

(lii) Notification G.S.R. No. 893, dated the 24th July, 1959, publishing further amendments in the Rice and Paddy (Andhra Pradesh) Second Price Control Order, 1959.

(liii) Notification G.S.R. No. 925, dated the 29th July, 1959, publishing an amendment in the Inter-Zonal Wheat Movement Control Order, 1957.

[Placed in Library. See No. LT-1471/59, for (i) to (liii).]

DEPARTMENT OF CO-OPERATION NOTIFICATION AMENDING AN EARLIER NOTIFICATION

THE DEPUTY MINISTER OF COMMUNITY DEVELOPMENT AND CO-OPERATION (SHRI B. S. MURTHY): Sir, on behalf of Shri S. K. Dey, I beg to lay on the Table a copy of the Ministry of Community Development and Co-operation (Department of Co-operation) Notification G.S.R. No. 863, dated the 3rd July, 1959, amending Government Notification No. F.18-16/56-Coop. Progm., dated the 26th February, 1957. [Placed in Library. See No. LT-1539/59.]

NOTIFICATIONS UNDER AGRICULTURAL PRODUCE (DEVELOPMENT AND WAREHOUSING) CORPORATIONS ACT, 1956.

SHRI B. S. MURTHY: Again on behalf of Shri S. K. Dey, I beg to lay on the Table, under sub-section (3) of section 52 of the Agricultural Produce (Development and Warehousing) Corporations Act, 1956, a copy each of the following Notifications of the Ministry of Community Development and Co-operation (Department of Co-operation):—

(a) Notification G.S.R. No. 864, dated the 3rd July, 1959, amending Government Notification No. 8-4/56-Coop.I, dated the 1st November, 1956.

(b) Notification G.S.R. No. 365, dated the 3rd July, 1959, amending Government Noti-

fication No. F. 8-1/56-Coop. I., dated the 31st August, 1956.

[Placed in Library. See No. LT-1539/59 for (a) and (b).]

REFERENCE TO NOTICE RE: MOTION FOR PAPERS ON THE FOOD SITUATION

SHRI BHUPESH GUPTA (West Bengal): Sir, I gave notice of a Motion for Papers about the food question....

MR. CHAIRMAN: Yes, yes.

SHRI BHUPESH GUPTA: But the Food Minister is running away.

SHRI D. A. MIRZA (Madras): But I am here.

MR. CHAIRMAN: To him it does not matter if you run away. All right, all right, Mr. Jain, you may go with a clear conscience.

THE STATE BANK OF INDIA (SUBSIDIARY BANKS) BILL, 1959—
continued.

SHRI AMOLAKH CHAND (Uttar Pradesh): Sir, I rise to support the State Bank of India (Subsidiary Banks) Bill, 1959. The very idea of bringing this legislation before the House is that the State banks which are at present functioning, that is to say, the Bank of Bikaner, the Bank of Indore, the Bank of Jaipur, the Bank of Mysore, the Bank of Travancore, the Bank of Saurashtra, the Bank of Patiala and the Bank of Hyderabad, be made subsidiaries to the State Bank of India. As is clear from the Statement of Objects and Reasons, Sir, the idea is to have these banks owned by the shareholders, the State and the State Bank of India and they should function in a manner which will be satisfactory from the point of view of the Reserve Bank of India, the State Bank of India and the people of India. The banking system in India is not so

[Shri Amolakh Chand.]

efficient nor is it sufficient in magnitude for the great people of India to take advantage of it. Those who have had the experience of travelling abroad must have seen the branches of the Westminster Bank of England which are to be seen like ordinary shops in every corner of every street of London. It is also found that in India these State banks and other banks cater more to the needs of the commercial people, persons who are in commerce and trade and do not care much about the agriculturists who need rural credit. There was a Rural Credit Survey Committee which had recommended that all these banks might be amalgamated with the State Bank of India. I wonder why the Rajasthan Bank, the Bhopal Bank and so many other banks have not been included now. I thought that the hon. Minister would give some reasons why only these eight banks have been taken up for amalgamation now but he has not done so.

The other point that I would like to raise is whether it was not proper to amalgamate these banks with the State Bank of India? As far as my information goes, in all these States where these eight banks are situated, there are branches of the State Bank of India and if these banks could have been amalgamated with the State Bank of India, probably the objections that have been raised would not have been raised. The idea probably was that these banks should maintain their own separate entity and that that way they might be able to render service to people who are interested in banking.

If you look at the provisions, Sir, you will find that there are some which can find no parallel even in the State Bank of India even though it is mentioned in the Statement of Objects and Reasons that the pattern is the same. Mr. Rajagopal Naidu pointed out these differences yesterday, especially in clause 34(4). I have given thought to this clause but have been unable to find out as to what the reason could be that a meeting which

had been called could be adjourned simply because the Chairman of the State Bank or any other director was unable to attend that meeting. This is very important as far as the banks are concerned. Now, Sir, in consultation with the Chairman of the State Bank and other directors who are representatives of the State Bank of India, a meeting is fixed and at the last moment they decide not to participate in the meeting or are unable to attend. In such a contingency, the Bill says that the meeting should be adjourned. This is not a very democratic suggestion or rather legislation and I would like to bring this to the notice of the House. The relevant clause says,

"Where any of the directors specified in clauses (a) and (b) of subsection (1) of section 25 or any of the directors, being an officer of the State Bank specified in clause (c) of that sub-section is unable to attend any meeting of the Board of Directors of a subsidiary bank, and the State Bank or any other such director as may be present at the meeting considers that the State Bank would not be adequately or effectively represented at such meeting by reasons of the absence of any such director, the State Bank or the director present may give notice in writing to that subsidiary bank—

(i) that the meeting should be adjourned to such date as may be indicated in the notice;"

Now, the procedure would be that the directors who are, present would have to specify a date in the notice and also would have to say,

"that any matter, action, step or proceeding proposed to be considered, taken or carried out at that meeting, should not be so considered, taken or carried out;"

All these provisions which have been mentioned here do not seem at all necessary. They could have simply said that a meeting shall be fixed in