

REGISTRATION OF BIRTHS AND DEATHS BILL

AS PASSED BY RAJYA SABHA

SECRETARY : Sir, I lay on the Table of the House the Registration of Births and Deaths Bill, 1968, as passed by Rajya Sabha.

12.22 hrs.

ARREST OF MEMBERS

MR. SPEAKER : I have to inform the House that I have received the following communication, dated the 2nd March, 1968, from the Magistrate First Class, Delhi :—

"I have the honour to inform you that I have found it my duty, in the exercise of my powers under section 188 of the Indian Penal Code to direct that Shri Shashi Bhushan, Member, Lok Sabha, be detained for violation of the prohibitory order issued under Section 144, Criminal Procedure Code. Shri Shashi Bhushan was accordingly taken into custody at 3.45 p.m. on the 2nd March 1968 and is at present lodged in the Central Jail Tehar, New Delhi."

SHRI S.M. BANERJEE (Kanpur) : About this particular arrest, now the strike has been called off..

MR. SPEAKER : No, we are not discussing it now.

I have to inform the House that I have received four identical communications dated the 4th March 1968 from the Sub-Divisional Magistrate, New Delhi, as follows :—

"I have the honour to inform you that I have found it my duty, in the exercise of my powers under section 64 of the Code of Criminal Procedure, to direct that Sarvashri Ram Swaroop Vidyarthi, M.L. Sondhi, Narain Swaroop Sharma and Jagan Nath Rao Joshi, Members, Lok Sabha, be arrested under Section 188 IPC for defiance of the prohibitory orders under section 144 Cr.P.C. in force, by taking out a procession at Vijay Chowk in the jurisdiction of Police Station, Parliament Street, New Delhi against Kutch Award.

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Sarvashri Ram Swaroop Vidyarthi, M. L. Sondhi, Narain Swaroop Sharma and Jagan Nath Rao Joshi, Members, Lok Sabha, were accordingly arrested at 10.10 a.m. on this day, the 4th March, 1968 and are being produced before the judicial Magistrate at Parliament Street Courts for trial today."

12.23½ hrs.

STATEMENT RE. REDUCTION IN BANK RATE

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : Sir, hon. Members must have seen the announcement by the Reserve Bank on Saturday, 2nd March 1968 that the Bank rate has been reduced from 6 per cent to 5 per cent. This decision was taken in consultation with me. I should like to take this opportunity of giving the background in which this decision has been taken.

Hon'ble Members are aware of the various measures which the Reserve Bank has taken from time to time in the recent past to provide selective liberalisation of credit facilities for exports and other priority sectors of the economy. The task of promoting a climate conducive to a general economic recovery is the most urgent one facing us today. The Bank rate, which is a flexible instrument of monetary policy, has to be set at a level which is appropriate to the economic conditions prevailing at a given, time. This is an instrument which has not been used by us for the last three years, the last change in the Bank rate having been made in February 1965. At a time when our concern is to ensure that credit does not become a bottleneck to the process of economic recovery expected to be initiated by the larger increase in agricultural production and a somewhat better outlook of exports, we should be ready to use this instrument flexibly.

Along with the reduction in the Bank rate, the Reserve Bank has also reduced the ceiling on scheduled bank advances from 10 per cent to 9.5 per cent. A new ceiling of 6 per cent is prescribed for credit for all exports. The maximum rates prescribed by the Reserve Bank for the