

constructing dams at the originating places of these 3 rivers, permanent solution to flood problem in North Bihar would be found. We will be able to prevent extensive damage to crops and huge loss of life and property occurring every year. This will also enable power generation in sufficient quantity and pave the way for development in the fields of agriculture, industry and commerce. Every year the Government of India and the State Governments are spending crores of rupees for providing flood relief but this is not a permanent solution to the problem. Therefore, my submission is that the Government of India should take necessary steps to construct dams at the aforesaid originating places of these rivers".

14.24 hrs.

SMALL INDUSTRIES DEVELOPMENT  
BANK OF INDIA BILL—*CONTD*

[*English*]

MR. DEPUTY-SPEAKER: The House will now take up further consideration of the Small Industries Development Bank of India Bill. Shri Eduardo Faleiro.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): Mr. Deputy-Speaker, Sir, we have placed this Bill for consideration of the hon. House at a moment in the national history which projects an unprecedented productive, positive and promising economic scenario. Due to the wise and far-sighted economic policies of the Government and of the Prime Minister, its head, over the last four years, the targets fixed for the Seventh Plan has not only been achieved but they have been exceeded. And they have achieved and exceeded in spite of a very serious drought, an unprecedented drought, over a period of three years. The year 1988-89, just to mention last year, witnessed again an exceptionally good performance of the economy with a growth of 9 per cent both in

Gross Domestic Product and industrial production. Coming as it does after the unprecedented drought, the performance reflects the inherent strength and resilience of the Indian economy. About this exceptionally good performance the Government is not complacent and it does not intend to rest upon its laurels but intends to pursue with renewed enthusiasm, vigour and commitment so that further heights and progress are achieved in our economic development. For this positive scenario and achievements, a measure of credit must go to the financial institutions like the IDBI, IFCI and the EXIM Bank.

Just to mention the IDBI, its financial assistance sanctioned to industrial development has shown a phenomenal increase from Rs. 1582 crores in 1981-82 to Rs. 5619 crores in 1987-88. The cumulative assistance sanctioned upto March, 1989 was Rs. 34,400 crores. The investment catalyzed by all the assistance was Rs. 11,900 crores and the employment generated as a result of the projects financed by IDBI was 152 lakh persons. This is an important aspect of the activities of the IDBI at the moment, an important aspect of the industrial activities in general. All sectors are important whether it is large industry or medium industry or small industry. We are dealing here with the small industries. I would like to say here that their importance is particularly noticeable in the context of the employment that it provides. It provides a large share of employment in relation to capital invested or in terms of the fact also that being based not necessarily, in fact, mostly outside the urban areas, it provides stimulus for development and employment in rural areas. It is in this context that IDBI itself at this point of time and over the last few years has been taking a major interest in tiny and small industries. It has done so with a good measure of success. However, we find that during the nine months ending March, 31, 1989, the total assistance sanctioned by IDBI out of Small Industries Development Fund to the small scale sector under all schemes aggregate to Rs. 1491 crores in respect of 98,810 units recording a growth of 31.4 per cent over the assistance

[Sh. Eduardo Faleiro]

sanctioned in 1987-88. This assistance has been not merely in terms of the finance but has also been in terms of other aspects which go to make enterprises in the small and tiny sectors successful. It has also been in terms of developing entrepreneurs and skills. Indeed, we will not succeed in our endeavour of industrialisation of the country, we shall not fully and effectively succeed in making the investment productive unless skills are developed and utilisation of the credit or financial assistance is so channelised as to make it productive to the maximum extent. Therefore, in terms of development of entrepreneurship, in terms of development of skills necessary for making these ventures in the tiny and small scale sectors effective, a good deal of work was also and is being done by the IDBI. While saying this, I must mention the rationale behind this Bill, and the rationale is the demand made by the small and tiny sector for having an institution of their own, a demand which is a legitimate demand because this Small Industries Development Bank of India that we are now creating once the House approves, and for which I seek the endorsement of this House, will be only and exclusively for the development of the small and tiny sector. Therefore, taking a long-term view of the growth envisaged for the tiny and small sectors, it is now considered necessary to establish a separate bank to act as a Central coordinating agency which ultimately will address itself directly and indirectly to all issues relating to the credit facilities required for the accelerated growth of small-scale, tiny and Centralised sector, and be able to enforce a system of priorities which would promote their rapid, healthy and efficient growth.

The Small Industries Development Bank would strengthen and broad base the existing institutional network to meet the requirements of industries in the small, tiny and centralised sector and pay special attention to export-oriented industrial concerns in this sectors. We are creating this new institution with this end in view.

The new Bank is proposed to be set up as a statutory corporation wholly owned by the Industrial Development Bank of India. We feel that it is only appropriate that this should be so, as IDBI, with its experience and expertise in assisting the small sector for about twenty-five years, would take an overall view of the needs of this sector and guide the new bank in its operations. I am sure, under the aegis of the IDBI, the new institution will discharge its functions effectively and with the required dynamism and vigour.

The new institution will initially have an authorised share capital of Rs. 250 crores which may, if necessary, be increased by the Industrial Development Bank of India to Rs. 1,000 crores. Further, the issued capital shall be wholly subscribed by the Industrial Development Bank of India. The new Bank will have freedom in regard to framing its policies and its day-to-day operations and would be in a position to provide a variety of financial services, such as, refinancing of term loans granted by the State level financial institutions or banks to industrial concerns in the small-scale sector, or to grant direct loans for specified activities in this sector.

While the availability of finance is essential, provision of finance by itself would not ensure rapid development of the small sector and for this we must emphasise whether it is in the small sector or whether it is in any other sector. There cannot be development merely by giving finance. That would be the easy way out but not the right way out. The right way out has to be the input of finance and also the input of skills for absorption and most effective utilisation of every single rupee, of every single paise that goes into development.

Hence, the small Industries Development Bank, besides providing the requisite financial services, would also undertake target-oriented promotional activities, including entrepreneurship development programme, rendering technical, marketing, procurement of inputs and other non-financial services, and undertake research or

techno-economic study in connection with the development of industries in the small sector. It has been proposed that on the appointed day, the business, assets and liabilities, the rights, interests, privileges and obligations of the Industrial Development Bank of India relating to Small Industries Development Fund and the National Equity Fund, will be transferred to the Small Industries Development Bank. The consideration for transferring such business will be paid in the form of share capital and partly by way of loans on such terms and conditions as the Industrial Development Bank of India may specify.

We are proposing, through clause in this Bill, to amend certain provisions of the Reserve Bank of India Act, 1934, the Industrial Disputes Act, 1947, the Banking (Regulation) Act, 1949, and the Payment of Bonus Act, 1965. These amendments are of consequential nature so as to give effect to the provisions contained in the Bill.

I would not like to take any more time of the House. I look forward with great interest and I may assure that with the greatest attention I will be following the debate in this House and I will reply to the points raised, on conclusion. Thank you very much for your attention, Sir.

MR. DEPUTY SPEAKER: Motion moved:

"That the Bill to establish the Small Industries Development Bank of India as the principal financial institution for the promotion, financing and development of industry in the small-scale sector and to co-ordinate the functions of the institutions engaged in the promotion, financing or developing industry in the small-scale sector and for matters connected therewith or incidental thereto, be taken into consideration."

Shri Shantaram Naik.

SHRI SHANTARAM NAIK (Panaji): Mr. Deputy-Speaker, Sir, I would wholeheart-

edly like to welcome the Small Industries Development Bank of India Bill, 1989, and would like to congratulate the hon. Minister, Shri Eduardo Faleiro and his senior Minister, Shri Chavan, for introducing this historic Bill. In fact, I would like to say that next to our 64th Constitution Amendment Bill and the proposed 65th Constitution Amendment Bill which are for discussion and introduction respectively, this Bill is also one of the historic Bills as far as the present session is concerned.

Sir, the Bill is consequent upon the assurance given by the Government in the last budget session and the entire small sector was looking forward to this Bill so that in times of need, the Bank that is proposed to be established under this Bill, would come to their aid and rescue. As has been stated, the authorised capital is Rs. 250 crores and it may go up to Rs. 1000 crores. One delivery aspect which we have to consider, as far as this Bill is concerned, is that this being a subsidiary of IDBI is likely to get the experience of IDBI's credit delivery, its expertise will be available for the small sector in utilising the credit. No doubt the commercial angle would be there. But I think, long gestation period which credit requires for will be considered by the bank because other mechanism which was there earlier to other institutions was not available in the case of small sector. The commercial angle will of course as far as delivery of credit is concerned, be there. But side by side human angle will also be there and the I.D.B.I. will play, I suppose, a major role as far as credit delivery is concerned in the case of subsidiary.

Sir, one point I would like to stress is this. The small sector is basically a sector of middle-class in this country and without any hesitation I would like to say that these middle-class people or sometimes it has been stated the weaker sections, and other small groups are more honest in terms of repayment of loans and other liabilities. This has been accepted by the banking and other institutions throughout the country and therefore if any time the small sector is found

[Sh. Shanta Ram Naik]

lacking in certain things, it is because of genuine problems that they have faced from time to time.

Mr. Deputy-Speaker, Sir, as has been stated in this Bill, the bank is going to be established at Lucknow. There was some sort of controversy with respect to this place. People were saying: why not in Bombay? It was argued by small scale entrepreneurs that there was no justification in setting up the bank in Lucknow because, according to them, the contribution of Northern Region including that of U.P. is less than 25% of the total output of small sector and the Western Region accounted for almost 40% of the total production and 50% of the total exports of the small sector. Now, I would not like to dispute this decision. But I would like the hon. Minister to tell us to what was the background behind establishing the bank at Lucknow and if at all it is proposed to open the branches as per the banking Act, I would like to know whether Western Region will be given priority in view of the figures which I have quoted some time back, because now that Lucknow has been decided there is no dispute about that, since the Government has proposed it for some good reasons. I would stress that as far as branches are concerned, the Western region of the country which has contributed so much should be given priority.

Sir, in your last speech at Bhopal you had said that Mahila Vidya Nidhi and Mahila Vikas Nidhi—these two schemes will be commenced by the Government for various purposes which you have stated. I would very much like to ask in this context whether the Government have commenced these schemes and what is the future course of action the Government would like to take with respect to these schemes which would be very vital because women entrepreneurs in the small-scale sector are coming up, they require all the more assistance, guidance and technical expertise than men, and they would be dealt separately.

If you have chalked out these schemes, they are very welcome and it would be very nice if the hon. Minister throws some light on this aspect also. We lay stress on the small scale sector basically because of the unemployment problem which is there in the country, as stated by the Minister earlier, and as figures tell us that per one lakh of rupees' investment in small sector, 21 jobs are created whereas for one lakh rupee investment in the bigger sector only five persons get employment. Therefore, from this point of view the small scale sector has become very vital for us and the total amount of turnover of small industries exceeded Rs. 66,600 crores. Besides, the small exporters numbering about one lakh contribute to 50 per cent of our total export and total employment provided by small sector is round about 10.6 million jobs. Sir, recently the Prime Minister—I would not say 'recently.' but I would say that some time in 1986 in Delhi the Prime Minister while inaugurating a Regional Conference on Productivity had stated that small sector had been responsible for 80 per cent of our industrial employment, 1/3rd of exports and 50 per cent of value added production. And on the other hand 30 large industries had made only Rs. 30 crores of exports. This is the scenario *vis-a-vis* the large sector and therefore, there is no doubt that if this Bill becomes an Act and if it is implemented, it will go a long way to help the sector. But they have also got problems, problems not only with respect to financial institutions but problems which relate to financial institutions, the State Governments and the Central Government. So, it is these three bodies which have to come to the aid of the small sector. They have got the problems of raw materials and State Corporations in many cases do not help them in these matters. They help to the extent of 30 percent to 40 per cent of the installed capacity of small sector as the figures show. For the rest only God will help them.

Similarly they have got a tremendous problem with respect to marketing. The marketing problem not only rests with those businessmen or industrialists who have got experience, but with respect to everybody, I

mean, with respect to inexperienced persons also. The problem of marketing has been there and therefore, special efforts will have to be made by the financial institutions, this Bank and their experts in the field will have to come to the aid of small sector in this respect. It is said that small sector products are not as effective as far as quality control is concerned. But that upgradation of technology can come only when proper assistance is rendered by the State Government, because small-scale sector basically comes under State List. Therefore, it is the State Government which has to come to the rescue directly in the matter of upgradation of technology so that the quality of the products of small-scale sector is improved. It has to be stressed very much even by the financial institutions as to the matter of quality. It has been stated that we are too much for this quota system, licence system, etc. It is also argued by some that "the colour of the cat should not be seen until it catches the mice." But I do not concur with this view. We are having a short supply of raw materials. So, quota system has to be there. Unless there is licensing system, there will be a free for all and you will not be having any control over any sector, whatsoever. Therefore, we have to have controls over these aspects and we cannot allow free movements to have open market field in the sector. But as far as giving of quota is concerned, we have to see that the machinery which is there for providing quota is worked on a rational basis and equitable distribution of raw material quota is done to all. If these measures are taken by the banks, the sickness in the sector can be avoided. It was 58,551 units in 1982 and went upto 1,45,776 in December, 1986 and perhaps the present figure is much more. We will be able to avoid this sickness in the small-scale sector, if this new subsidiary of IDBI plays a vital role in the small-scale sector.

[*Translation*]

\*SHRI R. JEEVARATHINAM (Arakkonam): Hon'ble Deputy Speaker, Sir, I wish to say a few words in support of the

Small Industries Development Bank of India Bill moved by our Hon'ble Finance Minister.

I welcome the setting up the Bank's Head Office at Lucknow. However, this Bill does not clearly say where the branches of the Bank are proposed to be set up. I request the Hon'ble Minister to set up one branch atleast in one district. The extent of loan that can be lent under the Bill has to be clearly specified. The minimum and maximum limits of the loan amounts should be specified in the Bill. This Bill should be applied to develop leather industry. The small businessmen in the industry deal with buying and selling of raw hide. The provisions of the Bill should be extended to them. These small traders are not big businessmen. The take loan from big businessmen and buy and sell raw hide. The Bank should come to their rescue.

The Bill proposes to set up a small Industries Assistance Fund. The Fund should be used to rehabilitate sick industries in the small-scale sector. A percentage of the total authorised capital of the Bank should be earmarked for this purpose. The Bank should also assist handicrafts industry. Handicrafts should be encouraged and thereby export of handicrafts should be increased. There is already provision in the Bill for technical and financial assistance to small scale industries. That should be strictly implemented.

At every block level, a small industries Development Centre should be set up. The Bank should assist these centres for development of small industries. I request that Hotel industry should also be covered under the Bill.

The ceiling on loan provided to small scale industries is presently Rs. 35,000/-. This should be increased to Rs. 50,000/-. Bank should lend even for purchase of vehicles required for a small scale unit as these infrastructural facilities are essential for the development of the small scale industries.

In every Parliamentary Constituency, a small scale Loan Committee should be set

\*Translation of the speech originally delivered in Tamil.

[Sh. R. Jeevarathinam]

up with M.Ps as members to recommend disbursement of loans under the provisions of the Bill. The Bank, since being an apex lending body for small scale units, should monitor small scale unit's borrowings with a view to presenting these units taking loans from other financial institutions to avoid multiple liabilities.

I sincerely hope that the provisions of the Bill would undoubtedly boost our economic development. This would be another step among so many taken by our Hon'ble Prime Minister, Shri Rajiv Gandhi for faster economic development.

The Bank should also assist the development of village Industries. The Bill should contain a table listing the small scale units that are proposed to be covered. The rate of interests should also be very nominal. Even after 40 years of independence, Sir, I regret to say that the village industries have not adequately developed.

I sincerely hope that this Bill would aim at developing the village industries in particular so as to improve the living conditions of the millions in the villages. These should be the objectives of the Bill under the dynamic leadership of Shri Rajiv Gandhi.

SHRI RAM BHAGAT PASWAN (Rosa): Mr. Deputy Speaker, Sir, I heartily support the Small Industries Development Bank of India Bill introduced by the hon. Minister. The hon. Minister has stated that with its help the problem of small industries and unemployment will be solved and job opportunities will increase. In this regard I would like to know as to what policy has been formulated by the hon. Minister for this? Regional imbalance still exists in India. At some places a large number of industries have been set up while at others it is quite negligible. What steps has the Government taken for the places such as North Bihar where number of industries is negligible.

North Bihar is struck by natural calamity every year. Crops get destroyed every year

there. Industries have not been developed at places where regional imbalance exist. Industrial unit have become sick in North Bihar. In North Bihar Ashok Paper Mill is lying closed because of lack of finances. What steps are being taken by the Government to revive it? There are a number of such small scale industries there. Has the Government made any arrangement to provide assistance to such industries at the regional level.

The performance of our Rural Development Bank is quite unsatisfactory. Its aim was to raise 600 families above poverty line every year. The Government may verify as to what is the percentage of poor people who have got the from this bank and the level of how many people have been raised above the poverty line? There are many technical and procedural difficulties that the people have to face in getting loans. We feel that only the rich take benefit of it. Only the capitalists get loans from it. Therefore, my submission is that the Government should find out the extent to which the capitalists, are taking advantages and to what extent the middle class people, and the poor people like the farmers, labourers and the unemployed are being benefited. Therefore, I would like to submit that special provision should be made to remove the regional imbalance and sickness in industries and special attention should be paid to get the Ashok Paper Mill re-started. We would like to urge upon the Government to take measures for reviving the sick mills in Bihar. A provision has been made with regard to the number of directors for this institution but until representatives of the people are included in it, the bureaucracy will not function efficiently. These bureaucrats have little contact with the masses and they have no knowledge of their sufferings. The Government is committed to provide employment to the unemployed and eradicate poverty—but the procedures of the banks are very complicated. The common man has to face enormous difficulties in getting financial assistance from the banks. As regards the decision of the Government to establish a branch of this bank is Lucknow, I would urge that its branches should be set up not only in every

district but in every block as well so that the objective behind setting up this bank is achieved otherwise bureaucracy will work arbitrarily as in other banks and the poor people will not get any benefit. Provisions should also be made to ensure special financial assistance to cottage industries, which were inspired by Mahatma Gandhi such as the handloom or the tannery etc. without much botheration I support and thank the Government for its policy of promoting the small scale sector by establishing a network of such industries. Finally, I would like to submit that Government should make arrangements for providing financial assistance to the poor and for providing the employment opportunities to the unemployed so that the objectives of the Bill could be realised.

[English]

SHRI SOMNATH RATH (Aska): Mr. Deputy-Speaker, Sir, at the outset I congratulate the hon. Finance Minister and the Finance Ministry for having brought forward this Bill as they had stated in the Budget Session. This Government is sincere in all respects, in all areas including the Small Scale Industries. As such, they have brought forward this Bill to assist, strengthen and make the small scale industries viable and worth the name. This Government has done this job in right earnest.

Sir, this Bill has been brought forward to have this Banking Institution solely for small scale industries and tiny industries. It is meant for the promotion, financing and development of small scale industries. The most important aspect of this Bill is that this Bank would give special attention in respect of technology and marketing since the small-scale industries are playing a crucial role in India's economic development and they account for 50 per cent of the total output.

Sir, credit is one of the major inputs for the development of our small scale industries. There are other institutions such as the Khadi Board etc. Also, there are poverty alleviation schemes like the NREP, RLEGP

and IROP etc. for giving financial assistance to the educated unemployed and the people who are living below the poverty line. But one aspect which remains is that how best the beneficiaries are provided finance at right time and full assistance for the growth of industry and for the implementation of the scheme for which the finance is given. Entrepreneurs look for two things. They have an eye on the subsidy and they have an eye on how to take loan at less interest. At times, they do not utilise the money for the purpose for which it is taken.

15.00 hrs.

Industries will not come up and if they come up, they make them sick for obvious reasons. As such, it is necessary that the banks should look into the monitoring and supervisory aspect and should also see that the funds, given to the people or institutions for the purpose of achieving the cent per cent result, are utilised for that purpose. At times, bank officers do not rise to the occasion. Here, I must thank the hon. Minister Shri Faleiro for his replying to my letter. Where subsidy is given by the DRDA for the promotion of small and tiny industries under the poverty alleviation schemes or under the 20 Point Economic Programme or for other purposes, it remains at the bank for years and years together. That subsidy given by the State Government or the Central Government to the bank should be utilised for giving loans to the beneficiaries. It is not done in right earnest. The subsidy amount which is deposited in the banks is utilised for lending purposes and the beneficiaries have to run many a time, to get the loan. Thanks to Mr. Falerio, he had been to Orissa and under his initiative, Government has now issued a circular stating that people's representatives, MPs and MLAs, are now involved in the District Level Bank Coordinating Committee so also at the State level. On review, we found that in spite of Government's notification and orders issued stating that within two weeks, these beneficiaries for whom the subsidy has been deposited in the bank, should get the loan, it is not done. I want to bring this incident to the notice of the

[Sh. Somnath Rath]

hon. Minister so that special attention is given to this aspect.

15.03 hrs.

[SHRI ZAINUL BASHER in the Chair]

This Bill is meant to create a financial institution which will specially look after the small and tiny industries.

In the Statement of Objects and Reasons, an important matter has been mentioned and I quote:

"It is proposed that bank would give special attention to the export oriented industrial units in that sector."

It must be implemented in such a manner of these small industries are marketed very soon and small industries should get profit and grow.

It has been stated in the Bill that the institutional structure of the flow of credit to this sector consists of Industries Development Bank of India and the National Bank of Agriculture and Rural Development. It has been created to set up the flow of assistance to this sector together with IDBI. This Bank is to function as a subsidiary to the IDBI. It is the Finance Department which should be congratulated because the percentage of small scale industries has increased from about 37 in 1986-87 to 42.7 in 1987-88. In the case of medium and large scale industries there is a slight decline of credit; but in the case of small scale industries the growth is significant. As such, it is in the fitness of things that the Government has started an institution to see that the small and tiny industries grow further because they are in rural and semi-urban and through them employment can be given to the largest section of the people in the rural areas also.

The resources of this Bank will mainly comprise contributions from the IDBI in the

form of loans and shares. It includes market borrowing, short term and long term funds from the Reserve bank of India and loans from the Union Government and even foreign currency loans. I would request the Hon. Minister to explain what it means—the Bank getting foreign currency loans.

Another feature of this Bill is that the proposed Bank will undertake the business of discouraging rediscounting of bills of exchange made by industrial concerns in the small scale sector subscribing to the purchasing stocks. This needs further clarification.

These are the aspects which require clarification by the Hon. Minister. I once again congratulate him. I only wish that this institution after coming into existence should help stabilise the small scale industries and they will be made to grow in the interest of specially the rural poor and educated unemployed.

[Translation]

KUMARI MAMATA BANERJI (Jadavpur): Mr. Chairman, Sir, I support the Small Industries Development Bank of India Bill moved in the House.

(Interruptions)\*

MR. CHAIRMAN: If any unparliamentary term has been used, it will be expunged.

KUMARI MAMATA BANERJEE: Sir, I support this Bill. It speaks of the noble intentions of the Government. The hon. Minister of Finance in his Budget Speech this year had referred to the small scale sector. That is why he brought this Bill. The small scale industries are the nerve-centre of this nation. The funds invested in large industries by the IDBI are misused by some industrialists. I am associated with many industries. I am neither a member of any trade union nor of any Board but I am aware of the problems. The funds invested in the large scale industries by the IDBI are often diversified and

\*Not recorded.



misused, with the result that the workers have to face lot of difficulties. This Bill will not only help in generating more employment but also be a boon for the unemployed youth. In regard to the setting up of the Small Industries Development Bank, I would like to point out that imparting of training is a must. A meeting of the Entrepreneur Development Programme was convened by the Allahabad Bank and I also attended it. I came to know there that the training is not of technical nature. In case a person takes loan from the bank, he would not be able to set up a small scale industries in the absence a of required technical know how. Therefore, training in technical know how should be made compulsory for taking a loan from the bank. 30 women were imparted training by the Allahabad Bank but thereafter they were not granted the loan. I know these facts because I had attended that meeting.

Sir, as I had attended the meeting, I reminded the Chairman about the announcement which he had made is our presence that no guarantor or mortgage will be required for extending a loan upto Rs. 1 lakh. This creates problems for the unemployed youth because a minimum of Rs. 3.5 lakhs are required for setting up a small scale industry which is very difficult for an unemployed youth to collect. Therefore, the decision of the Allahabad Bank that no guarantor or mortgage is needed for a loan upto Rs. 1 lakh should be implemented, so that the unemployed youths may be benefited.

Sir, the banks should also ensure that funds extended by them are not misused because it is our national wealth. We are held responsible for everything in case the funds are misused. In order to check this, there are a number of monitoring committees of the Government and the board of directors is also constituted but the policy adopted in the appointment of directors is discriminatory. I would like to give an example in this regard. The Government had adopted an amendment to the effect that no director can continue for more than 6 months on the board of directors. However one Shri

Godbole is on the board of directors for the last 12 years.

Why can not the Government take action against him? I would like to know what influence does Shri Godbole wield? He has been on the board of directors for the last 12 years and despite the M.P.s bringing this fact to the hon. Minister's notice, nothing has been done. What is the reason of favouring him? Is he so powerful that he does not even care for the law? When the Government made an amendment and the Parliament enacted a law, every individual is bound by it. Now for constituting the board of directors, my suggestion is that the Government should first remove Shri Godbole from the board of directors and follow a uniform policy. Only the discrimination would end. (*Interruptions*)

The hon. Minister is aware of this and I know that he is making efforts in this direction but perhaps no one listens to him.

The small scale industries can generate a lot of employment in the country, but a number of small scale industries which have come up in the last 3-4 years are in bad shape. Some entrepreneurs in the small scale industry are in need of money but they are harassed and the banks do not give them funds in time. Sometimes there is some technical lacuna also. This may be one of the reasons. I would like to request the hon. Minister to get this matter investigated as to how many small scale industries are lying closed and how many of them are running smoothly in our country? If there is a policy to revive the closed industries, the Government should provide some special funds to the Small Industries Development Bank to assist the affected small scale industries otherwise they cannot be saved. This is extremely essential for our country.

Small scale industries should be set up in every district of our country since the unemployment problem is increasing tremendously. Small scale industries should be encouraged in the backward and small districts. Maximum number of small scale industries should be set up in order to help the

[Kumari Mamata Banerjee]

unemployed youth, the women and the physically handicapped. The Government has set up a Rural Development Board in order to generate employment but no programme has been formulated for the urban area. Therefore, I would like to draw the attention of the hon. Minister to the fact that more attention should be paid to set up small scale industries in the urban areas. The Government grants Rs. 3.5 lakhs to an entrepreneur for setting up a small scale industry but one out of 20-25 cases is a genuine entrepreneur. The rest are fake. Huge amount has to be invested in the big industries but the employment generated is very little whereas it is more in the small scale sector. The Bill introduced for this purpose is very useful and will help in employment generation. After passing this Bill, the Government should issue instructions to every State and every district in this regard. 5-7 unemployed youth should be given priority in each district.

The fact pointed out by the hon. Minister that the country has registered a 9 per cent economic growth is a remarkable achievement. But the Government's banking sector is not to be blamed. I know it and have also observed the political heavy weights wield their influence in the banking sector. If some one has to take a loan from a bank, he can get it only with the permission of that political party which is in power in the bank union. This should not happen at all. Shrimati Indira Gandhi had nationalised the banks so that the masses may be benefited and the political workers may not misuse it. Therefore, the Government should take such steps so that the masses are benefited most.

I do not want to say anything more. I support this Bill and hope that this will help in creating congenial atmosphere for the youth and the small scale industries in the country and generate employment opportunities for a number of unemployed persons in future.

[English]

PROF. SAIFUDDIN SOZ (Baramulla)

Mr. Chairman, Sir, it is a very good Bill and I must support it. I have gone through its Statement of Objects and Reasons.

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROCHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI P. NAMGYAL): Shri Kabuli is also going to speak on this.

[English]

PROF. SAIFUDDIN SOZ: He is welcome. You are also welcome. I have seen that the purpose is very good. I have gone through the objects. Although it will be a subsidiary of the Industrial Development Bank of India, but it is going to perform very good purpose. The Finance Minister had promised earlier. He has fulfilled the promise by establishing this Small Industries Development Bank of India.

But I raise a question. I find that it is a subsidiary. There is nothing wrong in being a subsidiary. But later I will say how Industrial Development Bank of India will be poking its nose and how its staff officers will not allow delegation of power. That is a bad habit in my country. This is an ailment in the bureaucracy that there is no delegation of power. Nobody wants to trust the lower officers. But my primary concern is that this Bank will concern itself with the development of small-scale industries and it will strengthen and establish new industries. It is good enough. But will this Bank come forward to shorten the process so far as lending is concerned? It is a very difficult process, very lengthy process, very boring process and because of that, corruption breeds. Wherever there is a loan, there is corruption. Therefore, whosoever borrows money does not invest properly because he gets disheartened. Now, you are taking this revolutionary step. I have seen in the Bill that there is not a single line where we shall be given an assurance that it is a new type of Bank or it

will revolutionise the small-scale sector and it will see that corruption will not take place or it will have some special provision whereby only the genuine investors will be selected. So, it is a Bank of this type that it will be a lending institution and that too a subsidiary of the Industrial Development Bank of India, I don't think you are organising any revolution. It is just a financial institution. It will give money and it will continue with the same kind of corruption that is associated with all lendings

In fact, where there are banks, I am conscious that the banks enjoy tremendous autonomy. They are not answerable to Shri Eduardo Faleiro whom once the Chairman or his small officers liked. I have written so many letters to Mr. Faleiro. I know him. He is an honest man. He is an able man. Previously also, I knew him even as the Chairman of the House Committee. I knew him as the Minister of External Affairs. But I am assuring him that the Banks will play tricks with him. A dozen of my letters have not got the correct answers from the Ministry. I can prove it. If there is a Committee of this House, I can prove, not the Chairman of the Central Bank—he is a gentleman—the regional officers threw my letter on the floor. I had made a valid recommendation and the Minister had fought a battle. But he was forced to answer wrongly to my letter. I feel pained to talk about Mr. Eduardo Faleiro for whom I have the greatest regard since he is an honest man. Do you know what the person who carried the letter from the Regional Manager of the Central Bank in Chandigarh said? He said that they are not answerable to the Minister. If the banks are not answerable to the Minister, then to whom are they answerable? This question was raised during the period of Jawaharlal Nehru. Pandit Jawaharlal Nehru gave basic institutions to this country. But he never wanted us to come to brasstacks and discuss as to whether Supreme Court is superior to the Parliament or the Parliament is supreme. But we are the law givers. Supreme Court cannot be above Parliament. Every office and every institution is answerable to this institution of Parliament. But Jawaharlal Nehru did not allow us

to come to this question. He gave us an advice and said 'Never discuss about a judge or his conduct in this House' and we do that. We are forced to talk about some judgements when judgements are passed. We have something to look into the judgements because we produce the laws and they have to implement them. So, some judgements come here for criticism. So far as the banking sector is concerned, there is the worst corruption and delay. There is arrogance. They are not answerable to Parliament. I raise a question as to why banks are not answerable to the Public Undertakings Committee. Why don't the Public Undertakings Committee look into the banks? The banks are not answerable to the Estimates Committee, they are not answerable to the Public Accounts Committee and they are not answerable to the Public Undertakings Committee. And a small officer of the bank has the guts to tell me that these figures cannot be given to me because there is a circular. I do not care for the circular. I told him that I am a Member of the Estimates Committee which is the Parliament's Committee and not only the PNB but the Central Government is answerable to me. So, arrogance of the banking sector will have to be broken if you want to reform this country. Banks will have to be made answerable. Once a person becomes a chairman, he becomes the lord and he is not answerable to the Prime Minister, he is not answerable to the Minister and to the Parliament. What is all this? This kind of licence should not be allowed.

I see very good provisions in this Bill but I do not visualise any assurance for reforms. Although the intention is good, how is it going to be implemented?

I come to the Jammu & Kashmir State. I want the Finance Minister to respond to what I say. Finance Ministry has not so far cared to look into the recommendations of the Planning Commission. Jammu & Kashmir State is a backward State and you have bracketed it as a special category State but you are treating it differently from Himachal Pradesh. Himachal Pradesh has a very good industrial base. It has a very good infra-

[Prof Safuddin Soz]

structure for agricultural development. It is far better than Jammu and Kashmir. Still Himachal Pradesh gets 70 per cent as grant out of the central funding and 30 per cent as loan whereas Jammu and Kashmir gets 70 per cent as loan and 30 per cent as grant. We have been, all the time, begging of you to please consider and treat us at par with Himachal Pradesh because our resources are taken away by way of annual allocations. This time we have a gap of more than Rs 120 crores. These things will lead to a very great socio-economic trouble. This has become a big question. The Finance Minister cannot continue to be saying, No, it is a special category State, we cannot compare it with Himachal Pradesh and we shall compare with Assam. We cannot accept it. There can be an agitation outside this House. So, I request the Finance Minister to rise to the occasion and understand the J&K is not on the industrial map at all. I will give you one figure. When Mr Pranab Mukherjee was the Finance Minister, I raised a question as to what was the share of J&K State in public sector investment and what was the amount that was invested in this country over a period of 35 years. At that time, he said that our share was 0.07 per cent as against the total investment of Rs 30,000 crores. I am talking of the HMT unit at Srinagar. I don't say that the intention of the Central Government is wrong, I cannot say that. In other sectors, like, the power and tourism, the Prime Minister has taken very great interest. Even Indiraji took a great interest but this a fact. The total investment in the public sector is Rs 86,000 crores. Out of that, I would like to know, what should be our share. It is not even 0.3 per cent. How long will you continue with this? So, I want you to give us an assurance that he will promote small scale industries in the Jammu and Kashmir State and give special attention to that State.

Now, I come to the Bill as such. It says that there will be a Board of Directors. You have a lot of experience. As you know, we work at the grass root level. I would say that in this Board of Directors there will be the

officials of the Ministry only and it will be a bureaucratic board from top to bottom. So, why can't we have representatives of the people on this Board? Among the people there can be persons who have a good knowledge of the financial matters. So, I want this Board of Directors to be broad based. It should not have only the officials of the Ministry. At least there should be a representative from the J&K State. One person can represent the whole State but I want that at least some one should be there who can understand the difficulties of the people at the grass root level.

To Clause 6 I have one objection. Sir, it is painful to know that whatever we say here the Finance Minister may not take note of it. But I can assure him that there are areas where we must follow the House of Commons. Wherever it is reasonable, we must accept them. Why should the IDBI Chairman or in his absence the Managing Director be the Chairman of the Small Industries Development Bank? It shows that you are not prepared for the decentralisation of power and you are not prepared for delegation of authorities. The Chairman of IDBI will be a busy man. So, why should he poke his nose here? Otherwise it will mean that the desk will remain the same and yet he will say that it is a separate bank. Clause 5 does not give it a separate entity. So, I reject this proposal. I request Shri Faleiro, who is a man of his original thinking, to kindly consider this point. I don't want any of my relatives to be appointed as the Managing Director or the Chairman. I am just saying that the Chairman or the Managing Director of IDBI should not be the Chairman of this Bank. It should have a Chairman of its own.

Then, it says that the Board of Directors will hold office for six years. Six years is a long term. In my opinion it should be three years and I think this is the consensus of the House also.

With these words I support this Bill and I hope with all the limitations of the Bill, it will promote industries in the small scale sector.

[*Translation*]

SHRI DHARAM PAL SINGH MALIK (Sonepat): Mr. Chairman, Sir, I support the Small Scale Industries Development Bank of India Bill, 1989 which aims at promoting the Small Scale Industries. At the same time I would like to make a few suggestions.

I would like to start my speech from the point at which Mr. Soz concluded his speech. There are a few basic things in clause 7 of this Bill, a mention of which has also been made by Mr. Soz. This clause deals with the constitution of the Board of Directors.

[*English*]

How the Board of Directors will be constituted?

[*Translation*]

First of all I would like to point out that there is no provision for including a representative of the employees in the Board, which should have been there. The owners of the small scale industries should also be represented on the Board. These are my two suggestions.

The Bill does not indicate as to what should be the qualifications of the Directors.

[*English*]

What will be the qualifications of the Members of the Board of Directors?

[*Translation*]

Of course, clause 8 of the Bill deals with the disqualification of the Members.

[*English*]

How they can incur disqualification? How they will cease to be the Members of the Board of Directors?

[*Translation*]

But it has nowhere been mentioned in

the Bill as to what should be the qualifications for a Director. The same should be specifically mentioned. It should also be stated that there will be official, non-official Members or representatives of the employees and small scale industrialists on the Board.

Sub-clause (2) of clause-6 of the Bill reads as follows:—

[*English*]

“Every Director referred to in clause (b), clause (c) or sub-clause (i) of clause (d) shall hold office during the pleasure of the authority nominating him.”

[*Translation*]

Sub-clause (3) of clause 6 of the Bill provides that the maximum tenure would be six years. As has also pointed out by Mr. Soz there is no mention of the minimum tenure. The name of the appointing authority and its minimum time should also be prescribed in the Bill. If the Government wants the Directors to discharge their duties independently then minimum time should also be fixed.

The language of the section 37 of this Bill is the same as it is in all the Banking Acts. I feel that it has been copied from those to be incorporated here. Section 37 reads as under:—

[*English*]

“No Act or proceeding of the Board or any Committee of the Small Industries Bank shall be questioned on the ground merely of the existence of any vacancy in, or defect in the constitution of the Board or the Committee, as the case may be.”

[*Translation*]

What I mean to say in this regard is that there are a number of Banking Boards in which though provisions are there to have representatives of the employees, yet due to this clause employees are not represented

[Sh Dharam Pal Singh Malik]

on the Board of Directors since last 10 years. Therefore a time limit say two, four or six months should be specified for keeping a vacancy unfilled for a particular period. The objective behind section 36 becomes totally frustrated by this section. Therefore a time limit should be laid down in the Bill itself.

I would like to make yet another submission on this Banking Bill. There is no difference between the language of other earlier Acts relating to banks and the language of this Bill. When earlier acts could not be of any use to the common man I fail to understand as to what is the use merely passing such an Act. Our speeches alone will not generate employment opportunities for the people. If enactment of laws in respect of banks does not create employment opportunities for the people, what is the use of such enactments. Here we voice the feelings of the common man and they should be benefited by these measures. Numerous pieces of legislation may form big volumes but they are of no use and they can do nothing except making speeches here. What we want is that this Act should provide employment opportunities to the people. But at present I do not agree to this, because it is not being implemented properly. I would like to cite two or three examples in this regard and prove that the provisions are the same, only the headings have been changed. As we are in contact with general public we know their sentiments and give expression to their feelings here. In view of this our views must be taken into consideration and the Act should be amended accordingly. There are considerable, regional imbalances. At some places, there are a large number of industries and at some other places, it is nil. I feel that all this is done for political reasons. A constituency which is represented by a Minister sees the light of development and everything is done there. If this Act does not pave the way of removing these imbalances, how can there be a development in all the areas in the country. Where there are no big and small scale industries, priority should be accorded to set up small scale industries in those areas under the

provisions of this Bill so that industries could be set up there. A development could take place in these areas on a priority basis and further development could be checked in the areas which have already been developed. Otherwise, the very purpose of this Bill will be defeated. In this connection, I would like to cite an example. In my State, Haryana, Punjab National Bank is a lead bank in Jind. Licence was issued to open a branch of Punjab National Bank in Sinhana, a village in my constituency. The Regional Manager of this Bank sits in Kurukshetra who said that he was not in favour of opening a branch of the bank there as the proposed branch of the bank would not be viable one. With that reason, he returned the proposal which was sent to him in this regard. When I went to the people, they asked me how can I remove their difficulties when I was not able to get a thing done for which sanction had already been given. When I contact the bank authorities they said that they would look into it. When this type of people sit at the helm of affairs who possess unlimited and discretionary powers under the Act, our wishes cannot be fulfilled. This type of people go against the sentiments of the people and work according to their own free will. When we say a branch of the bank should be opened in a particular area, they say that it will not be viable there. Then I fail to understand as to what is this viability. People in every area want development in their respective areas. They want loans to set up industries. If the banks do not want to grant loans, what could be done. I would like to cite another example about this very particular bank. A number of loan applications are lying pending for the last two months in Jind district of Haryana but a person who submitted his application only yesterday has been granted loan. I do not know what is this criteria of granting loans. We have no share in it. In fact, a person who gives bribe in order to get loan, gets the same in the evening itself and others who do not give bribe, are not being granted loan for the last two months.

Mr. Chairman, Sir, you know it very well because you come from a village and this type of thing must have come to your notice.

A person who draws a loan of 10,000 has to pay a sum of Rs. 2,500 as bribe for it, and at the time of repayment he is required to pay Rs. 15,000 as against the loan Rs. 10,000. It means that a person who draws a loan of Rs. seven thousand five hundred, has to repay Rs. fifteen thousand. When he is unable to repay the loan as it is obvious, he is termed as defaulter. As a result thereof his industry fails. I would like to say that these banking officers are mainly responsible for the failure of many industries in the country. If the bank officers advance loan properly, give incentives and guidance properly, then no industry could fail.

Besides, I would like to draw your attention to another point for which there has been a long standing demand. Kisan Unions have come up in every State in the country. These unions, whether it is Mahendra Singh Tikait's Union in Uttar Pradesh, or Shri Sharad Joshi's Union in Maharashtra or any other Union, they claim it to be non-political. Their main demand is that agriculture should be declared as an industry in the country. Our farmer, he may be living in any part of the country, is a simple man and is exploited every where. What I mean to say is that merely saying that it has become an industry will not serve the purpose. We shall have to treat agriculture at par with industry otherwise it will be detrimental to the interests of the farmers. Therefore, I would like to suggest that agriculture should be declared industry and exempted from income tax.

Before concluding, I would like to submit that a common man has to face a lot of difficulties in getting loan from the banks in the country. He is unaware of the fact that our procedure for granting loan is so complicated. I have already given my suggestions so many times on this issue in the House that if we have to remove corruption, then power should be given to each State Government to conduct a survey of each family in the State and determine their capacity to repay the loan. According to the capacity to repay, cash credit limit of that family should be fixed. On the basis of that one may get loan within the fixed limit from any bank. If the

capacity of a person has been assessed upto Rs. five thousand then he should get Rupees five thousand without any delay. Today, if some one needs Rupees five thousand his case will be put up for approval. Tomorrow, if that person needs Rupees three thousand more then a fresh case will put up to the bank authorities. If we know about his capacity to repay and fix a credit limit, then it will be easy for us to advance loans against that permanent cash credit limit and corruption in the banking sector could also be removed. I think it is the only remedy to this evil. I hope that the Government would pay due attention towards this points. With these words, I thank you and support the Small Industries Development Bank of India Bill.

[English]

SHRI K.S. RAO (Machilipatnam): Mr. Chairman, Sir, I am happy that the commitment of Shri N.D. Tiwari made in the Budget of 1988 has come true and took and shape of a Bill today introduced by our friend Mr. Faleiro.

Sir, as the Banking Ministry has done earlier, in separating the IDBI from the RBI and then similarly, NABAD, Exim Bank, Housing Bank have done, finally the Small Industries Development Bank of India is going to play a pivotal role in the development of the Indian economy, particularly in bringing balanced development in the country, concentrating more on the undeveloped regions of the country.

I need not mention the importance of small scale industries in this developing country and statistics also reveal that about 1.6 million units of small scale industries are there in this country with a capital investment from the lending bankers to a tune of about Rs. 4000 crores giving employment potential of 10 million and so it is certainly an important sector. When we go into this, we find that 40 per cent of the total production of this country is in small scale sector and it is contributing 25 per cent of the total exports. This should have been conceived even earlier. Anyway though delayed, it has come

[Sh. K.S. Rao]

now. I only wish that this is taken very seriously. It should not be limited only to the small scale industry but it should be taken to the rural areas also. It should not be limited only to towns. In case it is not taken to the rural areas, as the IDBI is doing only refinancing to IFCI and State Industrial Development Corporations, the purpose of separating the Small Industries Development Bank will not be served. When the Development Bank of India is having its offices only in State headquarters, the Small Industries Development Bank of India should have branches atleast one in each District. And its staff that are to be recruited must invariably be professionally qualified and rural oriented. In case they are not professionally qualified and not rural oriented, the Bank will not serve any purpose.

Regarding transfer of the IDBI officials who have got sufficient qualifications and rural orientation, I would like to say this. In future all recruitments must be made on this basis; we should see that local people are recruited for this purpose so that they will not ask frequently for transfer from one State to another State or from one place to another, and they have extensive knowledge of the area, its potential, its resources, and how to put it to use for productive purposes.

Sir, a lot of sick units are there now in small scale industry. Though the count is only about seven per cent of the total 1.6 million units, in reality it must be more. And the amount locked up also is substantial running to about Rs. 1200 crores. All this could be avoided only when committed people, who have got rural orientation, are there.

Sir, I have gone through the Bill Clause by Clause. I wish to make some suggestions to be noted by the hon. Minister or the officials. As my friend, Prof. Soz has just a few minutes back said, the Chairman of the Development Bank is already busy in performing his own obligation as the Chairman of IDBI and by giving this additional respon-

sibility of heading this bank of him we will be overloading him. When we have a separate Chairman for various commercial banks, we can have a separate Chairman here also. And then only he would be able to concentrate and pay his attention to this sector. Otherwise, his mind will go only for major industry and medium industry, his orientation will be different and his thinking will be different.

Sir, in Clause 6, it is mentioned that two Directors are to be nominated by the Government of India. I do not find any reason why two Directors should be there from the Government of India. Every commercial bank including IDBI having only one Director. I hope the Minister will think about this.

In the same Clause, Section 4, it is mentioned, seven from amongst experts in industry, which also includes the State Industrial Development Corporations and the Financial Corporations. So, we cannot be certain always as to how many Directors will be there representing the small scale industry. There is an ambiguity here. I wish there should be a separate Section ensuring that not less than so many Directors will be taken from the small scale industries and entrepreneurs. Then only the real problems being faced by the small scale industries can be reflected and solutions can be found in various discussions in the Board. In clause 5, section 1, general superintendence vests with the Board which is the normal practice, but in the same clause, section 3, parallel powers have been given to the Chairman. I do not think, this is in the interest of proper running of the Bank. It has always been the practice to vest all the powers with the Board and the Chairman to act according to the powers delegated by the Board except in day today normal functioning of the Bank. Instead of creating complications later on, if the Minister is kind enough, he can bring about an amendment to these things.

Clause 36 (1). secrecy normally is affecting the banking industry by allowing unscrupulous people to cheat the Bank. I have said earlier on many an occasion that



this clause of secrecy must be avoided. I wish that this be taken into consideration to see that no scope is given to unscrupulous industrialists in this regard. I wish the Bank to concentrate on some of the aspects like continuous monitoring by the officers of SIDI and also marketing support to the SSIs. If these are not provided by the Bank, then the sickness will continue and this Bank will not become a solution for that.

Time and again, we have been receiving complaints from various quarters that the delay in providing committed loan or giving it not in time is the major reason for the sickness of the units in the country. It was estimated, on a survey, that 32.5 per cent of the units have become sick only because of this reason. So this must be ensured by the Bank that sanctions are given in not more than one month from the date of application, and if not found feasible, rejection is to be informed. Similarly, disbursal of loans must be made in the time committed without any delay. The other important aspect is abnormal delay in giving subsidy. Instead of disbursing subsidy through State Governments and other agencies, it should be given through this Bank only. If the subsidy is given through this Bank, then the loan amount given by this Bank will be more secured because subsidy happens to be 15 per cent in many cases, which constitutes a substantial investment.

Similarly, this Bank should concentrate in plugging all the loopholes in lending to the small industry sector and ensure that small scale industry plays a vital role particularly because of its high employment potential. Then you will be sorting out this sickness in a very big way. You should enthuse confidence among the youth, unemployed and particularly technocrats whether retired or in service.

16.00 hrs.

The confidence will also lead to many of the officials who are working in various departments or industries or in public sector, to leave their jobs and take up the industry, if we were to infuse confidence in them that we

will give them the money in time and we will give the support of marketing, etc. So, I am sure, the Minister and the officials of the Ministry will take note of these points and feel proud tomorrow not only in introducing this Bill but also in the effective implementation of this Bill which will bring a change in the minds of the people in the entire nation, particularly the small-scale entrepreneurs.

---

#### DISCUSSION UNDER RULE 193

[English]

#### Statement made by the Prime Minister in the House on 28th April, 1989 regarding Jawahar Rozgar Yojana

MR. CHAIRMAN: Now we shall take up further discussion on the statement made by the Prime Minister in the House on the 28th April, 1989 regarding Jawahar Rozgar Yojana raised by Shri V. Sobhanadreeswara Rao on 8th May, 1989. Shrimati Phulrenu Guha.

SHRIMATI PHULRENU GUHA (Contai): Sir, I congratulate the Prime Minister for starting this Jawahar Rozgar Yojana. The people living below poverty line in every panchayat be involved in the Yojana in order to make it effective. We shall be able to solve the unemployment problem to some extent through this Yojana. This Yojana will provide employment to one member of each family living below poverty line. People in rural areas have welcomed this step. Just after this Yojana was presented in this House, I went to my constituency and a number of people asked me when will this programme come up and when will they get an opportunity to implement it. So, that is the position in the interior rural areas. People living in the towns may not know with how much enthusiasm people of the villages are looking towards this Yojana.

By this project, I think 474 lakh families will be benefited. Some people are opposed to this programme, according to the reports in the newspapers. It is difficult to under-