

will now take up clause by clause consideration. The question is :

"That clauses 2 and 3 stand part of the Bill."

The motion was adopted.

Clauses 2 and 3 were added to the Bill

Clause 1, the Enacting Formula and the title were added to the Bill.

SHRI HARINATHA MISRA : I beg to move :

"That the Bill be passed".

MR. DEPUTY SPEAKER : The question is :

"That the Bill be passed".

The motion was adopted.

13.58 hrs.

PUBLIC FINANCIAL INSTITUTIONS (OBLIGATIONS AS TO FIDELITY AND SECRECY) BILL

MR. DEPUTY SPEAKER : The House will now take up the Public Financial Institutions (Obligations as to Fidelity and Secrecy) Bill for which two hours have been allotted.

THE DEPUTY MINISTER IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : I beg to
move :

"That the Bill to provide for the obligation of public financial institutions as to fidelity and secrecy, be taken into consideration."

13.59 hrs.

[SHRI R. S. SPARROW in the Chair]

As the Hon. Members are aware, obligation as to maintenance of fidelity and

secrecy was for the first time, placed on a statutory basis by the State Bank of India Act, 1955. Later, such provision was also incorporated in the State Bank (Subsidiary Banks) Acts, 1959 and the two Bank Nationalisation Acts of 1970 and 1980. Thus in so far as the public sector banks are concerned, they are enjoined by the respective statutes governing them to maintain secrecy in respect of information relating to the affairs of their constituents except when such information is required in accordance with law or in conformity with the practices and usages customary among bankers. Some of the other enactments, governing public financial institutions, like the Industrial Development Bank of India, the Export Import Bank of India and the National Bank for Agriculture and Rural Development also contain provisions enjoining these institutions to maintain secrecy in regard to the affairs of their individual constituents. On the other hand, public financial institutions like the Industrial Credit and Investment Corporation of India and the Industrial Reconstruction Corporation of India are not required to maintain secrecy in regard to the affairs of their constituents. Thus, there is a manifest dichotomy in regard to maintenance of secrecy by various public financial institutions. The Bill seeks to remove this dichotomy.

Basically, the need to maintain secrecy in regard to the affairs of the individual constituents arises out of the special contractual relationship between the banking institutions and its borrowing clients.

14.00 hrs.

This need has been universally accepted. The institutions also have a moral responsibility to ensure that they do not divulge any sensitive information which might in any way jeopardise the credit worthiness of their borrowing constituents. The institutions should be especially careful in regard to the affairs of sick units assisted by them as disclosure of any sensitive information relating to these units could prevent competent technical and managerial personnel from being attracted to the service of the unit besides adversely affecting its market.

These factors might defeat the efforts of the agencies attempting to rehabilitate these sick units. It would, therefore, be accepted that disclosure of unit-wise information, particularly in regard to sick industrial units, would not be in the larger public interest.

In order to ensure that the provisions of the Bill are not misapplied, we have taken care by bringing within the ambit of this Bill only the public financial institutions. We have also taken this opportunity to make the provisions as to obligation of secrecy and fidelity contained in enactment like Industrial Finance Corporation Act, 1948, and the State Financial Corporation Act, 1951, more comprehensive by incorporating certain amendment so as to bring the provisions contained in these enactments on par with similar provisions in other enactments.

With these remarks, I commend the Bill for the consideration of the House.

MR. CHAIRMAN : Motion moved :

"That the Bill to provide for the obligation of public financial institutions as to fidelity and secrecy, be taken into consideration."

Now, Prof. Rup Chand Pal will speak.

PROF. RUP CHAND PAL (Hoogly) : Mr. Chairman, Sir. It is a thin House and it seems to be a very 'innobuous' Bill for which only two hours have been earmarked. I also would not have any objection to it because already there are such provisions of obligations as to fidelity and secrecy in respect of nationalised banks and some other financial institutions. But, Sir, what necessitated such a Bill at a time when a serious controversy has been raised inside this House as also the whole country regarding the functioning of the role of the public financial institutions? Very recently a non resident Indian, who has become very famous these days, Mr. Swaraj Pal, has made many comments; I am referring to one comment made by him in his address in the Press Club at Delhi. He said that 11

large houses are controlling more than Rs. 27,000 crores of public money, where their own investment is sometimes to the tune of only 2 or 4 per cent, and they are holding our economy to ransom. They are doing whatever they like to do with all these things and this controversy is going on in the dailies, weeklies and other journals also. All serious people, economists and others, have come out with suggestions regarding the functioning of these public financial institutions.

Sir, on numerous occasions in this House serious charges of misuse, manipulation, misappropriation and fraud have been made in respect of the nationalised sector of Banks and other Financial Institutions, as you know, in this very House it has been divulged that in a particular period Rs. 130 crores were involved by way of fraud while the total amount in relation to dacoity and robbery was merely to the tune of Rs. 1 to 2 crores. Some Committees also have made some serious Comments regarding the functioning of the public financial institutions.

(Interruptions)

Sir, as two hours are allotted and there are not many speakers, and as I have said that it is a very important Bill, I seek your indulgence to take more time.

Besides these charges of rampant corruption, it has come out that the borrowers, most of whom are large houses, have diverted money, shifioned off money—and this is not our saying; the other day when the 13 textile mills, take-over Bill was discussed, our Hon. Commerce Minister said as to the amounts due to the financial institutions from these 13 textile mills which were being taken over. And some of the amounts are due from large houses including one Tata cloth mill.

Sir, when we discussed about 26,000 sick units or something like that and a number of units of large houses becoming sick, we had seen how the representatives of the public financial institutions on the Board of Directors of these large houses

did not care to be vigilant enough when deliberately a large number of industries were being made sick by way of deliberate diversion of funds and shiffting of funds. This is not our comment. The Tiwary Committee had made serious comments about it, the RBI has come out with serious comments on all these things. Sir, there was a persistent demand for a thorough probe into the role and functioning of these financial institutions and very recently the Hon. Finance Minister, Mr. Pranab Mukherjee, had made one such assurance that a Committee would be going into all the aspects of the financial institutions and so far as I know, a Committee headed by one former Finance Secretary, Mr. Narasimham, was set up to go into all the public financial institutions. In his statement not long ago, but very recently, on the 16th of this month, the Finance Minister admitted in this very House that a large chunk of the loan given by the financial institutions went to the large houses to the Tatas, the Birlas, the Mafatlal Group, to J. K. Singhania, etc. who received bulk of the loans granted by the public financial institutions in the past three years. A total loan of Rs. 184.59 crores was sanctioned as loan to 20 top industrial houses in the country in 1980-81. The amount sanctioned in 1981-82 to the large houses was Rs. 114.45 crores and in 1982-83 the loan sanctioned was Rs. 187.78 crores to these houses. What was the amount of return? This is very important. This is according to the Finance Minister's statement -- I am not depending on any other statement, but only on the Finance Minister's statement. On 3rd August 1983 in the Rajya Sabha he said that out of 123 units, only 8 units have returned their dues to the IFCI and on that day Rs. 44.82 crores were due from Tatas. This is a very conservative estimate, I think it is far more than that, I shall come to that later.

Tatas and Birlas together owe to the IDBI and IFCI over Rs. 100 crores. The Hon. Finance Minister said after that :

"We know the record is not good and a Committee would be appointed to look into the matter which should cover not only IFCI, but other financial institutions."

What has come of that Committee? When the Report is coming, when the action is going to be taken? We have to look deeper into the matter. There is a serious comment by the Comptroller and Auditor General of India. When you are investing money from the public financial institutions in any company and if your share is more than 50%, should you not look into it that it comes within the jurisdiction of the Comptroller and Auditor General of India?

The Government has admitted as on to-day there are 53 such companies where the Government is holding more than 50% of shares. The company Note, say, it is about 115. I would like to know from the Hon. Minister what are the real figures? Normally one should expect in a democratic set up that the Government would enlarge the area of public accountability. When Government fund, public financial institutions fund to the order of hundreds and hundreds crores of rupees are involved, they should come to public accountability, but strangely enough when there is obligation to the employees—officers, Directors and others which have been proposed here as to fidelity and secrecy—what are the obligations being fulfilled by these companies, by the Public financial institutions? Government of India have sought to reduce its own role and allow public assets to be managed by private individuals with no public accountability. I have not got enough time, otherwise I could have read a list of the names of big companies where the public sector share is more than 50%, where it is more than 40% and where it is more than 33%, where it is more than 25% and how many of these over the years have been deliberately made to grow sick.

There is a serious comment that in more than 52 organisations, public financial institutions have more than 33% of shares. What does the Board of Directors do, that is a different question. There is controversy going on. I am not going into it. But there is no scrutiny by the Comptroller and Auditor General of India. But what is the provision in the Companies Act? Under Section 619 B of the Companies Act it has been said in which there is more than 51%

equity share held singly or jointly. By one or more State Government and the Central Government companies or Corporations these have to be treated as deemed Government companies. Deemed Government Companies come within the jurisdiction of the CAG. As on 1982, there are 53 such companies. I am not going to dispute whether they are 53 or more than that. Have the accounts for 1980-81 in the case of these companies been received? That is an important question. In how many of these 53 organisations, Government have more than 51% of shares? I am not saying 50.29, 50.59 in equity shares, these are different questions. By saying only that the Government or public financial institutions jointly or singly there have been 50.29, they are left out, because the Act says 51%. Technical view—the Companies Affairs Ministry is taking. I am not going into that. Out of these 53 companies, audited accounts have come of only 35.

Reports have come that there are companies, large houses with more than 51% of Government share. We know Auditor has been appointed in consultation with CAG I have a list. Out of 12 it has been shown one. One has submitted the information as regards the accounts and all that. Taking for granted that eleven large houses controlling more than 27,000 of public money with small investment are holding the whole country's economy to ransom, what is the Government doing? Denotifying, bringing financial institutions out of the purview of the Comptroller and Auditor General—this is what has been done. It is a serious comment. I would like the Hon. Minister to reply to it.

Following comment has been made in CAG Report 1980 Part I—Introduction, Union Government Commercial :

“Industrial Finance Corporation of India and Industrial Credit & Investment Corporation of India Ltd., which were originally notified as institutions owned or controlled by the Central Government were subsequently de-notified by the Department of Company Affairs.”

These are under the Control of his Ministry, but Company Affairs Ministry is denotifying, bringing it out of the purview of the Comptroller and Auditor General.

In the case of FERA companies, in the case of MRTTP we have guidelines. If you look into the RBI's guidelines, it is understood that if you have got more than 25% of equity shares, they should be subject to some scrutiny, some control. The State Corporation is holding 49% of shares. Some Central Government Corporations are holding 49% of the shares—total comes to 98%. Technically it cannot be called 51% control. That is the technical interpretation given and in such a way a large number of houses have been kept out of any scrutiny. There is no public accountability. This august House, the supreme body, cannot know anything. If the employees come out with just such information that such and such a Director has wasted such and such amount, the money is being squandered away in league with the Private Sector, they are going to be punished. Is it the action of the civilised Government? If the Managing Director is involved in a fraud, he is not punished. If retired General is involved in a league with the existing service personnel divulging vital secrets to the enemy country, there is hesitation—hesitation regarding those who are already in service. These Raghupatias and others involved in Bank fraud are promoted and rewarded. But if an employee gives that information saying that I am patriot, this is the information, according to his bond he will be punished. Two hours have been granted and this obnoxious Bill is being passed.

Please look at the figures of the past few years regarding the companies where more than 33% of shares are held by these Public Sector Institutions.

The reports have come out. There are no audited accounts. The shareholders are taken for granted. Mr. Minister, I am not speaking subjectively. Those who are in the know of things had officially brought out these things. They have been published. Simply resolutions are passed without inviting the shareholders. They are squandering crores and crores of rupees. As has been

read out by me from the information supplied by the Finance Minister himself in this House and at other places, if you look at the list, you would be rather surprised. I also did not know all these companies who are building temples and calling Birla temples but whose money they are Controlling? Public money. Organisations spending money and saying this is "Tata Hospital". By whose money? It is public money. I also did not know that in Dunlop India Public Financial Corporations are having so much of investment. Proper audited accounts, report of the annual general meetings are not submitted timely. Is it my comment? No. It is C. and A. G.'s comment. But that is outside their purview. In a situation like this, what is to be done? I am asking the Hon. Finance Minister. The senior one is not here. But any-how, the junior one is here. Can you allow this to continue?

Sir, in TISCO, more than 40% of the shares are held by Public Financial Institution. I would say, what authority Tata has got to say, "This is my family management and my organisation; I have supreme control over it." To this part, we agree with Mr. Swraj Paul. But unlike Swraj Paul, we want that all this should come within the jurisdiction and within the scrutiny of the Comptroller and Auditor General of India so that he can make comments and the PAC can take up the report. And the report be submitted to the supreme House and then we can discuss it, if necessary. It is not to say only corruption. It is not to say only joint sector. It is not necessary that joint sector is the answer. What was the concept of joint sector in the beginning. New entrepreneurs should be encouraged. Small entrepreneurs should be encouraged. And what is your joint sector today with Tatas, with Hindustan Lever, with Birlas with JKs etc. A long list has been given—not by me—by the Finance Minister and his own admission, is that hundreds and hundreds of crores of rupees are due from these big houses. They are not returning them. The Minister says, "I am sorry for it. I have instituted a committee." Why should you come out with such things. Let the House be informed first about the findings of the Narasimham Committee. What did they say?

I don't say that in the banking industry, in the financial institutions, discipline should not be insisted. I also do not say that internationally accepted practices and good practices should not be there. But punish those companies first. After that, tell your employees to be disciplined. So, Sir, my plea would be before subjective the employees and others to such obligation as to Secrecy and Fidelity so that they may not divulge even correct information to the nation as to how money is being squandered away, you should better do one thing. Wherever the public financial institutions invest more than Rs. one crore, it should be brought within the jurisdiction and scrutiny of the Comptroller and Auditor General of India.

It is because your argument of new entrepreneur does not stand. Your argument of small entrepreneur does not stand. Your directors should be asked to take the responsibility. We would like to know who are these directors of the financial institutions. All these large-houses have been deliberately made sick. They are hand in glove with the private sector and with these large houses to make these industries sick. I would like to ask the Hon. Minister that before coming to the obligations of the employees, officers and others, will he institute an enquiry into the functioning of the public financial institutions in relation to the whole of textile industry and jute industry? I am not talking about all the industries. I am not going into TISCO, TELCO and others. I am not going into engineering sector. I am only asking about textile and jute industries. Why do I select these two? From your own admission, from the admission of the Hon. Commerce Minister, it has come out more than once in the very House that more than Rs. 200 crores have been squandered away by the jute managers. They just befooled the public sector institutions and the banks.

(Interruptions)

I would like to conclude by saying that instead of coming with such a Bill, please come with the report of the Narasimham Committee and let us have a full discussion on the functioning of the public sector institutions regarding which role a big controversy has been raised.

I hope the Government will agree to my proposal that wherever these public sector institutions invest more than Rs. one crore, it should be brought within the scrutiny of the Comptroller and Auditor General of India.

श्री मूल चन्द्र डागा (पाली) : सभापति जी, मैं अभी तक इस बिल को पूरी तरह से समझ नहीं पाया हूँ इसलिए मैं चाहूँगा कि मंत्री जी जब जवाब दें तो समझा दें। "सीक्रेसी" शब्द को आप कई जगह पर इस्तेमाल में लाए हैं लेकिन इस शब्द को आपने कहीं भी डिफाइन नहीं किया है। "सीक्रेसी" और "फाइडेलिटी" को इस बिल में कहीं भी डिफाइन नहीं किया गया है। जहाँ तक मैं समझता हूँ जब कोई बात दो आदमियों से बाहर तीसरे आदमी तक चली जाती है तब उसकी सीक्रेसी नहीं रह जाती। फिर यह सीक्रेसी किस बात के लिए है? मैं तो समझता हूँ यह बिल कांस्टीट्यूशन के भी खिलाफ है। अगर आर्टिकल (38) और (39) को देखा जाए तो उसका मेन पर्पज था :

Article 38 (1) says :

"The State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social, economic and political, shall inform all the institutions of the national life."

आर्टिकल-38 (2) कहता है कि आपको सामाजिक न्याय आर्थिक आधार पर भी सबको देना है।

Article 38 (2) of the Constitution says :

"The State shall, in particular, strive to minimise the inequalities in income and endeavour to eliminate inequalities in status, facilities and opportunities, not only amongst individuals but also amongst groups of people residing in different areas or engaged in different vocations."

हम आर्थिक असमानता को खत्म करना चाहते हैं। अगर मैं किसी बैंक में रकम जमा करता हूँ और आप कहते हैं कि उसको मत बतलाइए। यदि वह काला घन है या किसी प्रकार का घन है, तो आपको यह बिल लाने की क्या जरूरत थी, क्यों सारी बातें आपने बिल के अन्दर नहीं लिखी हैं। आपने बिल में एक बार कहा है कि

"The duty of the bankers as to secrecy concerning their customers' affairs arises out of their contractual relationship. It has been universally accepted as a customary usage."

जब आपने बैंकों का राष्ट्रीयकरण किया तो हमने सोचा था कि बैंक किसी एक आदमी की पूंजी न रह जाए, वह राष्ट्र की पूंजी है और हर आदमी यह जाने बैंक क्या काम करता है। इनके पास इतनी पूंजी है और इस पूंजी का बैंक इस तरह से उपयोग करते हैं।

19 जुलाई, 1969 को जब बैंकों का राष्ट्रीयकरण हुआ, तब कांग्रेस भारी संख्या में शासन में आई। उन्होंने यह घोषणा की थी कि आज ये बैंक किसी व्यक्ति के नहीं रहेंगे, ये बैंक राष्ट्र के बन जायेंगे और राष्ट्र के हैं। इसी उद्देश्य के लिए सारे देश में राष्ट्रीयकरण किया गया। आज आप कह रहे हैं कि यह कस्टम है। मैं यह पूछना चाहता हूँ कि क्या किसी कस्टम को कानून बनाना जरूरी है? कस्टम यानि रीति-रिवाज को कानून बना दिया जाए तो उस कानून की परिभाषा में उसे रखना क्यों जरूरी है। ऐसी कौन सी बात है कि सीक्रेसी और फाइडेलिटी रखने की जरूरत है। मान लीजिए कोई नहीं रखता है तो आप क्या करेंगे? एक जगह आपने कहा है—

"Whether he has entered upon his duty as a Director, Member of any Committee

audit officer or any other employee of the public financial institution to which this Act applies."

आप जानते हैं कि एक जगह कितने ही तरह के लोग रहते हैं—डायरेक्टर्स वहां रहते हैं—आफिसर्स वहां रहते हैं—तो बात कैसे सिक्रेट रह सकती है। आप आगे कहते हैं कि—

"Whether he has entered upon the duty as such before the date on which this Act becomes applicable.....within 30 days from which.....then he will have to make a declaration of fidelity and secrecy in the form set out in the Schedule of this Act."

यह आप जानते हैं कि संसद या किसी भी जगह यदि कोई आदमी शपथ नहीं लेता है तो वह पार्टिसिपेट नहीं कर सकता है। इसमें इस बारे में कोई क्लॉज नहीं है। जिसने बिल को ड्राफ्ट किया है। उसने इस बारे में नहीं सोचा है। यदि डायरेक्टर सिक्रेसी की शपथ नहीं लेता है तो क्या होगा।

"Whether he will be debarred from taking part in the working."

सभापति जी, मैं आपका ध्यान इस बात की ओर भी आकर्षित करना चाहता हूँ कि इसमें मैजेटरी प्रोवीजन किया गया है। आप सबोर्डिनेट लेजिस्लेशन कमेटी के बेयरमैन भी हैं, कोई भी बिल ऐसा नहीं होगा जिसमें पावर आफ डेलीगेशन न हो और हाउस में लेड-डाउन न हो।

इन्होंने रूल 70 को भी बायोलेट कर दिया, हर कानून के अन्दर एक बात होनी चाहिये और वह यह कि उसमें डेलीगेशन का क्लॉज होना चाहिये ताकि उसके नीचे कोई नोटिफिकेशन, रूल, सब-रूल, बाइलाज या कोई आर्डर ईशू किया जाय तो उसका टेबिल आफ दि

and Secrecy) Bill

हाउस पर रखा जाना जरूरी हो। इस बारे में कमेटी आन सबोर्डिनेट लेजिस्लेशन ने बहुत से रूलिंग दिये हुए हैं, लेकिन फिर भी आप अब 1983 में एक बिल ला रहे हैं और पूछा जायगा तो कहेंगे कि इसमें डेलीगेशन का सवाल ही पैदा नहीं होता है, लेकिन जब आप इसके नीचे कोई आर्डर निकालेंगे तो जब उसको इम्प्लीमेंट करेंगे, तब क्या होगा ?

आप एक कस्टम को यूज कराना चाहते हैं और यह ठीक है कि वह कानून बनना चाहिये लेकिन उसमें सीक्रेसी नहीं होनी चाहिये, वह कुछ खुला होना चाहिये कि उसके पास कितनी दौलत है, कितनी पूंजी है। आप जानते हैं बैंक के कामों में बहुत से घपले हुए हैं। मैं आप के ही एक क्वेश्चन के आंसर को रेफर करना चाहता हूँ—

"Will the Hon. Minister of Finance be pleased to state :

- (i) Details of debts written off by all nationalised banks in the last three years.
- (ii) The names of persons whose debts are written off and how many out of them are income-tax payers."

This was the question and the answer was given by the Hon. Minister.

एक आदमी कितनी ही रकम को रिटर्न-आफ कर देता है—

"In accordance with the Statutes governing the public sector bank and in accordance with the practices and usages customary among the bankers, the public sector banks are enjoined upon by law not to divulge information relating to or the affairs of their constituents."

इसको कौन मानेगा, कौन इसको बरदाश्त करेगा कि पार्लियामेंट से बढ़कर ताकत दे दी

जाय। यह हमारी दौलत है, हम इसको पास करते हैं, अगर आप उसमें कोई रिटन-आफ करते हैं और आपसे पूछते हैं कि क्यों रिटन-आफ किया तो आप हमको कह देंगे कि हम नहीं बतलायेंगे, क्योंकि हम सीक्रेसी मैनटेन करते हैं।

This is the answer given by Shri Maganbhai Barot, Ex-Deputy Minister of Finance :

"In view of the legal position, it is not possible to divulge information relating to the amount of bad debt written off by the nationalised banks in the last three years or the names and other details of the persons whose bad debts are written off."

अभी यहां पर हमारे एक साथी ने काफी अच्छी बातें कहीं और यह भी कहा कि यह इन्नोसेंट बिल है—मैं समझ नहीं सका कि यह कैसे इन्नोसेंट है।

PROF. RUP CHAND PAL : Apparently.

श्री मूल चन्द डागा : इसमें क्या फाइडेलिटी है, क्या सीक्रेसी है। रुपया आप रिटन-आफ करेंगे और हम पूछेंगे तो हमको नहीं बतलायेंगे—यह ठीक नहीं है। आपको एक-एक पैसे का हिसाब देना होगा। मैं जनार्दन पुजारी जी के ही एक जवाब को रेफर करना चाहता हूँ—

"Whether it is a fact that P.S. Jain Complex, Jullundur and Mota Singh Nagar (Jullundur) Branches of the Punjab and Sind Bank have purchased cheques worth Rs. one crore from one single party which were drawn by non-existing parties/firms in October/December, 1981."

"Whether it is a fact that each of these cheques was for a large amount and drawn on local branches of the Punjab and Sind Bank."

He says in the reply :

"In accordance with the statutes governing the public sector banks and in accordance with the usages and practices customary among the bankers, information relating to the affairs of the constituents cannot be divulged."

जब आखिर में यह पूछा गया तो उन्होंने यह बताया कि 34 लाख रुपया कुछ पार्टियों द्वारा निकाला गया।

मेरी समझ में नहीं आता कि यह आफिसरों को सीक्रेसी और इनफाइडेलिटी का नया कानून बनाने की बात क्यों जंची। आप यह कानून बनाते हैं, कस्टम का कानून बनाते हैं जबकि हमारा संविधान यह कह रहा है कि हमारा समाजवादी समाज है। हमारे समाज में गरीबी और अमीरी के बीच अन्तर कम कर दिया जाए। गरीबों को ऊपर उठाया जाए और अमीरों को नीचे लाया जाए। हो क्या रहा है? रिचर इज बिकमिंग रिचर, पर पूअरर इज बिकमिंग पूअरर। इस बिल के द्वारा उल्टी बात हो रही है। संविधान की भावना और है।

जो आप कहते हैं उसमें क्या लिखा है बैंकिंग कमीशन की रिपोर्ट है। उसमें बैंकिंग कमीशन का यह क्वेश्चन आता है—

"The obligations of the banks as to the observance of secrecy regarding the affairs of their customers."

"Availability of adequate information for the credit rating of borrowers."

"Whether the disclosure is under compulsion of law."

"Whether there is a duty to the public to disclose."

अब आप तो ला भी बना रहे हैं कि इनफाइ-
डेलिटी, सीक्रेसी मेन्टेन की जाएगी। जब हम
आपसे क्वेश्चन करेंगे तो आपका आन्सर होगा
कि नाऊ द बिल हेज बीन पासड।

इस पर जरा आप सोचिये। जो कुछ मैं
सोच सका हूँ उससे मुझे यह कहने की
आवश्यकता महसूस हुई कि यह जो बिल आप
लाये हैं, इसका मंशा क्या होगा? क्या आपके
डाइरेक्टर या आफिसर्स आपकी बात नहीं कहते
हैं? वे घर पर जाकर कह देते हैं। हिन्दुस्तान
में तो लोग शपथ खाकर भी सारी बात कह
देते हैं।

हमारे जनार्दन पुजारी जी जैसे ईमानदार
मंत्री हैं, ऐसे आपके सारे लोग तो होंगे नहीं।
बहुत से ऐसे पुजारी हैं जो पुजापा भी खा जाते
हैं। आप तो नहीं खाते हैं। आप वास्तव में
गरीबों के पुजारी हैं। यह कानून एक ईमानदार
व्यक्ति ला रहा है। लेकिन इस ईमानदार
व्यक्ति से हम पूछते हैं कि इसका ईमानदारी के
साथ इम्प्लीमेंटेशन क्या होगा, कैसे होगा?
जब आपने इसमें पनिशमेंट ही नहीं रखा है तो
कैसे इसका इम्प्लीमेंटेशन होगा। इससे आपको
भी फ्राड की काली कोठरी में न घुसना पड़
जाए? न जाने कितने पुजारी जी फ्राड में घुस
गये हैं। इससे कही आपको भी फ्राड की काली
कोठरी में न घुसना पड़ जाए।

According to the information compiled
by the Reserve Bank of India, the total
number of cases of bank frauds in nation-
alised banks is given below :

1978-the total number of cases is 1,072.

1978-1072 cases Amount involved Rs. 619
lakhs approximately.

1979-1031 cases Amount involved Rs. 784
lakhs.

इस बिल की जरूरत कैसे पंदा हो गई, यह
समझ में नहीं आता। आप कस्टम को ला

बनाना चाहते हैं, क्या इसकी जरूरत पैद
हुई? न कोई इसमें सजा का प्रोवीजन है न
डेलीगेशन पावर इसमें रखे गए हैं।

इन सब बातों पर विचार होना चाहिए।

PROF. N.G. RANGA : Is there no pro-
vision for punishment?

SHRI MOOL CHAND DAGA : No,
Sir.

श्री जगपाल सिंह (हरिद्वार) : सभापति
जी, इस बिल को देखने के बाद मैं इस निष्कर्ष
पर पहुंचा हूँ कि यह बिल भी बिल्कुल वैसा ही
है जैसे कि हमारे वित्त राज्य मंत्री यहां बैठे
हुए हैं। इसके एम्स एण्ड आब्जेक्ट्स में कोई
भी किसी की समझ में नहीं आती कि इस बिल
का उद्देश्य क्या है? बहरहाल सरकार इस
बिल को लाई है। इसमें कहीं यह स्पष्ट नहीं
किया गया है कि फाइनेशियल इंस्टीट्यूशंस
के कर्मचारियों पर यह प्रतिबंध लगाने की
जरूरत क्यों पड़ी। बिल में यह बताना चाहिए
था कि फाइनेशियल इंस्टीट्यूशंस के कर्मचारियों
की तरफ से ये आपत्तिजनक कार्य किए गए हैं,
इसलिए हम इस बिल को लाए हैं। इसमें ऐसा
कुछ नहीं बताया गया है। किसी नान पालि-
टिकल आदमी को भी यह बिल दिखाया जायगा
तो वह भी इस बिल को पढ़ने के बाद एक ही
निष्कर्ष पर पहुंचेगा कि इस बिल में, फाइने-
शियल इंस्टीट्यूशंस के काम करने का जो
नरीका है उससे वे हिन्दुस्तान में कैपिटलिज्म
को मजबूत करने का काम कर रहे हैं, उस पर
पर्दा डालने का काम यह बिल कर सकता है।
इससे ज्यादा कोई दूसरा काम नहीं करेगा।

अभी डागा जी ने पंजाब एण्ड सिंध बैंक
का उदाहरण दिया कि इस तरह से पंजाब एण्ड
सिंध बैंक ने 10-12 व्यक्तियों को करोड़ों रुपया

दिया, बिना मार्टगेज के, बिना गारंटी के। सदन के अन्दर भी इसकी चर्चा हो चुकी है। फाइनेंशियल इंस्टीट्यूशंस से पैसा लेकर लोग ब्लैकमनी बना रहे हैं; इस बारे में पंजाब एण्ड सिंध बैंक की चर्चा हो चुकी है। यह बात एक मैगजीन में छप भी चुकी है।

सभापति महोदय, कल को आप मंत्री महोदय से जानना चाहेंगे कि किस फाइनेंशियल इंस्टीट्यूशन ने किस पूंजीपति को या किस कारखाने को कितना ऋण दिया है और क्या रहन रखा गया है, किसकी गारंटी ली गई है तो कोई जवाब नहीं मिलेगा। क्योंकि यह बिल पास हो जाएगा।

मैं अभी का एक उदाहरण देना चाहता हूँ। मेरठ के राज्य सभा सदस्य ने ट्रैक्टर लेने के लिए लोन लेना चाहा तो यह कहकर मनाकर दिया गया कि आपकी जमीन कम है इसलिए लोन नहीं मिल सकता।

PROF. N.G. RANGA : Security is a must.

श्री जगपाल सिंह : वही बैंक एक महीने बाद मोदी को डेढ़ करोड़ रुपया दे देता है। माननीय सदस्य ने राज्य सभा में यह सवाल उठाया कि मैं अपनी जमीन को गिरवी रखना चाहता था और दो आदमियों की सिक्यूरिटी देना चाहता था लेकिन मुझे लोन नहीं दिया गया। डेढ़ करोड़ रुपया किसी सिक्यूरिटी के बगैर, किसी गारंटी के बगैर, बिना कुछ गिरवी रखे हुए आपने कैसे दे दिया। यह बात माननीय सदस्य ने वित्त मंत्री श्री मुखर्जी से पूछी।

माननीय प्रणव मुखर्जी ने राज्य सभा में जवाब दिया, क्योंकि मैं और मेरी सरकार संतुष्ट थे कि यह पैसा वापिस हो जाएगा

इसलिए यह डेढ़ करोड़ रुपया दे दिया। इस प्रकार से आपकी फाइनेंशियल इंस्टीट्यूशंस के काम करने के तरीके हैं। उस पर आप प्रतिबंध लगाना चाहते हैं, जिससे दोनों सदनों का कोई भी सदस्य वहां जाकर जानकारी प्राप्त न कर सके और इस देश के लोगों को यह मालूम न हो सके कि कितना रुपया किस पूंजीपति को दिया हुआ है। आपने कर्मचारियों के ऊपर तलवार लटकाने का काम किया है जिसकी वजह से अखबार उन चीजों को छापने में असमर्थ होता है। मैं यह पूछना चाहता हूँ कि यह इंस्टीट्यूशन जो पैसा देता है, क्या वह इस देश की मिलिटरी फार्म से भी ज्यादा सीरियस मामला है। एक करोड़ रुपए से ज्यादा किसी भी कारखाने या पूंजीपति को यह फाइनेंशियल इंस्टीट्यूशन पैसा देता है तो सरकार की तरफ से प्रैस को जाना चाहिए। इससे देश के लोगों को पता लग सकेगा कि कितना पैसा किस पूंजीपति को दिया है? अगर आप यह काम नहीं करेंगे तो इससे पूंजीवाद बढ़ेगा और कोई भी कर्मचारी किसी बैंक या किसी इंस्टीट्यूशन का अखबारों को सूचना नहीं दे पायेगा। आपकी पार्टी के एक संसद सदस्य का होटल चार-पांच एम० पीज के मकानों को तोड़कर बन रहा है। इसमें सारा पैसा गवर्नमेंट आफ इण्डिया का है। स्वराज पाल का समर्थन नहीं करता हूँ लेकिन यहां पर चर्चा अवश्य करना चाहूंगा। वह विदेशी पूंजीपति है। उन्होंने इस देश के पूंजीवाद की जो पोल खोलकर रखी है, वह बहुत ही अच्छा काम किया है। इससे पता लग गया है कि कुछ व्यक्ति किस प्रकार से अरबों रुपए की संपत्ति के मालिक बने बैठे हैं जबकि उनकी पूंजी केवल पांच प्रतिशत ही है। मंत्री जी, 48 और 51 के एक्ट को और ज्यादा सशक्त करने की बात कर रहे हैं। स्वराज पाल ने हिन्दुस्तान के पूंजीपतियों की जो पोल खोलकर रख दी है, उसको आप दबाना चाहते

हैं। पंजाब नेशनल एण्ड सिव बँक की यहां चर्चा हुई थी। आपने इस बारे में कोई जानकारी यहां नहीं दी। अगर हमको जानकारी नहीं मिलेगी तो हम कैसे यहां पर चर्चा करेंगे कि कितना पैसा गायब हुआ है और कितना बैंक से लेने के बाद खर्च किया या नहीं किया है? यह बिल पास हो जायेगा तो पुजारी जी क्या जवाब देंगे कि एकट पास हो गया है, कर्मचारी हमको इन्फार्मेशन नहीं दे सकते इसलिए मैं भी सदन को नहीं बता सकूंगा। वहां के जो ब्यूरोक्रेट्स हैं, वे संबंधित हैं। आपने सबको प्रतिबंधित कर दिया है, आप सदन को कितनी जानकारी दे सकेंगे? मैं यह कहना चाहूंगा कि आप इसको कांस्टीट्यूशन की आत्मा के अगेंस्ट ला रहे हैं और लोक सभा में चोट पहुंचाने का काम कर रहे हैं। इस बिल को आप बिल्कुल पास न करें। वोटिंग से पहले आप खुद ही इसको वापिस ले लें वरना इसके सीरियस रिपरकन्सेन्स होंगे। पूंजीवाद जितना इस मुल्क के लोगों के खून को चूसने का काम कर रहा है वह और ज्यादा होगा, जो प्रतिबंध होना चाहिए, वह भी नहीं हो पायेगा।

मन्त्री जी की मंशा इस बिल को लाने का इतना नापाक है, इतना गलत है कि मैं इस बिल का विरोध किए बगैर नहीं रह सकता हूं और मैं मांग करता हूं कि वह इस बिल को वापिस ले लें वरना मैं उम शब्द का इस्तेमाल नहीं करना चाहता—पूँजीपतियों के पैटर्न पर वह उनका रक्षक बनने का ही काम करेंगे।

SHRI JANARDHANA POOJARY : Sir, at the very outset I may submit that the Hon. members who participated in the debate have come up after studying this Bill very seriously and their suggestions and criticism are also very effective and constructive.

In fact, when this Bill was introduced the objectives were placed before the

Parliament and today also in my introductory remarks I have stated as to why this Bill has been introduced.

Sir, identical provisions have been placed on the statute in the State Bank of India Act, 1955 and later it was also incorporated in the State Bank (Subsidiary Banks) Act, 1959 and also in the Nationalised Bank Act, 1970. Subsequently in the year 1980 identical provisions were incorporated and these provisions have also found place in the Banking (Amendment) Act. So, it is not a new provision that has been introduced in the Parliament today or yesterday. Apart from this identical provisions have been incorporated in the Industrial Development Bank and EXIM bank and also NABARD. By virtue of these provisions statutory protection has been given to the individual constituents of the bank. Statutory protection against what? It is in order to safeguard the credit worthiness and also their business interests. It is a statutory obligation and also a contractual obligations between the customer and the bank. This principle has been internationally accepting in the banking sector in order to protect the interests of the client so far as the banks and other institutions are concerned. So, when other institutions are enjoying and they are prevented from divulging any information relating to the business affairs of individual constituent—including to the Parliament—and this provision has been incorporated so far as IRCA, IFCI State Financial Corporations, etc.

15.00 hrs.

By virtue of the provisions incorporated in this measure, these institutions are also prevented from divulging any information of a secret nature. Now, the question may be asked: By not divulging such an information are we prevented from knowing about their performance, about the working of an institutions? No. The Public Undertakings Committee is there. You can table questions on any aspect and get the answers. So far as the individual is concerned, this Parliamentary forum cannot be converted into an Inquiry body. If individual cases are discussed in the Parliament, what would

happen to the credit worthiness of the individual concerned? What would happen to the contractual obligation between the customer and his bank? This is the point which I request Hon. Members to consider.

SHRI AMAL DATTA : May I ask a clarification on this point?

MR. CHAIRMAN : Not now; later, after he has finished.

श्री जगपाल सिंह : जब संसद में कहा जा रहा है पूछ सकते हैं और यहां जब चीज बायेगी तो फिर वह प्रैस को जायेगी और उसके माध्यम से लोगों के सामने जायेगी, फिर सीक्रेसी कैसे रह जायेगी?

MR. CHAIRMAN : Not now. Any clarification may be asked later on, after the Minister concludes his reply.

SHRI JANARDHANA POOJARY : There are many sick units in the country. Hon. Members of the opposite side and also from the treasury benches are raising various questions regarding these. There are criticisms outside Parliament also. They say, there are so many sick units so many labourers are affected, so many labourers have gone out of employment and so on; and they say, these sick units should be nursed, brought back to health, and rehabilitated. Well, if at all we give all the information relating to the particular sick unit, that individual constituent unit, before the nation what would happen to its credit-worthiness? In respect of its rehabilitation we have to appoint somebody as a technical expert or a managerial expert for this sick unit. Now, who would come forward, if he comes to know about all these things in detail? This is a point to be taken into consideration. Then Hon. Members asked about this: There are more than 26,000 small scale units. They say many small scale units are sick; thousands and thousands of crores of rupees are locked up in these units. They may be small scale units or medium scale units or large scale units. And if at all we divulge everything about the affairs of a sick unit, what would happen, will anybody come forward to serve there, to work for rehabilitation of the sick unit?

This point also we have to take into consideration. If this is allowed, tomorrow, I can say something about an Hon. Member of the House; I can give details of his bank accounts, details of his financial position and so on. Are such things to be discussed here? Not at all. We have to see the far-reaching consequences. We have to ask ourselves this question: will such divulging be in the interest of the nation, in the interest of the country? Sir, it is a universally-accepted principle and custom that such things should not be divulged. I will pose this question to you. These financial institutions are commercial institutions. If tomorrow, these institutions are required to divulge information and details of business, will the persons concerned continue to be customers of these financial institutions or the banks? Will he go to any nationalised bank, or will he go to the foreign banks for his requirements? We cannot forget that these financial institutions are commercial institutions.

In these circumstances, it is for the Hon. Members to consider the relevance of this Act. I do not say that there is no substance in their arguments at all. But we cannot ignore the interests of individual constituents, we have to safeguard and protect them.

It all started in the year 1955-56. These provisions have been incorporated in relation to certain financial institutions with some purpose. It is mainly in the interest of the customers, not that it was done only with some social objective.

Shri Daga is an experienced legislator and an experienced politician, and he made very good points. If there is a specific provision for preventing from divulging information to anybody, even if a Minister gives some information, will he not be hauled up for privilege motion. Tomorrow, if Shri Daga becomes a Minister, he cannot also divulge the information, which he is not required to divulge under the law. It is the statutory provision that prevents us from doing that.

But at the same, if there is a fraud and a case has been registered, as per the law, and in accordance with the Criminal

Procedure Code, or any other law, certain information would be disclosed. It has been provided that in accordance with the provisions of certain laws, or customs, or usages, the information can be divulged. If in the course of investigation, or a case in the court, certain information is required to be divulged, the banks will have to do that. No criminal will go unpunished, because of this law. It is not the intention of the legislation or this Parliament.

PROF. RUP CHAND PAL : They are going unpunished.

SHRI JANARDHANA POOJARY : It cannot be. Nobody can go unpunished. Of course, we have to repose some confidence in the employees and the management. We cannot say that all the people are bad, or all are black sheep. We will have to identify the deficiencies and identify the culprits.

PROF. RUP CHAND PAL : He has admitted that there are black sheep. How many of them have been punished ?

SHRI JANARDHANA POOJARY : I have stated earlier on the floor of this House as also outside the Parliament, that there are black sheep in these institutions also; but I have not given their percentage.

The percentage I have not given. It is the very same people who have opposed it. When we try to identify and take action against these people, they oppose it.

PROF. RUP CHAND PAL : How many have you punished ?

MR. CHAIRMAN : This is an argumentative debate. Questions are different from arguments. If you want to have any clarifications, you can put them later on.

SHRI JANARDHANA POOJARY : Sir, I share the Hon. Members' concern. I am grateful to them. And that should be the spirit. When the frauds are committed, we have to identify and punish them. I have said this not only on the floor of this House but outside also. In Dharwar, I was

'Gheraoed', by the bank employees saying I was maligning them, when the Minister had gone on record saying that blacksheep are there, some percentage of them is there and we have to identify them.

PROF. RUP CHAND PAL : Sir, I am on a point of order.

MR. CHAIRMAN : Under which rule ?

PROF. RUP CHAND PAL : Under Rule 376.

MR. CHAIRMAN : This is an infringement of the Rule. I have told you previously also. Only clarifications and be asked later.

PROF. RUP CHAND PAL : Just a point of order.

MR. CHAIRMAN : Don't mix up point of order with clarification, for God's sake.

PROF. RUP CHAND PAL : I am under Rule 376.

MR. CHAIRMAN : You can raise your clarification or anything doubtful later on.

PROF. RUP CHAND PAL : But I am on a point of order.

MR. CHAIRMAN : You should not be in a hurry. You have enough time. You should not disturb him.

PROF. RUP CHAND PAL : On point of order, it is my right.

MR. CHAIRMAN : I know, but that has to be clear. You address it to me first.

PROF. RUP CHAND PAL : My point of order is that the Minister on more than one occasion has said that there are black-sheep in the financial corporations and the nationalised banking sector, but he has avoided scrupulously my question about how many of them have been punished.

MR. CHAIRMAN : Under all these six points it is not given.

PROF. RUP CHAND PAL : Why, Sir ?

MR. CHAIRMAN : Where is the infringement of the Rule ? Quote the rule where infringement has taken place.

PROF. RUP CHAND PAL : He is avoiding inspite of my repeated questions.

MR. CHAIRMAN : I would not like to accept this way. Kindly leave it here.

SHRI JANARDHANA POOJARY : Thank you very much for your effective guidance.

Now, so far as the people who have been punished already are concerned we have furnished these figures to the House.

MR. CHAIRMAN : So, has that topic not finished yet ?

SHRI JANARDHANA POOJARY : Now, so far as this aspect is concerned, we have not suppressed anything. The correct figures have been placed before the House in reply to so many starred questions that have been asked in this House.

MR. CHAIRMAN : Where the Hon. Member wants the figures, satisfy him later on.

SHRI JANARDHANA POOJARY : We can even furnish that.

Now, so far as the question of punishment to be given is concerned, Shri Daga has stated there is no punishment for violation. Here if an employee commits a violation of the maintenance of secrecy or other things, departmental action could be taken and he could be removed also. Even Director can be removed.

We can, and if the information is disclosed or communicated, that would also be sufficient. He can even be dealt with, because his action is detrimental to the interest of the nation. That could also be done. A beginning has been done. It could also be reviewed afterwards, i.e. if it is found tomorrow that some drastic action

is to be taken, it could also be taken, and we can come before the House.

Anyway, the Hon. Members are fully supporting the measure. We can pass this without any difficulty.

This is the beginning, as far as public financial institutions are concerned. We have got past experience. With this experience, we can go further.

I have answered some points. I am not going into the details about other points raised here. But this is not the first time that we are coming before the House. This is not the first time that this Government has come. Earlier also, this Government has come before the House, and identical provisions have been incorporated in the Banking Act and the legislation relating to other financial institutions.

PROF. RUP CHAND PAL (Hooghly) : I seek one clarification regarding my suggestion, viz. that wherever public financial institutions do have an investment of more than Rs. 1 crores, they should be brought within the scrutiny of C and AG. The Minister has scrupulously avoided this question. Secondly, I asked : how was it that the Department of Company Affairs had de-notified certain financial institutions, when these are within the control of the Finance Ministry ?

SHRI JANARDHANA POOJARY : So far as this aspect is concerned, I don't think this is a relevant angle, coming within the purview of this provision. The suggestion has been put forward by the Member. We can consider it.

SHRI SATYASADHAN CHAKRABORTY (Calcutta South) : At the very outset, I don't question the honesty of the Hon. Minister in trying to maintain all these things. But from the facts, one may conclude otherwise. I would like to know from the Hon. Minister, if he is equally concerned : if there are large scale shady deals and huge amounts, which are people's money are written off by the bank managers, what are they going to do about them ? Parliament

is the body which has got to scrutinize things, either through its Committees or through its individual Members.

Mr. Daga has rightly spoken about this aspect of secrecy. I had put a question about the amount involved where the authorities had written off crores of rupees. The answer was : "Nothing can be said, because it is secret. Under the law, we cannot." It simply means that this Parliament will remain completely in the dark, and if any honest employee of a financial institution, as a patriotic citizen, feels it his duty to point out or bring to light shady deals—business can be legitimate or illegitimate; deals can be honest or dishonest and shady—will the Minister kindly say what is the mechanism available to him to bring it to notice to—if you debar the employees and others from giving this information about shady deals and illegitimate business ?

Another point : he said that people may go to foreign banks. Who are those people ? Any honest business man will keep his book open. But the businessman who indulges in dishonest, shady deals should not be able to utilize this provision about secrecy, to hide things. I would like to know from the Hon. Minister how these cases are to be brought to light, and how the Parliament will deal with them because we are concerned with people money ?

MR. CHAIRMAN : Before the Minister says something about it, you cannot open a fresh debate on the subject nor can you divide it into questions and answers. Certainly, you can ask any clarification that you want on the points raised by Prof. Pal. Where it is relevant to any clarification, kindly give it. Whatever is relevant in relation to the questions raised where it is a question of clarification, only that you reply. That is all.

SHRI JANARDHANA POOJARY : So far as disclosure by the employer regarding this shady deal is concerned, the Hon. Member wanted to ask a clarification. When somebody is working in an institution and when there is a shady deal, it has to be brought to the notice of the management and the management duty is to handle it. If it is a criminal case coming within the

cognisance of the court, that could be registered. He has got a duty also, that is to report to a higher officer, not to an outsider. That does not mean that he could go to the papers, he could go to an outsider, it could be stated to his higher officer that here is a shady deal, you take action. If the management fails, as I said earlier, a certain degree of confidence, we have to place on the management also—if the management fails—it has happened recently, the government had to remove one Chairman of a bank recently. Our government had to terminate his services here also, we have to take action. Not only the CBI is there, other machinery is also there. We can take action. That does not mean that the power is given to the employees to go to the press and to other people. That is the point.

SHRI SATYASADHAN CHAKRABORTY : Where the management is involved ?

SHRI JANARDHANA POOJARY : Yes, action could be taken against them. Government is there. Therefore, I want to make it clear when there is a management involved, then the government is there, government is not sleeping, government should be alert, vigilant, if the government fails, tomorrow, the people of this country can throw the government out of power.

SHRI AMAL DATTA : The Act only seeks to prevent the financial institutions as is defined in the Act from divulging information relating to or to the affairs of its constituents. When we ask a question or we may ask a question in future about the financial institutions having given loan to a particular customer, that will be an affair of the institution itself or that will be only an affair of the constituent of that particular institutions ? Therefore, what I am asking is this that it may be a common affair, common information relating to both the institution and its constituent, and in such a case, whether on the ground that it also relates to the affairs of the constituent, the information as to the affairs of the financial institutions will not be given to Members of Parliament that is my question. Is it clear ?

MR. CHAIRMAN : Please clarify that.

SHRI JANARDHANA POOJARY : The

Hon. Member is a leading lawyer, I am told. I do not know how far it is true.

MR. CHAIRMAN : Yes.

SHRI JANARDHANA POOJARY : He has put a fearsome question, he wants to cross-examine me and to elicit certain points. I have made it very clear in my main reply.

SHRI AMAL DATTA : You are not able to answer it.

(Interruptions)

MR. CHAIRMAN : Let him finish it. Anything more on this point.

SHRI JANARDHANA POOJARY : Nothing more.

श्री जगपाल सिंह (हरिद्वार) : सभापति महोदय, मैंने अपने भाषण में कहा था—क्या इस हाउस को ऐसा विधेयक पास करने का अधिकार है कि यह हाउस उस बिल के तहत होने वाली सभी चीजों के बारे में चर्चा न कर सके; अभी मंत्री जी ने कहा—कल को श्री एम० सी० डागा मेरी जगह फाइनेन्स मिनिस्टर हो जायें और कोई माननीय सदस्य कोई इन्फर्मेशन जानना चाहें तो वे भी जवाब नहीं दे पायेंगे। क्या कांस्टीचूशनली इस तरह का बिल पास करने का इस हाउस को अधिकार है जिसके तहत कोई भी सदस्य किसी फाइनेन्शियल इन्स्टीचूशन के बारे में कोई इन्फर्मेशन न मांग सके ?

MR. CHAIRMAN : You can clarify his point.

SHRI JANARDHANA POOJARY : What I have stated here is, there is a provision under the Banking Act prohibiting divulgence of any information relating to any business affairs of any constituent except in accordance with the provision of any law or instrument of usage. Now it is for the Hon. Member to digest, dissect and understand.

MR. CHAIRMAN : The question is :

“That the Bill to provide for the obligation of public financial institutions as to fidelity and secrecy, be taken into consideration.”

The motion was adopted.

MR. CHAIRMAN : The House will now take up Clause by clause consideration of the Bill.

MR. CHAIRMAN : The question is :

“That clause 2 stand part of the Bill.”

The motion was adopted.

Clause 2 was added to the Bill.

MR. CHAIRMAN : Now we take up Clause 3. Shri Sudhir Kumar Giri. He is absent. Shri Mool Chand Daga. He is not pressing his amendment.

The question is.

“That Clause 3 stand part of the Bill.”

The motion was adopted.

Clause 3 was added to the Bill.

MR. CHAIRMAN : Now we come to Clause 4. Shri Mool Chand Daga, Amendment No. 6.

Clause 4—Declaration of fidelity and Secrecy

SHRI MOOL CHAND DAGA : I beg to move :

Page 2, line 39.

add at the end—

“and if any person fails to make such a declaration, he shall be deemed to have vacated his office at the expiry of the aforesaid period.” (6)

MR. CHAIRMAN : I shall now put Amendment No. 6 to Clause 4 moved by Shri Mool Chand Daga to the vote of the House.

Amendment No. 6 was put and negatived

MR. CHAIRMAN : The question is :

"That Clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

MR. CHAIRMAN : Now we take up Clause 5. There are amendments. Shri Sudhir Kumar Giri—not present. Shri Mool Chand Daga—not present.

The question is :

"That Clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

MR. CHAIRMAN : Now we take up Clause 6. There are amendments. Shri Sudhir Kumar Giri—not present. Shri Mool Chand Daga—not present. The question is :

"That Clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

The Schedule was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill

SHRI JANARDHANA POOJARY : I beg to move :

"That the Bill be passed."

MR. CHAIRMAN : The question is :

"That the Bill be passed."

The motion was adopted.

15. 33 hrs.

BANKING LAWS (AMENDMENT) BILL

MR. CHAIRMAN : Now we take up Banking Laws (Amendment) Bill. Shri Janardhana Poojary will move it on behalf of Shri Pranab Mukherjee.

15.34 hrs.

[SHRI N.K. SHEJWALKAR in the Chair]

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : Sir, this Bill seeks to amend some of the existing laws relating to banking. The Bill covers amendments to nine existing Acts in the field of banking. These amendments are considered necessary partly as a result of the acceptance by Government of some of the recommendations of the Banking Commission (1972) and partly as a result of the experience gained in the administration of various banking laws. Some amendments seek to implement Government's decisions on the recommendations of the Committee on Subordinate Legislation (Lok Sabha). The Bill is thus a fairly comprehensive one and I am sure the Hon. Members will bear with me if I quickly touch upon the main provisions included in this Bill.

The more important provisions of the Bill are as follows :—

(i) One set of amendments relates to the implementation of certain recommendations of the Banking Commission, namely, grant of nomination facility to a depositor to nominate a person who could, on the depositor's death, be paid the amount to the credit of the depositor. Similarly, the banks would be empowered to return to such nominee the articles kept in safe custody or lockers. The proposed amendment would remove a long standing grievance of customers of banks. The other amendments in this category include facility for formation of subsidiaries by banks for various purposes of development of banking, rationalisation of the existing provisions relating to maintenance of cash reserves and framing