

SHRI GOVINDA REDDY: Have the displaced persons been invited to register their claims or is it left to the Board to call for claims?

SHRI A. P. JAIN: The hon. Member does not seem to have followed the procedure laid down under the law. It is open to a displaced person to file a claim before the Tribunal. The Tribunal then goes into the claim in respect of certain matters and then makes recommendations to the Board. The Board re-examines the claim in the light of certain facts and makes recommendations back to the Tribunal and then the Tribunal passes a decree in terms of the recommendation of the Board.

SHRI GOVINDA REDDY: Am I to understand that claims can come only through the Tribunal?

SHRI A. P. JAIN: Yes.

PANDIT S. S. N. TANKHA: Sir, is there no right of appeal allowed?

SHRI A. P. JAIN: The Act gives the right of appeal.

PANDIT S. S. N. TANKHA: To which court?

SHRI A. P. JAIN: To the Appellate Tribunal.

BANKING CONCERNS IN INDIA

***399. SHRI GOVINDA REDDY:** Will the Minister for FINANCE be pleased to state the number of banking concerns incorporated in India which have imported capital?

THE DEPUTY MINISTER FOR FINANCE (SHRI A. C. GUHA): The question is not clear. If the hon. Member desires to have information about the number of Indian banks whose shareholders include foreigners, Government has no information.

SHRI GOVINDA REDDY: Are there not banking concerns registered in India with foreign capital?

SHRI A. C. GUHA: Sir, the position is that there are many foreign banks but these are not incorporated in India. The question here relates to banks incorporated in India. There are many foreign banks which are not incorporated in India.

SHRI GOVINDA REDDY: Is it not incumbent upon foreign concerns incorporated outside India to register in India according to the Companies' Act?

SHRI A. C. GUHA: Yes, that may be, Sir, but it is not incorporation.

SHRI GOVINDA REDDY: Are they not deemed for all purposes to have incorporated?

MR. CHAIRMAN: What he says is that registration is not incorporation.

SHRI A. C. GUHA: Under one of the sections of the Banking Companies' Act, foreign banks which want to do banking business here have to give a notice and get themselves registered but that is not incorporation of the Banking Company.

SHRI GOVINDA REDDY: May I know the number of such banks registered in India?

SHRI A. C. GUHA: There are 19 foreign banks functioning in India, 15 scheduled and four non-scheduled.

SHRI GOVINDA REDDY: May I know the total of the capital of these banks registered in India?

SHRI A. C. GUHA: According to the latest figure that we have got from the Reserve Bank of India foreign held investment in banking companies is Rs. 6.83 crores on 30th June 1948.

SHRI GOVINDA REDDY: Have the Government thought of exercising control over foreign banking concerns registered in India?

SHRI A. C. GUHA: Sir, the Indian Banking Companies' Act imposes certain control over the foreign banks and the Government is exercising those controls over them.

SHRI M. VALIULLA: Is it not a fact that there is a cry from the Indian banks that the foreign banks have increased their rate of interest?

SHRI A. C. GUHA: That exactly does not come within the purview of the question, I am afraid.

SHRI S. N. MAZUMDAR: How is it, Sir, that the Government does not possess information about foreigners holding shares in banks incorporated in India?

SHRI A. C. GUHA: There are so many banks and each bank must have quite a large number of shareholders and it is not possible for the Government to get a census of all the shareholders as to how many of them are foreigners. That is not usually kept.

SHRI S. N. MAZUMDAR: Has the Government any idea about the number of banks in which foreigners are likely to have shares?

SHRI A. C. GUHA: I cannot say; there cannot be any idea. Any bank may have foreign shareholders, even one foreign shareholder.

SHRI V. K. DHAGE: What are the names of these four non-scheduled foreign banks?

SHRI A. C. GUHA: Allied Bank Ltd., Bogra Bank Ltd., and Faridpur Banking Corporation Ltd. all belonging to East Pakistan and Tokyo Bank Ltd. belonging to Japan.

SHRI K. S. HEGDE: What is the percentage of banking work done now by the foreign banks?

SHRI A. C. GUHA: I would like to have notice.

SHRI K. S. HEGDE: Is it a fact that so far as Indian foreign exchange business is concerned it is mainly handled by the foreign banks?

SHRI A. C. GUHA: Sir, the Member is not absolutely correct. Indian banks have foreign branches, and transact that business also.

GOLD SMUGGLING

*400. DR. SHRIMATI SEETA PARMANAND: Will the Minister for FINANCE be pleased to state:

(a) whether a prominent business firm of Bombay was recently involved in gold smuggling;

(b) if so, what was the quantity of gold involved;

(c) whether any fine was imposed on that firm for such smuggling; if so, what was the amount of the fine; and

(d) whether it is a fact that the fine was subsequently reduced, if so, to what extent and why?

THE DEPUTY MINISTER FOR FINANCE (SHRI A. C. GUHA): (a) It is presumed that the hon. Member is referring to the seizure made by the Collector of Central Excise, Bombay, in the month of December 1950.

MR. CHAIRMAN: Is that presumption correct?

DR. SHRIMATI SEETA PARMANAND: Yes.

SHRI A. C. GUHA: With your permission, I should add, Sir, the word 'recently' is not quite appropriate in that case.

(b) If so, the quantity of gold involved was thirteen thousand three hundred and fifty tolas (13,350 tolas).

(c) A penalty of rupees forty lakhs was imposed on them; in addition a fine in lieu of confiscation amounting to rupees ten lakhs and thirty thousand was imposed in respect of gold seized from them.

(d) Yes. On appeal to the Central Board of Revenue the penalty imposed was reduced from rupees forty lakhs to rupees thirty lakhs as the adjudicating officer was not competent in law to impose a penalty in excess of three times the value of the gold seized from the firm. This penalty was further reduced by the Government of India in revision to a sum of rupees ten lakhs as it was felt that even the