

VIMANAN MANTRI) be pleased to state ,

(a) whether it is a fact that foreign tourists are not visiting Calcutta ,

(b) if so, the reasons for such reluctance shown by the foreign tourists to visit Calcutta ,

(c) whether many foreign air services have ceased to operate from Dum Dum airport ,

(d) if so the reasons thereof , and

(e) whether short-fall of foreign tourists visiting Calcutta led to closure of these foreign air services in Calcutta ?

THE MINISTER OF TOURISM AND CIVIL AVIATION (PARYATAN AUR NAGAR VIMANAN MANTRI) (DR KARAN SINGH) (a) No Sir

(b) Does not arise

(c) to (e) Some international airlines have discontinued operating through Calcutta since they feel that at present there is better traffic potential at Delhi/ Bombay

Thakkar Committee Report

674. SHRI MANORANJAN HAZRA
SHRI BIBHUTI MISHRA

Will the Minister of FINANCE (VITTA MANTRI) be pleased to state :

(a) whether Government have received the Thakkar Committee Report about special credit schemes for un-employed persons and self-employed ,

(d) if so, what are the main recommendations made by the Committee ; and

(c) the reaction of Government thereon ?

THE MINISTER OF FINANCE (VITTA MANTRI) (SHRI YESHWANT-RAO CHAVAN) (a) Yes Sir.

(b) and (c) A statement is laid on the table of the House.

Statement

Judging from the inadequacy of the credit schemes of banks and the deficiencies in the internal organisation and administrative set up in banks the Committee has suggested lines of action in regard to provisions of credit to professional and self-employed Person. The Committee's recommendation is that the credit schemes should be flexible and take into account the special needs of individual entrepreneurs , the emphasis of lending should be on viability rather than on security. The Committee has recommended that special facilities are necessary for the relatively underdeveloped areas as well as the weaker sections of the society. It has laid emphasis on the development of household and cottage industries.

In regard to organisational matters the Committee feels that the discretionary powers of the branch agents be engaged with due care and that massive training programme should be arranged for them. It has recommended setting up of multi-service agencies in various parts of the country by banks with mutual co-operation to provide technical assistance to self-employed persons and offer guidance about feasibility of the projects or proposals.

The Committee has stressed the need for further liberalisation of the terms and conditions of advances. In suitable cases of term loans the Committee has suggested the banks to charge a lower rate of interest in the initial stages and a higher rate of interest subsequently ensuring that the average rate remains commercially viable.

The Committee has stated that in suitable cases banks may give due weightage to the technical contribution of the entrepreneurs while giving assistance. It has also stated that in appropriate cases where the self-employed persons just start business or leave well established jobs and take up self-employment, the scheme should provide for reasonable personal drawings during the first year or two which will be in addition to the basic loan, and that the banks should not insist on the guarantee of third parties for the grant of loans as a matter of course.

Recommending the use of simplified forms for use by professional and retailers, the Committee has stressed the need for a suitable machinery for prompt detection of unhealthy trends and for banks to organise adequate follow-up and supervision arrangements and for effecting recovery of advances according to schedule.

The Committee recommended that Reserve Bank of India may work out a suitable programme to help the small entrepreneurs who are put to difficulties because of delay in payment of their bills by large and medium industries and by Government Departments and public sector concerns. The Committee has also emphasised the need for credit-planning and for financing the schemes on the basis of additional deposits mobilised by the banks.

The recommendations of the Committee are being processed by the Reserve Bank of India and the Government. The Reserve Bank of India on March 19, 1971 has issued a circular letter to the Chief Executive Officers of all commercial banks indicating a set of broad guidelines based on the Thakkar Committee Report. Banks have also been asked to liberalise the terms and conditions in the manner suggested by the Thakkar Committee.

A Committee has also been appointed under the Chairmanship of K.N.R. Ramasujam of Reserve Bank of India to look into the question of undue

delays of payment of bills due to small scale industries by medium and large scale industries and suggest suitable remedial measures.

The matter was also considered at the conference of Custodians held in the last week of April 1970, when Vitta Mantri/Minister of Finance suggested to the Custodians to send their views and suggestions on the implementation of Thakkar Committee Report. He has also suggested to them that Branch Managers should be encouraged to bring in their ingenuity, acumen and skill in identifying suitable persons who can take up self financing schemes and finance such schemes in a liberal manner.

Expenditure in setting up of Jawahar
Lal Nehru University

675 SHRI MANORANJAN HAZRA:
Will the Minister of EDUCATION AND SOCIAL WELFARE (SHIKSHA AUR SAMAJ KALYAN MANTRI) be pleased to state the total expenditure that will be incurred by the Central Government in the setting up of Jawaharlal Nehru University in Delhi through University Grants Commission grants, etc.

THE DEPUTY MINISTER IN THE MINISTRY OF EDUCATION & SOCIAL WELFARE (SHIKSHA AUR SAMAJ KALYAN MANTRALAYA MEN UP-MANTRI) (SHRI D. P. YADAVA):
The University Grants Commission has provided an outlay of Rs 6.50 crores for the development programmes of the Jawaharlal Nehru University during the Fourth Five Year Plan. The University is in the process of being set up and it is difficult at this stage to indicate the total expenditure that will be required in this regard.