

SAROJ KHAPARDE): Hon. Members, as the Lok Sabha has passed the Bill, we should also go according to that. Whatever views you want to express on this you can express. ....(Interruptions)...

SHRI JOHN F. FERNANDES: Madam, what has happened in the Lok Sabha is not the precedent. Whatever the Committee decides is not binding on the House. ....(Interruptions)...

SHRI GURUDAS DAS GUPTA: It is, of course, true. ....(Interruptions)...

SHRIMATI MARGARET ALVA: I have a note here, Madam. It is printed here. if I am allowed to intervene....(Interruptions)...

SHRI GURUDAS DAS GUPTA: Will the hon. Chair allow the Members to speak? ....(Interruptions)...

SHRIMATI MARGARET ALVA: I have said that here is the Report on the Banking Companies (Acquisition and Transfer of Undertakings) Amendment Bill. The whole Report of the Standing Committee is here and the note of dissent has also been printed here as part of the Report. Therefore, it is available to all the Members as a document ....(Interruptions)...

**THE BANKING COMPANIES  
(ACQUISITION AND TRANSFER OF  
UNDERTAKINGS) AMENDMENT  
BILL, 1994**

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI M.V.  
CHANDRASHEKHAR MURTHY):  
Madam, I move:

“That the Bill further to amend the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, as passed by the Lok Sabha, be taken into consideration.”

Madam, following the

recommendations of the Committee on the Financial System, the Narasimham Committee, the Reserve Bank of India has laid down certain norms for income recognition and provisioning and also for capital adequacy\* in relation to riskweighted assets of banks. These norms have been designed to put the financial accounting standards of Indian banks on a sound footing in line with the current international practice. Following the introduction of these norms, all the nationalised banks will have to build up their capital base substantially over the next three years. All the banks have to ensure that their total capital equals at least, eight per cent of their risk-weighted assets by the 31st March, 1996. The banks having overseas operations had to achieve this norm by the 31st March, 1994 which has since been extended upto 31st March, by the Reserve Bank of India.

Achievement of the prescribed capital adequacy norm is essential for the basic financial health of the banking system. It is also essential for its international credibility as banks all over the world are adopting the norm laid down by the Committee on Banking Regulation and Supervisory Practices set up by the Bank of International Settlements.

At present, the entire paid-up capital of the nationalised banks stands vested in and allotted to the Central Government. The Central Government has been contributing to the paid-up capital of these banks during the last few years. During the period 1985-86 to 1993-94, the Government has contributed Rs. 9,700 crores to the paid-up capital of these banks. A sum of Rs. 5,600 crores has been provided in the current year's budget. Since resources of the Government are limited and funds are required for other priority areas, it will not be possible for the Government to contribute the substantial amounts now required by the nationalised banks for meeting the new prudential norms.

The Government has, therefore, decided that the nationalised banks which are in a position to do so, may be allowed to approach the capital market to raise fresh equity to meet their shortfall in capital requirements. The additional capital thus mobilised will help the banks to expand their lending. The Government will, however, continue to retain majority ownership and, therefore, effective control in the public sector banks.

In order to give effect to the above decision, it has become necessary to amend the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980. The proposed amendments *inter alia*, provide that the Board of Directors of the nationalised banks may, after consultation with the Reserve Bank of India and with the previous sanction of the Central Government, raise their paid-up capital by public issue of shares subject to the condition that the Central Government shall at all times hold not less than 51 per cent of the paid-up capital of the bank. It is also proposed that the authorised capital of every nationalised bank shall be divided into 150 crores fully paid-up-shares of Rs.10 each. No shareholder other than the Central Government shall be entitled to exercise voting rights in respect of any shares held by him in excess of one per cent of the total voting rights of all the shareholders of the bank. There are also amendments dealing with the composition of Board of Directors providing for election of shareholders directors, and also empowering the Board of Directors to frame regulations on various matters such as maintenance of shareholder's registers, particulars to be entered in the registers, the manner in which the shares may be held and transferred, convening of general meetings of the shareholders, etc.

The Standing Committee on Finance to which the Bill was referred to, has also made certain recommendations relating

to ceiling on foreign investment, composition of the Board of Directors, etc. The Government has accepted most of the recommendations of the Committee and the Bill was passed in the Lok Sabha on the 9th May, 1994 alongwith the official amendments moved in respect of the accepted recommendations of the Standing Committee.

Madam, I commend the Bill for the consideration of the House.

*The question was proposed.*

**श्री अनंतराय देवशंकर दवे (गुजरात):** महोदया, मैं सरकार की ओर से जो बैंकिंग कम्पनीज (एक्विजिशन एंड ट्रांसफर आफ अंडरटेकिंग्स) अमेंडमेंट बिल, 1994 पेश किया गया है, उसका विरोध नहीं कर रहा हूँ और मुझे जो थोड़ी सी बातें यहां कहनी हैं...

**श्री जिबॉन रॉय (पश्चिमी बंगाल):** मिली-जुली सरकार चल रही है।

**श्री संघ प्रिय गौतम (उत्तर प्रदेश):** बहुत से काम मिल-जुल कर ही होते हैं।

**श्री जिबॉन रॉय:** असली बात पर मेलजोल है, बाकी झगड़ा नकली है।

**श्री उपसभाध्यक्ष (कुं सरोज खापर्डे):** आप माननीय सदस्य को बोलने देंगे या आपस में ही बातें करते रहेंगे?

**श्री अनंतराय देवशंकर दवे:** महोदया, अभी तो मैंने इतना ही कहा है कि मैं विरोध नहीं कर रहा हूँ, लेकिन मैं यह कहना चाहता हूँ कि यह जो बिल लाया गया है, इसके स्टेटमेंट ऑफ ऑब्जेक्ट्स में यह बात बतायी गयी है कि बैंकों की फायनेंसियल कंडीशंस अच्छी नहीं रही है और महोदया, कल भी इस हाउस में कॉलिंग अटेंशन के जरिए कई बातें बतायी गयीं कि बैंकों में कैसे घपला होता है और कई बातें बतायी गयीं। हमने माननीय मनमोहन सिंह का जवाब भी सुना, लेकिन मैं उन बातों को दोहराना नहीं चाहता क्योंकि हम जानते हैं कि इस देश में बैंकों का व्यवहार किस तरह चल रहा है। यहां एक बात सत्य है कि जब इस देश में 1969 में बैंकों का राष्ट्रीयकरण हुआ, उस वक्त सत्ताधारी और उस वक्त की प्रधान मंत्री ने यह बात भी बतायी थी कि सामाजिक उद्देश्य की परिपूर्ति के लिए हमने बैंकों का नेशनलाइजेशन किया है। हमारे देश में जो किसान लोग हैं, मजदूर हैं और गरीब लोग हैं, उनके साथ जो बैंकों

का व्यवहार चलता है, उसका कोई लाभ इस गरीब वर्ग तक नहीं पहुंच रहा है, इसी वजह से हमने बैंकों का नेशनलाइजेशन किया है। तो मैं माननीय मंत्री जी से पूछना चाहता हूँ कि क्या इस उद्देश्य की पूर्ति हो गयी है? अगर उसकी पूर्ति हो गयी है तो मुझे कुछ नहीं कहना है, लेकिन अगर उसकी पूर्ति नहीं हुई है तो मैं जानना चाहूँगा कि आप इस दिशा में किस तरीके से आगे बढ़ना चाहते हैं? आप जिन परिवर्तनों के लिए बिल लाए हैं, उसमें आप शेयर निकालेंगे, वह लोगों में जाएंगे, कई निजी बैंक्स खुलेंगे और परदेश से भी बैंक्स आएंगे, इससे तो मुझे बहुत आपत्ति नहीं है, लेकिन मैं जानना चाहता हूँ कि आज तक बैंकों में जो घपला हुआ है, बैंकों में जो मुश्किलें आई हैं, क्या उनसे आपको यह पता चला है कि उनका व्यवहार अच्छी तरह से नहीं चला है? तो मैं जानना चाहूँगा कि आज तक जो बैंकों का व्यवहार चला, उस पर से क्या सरकार इस नतीजे पर आई है कि अभी भी नेशनलाइज्ड बैंकों का व्यवहार ठीक तरह से नहीं चलेगा और इसीलिए आप बैंकों के निजीकरण की ओर जा रहे हैं? आपने अपने स्टेटमेंट ऑफ ऑब्जेक्ट्स में यह भी बताया है कि दुनिया भर में जो 8 परसेंट का क्रायटेरिया तय किया गया है, उसके मुताबिक हमारे देश के बैंकों को चलना पड़ेगा। यह ठीक बात है क्योंकि अब जब ग्लोबलाइजेशन और प्राइवेटायजेशन और यह सब कुछ हो रहा है तो बाहर से भी बैंक्स आएंगी और हमारे देश में उनको भी कुछ व्यवहार करना है, धंधा-रोजगार करना है, तो उसके मुताबिक 8 परसेंट के क्रायटेरिया के संबंध में नरसिम्हन कमेटी ने जो सिफारिशें दी हैं, उसमें भी वही बात बतायी गयी है कि आपको सब को एक लेबल पर रखना है और 1994-96 तक यह करना है, लेकिन जो बात आपने कही है कि 49 परसेंट पब्लिक शेअरहोल्डर्स में रहेंगे और 51 परसेंट गवर्नमेंट के रहेंगे। फिर आपने यह भी एक जगह कहा है कि आप यह सोचेंगे कि कई जगह पर 51 परसेंट प्राइवेटाइजेशन या निजीकरण में चला जाए, तो आप यह नहीं करिए। तो यह मत करिए। यह बात जोखिमी बात है, ऐसा मत कहिए। मैं जो आपसे बात कहने जा रहा हूँ, वह यह कहने जा रहा हूँ कि हमारा सामाजिक उद्देश्य परिपूर्ण समृद्धि का है, हमने गरीब लोगों के लिए आज दिन तक बैंकों का यह सारा स्ट्रक्चर बनाया है, उसमें जब नया सिस्टम करेंगे तो उसमें कोई कमी नहीं आनी चाहिए। हमारा देश बहुत बड़ा देश है, काफी हिस्सा ग्रामीण क्षेत्र का है। यहां के गांवों में लोग रहते हैं, वह गरीब लोग हैं, मजदूर और खेतिहर लोग हैं। वह भी शेयर होल्डर बनेंगे। आपने

एक अच्छी बात कही है कि 46 से 49 परसेंट डायरेक्टर आएंगे। इसमें मेरा सुझाव यह भी है विशेष रूप से, कि शेयर होल्डर की जितनी संख्या है उसके अनुसार आप डायरेक्टर मुर्कर करें। चूंकि जो लोग आयेंगे, वह शेयर होल्डर में से चुने जाएंगे। आपने यह भी कहा है कि उनके लिए गाइडलाइन बनाएं, नियम बनाएं, किस तरीके से लेंडिंग करनी है वह भी नियम बनाएं। मैं कहना चाहूँगा कि आज दिन तक जो प्रणाली चल रही है, उसमें आप जो नई बीमारियां दाखिल करने जा रहे हैं, उसमें कुछ फेरफार करने जा रहे हैं। अगर यह फेरफार होगा तो मैं समझता हूँ कि नुकसान हमारे देश का ही होगा।

आप ने यहां एक बिल्कुल सही बात कही है कि वर्ष 1985 से 1993-94 तक गवर्नमेंट ने 9,700 करोड़ रुपया बैंकों को दिया और इस साल भी आपने 5,600 करोड़ रुपए का प्रावधान रखा है। तो यह जो हर वक्त का सरकार का कर्जा रहेगा, मैं समझता हूँ कि अन्य जो हम डवलपमेंट के काम करना चाहते हैं वह नहीं हो सकते। कल भी बहुत सी बातें यहां माननीय सदन में सुनीं, आप भी उस समय बैठे थे, कि ऐसा क्यों हुआ? यह पैसा कहां गया? लोगों ने तो पैसा दिया, लेकिन वह गया कहां? जो ब्यूरोक्रेट्स काम कर रहे हैं उसमें, उनके लिए हमारी ओर से आज दिन तक कोई स्टॉक एक्शन नहीं लिया गया और इसी वजह से दिन-प्रतिदिन बैंकों का कामकाज बिगड़ता गया।

महोदया, एक बात का मैं यहां जरूर उल्लेख करना चाहता हूँ कि बैंक डेट 30,000 करोड़ का है। यह कितनी बड़ी रकम है, जो आज दिन तक वैसे ही पड़ी हुई है। इसके लिए भी मेरा सुझाव है कि एक ट्रिब्यूनल बनाया जाए और जल्दी से जल्दी यह पैसे, जिन लोगों पर बकाया है, उनसे लिए जाएं। देखने में आया है कि जो बैंक से पैसे लोग कर्ज के रूप में लेते हैं वह भरते नहीं हैं। ईमानदार आदमी जो पैसा लेते हैं, वह तो बैंक में भरते हैं, लेकिन कई बड़े-बड़े लोग हैं, जिन्होंने बड़ी-बड़ी रकम ले रखी है वह पैसा भरते नहीं और कई ऐसे-ऐसे लोग भी हैं, कंपनियां भी हैं, जो घाटे में होते हैं और वह नई कंपनी शुरू कर देते हैं, सरकार भी उनको परमीशन देती है, नए पैसे को जो पुराना घाटा होता है उसमें लगा देते हैं, लेकिन उस कंपनी का नामोनिशान नहीं रहता है। यह सब इस देश में चल रहा है और इसकी वजह से हमारे देश में बैंकों की हालत खराब होती जा रही है। आपने सुधार करने की दिशा में जो एक कदम उठाया है, मैं मानता हूँ कि वह आपने

सही दिशा में कदम उठाया है और मैं चाहूंगा कि आपका उनके ऊपर पूरा कंट्रोल रहे क्योंकि यदि सेंट्रल गवर्नमेंट का कंट्रोल रहेगा तो नुकसान नहीं रहेगा और अगर पूरा कंट्रोल नहीं रहेगा तो नुकसान होगा।

डायरेक्टर के जो नियम आप बनाएंगे, उनके लिए जो बिल में छूट दी गई है कि इतने डायरेक्टर बनेंगे, गाइडलाइन तय करेंगे और मीटिंग वगैरह के लिए कुछ ऐसा प्रावधान करेंगे, लेकिन इस बिल में ऐसा कोई प्रावधान नहीं रखा गया कि आपका कोई सुपरवीजन उन पर रहेगा। इसको भी देखा जाना आवश्यक है।

तीसरी बात, जो मैंने पहले ही कही कि जनसेवा और जनभावना होनी चाहिए। निजीकरण में जनसेवा की भावना कहाँ रही? किस तरीके से आप उसको कंट्रोल कर पाओगे? इस बारे में इस बिल में कहाँ भी यह नहीं बताया गया है। तो मैं चाहूंगा कि जब आप जवाब दें तो इस बारे में भी बताएं। हमारा देश बड़ा देश है, गरीब देश है। इसमें छोटे-छोटे लोग हैं, छोटे-छोटे आर्टिजन और जो छोटे कामगार हैं उनको समय पर कर्जा मिले। कई लोग गरीबी की रेखा के नीचे जीवन जी रहे हैं, उनको भी हम कर्जा देते हैं, कोई छोटा-मोटा धंधा करने के लिए आगे आता है, उसको भी कर्जा देते हैं और इन सबके लिए राष्ट्रीयकरण करने के पीछे जो जनसेवा की भावना थी, उस भावना को किस तरीके से आप इस बिल के जरिये जारी रखेंगे और नई कंपनियों के लिए आप क्या प्रावधान करेंगे, आप जब जवाब दें तो मुझे इस बारे में थोड़ा बता दें।

एक और बात मैं यह कहना चाहता हूँ कि देश में बहुत छोटे-छोटे बैंक हैं। जो 8 परसेंट तक मैंने बात आपको कही, उसमें हमारे देश के तीन-चार बैंक आते हैं—बैंक आफ बड़ोदा, स्टेट बैंक आफ सौराष्ट्र आदि छोटे-छोटे बैंक हैं, ये सब बैंक 8 परसेंट के क्राइटेरिया के नीचे हैं। इनको आगे लाने के लिए भी जो बड़े बैंक हैं, उनके लिए भी हमारे जो बैंक आयोग वे किस तरीके से काम करेंगे? आपने अपने बिल में इस बारे में कोई बात नहीं कही है, तो वह भी जब आप जवाब दें तब बताएं।

एक अन्य बात मैं यह कहना चाहता हूँ कि आपको एक प्रावधान करना चाहिए कि सारी व्यवस्था इस बिल से कड़ी हो सके, उसके लिए आर०बी०आई० के नीचे एक ऐसा बोर्ड बनाइये जो बोर्ड सारे बैंकों को गतिविधियों, उनके ऊपर सुपरवीजन वगैरह सब कुछ करे। उस बोर्ड का कोई प्रावधान आपने इस बिल में

अभी तक बताया नहीं है। यह प्रावधान करना मैं बहुत जरूरी मानता हूँ।

एक और बात कहकर मैं अपनी बात समाप्त करूंगा और वह है स्पेशल ट्रिब्यूनल के बारे में। कई बार यहां यह बात उठ चुकी है और कल भी उठी थी कि एक स्पेशल ट्रिब्यूनल का भी प्रावधान करना चाहिए कि जिसके जरिए जो बैंक-रपट है, जो पैसा नहीं भरते हैं, उसके जरिये हम पैसा वसूल कर सकें।

ये बातें, आप जो नया बिल ला रहे हैं, उसमें करेंगे तो मुझे लगता है कि इस दिशा में सरकार ने कुछ कदम उठाए हैं, इसीलिए मैं इसका विरोध नहीं कर रहा हूँ और चाहता हूँ कि हमारे देश के जो गरीब लोग हैं, जिस भावना से और जिस उद्देश्य से आज तक यह बैंकिंग व्यवस्था चली, उसी तरीके से वे सब लोग आगे भी लाभान्वित होंगे और इसके लिए सरकार कदम उठाएगी। धन्यवाद।

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Shri V. Narayanasamy.

SYED SIBTEY RAZI (Uttar Pradesh): This is his maiden speech after becoming the Secretary of the Party.

SHRI V. NARAYANASAMY (Pondichery): Madam Vice-Chairman, thank you for giving me this opportunity to speak on the Banking Companies (Acquisition and Transfer of Undertakings) Amendment Bill, 1994.

Madam, the purpose for which this Bill is being brought is very clear. It is to see that the banking system in this country is built on sound lines, the capital base of the banks is on a sound footing, and the banks rise to the occasion and meet the requirements of the new economic policy which has been adopted by the Government. And I would like to thank the hon. Minister for the broad principles for which this Amendment Bill has been brought. The employees have been given representation in the Board of Management. Apart from this, the shareholders have also been given representation because of which there will be more accountability in the banks. Now we find that there is a lot

mismanagement in the functioning of the banks, and the bank officials also go scot-free because there is no accountability fixed on them

Madam, when the new economic policy was brought forward by the Government, it was absolutely necessary for the Government to strengthen the banking system in the country. There is a strong criticism from the left parties ...*(Interruptions)*. They think that they are the only persons living in this country. That is the whole trouble.

SHRI JOHN F FERNANDES (Goa): They think that they are the communist of this country

SHRI V NARAYANASAMY: Madam, as I said, in tune with the new economic policy, the banking system would have to be strengthened *(Interruptions)*

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): What is this running commentary, Mr. Jibon Roy?

SHRI NARAYANASAMY: We should have a sound banking system *(Interruptions)*

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Mr. Jibon Roy, this is not fair.

SHRI JIBON ROY: Madam, he is referring to the Left parties.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): This is not fair. When a Member is speaking, how can you disturb him?

SHRI M.A. BABY (Kerala): This is his maiden speech, Madam, after becoming the Secretary of the Party!

SHRI V NARAYANASAMY: Today the situation is such....

DR. BIPLAB DASGUPTA (West Bengal): This is the way of congratulating you.

SHRI V. NARAYANASAMY: Kindly bear with me. I do not want to make any comments, for the time being.

THE VICE-CHAIRMAN (MISS

SAROJ KHAPARDE): If this is their way of congratulating you, you take it easy.

SHRI V NARAYANASAMY: Madam, as I said, in terms of the new economic policy, the banking system should be sound. We should have a sound policy, which is acceptable not only to the people of the country, but also to the foreigners who would like to come and invest in our country. The quantum of money which is coming into the country, the quantum of investment which is coming into the country, is enormous. Therefore, confidence has to be created in the minds of the people who are coming from abroad for the purpose of investment.

Madam, we have seen the bank scam. We saw that the securities Scam had totally paralysed the banking system in the country, about two-three years back. To restore the banking system to normal health and to make it acceptable not only to the people of this country but also to the world, to ensure proper utilisation of the money which has been invested in the banking system, to revitalise the banking sector, to recoup the money which had been lost in the securities Scam and to create confidence in the minds of the people about the banking system, certain measures had to be taken.

Now, in view of the investment being made in this country, to facilitate the opening of L.Cs. for trade purposes, an easy procedure has been adopted. The L.Cs. can be opened by any person in the country *vis-a-vis* a person from abroad, within 24 hours. The banking system in our country is quite old. Therefore, to cope with the flow of investment, the functioning of the banking system has to be modernised.

When modernisation is necessary, they oppose it. When computers are introduced, there is opposition from the other side. They say that the employees would be retrenched. In spite of clear assurance that there would be no

retrenchment of the bank employees, they take advantage of the weaknesses of the bank employees some of the political parties take advantage of the weaknesses of the bank employees—and they try to exploit the situation, which is bringing the banking system to naught.

Only this morning, the issue of the strike by the bank employees today was raised. It was raised during the Zero Hour. This issue was raised by a senior Member of this House. I would like to say that I am one of the supporters of the working class. There could be a strike by the employees for the purpose of achieving something. But what would happen if the employees go on strike, at the instigation of some political parties? They not only interfere in the management, but they are also thwarting the proper functioning of the banking system. We have seen that in a month, for three-four days, the bank employees strike work. They are going on strike, under the pretext of opposing the so-called retrenchment of employees, under the pretext of opposing the modernisation and under the pretext that the Government is going to privatise the system. This kind of a canard is being spread. Actually, the employees are being exploited to suit the convenience of these political parties.

Madam, now the situation has come when our Government has made a right policy. When we want development, when we want investment, when we want modernization, we will have to change our policy a little. Otherwise we will be lagging behind. While small countries are going forward very much with their development, India, with a large potential—we have got enormous resources—if the banking system does not come up to our expectations is definitely going to suffer. So I request the hon. members who are supporting the employees—I am also supporting the employees—to kindly see that, when the country is to develop not only in trade and commerce but on the industrial side

and agricultural side also, there is a total revamping of the banking system in this country. Then alone the economic reformation that is being implemented in this country will give us the proper yield.

I have got a lot of complaints against the nationalized banks. We have raised this issue in this House on earlier occasions also. Take, for example, the agriculture sector, which is a core sector in our country. The policy of our former Prime Minister, Shrimati Indira Gandhi, behind nationalizing the banks was to give benefits to the people who are in the rural areas—the farmers, the working class, the artisans and small-scale industries. But, Madam, after 1970 the banking system became such that it was financing only the big industries.

SHRI ASHOK MITRA (West Bengal): You are responsible for that.

SHRI V. NARAYANASAMY: If you were also in power, it would have happened like that. Don't blame us. You are also equally responsible for that.

Now, take the bad debts. Rs 13,000 crores are to be paid back by the industries alone, which comes to 10 per cent of the total loans of the industrial sector in this country. They take the help of some Managing Director or Chairman in getting the loans. Cases are filed against them and CBI inquiries are going on. By the time the inquiry is completed, the Managing Director or the Chairman or whoever it is retires and the entire money is washed away or swindled. The government is taking steps but ultimately the result is that either the person involved retires or dies. Thereafter the case is closed and the debt is written off. In this context I would like to tell the hon. Minister that more than 90 per cent of the money that is advanced to the small-scale industries, poor and small farmers is recovered by the banks. But the loans advanced to the big industries are not paid back for the purpose of mobilization and investment elsewhere. Even today most of the small-scale

industries are being closed down because for most of them, which will be providing employment in the rural areas, the doors of the nationalized banks are being closed for the small-scale industries and the small farmers. These banks are investing their money only in the big industries only because they would get the benefits. Therefore, I want the hon. Minister to concentrate on the small-scale industries, concentrate on the farmers of the country, concentrate on the artisans and try to give them loans liberally. Now the question will arise, wherefrom will the funds come?

In this year's budget they have allocated Rs 5,000 crores for this purpose. We welcome it, but when the country is going to develop in a big way, it is not sufficient. In the power sector alone we are going to invest Rs 30,000 crores. Now, that money will be going to the banks, from where it will be borrowed. But then, the problems of the banking system have to be solved and the banking system must be revamped. Then only the investment will be made in the power sector. In the other countries, where their banking system is well developed, they are advancing money at the rate of four per cent interest. But what interest are they paying today? Twenty four per cent. Even the small industries are paying 24 per cent. The banking system should be competitive. The banks should compete with each other. Today the banks are concentrating on only one sector because they want to make quick money out of it. Therefore, the result of it was the Securities Scam. They have forgotten all the norms, rules and regulations. They want to invest only in a particular sector to make quick money. That way we lost several crores. When the banking system will be competitive, when the banks will mobilise funds in the share market, in the capital market, from the public, definitely, the banking system will be sound. The bankmen will have sufficient funds. The banks will compete with each other in lending loans. In the process, the rate of

interest will come down, by which the common man will be benefited, the person who gets the loan will be benefited and the investors also will be benefited. Therefore, I support the hon. Minister in this regard.

Madam, I would like to submit to the hon. Minister one more sentence, a very important sentence at far as the capital base is concerned. The hon. Minister also says that. It has been said that the nationalisation of banks was done by the Congress Government, and the Congress Government itself is diluting it today. How many branches have been closed because those branches were running into losses. That issue was raised several times in this House also by the hon. Members. The hon. Minister gave an assurance on the floor of the House that in the rural areas if there was only one bank, even if it was not making a profit, it would not be closed. That was the assurance given by the Minister. How many public sector banks in which public money is being pumped, are running into losses? Whether it is the UCO Bank or the State Bank or the Central Bank of India, how many banks have been closed? How many banks have lost their capital base? How many banks are running into losses running into several thousand crores?

Therefore, Madam, by raising the funds through public resources, getting funds by foreign investment for the development of the country, definitely the banking system is to be made sound. For that purpose, this Bill will definitely help. I congratulate the Minister for having added "employees representation" in the Bill, which was hitherto not accepted by the Board of Management of any bank. Not only that, the investors' representatives are also there. They can take up issues. They can put their viewpoints. They can tell the banks where the banking system fails so that the banking can be revitalised.

Therefore, I support the Bill which has been moved by the hon. Minister. I thank the Minister for having brought it

at an earlier point of time. It is on the basis of the Narasimham Committee Report. Thank you, Madam.

**SHRI ASHOK MITRA:** Madam Vice-Chairman, this is a ritual we are going through for the second time in the course of the last few months. In the month of December, if I remember aright, we had the spectacle of the legislation on the denationalisation of the State Bank. Now the time has come to chop off the neck of the rest of the nationalised banking sector.

I am greatly amused, and I should like to thank Shri Narayanasamy. My very good friend, for the entertainment that he has provided. For 47 years since Independence, including 25 years since the nationalisation of banks, with the exception of exactly two years, his party has been in charge of the banking sector. Even the Charan Singh Government and the Chandra Shekhar Government survived for the few weeks they survived with your sufferance. Therefore, when you described the ills of the banking sector very vividly, you were really condemning the acts and activities of your own party. I thank you because you have been very objective.

This performance shows the class character of your Government. Nominally you say that you did the nationalisation because you wanted to protect the interests of the poor people, the interests of the rural segments etc. etc. You centralised all powers in the Ministry of Finance. You used this power to disburse bank credit only for your near and dear ones. But an institution with an infrastructure is still there. It was built over a period of 25 years. Now, the Government is out to destroy that structure. It is very convenient for a party, which has no particular political conviction like the Indian National Congress to do so. Twenty five years ago you nationalised the banks because you professed to believe in socialism. I do not say that you ever believed in socialism. You professed to believe in socialism.

Today you believe in the ideology of the Swatantra Party. Therefore, you are denationalising the banks. The Swatantra Party is defunct, but the former members of the Swatantra party should not be disheartened. The Swatantra Party lives very much in the Indian National Congress.

I come to this piece of legislation. Here I would like to say that you take the name of the Narasimham Committee which is a dummy. You set up this Committee with your own 'Yes men'. You asked them to write a report and they have written a report as per your instructions. But actually the instructions have come from foreign lands 11,000 miles away asking you to do certain things in the banking sector if you want the flow of foreign loans to continue. All right. You have done that. Then like a lawyer you are trying to build up a case. You say you are short of capital. The inadequacy of capital is the basis of your argument. Now, if you are talking of a nationalised bank, then the entire asset structure of the Government should be behind the nationalised banking sector. There is no question of any inadequacy, because if a particular bank is in a temporary difficulty, the Government will come in and support it. If that is not the issue, then what is the issue? It is some foreigners nation about capital inadequacy that has to come from across the seven seas and you have accepted their terms. All right. Why is capital inadequate? You say the Government has no money. Instead of moving this particular legislation, why did you not bring in another legislation trying to amend the Banking Companies Act to get rid of the secrecy provisions? If you had done that, you could have straightway identified the parties which have not repaid Rs. 38,000 crores. On the admission of the Finance Minister as much as Rs. 38,000 crores are due from tycoons, who belong to the corporate sector. You could have moved that amendment Bill saying that these people are the defaulters, they have cheated the nation and you will collect

Rs. 38,000 crores, which are till now lying uncollected in sticky accounts or bad debts. I know that within the period between 1970 and 1990, year in and year out individual banks have drawn on their reserves in order to write off some bad debts of the past. The total quantum could be about Rs. 150,000 crores. Nobody has gone to prison for cheating the nation of this much of money, because you did not have the will. If you had the desire, the whole thing could have been inquired into and there would not have been any question of capital made quacy. The banks are sick because of your party policy to use the banks as milch cows for your near and dear ones. This is what has happened. Now you have made a plea that you want money. Therefore, you want to go to the capital market and get some money. What is the next argument? The next argument that you give is "The Opposition Members should not feel unhappy. We are not really denationalising the banks. Look we are retaining 51 per cent equity control. We have not been born yesterday, neither the Minister who has moved the Bill nor Members sitting on this side." You take our corporate structure. There are a number of corporate entities where private people holding only 8 per cent or 10 per cent or 12 per cent of the total equity are in effect the control. How do they do that? Although the Government has a majority of the shares, although public finance corporations have a majority of the shares, they are passive. If the Government continues to act passively, if the Government thinks that whatever the private sector does, whatever the foreigners do, in the wake of the private sector taking over the banks, is right, then, obviously the Government will withdraw to the back seats and would leave it private racketeers and foreigners to ruin our banks.

I have already read in the newspapers regarding the intention of the Government to allow foreigners to have at least 20 per cent of the total equity of

each individual bank. With 20 per cent equity, foreigners would take total command of the bank. The Government will be cowed down. The Government will be frozen by fear on account of foreigners. We have seen that the Government can be made to freeze with fear for this is the Government which has presided over the bank scam. Though four foreign banks were leading the mayhem, nothing has been done to them. These foreigners were trying to instruct our bankers about how to cheat and how to steal. This is the latest technology, the technology of how to steal and filch public funds. We have followed the flag of foreigners and we continue to do so.

Even if you want to retain 51 per cent equity in effect you are handing over the banks to the private people and to the foreigners. There is an ironical twist to the story. The shares are transferred. Therefore, let us say this particular stock broker—I do not want to take his name at this stage—a certain stock broker who has stolen Rs.500 crores from the State Bank of India has money in his pocket. Then, he will bid for the shares of the State Bank of India in his own name and in some *benami*. He will come to control, in due course, the Bank he would preside over the State Bank of India. This is a painless and costless operation. First, he stole from the bank with the connivance of the Government. Second, he uses the stolen money to buy the bank.

There is a German poet. Bertold Brecht who had rather a caustic sentence, "What is robbing a bank, to owning a bank" Owning a bank is a much worse crime. When a person commits a minor larceny, raids a bank he cannot own a bank. If a person commits one larceny after and raids a bank a thousand times, only then he can own a bank; otherwise he could not have accumulated so much money. By cheating others he owns a bank. Therefore, what is happening is a kind of an epitaph to the Brecht doctrine, "I started by robbing a bank, I end up by owing a bank". This is what is going to

happen. But I am not disheartened. This is a passing phase. Twenty-five years ago you were for nationalisation and twenty-five years later you are for denationalisation because it suits your purpose for the present. There is however such a thing as public opinion. People are not cows. They understand the entire economic and political processes that take place and also are aware who is gaining and who is losing. After all, sooner or later, you will find that some of the things that are being done in the name of the people, some of the things that are being done to exploit the people in the name of the people, will become dead-letters because people will make them dead-letters.

I am almost finished, because it is pointless to carry on the arguments. We have gone through this gamut once more. I have, however, some residual remark about our friends on the extreme right. They have, of late, become 'Swadeshi'. They are all for indigenously, self-reliance, this and that. I do not.....*(Interruptions)*. Since when foreign banks have become 'Swadeshi'? Through this legislation which you are not opposing, you are really facilitating the entry of foreigners into our banking apparatus. As I mentioned somewhere, in the battle for self-reliance, the BJP is a Johnny-come-lately—I should amend myself—the BJP is quarter a Johnny-come-lately. Thank you.

**SHRI JOHN F. FERNANDES:**  
Madam, I rise to support the Banking Companies (Acquisition and Transfer of Undertakings) Amendment Bill, 1994.

This Bill is a bit overdue because the policies were liberalised way back in June, 1991 and this measure should also have been brought at that time. I congratulate the hon. Finance Minister of our country, Dr. Manmohan Singh, because it goes to his credit that he is the first Finance Minister to pilot four Budgets successively. This Bill, though belated, is a welcome step towards revitalising our banking institutions. We

have seen when we liberalised the policies, how the multinationals, the touts in the market, cheated our institutions. We know about the so-called Securities Scam. It was nothing but a broad daylight robbery of the poor people of the country to the tune of Rs. 5,000-6,000 crores because all the money in the banks belong to the people and to the Government. My friends of the Left want to misguide the people by raising slogans and by saying that the banks are going to be denationalised and they are going to be privatised. This is only a disinformation campaign. On the contrary, these banks are going to be more and more public because the people have a say in these institutions. They will hold 49 per cent of the shares, the paid-up capital, in the institutions and the Government will have full control of our banking system because, as mentioned in the Bill by the Finance Minister, 51 per cent of the shares will be held by the Government. The Government will be in control. I say that it will become truly the public sector because the people will have a direct say. We have seen how the banks were run in the past. They were controlled by the Government. When anything is owned by the Government, it is run like a Government department, like the Railways where you have the maximum pilferage. That is what has happened to our banks in the last two or three years. We blame the system. But I do not think that it was because of the failure of the system. It was not a system-failure. It was a human failure. There were people who were responsible. And since this was a Government institution, either everybody was responsible or nobody was responsible. And we could not fix the responsibility of any particular person. Therefore, there was a failure in the human system, not any other system, because our banks are not computerised. Our banking system is obsolete. The other day, the Finance Minister mentioned in this House that our banks take three weeks, that is, 21 days, to clear one cheque. Who can have faith in

our banking institutions? We have the NRIs who send their remittances from abroad. They do not want to send their remittances to Indian banks. When we go abroad, we talk to them. They say "No, your banks are not foolproof." Our banks are run by the manual system and the moment you post a draft abroad, it is pilfered in transit, either by the post office or by the courier. That is why they do not trust our institutions. We have to modernise our institutions. The Finance Minister is on record in this House that when he visited small countries in South East Asia, Singapore, Hongkong or Bangkok, he found that though they were small countries, their banking system was fool proof and it was fully computerised. After the liberalised economic policies, our Prime Minister visited many countries in the West and in the East also. Our Prime Minister went to Davos as a businessman to get business for our country. For the first time, our Prime Minister had to be a businessman. He went to Germany, he went to Japan. But the first question the people ask there is about our banking system and our industrial employment system and whether we have the powers to hire and fire. We know that the banking institution is the major co-infrastructure for any developing country to develop and the very same people who oppose the new economic policy of the Government are the people who oppose the banking institutions being made public. I need not name them. It is obvious. They feel that they can oppose the Government policies indirectly by controlling the banking institutions. I think the people are wise enough to see through their game. The hon. Minister has mentioned that our banks are ridden with bad debts. The other day the hon. Minister mentioned in this House that there are bad debts and most of these bad debts are cornered by the multinationals in our country, the big industrial houses. The Minister has said that he would circulate a list of all the banks. Our businessmen are very wise

and since they are wise, they are called businessmen and every business house has at least ten or twenty sign-boards of different companies. I don't think it will be a foolproof system. Again, we have to see that when the banks are made public, this system is not allowed to rob and defraud our banks. When these banks give them loan as a company, the same gentleman has five or ten name-plates in his name and it is one individual who is defrauding the banks. So, I don't think that will be a wise thing for the Finance Minister to just circulate a list stating that such and such company is involved in a bad debt. The same gentleman, who is owning company A, is also owning company B. He can approach the other bank in the name of company B. We have to take precautions and see that these people are not allowed to rob our country. Again, the liberalised policy has brought in foreign exchange convertibility and the main complaint of our exporters is that when they deposit their hard earned foreign currency in the banks, it takes them six months to get a foreign exchange certificate. I do not know why this is permitted by the Government. At the same time, the Government say that they want to encourage foreign exchange and what to bring in more dollars. The Government have exempted them from income-tax. But, at the same time, they are being harassed. The moment they deposit their hard earned foreign currency in the bank, they are not given the temporary registration number immediately. Why should they not give a temporary registration number immediately that they have deposited so much thousands or lakhs of dollars in their banks and the certificates can come after six months or one year, whatever time it takes? I would request the hon. Finance Minister to see that these loopholes are removed from our system. Again, the Minister has said something about computerisation in this Bill. I am happy to note that the Minister has referred to the floppy disc which can maintain the record of the cheque holders

in the registry and also in the floppy disc of the computer. I think, this will be a right step for modernising the banks and making the banks really people-oriented rather than making them only Government-oriented, where they are allowed to be defrauded. With these few submissions, I support this Bill. Thank you.

SHRI RAM JETHMALANI (Mharashtra): Madam Vice-Chairman, having been a supporter of the Government's liberalisation policy as well as their globalisation policy, it might sound a little odd that I am opposing this Bill. I am opposing it not on the ground which my friend, Mr. Mitra, mentioned. "Though you pretend not to denationalise, you, in fact, are denationalising." My criticism is that I am opposed to it because you are not denationalising at all, which is your commitment under the very liberalisation policy which you have announced. What you are doing is a betrayal of that very policy. It is the betrayal of that very policy which has, at least, persuaded some of us even to break ranks and support you publicly. It is a betrayal and that is precisely what I propose now to explain.

Madam, the main provision in the Bill is that the Government is now taking on power to dispose of a part of the equity of these nationalised banks or financial institutions, ranging from about 20 to 49 per cent, but they shall always retain 51 per cent in their control. Now the whole question is that the policy of liberalisation was based upon the rationale that the banks had suffered in the past because there had been an unholy alliance between the managements of the banks, between the bureaucrats who had exercised control over the banks and the corrupt businessmen who wanted to have access to public money for their own benefit. It is this unholy matrimony which requires to be dissolved before the banking system can be purified and before we can make any fiscal progress. I

regret to say that the Bill makes no such provision. All that you are now trying to do by this Bill is that the same frauds will remain, the same incompetence will remain, the same fudged accounts and embezzlement will remain and the same losses of your capital are remained. But you are only going to pass on to the unwary future purchaser of the equity in this banks, at least, 20 to 49 per cent of the losses which are inevitably going to continue unless you take some other measures which you have promised to take. I might have some ideological differences with my friend, Mr. Mitra, but when he makes a statement of facts, I almost take it as a gospel truth. He just said that the Narasimham Committee was almost a dummy Committee. Now, frankly speaking, I have not seen much evidence in support of that, but I will accept that. But in all fairness to that Committee, that Committee spoke the truth. It is true that because of politeness—because it did not want to speak the stark truth—it sugar-coated it in its official language and tried to create a very palatable or sugarcoated Bill and it used a language which the layman cannot understand. So, the layman who reads the Narasimham Committee Report is unable to follow it. And so far as the Government is concerned, the Report is couched in a language in which they can always pretend that the Narasimham Committee Report is being followed. Now that is the fraud of the Statement of Objects and Reasons of this particular Bill. The Narasimham Committee Report, Madam, told us the evils which had overtaken the banking system in this country. It first told you that you had an accounting and disclosure system which did not reflect the true position of the banks, and this is precisely what the IMF told you. The IMF told you that you had to follow the practices, which were laid down by the International Committee on Accounting Practices and Banking Practices.

You are asked to create what is called "transparency of balance-sheet" and the

expression "transparency of balance-sheet" was used by the Narasimham Committee as one of the requirements of any possible progress in the future of the banking system. It is this Committee which pointed out under this head that there is no balancing of books, there has been a total absence of reconciliation of inter-branch and inter-bank entries. There has been excessive political interference in lending and management decisions leading to unproductive lending. Of course, it did not cite those extreme examples which were cited, for example, in a study undertaken by the Indian Law Institute. The Indian Law Institute published a book in which they pointed out some of the frauds which took place and Mr Mitra has correctly noted that those frauds were taking place when the banks were still nationalised and were not in the process of being denationalised. Somebody went to a bank in Patna and got a huge loan from the bank in Patna by mortgaging the railway platform of Patna railway station. Another one managed to get a loan from the same bank on mortgaging the Gandhi Maidan in the city of Patna. This was what was happening when the banks were in the nationalised condition because the bureaucrats of the banks, who controlled the banks, and the politicians, who were publicly in conspiracy with these corrupt bureaucrats, they all dealt with the property of the banks as if the property belonged to them. Certainly it did not belong to them and, therefore, they could help themselves to as much of the properties as they could. (*Interruptions*)...

**SHRI JIBON ROY:** They are on the Board of Directors.

**SHRI RAM JETHMALANI:** There I agree with you. What you have to do now, therefore, is, if you want to follow the Narasimham Committee, as you are trying in your Statement of Objects and Reasons, to create a pretence as if this Bill is enjoined by the recommendations of the Narasimham Committee. It is not so. The Narasimham Committee has

pointed out to you these evils. Please, Mr. Minister, for God's sake, tell us: What measures do you suggest? What measures have you already taken? What are the measures on your anvil? What are the measures which you are proposing to take in the near future which will eradicate the three or four evils which have been pointed out to you by the Narasimham Committee? The Narasimham Committee also pointed out to you the remedies. The remedies were that your Statutory Liquidity Ratio has to be lowered and the funds must not be deployed for financing the public sector. Have you accepted this proposal? I don't know how many people in your Ministry have read the Narasimham committee Report and its recommendations and you only pretend to refer to it when it suits you, in the Statement of Objects and Reasons. Are you taking any steps, first of all, to accept this recommendation that your SLR must be reduced? When the Committee suggests that you must also make the CRR, the Cash Reserve Ratio, to become more flexible and make it very dependent on the market conditions, have you accepted this proposal? What are the measures which you propose to take? Then the Committee told you that more than 10% of the lending should be given to the old preferred beneficiaries who were supposed to be in the priority sector. The priority sector is now supposed to be compressed into mainly marginal farmers, rural artisans, cottage industries and other such small industries and the weaker sections of the society. You have been told that hereafter your lending will be to the displaced persons from the priority sector on commercial terms, on proof of their creditworthiness and on proof of satisfaction of the criterion of creditworthiness. I see no such evidence. The same lending practices are continuing. The same persons are continuing to be the beneficiaries of your banking system and nothing of the kind has been done to comply with the recommendations of this dummy Committee, as you call it. It may

be a dummy Committee. But it has given some real good remedies which required to be followed. Sir, one of the recommendations made has been that you must now embark upon a true evaluation of your banking assets. Nothing of the kind has been done. Before you go into the equity market and before you disgorge your shareholding you must be prepared to take the future investor into confidence. Disclose the whole truth to him. Tell him that out of these 28 banks, which are nationalised banks, eight of them are absolutely sick and the remaining are nearly sick and they are not only formally proclaimed to be sick, that you are disgorging the shares of sick units to unwary investors who are going to buy these shares in the market. This is a matter which is of great importance. It honestly requires, commercial integrity requires, that you must declare the whole truth. My hon. friend, though he may be a Johnny-come-lately, has something very sensible to say. He talked of Special Recovery Tribunals. Have you, at least, brought them into existence? What are you doing? You have been told that if your debt has become irrecoverable for 180 days, if you have received no interest for 180 days, treat this as a non-performing asset and make it disappear from your balance-sheet. You have done nothing of that kind. Banks have continued with the same old fraudulent balance-sheets. The same frauds are continuing. Therefore, I oppose this kind of a Bill. For lack of time, I cannot go into other kinds of frauds which are still being perpetrated daily upon the people of this country. I am avoiding it for lack of time. To show my resentment against the manner in which you are going about the implementation of your own policies, I am opposing this Bill. I hope this House will reject this Bill lock, stock and barrel.

**श्रीमती उर्मिला चिमनभाई पटेल (गुजरात):**  
उपाध्यक्ष महोदय, मैं इस बिल का सपोर्ट करने के लिए खड़ी हुई हूँ। मैं मानती हूँ कि इस बिल में जो सुझाव दिए गए हैं, इससे पूरे बैंकिंग सिस्टम का ढांचा बदलने में

सुविधा होगी। आज का जो बैंकिंग सिस्टम है, उसमें जो साधन संपन्न लोग हैं उनको प्रायः दी जाती है। अब जो इससे परिवर्तन आएगा, उससे जो गरीब लोग हैं, जिनके पास साधन की कमी है, वैसे लोगों को अगर सुविधा मिलेगी तो यह परिवर्तन हमारे लिए, हमारे समाज के लिए बहुत उपयोगी होगा। वैसे बैंकिंग सिस्टम का जो ध्येय है वह है सोसायटी की सेवा करना, समाज की जो इकोनोमी है उसको मजबूत करना। यह उसका ध्येय है, लेकिन हम देखते रहे हैं कि हर वक्त जो हैवज हैं, जो पैसे वाले हैं, उनको सुविधाएं मिलती हैं और जो हैव नोटज हैं, पैसे वाले नहीं हैं, उनको बैंकिंग सिस्टम से सुविधाएं नहीं मिलती हैं, भले ही रूल्स रेगुलेशन जो भी हो, कायदा कानून जो भी हो।

मैडम, मैंने गांवों में काम करते हुए देखा है कि कोई गरीब आदमी अगर बैंक से लोन लेने जाता है तो जो बैंक की प्रकृति है उसके अनुसार उसे जमानत देनी होती है, उसको कागज तैयार करने पड़ते हैं और उस सबका वह जानकार नहीं होता है। कभी-कभी तो उसे फार्मस भी नहीं दिया जाता। दो चार बार ऐसे आने जाने में ही उसका काफी समय बर्बाद हो जाता है। गांव के लोग तो हर रोज अपनी रोजी रोटी कमाते हैं, मजदूरी करके जीवन जीते हैं और ऐसे लोग जब लोन लेने के लिए अपनी रोजी रोटी, रोजगारी गंवा कर बैंक में आते जाते हैं, जबकि उनके पाम फिजूल समय खर्च करने का नहीं रहता, फिर भी प्रयत्न करते हैं और फिर थककर छोड़ देते हैं। उनको बैंक की ऐसी फेसिलिटीज नहीं मिलती है। मैं सोचती हूँ कि अगर समय पर जरूरतमंद को पैसे न मिलें तो ऐसे सिस्टम का कोई महत्व ही नहीं रहता है। आप देखिए, जैसे अपने शरीर में हार्ट का काम ब्लड का पंपिंग करना है, वैसे ही यह बैंकिंग सिस्टम भी अपनी सोसायटी में जो हमारा आर्थिक ढांचा है उसमें पैसे को पंपिंग करता है।...अगर शरीर को जितना ब्लड चाहिए, उतना ही ब्लड इसने नहीं किया या ज्यादा या कम कर दिया तो हम जानते हैं कि उसका नतीजा क्या होता है। तो समय पर पैसा मिलना, पूरे परिमाण में पैसा मिलना बहुत जरूरी है और यह सिस्टम हमें और सरल बनाना चाहिए कि जिससे सामान्य से सामान्य आदमी बैंक के दरवाजे खटखटाए तो उसको तुरंत जरूरी लोन मिले, फेसिलिटी मिले, जिससे वह अपना जो भी छोटा-मोटा काम करना चाहता है, यह सरलता से कर सके।

हमारे गुजरात में 21 प्रतिशत ट्राइबल बस्ती है। वैसे माना जाता है कि गुजरात बहुत डेवलप है, लेकिन इस एरिया को आप देखेंगे तो मूल्यम होगा कि यह बहुत

पिछड़ा हुआ है। तो इस कम्युनिटी को तो यह बैंकिंग फेसिलिटी उपलब्ध भी नहीं होती है और उन लोगों को इसकी जानकारी भी नहीं होती है। वे लोग आज भी, आजादी के 45 साल के बाद भी, प्राइवेट साहूकारों के पास से लोन लेने जाते हैं और वह जो 100 रुपए, 500 रुपए, या 1,000 रुपए का लोन लेते हैं तो उसको पहले ही 100-200 रुपए काटकर दिए जाते हैं। बाद में उस पर सूद लगाया जाता है और इसका भी कोई स्टैंडर्ड नहीं होता है, जितना भी उनकी मर्जी में आए, उतना पैसा वे साहूकार उनसे ले लेते हैं। तो छोटे-छोटे गांवों में, ट्राइबल हिस्सों में बैंकिंग फेसिलिटी पहुंचे, मैं समझती हूँ कि यह बहुत जरूरी है। मैं यह भी जानती हूँ कि बहुत छोटे गांवों तक बैंक खड़े करना या इकना भिक्कीली चलाना बहुत मुश्किल है, लेकिन 10, 15 या 25, 30 गांवों के बीच में अगर मोबाइल बैंकिंग की फेसिलिटी दी जाए तो इससे जो सामान्य गरीब लोगों का एक्सप्लायेशन हमारे समाज में हो रहा है, उसको हम दूर कर सकते हैं।

अभी हम जानते हैं कि हमारे बड़े प्रधान श्री ने महिला समृद्धि योजना चलाई है और हरेक महिला अगर अपनी छोटी सी आमदनी में से 300 रुपए पोस्ट-ऑफिस में जमा कराएगी तो उसके ऊपर उसे 75 रुपए हर साल सूद के रूप में मिलेगा। अगर यह फेसिलिटी छोटे-छोटे बैंकों में भी एक्सटेंड की जाए, जो को-ऑपरेटिव बैंक्स हैं, वहां तक एक्सटेंड की जाए तो इस फेसिलिटी का ज्यादा उपयोग महिलाएं कर सकती हैं। तो ऐसी कई योजनाएं हैं जो महिला विकास के बारे में हैं, ट्राइबल के विकास के बारे में हैं, अनुसूचित जातियों के विकास के बारे में हैं। तो यह बैंकिंग फेसिलिटी अगर ग्रामीण एरिया तक पहुंचाई जाए तो डेवलपमेंट में बहुत मदद मिलेगी।

एक और भी बात है कि हमारे समाज में युवा बेकारी का परिमाण दिन-प्रतिदिन बढ़ता जा रहा है और शिक्षित बेकार जैसे-जैसे बढ़ रहे हैं, यह भी वैसे-वैसे बढ़ रही है। हरेक व्यक्ति को नौकरी दिलाना सरकार के लिए संभव नहीं है। हमारी बदनसीबी यह है कि हमारे देश में शिक्षा और नौकरी, ये दोनों इतने संलग्न हो गए हैं कि हरेक पढ़ा-लिखा नौजवान प्रेज्युएट होने के बाद कोई न कोई नौकरी ढूंढने निकलता है और जब नहीं मिलती है तो वह फ्रस्ट्रेटिड होकर घर में आश्रित की तरह बैठ जाता है। तो ऐसे जो युवा लोग हैं, जो काम करना चाहते हैं और काम नहीं मिलता है तो इनके लिए यह बैंकिंग फेसिलिटी बहुत अच्छी सुविधा दे सकती है। अगर हम इस सिस्टम को सरल बनाएं और हरेक काम करने वाले लड़के को 25,000, 50,000 या एक लाख, जितना भी

उन्हें अपना-अपना स्वतंत्र रोजगार चलाने के लिए चाहिए, वह देकर हम उनकी मदद कर सकते हैं तो इससे गांवों में जो बेरोजगारी की समस्या है, वह हल हो सकती है। तो ऐसे कई फेसेट्स हैं कि अगर हम अपने बैंकिंग का ढांचा बदलें तो इससे हमारे ग्रामीण विकास की प्रक्रिया में काफी मदद हो सकती है।

मैंने कई बार जो बैंक के मैनेजर या उनके जो जबाबदार अधिकारी हैं, उनके साथ डिस्कस किया है, मैंने उनके साथ चर्चा की कि आप गांवों में क्यों नहीं देते हैं। मैंने उनके साथ चर्चा की कि आप गांवों में क्यों नहीं देते हैं जो नेशनलाइज्ड बैंक हैं, देना बैंक हैं, सिंडिकेट बैंक हैं और दूसरे बैंक हैं ये वे उन लोगों को पूछते हैं क्योंकि गांवों में हमारी सिस्कोरिटी क्या होती है। उनके पास कुछ मिलिक्यल नहीं है जो जमानत में दे सके। तो हमारे पैसे की सिस्कोरिटी का क्या हो सकता है? लेकिन अगर एक हर्षद मेहता जैसा व्यक्ति हजार-दस हजार-पांच हजार करोड़ रुपया हमारे समाज का हड़प सकता है और अगर हम पूरे देश की बैंकिंग सिस्टम को स्टडी करेंगे तो इतने-कितने रुपए हर्षद मेहता ने अपने पास दबाए रखे हैं। इसके बजाय अगर यह छोटे-छोटे गांवों में रहने वाली महिलाएं हों या मजदूर हों या युवा हों उन लोगों को अगर हम रोजगार देने के लिए यह फेसिलिटी एक्सटेंड करें तो इससे इतनी बड़ी रकम तो कमी भी नहीं होगी। मैं तो ऐसा मानती हूँ कि देश का यह जो सामान्य और गरीब आदमी है, जो मजदूरी करके अपना जीवन व्यतीत करता है, वह जितना प्रताड़ित है उतना समाज में अन्य कोई नहीं है। अगर वह बैंक से लोन लेगा तो हड़प करने की उसकी नीयत नहीं होती है। हां, अगर उसको थोड़ी तकलीफ हो तो जो हफ्ता उसको देना है, तो वह इस महीने नहीं देगा तो दो महीने के बाद देगा, दो महीने के बाद नहीं दे सकता तो छः महीने के बाद देगा। लेकिन बैंक का पूरा पैसा हड़प करने की उसकी नीयत कभी नहीं होती है। तो यह गलतफहमी बैंकिंग सिस्टम के अंदर जो अधिकारी वर्ग है, उनके मन में है, इसमें भी परिवर्तन लेना है और बैंकिंग का पूरा एटीट्यूड बदलना बहुत जरूरी है। बैंकिंग की सेवाएं बड़े-बड़े इण्डस्ट्रीज के लिए अकेले नहीं हैं, बड़े-बड़े व्यापार-उद्योग के लिए नहीं हैं। यह रोजगार के लिए है, का मन पैर के लिए भी है, गरीब लोगों के लिए है। यह परिवर्तन अगर हम ला सकें तो इससे बहुत बड़ा फायदा होगा। हमारी सरकार ने अभी जो कुछ डवलपमेंट के प्रोग्राम चलाए हैं, तो इससे स्याल स्केल इण्डस्ट्रीज छोटे-छोटे गांवों में डवलप हो रहे हैं। ग्रामीण विकास की जो योजनाएं हैं, हमारे गुजरात में तो पीने के पानी की भी

प्रोब्लम इतनी बड़ी है। तो लोग समझते हैं कि जो बैंक से लोन मिलता है अगर ऐसे प्रोग्राम के लिए मिलेगा तो हम गांव की पंचायत या तो गांव का कोई वोल्यूटरी आर्गनाइजेशन ऐसे डवलपमेंट के काम में भी यह रकम जुड़वाने के लिए भी तैयार होते हैं। तो ऐसी कोई भी डवलपमेंट की योजना हो उसके लिए भी बैंक के सिस्टम द्वारा लोन देने के लिए ऐसा कोई प्रोजेक्ट किया जाए, तो इससे बहुत ही सुविधा होती है।

ऐसा ही सवाल खेती के विकास के बारे में भी है। हमें खेती में माडर्न टेक्नोलोजी अपनाना है, लेकिन माडर्न टेक्नोलोजी में खास तौर पर देखें कि डीप इरिगेशन सिस्टम लगाना है और अगर कोई इसको लगाना चाहता है तथा उसको जो इसमें इन्वेस्टमेंट करना पड़ता है वह उसकी गुंजायश के बाहर होता है। अगर उसको इन्वेस्ट करने के लिए बैंक की ओर से पैसे मिल जाएं तो ऐसी माडर्न टेक्नोलोजी का उपयोग भी वह कर सकता है। उसी तरह हमारी जो योजना है महिलाओं को पशु-पालन के उद्योग में लगाने की, हम गाय-भैंस या कैटल के लिए उनको लोन देते हैं। लेकिन उनको जब हम मदद या सब्सडी देते हैं, उसके अलावा अगर उनको रकम लेनी है तो वह बैंक से ले सकते हैं। अगर बैंक का यह सब एटीट्यूड बदल जाएगा तो इससे कहीं रोजगार की सुविधाएं भी उपलब्ध हो सकती हैं।

तो यह सब बातें बताकर मैं इतना ही कहना चाहती हूँ कि जो सुझाव यहां आया है उसको हम स्वीकार करें। लेकिन इससे भी रूल्स रेग्युलेशन में फर्क करके सामान्य से सामान्य आदमी को ध्यान में रखकर इस बैंकिंग सिस्टम को रि-बाइटेलाइज करें, पुनर्जीवित करें, तो इससे हमारे समाज का जो पुर्नरुत्थान होना है या हम कहे कि हम नया भारत सृजन करना चाहते हैं, तो इस दिशा में बहुत सी सेवाएं बैंक सिस्टम कर सकता है। यह कह कर फिर से इस सुझाव को अपना सपोर्ट देकर अपनी बात समाप्त करती हूँ। आपने जो समय दिया, इसके लिए अभारी हूँ।

**श्री सुरेश पच्चौरी (मध्य प्रदेश):** माननीय उपसभाध्यक्ष महोदया, राष्ट्र के विकास में बैंकों की एक अत्यंत महत्वपूर्ण और प्रमुख भूमिका हुआ करती है। बैंक सेवा के माध्यम से आम आदमी के हितों की रक्षा हो सके, आम आदमी को अपने जीवन-सतर को बेहतर बनाने के लिए सुविधाएं मुहैया कराई जा सकें, यह सुनिश्चित किया जाना बहुत जरूरी है और इन्हीं सब बातों को ध्यान में रखते हुए यह बैंककारी कंपनी (उपक्रमों का अर्जन और अंतरण) संशोधन विधेयक

1994 लाया गया है और मैं इसका समर्थन करने के लिए खड़ा हुआ हूँ।

महोदया, क्लाज 4 के सब-क्लाज 2(डी) में फार्म इन्वेस्टमेंट का जिक्र किया गया है और शेयर्स के ट्रांसफर्स का जिक्र किया गया है। बहुत ज्यादा फार्म इन्वेस्टर्स इस पर कब्जा न कर सकें, इसके लिए यह सुनिश्चित किया गया है कि यह लिमिट 20 प्रतिशत से अधिक नहीं होनी चाहिए। यह एक अच्छा कदम है।

महोदया, क्लाज 6 में यह प्रावधान है कि जो बोर्ड आ फ डायरेक्टर्स रहेगे, उसमें एक डायरेक्टर "सेबी" का या फाइनेंशियल इंस्टीट्यूशन का होगा। मैं समझता हूँ कि यह बैंक की कार्य-प्रणाली को अच्छा करने के लिए उठाया गया कदम है। इसलिए बैंकिंग बिल में जो यह प्रावधान किया गया है, वह एक अच्छा कदम है। जहां तक बोर्ड आ फ डायरेक्टर्स का प्रश्न है, पहली बार ऐसी व्यवस्था की गई है कि उसमें एक इम्प्लायीज में से और एक आफिसर्स में से प्रतिनिधि रहेगा। यह भी एक अच्छा कदम है और इम्प्लायीज का पार्टिसिपेशन भी इस तरह से बैंकों के कार्य संचालन की प्रक्रिया में हो सकेगा। इसमें वर्कमैनशिप भी बढ़ेगी और लोगों के मन में यह भावना आएगी कि हम लोग यदि ठीक ढंग से काम करेंगे तो निश्चित रूप से इम्प्लायीज में से हमारा भी चयन हो सकता है और हम बैंक के एक डायरेक्टर हो सकते हैं। अतः बैंक तरक्की करे, यह भावना भी उनके मन में आएगी क्योंकि वे खुद भी उसके एक डायरेक्टर के रूप में नुमाइंदे होंगे। यह भी एक अच्छी व्यवस्था की गई है।

इसी तरह से एक डायरेक्टर चार्टर्ड एकाउंटेंट में से होगा, निश्चित रूप से बैंक की कार्य-प्रणाली में सुधार करने के लिए उठाया गया कदम है। इसमें एक प्रोविजन यह भी किया गया है कि चार्टर्ड एकाउंटेंट ऐसा होगा जिसकी सेवाएं कम से कम 15 वर्ष की हों, यह एक अच्छा कदम है। महोदया, क्लाज 6 के सच-क्लाज 3(बी) में कहा गया है कि उसमें एक डायरेक्टर ऐसा बनाया जाएगा जो दूसरे किसी बैंक में डायरेक्टर नहीं होगा। वरना डुप्लिकेशन होता है। यह भी एक अच्छा कदम है जिसका मैं समर्थन करता हूँ।

महोदया, क्लाज 6 के सब-क्लाज 3(एफ) में कहा गया है चार्टर्ड एकाउंटेंट के बारे में कि वह अनुभवहीन होना चाहिए वरना होता क्या है कि सरकार की अनुशंसाओं पर या किसी और माध्यम से ऐसा चार्टर्ड एकाउंटेंट बैंक में नुमाइंदे के रूप में आ जाता है जिसको पर्याप्त अनुभव नहीं होता है। इसलिए जो क्लाज 6 के सब-क्लाज

3(एफ) में यह जिक्र किया गया है कि 15 साल के अनुभव वाला चार्टर्ड एकाउंटेंट इसमें रहेगा, यह एक अच्छा कदम है।

महोदया, इसी तरह इस बिल में यह भी कहा गया है कि यदि कोई डायरेक्टर रिटायर होता है तो उसकी जगह, को-ऑप्शन का जो सिस्टम है, उसमें बोर्ड ऑफ डायरेक्टर्स ही उसका चयन करेंगे जब तक कि नए बोर्ड ऑफ डायरेक्टर्स का गठन नहीं होगा। यह भी एक अच्छा कदम है। इसलिए जो बिल यहां प्रस्तुत किया गया है बैंकरी कंपनी (उपक्रमों का अर्जन और अंतरण) संशोधन विधेयक, 1994, इस का मैं समर्थन करता हूं।

महोदया, मैं अपनी बात समाप्त करने से पहले दो तीन बातों की ओर सदन का ध्यान खींचना चाहूंगा। जिस वर्ग विशेष के लिए बैंकिंग सिस्टम या बैंकिंग सेवा की बात की जाती है उस को मद्देनजर रखते हुए हमारी दिवंगत नेता श्रीमती इंदिरा गांधी ने बैंकों का राष्ट्रीयकरण किया था, उन की भावनाओं को ध्यान में रखना आवश्यक है। जिन गरीबों, मजदूरों, दलितों के लिए उन के मन में तड़प हुआ करती थी उस के पीछे यही भावना छिपी हुई थी कि गरीबी की रेखा से नीचे रहने वाले लोग लाभान्वित हो सकें, उन को बैंकों के दरवाजों पर लंबे समय तक खड़ा न रहना पड़े, उस के लिए बैंकों के कार्य में सुधार करने की बात थी ताकि बेरोजगारों को रोजगार मिल सके, वह अपना रोजगार चला सकें, उसके लिए उन को सैक्युरिटी जो देनी पड़ती है वह खत्म होनी चाहिए। अतः गरीबी की रेखा से नीचे रहने वालों से सैक्युरिटी मांगने के बजाए जो उन को छोटे-छोटे उपकरण, जैसे सिलाई मशीन या कल-कारखाना चलाने के लिए मशीन दी जाती है उस को वापस लेने का प्रावधान करना चाहिए ताकि उन को लोन लेने में सैक्युरिटी न देनी पड़े और वे अपने परिवार का जीवन-यापन कर सकें। वह सैक्युरिटी सिस्टम खत्म होना चाहिए ऐसा मेरा निवेदन है।

महोदया, सरकार ने 51 प्रतिशत का जिक्र किया है, वह स्वागत योग्य है और इस मामले में शंका नहीं की जानी चाहिए कि हम लोग प्राइवेटाइजेशन की तरफ बढ़ रहे हैं। सरकार का बिलकुल नियंत्रण उन पर रहेगा। सरकार यह भी सुनिश्चित करे कि 19 प्रतिशत के अंतर्गत जिन फारेन इन्वेस्टर्स को क्लाज 4, 2(डी) के अंतर्गत जो छूट दे रहे हैं, उन पर फारेन इन्वेस्टर्स के रूप में या किसी न किसी रूप में प्रत्यक्ष रूप से सरकार का नियंत्रण रहना चाहिए।

इसी के साथ-साथ शेयर्स की ट्रांसफेरिबिलिटी, शेयर्स

प्रदान करने की बात आम लोगों के लिए होनी चाहिए, उस में खुली छूट होनी चाहिए ताकि आम लोगों का उस में पार्टिसिपेशन हो सके। इससे बैंकों की विश्वसनीयता बढ़ेगी, आम लोगों को भी अच्छी सेवा मिलेगी। यदि ऐसा किया जाएगा तो मेरा पूरा विश्वास है कि आम लोगों का जीवन स्तर बेहतर बनाने के लिए और साथ ही बैंकिंग सेवा को सुदृढ़ करने से राष्ट्र का विकास होगा, ऐसी मेरी मान्यता है।

धन्यवाद।

SHRI GURUDAS DAS GUPTA  
(West Bengal): Madam Vice-Chairman, I  
rise to oppose this Bill, lock, stock and  
barrel.

I oppose this Bill because the remedy which is being sought to be applied is just in the opposite direction. There can be no hesitation in admitting that the banks are really sick. The banks are sick because in some of the cases, or, in a large number of cases, the investment had been made, not on economic ground. It is also true that a large part of the investment has been grabbed, really grabbed, by those people who have defaulted later on.

Madam, the point is, the commercial lending by the banking sector in the country, today, is around Rs. 1 lakh crore. The deposit in the banks is around Rs. 3 lakh crores. Out of this commercial of Rs. 1 lakh crore, my estimate is — I believe, it is not Rs. 35,000 crores — nearly 50 per cent of the commercial investment is non-performing, is either bad, sticky, or, irrecoverable. This is the basic reason for the banks becoming sick today. But to tackle this sickness, to remove this sickness, the remedy that is being contemplated is disinvestment or selling out the shares. My point is, if the pot is riddled with holes, it is bound to be empty, whatever is the quantum of water you may put into it. Therefore, if the holes in the pot are not plugged properly, whatever may be the extent of generosity by the Government, by way of doling out of funds, the sickness of the banks would continue.

Therefore, let us discuss how to plug

the loopholes. And when plugging the loopholes if you raise capital by selling out the shares, that is not going to bring about any improvement. Then there is erosion of the capital base. That is one aspect of the problem. Another aspect is the capital adequacy norm. The capital adequacy norm has nothing to do with the erosion of the capital base. I tell you, most of the international banking organizations do have an eight per cent capital base norm. Even then a large number of foreign banks are in a crisis. A large number of foreign banks in the western world are in a crisis despite these banks having an eight per cent capital base norm. Therefore, eight per cent as a figure is no sacrosanct figure, is no panacea. Even after having an eight per cent capital adequacy norm, the banks may fall sick. Therefore, it is not a question of what should be the upward revision of the norm of the capital base. That is one aspect.

The most important aspect is how to strengthen the capital base. Therefore, the disinvestment or selling out the shares of the nationalised banks is no panacea. Of course, it is a sell-out. It is a sell-out of the principles of nationalization. That apart, selling out the shares is not going to bring about an improvement if the banks are not run on an economical basis and who is responsible for not running the banks on an economical basis? I believe, hon. Members on the other side must have been asked to be present in the House so that the Bill gets an easy passage, but we are here to understand each other. If the presence of the Members becomes, including that of the hon. Minister of State for Parliamentary Affairs, a problem for a proper deliberation by the House, I only wish Madam Vice-Chairman to take care of it. You can pass the Bill because you have the majority. You can pass the Bill because you have support from unsolicited quarters. You can pass the Bill but, Madam, kindly remember that today is the most auspicious day. There could have been no better day for passing

this Bill than today, because today seven lakh banks employees are on strike, protesting against the provisions of this Bill. Therefore, when the bank employees are on strike, you can push through the Bill with your majority, but can you carry out the policy without the cooperation of the bank employees?

SHRI M. M. JACOB: They have brought about the strike situation.

SHRI GURUDAS DAS GUPTA: They will go on further strikes. I promise the House, they will go on further strikes to prevent the economic policy that you are pursuing. The workers of IISCO will go on strike, because you are determined to sell out IISCO. The bank employees will go on strike, because you are on a holy mission to sell out the banks. And more so, the Indian working class will take upon themselves the responsibility of fighting your policies, the more and more you push through with your policies. Let there be no misunderstanding on this score. But that is not the issue we are discussing.

The issue is whether disinvestment or selling out bank shares is going to be the panacea. It is not. Why? Who will purchase the bank shares? Normally, shares are purchased for high returns. The bank shares will give no high returns. Therefore, the common people, who are generally haunted by the desire to attain overnight prosperity, will not be purchasing the shares. It is only the industrial houses who will purchase the shares, not for the returns but to gain control over the banking system. It is not the common investor who will be interested in investing money in the banks because the return will not be high. It is those people who are having enough money, who will be really purchasing the shares, not for return, but to attain control over the banks. Why do people want to have control over the banks? Because, through their representatives on the boards of directors they will influence very much the credit policies of the banks. Since you have

committed yourself to a liberalised policy, the banks will be free even to decide their own interest rates. The hon. Ministers have been giving that assurance. Therefore, the boards will be heavily loaded with the representatives of big industrial houses. The people who have money, will use the banks. They will be using their position in the banks to plunder the resources of the banks. What is our experience so far as the Bank of Karad is concerned? The Bank of Karad was a private bank. It was not a nationalised bank. The Bank of Karad was plundered by whom? By a single director. What was the role the director played? The director played the role of plundering the Bank. If the example of the Bank of Karad is kept before us, we can very well understand that the so-called investors, the so-called shareholders having their representatives on the boards, will be using their strength and influence to manipulate the credit policies of the banks. That is where the danger of the sell-out lies.

The third and the most important point is that you have been doling out money. May I ascertain from the Government the reason for doling out Rs. 16,000 crores that it has doled out during a span of three years? You have doled out Rs. 16,000 crores to banks. Why? Why have you doled out the money to the banks without setting up adequate safeguards? It is a premium for corruption. It is a premium for inefficiency. Banks are sick because they have been made sick. Big industrialists have made them sick. If we look at the list of defaulters, 90 per cent of the defaulters belong to big industrial houses. It is not the small borrower, and it is not the small-scale people. Nor is it people belonging to the private sector who are responsible for the default or who have made the banks shaky. It is primarily the big business people who are responsible for this.

Let me correct my hon. friend, Dr. Mitra. The promoters' shareholdings are not 8 per cent or 10 per cent, but less

than 1 per cent is the holding of the promoters' share in the assets of the corporate sector. By having 1 per cent or less than 1 per cent share, they are controlling the corporate sector. Therefore, a large part of the so-called wealth of the corporate sector is drawn from the nationalised sector.

Lastly, Madam, whose money is this? Hon. Mr. Jethmalani, a legal luminary of the country, has been pleading for a profitable investment of the funds with the banks. I do not quarrel. But, let me tell you whose money this is. Three lakh crores of rupees deposited in the banks, represents the national savings, represents the savings of the community. The savings of the community cannot be doled out to serve the interests of the corporate sector only. The state is a welfare state. It is not a socialist state, I know. After all, it is a welfare state. Since it is a welfare state, the Government has a responsibility for the well-being of the down-trodden section. If that is kept in mind, the colossal social wealth now deposited in the banks, must be utilised for material advancement of that section of the community which we consider as backward. Therefore, without having any social-priority programme, without having any programme in the priority sector, the chests of the banks cannot be opened to the private sector. They have been already opened. Hon. Mr. Jethmalani knows how his client has made use of the money that was deposited in the State Bank of India. The iron chest of the State Bank was opened to the client of Mr. Jethmalani. It is very well known that the iron chest of the National Housing Bank was opened to a handful of brokers. That is the history. The Bank has been nationalised, but actually the Bank has been serving certain individuals. It continued to advance loans not to the corporate sector only, but to most of the undeserving corporate sector also. That is the reason why we want not just a nationalised sector, but a profitable nationalised sector. We want the nationalised sector

to be run on the basis of efficiency, not on the basis of fraud and corruption. It is the political system which has made the banks red and the citadel of the political system is not in Calcutta but in Delhi. I can give you innumerable examples to show how the banks were forced to give loans. Who were responsible for giving loans of more than one crores of rupees to Mr. Girish Sharma!

**THE DEPUTY CHAIRMAN:** Please do not mention the names of those who are not here to defend themselves.

**SHRI GURUDAS DAS GUPTA:** They are the social criminals. We must name them. We must know the social criminals are. It is the political persons who have been giving shelter to these criminals and it is these criminals who have defrauded the banks. And now the banks are being handed over to those corporate criminals. Corporate criminals have made the banks sick. Now, you are handing over the banks to these corporate criminals.

**THE DEPUTY CHAIRMAN:** Mr. Gurudas Das Gupta, the things which you cannot substantiate you should not say. To call people criminals is unbecoming of a Member of Parliament of Rajya Sabha.

**SHRI GURUDAS DAS GUPTA:** I can substantiate that the defaulters are criminals. The criminals should have no political patronage. Today banks are being handed over to the criminals and the hon. Minister for Finance is justifying himself for going in that direction. This is a Bill in the opposite direction. You can pass the Bill, but we shall oppose it. You can pass the Bill, but the entire banking industry, the entire working class of the banks, will oppose its implementation. If you like to close down the banks, we will oppose. If you dismiss the employees for participating in the trade union movement, we will oppose you. But we will support every action for bringing about accountability in the banking system. A restructuring in that direction

will have our unstinted support. But if you like to implement the provisions which will be tantamount to passing on the banks to the private hands, we will oppose you tooth and nail. Today, when you are passing this Bill, bank employees are on strike. I can tell you in doing so they are fighting for a national cause and the cause of the country.

**THE DEPUTY CHAIRMAN:** You see, no time was allotted to this Bill, but this does not mean that we should not bother about the time. You have to keep to the time limit.

**SHRI GURUDAS DAS GUPTA:** If the Government becomes directionless, we are becoming timeless! (*Interruptions*)

**SHRI S. VIDUTHALAI VIRUMBI** (Tamil Nadu): Madam, I rise to oppose this Bill. Even though its Statement Objects and Reasons says that this Bill has been brought to mobilise further resources in actual practice its intention is not so. When the banks were nationalised in 1969, the entire nation stood behind Mrs. Indira Gandhi, the then Prime Minister of India. I quote from the Objects and Reasons the Bill. "The banking system touches the lives of millions and has to be explored by larger social purpose and has to subserve the national priorities and objectives, such as rapid growth in agriculture, small-scale industries and exports, raising of employment levels, encouragement of new entrepreneurs and the development of backward areas." For that purpose these banks were nationalised in 1969.

In 1980 when some more banks were nationalised, they gave another reason, I quote, "To gain control over the commanding heights of the economy for attainment of the national, social and economic objectives, fourteen major Indian scheduled banks, each with deposits of Rs. 50 crores or more were nationalised. In order further to control the heights of the economy, to meet progressively, and serve better, the needs of the development of the economy and

to promote the welfare of the people, in conformity with the policy of the State towards securing the principles laid down in clauses (b) and (c) of article 39 of the Constitution." They gave this reason. What are laid down in clauses (b) and (c) of article 39? I quote: "The State shall in particular direct its policy towards securing (b) that the ownership and control of the material resources of the community are so distributed as best to sub-serve the common good; (c) that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment." From this we can understand that material resources were equally distributed. That is number one. Number two, the means of production should not be to the common detriment. For these reasons, the banks were nationalised. Now they say in order to mobilise they are denationalising it. It is not so.

The actual reason is that the Basle Committee on Banking Regulations and Supervisory Practices appointed by the Bank of International Settlements has recommended that capital adequacy should be more or less 8 per cent of the risk weighted assets. I do not know whether it applies to the Indian banks. They have not said about that. The assets of the banks are naturally guaranteed by the Government of India. Then, what is the necessity for a such a type of guarantee? These are not private banks. Banks are actually guaranteed by the Government. When the Government of India itself stands as a guarantee, why should be a norm of 8 per cent of the risk weighted assets for capital adequacy? This is what I want to know from the Minister.

The Government says that by privatising they are giving only 1 per cent of the voting rights. But the State Bank of India has already given 10 per cent of the voting rights. I am afraid, this will be increased by another 10 per cent.

Suppose, Tatas and Birlas are having 49 to 50 companies and in each company

they are having one per cent of the voting rights, then, automatically they will go for 49 per cent. How is this forty-nine per cent of the voting rights going to affect the majority opinion? The Government is having 51 per cent shares. That is the question we are raising. If a minority Government can become a majority Government, then 49 per cent shares can also become 51 per cent shares for administration of the banks. That is what I want to say. Therefore, this is one example. The Reserve Bank of India cannot overrule the Tata's decision or go against the decision of the Birlas. That is the situation prevailing in India.

Then, the Government is talking about sickness in the banking industry. But our banks have some social obligation also whereas private banks do not have that obligation. When Rajivji was participating in a debate on the Budget, he said clearly that we should not go through the profit and loss account of the public sector undertakings.....because they have got their own social obligations. The Government has totally forgotten that.

6.00 P.M.

Now they are saying that the banks are running on a loss. Who is responsible? When V.P. Singh was the Prime Minister, he wanted to introduce a Bill whereby the participation of employees in the management of banks would be provided. If that Bill was passed at that time, the employees who would be in the management of these banks would tell us the real reasons for the losses incurred. But you shut the door on the entry of employees in the management. And, now you are saying that they are running on a loss!

The State Bank of India wanted privatisation of its shares. The real value of the share was reduced to 10 per cent. Its share of the face value of Rs. 100/- was being quoted in the market at Rs. 325-450/-. That is, the market price of a share was at least Rs. 325/-. But the

price announced by the Government was far less. What did the bureaucracy do? It said the shares of the face value of Rs. 10/- could be sold at Rs. 100/- and that meant, the premium per share would come to Rs. 90/-. The lowest price quoted in the market was Rs. 325/-. But the Government announced a premium of only Rs. 90/-. The difference, Rs. 325/- minus Rs. 90/-, was siphoned off for some group. The same group of vested interests have now succeeded in their lobbying for getting this Bill introduced. Therefore, I disagree with the principle of liberalisation. What is the fate of Maruti with the 49-per cent disinvestment? Do you think that Maruti is now in our hands? It is not so. Likewise, the banks will not be in the hands of the Government. They will not be in the public sector. They are going to be really privatised within a decade. I feel that within a decade the entire financial structure, the financial institutions, even the whole country, will be ruined by this decision. That is what I feel. By introducing this provision, you are doing nothing but merging the financial capital and the industrial capital. They are going to be merged now. Once the financial capital and the industrial capital are merged, capitalism automatically arises. It is going to play havoc in the country. Already they have looted this country for four decades. Within these four decades, they were able to mobilise Rs. 5,20,000 crores of black money. You are going to hand over these institutions to those people who have taken away the public money. They have looted the money of the people, the dawn-to-dusk labour of the poor. This is what I feel. After the State Bank of India affair, this is the second step you have taken in the direction of the policy of this Government which is against the policy of Mrs. Indira Gandhi. This is a step against her policy in this respect. In 1969, when the banks were nationalised, we were the people who supported and stood by Mrs. Indira Gandhi. With the same spirit, we now oppose this Bill. Please do

not think that this is a policy towards progress. You just go through the memorandum of the IMF to Russia and others. You will find that the same kind of pressure is exerted on India also. They may say there is no such pressure exerted. But, in fact, we know that such pressure is being exerted by the World Bank and the IMF. I feel that this Government does not have any right to continue even for one day more.

Please resign and save the country.

With these words, I conclude. Thank you very much.

**THE DEPUTY CHAIRMAN:** Mr. Minister.

**THE JIBON ROY:** Where is the Finance Minister, Madam?

**THE DEPUTY CHAIRMAN:** Mr. Chandrashekhar Murthy is the Banking Minister and the Bill relates to banking. So, he is within his right to reply.

**SHRI GURUDAS DAS GUPTA :** It will be nice if the Finance Minister is present in the House.

**THE DEPUTY CHAIRMAN :** He will come for voting, I think. (*Interruptions*). He is a Member of the House. He will come at that time.

**SHRI GURUDAS DAS GUPTA:** I want him because he is the steward of the entire system.

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY):** Madam, I am thankful to all the Members who have participated in this discussion. Many of the Members have expressed their apprehensions that by passing this Bill, we are going to privatise the nationalised public sector banks. It is not correct. We have come before this House with this Bill to provide more capital to the banks because all these years, the Government of India have been providing capital to the nationalised banks in order to enable them to compete in the international arena. The Narasimham Committee has

made some recommendations for income recognition and a provision for capital adequacy in relation to the risk-prone assets of the banks. The Committee has also made many more recommendations. Most of the recommendations are still under consideration. But today, we are seeking the approval of this House for the Board of Directors of the Banks with the sanction of the Central Government and Parliament to raise their paid-up capital by public issues, by shares, subject to the condition that the Central Government, at all times, hold not less than 51 per cent of the paid-up capital of the banks and it also proposes that the authorised capital of every corresponding new bank shall be 1500 crores of rupees divided into 150 crores fully paid-up shares of ten rupees each. Shri Ashok Mitra alleged that the industrialists and the foreign shareholders who have already robbed these banks, will dominate the shareholders. This is not totally correct. *(Interruptions)*

**SHRI GURUDAS DAS GUPTA:** Here is an admission that it is partially correct.

**SHRI M.V. CHANDRASHEKHAR MURTHY:** Why don't you listen to me fully?

**THE DEPUTY CHAIRMAN:** Don't hear him partially.

**SHRI M.V. CHANDRASHEKHAR MURTHY:** The shares are issued as public issue according to the guidelines of SEBI and priority is given to allocation in respect of all the small shareholders. That is the guideline of the SEBI. In consultation with the Merchant Bankers and on the basis of these guidelines, we are going to issue shares and we have made it amply clear on several occasions...*(Interruptions)*

**SHRI ASHOK MITRA:** The Merchant Banks are the crooks.

**SHRI M.V. CHANDRASHEKHAR MURTHY:** Mr. Mitra has no belief in any system. *(Interruptions)*

**SHRI ASHOK MITRA:** I know what my belief is. *(Interruptions)*

**SHRI M.V. CHANDRASHEKHAR MURTHY:** That is why, your State Government has taken loan from...*(Interruptions)* The next provision is a very important provision. No shareholder, other than the Central Government, shall be entitled to exercise voting rights in respect of any share held in excess of one per cent of the total voting rights of all the shareholders of the banks. And with this, I can assure the hon. Members and the august House that the character of the banks will remain the same and they will remain as nationalised banks because even by holding 51 per cent of the Central Government will have effective control over all these banks.

**SHRI GURUDAS DAS GUPTA:** Not 51 per cent, but two per cent.....*(Interruptions)*..... If one per cent is shifted, there will be a shift in the control.

**SHRI M. V. CHANDRASHEKHAR MURTHY:** There is no question of shifting it now. ....*(Interruptions)*..... Madam, it was also referred to the Standing Committee and the Standing Committee dealt with all these issues in detail and it recommended this to the House by a majority opinion, except in one case...*(Interruptions)*.....

Some hon. Members still have a doubt about the control over the banks because of the structure of the Board of Directors. Now we have accepted 15 Directors, including six non-official Directors. The proposal of nine Directors will definitely ensure effective control by the Government. What more do you want, Gurudas Das Gunptaji?

Shri Jethmalani has referred to the Narasimham Committee Report. As I stated earlier, the Narasimham Committee has made several recommendations in regard to SLR and CRR. We have accepted them. The ratio is already reduced to some extent. The

reduction cannot be at one stroke. It will be done in a phased manner up to 1996.

Many of the members have expressed their apprehension that with the passing of this Bill the priority sector lending will be reduced.....*(Interruptions)*.....I am not yielding. I wish to inform the hon. Members and the august House that the percentage of priority sector lending will continue at 40.

**SHRI GURUDAS DAS GUPTA:** How? If you give autonomy to the banks and if the banks are free to.....*(Interruptions)*.....How will you dictate? How will you dictate?.....*(Interruptions)*.....

**THE DEPUTY CHAIRMAN:** Mr Gurudas Das Gupta, let him convince you.....*(Interruptions)*.....

**SHRI GURUDAS DAS GUPTA:** Madam, they are speaking of autonomy but, at the same time, they are saying that they are going of dictate to the autonomous board. How? How will they do that?

**THE DEPUTY CHAIRMAN:** Mr. Gurudas Das Gupta, I think, the Minister has a right to explain to you what he wants to explain from his papers. Let him speak. If you are not satisfied, you are free to say what you like to what you don't like but let him have the right to speak.

**SHRI S. VIDUTHALAI VIRUMBI:** Madam, his statements are self-contradictory.

**THE DEPUTY CHAIRMAN:** Never mind. He has a right to say what he likes, and don't try to say what you like.

**SHRI M. V. CHANDRASHEKHAR MURTHY:** Then about the ten recovery tribunals.....*(Interruptions)*.....

**THE DEPUTY CHAIRMAN:** You must hear him.

**SHRI M. V. CHANDRASHEKHAR MURTHY:** Out of the ten recovery tribunals, one is already set up in the month of April. Mr. Gupta raised the

issue relating to today's strike by the bank employees. Madam, this is not the first time that the bank employees are going on strike. In this month itself, this is the second time that they have gone on strike.

I can say that this is an encouragement to indiscipline which is one of the things.....*(Interruptions)*...which affect the efficient functioning. *(Interruptions)*....

**SHRI GURUDAS DAS GUPTA:** Oh, indiscipline! *(Interruptions)*...

**THE DEPUTY CHAIRMAN:** Mr Gurudas Das Gupta, let me talk about some discipline in the House. *(Interruptions)*...Please. Gurudasji, one minute. Let us have some discipline. *(Interruptions)*....

**SHRI M. V. CHANDRASHEKHAR MURTHY:** Some of the speakers have referred to the late Prime Minister, Shrimati Indira Gandhi. *(Interruptions)*.... Madam, it was our great Leader and the late Prime Minister, Indiraji...

*(Interruptions)*

**SHRI GURUDAS DAS GUPTA:** You don't name her. *(Interruptions)*...

You cannot take the name of Indira Gndahi. *(Interruptions)*....

**AN HON. MEMBER:** Why not? *(Interruptions)*....

**THE DEPUTY CHAIRMAN:** Order, please. *(Interruptions)*... Order, please. *(Interruptions)*....

**SHRI S. JAIPAL REDDY:** Madam, I am on a point of order. *(Interruptions)*....

**SHRI JIBON ROY:** We have also supported Mrs. Indira Gandhi.

*(Interruptions)*

**THE DEPUTY CHAIRMAN:** Mr Jaipal Reddy is on a point of order. *(Interruptions)*.... Mr Jaipal Reddy is on a point of order.

*(Interruptions)*

**SHRI S.S. AHLUWALIA:** You

cannot interrupt like this.  
(Interruptions)....

SHRI JIBON ROY:  
Madam, . . . . (Interruptions)

SHRI S. JAIPAL REDDY: Madam,  
I am on a point of order.  
(Interruptions). . .

THE DEPUTY CHAIRMAN: I will  
allow you. (Interruptions) Let him sit  
down. (Interruptions). . .

Let him sit down. (Interruptions). . .

SHRI S. JAIPAL REDDY: Madam,  
I am on a point of order.  
(Interruptions). . .

THE DEPTY CHAIRMAN: Yes.  
Mr. Jaipal Reddy. What is your point  
of order.

SHRI S. JAIPAL REDDY: Madam.  
Mrs. Indira Gandhi is the late lamented  
Prime Minister. Nobody has any right  
to malign her, discredit her. The  
Minister by invoking her name is  
maligining her. (Interruptions). . .

SHRI E. BALANANDAN: She was  
the architect of the nationalisation of  
banks. She had taken a progressive  
step. (Interruptions). . .

SHRI M. V. CHANDRASHEKHAR  
MURTHY: Why don't you hear me  
fully? The social objectives of  
nationalisation of banks. . . .  
(Interruption)

SHRI V. NARAYANSAMY: You  
cannot take the name of our great  
leader. (Interruptions). . . .

SHRI GURUDAS DAS GUPTA: We  
have supported her. (Interruptions). . .

THE DEPUTY CHAIRMAN:  
Gurudasji, please sit down.  
(Interruptions). . .

Mr. Narayanasamy, please sit down.  
(Interruptions). . .

Please sit down. (Interruptions). . .

SHRI JIBON ROY: We have  
supported it. (Interruptions). . .

THE DEPUTY CHAIRMAN: Please

sit down. Let us find out what he is  
saying about Indira Gandhi. Without  
hearing him, why are you agitating.

SHRI M. V. CHANDRASHEKHAR  
MURTHY: Madam, the social  
objectives of nationalisation of banks in  
the year 1969 by our Congress Party,  
our Congress Government. . . .  
(Interruptions). . . Once again I would  
like to assure the august House that  
even after passing this Bill the character  
of the nationalised banks will continue  
and it will continue to be a priority  
sector, credits to rural sectors will  
continue and credits to economically  
weaker sections will continue. What  
more do they want, Madam?  
(Interruptions)

THE DEPUTY CHAIRMAN: Please  
allow the Minister to speak. I don't  
want anybody to speak.  
(Interruptions). . . Everybody, please  
keep quiet. (Interruptions). . . .  
Gurudasji, please sit down.  
(Interruptions). . . no. Please do not  
disturb him. (Interruptions). . . Please  
let him answer. (Interruptions). . .  
Listen to him. (Interruptions). Please  
keep quiet. Everybody should be quiet.

\*SHRI M. V. CHANDRASHEKHAR  
MURTHY: Madam, I appeal to all the  
Members of this House to pass this Bill  
and support the Government. Thank  
you. (Interruptions).

SHRI JIBON ROY: You are getting  
support from those who opposed  
nationalisation. (Interruptions).

SHRI S. JAIPAL REDDY (Andhra  
Pradesh): May I seek one single  
clarification from the hon. Minister?  
Madam, I would like to ask the hon.  
Minister as to what guarantee this  
Government gives to the effect that 49  
per cent to be owned by the people will  
not on one fine morning become 51 per  
cent? I would like to amplify a bit. We  
all know...(Interruptions).

THE DEPUTY CHAIRMAN: Let  
him speak. (Interruptions).

श्री एस. एस. अहलुवालिया: वाकआउट करे

के लिए इतना झामा करने की क्या जरूरत है?... (व्यवधान)

SHRI S. JAIPAL REDDY: I am not going to stage a walk out. (Interruptions).

THE DEPUTY CHAIRMAN: Let him speak. He has the right to seek clarifications. Let him speak.

SHRI S. JAIPAL REDDY: We all know that the Suzuki Company started only with 26 per cent equity. It later on got increased to 40 per cent. Now, it has 51 per cent equity. When there was a joint enterprise between a Government of India undertaking and a foreign firm, we were told... (Interruptions).

उपसभापति: गुफ्रान जी, यह आपके मिनिस्टर नहीं हैं, इस कंटी के मिनिस्टर हैं। .... (व्यवधान) चुप रहिए। आप भी इस हाऊस के मेम्बर हैं।

SHRI S. JAIPAL REDDY: I am speaking with the permission of the Chair. If I don't have the permission, I will resume my seat.

THE DEPUTY CHAIRMAN: If a Member wants some clarifications, then he has every right to seek clarifications and the Minister is obliged to answer. Please keep quiet. (Interruptions). I am not allowing it. I am not permitting this. (Interruptions). Mr. Jibon Roy, please sit down. I am not allowing this. (Interruptions).

SHRI S. JAIPAL REDDY: Madam, I have not completed my submission. So, the Suzuki Company today, contrary to all the assurances given to the people in both the Houses, has 51 per cent equity. The control is so much that the MD of Maruti is facing charge-sheets by the CBI and, at the same time, is continuing as the MD of the Maruti Company. What is the guarantee that this 49 per cent will not become 51 per cent and all these banks will not be privatised one fine morning by the Rao-Singh due?

श्री संघ प्रिय गौतम: महोदय, मंत्री जी ने अभी जवाब देते समय यह कहा था कि बैंकों का राष्ट्रीयकृत रूप बना रहेगा। तो मैं यह जानना चाहता हूँ कि

राष्ट्रीयकृत स्वरूप बना रहने पर क्या इस बात की गारंटी है कि कर्मचारियों की छंटनी नहीं होगी? दूसरा सवाल यह है कि कर्म-अनुसूचित-जातियों और जन-जातियों का आरक्षित कोटा बराबर बना रहेगा? तीसरा सवाल यह है कि क्या गरीबों को विकास के कार्यों के लिए बैंकों से पैसा मिलता रहेगा?

DR. BIPLAB DASGUPTA: Madam, I would like to make one very specific point. This Bill has been brought forward on the basis of one of the recommendations of the Narasimham Committee. I am not going into the details of the other points which have already been covered. Madam, there are many other recommendations of the Narasimham committee. I don't generally agree with the Committee Report. But there are some recommendations which are very good ones and which have not been implemented through this legislation or others. For example, there is a recommendation as regards Assets Reconstruction Fund; there is no mention of that. Also, as regards the formation of a tribunal, which was also mentioned by Mr. Jethmalani, and then about the recommendation relating to arrangements for litigation and for recovery of loans from big borrowers, nothing has been mentioned. Unfortunately, these things which could have put the banks on a firm footing, have not been mentioned at all. These things have been completely ignored and bypassed in this legislation.

SHRI SATISH PRADHAN (Maharashtra): Madam Deputy Chirman, with your permission, I would like to seek certain clarifications. As this house is aware, the Report of the Committee... (Interruptions)...

THE DEPUTY CHAIRMAN: People come here to work. They understand the Bill. They read it and they want the Minister to clarify. Why should anybody object to it? The Government should come forward and clarify. Why should anybody object to it? It is their right. They can ask for a third reading if they want and I will permit them.

THE MINISTER OF POWER (SHRI

N.K.P. SALVE): You are absolutely right to point out this. But it also presupposes that when the Minister was replying, that kind of shouting should not have been there.

THE DEPUTY CHAIRMAN: Yes, it should not have been there. I objected to that also because when I allow Members to seek clarifications even after the Minister replies, they should not have objected to the Minister's speech and should have heard what he was saying at that time.

SHRI SATISH PRADHAN: Madam, I would like the Minister to enlighten this House whether (1) they will take precautions with regard to wider participation of the public at large in the equity holdings of these banks; (2) they will debar proprietors associated with those corporate houses, companies and firms and other persons, who are involved in the non-performing assets, from subscribing to the shares of these nationalised banks; that is, those who have not paid their dues to the banks. As of date, the outstanding dues against them, according to my information, amount to Rs. 35,000 crores, but which, according to Mr. Gurudas Das Gupta, amount to Rs. 50,000 crores. So, will you debar all those persons, firms, companies, corporate houses, against whom such outstandings are there? So also, people who are involved in such types of criminal activities as in the case of the Securities Scam should be debarred; and (3) they will permit CAG audit of all these facts.

श्री सतीश प्रधान: महोदया, मैं यह पूछना चाहता हूँ कि बिलो पोवर्टी लाइन वाले जो लोग हैं, गरीब लोग हैं उनको यह सच नया कानून बनाने के बाद कर्ज़ा मिल जाएगा या नहीं मिल जाएगा क्योंकि नेशनलाइज्ड बैंकों के होते हुए भी गरीब लोगों को पैसा मिलता है, ऐसा बताया जाता है लेकिन असल में नहीं मिलता है। अभी तो यह प्राइवेटाइजेशन हो रहा है। इसके बाद मिलेगा या नहीं मिलेगा?

Not recorded

उपसभापति: ठीक है, चलिए मंत्री जी, जवाब दे दीजिए।

SHRI M. V. CHANDRASHEKHAR MURTHY: Madam, the hon. Member, Mr. Jaipal Reddy, has a doubt whether this 51 per cent can be further reduced to 49 per cent. It cannot be done, Madam. For that, we have to come before Parliament...(Interruptions)

SHRI S. JAIPAL REDDY: It means that you will come before Parliament to do that.

SHRI M. V. CHANDRASHEKHAR MURTHY: We will discuss it then...

THE DEPUTY CHAIRMAN: It cannot be done arbitrarily. He will have to come before you...(Interruptions) Let us reach the bridge and then we will see how to cross it.

SHRI M. V. CHANDRASHEKHAR MURTHY: Mr. Gautam wanted to know whether there would be any retrenchment of employees. Time and again, the hon. Finance Minister both inside and outside Parliament, made it clear that even with the federations of the employees...(Interruptions)...

SHRI GURUDAS DAS GUPTA: \*

THE DEPUTY CHAIRMAN: Nothing is going on record. Nothing will go on record if you speak without my permission. I am not permitting it...(Interruptions)...Please. I will not allow you to speak when the Minister is on his feet. I am not allowing. No, nothing is going on record. Please sit down. Please sit down.

SHRI GURUDAS DAS GUPTA: \*

THE DEPUTY CHAIRMAN: When a Minister gets up to speak, you have a habit of interrupting. It is very bad. I am not allowing it. No, I am not allowing. Nothing is going on record. It would not go on record.

SHRI M. V. CHANDRASHEKHAR MURTHY: Madam, once again I wish to assure the hon. Members and the House

that there is no move to retrench the employees. They will be redeployed elsewhere. We have made it clear a number of times in the House and outside the House also.

THE DEPUTY CHAIRMAN: About SC/ST?

SHRI M. V. CHANDRASHEKHAR MURTHY: I have already replied that even after passing this Bill, the character of the banks will remain, the nationalised character of the banks will remain. we will continue lending to the priority sector, the deserving poor and the needy people, especially to the people belonging to the weaker sections. They will continue to get the benefits from the banks. Mr. Agarwal has suggested that precaution should be taken for wider participation. I understand that he is worried about the allotment of shares. But we have given very strict guidelines that the shares should be allotted in accordance with the SEBI guidelines and in consultation with the merchant bankers. Primarily, the individual shareholders will be preferred. About CAG's audit...(Interruptions)...

SHRI GURUDAS DAS GUPTA: Madam, I have a point.

THE DEPUTY CHAIRMAN: No, all points have been clarified.

SHRI GURUDAS DAS GUPTA: I would like to seek your permission.

THE DEPUTY CHAIRMAN: You made a very long speech. That is enough (...Interruptions)...

SHRI M. V. CHANDRASHEKHAR MURTHY: About the audit, of the banks, I agree with the hon. Member that the audit system in the banks should be strengthened. But the audit by the CAG is not necessary now. The Reserve Bank of India has strengthened its supervisory mechanism in the auditing of the banks...(Interruptions)...

DR. BIPLAB DASGUPTA: Madam, the Minister has not replied to my question...(Interruptions) ..

THE DEPUTY CHAIRMAN: I shall now put the motion to vote.

DR. BIPLAB DASGUPTA: We want a Division.

THE DEPUTY CHAIRMAN: All right. Let the lobbies be cleared...(Interruptions)...Now, the Division Bell is ringing for the Lobbies to be cleared. (Interruptions) When the Division Bell is ringing for the Lobbies to be cleared, whatever is spoken in the House is not recorded...(Interruptions)...

The question is:

That the Bill further to amend the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, as passed by the Lok Sabha be taken into consideration.

The House divided.

THE DEPUTY CHAIRMAN:

AYES—74

NOES—21

AYES—74

Agarwal, Shri Satish  
Ahluwalia, Shri S.S.  
Alva, Shrimati Margaret  
Antony; Shri A.K.  
Barongpa, Shri Sushil  
Bhatia, Shri Madan  
Birla, Shri Krishna Kumar  
Chavan, Shri S.B.  
Dard, Shri Jagir Singh  
Dave, Shri Anantray Devshanker  
Desai, Shri Jagesh  
Dhawan, Shri R.K.  
Dutta, Dr. B.B.  
Fernandes, Shri John F.  
Fotedar, Shri Makhan Lal  
Gadgil, Shri Vithal Narhar  
Gautam, Shri Sangh Priya  
Ghufran Azam, Shri  
Hanumanthappa, Shri H.  
Hariprasad, Shri B.K.  
Hiphei, Shri  
Iqbal Singh, Shri  
Jacob, Shri M.M.

Jayadevappa, Shri K.R.  
Jitendra Prasada, Shri  
Kalita, Shri Bhubaneswar  
Kalyan, Shri Mohindar Singh  
Kataria, Shri Virendra  
Khan, Shri K.M.  
Khan, Shri Mohd. Masud  
Khaparde, Miss Saroj  
Korwar, Shri Gundappa  
Krishnan, Shri G.Y.  
Ledger, Shri David  
Mahendra Prasad, Shri  
Majumdar, Shri Sudhir Ranjan  
Malaviya, Shri Radhakishan  
Manmohan Singh, Shri  
Matang Sinh, Shri  
Mathur, Shri Jagdish Prasad  
Miri, Shri Govindram  
Mukherjee, Shri Pranab  
Murthy, Shri M. Rajasekara  
Narayanasamy, Shri V.  
Nomani, Maulana Habibur Rahman  
Pachouri, Shri Suresh  
Pande, Shri Bishambhar Nath  
Parmar, Shri Rajubhai A.  
Patel, Shri Ahmed Mohmedbhai  
Patel, Shrimati Anandiben Jethabhai  
Patil, Shri Gopalrao Vithalrao  
Pillai, Shri Thennala Balakrishna  
Poojary, Shri Janardhana  
Pradhan, Shri Satish  
Razi, Syed Sibtey  
Reddy, Shri T. Venkatram  
Sahu, Shri Rajni Ranjan  
Salve, Shri N.K.P.  
Sanadi, Prof. I.G.  
Satchidananda, Shri  
Sharma, Shrimati Malti  
Sharma, Shri Venod  
Shinde, Shri Sushilkumar Sambhajirao  
Singh, Shri K.N.  
Singh, Dr. Naunihal  
Singh, Dr. Ranbir  
Singh, Shri Shiv Charan  
Singla, Shri Surinder Kumar  
Solanki, Shri Madhavsingh  
Surjewala, Shri S.S.  
Thakur, Shri Rameshwar  
Varma, Prof. Ram Bakhsh Singh  
Venkatraman, Shri Tindivanant G.  
Yadava, Shri Bal Ram Singh  
Yonggam, Shri Nyodek

**Noes 21**

Ansari, Shri Jalaludin  
Baby, Shri M.A.  
Balanandan, Shri E.  
Basu, Shri Nilotpal  
Bisi, Shri Sanatan  
Das, Shrimati Mira  
Dasgupta, Dr. Biplab  
Das Gupta, Shri Gurudas  
Giri Prasad, Shri N.  
Goswami, Shri Ramnarayan  
Gujral, Shri Inder Kumar  
Jagmohan, Shri (Nominated)  
Majhi, Shri Bhagaban  
Mathur, Shri Jagdish Prasad  
Mitra, Shri Ashok  
Mohanty, Shri Sarada  
Mukherji, Shri Dipankar  
Panda, Shrimati Ila  
Pandey, Shrimati Chandra Kala  
Raju, Shri J.S.  
Roy, Shri Jibon  
Viduthalai Virumbi, Shri S.

*The motion was adopted.*

**THE DEPUTY CHAIRMAN:** We shall now take up clause-by-clause consideration of the Bill.

*Clauses 2 to 17 were added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

**SHRI M.V. CHANDRASHEKHAR MURTHY:** Madam, I move:

That the Bill be passed.

*The question was put and the motion was adopted.*

**THE DEPUTY CHAIRMAN:** Now, there is a message from the Lok Sabha.

**SHRI S. JAIPAL REDDY:** Madam, the voting pattern has proved that the economic philosophy of the Congress (I) and the B.J.P. are one.

**THE DEPUTY CHAIRMAN:** Message from the Lok Sabha. Secretary General, please.

**SHRI S. JAIPAL REDDY:** This is the message to the people of India from this House.

**THE DEPUTY CHAIRMAN:** This is

a message from the Lok Sabha, Mr. Jaipal Reddy. The Secretary-General is going to read it out. Are you becoming the Secretary-General or what?

SHRI S. JAIPAL REDDY: I am supplementing your comment, Madam.

**MESSAGE FROM THE LOK SABHA**  
**The Copyright (Second Amendment) Bill,**  
**1994**

SECRETARY-GENERAL: Madam, I have to report to the House the following message received from the Lok Sabha, signed by the Secretary-General of the Lok Sabha:

"In accordance with the provisions of rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose the Copyright (Second Amendment) Bill, 1994, as passed by Lok Sabha at its sitting held on the 11th May, 1994."

Madam, I lay a copy of the Bill on the Table of the House.

THE DEPUTY CHAIRMAN: We have got two *suo motu* statements to be made by the Minister of State in the Ministry of External Affairs.

श्री संघ प्रिय गौतम (उत्तर प्रदेश): महोदया, आज चार बिल हमने पास किये हैं, सुबह से बैठे हैं और 6.45 हो गये हैं, छुट्टी कर दीजिये।

THE DEPUTY CHAIRMAN: Okay. If the House so agrees, we can ask the hon. Minister to lay the two statements on the Table of the House. I do not think there are any clarifications on these two statements.

AN HON. MEMBER: There are.

THE DEPUTY CHAIRMAN: Then, you can ask tomorrow or the day-after Okay?

SHRI SANGH PRIYA GAUTAM: Tomorrow.

THE DEPUTY CHAIRMAN: Mr. Minister, you can now lay the two statements on the Table of the House.

**STATEMENTS BY MINISTER**

**I. Death of Indians in Gulf Countries**

**II. Evacuation of Indians from Yemen and Rwanda**

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI R.L. BHATIA): Madam Deputy Chairman, I lay a copy each of the above two statements on the Table of the House.

THE DEPUTY CHAIRMAN: The House is adjourned till 11 a.m. tomorrow.

The House then adjourned at forty-four minutes past six of the clock, till eleven of the clock, on Thursday, the 12th May, 1994.