

### **Deposits by Nizam of Hyderabad in London Bank**

\*29. SHRI ABDUL WAHAB: Will the Minister of FINANCE be pleased to state:

(a) whether Government has received and examined the verdict of judgment of England and Wales High Court regarding India's claim over the millions of pounds deposited by the Seventh Nizam of Hyderabad State in a London Bank; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) On 02 October 2019, the UK High Court upheld the claims of India in the 70 yeiars old Hyderabad Funds; Case.

The matter relates to the Fund, which currently amounts to nearly 35 million Pound Sterling, that has been lying frozen with the National Westminster Bank, London due to contesting claims by India, Pakistan and the two grandsons of the 7th Nizam of Hyderabad.

The UK High Court has now given the verdict that India, along with the two grandsons of the 7th Nizam of Hyderabad, is entitled to the Fund.

While giving verdict in the favour of India, the Court rejected Pakistan's claim that the Fund has been intended as; payment for arms shipment or as an outright gift by the then Government of the Nizam of Hyderabad to Pakistan.

The Court has adjourned the proceedings and fixed a hearing on 19 December 2019 on consequential matters.

### **Impact of merger of PSBs**

\*30. SHRI MANISH GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether the proposed merger of 10 Public Sector Banks into four banks is to speed up credit disbursal as an important aspect, if so, the details thereof;

(b) whether the merging banks will be forced to spend a lot of time and energy in ensuing integration of processes and technology which may cause unprecedented delays, if so, the details thereof; and

(c) whether the merger will help meet their capital requirements, if so, the details thereof?

THE MINISTER OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) to (c) Government, after considering inputs from 10 Public Sector Banks and Reserve Bank of India and in-principle approval accorded to amalgamation by bank Boards concerned, has conveyed in-principle approval to the amalgamation of Oriental Bank of Commerce and United Bank of India into Punjab National Bank, Syndicate Bank into Canara Bank, Andhra Bank and Corporation Bank into Union Bank of India and Allahabad Bank into Indian Bank.

The amalgamations are aimed at creating strong banks which would have number of strengths and advantages including, *inter alia*, enhanced scale and business volumes to enable cost efficiencies for investment in technology and process integration as well as greater financial capacity to enable increased flow of credit.

The banks while sharing their views on amalgamation have underscored planning for time-bound integration of processes and technology and have put in place institutional arrangements for expeditious integration without disruption of normal banking operations.

Government has recently infused capital amounting to Rs. 38,630 crore in these banks to augment their capital base. Further, strong amalgamated banks would be better placed to themselves generate resources for meeting their capital requirements through harnessing of synergy benefits.

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## WRITTEN ANSWERS TO UNSTARRED QUESTIONS

### **Cultivation of medicinal plants along the banks of river ganga**

†161. SHRIMATI SHANTA CHHETRI: Will the Minister of AYURVEDA, YOGA AND NATUROPATHY, UNANI, SIDDHA AND HOMOEOPATHY (AYUSH) be pleased to state:

(a) whether a five km. long green belt for the cultivation of medicinal plants will be developed on the banks of river Ganga, if so, the details thereof;

(b) whether Government has earmarked any such similar project of cultivation of medicinal plants along the banks of river Ganga in the State of West Bengal; and

†Original notice of the question was received in Hindi.