

12.05 hrs.

## PAPERS LAID ON THE TABLE

**NOTIFICATION UNDER THE MINES AND MINERALS (REGULATION AND DEVELOPMENT) ACT, 1957**

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** I beg to lay on the Table a copy of Notification No. 2060 dated the 2nd September, 1961 under sub-section (1) of section 28 of the Mines and Minerals (Regulation and Development) Act, 1957. [Placed in Library, See No. LT-3201/61].

AMENDMENTS TO INDIAN POLICE SERVICES (PAY) RULES, 1954

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** I beg to lay on the Table a copy of Notification No. G.S.R. 1018 dated the 12th August, 1961 making certain amendments to Schedule III to the Indian Police Service (Pay) Rules, 1954, under sub-section (2) of section 3 of the All India Services Act, 1951. [Placed in Library, See No. LT-3202/61].

AMENDMENTS TO CUSTOMS AND CENTRAL EXCISE DUTIES EXPORT DRAWBACK (GENERAL) RULES, 1960

**The Deputy Minister of Finance (Shri B. R. Bhagat):** I beg to lay on the Table a copy each of the following Notifications under sub-section (4) of section 43B of the Sea Customs Act, 1878 and section 38 of the Central Excises and Salt Act, 1944, making certain further amendments to the Customs and Central Excise Duties Export Drawback (General) Rules, 1960:—

- (i) G.S.R. No. 1050 dated the 26th August, 1961.
- (ii) G.S.R. No. 1051 dated the 26th August, 1961. [Placed in Library, See No. LT-3203/61].

12.06 hrs.

COMMITTEE ON ABSENCE OF MEMBERS FROM THE SITTINGS OF THE HOUSE

## MINUTES

**Shri Mulchand Dube (Farrukhabad):** I beg to lay on the Table the Minutes of the Twenty-fifth sitting of the Committee on Absence of Members from the sittings of the House held during the Fourteenth Session.

12.06½ hrs.

## COMMITTEE ON PETITIONS

## MINUTES

**Shri Barman (Cooch—Behar—Reserved—Sch. Castes):** I beg to lay on the Table a copy of the Minutes of the sittings (Fifty-fifth and Fifty-sixth) of the Committee on Petitions held during the Fourteenth Session.

12.06½ hrs.

## COMMITTEE ON PRIVATE MEMBERS BILLS AND RESOLUTIONS

## MINUTES

**Sardar A. S. Saigal (Janjgir):** I beg to lay on the Table the Minutes of the sittings (Eighty-sixth to Ninetieth) of the Committee on Private Members' Bills and Resolutions held during the Fourteenth Session.

12.06½ hrs.

## ESTIMATES COMMITTEE

## MINUTES

**Shri Dasappa (Bangalore):** I beg to lay on the Table the Minutes of the sittings of the Estimates Committee relating to the Hundred and Thirty-eighth Report on the Ministry of External Affairs and Procedural and Miscellaneous Matters.

## 142ND REPORT

**Shri Dasappa:** I beg also to present the Hundred and forty-second Report of the Estimates Committee on Action taken by Government on the recommendations contained in the Fifty-eighth Report on the Ministry of Home Affairs—Administration of Union Territories.

12.07½ hrs.

## COMMITTEE ON PETITIONS

## THIRTEENTH REPORT

**Shri Barman:** I beg to present the Thirteenth Report of the Committee on Petitions.

**Mr. Speaker:** Sardar Swaran Singh:

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** I have already laid the statement.

**Mr. Speaker:** Yes. Next item. Bills for consideration and passing.

12.07½ hrs.

## DEPOSIT INSURANCE CORPORATION BILL

**Mr. Speaker:** The House will now take up Legislative Business.

**The Deputy Minister of Finance (Shri B. R. Bhagat):** Sir, I beg to move:

"That the Bill to provide for the establishment of a corporation for the purpose of insurance of deposits and for other matters connected therewith or incidental thereto, be taken into consideration."

As hon. Members are aware, the Committee on Finance for the private sector which was constituted in 1954 recommended the introduction of a scheme of deposit insurance, and the suggestion has also been repeated from

time to time since then. When this matter was examined some years ago, it was considered desirable to wait for some time, before a final decision regarding the Committee's recommendation was taken. It was anticipated that with the steady improvement in the financial position of the banks as a result of the control and supervision exercised by the Reserve Bank, the responsibility which was likely to be thrown on the proposed Deposit Insurance Corporation was likely to be reduced after some time; and it was also thought that the major Indian banks in the private sector, which were likely to be affected by the proposals under consideration should be consulted, and persuaded, if possible, to accept the more important features of the scheme, before it was brought into force.

As hon. Members are aware, there is now a consensus of opinion among those interested in the bank industry that the time is opportune for the establishment of the proposed corporation. The main outlines of the scheme of insurance have also been examined in detail by the Reserve Bank and the two banks associations and the State Bank of India have been consulted. It is now generally agreed that if the scheme is implemented early, it will increase still further the protection which became available to the depositors since the provisions of the present Banking Companies Act were brought into force, and will incidentally facilitate the strengthening and improvement of the banking and financial system of the country.

Sir, the Deposit Insurance Corporation which this Bill seeks to establish will be a very specialised institution. It will, so far as our information goes, be the second institution of its kind in the world, the Federal Deposit Insurance Corporation of the U.S.A. which was established in 1933, being the other corporation entrusted with similar responsibilities. It will be use-