

issuing instructions if my hon. friend attaches such great importance to it.

SHRI S. N. MAZUMDAR: How is it that the hon. Minister has taken one year for that? This was pointed out last year and still no instructions have been issued.

MR. CHAIRMAN: It only means that when a discussion in Parliament takes place, public notification is there.

DR. K. N. KATJU: My hon. friend puts that question for that very purpose.

SHRI S. N. MAZUMDAR: My submission is that the Heads of Departments have not taken cognizance of such public notification. As a result of that even now they are not allowing

MR. CHAIRMAN: He will look into the matter.

SHRI S. N. MAZUMDAR: But the pace at which he is looking into the matter is hopeless.

LOANS AND GRANTS TO MADRAS STATE

*546. SHRI V. VENKATARAMANA: Will the Minister for FINANCE be pleased to state:

(a) the amounts of the various loans, grants and subsidies which were provided for the composite State of Madras in the Central Budget for the year 1953-54;

(b) the amounts actually drawn by the composite State of Madras out of the above; and

(c) whether the Andhra State Government have drawn all the loans, grants and subsidies from the Government of India which were allotted to that State during the year 1953-54?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH) : (a) and (b). Provision in the Budget Esti-

mate 1953-54 for Central assistance to States was made on the basis of lump figures for all the States together and not separately for each individual State. The loans and grants made to the composite State of Madras during 1953-54 amounted to about Rs. 15'68 crores and Rs. 2- 20 crores respectively. !

(c) The loans and grants sanctioned by the Government of India to the Andhra State during 1953-54 were duly drawn, by that State during that year.

SHRI V. VENKATARAMANA: Out of the balance drawn by the composite State, what is the amount allotted to Andhra State and on what basis?

SHRI M. C. SHAH: The grants and subventions to the Madras State come to Rs. 22-33 lakhs and to Andhra they come to Rs. 29-84 lakhs. There are provisions for Grow More Food, provisions for articles, natural calamities, community projects, local works, welfare of backward classes, Central Road Fund and rehabilitation. That is so far as grants are concerned. So far as loans are concerned, they come to ■ Rs. 125 32 lakhs to the residuary State of Madras and Rs. 382-13 lakhs to the Andhra State.

SHRI V. VENKATARAMANA: But on what basis have these grants been allotted to the Andhra State? From the balance drawn out of the total amount granted by the Government of India, how are these amounts allotted after the 1st of October? Is there not a balance after the 1st of October? Out of this balance, what amounts have been allotted to Andhra State and on what basis have they been allotted to that State? Is it on a population basis or on some other basis?

SHRI M. C. SHAH: After discussions between the representatives of the Madras residuary State and the Andhra State, these matters were settled. ' 1

SHRI V. VENKATARAMANA: Then am I to understand that the Government of India is not aware of the fact as to how the amounts have been allotted to the Andhra State?

SHRI M. C. SHAH: I do not have the information with me here, but speaking subject to correction, it must have been after the discussions with the representatives of the Madras residuary State and the Andhra State.

**REDUCTION OF PREMIUM RATES BY
INSURANCE COMPANIES**

*547. SHRI B. C. GHOSE: Will the Minister for FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the action taken recently by some large insurance companies in India in drastically re-
■ during their premium rates;

(b) whether it is a fact that such action has been deprecated by other, and particularly smaller, insurance companies;

(c) whether Government are satisfied that the reduction in premium rates announced by these insurance companies is justified; and

(d) whether Government intend to take any action in this matter?

THE DEPUTY MINISTER FOR FINANCE
(SHRI M. C. SHAH): (a) and (b). Yes, Sir.

(c) and (d). The matter is under consideration of the Government in consultation with the Executive Committee of the Life Insurance Council.

SHRI B. C. GHOSE: I would like to know whether it is necessary for insurance companies before they either increase or decrease their premium rates to notify to the Government and obtain their approval.

SHRI M. C. SHAH: As a matter of fact, the Government have rather

limited powers over this subject. In the Insurance Act there is one section which lays down that the life insurance companies have to submit a report or rather a certificate from their actuary about the rates, because as you know, there are no tariff rates in the case of life insurance companies. So the actuary submits the certificate that the rates proposed¹ by a particular insurance company are proper. And then the Controller of Insurance examines that certificate and if he is not satisfied, then an independent actuary is appointed by the Controller to go into the matter and he submits his recommendations to the Controller of Insurance.

SHRI B. C. GHOSE: Do I take it, then, that the reduction in the insurance premia effected by certain insurance companies had the approval of the Government?

SHRI M. C. SHAH: I said!, we have got very limited powers over that. The Government of India.....

SHRI B. C. GHOSE: But the hon. Minister said that they were submitting a certificate to the Controller of Insurance and that he had the power to either approve or disapprove of it. That I thought, was the implication of his answer.

SHRI M. C. SHAH: If the hon. Member wants more information on this, I would require notice.

SHRI B. C. GHOSE: But I have not finished, Sir.

SHRI M. C. SHAH: But I said that I had not got more information with me now and so I could¹ not reply offhand to any question about the factual position. I would require notice.

SHRI B. C. GHOSE: Is the hon. Minister aware that certain insurance companies who had reduced their premia rates with regard to certain types of life policies, have within two months increased their rates?