

ಪತ್ರಿಕಾ ತುಣುಕುಗಳು
PAPER CLIPPINGS

24

ಇಲಾಖೆ / ವಿಷಯ : DEPARTMENT / SUBJECT: Parliament Session

ಪತ್ರಿಕೆಯ ಹೆಸರು : NAME OF THE NEWS PAPER: The Hindu

ದಿನಾಂಕ : DATE 19/3/20

Rajya Sabha passes Bill to raise FDI limit in insurance sector

Opposition alleges that govt. is handing over control, ownership to foreigners

SOBHANA K. NAIR
NEW DELHI

The Rajya Sabha on Wednesday passed the Insurance Amendment Bill, 2021 that increases the maximum foreign investment allowed in an insurance company from 49% to 74%, amid criticism from the Opposition parties on the clause enabling "control and ownership" by foreign investors.

The Opposition parties unsuccessfully tried to stall the house demanding that the Bill not be moved in a haste and instead be sent to a standing committee. They marched into the well of the House after Finance Minister Nirmala Sitharaman moved the Bill. The House was adjourned four times.

The debate started at 3.30 p.m., when the Opposition relented reluctantly to have a debate instead of continuing with the protests.

Senior Congress leader



Proving a point: Finance Minister Nirmala Sitharaman speaking in the Rajya Sabha on Thursday. •PTI

Anand Sharma questioned the very justification and intent for such a bill. He asked when the government has majority in both Houses why was it in a hurry to pass the Bill ducking due parliamentary scrutiny that the Opposition was demanding. He said the insurance companies hold the people's money in trust and that this Bill broke it. He also accused the government of violating the assurance given in 2015 that

"Indian ownership and control" would remain.

Mr. Sharma said, "We are not opposed to the policy of disinvestment, but is it disinvestment or leapfrogging towards privatisation and embarking on grand clearance sale of national assets built assiduously over the years."

He also flagged that the big insurance firms are not in shortage of capital and that the Bill differed from the government motto - "Atma-

nirbhar Bharat".

DMK MP Tiruchi Siva pointed out that none of the insurance firms had managed to get FDI even up to the present limit of 49% and questioned the justification to increase the limit.

Replying to the debate, Finance Minister Nirmala Sitharaman assured the House that the policy holder's money will not leave Indian shores and have to be compulsorily invested here. She argued that more FDI would mean greater competition and thus better negotiated premiums for the end user.

Countering the key criticism by the Opposition parties on handing over "control and ownership" to foreign firms, Ms. Sitharaman said it came with safeguards. The key management personnel would have to be Indians and therefore would be governed by the Indian laws.