

lish appropriate negotiating procedures, including special procedures for the negotiations between developed and developing countries;

(b) to supervise the progress of the negotiations.

The Trade Negotiations Committee shall be open to participating Governments<sup>2</sup>. The Trade Negotiations Committee shall hold its opening meeting not later than 1 November 1973.

11. The Ministers intend that the trade negotiations be concluded in 1975.

### **S.B.I. Directors Association with Companies**

◆57. SHRI C. P. MAJHI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Directors of Local Boards of State Bank of India are associated with a number of companies and industrial concerns;

(b) if so, whether there is any rule to debar them from recommending loans and advances for and on behalf of such companies; and

(c) if not, what are the reasons therefor?

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) : (a) Some members of the Local Boards of the State Bank of India are reported to be associated with certain companies/industrial undertakings.

(b) and (c) Sub-section (3) of Section 31A of the State Bank of India Act, 1955 provides, inter alia, that a member of a Local Board of the State Bank who is directly or indirectly concerned or interested in any contract, loan, arrangement or proposal entered into or proposed to be entered into by or on behalf of the State Bank, shall, at the earliest possible opportunity, disclose the nature of his interest to the Local Board and shall not be present at any meeting of the Board when any such contract, loan, arrangement or proposal is discussed, unless his presence is required by the other members for the purpose of eliciting information, and no member so required to be present shall vote on any such contract, loan, arrangement or proposal.

Moreover,\* in terms of Section 20 of the Banking Regulation Act, 1949, which is a gene-

ral provision applicable to all banks, State Bank of India is precluded from entering into any commitment for granting any loan or advance to or on behalf of—

(i) any of its Local Board members, (ii) any firm in which any of its Local Board members is interested as partner, manager, employee or guarantor, or

(Hi) any company (not being a subsidiary of the State Bank or a company registered under section 25 of the Companies Act, 1956 or a Government company) of which any of its Local Board members is a director, managing agent, manager, employee or guarantor or in which he holds substantial interest, or

(iv) any individual in respect of whom any of its Local Board members is a partner or guarantor.

### **Scheme to associate the Employees with the Management of Nationalised Banks**

\*58. SHRI NAND KISHORE BHATT: Will the Minister of FINANCE be pleased to state :

(a) whether the scheme to associate the employees of the nationalised banks with the management has since been put into operation ;

(b) if so, what are the details thereof; and

(c) if the answer to part (b) above be in the negative, what are the reasons therefor ?

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) : (a) and (b) In terms of sub-clauses (b) and (c) of clause 3 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970, two representatives of employees of the bank, one from among the workmen and the other from among the officers, were appointed on 11th December, 1972, on the Board of each of the 14 nationalised banks.

(c) Does not arise

### **Delay in Madras—Delhi I.A. Flight**

◆59. SHRI S. S. MARISWAMY : Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether the Indian Airlines flight No. 440 from Madras to Delhi kept up the time-schedule in the month of September 1973;

†Including th? European Communities.