?

SHRI K.R. MALKANI (Delhi) : Madam, I would like to say a few words. I would request the Government to accept it. I would like to move it. If they don't accept it, I would not press it for vote. I would like to say a few words.

THE DEPUTY CHAIRMAN : Mr. Malkani, you are not moving but you want to say a few words.

[7 December, 1999]

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SHRI K.R. MALKANI : Madam, I am moving it but I will not press it for vote.

SHRI PRANAB MUKHERJEE (West Bengal) : Madam, once he moves it, it becomes the property of the House.

THE DEPUTY CHAIRMAN : Mr. Malkani, once an amendment is moved ... (*Interruptions*) . Let me speak. Mr. Malkani, once you move an amendment, it goes out of your hand and it will become the property of the House. So I will have to put it to vote.

SHRI K.R. MALKANI : Madam, shall I say something before I move it?

THE DEPUTY CHAIRMAN : Before you move it, I will permit you to say whatever you want to say.

SHRI PRANAB MUKHERJEE : Madam, that is a gratis to the hon. Member because he can speak only after moving it. Madam, we have no objection if you give him a chance to speak.

SHRI K.R. MALKANI : Madam, this is an old Bill with a long and chequered history. Since the Government and the main Opposition Party has agreed to pass this Bill, it will be passed . पंचों की राय सबको मंजूर है, देश को मंजूर होगी।

श्री ग्या सिंह (बिहार) : सबको नहीं, आपको मंजूर होगी।

उपसभापति : आप सुनिए।

SHRI K.R. MALKANI : The best thing can be bettered. It is quite possible that this Bill is not as perfect as we think it to be. From this point of view alone, I have suggested a couple of changes. My suggestion is this. On page 11 of this Bill it is stated that the Indian insurance company means any company in which the aggregate holdings of equity shares by a foreign company, either by itself or through its subsidiary companies or its nominees, do not exceed twenty-six per cent. It means that in every Indian

company if there is up to 26 per cent foreign equity, it will still be regarded as Indian. That is one thing. Secondly, we have a provision in this Bill that foreign companies can have 26 per cent equity on their own. Now if any Indian company has a foreign equity and the foreign company has 26 per cent equity, then technically it can go up to 52 per cent. Maybe, it would not be that much at all. But this is a distinct possibility. The official thinking is that this will take note of both. I do not think so. I am not a lawyer and I am also not a finance man. My suggestion is that the following explanation be inserted: Explanation II- "It is hereby declared that the total holding of equity share by foreigners whether in an Indian Company or a foreign Company, shall not exceed 26 per cent". This is just to make it doubly sure that it does not exceed 26 per cent. The assurance given by the Finance Minister is welcomed by all of us. But the courts will take note of the letter of the law and not what the hon. Finance Minister has said in the House. My second request is this. I am repeating, I am not a lawyer or a financial expert.

SHRI GURUDAS DAS GUPTA : But you are a man with conscience.

SHRI K.R. MALKANI : We are all men of conscience. We all have a head a heart and a conscience.

SHRI GURUDAS DAS GUPTA : Not in everybody's case.

SHRI K.R. MALKANI : I will not say that. Madam, many people are saying that big companies from abroad will come here and do business here and they will reinsure this business abroad and tons of money will flow out. The hon. Finance Minister has been good enough to tell us that nearly 300 to 400 million dollars are going out even now what will happen if 300 million turn into 300 billion? That is why I have said, up till now even LIC and GIC have been reinsuring abroad. All that I have said here is: "It is further declared that the percentage of re-insurance abroad by Indian or foreign companies shall not exceed the average of re-insurance by the LIC and GIC over the last three years." This is my humble submission.

In conclusion, I wish that the hon. Finance Minister had not referred to Pakistan opening up its insurance industry 100 per cent to

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foreign companies. This happened at a time when the elected Prime Minister had been dismissed, and some Pakistani financier from abroad had been called nominated Prime Minister. And, one of the first things he did was to open Pakistan's insurance to foreign companies. So, we don't have to follow Pakistan. If we on our own are satisfied that this is good for us, we are all for it, not because Pakistan has done it. That is all I have to say. If the hon. Minister accepts these amendments or is willing to consider these, then, it is fine.

THE DEPUTY CHAIRMAN : Then, I go on to amendments 5, 6 and 7. Shri Gurudas Das Gupta... (*Interruptions*)

SHRI GURUDAS DAS GUPTA : Madam, the Minister must respond...

उपसभापति : गुरुदास दासगुप्त जी, आप अपने अमेंडमेंट में इन्टरेस्टेड हैं या नहीं? (*Interruptions*)

SHRI MD. SALIM : But he has expressed certain apprehensions.

THE DEPUTY CHAIRMAN : He has not moved it. So, forget it... (*Interruptions*)... There are your amendments. Are you not interested in moving your amendments?

SHRI GURUDAS DAS GUPTA : I am moving my amendments. I was just listening to you.

THE DEPUTY CHAIRMAN : Please listen to me carefully.

SHRI PRANAB MUKHERJEE : He is attracted by your voice.

THE DEPUTY CHAIRMAN : Thank you.

SHRI GURUDAS DAS GUPTA : Madam, I move:

(5) That at page 11, for lines 26-29, the following be substituted, namely -

"(b) in which foreign company or its subsidiary company, FII, NRI or OCB do not hold equity shares."

(6) That at page 14, line 45, *after* the word and figure "section 2" the following be *inserted* namely:-

"nor shall it apply to LIC or GIC whose equity capital shall be only owned by the Government of India."

(7) That at page 16, *for* lines 38-41, the following be *substituted*, namely:-

"32B. Every insurer shall undertake fifty percent of life insurance business and general insurance business in the rural or social sector."

THE DEPUTY CHAIRMAN : I shall now move on to amendment Nos. 19 to 24 by Shri Nilotpall Basu and others.

SHRI NILOTPAL BASU : Madam, I move:

(19) "That at page 13, lines 8-12 be *omitted*."

(20) "That at page 16, lines 6-7, the words "the funds of the policy-holders" be *omitted*."

(21) "That at page 16, lines 39-40, *for* the words "such percentages of life insurance business and general insurance business in the rural or social sector, as may be specified" the words "not less than twenty-five per-cent of life insurance business and general insurance business in the rural or social sector" be *substituted*."

(22) "That at page 19, lines 19-30 be *omitted*."

(23) "That at page 20, lines 38-42 be *omitted*."

- (24) "That at page 25, line 47, the following words be *inserted* at the end, namely:-

"and also forfeiture of such properties and or assets."

THE DEPUTY CHAIRMAN : There are amendment Nos. 29 and 30 by Shri Balwant Singh Ramoowalia.

SHRI BALWANT SINGH RAMOOWALIA : Madam, I move:

- (29) "That at page 16 *after* line 41, the following be *inserted*, namely:-

"32BB. Every insurer shall after the commencement of the Insurance Regulatory and Development Authority Act, 1999, invest eighty percent of the profit of the insurance business in the field of education and health without charging any interest thereon and the insurer shall be at liberty to reutilize that amount after twenty five years."

- (30) "That at page 16 *after* line 47, the following be *inserted*, namely:-

"32CC. Every insurer shall, after the commencement of the Insurance Regulatory and Development Authority Act, 1999, utilize the amounts received from the policy holders for giving loans to agriculture, cottage industries, self-employment projects of unemployed youth, and fifty per cent of the total premium amounts shall be earmarked for priority areas."

Madam, I would like to say something on this. My point is that this august House had led the nation in many odd events and on the days of turmoil. This Bill is depriving the benefits to the poor people, the toiling masses from the agricultural sector, cottage industry sector and the self-employment sectors. Our youth in large numbers, are running from pillar to post for smaller jobs. There had been a provision of loans at a cheaper rate to cottage industries, agricultural sectors and also for

self-employment purposes. Madam, I urge upon the Government, through you, to get ensured that foreign investments and companies with foreign investment provide some percentage of reservation for loans to these sectors.

The questions were proposed.

THE DEPUTY CHAIRMAN : I shall now put amendment Nos. 5,6 and 7 moved by Shri Gurudas Das Gupta to vote.

Amendments (Nos. 5, 6 and 7) were negatived.

THE DEPUTY CHAIRMAN : I shall now put amendment Nos. 19 to 24 by Shri Nilotpal Basu and others to vote.

Amendments (Nos. 19 to 24) were negatived.

THE DEPUTY CHAIRMAN : I shall now put amendment Nos. 29 and 30 by Shri Balwant Singh Ramoowalia to vote.

Amendments (Nos. 29 and 30) were negatived.

The First Schedule was added to the Bill.

THE DEPUTY CHAIRMAN : In the Second Schedule, there is one amendment No.8 by Shri Gurudas Das Gupta and Shri J. Chitharanjan.

SHRI GURUDAS DAS GUPTA: Madam, I move:

"That at page 29, line 8, *after* the words "the corporation shall" the word not be *inserted*."

THE DEPUTY CHAIRMAN: I shall now put the amendment No.8 to vote.

Amendment No.8 was negatived.

The Second Schedule was added to the Bill.

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THE DEPUTY CHAIRMAN: Now, in the Third Schedule, there is one amendment No.9 by Shri Gurudas Das Gupta and Shri J. Chitharanjan.

SHRI GURUDAS DAS GUPTA: Madam, I move:

"That at page 29, line 19, *after* the words "business in India shall" the word "not" be *inserted*."

THE DEPUTY CHAIRMAN: I shall now put amendment No.9 to vote.

Amendment No.9 was negatived.

The Third Schedule was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI YASHWANT SINHA: Madam, I move:

That the Bill be passed.

The question was proposed.

SHRI GURUDAS DAS GUPTA: Madam, while asking for a division, I would like to say a few words. I am saying this to put on record our stiff opposition to the Bill which we consider is against the interest of the nation.... (*Interruptions*)...

THE DEPUTY CHAIRMAN: The question is:

That the Bill be passed.

The House divided.

THE DEPUTY CHAIRMAN:

Ayes -115

Adik, Shri Govindrao
Agarwal, Shri Ramdas
Agarwalla, Shri Parmeshwar Kumar

Agniraj, Shri S.
 Azad, Shri Gandhi
 Azad, Shri Ghulam Nabi
 Azmi, Shrimati Shabana
 Bagrodia, Shri Santosh
 Bairagi, Shri Balkavi
 Bakht, Shri Sikander
 Bangaru, Laxman, Shri
 Barik, Shri Rahasbihari
 Barongpa, Shri Sushil
 Bhattacharjee, Shri Karnendu
 Bhendia, Shri Jhumuk Lal
 Bhundar, Sardar Balwinder Singh
 Birla, Shri Krishna Kumar
 Chandresh Kumari, Shrimati
 Chaturvedi, Shri Bhuvnesh
 Chaturvedi, Shri T. N.
 Chaudhary, Chunni Lal
 Chauhan, Shri Dara Singh
 Chavan, Shri S.B.
 Das, Dr. M.N.
 Dave, Shri Anantray Devshanker
 Deo, Shri V. Kishore Chandra S.
 Dhindsa, Shri Sukh Dev Singh
 Dhyani, Shri Manohar Kant
 Duraisamy, Shri V.P.
 Fernandes, Shri Oscar
 Gadgil, Shri V.N.
 Gautam, Shri Sangh Priya
 Goradia, Shri Prafull
 Goyal, Shri Vedprakash P.
 Gupta, Shri Banarsi Das
 Hanumanthappa, Shri H.
 Hiphei, Shri
 Jamir, Shri C. Apok
 Jethmalani, Shri Shri Ram
 Judev, Shri Dilip Singh
 Kadar, Shri M.A.

Kalmadi, Shri Suresh
Katara, Shri Kanak Mai
Keswani, Shri Suresh A.
Khan (Durru), Shri Aimaduddin Ahmad
Khan, Shri K.M.
Khan, Shri K. Rahman
Khaparde, Miss Saroj
Khuntia, Shri Ramachandra
Kohli, Shri O.P.
Kovind, Shri Ram Nath
Kujur, Shri Maurice
Lakhawat, Shri Onkar Singh
Mahajan, Shri Pramod
Majhi, Shri Bhagaban
Malkani, Shri K.R.
Manmohan Singh, Dr.
Mehta, Shri Lalitbhai
Miri, Shri Govindram
Mishra, Shri Dina Nath
Mukherjee, Shri Pranab
Nahata, Shrimati Jayaprada
Naidu, Shri M. Venkaiah
Nandy, Shri Pritish
Narendra Mohan, Shri
Nariman, Shri Fali Sam
Nongtdu, Shri Onward L.
Parmar, Shri Rajubhai A.
Patel, Shri Ahmed
Patil, Dr. Gopalrao Vithalrao
Poojary, Shri Janardhana
Pradhan, Shri Satishchandra Sitaram
Raghavji, Shri
Rai, Shri Lajpat
Rajagopal, Shri O.
Rajkumar, Dr. Alladi P.
Ramachnadraiah, Shri C.
Ramji Lal, Shri

Rao, Shri K. Kalavenkata
Ravi, Shri Vayalar
Ray, Shri Dilip
Rebello, Miss Mabel
Rebia, Shri Nabam
Reddy, Shri Solipeta Ramachandra
Rumandla, Shri Ramachandraiah
Saifullah, Shri K.M.
Salve, Shri N.K.P.
Sankaralingam, Prof. M.
Sarma, Shrimati Basanti
Sethi, Shri Ananta
Sharma, Dr. Mahesh Chandra
Sharma, Shrimati Malki
Shirodkar, Shri Adhik
Shourie, Shri Arun
Sibal, Shri Kapil
Singh, Shri Devi Prasad
Singh, Shri Jaswant
Singh, Shri Raj Nath
Singh, Dr. Ranbir
Singh, Shri W. Angou
Singhal, Shri B.P.
Singhvi, Dr. L.M.
Sinha, Shrimati Kamla
Sinha, Shri Shatrughan
Sivasubaramanian, Shri S.
Solanki, Shri Gopalsinh G.
Solanki, Shri Madhavsinh
'Surya', Shri Rajnath Singh
Thirunavukkarasu, Shri C.P.
Topden, Shri Karma
Topno, Miss Frida
Varma, Prof. Ram Bakhsh Singh
Virumbi, Shri S. Viduthalai
Yadav, Shri Janardan
Zahidi, Shri Khan Ghufra

Noes - 50

Ansari, Shri Jalaludin
Azmi, Maulana Obaidullah Khan
Balanandan, Shri E.
Basu, Shri Nilotpāl
Bhandary, Shri Ram Deo
Bisi, Shri Sanatan
Bomma, Shri S.R.
Borgohain, Shri Drupad
Chitharanjan, Shri J.
Das, Shri Khagen
Das, Dr. (Ms.) P. Selvie
Dasari, Shri N.R.
Dasgupta, Dr. Biplab
Das Gupta, Shri Gurudas
Dubey, Shrimati Saroj
Gaya Singh, Shri
Gowda, Shri H.K. Javare
Gupta, Shri Prem Chand
Hasan, Shri Munavvar
Ibrahim, Shri C.M.
Kaushik, Shri Rama Shanker
Lama, Shri Dawa
Malhourtra, Shri Jayant Kumar
Manian, Shri O.S.
Margabandu, Shri R.
Masthan, Dr. D.
Salim, Shri Md.
Misra, Shri Janeshwar
Mukherjee, Shri Dipankar
Murty, Dr. Y. Radhakrishn
Nayyar, Shri Kuldip
Niraikulathan, Shri S.
Ojha, Shri Nagendra Nath
Pillai, Shri S. Ramachnadra
Poulose, Shri C.O.

Rajendran, Shri N.
 Ramoowalia, Shri Balwant Singh
 Ray, Prof. (Shrimati) Bharati
 Reddy, Dr. C. Narayana
 Roy, Shri Abani
 Roy, Shri Jibon
 Roy, Shri Joyanta
 Sengupta, Shri Bratin
 Singh, Shri Amar
 Soundararajan, Shri P.
 Sundaram, Shri N. Thalavai
 Sundaram, Shri A. Vijaya Raghavan
 Yadav, Shri Naresh
 Yadav, Prof. Ram Gopal
 Yadav, Shri Ranjan Prasad

The motion was adopted.

SHRI NILOTPAL BASU: Now we walk out.

(At this stage some hon. Members left the Chamber.)

THE DEPUTY CHAIRMAN: We will now take up the Prevention of Money-Laundering Bill, 1999 and the Foreign Exchange Management Bill, 1999. They will be discussed together. Shri Yashwant Sinha.

I. The Prevention of Money-Laundering Bill, 1999

II. The Foreign Exchange Management Bill, 1999

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) :
 Madam, I rise to move:

"That the Bill to prevent money laundering and to provide for confiscation of property derived from, or involved in,