

SHRI G. MURAHARI : You take your time.

(No reply)

SHRI A. D. MANI : With reference to the question asked by the hon. Member here, may I ask the Minister to let me know what the withdrawals were and the remittances were in the corresponding period of last year for the month of May ? I am raising this question because according to my information, semi-official documents went into circulation in the United States warning about the impending devaluation of the rupee. I have heard it from very high sources. I am told also that our Indian Embassy in Washington is aware of such documents being circulated. Therefore, I would like to know what were the withdrawals and what were the remittances in the corresponding month in 1965, so that we can make a comparison.

SHRI B. R. BHAGAT : The comparison will be between May 1966 and May 1965.

SHRI A. D. MANI : Absolutely.

SHRI B. R. BHAGAT : I do not know whether the hon. Member wants it and whether we can get the figures, but I would submit that this is a better comparison than the earlier one.

MR. CHAIRMAN : Next question.

FOREIGN EXCHANGE TRANSACTIONS BY BRITISH BANKS

*741. SHRI P. C. MITRA : †

SHRIMATI SEETA YUDHVIR :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that three British Banks operating in India put through foreign exchange transactions totalling Rs. 50 crores during three days prior to devaluation;

(b) if so, whether the transactions were of normal character or had anything to do with earlier knowledge of impending devaluation of the rupee; and

†The question was actually asked on the floor of the House by Shri P. C. Mitra.

(c) whether it is also a fact that the Reserve Bank of India is investigating into such foreign exchange transactions, and if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI B. R. BHAGAT) : (a) No, Sir.

(b) and (c) Do not arise.

SHRI P. C. MITRA : May I know, Sir, whether they have any information about the amount of the transactions they had during the three days prior to devaluation ?

SHRI B. R. BHAGAT : It is about Rs. 8 to Rs. 9 crores.

SHRI A. P. CHATTERJEE : Will the hon. Minister say whether any exchange transactions were at all put through by any British or European or American bank ? That is No. 1. Secondly, does he know that the United Commercial Bank was engaged in exchange operations running into crores of rupees just before devaluation ?

SHRI B. R. BHAGAT : This question is about the British banks and the United Commercial Bank is an Indian bank. Therefore, I do not know it. If the hon. Member puts a separate question, I shall answer.

SHRI A. P. CHATTERJEE : It is Birla's bank.

SHRI G. MURAHARI : I would like to know whether the Government is aware of the fact that the National and Grindlays Bank, which is a British bank, put through exchange transactions running into quite a few crores just before devaluation.

SHRI B. R. BHAGAT : As I said, the total transactions prior to devaluation by all the banks authorised, not one bank, comes to Rs. 8 to Rs. 9 crores. If you take the ready sale and forward sale by all these British banks just before devaluation, it comes to only 8 million pounds, as far as the sales are concerned. I do not know how the hon. Member can come to the conclusion that it was a huge amount.

IDIKKI PROJECT IN KERALA

*742. SHRIMATI DEVAKI GOPIDAS : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether Government will be pleased to lay a statement containing the stage by