

undertakings should not be generally, if not wholly, in the public sector?

SHRI N. KANUNGO: This question is about licensing and I have said that licensing is now confined to the 21 industries a list of which has been drawn up.

SHRI M. S. GURUPADA SWAMY: May I know whether the targets fixed for licences for these priority industries have been already completed or is there still scope for further licences?

SHRI N. KANUNGO: There is scope.

SHRIMATI MAYA DEVI CHETTRY: May I know what happened about the hydro-electric project in Ladakh which was going to be constructed?

SHRI N. KANUNGO: I have no information. The Irrigation and Power Ministry may have the information.

SHRI A. D. MANI: The Minister said that there was scope for more licences to be issued. Would he indicate in what type of industries the Government would consider favourably the granting of licences?

SHRI N. KANUNGO: That I have said; in the 21 industries already announced.

SHRI A. D. MANI: What type?

SHRI N. KANUNGO: The list has been published in all journals. If the hon. Member likes he can get it from me.

#### NATIONALISATION OF GENERAL INSURANCE

f SHRI S. PATEL: \*331. \ SHRI M. S. GURUPADA [ SWAMY:

Will the Minister of FINANCE be pleased to state:

fThe question was actually asked on the floor of the House by Shri S. Patel.

(a) whether Government propose to nationalise general insurance;

(b) if so, when a legislation to that effect is likely to come up before Parliament; and

(c) what are the reasons for such a move?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI B. & BHAGAT) : (a) to (c) Different aspects of the question of nationalisation of general insurance are being examined by the Government and it would take some time before this examination is completed.

SHRI M. S. GURUPADA SWAMY: This has been under consideration since the time of the nationalisation of life insurance. The very reasons that weighed in the case of nationalisation of life insurance operate in the case of general insurance also. What is the reason why there is so much of delay in considering this aspect of the problem and when will the Government really take a decision in this matter of nationalisation of general insurance?

SHRI B. R. BHAGAT: The presumption of the hon. Member that the reasons that weighed for the nationalisation of life insurance are the same for the nationalisation of general insurance is not correct. Even at that time the then Finance Minister said that general insurance was on a different footing and it had to be treated differently. So the presumption is not correct and therefore the conclusion that he has drawn is also not correct.

'SHRI M. S. GURUPADA SWAMY: Would not the fact that the present emergency requires enormous resources, financial and otherwise and that the general insurance companies hold enormous resources at their command

be adequate enough reason for taking steps to nationalise these general insurance companies and would the Government take immediate steps to nationalise them?

SHRI MORARJI R. DESAI: May I say that the very fact that there is emergency will delay the whole consideration because it is not good to disturb these things just now in the emergency? And then it is also a wrong idea to suppose that there are enormous funds lying in general insurance companies. That also is wrong.

SHRI BHUPESH GUPTA: Is it not a fact that when this matter of life insurance was considered all the material facts in regard to general insurance were also known to the Government and if so what exactly is the Government enquiring into—apart from the consideration of delay—and in what manner is the enquiry being conducted? May I know whether the employees are also being consulted in this matter?

SHRI MORARJI R. DESAI: There is no question of consulting the employees. The employees are agitating for nationalisation; it is true but the Government do not consult them for this purpose. Of course their privileges and other things should also be considered whenever anything is done but that does not mean that they should be consulted; then the owners should also be consulted. The Government will take all the facts into consideration, all the representations that are there. It may take into consideration some aspects of general insurance and not all aspects of it. Therefore there are various things which are being considered.

SHRI BHUPESH GUPTA: I was not suggesting that I was opposed to owners<sup>4</sup> being consulted. Is it not a fact that these employees and their unions have placed before the Government various memoranda and material facts making out a very

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strong! case for nationalisation and may I know whether in view of this they are going to be consulted in this matter? I am not objecting to other consultations being made.

SHRI MORARJI R. DESAI: No. Sir.

SHRI A. B. VAJPAYEE: May we have some idea of the funds now lying with the general insurance companies?

SHRI B. R. BHAGAT: We do not have information about the specific amount but it must be stated clearly that the reserves are not very much.

SHRI M. S. GURUPADA SWAMY: I want to know whether it is not a fact that these companies have built up certain reserves—may not be enormous according to the Finance Minister—and would not the Government take steps to somehow utilise these reserves for the purpose of meeting the needs of defence.

SHRI B. R. BHAGAT: It is a suggestion for action.

SHRI BHUPESH GUPTA: Is it not a fact that the control of general insurance on certain aspects of our economy is some thing which is far beyond the financial resources of the State and that this in itself is an important factor for nationalising these concerns?

SHRI B. R. BHAGAT: That presumption is not true.

SHRI K. SANTHANAM: May I know, Sir, if it is not a fact that most of the reserves of general insurance companies are already in Government securities?

SHRI B. R. BHAGAT: Yes, Sir, to a large extent.

MR. CHAIRMAN: Next question.

#### ADMISSION TO M.B.B.S. CLASSES ON MERIT

•332. SHRI M. P. BHARGAVA: Will the Minister of HEALTH be pleased to state: