

Shri Kelappan: May I know the reason for fixing this rate and date?

Shri A. C. Guha: That was due to the devaluation.

Shri A. N. Vidyalankar: Is it not the Government view that by getting these security holdings declared, it would become easier for Government to check the smuggling?

Shri A. C. Guha: That is a matter of opinion.

Sardar Hukam Singh: Have any holders volunteered to get this exchange at the official rate and represented to the Government that they can bring 144 for 100?

Shri A. C. Guha: I would like to have notice. If the hon. Member has any definite information, he can pass it on.

Shri Kelappan: Arising out of this, is the rule about the date and rate applicable to those who have got transfer of securities after that date?

Shri A. C. Guha: As I have already stated after a certain date, the holders of those securities will have to prove their *bona fides*.

GRANTS TO SPORTS ORGANISATIONS

*1688. **Shri V. P. Nayar:** Will the Minister of Education be pleased to refer to the reply to the supplementaries on Starred Question No. 103 asked on the 7th November, 1952 and state whether any decision has now been taken regarding the channel through which Government grants to sports organisations are to be spent?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): The Advisory Board of Physical Education were asked to consider this matter and their resolution is now under examination.

Shri V. P. Nayar: May I know what percentage of such grants made by Government are spent on actual training in sports and games?

Shri K. D. Malaviya: I have no information on the subject.

Shri V. P. Nayar: May I know whether there is any person to advise Government on problems in sports and games and if so, what is the position in respect of grants made by Government?

Shri K. D. Malaviya: The Advisory Board is there on which one of our Secretaries is represented. He is the Chairman of the Committee. He acts almost as a Liaison Officer between the Government and the Board.

Shrimati Tarkeshwari Sinha: Is it a fact that the Government of India

had agreed to the suggestion of the West Bengal Pradesh Sports Committee to take over the management of the sports from sports organisations and bring them under the Central control? If so, whether the Government intend to create a separate department for this?

Shri K. D. Malaviya: Government have no information on this specific matter.

Shrimati Tarkeshwari Sinha: Do the Government agree to contradict the report that appeared in the *Statesman* of 10th April that Government has agreed to the proposal to take over sports from the sports organisations?

Shri K. D. Malaviya: Government will make enquiries.

सेठ अबल सिंह : क्या माननीय मंत्री बतलाने की कृपा करेंगे कि कौन कौन से स्पोर्ट्स हैं जिन को गवर्नमेंट ग्रांट देती है ?

श्री के. डी. मालवीय : इस की बहुत लम्बी फेहरिस्त है जो कि इस वक्त मेरे पास नहीं है।

श्री बसल : उस में कबड्डी शामिल है या नहीं ?

Shri V. P. Nayar: Are Government aware that certain sports organisations receiving grants from Government regularly are monopolised by certain persons while in others which receive similar grants, there is considerable bickering in the controlling body?

Shri K. D. Malaviya: I do not know anything about it. If what the hon. Member says is correct, it is not a very desirable thing.

Shri K. G. Deshmukh: What is the amount of grants made by Government towards the sports organisations last year?

Shri K. D. Malaviya: I have not got the figures for last year.

NEPAL-INDIAN RUPEE EXCHANGE RATE

*1690. **Shri L. N. Mishra:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that there has been some steep rise in Nepal-Indian rupee exchange rate, of late; and

(b) if so, what are the reasons for the same?

The Parliamentary Secretary to the Minister of Finance (Shri B. B. Bhagat): (a) Recently, there has

been a steep rise in the Nepal Indian rupee rate. The rate which was around Rs. 130-132 (Nepalese) to Rs. 100 (Indian) during 1952 rose to as high as Rs. 157: Rs. 100 during January 1953. Towards the beginning of March 1953, it stood at Rs. 148: Rs. 100.

(b) The rise in exchange rate is understood to be due to the increased demand for Indian rupees for payments for cloth and other goods purchased by Nepalese traders in India as also for other payments, such as fares and freights for air transport between India and Nepal.

Shri L. N. Mishra: May I know how the exchange rate between India and Nepal is controlled? Is it through the Reserve Bank or through private parties?

Shri B. R. Bhagat: There is no exchange control between India and Nepal. There is no fixed rate of exchange. So the question of control by the Reserve Bank does not arise.

Shri L. N. Mishra: May I know whether it is a fact that Indian money has been in currency in the major part of Nepal? If so, have Government any idea about the amount of Indian money held by Nepalese?

Shri B. R. Bhagat: It is so. Although there is no accurate information, the rough estimate is that the amount of Indian currency in circulation is 4 to 5 times of the Nepalese currency.

Shri L. N. Mishra: May I know whether there is some proposal to have some systematic monetary arrangement with Nepal according to the international terms and conventions to achieve stability in the exchange rate?

Shri B. R. Bhagat: That is mainly for the Nepal Government to consider. I may inform the House that the currency problem of Nepal is at present being studied by an officer of the Reserve Bank who has been sent to advise the Government of Nepal in these matters. This officer was sent to Nepal at the request of the Nepal Government.

OPERATION OF BANKING COMPANIES ACT

*1691. **Shri A. M. Thomas:** (a) Will the Minister of Finance be pleased to state whether representations have been received by the Government of India from Part 'B' States

especially Travancore-Cochin regarding the peculiar difficulties that are experienced by Banking institutions due to the operation of the Banking Companies Act and the directions of the Reserve Bank of India?

(b) Are Government aware that modifications are necessary to suit the peculiar and pressing demands of the Banks in Travancore-Cochin and if so, what are they?

(c) Has it come to the notice of Government that while the Indian Banking Companies Act has kept in view the credit structure of India as a whole, it has prejudicially affected small traders, small industrialists and small and well-conducted Banks?

The Deputy Minister of Finance (Shri A. C. Guha): (a) Representations regarding the operation of certain and bring them under the Companies Act, 1949, have been received from the Travancore-Cochin Bankers Association and the Kerala Bankers Association. No representations have been received from banks in any other Part B State.

(b) and (c). Government have no reason to believe that the Banking Companies Act has prejudicially affected small traders or industrialists. As the Act principally codifies what are commonly accepted as sound banking traditions. Government do not consider that any modifications are called for.

Shri A. M. Thomas: May I know whether as compared to the rest of India, banks in Travancore-Cochin, Scheduled or non-Scheduled, have a preponderating portion of their deposits as time deposits and will not the insistence of this 20 per cent. reserve work hardship to them?

Shri A. C. Guha: There have been already some relaxation even for the banks in Travancore-Cochin and I think, subject to correction this is one of the relaxations given to them. The position is not peculiar only to Travancore-Cochin. There are small banks in other parts of the country where the same conditions prevail.

Shri A. M. Thomas: May I know whether almost all the banks in Travancore-Cochin have applied for exemption under section 11 and section 24?

Shri A. C. Guha: It is not possible for the Government to make relaxations on a State-wise basis. Anyhow the Reserve Bank is considering the question and whatever is possible under the present Act will be done.