

mands for Grants in respect of the Budget (General) for 1968-69.

SHRI S. M. BANERJEE (Kanpur) : On a point of order. May I invite your attention to rule 199(1)—Statement by a Minister who has resigned (*Interruptions*).

MR. SPEAKER : He has quoted the rule itself wrongly.

SHRI S. M. BANERJEE : The news may be wrong. But it is there. Did he inform you or the Leader of the House ? Is he going to make a statement as to the reasons for his resignation ?

MESSAGE FROM RAJYA SABHA

SECRETARY : Sir, I have to report the following message received from the Secretary of Rajya Sabha :—

"I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on Friday, the 2nd August, 1968, adopted the following motion in regard to the presentation of the Report of the Joint Committee of the Houses on the Delhi Rent Control (Amendment) Bill, 1964 :—

'That the time appointed for the presentation of the Report of the Joint Committee of the Houses on the Bill further to amend the Delhi Rent Control Act, 1958, be extended up to the last day of the Sixty-sixth (November-December, 1968) Session of the Rajya Sabha.'

BUSINESS OF THE HOUSE

MR. SPEAKER : Today at 5 P.M. there was to be a discussion under rule 193. But all the three members who wanted to raise it have requested for its postponement and the Minister has also no objection. So we will fix up sometime later for it.

श्री मधु लिम्बे (मुंगेर) : बैंकिंग ला का ममय बढ़ा दिया जाये ।

12.34½ HR.

BANKING LAWS (AMENDMENT) BILL—*contd.*

MR. SPEAKER : The House will now proceed with clause by clause consideration of the Banking Laws (Amendment) Bill.

श्री नंदु लिम्बे (मुंगेर) : कलाज बार्ड कलाज एक घंटे में नहीं होगा ।

MR. SPEAKER : We have had 6½ hours so far. Let us have another 1½.

श्री मधु लिम्बे : चार घंटे का समय चाहिये ।

MR. SPEAKER : Let it be 1½ or 2 hours. But there must be some limit. Within that, we should be able to finish it. I think 2 hours will be all right.

SHRI S. M. BANERJEE (Kanpur) : Shri Dandeker's suggestion was 5 hours for the first reading and 3 hours for the clause by clause discussion.

MR. SPEAKER : Of the 8 hours, 6½ hours are over. Let us have 2 hours more. Let us be reasonable.

[**MR. DEPUTY-SPEAKER in the Chair**] **Clause 2—(Amendment of section 5)**

SHRI N. DANDEKER (Jamnagar) : I beg to move :

Page 2, line 7,—

after "which" insert—

"subject to the interests of the depositors". (3)

Page 2, line 11,—

omit "the interests of the depositors," (4)

SHRI D. N. PATODIA (Jalore) : I beg to move :

Page 5, lines 2 and 3,—

omit "five lakhs of rupees or" (5)

SHRI S. M. BANERJEE : I beg to move :

Page 2, line 33,—

for "twenty" substitute
"ten". (30)

Shri S. M. Banerjee

Page 3, line 3,—

for "ten" substitute "five" (31)

Page 3, line 8,—

for "ten" substitute "five" (32)

SHRI LOBO PRABHU (Udipi) : I beg to move :

Page 2, line 8,—

*after "Reserve Bank" insert—
"after approval by Parliament," (56)*

Page 2, line 10,—

*after "economic growth" insert—
"fair rate of interest and economic management" (57)*

SHRI S. S. KOTHARI (Mandsaur) : I beg to move :

Page 2,—

after line 13, insert—

"Provided that—

(i) the Reserve Bank of India shall on no account bring to bear influence, direct or indirect, on the Chairmen or the board of directors of the banks or give instructions in respect of granting loans or increasing loan limits to individuals or particular persons; nor compel banks to give specified percentage of their loans to select sectors of the economy, if they do not find sufficient credit-worthy customers in those sectors;

(ii) the Reserve Bank of India in determining banking policy shall have paramount regard to the safeguarding of the interests of the depositors; and

(iii) a Corporation to underwrite the recovery of loans and advances made by banking companies shall in due course be formed by the Government of India. (58)

SHRI ERASMO DE SEQUEIRA (Marmagoa) : I beg to move :

Page 2, line 11,—

*after "depositors" insert—
"and the shareholders". (122)*

SHRI ABDUL GHANI DAR (Gurgaon) : I beg to move :

Page 2,—

after line 13, insert—

"Provided that all companies who receive deposits by selling their shares or who deal in hire and purchase business shall also come within the purview of this definition and shall follow the policy specified by the Reserve Bank." (123)

Page 2, line 17,—

after "Secretaries" insert—

"chief accountants". (124)

Page 2, line 27,—

add at the end—

"and the Reserve Bank". (126)

MR. DEPUTY-SPEAKER : Keeping in view the timelimit, remarks may be brief.

SHRI N. DANDEKER : The short point of the amendment I have moved is this, that I want to make it clear beyond doubt that the existing position which requires the interests of the depositors to be kept in view, and where in fact, banking policy has to be subject to only two things, namely, public interest or interest of the depositors, should not be watered down. The proposed definition of banking policy has merely this reference to the interests of the depositors, namely, "having due regard to the interests of the depositors." I do not believe that is adequate. The whole history of banking in this country has been a history of continual necessity to protect the interests of depositors, and I am convinced that this new definition of banking policy, even if it is found necessary, must make it clear beyond doubt that the interests of depositors must not become subsidiary.

Therefore, I have suggested a wording which reads as follows :

"Banking policy" means any policy which, subject to the interests of the depositors, is specified from time to time by the Reserve Bank of India", etc.

It is not as if our banks are flush with deposits; it is not as if the entire country is covered adequately by banks and their branches. In fact, figures were quoted yesterday, and many other figures can be quoted, to indicate that there is tremendous scope for further development of banking. But if interests of depositors are not to be the overriding subject only to public interest being permanent, then I apprehend that banking policy of that kind will not be in the interest of the depositors and will not therefore attract deposits.

Sir, I could indicate a good deal more on this subject from the evidence recorded by the Joint Committee. But since you have pointed out to me the necessity of observing the time limit, I will only say this, that when I asked the Governor of the Reserve Bank of India, whether the existing provisions in the Banking Regulation Act, sections 21, 27, 35, 35A, 36 and so on, which brought in both public interest as well as the interests of depositors were not in fact adequate to give the Reserve Bank the widest possible powers for formulating and implementing whatever new orientation of policy they were thinking of, he said he personally thought that it was quite adequate. But he also expressed a doubt that public interest could perhaps be sometimes so narrowly interpreted as to hamstring the Reserve Bank; and consequently, we felt, at least he felt, some kind of definition of banking policy was necessary. When I asked him a pointed question as to whether he would press this point to a position where, if the interests of depositors and the other considerations in banking policy were to clash, he would agree that the interests of depositors must supervene, at that point, I am sorry to say the Finance Minister intervened and Shri Jha did not really reply to my question. I asked 'Would you have any ob-

jection if the phrase is worded like this,—"subject to the interests of depositors"? Then the Finance Minister intervened to say 'That would lead to litigation'. But Shri Jha said :

"I do not say that this will not arise. I only say that it would be wrong for the Reserve Bank to issue a directive if it means promoting one of the objectives which is detrimental to the other".

Therefore, I believe there should be no doubt whatever on this particular matter, that the interests of depositors must be subservient only to public interest and nothing else; and so long as that position is accepted, this particular insertion of words that I have suggested should also be accepted.

SHRI D. N. PATODIA : By my amendment, I seek to improve the definition of 'substantial interest' given in the Bill. It says :

"in relation to a company, means the holding of a beneficial interest by an individual or his spouse or minor child, whether singly or taken together, in the shares thereof, the amount paid up on which exceeds Rs. 5 lakhs or 10 per cent of the paid up capital of the company, whichever is less."

This clause applies two-fold restrictions; firstly, that the amount must not exceed 10 per cent and, secondly, it should not also exceed Rs. 5 lakhs. Whereas some sort of overall restriction appears to be fair, in this case there appears to be no particular reason why two-fold restrictions must be imposed. Therefore I seek to amend it by removing the words "five lakhs of rupees". For instance, there is a company with a paid-up capital of Rs. 2 crores. Now, in respect of that company the amount of Rs. 5 lakhs will be as little as 2½ per cent and very insignificant. It will, therefore, not be in fairness and justice to say that Rs. 5 lakhs in respect of a company having a paid-up capital of Rs. 2 crores is substantial interest. I therefore move that the words "five lakhs of

[Shri D. N. Patodia]

rupees" be deleted and the clause should stand to keep this restriction up to 10 per cent of the paid-up capital.

SHRI S. M. BANERJEE: Sir, by the first amendment that I and my other friends have moved we have suggested that on page 2 in line 33 "twenty" be substituted by "ten". This sub-clause reads :—

" 'small-scale industrial concern' means an industrial concern in which the investment in plant and machinery is not in excess of seven and a half lakhs of rupees or such higher amount, not exceeding twenty lakhs of rupees".

We want this "twenty lakhs of rupees" to be substituted by "ten lakhs of rupees". We feel that Rs. 10 lakhs should be enough in a small-scale industrial concern and to provide for Rs. 20 lakhs would be wrong. Also, in the original Bill it was Rs. 10 lakhs.

Secondly, on page 3, in lines 3 and 8 we want to substitute "five" for "ten". This we are doing on the basis of the original Bill, in the first place, and on a common understanding that this should not be on the high side.

Then, there has been an outstanding burning demand by bank employees throughout the country that if banks were going to be nationalised, which have not been nationalised—after all, this is only social control—the board that would be formed should include one representative of the bank employees. The All India Bank Employees' Association has men like Shri Prabhat Kar and others who know the banking industry very much and, I am sure, by the inclusion of one of their representatives it will be easier for the Government to know of the ills of the banking industry because they have passed a major portion of their lives in serving the various banks. Government must be benefited by their experience. I am sure, this demand of the bank employees to include one of their representatives in the board would be conceded. I say this because

here in this House Shri Gulzarilal Nanda, when he was the Labour Minister, said that there should be participation of labour in management. So, naturally on the basis of that I feel that the board should include one of their representatives.

SHRI LOBO PRABHU: I have moved four amendments and they have a common background which, if you permit me, I may state at this stage. I am not concerned with the shareholders or the depositors or social control; I am concerned with the common man. Banking is most important to him because if money is plentiful, if interest rates are low, he is able to live, progress with his enterprises and contribute to the economy. We have to look at this whole Bill from his view, the common man's view, and if we fail to do that, I think, we are not achieving any form of social control.

My colleague, Shri Dandeker, has brought out the fact that there should be no conflict between public interest and banking interest. I would go further. I would say that the two are common. What is banking interest should essentially be public interest. Government has to think of this Bill from that point of view.

Now I come to my two amendments to this clause. The first is that I have added that after the recommendation of the Reserve Bank the proposals should come before Parliament. I would like to explain that Government seems to have various facets. Government has a Reserve Bank in which everybody is appointed by Government, in which all the capital is held by Government and in which, if anyone knows anything of the Reserve Bank and the Government, everything is done exactly as the Finance Minister wants. There is no independent Reserve Bank here as there is the Bank of England in the U.K. Therefore to say that the banking policy should be laid down by the Reserve Bank is as much as to say that the policy is already laid down by the Finance Minister. You have, no doubt,

a National Credit Council, a body which has not been approved by this House, which is not according to any law and which again is entirely a creature of the Finance Minister. This is the third face of Government.

If you will permit me the divergence, I may tell the House that there is a popular opera *The Mikado* by Gilbert and Sullivan in which there is one character by the name of Poobah. This Poobah is the great executioner, the Lord Chamberlain, the Lord everything else. This is what we have here. We have a Poobah here reflected in the Reserve Bank, in the National Credit Council which is really the face of the Finance Minister.

Banking policy is of importance as much as the budget. Banking policy is not declared every day. The clause itself mentions, it will come up from time to time. I should, therefore, like that the banking policy should come before the House just like the budget. We should have a right to express our opinion from different sides of the House. That is my first amendment and it is a very important amendment. I would like the Finance Minister particularly to answer my question as to why he wants only his will to prevail.

My second amendment is in respect of the objectives of this banking policy. I have included two new objectives. One is a fair rate of interest and the second is economic management. Everyone is aware—anyone who has the misfortune of borrowing money is aware—that although the Reserve Bank rate is 5 per cent, no bank is willing to give a loan at less than 9 per cent and there are the 'C' class banks which can legitimately ask for a rate of interest which rises up to 13 per cent. I would consider this a great failure of social control that when money is available at 5 per cent from Government, when money is available at 4 per cent, paid to depositors, here we have a Reserve Bank and a Finance Minister committed to social control who permit this exploitation by the banks.

It should become a part of the banking policy that the lending rate is

fixed at a reasonable level. If it is not fixed like that, what results? One result is that you have a staff claiming more and more salaries. The bank staff today is the most highly paid staff in this country. No body grudges that, but it is paid at the expense of others. A clerk in the bank gets something twice as much as a clerk in Government Offices having the same qualifications. Why? Because the Finance Minister and the Reserve Bank allow this extortionate rate of interest.

MR. DEPUTY-SPEAKER: The hon. Member's time is up.

SHRI LOBO PRABHU Sir, these things have not been said before. These are very important. May I have your indulgence for a few minutes?

Therefore I would press in the interest of the common man—I am standing for the common man; I am not standing for groups or for any sectional interest; the common man has a right to have a reasonable rate of interest. (Interruption)

SHRI S. M. BANERJEE : The common man has no bank account.

SHRI LOBO PRABHU : If I undertook to educate the communist party, it will take me a long time. But I would just tell them that the common man may not borrow but he benefits from those who borrow and he benefits from industry which has cheap credit.

Resuming what I was saying, it must be a part of the objectives of the banking policy that there is no extortionate rate of interest.

Now, I come to the third point where my friends are also involved. There should be economic management. Some calculations made show that the expenditure on staff in banks rises up to 80 per cent of the total expenditure of a bank—I may be corrected. I have asked this question from the Government. 80 per cent of the total expenditure is spent on staff. What do they do? What are their qualifications? So, we have to think of enforcing economic manage-

[Shri Lobo Prabhu]

ment, not on the one hand paying the Chairman Rs. 6,000 and other amenities and on the other paying a peon Rs. 230. This is at the expense of the common man. A bank must work like any other institution. It is the common man who must be benefited, which is the aim of a good communist.

SHRI S. M. BANERJEE : May I take it that he is a good communist?

SHRI LOBO PRABHU : Yes, much better than many of you.

SHRI S. S. KOTHARI : My amendment has three parts and I would very briefly comment on them. I would explain before the House my apprehension that, as a consequence of the new banking policy, the depositors' interests may be jeopardised and bank loans may be used for what I would call, political patronage. This is a very important point. The entire Board is going to be reconstituted. There is a possibility that politicians and retired civil servants may infiltrate into the Board and pressurise the Chairman to give loans to certain people who may be connected, directly or indirectly, with their party. That is the real danger and every possible safeguard is necessary to see that that does not happen. In that case, the interests of the depositors and the depositors' money would be jeopardised. The Reserve Bank has supreme control over the banks. There again, the Reserve Bank does not have the fullest autonomy that is necessary because it is also subservient to the Finance Ministry and, of course, there is the ruling party which governs it. Keeping this in view, I should like to highlight this danger.

This second point that I would like to make is this that as a result of the deliberations of the National Credit Council or the decision of the Government, the banks or the bank Chairman may be asked to ensure that a certain percentage of their loans find their way to certain specified sectors of the economy. So long as the money goes to the agriculturists or the small-scale industries sector, we do not mind. But basically, the discretion or the judgment of the bank Chairman to give loans against

security should not be affected adversely because of pressures from the Reserve Bank. So, we have to see that apart from the Reserve Bank's autonomy as far as Government is concerned, the Chairman must also have autonomy *vis-a-vis* the Reserve Bank to the extent that they are not pressurised into giving loans against their best judgment. They have to safeguard, primarily, the money which is entrusted to them as a sort of trust from the public. Otherwise, banking in this country would receive a serious set-back.

The last point that I would like to make is that the Government must, in due course, establish a Corporation for insurance of the loans which the banks give to various borrowers. That may apply to loans given to small-scale industries, the agricultural sector and even the industrial sector. I may suggest an alternative to it. If you do not establish that sort of a Corporation, the Government should see that the limit of guaranteed bank deposits which is up to Rs. 5,000 per depositor—that is, they are guaranteed up to Rs. 5,000 per depositor—should gradually be increased to, say, Rs. 50,000 or Rs. 1 lakh and, ultimately, the entire bank deposits of the public must be guaranteed by the Insurance Corporation.

SHRI N. SREEKANTAN NAIR (Quilon) : Sir, my amendment concerns the definition of the small-scale industries. There is already a definition in vogue. The small-scale industries are listed and the capital allowed is Rs. 5 lakhs. If I remember correctly, it was raised to Rs. 7½ lakhs and the maximum put was Rs. 10 lakhs, as was in the original Bill. It is being raised to Rs. 20 lakhs and the discretion is vested in the Government. The discretion can vest in the Government. But by raising the limit to Rs. 20 lakhs the whole concept of the small-scale industries disappears. So, I request that the change brought about by the Select Committee may be reconsidered.

SHRI ERASMO DE SEQUEIRA : Two of the main persons concerned in a regulation on banking are the workers of the bank and the shareholders of the

bank. I find it painful that a Bill like this, regulating banking, should, in the first instance, trample upon the rights of the employees to peaceful agitation and secondly, ignore completely the interests of the share-holders.

MR. DEPUTY-SPEAKER : You must restrict yourself to your amendments.

SHRI EMASMO DE SEQUEIRA : I am talking about my amendment.

In the definition of banking policy, due regard has been paid to monetary stability, sound economic growth, volume of deposits, need for equitable allocation and efficient use of deposits and resources, but not a word is mentioned about the people who own the bank, that is, the share-holders. My amendment merely seeks to add, after the word "depositors", "and the share-holders". I think that any directive of the Reserve Bank should bear in mind not only the interests of depositors and other things mentioned here, but also the very vital interests of the shareholders.

श्री अब्दुल गनी दार : मैंने अपने 26 और 27 नं० के अमेन्डमेंट में कहा है कि जहाँ डायरेक्टर का लफज है उसके साथ, लोकल कमेटी के जो मेम्बर होते हैं चूंकि वह भी उसी तरह से आते हैं इसलिये लोकल कमेटी के मेम्बर को भी शामिल कर लिया जाये। दूसरे अमेन्डमेंट में मैंने यह कहा है कि ज्वाइन्ट आडिटर एक ही नहीं होना चाहिये जोकि बैंक का होगा बल्कि एक रिजर्व बैंक की तरफ से भी होना चाहिए.....

[شري عبدالغنى دار : میں نے اپنے ۲۶ اور ۲۷ نمبر کے امینڈمنٹ میں کہا ہے کہ جہاں ڈائریکٹر کا لفظ ہے اس کے ساتھ - لوکل کمیٹی کے جو میمبر ہوتے ہیں چونکہ وہ بھی اسی طرح سے آتے ہیں اس لئے لوکل

کمیٹی کے میمبر کو ہی شامل کر لیا جائے۔ دوسرے امینڈمنٹ میں میں نے یہ کہا ہے کہ جوئٹ آڈیٹر ایک ہی نہیں ہونا چاہئے جو کہ بینک کا ہوگا بلکہ ایک ریزرو بینک کی طرف سے بھی ہونا چاہئے.....]

MR. DEPUTY-SPEAKER : Your Amendments are 123, 124 and 126. We are on clause 2 only. You should not extend the scope of the debate. You can speak on clause 3 later on.

श्री विभूति मिश्र (मोतीहारी) : उपाध्यक्ष महोदय, ब्लाज 2 में मेरा भी अमेन्डमेंट है।

MR. DEPUTY-SPEAKER : You were absent.

SHRI BIBHUTI MISHRA : I was just coming.

MR. DEPUTY-SPEAKER : All right. You make your submission in a few minutes.

SHRI S. M. BANERJEE : The Parliament has no place for late *latifs*.

MR. DEPUTY-SPEAKER : He is a senior Member.

श्री विभूति मिश्र : मेरा अमेन्डमेंट यह है :
Page 2, line 13,—
after "allocation" insert—
"preferably for farmers"

सदावल यह है कि यह बिल इसलिए लाया गया क्योंकि अभी तक किसानों को बैंक से पैसा नहीं मिलता था, यद्यपि कोआप-रेटिव बैंक से मिलता था लेकिन वहाँ भी बड़ी कठिनाई होती थी। कांग्रेस में लोगों ने कहा कि बैंकों को नेशनलाइज़ किया जाये और इसके लिए जोरदार तैयारी रही और पीछे सरकार ने माना कि हम इस सम्बन्ध में एक बिल लाने जा रहे हैं। लेकिन इस बिल में किसानों का स्थान नहीं है।

[श्री विभूति मिश्र]

जब से नोटों का चलन हो गया तब से किसान भी अपना पैसा बैंक में रख रहे हैं। इस देश की 50 फीसदी आय खेती से होती है इसलिये किसानों का स्थान इसमें रहना चाहिये। श्री मोरारजी को मेरे इस अमेन्डमेंट को मान लेना चाहिये ताकि कार्मस को भी कुछ स्थान मिल सके। आज चाहे वे इसको मानें या न मानें लेकिन जैसी स्थिति होती जा रही है उसमें अगर आज किसानों पर ध्यान नहीं दिया गया तो फिर आगे किसानों को खेती की पैदावार बढ़ाने में कठिनाई होगी।

13 HRS.

आज सारी किसानी का काम मोरडरनाइज़ हो गया है। उनको डाइरेक्टर्स बना दिया गया है और भी बहुत सी चीजें कर दी गई हैं। आप ने पम्प लगाने हैं और वह सारी चीजें किसानों के लिये करनी हैं इसलिए मैंने यह सुझाव दिया है कि आफटर "एलोकेशन" "प्रीफैब्रिनो फोर कार्मस" यह शब्द इनस्टं कर दिये जायें।

मेरा दूसरा अमेन्डमेंट यह है कि "सेवन ऐंड ए हास लैंक्स" के लिये "टैन आउडेंड" सबस्टीच्यूट कर दिया जाये।

"Small-scale industrial concern" means an industrial concern in which the investment in plant and machinery is not in excess of seven and a half lakhs of rupees..."

मैंने कहा है कि 10,000 रुपये या 10,000 रुपये से लेकर यह 25,000 रुपये तक रहना चाहिये। फर्ज कीजिये कि कोई आदमी 10,000 रुपये का धान कूटने वाला हल्लर लगाना चाहता है तो उसको भी इसमें स्थान रहना चाहिये न कि केवल 7½ लाख तक ही इसे सीमित कर दिया जाय। ऐसी व्यवस्था करने पर ही लोग समझेंगे कि बैंक में हमारा भी एक हिस्सा है। छोटे-छोटे गांव के लोग इस सरह से इसमें हिस्सा ले सकेंगे। यह

मेरे दो सुझाव हैं और मैं चाहूंगा कि सरकार इनको मान ले।

श्री अब्दुल गन्नी दार : जनाब डिप्टी सीकर, मुझे क्लाऊ 2 पर अपने दोनों अमेन्डमेंट मिल गये हैं जिनमें मैंने चाहा है कि बीस लाख के बजाये दस लाख होना चाहिये और जहां परसेटेज 10, 10 परसेट है वहां 5, 5 परसेट कर दी जाये। चूंकि वक्त नहीं है इसलिये मैं इन पर नहीं बोलना चाहता लेकिन मैं मिनिस्टर साहब से चाहूंगा कि वह इन अमेन्डमेंट्स को मंजूर कर ले।

[شروع عبد الغنی ڈار : جناب ڈبٹی اسپیکر - مجھے کلazz ۲ پر اپنے دونوں امینڈمنٹ مل گئے ہیں جن میں میں نے چاہا ہے کہ بیس لاکھ کے بجائے دس لاکھ ہوتا چاہئے اور جہاں پر پرسٹیج ۱۰۔۱۰۔۵ پر سیٹ کر دی جائے۔ چونکہ وقت نہیں ہے اس لئے میں ان پر پرسٹیج کرنے کا کام چاہتا ہیں لیکن میں منسٹر بولنا نہیں چاہتا کہ وہ ان صاحب سے چاہونگا کہ وہ ان امینڈمنٹ کو منظوٰ کر لے۔]

MR. DEPUTY-SPEAKER : The hon. Minister.

SHRI S. M. BANERJEE : Let us adjourn now. It is past 1 O'Clock.

MR. DEPUTY-SPEAKER : Let us finish this Clause. I think, we will take only ten minutes.

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : May I say that we need not spend more time on this? I will finish before that argument is over.

The objection of my hon. friend, Shri Dandekar, about the interest of depositors' not being safeguarded is a little bit more than what should be. The interest of the depositors will be safeguarded. Here it is said, due regard to the interest of the depositors. To say that it will be

subject to the interest of the depositors will create sometimes very legal complications. But may I appeal to him to see this that, if the interest of depositors is not safeguarded, there will be no deposits and if there are no deposits, there will be no banks. Therefore, this has got to be safeguarded. Nobody can deny and nobody can go against it, whatever may be the Government, whoever may be the Finance Minister, who ever may be the Governor of the Reserve Bank. If this is not done, no bank will exist. That goes without saying. Therefore this will be safeguarded whether you say this or do not say this. Therefore, I do not accept these amendments.

Then I come to the amendment of Mr. Lobo Prabhu. He does not seem to be here; he wanted particularly that I should reply to him. I do not know why he did not wait for it. I would only say this. He appealed in the name of common man. He does not know what 'common man' means... (Interruptions).

SHRI S. M. BANERJEE : He should not say all these things when the hon. Member is not here. How can he say that he should wait ?

MR. DEPUTY-SPEAKER : He could have waited for the reply.

SHRI MORARJI DESAI : 'Common man' does not mean any person who will go to banks. 'Common man' never takes a loan from the bank. Therefore, how is he covered ?

When you say that the interest must be low to satisfy everybody, you should realise this. Banks also must be run. If you make credit too cheap, that also is very dreadful because people will get into wrong habits and they will harm themselves. The interest must be fixed according to the state of the economy which is there and the requirements of the economy. That is how it will be done and that is how it is being done. Therefore, he need not have any fear. He says that the change in the banking policy, whatever is done, whatever deductions are given, must be done after approval by Parliament. That is, after everything is finished and the need is

also over, Parliament's approval will come. Then what is to be done ? How can this be done ? This requires to be done according to changing circumstances whenever it is required. Government cannot be run by Parliament. Government is run on the whole by Parliament but not that the details of Government can be run by Parliament; that is not possible...

SHRI SRINIBAS MISRA (Cuttack) : Is that proposition correct ?

SHRI ATAL BIHARI VAJPAYEE (Balrampur) : He has amended it subsequently.

SHRI MORARJI DESAI : My hon. friend is quick to find fault with whatever I say...

SHRI S. M. BANERJEE : He is alert.

SHRI MORARJI DESAI : He is very alert, I am very happy. But I can never imagine that Parliament does not govern the country. Parliament does govern the country, but not in detail not in every-day affairs; it cannot do that; there will be chaos if you try to do that. Therefore, powers have been given to Government, and the executive part of Parliament is there... (Interruptions). Therefore, these are not matters which can be done by them. Can a bank be run by Parliament ? I would like to know this. This is all that I am arguing, and he is up asking what I have done.

SHRI SRINIBAS MISRA : The proposition made was that Parliament cannot run the Government.

MR. DEPUTY-SPEAKER : He immediately clarified that.

SHRI MORARJI DESAI : My hon. friend ought to wait till I say fully. Why is he so impatient, I do not know. It is with impatience that he does something and then objects to what I say... (Interruption).

SHRI SRINIBAS MISRA : The contagion has passed from the Finance Minister who is very impatient to get this Bill passed.

SHRI MORARJI DESAI : I am now contagionized, which I am trying to avoid

and I hope that I will get properly disinfected from it.

Then, my hon. friend, Mr. Banerjee, says that the upper limit should be reduced to Rs. 10 lakhs. This was also discussed in the Select Committee and as a result of discussions, we raised it to Rs. 20 lakhs. It is not that it will be immediately considered as Rs. 20 lakhs. 'Small scale industries' are defined by Government. At present it is Rs. 7½ lakhs. But as things go on changing, it may be necessary for Government to go upto Rs. 20 lakhs for small scale industries. If that happens, it is no use bringing here again a legislation only for that small thing because there is an automatic change. Therefore, we have kept the maximum as Rs. 20 lakhs. I think that it will be wise to reduce it to Rs. 10 lakhs. Therefore, I am sorry I cannot accept that.

In that connection, my hon. friend, Shri Bibhuti Mishra says, 'reduce it to Rs. 10,000'. Then what small scale industries will be considered here? He seems to think only of a huller. Even one huller does not run a rice mill—that is not Rs. 10,000, that is more than Rs. 2 or 3 lakhs. So, these are things which will be covered. But the 10,000 thing is not debarred from this. One who has a small industry will also be entitled to be represented as a Director here. That is not debarred. If you make it 10,000 then you debar all other small scale industries. That is why, I would request him to see this and not to ask for it.

The other thing that my hon. friend said was that it should be preferably for farmers. Banks are not for farmers alone. We are going to accommodate farmers also as one of the priority sectors, but there are several priority sectors. Let nobody imagine that industries are going to be finished and every money is going to be given either to agriculturist or to somebody else. It will not be done at the cost of any sector. All sectors will be taken into account and agricultural sector will also be taken into account.

I cannot, therefore, accept any of the amendments. (*Interruptions*).

SHRI S. S. KOTHARI : What about political patronage? You must make a

clear statement that Government will ensure that there will be no political patronage.

SHRI MORARJI DESAI : I am sorry I forgot to mention about the auditor's remarks. That is why he has brought in audit again. I would just say that no Governor of Reserve Bank will give any strict instruction about any individual person to be given loan or otherwise. The Finance Minister will never do it and will not allow it to be done by anybody else. That is what, I hope, will happen in future. I can only say about myself and not about my successors because I have different experiences of different Finance Ministers. So, that cannot be mentioned like this here. Even if you mention, what is there to prevent him from doing that? Nobody will do it, it is not to be done and nobody will do it. I am sure about it.

SHRI S. M. BANERJEE : He has not replied to amendments 31 and 32.

SHRI INDRAJIT GUPTA (Alipore) : Definition of substantial interest..

SHRI S. M. BANERJEE : In the definition of 'substantial interest', on page 3, instead of ten per cent, it should be five per cent.

SHRI MORARJI DESAI : That change is not necessary.

SHRI ERASMO DE SEQUEIRA : What about the interest of shareholders?

SHRI MORARJI DESAI : If the bank is there, the interests of shareholders are safeguarded. If the bank is not there, the shareholders are gone.

SHRI ERASMO DE SEQUEIRA : Then why don't you mention it?

MR. DEPUTY-SPEAKER : Mr. Dandekar wants to withdraw his amendments 3 and 4.

Amendments Nos. 3 and 4 were, by leave, withdrawn.

MR. DEPUTY-SPEAKER : I now put the other amendments to the vote of the House.

Amendments Nos. 5, 31, 32, 56 to 58, 122 to 124 and 126 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

"That Clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

MR. DEPUTY-SPEAKER : We adjourn now and meet again at 2.15 P.M. 13.15 HRS.

The Lok Sabha adjourned for Lunch till fifteen minutes past Fourteen of the Clock.

The Lok Sabha then reassembled after Lunch at Quarter Past Fourteen of the Clock.

[MR. DEPUTY-SPEAKER in the Chair.]

BANKING LAWS (AMENDMENT) BILL—Contd.

Clause 3—(*Insertion of new sections 10A, 10B, 10C and 10D*)

MR. DEPUTY-SPEAKER : We shall now take up clause 3.

There are many amendments to this clause. Hon. Members who want to move their amendments to this clause may do so now.

SHRI N. DANDEKAR : I beg to move :

Page 3, line 21,—

for "fifty-one" substitute "forty"

(6)

Page 5, line 36,—

add at the end—

"or a director of a financial institution approved in this behalf by the Reserve Bank." (7)

Page 6,—

after line 44, insert—

"Provided that no person who is, or has been elected to be, the chairman of the Board of directors of a banking company shall be deemed not to be a fit and proper person to hold such office by reason merely

of his being a critic of the monetary and banking policies of the Reserve Bank of India or of the fiscal and economic policies of the Central Government or of the Government of any State." (8)

Page 6,

omit lines 14 and 15. (76)

Page 6.—

after line 19, insert—

"Provided further that the aforesaid disqualifications shall be deemed not to have effect during the first six months immediately following the appointment of such person as a chairman." (77)

SHRI D. N. PATODIA : I beg to move :

Page 7, lines 4 to 7,—

for

"to the Central Government and the decision of the Central Government thereon, and subject thereto, the order made by the Reserve Bank under sub-section (6),"

substitute—

"for arbitration by a single Supreme Court judge or a single High Court Judge to be nominated by the Central Government and the decision of the Judge thereon." (9)

SHRI S. M. BANERJEE : I beg to move :

Page 5,—

omit lines 8 to 12. (33)

Page 5,—

omit lines 20 to 22. (34)

SHRI SRINIBAS MISRA : I beg to move :

Page 6,—

omit line 19. (46)

Page 7,—

omit lines 22 to 25. (47)

SHRI LOBO PRABHU : I beg to move :

Page 3, line 23,—

after "persons," insert—

"to be elected by the shareholders and depositors who have accounts above a specified amount," (60)

Page 6, line 2,—
after "person" insert—

"elected by the shareholders and depositors who have accounts above a specified sum and" (61)

Page 7,—
after line 8, insert—

"Provided that an order, referred to in this sub section, shall be laid on the Table of Lok Sabha," (62)

SHRI INDRAJIT GUPTA : I beg to move :

Page 3,—
after line 33, insert—

"(viii) trade union movement of Bank employees," (75)

SHRI ERASMO DE SEQUEIRA : I beg to move :

Page 7,—
after line 8, insert—

"Provided that on the preference of such appeal the said order of removal shall remain without effect until the date on which the Central Government makes a decision on the aforesaid appeal." (100)

Page 7, line 10.—
for "may" substitute "shall" (101)

Page 7, lines 10 and 11,—

omit "if in its opinion it is necessary in the public interest so to do," (102)

Page 3, line 23,—
after "who" insert—

"are in the whole time employment of such company." (125)

Page 3,—
omit lines 24 to 40. (127)

Page 4,—
omit lines 1 to 12. (128)

Page 4,—

omit lines 23 to 40. (129)

MR. DEPUTY-SPEAKER : These amendments are now before the House. We had taken nearly 45 minutes on the other clause. So, I would request hon. Members to be very brief and to the point.

SHRI S. M. BANERJEE : We jointly request you not to hurry up.

MR. DEPUTY-SPEAKER : It is not a question of hurrying up.

SHRI N. DANDEKER : Amendment No. 6 is a very simple one. The proposition in the Bill is that not less than 51 per cent of the board of directors shall consist of what I might describe as non-industrialists directors with special knowledge of one or more of nine possible subjects. My only objection to this is that we are suddenly jumping from a situation where there was no statutory requirement in this regard at all to a situation which requires 51 per cent of the board to be so composed. My counter-suggestion is that instead of 51 it should be 40 per cent.

My Amendment No. 7 is concerned with allowing the executive chairman of a bank to be a director not only of a subsidiary banking company or a company registered under section 25 of the Companies Act as is provided in this Bill, but I suggest that it should be so extended that he could also become the director of a financial institution approved in this behalf by the Reserve Bank. I can see no objection whatever to the chairman of the commercial bank being also, for instance, a director of the Industrial Finance Corporation or of the State Finance Corporations or of the Industrial Credit and Investment Corporation and so on.

My more important amendments in relation to the chairman of banks are amendments Nos. 76 and 77 and then No. 80. Amendments Nos. 76 and 77 are concerned with the disqualifications of a person for appointment as chairman. There are two qualifications laid down

namely that he should have a knowledge of the working of a banking company or of the State Bank or any subsidiary of a bank or of a financial institution or he must have special experience and knowledge of financial, economic or business administration. These positive qualifications are perfectly in order. But there are also certain disqualifications, namely that he is the director of any company other than a company which is exempted or a partner of any firm which carries on trade and so on.

My suggestion about all this is this that having an interest other than as a director and so on in a company or a firm should not really disqualify a person from being a chairman, because provision already exists that to concerns of that kind bank may not give a loan if the director of the bank happens to be a director or a partner of such concerns. I think this is really redundant and there is no point in it because once the chairman happens to be holding shares in a company and he becomes a director of the bank, it is obvious that he cannot have any money lent from the bank to such a concern. Consequently, my suggestion is that the disqualification ought to be removed.

My second suggestion is only for practical purposes namely that a person who is being considered for appointment as chairman ought not to be disqualified because at that time he has got these disqualifications; the disqualifications ought to operate after he has been appointed as the chairman if within a given period of time he does not get over or remove these disqualifications. I cannot otherwise conceive of such a thing. I think it was Shri Indrajit Gupta or Shri S. M. Banerjee who said that if these are to be disqualifications at the time of the appointment of a person as the chairman, then one cannot see who can ever be appointed as the chairman because a person is bound to be caught under one or more of these, if in fact he happens to be a banker of some repute; he is bound to have some investment; he may be a director somewhere if he is a person with considerable knowledge and experience of financial, economic and business administration matters. In other words,

while I agree that these disqualifications are proper (subject to one deletion which I have suggested), my suggestion is this that these disqualifications ought not to disqualify a person from being considered for appointment as the chairman, and if his appointment as chairman is approved, then within a given time he must either get rid of these disqualifications or he must not accept the chairmanship of the bank.

Finally, Sir, I would like to reiterate a point that I made yesterday, namely that here is this very dangerous provision here that if the Reserve Bank is of opinion that the chairman of the board of directors of a banking company is not a fit and proper person to hold such office it may after giving him and to the banking company reasonable opportunity of being heard, remove him by an order. The Deputy Prime Minister said that obviously the reasons for such removal would be given, but nevertheless the position is that the decision is that of the Reserve Bank that he is not a fit and proper person; there may be a thousand reasons why a person is not a fit and proper person, but the one reason that I wish to exclude from this list is contained in the proviso which I have suggested and which reads thus :

"Provided that no person who is or has been elected to be the chairman of a banking company shall be deemed not to be a fit and proper person to hold such office by reason merely of his being a critic of the monetary and banking policies of the Reserve Bank of India or of the fiscal and economic policies of the Central Government or the Government of any State."

The Deputy Prime Minister was good enough to say that really on merits he agrees with this, and as Deputy Prime Minister and Finance Minister he has extended an assurance which is embodied in the Select Committee's report. Therefore, there is no difference of opinion between him and me on the point that no chairman ought to be removed for this kind of thing. The only difference is this, whether we ought to leave it as an assurance embodied in the Select

Committee's report, and which I am glad to say, repeated by the Deputy Finance Minister on the floor of the House, or whether we ought to embody it, for what it is worth, actually as a substantive part of legislation forming part of the Bill itself.

SHRI D. N. PATODIA : My amendment is an important amendment. It relates to the right of appeal of the chairman against whom removal orders are passed by the Reserve Bank of India. The Reserve Bank of India functions under the overall guidance and advice of the Central Government. Here, the right of appeal of the chairman who may be removed lies in appealing to the Central Government and nowhere else. The Central Government in that context is an interested party and not an independent institution. Therefore, my amendment is this that in these matters wherever there is an occasion for the chairman to appeal against the orders of the Reserve Bank of India, the matter should be decided by appeal through arbitration by a single judge of the Supreme Court or High Court appointed by the Central Government. Only in that case, it will meet the ends of justice.

SHRI S. M. BANERJEE : In my first amendment, I want lines 8 to 12 at page 5 to be omitted. These lines read as follows :

"No act or proceeding of the board of directors of a banking company shall be invalid by reason only of any defect in the composition thereof or on the ground that it is subsequently discovered that any of its members did not fulfil the requirements of this section."

I feel that this particular provision in this Bill may be utilised adversely. I therefore feel that the Finance Minister should give a second thought to this matter and see that my amendment is accepted.

Amendment No. 34 seeks to omit lines 20 to 22 at page 5. I need not dwell long on this point. I feel that if this amendment is accepted, it would not change the complexion of the Bill.

Then I emphasise my amendment No. 35. I do not want to speak on amendment No. 75 which I would leave to my colleague, Shri Indrajit Gupta, to express the opinion of our Group in regard to trade union representation in the board of directors.

SHRI INDRAJIT GUPTA : Could I say a word to oppose Shri Dandekar's amendment ?

MR. DEPUTY-SPEAKER : When he speaks.

SHRI SRINIBAS MISRA : My first amendment is No. 46 which seeks to omit item (e) of the proviso on p. 6. Of course, we have expressed our views, the views, according to us, of the country vehemently, but still it has not made any impression on the Deputy Prime Minister. Now I think he will try to understand the reason behind these suggestions. He has said that director, manager, managing agent, partner or proprietor of any trading, commercial or industrial concern is disqualified from chairmanship. He has also added another provision 'is engaged in any other business or vocation'. Anybody having a business or vocation is disqualified from chairmanship. So who will be chairman ?

SHRI S. KANDAPPAN (Mettur) : A defeated politician.

SHRI S. M. JOSHI (Poona) : A person who has no ostensible means of livelihood.

SHRI SRINIBAS MISRA : He is not a person who will be the director of a company. He will not be a director or member. Perhaps he means that after being chairman, he will resign his position or will not take up any other vocation. But as it is expressed, even before he accepts chairmanship, he ought not to have any appointment. This is one of my amendments.

The next amendment concerns 10C on page 7. It seeks to delete it. The clause says :

"Any director or chairman appointed by the Reserve Bank under section 10A or section 10B, as the case may

be, shall not be required to hold qualification shares in the banking company."

This is too far-reaching a clause. He will have no stake, nothing to lose in the bank. He may be a person who is unemployed or thrown out from politics. He will be there at the back and call of these big industrialists. He can be purchased very easily. This should not be. He should at least have some stake in the bank.

SHRI LOBO PRABHU : My amendments have to be looked at in the context of our banking structure. Our banking structure is in a small part made up by the shares of shareholders but in the largest part by the deposits of the public. Any law which discourages deposits, any arrangement which makes them mistrust a bank is against the interests of the country and the interests of the common man.

Incidentally, I heard that the Finance Minister was deeply pained at my absence when he explained my concern for the common man earlier during the session, but I would like to remind him that I was paying attention to the clock and not to his intentions after the fixed time.

Do you want to increase deposits or not? That is the fundamental question. If it is the intention of Government and this Bill to reduce deposits, you can do nothing better than have 51 per cent of the directorate composed of people who have no interest either in the bank or in their own shares or in their own deposits. First of all, I will urge this—and I do hope it will receive some respectful attention, although it is a new concept. If you want to increase deposits, you must see that the depositor is somehow represented on the board of directors. It may be you will find it possible that people who have a standing account of more than a certain figure fixed by you, should be eligible to elect a representative of depositors. This is a matter which should have been considered in the Select Committee as to what the figure should be. I am not at this moment concerned with whether it should be one lakh or

a few thousands. But the point is : let the depositors be represented if you are concerned about improving the scope and range of banking.

As regards people who are to be represented class-wise, I am reminded of a story in the good old days when polygamy was prevalent in this country. Someone decided that he should have four wives. He thought it would be very economical : one would be a fashionable lady, another would look after his passion, a third one will deal with social contacts or social control and the fourth would be for cooking. This kind of directorate aimed at getting the services of different professions by putting on the board is just like that. It may be a brilliant idea, but as the earlier idea did not succeed in a happy marriage, I do not think we shall succeed very much in banking if we get the services of professionals in this way on the directorate. These people might come if they are already among the shareholders, if they are otherwise eligible, but do not put them on the basis of category. Apart from political implications, it is not fair to the depositor when you bring in, as Shri Srinibas Misra has said, people who are unemployed and give them a job on the bank so that they may be subservient either to the bankers or to Government.

SHRI INDRAJIT GUPTA : The depositor may be unemployed also.

SHRI LOBO PRABHU : The depositor must be elected. I believe in democracy. I cannot explain these things individually.

My second amendment is about the chairman. There is nothing stated here that he will be elected either by the shareholders or by his own board. As far as I know, these new chairmen, who have been found for these various banks, have not been elected, or if they have been, it must have been on a *diktat* or *hookam*. This is neither democracy nor good banking. If the original Act is deficient in this matter, if the original Act has not been followed, let there be an amendment that they should be elected by shareholders, and as I have sug-

gested, also by the depositors on some agreed basis.

My third amendment is nearly the same as that of my colleague, Shri Patodia's that the provision that appeal should lie to Government is bad, because Government cannot both be the initiator and then the deciding authority. Earlier this morning, I had said that the Reserve Bank is nothing but a creature of Government, and Government is bound to support its creature. I do not agree that the appeal should be to a Supreme Court Judge. We have been utilising the services of these Judges for too many things. I think this matter whether a chairman has been properly removed should be decided by this House itself and therefore the proceeding of the removal should be placed on the Table.

SHRI INDRAJIT GUPTA : Before I speak on my amendment No. 75, I have a word to say on Shri Dandekar's amendment No. 77. He said that sometime ago he felt or heard that I might have been partially in favour of such an amendment, that is to say, that this disqualification should be effected only after a certain period after his appointment. It may be that at one time I was toying with this idea, but recent events have really made me change my view.

Yesterday, I had in the general discussion referred to the fact that even before this Bill has been enacted into law, many of these big banks have already appointed their General Managers as Chairmen. I said yesterday that as far as my information goes it was done after a series of consultations between them and the hon. Minister. From yesterday's record of the proceedings I find that these are the words that the Finance Minister used when he was defending his right to have prior consultation with them. I do not deny that right. The point is what happened there. He said yesterday :

"Because I want them to function properly..."

—"properly means in terms of a statute, what else can it be ?

"Even before it goes on the statute book, I had talked to them and discussed with them after I had decided on the principles on which this should be done.

—He has decided already before the Bill is passed.—

"I told them this is what is going to be done."

One of the disqualifications to which Mr. Dandekar is taking exception is that if this is applied rigidly, nobody would be found, you cannot find anybody connected with the banking business who is qualified to be the Chairman. But then I would like to know how it is that these General Managers have overnight become Chairmen. Are they going to be disqualified now? Surely that falls in one or the other of these disqualifications because it is very wide and it says :

- (d) is a director, manager, managing agent, partner or proprietor of any trading, commercial or industrial concern, or
- (e) is engaged in any other business or vocation."

So I find it difficult to believe that these General Managers of the banks who have functioned as such for so long do not fall within the mischief of any of these disqualifications. Nevertheless, they have been appointed overnight as full-time Chairmen. Therefore, it seems to me now that this is not really a hurdle as Mr. Dandekar thinks. I do not know what is being done. We should know about it. I am opposing it. I do not think that Mr. Dandekar's amendment is necessary.

Coming to my amendment No. 75, different interests are to be represented on the Boards of Directors having special knowledge or practical experience in respect of one or more of the matters listed here. I want to add there that persons having knowledge or experience of the trade union movement in the banking industry should also find a place on this Board. I would like to know why it should not be done. Here we are taking of social control. Social control means what? It means that various interests

of the country who are concerned in one way or the other with the running of these banks should be brought into the structure now and should have some say in it. Then I do not see why the employees should be excluded. As far as I know, in all the public sector projects and statutory corporations which have been set up by the Government of India you will find in the Board of Directors one place always reserved for a representative of the workers or the Trade Unions. I think that for better and more efficient functioning of the banks, it is necessary that they should be more closely associated with the management. Therefore, I think that this is very undesirable that only they should be excluded when so many other types of people are taken in. I have no objection to these other people there, though I have my doubt whether people whose knowledge of rural economy consists of large scale hoarding and speculation in foodgrains will not get into these banks, because that is also knowledge of rural economy. However, that will have to be seen from case to case, but I would insist and urge upon the hon. Minister that we should at least keep one place there for the representative of the employees or Trade Unions who are specifically connected with this industry so that they have the feeling of closer association also.

श्री अब्दुल गनी दार : मेरा अमेंडमेंट भी वही है जो मिस्टर इन्ड्रजीत गुप्ता का है 75 नम्बर पर। जैसा मैंने कल अर्ज किया था बैंक में काफी से ज्यादा ऐसी बातें हुई हैं जिन पर मुझे शर्म भी आती है। और मेरा रुचाल है देश को भी गौरव नहीं हो सकता कि जिस तरह की एम्बेजिलमेंट, जिस तरह की बैंकिंगनियां डायरेक्टरों ने की। मैंने भी यही कहा है कि एम्पलायर्स की जो ट्रेड यूनियन बनती है वैंक की उनका नुमाइस्ता होना चाहिये। उसके लिए कल भी मैंने रीजन दिया था और आज भी दे रहा हूँ। वह रीजन वह है कि वह भी उसी तरह हुब्बेवतन है जिस तरह कि देश के बाकी लोग वह है वह कायमेन्ट

के जानने वाले हों, चाहे ला के जानने वाले हों चाहे कोआपरेटिव के जानने वाले हों। न मालूम किस तरह से उन पर कैसे मुहर लगायी जायेगी कि यह ऐसे है। लेकिन इनके बारे में मैं समझता हूँ कि यह मुहर लगायी जा सकती है क्योंकि वह बाकायदा ट्रेड यूनियन है। बाकी जितने भी इन्होंने रखे हैं वह सब बेग रखे हैं ला, ऐपीकल्चर, फायनेंस यह सब बेग हैं, उनके ऊपर कोई मुहर नहीं लग सकती। लेकिन जो इन्ड्रजीत गुप्ता ने कहा और जिसको मैं सेकंड कर रहा हूँ, वह उन पर एक मुहर लगाने जा रहे हैं। वह इसलिए कि ईमानदारी से मोरार जी भाई हों या कोई भी फायनेंस मिनिस्टर हो, उसको यह बता सकेंगे कि बैंक में क्या इस बक्त हेरफेर हो रहा है और किस गलत तरीके से, कैसे पब्लिक फंड को इस्तेमाल किया जा रहा है या डिपाजिटर्स के साथ किस तरह से बेइन्साफी हो रही है, या किस तरह से गवर्नरेंट के साथ जो उसकी पालिसी है, उसके साथ बेइन्साफी हो रही है। सिर्फ वही एक हुब्बेवतन है जिन का डायरेक्टर होगा तो वह मोरार जी भाई की यकीनन मदद करेगा चाहे वह मानें या न मानें क्योंकि यह सच्ची बात को मानने में बहुत हिचकिचाते हैं, अगरचे पीछे पछताते हैं। कितनी ही बार इन्होंने हमारी बात को नहीं माना चाहे सुप्रीम कोर्ट ने भले ही पीछे इनकी बात को गलत ठहराया हो और हमारी बात को सही माना हो। तो मैं उम्मीद करता हूँ कि ट्रेड यूनियन का नुमाइन्दा डायरेक्टर में हो इसको यह तस्लीम करेंगे और इसलिये भी करेंगे कि यह बड़े प्रोग्रेसिव हैं, गांधी जी के लेफ्टिनेंट हैं। इसलिये वह इसको मंजूर करेंगे।

[**श्री عبدالغنى دار :** میرا امیننامہ
بھی وہی ہے جو مسٹر اندرجت کپتا
کا ۷۰ نمبر پر - جسما میں نے

[شروع عبدالغنى ڈار]

کل عرض کیا تھا یعنیکس میں کافی سے زیادہ ایسی باتیں ہوئی ہیں جن پر مجھے شرم بھی آتی ہے اور میرا خیال ہے دیش کو بھی گورو نہیں ہو سکتا کہ جس طرح کی ایمپیزلمینٹ، جس طرح کی یہ ایمانیاں ڈائیریکٹروں نے کیں - میں نے بھی یہی کہا ہے کہ ایچپلاپرس کی جو ٹریڈ یونین بتی ہے یعنیک کی ان کا نمائندہ ہونا چاہئے - اس کے لئے کل بھی میں نے ریزن دیا تھا اور آج بھی دے رہا ہوں - وہ ریزن یہ ہے کہ وہ بھی اسی طرح حب وطن ہیں جس طرح کہ دیش کے باقی لوگ - چاہے وہ فائنس کو جانتے والے ہوں چاہے لا کے جانتے والے ہوں چاہے کواپریشیو کے جانتے والے ہوں - نہ معلوم کس طرح سے ان پر کیسے مہر لگائی جائے گی کہ یہ ایسے ہیں - لیکن ان کے بارے میں میں سمجھتا ہوں کہ یہ مہر لگائی جا سکتی ہے کیونکہ یہ باقائدہ ٹریڈ یونین ہے - باقی جتنے بھی انہوں نے رکھئے ہیں وہ سب ویگ رکھئے ہیں - لا، ایکریکلچر، فائنس یہ سب ویگ ہیں ان کے اوپر کوئی مہر نہیں لگ سکتی - لیکن جو اندر جیت گپتا نے کہا اور جس کو میں سیکھن۔ کر رہا ہوں وہ ان پر ایک مہر لگانے جا رہے ہیں - وہ اس لئے کہ ایمانداری سے موار

جی بھائی ہوں یا کوئی بھی فائنس منستر ہو اس کو یہ بتا سکینگے کہ یعنیک میں کیا اس وقت ہیر پھیر ہو رہا ہے اور کس غلط طریقہ سے کیسے پلاک فنڈ کو استعمال کیا جا رہا ہے یا ڈیپارٹمنٹ کے ساتھ کس طرح سے یہ انصافی ہو رہی ہے یا کس طرح سے گورنمنٹ کے ساتھ جو اس کی پالسی ہے اس کے ساتھ یہ انصافی ہو رہی ہے - صرف وہی ایک حب وطن ہیں جن کا ایک ڈائیریکٹر ہوگا تو وہ موار جی بھائی کی یقیناً مدد کریکا چاہے وہ مانیں یا نہ مانیں کیونکہ یہ سچی بات کو ماننے میں بہت ہچکچاتے ہیں اگرچہ پچھے پچھاتے ہیں - کتنا ہی بار انہوں نے ہماری بات کو نہیں مانا چاہے سوریم کورٹ نے بھلے ہی پچھے ان کی بات کو غلط ٹھہرا�ا ہو اور ہماری بات کو صحیح مانا ہو - تو میں امید کرتا ہوں کہ ٹریڈ یونین کا نمائندہ ڈائیریکٹر میں ہو اس کو یہ تسليم کریں گے اور اس لئے بھی کریں گے کہ یہ بڑے ہروگرسو ہیں گاندھی جی کے لیٹھی نینٹ ہیں اس لئے وہ اس کو منظور کریں گے -]

SHRI ERASMO DE SEQUEIRA: I have three sets of amendments. The first is 125, 127, 128 and 129. This refers to the constitution of the Boards of Directors. The scheme of this Bill is that a

bank shall function under the banking policy enunciated by the Reserve Bank. The Board of Directors shall have control over the full-time Chairman who shall also be appointed subject to the approval of the Reserve Bank. Having done this, I do not think it is fair that the law should also provide that the Government through the Reserve Bank should have control over the constitution of the Board of Directors of the Banks. But accepting for the sake of this discussion only, that it is desirable to have such control, the Bill provides that not less than 51% of the Members of the Board should consist of people who have special knowledge of some subjects which have been specified, subject to the subjective satisfaction of the Reserve Bank. I have suggested that instead of this, 51 per cent of the members of the Board should be full-time employees of the bank. My submission is that with this the Reserve Bank would no more have control as to who is appointed, and the majority of the members of the board of the bank would be full-time and professional bankers, and would be able to follow whatever policy is laid down objectively much better than the constitution presently suggested.

My second set consists of amendments No. 101 and 102. The Bill says :

"...the Reserve Bank may, if in its opinion it is necessary in the public interest so to do, permit the Chairman to undertake such part-time honorary work as is not likely to interfere with his duties as such chairman."

If the Chairman of the Bank wanted to be President of his club, I do not think anybody would hold that it is in the public interest for this to happen, and yet the Reserve Bank would not have the power to allow him to be the President of the club. What I have suggested is that the Clause should read :

"Notwithstanding anything contained in this section, the Reserve Bank shall permit the chairman to undertake such part-time honorary work as is not likely to interfere with his duties as such chairman."

My third amendment No. 100 refers to a proviso to be added on page 7 after sub-section (7). The position is that there is first an order from the Reserve Bank to elect or appoint a new Chairman. Then there is an order of removal. Then there is an appeal and decision on that appeal. The position is, when under the order of removal, the Reserve Bank appoints a new Chairman the person so appointed shall be deemed to have been duly elected or appointed. There are 30 days for appeal and God knows how long for the decision. So, unless a proviso as I have suggested is put in, the existing Chairman shall cease to be Chairman the minute the order of removal is passed and during the course of the appeal, the other person shall be the Chairman. If the Government reverses the decision of the Reserve Bank, then the new Chairman will have to be removed and the old Chairman reinstated. Therefore, I have said that the following priviso may be added :

"Provided that on the preference of such appeal, the said order of removal shall remain without effect until the date on which the Central Government makes a decision on the aforesaid appeal."

श्री विष्वाति मिश्र : उपाध्यक्ष जी, इसमें
लिखा है :—

"Provided that out of the aforesaid number of directors, not less than two shall be persons having special knowledge or practical experience in respect of agriculture and rural economy, co-operation or small-scale industry;" and

इस सम्बन्ध में मुझे यह कहना है कि कम से कम दो आदमी हों—लेकिन अब तक का हम लोगों का जो अनुभव है—खेतीहरों के नाम पर ऐसे लोग उन बोडी पर जैसे आते हैं, जिनका खेती से कोई मतलब नहीं है। हालांकि इसमें लिखा है कि प्रेसिटक्ट एक्सपीरियेंस हो—परन्तु जो बड़े-बड़े इण्डस्ट्रीयल हाउसेज हैं, उनके पास खेती भी है, वे काल्प भी करते हैं, उनके मैनेजर वगैरह यह कहेंगे कि इनको एक्सपीरियेंस

[**श्री विभूति मिश्र**]

है और इस तरह से वे उस कमेटी में चले जायेंगे। इसलिये मेरा मोरारजो भाई देसाई से कहना है कि जिसका जीवन खेती से चलता है, जिसका वे-आफ-लाइफ खेती है, जो मांव में रहता है, हल चलाता है, जाहे ड्रेक्टर भी रखता है, उस तरह के आदमी को कमेटी में रखना चाहिये, न कि बड़े-बड़े सेठ साहूकार, जो खेती करते हैं, उनके आदमी इस कमेटी में चले जायें। मैं चाहता हूँ कि मोरारजी भाई हम लोगों को इस हाउस में विश्वास दिलायें कि ऐसा नहीं होगा।

एक दूसरी बात—स्माल स्केल इण्डस्ट्री के नाम पर साढ़े सात लाख से 25 लाख तक है—अब ये जो दो आदमी रखेंगे इसके बारे में डिफाइन नहीं किया है कि वे खेतीहर रहेंगे या स्माल स्केल इण्डस्ट्री के रहेंगे या कोआपरेटिव के रहेंगे। मैं तो सिर्फ यही चाहता हूँ कि जहां तक खेतीहरों का इन्टरेस्ट है, उस इन्टरेस्ट की रक्षा करनी चाहिये, उसमें कोआपरेटिव भी आ जाती है। आगे के लिये मोरार जी भी हम लोगों को विश्वास दिलायें कि जिसका जीवन खेती है, वे-आफ-लाइफ खेती है, उसको इसमें रखा जायेगा।

श्री जार्ज फ्लैनडीज़ : (बम्बई-दक्षिण) : उपाध्यक्ष महोदय, श्री इन्ड्रजीत गुप्ता ने नं० 75 की जो तरमीम पेश की है, मैं उसका समर्थन करना चाहता हूँ। मेरी राय में कलाज 3 की जो धारा है, वह सब से महत्वपूर्ण है। महत्वपूर्ण इस दृष्टि से है कि जिस सोशल कन्ट्रोल की कल्पना सरकार ने और खास तौर पर उपप्रधान मंत्री जी ने रखी है, वह इसी में व्यक्त हो जाती है। लेकिन साध-साध में यह भी महसूस करता हूँ कि सोशल कन्ट्रोल का अगर यही मतलब है जो उपप्रधान मंत्री जी ने देख के सामने रखा है तो मेरी दृष्टि में इससे कहीं लोच-को गुमराह करनेवाली

दूसरी बात नहीं हो सकती। क्योंकि जो कल्पना यहां पर बेश की है कि 51 प्रतिशत अमुक-अमुक लोग रहें, कोई मुनीम रहे, कोई खेती करनेवाला रहे, कोई कोआप-रेटिव सोसायटी का सीकेतरी रहे……

MR. DEPUTY-SPEAKER : You can oppose or support any amendment, but no general debate.

श्री जार्ज फ्लैनडीज़ : मैं तरमीम का समर्थन कर रहा हूँ और समर्थन करते हुए मैं यह बताना चाहता हूँ कि इस तरमीम को क्यों मन्त्रूर किया जाय ?

जब हम समाजीकरण की बात करते हैं तो उस क्षेत्र में काम करनेवाले कर्मचारी उस क्षेत्र से असल सम्बन्ध रखनेवाले लोग, उन उद्योगों को चलानेवालों का भी तो उसमें कुछ हिस्सा रहे। उस क्षेत्र में सबसे ज्यादा हिस्सा रखनेवाले डिपार्टमेंट्स हो सकते हैं, काम करनेवाले कर्मचारी हो सकते हैं, कर्मनी के शेअर-होल्डर्स हो सकते हैं, लेकिन आप यह देखेंगे कि इस धारा में इन तीनों का कोई जिक्र नहीं है। ऐसी हालत में मज़दूर आन्दोलन में काम करने वाले बैंक कर्मचारियों के प्रतिनिधियों को इस बाई में रखेजानेवाली तरमीम को सरकार स्वीकार नहीं करती है तो फिर समाजीकरण की झटी बात लोगों के सामने रखने का कोई मतलब नहीं रहेगा। मैं तो यह समझता हूँ कि इस धारा के आधार पर सरकार एक ही काम करना चाहती है कि जिसमें अपनों में से कई लोगों को इन बोडी पर बैठा सके। जैसा कि हमने सुना है कि कई ऐसे लोगों को जो इस सदन के सदस्य हैं अबवा बाहर के सोग हैं, जो अब तक किसी बोई में नहीं थे, उन लोगों को बोडी पर बैठाने का काम किया गया है।

दूसरी बात—इस किस्म के बोई बनाने के कई सामाजिक नियन्त्रण हाथ में आते हैं। मैं यह बात नहीं भानता हूँ कि जिन सोयों के हाथों में आज बैंकों की बागदार है उनसे निकासने का आप प्रयत्न कर रहे हैं

और ऐसा न इस घारा से होनेवाला है। उदाहरण के तोर पर जैसा हम राजनीतिक दलों में देखते हैं कि जब कोई बोर्ड बनता है, तो उसमें अफसर तो इसरे-इसरे लोग रहते हैं, लेकिन उनके पीछे बात नेता की ही चलती है। जैसे गुजरात में आपकी बात चलती है, मुख्य मंत्री चाहे कोई भी हो, संगठन का अध्यक्ष चाहे कोई भी हो, लेकिन बात तो आपकी ही चलती है, वही मामला यहाँ भी चलता है।

श्री मोरारजी दसाई : मेरी बात नहीं चलती है।

श्री जाबं करनेन्द्रीज़ : बैंक बिरला का हो, टाटा का हो, किसी का हो, इन्हीं लोगों में से उठा कर चेयरमैन बना देंगे, लेकिन पर्दे के पीछे से खड़े होकर खुद ही उस धनधेरों को चलाते रहेंगे। इस लिये मैं चाहता हूँ कि थोड़ा बहुत नियन्त्रण रहे।

SHRI MORARJI DESAI : The first amendment is about reducing 51 per cent to 40 per cent. This cuts across the whole scheme. What is wanted is that the hold of the bigger industrialists must be removed. That cannot be removed if they are in a majority in the management, i.e. majority of directors. Therefore, that cannot be done and I cannot accept this amendment.

The other one is the amendment of Shri Lobo Prabhu where he wants that along with shareholders, depositors also should be there. That is not the scheme even now. It has never been thought of. It is a new idea. But it is not practicable because the lists of depositors will go on changing. They will not remain the same. But, it is not necessary to have them. As a matter of fact, most of the directors will be representatives of depositors, because they will all have deposits. Therefore, they will be taken care of. As I said earlier, the interests of the depositors will have to be taken care of if the banks are to work.

Mr. Indrajit Gupta and Mr. Dhar want that one who is well-versed in trade

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union movement of bank employees also should be qualified to be a director. It is a matter of policy which will have to be decided whether in all or any of these representatives of labour should be there or not. I personally am not opposed to it at all. But it is a matter of having a general policy decided. But as it is worded here, it will only enable politicians of the type of my hon. friend to get into this because they are the people who are well-versed in the trade union movement of bank employees.

SHRI INDRAMIT GUPTA : You do not mind Congress politicians.

SHRI MORARJI DESAI : I do not want them also. (*Interruptions*). Making noise does not make a point at all. I am saying I am not interested in any Congressman going or these people not going into it.

श्री जाबं करनेन्द्रीज़ : शान्ति लाल शाह को ऐसे ही ले लिया ?

SHRI MORARJI DESAI : I have not sent him there. I have not nominated any person. These are elected by the shareholders. I have not suggested anybody's name myself.

But I would not say that any member of a political party, if he is qualified, should be debarred from going into it. But he must be qualified for it. That is all what I would say. Otherwise, there are politicians everywhere who are qualified. Why should they not go into banks and why should they not manage banks, I do not know. My hon. friends can also go there. I do not object to it. But to say that those who are qualified by their association with trade union movement should be there, that by itself is not a qualification in my view. But the representatives must be of the workers who are there; that I can understand. If he has asked for it personally I am in favour of it.

SHRI INDRAMIT GUPTA : Then why don't you accept it?

SHRI MORARJI DESAI : But I do not want to introduce it until the government has adopted it as a policy for all

things. But it is not possible until this policy is decided by government for all concerned. If that is to be done, then it should not begin with banks; it should begin elsewhere. Banks are the last where it should begin.

SHRI MADHU LIMAYE : Why?

SHRI MORARJI DESAI : Because bank is not a matter where you can play.

Shri Sequeria wants that they should be in whole-time employment of such company which means only employees should be directors. That is what he wants because he wants all the directors should be whole-time directors. Both things are not possible. He wants all the qualifications to be removed and only bank employees should be directors of banks. It is a very strange idea to be heard and I do not think anybody else will support him.

SHRI ERASMO DE SEQUERIA : Full-time professional bankers; I did not say any employees.

SHRI MORARJI DESAI : He has said employees of such companies will be directors. If he wants to ruin the banks that way, he can certainly do that.

Then there is the amendment by Shri Bibhuti Mishra. He wants that 2 should be changed to 25. I hope my hon. friend knows that generally the number of directors is only 10 to 15. Now, out of that, how am I to appoint 25 from these? 51 per cent will be from these sections. I have said that at least 2 will be representing them. That does not mean only 2; there will be more. There will be for agriculture, small-scale industries and co-operation and sometimes they will choose those who know both agriculture and co-operation; you will find people like that. There is no intention of having any people, who are engaged in this as a hobby, getting into this, or large-scale industrialists who are also agriculturists getting into this. They would not be able to do it. They would be disqualified. They would fall under the category of 49 per cent; they will not come under 51 per cent. Therefore, that is automatically stopped and they would not be able to get in like that.

SHRI BIBHUTI MISHRA : In the name of small-scale industrialists agriculturists should not be debarred.

SHRI MORARJI DESAI : Agriculturists will be there.

Shri Banerjee wants that any act or proceeding of the Board of Directors should be invalid if there is some defect in the composition of the Board. This would be a very dangerous thing.

SHRI S. M. BANERJEE : My contention is that it may be misused by these people.

SHRI MORARJI DESAI : I have heard his contention. There is no question of misuse. That can be set right by the board afterwards. But if you say that it is invalid, banking business would become very difficult. I do not know how it can be done. That is not done anywhere.

SHRI PILOO MODY (Godhra) : He does not know either.

SHRI MORARJI DESAI : Then there is the proposition of my hon. friend, Shri Dandekar. He says, add the words "or a director of a financial institution approved in this behalf by the Reserve Bank". At one stage he does not want to give even all the powers which are there; at another stage, he wants to add to the powers. I do not know why it is necessary. I do not think it would be profitable or good, or in the interests of the bank, or the policy that we want to have, that the Chairman should be a director anywhere else.

15.00 HRS.

Of course, it was argued by my hon. friend, Shri Indrajit Gupta, that it is impossible to tell that these chairmen who have now been appointed are not engaged in business everywhere. As far as my information goes, they are not. They are not concerned with any other companies and I do want that they should not be concerned.

SHRI PILOO MODY : It says, vocation also.

SHRI MORARJI DESAI : I do not know; may be, vocation of an architect or something. That also would be a profession. Vocation means where he earns money in other manner. I do not want them to do that. I want them to look after the banks solely and not have any other interest. That is why it has been done. It is, therefore, that I cannot accept any of these amendments.

SHRI SRINIBAS MISRA : What about amendments Nos. 46 and 47?

SHRI MORARJI DESAI : Shri Srinibas Misra wants that line 19 be omitted. I have already said that I do not want them to be engaged in any other business or vocation.

SHRI SRINIBAS MISRA : After they are made chairmen, they will not be engaged. But this means that before that they would not have any vocation.

SHRI MORARJI DESAI : That is not so. He has to get out of that on the day previous.

SHRI SRINIBAS MISRA : This does not give that meaning.

SHRI MORARJI DESAI : This is the meaning. Here it says:—

"Every chairman of the Board of directors of a banking company shall be a person who has special knowledge and practical experience of—

x x x x x

Provided that a person shall be disqualified for being a chairman, if he—

x x x x x

is engaged in any other business or vocation."

This means that after he is appointed on the day he is appointed if he is engaged like that he will be disqualified.

SHRI SRINIBAS MISRA : If I am engaged in some business—I am having a carpentry shop, let us take it—I am disqualified to be a chairman. He will be disqualified to be a chairman when he is engaged in business means before the appointment.

SHRI PILOO MODY : You can put the carpentry shop in your wife's name.

SHRI MORARJI DESAI : If a person is to be a Member of the House, he is disqualified if he does not get out of it before he files his nomination but if he gets out of that before and when he is nominated he is not in it, he is not disqualified, whatever he may be doing before.

SHRI SRINIBAS MISRA : The wording should have been otherwise.

SHRI MORARJI DESAI : My hon. friend may have better knowledge of law than I have.

SHRI SRINIBAS MISRA : It is not the knowledge of law; it is only the foreign language in which we are talking.

SHRI MORARJI DESAI : The language is foreign both for him and for me. I am saying it is all right. He does not think so. But I have to go by my legal advisers; that is why I accept it and I cannot say otherwise. Therefore I oppose all the amendments.

SHRI D. N. PATODIA : Will the Deputy Prime Minister accept my amendment?

SHRI MORARJI DESAI : I do not accept his amendment.

SHRI D. N. PATODIA : It is with regard to the right of appeal to the Supreme Court Judges instead of to the Central Government.

SHRI MORARJI DESAI : My hon. friend wants that the Supreme Court Judges or other Judges should do everything. That is not possible. I do not think that it is a matter for the courts.

SHRI LOBO PRABHU : My amendment was for it to be laid on the Table of the House. You cannot have any objection to that.

SHRI MORARJI DESAI : Individual orders cannot be laid on the Table.

MR. DEPUTY-SPEAKER : Shall I put all the amendments together to the vote of the House?

SHRI S. M. BANERJEE : We want amendment No. 75 to be put separately.

MR. DEPUTY-SPEAKER : So, excluding amendment No. 75 by Shri Indrajit Gupta, I am putting all the amendments to clause 3 together to the vote of the House.

Amendments Nos. 6 to 9, 33, 34, 46, 47, 60 to 62, 76, 77, 100 to 102, 125, and 127 to 129 were put and negatived.

MR. DEPUTY-SPEAKER : Now, I put Amendment No. 75 of Shri Indrajit Gupta to the vote of the House. The question is :

Page 3—

after line 33, insert—

"(viii) trade union movement of Bank employees," (75).

The Lok Sabha divided :

DIVISION NO. 8]

AYES

[15.09 HRS.

Abraham, Shri K. M.
Adichan, Shri P. C.
Anbazhagan, Shri
Badruduja, Shri
Banerjee, Shri S. M.
Dange, Shri S. A.
Dar, Shri Abdul Ghani
Daschowdhury, Shri B. K.
Dhandapani, Shri
Dwivedy, Shri Surendranath
Esthoose, Shri P. P.
Fernandes, Shri George
Ghosh, Shri Ganesh
Gupta, Shri Indrajit
Jha, Shri Shiva Chandra
Joshi, Shri S. M.
Kalita, Shri Dhireswar
Kandappan, Shri S.
Khan, Shri Ghayoor Ali
Kushwah, Shri Y. S.
Lakkappa, Shri K.

Limaye, Shri Madhu
Meghachandra, Shri M.
Menon, Shri Vishwanatha
Misra, Shri Srinibas
Molahu Prasad, Shri
Mukerjee, Shri H. N.
Nair, Shri N. Sreekanth
Nair, Shri Vasudevan
Nayanar, Shri E. K.
Nihal Singh, Shri
Pandey, Shri Sarjoo
Patel, Shri J. H.
Patil, Shri N. R.
Rao, Shri V. Narasimha
Ray, Shri Rabi
Samanta, Shri S. C.
Sambhali, Shri Ishaq
Sen, Dr. Ranen
Sequeira, Shri Erasmo de
Steedharan, Shri A.
Viswambharan, Shri P.

NOES

Ahmad, Dr. I.
Amin, Shri R. K.
Babunath Singh, Shri
Bajpai, Shri Vidya Dhar
Barua, Shri Bedabrata
Barupal, Shri P. L.
Bhanu Prakash Singh, Shri
Bhola Nath, Shri
Birua, Shri Kolai
Chanda, Shrimati Jyotsna
Chandrika Prasad, Shri
Chatterji, Shri Krishna Kumar
Chaudhary, Shri Nitiraj Singh
Chavan, Shri D. R.

Dalbir Singh, Shri
Dandeker, Shri N.
Das, Shri N. T.
Dassappa, Shri Tulsidas
Deoghare, Shri N. R.
Desai, Shri C. C.
Desai, Shri Morarji
Deshmukh Shri Shivajirao S.
Dixit, Shri G. C.
Gajraj Singh Rao, Shri
Gautam, Shri C. D.
Gavit, Shri Tukaram
Himatsingka, Shri
Kamble, Shri

Kasture, Shri A. S.
 Kinder Lal, Shri
 Kureel, Shri B. N.
 Lobo Prabhu, Shri
 Mahadeva Prasad, Dr.
 Mahajan, Shri Vikram Chand
 Majhi, Shri Mahendra
 Mandal, Dr. P.
 Masuriya Din, Shri
 Minimata, Agam Dass Guru, Shrimati
 Mishra, Shri Bibhuti
 Mishra, Shri G. S.
 Mody, Shri Piloo
 Mohamed Imam, Shri
 Naghnoor, Shri M. N.
 Naik, Shri R. V.
 Pahadia, Shri Jagannath
 Palchoudhuri, Shrimati Ila
 Pandey, Shri Vishwa Nath
 Pant, Shri K. C.
 Parthasarathy, Shri
 Patel, Shri Manubhai
 Patil, Shri Deorao
 Patodia, Shri D. N.
 Poonacha, Shri C. M.
 Qureshi, Shri Shaffi
 Radhabai, Shrimati B.
 Rajasekharan, Shri
 Ram, Shri T.
 Ram Subhag Singh, Dr.
 Randhir Singh, Shri
 Ranga, Shri
 Rao, Dr. K. L.
 Rao, Shri Thirumala
 Rohatgi, Shrimati Sushila
 Roy, Shri Bishwanath
 Sadhu Ram, Shri
 Saigal, Shri A. S.
 Santosham, Dr. M.
 Sarma, Shri A. T.
 Sen, Shri Dwaipayan
 Shah, Shrimati Jayaben
 Shambhu Nath, Shri
 Shankaranand, Shri
 Sharma, Shri D. C.
 Sharma, Shri Nawal Kishore
 Shastri, Shri B. N.
 Sheo Narain, Shri
 Sher Singh, Shri
 Shinkre, Shri
 Shiv Chandika Prasad, Shri
 Shivappa, Shri N.
 Shukla, Shri S. N.

Sinha, Shrimati Tarkeshwari
 Sonar, Dr. A. G.
 Sonavane, Shri
 Sursingh, Shri
 Tiwary, Shri D. N.
 Tiwary, Shri K. N.
 Tula Ram, Shri
 Uike, Shri M. G.
 Yadab, Shri N. P.

MR. DEPUTY-SPEAKER : The result* of the Division is : Ayes : 42; Noes : 90.

The motion was negatived.

SOME HON. MEMBERS : Shame, shame !

MR. DEPUTY-SPEAKER : The question is :

"That Clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4—(Amendment of section 16)

MR. DEPUTY-SPEAKER : There is no amendment. So, I put it to the vote of the House.

SHRI N. DANDEKER : I am opposing clause 4.

It seeks to amend section 16 of the principal Act and it seeks to introduce a new sub-section (3) to the effect that nothing in sub-section (1) shall apply to, or in relation to, any director appointed by the Reserve Bank.

Now, sub-section (1) is a very important one in which it is sought to exclude from its application to a director appointed by the Reserve Bank. The Sub-section (1) reads :

"No banking company incorporated in India shall have as a director any person who is a director of any other banking company or of companies which, among themselves, are entitled to exercise voting rights in excess of 20 per cent of

*The following Members also recorded their votes :

AYES : Sarvashri Sheopujan Shastri, Vasudevan Nair, Narayanan and Baidhar Behera.

NOES : Shri Ganpat Sahai and Dr. Sankata Prasad.

[**Shri N. Dandeker**]

the total voting "rights of all the shareholders of the banking company."

These are salutary disqualifications for a director of a banking company. I see no reason whatever why these disqualifications should not apply also to a director appointed by the Reserve Bank. I, therefore, oppose it.

SHRI RANGA (Srikakulam) : The hon. Minister has no reply to this ?

SHRI MORARJI DESAI : I was not called upon. Therefore, I did not get up.

SHRI PILOO MODY : Probably there is something in his basket.

SHRI MORARJI DESAI : There is nothing in the basket. Everything is open.

SHRI PILOO MODY : Everything is open, we know that the treasury is empty.

SHRI MORARJI DESAI . When the Reserve Bank appoints a director, certainly the Reserve Bank will see that he is not involved in any kind of business like that, but it is necessary sometimes that one may have to appoint directors in several places; one may have to appoint one or two men in several places. In that case it will be necessary to say that this does not apply. That is why this has been done.

MR. DEPUTY-SPEAKER : The question is :

"That clause 4 stand part of the Bill.

The motion was adopted.

Clause 4 was added to the Bill.

Clause 5—(Substitution of new section for section 20).

SHRI N. DANDEKER : I beg to move :

Page 8, line 16,—
for "as partner," substitute—

"as partner holding substantial interest, or as" (10)

Page 8, line 21,—

omit "director," (11)

Page 8, line 25,—
after "partner" insert—

"holding substantial interest"
(12)

Page 8,—

after line 25, insert—

"Provided that this sub-section shall not apply to the grant of loans and advances to, or the acquisition of debentures or other securities issued by,—

- (i) concerns in which the Central Government or the Government of a State holds substantial interest, or
- (ii) a subsidiary company of the banking company, or
- (iii) a company registered under section 25 of the Companies Act, 1956, or
- (iv) a local authority." (13)

Page 9, line 5,—

for "one year" substitute—

"three years" (14)

Page 9,—

omit lines 6 to 12. (15)

Page 9,—

after line 12, insert—

"Provided that nothing in this sub-section shall apply to any loan or advance granted or committed to be granted to any firm or company in which none of the directors of the banking company holds substantial interest." (16)

SHRI ABDUL GHANI DAR : I beg to move :

Page 8,—

after line 25, insert—

"(1A) No director or a member of any local Committee of a banking company shall be entitled to receive loan or

advance against sufficient security more than ten per cent of the paid-up capital." (26)

Page 9, line 24—

after "director" insert—

"or a member of local committee" (27)

Page 8.—

after line 25, insert—

"(c) grant loans or advances to persons or firms who have been black-listed by the authorities or to those who are insolvent or those who have not paid the government loans or who are unable to pay government taxes;

(1A) Persons or firms those who get loans or advances of more than rupees five lakhs the rate of interest shall be 1 per cent more than the usual rate."

(82)

SHRI INDRAMIT GUPTA : I beg to move:

Page 9,—

omit lines 28 to 35. (35)

Page 9,—

omit lines 40 to 42. (36)

SHRI S. S. KOTHARI : I beg to move:

Page 8, line 9,—

after "shall" insert—

"except with the sanction of Reserve Bank of India." (63)

Page 9, lines 9 and 10,—

omit "until such date, not being a date beyond the period of three years from the commencement of the said section 5, and" (66)

SHRI LOBO PRABHU : I beg to move:

Page 8, line 10,—

after "(a)" insert—

"without the prior approval of the Reserve Bank." (64)

SHRI MANUBHAI PATEL (Dabhoi) : I beg to move:

Page 9,—

/qr lines 36 to 39, substitute—

"(b) "director" includes a member of any board or committee in India constituted by a banking company for the purpose of managing, or for the purpose of advising it in regard to the management of, all or any of its affairs." (83)

MR. DEPUTY-SPEAKER : These amendments are now before the House. We decided to dispose of this Bill in two hours today. Two hours are nearly over now, and we have only 15 more minutes left. Shall we apply the guillotine? Or else, how do we stick to the time-schedule?

SHRI LOBO PRABHU : The time-schedule should be guillotined and not the Bill.

MR. DEPUTY-SPEAKER : I would request hon. Members to be very brief. If each clause is going to take 45 minutes, how are we to proceed?

SHRI INDRAMIT GUPTA : Let us pick out the clauses on which the greatest number of amendments have been tabled.

SHRI S. S. KOTHARI : Only clauses 5 and 15 are important.

SHRI N. DANDEKER : The first three amendments of mine, namely amendments Nos. 10, 11 and 12 are merely concerned with disqualifying a borrowing concern from borrowing from a bank if and only if a director of the bank has a substantial interest in that concern. There are various other matters in the proposed clause with which I agree. The only thing with which I do not agree is that merely because the director of one company is a director of a bank, therefore, for that reason alone that company should be disqualified; that seems to be improper. The only circumstance where any such lending to a company or a concern

[Shri N. Dandekar]

should be prohibited is where a director of the bank has a substantial interest in that particular borrowing concern.

Amendment No. 13 is merely concerned with permitting loans to be granted, notwithstanding the interest of the director and so on, to four categories, namely concerns in which the Central Government or the State Government themselves have a substantial interest, a subsidiary company of the banking company, a company registered under section 25 of the Companies Act and a local authority. I really see no reason why these should be disqualified for borrowing merely because a director of the bank is associated with them.

The third group of amendments, namely amendments Nos. 14 to 16 are rather important, and I shall spend just a couple of minutes on them. The point here is this, that where a company or a concern is disqualified from borrowing, because a director of the bank is concerned with that company in a certain way, sub-clause 2 of the proposed new clause is concerned with saying that where loans already exist to such concerns, they must be repaid within one year. My submission is that, the period for repayment should be three years. Secondly, and I am very emphatic about this, that the Reserve Bank's power to relax this period of one year should be taken away, because I think that it will be entirely against public policy that the Reserve Bank should be exposed to charges of discrimination and so on when they interfere in a matter of this kind.

I would not repeat the other arguments which have been said earlier.

श्री अम्बुल गन्धी दार : मैं ने इस में दो तरह के अमेंडमेंट दिए हैं। एक तो मैंने चाहा है कि जहां डाइरेक्टर का लफूज है उस के साथ “लोकल गवर्नरमेंट के मेम्बर” का लफूज भी जोड़ दिया जाये। वह इस लिए कि वह भी काफ़ी बसर रखते हैं। भले ही वह डाइरेक्टरों के बराबर न रखते हों लेकिन फिर भी काफ़ी असर रखते हैं बैंक वालों के ऊपर।

दूसरी बात जो मैं ने इस में कही है वह यह है कि जहां पर “आडिटर” वहां पर एक तो बैंक के बन्दर का हो जिस को रिजर्व बैंक की मंजूरी हो और एक रिजर्व बैंक का हो। यह इसलिए, जैसा मैंने कल कहा था, कि सात बरस तक पंजाब नैशनल बैंक में एन्डैजलमेंट हुआ क्योंकि आडिटर उन के थे। रिजर्व बैंक का कोई आडिटर नहीं था, हालांकि उन के आब्जर्वर थे।

तीसरी बात यह कही कि जहां पर लोन्स एंड एडवान्सेज की बात चलती है वहां जो लोग बैंक लिस्ट पर आ जाते हैं गवर्नरमेंट की, उन को किसी तरह का कर्जा नहीं मिलन चाहिए क्योंकि अगर वह कर्जा लेते चले जाते हैं तो बैंक को जो डिपार्टमेंट्स होते हैं उन के इंटरेस्ट का खतरा पहुंचता है और बैंक के डूबने का डर होता है। जब भी कोई दिवाला निकालता है और दीवाले की दब्ल्यूस्ट देता है तो रुपया घर में रखता है। मैं ने कहा है कि उन को भी लोन्स और एडवान्स करने पर कुछ पाबन्दी लगाई जाये। साथ ही जिस किसी ने भी जान बूझ कर इनकम टैक्स नहीं दिया है या जान बूझ कर सेलस टैक्स नहीं दिया है, या किसी किसी का टैक्स, जैसे कि वेल्थ टैक्स है, डैथ डियूटी है, पता नहीं क्या क्या टैक्स लगाए गए हैं, अगर कोई नहीं देता है तो उस को किसी तरह से भी रुपया न दिया जाए।

चौथी बात मैंने यह कही है जोकि बहुत ही मुख्यसर है, कि आम तौर पर जो छोटे इंडस्ट्रियलिस्ट्स हैं, जिन के लिए श्री विभूति मिश्र ने कहा, उन के निए बैंक के इंटरेस्ट का कुछ ज्यादा रेशियो होना चाहिए। मैंने कहा है कि इस तरह के जो लोग लोन्स लें उन का इंटरेस्ट यूजुल रेट से 1 परसेंट ज्यादा होना चाहिए। क्योंकि वह बहुत ज्यादा कायदा उठाते हैं। मलाई जो होती है बैंक की वह सारी वह खा जाते हैं और छाँ श्री विभूति मिश्र के किसानों के लिए रह जाती है। उन को ज्यादा टैक्स देना चाहिए।

मैं उम्मीद करता हूँ कि जो कुछ मैं ने कहा है उस को आन लिया जायेगा। जो इन्साल्वेट हो जायें, जो ब्लैक लिस्ट हो जाएं, जो अपने टैक्स के एरियर्स न दें, उन्हें किसी भी तरह से हाया न दिया जाय। इस चीज को तो जरूर ही मान लेना चाहिए। साथ ही मैंने कहा है कि जो दो आडिटर हों उन में से एक रिजर्व बैंक का हो। इस को मैं समझता हूँ कि वह मान लेंगे।

तो सरी चीज जो मैं ने कही है उस को मिनिस्टर साहब मानेंगे या नहीं यह खुदा जाने।

شیعی عبدالفتیح ڈار : मैंने اس में दो त्रैये के अमिनेमेंट दीर्घ हीन - एिक तो मैंने जाहा कह जहां ڈائ्रिक्टर का لفظ है एस के साथे लोकल गोरनमेंट के स्पर्श का लफ्त भी जोड़ दिया जाए - वह एस का लक्ष कर वही काफी अंतर कहते हीन - बहले ही वह ڈائ्रिक्टरों के बराबर नह रक्हते होन लिक्न वह वही काफी अंतर कहते हीन यिन्क वालों के ओपर -

दोस्री बात जो मैंने एस में कही है वह ये है कि जहां वर्ड ऑफिसर हीन - वहां पर एिक तो यिन्क के अंदर का हो जस को रिझर्व यिन्क की नियन्त्रणी हो और एिक रिझर्व यिन्क का हो - ये एस लेणे, जिसका कि मैंने कल कहा तहा कि सात ब्रेस तक प्रभाव निश्चल यिन्क मैंने एम्बिलमेंट हवा कियो कि ऑफिसर अंतर के तहे - रिझर्व यिन्क का

कोठी ऑफिसर नहीं तहा - حالांकह अंके अब्रुर तहे -

तिसरी बात ये कही कि जहां वर्ड लॉन्स ऑफिस की बात चलती है वहां जो लोग ब्लिक लस्ट वर्ड आ जाने हीन गोरनमेंट की - अन को किसी त्रैये का قرضह नहीं माना जाहें - कियो कि एकोनके अंतर वह वर्ड लिते छै जाने हीन तो यिन्क के जो डिवाइस वर्ड होते हीन एन के अन्तर्स्ट को खत्रे बहेजता है - और यिन्क के डिव्वने का डॉर होता है - जब वही कोठी दिवाले नकला है और दिवाले की दखواست दिता है तो रोधी गहर मैं रक्हता है - मैंने कहा है कि एन को वही लॉन्स और ऑफिस लर्ने वर्ड कैचे पांडी लकानी जाए - सातह ही जस किसी ने वही जान बوجे कर अंकम थिक्स नहीं दिया या जान बوجे कर सिल्स थिक्स नहीं दिया है - या किसी कालीक्स जिसे कि वित्ती थिक्स है - डित्ती डिव्वनी है - पते नहीं किया किया थिक्स लकानी गत्ते हीन अंकर कोठी नहीं दिता है तो एस को एसी त्रैये से वही रोधी नह दिया जाए -

जो तोही बात मैंने वही कही जो कि बहत ही مختصر है - वह उम्मीद वर्ड जो चेहरे अंस्ट्रिलिश

[شری عبدالغفار]
 ہیں - جن کے لئے شری و بھوتی مشر نے کہا - ان کے لئے بینک کے انٹریسٹ کا کچھ زیادہ ریشیو ہونا چاہئے - میں نے کہا ہے کہ اس طرح کے جو لوگ لونس لیں ان کا انٹریسٹ یوزوٹل ریٹ سے اپریسینٹ زیادہ ہونا چاہئے - کیونکہ وہ بہت زیادہ فائدہ اٹھاتے ہیں - ملائی جو عوتی ہے بینک کی وہ ساری وہ کہا جاتے ہیں اور چھانچھے شری و بھوتی مشر کے کسانوں کے لئے وہ جاتے ہے - ان کو زیادہ ٹیکس دینا چاہئے -

میں امید کرتا ہوں کہ جو کچھ میں نے کہا ہے اس کو مان لیا جائے گا - جو انسالوینٹ ہو جائیں - جو بلیک لسٹ ہو جائیں ، جو اپنے ٹیکس کے ایریس نہ دیں ، انہیں کسی بھی طرح سے روپیہ نہ دیا جائے - اس چیز کو تو ضرور ہی مان لینا چاہئے - ساتھ ہی میں نے کہا کہ جو دو آٹیٹر ہوں ان میں سے ایک ریزو رو بینک کا ہو - اس کو میں سمجھتا ہوں کہ وہ مان لینگے -

تیسرا چیز جو میں نے کہی ہے اس کو منستر صاحب مانیں گے یا نہیں یہ خدا جانے -

SHRI INDRAMIT GUPTA : In brief, my amendments, namely amendments Nos. 35 and 36 refer to the exemption

power which is sought to be given to the Reserve Bank to specify that any particular loan or advance is not a loan or advance for the purpose of repayment. The point is that in the original Bill the time-limit of one year was specified within which such loans and advances were to be repaid. Then, the Select Committee has extended this up to three years. They can be given time by the Reserve Bank up to three years. I was opposed to even that. But now on top of that, this further power is sought to be given to the Reserve Bank that they may specify certain loans and advances as not loans and advances for this purpose at all. I think that it contains power for very dangerous practices, and we know in the past that such loans and advances have been given which have been given absolutely without any security and without any basis, and later on on some ground or the other they have not been repaid. This contains scope for putting undue pressure on the Reserve Bank to secure such exemption.

Therefore, I am opposed to this provision. My other amendment is a consequential one.

SHRI S. S. KOTHARI : I am opposed to what Shri Indrajit Gupta says. In my opinion, with the permission of the Reserve Bank, loans and advances may be permitted, but with regard to repayment period for existing loans being extended, may I say that the period within which the loan should be repaid has been reduced from three years to one year.

SHRI INDRAMIT GUPTA : It was originally one year.

SHRI S. S. KOTHARI : It has been reduced from three years to one year. My submission is that it should have been three years, because for a company which has taken loan, which may exceed even a crore of rupees, it may not be easy to switch over overnight to another bank within this period. Therefore, in my opinion, this should have been kept at three years and the Reserve Bank should have power to extend this period on application being made, as may be

necessary, so that industries do not suffer, as the legitimate needs of industry have to be met in the interest of the economy.

SHRI LOBO PRABHU : My amendment is the same as that of Shri Kothari, but I would like to give my own reasons in support of it.

The question before the country is whether banking should be opposed to industry. If you look to the history of our banking, it was first associated with trade; then it became associated with industry. Now it is the intention of Government that it should be for agriculture. No one contests the interest of banking in agriculture, but it would be very wrong, specially at a time of recession like this to place obstacles in the way of industries getting easy accommodation. There are many shocks which have been delivered to industry. The managing agency is not going to be there. There may be other restrictions imposed.

I would request the Finance Minister to continue the present provision that loans may only be given with the consent or the prior approval of the Reserve Bank. I would like, in this connection, to ask whether the provision as it is, has been abused. Have loans been given that the Reserve Bank did not think should be given?

SHRI INDERJIT GUPTA : Yes.

SHRI LOBO PRABHU : In that case, why should not the provision continue as apparently it has been ample and abundant. But in its present form as proposed, this ban on loans is very disheartening to industry.

SHRI MANUBHAI PATEL : My amendment is a very simple one seeking to substitute the existing definition with a new definition of 'director'. As it is,

(b) reads :

"director" means a member of any board of committee in India constituted by a banking company for the purpose of advising it in regard to the management of its affairs.

I want to change it to :

"director" includes a member of any board or committee in India constituted by a banking company for the purpose of managing or for the purpose of advising it in regard to the management of, all or any of its affairs'.

This amendment is simple and self-explanatory and I do not think I need clarify it further.

SHRI ERASMO DE SEQUEIRA : I have three amendments to the clause. This is with a reference to repayment of loans prohibited or sought to be prohibited in the Bill. At present, the time for such repayment is one year, and the Reserve Bank has been given power to extend it to three years. I suggest that the time-limit should be three years, and the power of the Reserve Bank to extend it should be removed.

I have also suggested the explanation of sub-section (4), giving the Reserve Bank the power to specify that certain loans will not be loans for the purpose of sub-section (4) which is for retirement of directors, should be removed. I would like to draw attention to the fact that sub-section (5) already provides the Reserve Bank with power to define what a loan or advance is.

SHRI MORARJI DESAI : About this amendment taking away the power given to the Reserve Bank to extend it to three years, I am prepared to give it up, if my hon. friend, Shri Dandekar—he is not here—is satisfied with one year's period.

SHRI PILOO MODY : Three years.

SHRI MORARJI DESAI : I am not prepared to extend it to three years. I am prepared to keep it only as one year. If the power given to the Reserve Bank to extend it is not liked, I am prepared to give it up.

SHRI PILOO MODY : It was not the power of extension he talked about, but about the discretion to call a loan and advance.

SHRI MORARJI DESAI : I am not referring to that, but to the other thing, loan being repaid.

I was just asking whether Shri Dande-ker wants this power given to the Reserve Bank to be dropped. I am not prepared to extend the period.

I am prepared to drop that power given to the Reserve Bank.

SHRI N. DANDEKER : My suggestion is that it would be far better for the banking system and the Reserve Bank that you extend the term within which these loans are to be repaid rather than throw upon the Reserve Bank the burden of having to extend the time.

SHRI MORARJI DESAI : We have discussed this in the Select Committee and it was found that the extension was not agreed to. It was only as a matter of compromise that the Reserve Bank was given this power to extend, but if that is to be given up I am prepared. I am absolutely not prepared to extend one year to three years.

SHRI PILOO MODY : There will be more corruption.

SHRI MORARJI DESAI : It is not a question of corruption. I cannot allow it to go on for three years like this, unless for extra-ordinary reasons the Reserve Bank gives permission. If that is not required I shall drop it.

SHRI N. DANDEKER : I am asking you to take the lesser of the two evils.

SHRI MORARJI DESAI : By his amendment No. 27 Shri Dar wants them to be given loans up to 10%. I do not know why he wants. At present they cannot get it. He wants to keep it open for them. This is against the whole scheme. I cannot accept that.

I accept Shri Manubhai Patel's amendment No. 83, because it is clarificatory. Otherwise I oppose all other amendments.

MR. DEPUTY-SPEAKER : I put to the House all amendments except amendment No. 83.

Amendments Nos. 10 to 16, 26, 27, 35, 36, 63 to 66 and 82 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

Page 9,—
for lines 36 to 39, substitute—

(b) "director" includes a member of any board or committee in India constituted by a banking company for the purpose of managing, or for the purpose of advising it in regard to the management of, all or any of its affairs.' (83)

The motion was adopted.

MR. DEPUTY-SPEAKER : The question is :

"That Clause 5, as amended, stand part of the Bill."

The motion was adopted.

Clause 5, as amended, was added to the Bill.

MR. DEPUTY-SPEAKER : As it would be too harsh to apply the guillotine, I suggest we take up Clauses 6—14.

SHRI S. M. BANERJEE : We know that the time is very limited, but this House can extend the time. Let us function as Parliament, and not as an electronic computer.

MR. DEPUTY-SPEAKER : I am giving full latitude permissible within limits. On clause 15, there will be a debate. Something must be done. (*Interruption*). I am giving the maximum latitude.

श्री विभूति मिश्न : गिलोटीन जो आप एप्लाई करना चाहते हैं, इसके बारे में मैं एक बात कहना चाहता हूँ। बिल एक वेसिक चीज़ है। बिल पर माननीय सदस्य एमेंडमेंट्स में बहुत करते हैं। मैं चाहता हूँ कि जिस किसी ने भी की हों मूल, उनकी बात को सुना जाए। गवर्नर्मेंट का जो दृष्टिकोण उन एमेंडमेंट्स के बारे में है वह भी सामने

आना चाहिए। आप कहते हैं कि टाइम लिमिट की जाए। भाषणों पर तो टाइम लिमिट होती ही है। लेकिन जब बलाजित हों तब तो पूरा मौका दिगा जाए। लोक सभा पीपल्ड रिप्रिजेटिव्ज की बात तो सुनी जाए।

MR. DEPUTY-SPEAKER : I have said that for important sections wherein there are lots of amendments, and for the contentious clauses, I would give full opportunity, but in between, I shall put all those clauses together and finish. It is agreeable to all sections of the House. I am not shutting out any debate. I do not want to hustle through, but let us keep in mind the time factor also. I will take it that all those amendments are not moved. So, I will put all the clauses together.

SHRI BIBHUTI MISHRA : I want to know whether time is important or the Bill is important.

MR. DEPUTY-SPEAKER : I accept that the Bill is important. Therefore, I am giving more time to the important clauses.

SHRI ERASMO DE SEQUEIRA : On clause 11, may I just speak for a minute?

MR. DEPUTY-SPEAKER : Sorry; once we have decided to put clauses 6 to 14 together, I will put them all together. No amendments to them are moved.

SHRI SRINIBAS MISRA : Amendment 48 is moved.

MR. DEPUTY-SPEAKER : I have said that instead of applying the guillotine for all, I apply the guillotine to these clauses in the sense that I won't have any debate. Later on, on clause 15, I will permit a debate.

SHRI SRINIBAS MISRA : We are entitled to move the amendments. They may be guillotined.

SHRI SURENDRANATH DWIVEDI : The amendments may be permitted to be moved.

Clause 6—(Amendment of section 21)

MR. DEPUTY-SPEAKER : All right. Clause 6, amendment 48.

SHRI SRINIBAS MISRA : I move : Page 10, line 2, for "or" substitute "and" (48)

MR. DEPUTY-SPEAKER : I will put the question now.

SHRI SRINIBAS MISRA : Sir, the Minister is accepting it. He will accept it.

MR. DEPUTY-SPEAKER : No debate now. I shall put the amendment.

Amendment No. 48 was put and negatived

MR. DEPUTY-SPEAKER : The question is :

"That clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

Clause 7 was also added to the Bill.

Clause 8—(Amendment of section 30)

MR. DEPUTY-SPEAKER : There is an amendment by Shri Dar—he is not moving. Shri Sequeira—not moving.

SHRI BIBHUTI MISHRA : I move : Page 10, for lines 14 and 15 insert "Central Government auditor" (139)

MR. DEPUTY-SPEAKER : But there would not be any speech now. No speech on this amendment.

SHRI BIBHUTI MISHRA : Then I am going out. What is this? If you do not want, I will go away.

आजकल चाटांड एकाउटेंट्स की एंक एजेंटी कायम हो गई है। कम्पनी बोले चाहे जिस को होता है ले जा कर अपने हिसाब किताब की जांच करवा लेते हैं। दार साहब ने बाया है कि किस तरह से पंजाब नैशनल बैंक में गड़ बड़ हुई। अगर सरकारी आष्टिटर जा कर उसकी जांच करते तो पता चल सकता था कि इस में क्या खामियां हैं, क्या नहीं हैं। इसलिए मैं चाहता हूँ कि बैंकों के हिसाब किताब की जांच के लिए सरकार अपने आष्टिटर रखे और उन से जांच करवाए। बैंकों में डिपाजिटर्ज का लाभों करोड़ों रुपया

[की विभूति मात्र]

रहता है और शेयरहोल्डर्ज का थोड़ा सा सप्ता रहता है। शेयरहोल्डर्ज अबर मदबद करना चाहें तो आसानी से कर सकते हैं। हमार महालिहार बैंक की एक जास्ता रक्सील में। बहां लोगों ने गबुड़ की। बहां पर चार्टर्ड एकाउंटेंट्स थे। लेकिन अगर सरकारी आटिडर होते तो सरकारी आटिडर उसकी ठीक से जांच करते और वे सरकार के प्रति जिम्मेदार रहते। व्यापार और बिजिनेस की तरह से चार्टर्ड एकाउंटेंट्स की भी एक संस्था बन गई है। मैं चाहता हूँ कि मेरी एमेंडमेंट को कबूल किया जाए और सरकारी आटिडर्ज के द्वारा ही बैंकों के एकाउंटेंट्स की जांच कराई जाए।

SHRI MORARJI DESAI : The Reserve Bank has already powers to get it audited by a Government auditor wherever it thinks it necessary to do so. Therefore, this is not necessary.

MR. DEPUTY-SPEAKER : I shall put the amendment to the vote.

Amendment No. 139 was put and negatived

MR. DEPUTY-SPEAKER : The question is:

"That clause 8 stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Clauses 9 and 10 were added to the Bill.

Clause 11—(Amendment of section 35-B).

SHRI D. N. PATODIA : I move the amendments standing in my name.

SHRI SRINIBAS MISRA : I also move my amendment.

SHRI ERASMO DE SEQUEIRA : I also move my amendments.

SHRI D. N. PATODIA : I beg to move:

Page 11, line 5,—

omit "or termination of appointment" (17)

Page 11,—

(i) lines 9 and 10,—
omit "or termination of appointment"

(ii) lines 13 and 14,—
omit "or termination of appointment" (18)

SHRI SRINIBAS MISRA : I beg to move:

Page 11, lines 14 and 15,—

for "made with the previous approval of the Reserve Bank"
substitute "approved by the Reserve Bank" (49)

SHRI ERASMO DE SEQUEIRA : I beg to move:

Page 11,—

(i) lines 9 and 10,—
omit "or re-appointment or termination of appointment"

(ii) lines 13 and 14,—
omit "re-appointment or termination of appointment" (108)

Page 11,—

omit lines 19 to 23. (109)

SHRI SRINIBAS MISRA : Sir, the argument of the Deputy Prime Minister is, if you want to place everything before Parliament, so much time will be required and in the meantime banking policy will be required to be formulated. I want to advance the same argument. Here also if some Chairman is found unfit, what will happen? We will have to appoint another, but there will have to be previous approval of the Reserve Bank. What I intend is, let them appoint the Chairman and let the work go on. Then the Reserve Bank can give the approval. If the Reserve Bank does not give its approval, then he will go.

SHRI ERASMO DE SEQUEIRA : I am requesting that the power of re-appointment or termination of appointment of a chairman, should not be subject to the control of the Reserve Bank. I wish to draw the attention of the Minister to the point that if the share-

holders decide that the Chairman should be removed, the Reserve Bank should not have the power to insist that he should not be removed.

SHRI MORARJI DESAI : If what the hon. member says is accepted, then there need be no control whatsoever. That is not the scheme and it is not possible for me to accept it. Mr. Srinibas Misra wants that the new Chairman can come in and afterwards the approval of the Reserve Bank can be obtained; if the Reserve Bank does not give the approval, then he can go. It is not possible for me to accept this amendment. It cannot be done.

MR. DEPUTY-SPEAKER : I shall now put all the amendments to clause 11 to the vote of the House.

Amendments Nos. 17, 18, 49, 108 and 109 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

"That clause 11 stand part of the Bill."

The motion was adopted.

Clause 11 was added to the Bill.

Clause 12—(Amendment of section 36).

SHRI SRINIBAS MISRA : In view of the answer given by the Deputy Prime Minister that the depositors' interests will always be looked into as otherwise banking cannot go on, I am not moving my amendment.

MR. DEPUTY-SPEAKER : The question is :

"That clause 12 stand part of the Bill."

The motion was adopted.

Clause 12 was added to the Bill.

Clause 13 and 14 were added to the Bill.

Clause 15—(Insertion of new Parts II B and II C).

MR. DEPUTY-SPEAKER : There are a number of amendments. No. 1 Mr. Deven Sen is not present.

SHRI S. M. BANERJEE : I move amendment No. 19.

SHRI N. DANDEKER : I move amendments Nos. 20 and 21.

SHRI D. N. PATODIA : I move amendments Nos. 22 to 25.

MR. DEPUTY-SPEAKER : Amendment No. 37 is the same as No. 19.

SHRI S. M. BANERJEE : I move amendments Nos. 38 to 44.

MR. DEPUTY-SPEAKER : Amendment No. 52 of Mr. Srinibas Misra is the same as No. 41, already moved. He can move the other two amendments Nos 51 and 53. Amendments No. 67 and 68 are the same as amendments moved earlier.

SHRI LOBO PRABHU : I move amendment No. 69.

SHRI S. S. KOTHARI : I move amendments Nos 70 to 72.

MR. DEPUTY-SPEAKER : Amendment No. 78 is the same as No. 19. Amendments Nos. 91 to 98 of Mr. Samar Guha are the same as other amendments earlier moved. Amendment No. 110 is the same as No. 38. Mr. Sequeira's amendment No. 112 is the same as No. 40. He can move his other amendments.

SHRI ERASMO DE SEQUEIRA : I move amendments Nos. 111, and 113 to 120.

MR. DEPUTY-SPEAKER : Amendment No. 130 of Sri Viswambharan is the same as the amendment already moved.

SHRI BIBHUTI MISHRA : I move amendment No. 140.

SHRI S. M. BANERJEE : I beg to move :

Pages 12 and 13.—

Omit lines 20 to 38 and 1 to 8 respectively. (19)

SHRI N. DANDEKER : I beg to move :

Page 13.—

after line 8, insert—

"(4) An offence punishable under this section shall be cognisable, and no Court inferior to that of a Presidency Magistrate or a Magistrate of the first class shall try any such offence." (20)

- (i) **Page 13.—**
omit lines 9 to 34;
- (ii) **Page 14.—**
omit lines 1 to 38;
- (iii) **Page 15.—**
omit lines 1 to 40;
- (iv) **Page 16.—**
omit lines 1 to 44;
- (v) **Page 17.—**
omit lines 1 to 43;
- (vi) **Page 18.—**
omit lines 1 to 42; and
- (vii) **Page 19.—**
omit lines 1 to 21. (21)

SHRI D. N. PATODIA : I beg to move :

Page 13, line 15,—

for "on more than one occasion" substitute "persistently and wilfully". (22)

Page 14, line 2.—

after "acquired" insert—

"unless such acquisition has been approved by the Parliament and". (23)

Page 14, line 32.—

after "Government may", insert

"after having obtained prior consent from the transferee bank". (24)

Page 15, lines 28 and 29,—

for "after consultation with the Reserve Bank" substitute "in consultation with the

shareholders and the depositors of the acquired bank and with the Reserve Bank". (25)

SHRI S. M. BANERJEE : I beg to move :

Page 12.—

Omit lines 30 to 32. (38)

Page 12,—

(i) **line 34,—**
omit "or"; and

(ii) *omit lines 35 and 36.* (39)

Page 12,—

omit lines 37 and 38. (40)

Page 13,—

omit lines 1 to 4. (41)

Page 13,—

(i) **lines 2 and 3,—**

omit "with imprisonment for a term which may extend to six months."

(ii) **line 4,**

omit "or with both". (42)

Page 13, line 4,—

for "one thousand" substitute—

"twenty five". (43)

Page 13,—

after line 4. insert—

"(2A) No Court shall take cognizance of any offence punishable under sub-section (2) except on a complaint in writing made to it by the Reserve Bank or any person authorised by it in this behalf". (44)

SHRI SRINIBAS MISRA : I beg to move :

Page 12,—

omit lines 29 to 38. (51)

Page 19,—

omit lines 3 to 12. (53)

SHRI LOBO PRABHU : I beg to move :

Page 13, lines 29 and 30,—
for "after such consultation with the Reserve Bank as it thinks fit".
substitute "after approval by Parliament". (69)

SHRI S. S. KOTHARI : I beg to move :

Page 14, line 4,—
add at the end—
"and the sanction of Parliament by a special Act passed for this purpose has been obtained". (70)

Page 14, line 32,—
after "may" insert—
"after obtaining prior consent from the transferee bank"
(71)

Page 15, lines 28 and 29,—
for ", after consultation with the Reserve Bank".
substitute "in consultation with meetings of the shareholders and the depositors of the acquired bank, specifically called for the purpose". (72)

SHRI ERASMO DE SEQUEIRA : I beg to move :

Page 12,—
after line 32, insert—

"Provided that this sub-section shall not apply to a peaceful picket line consisting of employees of the said banking company or to a peaceful demonstration by such employees". (111)

Page 13, line 7,—
omit "the Reserve Bank," (113)

SHRI A. SREEDHARAN (Bada-gara) : I beg to move :

Page 13,—
after line 20, insert—
"or employees or society in general". (114)

SHRI ERASMO DE SEQUEIRA : I beg to move :

Page 17, line 20,—
after "be", insert—
"within six months of the appointed day and in monetary payment". (115)

Page 18, line 19,—
omit ", or has been.". (116)

Page 18, lines 21 and 22,—
for "a person, who, in the opinion of the Central Government, has had experience of commercial banking".

substitute "the Chairman of any one of the Scheduled Banks". (117)

Page 19,—
omit lines 6 to 8. (118)

Page 19, line 9,—
omit "such". (119)

Page 19, line 9,—
after "documents" insert—

"which the Central Government or Reserve Bank claims to be of a confidential nature and the Tribunal accepts as such". (120)

SHRI BIBHUTI MISHRA : I beg to move :

Page 18, line 19,—
for ", or has been, a"
substitute "a sitting". (140)

SHRI S. M. BANERJEE : I want to speak on my amendment No. 37, which seeks to omit lines 26 to 38 and 1 to 8 on pages 12 and 13 respectively. Sir, the House knows well what these lines refer to. It says :

"No person shall—

- (a) obstruct any person from lawfully entering or leaving any office or place of business of a banking company or from carrying on any business there, or
- (b) hold, within the office or place of business of any banking company, any demonstration

[**Shri S. M. Banerjee**]

which is violent or which prevents, or is calculated to prevent, the transaction of normal business by the banking company, or

- (c) act in any manner calculated to undermine the confidence of the depositors in the banking company."

I do not want to raise the whole theme.

15.41 HRS.

[**SHRIMATI TARKESHWARI SINHA in the Chair**]

I am so happy, Madam, you are in the Chair.

SHRI INDRAJIT GUPTA : Let there be justice tempered with mercy.

MR. CHAIRMAN : Have you any doubt about it?

SHRI S. M. BANERJEE : When you are in the chair, you should be like Portia.

This particular clause has resulted in growing discontent not only among the bank employees but the entire working people in this country. Because, this is the first time that a penal clause has been brought in, not by amending the Cr. P.C., I.P.C., or the Industrial Disputes Act but by a Bill which is primarily meant for social control of banks. Shri Morarji Desai, as we all know, will never admit his mistake and he will always say that he has done the correct thing. I have only one thing to say. I am told—I do not know how far it is correct; I speak subject to correction—that when it was referred to the Law Ministry the law officers have given their judgment against this.

SHRI MORARJI DESAI : No.

SHRI S. M. BANERJEE : If he says 'No', then I want the opinion of the Law Ministry to be placed on the Table of the House. Because, whenever we raised this question, the Law Minister was never consulted. When we referred to this question again and again, when I

referred to it first by raising a point of order, the Finance Minister consulted the Defence Minister. The second time he consulted the Home Minister. He never consulted the Law Minister whether it is constitutionally wrong, illegal or irregular to bring in, to smuggle or sneak in, this particular clause in a Bill which is meant or social control of banks.

I do not want to say much but I would say to the Finance Minister that this particular clause, the most hated and pernicious clause, if it is passed by the brute majority on that side, it will show to the country the attitude of the ruling party towards the working classes and the workers on their part will start their agitation tomorrow by going on a strike throughout the country.

I assure the hon. Finance Minister—he also should accept this challenge—that as long as the working class are conscious of their trade union rights, they will fight against this hated clause and they will see to it that the Finance Minister is forced to resign only on this issue of smuggling a particular pernicious clause in a particular Bill which, according to him, was meant for the social control of banks.

I do not want to say much about it because one of the fathers of the trade Union movement, Shri Dange, is here and I would request him to throw some light on it and expose the Finance Minister and his Ministry and the sinister plan to curb the activities of the bank employees.

श्री अम्बुल गन्नी दार : मैंडम चूंकि मेरा भी यही अमेंडमेन्ट है, मैं आप के द्वारा मोरार्जी भाई से कहना चाहता हूँ और उन के साथियों से कि :

किस-किस तरह सताते हैं ये बुत हमें निजाम :

हम ऐसे हैं जैसे किसी का खुदा न हो !!

यानी वह बैंक के एमप्लायीज हैं, उन में आफिसर्स भी हैं, उन में अच्छे से अच्छे कीम आफ दी कन्ढी भी हैं। कोई वह सिर्फ चार आने

के टिकट लेने वाले चपरासी तो नहीं है। जिन को वह कह दें कि कर दो कैद, कर दो जुर्माना और जो मन में आये कर दो, उन को कोई हक नहीं है कि वह अपने जायज हकों की हिफाजत कर सके। तो मैडम, मिस्टर बैनर्जी के बाद मैं एक ही और बात कहना चाहता हूँ :

खुद ही कातिल खुद ही शाहिद खुद ही
मंसिक ठहरे ।

अकरबा मेरे करें खन का दावा किस पर ॥

उन बेचारों की सुनने वाला कौन है ? लेकिन एक सुनने वाला जरूर है । जैसा मैंने कल कहा था, मोरार जी भाई, आप गोल्ड कन्फ्रेंस बिल ला कर 380 रह गए, अब यह बिल पास हो जाने के बाद कल 280 रह जाओगे और भगवान ने चाहा तो हम 320 हो जायेगे ।

[شڑی عبدالغنی ڈار : میلٹم چونکہ
میرا بھی یہی امینڈمنیٹ ہے میں
آپ کے دوارا مورار جی بھائی سے
کہنا چاہتا ہوں اور ان کے ساتھیوں
سے کہ :

کس کس طرح سنا تے ہیں
یہ بت ہمیں نظام
ہم ایسے ہیں کہ جیسے
کسے کا خدا نہ ہو۔

یاں وہ بینک کے ایمپلائیز ہیں ان میں آفسرس بھی ہیں ان میں اچھے سے اچھے کریم آف دی کنٹری بھی ہیں - کوئی وہ صرف چار آنے کے نکٹ لینے والے چپراسی تو نہیں ہیں جن کو وہ کہ دیں کہ کر دو قید کر دو جرمانہ اور جو من میں آئے کر دو ان کو کوئی حق نہیں ہے کہ وہ اپنے جانب

حقوق کی حفاظت کر سکیں۔ تو میڈم مسٹر بینرجی کے بعد میں ایک ہی، اور بات کھانا چاہتا ہوں۔

خود ہی قاتل خود ہی
شاهد خود ہی منصف ٹھہرے۔
اقربا میرے کریں خون کا
دعوہ کس بھر۔

ان بیچاروں کی سنئے والا کون ہے -
لیکن ایک سنئے والا ضرور ہے -
جیسا میں نے کل کھا تھا مورار
جی بھائی آپ گولڈ کنٹرول بل
لا کمر ۳۸۰ روپیے اب یہ بل پاس
ہو جانے کے بعد کل ۲۸۰ روپیے
جاوگے اور بھگوان نے چاہا تو ہم
ہو جائیں گے - ۳۲۰

भी अटल बिहारी वाजपेयी (बलरामपुर) :
सधानेकी महोदया, विधेयक की जिस धारा पर
हम विवाद कर रहे हैं, शायद वह सब से अधिक
विवाद-ग्रस्त धारा है। मैं यह समझने में
असमर्थ हूँ कि जो विधेयक बैंकों पर सामाजिक
नियन्त्रण लागू करने के लिए लाया गया है
उसमें कर्मचारियों के ट्रेड यूनियन के अधिकारों
को समाप्त बरने का उपबन्ध व्योंग शामिल
किया गया है? मुझे ताज्जुब होता है आगर
यह विधेयक कानून का रूप ले गया और
किसी कर्मचारी के खिलाफ इस कानून
के अन्तर्गत कार्यवाही की गई तो अदालत
में उल्लेख किया जायेगा कि यह कर्मचारी
बैंकिंग लाइफ एंक्ट की धारा (15) के अन्तर्गत
दंडित किया जा रहा है, उसे 6 महीने की
सजा दी जा रही है, एक हजार रुपया जुर्माना
किया जा रहा है या सजा और जुर्माना दोनों
किए जा रहे हैं। क्या इसके लिए देश का
सामान्य कानून पर्याप्त नहीं है? क्या यह
उद्देश्य और किसी कानून से प्रेरा नहीं हो

[श्री अटल बिहारी वाजपेयी]

सकता ? अभी तक हिंसात्मक प्रदर्शन एक दंडित अपराध के अन्दर आता है। ट्रेड यूनियन आन्दोलन में विश्वास करनेवाला कोई भी व्यक्ति हिंसात्मक आन्दोलनों को प्रोत्साहन देने की बात नहीं कर सकता। लेकिन पिकेटिंग करना, धरना देना, हिंसात्मक है या नहीं है, इसके बीच की विभाजक रेखा बहुत बारीक है और इस विधेयक के अन्तर्गत उसका समावेश करके अनावश्यक रूप से इस विधेयक को ऐसा विवाद-ग्रस्त बनाया जा रहा है।

सभानेत्री महोदया, आप जानती हैं कि शान्तिपूर्ण तरों से धरना देना भले ही कानून को दृष्टि से अपत्तिजनक हो लेकिन नैतिक दृष्टि से उसे गलत नहीं माना जा सकता। अभी भी बैंक कर्मचारी ऐसे नियन्त्रण में बन्धे हुए हैं कि वे काम के घट्टों में प्रदर्शन नहीं कर सकते। जो एवांड्स हैं वह उनके खिलाफ हैं, जो मजदूरों के विवाद के कानून हैं वे भी इस बात की छूट नहीं देते कि ट्रेड यूनियन आन्दोलन के अन्तर्गत बैंकों के काम में कोई बाधा ढाली जाये। लेकिन उन सारे एवांडों को और सामान्य कानूनों को ताक पर रखकर हमारे उप-प्रधान मन्त्री एक ऐसा विधेयक लाये हैं और उसके अन्तर्गत एक ऐसी धारा पास कराना चाहते हैं जिसने व्यापक असत्त्वोप को जन्म दिया है। मुझे याद है एक बार श्री मोरार जी भाई ने कहा था कि वह श्रेय की चिन्ता करते हैं, प्रेय की चिन्ता नहीं करते। मेरा निवेदन है कि यह धारा न तो श्रेयस्कर है ज़ोर यह उन को प्रिय बनाने वाली तो है नहीं अनावश्यक रूप से बैंक कर्मचारियों को आन्दोलन करने के लिए मजबूर करना किसी भी दृष्टि से उचित नहीं कहा जा सकता। अगर उन के मन में भय है ट्रेड यूनियन आन्दोलन सीमा को पार कर के जा रहा है तो उस को नियन्त्रित करने के अन्य तरों हो सकते हैं। लेकिन इस विधेयक में इस का समावेश करना हास्यास्पद है, अनावश्यक है, अनुचित है, अन्यायपूर्ण है और हम इस का विरोध करने

के लिए कठिन है। मैं अन्त में उप-प्रधान मन्त्री से अनुरोध करना चाहूँगा कि इस धारा को निकाल दीजिए। बैंकों पर सामाजिक नियन्त्रण के कानून को मजदूरों पर, कर्मचारियों पर अनावश्यक रूप से नियन्त्रण थोपने के काम में भत लाइए। यह किसी भी दृष्टि से उचित नहीं है।

SHRI INDRAJIT GUPTA : In order to save time, I am not speaking. Mr. Dange will speak.

MR. CHAIRMAN : Shri Dange.

SHRI S. A. DANGE (Bombay Central South) : Madam, I am opposing this clause and all grounds of opposition have been stated from various quarters here.

AN HON. MEMBER.: What about those who have given amendments ?

MR. CHAIRMAN : Just a minute. Because this is an important clause, some other Members who have not moved amendments would also like to participate. Therefore, I called Mr. Dange. Shri Vajpayee is the leader of the party; Shri Dange is also the leader of the party. Nobody should have any grudge. I would give him a chance also.

SHRI S. A. DANGE : Under the guise of controlling credit in this country and establishing a clean policy in the matter of investment and so on, a most dictatorial attack is being launched against democratic liberties, one by one. This is the first instalment and, perhaps, other instalments might be coming very soon. We are seeing the samples of these instalments already in the policies that are being pursued in relation to other sectors of employment in this country.

This sector of employment is very vital. There is no doubt about it though one may ask : Which sector of employment is not vital ? The Government employees, as a whole, the journalists and all others, are now under attack by a very simple measure—the wage board award is not applied. That means the government's wage policy as well as the

organisational policy in this country in relation to trade unions is now being directed in a most anti-democratic manner and it finds an expression in a Bill which seeks to socially control credit in this country.

Why is it being brought here? The background that is played upon is that the employees have been striking and that they have been holding up operations of banks. No operation of any bank has been ever held up just because the employees took it into their heads to obstruct it. All along, in the last 10 years, if you know the history of trade union in this country, the bank employees have been asking for bilateral settlements. The bankers in their pride: because they control credit, they control industry, they control MPs, they control the Government, they can dictate policies, refused to have bilateral negotiations and, therefore, workers had to assert their strength and demand for their rights by organising strikes and demonstrations until, at last, even the wage boards awards were upset and arbitration awards were thrown away. Even one Labour Minister of this Government, Mr. Giri, had to resign because the Finance Minister amended the bank award. That Finance Minister had a better reputation than the present Finance Minister because that Finance Minister knew finance and the present Finance Minister neither knows finance nor law or anything except defending someone who is attached to him. That Finance Minister amended the award and Shri Giri had to resign. This is the history of the struggle of the bank employees. Therefore, they had to act and, ultimately, at last, a bilateral agreement was agreed to by all the bankers and then smooth things were taking place.

Now comes a Bill like this attacking every trade union right of the employees. I am not only concerned with the Bank employees. That shows the direction, the policy, that they are pursuing and which wants to attack the democratic trade union rights of the working class in this country and to establish dictatorship in the name of democracy. When that dictatorship comes, then those gentlemen on the

other side who will support such a thing will also find themselves in Tihar jail and if this great gentleman who now wants to have social control of banks will socially control and individually control the whole of this country and Parliament and if that side support him, then God save this country and democracy in this country. That is why I am saying..(Interruptions).

SHRI BIBHUTI MISRA : Where will you be ?

SHRI S. A. DANGE : I shall be fighting with my hands all the dictators. You will see that..(Interruptions).

My appeal to the democratically-minded Congressmen is this: please control this direction. I am just making an appeal to you. I know there are certain democratically-minded Congressmen..(Interruptions).

SHRI RANDHIR SINGH (Rohtak) : Are you more progressive and patriotic than us? We have also gone to jail so many times..

SHRI S. M. BANERJEE : Mr. Dange is equal to a hundred Congressmen.

SHRI RANDHIR SINGH : I am equal to 100 Danges myself.

MR. CHAIRMAN : This should be stopped. Let the hon. Member continue.

SHRI S. A. DANGE : I am appealing to the democratically minded Congressmen to take note of this development in their own ranks. This is what I am saying, and they misunderstand me. I am saying this: control the direction of development of dictatorship because it comes through this Bill. (Interruptions).

श्री शिव नारायण (बस्ती) : डांगे साहब, इस गवर्नमेंट की शरणत है, वरना आप जेल में होते—जो एक्टिविटीज आप मुक्त में कर रहे हैं।

SHRI S. A. DANGE : I had been in jail more than any one of you. Do not say that..(Interruptions).

MR. CHAIRMAN : Please address me; then all the troubles will go.

SHRI S. A. DANGE : What I am saying is this. The direction of this Bill is towards suppression of democracy, suppression of the democratic right of the working class, in the name of controlling social credit. The credit cannot be controlled unless the banks are nationalised. I do not want to go into that. But please take into consideration the philosophy of banking itself. Thousands of people come and deposit money. Every man is the owner of a bit of the deposit, but when it is collected together in a bank, it becomes social money and is used by private individuals for private profit. This is the direction in the present system of capitalism which he is running. Therefore, no amount of social control which he wants bring through this Bill will be fruitful in really controlling the social money placed at the disposal of private individuals, whether they are directors or managers or industrialists or anything also who, utilising that money create private profit and then may return the deposit or may not return the deposit which is a different matter. So, the very philosophical concept of social control this way is wrong. Therefore, we are fighting for nationalisation of banks where individuality of ownership, individuality of the use of money, is extinguished and social money is socially used through the State which is democratically run; then only social control of banking can come. This is what we are pleading. Our nationalisation is not a fetish; bank is the highest form of social money. Therefore, we were proposing nationalisation. But he has brought in social control. Do you think that a manager because he becomes divorced from directorship becomes a person who is an emblem of social control? It is not so. In this country, there have been managers who, without the assistance of Mr. Morarji Desai and his Private Secretary, have managed banks and industries. There stands the name of Pochkhanavala, who built up the Central Bank against the sabotage of British bankers in this

country. There was one Saraiya who was speculating in the silver market and cornered the whole of the Indian market; it was the British banks that sank him until that man died by swallowing the diamonds of his ring, because he was operating an independent system of his own. It is not that there have not been bankers in the British days who tried to build up industries with their own money and also with the money of depositors. He knows very well the history of Omar Subani who was forced to commit suicide by the British who refused him credit because he failed in cotton speculation, cotton delivery, and the banks refused him money. Those days are gone.

We thought that under Indian independence banking would be put at disposal of real development of industry. Instead of that, we find five banks speculating in this matter instead of developing industry. Therefore, we wanted nationalisation. Instead of giving nationalisation, he has given us dictatorship over the employees who are the best people, who are the most deserving, to carry out social control over the bankers, over the directors and their operations.

16 Hrs.

Therefore, my appeal to him would be this—though he is beyond all appeals, we known it very well, with the philosophy that he has not. Of course, he says, 'I have no philosophy'. That also he says, sometimes. But there is a philosophy of his. That philosophy is dictatorial control and suppression of any democratic right which does not conform to his conception of democracy and his conception of social development. I will again say that he should bring in a measure which should be not only deleting this attack on the democratic principle but should also be providing for real nationalisation. The RBI control over private banks is not going to really lead to social control. We concede that even nationalisation may also not lead to that completely, but there will be some ground to hope

that with the next step, with nationalisation taking place, democratic management might come in.

The prejudice that is shown against the employees is obvious. The section is so sweeping. Item (c) says :

"No person shall act in any manner calculated to undermine the confidence of the depositors in the banking company".

Even criticism of a bank, that it is misusing its deposits and helping speculators to speculate would come within the mischief of this clause. A newspaper editor or writer or a speaker who voices a criticism in a public meeting can be jailed for six months.

So my plea is that this item should be accepted for deletion, and if he is not prepared to do that, my plea to the House is that it should reject it.

SHRI N. DANDEKER : I will leave it to the Deputy Prime Minister so far as answering "democracy", "liberties" and things of that kind coming strangely from that side is concerned. I would like to confine myself essentially to the clause which undoubtedly does introduce an arrangement about prohibiting certain types of activities as part of social control over the commercial banking system.

I would like to get back to the substance of the clause. The clause is not concerned with employees, necessarily, it is not concerned with depositors, necessarily, or with shareholders or with anybody in particular. It is concerned with all persons.

"No person shall"—in the first place—"obstruct any person from lawfully entering or leaving any office or place of business of a banking company or from carrying on any business by the banking company" Secondly—and this is in many ways even more important—"Hold within the office or place of business of any banking company, any demonstration which is violent or which prevent, or is calculated to prevent, the transaction of normal business by the banking company".

Now, Sir, when they said nothing of this kind was being done, yesterday I had quoted extensively from a judge-

ment of the High Court of Bombay where the High Court had to intervene in the case of the Syndicate Bank Ltd. with injunctions after specifically examining the question of fundamental rights to do this, that and the other within and outside the bank premises. The High Court had to intervene with injunctions expressly stating that no fundamental rights would be contravened by those injunctions.

I will not read them again. But I would like to take the case of another bank, a bank of which I know a good deal. Last year from the month of July until around September or October, there were three phases of certain operations by employees which really brought the banking business of that particular bank to a standstill. I have got a note of what actually happened in the first phase. Since a good deal has been said about nothing of this kind having happened at all, I would take the liberty of reading some pieces from this note.

"In the first phase, demonstrations were held within and outside the premises during and after office hours. During the demonstrations within office hours and within the office in office hours, scurrilous slogans were raised as under :

बैंक वे: नालायक हाकिमों होण में आओ।

बैंक वे: गन्दे हाकिमों होण में आओ।

बैंक के: बदमाश हाकिमों होण में आओ।

बैंक के: जातिय हाकिमों होण में आओ।

These were slogans shouted within the bank premises creating an atmosphere in which banking business was supposed to be transacted on behalf of the depositors about whom Mr. Dange just now spoke, on behalf of those who do business with the bank such as cashing a cheque or drawing money or anything whatever that is involved in the day-to-day business of the bank. This was part of the first phase.

"The members of the Union virtually mobbed the managers in mass deputation by crashing into their cabins during working hours and compelled them to ring up the regional head office or head office for conveying their resentment to the head office."

[Shri N. Dandekar]

Now for a little bit of snippets as to what happened during the second stage of this particular series of demonstration.

"During the second phase, the fury and the extent of demonstrations were raised to a high pitch. Employees again waited on the managers in mass deputation of longer duration than on the first occasion. These deputations were led during office hours and were highly provocative. Demonstrations as part of the unwritten programme were held during working hours within the premises with increasing frequency. In the head office on almost every Saturday.

—this I have known myself because I have been subjected to this—

..... employees from other banks were asked to join in the demonstrations and highly provocative slogans were raised in these demonstrations."

I will go on to the third phase, because the House ought to know what the facts are.

"During this last phase, the employees embarked on a most determined course to disrupt the business of the bank by a complete go-slow, defiance of lawful authority, subversion and encouragement of gross acts of indiscipline. They shouted deafening slogans intermittently throughout the day within the premises of the bank during office hours and thereafter, virtually making the transaction of business utterly difficult if not impossible."

What is it that this Bill is trying to do, what is the nature of the trouble we are trying to deal with? It is not true to say, as somebody said, that if they brought in this kind of provision here, they can bring in similar provision in the Port Trusts Act. I suggest to you that if a port or two does not function for a week or so, it does not upset the economy like it would if any of these major banks were to stop functioning for even a day or two.

What has happened in the banking system? I know there is a large proportion of workmen who are bullied into this sort of thing under threats of

violence. They naturally will not speak up, they are afraid; but they have come to me and told me not to think that they were all in this. (*interruptions*) Sir, I did not interrupt these gentlemen when they were distorting and exaggerating everything beyond all measures. I wish to say from my personal knowledge that there are employees who resent this kind of thing. If for a vital industry, where day-to-day transactions go to the very root of the whole economy, where the whole economy can be brought to a standstill, a provision like this is put in, I think this is the proper place in which it ought to come in. I think these are proper provisions, and that is why, in order that this sort of stoppage may not go to an excess, I have moved my amendment. My amendment is really interested in seeing that proper justice is done. It reads :

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after line 8, insert—

"(4) An offence punishable under this section shall be cognisable, and no Court inferior to that of a Presidency Magistrate or a Magistrate of the first class shall try any such offence." (20)

That these things ought to be prohibited is beyond question. There was some talk yesterday about opening branches in the rural areas. Wonderful thing, let us tap the rural resources, because there are crores of potential deposits there.

SHRI RANDHIR SINGH : They will not talk of the peasantry, they will talk only of industry.

SHRI N. DANDEKAR : Do you think that if banks open branches in small places where there is a population of 10,000 or 15,000 of the rural community, those people are going to deposit in those banks if they are held up from drawing out their money when those demonstrations take place all over India? I shudder to think what will happen in the rural areas where we want to encourage banking and want the rural community to put their surplus or savings into banks. Can you imagine what the farmer is going to do if he goes

to the bank when they are all shouting in the demonstrations and they would not allow him to go in and would not allow him to draw out his money and would not let him deposit the money either? This is what I am saying about the rural areas. If we want to expand banking and extent it to the backward areas as we want to, if you want to tap the enormous resources now available because of an almost revolutionary break-through in agriculture, if you want to do all this, there has got to be confidence in the banking system and the people ought to be able to draw their money without being held up to ransom. Therefore, I have no doubt whatever that these provisions necessary; they are properly here, and I am sure the House ought to know the facts, and I have given the House the facts so that the hon. Members will know exactly what sort of thing is this, which is sought to be prohibited.

SHRI D. N. PATODIA : Mr. Chairman, I would restrict myself to moving some of the amendments : amendment Nos. 22, 23, 24 and 25. Amendment 22 relates to the powers of acquisition by the Central Government in respect of certain banking industries.

SHRI N. DANDEKER : That portion I have not talked about. I have an amendment about it and I should talk about it.

MR. CHAIRMAN : Yes.

SHRI D. N. PATODIA : The original clause in the Bill says that if upon receipt of a report from the Reserve Bank, the Central Government is satisfied that the banking company has on more than one occasion failed to comply with directions given to it in writing under section 21 and so on, the banking company will be acquired. Now, this is restricting the powers in a manner by which the Central Government will be empowered to acquire the banking institution only for mere violation of the direction more than once, that is, twice. This is of a confiscatory nature and it is not justice. Therefore, my amendment is pure and simple. It says that whenever such a violation happens persistently and wilfully, only in that case the power

of acquisition should apply, because, after all the hon. Finance Minister will agree that this is the spirit behind this clause, that whenever there is violation which is wilfully done, only then there will be a justifiable case for acquiring. Therefore, I hope the Finance Minister will accept my amendment.

My second amendment is amendment No. 23; it again relates to acquisition. This particular Bill goes very much beyond its scope when it says that the Central Government will be empowered to acquire the bank and nationalise it simply by virtue of this legislation. This, I would submit, is beyond the powers of legislation; this is *ultra vires* of the Constitution. For any form of nationalisation, for any form of acquisition of property like this, it is necessary, that a separate Bill is brought before Parliament. It is necessary that the prior approval of Parliament is obtained. I am afraid that this provision, this type of legislation, will stand to doubt and will be challenged and will prove to be *ultra vires* of the Constitution. Therefore, my amendment says that, "Provided that no undertaking of any banking company shall be so acquired unless such acquisition has been approved by the Parliament." I hope the hon. Finance Minister will accept it.

My third amendment, amendment No. 24, relates to some of the lacunae left by the Deputy Prime Minister while framing this legislation. Here, it is said that whenever in respect of acquiring a bank, the Government feels that, the bank should vest into some other transferee bank, the Government might give orders to the transferee bank and by virtue of these orders the transferee bank will have to acquire the bank. Now, in this respect, there is no provision to suggest that the prior consent will be obtained from the transferee bank. The Government of India wants to impose a condition on me; the Government says, here you are and you have to take this bank. But how does it impose the condition without obtaining my prior consent to do so? My amendment is simple which says that any such order of the Central Government will be binding on the transferee bank only in the event of

[Shri D. N. Patodia]

obtaining prior consent from the transferee bank. This particular thing has been omitted by the Finance Minister. Therefore, this may be accepted.

Amendment No. 25 is in respect of acquired banks. The bill provides that a scheme for the working of the acquired banks will be decided by the Central Government in consultation with the Reserve Bank. Does it mean that it is only the Central Government and the Reserve Bank who are concerned with the proper functioning of the acquired banks? Whose interest is mostly affected? It is the interest of the depositors and shareholders. Why should the depositors and shareholders of the acquired bank be prevented from expressing their opinion about framing any scheme for the proper working of the acquired bank? My amendment says that if any such scheme is decided upon by the Central Government, previous consultation must take place with the shareholders and depositors. This is also a lapse by the Finance Minister and I hope he will accept my amendment.

MR. CHAIRMAN : Shri S. M. Joshi.

16.17 HRS.

[MR. DEPUTY-SPEAKER in the Chair]

श्री एस० एम० जोशी : उपाध्यक्ष महोदय, में सदन का ज्यादा समय नहीं लेना चाहता हूँ लेकिन जो धारा 15 इस सदन के सामने विचारार्थ उपस्थित है उस में एक ऐसे सिद्धान्त की बात है जिसको लेकर मैं कुछ कहना आवश्यक समझता हूँ।

हमारे मित्र श्री डॉडेकर ने जो एक चित्र खड़ा किया उस से तो ऐसा लगता है कि बैंकों में यह ज्ञाड़े, हड्डाले आदि रोजाना चल रही हैं। यह जो ज्ञाड़े जिसका कि जिक अभी यहाँ हुआ में डॉडेकर साहब से कहूँगा कि यह बार-बार और रोजाना नहीं होते हैं। जब कभी मजदूर तपके का सबाल खड़ा होता है और उस को लेकर जब कोई संघर्ष पैदा होता है तो ऐसोबातें उपर में आ जाती हैं। मैं इन ज्ञाड़ों और हड्डालों को अच्छी समझता हूँ ऐसी कोई बात

नहीं है लेकिन जैसा मैंने कहा परिस्थितियाँ कुछ ऐसी बन जाती हैं कि विवश होकर मजदूरों को हड्डाल का अश्रय लेना पड़ता है।

अभी मेरे एक मित्र ने बतलाया कि 1960 में जब स्टेट बैंक को एक स्ट्राइक हुई और श्री मोरारजी भाई देसाई उस बक्त फ़ाइनेंस मिनिस्टर थे। वह स्ट्राइक 20-22 दिन बहुत ही शान्तिमय तरीके से चली थी। इस से मैं इंकार नहीं करता कि हड्डाल के होने से बैंक का काम ठप्प हो जाता है और उससे नुकसान हो गा है लेकिन जैसा मैंने कहा हम लोग शान्तिमय तरीके से उसे चलाते थे। हमारी मांग भी बहुत कम थी और कम से कम थी। काप्रेस के झंडे के तले यहाँ पर जो भारत की आजादी का आन्दोलन चला है उसमें आप लोगों के साथ मैंने भी हिस्सा लिया है। यह मजदूर आन्दोलन उम आन्दोलन का एक हिस्सा था। मैंने सिर्फ एक छोटी सी मांग रखी थी और वह मांग यह थी कि बैंकों का जो डिवीजन रहा है वह ए० बो० सो० डो० रहा है। उस के साथ 1, 2, 3 और 4 भी है। यह स्टेट बैंक एक बड़ा बैंक है, ए० से भी ऊपर ए०१ है और उस को क्लास 4 नहीं होना चाहिए। यह मेरी छोटी सी मांग थी। उस को लेकर मैं फ़ाइनेंस मिनिस्टर से मिला। मैंने उन को कहा कि आप यह छोटी सी मांग क्यों कबूल नहीं करते हैं। उस बक्त जो हमारे चैंपरमेन थे बैंक के वह कुछ राज्यों भी हुए लेकिन इन लोगों ने नहीं माना। हमारी उस में हार हो गयी और हम लोग बापिस जो बेत बोर्ड था उस में चले गए। मैं नहीं जाना चाहता था लेकिन चूँकि हमारे मजदूरों ने कहा कि नहीं वहाँ जाना है तो वहाँ हम चले गए। उस के बाद श्रीमान डॉडेकर साहब ने जो कहा उस तरह का तरोका जब अखत्यार किया गया तभी कहीं जाकर इन लोगों ने उस चोज को कबूल किया।

मैं सदन को बतलाना चाहता हूँ कि जो स्थिति अपने देश में बन रही है वह एक खतरे की घन्टी है। मैं इस समय वैसे न बोलता लेकिन कुछ

दिनों से सरकार की मजदूर आन्दोलन के प्रति जैसी नीति दिखाई दे रही है उस से मुझे बोलना आवश्यक जान् पड़ा क्योंकि उसे मैं एक खतरनाक नीति समझ रहा हूँ। जब हम लोगों ने आजादी हासिल की तब पंडित जवाहर-लाल नेहरू और नेता जी सुभाषचन्द्र बोस जैसे प्रोप्रेसिव लोग होते थे। नेता जी सुभाषचन्द्र बोस भी आल इंडिया ट्रैड यूनियन कांग्रेस के अध्यक्ष रहे और पंडित नेहरू भी अध्यक्ष रहे और उस वक्त मजदूरों के प्रति जो नीति बनी वह नीति अभी तोड़ी जा रही है। मेरा आरोप है कि जो उस समय हमारी नीति थी उस को अब सरकार तोड़ रही है। इस के फलस्वरूप आप ने 4-5 दिनों में देखा कि प्रैस लोगों ने साथ, किस तरह का व्यवहार हो रहा है और सरकार का उन के प्रति रुख कैसा असहानुभूतिपूर्ण हो रहा है।

प्रैस मजदूरों के साथ आखिर यही दुकूमत है, यही शासन है जिसने कि वेज बोर्ड की सिफारिशों पर सोच विचार किया। इन लोगोंने गजट में एक आर्डर भी निकाला। मैं कहता हूँ कि वेज बोर्ड ने इस लोग मारा लेकिन हमारी दुकूमत ने क्या किया? क्या यह लोग सो रहे थे जबकि इन लोगों द्वारा वह आर्डर पास किया गया था? जो आर्डर पास हुआ है आज उस पर प्रैस मालिकों द्वारा अमल नहीं होता है। बड़े सरमायेदार आज हम प्रैस मजदूर लोगों को भुखों मारने की कोशिश कर रहे हैं और यह चुपचाप बढ़े हुए हैं कुछ करते नहीं हैं। जब यूनीनीमस है तब भी आप चेंज करेंगे और जब यूनीनीमस नहीं है तब भी आप चेंज करेंगे। एक वक्त जे० सी० एम० में एप्री-मट किया कि जो भी हमारी कोई चीज़ है रुपए पैसे की उस को लेकर हम आर्बिट्रेशन में जायेंगे। अब सबाल उठा कि आर्बिट्रेशन इस में आर्बिट्रेशन नहीं है। अब हर एक चीज़ को देखिए और जब भी कहीं मजदूर का सवाल आता है तो यह उन की जो पुरानी नीति है उस से यह लोग भाग रहे हैं। यह जो मामला यहाँ आया हुआ है अगर वह ऐसे ही रहता तो मैं उस को उतना महत्व नहीं देता मगर यह एक

लक्षण है, एक सिस्टम है उस बीमारी का जोकि यहाँ पर हो रही है। मजदूरों के प्रति जो हमारी एक लिवरल पालिसी थी उसे यह खत्म करने जा रहे हैं। मैं श्री दांडेकर साहब से बिन अत्ता-पूर्वक कहना चाहूँगा कि यह अगड़ा बारबार पैदा नहीं होता। स्ट्राइक की अगर नीत आती है तो हमारी कोशिश यह होनी चाहिए कि वह न होने पाये और मसला पहले ही शांतिपूर्वक हल हो जाए। मजदूर तबके के साथ सहानुभूतिपूर्ण हमारा व्यवहार होना चाहिए। जो कानून बना हुआ है, जो नीति बनी हुई है उसे हमें नहीं तोड़ना चाहिए। अगर ऐसा हम रखेंगा अपनायें तो यह स्ट्राइक आदि की चीजें टाली जा सकती हैं। यह क्रेडिट कन्ट्रोल के लिए ले आये। इस बिल से बहु क्रेडिट कन्ट्रोल नहीं होगी। कांग्रेस को आप के द्वारा डिस्क्रैटिट करने के सिवाय और दूसरी कोई बात नहीं हो सकती है। इस तरह से इस के द्वारा जो आप मजदूरों को दबा रहे हैं और उन्हें प्रोवोक किया है उस को मैं नहीं मानता और इसलिए उस का हम बरोध करते हैं।

श्री बिलूति मिश्न : यह विधेयक का जो वर्तमान क्लाज 15 है इस के लिए मैं मैं अपने श्री मोरारजी भाई देसाई से कहूँगा कि उन्हें इस में मूलाधित लाभी चाहिए। वर्तमान रूप में यह क्लाज बड़ा सक्त है। इस क्लाज को मूलाधित करने की मांग कोई हम डांगे साहब के कहने से नहीं कर रहे हैं। जब हम लोग भारत की आजादी के लिए जेल जाते थे तो डांगे साहब अंग्रेजों की मदद किया करते थे.....

एक आनन्दीय सवाल : डांगे साहब 14 साल जेल में रहे हैं।

श्री स० मो० बनर्जी : श्री सरबू पाण्डेय को फांसी की सजा हुई थी।

'ही बाज सेटेस्ट टु ईथ'

SHRI PILLO MODY : Where was Shri Banerjee at that time?

SHRI S. M. BANERJEE : I was beaten by the police. You were licking the boots of the British.

SHRI PILOO MODY : Beaten? Not hard enough.

श्री विभूति मिश्न : यह जो कलाज है वह बहुत ज्यादा सख्त है। मैं श्री मोरारजी देसाई से अपील करूँगा कि मैं ने जो अमेंडमेंट दिया था कि (सौं) को हटा दिया जाये उस के लिए गवर्नरमेंट की तरफ से कोई ड्राफ़्ट आना चाहिए जिस में इस कलाज को थोड़ा सा नर्म कर दिया जाए नहीं तो बैंक अधिकारी जिस बैंक के एम्प्लायीज़ को चाहेंगे उस को फंसा देंग।

श्री मोरारजी देसाई : ऐसे नहीं हो सकता। मैं बनवाऊंगा।

श्री विभूति मिश्न : यह कानून बनने के बाद आप के हाथ से निकल जायेगा। आप के हाथ में नहीं रहेगा। बकीलों के पास लोग चले जायेंगे और पुलिस वालों के पास चले जायेंगे...

श्री मोरारजी देसाई : मजिस्ट्रेट के पास जायेंगे।

श्री विभूति मिश्न : चाह अधिकारी हो चाह पुलिस वाले, जो मुकदमा करने वह पांच आदमियों से कहला देंगे कि फलाने जलूस में थे। इस तरह की बातें पहले हो चुकी हैं। मैं भ्रुत भ्रोगी हूँ.....

श्री मोरारजी देसाई : जलूस पर कोई पाबन्दी नहीं है।

श्री विभूति मिश्न : आप ऐसा कहते हैं, लेकिन प्रेसीडेंट की असेंट होने के बाद ये कानून मन्त्री जी के हाथ में नहीं रहेगा। प्रे उनके हाथ से चला जायेगा। इसलिये मैं उनसे अपील करता हूँ कि वह इसमें थोड़ी सी नरमी लायें ताकि बैंक एम्प्लायीज़ के भी कुछ हक हों और उन के साथ कुछ नरमी बरती जाये।

मेरा एक और अमेंडमेंट है कि जहां पर "सिटिंग जज" या 'रिटायर्ड जज' है उस की जगह पर "सिटिंग जज" रखा जाये।

रिटायर्ड जज का और कोई इंटररेस्ट नहीं रहता। वह तो यही चाहता है कि किसी तरह से पैसे लेता रहे और इसलिए वह मुकदमे को लिंगर करता चला जायेगा।

मैं चाहता हूँ कि मन्त्री महोदय भेरे 140 नं० के अमेंडमेंट को मान ले।

SHRI S. KANDAPPAN : (Mettur) : Mr. Deputy-Speaker, Sir, I think this provision in this Bill, which seeks to curb the legitimate activities of the employees, has got far reaching implications than what appears on the face of it.

First of all, I have no grudge in conceding the demand made by Shri Dandeker and a few others that it is a vital sector. There is no doubt about it. I am sure, it is far from his mind to suggest that other sectors are not vital and he was only emphasizing the functioning of banking. I do concede that point.

But I would like to pose one question to him. Suppose, it is given effect to and the employees are bent upon creating trouble. Then, is it possible for the banking industry to carry on? It is impossible. What is sought to be done here is to curb their activities within the premises of the bank, but they can as well indulge in that kind of activity outside and can surely bring the whole operation to a stand still. So, there is no use trying to curb the symptom without going deeply into the causes.

After all, as Shri Joshi, Shri Dange and others have explained, what is the provocation behind all these activities? When Shri Dandeker was narrating all these kinds of obstructions and prevention of legitimate activities of management and others, I was thinking why the employees were so insistent to have three phased attack. It is not that all of a sudden they have gone mad and just wanted deliberately to do some injustice or damage to the property or management of the bank. That is not correct. So, there seems to have been some provocation.

So I would rather urge upon the Government that these things should be dealt with by the Labour Ministry and it should see to it that in a vital sector

like banking there is no strike and cordial relations are maintained for ever. It is for the Labour Ministry to see that the laws are reasonable, quick and as and when some grievances are brought to the notice of Government they are immediately attended to.

As our spokesman from the D.M.K. pointed out yesterday, when there was a strike in 1960 and certain demands were urged. Government also pretended to be very favourable in the beginning to the labourers. Nothing was done in the end. Naturally, their demands are long pending and when the Government do not attend to the legitimate demands or grievances, they are bound to erupt in a way which nobody would like. So this is not going to be the cure the remedy lies elsewhere.

Also, I feel that this would set an example and bad precedent to curb the trade union activities in other fields as well. That is not proper. On these two grounds I totally oppose this clause. By and large I think the whole House seems to be in agreement over the deletion of this clause. I think, even at this late stage the hon. Minister would come forward to delete it.

M. DEPUTY-SPEAKER : I know clause 36 AD is really a controversial clause and it has become natural that spokesmen of the parties should be given some opportunity to express themselves. I do not think it will be possible for me to allow two or three spokesmen of every party. I will allow the discussion upto a point. On this clause, I will give an opportunity to only one spokesman of the party, not too many.

SHRI E. K. NAYANAR (Palghat) : None has spoken from my party.

MR. DEPUTY-SPEAKER : I will give you an opportunity.

श्री जार्ज फरनेन्डीज (बम्बई दर्लिंग) : यह नहीं हो सकता। मृशे कुछ नई बातें कहनी हैं।

MR. DEPUTY-SPEAKER : I am not applying guillotine. I recognise this is an important clause. Even then, there should be some time-limit.

SHRI N. SREEKANTAN NAIR : What about those who have given amendments?

MR. DEPUTY-SPEAKER : I will give you an opportunity....

श्री जार्ज फरनेन्डीज : मेरी भी तरफीम है उस पर।

MR. DEPUTY-SPEAKER : I will permit you on that.

श्री सरजू पाण्डेय (गाजीपुर) : इस पर इतने लोग बोलना चाहते हैं। यह इतना इम्पार्टेट विल है और आप इस तरह से कर रहे हैं।

SHRI D. C. SHARMA (Gurdaspur) : Mr. Deputy-Speaker, Sir, I think, the whole idea underlying this Bill is that the banks should cease to become commercial institutions and that they should become service institutions. They should serve not only one particular community but they should serve all sectors of our population. They should serve the people who live in the cities and the people who live in the villages. They should serve industry, agriculture, small-scale industries and, in fact, all sectors of our business endeavour. If that is the underlying idea of the Bill that they should be service institutions, I think, for the fruition of that, you require the whole-hearted cooperation of the employees and of those who are placed higher than those employees. The director and the employees should work like a team in order that that underlying idea can be realised.

Now, Sir, unfortunately, though this clause is very good in some ways, it goes too far. For instance, I know, nobody should prevent anybody from doing banking business in bank premises. That is true. Sir, there used to be a time when people used to come to Gate No. 1 of the Parliament House and they used to stage demonstrations. Then, we had to keep them away from the premises of the Parliament House. If we had not done that, I think, our legislative business would have been impaired and would have been diminished and

[**Shri D. C. Sharma**]

would have been reduced to nothing. That is why we did it. So, from that point of view, the banks should be able to carry on their business properly and unreservedly. I think, the first two parts (a) and (b) of the clause are necessary. You know there is unrest all over the country. There is students unrest. You would have seen that some students have gone and occupied the offices of the Vice-Chancellors and have occupied the offices of the professors. Suppose somebody comes and occupies your office, Sir. What will happen. Therefore, for the sanctity of the service institutions, it is necessary that nobody should interfere with the working of any institution, whether it is a banking institution or any other type of institution. That is of the utmost importance. But, I submit, very respectfully that when I read (c), it chokes my throat. It tried to strangle me. It is something which I cannot follow because it says :

"act in any manner calculated to undermine the confidence of any banking company....."

What is this ?

SHRI MORARJI DESAI : That has been amended. It reads :

"act in any manner calculated to undermine the confidence of the depositors....."

SHRI D. C. SHARMA : You may be a great philosopher, but I know slightly the English language. I think, that is only verbal jugglery and that does not mean anything. While I do respect the sanctity of banking institution, while I do respect the rights of the workers there, while I do respect the rights of the people who are governing those institutions, I do say very humbly and submissively that this clause, amended or not amended should go because it gives blanket powers to those people to sit tight over those persons who are working there. I think this clause will not do good to anybody and it should go.

SHRI E. K. NAYANAR (Palghat) : This is a legitimate right of the banking employees and everybody has explained

the position clearly. On 1st August, 15,000 employees in Calcutta demonstrated against the Banking Laws (Amendment) Bill. From Calcutta to Kerala, throughout India, the banking employees have demonstrated and protested against this clause which curtails their legitimate right enjoyed by them during the last so many years. This clause says :

"obstruct any person from lawfully entering or leaving any office or place of business of a banking company....."

What does this mean ? If the bank employees union has called a strike and if the black-legging employees go to the bank and they are obstructed, that also will come under this clause; even slogan-shouting is also prohibited. If you see the trade union history, you will find that Pandit Jawaharlal Nehru and Shri Giri have also opposed the black-legging activities.

This also prohibits strikes by the bank employees by using the words, "or from carrying on any business". These words prohibit strikes such as pen-down, sit-down and stay-in strikes. The right to strike is accepted as a legal trade union right. The history of the trade union movement has accepted strike as the only weapon of the working class. The right to strike has been admitted universally as a genuine means of collective bargaining. The Swatantra Party members do not know the trade union movement; it is not surprising.

The sub-clause also prohibits strike by using the words, "which prevents, or is calculated to prevent, the transaction of normal business by the banking company". Demonstration means an expression of feeling which includes strike.

Sub-clause (c) is an omnibus clause which may include any act under the Sun. How the confidence of the depositors will be undermined can be anybody's guess; confidence is always subjective. Now, take Tata, Birla, Punjab National Bank and the other five banks. People have deposited more than Rs. 3,400 crores and out of these Rs. 3,400

crores, Rs. 2,300 crores are given to the big business people, i.e., the big monopolies like Tata and Birla. People have deposited more than Rs. 3,400 crores and that money is utilised by those big monopolies for getting more and more profit. So, this helps only monopolies like Tata and Birla.

The employees are liable for disciplinary action for any of the acts under the standing orders. The maximum punishment for such violation is termination of employer-employee relations; with the passing of this clause, the employees will, in addition, be liable to fine or imprisonment or both by the court.

This Bill supports, Tatas, Birlas and the big owners. At the same time, it punishes the orderly bank employees when they demand their legitimate rights. The original clause included a sub-clause to the effect that the courts were prohibited from taking cognisance without a complaint by the Reserve Bank or anybody authorised by it. But the Select Committee has deleted it and now it will be open for a bank management to approach the court at any time and then automatically thereafter it will be the subject of a criminal proceeding. This is a situation unheard of in the history of the trade union movement. I oppose this clause. This is an anti-trade union rights measure and I ask the House to oppose it. If the Finance Minister is not prepared to withdraw this clause, he should be prepared to face the challenge of the bank employees in India and also of the working class in general.

SHRI SURENDRANATH DWIVEDY (Kendrapara) : I have been listening to the debate on this clause and I really fail to understand how, if this particular clause is deleted, it would hamper the purpose for which this Bill is brought forward. There may be difference of opinion. We say that the present Bill meant for social control is not enough for the purpose. The country was wanting something else. Since Government in their wisdom decided to bring forward such a measure, I would like to know from them what

is their intention. In their statement about social control, even in the statement of objects and reasons, nowhere has it been stated that labour is also creating a problem for which social control is necessary.

Shri Dandekar has pointed out certain difficulties. To get over those, is any special provision necessary? Is the present law not enough for the purpose? Even with these contemplated restrictions, do Government think that they can prevent a movement like that, if people are determined to have it? There are other provisions in our statute-book which can as well deal with situations like this. Why do Government want a special provision of the kind? I do not think there has been any satisfactory reply so far to this question. Government have not been able to say why specifically in a measure like this they want to introduce extraneous matters. The only consequence will be that they will force people who do not want to oppose such a measure to oppose it.

The wording of the clause is sweeping. It is not only a question of the employees. They may set depositors against the employees. Suppose a person wants to withdraw some money. The guardian of the family holding the account may not like that the money should be withdrawn. The son may say that it should be withdrawn, while the father opposes it. Both of them go to the bank. Both quarrel there. Something happens. While dealing with the depositor, there is some quarrel between the employee and the depositor. Some scuffle occurs. Then it is obstruction. Immediately this clause will come into force. Is that the purpose?

Then you cannot criticise even a bank management. You cannot even suggest measures for bettering the management and functioning of a bank. If you say something, it will be taken as undermining the confidence enjoyed by the bank. This is so sweeping. I do not know by what stretch of imagination this has been drafted. What is the purpose behind it?

[Shri Surendranath Dwivedy]

Government must give us a convincing case that the situation in the banking industry is such that without a special provision of this kind, it is not possible to control it, that unless the employees are controlled, social control of banks cannot be effected. If there is some such thing in the mind of Government, let them say so. But I do not think Shri Morarji Desai has a case like that. If he wants that even the little control that he is proposing over banks should succeed, he should have the cooperation of the employees, and they will cooperate in this matter. It is not that they will put obstructions in the way. They want something else for which they will agitate. That is a different matter altogether. Probably after some pressure they will themselves come forward with a Bill to nationalise banks. They cannot altogether avoid it for all time to come. It has to come, but till then for the little control that you want to exercise to succeed, it is necessary that you should have the cooperation of the employees. Therefore, even at this stage, I would appeal that the purpose of the Bill is not going to be defeated in any way. If this clause is omitted. If he does that probably we can pass this Bill unanimously. For a very good Bill brought for a very good purpose let not opposition and controversy be invited deliberately.

श्री जार्ज़ फर्नेंडीज़ : उपाध्यक्ष महोदय, मैंने इस पर बोलना है। आप मुझे दो मिनट सुनिए।

श्री शिव चन्द्र सा (मधुबनी) : यह भारत के संविधान पर आधात किया जा रहा है।

श्री मु० अ० छाँ (कासांग) : उपाध्यक्ष महोदय, जितने सदस्य उधर से बोलेंगे, इधर के भी उतने ही सदस्यों को मौका दीजिए।

श्री जार्ज़ फर्नेंडीज़ : उन को भी मौका दिया जाये।

MR. DEPUTY-SPEAKER : I said I would give opportunity on this particular Clause because I know feelings are running very high, but on every amend-

ment I cannot allow a debate. We almost guillotined six or seven clauses.

श्री जार्ज़ फर्नेंडीज़ : उपाध्यक्ष महोदय, हिन्दुस्तान के सारे मजदूर आन्दोलन का भवित्य इस क्लाऊ में है। यह बड़ा गम्भीर प्रश्न है। आप मुझे बोलने दीजिए।

MR. DEPUTY-SPEAKER : Your party spokesman Mr. Joshi has spoken. Mr. Dange spoke and I did not permit any other spokesman from that party.

SHRI N. SREEKANTAN NAIR : You promised to give me a chance.

MR. DEPUTY-SPEAKER : I know yours is a separate case. None has spoken from Independents.

श्री जार्ज़ फर्नेंडीज़ : मुझे अपनी बातें इस सदन में रखनी हैं। आप मुझे सिर्फ़ दो मिनट दीजिए।

MR. DEPUTY-SPEAKER : Mr. Sreekantan Nair and Mr. Sequeira will speak, I will not allow anybody else. Otherwise, I will have to guillotine here and now.

श्री जार्ज़ फर्नेंडीज़ : इस स्थिति में इस के अलावा मेरे सामने कोई रास्ता नहीं है कि मैं आप के आदेश का उल्लंघन करूँ। आज मुझे इस पर अवश्य बोलना है। यह सरकार सारे मजदूर आन्दोलन का हक़ खत्म करने जा रही है। हम इतनी आसानी से यह अधिकार छोड़ने वाले नहीं हैं। यह सिद्धांत का प्रणाल है। मैं आप से क्षमा चाहता हूँ। मैं आप के आदेश का उल्लंघन करना पसन्द नहीं करता हूँ, लेकिन आज और कोई इलाज नहीं है। आप मुझे सिर्फ़ दो मिनट दीजिए।

SHRI S. M. BANERJEE : I move that the time be extended.

MR. DEPUTY-SPEAKER : This is unfair. The Speaker said two hours and everybody agreed. Every time you cannot change the decision.

श्री जार्ज़ फर्नेंडीज़ : हम आप घन्टा ज्यादा घैठ सकते हैं। मुझे बहुत अफसोस है कि आज

मुझे आप के आदेश का उल्लंघन करना पड़ेगा। आप मुझे अपने संशोधन पर सिर्फ़ दो मिनट बोलने दीजिए।

MR. DEPUTY-SPEAKER : Please resume your seat. If I permit the hon. Members to speak on their amendment for just one minute each, then there are so many Members who have moved amendments, and it will take 50 minutes in all. Shri Lobo Prabhu is standing and so many others want to speak. It will not be less than 50 minutes then. Do you want me to continue the debate in this way?

श्री जार्ज़ फ़र्नेंड्स: क्या आप मज़दूर आन्दोलन का भविष्य इन लोगों के हाथ में देना चाहते हैं?

SHRI N. SREEKANTAN NAIR : Mr. Deputy-Speaker, Sir, we do not expect the leopard to change its spots overnight and the old imperialist bureaucrat only wanted the penal provision made cognizable; and did not ask that the workers should be shot. That is our only consolation! But the Deputy Prime Minister claims to be a Gandhian; it was in 1918 that Gandhiji conducted the struggle by the Ahmedabad workers and converted the strike into a satyagraha. Even today the Government of India's policy follows the Gandhian method, and all rules and laws governing the Indian trade union relations and collective bargaining are derived from Gandhiji's ideas. I do not know how and why a man like Shri Morarji Desai who was associated with Gandhiji and who knows the Ahmedabad textile workers' union and its antecedents and who understands the right of the workers can bring such a measure as this. Tomorrow, the entire staff of banking employees are going to strike and the day after tomorrow, when this is passed, does he expect the law to be respected? Does he want this Government to be put to slight? We are going to challenge it and we are going to put it to slight. We are going to make trouble, and there will be trouble, trouble and trouble.

MR. DEPUTY-SPEAKER : Shri Sequeira.

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SHRI GEORGE FERNANDES : rose—

SHRI LOBO PRABHU : He is also standing.

MR. DEPUTY-SPEAKER : I am not permitting anyone now. Shri Sequeira has been called; and Shri N. Sreekantan Nair has spoken; they belong to the Independent Group. If I permit Shri Fernandes, then I will call Shri Lobo Prabhu. (Interruption). If I give even one minute to others, how can I stop there? The others again will wise. It is not possible. I appeal to the party leaders to control their Members.

श्री जार्ज़ फ़र्नेंड्स: जब बैंकों पर सोशल कन्ट्रोल होने जा रहा है, तो मुझे कोई कन्ट्रोल नहीं कर सकता है।

श्री म० अ० चाँ : उपाध्यक्ष महोदय, जब आपने एक बार रूसिंग दे दिया है, तो अब फ़िर्सी को उसे बैस्चन करने का हक़ नहीं है। अब आप फ़िर्सांस मिनिस्टर साहब को रेप्लाई करने के लिए बुलाएं।

श्री स० ब० बनर्जी : माननीय सदस्य को इतना नाराज़ नहीं होना चाहिए।

श्री म० अ० चाँ : इन लोगों ने सारे देश का बेड़ा तक़ कर दिया है, सारे देश में सालेसनेस फैला रखी है। (व्यवधान) ये लोग इसी की रोटी खाते हैं।

SHRI ERASMO DE SEQUEIRA : Mr. Deputy-Speaker, Sir, it is highly significant that in the same clause of the Bill, this Government seeks to stop the employees at the front door of the bank, and to get rid of the shareholders by nationalising the bank through the back door. If as the hon. Deputy Prime Minister has said, the intention is really not to interfere with the legitimate rights of the employees, then I would suggest that he should accept my amendment in which I have said "provided this sub-section shall not apply to peaceful picketing consisting of employees of the said banking company or to a peaceful demonstration by such employees."

[SHRI ERASMO DE SEQUEIRA]

Sub-clause (c) which reads, "...act in a manner calculated to undermine the confidence of the depositors of a banking company," is so wide, that it can be used to harass anybody by taking him to court. This is a dangerous thing because it is not only the banking company or the Reserve Bank, but anybody that can make a complaint to the court, any depositor for instance, of whom there are millions in this country.

Clause 36 AE provides for nationalisation by executive fiat. I wish to question whether this is within the spirit and the letter of the fundamental rights guaranteed by the Constitution. These fundamental rights also require that we should provide in the law the manner of payment of compensation. What is done in this Bill is to give that power again to the Government, to the executive fiat.

My second amendment is, it should be provided that compensation should be paid within 6 months of the appointed date, and in monetary payment.

The other two amendments are with reference to the constitution of the Tribunal. The first one is the deletion of the words "or has been". This is in accordance with the principle accepted by Dr. K. L. Rao the other day on the Inter-State Water Disputes (Amendment) Bill that only sitting judges should serve on Tribunals. The other amendment is, the words "a person, who, in the opinion of the Central Government, has had experience of commercial banking" should be changed into "the Chairman of any of the Scheduled Banks", i.e. a professional whole-time banker.

The other amendments are with regard to the power or absence of power of the Tribunal to ask for any books or documents which the Government says are of a confidential nature. I suggest that that be changed to the effect that the Tribunal can ask for any documents, but in order to make them part of the proceedings or to make them available to any other party, if Government says that any book or document is confidential, Government should be able to satisfy the Tribunal that is really of a confidential nature.

I oppose this clause on the ground that it will stop legitimate trade union activity, if adopted in the present form. Secondly, nationalisation is a subject for specific law and not a general power to the executive.

श्री जार्ज फ़र्नेंडीज़ : अपाध्यक्ष महोदय, मुझको इसी पर बोलना है।

MR. DEPUTY-SPEAKER : I will permit you in the third reading. At this stage if I make an exception, I have to call so many others also.

SHRI SRINIBAS MISRA : What about other vital amendments?

MR. DEPUTY-SPEAKER : About amendments to clause 15, I have already said I am not allowing any speeches.

SHRI S. M. BANERJEE : You can give two minutes to Mr. Fernandes.

MR. DEPUTY-SPEAKER : I will give him ample opportunity in the third reading.

श्री जार्ज फ़र्नेंडीज़ : नहीं, अपाध्यक्ष महोदय, मुझे इसी पर बोलना है। मैंने आप से कहा, मैंने कभी भी आप के हुवम का उत्तराधिन नहीं किया, मुझे सिर्फ़ दो मिनट बोलना है।

श्री एस० एम० जोशी : मैं एक सुझाव देना चाहता हूँ। क्योंकि यह बलाज जरा ज्यादा महबूब रखता है तो लोदी प्रभु को बोलना है तो वह भी बोलें, यह भी बोलें, आधा घन्टा हम ज्यादा बैठ लेंगे।

MR. DEPUTY-SPEAKER : It is not possible. We have got to finish this today.

श्री जार्ज फ़र्नेंडीज़ : उपाध्यक्ष महोदय, मुझे इतना ही कहना है कि 36 (ए) (बी०) (सी०) जो है।

"act in any manner calculated to undermine the confidence of the depositors in any banking company."

उपाध्यक्ष महोदय, मामला इतना ही है कि आज इस कानून के द्वारा यह सरकार और

खास तौर पर इस सरकार के उप-प्रधान मन्त्री यह अधिकार बैंक के मालिकों के हाथों में देना चाहते हैं जिससे कि मजदूर आन्दोलन में, बैंक कर्मचारियों के आन्दोलन में काम करने वाले किसी भी कर्मचारी को नौकरी से तत्काल हटाने के लिए हथियार उनके हाथ में आ जाये। मैं इतना ही बताऊं, कोई भी बैंकिंग कम्पनी का चेयरमैन या डायरेक्टर है या मालिक है, एक नौकर यह शिकायत कर सकता है किसी भी बैंक कर्मचारी के बारे में कि इस आदमी ने मुझसे इस किसी की बातें कहीं कि जिससे इस बैंक के ऊपर हमारा विश्वास आज उड़ गया है और इस एक शिकायत के ऊपर 36 (ए०) (बी०) (सी०) के आधार पर उस कर्मचारी को 6 महीने की जेल या एक हजार रुपया जुर्माना की सजा देने की व्यवस्था आज मोरारजी भाई करने जा रहे हैं। मैं समझता हूँ कि इस पूरे क्लाज को वे वापिस लें और मजदूर आन्दोलन का खात्मा करने के लिए जो हथियार मालिकों के हाथों में दे रहे हैं वह न दें। अगर नहीं मानेंगे तो मैं दो ही बातें कहना चाहता हूँ कि जहां जहां गैर-कांग्रेसी सरकारें हैं, वह कभी भी इसको अमल में नहीं लायेंगी और जहां भी मजदूर यूनियन हैं या बैंक कर्मचारियों की यूनियन हैं सड़कों पर इसका मुकाबला करके इसका खात्मा करने का काम करेंगी। यह हम नहीं होने देंगे।

SOME HON. MEMBERS *rose*—

17 HRS.

THE DEPUTY-SPEAKER : I am sorry, I cannot accommodate them all. I will make an alternative suggestion. Suppose they agree to guillotine all other amendments; except Government amendments, then I can accommodate some more members at this stage; not otherwise.

SOME HON. MEMBER : No, no.

SHRI SRINIBAS MISRA : In 1968, when we have seen labourers and workmen have shaken the foundations of more firmly established governments in this world, when it is very difficult even

for parents to control their children, Shri Dandekar and Shri Desai want to control the workmen by means of this *danda*. Will they be successful in this? If they want to control them, if they think that by *danda* they can make them disciplined, they can make them obey their orders, whatever their orders are, by beating them and by preventing them from staging any demonstration even singly, they are very much mistaken, they can never succeed in it. No government can succeed if it makes such an attempt. If this piece of legislation takes a place in the statute book, there will be more strikes and demonstrations and, after that, Shri Desai will have to come before us for more stringent legislation. This is a signal to the government that they are trying to do some thing which is against the labour policy of this country, the progressive trend in the labour field in the whole world. So, I warn the Deputy Prime Minister that if you put this enactment on the statute book the implications notwithstanding, if you utilize this piece of legislation for suppressing workmen and insulting depositors, the people will take the matter into their hands and then it will be too late for them to retrieve the position.

Apart from the insertion of section 36 AD, clause 15 seeks to make another amendment. It is the usual policy of the government not to allow the Reserve Bank or any of the government departments to expose their documents before the tribunal. When the matter is tried before the tribunal for compensation, even though the Reserve Bank is not bound to produce books of accounts or other documents before the tribunal, it is only fair that all matters must be placed before the tribunal so that the tribunal could come to a just conclusion. Why should they conceal documents from the tribunal? It should not be done.

SOME HON. MEMBERS *rose*—

MR. DEPUTY-SPEAKER : Shri Sreedharan.

श्री मधु लिम्बये : मैं इस विधेयक पर एक मतंबा भी अब तक नहीं बोला हूँ।

MR. DEPUTY-SPEAKER : You have come on the scene just now. Only those who have moved their amendments are being given a few minutes.

SHRI A. SREEDHARAN : Mr. Deputy-Speaker, Sir the fundamental rights of labour, which they have gained through hard struggle, through their blood, sweat and tears are being taken away.....

SHRI RANDHIR SINGH : Sir, why are you giving opportunities only to members on the other side....(interruptions)

MR. DEPUTY-SPEAKER : They have taken the trouble of moving amendments.....(Interruptions) I am sorry. I cannot accommodate all hon. members.

SHRI A. SREEDHARAN : This clause reads like a page from Mein-kempf of Nazi Germany. I would like to ask this government whether they believe in social change at all. The fundamental basis of a social change is healthy and unfettered trade union rights. This Bill, which has been clamped down on the bank employees, is the first weapon in the armoury of this government against labour. More measures are yet to come. The arguments given are that the industry should be protected and banking should be protected. I would like to ask this government what steps they have taken against the smugglers, what laws they have enacted to bring in more stringent punishment on smugglers and tax-evaders.

When this country is facing an economic crisis, measures against them are not taken. Against those who hoard and amass black money no stringent measures are taken by the Government. But the hon. Finance Minister's axe falls on the bank employees. I would like to tell him that the working class of India will not take this lying down. The working class will stand as one man and through their immeasurable strength they will throw this clause and the author of it into the dustbin of history unsung and unhonoured.

SHRI LOBO PRABHU : I want to impress only one point in respect of this

clause. It is not a question of Birlas and Tatas; it is a question of the one million depositors and people who have business with banks. I am not referring to their amendment; let it take its course. I am referring to the provision that Government may acquire a bank after consulting the Reserve Bank. My contention is—and I have expressed it this morning—that the Government and the Reserve Bank are the same and it amounts to Government consulting itself. I would, therefore, suggest that before a bank is acquired, the proposal may be laid before the Parliament for approval because, as I said, we are not concerned with Tatas and Birlas but we are concerned with the one million depositors and their interest must be considered by Parliament. I hope, therefore, the Finance Minister will accept my amendment.

श्री जार्ज फर्नेंडोज़ : उपाध्यक्ष महोदय, मैं 109 के अन्तर्गत व्यवस्था का प्रश्न उठा रहा हूँ —

"At any stage of a Bill which is under discussion in the House, a motion that the debate on the Bill be adjourned may be moved with the consent of the Speaker."

मैं आपकी इजाजत से प्रस्ताव करता हूँ कि इस पर आगे बहस स्थगित की जाये।

MR. DEPUTY-SPEAKER : Please resume your seat. I know the rule. It is a frivolous move. I cannot tolerate it.

SHRI MORARJI DESAI : Mr. Deputy-Speaker, Sir, I am quite conscious of the fact that several hon. Members are very much against this clause 36AD and are feeling keenly about it.

SHRI MADHU LIMAYE : It is irrelevant.

SHRI MORARJI DESAI : It is not as if I have not tried to understand their opposition or that I am trying to curtail any trade union rights....(interruption). If hon. Members do not want to hear me, I am prepared to sit down. I have no desire to speak because I have already

explained it before. But I am prepared to explain it again now if hon. Members are prepared to hear.

SHRI VASUDEVAN NAIR (Peer-made) : You cannot convince even your own Members. Why preach to us ?

SHRI MORARJI DESAI : My Members are very much convinced; they are more convinced than anybody can be. But will hon. Members opposite care to hear or not care to hear ? Who is more rigid—you or I? You do not even want to hear anything. If this is the way hon. Members think, I do not think much of their capacity of toleration or of hearing other people or of giving consideration to other people's views. I have been hearing patiently what they are shouting, what they are saying and what they are abusing. I am hearing very quietly, very patiently. I know what abuses are there. They may be civil abuses; they may not be filthy abuses but still they are abuses and my hon. friend, Shri Dange, specialises in them. My contacts with him are 30 years old. We are used to each other. There is no question about. We understand each other also very perfectly. I have tried to understand the Opposition and when they say that this goes against the legitimate trade union rights or this is directed against labour, I beg to differ from what they say for reasons which I want to give.

It is not as if this is a matter which has been brought in without any reason or without any justification. I am one of those who believe in the rights of people to strike work. (*Interruptions*) But I do not agree to the right of shouting. Let me say that, Yet you can shout; I have no objection to that. But that does not mean I agree it is a gentlemanly thing at all. Let it be understood. We ought to understand something. It is the right of every person to abuse anybody he likes. But then it is also his responsibility to be prosecuted and punished. Therefore these are not rights. Let there be rights of Labour. If they are rights of labour, I am not prepared to bring them in this Bill at all. What I have done in this Bill can, by no stretch of imagination, be considered trade union rights. I am not preventing peaceful picketing. Let it be made very clear.

श्री सरदू पांडेय : यह कहा लिखा है ?

SHRI MORARJI DESAI : It is not necessary. What has been written shows that peaceful picketing will not be prohibited and cannot be prohibited.

श्री जार्ज फरनेन्डीज : सी के बारे में ?

SHRI MORARJI DESAI : I will come to that. If you have some patience, I will, certainly, explain it. Any strike does not mean want of confidence of the depositors. It is not directed at that. Any legitimate trade union movement, even a sit-down strike, peacefully, inside the bank premises will not attract the mischief of this clause provided they do not prevent the officers or other persons physically not to do their work. That means violence. That does not mean their right. There is no right anywhere, in the Constitution of anybody, to prevent somebody else from working if he wants to work.

SHRI S. M. BANERJEE : Peaceful persuasion.

SHRI MORARJI DESAI : Peaceful persuasion will not be liable to prosecution at all. But what is peaceful persuasion or what is not will not be adjudged by either the bank authorities or by the police or by any outsider. It will be adjudged only by a magistrate, by a judicial court, and it will be a regular court against whose decision there will be appeals to the High Court and to the Supreme Court also and not to Government. Government will be condemned if it tries to do anything wrong and, therefore, there is no question.....

SHRI SRINIBAS MISRA : If you are agreeing that it will not apply to legitimate trade union activities, what harm is there if that assurance is mentioned here and now.

SHRI MORARJI DESAI : If my hon. friends are patient enough to hear me, I will just explain why that is so. My hon. friend, Shri Dandekar does not want to get caught into this. Therefore, he is trying to tell you, don't elucidate these points. I know his tricks all the while. That is why he thinks I should

[Shri Morarji Desai]

not be anywhere. That is what he always thinks. But I exist in spite of him because he has not yet got the law with him. That is why he cannot do anything. But I know, the moment he becomes in-charge, what will happen to me. I know he is completely safe as long as I am there. It is a proof that he is sitting here and that he has been completely safe. Let there be no fear about that matter. What is said, in this clause, is :

"(a) obstruct any person from lawfully entering or leaving any office or place of business....."

He can tell him not to go; he can stand there and he can shout a slogan if he likes. But when he does not allow him to enter physically, it attracts the mischief of this clause. I only want to draw their attention against doing illegal things which are not at all trade union rights.

SHRI INDRAJIT GUPTA : Why not put the word "physically obstruct" ?

SHRI MORARJI DESAI : You may not physically do that. What is the meaning of the word "physical"? There are various ways which I do not want to teach you. I know you know them already. Therefore, it is not necessary.

SHRI S. A. DANGE : When you picket and you ask a man not to go in, will that not be construed a verbal obstruction ?

SHRI MORARJI DESAI : That will not be an offence. The rulings are very clear. I have only taken what the High Court has decided; I have not exercised my own judgment. The High Court has decided this matter and they have considered that these are not the rights of labour and, therefore, they have issued injunctions. It is only in order that these tactics, when they take place, do not stop the economic activities which are dependent on the working of banks. It is in this manner that I have brought this clause here; otherwise, I would not have brought it here at all....

SHRI SRINIBAS MISRA : Why not clarify it by a proviso ?

SHRI MORARJI DESAI : There is no question of any proviso; no proviso is necessary, because this is going to be decided by magistracy and not by any executive authority. It is, therefore, very clear ;

"hold, within the office or place of business of any banking company, any demonstration which is violent or which prevents, or is calculated to prevent, the transaction of normal business by the banking company...."

This does not mean that they have to work; that does not mean that at all; they can sit in their places, if they want to sit in their places, but they cannot prevent another man from doing the work if he wants to do so. That is the only meaning of that.

Then coming to sub-clause (c) which says :

"act in any manner calculated to undermine the confidence of the depositors in the banking company."

.....

SHRI SRINIBAS MISRA : Just one point. You say, sit-in strike. When they sit in, how is it that it comes under clause (b), "any demonstration which is violent or which prevents or is calculated to prevent, the transaction of normal business by the banking company"? There is no work that is transacted.....

SHRI MORARJI DESAI : There are other people who work. These are not the only workmen in the bank. There are officers who will be doing the work and you cannot prevent that. Work has been transacted like this and it is only because the work gets transacted that my hon. friends have taught the people to do this kind of things. It is this which cannot be allowed to continue. I have been threatened, the Government have been threatened, by my hon. friends. I do not want to threaten anybody. I will only say this that law will take its course, and the Government which is

not able to enforce the law does not deserve to remain there. I have no doubt about it in my mind. Why should I threaten anybody? I will only say that the law will be properly implemented. There will be no wrong thing....

SHRI J. B. KRIPALANI (Guna) : This holds good of all commercial and industrial activities; it does not hold good only in the case of banking. Why not make a general law prohibiting such activities as are sought to be prohibited in this?

SHRI MORARJI DESAI : It is a suggestion for consideration and I shall certainly consider it. If my hon. friend's advice is taken by my friends on the Opposite, I shall certainly consider that.

श्री अंग्ल बिहारी वाजपेयी : तब तक आप इसको निकाल लीजिए।

श्री मोरारजी देसाई : यह आ जायेगा तो और भी प्राप्त एटमास्फियर हो जायेगा।

Now coming to (c) which says : "act in any manner calculated to undermine the confidence of the depositors in the banking company"

my hon. friend, who is a professor of English and who thinks that he has the monopoly of knowing the correct English—I have no quarrel about that; let him have it—thought that this did not mean anything. What is the meaning of confidence of depositors in the banking company? Not one depositor or two depositors; it is generally of most of the depositors; if they do not come and deposit and if there is a run on the bank as a result of that, that will mean this kind of thing; and not merely because somebody says that it is damaging the confidence of the depositors that the mischief of this clause will be attracted. I have no doubt about this in my mind. Therefore, it is a perfectly valid thing done here. I hope my hon. friends are also interested in seeing that depositors do deposit money in banks, that they do know that banks are necessary. Of course, I do agree that they do not want this kind of banks, they want nationalisation of banks. Even that is not

satisfactory for my hon. friend, Mr. Dange, because the Government is not satisfactory for him and nobody can convince him that this Government can be satisfactory for him. That I can understand, because it is a different philosophy in which he believes. But because he believes in a different philosophy, he thinks I have no philosophy. Perhaps he does not believe in God, and therefore, God has not given him sense enough to understand my philosophy. That is not my fault. If that is so, I only sympathise with him. That is all I can say.

Therefore, the objections are not valid as I have tried to explain and I oppose the amendments.

17.21 Hrs.

[**MR. SPEAKER in the Chair**]

MR. SPEAKER : There are a number of amendments. May I put them all together?

SHRI SRINIBAS MISRA : 51 and 53 may be put separately.

SHRI S. M. BANERJEE : No. 37 seeking to delete lines 26 to 38 and 1 to 8 may be put separately.

SHRI ATAL BIHARI VAJPAYEE : There are a number of amendments seeking to delete the entire clause. They may all be put together. We want to divide on that.

MR. SPEAKER : You cannot have division on every other amendment. Let us take one and divide. The rest may be put together.

SHRI S. S. KOTHARI : No. 67 may be put separately.

MR. SPEAKER : The question is :

Page 12,—

omit lines 29 to 38. (51).

Page 19,—

omit lines 3 to 12 (53)

The Lok Sabha divided :

Division No. 9] AYES [17.28 HRS.

Abraham, Shri K. M.
 Adichan, Shri P. C.
 Badrudduja, Shri
 Banerjee, Shri S. M.
 Bansh Narain Singh, Shri
 Basu, Dr. Maitreyee
 Chakrapani, Shri C. K.
 Dange, Shri S. A.
 Daschowdhury, Shri B. K.
 Devgun, Shri Hardayal
 Dhandapani, Shri
 Dwivedy, Shri Surendranath
 Esthose, Shri P. P.
 Fernandes, Shri George
 Gosh, Shri Ganesh
 Gowda, Shri M. H.
 Goyal, Shri Shri Chand
 Gupta, Shri Indrajit
 Jha, Shri Shiva Chandra
 Joshi, Shri Jagannath Rao
 Joshi, Shri S. M.
 Kalita, Shri Dhireswar
 Kandappan, Shri S.
 Kapoor, Shri Lakan Lal
 Khan, Shri Ghayoor Ali
 Kothari, Shri S. S.
 Kripalani, Shri J. B.

Limaye, Shri Madhu
 Madhok, Shri Bal Raj
 Meghachandra, Shri M.
 Menon, Shri Vishwanatha
 Misra, Shri Srinibas
 Mohammad Ismail, Shri
 Molahu Prasad, Shri
 Nair, Shri N. Sreekanth
 Nair, Shri Vasudevan
 Nayanan, Shri E. K.
 Nihal Singh, Shri
 Pandey, Shri Sarjoo
 Patel, Shri J. H.
 Patil, Shri N. R.
 Ramabadran, Shri T. D.
 Samanta, Shri S. C.
 Sambhal, Shri Ishaq
 Satya Narain Singh, Shri
 Sen, Shri Deven
 Sen, Dr. Ranen
 Sequeira, Shri Erasmode
 Shastri, Shri Sheopujan
 Singh, Shri J. B.
 Sreedharan, Shri A.
 Vajpayee, Shri Atal Bihari
 Viswambharan, Shri P.

NOES

Achal Singh, Shri
 Aga, Shri Ahmad
 Ahmed, Shri F. A.
 Ankineedu, Shri
 Bajpai, Shri Vidya Dhar
 Barua, Shri Bedabrata
 Barupal, Shri P. L.
 Bhagat, Shri B. R.
 Bhakt Darshan, Shri
 Bhanu Prakash Singh, Shri
 Bohra, Shri Onkarlal
 Brahm Prakash, Shri
 Chandrika Prasad, Shri
 Chatterji, Shri Krishna Kumar
 Chaudhary, Shri Nitiraj Singh
 Chavan, Shri D. R.
 Chavan, Shri Y. B.
 Dandeker, Shri N.
 Das, Shri N. T.
 Dasappa, Shri Tulsidas
 Desai, Shri C. C.
 Desai, Shri Morarji
 Deshmukh, Shri K. G.
 Deshmukh, Shri Shivajirao S.

Dhillon, Shri G. S.
 Dixit, Shri G. C.
 Gajraj Singh Rao, Shri
 Gandhi, Shrimati Indira
 Ganpat Sahai, Shri
 Gavit, Shri Tukaram
 Ghosh, Shri Parimal
 Himatsingka, Shri
 Jaggaiah, Shri K.
 Jagjiwan Ram, Shri
 Jamir, Shri S. C.
 Kamble, Shri
 Karan Singh, Dr.
 Kasture, Shri A. S.
 Kedaria, Shri C. M.
 Khan, Shri M. A.
 Kinder Lal, Shri
 Kotoki, Shri Liladhar
 Kureel, Shri B. N.
 Kushwah, Shri Y. S.
 Mahadeva Prasad, Dr.
 Maharaj Singh, Shri
 Mahishi, Dr. Sarojini
 Mandal, Shri Yamuna Prasad

Master, Shri Bhola Nath
 Masuriya Din, Shri
 Menon, Shri Govinda
 Mirza, Shri Bakar Ali
 Mishra, Shri Bibhuti
 Mishra, Shri G. S.
 Mohinder Kaur, Shrimati
 Mondal, Shri Jugal
 Mukerjee, Shri H. N.
 Mukerjee, Shrimati Sharda
 Murthy, Shri B. S.
 Naghnoor, Shri M. N.
 Oraon, Shri Kartik
 Pahadia, Shri Jagannath
 Palchoudhuri, Shrimati Ila
 Pandey, Shri Vishwa Nath
 Pant, Shri K. C.
 Parthasarathy, Shri
 Patel, Shri Manubhai
 Patil, Shri Deorao
 Patil, Shri S. B.
 Poonacha, Shri C. M.
 Raghu Ramaiah, Shri
 Rajasckharan, Shri
 Ram, Shri T.
 Ram Sewak, Shri
 Ram Subhag Singh, Dr.
 Ram Swarup, Shri
 Rana, Shri M. B.
 Randhir Singh, Shri
 Rao, Shri Jaganath
 Rao, Shri Thirumala
 Rao, Dr. V. K. R. V.
 Reddy, Shri P. Antony
 Reddy, Shri R. D.
 Rohatgi, Shrimati Sushila
 Roy, Shri Bishwanath
 Saigal, Shri A. S.
 Sambasivam, Shri
 Sanghi, Shri N. K.
 Sanji Rupji, Shri
 Sapre, Shrimati Tara
 Sarma, Shri A. T.
 Sen, Shri A. K.
 Sen, Shri Dwaipayan
 Sethi, Shri P. C.
 Shah, Shrimati Jayaben
 Shambhu Nath, Shri
 Shankaranand, Shri B.
 - Sharma, Shri Nawal Kishore
 Shashi Ranjan, Shri
 Shastry, Shri Ramanand
 Sheo Narain, Shri
 Sher Singh, Shri
 Shinkre, Shri

Shiv Chandika Prasad, Shri
 Shukla, Shri S. N.
 Shukla, Shri Vidya Charan
 Siddheshwar Prasad, Shri
 Sinha, Shrimati Tarkeshwari
 Sonar, Dr. A. G.
 Sonavane, Shri
 Sunder Lal, Shri
 Tapuriah, Shri S. K.
 Tiwary, Shri D. N.
 Tiwary, Shri K. N.
 Tula Ram, Shri
 Verma, Shri Balgovind
 Vyas, Shri Ramesh Chandra
 Yadab, Shri N. P.
 Yadav, Shri Chandra Jeet

MR. SPEAKER : The result* of the division is : Ayes : 53; Noes : 119.

The motion was negatived.

SHRI S. A. DANGE : This is the most undemocratic vote against the rights of the working classes. The House will excuse us for withdrawing. (*Shri S. A. Dange and some other hon.*

Members left the House).

MR. SPEAKER : I shall now put all the other amendments to the vote of the House.

All the amendments Nos. 19 to 25, 38 to 40, 44, 69 to 72, 111, 113 to 120 and 140 were also put and negatived.

MR. SPEAKER : The question is :

"That Clause 15 stand part of the Bill."

The motion was adopted.

Clause 15 was added to the Bill.

MR. SPEAKER : The question is :

"Clause 16 to 23 stand part of the Bill."

The motion was adopted.

Clauses 16 to 23 were added to the Bill.
Clause 24—(Amendment of section 17)
Amendment made :

Page 30,

*The following Members also recorded their votes : AYES : Shri K. Lakkappa.

NOES : Shri Asoka Mehta.

[Mr. Speaker]

after line 8, insert—

'(1A) for clause (11A), substitute—

"(11A) the acting as agent for the Central Government,—

- (a) in guaranteeing the due performance by any small-scale industrial concern, approved by the Central Government, of its obligations to any bank or other financial institution in respect of loans and advances made, or other credit facilities provided, to it by such bank or other financial institution and the making as such agent of payments in connection with such guarantee, and
 - (b) in administering any scheme for subsidising the rate of interest or other charges in relation to any loans or advances made or other credit facilities provided, by banks or other financial institutions for the purpose of financing or facilitating any export from India and the making as such agent of payments on behalf of the Central Government;".
- (29).

(*Shri Morarji Desai*)

MR. SPEAKER : The question is :

"That Clause 24, as amended, stand part of the Bill."

The motion was adopted.

Clause 24, as amended, was added to the Bill.

MR. SPEAKER : The question is :

"That Clause 25 to 30 stand part of the Bill."

The motion was adopted.

Clauses 25 to 30 were added to the Bill.

MR. SPEAKER : The question is :

"That Clause 1, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI MORARJI DESAI : I beg to move :

"That the Bill, as amended, be passed."

MR. SPEAKER : The question is :

"That the Bill, as amended, be passed."

The motion was adopted.

17.30 HRS.

PUBLIC PREMISES (EVICTION OF UNAUTHORISID OCCUPANTS) BILL—*Contd.*

MR. SPEAKER : The House will now take up further consideration of the following motion moved by Shri Jagannath Rao on the 2nd August, 1968, namely :—

"That the Bill further to amend the Public Premises (Eviction of Unauthorised Occupants) Act, 1958, as passed by Rajya Sabha, be taken into consideration."

Shri Randhir Singh to continue his speech.

श्री रणधीर सिंह (रोहतक) : अध्यक्ष महोदय, अभी उस रोज़ पब्लिक प्रीमिसेज (एविक्शन आफ अनाथोराइज्ड आकुपेट्स) अमेंडमेंट विल के व्लाज़ नम्बर 4 के 10 ई० में यह जो बार ओफ जुरिस्डिक्शन है वह एक बड़ा खराब प्राविजन है ऐसा मैंने उस दिन बोलते हुए कहा था। इस से खास तौर पर वह लोग जो कि मकान वाले हैं, किसान हैं जिनके कि पास जमीन है या मकान का कब्जा है उन के साथ इस से बड़ी ज्यादती होती।

इस के मात्रात् जिस आदमी के खिलाफ एक दफा एक्शन ले लिया जायेगा वह कही कौम्पीटेंट कोर्ट में नहीं जा सकेगा। यह फॉन्ड-मेंटल राइट्स के भी खिलाफ बात है कि समरी मैनर में जिस आदमी की दरखास्त ठुकरा दी जाए वह कहीं दीवानी अदालत के सामने