

regulation of removal, storage and transplantation of human organs, the matter was referred to the Rajya Sabha as a view was expressed that the scope of the Bill has to be re-examined. The Rajya Sabha, after consideration with the Members there, came to the view that they have already passed the Bill and therefore they do not want to re-examine it until the Lok Sabha has given its point of view on it. When the matter was communicated to the hon. Speaker, he suggested that we may form only a Select committee of this House with a direction to give its report within six to seven days so that we can pass this Bill during this very Session itself. The Committee could take into account the various suggestions that have been received and if some people want to tender their evidence, they could also be given an opportunity to do so. So, I would request you to take this matter up tomorrow. By that time, we consult the leaders of the Opposition parties and get the names for the formation of the Select Committee. They will move the motion for the fresh Select Committee to be formed. We can now take up the matter next to this one.

MR. CHAIRMAN: This item is deferred till tomorrow. Now, we take up the next item.

15.20 hrs.

STATUTORY RESOLUTION RE: DISAPPROVAL OF THE STATE BANK OF INDIA (AMENDMENT) ORDINANCE-1993

STATE BANK OF INDIA (AMENDMENT) BILL

[English]

MR. CHAIRMAN : Now the House shall take up item Numbers 13 and 14 together.

[Translation]

SHRI MOHAN SINGH (Deoria): Mr. Chairman, Sir, I beg to move:-

"That this House disapproves of the State Bank of India (Amendment) Ordinance, 1993 (No.33 of 1993) promulgated by the President on the 15th October, 1993".

Mr. Chairman, Sir, although I do not want to raise too many issues yet to make on some of the particular circumstances under which our constitutional makers empowered the President of India to make law through promulgating an ordinance and the way this article is being misused by the Government.

For all practical purposes it is the right of Parliament to enact law on all subjects but by-passing this right the Government makes law through ordinance and then comes to the Parliament to put its stamp on it. In this way this right of making law through ordinance by the President is being clearly misused by the Government. Therefore, the Government in consultation with all the political parties should fix the criteria under which the Government can promulgate ordinance. Some restrictions should be imposed on the use of this article of the Constitution. I think it is a clear example of the misuse of Constitution.

Mr. Chairman, Sir, the second thing I would like to say that the Dunkel Draft is being discussed in Parliament for last 3 years and today the Commerce Minister has given reply that negotiation at officer's level would be done before 15th and the Government of India has to sign it within next 5-6 months. All the negotiating countries require to get many laws passed by their respective Parliaments in consonance with

this draft but I regret to say that even before signing Dunkel Draft the Government is keeping the people in dark and bringing about many fundamental changes and trying to get all these laws passed which would be required after signing the draft.

Through this ordinance a new chapter of Institutional changes in a major banking Institute i.e State Bank of India, has been opened. At present it is the biggest Bank in the Government Sector and it is the first attempt for its privatisation. At present State Bank of India has 98.23 per cent of RBI share and public share is only 1.77 per cent, but now according to this new law public share will increase to 68.93 per cent and RBI's share will gradually be decreased. In this way the Government is taking initiative for the privatisation of Banks. It is a direction towards privatisation.

Recently the Government has given a reply in Rajya Sabha that about 10,000 branches of Indian Banks are running into loss and the Government is considering for their closure from now itself. Employment opportunities in Banks have been constantly reduced during last 10-12 years. Banking sector is the biggest source of employment in the country and educated persons were getting employment in this sector. If you go through the figures of last 12 years you will find that 12 years back about 10 lakh employees were working in Banking sector and the number of employees at present is also 10 lakh.

The Government is trying to close about 10,000 branches of Banks on the pretext that they are running in loss. On the one hand the Government is giving new licences for opening banks in private sector and on the other it is trying to handover

nationalised banks to the private sector. This ordinance was promulgated and through it equity shares of State Bank of India worth Rs. 1000 crores have been floated. In this way the State Bank of India would go into private hands and the control of RBI will be ended over it. When the Banks were nationalised two reasons were given. Firstly it was said at that time that it was being done to enable the Banks to cope up with the challenges being faced by the poor public of this country. The Government had social responsibilities which were not being fulfilled by the Banks of private sector. These banks used to provide employment opportunities and other facilities to the general public and the people living below poverty line and the Reserve Bank of India used to monitor the working of State Bank of India. The Government is gradually withdrawing from its social responsibilities. With this intention the Government has brought this ordinance. As a warning I would like to point out that earlier there were certain restrictions on the entry of foreign Banks and the Government had restricted their entry to India. At that time assurance was given by the Government in the House that the foreign Banks would be allowed to open their branches in big cities only. But after the formulation of new economic policy many branches of foreign banks have been opened in the country and the results thereof can be seen in securities scam. A large sum of money of this country has been taken away by these foreign banks to their countries. The privatisation of Banks and unchecked entry of foreign banks have been the acts of betrayal with the poor public and unemployed youth of this country. The hon. Minister should State the clear cut policy of the Government on handing over nationalised Banks to private sector. The Government should give a clear cut assurance about it in the House. With these words I give stress on the Statutory Resolution.

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): Mr. Chairman, Sir, I beg to move:

"That the Bill further to amend the State Bank of India Act, 1955, be taken into consideration."

In pursuance of the recommendations made by the committee of Financial system (Narasimham Committee) the Reserve Bank of India has formulated a new set of norms to identify the source of income and made a provision in respect of capital sufficiency of risky assets. These norms were laid according to current international policy to strengthen the base of financial accounts. After adoption of these norms all nationalised banks including the State Bank of India will have to make their capital base strong in next three years. All the banks will have to ensure that their capital must reach upto the value of 8 per cent of risky assets by March 31, 1996. The foreign Banks have to fulfill these norms by March 31, 1994.

For the infrastructural facilities of Banking system it is essential to fulfill the norms prescribed for capital sufficiency. It is essential for their international credit also because the Banks spread all over the world are following these norms which are prescribed by the committee on Banking Regulation and Supervision practice appointed by Bank of International settlements.

It is expected from the Branches of state Bank of India operating in international market that they should acquire capital sufficiency ratio of 8 per cent by March 31, 1994. For this purpose, it is expected from the State Bank of India that it would mobilise

huge resources from market. Therefore this Bank is starting right cum Public issue very shortly.

In order to ensure the implementation of guidelines issued by the Security and Exchange Board of India (SEBI) and to attract foreign small investors as much as possible and also taking into consideration the market preference it had become essential to amend the State Bank of India Act, 1955. Since the Parliament was adjourned at that time and the said amendments were necessitated immediately, the President promulgated the Ordinance on October, 15, 1993. This Bill will replace the said ordinance.

In the proposed amendments the provisions to reduce the value of shares of Bank from Rs. 100 to Rs. 10 to remove the limit of 200 shares for individual shareholders and to lift the ban imposed on their right of vote by increasing it from 1 per cent to 10 per cent are also included. There are proposals in the amendments to provide better services to the shareholders and for avoiding repetition of works and to get rid from the maintenance of registers of Branches in local headquarters and to keep only one Central register of the Central office and keeping that register in computer floppy or discs. Following the cancellation of the Branch register certain result oriented other amendments are proposed to be included in different provisions of the act.

With these words, I recommend the consideration of this Bill before the House.

[English]

MR. CHAIRMAN: Motions moved:

"That this House disapproves of the State Bank of India (Amendment) Ordinance, 1993 (No.33

*Resolution Re:*

of 1993) promulgated by the President on the 15th October, 1993"

"That the Bill further to amend the State Bank of India Act, 1955, be taken into consideration."

Both these items will be discussed together next time. We now go to the Private Member's Business.

15.34 hrs.

COMMITTEE ON PRIVATE MEMBERS  
BILLS AND RESOLUTIONS

**Twenty Sixth Report**

[English]

SHRI P.P. KALIAPERUMAL  
(Cuddalore): I beg to move:

"That this House do agree with Twenty-sixth Report of the Committee on Private Members' Bill and Resolutions presented to the House on the 9th December, 1993."

MR. CHAIRMAN: The question is:

"That this House do agree with Twenty-sixth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 9th December, 1993."

*The motion was adopted.*

5.35 hrs.

RESOLUTION RE: UNIFORM CIVIL  
CODE-CONTD

[English]

MR. CHAIRMAN: Before further dis-

ussion on the Resolution regarding Uniform Civil Code moved by Shrimati Sumitra Mahajan is resumed, I would like to mention that 3 hours and 46 minutes have already been taken on this Resolution, thus exhausting the time allotted for its discussion. The House has to now extend time for further discussion on the Resolution. Is it the pleasure of the House that time for this Resolution be further extended by one hour?

SOME HON. MEMBERS: Yes Sir.

MR. CHAIRMAN: I think the House agrees. The time is extended by one hour. Who is going to speak now?

SHRIMATI MALINI BHATTACHARYA  
(Jadaupur): Sir, I would like to speak on this Resolution of Shrimati Sumitra Mahajan.

MR. CHAIRMAN: Prof. Rita Verma was on her legs. She is not present here now. But you have already spoken on this Resolution.

SHRIMATI MALINI BHATTACHARYA: Actually, I had been on my legs. I was just about to speak. But then, the time was over. After that, I could not be present. Therefore, I am requesting you to allow me to speak today.

DR. ASIM BALA (Nabadwip): Sir, there is a Private Members' Resolution. My name is Asim Bala.

MR. CHAIRMAN: You may send your name. Shrimati Bhattacharya, as a special case, I am allowing; ordinarily, we do not allow like this.

SHRIMATI MALINI BHATTACHARYA: Sir, I must thank you for this indulgence. Actually, I have been waiting to speak on this Resolution for quite a long time and I have been waiting to speak on it precisely be-