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| 5. (i) General Discussion on the Bihar Budget for 1968-69. | } 2 hrs. |
| (ii) The Bihar Appropriation Bill, 1968, as passed by the Lok Sabha. | |
| 6. The Uttar Pradesh Appropriation (No. 2) Bill, 1968, as passed by the Lok Sabha. | } 1 hr. |
| 7. (i) The Appropriation (No. 3) Bill, 1968, as passed by the Lok Sabha. | } 1 hr. |
| (ii) The Appropriation (No. 4) Bill, 1968, as passed by the Lok Sabha. | |
| 8. Consideration of a motion for concurrence for reference of the Insurance (Amendment) Bill, 1968, to a Joint Committee. | } 1 hr. |
| 9. Consideration of a motion concurring in the motion for modification of the Income-tax (Second Amendment) Rules, 1968, adopted by the Lok Sabha on the 20th August, 1968. | } 30 mts. |
| 10. (i) Resolution seeking approval of the President's Rule in Punjab. | } 2 hrs. |
| (ii) The Punjab State Legislature (Delegation of Powers) Bill, 1968, as passed by the Lok Sabha. | |
| 11. Consideration and passing of the Judges (Inquiry) Bill, 1968, as passed by the Lok Sabha. | 2 hrs. |
| 12. Discussion on the reported association of Shri Kantilal Desai with a number of business concerns, by Shri Bhupesh Gupta and others. | Saturday, August 31, 1968, at 4 P.M. |
| 13. Discussion on drought situation in certain parts of Andhra, Mysore and Rajasthan | One hour on Friday August, 30, 1968, at 5 P.M. |

should sit every day till 6.00 P.M. and also extend the Session by one day, that is, August 31, 1968.

THE BANKING LAWS (AMENDMENT) BILL, 1968—contd.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. C. PANT) : Madam, while picking up the thread of the speech that I was making, I would like to say that I have utilised the gap of the few days to go into the speeches made in the House a little more closely. I find that some of the comments and criticisms made are of a such a nature that any attempt on my part to meet those points would involve a discussion of the evolution of banking in this country and its historical background and growth.

Now, Madam, this being a Motion for reference of the Bill to a Select Committee, I hardly think that it is proper for me to give such a wide-ranging reply, and also I would remind the House that in June last year we had a discussion on a motion on the subject of banking, in the course of which the House did go into all the wider aspect of banking policy including the historical aspect. I, therefore, would not repeat all that was said on that occasion. I should like to confine myself today to a few specific points made by hon. Members and to attempt to place before the House some of the prominent features of the provisions of the Bill now before us.

My hon. friend, Shri Bhupesh Gupta, made as word a rigorous speech and in going through that speech I found profuse use of expressions like dictators, fascists, aggression on other people's territories, and the like. I did not quite understand why all these things were so much on his mind till I realised that after the Czech events Shri Bhupesh Gupta was particularly preoccupied with certain activities, and what was on his mind found its way into his speech on the Banking Bill. I wish that he had confined himself to the provisions of this Bill alone. Madam, I also found Shri Bhupesh Gupta openly inviting Members on this side of the House to press his point of view in the Select Committee. It is rather amusing. I think we on this side of the House

In order to be able to complete the business, the Committee further recommended that the lunch recess should be curtailed to one hour and the House

are very well aware of the communist tactics of dividing us, dividing both the Congress Party and the Government. They have been doing it for years, and in his speech on the Banking Bill he extolled my hon. friend, Shri Chandra Shekhar, and tried to use him as an instrument against the Bill. This morning, when Shri Chandra Shekhar stood up for Shri Asoka Mehta, then my hon. friend, Shri Bhupesh Gupta, talked of pro-Prime Minister and anti-Prime Minister elements in the party.

SHRI BHUPESH GUPTA (West Bengal) : No, no. On a personal explanation. All I said was that if you have this kind of factional quarrel, it is better to settle it openly in the Congress Parliamentary Party rather than talk in all kinds of lobbies.

SHRI K. C. PANT : So, therefore, we are well familiar with these tactics. Madam, the only thing I want to tell Shri Bhupesh Gupta is that while these statements may amuse us and while they do have some entertaining value, I would like to spare him . . .

SHRI BHUPESH GUPTA : What are you speaking on ?

SHRI K. C. PANT : I am advising you if you permit me.

SHRI BHUPESH GUPTA : What are you speaking on ?

SHRI K. C. PANT : I am speaking on your speech. You come in late and then you ask what I am speaking on. I am speaking on the Banking Bill.

SHRI BHUPESH GUPTA : Then on a point of order. He is replying to the debate on the Banking Bill.

THE DEPUTY CHAIRMAN : On your speech on the Banking Bill, presently.

SHRI BHUPESH GUPTA : I never mentioned in that connection about Shri Asoka Mehta, Pro-Prime Minister and anti-Prime Minister lobbies and so on, I never uttered a word. Now, Madam, I want a ruling whether, in the name of replying to the debate and the points I have made, he is entitled to refer to so many things I had done outside that context.

THE DEPUTY CHAIRMAN : Please leave it. Let the Minister proceed.

SHRI K. C. PANT : Madam, I do not want to get under his skin. It is just that I pointed out that while on one occasion he finds Mr. Chandra Shekhar to be an instrument for dividing party in one way, on another occasion he tries to use him to divide the party in another way. It is so patent and obvious, and I do not think it requires elaboration. I would ask him to spare himself this trouble because it does not get him anywhere.

SHRI BHUPESH GUPTA : I assure you that I am not at all taking trouble because you are extremely helpful in this matter.

SHRI K. C. PANT : Thank you ; we have learnt over the years what a democratic party has to be. I can assure you that whatever our differences of opinion ultimately we are a united party but because you cannot understand the functioning of our party I do not expect you to give up trying but I assure Mr. Bhupesh Gupta . . .

SHRI BHUPESH GUPTA : I cannot understand the functioning of this party. How can I understand because the Dodsai money has to be paid to that party ? Madam, kindly tell him . . .

SHRI K. C. PANT : At the same time I would request hon. friends on this side of the House also not to make speeches of a kind which would encourage Mr. Bhupesh Gupta to waste his time in this manner.

SHRI BHUPESH GUPTA : So they should not tell about Dodsai ?

SHRI K. C. PANT : It is as much for the proper utilisation of his talents and time as it is . . .

SHRI BHUPESH GUPTA : Such things will have . . .

THE DEPUTY CHAIRMAN : Now Mr. Bhupesh Gupta, you cannot go on like this. Please listen to him.

SHRI K. C. PANT : My hon. friend, Shri Chandra Shekhar, quoted figures of deposits and advances of a number of States and he made the point that advances to certain States were rather patchy and were less than those to other States. I would like to submit to him that this is not a matter about

[Shri K. C. Pant.]
 which he can blame the banking industry as such. It is certainly a recognised fact that there are industrial disparities between the different States and it is a reflection of these disparities, with the disparities in industrial growth in the various States the banking advances to the States must also vary in proportion because once an industry has been set up it has to receive working capital and, therefore, we have to separate these issues and see them in the right perspective.

Now, Madam, the point really is this. We have to consider what is the main line of criticism against our banking system as it is and what is at the root of the public concern over the functioning of banking. I listened to the speeches of my hon. friends in this House very carefully and also the earlier debate, which I recall very clearly, in June last year and I felt that the main point made was that commercial banks are controlled by industrialists and businessmen and operated in a manner which puts them at an undue advantage. This is the substance of the criticism and the solution offered in some cases is nationalisation and in other cases is something short of nationalisation. In June last year, while replying to the debate, I had promised that Government would go into all aspects of this problem and come to a decision as to how we could exercise social control over banking which means how we could evolve a scheme so that credit can flow into all sectors where it is needed and according to certain priorities which reflect the priorities laid down in the Plans and which take care of priority sectors like agriculture, small-scale industries and export. Now, after examining this question in depth we came to the conclusion that nationalisation is not the answer at the moment and the most effective means of achieving our objective was through social control of banks and it is against that background that we have brought forward this measure.

Now, Madam, I think the most effective support that this point of view has received in this House, though unwittingly, is from my hon. friend, Shri Chandra Shekhar. You will be surprised to hear this but if you recall his speech, Shri Chandra Shekhar went to great lengths to show that the State Bank was advancing moneys to industrial

houses and he gave us a long list of individual advances. He also asked me why the Finance Minister is not readily giving information about advances to individual concerns. Well, we do not give this information under the State Bank Act and I would not go further. I would only refer him to the State Bank Act, a provision of which lays down that information which is not usually given by banks should not be given by the State Bank also. That is the sum and substance of it. But assuming for a moment that what my hon. friend, Shri Chandra Shekhar, said was right, what does it mean? It means that the State Bank which is a nationalised concern advances moneys in a manner which is not to his liking. Now, whatever other inference one may draw from that, one inference is obvious that nationalisation alone does not provide an answer that is satisfactory to my hon. friend.

SHRI AKBAR ALI KHAN (Andhra Pradesh) : Not the only solution.

SHRI K. C. PANT : It is not the only solution because if it were the only solution then merely by nationalisation the State Bank should have started functioning in a manner which would have been satisfactory to him. That it is not so shows that even after nationalisation certain other steps have necessarily to be taken and I would submit with all respect that while I do not confirm or deny those figures which he has quoted I would like to point out to him that the provisions of the Bill before the House do take care of the basic issue involved—not merely the question of nationalisation or not nationalising—the issue of introducing structural changes in the banks which would ensure that credit would flow into all those directions, as I said earlier, where it is needed and would flow according to the priorities laid down, and those sectors which are starved today would not remain starved sectors, like small-scale industries, agriculture, etc. He has reinforced the argument in a most convincing manner and I hope he will give due credit to the measures which we have now taken under the Bill which goes to the root of the problem.

Now, what are these measures? One is the reconstitution of the Boards of Directors and the second is the appointment of professional bankers as full-time chairman. Now both these are

important measures and far-reaching measures. Some hon. friends cast a certain amount of doubt on this but I would like them to understand really the nature of the change introduced. When we reconstitute the Boards of Directors of the banks in such a manner that the majority on the Boards will have to be non-industrialists who would have special knowledge and practical experience in certain specified matters which are considered useful to banking companies, at one stroke we have introduced into the decision-making framework of the banking industry a fundamental change which will ensure that the Boards will have wide representation and will be weighted not in favour of industry or business but will have all the spokesmen of various sectors on these Boards. Therefore, it is a basic reorientation which is bound to have its impact hereafter on the growth of the banking industry and on its functioning, and decisions taken by these Boards will not after a period of time at least suffer from any undue bias towards business and industry. That is the basic change we have introduced into the whole system and if this basic change is not understood for what it is, then all that I can say is that after the scheme has started functioning my hon. friends will see that this is the effect of the Bill that we have now brought before this House.

My hon. friends, Shri Ramachandran and Shrimati Lalitha (Rajagopalan), asked me which are the provisions that are included in the Bill for giving credit facilities to agriculturists or small-scale industries. I would like to clarify that one cannot provide in the Bill specific obligations on commercial banks for giving credit facilities to particular sectors of the economy. The reorientation of the decision-making body is there but so far as the specific question of directing the credit to priority sectors is concerned, it is something for which we have set up another institution, the National Credit Council, whose primary responsibility is to lay down appropriate guidelines for the allocation of credit between the different sectors.

I would like to say that on this Council particularly there are representatives of the co-operative sector, of the rural sector, of agriculture, of the small-scale industry and so on. Therefore, their point of view is likely to receive every consideration from the

National Credit Council. In fact, I can tell them that the composition of the National Credit Council is such that all these requirements will be taken into account. It has the Deputy Prime Minister as the Chairman and the Governor of the Reserve Bank as the Vice-Chairman. The Deputy Chairman of the Planning Commission is also on the Council. As I said, earlier, commercial banks are represented, the co-operative sector is represented, the large and medium-scale industry...

SHRI BHUPESH GUPTA : Who represent the commercial banks ?

SHRI K. C. PANT : There are various names. They can always be placed before my hon. friend. The small-scale industry is represented. Agriculture is represented. Trade and professional groups are represented.

SHRI BHUPESH GUPTA : You can give some of the names. There is no objection.

SHRI K. C. PANT : I can certainly give some names. Mr. C. H. Bhabha is there, Mr. Ghorpade from the co-operative sector is there and Major Sandhu is there from the agricultural sector. There are some from the small-scale industry.

SHRI BHUPESH GUPTA : Commercial banks.

SHRI K. C. PANT : In respect of the commercial banks, Mr. Bhabha is one name that I can recollect, but I will be glad to furnish him all the names. He can see all the names.

SHRI BHUPESH GUPTA : The first name is enough for me.

SHRI K. C. PANT : The Council has already recommended that commercial banks should give priority to meet the additional credit requirements of agriculture and small-scale industries. So, I hope, with the National Credit Council laying down the broad guidelines, the banks being reconstituted, the boards being reconstituted, the chairman being professional men, credit will flow in directions in which the House requires it to flow. But here I must say that, if we really want to satisfy the very fast growing credit needs of this country—and all the sectors require more and more credit,

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as time goes on—then the banks will have to mobilise it from all resources and we have got to see that the banks function in a manner whereby they do mobilise deposits, etc. sufficient to cater to the increased requirements of the economy.

Then, my hon. friends, Shri Mani and Shri A. P. Jain, referred to the composition of these Boards and suggested a few changes such as that depositors might be represented or other interests might be represented. It is after careful thought that these Boards have been constituted and depositors, as a matter of fact, are represented, because even those representing the other sectors do represent the depositors. Therefore, there is no particular need for giving them special representation.

Then, another fear was expressed that the Government will use this opportunity to bring political influence to bear in the composition of these Boards or put some of its own men on the Boards, etc.

SHRI DAHYABHAI V. PATEL (Gujarat) : You have started doing it.

SHRI K. C. PANT : Now, I should like to explain that what is happening is that certain criteria have been laid down, which the banks are required to follow in making the appointment of directors to their Boards. It is not the intention of the Government or the Reserve Bank to interfere in such appointments, unless it is of the opinion that the composition does not fulfil the statutory requirements. Therefore, this fear of political control through the back door is misconceived. Then, the other major change ...

SHRI DAHYABHAI V. PATEL : Madam, give me two minutes, and I will explain what it is. You give me only two minutes.

SHRI K. C. PANT : You may agree or not agree.

SHRI DAHYABHAI V. PATEL : I will give examples of that to you.

SHRI K. C. PANT : The Banks may not agree with you.

SHRI DAHYABHAI V. PATEL : There are certain people...

SHRI K. C. PANT : But I have explained to you that we do not interfere, unless we think that the purposes of the Bill are not fulfilled.

SHRI BHUPESH GUPTA : It depends on how many Congressmen are defeated in the elections.

THE DEPUTY CHAIRMAN: Now, please let him finish his reply.

SHRI BHUPESH GUPTA : I agree, because we find that defeated Congressmen are put on these Boards.

(Interruptions)

SHRI K. C. PANT : I think the best thing is to ignore him.

The other point is the appointment of full-time professional bankers as the chairmen of banks. Now, in the past, as you know...

SHRI BHUPESH GUPTA: Why did not the Government agree...

SHRI K. C. PANT : I am not yielding.

THE DEPUTY CHAIRMAN : He is not yielding.

SHRI BHUPESH GUPTA : They did not agree to certain parts of the Note of Dissent given by Mr. Indrajit Gupta and others.

SHRI K. C. PANT : In the past because of historical reasons the growth of the banking industry was linked with industrial houses and industrialists who were the chairman of these banks. They were part-time chairmen. Now, the change that has been introduced is that professional, full-time bankers will be the chairmen of a bank. He will have no active association or substantial interest in any trading, industrial or commercial concern. He will be the chief executive officer. He will be a non-industrialist and his appointment will have to be approved by the Reserve Bank. There is a provision for the Reserve Bank to remove a chairman, if he is considered not to be a fit and proper person to hold such office. There will be an appeal against this to the Central Government. So, you can see that we have gone to the heart of the matter and we have tried to see that the structural changes introduced in the banking system are such, that the decision-making levels are such, i.e., the

Boards and the Chairman, who exercise authority on these Boards, are such that one can expect all sectors to receive due consideration from them. In order to see that they follow certain guidelines the National Credit Council has been set up and it would lay down the guidelines for them to follow. These are the changes that have been introduced.

Now, there was some criticism by my hon. friends, Mr. Mohta and Mr. Babubhai Chinai, that bankers of the eminence of chairman should not be so lightly dismissed and that this would amount to a cavalier treatment. I do not think that it is quite fair. While it is quite true that the Reserve Bank will exercise its judgment in this matter, it can be expected to exercise its judgment in a fair manner. Before removing such a person, there is a provision that a reasonable opportunity will be given to the chairman for being heard as well as an opportunity to the banking company for being heard. After that, if these people are still not satisfied, they can appeal to the Central Government. Now, that should be quite sufficient. If this provision is not there, it means that the Chairman can go on flouting the Government's intentions and the Government's policies in regard to the reconstruction that we are now wanting to be brought about in the banking structure, and still remain there. That would be a very difficult position to put up with.

Then, the next important provision relates to the prohibition of loans and advances to directors of banking companies and the concerns in which they are interested. Now, I heard some criticism even of this. I was really surprised because the basic intention of this clause, at least, has been very widely appreciated and I am sure that this provision will go a long way towards eliminating the influence of a dominant person or a group of persons in the matter of getting loans for themselves and their concerns. As I said, earlier, this seemed to be all along the central point of criticism which was made in this House and outside against the present structure of banking in this country.

Now, before I go on to my next point, I would like to refer, briefly, to Shri Rizak Ram's criticism of the criterion we have adopted for the small-scale industry, viz., Rs. 7.5 lakhs in plant and machinery. That is the limit that

we have adopted. Now, that is the limit which is adopted by the Ministry of Industrial Development as well. We have actually provided for a maximum limit of Rs. 20 lakhs. Unlike him, I personally believe that the small-scale sector should be allowed to grow bigger and as the industry is more sophisticated we should not depress the limit of a small scale industry and we should not deny its advantages if it grows about certain point. Therefore, I for one did not quite appreciate the criticism which he made.

THE DEPUTY CHAIRMAN : How much more time would you take?

SHRI K. C. PANT : Whatever time you say.

THE DEPUTY CHAIRMAN : The time allotted is over.

SHRI K. C. PANT : Would you like me to finish in five minutes?

SHRI BHUPESH GUPTA : You have not even come to the labour legislation. You must reply to that.

THE DEPUTY CHAIRMAN : You carry on for another ten minutes.

SHRI K. C. PANT : Then this has made provisions for widening the powers of the Reserve Bank of India. It widens them particularly in two directions. One is that the Reserve Bank can issue directions to secure compliance with the objectives and priorities of the economic and monetary policies. In the past, Madam, you will recall that the Reserve Bank used to act mostly to protect the interests of the depositors. But now specifically it will act in the interests of banking policy also. It will issue directions. But of course, that does not mean, I would like to make it clear that that does not mean the Reserve Bank will ignore the interests of the depositors. It is obvious that if you want the banking system to grow and to spread into the rural areas, you can only do so when due regard is paid to the interests of the depositors. Otherwise banking cannot grow in this country. Therefore, that is self-evident. But along with that the Reserve Bank will now see that the interests of banking policy as a whole are also protected.

I should like to refer to the point of orientation referred to by Shri A. P. Jain and some other friends. They said

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in effect that the Reserve Bank gets certain returns and studies these returns, but it is not really in a position to do justice to all these returns and it has not equipped itself properly to discharge the functions that it has taken upon itself. I would say that there is a measure of validity in this criticism, and I would like to assure the hon. House that the Reserve Bank is engaged in reassessing its own functional capabilities and is engaged in the task of equipping itself properly to fulfil the expectations that will be reposed in it by this Bill by Parliament.

Now my friend, Shri Bhupesh Gupta, wanted to know what I had to say on Sec. 36AD, and some other hon. Members spoke also on this section. I would like to say at the outset that there has been some misapprehension about the scope of the proposed section. It does not deal with labour-management relations...

SHRI BHUPESH GUPTA : What does it deal with?

SHRI K. C. PANT :...nor does it affect legitimate trade union rights. It does not prohibit lawful strikes and other legitimate and peaceful methods of ventilating grievances. As one can see from the clause itself, it has two main purposes: firstly, to prohibit those activities within the precincts of banks, whether indulged in by any employee or any other person, which are calculated to prevent the normal functioning of the bank; and secondly, to prohibit any activity which is calculated to undermine the confidence of depositors in the banking system.

SHRI BHUPESH GUPTA : Who decides it?

SHRI K. C. PANT : I do not see why one should disagree with the basic purpose of this clause. In fact even some friends who criticised this clause in other respects did not differ on the basic purpose behind it, because banks are primarily service institutions and have certain responsibilities to discharge towards the public and their numerous constituents. They have certain obligations under the Negotiable Instruments Act to stay open and meet their commitments under the Act. Banks, therefore, must be enabled to function as

efficient and disciplined units; otherwise the banking system will hardly find it possible to extend its activities to the non-banking areas and to gain the confidence of the vast majority of the people who are still outside its purview. Even today if we compare the figures of banking in this country with other more developed countries, the proportion of our national income which come into banks is very small compared to that in other advanced countries, and we hear every now and then questions in this House asking us as to what we are doing to expand and extend banking activities into the rural sector. I say that these questions are legitimate, these desires are legitimate. But if these are legitimate, one must accept that the depositors' confidence must be increased in the banks and the banks must function in a manner which increases this confidence in remote rural areas also, so that they can come and safely deposit their money and take out their money whenever they like. If there is interference in this, to that extent it is likely to impair the confidence of these people in banks. There is no infringement on rights to carry on legitimate trade union activity under this section nor even a curb on peaceful picketing. But what is being denied is the right to obstruct others in the transactions of business. Resort to violence in the name of trade union activities hampers the working of an establishment, particularly a bank which is very vital to the functioning of the entire economy. If, therefore, we have proposed certain special restrictions to ensure the smooth transaction of business in a place where public money is being handled and confidential transactions are being made. I think we are perfectly justified in making such prohibitions.

The second type of activity which is being prohibited is also vital to safeguard the credit system of the country. We cannot allow any person to act in any manner which might undermine the confidence of depositors in a banking company, to which I referred just now, for the maintenance of such confidence is vital to the smooth functioning of the credit system and the expansion of the banking structure. My hon. friend, Mr. A. D. Mani, had suggested some drafting change which we might consider in the Select Committee. But all I would like to point out at this stage is that there is an adequate safeguard against any misuse of this section as we

have expressly provided in sub-section (2) that any contravention of the provisions of this section shall be punishable only if the contravention has been done "without any reasonable excuse". This would take care of some of the points which Mr. Mani mentioned about drafting lacuna, and I hope that this will remove the unwarranted fears that have been expressed by some Members.

I will refer briefly to Part IIC which provides for acquisition of banking companies under certain circumstances. Some have criticised this on the ground that this is nationalisation through backdoor. Others have criticised it on the ground that it provides for justifiability. Neither is quite correct. We do not aim to take over these banks on flimsy considerations. That is the intention, and in fact the conditions have been laid down under which the banks will be taken over. But these conditions relate to matters of policy and we have given adequate opportunity to the banking company to show cause against any proposed action. There is also a Schedule to this Act which lays down the principles of compensation. Therefore, I think it would be wrong to say that this is nationalisation through backdoor. At the same time I was surprised that there should be any objection to any matter being referred to a court in case of dispute, and under our Constitution the question of legality can certainly be referred to a court. I thought that this would be welcomed.

Madam, I would not like to take more time of this House. I know you are pressed for time. I have already transgressed the five minutes that I had promised to take. In conclusion I would only say that apart from the Banking Bill before us I would request the hon. Members to take into account the other ancillary measures and supplementary measures which we are also taking to see that social control of banks is a reality and that it achieves the ends which I think cutting across party lines are common to all of us. I do hope that measures like the setting up of the National Credit Council, etc., will not be ignored when we consider the whole package which goes by the name of social control of banks.

SHRI DAHYABHAI V. PATEL :
Madam, I have heard the hon. Minister's reply very patiently. He seems to

convey to us that the Government does not want to impose unnecessary controls. And somebody said that defeated Congress members will be foisted I think worse than that is happening. We had a Governor in Himachal Pradesh. He had to be removed because he did not behave properly. His financial dealings were not all right. He was the Vice-Chancellor of the Rudrapur University. Many charges of financial irregularities were made against him. He had to be removed. Mrs. Sucheta Kripalani, as Chief Minister U.P., had to remove him. His record continues to be so. Yet, he is a director of the Reserve Bank. This is the type of social control we are going to have. Raja Bajrang Bahadur of Badri has such a record. And he is there on the Board of the British India Corporation and that Corporation is also in that condition. Is this type of social control you are going to impose on the banks?

SHRI BHUPESH GUPTA : I am not concerned with the Raja here, I am concerned with clause 36AD. (*Interruptions*) All Rajas should go to hell without exception, whether the Swatantra Raja or Ranee or the Congress Raja, all should go. Mine is about clause 36AD.

Now, the hon. Minister has read out something. I mean, he should credit us with a little intelligence at least, if nothing else. He said that this is not a labour legislation. It does not depend upon what he says. From what he has read out, it would seem that it involves the relations between the management and the bank employees, namely, labour in this case. As to what constitutes violence or which is likely to obstruct the activities or the functioning of the bank will again be determined by the employer, namely, the management of the bank. These are liable to be abused, as you have seen. They will misuse this power quite clearly with a view to obstructing normal trade union activities because they are the persons who will decide. I should like to know—and seek that information—from the hon. Minister whether they sought the prior sanction of the Ministry of Labour in this matter. How is it that when the National Commission on Labour—the Gajendragadkar Commission as it is otherwise known—is actually going into the question of industrial relations which embraces this aspect of this matter, this decision has been taken by the

[Shri Bhupesh Gupta.]

Finance Ministry without any reference to it? And in this regard, whatever may be the final decision of the Gajendra-gadkar Commission, it is a little...

SHRI BABUBHAI M. CHINAI (Maharashtra) : He cannot make a second speech. I can understand his asking for a clarification.

THE DEPUTY CHAIRMAN : Mr. Gupta, I cannot allow you.

SHRI BABUBHAI M. CHINAI : He can ask a question.

SHRI BHUPESH GUPTA : Any question, if I put, will sound like a speech depending on how it is.

THE DEPUTY CHAIRMAN : Please go on.

SHRI BHUPESH GUPTA : My friend, Mr. Chinai, is very fond of questions. Therefore, I ask my third question. How is it that when the entire bank employees are opposed to this measure, by demonstrating and by holding spontaneous strikes, still the Government is insisting on these things? Do I understand that according to them the bank employees do not understand what is in their interests or in the interests of banking in the country?

SHRI K. C. PANT : I am sorry that a very senior Member of the House like my hon. friend, Shri Dahyabhai Patel, has brought in the name of a person who is not here present in the House to defend himself. (*Interruptions*) It is not relevant, of course. It is not a banking company. We are talking of directors of banking companies. But apart from . . .

SHRI DAHYABHAI V. PATEL : He is a director of the Reserve Bank. You are putting him on some other bank also.

SHRI K. C. PANT : . . .irrelevance in this matter, I do not think it is proper to bring in the names of people who are not here.

Now, regarding the question of my hon. friend, Shri Bhupesh Gupta, I have already given the reply. But I would like to ask him a question. Why has he removed his name from the Select

Committee and substituted another name in his place and denied ourselves the opportunity of hearing his speeches in the Select Committee?

SHRI BHUPESH GUPTA : He has asked me a question. It is a very mischievous question. We have put a trade unionists who has much more experience than I. It is you who put Badri and others.

THE DEPUTY CHAIRMAN : The question is:

"That the Banking Laws (Amendment) Bill, 1968, as passed by the Lok Sabha, be referred to a Select Committee of the Rajya Sabha consisting of 15 Members, namely:—

1. Shri R. T. Parthasarathy,
2. Shri T. Adinarayana Reddy,
3. Shri Joachim Alva,
4. Shri Suresh J. Desai,
5. Shri A. G. Kulkarni,
6. Shri B. K. P. Sinha,
7. Shri M. M. Sur,
8. Shri Syed Hussain,
9. Shri C. D. Pande,
10. Shri A. C. Gilbert,
11. Sardar Ram Singh,
12. Shri N. K. Shejwalkar,
13. Shri N. P. Chaudhry,
14. Shri Banka Behary Das, and
15. Shri Balachandra Menon."

SHRI BHUPESH GUPTA : With your permission, may I make an amendment?

Instead of Shri C. D. Pande, I would like to give some other name.

THE DEPUTY CHAIRMAN : Please take your seat.

"with instructions to report by the first day of the next session of the Rajya Sabha."

The motion was adopted.