

(b) the total assets of the Indian banks in Pakistan and that of the Pakistan banks in India at that time;

(c) the present condition of the Indian banks and their employees in Pakistan and the condition of Pakistan banks and their employees in India; and

(d) whether any steps have been taken by either Government for regularising the activities of these banks?

**The Minister of State in the Ministry of Finance (Shri B. R. Bhagat):**

(a) and (b). Prior to September 1965, 17 Indian Banks had branches in Pakistan with assets amounting to Rs. 22.79 crores and liabilities amounting to Rs. 21.48 crores.

Two Pakistani Banks had branches in India with assets amounting to Rs. 1.99 crores and liabilities amounting to Rs. 1.96 crores.

(c) In September 1966, the management of all the Indian banks in Pakistan was taken over by the custodian of enemy property in Pakistan. All India based employees with one exception have since returned to India. The two Pakistani Banks in India were initially granted moratorium under Banking Regulation Act, 1949 in September, 1965 and their management was vested in the Custodian of Enemy Property for India in February, 1966. All Pakistan employees of the two banks have left India for Pakistan.

(d) The resumption of the activities of these banks is linked with the general question of the normalisation of Indo-Pak. relations.

**M/s. Bird & Co.**

**\*674. Shrimati Renu Chakravartty:**  
Will the Minister of Finance be pleased to state:

(a) why the matter pertaining to the manganese ore and other gunny

shipments of Orissa Minerals and Becker Grey, subsidiaries of M/s. Bird & Co., are not being taken up for investigation; and

(b) whether it is a fact that all the relevant documents are in the Customs House, Calcutta?

**The Minister of State in the Ministry of Finance (Shri B. R. Bhagat):**

(a) It is not correct to say that matters pertaining to manganese ore and other shipments of M/s. Orissa Minerals and Becker Grey have not been taken up for investigation. Necessary investigations are in progress.

(b) All the seized documents relating to export of manganese ore and other gunny shipments are still with the Calcutta Custom House.

**Payment of Compensatory Allowances to P.&T. Staff**

**\*675. Shri Hem Raj:  
Shri Daljit Singh:**

Will the Minister of Finance be pleased to state:

(a) whether any decision has been taken for the payment of the compensatory allowance to the Posts and Telegraphs Staff posted in the Hilly Areas; and

(b) if so, the nature thereof?

**The Deputy Minister in the Ministry of Finance (Shri L. N. Mishra):**

(a) and (b). No, Sir. The existing scheme of hill compensatory allowance covers all the Central Government employees, including the P. & T. Staff.

**Increase in Bank Rate by U.K.**

**\*676. Shri Surendra Pal Singh:  
Shri D. C. Sharma:**

Will the Minister of Finance be pleased to state:

(a) whether the rise in the bank rate by U.K. from 6 to 7 per cent