

misapprehension in the minds of Members of Parliament, I lay on the Table a statement reproducing the relevant recommendations and stating the correct position in respect of them. [See Appendix II, Annexure No. 100].

**Raja Mahendra Pratap (Mathura):** Sir, I have to say a word about Bhopal. The situation in Bhopal is very serious.

**Mr. Speaker:** I have disallowed that motion.

12-15 hrs.

# STATE BANK OF INDIA (AMENDMENT) BILL—contd.

**Mr. Speaker:** The House will now take up further consideration of the motion moved by Dr. B. Gopala Reddi on the 29th April, 1956, that the Bill further to amend the State Bank of India Act, 1955, be referred to a Joint Committee of the Houses consisting of 45 Members. I need not read out the names now. The time allotted is 3 hours, and the time taken already is 14 minutes. Shri Naushir Bharucha may continue his speech.

**Shri Naushir Bharucha (East Khandesh):** Mr. Speaker, Sir, yesterday, when I was speaking on this Bill, I stated that I was not quite satisfied that the new procedure outlined under section 35 is going to simplify matters. To my mind, on the contrary, it may introduce more complications, and it is, therefore, necessary to examine the existing section 35 of the State Bank of India Act and see in what respects changes have been introduced.

With regard to the necessity of taking over banking institutions, one agrees that there will be several occasions when banking institutions may have to be taken over by the State Bank. The steps as outlined in the present section or the existing procedure is, first, that the terms have to be approved by the Central Board and

the Directorate of the Board of the bank to be taken over; secondly, that there should be sanction of the Central Government approving the arrangement; thirdly, it is laid down that the arrangement will be binding on all including shareholders and creditors; fourthly, that the consideration for the assets taken over will be paid either in cash or in the State Bank shares, or partly in one and partly in the other; fifthly, it has been laid down that the business of the bank taken over shall be carried on by the State Bank. Implied in this also is the fact that there will be an inventory of the assets and liabilities of the bank to be taken over, that the marketability of the assets will have been duly examined, that preliminary legal documents will have been prepared and also agreements to take over, and there will be final conveyance, subject of course to court's permission or sanction where this is necessary. The present changes are with the object of simplifying, we are told. The steps now will be as follows. First, the terms will have to be approved by the directors of the two banks; secondly, sanction of the Government will have to be there, the approval of the Government and sanction, what is known in the amending Bill as the 'order of sanction'; thirdly, there will be a date of vesting prescribed—which for want of better terminology I may call the date of vesting; fourthly, extension of the date of vesting is provided; and, fifthly, the arrangement so provided will be binding on the shareholders. In the previous case, Sir, it was binding on both the creditors and the shareholders, but somehow or other the word 'creditors' has been omitted here. Then, the actual transfer of ownership in the assets to the State Bank is on the date that vesting actually takes effect. It is also said that consideration will be paid in cash or State Bank shares. Power is given to increase the State Bank's issued or authorised capital. The Bank has to carry on the work of the acquired institution. Then there is additional provision made for appointment of a receiver for winding up

purposes. There is the Central Government's power to issue certain directions. There is also power to issue the final order of winding up. The jurisdiction of the civil court is excluded on the ground merely that there is a defect in the constitution of the bank that has been taken over.

Now, Sir, we will examine what are the defects in the new procedure. The first defect, to my mind, is that there is an interregnum between the date of the order of sanction and the date of vesting. That is very obvious. Assuming for a moment that the Government passes an order, let us say, on the 1st April, 1959, providing that a bank's assets may be taken over by 1st May, there is obviously this gap of one month, and it has got its significance which I shall presently point out. Secondly, the property or the ownership in the assets passes not on the date of order of sanction or even the date of vesting but it passes on the actual vesting of the assets and liabilities in the State Bank. In other words, Sir, the creditors, shareholders and all others are kept on thinking what would the actual date of transfer be, because much depends upon that date as I shall presently point out. Whether 'shareholders' include 'creditors' or not, it is not clear from the present amending Bill. I think perhaps the word 'creditor' has been wisely left out, because whatever arrangements which the directors of a bank taken over arrive at with the directorate of the State Bank, so far as the rights of the creditors are concerned they stand on a totally different footing from the rights of the shareholders. The rights of the creditors cannot be lightly impaired without compensation arrangement being provided for such impairment of rights. Therefore, I am inclined to believe that the omission of the word 'creditors' from the amended section is perhaps due to that fact.

Then, consideration has to be paid in shares. I should like to know, is it going to be the face value of the shares? Assuming that consideration

is paid in shares at the market value—very probably and presumably it will be the market value—I would like to know whether when the market value comes to be calculated it will be the market value on the date of announcement of the order of sanction or the date of vesting or the date on which ownership in the property passes. All these things will have to be carefully weighed. It might give cause for litigation, and, if litigation becomes impossible, at least cause for grave injustice. It should be definitely laid down how the consideration is to be paid. If the date of the order of sanction has to be taken into account, it will have to be incorporated in the Bill. Then, what happens when the market value of the shares falls after an announcement of sanction is made, because it is obvious that as soon as it is announced that a particular bank is going to be taken over by the State Bank the shares of the bank which is to be taken over will fall. Therefore, it will be very unfair after announcement of the order to calculate the value as on the date of the vesting of the property. All these things require to be taken into consideration.

Obviously, Sir, I am inclined to think that so far as debenture holders are concerned, they will not permit their security to be impaired without proper compensation being paid, and since there is no provision for payment of proper compensation on that score I am not sure whether to that extent the provision is constitutionally invalid.

Sir, I am not opposing the Bill. I do appreciate that a Bill of this nature is absolutely necessary. I am only seeking to make it, as far as possible, free of any constitutional error.

There is one particular clause in the Bill—sub-clause 8—which refers to payment or, rather, non-payment of retrenchment compensation in respect of certain classes of employees. It has been provided that where the officers

[Shri Nausair Bharucha]

and employees of a bank, the business of which is being taken over, are transferred with their own consent to the State Bank, in that case retrenchment compensation need not be paid to them though their services, of course, legally are terminated, and therefore the provisions of the Industrial Disputes Act do not apply. I think that is an unfair arrangement. What will actually happen is that the State Bank will always manage to coerce the employees and officers by offering them alternative employment in the State Bank, whether on equal terms or even on terms which may not be quite equivalent to the terms enjoyed by the employees in the bank taken over, and because the employee cannot go anywhere else, he may be reluctantly compelled to accept that. This is, to put it very mildly, very unfair as the employees of the banks taken over will be under certain pressures which can well be safeguarded against by providing proper clauses in the Bill. I am drawing attention to these facts so that the Joint Committee may take these points into consideration and I hope that the Bill will be suitably amended.

Shri V. P. Nayar (Quilon): Mr. Speaker, I have read the Bill and as I heard the hon. Minister yesterday, I was inclined to feel that this motion for reference to the Joint Committee has no justification whatever. Yesterday in the course of the other Bill which the House was pleased to refer to the Joint Committee, I had raised similar points basing my arguments on what was said on the floor of the House by the hon. Minister himself, etc., that the Bill did not raise any controversial issues. It is a matter of some importance because I have made every effort to find out whether anywhere there are rules which govern the scope of reference to a Select Committee.

Mr. Speaker: I was not here yesterday. The hon. Member contends that this is a matter which must be disposed of now.

Shri V. P. Nayar: I am opposing the motion.

Mr. Speaker: The Members who assemble in the Business Advisory Committee as representatives of various groups thought that it was better to allow this Bill to go to the Joint Committee. The hon. Member may have his own views.

Shri V. P. Nayar: I am advancing certain arguments so that at least hereafter, the Business Advisory Committee may not decide like that. Even if it decides, I think that this House is paramount and we can alter or modify the decision of the Business Advisory Committee if it is necessary. If you will be pleased to hear me, you will certainly agree with me. I would not have raised this question but for the fact that the Finance Minister, when criticism was levelled against him on account of the inability of his department to check the mounting administrative expenditure, tried to cast all the blame on the Parliament. I have got the record here and when his Ministry was criticised, he tried to get away from the fact and submitted to the House. . .

Mr. Speaker: How is it relevant here?

Shri V. P. Nayar: Finance Minister's every word has to be understood properly and he said:

"If I give one significant figure in the matter of expenditure, it will be seen how things become difficult or how they are necessary."

If it was necessary only, I would not have objected.

Mr. Speaker: The hon. Member objects to the reference to the Joint Committee on the ground that it may involve some additional expenditure.

Shri V. P. Nayar: Also. That is not the only ground. Sir, he went on saying:

"The expenditure in respect of Parliament was in 1952, Rs. 22-40

lakhs. In 1955-59, it was Rs. 124.13 lakhs, and in 1959-60 it will be Rs. 125.80 lakhs."

From Rs. 22 lakhs it goes up to Rs. 125 lakhs. It is all necessary. I do not think the hon. Minister considered that the expenditure that is incurred on Parliament is unnecessary.

When he was on the inability of the Finance Ministry to check the mounting administrative expenditure of the Government, this was the answer. Sir, that raised a storm in the House and I think the Deputy-Speaker was in the Chair and the Members protested. My point is that in case of a Bill like this, the hon. Minister, who not long ago criticised the mounting expenditure of Parliament and relied on it for defence against the criticism on mounting expenditure, is coming forward with a Bill which according to me it is not necessary to refer to a Joint Committee.

Shri Namahri Bharucha: Some people think it is necessary.

Shri V. P. Nayar: My view is different. It may be necessary. As I read the Finance Minister's speech, I am inclined to think that although he did not say it in so many words, he compared what is being meted out to Parliament as the killing of the fatted calf for the prodigal son. This was not what we expected him to say. Now, the same Ministry brings forward a Bill and if we do not raise this question and bring to the attention of the House that this Bill does not by any means justify a reference to the Joint Committee, it will later on be taken advantage of by the Finance Minister in justifying some other criticisms. Although Shri Bharucha may hold a different view, I say that this Bill is not justified in being sent to the Joint Committee. What are the basic requirements for a Bill being sent to the Joint Committee? I have gone through the pages of May's Parliamentary Practice this morning and made a search in vain to find out

whether in the British Parliament there are rules and regulations which govern the scope of reference to the Joint Committee. Unfortunately, our Rules of Procedure nor the Directions of the Speaker or the decisions from the Chair give me any indication or help. I am concerned about it because in our Rules of Procedure, there are definite provisions which empower you to put the question when once you consider that it is not relevant and it is a dilatory motion. But that does not apply in the case of the Government Bills. Even if you are aware that a reference is dilatory and is unnecessary, I do not think that this can by any rule be enforced. May I draw your kind attention to rule 341 and rule 342? I do not want to read them. In the case of an adjournment motion you are competent to say that it is out of order and you need not even read it. Why? Because the time of the House is precious. Rule 342(2) says:

"If the Speaker is of opinion that a motion for re-circulation of a Bill to elicit further opinion thereon is in the nature of a dilatory motion in abuse of the rules of the House inasmuch as the original circulation was adequate or comprehensive or that no circumstance has arisen since the previous circulation to warrant the re-circulation of the Bill, he may forthwith put the question thereon or decline to propose the question."

Subsequently also, it says that the Chair has enough power to prevent a discussion on a matter which he is of opinion is dilatory.

Mr. Speaker: Is the hon. Member saying there are specific references to the adjournment of the debate under rule 342? Let us go further and see sub-rule (3). It says:

"If the Speaker is of opinion that a motion for re-commitment of a Bill to a Select Committee of the House or a Joint Committee of the House . . .

[Mr. Speaker]

Is there any reference to the original motion of reference to the Select Committee, reference for the first time? Has it anywhere been laid down that it can be held to be a dilatory motion?

Shri V. P. Nayar: It has not been. That is exactly why I say the Rules of Procedure may please be amended in order to prevent the recurrence of Bills like this one being referred to the Joint Committee—or matters which the Minister may himself be convinced as having no justification for being referred to the Joint Committee. I will come to that now.

Let us see this Bill and the Statement of Objects and Reasons. What are the principles on which we will be justified in sending the Bill to the Joint Committee?

Mr. Speaker: I would allow the hon. Member to discuss this matter. But the hon. Member wants to use this as an argument against the hon. Finance Minister's statement the other day, that money is being spent on Parliament. This is an unnecessary motion and therefore, the Finance Minister himself is responsible for this expenditure. I am afraid he has chosen a wrong point for this reason. Indirectly in an attempt to criticise the hon. Finance Minister, he may have an opportunity but he is trying to curtail the powers of this House. He may also know why he has not been able to find a parallel or something like what he wanted in May's Parliamentary Practice. In the House of Commons the session is for a whole year and at the beginning of each year, they appoint a number of Committees. All the Members of Parliament are put in one of the committees or the other according to the departments. Every Bill, as soon as it is introduced, is automatically sent away to the committee relating to that. They do not want the time of the House to be taken away. They want an expert opinion from some Committee which is constituted for that purpose. It may be an amending Bill,

and they would like to know what happened on the previous occasion, what were the subject-matters referred to and what suggestions had been made and what assurances had been given by the Ministry and whether sufficient time had elapsed. The Minister might have stated, "let us find out how this works", and so on, and may try to amend the Bill by introducing some other thing. Also, it is open to the Committee to look into similar pieces of legislation in all other progressive and democratic countries. All that information may not be available.

Therefore, for my own part, I have been thinking of devising a method by which automatically every Bill must be referred to a Committee of this House so that we may have the benefit of the rich experience and knowledge of the Members of the Committee, including Shri V. P. Nayar. But I am afraid the hon. Member is trying to put the clock back. He may choose another opportunity. I will certainly give him opportunity and he can certainly say that it is not Parliament that spends away money. The hon. Finance Minister has not chosen a proper parallel or analogy. If criticism comes in that his Ministry or the other Ministries have spent, he need not have said Parliament itself has spent or Members have spent. Of course he might have avoided it. Therefore, let no such impression be created.

As a matter of fact, at the beginning of each session, subject to the Members of the Government and also the Leader of the House agreeing to it, I would like, from the next session, to appoint Committees of the House to which every Bill may be referred. It will help the Ministers also. Members may sit across a table and consider the Bill. Here, we pass certain amendments. Later on, we discover that the amendment, while in substance it may be good, does not fit in with the Bill. Sometimes we hurriedly get through the drafting and the draftsman subsequently complains

that the Bill does not carry out the intentions that were behind the amendment, and so on. Therefore, the hon. Member may kindly drop this matter. This argument need not be pursued. But still if he holds a different view, he is entitled to do so.

Shri V. P. Nayar: I am always subject to the guidance from the Chair. I am really flattered by the personal reference you made about me. I shall not go back to that question. But I shall try to show how there is no justification for any reference to the Joint Committee by the very provisions of the Bill.

Mr. Speaker: The hon Member may remember one thing. Of course there may be an amendment to a motion for consideration. It may be some Members may have to say certain things and then bring to bear certain other matters here, and unnecessarily without taking time it may be done

Now, this is practically as good a motion as the original motion itself. At that stage I do not think it will be advisable to proceed with the hon Member's point. As a matter of fact, the hon. Member from his own experience would have noticed that the Government wants to get through the Bills. They do not worry themselves, sometimes, and they do not want to put themselves to the necessity of answering one Committee there and another bigger one, the Parliament, here. They would try to get rid of it. On the other hand, it is the pressure of public opinion from the non-official side that induces Government or the Ministry to accede to this request. The complaint may be made that they have not done so. Possibly, if the Minister is provoked a little more, he might say, "I will change this motion and ask that the Bill be taken up for consideration straight-away".

Shri V. P. Nayar: If the motion is changed, and if the House is able to discuss it now, then, I have no criticism. But I raised this argument

because yesterday also this question was specifically pointed out to the hon. Finance Minister in respect of another Bill, the Bill about subsidiary banks.

Mr. Speaker: What is the loss? Leave alone the question of money.

Shri V. P. Nayar: I am not at all worried about the question of money. I do not think anybody can raise any criticism that Parliament is spending even one pie unnecessarily. Every pie spent by Parliament is more than compensated by the utility.

Mr. Speaker: The only consideration must be pressure and urgency

Shri V. P. Nayar: Urgency and pressure. All these are considerations which must weigh in the matter of referring the Bill to the Joint Committee. Here is a simple Bill. The Mover himself says in the Statement of Objects and Reasons that:

"Certain minor amendments in the State Bank of India Act, 1955, have been found necessary in the light of the experience gained since the Bank was originally established in 1955. The amendments proposed are explained in detail in the notes on clauses attached to the Bill."

It is just four lines in print

Shri Nanshir Bharucha: These are major amendments?

Shri V. P. Nayar: I am only saying that these are minor amendments.

Mr. Speaker: The hon. Member must appreciate one thing. If perchance his advice is followed, this Bill goes. It is not as if this is a motion for consideration. This very motion itself is for reference to the Joint Committee, and if this is destroyed, once again a Bill has to come in and possibly not in this session. Some decision has been taken.

Shri V. P. Nayar: That is only a formality. He can withdraw this Bill.

[Shri V. P. Nayar]

and introduce another. I have no object of delaying the passage of this Bill. But I only want to say that the amendments are minor. That is why I am opposing the motion. I have gone through the notes on clauses. As you know, Sir, when I speak on such Bills, I take some pains to go through all the clauses.

Mr. Speaker: I do not dispute it.

Shri V. P. Nayar: Here are the notes on clauses. I do not want to read all the notes but shall read just the last sentence of some of the notes.

Mr. Speaker: I am afraid the effect of all this argument will be this. Hereafter the Ministers would not even agree to a reference to the Select or Joint Committee.

Shri V. P. Nayar: We will force them to do it when it is necessary. We will create public opinion and force them to do it if it is necessary.

Mr. Speaker: The hon. Member is too sure of his strength.

Shri V. P. Nayar: Kindly bear with me for five minutes. If the hon. Minister, as I know him to be very reasonable, is convinced that this demand is unreasonable, then I hope that he will not repeat it. That is why I want to impress upon him these points. Take clause 2. It is about the appointment of a legal adviser. The note says:

"...and to define some of the expressions used in the section."

Do we require a Joint Committee for that?

The note on clause 3 says:

"The amendment is of a drafting nature."

Do we require a Joint Committee for that? The Minister himself says that the Bill does not require reference to the Joint Committee through the wordings in the notes on clauses. There are only five or six clauses on

which notes are given. Regarding clause 4, the note says that the amendment is meant to improve its language. I do not think a Joint Committee must be troubled for re-drafting or putting a comma here or change a punctuation there or to improve the language. Then take clause 5. That is meant to make the meaning clear. Clause 6 is put in to simplify the procedure. Every clause is like this. I do not want to go clause by clause. The hon. Minister says that it is a verbal change or a consequential change or a drafting change or a change to clinch the issue by an interpretation. There is no controversy according to him. We are surprised. We know that this is the first amending Bill to the State Bank of India Act. Normally we should have been told of the results of the functioning of the State Bank from 1955. As you know, the State Bank was not created all of a sudden. It was established because there is a specific recommendation for the constitution of the State Bank by what is called, and from which I quoted yesterday also, the Rural Credit Survey Report. It is after mature consideration that the Government thought of taking over the Imperial Bank and making it the State Bank. Three or four years have lapsed. Yesterday the hon. Minister said that 92 per cent of the shares are held by the Reserve Bank.

Dr. M. S. Aney (Nagpur): If the hon. Member is opposed to the motion for reference to the Joint Committee and thinks that at this stage there is no need for it, why not he himself move an amendment that the Bill be taken up for consideration? What prevents him from bringing in an amendment to that effect?

Shri V. P. Nayar: I have been here continuously for seven years, and I have had sufficient knowledge of the rules of procedure.

Dr. M. S. Aney: Can he not bring in an amendment, and is he in order?

Mr. Speaker: He wants to say that there is no such rule enabling him to bring in an amendment that the Bill be taken into consideration forthwith.

Shri V. P. Nayar: That is exactly what I say. I may be pardoned for repeating that I have been here for seven years uninterruptedly.

Mr. Speaker: For a motion that a Bill be taken into consideration, an amendment may be moved, that it may be referred to a Select Committee or be circulated for eliciting opinion. But for a motion that the Bill be referred to a Select Committee or Joint Committee, there is no amendment provided in the rules that the Bill be taken into consideration forthwith. If the motion for reference to Joint Committee is opposed a fresh Bill has to come in.

Dr. M. S. Aney: Is there anything in the rules preventing him from bringing in an amendment to that effect? There are three kinds of motions in relation to a Bill.

Mr. Speaker: Then it may be said that whatever is not in the Rules can be done in this House.

Dr. M. S. Aney: Are we prevented by any rule? It is a privilege of an hon. Member.

Mr. Speaker: It is only the rule that enables us.

Dr. M. S. Aney: That cannot be taken away. That is my interpretation.

Mr. Speaker: When that is the interpretation, we would not stop at any particular stage. If this House has jurisdiction only to take notice of the motions that are provided for by the Rules then by themselves without the aid of the Rules there is absolutely no proceeding that can be launched here. Any proceeding that is started or any motion that is moved must come under one or the other Rule. Otherwise, this will be a market place. Anybody will come and say, "Bhaiyo our bahino, aapko samjha guch kar

raha hun". This is not so. Therefore he has no jurisdiction to do that.

Shri V. P. Nayar: Therefore the only way in which I can raise a discussion is by opposing the motion, which I am doing.

This is the first amendment of the State Bank of India Act and we expected—and we have a right to expect also—that Government will tell us more of the working of such a specialised institution which has been created by Parliament. This is the first amendment. Maybe, the amendments are of a consequential nature or of a clarificatory nature, but being of such importance, specially as the State Bank was created after very long consideration and on the basis of a definite recommendation of a very elaborate survey, we expected to know about the working of the State Bank because it was intended to change the very banking pattern of our country by the institution of this Bank. The reason was that the banks in our country did not give sufficient rural credit. Another reason was that the banks did not advance money to the industry. It had an emphasis on advances and help in financial aid on commerce. We are not interested very much on the commercial side of the State Bank of India, knowing as we do that even Mundhras have been financed by the State Bank. Probably the figure that loomed large yesterday may also have been financed. We are not worried about it. We are interested in knowing what has been the change made in the matter of rural credit since the setting up of the State Bank, as it is, and what is the Bank's role in financing the industries. These are two very important aspects which we ought to have been told although the amendment is of a consequential nature. Government should have taken the opportunity because we do not discuss the State Bank in any of the discussions, whether it is in the Finance Ministry or in other discussions. We have no opportunity to discuss the working of the State Bank. This is the only opportunity which the Govt.



[Shri V. P. Nayar]

ernment have had since 1955, when the State Bank of India Act was passed, to come to the House in the matter of the State Bank of India. We should have been told that. That is my view. Not being able to know anything from discussions here, we are now told that here are the consequential amendments, send them to the Joint Committee. Why? If it is the hon. Minister's case that in any one of these clauses, as suggested by him, there is scope for any controversy, then I am agreed to it.

I was referring to his speech yesterday while commending the motion. As he opened his speech, this is what he said. How am I to say that despite what the hon. Minister has said we have a case to make a reference to the Joint Committee? The hon. Minister, just after making the motion, says:

"I do not think that it is necessary for me to make a long speech on the Bill. It raises no major controversial issues."

Mr. Speaker: I am afraid that there is no prohibition. Unfortunately, there is no provision allowing me to say that the hon. Member's speech is dilatory.

Shri V. P. Nayar: I am taking advantage of that. I shall read the provisions.

Mr. Speaker: Let us get through it

Shri V. P. Nayar: I can confine myself only to the provisions.

Mr. Speaker: I can understand the hon. Member. Everybody understands him. Now, why should we not get through this Bill?

Shri V. P. Nayar: I want this Bill to be got through, but my only complaint is that the Government have not treated the House....

Mr. Speaker: Hon. Member wanted only five minutes. I have given him five minutes.

Shri V. P. Nayar: I wanted five minutes only for my submission about the scope of the Joint Committee. I think the Bill has been fixed up for three or four hours....

Mr. Speaker: Three hours.

Shri V. P. Nayar: I do not know whether anybody else will be speaking on this. Yesterday's experience was not that

Mr. Speaker: Now, he has given sufficient material for the Ministry to spend some time.

Shri V. P. Nayar: If it is your wish then even to my discomfiture I shall leave it.

Mr. Speaker: No, no

Shri V. P. Nayar: My point is that the hon. Minister or the Government have not chosen to take the House into confidence and tell us the details of the working of the State Bank. This opportunity should have been used because we do not get any other opportunity. Mere perusal of the balance sheet of the State Bank will not give an indication of the change in pattern of banking which has been given effect to by the reorganisation of the Imperial Bank. We do not know by perusing the balance sheets alone or by going through some figures as to what is the change in the attitude of the State Bank in the matter of finance for rural credit, and the quantum of rural credit which was available after setting up the Bank as compared to that which was available before the setting up of the Bank. Therefore it is my view that Government have not taken the House into confidence in bringing this Bill in such a way. On the other hand, for a few verbal changes they want the Joint Committee to go into all these details.

It is not even a Select Committee of this House. He wants this hodgepodge Bill, this non-controversial Bill,

this Bill which raises no fundamental questions to be referred to a Joint Committee. I am worried because this will become a precedent hereafter. Therefore, I am suggesting that the Rules of Procedure may be amended in such a way that you will have the power to decide when such non-controversial matters are being referred to a Select Committee, to stop the waste of time of Parliament.

With these words, I resume my seat

Mr. Speaker: The hon. Minister

Shri V. P. Nayar: I am correct. Nobody is speaking now.

Mr. Speaker: I am sure that he will take some time to answer the hon. Member's very valuable remarks and suggestions.

Pandit Thakur Das Bhargava (Hissar): If he wants some hon. Member to speak then I would like to speak

Mr. Speaker: No. It is not necessary.

The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddi): Sir, I heard with great interest the remarks made by the hon. Member that there was no need for referring this to a Joint Committee. Originally, the Government also thought that there was no need, but when the Business Advisory Committee wanted it, certainly the Government thought that it could as well go to the Joint Committee and all points which were likely to be raised, like the points raised by Shri Bharucha, could be discussed in the Joint Committee. I do not think that this will become a precedent and that every Bill will be asked by the Business Advisory Committee to be referred to a Joint Committee and things like that. I do not expect any such danger. Wherever there is any point to be clarified, where hon. Members feel that some important amendments are being made, it is up to the Business Advisory Committee to ask for referring it to a

Select Committee. Therefore, while of course basically or originally we also wanted that it need not be referred to a Joint Committee, now in view of the Business Advisory Committee's recommendation we thought that it is better to do so.

I did not expect that Shri Nayar will ask us to give a complete picture of the State Bank's structure, finances, its activities etc. I thought he is fully conversant with the policy of the State Bank. It is trying to cover up all uncovered areas and through the subsidiary banks that they are going to take up they are going to develop in the former Part B States also. They are financing the small-scale industries. All these points, I thought, the hon. House is aware of and we need not dilate on that aspect while trying to move these amendments to the State Bank Act

The points raised by Shri Bharucha are not very fundamental. He did not object to any of the provisions of the amending Bill. He only wondered whether the new procedure is going to simplify matters. Am I correct? He thought that the existing provisions are good enough or bad enough.

Shri Naushir Bharucha: They are not good enough.

Dr. B. Gopala Reddi: The old ones are not either enough or even these new ones are not adequate. But I hope the hon. Member admits that it is an improvement on the old order. But they are not adequate enough.

Shri Naushir Bharucha: It requires to be looked into by the Joint Committee more closely.

Dr. B. Gopala Reddi: Our own experience is that the previous provisions were not adequate and the new provisions are quite adequate. But if they are inadequate, of course, the Joint Committee can certainly look into the matter. Sometime ago the Cooch-Bihar Bank was taken over and the Manipur Bank was also taken over.

(Dr. B. Gopala Reddy)

But yet there are so many difficulties encountered by the State Bank because of the provisions in the Banking Companies Act etc. that unless we follow a very tedious procedure we cannot get through the business. While they are agreeable, while the State Bank is agreeable, both of them are agreeable, yet we have to go through certain procedural formalities enjoined by the Banking Companies Act. Therefore hereafter this Act will prevail. Whatever might be contained in the Banking Companies or Companies Act, this will have precedence and this will prevail and simplify matters, and, certainly the Joint Committee can look into the matter. If there are any further improvements to be made, they can certainly be sponsored by the Joint Committee.

With regard to the employees also, certainly, the State Bank will offer them all reasonable terms of compensation. Simply because in one respect they are adversely affected while the bulk of the compensation is quite good and quite adequate, the Labour Disputes Act cannot be invoked. Therefore we want that should be put above controversy, and notwithstanding anything contained in the Labour Disputes Act or any other Act, this Act must be able to prevail. Anyway, this is a matter all the aspects of which can be considered by the Joint Committee.

Therefore, I move that the Bill be referred to a Joint Committee.

Shri V. P. Nayar: Against your original wish.

Mr. Speaker: The question is:

"That the Bill further to amend the State Bank of India Act, 1955, be referred to a Joint Committee of the Houses consisting of 45 Members; 30 from this House, namely:—

Shri C. Bali Reddy, Shri M. R. Krishna, Dr. Ram Subbha Singh, Shri Shree Narayan Das, Dr. M. S.

Aney, Kumari Maniben Valsala, Ishai Patel, Major Raja Bahadur Birwada Bahadur Singh, Shri Amar Singh Damar, Shri K. G. Wodeyar, Shri T. Ganapathy, Shri M. Palaniyandy, Shri Bahadur Singh, Shri S. K. Damani, Dr. Pashupati Mandal, Shri Vishnu Sharan Dubliish, Shri Lachhi Ram, Shri Panna Lal, Shri Kanhu Charan Jena, Shri K. S. Ramaswamy, Shri Ram Shanker Lal, Shri B. R. Bhagat, Shri Prabhat Kar, Shri P. K. Kodiyan, Shri J. M. Mohammed Imam, Shri Ram Chandra Majhi, H.H. Maharaja Pratap Keshari Deo, Shri Subiman Ghose, Shri Lalsram Achaw Singh, Shri Balasaheb Salunke, and Shri Morarji Desai;

and 15 members from Rajya Sabha;

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the first day of the next session;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees will apply with such variations and modifications as the Speaker may make; and

that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of members to be appointed by Rajya Sabha to the Joint Committee."

The motion was adopted.