

because of non-availability of rice, you cannot give it. What is the policy of the government ?

MR. SPEAKER : You know it perfectly well what is the policy.

SHRI SATYASADHAN CHAKRABORTY : I want to bring it to the notice of the government.

(Interruptions)

श्री शिवशरण वर्मा : अध्यक्ष महोदय, मंत्री महोदय ने कहा है कि निर्यात से देश की जनता पर कोई प्रभाव नहीं पड़ा है। मैं देख रहा हूँ कि देश के कोने-कोने में करोड़ों लोग भूख से मर रहे हैं। यह सरकार देश की जनता को धोखा दे रही है। हम यह जानना चाहेंगे कि क्या देश की स्थिति को देखते हुए यह सरकार निर्यात पर रोक लगाएगी या नहीं लगाएगी ?

अध्यक्ष महोदय : इसका जवाब आ गया है।

Setting up of Bank by Government of West Bengal

*733. SHRI AJIT BAG :

PROF. RUP CHAND PAL : Will the Minister of FINANCE be pleased to state :

(a) Whether the Reserve Bank of India is delaying the approval of setting up of a Bank by the State Government of West Bengal for a long time ;

(b) If so, whether Government intend to instruct the RBI authorities not to delay the approval any further as it is hampering the State's progress; and

(c) if not, the reasons for the same ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) According to Reserve Bank of India, the request made by the State Government of West Bengal for issue of a licence to float a company for the purpose of carrying on

banking business is under their detailed examination. A final decision in the matter is possible only after this examination is completed.

SHRI AJIT BAG : The request for establishing its own bank under the Banking Regulations Act was made by the Government of West Bengal as far back as January 28, 1981. But still it is under their detailed examination. We do not know how long it will take them to take a decision since already more than two years have passed. However, I would like to know from the hon. Minister whether any other State in India has been allowed to run such a bank; and whether any other State Government request to establish a bank of their own has been pending with the Reserve Bank of India.

SHRI JANARDHANA POOJARY : No other State Government has applied for setting up a new Bank. The hon. Member was pleased to say that the Reserve Bank has taken two years. It is not a simple issue before the nation. If all the States come to the Reserve Bank of India asking for more number of banks, it will be very difficult to give more licences. In the course of 30 years, so far the Reserve Bank has given licences only to two banking companies. One was in 1971, that is for Purbanchal Bank Ltd., which was set up to take over the business of Gauhati Bank Ltd, another was set up in 1973, i.e., Bharat Overseas Bank in order to take over operations of the Indian Overseas Bank in Thailand etc. The Reserve Bank of India is a competent authority and it is also a statutory body. The Reserve Bank of India is an objective body and is functioning in an objective way. A decision will be taken after taking into consideration all the aspects.

SHRI AJIT BAG : The private banks are allowed to function under conditions laid down by the Reserve Bank of India. So, I would like to know from the hon. Minister what stands in the way of their allowing a State to run its own bank when private banks are allowed to function and whether the hon. Minister will use his good offices to expedite the process of according sanction by the R.B.I.

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : The question is not whether private banks are allowed to function or not. It is known to the hon. Member, that before 1969 all the major banks were in the private sector. The policy which we are pursuing is to extend and bring them more and more under the public control. Fourteen Banks were nationalised in 1969 and six more were nationalised in 1980. We are not permitting the private banking companies to be licensed. Here, the question is not allowing the private banking companies which are already in existence. The question is of permitting new licences and these are all matters involving larger policy.

AN HON. MEMBER : It is not the policy.

SHRI NIREN GHOSH : What is the larger policy matter ?

SHRI PRANAB MUKHERJEE : If Mr. Niren Ghosh wants to provoke me, I can say that the larger policy matter is, they are interested in some sort of politicking instead of getting a licence from them.

(Interruptions)

AN HON. MEMBER : This is objectionable.

(Interruptions)

SHRI KRISHNA CHANDRA HALDER : His answer is politically motivated.

(Interruptions)

SHRI SATYASADHAN CHAKRABORTY : With your kind permission, I would like to ask one question. The hon. Minister has said that the Reserve Bank is going into the matter and examining them. Then, can the House take it that in principle you have no objection to the establishment of a bank in a particular State, under the ownership of the State ? (Interruptions) This should be made clear. You have said that for the last two years they have been going into the matter. It means should it be taken for

granted that you have accepted it as a matter of principle, because if you have not accepted it as a matter of principle, why should the Reserve Bank of India be going into the matter and that too for such a long time ?

PROF. N.G. RANGA : It is a policy matter.

(Interruptions)

SHRI PRANAB MUKHERJEE : My hon. friend may ascertain this matter from his colleagues in the West Bengal Government. There has been a series of correspondence; the Reserve Bank of India has concluded that there is no case. (Interruptions)

Mr. Niren Ghosh may think that his question is so simple. But the answer is not so simple. Each and every State wants to have a bank and I think the whole objective of bringing the banking system within the public control will be diluted to a considerable extent, if every State is permitted to have a Bank of its own.

AN HON. MEMBER : It will not be diluted.

(Interruptions)

SHRI PRANAB MUKHERJEE : I am not yielding. I am answering their question. I would like to mention that they will utilise this in panchayat elections. That is why they are bringing it up.

(Interruptions)

AN HON. MEMBER : This is absurd.

(Interruptions)

SHRI SATYASADHAN CHAKRABORTY : Mr. Mukherjee is misusing the House for election purposes (Interruptions), by saying that we are going to use them for Panchayat elections.

SHRI PRANAB MUKHERJEE : You are going to use them in Panchayat elections.

SHRI SATYASADHAN CHAKRABORTY : We are not. This is a simple

question. Whether you are going to do it or not. You say 'Yes' or 'No'. You say whether you are going to do it or not.

(Interruptions)

Sir, I seek your protection. Mr. Mukherjee should state either 'Yes' or 'No.'

(Interruptions)

MR. SPEAKER : He can not be compelled.

(Interruptions)

MR. SPEAKER : No point in asking further. Please is it down.

SHRI PRANAB MUKHERJEE : I am not making any commitment on the floor of the House whether a decision will be taken or not.

(Interruptions)

SHRI SATYASADHAN CHAKRABORTY : You are not making any commitment. Then, you are not saying 'No'

(Interruptions)

MR. SPEAKER : Order, order please.

SHRI SATYASADHAN CHAKRABORTY : He will use it in the Panchayat elections. You are going to lose. This is going to be a loss for you.

(Interruptions)

DR. SUBRAMANIAM SWAMY : While Mr. Chakraborty and Mr. Mukherjee may have it out, outside the House, this House would like to know.

(Interruptions)

MR. SPEAKER : Will you be ready?

DR. SUBRAMANIAM SWAMY : I will be on his side.

(Interruptions)

SHRI KRISHNA CHANDRA HALDER : The cat is out of the bag.

DR. SUBRAMANIAM SWAMY : As far as you are concerned, it has been out long ago.

SHRI KRISHNA CHANDRA HALDER : We are not afraid of that. We also accept your challenge.

DR. SUBRAMANIAM SWAMY : It is a threat ? They are going to China. I will put in my word there.

SHRI KRISHNA CHANDRA HALDER : He is also going to China.

MR. SPEAKER : So, you have taken preventive action already.

DR. SUBRAMANIAM SWAMY : I am going as a friends of China. They are going under orders of China.

(Interruptions)

SHRI SATYASADHAN CHAKRABORTY : Who can order us ?

DR. SUBRAMANIAM SWAMY : I would like to now since this is a very unusual request-the Minister has almost alleged that it is a fishy request . . .

SHRI SATYASADHAN CHAKRABORTY : No fishy request.

DR. SUBRAMANIAM SWAMY : Is my supplementary being answered from here or there ?

(Interruptions)

On what grounds the West Bengal Government wants to set up a bank ? What is the scope of this Bank ? Will it be for internal

transaction or for external transaction also? What is behind this unusual request since no other State has made such a request? They must have put forward a proposal. In the proposal, have they laid down the reasons as to why they want to set up a bank there under their control?

SHRI PRANAB MUKHERJEE : The apparent reason which they have shown in their request is that the credit deposit ratio in the State has gone down from the national average, in spite of the fact that the credit deposit ratio of many more States like Punjab, Gujarat, Himachal Pradesh, Bihar, is much less than that of West Bengal. For example Bihar's ratio is 39 and odd per cent whereas West Bengal's ratio is 58 and odd per cent. The second reason they say is that they have no control except RR Bs by providing two Directors and 15 per cent to the share capital. They have no complaint about the functioning of the branches. Even in the case of credit and deposit ratio, at the end of December, 1978 their Deposit was Rs. 841 crores and the credit was Rs. 785 crores. By the end of December, 1981, within a span of three years, the deposit had gone up to Rs. 4970 crores and the credit had gone up to Rs. 2918 crores. If you look at the corresponding figures of any other State, you will find that West Bengal is in a much better position. But it is very difficult to convince those who are ready not to be convinced.

SHRI JAMILUR RAHMAN : It is clear that banks play an important part in the socio-economic development of the country. Our intention is very clear. We want to serve the people. That was the intention when the banks were nationalised. I would like to know how many applications are pending particularly of the cooperative banks before the reserve Bank for opening branches either at Delhi or Moradabad, Bhadoi, Banaras or Bihar, to help weaker sections and poorer artisans, who are not being fed by the nationalised banks, because they have committed themselves to the service of the monopoly houses and the capitalists?

SHRI PRANAB MUKHERJEE : So far as the control of the monopoly houses in

the banking sector is concerned, the hon. Member would appreciate that it is not the position. Nearly 95 per cent of the banking business is under the public control today.

SHRI JAMILUR RAHMAN : I do not say control, but they are serving the monopoly houses and not the poor people.

SHRI PRANAB MUKHERJEE : I respect of the pending licences for opening branches in the cooperative sector, I would require a separate notice.

MR. SPEAKER : Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

Decline in export of iron ore from Paradip Port

*725. **SHRI K. PRADHANI :** Will the Minister of COMMERCE be pleased to state :

- (a) whether there has been any decline in the export of iron ore from Paradip Port during 1982; and
- (b) if so, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRIMATI RAM DULARI SINHA) : (a) Yes, Sir.

(b) The reasons are as under :-

- (i) Continued recession in the world steel industry; and
- (ii) Inability of Paradip port to receive big sized vessels and the consequent reluctance on the part of major buyers to nominate vessels to this port.

Auction of Properties of Former Rulers in Gujarat

*727. **SHRIMATI GEETA MUKHERJEE :** Will the Minister of FINANCE be pleased to lay a statement showing :