

GOVERNMENT BILL**THE INSURANCE LAWS (AMENDMENT) BILL, 2008**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): Mr. Deputy Chairman, Sir, I rise to move for leave to withdraw the Bill further to amend the Insurance Act, 1938, the General Insurance Business (Nationalisation) Act, 1972 and the Insurance Regulatory and Development Authority Act, 1999.

The question was put and the motion was adopted

SHRI JAYANT SINHA: Sir, I withdraw the Bill.

**STATUTORY RESOLUTION RE.: DISAPPROVING THE INSURANCE LAWS
(AMENDMENT) ORDINANCE, 2014 (NO. 8 OF 2014)**

AND

THE INSURANCE LAWS (AMENDMENT) BILL, 2015-- Contd.

MR. DEPUTY CHAIRMAN: Now, already the Statutory Resolution was moved and the mover has spoken also. Now hon. Minister will move the motion for the Bill.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): Mr. Deputy Chairman, Sir, I rise to move:

“That the Bill further to amend the Insurance Act, 1938 and the General Insurance Business (Nationalisation) Act, 1972 and to amend the Insurance Regulatory and Development Authority Act, 1999, as passed by Lok Sabha be taken into consideration.”

The Insurance Laws (Amendment) Bill, 2015 which was passed by the Lok Sabha on 4th March, 2015 seeks to replace the Insurance Law (Amendment) Ordinance of 2014. The Bill proposes amendment in the Insurance Act, 1938, the General Insurance Business Nationalisation Act 1972 and the Insurance Regulatory and Development Authority (IRDA) Act, 1999. Mr. Deputy Chairman, Sir, these Bills have been under consideration in this House and the other august House for a very long time. They represent the hard work and the commitment of many distinguished Members of both Houses, many

distinguished public servants and it is, in fact, a matter of great significance that we are here now assembled today to consider this Bill for passing. As one generation changes and another generation appears, the wheels of democracy move on and it is because of the wheels of democracy moving that we are poised here today to consider this Bill. The Insurance Laws (Amendment) Bill, 2015 is passed by the Lok Sabha. It is aimed at removing archaic and redundant provisions in the legislations incorporating certain provisions to provide the Insurance Regulatory and Development Authority of India with the flexibility to discharge its functions more effectively and efficiently, and enabling greater foreign investment in the sector through an enhanced explicit composite cap of 49 per cent with suitable safeguards by way of mandating Indian ownership and control. The Bill provides for the following: To enhance the cap for foreign equity investment in an Indian insurance company from 26 per cent to 49 per cent with a safeguard of Indian ownership and control, to insert a definition of 'health insurance business' inclusive of travel and personal accident cover, to empower IRDAI to regulate amalgamation and transfer of insurance business, to make provisions for absolute and conditional assignment of life insurance policies, to insert a provision so as to provide that the insurer shall be responsible for all acts and omissions of his agents, including violation of code of conduct and be liable for a penalty which may extend to ₹ one crore, to make a provision for prohibition of insurance business through multi-level marketing, to make a provision relating to appointment of surveyors or loss assessors and make them subject to a code of conduct, to enable mandatory underwriting of third party motor vehicle insurance by insurance companies, to incorporate provisions to enable insurance companies to raise capital through new and innovative instruments, to enhance the provision relating to penalty and punishment for contravention of certain provisions of the Act and to make provisions for an appeal to the Securities Appellate Tribunal against orders issued by IRDA. I will say that the original Bill which was initiated in the Rajya Sabha in 2008 was considered by the Standing Committee. Eighty-eight amendments were brought forward. Additional amendments were then brought forward by the Government of-the-day at that time. Then it was introduced by us in this august House in August, 2014. It was then referred to the Select Committee. The Select Committee brought forward several other recommendations, all of which have been included in this Bill which is now pending before this august House. This Bill envisions incorporation of enhancements in the insurance laws in keeping with the evolving insurance sector scenario and regulatory practices. The proposed amendments will enable the regulator to create an operational framework for greater innovation, competition and transparency to meet the insurance needs of citizens in a more complete and subscriber-friendly manner. The amendments

are expected to enable the sector to achieve its full growth potential to increase insurance penetration from its level of about 3.8 per cent in this country to six per cent and higher and to contribute towards the overall growth of the economy and job creation.

I would urge all the distinguished hon. Members to support the Bill. Thank you.

The questions were proposed

MR. DEPUTY CHAIRMAN: Now, the Statutory Motion and the Motion for consideration of the Bill are before the House and are open for discussion.

Now, Prof. M.V. Rajeev Gowda. But, remember, the time allotted is two hours. Every party should adhere to its allotted time.

SHRI DEREK O'BRIEN (West Bengal): Sir, we have moved the Statutory Resolution. So, we need an extra time...*(Interruptions)*...

SHRI TAPAN KUMAR SEN (West Bengal): Sir, we have to discuss both the Motion and the Bill. So, we need more time...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Okay; we have decided for two hours...*(Interruptions)*... Mr. Gowda, you speak.

श्री नरेश अग्रवाल (उत्तर प्रदेश): जो लोग सलेक्ट कमेटी में थे, उनको भी एक्स्ट्रा टाइम दिया जाए। जब Statutory Resolution वालों को दिया जाएगा तो सलेक्ट कमेटी वालों को भी दिया जाए।

PROF. M.V. RAJEEV GOWDA (Karnataka): Sir, any discussion on insurance in the Indian context must begin by paying attention to the issue of why Indians like gold. Every Indian likes to have gold earrings, gold nose stud, gold Mangalsutra, etc. This is not just because people like jewellery. It is because gold serves as a form of insurance. It serves as a store of value that can be encashed in times of difficulty. And that really is the purpose of insurance. But the problem with using gold as a mechanism of insurance is that we get emotionally attached to it; nobody wants to sell any of these items that they have inherited or has been bequeathed by their parents. It is imperative that we come up with financial instruments that allow people to have risk-spreading mechanisms that are just like any other financial instrument in the larger market place.

THE VICE-CHAIRMAN (SHRI P. RAJEEVE) *in the Chair.*

Sir, one of the greatest achievements of the UPA Government in the last ten years was bringing 14 crore people out of poverty. That is the crowning achievement of the

UPA *Sarkars* from 2004 to 2014. Sir, it has been achieved through multiple ways. But, at the same time, as we are bringing people out of poverty, because of India's healthcare expenditure patterns, we are also seeing that people can fall back into poverty and that is a matter of tremendous concern to each and every one of us.

Sir, in India, 70-80 per cent of any healthcare expenditure is borne by people themselves, because the public systems that we have established over the years have not been able to address the larger challenges of people falling ill. When this happens or if some family faces an illness which is severe, they lose their land, they lose their house, they lose their property and their children are sent to work as maids resulting in dropping out from school. The kind of devastation that one illness can have on people needs to be seen to be believed. We have to address that. And, I am proud to say that the UPA Government, through our own efforts, started the Rashtriya Swasthya Bima Yojna, Kisan Bima Yojna and, through numerous such initiatives, tried to address this problem of insurance. We tried to provide insurance to those who fall ill so that they will have some resource to fall back upon. The Rashtriya Swasthya Bima Yojana has been praised by the World Bank and the UNDP for its extraordinary success. It has significantly reduced the out of pocket expenditure on health of the Below the Poverty Line families.

Sir, I am happy to see that the NDA Government is continuing with the spirit of these insurance programmes that the UPA had initiated. From the latest Budget Speech of the hon. Finance Minister, Mr. Jaitley, we understood that he is going forward and is trying to establish a social security net and, as a part of the social security framework, we have the Jan Suraksha Yojna which is, really, a continuation of the kinds of programmes that we set up to ensure that the poorest of the poor have access to health insurance.

Sir, if this Jan Suraksha Yojna has to be something concrete—not one more of NDA's U turns that we have seen so many of and have made us dizzy — it has to be followed and matched with a competitive insurance market and a vibrant insurance market that can also step in and provide the kind of coverage that deductions in tax proposals are meant to compensate for. Sir, if you look at the health insurance in the country, we had some element of health insurance amongst those who were employed in the organized sector. But this is only a small fraction of the entire population. As a result, more than 90 per cent of the population is without significant health insurance. Sir, this is something that we have to go beyond and this Bill is a move in that direction. It is trying to ensure that a large number of people have access to health insurance cover. That is what will be triggered by the competition, by the inflow of capital that this Bill enables.

[Prof. M.V. Rajeev Gowda]

Sir, when we think about India in purchase-power parity terms, it is the third largest economy in the world. We are very proud of that achievement, which is an achievement that has been built on the contributions of the UPA Government and our previous Congress and other Governments since Independence. That is the kind of financial status that we have achieved on the global map. But even in this third largest economy, we have large numbers of people who are not included in the domain of various kinds of financial instruments. Towards financial inclusion, we have reached out and given bank accounts, we have given employment guarantee and numerous other initiatives which are being planned and executed under the current Government as well. But financial inclusion is not just credit. It is also knowledge to plan one's finances, knowledge to invest, and, most importantly, for the poorest of the poor and for everybody, it is the ability to have access to insurance instruments that will enable people to diversify risks and smoothen out and mitigate the fortunes and misfortunes of life. For this kind of a global economy, we find that India is ranked 40th in terms of insurance penetration and 79th in terms of insurance density. We have to improve. And that is what this Bill is aiming to do, to ensure that enough capital flows into the economy which will ensure that numerous life insurance and general insurance companies have the capital that will enable them to be profitable, that will enable them to reach out to underserved populations and to ensure that the insurance net extends to every single Indian, rich or poor, man or woman, anywhere in the country.

Sir, there are some concerns though. One is that this money, that is coming in through the extension from 26 per cent to 49 per cent for foreign capital, actually goes towards the insurance company's growth, rather than becomes just a windfall profit for whoever the promoter was until now. I am sure that the Minister will ensure that the latter will not occur.

Sir, I would also hope that the Minister can assure us that when framing the rules under this law, ownership and control aspects of this insurance sector will be made congruent with the Companies Act and associated laws which are relevant to insurance company ownership as well.

Sir, I want to move on to the issue of reinsurance. The UPA Government had appointed me a Director of the General Insurance Corporation of India, India's reinsurance company. Sir, I have some knowledge of how well that Corporation has done over the time. But, reinsurance is not just really in a national scope. It is international in scope. We have to ensure that our reinsurance companies can play in global markets, foreign reinsurance

companies can similarly enter and insure our own insurers. So, for this to happen, it is important that the General Insurance Corporation also gets fresh equity and that it can use its equity not just to reach out internationally but also to reinsure companies that are working in underserved India, in rural markets, etc. It is possible that if we bring in these kinds of changes, if reinsurance companies, including GIC, get fresh capital infusion, that India can become a significant reinsurance hub as well. India already has an opportunity to be an international insurance hub given the vast market that is underserved in our own country. But as we increase our insurance coverage, it is extraordinarily important that Indian ownership is maintained, essentially, that 49 per cent capital, thereto. The fact that numerous types of investments come in under the guise of portfolio or institutional or FDI, all of these are to be paid detailed attention and that we do not cross that 49 per cent limit. I think that is going to be addressed. It has to be addressed and should be enshrined in this law, as well.

Sir, insurance depends on diversification of risks and by making India open to more resources, more companies, by opening our markets to other companies to diversify our risk, their risk here and our companies to play in their markets, we will actually be strengthening the global financial system in the context of insurance. There is much more that we want from these whole moves. If you look at farmer suicides, why do they take place? They take place because farmers have gone to moneylenders and borrowed at exorbitant, usurious rates. They are under pressure to pay back, and under social pressure. Why do they go to the moneylenders? Because the formal banking system is not addressing their needs in a timely and appropriate manner. They have fallen to the clutches of moneylenders. Unable to bear the shame and pressure of having to repay what may be a small paltry amount to all of us, they go out there and take the extreme step. It is extraordinarily important for us to ensure that agricultural insurance markets emerge and are developed, which is possible if this kind of financial infusion comes in, if the expertise that these companies have, in terms of financial insurance markets, for agricultural and rural produce. If those are introduced, then we will be able to make a huge difference to the lives of our rural brethren.

Sir, there is another reason why this is an extraordinarily important move. As one world, we are worried about climate change. We are worried whether climate change will result in all kinds of severe storms, natural calamities, and numerous risks that have not been factored in, in our own calculations going forward. India, with all its diversity, in terms of topography, geology, local climate zones, we are still the most vulnerable among the countries to global climate change and its impacts. It is, therefore, vital for us

[Prof. M. V. Rajeev Gowda]

to have insurance mechanisms that will cover the kinds of potential changes that would occur from global climate change. The NDA Government has talked about setting up of an adaptability fund. This is partly as a result of the unseasonal rainfall and the damaged crops; that we have discussed in this House and even in Lok Sabha. Sir, for this, insurance can play a huge role and that is why it is important to ensure that this Insurance Bill goes through and more funds come in to strengthen the sector.

Similarly, we all know that insurance is sold by agents and it can be a generator of employment. There are a large number of people who can be trained, who can be educated to go out and penetrate rural markets, underserved markets and ensure that insurance is bought as part of a package of various financial instruments. That is where the Minister can pay some attention, can work with the Minister for Skill Development and ensure that numerous other people, especially, those from Dalit and Adivasi communities, women, other backward classes, people who have the capacity to connect with rural India and underserved population, are given special training, so that they can be absorbed into this sector and can play a vital role in the spread of insurance.

Sir, the hon. Minister of State for Finance spoke very nicely at the beginning of his speech about generational change. He was possibly trying to refer to previous generations, who were not supportive to this particular Bill. Think about the tragedy. In 2008, this Bill could have been passed. Millions of Indians could have been brought under the insurance net. But we did not succeed in doing that. We were delayed and delayed. Those on the other side, when, they were on this side, found all kinds of reasons to come in the way of financial inclusion of insurance, protection and risk diversification of the poorest of the Indians. Is this something that we should be proud of? I am glad that they have come to their senses. Unlike them, we are not going to take U-turns. We are going to ensure that we are going to support this Bill. It was our idea, and we are very happy that they are also taking this idea forward, and they are extending financial inclusion, insurance to the poorest of the poor, creating social security. ...*(Interruptions)*... Yes, Sir, exactly. So, I don't want to go back into all that. Let me move forward.

Sir, through you, I do want to mention one more thing. The Minister of State for Finance and I are old friends. We entered graduate school at the University of Pennsylvania at the same time, 30 years ago. So, Sir, through you, I want to mention that he should convey to his leaders that passing this Ordinance, when we had finished the Select Committee process, and were going to discuss it and pass the Bill in this Session, was not an appropriate thing to do. It may have been used as a signal to global markets and

to capitalists and everywhere else, but what was the signal that it sent to us, the Members of this House? It was not a signal that respected us, or gave us the due that we should have been given. I hope he will convey to his party and his leaders that this is not the way to go about building a consensus behind moves behind which there is a significant consensus already in Parliament and in the larger economy.

Sir, with these words, I want to commend the Minister for withdrawing the Bill, and ensuring that due constitutional process is followed, and that this Bill, once it goes through, will ensure that insurance will be available to every single Indian, the poorest of the poor, in a manner that will be part of a portfolio of financial inclusion instruments, that will make sure that no Indian will ever have to go below the poverty line once again in our lifetimes. Thank you.

DR. CHANDAN MITRA (Madhya Pradesh): Mr. Vice-Chairman, Sir, needless to point out that I rise to support the new Insurance Laws (Amendment) Bill, 2015. The preceding speaker, Mr. Rajeev Gowda has rightly pointed out that the Bill has gone through a lot. It was first moved in 2008 by the previous Finance Minister, Shri P. Chidambaram. It went to the Standing Committee, which had reservations on some of the major provisions, and did not accept what was proposed in the Bill. And, now, we have come a full circle. The 2008 Bill has been polished and streamlined, and is here, through a Select Committee of this House...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): You were the Chairman of that Select Committee.

DR. CHANDAN MITRA: Yes, Sir. Thank you for reminding me. You were also our esteemed Member of that Select Committee.

Actually, the next point I wanted to make was to thank the Chairman of the Rajya Sabha and all Members here for the trust and faith they reposed in the Select Committee of 15 Members, of which, many of you are present here. But, in many sittings, which spanned Delhi and Mumbai, we met almost every stakeholder concerned, and we worked – Mr. Vice-Chairman would agree – fairly hard. We may not have been able to meet each and everyone, but we did gather from a cross section of the people...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Silence, please.

DR. CHANDAN MITRA: ...A cross section of opinion of insurance companies, foreign insurance companies doing business in India, foreign insurance companies waiting

[Dr. Chandan Mitra]

to come to India, trade unions of various insurance companies, banks, and other financial institutions, individual experts. So, in another words, Sir, I would like the Members to know that this Report of the Select Committee painstakingly prepared by the Rajya Sabha Secretariat, under our guidance, is a very composite and comprehensive document. It incorporates the whole plethora of views. Some of them are conflicting views. In the Select Committee too we had differences of opinion from ideological or procedural view. And, that also enriched the Report of the Select Committee because even those Members, who submitted the notes of dissent, had enriched the discussion by making very, very important and valuable points which have brought out the diversities. At the same time, we have tried to narrow down all those diverse opinions into a composite whole and present a Report, which I am very happy to note that the Government has accepted in full. And, the Bill, which is before you, represents all the work that we have done in the Select Committee. I am grateful and thankful to the Government for appreciating our Report. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Silence, please.

DR. CHANDAN MITRA: There is not much to be said on this. I am very happy that Mr. Gowda has already outlined all the major things and all the benefits that this Bill proposes to bring.

You see, this is a big debate as to why we need to raise the FDI cap at all. It is true that the penetration of the insurance sector, as a result of the 26 per cent FDI that was allowed, has increased. The people have really been benefited. These were issues that were, obviously, raised. We have tried our best, in the Select Committee Report, to address it. And, these things stand as a document of Parliament, before us. Let me tell you why it is felt that this Bill, if it becomes law, will have a significant...*(Interruptions)*... Of course, I mean when, not if, it becomes law. Both these Members were the Members of our Select Committee. So, you can understand the enthusiasm to see that the Bill is quickly passed.

Sir, as I was saying, what are the benefits? I am not going to go into each and every point. But, on this issue of health care, this country has a serious problem. India, as it is, is an under-insured country. But, more seriously, nothing scares us than the under-insurance in the health sector. The facts are startling. The IRDA has done a lot of research on this. I quote their findings, "About 4 per cent of India's GDP, or, about rupees three lakh crores, in a year, is spent on healthcare. Out of this, the health insurance is just about ₹ 20,000 crores". This means that the remaining amount of rupees

two lakh eighty thousand crores accounts for personal expenses of this country. You see the discrepancy. In a country, as poor as India, you have an amount of rupees two lakh eighty thousand crores being spent by individual citizens to look after themselves and their families because there is no healthcare cover. The NDA Government, under the stewardship of Prime Minister, Shri Narendra Modi, is trying to rectify the situation with accident insurance schemes and other low-cost insurance schemes, which have just been introduced. But it will take a long time. And, there is a limit how much the Government alone can cover, or, should cover. But unless the healthcare sector is adequately funded, I don't think that it will be possible to fill this crucial gap. So, what is the advantage of increasing the FDI from 26 per cent to 49 per cent? You know, when the FDI was first allowed, the premium, in terms of the size of the industry, was very low at ₹ 19,513 crores, in 1999-2000, when the sector was opened up. It was ₹ 19,513 crores in 1999-2000 when the sector was opened up. However, the industry has grown from that time. In the last 14 years, with the infusion of capital, the foreign capital now stands at ₹ 3,64,420 crores of premium, which is being collected now.

SHRI TAPAN KUMAR SEN: From where?

DR. CHANDAN MITRA: From the people. The sector has grown.

SHRI TAPAN KUMAR SEN: It didn't come from abroad.

DR. CHANDAN MITRA: No, no. It has come from both, because new companies are there and new products are also there. Let me outline before you all that. I am outlining all that. ...*(Interruptions)*...

कुछ माननीय सदस्य : बाहर से कहां से आएगा? ...*(व्यवधान)*...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Yes. Please proceed. ...*(Interruptions)*...

DR. CHANDAN MITRA: Sir, I would request the Members not to disturb. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Please do not disturb.

DR. CHANDAN MITRA: Everything is there in the Report.

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Okay, okay. Please proceed.

डा. चंदन मित्रा : बाहर से नहीं आता तो देश के अंदर से भी नहीं आ रहा है। यह भी देख लीजिए...*(व्यवधान)*...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Please be silent.

SHRI NARESH GUJRAL(Punjab): Sir, this is not fair. He needs your protection.

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): No running commentaries, please.

DR. CHANDAN MITRA: No; I am sure, Sir, that they will get their chance to object.

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): You proceed please.

DR. CHANDAN MITRA: So, I think it is not fair to disturb.

Sir, according to the IRDA projections, now, there is a serious need to increase insurance penetration in this country. The IRDA hopes that with a GDP growth rate of a modest seven per cent — not exaggerating, it is very achievable— the insurance penetration can increase to 6 per cent from the present 3.17 per cent. It is very low, as I told you. The general insurance penetration can increase from 0.78 per cent today to 1.21 per cent in the next five years. Now, Sir, what is the capital required to enable this expansion? To enable this expansion, the life insurance industry over the next five years needs ₹ 44,500 crores. And, the FDI inflows during that period would translate to ₹ 21,805 crores, at 49 per cent. Without this, ₹ 21,805 crores coming in as FDI, we cannot achieve the target of Rs.44,500 crores, which is required by the insurance sector over the next five years. That is why, Sir, the need for increasing the FDI limit arises, because without increasing the FDI limit, this would not flow into the country. Sir, there are many other points, because the issue all along was: Has this 26 per cent given to us enough? Has enough FDI come? If it has not come, why increase the limit? Sir, the fact is that 26 per cent was the beginning. Without that, nothing would have happened. The UPA Government must be complimented for opening the gates so that this FDI started coming in. Now, having come in, I think it is devolved upon all of us, Sir, all parties concerned, to now make a clear assessment of what has been the quantum, what the requirement is and take a composite policy, and this Bill reflects that composite policy requirement.

Sir, I mentioned to you about healthcare, which is a very serious issue. Another point that has often been made is that the Indian insurance industry is perfectly healthy and stable. An Organisation like the Life Insurance Corporation has given full

support and we all have faith and trust in the LIC. So, what is the need? Why do we need more and more insurance companies to come in? Sir, let me tell you, I think I was quite struck that during the Select Committee deliberations, the Chairman of the Life Insurance Corporation not only stated that he welcomed the increase in the FDI cap but he also pointed out in a written note that when FDI first came in, that compelled the LIC to think of newer and newer policies and methods to garner more premiums to retain their market dominance. Sir, competition often helps older companies and established organisations to remodel themselves. Without the challenge, without infusion of new blood, companies tend to stagnate. We have seen this, particularly in the public sector to a great extent, happening again and again. So, not everybody—I cannot speak on behalf of all other Members of the Select Committee—but certainly, I must tell you, I was very happy when the LIC authorities said that “we have no problem about FDI; in fact, we welcome the increased FDI which will actually help all of us provide better services to the people of this country.”

Sir, the problem of penetration...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Silence please.
...*(Interruptions)*...

DR. CHANDAN MITRA: There is a genuine problem of penetration because the rural parts of this country are hardly covered. What is required to cover ...*(Interruptions)*...

श्री किरनमय नन्दा (उत्तर प्रदेश): एलआईसी का चेयरमैन किसका आदमी है? ...*(व्यवधान)*...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Let him complete please.

डा. चंदन मित्रा : इस तरह के आक्षेप नहीं लगाने चाहिए। ...*(व्यवधान)*...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Chandan Mitraji, try to conclude.

डा. चंदन मित्रा: सर, अभी तो टाइम है। ...*(व्यवधान)*...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): There are fifteen minutes for you. There is one more speaker from your party. Actually, we have to complete it within two hours.

DR. CHANDAN MITRA: I was talking about rural cover. Now, what is required in rural cover? Sir, in a large part of India, there is no insurance company office. Opening up offices, employing agents and others to propagate insurance is a costly affair. That is

why, despite all the resources at its command, even LIC has not been able to cover the whole of this country. And we are all agreed that rural India and the farmers of India need far more protection than farmers in many other countries of the world. Mr. Rajeev Gowda just mentioned the point that the vagaries of the climate on which our farmers depend (*Time-bell rings*) have been all the more reason why they require this cover.

Sir, the general insurance sector in India was totally under developed. General insurance means other than life and health. In this area particularly, there is a need to open up the re-insurance sector. Sir, the re-insurance sector in India is almost at its infancy. This Bill actually provides for the opening-up of the re-insurance sector and allows Lloyds, the re-insurance platform of the world, to open its offices in India and to develop the re-insurance market so that bigger companies can share the risk of general insurance. ...(*Interruptions*)...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Please conclude. ...(*Interruptions*)...

DR. CHANDAN MITRA: Sir, there are many more points. I am sure, Members would have followed this very closely because it has been before us for nearly seven years and this whole debate has been going on. I will conclude, since the Vice-Chairman is insisting that I should conclude.

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Because the Government is insisting to conclude the discussion within two hours. ...(*Interruptions*)...

DR. CHANDAN MITRA: As I told you, we have gone through this a lot, and I would urge the Members really to go through the Select Committee Report. Many of your doubts and questions — if you still have any; I don't think there should be any — will be clear. I will conclude with just one point. ...(*Interruptions*)... Very often, it has been said why India is opening up in the insurance sector so much. I want to tell you why we need to. I will just read out a few figures related to the percentage of FDI allowed in insurance sector in other countries. Japan, 100 per cent; South Korea, 100 per cent; Hong Kong, 100 per cent; Vietnam, 100 per cent; the United Kingdom, 100 per cent; the USA, 100 per cent; Australia, 100 per cent ...(*Interruptions*)...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Mitraji, there is one more speaker from your Party.

डा. चंदन मित्रा : Sir, I am just concluding. One minute. सर, मैं अपने देश के लिए बोल रहा हूँ, अभी तो हम सिर्फ 49% पर ही पहुंचे हैं। उसको लेकर लोगों ने इतने सालों तक इतना बवाल

किया। ...**(व्यवधान)**...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Please. ...**(Interruptions)**... Please. ...**(Interruptions)**... Mitraji, please try to conclude. ...**(Interruptions)**... Please. He is making some points. ...**(Interruptions)**...

डा. चंदन मित्रा : भाई, जब आपको बोलना होगा, तब आप बोलिएगा। ...**(व्यवधान)**... अगर आपको पसन्द नहीं है, तो अपनी बारी में आप जितना मर्जी बोल लीजिएगा, वोट करिएगा, लेकिन अभी तो मेरी बात को सुन लीजिए। मुझे यह समझ में नहीं आता कि यह क्या तरीका हो गया है कि हम दूसरे की बात को सुनेंगे ही नहीं। ...**(व्यवधान)**... मैं बोल रहा था, मॉरिशस तक 100% पर है, Indonesia, 80 per cent; Malaysia, 51 per cent. Members will be pleased to know that even China is 50 per cent. So, it is across the board that foreign direct investment in the insurance sector has been welcomed because it is only through that resources are coming, not only in the insurance market but in the other sectors as well. It is because insurance is a long-term gestation investment. In fact, insurance companies are able to invest in long-term infrastructure, infrastructure bonds and other development and funds required for the development of this country. So, Sir, with this I can say that I am very proud now that the report has been produced by the Committee, which I had the honour of chairing and other Members were there and in broad agreement we have done that. I request the House to unanimously pass this Bill that has been brought by the Minister of State for Finance. Thank you very much.

SHRIMATI RENUKA CHOWDHURY(Andhra Pradesh): Sir, I have a point of order. Yesterday, the hon. Minister, Arun Jaitleyji, had categorically quoted and stated that people who belong to the Select Committee, particularly, the Chairperson of the Select Committee, cannot talk on the Bill. Is it not that what was said yesterday? ...**(Interruptions)**...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): That is the motion on Select Committee. That part is over. Renukaji, that is on motion on Select Committee. ...**(Interruptions)**... This is discussion on the Bill. ...**(Interruptions)**... Every Member has a right.

सामाजिक न्याय और अधिकारिता मंत्री (श्री थावर चन्द गहलोत) : वह कमेटी इस सब्जेक्ट को लेकर नहीं है।

SHRIMATI RENUKA CHOWDHURY: Yes, Sir. But it was categorically stated that Members on the Select Committee and the Chairperson cannot speak. ...**(Interruptions)**...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Madam, actually Members to be proposed to the Select Committee. *...(Interruptions)...* Please. *...(Interruptions)...* Chandan Mitraji, please.

SHRIMATI RENUKA CHOWDHURY: The Chairman is competent authority, he will tell. *...(Interruptions)...*

DR. CHANDAN MITRA: She is very unhappy that *...(Interruptions)...*

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Please take your seat. *...(Interruptions)...* Renukaji, please. *...(Interruptions)...* Actually, that is Members to be proposed to the Select Committee. But the Chair correctly stated that there is no specific rule. That is why the motion is not infructuous. The Chair gave a ruling at that time. Now, this Bill is open to the House. Every Member has a right to speak on this. *...(Interruptions)...*

SHRI BHUPINDER SINGH(Odisha): Not every Member is allowed to speak. *...(Interruptions)...*

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): There is a system. *...(Interruptions)...* That is open. *...(Interruptions)...* Yes, Ram Gopal Yadavji. *...(Interruptions)...*

SHRIMATI RENUKA CHOWDHURY: The tradition and decorum of this House has been that the Chairperson of any particular Committee, will not speak on that particular subject in the House. That has been the practice. *...(Interruptions)...*

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Shri Ram Gopal Yadavji.

प्रो. राम गोपाल यादव (उत्तर प्रदेश) : श्रीमन्, मैं अभी माननीय चंदन मित्रा जी को सुन रहा था। उनकी बात सुनकर ऐसा लग रहा था, जैसे एफडीआई की कैप 26% से बढ़कर 49% हो जाने से बहुत ज्यादा पेनिट्रेशन हो जाएगा और बड़े पैमाने पर रूरल और अर्बन इलाकों में लोग इंश्योरेंस से कवर हो जाएंगे। सही स्थिति क्या है? जो Standing Committee on Finance थी, उसने स्पष्ट रूप से यह कहा था कि इसको बढ़ाया न जाए। उस कमेटी ने जो कहा, उस सबको रिजेक्ट करते हुए, यह बिल उसको बढ़ाने के लिए ही लाया गया है। स्थिति यह है, 2007 में जो एफडीआई था, वह इंश्योरेंस सेक्टर में 3,314 करोड़ रुपये था और पेनिट्रेशन 4.6% था।

2012 में एफडीआई 7,648 करोड़ हो गया और पेनेट्रेशन घट कर 4 परसेंट हो गया। उसके बाद 2013 में यह घट कर 3.9 परसेंट हो गया। आपके सामने सारे लोगों ने विटनेस दी। I was a Member of that Committee.

डा. चंदन मित्रा: सर, ...(व्यवधान)...

प्रो. राम गोपाल यादव: आप मेरी पूरी बात सुन लीजिए। ...(व्यवधान)...

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): You had made your point. ...*(Interruptions)*... You had made your point.

प्रो. राम गोपाल यादव: इसलिए, मैं यह कह रहा हूँ कि यह परसेप्शन गलत है कि एफडीआई अगर बढ़ जायेगा, तो बड़े पैमाने पर इस तरह की बात हो जायेगी। ये जो प्राइवेट कम्पनीज़ हैं या बाहर की कम्पनीज़ हैं, ये कैपिटल को गेन करने के लिए ही तो यह सब कर रही हैं, लेकिन आम लोगों को लाभ पहुँचाने के लिए, उनको कवर करने के लिए ज्यादा काम नहीं कर रही हैं। इसके बिल्कुल विपरीत हमारी एलआईसी की स्थिति है। The real fact is that LIC continues to dominate the market both in terms of premium income and number of policies. It has a market share of over 75 per cent in premium income and 84 per cent in the number of policies during this period. The total premium income of LIC stood at ₹ 2,36,798 crore registering a growth of nearly 14 per cent. It settled 99.68 per cent of maturity claims and 99.3 per cent of death claims. This claim settlement record remains unmatched in the world. सारी दुनिया को पता है और मैं इन बातों को कह रहा हूँ। मैं आपके विधेयक के पारित होने में कोई बाधा नहीं बनूँगा, लेकिन जो कम्पनीज़ यहाँ आयेंगी, वे बिल्कुल बैंकरप्ट कम्पनीज़ हैं। वे यहाँ से आपके प्रीमियम को ले जायेंगी, चली जायेंगी और आप उनका कुछ बिगाड़ नहीं सकते। यह स्थिति है। ...(व्यवधान)...

सर, मैं ज्यादा आंकड़ों पर नहीं जाना चाहता हूँ। मैं यह सुझाव देना चाहता हूँ कि इस सेक्टर में जो भी आप करें, उसमें रूरल सेक्टर के लिए कुछ व्यवस्था कीजिए। फसल बीमा के लिए व्यवस्था कीजिए। माननीय मंत्री जी कैसे उसका इंतजाम करेंगे, यह जरूर बतायें। अगर पैसा आयेगा, आप समझ रहे हैं कि आ रहा है, तो अभी कम प्रीमियम पर किसान अपनी फसल का बीमा करा सके, इसका इंतजाम करना पड़ेगा, क्योंकि जब फसल का बीमा कराते हैं, तो प्रीमियम ज्यादा है। वे कहते हैं कि रिस्क बहुत है, तो प्रीमियम ज्यादा होगा। इसको कम कर रूरल सेक्टर की जनता को कैसे लाभ हो, क्योंकि अभी तो केवल शहर में ही बीमा करते रहते हैं, गाँव की तरफ बढ़ते ही नहीं। फसल बीमा का कोई इंतजाम नहीं करते। दूसरी बात यह है कि रूरल इलाके में जो गरीब आदमी है, जो प्रीमियम दे नहीं सकता है, उसको नॉमिनल प्रीमियम पर बीमा में कवर प्रदान करें। इसका इंतजाम करने की भी कोशिश कीजिए। यह आपसे मेरा अनुरोध है।

एलआईसी और जीआईसी की जो चार कम्पनीज़ हैं, इनकी जो भी कंडीशंस बीमा करने की हैं, वे कंडीशंस अभी बाहर की जो प्राइवेट कम्पनीज़ हैं और जो प्राइवेट कम्पनीज़ आयेंगी, उन पर भी लागू होनी चाहिए। ऐसा नहीं होना चाहिए कि हमारी जो कम्पनीज़ हैं, जो गवर्नमेंट की कम्पनीज़ हैं, उनके लिए अलग शर्तें हों और दूसरी जो कम्पनीज़ आ रही हैं, उनकी शर्तें अलग हों। एलआईसी हमारे बहुत काम आ रही है। कल ही प्रभु साहब ने यहाँ कहा था कि हमने रेलवे प्रोजेक्ट्स के निर्माण के लिए डेढ़

[प्रो. राम गोपाल यादव]

लाख करोड़ रुपये लेने के लिए एलआईसी से एक समझौता किया है। ये जो बाहर की कंपनियां हैं, क्या ये देश के इन्फ्रास्ट्रक्चर के लिए कोई इस तरह की मदद कर सकती हैं? ये नहीं कर सकती हैं। संकट में एलआईसी एक जगह नहीं, बल्कि जाने कितने पब्लिक पर्पज के लिए, इन्फ्रास्ट्रक्चर के लिए मदद करती है और आप इन कंपनियों को लाकर एलआईसी को मारने की कोशिश कर रहे हैं। यह कंपनी लाखों लोगों को रोजी देने वाली कंपनी है। इसमें जो लाखों एजेंट्स काम करते हैं, वे प्रमोट होकर अगले पदों पर चले जाते हैं और फिर ब्रांच मैनेजर हो जाते हैं। इससे उनका लिविंग स्टैण्डर्ड भी बहुत अच्छा हो जाता है। ये सब भी धीरे-धीरे कम हो रहा है। हिन्दुस्तान के हर हिस्से में इसका विरोध किया गया था कि ऐसा मत कीजिए, आप एलआईसी को मजबूत कीजिए। अगर आप नहीं करना चाहते हैं — सब पश्चिम की तरफ देख रहे हैं, तो देखिए, फिर हम लोग कर भी क्या सकते हैं, आप सत्ता में हैं।

महोदय, मेरा एक सुझाव है कि किसी कंपनी को जिस स्टेट से जितना पैसा आए, उसी के अनुपात में उस स्टेट के डेवलपमेंटल वर्क्स में, इन्फ्रास्ट्रक्चर में उसका प्रयोग किया जाना चाहिए। पता चला कि पैसा गांवों से आया और उसको दिल्ली की चकाचौंध में लगा दिया, यह नहीं होना चाहिए।

आपकी जो संस्था, Insurance Regulatory Development Authority (IRDA) है, इसका चेयरमैन वित्त मंत्री को बना दिया गया था। उसकी एक भी मीटिंग कभी नहीं हुई। इसको या तो effective बनाइए या इसको reconstitute कीजिए और इसमें कुछ इस तरह की व्यवस्था कीजिए, जिससे इस तरह की मॉनिटरिंग होती रहे कि ये जो कंपनियां हैं, वे जनसाधारण के हित के लिए ज्यादा काम करें, न कि खुद के लाभ के लिए।

महोदय, लोगों के मन में आशंकाएं हैं, उनको मैं आपके सामने रखना चाहता हूँ। लोगों के मन में यह आशंका है कि कई कंपनियां ऐसी हैं, जो दुनिया भर के दूसरे देशों में ही नहीं, बल्कि अपने देश में ही अपने लोगों के प्रीमियम का पैसा मार गईं। अगर वे यहां आकर कुछ करेंगे, तो क्या इसके लिए इसमें कुछ इस तरह की नियंत्रण की व्यवस्था की गई है, ऐसा कोई mechanism बनाया गया है, जिससे यहां के लोगों के प्रीमियम का पैसा और जो maturity of policy आए, वह उनको मिल जाए, उसमें कोई घपला न हो? अभी एलआईसी का इतना अच्छा सिस्टम है कि अगर आपका कोई बीमा है, जब आपको उस बीमा का आखिरी प्रीमियम देना है, उससे पहले आपको सूचना आएगी कि फलां तारीख को आप आखिरी प्रीमियम दीजिए और जैसे ही आप आखिरी प्रीमियम देंगे, उसके कुछ दिनों के अंदर आपके अकाउंट में चेक चला जाएगा। इतना बढ़िया सिस्टम है कि आपको कहीं किसी के पास नहीं जाना है। लास्ट प्रीमियम का जैसे ही पेमेंट होता है, आपका पूरा पैसा बोनस के साथ आपके अकाउंट में पहुंच जाता है। अगर यह सिस्टम होगा, तो लोगों को इससे लाभ होगा। लेकिन, चंदन मित्रा साहब कमेटी में हमारे चेयरमैन थे, उनको ऐसा लग रहा है कि इन कंपनियों के आने से — बिल तो पास हो ही रहा है और मैं चाहता हूँ, मेरी इच्छा है कि आप जो चाहते हैं, वैसा हो। वैसा हो, तो ठीक है, देश के हित में होगा। ...**(समय की घंटी)**...। लेकिन, मुझे इसमें संदेह है, इसलिए मैं गवर्नमेंट से यह कहना चाहता हूँ कि वह फसल बीमा के लिए, गरीब लोगों का nominal premium पर बीमा करने के लिए इसमें व्यवस्था जरूर करे और रूरल सेक्टर में अधिक से अधिक लोगों को इसका लाभ पहुंच

सके, वे बीमा से कवर हो सकें, यह इंतजाम होना चाहिए। इन्हीं शब्दों के साथ मैं अपनी समाप्त करता हूँ। धन्यवाद।

श्री शरद यादव (बिहार): वाइस चैयरमैन साहब, ...(व्यवधान)... रवि शंकर जी, आप किसको सलाम कर रहे हैं? ...(व्यवधान)... आज आप बड़े प्रसन्न हैं, इतने प्रसन्न हैं कि बहुत दिनों के बाद मैंने देखा कि आप कांग्रेस की तरफ भाग रहे हैं।...(व्यवधान)...

संचार और सूचना प्रौद्योगिकी मंत्री (श्री रवि शंकर प्रसाद): वायालार रवि जी हमारे मित्र हैं, मैं उनसे हमेशा मिलने जाता हूँ। जब मैं वहाँ था और वे यहाँ थे, तो वे हमसे मिलने जाया करते थे। ये मेरे संबंध हैं।...(व्यवधान)...

श्रीमती रेणुका चौधरी: प्रसाद जी का संकट मुझे समझ में आता है, वे आदत से मजबूर यहाँ आ जाते हैं।...(व्यवधान)...

उपसभाध्यक्ष (श्री पी. राजीव): ठीक है। शरद जी, अब आप बोलिए।...(व्यवधान)...

श्री शरद यादव: हमारी तो आज की नहीं, बहुत पुरानी यारी है।...(व्यवधान)...

उपसभाध्यक्ष (श्री पी. राजीव): प्लीज। ...(व्यवधान)...

श्री शरद यादव : सर, अभी राम गोपाल जी जो कह रहे थे, उसमें मैं एक ही बात जोड़ना चाहता हूँ कि दुनिया में बाजार से बचा नहीं जा सकता। यह बात मैं मानता हूँ। अभी मित्रा साहब कह रहे थे कि चीन में 50 परसेंट इश्योरेंस है, मगर उन्होंने चीन की और चीजों को भी देखा होता तो अच्छा होता। यानी, चीन में इश्योरेंस इसलिए है कि बाजार के सामने उनकी स्थिति मुकम्मल ताकत के साथ है। बाजार से उन्होंने हाथ मिलाया है तो बाजार खुद त्राहि-त्राहि में है। दुनिया के बाजार में हमारा भी बहुत विस्तार था। पाँचवीं और छठी शताब्दी में चीन और हमारे बीच ही बहुत विस्तार था, लेकिन उनकी हालत और जिन देशों की हालत के बारे में आपने कहा है, उनकी हर तरह की इकोनॉमी, चाहे आपकी, चीन की अथवा जिन मुल्कों के आपने नाम गिनाए, उनकी per capita income में तुलना नहीं हो सकती। यह तुलना गैर-वाजिब है।

श्री डी.पी. त्रिपाठी (महाराष्ट्र): शरद जी, 1942 में हमारी हालत बेहतर थी। ...(व्यवधान)...

श्री शरद यादव: अब यह देखो। डा. त्रिपाठी, हम तो इनको डीपीटी कहते थे, लेकिन ये आजकल डॉक्टर हो गए हैं। पता नहीं इन्होंने कहाँ से डिग्री ली है?...(व्यवधान)...

श्री रवि शंकर प्रसाद: लेकिन शरद जी, त्रिपाठी जी विद्वान आदमी हैं।...(व्यवधान)...

श्री शरद यादव: क्या बात है, इसलिए तो हमने कहा। ...(व्यवधान)...

उपसभाध्यक्ष (श्री पी. राजीव): प्लीज।

श्री शरद यादव: सर, मैं एक बात कहूँ कि एलआईसी या हमारे यहाँ की जो संस्थाएँ हैं, आप जितनी संस्थाओं को बाहर से बुला रहे हैं, तो दुनिया में इन्होंने ऐसा क्या किया है, जहाँ से आपको लगता है कि ये आपके यहाँ आएँगे? 26 परसेंट पर तो कुछ नहीं आए, अगर आए हों तो बताइए, अब आप इसको 49 फीसदी कर रहे हैं।...**(व्यवधान)**... जब वे 26 पर नहीं आए तो क्या 49 पर आ जाएँगे? ...**(व्यवधान)**... मेरा यह कहना है कि आप जो कर रहे हैं और जिन मुल्कों की दुनिया, उनकी दिशा और उनकी सारी चीज़ों के बारे में आप सोच रहे हैं, तो वर्ल्ड बैंक के जो चेयरमैन थे, उनकी किताब में आपके पास भेज दूँगा। उन्होंने कहा कि हमारी जो पॉलिसीज़ हैं, उनके चलते यह दुनिया तबाह और बरबाद होगी, इसके सिवा कोई रास्ता नहीं है, इस रास्ते से दुनिया नहीं बनती है।

जो एलआईसी है, आपने उसके चेयरमैन की बात की, अब वह आपके सामने गड़बड़ बात कैसे बोलेंगे? हमने तो पाँच मिनिस्ट्रीज़ चलाई हैं। हमें मालूम है कि इस देश में क्या हाल है। इसमें तो यह ताकत ही नहीं है कि ऊपर की तरफ कुछ बोल दे। इसमें तो एक ही चीज़ है कि नीचे काटो और ऊपर चाटो। यानी, अगर कोई जबड़ा मिल जाए तो उसके लिए कोई दिक्कत नहीं है। केवल आपके पास ही नहीं, मेरे पास भी एलआईसी के सारे लोग आते हैं। अभी राम गोपाल जी ने ठीक बात कही कि अगर आप दोनों की तुलना करेंगे—अभी आपने एक बात रेलवे के बारे में बताई कि रेलवे को 1 लाख 6000 करोड़ की मदद एलआईसी कर रही है। और कहीं से तो आप खोज नहीं पाए। यह आपका पब्लिक सेक्टर है। ...**(व्यवधान)**... अच्छा, डेढ़ लाख करोड़ सही। लेकिन आपको कौन देगा? यह जो बाहर वालों के लिए आप इश्योरेंस के दरवाजे खोल रहे हैं, इस देश को आपने हवा महल बना दिया। हवा महल का मतलब है कि कोई मिनिस्ट्री नहीं जिसमें कोई चीज़ छिपती नहीं है, न डिफेंस में। अभी हैं नहीं आपके पेट्रोलियम मिनिस्ट्री वाले, सबसे ज्यादा मालदार तो लोग पेट्रोल से ही बने हैं और इनकी भी उनसे बड़ी भारी यारी थी। वह यारी सरकार बदलने से टूटती नहीं है। तो मेरा आपसे कहना है कि अपनी जमीन को जो देखता है वह चीन बनता है और जो अपने पैर मजबूत करता है वह बाज़ार से ठीक से हाथ मिला सकता है। लेकिन आप तो खेत, मिनरल्स, अब ये मिनरल्स की नीलामी कर रहे हैं जिससे ये अपनी बड़ी भारी पीठ थपथपा रहे हैं। लाखों में नहीं करोड़ों साल में ये मिनरल्स बने हैं। यह देश की खेती के बाद सबसे बड़ी पूंजी है। यह जिसके हाथ में 50 साल के लिए चला जाएगा, वह उसको खंगाल लेगा और अगर बच भी गया तो चाहे कोई सरकार आ जाए, मुझे तो विश्वास है कि हम लोगों का भी हो जाएगा तो हम अकेले खड़े हो जाएंगे। इसलिए मेरा आपसे कहना है, मैं पक्के तौर पर कहता हूँ कि कोई आएगा नहीं, आएगा तो भोपाल का एंडरसन, उसे कैसे निकाला गया? अभी एक फिल्म बनी, उसके अच्छे-बुरे पर मैं नहीं जा रहा हूँ। यहां तो सफेद चमड़ी वालों को देखकर आदमी दंग रह जाता है। मेट्रोमॉनियल देखो तो उसमें लिखा होता है कि गोरी लड़की चाहिए। आपका भगवान तो सांवला है, वह रवि शंकर प्रसाद जी जैसा है। आपका राम भी सांवला है, कृष्ण भी श्याम वर्ण का है और आप गोरा देखकर कैसे बेहोश होते हो। अभी एडविन आई थी तिहाड़ जेल में फिल्म बनाने, वह तो जहां घुसी होगी ऐसा बाग-बाग हुआ, वैसे उसके सामने पूरा देश भी सरेंडर है। वैसे हरेक आदमी यहां, अगर उसका मेट्रोमॉनियल देखो तो गोरी-गोरी दूढ़ रहा है। भाई, तुम्हारा भगवान भी सांवला था, तो क्या सांवला आदमी बुरा होता है?

श्री रवि शंकर प्रसाद : लेकिन एक सांवले संत ने गोरों को हराया, उसका नाम महात्मा गांधी था।

श्री शरद यादव : आपने बात सही कही और यह भी जान लीजिए कि महात्मा गांधी...(व्यवधान)...

उपसभाध्यक्ष (श्री पी. राजीव) : शरद जी, आपकी पार्टी के एक और मेंबर बोलने वाले हैं।

श्री शरद यादव : अरे छोड़ो, हम क्या पार्टी वाले आदमी हैं? इस हाउस और उस हाउस में 30 फीसदी लोगों को हमारे हाथ से टिकट दिए हुए हैं। तो हमको पार्टी में क्यों बांध रहे हो, हम तो आपकी पार्टी की भी बड़ी मदद कर देते हैं।

मैं कह रहा था कि जो बात अभी रवि शंकर जी ने कही, उस पर मुझे एक बात याद आ गई। डा० लोहिया ने लिखा है कि एक आदमी जमुना के किनारे पैदा हुआ, खेला और सारे अन्याय को समाप्त करके अंत में द्वारका में चला गया। उनका वहीं इंतकाल हुआ, वहीं उनको जलाया गया तथा अंतिम संस्कार भी वहीं हुआ। द्वारका का जो भूगोल है वह इसकी कैसे वापसी करता है कि द्वारका में महात्मा गांधी पैदा हुए और जमुना के किनारे उनको जलाया गया। तो मैं मानता हूं कि यह दोनों बड़े आदमी सांवले थे। इसलिए सांवले आदमी होने चाहिए, वैसे पूरे देश में सांवले आदमी ज्यादा हैं। *
...(व्यवधान)...

उपसभाध्यक्ष (श्री पी. राजीव) : शरद जी, बिल पर बोलो।

श्री शरद यादव : आप क्या सोच रहे हैं, मैं तो खूबसूरती की तारीफ कर रहा हूं इसलिए केस थोड़ी चला दोगे।

SHRIMATI KANIMOZHI (Tamil Nadu): We don't want women to be discussed here. You rather discuss..

THE VICE-CHAIRMAN (SHRI P. RAJEEVE): Sharadji, please confine to the Bill.

SHRIMATI KANIMOZHI: We don't understand.

श्री शरद यादव: क्या विषय गंभीर ही होना चाहिए? हम यहां दिन भर से बैठे हैं। माननीय राम गोपाल यादव जी बोल लिए और राजीव गौड़ा जी तो इस के काफी हक में बोले। इस में एक तो आपने एफडीआई को 49 परसेंट कर दिया और वे यदि आ भी गए तो एंडरसन होंगे। आप यह जान लीजिए कि वे यहां कमाने आ रहे हैं, वे यहां आपकी सेवा करने नहीं आ रहे हैं। आप यह भी जान लीजिए कि आपके पास यहां सिर्फ आईटी और ऑटोमोबाइल के सिवाय क्या है? आप नोएडा से लेकर गुडगांव तक चले जाएं, आपको कोई दूसरा मिलता है? पहले आपके यहां से गिरमिटिया गए थे तो विदेश में उन्होंने देश बना दिए। यहां तो आईटी गिरमितियों के लिए बिल्डिंग्स सब जगह खड़ी हैं। आपके जो लोग अंग्रेजी जानते हैं, वे दिन भर और रात भर बैठे रहते हैं।

*Expunged as ordered by the chair.

(MR. DEPUTY CHAIRMAN *in the Chair*.)

महोदय, मेरा कहना है कि सरकार इस बिल को लायी है, लेकिन हमें बाहर की दुनिया से किसी तरह की मजबूती होती नहीं दिखती है। आप ऐसी कोशिश कीजिए कि यहां जो लोअर मिडिल क्लास और मिडिल क्लास है, वे सिर्फ उसी को पकड़कर न चलें। आप रूल्स में कुछ ऐसी बात बनाइए कि वे रूरल इलाके में भी जाएं। वे गांव की तरफ भी इनवैस्ट करें। आप ये सब रूल्स में शामिल कीजिए, तो बात ठीक होगी।

महोदय, यशवन्त सिन्हा जी हमारे दोस्त थे और हम से चर्चा कर के वे जो बिल लाए थे, इस बारे में हमने काफी चर्चा की थी।

श्री उपसभापति : शरद जी, अब समाप्त कीजिए।

श्री शरद यादव : अब देखिए कि दुनिया कैसी बदली है कि उनका बेटा आज इस बिल को लाया है, जिस बिल का वह विरोध कर रहे थे। इसलिए मैं कहता हूँ कि दुनिया इतनी तेजी से बदलेगी कि समझ नहीं आ रहा है कि यह सत्य है या असत्य है?

SHRI D. P. TRIPATHI: Sir, Sharadji, just said one thing. I just want to say one thing, not much. I am not participating in the debate. इन्होंने सांवला, सांवला इतना कह दिया, संस्कृत के सब से बड़े कवि कालिदास ने मेघदूत में स्त्री की सुंदरता का वर्णन करते हुए कहा है कि,

"तन्वी श्यामा शिखर ...प्रेक्षणा निम्ननाभी।"

Slim and a little less than wheatish complexion. I am translating Kalidas. So this is what is described in our great literature. That is what I wanted to say.

SHRI DEREK O'BRIEN (West Bengal): Sir, I rise to strongly oppose the increase of FDI from 26 per cent to 49 per cent. It is not a coincidence that the Prime Minister is on an Island somewhere in the Indian Ocean or the Finance Minister is on a plane, as we speak, to London or the Home Minister is about to try some vegetarian Sushi in Japan. So, who are we left with? We are left with the Foreign Minister on the Indian soil. This gives us a very good sense of the priorities of this new Government and where this Government is headed. So, it doesn't surprise me one bit that they believe that FDI is the magical *jhadi bhuti* which will cure India of all its problems and cure India of all its ills. I have already heard what the Samajwadi Party said and what the JD (U) said. Sir, I urge upon the Bahujan Samaj Party and the DMK, as the Trinamool, not to be part of this new alliance between this side and that side. I want to give them five solid reasons as to where both sides went wrong. But, before I give you the five solid reasons, let me respond to

2-3 things which the speaker from the BJP said. He said that 100 per cent FDI is allowed in the US. It is correct. But, what he did not tell you how many States have taken 100 per cent FDI. Sir, 37 States in the USA have never taken FDI in insurance. It is the State law. And, only 13 States have taken. Secondly, he told you quite correctly that when the LIC Chairman came and had coffee with us at the Select Committee, he endorsed the FDI. What he did not tell you what happened on 9th March all across the country is that the LIC employees were protesting, doing dharna and are going on strike.

Now, let me come to my five points — one-by-one. There is no emotion; it is only rationale.

MR. DEPUTY CHAIRMAN: It is emotionally rationale.

SHRI DEREK OBRIEN: No, no; not politically. Trinamool always makes a constructive criticism. That is why Mines and Minerals Bill is going through the Select Committee.

Sir, Ram Gopalji made a point on the insurance penetration. I don't want to dwell on it. From 2000 to 2015, there has been an increase of 3.9 per cent penetration. What has happened in the last five years? The penetration has, in fact, dropped by 1 per cent! Now, their target is 3 per cent in the next five years. Don't say we did not warn you. This will never happen.

The next one is: In the last ten years, how much has the LIC given you in terms of dividend. Sir, ₹ 7,800 crores is what you have got from the FDI. It is in ten years! What has the LIC given you? It has given you about ₹ 1,200 crores to ₹ 1,400 crores every year. If you add it up, FDI in insurance gave you ₹ 7,800 crores, but the LIC given you in the form of dividend ₹ 14,000 crores in the last ten years. This is over a ten-year period.

Now, let me come to the dangerous part of investment in infrastructure. This is my second point. Sir, 65 per cent of funds is invested in ULIPS. This is the private insurers who have come to India and 65 per cent of their funds are in ULIPS. Sir, LIC has only 8 per cent. Now, what does it mean? It means, these funds are at high risk. That is why we are telling you not to touch this, because it is dangerous.

And, Sir, the last point of investment in infrastructure is this. The average annual premium for private insurers — it is an interesting figure — is ₹ 60,000. And, what is the average annual premium for the LIC? Sir, it is ₹ 9,000. You can draw your own

[Shri Derek O'Brien]

inferences as to who is going to the top-end of the market and who is, actually, doing the dirty work at the bottom-end of the market.

My third of the five points is this. Let us come to claims and settlement performance. These are not my figures; these are the IRDA's figures. The best you can have is a six sigma — 99.999 per cent. Look at the LIC. Sir, LIC's settlement is 99.86 per cent and the private sector's settlement rate is 79 per cent. These are the IRDA figures; not my figures. This is the same Chairman of the LIC who came, had coffee and said, 'sell.'

Now, I come to lapse ratio. Sir, it is 5 per cent in LIC and, in private sector, it is 47 per cent! I am not getting technical. Ram Gopalji already mentioned about claims and, if you do this, you will be sending LIC to the ICU.

Sir, portfolio investment has been included. This is hot money. Both the Congress and the BJP have included themselves in this. This is dangerous. You all know what happened with portfolio investments. You all know what happened during the global recession. What would have happened to this money if it was caught up in the global recession? If it was caught up in the global recession, I don't need to remind you that AIG was bailed out for almost for US \$ 200 billion. So, this is a very, very dangerous trend.

Sir, the Congress speaker who got up and said, 'I went to UPenn.' This gentleman also went to UPenn. It is good. We are happy and proud of such Indians. Then we have Harvard and McKenzie. These are all very good institutions. I only went to St. Xavier's in Kolkata. So, I wanted to quote a great American Nobel Laureate, *Joseph Stiglitz*, because even *Joseph Stiglitz* cautioned against FDI in insurance. He avoided foreign capital and advised to leverage domestic savings. Now *chhodo*. If *Joseph Stiglitz* said this, he said this. But I will conclude; I am not taking extra time. I want to make my last point. I will conclude with an Indian quote: "The public sector general insurers had expressed confidence in raising the capital as required by IRDA." Please listen to this. "The double digit growth of the Indian insurance sector could be maintained during the global financial crisis of 2008." The Indian sector was absolutely safe because 74 per cent of the paid-up equity capital was held in Indian promoters and only 26 per cent in foreign promoters. It was a disaster in 2008. Thankfully because we are 26 per cent, we got saved. I have not finished my quote. "The Committee would, therefore, consider it prudent to seriously pursue the alternate route of tapping the Indian market for raising the capital required for sustenance and growth of the sector." Now, who said this? This was said by Yashwant Sinha. At least, he should try and convince you, because this was said by Yashwant Sinha! When will the Trinamool warn you? We warned the previous

Government. What did we warn them on? We warned them on land acquisition. We were the only party who called for a division and said, 'Don't do that.' But our friends from the Congress and the BJP said, "No, you guys are 11-12 in Rajya Sabha." Then, we called for a division because we wanted to warn you. Now what do I say? This is Yashwant Sinhaji. All I have to say at the end is:

"पापा कहते हैं कि बड़ा नाम करेगा,
बेटा हमारा ऐसा काम करेगा।"

Thank you.

RECOMMENDATIONS OF THE BUSINESS ADVISORY COMMITTEE

MR. DEPUTY CHAIRMAN: I have to inform Members that the Business Advisory Committee in its meeting held on the 12th of March, 2015, has allotted time for Government Legislative and other Business, as follows:-

BUSINESS	Time Allowed
1. General discussion on the Budget (General) for 2015-16.	
2. Consideration and return of the Appropriation Bills relating to following Demands, after they are passed by Lok Sabha:-	
(i) Demands for Grants on Account (General) for 2015-16;	Ten hours
(ii) Supplementary Demands for Grants (General) for 2014-15; and	(To be discussed together)
(iii) Demands for Excess Grants (General) for 2012-13.	
3. Consideration and passing of the Mines and Minerals (Development and Regulation) Amendment Bill, 2015, as passed by Lok Sabha, after it is reported by the Select Committee of the Rajya Sabha.	One hour
4. Consideration and passing of the Coal Mines (Special Provisions) Bill, 2015, as passed by Lok Sabha, after it is reported by the Select Committee of the Rajya Sabha.	Two hours