

(c) to (e) There have been a few incidents of exchange of fire between Pakistani and Indian troops in October 1983 in Poonch Sector. The firing by the Pakistani troops across the Line of Control in J&K, which is not unusual, was unprovoked.

Issues relating to minor firing incidents across the Line of Control in J&K are resolved through Flag Meetings of local commanders. In case of incidents of a more serious nature, the matter is taken up with the Government of Pakistan.

Security Arrangements in Banks

*77. SHRI RAJESH KUMAR SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether a high-powered Committee was set up by Government to review the security arrangements in the banks and to suggest improvements;

(b) if so, whether the Committee has submitted its report to Government; and

(c) if so, the salient features of the suggestions made by the Committee to improve the security arrangements in the Banks and what is the reaction of Government with regard thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A working group had been set up under the Chairmanship of Secretary, Department of Economic Affairs, to review the existing security arrangements in banks and to suggest measures for further strengthening of the arrangements. The working Group has submitted its report which has been sent to all public sector banks for implementing the recommendations. Some of the important recommendations made by the working Group are given in the statement attached.

Statement

Some of the important recommendations made by the working Group set up under the

Chairmanship of Secretary, Department of Economic Affairs, on security arrangements in banks.

1. There should be a security set up in each bank consisting of skilled and competent personnel and headed by a Chief Security Officer of sufficient experience and seniority. He should be the Adviser to the Management on security measures and shall have access to the top management at all times.
2. The Security set up will have to be field oriented and should consist of besides the Chief Security Officer, Zonal and Regional Security Officers.
3. Banks may establish Standing Committees at Central Office and Zones and Regions to oversee security arrangements.
4. The security staff at the branch level may work under the administrative control of the Branch Management.
5. The Security staff should not be burdened with non-security items of work.
6. Banks should ensure that in the event of a robbery/dacoity taking place, the damage that will be suffered is the least.
7. Banks may give selective publicity on preventive steps without disclosing the details to boost the morale of the staff as well as the confidence of the general public.
8. The weak points in the system should be identified and remedial steps taken.
9. The vulnerability of cash in transit should be reduced.
10. Banks must undertake a phased programme of strengthening the existing security arrangements in banks. Banks should also endeavour to have some kind of group security for all the banks in an area.
11. Banks must organise surprise checks, rotation of armed guards, etc. as

further measures for strengthening security arrangements.

12. The Board and the Chief Executives of banks must constantly review the security arrangements in banks.
13. The bank management should sanction all reasonable expenditure necessary and connected with security arrangements in banks.
14. There should be greater and closer cooperation between law and order agencies and Bank Managements.
15. The Central Government, the State Governments and the banks will have to institutionalise the arrangements for effective coordination of security arrangements within the banks and for planning of efforts so that the maximum benefit is derived.
16. The State Police should set up special Intelligence Cells regarding bank robberies/dacoities which can inter alia provide information to banks so that they are in a position to cope up with sophisticated methods adopted by the bank robbers and dacoits.
17. The State Government should consider evolving suitable procedures and machinery for speedy prosecution of culprits apprehended.

Suspension of new loan applications by I.M.F.

*78. SHRI RATANSINH RAJDA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that International Monetary Fund have suspended the work of entertaining new loan application on the plea of paucity of funds ; and

(b) if so, what steps Government have taken along with other developing countries as this stoppage would directly hit the poor countries ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : (a) It is not a fact that International Monetary Fund has suspended new loan applications.

(b) Does not arise.

Retention of Foreign Equity Holding by Drug Companies.

*79. SHRI P.K. KODIYAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that four drug companies, Pfizer, E. Merck, Johnson and Johnson and Cynamid are to be permitted to retain the present level of foreign equity holding ;

(b) if so, what is the present level of holding of these companies and reasons for giving exemption to these companies ; and

(c) the final decision thereon ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : (a) to (c) The existing foreign equity in the four companies and the levels to which they have been required to dilute foreign holding under the preliminary directive issued to them by the RBI in terms of the FERA Guidelines are as under :

	Existing foreign equity	Level to which foreign equity to be diluted, under RBI's preliminary directive.
Pfizer Ltd.	60%	51% with 10% export obligation.
E. Merck (India) Ltd,	51%	40%
Johnson & Johnson Ltd.	75%	51% with 10% export obligation.
Cynamid India Pvt. Ltd.	55%	51% with 10% export obligation.