

[Mr. Deputy-Speaker]

day of March, 1963, in excess of the amounts granted for those services and for that year."

The motion was adopted.

Shri S. K. Patil: Sir, I introduce the Bill.

11.28½ hrs.

APPROPRIATION (RAILWAYS)
NO. 4 BILL*, 1965

The Minister of Railways (Shri S. K. Patil): Sir, I beg to move for leave to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1965-66 for the purposes of Railways.

Mr. Deputy-Speaker: The question is:

"That leave be granted to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1965-66 for the purposes of Railways."

The motion was adopted.

Shri S. K. Patil: Sir, I introduce the Bill.

Shri Hari Vishnu Kamath (Hoshangabad): Sir, as the air is thick with speculative rumours about the progress of the war, will you kindly ascertain from the Prime Minister, or the Defence Minister, or both whether a statement will be made in the House today so that we are not caught unawares, and we are present in the House at that time?

Mr. Deputy-Speaker: I will ascertain the position.

11.29 hrs.

WAREHOUSING CORPORATIONS
(SUPPLEMENTARY) BILL

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): I beg to move that the following amendments made by Rajya Sabha in the Bill to supplement the provisions of the Warehousing Corporation: Act, 1962, be taken into consideration:

"Enacting Formula

- (1) That at page 1, line 10, for the word "Fifteen h" the word "Sixteenth" be substituted.

Clause (1)

- (2) That at page 1, line 13, for the figure '1964' the figure '1965' be substituted.

The Schedule

- (3) That at page 2, for lines 20 and 21, the following be substituted, namely:—

- 5. Mysore
- 6. Punjab
- 7. Rajasthan
- 8. Uttar Pradesh'."

Mr. Deputy-Speaker: The question is:

"That the following amendments made by Rajya Sabha in the Bill to supplement the provisions of the Warehousing Corporation: Act, 1962, be taken into consideration:—

"Enacting Formula

- (1) That at page 1, line 10, for the word "Fifteenth" the word "sixteenth" be substituted.

*Published in the Gazette of India Extraordinary, Part II, section 2, dated 15-9-65.

†Introduced with the recommendation of the President.

Clause (1)

- (2) That at page 1, line 13, for the figure "1964" the figure "1965" be substituted.

The Schedule

- (3) That at page 2, for lines 20 and 21, the following be substituted, namely:—

- '5. Mysore
6. Punjab
7. Rajasthan
8. Uttar Pradesh.'

The motion was adopted.

Mr. Deputy-Speaker: We will now take it up clause by clause.

The question is:

"Enacting Formula

- (1) That at page 1, line 10, for the word 'Fifteenth' the word 'sixteenth' be substituted."

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"Clause (1)

- (2) That at page 1, line 13, for the figure '1964' the figure '1965' be substituted."

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"The Schedule

- (3) That at page 2, for lines 20 and 21, the following be substituted, namely:—

- '5. Mysore
6. Punjab
7. Rajasthan
8. Uttar Pradesh.'

The motion was adopted.

Shri U. M. Trivedi (Mandsaur): Sir, I want to speak on the Schedule.

Mr. Deputy-Speaker: I am sorry, you are a little too late.

1301 (A) LSD—5.

Shri D. R. Chavan: I beg to move:

"That the amendments made by Rajya Sabha in the Bill be agreed to."

Mr. Deputy-Speaker: Motion moved:

"That the amendments made by Rajya Sabha in the Bill be agreed to."

Does Shri Trivedi want to say anything at this stage?

Shri U. M. Trivedi: Sir, I have been able to follow quite clearly certain amendments made by the Rajya Sabha about the enacting formula and clause 1, which are verbal in nature. But the amendments which they have made in the Schedule are not verbal amendments. They are additions and, as such, I very much doubt the authority of the Rajya Sabha to have made recommendations of this nature. Verbal changes could have been made and could have been approved of by this House. But here it is not a question of approval; here it is a question of certain important amendments made by the Rajya Sabha. If a substantial amendment had been made by the Rajya Sabha, then the Bill ought to have come back as a whole for the consideration of this House so that we may be able to consider the pros and cons of adding four more units. Already, there are some units. Four more are added, namely, Mysore, Punjab, Rajasthan and Uttar Pradesh.

Why were they not made in the beginning? What was the reason which led the Rajya Sabha to make this suggestion? What were the reasons for the Government to accept this proposal for the addition of four more States in the Schedule?

This motion amounts to amending the whole law. Of course, now we have come to a stage where what I will say will only be empty platitude. But it does appear that there is some mistake on the part of the Government. When the Bill was originally introduced in the House why was the

[Shri U. M. Trivedi]

Inclusion of these four units not considered? Subsequently, why was the inclusion of these four units considered desirable? An explanation is called for from the Government as to why these four new units were added.

Shri D. R. Chavan: Sir, the Bill, as it was passed by the Lok Sabha, included in the Schedule: Andhra Pradesh, Gujarat, Kerala, Madras, Punjab and Uttar Pradesh. As regards the two States which have been inserted, namely, Mysore and Rajasthan, if my hon. friend referred to article 252 of the Constitution, he will find that it lays down that if two or more than two States pass a requisite Resolution, this Bill may be made applicable so far as those States which have passed that requisite Resolution are concerned. Subsequently, on the 21st October, 1964 the State of Rajasthan and on the 2nd and the 6th February, 1965 the State of Mysore passed those requisite Resolutions and, therefore, these States were inserted into this Schedule and the House has agreed to that. Therefore, it is nothing but a formal amendment. My hon. friend said that the entire Bill should have been brought before the House. That is not correct. Therefore, this may be accepted.

Mr. Deputy-Speaker: The question is:

"That the amendments made by Rajya Sabha in the Bill be agreed to."

The motion was adopted.

11.37 hrs.

LIFE INSURANCE CORPORATION (AMENDMENT) BILL

The Minister of Planning (Shri B. B. Bhagat): Mr. Deputy-Speaker, Sir, I rise to move that the Bill further to amend the Life Insurance Corporation Act, 1956 be taken into consideration.

Shri Indrajit Gupta (Calcutta South-West): What is the time allotted for this Bill?

Mr. Deputy-Speaker: Time has not been allotted.

Shri Indrajit Gupta: Time must be allotted.

Mr. Deputy-Speaker: We will come to that afterwards. I will consult the House.

Shri B. B. Bhagat: As the Bill contains only four clauses I shall not weary the House by giving an elaborate explanation about the provisions contained therein. As a matter of fact, the statement of objects and reasons is self-explanatory.

Section 28 of the Life Insurance Corporation Act, 1956, was intended to provide that 5 per cent of the actuarial surplus of the LIC may be utilised by the Central Government for its own purpose or for such other purpose and in such manner as the Government may determine. This intention was consistent with the provisions of section 49 of the Insurance Act, 1938 which was applicable to Life Insurance companies before nationalisation and which entitled them to allocate to or to reserve for their shareholders any amount not exceeding 7½ per cent of the actuarial surplus. Government, however, in providing only 5 per cent of the surplus for allocation to them, accepted a smaller share of the surplus than what was permissible to the erstwhile insurers under the Insurance Act. Thus, the Government gave a much fairer deal to the policy-holders of the Corporation.

Recently, the Supreme Court in its judgment observed that under the provisions of the LIC Act as it stands at present, while the Central Government may determine the manner in which the remainder of the surplus may be utilised, it could not appropriate it as revenue. Since Govern-