

**GOVERNMENT SERVANTS PENALISED FOR
PATRIOTIC ACTIVITIES**

*326. BABU GOPINATH SINGH: Will the Minister for HOME AFFAIRS be pleased to state:

(a) whether Government have come to any decision on the question that the pay and seniority of ex-Government servants penalised under the British regime for their patriotic activities should on their re-employment be fixed at the same level at which they would have been if these persons had continued in service uninterruptedly;

(b) if so, whether the revised pay as calculated above will be admissible from the date of their re-employment or from a later date; and

(c) whether such persons, who become entitled to confirmation on re-fixation of their seniority as above, will be confirmed from the same date from which they would have been confirmed had the decision about the revision of seniority been taken immediately after their re-employment?

THE DEPUTY MINISTER FOR HOME AFFAIRS (SHRI B. N. DATAR): (a) and (b). With regard to fixation of pay, a copy of the relevant orders is placed on the Table of the House. [See Appendix X, Annexure No. 7.] Regarding seniority, orders were issued in July 1949, that the previous service of such persons would count. The period of the actual break, however, does not normally count for this purpose.

(c) Confirmations made after the issue of the orders about seniority in July 1949, would naturally take into account the seniority as determined thereby. Confirmations made earlier could not, however, be changed subsequently.

बाबू गोपीनाथ सिंह: इस आज्ञा पत्र के देखने से यह पता चलता है कि इसका दिनांक ५ सितम्बर, १९४९ है, यानी यह कल ही जारी किया गया है। सरकार ने जो गलती अब

सुधारी है, उसके सम्बन्ध में उसने यह क्यों किया है कि कल ही से यह हुक्म जारी रखा यानी इसका एन्फोर्समेंट अर्लियर डेट से क्यों नहीं हुआ ?

SHRI B. N. DATAR: There is no mistake in this case at all, Sir. It is a clear case of granting certain additional concessions and therefore, they would come into effect from the date of the issue of these orders.

बाबू गोपीनाथ सिंह : यह एडीशनल कंसेशन नहीं मालूम होता। मैं एक मिसाल देता हूँ कि जिस आदमी को शुरू में ७० रु० तनखाह के मिलते थे, उसको जब आपने रिएम्प्लाय किया तो केवल ५५ रु० पर किया। अब आप कहते हैं कि उसकी जो मुनासिब तनखाह थी वह उसे मिली। लेकिन जब से, आपने रिएम्प्लाय किया, तब से ५ सितम्बर, १९४९ तक कुछ नहीं दिया गया। आज ही से आप देंगे।

SHRI B. N. DATAR: Sir, this very case was brought to the knowledge of the then Home Minister in 1952, by the hon. Member. The whole question was considered and a reply was given to him in this very respect.

SHRI B. K. MUKERJEE: May I know, Sir, if all the Government servants who were penalised or victimised during the British regime for their sympathies for the national liberation movement, have been re-instated?

SHRI B. N. DATAR: Sir, it is not a question of mere sympathy. So far as these rules are concerned, they deal with the cases of ex-Central Government servants who were removed, discharged or dismissed from service, on account of their patriotic activities, or for participation in the national movement, or when they resigned for the purpose of participation in the national movement.

Sural B. K. MUKERJEE: My question was whether all these persons who were victimised or who resigned to participate in the national movement have been reinstated or not.

SHRI B. N. DATAR: I presume that a very large number of them have been absorbed.

श्री रामेश्वर अग्निभोज : क्या यह सच है कि युद्ध के समय जिन लोगों ने अंग्रेज सरकार की मदद की थी, और युद्ध के बाद जब उनको दूसरी सर्विसिंग में रखा था, तो उनको सीनियरिटी दी गई थी। उसी प्रकार से राष्ट्रीय कार्य के लिये या देश की सेवा के लिये, जिन्होंने बलिदान किये, उनको क्या सीनियरिटी नहीं दी जानी चाहिये ?

SHRI B. N. DATAR: That is a larger question.

SHRI H. C. MATHUR: How many of the Government servants are affected under this?

SHRI B. N. DATAR: I have not got the number here.

INVESTMENTS BY BANKS AND INSURANCE COMPANIES

*327. SHRI M. GOVINDA REDDY: Will the Minister for FINANCE be pleased to state:

(a) whether (i) underwriting of shares, and (ii) investing in new issues of shares and debentures, of Industrial Companies by Banks, and Insurance Companies are sought to be, regulated by Government; and

(b) if so, in what manner and to what extent?

THE MINISTER FOR REVENUE AND DEFENCE EXPENDITURE (SHRI A. C. GUHA): (a) No, Sir. Such activities, on the part of the banks, are already authorised under section 6 of the Banking Companies Act, which is, however, subject to the restrictions contained in section 19 thereof. Section 33 of the State Bank of India Act, 1955, similarly regulates the investment activities on the part of the State Bank.

As regards Insurance Companies, under the existing provisions of the Insurance Act, 1938:

(i) an insurer is prohibited from 'underwriting of shares';

(ii) investment by an insurer of his 'life' funds is already regulated and

(iii) investment by an insurer of his 'non-life' funds is not at present regulated or intended to be regulated.

(b) Does not arise.

SHRI M. GOVINDA REDDY: May I know, Sir, whether the Shroff Committee has made any recommendations in this regard?

SHRI A. C. GUHA: They made certain recommendations for setting up a consortium of Banks and Insurance Companies for underwriting, or investing in new issues of shares or debentures of Industrial Companies.

SHRI M. GOVINDA REDDY: May I know, Sir, what action the Government took on this recommendation?

SHRI A. C. GUHA: The Reserve Bank set up another committee to look into this recommendation, because some technical matter is involved in it. It was an Expert Committee of some bankers, presided over by Mr. Handoo, Managing Director of the then Imperial Bank. That Committee went into the whole problem and submitted its report.

SHRI M. GOVINDA REDDY: Does it provide for the liberalisation of these restrictions on investment by Banks and Insurance Companies?

SHRI A. C. GUHA: I think, Sir, if the hon. Member looks into the relevant clauses of the Banking Companies Act he will find that there is sufficient scope for the Banking Companies to undertake this sort of business and there is no further question to liberalise those conditions at present.