

crores which is likely to be exceeded by the banks. The targets and achievements of lending by banks under I.R.D.P. for the last two years are as follows :

(Rs. crores)

Year	Term credit disbursed	
	Target	Achievement
1982-83	600	713.98
1983-84	600	773.51

So far as the scheme for providing self-employment to the un-employed educated youth is concerned, a target of assisting 2.5 lakh beneficiaries was fixed for 1983-84. Against this, the banks sanctioned loans to 2.42 lakh beneficiaries involving an amount of Rs 401.54 crores. A fresh target of 2.5 lakh beneficiaries has been fixed for the current financial year 1984-85 also.

[English]

Major Shake-up of Public Sector

16. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have undertaken a major shake-up of the public sector units which have been continuously on the losing list and if so, the extent of changes being made;

(b) if so, whether their structural changes involve a series of changes in senior personnel to remove a major hurdle in the way of their efficient running; and

(c) whether the need to tone up the working of the public sector arises out of the reliance to be put on their profits for funds for the Seventh Plan ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) to (c),

The continuously losing enterprises have been a matter of grave concern to the Government and the Government have already taken a number of steps to improve their performance. Among the steps initiated, mention can be made of the following :

- (i) Constitution of special study teams to go into specific causes of continued low capacity utilisation wherever noticed and to recommend short term and long term remedial measures.
- (ii) Additional investments are provided for balancing facilities and captive power plants wherever justified.
- (iii) Technology upgradation, modernisation and rehabilitation of plant and equipment and diversification of products, wherever considered appropriate.
- (iv) Regular performance reviews by the concerned Administrative Ministries and Departments through quarterly performance review meetings in respect of individual enterprises.
- (v) Improving the selection and appraisal of top managerial personnel as well as timely filling up of top vacancies.
- (vi) Government is monitoring execution and expeditious completion of projects on a continuous basis.

Government is constantly reviewing various aspects of the management of public enterprises including changes in personnel, structure of the organisation etc., wherever necessary with a view to improve their performance.

Recovery of Developmental Loans

17. SHRI B.V. DESAI : Will the

Minister of FINANCE be pleased to state :

(a) whether the former Union Finance Minister have shown concern over the poor recovery of developmental loans;

(b) if so, whether he had warned that a stage had come where corrective action could not be delayed any longer;

(c) if so, whether he had expressed these views before the Conference of State Ministers incharge of Rural Development held in September, 1984;

(d) whether a low level of co-operative banks, performance in rural development Programme has been attributed directly to poor recoveries and the public sector bank had also not fared well regarding recovery of their direct agricultural advances;

(e) if so, the suggestions made by him in regard to the steps to be taken for recovery of loans;

(f) The extent to which the suggestions have been accepted and implemented by State Governments; and

(g) The extent to which the recovery percentage has been increased ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The former Union Finance Minister while addressing the Conference of State Ministers in-charge of Rural Development had emphasised the need for improving the recovery of bank dues. It was mentioned that banks would be able to sustain a bigger lending programme only when they are able to recycle the funds. Thereafter in October, 1984 the former Union Finance Minister also wrote letters to State Chief Ministers for extending requisite support to the banks in the recovery of their dues.

(d) It is true that a number of cooperative banks have been forced to curtail their lending programme on account of poor recovery. The recovery of direct

agricultural advances by the commercial banks is nearly fifty two per cent of the demand and it is not regarded satisfactory.

(e) and (f). It was suggested that special recovery drive may be organised for improving the recovery position of cooperative as well as commercial banks. Many State Governments have replied positively and assured that they would extend all necessary help to the banks for the recovery of their dues.

(g) It is too early to assess the results of suggestions made in October, 1984.

Modernisation of Navy by China and Pakistan

18. SHRI B.V. DESAI : Will the Minister of DEFENCE be pleased to state :

(a) whether China is equipping its Navy with guided missiles and electronic nuclear and automatic weapons as part of its military modernisation drive;

(b) if so, whether modernisation of Navy will have a greater implication in the Indian Ocean;

(c) if so, whether China has also agreed to help Pakistan in modernising its Naval Force;

(d) if so, whether both China and Pakistan's modernising Navy will have great implication on the security of India; and

(e) if so, the extent to which India has also modernised its Naval force to meet any threat from China and Pakistan ?

THE MINISTER OF DEFENCE (SHRI P. V. NARASIMHA RAO) : (a) Government have seen reports to this effect.