

(b) whether the State Bank has a higher proportion of advances to Agriculture and small-scale industries compared with other Scheduled Banks;

(c) the proportion of deposits, other than those of Government and official bodies, in the State Bank to the working capital and how this compares with other Scheduled banks; and

(d) whether the percentage of working costs and profits of the State Bank is higher or lower than the average of other Scheduled Banks giving the comparative figures?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI): (a) The scheme of social control as announced in the statement made by the Deputy Prime Minister in Parliament in December, 1967 is being gradually implemented by all commercial banks including the State Bank of India. In the Central Board of Directors of the State Bank and most of its Local Boards the industrialist directors members are in a minority. The State Bank is continuing its policy of increasing its financial assistance to all priority sectors and would implement such guide-lines as may be laid down in this regard by the National Credit Council. Other measures, in particular, the prohibition of grant of loans and advances to its directors and their concerns will be implemented after the enactment of the Banking Laws (Amendment) Bill, 1967.

(b) Yes, Sir.

(c) The proportion of private sector deposits with the State Bank and other scheduled banks to their working capital was 73.7 per cent and 84.1 per cent respectively as at the end of March, 1967.

(d) The information is being collected will be laid down on the Table of the House in due course.

Breaking of manufacturers' Ring in tendering for Government Supplies

120. SHRI D. N. DEB: Will the Minister of WORKS, HOUSING AND SUPPLY be pleased to state:

(a) whether he had recently stated in New Delhi that his Ministry has successfully broken the manufacturers' ring in tendering for Government supplies;

(b) if so, the experience of his Ministry during the last two years which has led him to make such a statement; and

(c) how much Government is likely to save as a result of the so-called ring having been broken?

THE DEPUTY MINISTER IN THE MINISTRY OF WORKS, HOUSING AND SUPPLY (SHRI IQBAL SINGH):

(a) and (b) Yes. A number of instances came to notice during the last two years where the prices quoted by firms against tenders issued by the Directorate General of Supplies and Disposals for stores like Road Rollers, Wire Ropes, Galvanised Iron Pipes and Screw Couplings, were found to be unduly high. In some cases, the tenderers had also quoted identical 'ring' prices. As a result of negotiations held with individual suppliers, it was possible to obtain sizeable reduction in prices.

(c) The above negotiations resulted in a saving of about Rs. 24 lakhs to Government.

Cheating of State Bank of India, New Delhi

121. SHRI D. N. DEB:
SHRI P. N. SOLANKI:

Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India, New Delhi was defrauded to the tune of Rs. 86,500 by a styled representative of the National Co-operative Development Corporation recently;