

अध्यक्ष महोदय : 377 को आप ने रपट बना लिया है। श्री मधु लिमये ने मुझ मुझ में इस की छेडा था, उस के बाद आप तो चले गये थे, लेकिन यह चलता रहा।

श्री मधु लिमये : मैं तो बहुत ही संयम बरतता हूँ। जो संवैधानिक मामले हैं उन की ही उठाता हूँ।

14.0 hrs.

The Lok Sabha adjourned for Lunch till Fifteen of the Clock.

The Lok Sabha re-assembled after Lunch at three minutes past Fourteen of the Clock

[MR. DEPUTY-SPEAKER in the Chair]
DISCUSSION RE. REPORT OF THE BANKING COMMISSION & WORKING OF NATIONALISED BANKS

MR. DEPUTY-SPEAKER: We will now take up the discussion on the Report of the Banking Commission and the working of the nationalised banks

श्री मधु लिमये (बाका) : उपाध्यक्ष महोदय, इसके लिए 5 घंटे का समय निर्धारित किया गया है इसलिए मुझे आशा है कि सभी लोगों को पूरा समय दिया जायेगा।

एक असे के बाद इस विषय पर चर्चा करने का हम लोगों को मौका मिला है, इसलिए मैं आपके प्रति आभार प्रकट करना चाहता हूँ। बैंकिंग कमीशन की रपट सरकार के पास लगभग छह साल पहले आई थी। उसके बाद रिजर्व बैंक आफ इंडिया ने, इस रपट में जो सिफारिशों की गई हैं उनका अध्ययन करके सरकार के पास अपनी एक रपट भेजी। उसके पश्चात इस संसद की एस्टिमेट्स कमेटी ने, जो राष्ट्रीयकृत बैंक हैं उनको गतिविधियों के बारे में अध्ययन करके अपनी रपट भी पेश की है। लेकिन अफसोस की बात है कि इतने दिनों के बाद यह जो तीन रपट सरकार के सामने आई हैं उनके बारे में सरकार ने अपने निर्णय अभी तक घोषित नहीं किए हैं। साथ में आजा कर रहा हूँ इस महसूस का जब वित्त मंत्री जी

अपना दें तो उसके साथ सरकार के निर्णय भी सदन के सामने रखेंगे। पहले रखते तो ज्यादा अच्छा था।

सबसे पहले मैं आपका ध्यान वित्त मंत्रालय के सहित जो बैंकिंग विभाग है, डिपार्टमेंट है उसकी ओर आकर्षण चाहता हूँ। मेरी राय में यह एक अत्यंत महत्वपूर्ण विभाग है, इसकी कोई जरूरत नहीं है क्योंकि हमारे यहां रिजर्व बैंक है, इंडियन डेवलपमेंट बैंक भी अलग से बनते जा रहे हैं, स्टेट बैंक आफ इंडिया भी है तो ऐसी हालत में डिपार्टमेंट के निर्णय की क्या आवश्यकता थी यह मेरी समझ में नहीं आता। इस डिपार्टमेंट में 30 बड़े पदाधिकारी हैं—इनमें से कुछ हैं ज्व इट सेक्रेटरीज, एड. जनरल सेक्रेटरीज सेक्रेटरीज—फिर इममेनें ग्याल है 4 डाइरेक्टर्स हैं 6 डिप्टी सेक्रेटरीज है, 9 अडमिनेस्ट्रटरीज है और 4 संशोधन और खोज करने के लिए आफिमर्स नियुक्त किये गए हैं। तो इनमें से अधिकांश लोग ऐसे हैं जिनको बैंकिंग का कोई अनुभव नहीं है और आर्थिक विकास को क्या प्रायटीज रहती हैं उसका उनको ज्ञान नहीं है लेकिन जो नीकरशाही के विस्तार का मिलमिला आजादी के बाद चल पड़ा है उसके चलते बैंकिंग डिपार्टमेंट का निर्माण किया गया है। तो क्या मैं वित्त मंत्री जी से यह उम्मीद कर सकता हूँ कि जब प्रशासनीय खर्चों घटाने की आज आप बात करते हैं तो सबसे पहले इस विभाग को बर्खास्त करके पूरे देश के सामने और सरकार के सामने एक अच्छी बिसाल पेश करेंगे। मेरी राय में इस विभाग से कोई अच्छा काम ही होगा। राष्ट्रीयकृत बैंकों के बारे में हम लोग उम्मीद करते थे कि राष्ट्रीयकरण के बाद सारी जानकारी जनता के सामने और संसद के सामने रखी जायेगी लेकिन आज भी मैं देख रहा हूँ राष्ट्रीयकृत बैंकों के बारे में खुशी साधने की ही नीति यहां चल रही है। मैंने एस्टिमेट्स कमेटी की रपट गौर से पढ़ी है। इस खुशी का नतीजा

यह हुआ है कि हमारी प्राक्कलन समिति पर भी इसका असर हो गया है और जिन तथ्यों को उन्होंने प्रकाश में लाना चाहिए था। निर्भयता के साथ उनपर लीपा-पोती करने का ही प्रयास किया गया है। इसलिए मैं सबसे पहले यह कहना चाहता हूँ कि राष्ट्रीयकृत बैंकों के बारे में सारी जानकारी वार्षिक प्रतिवेदन के जरिए आप इस संसद के सामने और जनता के सामने रखें। मैंने इनके सभी 15 बैंक्स के जो वार्षिक प्रतिवेदन हैं वह पढ़े हैं और मैं इस नतीजे पर पहुंचा हूँ कि हमको उनके बारे में आवश्यक जानकारी नहीं दी जा रहा है। जैसा कि प्राक्कलन समिति ने कहा है और उन्होंने भी इसको कबूल किया है कि राष्ट्रीयकृत बैंकों का मुनाफा जो कुल पूजी लगाई गई है उसके अनुपात में घटता चला जा रहा है। यह मैं आपकी अकार्यक्षमता का द्योतक मानता हूँ। कई बैंक्स ऐसे हैं कि वर्षों हो गए लेकिन उनके जो एकाउण्ट्स होते हैं उनका उसे रिकंसिलिएशन कहते हैं—अभी तक रिकंसिलिएशन का काम नहीं हुआ। स्पष्ट शब्दों में इसका मतलब है कि उनके एकाउण्ट्स ही तैयार नहीं हैं। आप साफिविटकेटेड भाषा में रिकंसिलिएशन की बात करने हैं लेकिन क्या यह सही नहीं है कि कई बैंकों के एकाउण्ट्स के बारे में एक असेंसें में रिकंसिलिएशन नहीं हुआ है? एक बैंक का उल्लेख एस्टिमेट्स कमेटी ने किया है कि सात साल हो गए है उसके एकाउण्ट का रिकंसिलिएशन नहीं हुआ है। तो आप इन बैंकों के ऊपर लोकमत के द्वारा या संसद के द्वारा कैसे नियंत्रण रखेंगे जब उनके एकाउण्ट्स का ही ठीक ढंग से पता नहीं है? बहुत सारी रपट मैंने देखी और मुझे ऐसा लगा कि जानकारी देने के बजाये तथ्यों को छिपाने का काम यह एग्जुटिव रिपोर्ट्स करती हैं। इंडियन प्रोवेंसीज बैंक की एक रपट है, जो उन्होंने तथ्य दिए हैं उनके बारे में कहा गया है कि सभी रपटों में वही बात है:

"They disclose such matters as were required to be disclosed by virtue of the provision of the 1949 Act as read with the related provisions of the Companies Act, 1956."

पुराना जो नियम है, कानून है उसके अनुसार ही सारे तथ्यों का उद्घाटन हो रहा है। राष्ट्रीयकृत बैंकों के बारे में क्या यह अपेक्षा नहीं की जा सकती है कि ज्यादा तथ्य सामने आने चाहियें बनिस्बत जो पुराने कानून के तहत आते थे उसी तरह इसी इंडियन प्रोवेंसीज की रिपोर्ट में कहा गया है:

"No provision has been made for any probable doubtful items of agricultural loans or small loans due for these years."

मेरी राय में हर बैंक के लिये यह नियम बनना चाहिये कि इस तरह की सारी आवश्यक जानकारी में अपने वार्षिक प्रतिवेदन में दे और सरकार और स्टेट बैंक को लेकर और जो चौदह बैंक हैं उनके बारे में एक वार्षिक रिपोर्ट दे दे जब तक लोकमत का प्रभाव बैंकों के ऊपर नहीं पड़ेगा तब तक उनमें परिवर्तन अच्छाई के लिये नहीं होने वाला है। बहुत सी बाने एस्टीमेट्स कमेटी की रिपोर्ट के द्वारा हम लोगों के सामने आई हैं। इन से पता चलता है कि कृषि के क्षेत्र में जहां तक महायता काने का काम है तीन राज्यों को छोड़ कर अन्य राज्यों में यह काम बहुत ही असंतोषजनक है। क्या मंत्री महोदय इसके बारे में कोई योजना नही बनायेंगे ताकि अन्य राज्यों में कृषि का जो क्षेत्र है इसके लिये भी अधिक से अधिक बैंकों के द्वारा उत्पादक कामों के लिये ऋण दिये जा सकें?

एस्टीमेट्स कमेटी ने यह भी कहा है कि जहां तक कृषि ऋणों का खवाल है वह बहुत ही खतरनाक बात है कि पचास प्रतिशत से अधिक कर्जा रिकवर करने का, बसूल करने का, कोई प्रयास नहीं हो रहा

है। कुछ राज्यों के बारे में तो जिन का नाम उसने नहीं बताया है यह कहा है कि 25 प्रतिशत से भी कम धन ऋणों की वसूली हो रही है। मैं चाहता हूँ कि इन सब राज्यों के नाम बताये जाए यह भी पता चलना चाहिये कि कौन बैंक हैं जो इस तरह चल रहे हैं। एस्टीमेट्स कमेटी ने इन बैंकों तथा इन राज्यों के नाम क्यों छिपाये हैं। समझ में नहीं आता है। कमेटी की रिपोर्ट पर चर्चा करने का मौका हमें नहीं मिलता है। एक मिनट में एक डांचा बन गया है। ब्यूरोक्रेटिक ढंग से और एक बस रगहीन ढंग से यह सारी रिपोर्ट लिखी जाती है। लिखने का उद्देश्य शायद यह रहता है कि जो उर्गे पढ़ने के बाद आदमी बोर हो जाय और रिपोर्ट का छोड़ दे। जरा ढग से सी, पी, ए, सी, पी, यू, सी अपनी रिपोर्ट लिखने का काम करे। इन राज्यों का, और बैंक का नाम में जानना चाहता हूँ। अपनी जानकारी के आधार पर मैं कहना चाहता हूँ कि राजनीतिक तत्वों के दबाव के चलते गलत लागू का उत्पादन के कामों के लिये नहीं गलत कामों के लिये गलत उद्देश्यों के लिये ऋण के नाम पर ऋण दिये जाते हैं और नतीजा यह होता है कि कारगिसिया के दबाव के चलते इन ऋणों की वसूली नहीं हो पाती है। कई राज्यों में ऐसा हुआ है। मुझे मालूम है कि बड़े कर्ज लेने वाले जो लोग थे उनकी कभी वसूली नहीं होती है, जिन को पांच या हजार बैंक ऋण या तकावी के रूप में मिलता उन्हीं से वसूला जाता है।

यह खेद की बात है कि पश्चिमी बंगाल में अस्सी प्रतिशत जो ऋण के बारे में कर्जा दिया गया है वह चाय के बाजारों का विषय बना है। जैसे बहुत किसान बाजार का पूरा पैदा करने वाला कोई है ही नहीं। इन बाजारों के बावजूद इनके बिना पैदा की गोबरका भी जरूर होगा। स्वयं एस्टीमेट्स कमेटी ने कहा है

कि बैंकों के राष्ट्रीयकरण के बाद प्रथम वर्ष में जिन को ये लोग प्रायोरीटी सेंक्टर कहते हैं, यानी उत्पादन की दृष्टि से जिन लोगों को बरीयता या प्राथमिकता देनी चाहिये, उन सेंक्टरों को कर्जा देने के बारे में बड़ी प्रगति हुई लेकिन उसके बाद यह गति धीमी हो गई। नतीजा यह हुआ कि जिन क्षेत्रों में कर्जा देने से पैदावार बढ़ सकती थी उनको कर्जा नहीं मिल पाया। अक्सर ये लोग डिपॉजिटर्स की जो रकम बढ़ रही है उसके बारे में अपनी ही पीठ थपथपाते हैं अपने आपको शाबाश बहदे है लेकिन इनकी तबज्जह मैं इधर दिखाना चाहता हूँ कि राष्ट्रीयकृत बैंकों के ही नहीं गैर राष्ट्रीयकृत बैंकों का भी डिपॉजिटर्स तेजी से बढ़ रहे हैं। क्या बैंक डिपॉजिट बढ़ने का यह कारण नहीं है कि देश में इन्फ्लेशन है मूद्रा स्फीति की स्थिति है? असल मवाल यह है कि क्या जो डिपॉजिटर्स हैं उनका इन्फ्लेशन तेजी से पैदावार बढ़ाने के लिए किया गया है ऋण के क्षेत्र में किया जा रहा है या नहीं। ग्रामीण क्षेत्रों में शाखाएँ खोलने के बारे में था ऋण उत्पादन के लिए ऋण देन के बारे में जो गान धीमी हो गई है उसको तेज करने का आप प्रयास करें।

बैंक सौदम मे जो जानकारी डी जाती है वह पूरी नहीं होती है, सही नहीं होती है। एक एक रिपोर्ट में यह कहा जाता है कि अधिकांश शाखाओं को एकाउंट्स की किसी आडिटर द्वारा जाच नहीं हुई है। मुझे पता नहीं रिजर्व बैंक ने कोई नियम बनाया है कि उन्हें केवल सैम्पल सर्वे की तरह सैम्पल शाखाओं को एकाउंट्स की ही जाच करनी पतिव्ये। इसका सुलझा होना चाहिये। बिगत साल में बम्बई के अन्दर जो चलन काम किये जाते हैं—कई मामलों में नैकी-बेदे-मित्री से उठाये हैं—और उन के एक कुछ अक्षर ही छोटी सी जगह है कहा पर 71 लाख रुपये का एकसत किया गया था और उसकी जानकारी जब

वित्त मंत्री को दी गई तो उन्होंने कहा कि इस तरह की घटना कोई बड़ीया बैंक के तहत हुई ही नहीं है लेकिन बाद में दो तीस बार इनको लिखने के बाद और फिर ध्यानाकर्षण का प्रस्ताव जब दिया गया तो चव्हाण साहब ने कहा कि 71 लाख रुपये का मामला.

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): You had asked me whether anything had happened in the branch of Baroda bank in Bombay

SHRI MADHU LIMAYE Bombay region.

आपको मालूम होगा कि रिजर्वल आफिसिस बदलते रहते हैं आपने भी कबूल किया है कि इसकी वजह से गलतफहमी हुई है जो भी हो हम लोग बड़ी मुश्किल से जानकारी लाते हैं। जब आप सुतकार दोगे कि दम नहीं है उन्में तो जानकारी देने वाले जो कुछ भले लोभ बैंको में बचे हैं वे भी जानकारी देना बन्द कर दोगे।

मैं बोलकर और लिखकर थक गया हूँ। बैंको के राष्ट्रीयकरण के बाद भी, इन बैंकों के ऊपर पुराने जो पूजीपतियों के गुट हैं गुप्त है, इनका इतना जबरदस्त अमर है कि कई राष्ट्रीयकृत बैंको की शाखायें इन गुटों के एजेंटों के रूप में काम करती हैं। एक उदाहरण कानपुर की नयागज शाखा का मैं बार बार देता आया हूँ। सुशीला जी कानपुर से इस सदन में प्रतिनिधि हैं। मेरा ख्याल था कि वह ज्यादा इस में दिलचस्पी लेंगी और चोरी को पकड़ने का काम में हमारी सहायता करेंगी लेकिन अफसोस है कि यह नहीं हो रहा है। या उनको छूट नहीं मिल रही है। जो भी हो रिजर्वल मैनेजर का एक पत्र मेरे पास आया है। कानपुर सर्कल का जिस में उन्होंने नयागज के मैनेजर को संबोधित करते हुये कहा है

"We know that through an oversight you allowed a drawing power

of Rs 12 07 lakhs against stock in process as against the sub-limit of Rs. 5 lakhs fixed by the head office. Likewise, through an oversight you allowed them a drawing power of Rs 23 81 lakhs as against the sub-limit of Rs 7 lakhs fixed for the purpose by the H.O. authorities. Your action being highly irregular cannot be confirmed by us, and neither we can recommend to the H O to condone this irregularity. Please send us the explanation of the person at fault in duplicate for our necessary further action

"We would once again advise you to let us know the source of the funds with which the party has closed their hypothecation account with you, together with the name of bank and the security offered to them as the information has still not been sent by you"

इस तरह के और भी दो चार डाकु-मेन्ट्स में आपकी इजाजत से समा पटल पर रखना चाहता हूँ।

MR DEPUTY-SPEAKER You give the documents to me I will see

श्री मधु लिमये आपकी अनुमति में ही तो रखा जायेगा। टेबल पर मेरा थोड़े ही अधिकार है? आपका है और सदन का अधिकार है।

MR DEPUTY-SPEAKER I said you give the documents to me I did not say that you lay them on the Table of the House.

श्री मधु लिमये उसी तरह पञ्जाब नेशनल बैंक के एक अधिकार ने मुझे पत्र भेजा है जिस में यह जानकारी मिली है

"Nationalised banks discount bills drawn on mills and factories for goods consigned to the sidings of these units. The mills and factories use the goods for the manufacturing process, sell them, and after realising the sale proceeds, retire the

[श्री मधु सिन्घवे]

bills. These malpractices involve millions upon millions of rupees”

अप्रवाल जी अभी इस पर बोलने वाले हैं तो वह इस पर जरा प्रकाश डालने की कृपा करेंगे क्योंकि इस की वे जरा ज्यादा जानकारी रखते हैं, जानकार भायमी हैं।

तो इन सारे गुटों के द्वारा इस तरह बैंकों के फंड्स का जो दुरुपयोग होता है उसकी भी मेरी राय में जांच होनी चाहिए। क्योंकि इस का नतीजा होता है कि डबल फाइनेंस एक माने में यह हो रहा है गैर-कानूनी तरीके से क्योंकि कच्चा माल धाता है, उसका पैसा देना चाहिए, लेकिन वह देने के बजाय उसे पक्का बनाया जाता है, बेचा जाता है, जब उस का पैसा धाता है तब बिल रिटायर करने वगैरह की बात धाती है। डालमिया नगर की घटना है, कानपुर की घटना है, जयपुरिया घुप है, जे०के० घुप है, कितने गुटों का नाम मैं लू, सभी इस तरह के काम कर रहे हैं।

बैंकों के अंदर जो दुर्घबद्वार चल रहा है उस के बारे में मैं आप का ध्यान नगरवाला कांड की ओर बिलाना चाहता हूँ। उस समय मैं इस सदन में नहीं था। लेकिन सदन की कार्यवाही को मैंने पढ़ा है यहाँ धाने के बाद और विस्र मंत्री जी से भी मैंने बात की है। उन्होंने यथाशक्ति मुझे समझाने का प्रयास किया है कि यह तो एक मूर्खतापूर्ण काम है, इसके पीछे कोई बह्यन्त्र वगैरह नहीं है। ठीक वही कहा था न धापने। मैं धाय की मिसकोट नहीं करना चाहता हूँ यह सब पढ़ने के बाद मैं इस तर्जिमे पर पहुंचा हूँ कि यह मूर्खतापूर्ण या ऐसा कोई काम नहीं है। यह वास्तव में एक बहुत बड़ा बह्यन्त्र है और इस की प्रालियामेंटी कमेटी के द्वारा जांच कराने से जो इनकार सरकार बराबर

करती रही है इससे मेरी इस चिंता की, इस सन्देश की पुष्टि होती चली जा रही है। जैसे इल कांड के जो अधिकारी कहिए या जो कुछ भी कहिए, नगरवाला साहब और दूसरे कसपय साहब जो पुलिस अधिकारी थे, ये दोनों अब इस दुनिया में नहीं हैं और जो मल्होत्रा जी हैं उन्होंने अपने बयान में यह कहा है, मैंने यह बयान पढ़ा है हिन्दुस्तान टाइम्स और दूसरे अखबारों में कि हमारे बैंक में यह परिपाटी थी कि कर्सेबेस्ट से हम लोग टेलीफोन के ऊपर विशेष पार्टियों के लिए पैसा निकालते थे और बाद में वह लिखित भेजते थे और वह रेगुलराइज हो जाता था। इसका कोई जवाब मुझे पता नहीं... (व्यवधान)...

अब वह माता जी की एक कहानी मैं कहने वाला हूँ। 1972 में मेरी गिरफ्तारी इलाहाबाद में होने के बाद मैंने एक याचिका सुप्रीम कोर्ट में दी थी और उस सिलसिले में उन्होंने मुझे तिहाड़ जेल में भेजा था। जिस वार्ड में हम लोग रहते थे उसमें एक नागा बिद्रोही था। उस से बात करते हुये जेल अधिकारियों ने मुझे देखा। क्या देशद्रोह की बात मैं उन से कर सकता था? क्या मैं उन को यही समझाने की कोशिश नहीं करता कि आप की जो तकलीफें हैं, पीड़ाएं हैं, वर्तमान संवैधानिक ढांचे के अंदर ही उस को हल करने का धाय प्रयास करें लेकिन जेल सुपरिन्टेंडेंट को और अधिकारियों को यह भ्रष्टा नहीं लगा। दूसरे दिन उस बेचारे को भगा दिया। उस को मैंने फल वगैरह भेजा था। तो वह बोला कि 6 महीने के बाद हम ने यह फल खेले हैं। बंगला देश में वह पकड़ा गया था। तो धाय लोग नहीं चाहते हैं कि बिद्रोहियों को अपने साथ कराया जाय। उस वार्ड में अर्ब तेजा नाम के भी एक कैदी थे। उपाध्यक्ष महोदय, मुझे यह पता नहीं कि धाय जेल में रहे हैं या नहीं, लेकिन विस्र

मंत्री जी तो कई बार जेल में रहे हैं और विसर मंत्री जी मेरी इस राय की पुष्टि करने कि जेल में चाहे मर्दरर हों या डकैत हों यह उन के मन में उबाड़िया होती है कि जब इस तरह के राजनीतिक लोग घाते हैं तो उनके पास जाकर बे बात करें। अकसर यह होता है। हालांकि धर्म तेजा के मामले को विस्कोट करने में मैं आने रहा हूँ लेकिन मेरी यह अपेक्षा थी कि वह मुझ से आकर बात करेंगे और अपनी सफाई देने की कोशिश करेंगे। लेकिन आप विश्वास कीजिये, मेरे जेल जीवन में यह एक झनौखी घटना हुई, वह मुझे कभी विश्वास भी नहीं करते थे और जब भ्रष्टाचार लाते थे तो मेरे सेल के बाहर रख कर भाग जाते थे। मैं सोच रहा था कि ऐसा क्यों है? बाह्य में जब मैं रिहा हो कर आया तो उनका एक परिशेदार मुझे मिलने के लिए आया, उसने कहा कि मधु जी, आपको गलतफहमी हुई होगी लेकिन सही बात यह है कि धर्म तेजा को कहा गया था कि यदि मधु लिमये के साथ आप किसी तरह की बात करेंगे तो आप को उधरी रास्ते से जाना पड़ेगा कि जिस रास्ते न नागरवाला और कम्प्य गए हैं। इस तरह का आज कल घमकियां वी जाती है। यह सही बात है। कोई गलतबयानी करने की मुझे जरूरत नहीं है। चव्वाण साहब ने भी माना है कि जेल की एक साइकोलाजी होती है। मैं यह नहीं कह रहा हूँ कि वह मुझसे कोई बात करते तो मेरे ऊपर कोई असर होने वाला था। लेकिन यह हो सकता है कि वह कोई ऐसी जानकारी मुझे देते जिस से प्रधान मंत्री को या उनके सुपुत्र को तकलीफ हो तो सही कारण मुझे लगवा है। और कोई कारण नहीं हो सकता। तो नगरवाला कांड के बारे में अपनी भी मेरी संतुष्टि नहीं है और मेरी यह मांग है कि फलियामेंट की एक कमेटी इसकी जरूर जांच करे।

यह बैंकिंग कमीशन बनाया गया। इनका

बहुत व्यापक कार्य-क्षेत्र था। लेकिन विदेशी बैंकों के बारे में इन्होंने कुछ नहीं कहा। उन्होंने भी यह रिपोर्ट पढ़ी होगी। इसमें तीन चार वाक्य हैं केवल और मुझे आश्चर्य लगा कि सरकार के निर्णयों का कभी कभी कमीशंस के ऊपर भी कैसा असर होता है? क्योंकि सरकार का मन बना हुआ है कि विदेशी बैंकों का राष्ट्रीयकरण नहीं किया जायगा, इसलिए केवल तीन लाइन्स हैं इस में और यह 760 सके की रिपोर्ट है। केवल इतना इस में दिया है :

"As regards foreign banks they may be allowed to continue at present since their branch expansion in any case limited to 4 towns and since their share in the total banking business in India is fast diminishing.

सवाल यह नहीं है। सवाल यह है कि आज ये विदेशी बैंक विदेशी मुद्रा की चोरी में और रीपेटिशन में एक बहुत बड़ा गलत रोल दा कर रहे हैं और इसलिए विदेशी बैंकों का नियंत्रण करना बहुत ही जरूरी हो जाता है। जितने भी दूसरे बिधेयक यहां पर आ रहे हैं कम्पनीज एक्ट में संशोधन हुआ है, फोरन एक्सचेंज रेगुलेशन एक्ट में संशोधन हो गया है, लेकिन इन कम्पनियों के ऊपर कोई असर नहीं है और यह सोचने की बात है कि जहां राष्ट्रीयकृत बैंकों की प्राफिट-बिलिटी कम होती चली जा रही है, इन लोगों के मुनाफे और उसका अनुपात बढ़ता जा रहा है। और सब बातें ये दिखाते भी नहीं हैं। नेशनल एंड प्राइम्बलेज के मामले कई बार हम लोगों के द्वारा उठाए गए थे लेकिन कोई कार्यवाही हमके बारे में नहीं की जा रही है।

अंत में इस विषय को लेकर एक बात मुझे कहनी है कि यह जो राष्ट्रीयकृत बैंकों की रिपोर्ट्स हैं इन का मैंने अध्ययन

[श्री मधु लिमये]

किया और इस दृष्टि से किया कि इसके जो बेयरमेन हैं इन को बेतन भरत आवि कितना दिया जाता है। क्योंकि बिल मंत्री को यह होना उस समय वे बिल मंत्री नहीं थे लेकिन जब बैंक नेशनेलाइजेशन का बिल बहा आया था तो मैं ने कहा था कि पुराने जमाने में बैंको के पुराने अधिकारियों को जो एमाल्यूमेन्ट्स दिए जाते थे अगर बड़ी सिलसिला चलेगा तो इन बैंको के द्वारा कोई सामाजिक कार्य नहीं हो पायगा। लेकिन कोई विशेष परिवर्तन नहीं प्रयत्न है। यह 14 बैंको की रिपोर्ट है। इस में 467 रुपये से शुरुआत होती है। न्यूनतम यह है और अधिकतम 1 लाख 32 हजार। कुछ रिपोर्ट 73 की हैं कुछ 72 की हैं। लेकिन 46 हजार से लेकर 1 लाख 32 हजार रुपये तक इन लोगों के एमाल्यूमेन्ट है। बेतन तथा उपलब्धिया है।

बैंको के बारे में अक्सर यह कहा जाता है कि राष्ट्रीयकृत बैंका में जो सेवा है उस का दर्जा गिरता चला जा रहा है। कर्मचारियों का व्यवहार अच्छा नहीं है और यह भी शिकायत सुनने को मिली है हालांकि एस्टीमेट्स कमेटी ने एक वाक्य में उसको खत्म कर दिया, ओवरटाइम का सवाल (अवधान)

SHRI DHAMANKAR (Bhiwandi)
You are quoting one by one the findings of the Estimates Committee and still you are casting aspersion on the Estimates Committee that it associates with the Banking Department to cover and hide things.

SHRI MADHU LIMAYE I have a right to criticise.

मैं उनकी बोधापूर्वकीय के बारे में नहीं कह रहा हूँ। मैं उनकी जो गलतियाँ हैं वह कह रहा हूँ। क्या इस बीच इतने

टक्के हो गए हैं... (अवधान) के उनकी नीयत पर सबूत नहीं कर रहा हूँ, एस्पersion नहीं कायम कर रहा हूँ। मैं बिल्कुल अपने हाथों के कह रहा हूँ और कह रहा हूँ कि एस्टीमेट्स कमेटी को इसका बिसेस्य जवाब करना चाहिए था। जो भ्रष्टी बन्ने लगी हैं वह भी मैं कह रहा हूँ और जो उन में सुदृष्टि है वह भी कह रहा हूँ। आप अगर एस्टीमेट्स कमेटी के सदस्य है तो यह नुकताचीनी आप एस्टीमेट्स कमेटी के सदस्यों के सामने रखिये।

उपाध्यक्ष महोदय, हम लोगों को इतना टक्की नहीं होना चाहिए, जब तक किसी की नीयत पर, मोटिव पर शक नहीं किया जाता है। मैं तो यह नहीं कहता हूँ कि अवधारो को, सदस्यों को, इस आम लोगों को क्रिटिसिज्म का अधिकार होना चाहिए।

मैं यह कहा कि कर्मचारियों के ओवर-टाइम के बारे में शिकायत आ रही है। मैं कोई पेरोवर ट्रेड-यूनियननिस्ट नहीं हूँ मैं स्पष्ट शब्दों में कहना चाहता हूँ—ओवरटाइम के चलते अगर बैंको की बरबादी होती है तो मैं इस का कभी समर्थन नहीं करूंगा, लेकिन इस बात पर जोर देना चाहता हूँ कि जब तक शिखर पर पैसे की बरबादी होती, शिखर पर 1 लाख 32 हजार रुपया इमोल्गुमेन्ट्स के रूप में बेयरमेन को दिया जायगा, तक आप के पास कोई नैतिक अधिकार नहीं है कि एक साधारण कर्मचारी और छोटे अफसरों को कहे कि आप फर्जतवादी कर रहे हैं। क्या मंत्री महोदय बड़े लोगों के इमोल्गुमेन्ट्स को अधिक-सकल को मूवेनजर रखते हुए कर्मचारी का कोई इकतप करेंगे? इसके साथ साथ जो ट्रेड यूनियन के लोग हैं—कॉर्पोरेट आप जानते हैं इसमें मैंने सशोधन रखा था कि मजदूरों के, कर्मचारियों

के, आर्टिजन्स के, दूसरे लोगों के प्रतिनिधि बैंक के बोर्ड आफ डायरेक्टर्स पर होने चाहिए और मेरा यह संशोधन इस सदन ने कबूल भी लिया था—इस लिये मैं यह चाहता हूँ कि जहाँ हम इन लोगों के उचित प्रतिनिधित्व के लिए लड़ेंगे, वहाँ अगर कोई गलत काम होता है तो उसका भी हम लोग विरोध करना चाहेंगे। मैं अपने ट्रेड यूनियन के साथियों से कहूँगा कि जहाँ उच्चस्तर पर जो फजूलखर्ची चल रही है, उसके खिलाफ जरूर लड़िये, लेकिन ओवर-टाइम के बारे में भी कुछ संयम के साथ हम लोगों को सोचना चाहिए—यह मेरी स्पष्ट राय है।

उपाध्यक्ष महोदय, अब मैं कृषि के बारे में बहुत संक्षेप में अपने विचार व्यक्त करना चाहता हूँ। आज भी यह बात सही है कि व्यापारियों को बितरण के काम के लिये या स्टॉक रखने के लिये जितना ऋण बैंकों के द्वारा मिलता है या बड़े उद्योगपतियों को आज भी मिल रहा है, उस की तुलना में छोटे उद्योगवालों को, कारीगरों को और खास कर कृषि को, किसानों को नगण्य ऋण मिल रहा है। मैं अक्षर सोचा करता हूँ—क्या इस के बारे में कोई इस तरह का प्रावधान आप नहीं कर सकते कि ये जो 15 राष्ट्रीयकृत बैंक हैं तथा दो अन्य बैंक—रिजर्व बैंक तथा इण्डस्ट्रियल डवलपमेंट बैंक आप इच्छिया—इन सब को मिला कर कोई “पम्पिंग सैट कारपोरेशन” की स्थापना की जाये, जो किसानों को कृषि के ऋण देने के बजाय टर्न-की-बेसिस पर बॉरिंग कर के छोटे ट्यूब-वेल और पम्पिंग सैट लगा कर उन के हवाले कर दे? इस के लिये, मैं चाहता हूँ बड़े पमाने पर कार्यक्रम बनाया जाये।

हमारे देश में खाद की कमी है। आज सबरे ही सोवर-गैस-प्लांट के बारे में सवाल

धर्या था। खादी तथा ग्रामोद्योग कमीशन इस बारे में बहुत ही निकम्मा साबित हुआ है। क्या ये राष्ट्रीयकृत बैंक गो-र-गैस-प्लांट के निर्माण का काम बड़े पैमाने पर नहीं कर सकती? इस से क्या लाभ होगा—गैस के चलते पयुअल में बचत होगी साथ ही खाद भी मिलेगी। आज आप से बड़ी सिचाई योजनाओं के बारे में, रसायनिक खाद के बारे में सवाल पूछा जाये कि इन की क्या स्थिति रहेगी, तो आप कोई भी सन्तोषजनक जवाब नहीं दे सकते। क्या आप के ये 15 बैंक, रिजर्व बैंक और इंडस्ट्रियल डवलपमेंट बैंक—ये सब मिल कर कोई ऐसा कारपोरेशन बनायेंगे जो बहुत बड़े पमाने पर इन कार्यों को करे?

एक जमाना था जब हमारी एस्टीमेट्स कमेटी ने एक बहुत अच्छा सुझाव दिया था कि आप पम्पिंग सैटों का एक व्यापक सामुदायिक कार्यक्रम हाथ में लें। यद्यपि उस समय के दामों में और आज के दामों में बहुत फर्क हो गया है, लेकिन यदि उस समय एस्टीमेट्स कमेटी के सुझाव को माना जाता तो मैं निश्चित रूप से कह सकता हूँ कि कृषि उत्पादन के बारे में आज जितनी खराब हालत है, उतनी खराब हालत न होती।

उपाध्यक्ष महोदय, मैं किसी राज्य की नुकताचीनी नहीं करना चाहता हूँ लेकिन आप को याद दिलाना चाहता हूँ—महाराष्ट्र के मुख्य मंत्री ने एक दफ्ता शिवाजी पार्क में घोषणा की थी—अगर तीन वर्षों में महाराष्ट्र को अनाज के मामले में पूर्ण आत्मनिर्भर नहीं बनाऊँगा तो मैं फांसी पर चढ़ जाऊँगा। इतने साल हो गये, क्या वे रोप (डोरी) की खोज में हैं, उन को अभी तक रस्सी नहीं मिली है। इस सदन में एक भर्सा पहले मैंने कहा है, लेकिन प्रधान मंत्री जी ने कृषि के बारे में कह दिया हो-हल्ला शुरू हो गया।

[Shri Madhu Limaye]

शायद मुख्य मंत्री जी रोप की खोज में हैं जो उन को अभी तक नहीं मिली है। मैंने इस सदन में कहा है कि महाराष्ट्र सब से अमीर राज्य है, औद्योगिक दृष्टि से प्रगतिशील राज्य है। क्या हम लोगो के लिये यह शर्म की बात नहीं है—आप 1960-61 तक महाराष्ट्र के मुख्य मंत्री रहे, 1962 में यहाँ चले आये, क्यों आप ने 1962 के बाद बैठकर हम बारे में सोचा है। आज कृषि के मामले में ग-ने को छोड़ कर महाराष्ट्र वा रिकार्ड बहुत ही शोचनीय है, गन्दा रिकार्ड है।

आखरी मुद्दा यह है कि 27 सालों में देश में बहुत सी बातें हुईं। 1966 में 1971 के बीच में पश्चिमी भारत में गेहूँ का उत्पादन डबल हो गया। स्वतन्त्र भारत का सब से अच्छा कार्य! 1971 के बाद आप का यह हा-हल्ला शुरू हुआ, दो-तिहाई बहुमत आ गया, प्रधान मंत्री जिन्दाबाद के नारे शुरू हो गये, 1971 के बाद कृषि के विकास के काम में आप ने रोडे अटकाने शुरू किये। उत्तर-पश्चिमी भारत में 6 वर्षों में गेहूँ का उत्पादन डबल हुआ, अगर आप बैंको के राष्ट्रीयकरण के बाद पूरे देश में इस आधुनिकीकरण को फैला देते तो वास्तव में इस देश में हरितक्रान्ति हो जाती, लेकिन 1970-71 के बाद इन की हरितक्रान्ति कागज पर रह गई और नतीजा यह हुआ कि हमारा देश आज फिर पी०एल० 480 की ताक में है।

श्री बसन्त साठे (प्रकोला) सूबा
पढ़ा, लगातार कई वर्षों तक सूखा पड़ा।

श्री मधु लिमये : यह चर्चा वा विषय बड़ा गम्भीर है, अगर आप अन्तरमुखी नहीं होगा चाहते हैं तो मैं क्या कहूँ, आप के लिये कड़े शब्दों का प्रयोग नहीं करना चाहता।

श्री बसन्त साठे : सच्चाई को मजूर की जिये—क्या मूखा (झाउट) नहीं पढ़ा ?

श्री मधु लिमये : क्या पूरे देश में झाउट था ?

श्री बसन्त साठे : महाराष्ट्र में, आन्ध्र में—बहुत से राज्यों में था।

श्री मधु लिमये : झाउट ही के लिये तो खेती की सिचाई का बात कह रहा हूँ। चूँकि झाउट की स्थिति हमारे देश में रहती है, अभी भी मौसम के ऊपर आप की खेती निर्भर है, इस लिये मैं सुझाव दे रहा हूँ कि इन राष्ट्रीयकृत बैंको को इस काम में लगाइये—आप इन सौ बात भी मानने के लिये तैयार नहीं है। यदि अन्तर्मुखी हो कर कृषि के विकास कार्यों को पूरे देश में फैलाते, लैंड रिफार्म दृढ़ निश्चयी हो कर करते तो यह नौबत न आती। कि-सींगर साहब कब आयेगे पी० एल० 480 का कार्यक्रम कब बनेगा—इस झगड़ में न रहने।

SHRI P M MEHTA (Bhavnagar)
Mr Deputy Speaker, Sir, I have raised this discussion on working of the nationalised banks so that people can judge the performance and the working of the commercial banks after nationalisation. Nationalisation of fourteen commercial banks in the year 1969 was a major event. We were committed to it and it has political context also. I do not want to deal with this vital economic matter in that political context but I will deal with its performance, its economic aspects and its impact on the economy and its results and the service rendered after the nationalisation, in a dispassionate manner.

Sir, the House will recall that State ownership and control over the commanding heights of economy was found necessary in the year 1969 and therefore, the fourteen banks were nationalised. The major objective of nationalisation was to reduce the disparity and inequality between the

different categories of borrowers as well as different categories of regions. It was also in order to encourage the development of the under-privileged sections of society and the different under-developed areas of the country.

This bank nationalisation was thought to be a powerful weapon to gear the economy towards an all-round balanced economy. Various Government pronouncements and the annual reports of the Ministry of Finance indicate the objectives in this regard. They are as follows:

- (1) to mobilise deposits on a massive scale throughout the country and not in cities and large towns only;
- (2) accelerate lending to productive endeavour of diverse kinds, irrespective of size and social status of borrowers, particularly in hitherto neglected sectors such as agriculture, small industry and exports and promote rapid growth thereof;
- (3) sustain and generate gainful employment in the direct and indirect manner on a much larger scale than before;
- (4) secure a more equitable distribution of credit throughout the country by having a balanced programme of branch expansion particularly in States and areas which have lagged behind or were unbanked/underbanked;
- (5) encourage new entrepreneurs and contribute to the development and growth of all backward areas;
- (6) serve as active catalysts in viable development in as many sectors of the economy

as possible and provide improved and extended services to the general public.

Now, let us examine whether the objectives have been achieved, and if so, to what extent and whether the working has improved or deteriorated and what its total impact has been on the general economy, on the under-privileged sections of society and the under-developed regions.

So far as the deposits, the expansion programme and extending the banking facilities to the non-banking areas are concerned, the position is this. The amount of deposits in 1969 was Rs. 620 crores, and at present it has increased to about Rs. 2000 crores. The number of branches has increased from 8000 in 1969 to about 17,000 at present. The number of mofussil centres has increased from 1860 to 6000 now. This is a good progress so far as deposits and expansion are concerned. But at the same time, the lending rate of interest has also increased. It was 9.5 per cent in 1969 but at present it is between 13.5 to 15 per cent. This factor has added very much to the cost of production.

So far as the financial picture is concerned, out of fourteen banks, six of them are running on losses and two are on the borderline. Government have preferred to hold the bank employees responsible for this situation. They say that the agitation of the staff is responsible for this deterioration in service. But I would ask the hon. Finance Minister whether he is not responsible and whether Government are not responsible for the deterioration of the industrial relations in this very important sector. Are you not responsible for maintaining the harmony, the lack of which has so badly affected the working of the banks? I would like to warn Government that industrial relations in this sector are at their lowest ebb and

(Shri P. M. Mehta)

Government should take precautionary measures to smoothen them.

I will give a comparison of the progress or development of the backward areas and developed areas before and after nationalisation. The average annual growth rate in backward areas before nationalisation was 21.7 per cent and the annual growth rate after nationalisation is 21.5 per cent. That is, it has declined. In the same way, the growth rate in developed areas before nationalisation was 16.6 per cent and after nationalisation it is 16.2 per cent. Here also it has declined. This is the progress.

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): What is the source of the figures he is quoting?

SHRI P. M. MEHTA: *Economic Times*. Nationalisation has not been able to make any dent in the existing favourable balance of trade position in developed area *vis-a-vis* backward areas, as regards deposit mobilisation and banking assistance. Throughout the period 1966-72, the developed areas have contributed a relatively lower proportion to the total deposits mobilised by the banking sector as compared with its relatively larger share, in the total advances made by the banking sector. In other words, the backward areas have contributed towards the financing of economic activities in developed areas, instead of it being the other way round. The aim was that deposits would be raised and advances would be made to develop the economy of the backward areas and it would help the local people in their economic betterment. But the results show that deposits from the backward areas have flown to the developed areas. This is the net result. It has adversely affected the rural economy after nationalisation.

The *Economic Times* has observed:

"The continuing poor assistance deposit ratio in the backward areas and the pace of the economy in fact indicates in a sense the negative role of the nationalised banking sector. By diverting the backward area deposits to developed areas, it prevents the operation of the consumption multiplier to the full extent in the backward areas. Had the mobilisation of deposits not taken place in these areas"—

this is very important—

"the same volume of income would have either been invested in fixed assets or consumed. In either case, a large part of the money would have circulated within the region, giving to some extent a boost to the economy".

Now, what has happened? The nationalised banks have exploited the rural population. This is the net result of the functioning of the banks. I should like to refer to the speech made by Shri Mohan Dharia, the hon. Minister of State for Planning in Poona on 14-7-1974. It is reported in *Deccan Herald* dated 15th July 1974:

"Poona, July 15: The Union Minister of State for Planning, Mohan Dharia today lashed out at the custodians of some nationalised banks of India 'who were obstructing the success of the nationalisation'. Inaugurating a seminar on the occasion of the 5th anniversary of the nationalisation he said that the custodians had opposed imposing social control of banks and even today they have been ridiculing the decision of nationalisation. They should better be relieved of their responsibilities. He said that some directors and chairman have been working in the same way as in the past. Government was also not prepared to

delegate responsibility to the banks completely and this had retarded their stipulated progress, he said. Mr. Dharia said: Corruption malpractices and in effective administration seriously affected the performance of national vision. Mr. Dharia said: that he himself had a bitter experience of the banks in connection with the Planning Commission's scheme to provide jobs to the educated unemployed. What is the use of nationalisation if the banks are obstructing the process of development instead of resolving them, he asked. The Seminar was organised by the bank users' association and the Bank of Maharashtra Chairman presided."

The Minister of Planning had commented this way on the working of the nationalised banks in this country.

SHRI B. V. NAIK (Kanara): He told this in his individual capacity.

SHRI P. M. MEHTA: I do not accept it. He has no individual capacity. He says his proposals were negatived and Government is not behaving properly. Who nominates the chairman and directors? In the same way who prevents from stopping them or removing them? You do not do because it politically suits you. You always make appointments according to your political convenience. This result in the deterioration of the working of the banks.

I shall give some instances and I hope the hon. Minister will take note of them. A TT was sent from Bombay to Calcutta transferring a big amount of a client. Maybe a lakh or so. It took 17 days to get payment. Common men, small farmers, artisans and retailers and Harijans do not get advances from nationalised banks according to their requirements. Over and above they experience harassment in getting ad-

vances, when they do get them sometimes. Recently I had a talk with the Deputy Manager of the State Bank of Saurashtra, a subsidiary of the State Bank of India at Bhavnagar. I referred one case of a Harijan who had asked for a credit of Rs. 2000 only for some small industry. The Deputy Manager said, "It is not possible for us to give him any credit at present, because we have no money." In the same way, I referred two or three cases of agriculturists of village Nonghanbadar and another village, which is a part of my constituency. He politely said, "We have no money. Even if they come in a number of ten and if we adopt that village, even then we have no money to lend". This is the position of the nationalised banks. They have no money to lend to the small farmers, small artisans and Harijans.

The procedure followed by the banks in granting loans and advances to farmers and small industrial units in the country should be properly checked up. The proper procedure prescribed by the Reserve Bank of India has not been followed by the Bank of Baroda, Jamnagar and Junagadh branches in granting advances. It is a fact that agents of these banks in connivance with the staff have sanctioned loans of Rs. 80 lakhs to on partnership firm without prior sanction of the Reserve Bank and without consulting the Central Bank during the period July 1972 to December, 1972.

Now I will refer to some unfair practices adopted by the Bank of Baroda, Junagadh branch. In almost all cases, advances were given to the borrower through third party (not the farmer). There were selected touts who came to the Bank of Baroda for getting finance to the farmers. They were charging brokerage of 10 per cent for the sum advanced. No personal verification of the lands were being undertaken by

[Shri P. M. Mehta]

the responsible officer. At times, one watchman used to visit some places and on his recommendation, the next day advance was being given. Proposals were scrutinised by one clerk and sub-staff along with the agent. No priority list was being maintained by the bank. No authority was obtained from the higher authority and payment was also not made by the bank, for letter of undertakings which were got printed in the local press. One watchman got the prescribed forms of the bank printed in some private press and he was selling those forms. On those forms, the whole procedure was going on. There are a number of cases where there is impersonation is done. Loans are sanctioned but the payment is not taken by a third person.

A person who was involved in a conspiracy case and who was in jail has been sanctioned a loan. When he was in jail how could he execute the documents? So, there are a number of cases where corruption and unfair practices are going on in almost all the branches.

16 hrs.

My hon. friend, Shri Madhu Limaye, has referred to the issue of overtime. The amount of overtime paid from January 1973 to June 1974 comes to Rs. 415 lakhs, which is a big amount. Why do they not make appointments according to the workload and thus do away with overtime? Why do they not streamline the procedure in such a manner that the banks are not required to make their employees do work overtime? I would say that it is not the fault of the employees but of the management that they require their employees to work overtime. I would say that there should be a survey of the workload and that they should streamline the work in such a manner that the employees are not re-

quired to work overtime. The amount which is being paid as overtime is a huge one and it is adversely affecting the financial position of the banking industry.

Lastly, I would refer to a very small point. I had occasion to telephone to the Manager, Nalbazar Branch of the Union Bank of India. I had received one communication from the hon. Finance Minister and on that reference I wanted to know the latest position regarding one case. So, I telephoned to the Manager of the Union Bank of India, Nalbazar Branch, Bombay. His Excellency said "I will not talk on telephone". Then I told him that I am not pleading that he should give a loan to the party concerned, there he may do whatever he likes, I have nothing to do with it but he should reply to me in connection with the communication I have received from the hon. Finance Minister. He refused to hear the contents of the letter of the hon. Finance Minister. This is the behaviour of the Bank Manager..

AN HON. MEMBER: Now, he will be promoted.

SHRI P. M. MEHTA: Certainly

The Bank Managers are duty bound to speak in a courteous language and to hear the people. He should have noted the reference and then verified it. He had no business to say, "I will not hear you or I will not listen to the reference that you are making."

After the nationalisation of Banks I would say, the overall impact on the general economy is practically nil. We have seen the prices going up; we have seen the costs going up. It has not benefited the small farmer the small artisan, the people in the backward areas, the Harijans and others. On the contrary, the deposit

of the backward areas are diverted to the developed areas. The other day, in the Rajya Sabha, the answer given to one question indicates that 75 big houses are given a major portion of the borrowings. This is the way in which the nationalised Banks are functioning today. It requires immediate attention of the Government. I do not know whether this Government is capable of controlling the nationalised Banks.

SHRI D. D. DESAI (Kaira): Mr Deputy-Speaker, Sir, two of our Opposition Members have said many things regarding our nationalised Banks. We had nationalised the Banks with certain objectives. Nationalisation was a means to an end. To that extent, we can examine in terms of the final achievements we have made, related to expectations we had of the banks.

I do not want to go into details because of limited time at my disposal. I can say this much that we have a long way to go and I would make a few constructive suggestions.

The Banks have two primary objectives. One is, of course, production. Finance is the basic necessity for increasing production. In the light of that, we can examine our agricultural and industrial production, a certain amount of stagnation and inflation. For that matter, we have to go into some of our methods. I do not want to talk of Banks as a third party. After all, the Banks form part of the Indian economy. To that extent, we have to organise our house in relation to our own objectives and to meet our own obligation. Therefore, in relation to our approach to the finance, we may say that in the matter of deposits that have been collected from certain areas deposits that have been advanced to certain other areas and the productivity per capita of investment, return in terms of production, in absolute terms or in

terms of G.N.P., we have not kept track of watching it. Analysis might help us in reaching a certain advantages lending system which might mean some more production itself.

Now, an important point which our friends made was with regard to agricultural finance or financing agricultural sector. Here again, I might say that we have to do a lot because the fact is that deposits have been collected from agricultural sector which has been deprived of its earnings, because monies are invested elsewhere. It is well known that all the money that lies in American banks today had its origin in the farms. The American economists have recognised this; economists like Barbara Ward have made it very clear that had it not been for initial generation on the farm front, the American economy would never have been what it is now. This by itself is an example for us to regenerate our economy which we are today finding difficult to make good.

Another area is the industrial sector. Here I would say that a lot of lending is going into stagnant investments. This must be curtailed and a certain amount of rotation or fast turn-round should be done so that the funds generate more wealth than we are presently having and our per capita income is so increased.

There has been some talk about our banking delays. Just now hon. Member, Shri P. M. Mehta, talked about the approach of one of the Bank Managers. Here I would like to narrate one of my recent experiences. 15 days back in England I talked to the Industrial and Commercial Finance Corporation and casually asked them how they financed their industry. I did not tell them the fact that I was a Member of Parliament; I just talked to them as a commoner. They put me

[Shri D. D. Desai]

to one Dr. Cross. He talked to me. The next day morning I received a bunch of papers from them giving the various details about how they lend in the United Kingdom. In the whole of western world, in fact even in developing countries in South America and North African countries, the feeling of urgency does exist and there is a certain amount of quick disposal of matters. The persons in our banks must be advised or briefed that time is a costlier commodity and that we have to see that the time is not lost in wasteful ways.

Then there is the question of reconciliation of accounts. Mr. Madhu Limaye made a reference to that. Here I would say this much that our Government must insist on quarterly balance sheets. There are many banks and many companies in the world which give quarterly dividends. In other words, they close their accounts every quarter. In fact, some of the foreign banks in India reconcile their accounts weekly and the head offices prepare their balance sheets quarterly, and some distribute the dividends after approval by the Direction body. Therefore, for our banks not to have balance sheets for three or four or five years is something which we should not tolerate. *(Interruption)*. I am saying quarterly because if you give them a higher target, then they might try to do something. This is one of the areas in which, I think, we should insist on some performance, because, after all, it is from the balance sheet that we can operate business or industry. If there is no balance sheet, then we would not know which direction we are going in. It is more or less a radar or a compass by which we know the working of an organisation. One of the biggest financiers told me that we should never invest in a company which does not issue balance sheet in six months from its closing

the accounts because that is a sure sign of its founding on something.

Now we have talked about deposits and disbursements. There again the centralised system should not mean manipulation. This is what worries some of us. We have seen that formerly the accent was on the Directors and the Chairman in the Banks. They used to use money for their own or friends benefits. Now, after the nationalisation of banks we have seen that this privilege has gone to the officials. We find that regional allegiance, linguistic affinities, religious affinities and casteism—all these things are distorting the central operating mechanism. Therefore, the Government should see that there is justice in distribution. Recently I was reading in the paper that the UP Government was sore about the big deposits that are being received in the State but less of them being disbursed in that State. Same is the case with regard to Gujarat. In Gujarat, the deposits received by 4 nationalised banks are about Rs. 700 crores and the advances given are only Rs. 400 crores and there is a gap of Rs. 300 crores. There are certain States which deposit Rs. 400 or 500 crores but get loans to the extent of a couple of hundred crores of rupees more. Some people say that these States can use the money better. But you can rest assured that a State or person who generates money has a better capability to utilise the money and has also a better means to make it more productive and profitable. Therefore, any question of intelligence, knowledge or education is no guarantee for an effective execution of any scheme, because, in my personal experience, I have found that knowledge and intelligence and education have nothing to do with the ability to perform. Therefore, the mere argument of qualification does not

work in practice. Therefore I would urge upon the Ministry to see and issue strict instructions, as, after all injustice would result in tendency on the part of the States to make firstly claims, then demands and ultimately agitations for more autonomy, because once the people see that the central apparatus operates in favour of only a few States, the confidence will be lost and present position or advantage of having a federated India or a united India and a big unit will be lost and it would lead to unnecessary fragmentation. This is what we should prevent at all costs. That is why I am just putting this before the Ministry. Do justice to all.

There has been a suggestion by the Banking Commission to have rural subsidiary banks. I do not know what the Ministry or the Banking Commission has in its mind about the manner of execution. The value of lessons could be learnt from the large amounts of monies that have been advanced in a very good number of countries where in effective actions have been taken on the rural sector. Somebody would say: why make such a general statement? Recently I was visiting a large number of countries in Europe, South America and North Africa early this month as also last month. I saw actual situations existing there. Unfortunately for us, we are looking small because we are lagging behind. I also observed that the respect for us has gone down. As a person who had seen how respect for Indians had changed abroad in the forties, fifties and the sixties I can safely say that the respect for India and Indians was the highest in 1949-50 and the respect for India and Indians, to-day, in 1974 is at the lowest. This particular things I am not saying for the purpose of any criticism but I want that we must have some introspection and we should try to see how

we can get over the present deficiencies we have.

There has been deterioration in the banking services. This again I would tell you from my experiences in the United States and elsewhere, it takes hardly a minutes to cash your cheque and most of the documents you can do in matter of a few minutes. In India we have found that when we want to cash a cheque it takes a lot of time. It takes 6 months to get a paper pushed through. I am not talking about grant of loans. If one deposits money and completes formalities of the documents, etc, it takes about 8 months and even one year to forward.

I now come to the subject of inflation. Fiscal policies are understandable but they alone will not solve the problem.

When we heard that in Indonesia they were paying 15 to 17 per cent of interest we thought that it was something unusual but now in our own country we are facing a similar situation and we are paying now about 15 per cent interest in order to hedge inflation.

So, what I suggest is that not only fiscal measures are necessary but we should have production and more production and that appears to me to be the only way out of the present difficult situation which is facing us (ends).

SHRI SOMNATH CHATTERJEE (Burdwan): Today we are discussing the Banking Commission's recommendations. The report was submitted in January, 1972. It is fit and proper that after 5 years of the nationalisation of banks the House should consider how banks have been working and what benefits the common man of the country has got. We supported nationalisation. The common people of the country supported it with the great

[Shri Somnath Chatterjee]

expectation of getting the real benefits out of the nationalisation of banks. In 1969, when the banks were nationalised the Government came to control 83 per cent of the deposits and advances in the country and 80 per cent of the working of the commercial banks in this country, and these came under the direct control of the Government.

When the Nationalisation Bill was introduced and discussed in the House the then Finance Minister, namely the Prime Minister of the country, said as follows:

"Financial institutions are amongst the most important levers that a society has at its command for the achievement of its social and economic objectives.. "

These high-sounding objectives are very good. Let me quote her further. She said:

".. It is in recognition of this fact that we nationalised the Imperial Bank of India over a decade ago. It shall be our endeavour to ensure that needs of production sectors of the economy and in particular those of farmers, small-scale industrialists and self-employed professional groups are met in an increasing manner. It will be one of the positive objectives of nationalised banks to actively foster the growth of new and progressive entrepreneurs and to create fresh opportunities for the hitherto neglected and backward areas. By severing link between the major banks and big industrial groups steps will have been taken to bring about development of professional management in the banking field."

And then she said:

"Our sole consideration has been to accelerate development and thus make a significant impact on the problems of poverty and employment and bring about progressive reduc-

tion of disparities between rich and poor sections of our people and between relatively advanced and backward areas of the country."

A very laudable objective. But the question is how far the Department of Banking of the Government of India has been able to achieve any part of these objectives. The question is whether any reasonable amount of success has been made in achieving this.

Let us take the disparity position between the different States in this country and different regions. So far as relative backwardness of the eastern and north-eastern regions of the country is concerned, it is so wellknown and pronounced—I am very sorry to say so—that whenever I raise a question from time to time, a stock answer comes, namely, that we are looking into the matter and we are giving a direction. But nothing has been done. After five years there has been statistically a lot of improvement in the banking facilities. We have numerous branches, some required and some not required, and when I raised it in the Consultative Committee meeting, I was told that in a residential area within one furlong there are five branches of different banks what for I do not know. The statistics show that there are numerous branches and there have been a large deposit mobilisation and comparatively a large amount of advances is being given. Who are the real beneficiaries? Are they being distributed in accordance with the needs of different areas and of different sections of the people? Are the backward areas getting the real benefits so that they can develop? Has that been achieved or not? From the point of view, you can consider whether nationalisation which we all support and want it to be successful full has achieved its objective?

So far as population figure per office, that is, branch in west and South India is concerned it is 30,000 per office while, in Assam it is 90,000 per office. In Bihar and in Orissa it is 100,000 per office. But so far as rural areas are concerned, the disparity is still greater. Against the national average population of 92,000 per office in the rural sector it has been more than 2 lakhs in a majority of the States in the Eastern and North-eastern regions.

Surprisingly, even in the intra-State distribution of banking facilities, there has been a marked disparity. If you will kindly see the Bulletin of the Reserve Bank of India on banking statistics, in northern region which comprises of Haryana, Delhi, Himachal Pradesh etc., you will find that Delhi takes a lion's share of the advances. In northern region, the total amount of advance has been of the order of Rs. 443 crores out of which Rs. 267 crores is for Delhi alone while, in the whole of Himachal Pradesh it is Rs. 2.49 crores and for the entirety of Jammu and Kashmir, it is Rs. 2.03 crores. So far as North-eastern region is concerned, I am sure you will also be interested to know that, that is, Assam, Meghalaya, Manipur and Nagaland, Tripura, Arunachal Pradesh and Mizoram which constitute north eastern zone for the purpose of banking facilities, it is Rs. 17.78 crores as against Rs. 443 crores in the northern-region. The Eastern region gets Rs. 435 crores, that is Bihar, West Bengal and Andaman. In the western region, it is Rs. 1,295 crores, that is, Gujarat, Maharashtra, Goa, Daman, Diu, Dadra and Nagar Haveli. In the southern region, it is Rs. 581 crores. This is the disparity which I am reading from the Reserve Bank of India's Bulletin, April, 1973.

I was saying how in a particular region, the disparity is there. It will be seen therefrom that in Maharashtra less than 25 per cent of the district has

got 60 per cent of the facility of banking One-fourth of the district has only 10 per cent of the banking facility. Therefore there is concentration of 60 per cent of the bank offices in the developed areas in Maharashtra. One fourth of the area of the State is enjoying sixty per cent of the banking facilities. The rest of 75 per cent of the district has got only 40 per cent of the banking facilities. Unfortunately, although one of the major objectives has been to help in the development of the backward areas the tendency has been to go for an easy profiteering in the matter of lending. That has happened. I believe the hon. Finance Minister has said in the other House that five major business houses are enjoying about 75 to 80 per cent bank advances.

16.30 hrs.

[SHRI DINESH CHANDRA GOSWAMI in the Chair]

Is that a desirable thing? Was that the purpose for which the banks were nationalised? I would like the hon. Finance Minister to tell us how you have helped the backward areas to progress; what facilities you have given for agricultural production; how has this huge amount lying with the banks been utilised to increase fertiliser production? If I may read from the hon. Finance Minister's last speech while introducing Finance Bill No. 2, he said:

"Fundamentally, the imbalance that now exists in our economy can be removed only through sustained increase in agricultural production though this is not going to be an easy task because of inadequate indigenous production of fertilisers and steep increase in their import price."

What role have the nationalised banks played in increasing the agricultural production in this country? I would

like again to quote from the Reserve Bank of India bulletin:

"Out of the public sector funds advanced to priority sector the position as on June 1972 was that 8.4 per cent was advanced for agricultural purposes out of the total amount of credits granted."

This is the position. This disparity has not been removed. The stress on agricultural production and on farming loans has not been given. Though there is increase in the advances to priority sector I find that from the report that there has been almost significant increase in the share of the priority sector in the total bank credit in June, 1974. Although amount-wise it has increased, proportionate-wise it has decreased.

The whole of the eastern and north-eastern region shared only 11 per cent of the total credit loan to priority sectors. It is a very sorry state of affairs. You cannot have proper and adequate development of the country by keeping areas and areas perpetually backward. You do not think western India alone will bring all-round development of the country.

No doubt, there has been an enormous increase in the number of branches but, Sir, we have to see that these branches become a commercial proposition and that it is not just for the purpose of record that this bank has so many branches. We have to see their commercial feasibility. We have to see how far it has commercially helped. I am not saying you open branches only with profit motive. You have to open branches in the rural areas which have remained backward, but the stress should not be only on the number of branches opened in a year. Our people know that a mere increase in the number of branches does not help in their difficulties.

So far as the functioning of the nationalised banks is concerned, I think the greatest defect has been that they have failed to create one of the most urgent necessities, namely employment potentialities or employment opportunities. A scheme had been recently indicated to the people, I believe in the last year's budget, in regard to self-employment. We would like to know how it has worked, and how much employment opportunities has been created with the help of the banks. We would like to know the statistics in this regard. It is no use merely trying to give ideas to the people without telling them what the actual result is. We would like to know categorically how far the nationalised banks have helped in the creation of greater employment opportunities. What is the extent of employment given so far?

Their second failure is that they have not been able to broaden adequately the interpreneurial base in this country. That means, so far, their stress has been on or their love continue to be with these monopoly houses. They do not make loans available to the small and honest entrepreneurs. Those who have larger amounts are able to run away with large amounts for so many purposes from out of public money, and Government are allowing them to do so in order to keep them in good humour.

The third failure that I would like to mention is that they have failed to increase the agricultural productivity in this country. There has been a system called the differential interest rate system.

So far, it appears that the scheme has not been a success at all. I would like the Finance Minister to tell us whether the scheme has been a success and whether it has helped the common people or the poorer sections of the people.

So far as farming and agricultural production are concerned. I demand that adequate finances should be made available to the persons who really need them, not the big jotdars or zamindars. The burghadars or the share-croppers or the persons who actually till the soil are not getting the benefit. We would like to know how much money has been spent on making irrigation facilities available to them, on making fertilisers available to them and so on. Let the hon. Minister please have a look at some of these aspects also which are most important aspects. Merely coming to Parliament for getting more and more taxes levied on the basis of their admitted failure to increase agricultural productivity will not justify the continuance of this attitude. They must justify nationalisation and fulfil the people's hopes and aspirations. They want these banks to flourish and flourish for the benefit of the people, not for the benefit of their monopolist friends. Therefore, it is essential that these things should be made available with the help of the banks' resources which are public men, and Government should immediately address themselves to this aspect.

In conclusion, I would make a brief reference to foreign banks. These foreign banks have developed an instrumentality for repatriating foreign exchange; as regards the methods of dealing in foreign exchange, how they are doing it etc. It is very difficult for this Government to keep pace with it, and I am sure they have not got the mechanism for that purpose. Large amounts of money are being repatriated as earnings and profits by these foreign banks. Why should they be treated separately? If we can generate resources on our own, why should certain foreign banks get certain privileges to take money out of this country? There has been quite a considerable expansion of the business of these banks. They may not be

opening new offices or branches at the rate at which the other nationalised banks are doing. But they are still attracting larger amounts of deposits. If we compare we find that the increase in the deposits and advances in their case is no less than that in the case of the nationalised banks. Why should we allow these foreign banks with some dubious record in the past and also the present, and which will no doubt continue to be so in the future? Why should we allow them? Why should they not be treated in the same fashion? Why should they not be nationalised, and why should the resources at their disposal also not be treated as public resources?

I would request the hon. Minister to explain it. I believe he has expressed his disappointment very recently about the slow progress in achieving the objects of nationalisation. Then what is being done for the poorer section of the people, for increasing agricultural production, for the self-employed professional and for the small entrepreneur.

SHRI P. GANGADEB (Angul): As we all know, the banking system in this country is an important financial infra-structure. Ownership, control and the credit policies in respect of commercial banks very much influence the volume and pattern of investment. Sir, the criteria of evolution, therefore, must be based on norms of social cost-benefit analyses in a wider perspective. The achievements of the public sector banks in the recent period of course, in that sense, have been quite significant.

In a short period of five years, the deposit mobilisation and branch expansion have been as much as, what could have been possible in nearly two decades during pre-nationalisation period. It is also evident from the phenomenal rise in the number of borrowers' accounts that lending operations cover a much larger variety

[Shri P. Gangadep].

of people. For instance, from a small figure of 2.8 lakhs in 1969, the number of such accounts now is as high as 20 lakhs. This shows an increase, a good increase, by a few hundred per cent.

The priority sectors such as agriculture, small scale industries, retail trade, small business, etc. have received much greater attention than it was possible during the pre-1969 period when big business controlled the destiny and operations of the commercial banks. From the reports we find that between June 1969 and June 1973, the share of these priority sectors has increased from Rs 441 crores to Rs. 1297 crores. This is the correct picture as we see the reports.

I will further add that public sector banks have made rapid strides. They are moving in the right direction. But we should look at its dispassionately. In certain fields, however the progress has not come up to public expectation in so far as the role of the public sector banks in our egalitarian society is concerned. This is true specially in the sense of regional imbalances. There I have a grouse.

Then a study of credit-deposit ratio for different States and Union Territories reveals that less industrialised States do not get their full and legitimate share of bank deposits for investment purposes. For example, according to the 62nd Report of the Estimates Committee, the credit-deposit ratio varies between 10.51 per cent in Tripura and 107.95 per cent in Tamil Nadu.

Therefore low percapita-income States or for the matter less developed States like Bengal, Bihar, Orissa, it is invariably less than fifty per cent. So, Sir it appears that either because of the control exercised by industrial magnates, or because of inadequate preparation of viable schemes of investment, that the deposits, are not

made available to flow for investments in poor States and backward areas.... (Interruptions). Therefore, it is extremely important that planning in the matter of credit operations is started at the grass roots. This is a matter of national importance and in fact this will help establish in my opinion industrial democracy at the grass root level in the country. I am declined in the view that many unimaginative bureaucrats work with outmoded traditional norms of capitalist society. Therefore the setbacks to progress have been taking place. Therefore, it is important that the traditionalism of the bureaucrats is changed into social dynamics and geared to the objectives and goals of socialism. I suggest therefore in broad outline the following to be considered by the hon Finance Minister. Firstly a series of orientation programmes for the bank employees will be of great help. Secondly, the procedure regarding hypothecation and guarantee documents for making advances should be more simplified; it is simplified to a certain extent but it should be simplified more. Thirdly, the fear of decreasing profitability from a larger degree of risk in the matter of repayment, must not stand in the way of making advances to weaker sections of the society. Fourthly the capitalist norms for socialist role of public sector banks is a contradiction in terms. This aspect should be looked into and the needful should be done at an early date. In conclusion, I say that there is every reason for the right thinking members of the House to congratulate the Government for their thought to achieve the desired goal through nationalisation of banks. I am confident, Sir, that whatever the leeway it shall be made up very soon.

SHRI VIRENDRA AGARWAL (Moradabad): The earlier speakers who have participated in the debate have covered quite a good area. I feel that

the Banking Commission was constituted much earlier than the banks were nationalised and their terms of reference became irrelevant the moment the banks were nationalised. I really do not know what purpose would be served by a debate on their report. Of course the hon. House must discuss the functioning of nationalised banks during the last five years and that is what I should like to do now.

The banking system has played a vital role as an effective instrument of economic growth and social welfare all over the world. I have had occasions to go through their functioning in certain developed countries. I was really amazed how a country like West Germany which was almost devastated could succeed in such a short time in building up its economy with the help of hundred billion dollars given under the Marshall Plan by the United States. The credit for building West Germany. I feel, goes to none else but the banking system. What have we done in our country in the last 27 years? Banks were placed under social control and then this Banking Commission was appointed. In 1969, 14 commercial banks were nationalised. Of course, it is a debatable point whether the banks were nationalised for political reasons or economic considerations. My personal view is that the banks were nationalised entirely for politically considerations. Bank nationalisation was undoubtedly a major event in the history of free India. It had or used the aspirations of the people. There was a feeling at that time that nationalisation of banks would prove a panacea to all our economic problems. The common man got an assurance that he would get the required credit to keep his business going. The nationalised banks have functioned for last five years. Today let those who were responsible for nationalisation ask whether the objectives for which banks were nationalised had been served. Your own Finance Minister concedes now and then in various parts of the country the banks

have failed to serve the national objective. The other day a junior minister for Planning talking in Poona had said that bank nationalisation was the greatest failure because it did not serve the national objective. These are hard facts. It is no use being a part of the band wagon without seeing the repercussions and the consequences. Bank nationalisation, unfortunately, had not improved matters. If you make a very objective study of it in respect of profitability, efficiency productivity or any aspect of the banking system, you will find it has deteriorated and the depositor has suffered greatly. Let me put a question not to the Finance Minister but to the Congress members who hail nationalisation whether the banks in this country have proved to be an instrument of economic growth and as social change and whether they have helped in any way to arrest the spiral of galloping prices. Make an objective study, go deep into the problem and answer yourself. Then speak what your conscience expects you to say. There is no doubt that the nationalised banks have done wonderfully well so far as branch expansion is concerned. During the first year between June 1969 and December 1972, the number of branches opened had gone up from 8,000 to 14,000. It was a very happy development though of course, it is a question of doubt whether they were opened in the right areas in the backward areas, or in rural areas where they were expected to be opened. There is another aspect to the same problem and that is whether it has not increased the administrative costs to such an extent that the depositor who had put his money into the bank cannot get a fair return. I personally feel that the branch expansion was a good move in the right direction but, because of the enthusiasm, we have gone at such a rapid pace that the administrative cost has gone up very high. Further the deposit collection from the new branches was not very encouraging; it was quite poor

[Shri Virendra Agarwal].

There is another aspect to judge the situation, and that is the aggregate deposits as percentage of national income, and that is low. While we feel happy that the deposit mobilisation has been very very high. We have also to see the rate of money supply in the country, because bank deposit has got a direct relation to the money supply in the country. Therefore, we cannot afford to forget one aspect of the problem when we judge the total situation objectively. I do not feel very happy there.

The previous speakers have laid a great deal of emphasis on the fact that the commercial banks, or the nationalised banks, have not served the priority sectors adequately and effectively. It has been conceded by the Finance Minister that the nationalised banks have failed in this respect. I need not go into it at all because it is an accepted situation in the country today that the banks were nationalised to serve the priority sectors that is, the agricultural sector the small-scale sector and schemes for the self-employed. Shri Mohan Dharma has said in Poona that the scheme for the employment of five million has failed, and failed largely because of the inefficient functioning of the nationalised banks. Therefore, I need not comment on that point.

On the agricultural front the nationalised banks have failed us. The agricultural production is going down rapidly every year. I think we have to blame the nationalised banks to some extent, if not fully. Between June 1972 and March 1973 the proportion of lending to priority sectors to total lending rose only by less than one per cent. I think the banks need to gear up their administrative competence and effort in this direction.

Then while these nationalised banks have raised their bank credit to the government sector by 14.5 per cent

from Rs. 7,491 crores to Rs. 8,581 crores between January 1973 to September 1973, the commercial sector has been denied a fair share of the credit. The whole of the resources have been directed to the Government sector. So the credit to the commercial sector has declined by 2 per cent from Rs. 1,954 crores to Rs. 1,915 crores. I believe this is one factor which has been largely responsible for the galloping prices because the bank credit to the Government sector mostly goes to unproductive spending while any loan or credit to the commercial sector cannot afford to go to the unproductive sector.

Even the total bank credit as percentage of the total deposits has declined sharply from 78.98 per cent in 1969-70 to 69.85 per cent in June 1973.

This is the situation about profitability. It has been greatly emphasised that the profitability has gone down. I need not lay any more emphasis on that.

17 hrs.

I want to say that the depositors in this country have suffered a great deal because of bank nationalisation. Why? It is because depositors have been denied a fair rate of interest on their deposits. Whereas lending rates have been raised, interest rates on deposits have not been raised. I feel, there should be a difference in the rates of interest between lending and deposits by 4 per cent.

About the Board of Directors, it has not been constituted according to national objectives. I feel depositors, workers, economists, small agriculturists small entrepreneurs etc., should be represented on the Board of Directors. Are we doing it? No. At the moment I feel, the Finance Ministry has been distributing patronage to their own favourites.

The bank efficiency is one of the major casualties today. We all know that

out-station clearance which used to take three days now takes more than a month. We take about an hour to get a cheque cleared.

At the moment, indiscipline in banks is so rampant that it is very difficult for any Bank Manager to get the job done. The Bank Managers feel helpless. I suggest that banking should be declared as an essential service.

There is a lot to say on this subject. But I would just mention two points more. One is that the farmer for whom the banks were nationalised is required to fill up such a series of forms that it has been calculated—let the Finance Ministry calculate for itself—if he wants to have one rupee of credit from any nationalised bank, he requires to spend 35 p. on filling up the forms and, actually he gets 65 p.

Finally, I would say, from the speeches I have heard that we have reached a point when the Government must constitute a high-powered judicial commission to go into the functioning of the Reserve Bank and also the nationalised banks. This is absolutely essential if we really want to understand whether bank nationalisation has succeeded or not. If it has not succeeded as it is admitted at all hands, then, why should we not do something constructively and positively to improve the functioning of the Reserve Bank and nationalised banks? I feel that the Reserve Bank should be an independent monetary authority in this country and its advice should prevail at the Government level. If it does not, then the Reserve Bank should have a right to come before Parliament and tell that its advice has not been followed.

These are some of my points. I feel that if we fail to re-organise the banking system on modern lines which should serve our national objectives in respect of giving necessary adequate credit to agricultural sector, small farmer, small entrepreneur, we will not

be able to build an economy at a time when our economy is wholly stagnant. I personally feel that bank nationalisation was one factor responsible for economic stagnation and galloping prices.

श्री मूल चन्द डागा (पाली) : सभापति जी एक बात जरूर है कि हम बैंकों की तरफ जाते हैं तो देखने हैं बहुत सुन्दर-सुन्दर बिल्डिंग है बहुत अच्छे अच्छे मकान बने हैं। बिल्डिंग के अन्दर जाने के बाद भी हम देखने हैं कि इतना अच्छा फर्नीचर होता है कि पूछो नहीं। लाखों रुपये का फर्नीचर वहाँ पर दिखाई देता है। किमी भी बैंक में आप जायें तो वहाँ पर बैठने की तबीयत आपकी करेगी। लेकिन वहाँ जाने के बाद वहाँ के कर्मचारियों का व्यवहार कैसा है वह वित्त मंत्री जी बतायेंगे। उनके बोलने में शिष्टता है, उनमें सभ्यता है, उनमें मुलामियत है या नहीं है यह तो भगवान जाने लेकिन किमी भी बैंक में आप जायें वहाँ लाखों रुपये का फर्नीचर आप को मिलेगा। मालूम नहीं किस बात के लिए यह लाखों रुपये का फर्नीचर खरीद लिया गया है।

सभापति जी एक कमेटी बैठी थी जिसकी ट्रैवेलिंग पर ही 12 लाख रुपये खर्च हो गये पता नहीं उस की कोई मीटिंग हुई है या नहीं। यह देख कर मुझे ताज्जुब होता है कि इस तरह का अ व्यय कौन रोकेगा। यह कमेटी जो बैठी थी जिसको आपने मुकर्रर किया था उस पर खर्चा हो गया 12 लाख रुपया केवल ट्रैवेलिंग पर। उस नें क्या जांच की है ?

इसमें लिखा हुआ है :

"It has so far incurred an expenditure of Rs 12 lakhs on travelling and other expenses of the Committee."

यह मि० आर० एम० चतुर है, सेंट्रल बैंक आफ इंडिया के रिटायर्ड चेयरमैन। यह

[श्री मूल चन्द डागा]

चतुर साहब जो हैं उनकी बैठक कब समाप्त हुई और क्या उनकी कोई रिपोर्ट आई है या नहीं? उसके बाद उसका क्या गतीजा निकला? आप समय कम देगे इसलिए मैं ज्यादा डिटेल् मे जा नहीं सकता हू ... (व्यवधान)।

मैं आपको यह बता रहा था कि बैंकों के होने से हमको लाभ तो होते है। बार-बार कहा गया है इन बैंक्स मे ओवरटाइम एलाउन्स बहुत आता है। बैंक वालों ने 1963 मे 4 करोड़ 95 लाख ओवर-टाइम लिया, 1971 मे 6 करोड़ 14 लाख लिया, 1972 में 7 करोड़ 11 लाख लिया और 1973 में मे करीब 12 करोड़ हो गया। इस हाउस थे यह बार-बार कहते जाते हैं कि हम खर्चा कम करने की बात सोच रहे है लेकिन यह बड़ी खूबी की बात है कि ओवर-टाइम 4 करोड़ से बढ़ते बढ़ते 12 करोड़ हो गया। 1963 में यह ओवर-टाइम शुरू हुआ था। दूसरी तरफ यह बैंक्स ओवर-स्टाफ्ड भी ने।

(व्यवधान)

MR CHAIRMAN: You have only ten minutes. Please try to conclude within that time. Do not have over-time yourself.

श्री मूल चन्द डागा : मुझ को ओवर-टाइम कहा मिलेगा। बैंक्स मे डायरेक्टर्स हैं, एम्प्लॉई डायरेक्टर्स है। अभी अखबार मे खबर निकली है एक डायरेक्टर ने लिखा है .

"Most of the employee-directors among officers have suffered and gone through a deep emotional trauma at the chaotic state of affairs in the organisation.

"They have become totally discouraged finding every interest group ganging up and sneering at the honest officer-director for being a 'stupid idealist' instead of following the whole tribal norms.

"In this particular nationalised bank, the Chairman himself, who could have played a major role in integrating the board and disciplining it first of all by his own exemplary discipline, follows the line of least resistance and knowing the various interest power centres does a drift exercise of siding with one or the other power interest as the case may be."

This is the condition of the management.

अब आप बताएं कि बैंकों की क्या हालत है? आपने बड़े गांवों मे बैंक्स खोले है। एक गांव है आदिवासी एरिया में कोटरी, वहा भी सेन्ट्रल बैंक की बिल्डिंग है लेकिन वहा पर काम कुछ नहीं कराया है। उसका किराया है 600 रुपए?। यह मेरे पाम श्री पी० निरसिम्हा रेड्डी है इनके आंध्र प्रदेश मे चित्तूर डिस्ट्रिक्ट मे एक छोटा सा गांव है। वहां पर पाच सौ रुपये महीने पर मकान किराया पर लिया गया है और तीन सौ रुपये का चौकीदार रखा है। यह इस ब्राच का खर्चा तो बंधा बंधाया है और काम वहां पता नहीं कुछ होता भी है या नहीं होता है। आपने ब्राज की दर दो प्रतिशत बढ़ाई है। अब आपने चौदह नेशनलाइज्ड बैंक्स है और सब ने अलग-अलग तरह के इमको ने कर एडवटाइजमेंट दिए है। कोई युनिफाईमटी नहीं है। कोई सिस्टम तो होना चाहिए, कोई तरीका तो होना चाहिये क्या इस तरह से काम हो सकता है? बैंक्स में आदमी लोन लेने के लिए जाते हैं। अब एस्टीमेट्स कमेटी ने जो कुछ लिखा है उसको आप देखे। उनमे कहा है:

"The backward man is at first afraid to approach the bank, when approached tries to run away from it, when pursued feels suspicious".

यह हालत है। लोन लेने में कितना समय लगता है इसको भी आपको देखना चाहिये

"If a person wants to take a loan of say Rs. 5000 for purchasing a diesel engine set for his farm, it might take 6 to 8 months; and there is a whole chain of officers and personnel who have to be satisfied; and the number of forms and performance to be filled up is really amazing."

इतना समय क्यों लगे ? नेशनलाइजेशन के बाद एग्रिकल्चरिस्ट को, गरीब आदमी को लोन मिल जाए, यह नहीं हो सकता है। राज-स्थान का जहाँ तक ताल्लुक है उसको तो आप देते ही नहीं है। राजस्थान को कितना मिला है यह भी आप बताए।

Of the total advances given to the agricultural sector upto September, 1973, 42 per cent had been given to three States—Tamil Nadu, Andhra Pradesh and Maharashtra. Similarly, in the small-scale industries sector, 35 per cent of the credit has gone to Tamil Nadu and Maharashtra.

राजस्थान का मानूँ ही नहीं है। जो उद्देश्य नेशनलाइजेशन का था वह यही तो था।

Development of backward regions—how will this object be fulfilled.

यह जो आपका उद्देश्य था क्या यह पूरा हुआ है? क्या बैंकवर्क सिजज को कुछ मिलेगा? मैं मानता हूँ कि राष्ट्रीयकरण के बाद आप ने बहुत ज्यादा व्रान्चिज खोली है। कर्मटी का कहना है :

"The Committee also note that while the progress, made by public sector banks after nationalisation in areas like deposit mobilisation and branch expansion, has been somewhat satisfactory, in other important and vital areas like lending to weaker or priority sectors, particularly agriculture; removal

of regional disparities in banking development of backward areas, provision of improved service to the public—which were the main objectives of nationalisation, the progress has been slow and has rather fallen much short of requirements and public expectation."

शायद सोलह हजार के करीब आपने व्रान्चिज खोली है। लेकिन गरीब आदमी जो सोचता था कि मैं ऊँचा ऊँठ जाऊँगा लोन बैंक से लेकर क्या उसकी इच्छा पूरी हुई है? उसको कर्जा आसान से नहीं मिलता है जो गरीब काश्तकार हैं वह अभी भी मनी बैंडर, बनिंग के चक्कर में फँसा हुआ है। बड़े आदमियों को ही यहाँ से कर्ज मिलते हैं। उनकी तादात बहुत सीमित है। मैनेजिंग एजेंट, डाइरेक्टर या दूसरे बड़े लोग ही कर्ज ले पाते हैं। जो बैंकों में काम करते हैं उनको माफ़ूल तन्खवाह मिलती है, क्लर्क को भी चार पाँच सौ रुपया मिल जाता और प्रोबर्टार्डस भी बहुत मिलता है। लेकिन काम भी देश के लिए वहाँ होना चाहिए। नर्विस अच्छी होनी चाहिये। देश के साथ जो गहरी चल रही है, यह कब तक चलेगी, भगवान जाने।

SHRI C. K. CHANDRAPPAN (Tellicherry): It is now 5 years since banks were nationalised in the country. This is an appropriate occasion for us to review and assess the functioning of these nationalised banks. When the fourteen major Banks were nationalised the Prime Minister spelt out the aims of nationalisation. She suggested a reorientation of credit to fulfil social objectives, carrying banking to common man, providing institutional credit to small and hitherto neglected sectors both in agriculture and industry and helping priority sector to grow.

17.18 hrs.

[SHRI VASANT SATHE in the Chair]
 These were the objectives which were

outlined at the time of nationalisation of banks. Five years have passed. During this period the nationalised banks have no doubt done something which is creditable. For example in the matter of expansion of branches there have been branch expansion in the rural side in the country as a whole. From 8321 in the year 1959, now it has come to 60,503 branches. Deposit mobilisation has come from Rs. 4,669 crores then to Rs. 8962 crores now. Banking operation in rural side has increased by 50 per cent. Commendable performance was there in certain other sectors too. This is one side of the picture the bright side of the picture regarding the work of the nationalised banks. When we take all these aspects into consideration we have to take vital aspects of the functioning of nationalised banks. We were told in 1969 that banks were nationalised to de-link economic institutions from the grip of monopoly houses.

To-day it is with all justification that we can ask you a question as to how far we have succeeded? On 6th August, this year, our hon. Finance Minister, Shri Chavan, said while answering, a question, that five business houses in the country, namely, Tatas, Birlas, Martin Burn, Mafatlal and Bangur—these five big business houses—have amassed an amount of money by way of credits. Rs. 18,610 is the total amount of money in lakhs they have amassed. But, the same companies, in 1969, had only Rs. 15,725 lakhs. It has now gone up, and to-day these big business houses in our country are getting a little more than 75 per cent of the credits which had been given to the organised industrial sector. This is not a very commendable situation. This shows that one of the major objectives of delinking of the industry and of the monopoly houses from the financial institutions could not be achieved successfully by the nationalised banks.

Another interesting thing is this. You may look into that. On 10th May, 1974, the accumulated amount of credits given to the private industries in our country comes to Rs. 9,379 crores whereas the interesting aspect of credits that Government have taken from the banks comes only to Rs. 9,018 crores—nearly 300 crores of rupees worth of credit have been given to the private industry.

MR. CHAIRMAN: Mr. Chandrapan, earlier you gave some figure. Will you kindly check up whether it is Rs. 15,000 crores, 18,000 crores or Rs. 1,500 crores?

SHRI C. K. CHANDRAPAN: This was an answer given in reply to a question on 6th August, 1974 by Shri Chavan. It may not be taken as an argument. The answer has been given by him in the House. The point here is that we did not succeed in delinking the bank from the monopoly houses. That is the point I want to make. Another objective which was stated at that time was to help the weaker sections and the undeveloped areas. I do not want to go into the problems of the undeveloped areas as my friend, Shri Chatterjee, has already dealt with it. I would, however, like to bring to your notice as to what is happening to the weaker sections. They are badly neglected. They are as badly neglected as before. Though I cannot use the word 'worse' I use the words 'as badly as it was before'. Shri Naik is not here. Otherwise he would have fought with me when I say all these things. A statement made by the Directorate of Land Development said that in the matter of returning loans promptly the share-croppers and much better than even the *jotdars*. They set an example. For example, 75 per cent of the share-croppers in West Bengal returned the loan in time. They did not use the loans for any other

purpose. They used the money for increasing their production of paddy by 77 per cent. This loan was given for agricultural purposes. The State says that it is extremely difficult for the share-cropper to get loans because his credit-worthiness is always in question. This is the age-old concept which we are having regarding credit-worthiness, that is you must have either immovable property or a third-party guarantee. You require so many things when you are giving to a poor share-cropper because he cannot produce land-record.

Now, you take the case of land-owning cultivators. They took loans and returned only 40 per cent. The poor share-cropper whose credit worthiness is challenged, returned in time and used the money for productive operations. Another figure may be interesting in this regard. During the last five years the fourteen nationalised banks gave short-term and long-term loans to farmers holding below 2-1/2 acres of land only 24 per cent, and farmers having above 2-1/2 acres 66 per cent, whereas farmers having more than 10 acres got 34 per cent of the loans. This is about short-term loans. When you come to long-term loans, the situation is still worse. Those having 2 1/2 acres got only 5.1 per cent; above 2 1/2 acres got 94.9 per cent and those above 10 acres got the maximum share, that is, 102.3 per cent.

The greatest indictment on the bankruptcy of the policy comes from the Public Accounts Committee. I may quote:

"The Committee are not convinced that the nationalised banks have been able to meet the genuine requirements of the credit for the weaker sections of the society in whose name the nationalisation scheme was implemented."

Now, this is happening. There is big number of bureaucrats for running the whole institution. It will be correct to say that instead of nationalising the banks the Government has bureaucratized the whole set-up. If you want to touch the problem, first of all, the Reserve Bank of India should be re-structured. The persons on the Board of Directors of the Reserve Bank of India—I will not say they are agents—are serving their own cause. Mr. Chavan said the other day that he will not touch them because of the hoary situation. This Board of Directors is analogous to the Railway Board set-up, namely, the same concentration of medieval type of bureaucracy in the highest-policy-making body. When they give loans, they should take into account the needs of the poorer sections. They should not give loans to the blackmarketeers, harders and profiteers. Last year there was a case when we were faced with tremendous hunger and starvation in the country but food materials were hoarded by certain people and yet money was advanced to them by the Reserve Bank. There have also been cases where big business houses were favoured on the instruction or at the instigation of the Reserve Bank. When Goenka approached the bank for a huge loan when there was a CBI inquiry against him, the employees' representatives in the Reserve Bank opposed it and said that it should not be given, but the Reserve Bank said 'No, it can be given'. Again, when Government were about to announce their credit squeeze policy, Rs. 3 crore, was given as loan to a big millowner. The employees' representatives opposed it but the Government representatives did not say anything in the regard at the meeting of the board of directors.

There is no point in accusing the employees in the name of discipline and in the name of overtime, for the

failure in functioning the nationalised banks. They have done good work as employees and as directors of the nationalised banks. Here, I would like to draw the attention of the hon. Minister to what has appeared in the Capital dated the 20th June, where the employees of the banks in Calcutta have offered and said that they are ready to reduce the overtime which they are taking at present. They said that they were ready to come to an agreement with the bank so that the overtime could be reduced. But the answer that has been given is that it should form part of a package deal and so it was rejected with the result that overtime is going on as before and more and more employees are again being accused of that.

Lastly, I would point out that Government are favouring their own trade union in the nationalised banking industry. There are many instances brought to the notice of the Government where they were asked to intervene effectively but they have failed to do so. What is it that is preventing the Government from bringing these nationalised banks under the control and purview of the Public Undertaking Committee so that there will be some accountability on their part to Parliament?

I hope that Government will favourably consider all the suggestions which I have made.

SHRI RAGHUNANDAN LAL BHATTIA (Amritsar): Shri Mehta had said that the banks had exploited the rural areas or the rural people. If investing Rs. 501 crores in the agricultural sector and Rs. 275 crores in the plantations could be called exploitation, I do not know what he means. Is this exploitation or giving help to the rural sector? Similarly, Shri Somnath Chatterjee had said that the banks had failed to bring about removal of regional disparities.

In some areas like the northern region, the people have come forward to take advantage of the facilities offered by the banks, but in some areas like Manipur, Assam etc. the people have not come forward in sufficient numbers to take advantage of those facilities. But still this thing cannot be done overnight. It is taking time. More and more people are taking advantage of it because of the awareness, and they are having the advantage.

Shri Agarwal said that by nationalisation we have achieved a political aim and we had never wanted to have any economic aim. If small people are being helped or branches are opened in unbanked areas or in backward areas, if this is politics, then certainly we want to help the poor people. We want to help the small man. We want to help those areas which have been neglected so far.

I feel that any assessment of the progress in the public sector banks has to be viewed with a full understanding and appreciation of the fundamental objectives that we have. Changes were extended to the precepts, concepts and outlook in the process, in fact to all the dimensions of the operations. Our main objectives in nationalising banks were extension of the banking facilities to the backward and unbanked areas, expansions of credit to the neglected sectors of our society, to the priority sectors and thirdly, bringing about a development-oriented system of banking. We have to see whether we have been able to achieve these objectives or not. When we see the figures, we feel very much satisfied that nationalisation of banks has made a tremendous amount of progress. In regard to opening of branches, we find that 6,224 new branches have been opened mostly in

unbanked areas. The majority of these have been opened in areas where there were no banking facilities available. We also find that the majority of the branches have been opened in the rural areas to provide facilities to our rural people who had hitherto been denied these facilities.

It has been said that in some areas banking facilities have not been adequate. But as we see the figures, we find that in 1969, in an unbanked area like Himachal Pradesh, there were only 41 branches, but in 1973, there were 173 branches; in Assam there were only 74 branches and now the number is 174; in Manipur, there were 2 in 1969 and now there are 9. So more and more branches have been opened in areas which deserve this kind of service.

In rural areas also we have been able to open 3,832 branches. Fifty per cent of the improvement in the improvement in the banking facilities is in the rural areas alone. We have also been able to open 134 agricultural branches in the rural areas to provide service to our rural people.

The nationalised banks also started the lead bank scheme under which the demand of a particular area is assessed; the commercial banks and other financial institutions and the State Governments all co-operate to see that investment is made in the private sector. This is a kind of facilities which the banks have offered which was never done before.

While we see the deployment of funds, we find that the large scale sector is still getting the major part of the investment.

When we nationalised our banks, we found that most of the money had been invested in the large-scale sector. It was felt that more money should be made available to the small scale and agricultural sector, artisans, transporters and the educated unemployed. Sufficient money has been placed in the hands of the banks at

the time of nationalisation. They had then Rs. 2500 crores; now it is more than Rs. 8500 crores. This increase of money that was made available to the banks should have been deployed in various sectors which really deserved it.

Banks have been told to invest much in small scale sector; they deserve it because 45 per cent of production in the private sector is in the small scale sector. With one lakh of investment, they could provide jobs for seven persons whereas with similar amount the large scale industry can provide only one man with a job. Since the small scale is job oriented it should be strengthened. Banks have also invested in transport 16,000 trucks and 14,000 taxis have been given loans; there is room to help small people more.

A large amount of money is lying with the banks. It should be invested in the rural sector. We want that the rural sector should be strengthened but we find that nationalised banks have not taken care of this sector. This is a neglected sector. There is room for further investment and I am sure if more is invested in this sector, there will be more production to the overall good of the country. But service in the banks had gone down. People who go to the banks are not satisfied with the behaviour of the staff and the functioning of the bank. I suggest that there should be some kind of an enquiry into this problem to see that people who are dealing with the banks are serviced better. There are numerous example. If we give cheques they are not cleared for days together. A man applying for loan has to wait days together. The Finance Minister must see to this side of the picture. Maybe it is due to there not being inter-relationship between staff and management. Whether the staff should also be given a share in the management so

[Shri Raghunandan Lal Bhatia]

that an improvement may be seen in this sphere—is a matter for him to consider. I also suggest that there must be regular conference of senior officials with the Ministry so that proper guidelines could be given for the proper functioning of the banks. These fourteen banks have their respective managers and agents and they are working according to their own ways. There is need for co-ordination in this matter.

SHRI VAYALAR RAVI (Chirayinkil): In 1969 when Banks were nationalised, great hopes were raised in the country. The banking commission in its report says:

“It was expected that the nationalised banks would endeavour to ensure that the needs of production efforts of diverse kinds irrespective of their size and the social status of the borrowers and in particular those of the farmers and small scale industrialists and self employed professional groups are met in an increasing measure and to create fresh opportunities in backward areas in different parts of the country.”

This in a nut-shell is the purpose. It is time that we examined what actually happened later. Can the Finance Minister say with honesty that even 10 per cent of the objectives have been achieved? It is a pity we could not fulfil the hopes of the people due to various reasons. The main reason is, after the nationalisation, we allowed the same structure, same management to continue. Earlier the banks were connected with and controlled by the monopoly houses and the same pattern was allowed to be continued even after nationalisation. That is why the banks could not fulfil the expectations of the people.

There is no doubt branches have expanded greatly. About 11313

branches have been established. But it is a pity that in villages the expansion of branches is meagre. For 91,000 villages with population below 5000, the number of branches is only 596. For villages with population between 5000 and 10000 the number of branches is only 1000. More than 10000 branches are situated in urban areas. Our national economy is predominantly dependent on agriculture, but unfortunately in this sector, the banking operation has been completely neglected. We have set huge targets for rice, wheat, pulses, etc. in the fifth plan. Rice is 54 million tonnes and wheat is 30 million tonnes. I do not know how we are going to achieve these targets without the help of agricultural credit. Only Rs. 711 crores have been given as loan through cooperative societies. The condition of the cooperative societies in this sector is pitiable. At page 21 of its report, the Banking Commission says:

“Though agriculture has been the most important sector in the country, it received very little credit from the commercial and cooperative banks.”

In the name of reorganisation, the number of cooperative societies was reduced from 2 lakhs to 1.65 lakhs and no proper attention is given to them. They are more eager to help the industrial sector. This is a matter to be examined. I fully agree with Mr. Chandrappan that the bank managements are more connected with monopoly houses. I do not want to repeat the figures quoted by him. The Finance Minister told the Rajya Sabha that 1 million and odd small sector people have been given only Rs. 364 crores whereas a handful of big business houses get a bulk of the amount. The fact that one million small scale industrialists have been given a meagre amount only shows your tendency.

Mr. Desai spoke about the share of the cities. Five big cities—Ahmedabad, Bombay, Calcutta, Madras and Delhi made a total investment of about 44 per cent but got a credit of 59 per cent. They are taking more than what they have put into the banks. The figures have been given at page 51 of the report. It is not correct to complain that cities have not got their due share. The major cities have taken more than their deposits. The monopoly houses situated in the cities are taking more share. They are ignoring the backward areas, backward States, like, Kerala. They are completely ignoring the rural sector. The people in the rural sector cannot get money and they cannot improve their agriculture and other small enterprises which they want to develop. This is the position.

The other point is about the pattern of loans. The Government adopted the policy of foodgrains trade take-over where it needed a major effort. I admit that the Government retreated from that programme. The money has been advanced by the banks to private traders, it seems, to the tune of about Rs. 131 crores, who indulge in hoarding, black-marketing and profiteering. The banks are not expected to help them in the name of their regular business. It is the duty of the banks to cooperate with the Government to see that the black marketers, the profiteers and the hoarders do not use the facility of bank credit for the exploitation of the poor people. Even the Report says that.

Then, I come to another point the Reserve Bank. I believe, the Reserve Bank needs to be re-structured. Unfortunately, I disagree with the Finance Minister's contention that the Directors are appointed on the basis of their knowledge. My contention is that they do not represent the

Government views. They represent the views of the monopoly houses. They are the people who consistently oppose every policy of the Government. You are putting them in the Reserve Bank to run as a parallel Finance Ministry itself.

There is another contrast. The Finance Minister has introduced a Bill—I will not deal with it now—and I believe, there is an attempt to find a post for somebody in the name of separating the long-term credit policy from the Reserve Bank. If you think that the Reserve Bank is so sacrosanct, that it cannot be touched, why such an attempt is being made. I say, the whole structure of the Reserve Bank has to be re-organised.

Then, about labour, I have got experience about labour. I disagree with my hon. friend, Shri Chandrapan. There was an agitation in Kerala. There demand was that the employees' sons and relatives must get appointments in the banks. Is it going to be the monopoly of the employees of the banks? My complaint is that the management is so coward to kneel before these people. I am not against organised labour. I am for the collective bargaining. But the collective bargaining of the organised labour which is a minority should not encroach upon the rights of the unorganised majority, the poor people. This is my contention. The agitation in Kerala was for this purpose I told the Manager, "What is this? There are millions of unemployed people in the country. You should not sign an agreement with them." But he is helpless. Many of the nationalised banks have signed such an agreement with the employees' unions. Should this be the policy? No. There are millions of unemployed young people in the country. I appeal to the hon. Minister to scrap these agreement. We do not want this.

There is a problem of clearing houses. I wrote a letter to the Fin-

[Shri Vayalar Ravi]

ance Minister that cheques worth about Rs. 40 crores have not been cashed in Kerala because there is a dispute between two unions. There may be a dispute. But that should not make the public suffer. Even the Government employees could not get their salary. I appeal to the Government that while this kind of Union dispute affects the public it is the duty of the Government to act.

Lastly, I come to the State Bank branch of Travancore. When I referred the matter to the Finance Minister a few days ago, he gave a very patient hearing. He agreed with me to extend possible help. They have been launching agitation in Travancore and other places in Kerala for help. Ordinary fishermen need only Rs. 500 for a bicycle and for the purchase of fish. Many of them are helpless. I am very glad that some of the managements of the nationalised banks were good enough to give help. But unfortunately the biggest bank's subsidiary, a subsidiary of the State Bank of India, the State Bank of Travancore, completely ignored this and they said, 'You bring two government servants or produce landed property' just for a loan of Rs. 500. It is not possible. It cannot be done.

In this connection I have to say that you have to discipline your own employees through better management. I have a complaint to make to the Finance Minister. There has been a lot of criticism in the House against the Chairman of the State Bank of India. I do not know what inquiry has been made. He made 24 trips to Pondicherry Ashram within a few months. The hon. Finance Minister has not taken full account of the feelings expressed in the House. On the other hand, his term has been extended by three years. So many allegations have been made

against him, but no enquiry has been conducted. You will not have the moral courage to discipline your own employees if the Head of the Bank is a person of this type. I would like to point out that the Chairman of the State Bank of India thinks that he is living in his own empire, he is living in his own world; he would not care even for the Finance Ministry. This is the sort of attitude that he has.

I support Mr. Chandrappan in what he has said, that banking should come under the purview of the Public Undertakings Committee where the Parliament has the right to examine the whole functioning of the banks.

With those remarks, I conclude my speech.

*SHRI J. MATHA GOWDER (Nilgiris): Mr. Chairman, Sir, participating in the discussion on the functioning of 14 nationalised Banks I would like to express my views.

Sir, I would like to state at the very outset what the hon. Finance Minister mentioned on the floor of this House at the time of nationalisation of 14 major commercial Banks. These 14 commercial banks were just the handmaid of big monopolists in the country and a major portion of the credit facilities offered by them had been appropriated by these big monopoly industrialists of the country; that was why the Government had thought it imperative to nationalise these 14 major commercial banks. This was what the Finance Minister stated then. I would like to ask of the Finance Minister whether the objective of removal of this social injustice has been achieved during this period after nationalisation. If it has not been achieved, was that statement just an election propaganda, was it just in the interest of the ruling Congress Party or was it

*The original speech was delivered in Tamil.

a deliberate intention on the part of the Congress Party to deceive the people of the country, I would like to know from the hon. Finance Minister.

I would like to give certain statistics to show that even after nationalisation only these big monopoly industrial houses have continued to derive major financial benefits from these nationalised banks. I will be happy to hear what the hon. Finance Minister has to say in this matter, especially in the background of his statement at the time of nationalisation that it had become imperative for the Government to nationalise them because of appropriation of large percentage of credit facilities extended by these banks by the monopoly industrial houses of the country.

In 1971 the aggregate amounts of outstanding advances from the 14 nationalised banks to 50 large industrial houses was Rs. 464.96 crores, and this swelled up to Rs. 511.94 crores in 1973. In 1969, at the time of nationalisation, the outstanding advances due from these 50 large industrial houses were only Rs. 399.74 crores. In three years, after nationalisation, the outstanding advances from them went up to Rs. 511.94 crores; that is to say, during the three years after nationalisation the advances from the nationalised banks to them had gone up by Rs. 112 crores. If I charge this Government that even after nationalising these 14 commercial banks the large industrial houses have been allowed to enjoy greater credit facilities than that obtained during pre-nationalisation period, I do not think it can be contradicted by the Government lightly. If, on the other hand, these nationalised banks had recovered more money from these large industrial houses and given more credits to small farmers and small entrepreneurs, the objective of nationalisation of these banks

would have been possible of achievement. Is it fair and just that in three years after nationalisation these large monopoly industrial houses should have been given by the nationalised banks Rs. 112 crores more as advance at the cost of small farmers and small entrepreneurs. These figures have been given by the Finance Minister in reply to Question No 291 raised on 9th August 1974.

18 hrs.

Sir, this answer gives details of outstanding advances from each of the 50 large industrial houses. I will refer only to a few of them. Take for example, Birlas. The outstanding advance as on 18-7-69 was Rs. 5430.17 lakhs and if you see whether it has declined in 1973, you will be surprised to find that as on 29-6-73 the outstanding advance has gone up to Rs. 7726.27 lakhs. Instead of declining after nationalisation, the outstanding advance has mounted to Rs. 7726.27 lakhs. In the case of Martin Burn, the outstanding advance on 18-7-69 was only Rs. 273.50 lakhs, but on 29-6-73 it was Rs. 1367.62 lakhs. In the case of Surajmull Nagarmull from 304.23 lakhs on 18-7-69, the outstanding advance has gone up to 403.71 lakhs on 29-6-73. Take again Sarabhai. The outstanding advance as on 18-7-69 was only Rs. 986.41 lakhs and on 29-6-73 it was as high as 2099.99 lakhs.

In this answer, the outstanding advances of 50 large industrial houses have been given by the Government. I would like to know the reasons for the outstanding advances from them going up year after year. I am no doubt proud that more and more branches of nationalised banks are being opened throughout the country. But, I would like to know whether more and more credits are being made available to the poor agriculturists and small scale industrialists.

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): If you permit me, I will make one point clear.

The hon. Member is trying to compare the absolute amounts of 1969 and 1973. The better way of comparison is not comparing the actual total amounts but the percentages of the total credit that is given. If you think in terms of percentage, because, as the quantum of credit grows, the rate of growth grows every year and naturally the economic activities sometimes grow. It would be wrong to compare the figure of 1969 with the absolute figure of 1973. What you have to compare is: what is its size as part of the total available credit.

I hope I have made my point clear.

SHRI J. MATHA GOWDER: Besides the nationalised banks, the State Bank of India also has been giving more and more advances to 75 large industrial houses during the past three years. The outstanding advances to the 75 large industrial houses by State Bank of India as on 31-12-71 were Rs. 268.31 crores and on 31-12-71 this has gone to Rs. 304.97 crores. My contention is that the large industrial houses continue to enjoy large credit facilities, as these statistics of outstanding advances reveal. The total outstanding advances from them, both from nationalised banks and from the State Bank of India, come to Rs 816.91 crores

If the Government had taken energetic steps to recover these outstanding from them and spent substantial sums on agricultural sector, the country would not be facing today the crisis on the food front. Similarly, the intensity of the financial crisis would also be comparatively less. If we had given substantial credit facilities to small industries, we would have had widespread industrial

growth throughout the country. I am not objecting to the policy of nationalisation and in fact I advocate the policy of nationalisation for social good. Though many branches have been opened after nationalisation, these branches do not seem to have enough money for giving credit to small farmers, small industrialists and others. Under one pretext or the other, the monopoly industrial houses continue to appropriate large credit facilities from the nationalised banks, which were nationalised on the plea of their being the instrument of exploitation for the large industrial houses. Now, after nationalisation, it seems that the Government have also become a slave to these large monopoly houses. That is why they are giving greater credit facilities to these monopoly houses, and no constructive steps have been taken by the Government for reducing their outstandings. I have to make this charge on the basis of statistics given by the Government. Probably, without their support, the ruling party will not be able to survive in power. The ruling party is running the Government with the support of the industrial houses. The ruling party does not want to help the poor and small men as they do not seem to need their support in administering the country. Only with the support of the rich people, the Government want to run the administration of this country.

The Estimates Committee of the House has pointed out that the profit of these nationalised banks has been declining year after year. In spite of the fact that more branches have been opened and more credits have been given to the monopoly houses, what are the reasons for the declining profit? I can only say that these banks, even after nationalisation, are being run by the same top persons who had served the private management. The very same people are in and commerce.

the new garb of Chairmen of these Banks. These old crocodiles are gobbling up everything that is available. That is the reason for the declining profit. These crocodiles are gobbling up everything that is available. That is the reason for the declining profit. These crocodiles must be removed at once. So long as the employees are not represented on the Board of Management of these Banks, these Banks are not going to make profits. Unless the employees are enthused with participation in the management, you cannot expect the Banks to make profits. The Government proclaim that they are for the people. In order to bridge the gap between profession and practice, why should not the employees be given representation on the Board of Management of these banks? Why should the Government carry on with the old people? I would like to appeal to the Finance Minister that greater check should be exercised on the programme of credit facilities of these banks.

In the end, I would refer to the fact that the Banking Commission has referred to the Foreign Banks in the country and its remarks are confined to three lines. Sir, these foreign banks have become the instruments for smuggling the valuable foreign exchange out of the country. I cannot understand the hesitation on the part of the Government to nationalise these foreign Banks. Do the Government any foreign aid on this score? Sir, I will conclude by saying that these foreign banks must also be nationalised if the Government are keen to stop the smuggling of foreign exchange out of the country.

MR. CHAIRMAN: Before Shri Mahajan speaks, I would like to ask the hon. Minister for Parliamentary Affairs as to how much more time he wants to have for this because, originally, five hours were allotted. Now, we will need some more time.

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS (SHRI K. RAGHU

RAMAIAH): Three hours and ten minutes are over. I suggest—every Member from the Opposition side has agreed with me—that we shall sit till 7 O' clock so that whatever balance of time is left we shall see afterwards. We shall fix up another day for this.

MR. CHAIRMAN: That means the Finance Minister will not be replying to-day?

SHRI K. RAGHU RAMAIAH: Not to-day.

18.11 hrs.

BUSINESS ADVISORY COMMITTEE

FORTH-SIXTH REPORT

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS (SHRI K. RAGHU
RAMAIAH): Sir, I beg to present the Forty-Sixth Report of the Business Advisory Committee.

18.12 hrs.

DISCUSSION RE REPORT OF THE BANKING COMMISSION AND WORKING OF NATIONALISED BANKS—contd.

SHRI Y. S. MAHAJAN (Buldaria): Mr. Chairman, Sir, the nationalisation of the fourteen major banks on 19th July, 1969 marks the end of an epoch and the beginning of a new rhythm in the economic life of this nation.

As a result of these important policy measures, the Government came to occupy a commanding position in the banking field. It obtained control over 83 per cent of deposits and advances and 80 per cent of branch net-work of all commercial banks in the country. Besides, the widespread cooperative credit structure was already under the guidance, supervision and control of the Reserve Bank of India.

Commercial Banks in India grew up under the British regime and served fairly large-scale and medium-sized industry and wholesale trade

18.13 hrs.

[SHRI DINESH CHANDRA GOSWAMI in the Chair]

Though India is predominantly an agricultural country, the credit requirements of millions of farmers and small self-employed people were neglected. Besides, these banks were concentrated in urban areas. Their policies and programmes lacked development orientation; they made no efforts to broaden the entrepreneurial base or increase productivity in the vital sector of agriculture. The objectives of nationalisation were spelt out by the Prime Minister in these words:

"It shall be our endeavour to ensure that needs of productive sectors of the economy, and in particular, those of farmers, small-scale industrialists, and self-employed professional groups are met in an increasing manner. It will be one of the positive objectives of nationalised banks to actively foster the growth of new and progressive entrepreneurs and to create fresh opportunities for the hitherto neglected and backward areas."

She, however, made it clear that all this emphasis on priority sectors and the rectification of the existing regional and sectoral imbalances in the country's credit structure will not be at the expense of considerations of economic viability.

Now that five years have passed since this historic change, we can take of the position and assess how far the banks have succeeded in achieving these objectives.

By far the most impressive achievement of the nationalised banks has been the extension of banking to unbanked or underbanked areas which are mostly rural areas. Since nationalisation the number of branches has more than doubled, almost half of the new branches being in the rural areas.

The branches in the rural areas have increased from 1860 in 1969 to 6023 in December 1973. The average population per branch has come down from 65,000 persons in 1969 to 33,000 persons by the end of 1973.

But there has been a slackening in the pace of branch expansion during the last two years, due to scarcity of trained and experienced personnel, the increasing cost and the fact that it takes about three to four years for a new branch to break even. Equally impressive is the nationalised banks' record in securing deposits. They have succeeded in doubling the deposits from Rs. 3885 crores to Rs. 8450 crores by February, 1974. Another important objective of bank nationalisation was to meet increasingly the needs of agriculture and other priority sectors. The advances of public sector banks to priority sectors have increased from Rs. 440 crores in June, 1969 to Rs. 1326 crores in December, 1973. Their share of public sector bank credit has thus increased from 14.9 per cent in June 1969, to about 24 per cent in December 1973. Out of this amount Rs. 495 crores went to agriculture for both direct and indirect finance and Rs. 645 crores to small scale industrialists.

In quantitative terms, the performance is creditable, and marks a considerable shift in the sectoral allocation of credit towards the priority sectors.

Having said this, it is necessary to point out the qualifications to this impressive performance and the directions in which bank nationalisation has not fulfilled our expectations.

The disparities between different States and regions continue and have not been reduced to any considerable extent. The relative backwardness of eastern and north-eastern regions persists even after 4 years of hectic branch expansion. The population per

office in Assam, the only major state in the north-eastern region, was as high as 90,000 in June 1973 and in Bihar and Orissa in the eastern region it was 1,00,000. The disparities in banking facilities particularly between rural and urban or metropolitan areas equally great. As against the national average population of 92,000 per office in the rural sector, it was more than 2,00,000 in a majority of States in the north and north-eastern regions. Disparities of banking facilities between different districts in the same State are also very great. A few districts account for substantial proportion of bank offices. In West Bengal, for instance, 25 per cent of the districts account for 67 per cent of bank offices in the State as on June, 1973.

The ratio of bank credit to bank deposits is 48 per cent in the rural areas, 42 per cent in the semi-urban areas and 77 per cent in the towns and cities. The imbalance means, in effect, that money deposited by villagers is being used to finance investment in the towns. Is this not exactly the reverse of what we had expected?

As regards credit to priority sectors we find that its proportion increased from 14.9 per cent in 1969 to about 24 per cent in December, 1973. But here also the same story is repeated. Six states of Maharashtra, Tamil Nadu, Gujarat, Mysore, West Bengal and Andhra Pradesh account for 63 per cent of the total credit to priority sectors by the nationalised banks, whereas the whole of eastern and north-eastern region receives only 11 per cent of the credit. As for intra-state distribution between various priority sectors, it has been observed that adequate care has not been taken of rural needs. In Maharashtra, there are complaints that only 3.6 per cent of the total advances has been made available to the agricultural sector. On closer observation it will be found that much of this has been taken away by the relatively

further prosperous farmers and the small fry has been left in the cold. This situation calls for a fundamental change in the orientation of the banks' lending policies.

Lastly, there is one point on which all bank customers are universally agreed, namely that the customer service in the nationalised banks has deteriorated considerably. Some customers have even complained of rude behaviour and discourtesy on the part of the bank staff. Trade unions which clamoured for bank nationalisation now do not care for the quality of the services rendered by their members to the customers. The matter needs urgent attention on the part of the Reserve Bank and the Finance Ministry.

The Banking Commission made some important recommendations regarding (1) the coordination of the working of nationalised banks with the cooperative sector, (2) the setting up of merchant banking and (3) the regulation of non-banking financial institutions. These have not received due consideration at the hands of the Government. These reforms are necessary to transform banking into an efficient instrument for mobilising resources and diverting them into priority sectors and giving the Government greater control over the monetary and banking habits of the people.

SHRI ERASMO DE SEQUEIRA (Marmagao). Recommendation No. 32 of the report of the Banking Commission is that the rural banks should set up and maintain godowns and supply inputs to agriculture. This is representative. I think of the malaise that plagues most of our policies. For, on the one side we expect our institutions to do things which should logically be completely outside their purview, and on the other, we do not pay any attention at all to the policies that would lead them to perform the functions that they are

[Shri Erasmo De Sequeira]

really supposed to perform. We all know that banking begins with the mobilisation of savings. I would like to ask the Finance Minister what he is doing to encourage savings. Today, the interest rate for a 51-month or 61-month deposit is 10 per cent. I am talking of fixed deposits. The rate of inflation is between 27 and 30 per cent why should anybody deposit money in the bank if at the end of five years the value of his principal is going to be so thoroughly eroded by inflation? How do you expect an interest rate which is one-third of the rate of inflation to give him any incentive for saving?

In this situation, I would like to ask the Finance Minister how long it is going to take the Government to arrive at the conclusion that they must now go in for the system of indexing, where at regular intervals, the value of the principal in deposit is increased to neutralise the eroding effect of inflation, and where the man is assured that once he puts his money in the bank, he will get uneroded principal at the end of the period, and a reasonable rate of return, which could be lowered from the present ten per cent.

As things stand now, the obvious choice is to put the money in goods rather than in savings.

On the side of utilisation, I would like to ask Government what they are doing in the way of innovation to create and nurture widespread growth, because I find every Minister preaching from the house-tops that 'We are encouraging new entrepreneurs and we are encouraging widespread ownership', and yet the first question that is asked of anybody who goes to the bank for a loan is 'what security can you offer?'

And what is the definition of security? Assets A qualification is no security. A good project is no

security. A ready market is no security. The likely capacity to repay is no security. And yet if you have an old house that will fetch you in the real market much less than the market value you have taken into account, or if you have a large balance of accounts receivable most of which you could not collect, that is security. How do you expect any diversification in growth, if this is the policy you follow in lending?

We all know that resources are few, and that maximum use must be made of them. And yet the most prevalent system of lending to business is the outmoded and completely unrelated system of cash credits, where the money is allocated and often remains unutilised. Where it is unrelated to need and again related to the great concept of security, this great conservative concept that is still ruling our country.

We all know that all goods are in short supply, and that hoarding must stop, whether of food or of raw materials. And yet again the most current system of lending for raw materials is hypothecation. No relationship to monthly requirements; just the capacity to own and to hoard. Security again.

And yet the bill market scheme, which is far more related to a quick turnover, which is far more related to the needs of production, and which would result in a much quicker utilisation of the little money that we have lies on the book, but languishing.

There is reason, I think, for Government to really start thinking, and to ensure that on the one side it makes it worth while for people to save, and on the other it is possible for them to utilise the money that is available, very much faster than they are utilising now.

Where does the money come from, and where does it go? I will give you the example of Goa. A tremendous amount of deposits has been collected. And yet the advances are a minimal percentage of the deposits that have been collected. You know why? Goa is rural. So the money is collected there. Where does it go? To the urban centres. It goes from agriculture into industry.

It is a repetition of Goa all over this country that has produced the imbalance, that has produced the indiscriminate substitution of available men with machines, the Unemployment, and the completely lopsided economy that we have in this country today. This is another policy that Government will have to change. Money will have to go primarily to agriculture and only then into industry.

Now how is this going to work, unless there is in banking decentralisation? Until the day when the agent at the bank is given a directive on the amount of money he can lead, perhaps a sectoral division of that money? But it is left to him to decide the credit; who he is going to give credit to and how much. Because banking can no more be run from a group of offices in North Block, than can this entire country be successfully run from one single office in South Block.

श्री नवल किशोर शर्मा (बीसा) मैं उन मित्रों से सहमत नहीं हूँ जो यह कहते हैं कि बैंकों के राष्ट्रीयकरण के बाद हम को असफलता ही असफलता हाथ लगी है। भले ही इन पांच सालों में जो हमारी आकांक्षायें थीं उनकी पूर्ति नहीं ही पाई लेकिन यह कहना कि यह हमारा एकसरीरैयेंद्वं असफल रहा है बिल्कुल गलत बात है। मैं उनकी जानकारी के लिए इंटरनेशनल आनेटरी फंड में जो कुछ राय दी है, उसको उद्धृत करना चाहता हूँ। उसने कहा है :

1620 LS—10.

Bank nationalisation in India has been a success and holds good prospects for future progress.

इसमें शक नहीं है कि राष्ट्रीयकरण के बाद जो प्रावलेषण हमारे सामने आई या देश के सामने आई उनका निसकरण जिसतेज रपतार से किया जाया चाहिए था नहीं किया जा सका है उसकी गति धीमी रही है। फिर भी यानता पडेता कि इन पांच सालों में इन बैंकों ने जो कार्य किया है, चाहे बाज खोलने की बात हो कृषि एरियाज में या किसान या छोटे व्यापारी या छोटे इन्स्टीट्यू लिस्ट या प्रोफेशनलज को क्रेडिट देने की बात हो, उस दिशा में सुधार हुआ है। मैं आकड़ों में जान्य नहीं चाहता। हमारे देश में करीब छ लाख गाव हैं। चाहे ब्रान्चज काफी खुली हैं लेकिन आज भी करीब 33-36 हजार भादमियों के करीब को एक शाखा सर्व करती है। यह काफी बड़ी संख्या है। इस में कमी की युन्काइश है। इस दिशा में काम भी किया जा रहा है। राष्ट्रीयकरण का उद्देश्य यह था कि जो ट्रेडिशनल तरीका है बैंकों के काम करने का या लोगों को मदद करने का प्रोरएज फिटकुल क्लास को ही उससे फायदा पहुंचता है उसको तोड़ा जाय। अब इस काम में जरूर हमें सफलता मिली है। बैंकों ने किसानों को कर्ज दिया है प्रोर वह कर्ज 1969 के मुकाबले में करीब दुगना हुआ है। स्माल इंडस्ट्रीज को 526 करोड़ मिला है। कृषि के क्षेत्र में 404 करोड़ हुआ है। ट्रांसपोर्ट आइटेर्स के बास्ते 50 करोड़ हुआ है जबकि पहले उन को बि-कुल नहीं मिलता था। स्माल बिजिनसमें को भी 82 करोड़ रुपया मिला है। प्रोफेशनलज को भी कुछ मिला है। लेकिन यह सही है कि इस दिशा में हमें जितनी उम्मीद थी वह पूरी नहीं हुई है पिछले चार पांच सालों में डिवाजिटस में जितनी वृद्धि हुई है उसके अनुसूप जितना धन इनको मिलना चाहिए था, प्रायोरिटी सेंटर को मिलना चाहिए था, नहीं मिला है इससे इंकार नहीं किया जा सकता है। यह बात मैं

[श्री मनल किशोर शर्मा]

नहीं कहता हूँ। स्वयं वित्त मंत्री ने इसको स्वीकार किया है और कहा है :

I am not satisfied with the progress due to the teething troubles.

यह सही है कि शुद्ध-शुद्ध में मुश्किलालत होती है। लेकिन यह टीथिंग ट्रबल की बात बहुत दिनों तक नहीं चलनी चाहिए। हमें हर बात में टीथिंग ट्रबल का नाम लेने की आदत सी पड़ गई है। इसलिए मैं समझता हूँ कि कृषि स्माल स्केल इन्डस्ट्रीज, उद्योग धंधों आदि कि जो प्रोद्योरिटी क्षेत्र हैं उन में काम करने की बहुत ज्यादा गुंजाइश है और इस दिशा में बैंकों ने आशानीत काम नहीं किया और इससे ग्राम लोगों को निराशा ही हुई है। जो जोश लोगों के मन में राष्ट्रीयकरण के बारे में तब था वह अब धीरे-धीरे कम होता जा रहा है। यह शुभ लक्षण नहीं है। इन बीमारी का इलाज होना चाहिए, इसमें सुधार होना चाहिए। जो हमारा उद्देश्य था उसकी पूर्ति की ओर हमें तेजी के पग बढाने चाहिए।

मैं जयपुर की एक बात कहना चाहता हूँ। वहाँ पिछले साल अकाल पड़ा था। वहाँ के कलेक्टर तथा लोगों ने मिलकर यह फैसला किया कि पांच हजार कुएँ अकाल ग्रस्त क्षेत्रों में बनाए जाने चाहिए। इसके लिए बैंको से बात की गई। उन्होंने तय कर लिया कि हम इतने कुंओं के लिए फाइनेंस करेंगे, 2500 हजार रुपया फी कुंआ देंगे। उसके बाद कुछ बैंकों ने तो अच्छा काम किया। पंजाब नेशनल बैंक बहुत बड़ा बैंक है। उसकी तथा और दूसरे बैंको की यह हालत रही कि बराबर वे रोड़े अटकाले रहे कि किसी तरह काम न हो, किसी तरह रुपया लोगों को न मिले। किसान परेशान होते रहे बावजूद इस बात के कि सारे का सारा काम डिस्ट्रिक्ट डिवेलपमेंट आफिसर की देख-रेख में हो रहा है। कोई गुंजाइश नहीं थी कि किसी तरह रुपये का दुरुपयोग हो।

बड़े-बड़े इन्डस्ट्रियलिस्ट अपना खा करते हैं तो उसकी कोई परवाह नहीं करता। लेकिन किसान जो अपनी जमीन गिरवी रखता है, सिच्यूरिटी के अग्रेस्ट रुपया चाहता है उसको रुपया नहीं मिलता है। यह कैसी नीति है? क्यों हम उसको रुपया देने से कतराते हैं?

आजकल एक नई बात चल रही है। बैंकिंग डिपार्टमेंट ने एक सर्फ्युलर इग्नू किया है कि दस मील के एरिया से ज्यादा में लीमिंग नहीं किया जा सकता है। अब बैंकों को एक बहाना मिल गया है जो न देने का। जिसको मर्जी होती है वे देते हैं वरना कह देते हैं कि दस मील की पाबन्दी है, उससे आगे हम नहीं जा सकते हैं हालांकि इसका मतलब यह नहीं था। यह बात तब चलनी चाहिए थी जबकि हमारे देश में दस मील के एरिया को कंट्रोल करने वाली प्राविज हैं। लेकिन जब इतनी प्राविज नहीं है तो इस तरह का बहाना सर्फ्युलर जिसका मतलब गालिबन यह नहीं था जारी करने की क्या जरूरत थी। इसकी वजह से एक इकावट ही पैदा हो रही है। इसको आपको देखना चाहिए।

लीड बैंक के बारे में भी मैं निवेदन करना चाहता हूँ। यह बहुत अच्छी चीज है। लेकिन लीड बैंक का जो आपने सिलेक्शन किया है जिस तरह से एलाटमेंट हुआ है उसमें बहुत बड़ी गलती हुई है। बैंकिंग कमिशन ने भी अपनी रिपोर्ट में कहा है कि लीड बैंक के सिलेक्शन के वक्त यह ध्यान रखा जाना चाहिए कि हैड आफिस से ज्यादा दूर लीड बैंक का डिस्ट्रिक्ट नहीं होना चाहिये। लेकिन हुआ क्या? दूसरे इलाकों में भी हुआ होगा लेकिन जयपुर में स्टेट बैंक आफ बीकानेर एंड जयपुर है वरसे से वह काम कर रहा है उसकी बहा आभाव्य बहुत है लेकिन उसको काम न देकर के गुनाइदेव कर्नलियल बैंक को दे दिया गया। नतीजा यह हुआ कि काम की रफ्तार में फर्क आया।

मैं यह भी कहना चाहता हूँ कि बैंकों की सविस्तर गिर रही है। यूनियनस के पेशेवर नेता इस वक़्त यहां नहीं हैं। मैं उनसे कहना चाहता हूँ कि इस यूनियनज्म की वजह से देश का बेकायदा होला जा रहा है। डिसिप्लिन गिरता जा रहा है सविस्तर गिरती जा रही है। उनको इस तरफ ध्यान देना चाहिए। मैं इसका हामी हूँ कि मजदूरों को संगठित हो कर अपनी बात को कहने का अधिकार होना चाहिए। उनकी बारगैंग पावर होनी चाहिए। लेकिन इसका इरिजिज यह मतलब नहीं है कि बे 19 करोड़ का ओवर टाइम एक साल में बैंकों से प्राप्त कर लें। इसका मतलब यह नहीं है कि ग्राम जनता जो उनकी मालिक है उसके साथ वे श्रमद व्यवहार करें। एक सर्वे हुआ था 141 कम्पनियों का उसके मुताबिक 81 कम्पनियों के लोगों ने यह राय दी है कि बैंको की सविस्तर गिरती जा रही है। इसलिये मैं समझता हूँ कि यह बात बहुत काफी है इस बात को दिखाने के लिये कि सविसेज में सुधार की जरूरत है और अपेक्षा करता हूँ यूनियनों के उन नेताओं से जिन्होंने बहुत कहा था राष्ट्रीयकरण के समय कि राष्ट्रीयकरण कीजिये हम बैंटर सविसेज देंगे मैं उनसे कहना चाहता हूँ कि और वित्त मंत्री जी से भी कहना चाहता हूँ कि सरकारी काम की एफिशियन्सी बिल्दी जा रही है और वह भी बैंकों में काम करने वालों की। आज बैंकों के अन्दर काम करने वाले हाइएस्ट पेड एम्प्लोईज हैं आप एल आई सी को छोड़ दें और इडियम एमरलाइन्स को छोड़ दें तो उसके बाद ये हाइ-इएस्ट पेड एम्प्लोईज हैं लेकिन उनकी भी एफिशियन्सी अगिर गिर रही है तो यह अपने आप में बर्दाश्त के काबिल नहीं है। मैं चम्पूण साहब से इतना ही कहना चाहूँगा हूँ कि राष्ट्रीयकृत बैंकों के राष्ट्रीयकरण के समय जो हमने लोगों में आशाओं और अपेक्षाएं जामूत की थी वेरोजकारों की रोजगार देने की कृषि के विकास में और देश के उत्पादन में

योगदान देने की उनको पूरा करने के लिये आप को क्लीअरकट डायरेक्टिव देने पड़ने। यह नहीं चल सकेगा कि आप यह कहें कि हम को ज्यादा देना चाहिए। आप को टारगेट फिक्स करना चाहिए। भले ही कुछ घाटा भी चला जाय कुछ वसूल भी न ही तब भी वह ज्यादा चिन्ता की बात नहीं होगी क्योंकि वह पैसा देश के उत्पादन में लगेगा और उत्पादन में लगा हुआ पैसा कभी भी घाटे का सोदा नहीं होगा। इसलिये क्लीअरकट डायरेक्शन दीजिये कि इतने परसेंट डिपॉजिट का इस प्रायरेटी सेक्टर में आप लोगों को हर साल खर्च करना पड़ेगा और इतना न करने, इतना क्रेडिट न देने की शकल में उनसे जवाब तलब हो तब जाकर काम सुचारु रूप से चल सकेगा। उसके लिये कुछ पावर्स आप को लोकल मैनेजर्स को देनी पड़ेगी और उसके साथ आवश्यक समझा जाय तो मैं कहता हूँ कि बैंको के काम का लेखा जोखा भी हर साल पार्लियामेंट में लाना चाहिए।

SHRI SURENDRA MOHANTY
 (Kendrapara): Mr Chairman, Sir, in a flamboyant message, I should say, to the "New Trends in Banking", the Finance Minister has said:

"The bold step for nationalisation of banks in 1969 evoked a positive response from the common people. The public sector banks have been endeavouring to fulfil the objectives of bank nationalisation."

This debate provides us an opportunity for evaluating as to how far the operation of the nationalised banks has been able to fulfil the aspirations of the people mentioned by the Finance Minister.

In that context, I should say, one major achievement of the nationalised banks has been corruption. Not much complaint was being heard regarding corruption in the banking

[Shri Surendra Mohanty]

sector before the nationalisation of banks had taken place. But during 1972-73, the Central Vigilance Commission received as many as 181 vigilance cases and 455 complaints concerning bank employees. Another batch of 88 vigilance cases and 351 complaints were brought forward from the previous year. From this, one can very well assess the volume, the extent of corruption that is prevalent today in the nationalised banks.

During the year, one Manager of the Punjab National Bank, one Manager of the Central Bank of India and one Staff Officer of the Bank of Baroda have been removed from office. A large number of vigilance cases have, however, not been disposed of as yet. In that context, I would like to bring to the notice of the House that all the 14 nationalised banks and seven subsidiary banks of the State Bank of India have accepted the jurisdiction of the Central Vigilance Commission. But the State Bank of India and the Reserve of India are still reluctant to accept the Central Vigilance Commission's jurisdiction. This has been mentioned in the report of the Central Vigilance Commission. I would request the hon. Finance Minister that he should overrule this kind of objections, so that the Reserve Bank of India and the State Bank of India are brought under the jurisdiction of the Vigilance Commission. Otherwise, the number of people growing every day who can do favour to parties, cases of corruption are bound to increase and that will completely frustrate and negate the objectives of the nationalisation of banks.

While corruption is on the increase, the overall profits of the State Bank and its subsidiaries and the 14 nationalised banks are on the decline—it has declined by about 20 per cent.

The total net profits of the 14 nationalised banks declined to Rs. 3.53 crores from Rs. 4.18 crores in 1972.

To make available banking facilities to the rural people was one of the basic objectives of nationalisation of banks. But the branch expansion of the scheduled commercial banks, including the nationalised banks is passing through a slump at present. Leading commercial banks have not been able to keep up even 10 per cent of their commitment. I come from an underbanked State, Orissa. I know that even the projects which have been cleared do not materialise. A major difficulty experienced by the bank administration in this respect is stated to be the unwillingness of a large number of persons to shift to rural areas. I believe, the Government can provide a corrective to this situation by drafting the personnel who have no difficulty or who have no inhibition to function in the rural areas. With the amount of unemployment we have today, it cannot be said that, because people are not willing to go to the rural areas branches of the State Bank or of the nationalised banks cannot be opened in rural areas. The existing banking system being urban-oriented, it becomes all the more necessary for the Government to provide this corrective so that the rural sector also receives the benefits of bank nationalisation.

Though banking has been recognised as an important tool to help in the development of the economy as a whole, experience has shown that there has been diversion of funds from the backward regions to more advanced regions and from rural areas to cities. If you take into account the deposits which have been received in any year, say, in a State like Orissa and compare it with the advances that have been granted to

parties in that State, you will find the difference.

The banking credit system in India continues to favour the industrialised States and is greatly contributing to regional imbalance. According to published statistics, 77.5 per cent of the total credit of the commercial banks was invested in only five States and the Centrally administered areas. The favoured States were Maharashtra, from which the hon. Finance Minister hails—whether it is overdraft or bank advance, Maharashtra always takes the lead—next to Maharashtra comes Mysore, Andhra Pradesh, Tamil Nadu and West Bengal. Maharashtra was the biggest beneficiary with the credit accounting for 28.6 per cent against its deposits of 23.7 per cent. With all humility I am capable of, I would beg of the hon. Finance Minister to compare this figure with that of Orissa, and then he will come to his own conclusion; I do not have to impose this on him. The least-banked States are Orissa, Bihar, Assam and Nagaland. Whereas there is a bank for every 30,000 persons in India, in Orissa there is only one bank for every 93,000 of the population. In that context, I will request the hon. Minister to kindly see that underbanked States like Orissa are not denied the opportunity of having branches under the specious plea that personnel are not available to move to the rural areas.

One point more and I have finished. In spite of the unprecedented increase in the number of bank branches, the share of rural branches, in the total of branches rose only from 22.1 per cent at the end of June 1969 to 36.1 per cent by December 1972. It is not much of an achievement and I would like to emphasize this point to see that more branches are opened in the rural areas.

My last point is that large borrowers are deriving greater advantages from the nationalisation of Banks. In other words, bank nationalisation has helped the big houses in becoming bigger, while the smaller units and the rural sector have been ignored. The nationalised banks' aggregate advances to large industrial houses as on the last Friday of June 1973 was Rs. 568.79 crores. As against Rs. 568.79 crores to a few big business houses, in the sector of agricultural lending, the amount involved during the same period was Rs. 469 crores. Therefore, on an objective analysis of the implementation and operation of the nationalised banks one comes to the painful conclusion that it has not been able to achieve the objectives for which the banks had been nationalised. It was, of course, more political than economic. However, now that the banks have been nationalised, it is the moral responsibility and also the administrative responsibility of the Finance Minister to see that these nationalised banks are re-organized in order to fulfil the aspirations of the people and achieving the objectives for which the banks had been nationalised.

SHRI K. SURYANARAYANA (Eluru): I want to emphasize only the co-operative sector. My other friends have said that nationalisation of the banks has benefited only the existing big business-houses or big industrialists. Of course, there is a set back in the opening of branches in rural sector and other defects are also there. But the manner of approach is also there.

I had tried my best in my constituency and I can say that we have been benefited on account of bank nationalisation. I started a co-operative sugar factory and I waited after collecting nearly Rs. 25 lakhs. I first went to the Industrial Finance Corporation and other similar

Shri K. Suryanarayana—contd.

bodies but they were willing to advance only Rs. 60 lakhs whereas we needed Rs. 100 to 150 lakhs. But finally I succeeded soon after bank nationalisation when the Finance Minister wrote to the Reserve Bank when the IFC and other bodies are advancing loans, to the people why the nationalised banks are not giving. So, thereupon I got the required amount from the Union Bank and with Rs. 25 lakhs I collected from the share-holders we completed the project.

One more thing about the rural sector. There is no money in the rural sector to purchase even pump sets. Here, we got advances from the nationalised banks and even from co-operative banks and all that we have to pay is 25 per cent and the balance the nationalised banks give us and in this way, nearly 4,000 wells have been energised in my constituency. The approach is also there; there are defects in every sector but let us not start controversy about defects; the benefits are also there. The nationalisation motive or purpose is to increase production in rural areas as well as start other industries. This approach must be there. Several friends have said that they have not been given interviews by the bank officers etc. I have gone there and without any difficulty I got what I wanted. The rickshawala and taxiwala and fishermen are there in my constituency and they have started cooperative after borrowing money from commercial banks. But one thing I have got to say and it is this. The rural farming societies are not working properly. The Commission has recommended Cooperative societies. There are three sectors, that is, the village society, the district Central Banks and the State Banks. They are having their own separate identity and independence and there is

no coordination with the profits and losses etc. We have got fourteen nationalised banks; let us have 14 co-operative banks for the whole of India. Let all the cooperative organised banks open their own branches in the rural areas in place of central banks and the rural credit societies which are not beneficial at the present stage. This is my submission.

The Andhra Bank is a very great financial institution which has exceeded over Rs. 100 or Rs. 200 crores of deposit which has been set as the limit. Why should you hesitate to nationalise the Andhra Bank and other banks like that which have exceeded the amount stipulated by Government as deposits including foreign banks? I hope that the Government will do the needful in this regard.

Now I wish to refer to the Report of the Banking Commission Report. In Page 223 it says:

"The Commission feels therefore that from the point of view of ensuring a unified monetary and credit policy, uniformity of laws relating to credit supplying agencies and ensuring a high quality of encouragement of these agencies through programmes of training and exchange of information, Co-operative credit should be transferred to the Union or the Concurrent List."

To support this policy Government has to come forward with an Act which can be enforced from the Centre. This is my submission. At present cooperative laws are controlled by the State Governments. But what we see is that politics also comes in there.

19 hrs.

So, the Cooperative Act should be applied throughout India. Otherwise

there is no meaning for having a cooperative act in each State. Why is it that even though you are advancing to State Governments, they have not been able to utilise the funds properly? We have not reached our objective. That is the discontent in the country. So, I request the Government of India to think over the matter while considering the recommendations of the Banking Commission Report whether they can modify the Cooperative Act also and apply it universally for the entire country.

Thank you.

MR. CHAIRMAN: We have decided to adjourn at 7 O' clock. But, I have before me a list of three more speakers. I hope the House will have no objection to sit for another twenty minutes. Please cooperate with me.

SHRI P. M. MEHTA: Sir, originally we were to adjourn at 7 P.M.

MR. CHAIRMAN: That is right. Therefore, I am requesting the House to sit for another twenty minutes. There are three more speakers. Let each of them confine to seven minutes only. Let us give them the chance to express their views.

Mr. Mavalankar.

SHRI P. G. MAVALANKAR (Ahmedabad): Mr. Chairman, Sir, it is good that this debate on a vital subject has taken place to-day. The report of the Banking Commission was laid on the table of the House as far back as 17th March, 1972. More than two years have passed. We have not been able to discuss that Report at all. To-day's debate is meant for a discussion on the report of the Banking Commission as well as a discussion on the working of the nationalised banks—both these have been combined. I should have thought that Parliament had some definite and detailed opportunities to discuss these matters.

Therefore, I want to start with my brief comments, where my hon. friend, Shri Chandrappan left almost as his last point. I would like to know one thing. Why is it and how is it that we are not able to have a sort of Parliamentary scrutiny or control over the working of the nationalised banks? As I understand it, the working of the nationalised banks is not within the purview of the Parliamentary scrutiny or control. But my point is that all these banks should have their working examined by a Parliamentary Committee. I would suggest that we bring the working of the nationalised banks within the purview of the parliamentary scrutiny and control; and I also feel that the Reserve Bank's role needs to be looked into or examined in this regard.

I find increasingly that the Reserve Bank is becoming an extended arm of the Government. I quite see the fact that the Reserve Bank which is the bankers' Bank—Central Bank—has to function in tune with the government's clearly laid down policy in financial and economic matters. But, surely, it cannot become a mere department of the Government.

So, having said that, I want to say that the role of banking is crucial and vital in any economy, particularly, a developing economy. The Banking Commission Report has rightly stressed this role as "achieving the desired level and rate of economic growth." The nationalisation of banks took place—although it was a political decision, I think a large number of people in the country and, I think in this House, all have welcomed the decision of nationalisation of banks—because of this fact that commercial banks were not delivering the goods, so to speak, to the community and the community's interests and the social obligations of the commercial banks were not looked into by them and therefore, we nationalised them. I

Shri P. G. Mavalankar—contd.

want to ask the Finance Minister—would he really not look into the question of having some kind of a systematic assessment of the working of the nationalised banks over a period of five years? Would he not consider the desirability or feasibility of having some kind of a report—an objective assessment of the failures and achievements? I do not think, there are all failures and no achievements! There are certain achievements also. Why not Government go into it by some sort of a Committee to look into all matters and come out with a report so that wherever there is an area for improvement, we can go ahead in that respect and wherever there are difficulties or failures, we shall admit them candidly and then try to improve. I say this because I feel even after nationalisation we have not achieved certain things. For example, has social control been achieved through nationalisation; has there been rapid economic growth; has there been sound financial house-keeping; have we been able to push up economically backward and financially handicapped sections and, also, have we been able to achieve a balanced regional development? If you examine these questions the answer would be largely in the negative and, therefore, I feel some objective analysis should be made followed by a studied report which would be helpful and constructive.

About nationalisation in general there is an all-round deterioration. In reply to my question on March 22, this year, Shri Chavan gave a very shrewd account. I compliment, of course, the person who has drafted the reply. My question was:

“(a) whether since nationalisation, the banks have deteriorated in their all round services; and

(b) if so, the urgent remedial steps being taken by Government to improve the situation?”

In his reply Shri Chavan admitted that there was deterioration. Then he says:

“It has, however, been their constant endeavour to take appropriate measures to improve the quality of service to their customers, such as, changing suitably the scope and content of the training programmes, recruitment of technically qualified staff, simplification of forms and procedures, decentralisation of the administrative structure, delegation of powers at regional and branch level and promotion of better relations between the employees and the management with a view to improving customer service.”

It is a good answer by an examinee, but I wanted a practical answer to improving the situation. These are the points on which the hon. Minister has admitted that there were areas where a lot of improvement was needed. Therefore, I would like the Government to look into the matter and maybe in his reply he can elaborate what kind of improvement he is suggesting because I find almost everything is getting loosened and almost everybody becoming lethargic at all levels! Even after nationalisation the service to the customers has become very poor. Customers keep on waiting helplessly to get certain services which they were getting slightly better previously.

Sir, just a word about overtime and then I have done. I think overtime has reached scandalous proportions and we must be very strict with regard to this business of overtime. Further, Sir, there is a lot of political interference. Trade unionism and trade-unionism warfare have projected themselves into the working of the nationalised banks. I feel this aspect may also be looked into.

Finally, the hon. Finance Minister would see that there are number of

citizens banks opening up at many places to serve the community. It is also a kind of reflection on the said state of affairs in the nationalised banks, because in the name of public sector expansion, what is happening is that the public sector is becoming rapidly a pampered sector and a kind of a parasite sector!

I want to conclude by saying, let us not look at this problem from a political or a purely ideological angle. Nationalisation is good, but wherever it has not achieved the purpose, I hope, Government will do something with a view to setting the matter right.

श्री शिवनाथ सिंह (भुशुनू) : राष्ट्रीयकृत बैंकों के कार्य की समीक्षा एक बहुत बड़ा विषय है और इस थोड़े से समय में उसके सभी एसपेक्ट्स पर रोशनी नहीं डाली जा सकती है। इस बास्ते में अपनी बात को एग्जिकलचर तथा समाज के दबे हुये तब के तक ही सीमित रखूंगा जिन्होंने बैंकों का नाम भी पहले नहीं सुना था। हालांकि बैंकों के पास राष्ट्रीयकरण से पहले भी समाज का रुपया होता था लेकिन तब इन्होंने बैंकों का नाम भी नहीं सुना था सहायता इनको मिलने की बात तो दूर रही। छोटे लोगों का तथा इनको बैंकों से उधार मिल सकेगा इसलिये बैंकों के राष्ट्रीयकरण का स्वागत किया गया था। इसके बगर खेतों की तरक्की नहीं हो सकती है।

देखना यह है कि जिन उद्देश्यों को लेकर राष्ट्रीयकरण किया गया था आम जनता में जिस प्रकार की भावना पैदा हुई है आकांक्षा बड़ी थी क्या उसकी पूर्ति हुई है। जो अच्छा काम हुआ है उसके लिये मैं आपको बधाई देता हूँ। लेकिन जो कमियाँ हैं उनकी और ध्यान दिलाना हमारा फर्ज है ताकि उनको दूर करने का आप प्रयास कर सकें।

जहाँ तक ब्रांचें बढ़ाने का संबंध है जो ब्रांचें बढ़ी हैं उनमें से अधिकांश रूरल एरियाज

में खुली हैं। यह अच्छी बात है। उनमें से 51 प्रतिशत रूरल एरियाज में बनी है। इसका मैं स्वागत करता हूँ। एग्जिकलचरल सैक्टर को जहाँ पहले निल लोन मिलता था आज नौ प्रतिशत तक बढ़ गया है। यह भी अच्छी बात है। लेकिन आप देखें कि एग्जिकलचरल सैक्टर बहुत बड़ा है और इस पर देश की सत्तर प्रतिशत आबादी निर्भर करती है। इसको जब तक बढ़ावा नहीं दिया जायगा तब तक देश का विकास नहीं हो पायेगा। आपने लीड बैंक की स्कीम जारी की। एरिया एप्रोज की स्कीम जारी की। दूसरे माधन मुद्देया किये ताकि काश्तकार को ऋण मिल सके। लेकिन वास्तविकता उलटी है। काश्तकार को, लीड बैंक को ऋण नहीं मिलता है। जो माधन सम्पन्न है उन्हीं को मिलता है। आपने छोटे किसान के लिये मार्जिनल फार्मर्ज के लिये स्कीम बनाई और उनके लिये इन्टरेस्ट रेट भी कम रखा। लेकिन आप देखें कि छोटे छोटे लोगों को क्या आज भी ऋण मिल पाता है? आपको सिक्योरिटी चाहिए दूसरे आदमी की। क्या इम्पूबल प्रायटी की सिन्योरिटी वह को सकता है? आपने मैनैजर्स को आदेश दिये हैं कि एक दो एकड़ वाला जो किसान है उसको बिना गारंटी के बिना सिन्योरिटी के लोन दिये जायें। लेकिन प्रैक्टिस में क्या यह हो रहा है? मैनैजर यह देखता है कि वसूली नहीं होती तो यह चीज उसके गले पड़ेगी। इस बास्ते वह आपके इन आदेशों का पालन नहीं करता, जानबूझ कर नहीं करता। उसके दृष्टिकोण को जज करने की आवश्यकता है। बड़े लोगों को रुपया देना वे ज्यादा आसान समझते हैं फिर चाहे वह वापिस हो या न हो और उन्हीं को दिलाना चाहते हैं। लेकिन रेहडी वाले को, तंगे वाले को, स्कूटर वाले को, छोटे किसान को लोन देना वे पसन्द नहीं करते हैं। आपको देखना चाहिये कि उनके दृष्टिकोण में परिवर्तन हो।

[श्री शिवनाथ सिंह]

एरिया एग्रीज के अन्दर आपने कहा है कि कुछ ब्लाक्स के लिए एग्रिकलचर के वास्ते ब्रांचिज होगी इसका मुझे प्रेक्टिकल एक्सपीरियंस है। मेरे निर्वाचन क्षेत्र में एक तहसील ऐसी ली गई है जिसके अन्दर एग्रिकलचर की बांच है। वहाँ बारह लाख रुपये देने का लक्ष्य रखा गया था लेकिन केवल ढाई लाख ही दिया गया है। इस वास्ते में समझता हूँ कि जो सिस्टम है उसको बदलने की जरूरत है। बैंक मैनेजर के दिमाग में परिवर्तन लाने की जरूरत है। वे इन लोगों के साथ सहानुभूति रखेंगे तब कुछ हो सकेगा।

आपने जो ब्याज के रेट्स रखे हैं वे उच्चे हैं लेकिन किसान के लिए कुछ कम किए हैं। 11-12 प्रतिशत के करीब वह होता है। मैं चाहता हूँ कि आप अपने खर्चों को घटाएं और यह रेट भी कम कर। रजिस्ट्रेशन का खर्चा स्पार्ट विजिट का खर्चा लीगल एक्सपेंसिस ये सब जो खर्चे हैं ये बैंक को बरदाश्त करने चाहिये, काश्तकार से नहीं लेने चाहिये।

बड़ी इंडस्ट्रीज को कम क्रेडिट मिला है लेकिन फिर भी हम देखते हैं कि नौ परसेंट लोन एग्रिकलचरिस्ट्स को एडवांस हुआ है और 64 प्रतिशत बड़े बड़े इंडस्ट्रियलिस्ट्स को हुआ है इसको आप को घटाना होगा।

कंज्यूमर गुड्स के अग्रेस्ट एडवांस देना आप बन्द करे यह बिल्कुल बन्द होना चाहिये। इनसे इनफ्लेशन कम होगा, प्राइसिस कम होगी। यह चीज होरिंग की प्रवृत्ति को बढ़ावा देती है और बे लोग इन गुड्स की जव कीमतें ऊंची होती हैं तब बेचने है। इस वास्ते कंज्यूमर गुड्स के खिलाफ एडवांसिस आप बन्द करें। किसानों के लिए बमाई गई स्कीम्स को आप लिबरल करें और उनको अधिक लोन देने की चेष्टा करें।

SHRI SHYAM GUNDER MOHA-PATRA (Balasore): Mr. Chairman, bank nationalisation should, in my opinion, be called the Magna Carta of the Indian people. It came at a momentous time when the entire country was passing through an economic and political peril and Shrimati Indira Gandhi took a bold lead to usher in probably the first step to socialism in this country.

I want to impress on the hon. Minister one aspect of bank nationalisation. That is to change the attitude of the bank executives. This change in the attitude of bank executives is of paramount importance now at least to satisfy the psychological aspect of bank nationalisation. A writer has written only a few months thus about the bank executives:

"They should be people who are convinced that the future prosperity of the economy is highly dependent on the hitherto underdeveloped regions, particularly having bankers committed to the objectives of nationalisation"

This commitment should not only be found in the bureaucrats IAS, ICS and so on, this commitment to the welfare of the people—I do not say commitment to the party ideology should be of paramount importance in regard to bank nationalisation. Unfortunately, it is not seen in the bank executives. May I suggest that these executives should undergo a refresher or training course wherein they should be told how to participate in the planning of new India, how to help the people, how to feel oneness with the rural people?

I have seen when people go to the bank managers in what uncouth manner the latter treat these poor people. There is probably a letter still lying

with the Deputy Minister. Shrimat Rohatgi, on specific allegations against some bank managers.

Then the bank managers must know the local language. Unfortunately, in Orissa I have seen that they do not know the local language. If you say that the IAS officers before being posted to an area have first to learn the local language, this should apply equally to the bank executives. When they go to Orissa, they should know Oriya; some may go to Gujarat, Bengal, Maharashtra, Andhra Pradesh and so on. They should know the local language. People come to them and talk in their mother tongue. If these executives do not know the local language, that rapport will not be there. So I would impress on the hon. Minister to see that before they are posted to a particular State, they first learn the local language.

Then there should not be disparity in advances as between the urban areas and the backward areas. There has been gross disparity as far as the advances are concerned. This being so, naturally there will be a psychological warfare between the two sectors.

As far as banking assistance is concerned, the average annual growth rate of banking assistance has deteriorated in both the developed sector and in the backward areas. In the backward areas, before nationalisation it was 21.7 per cent, but after nationalisation it is 21.5 per cent. In the developed areas, before nationalisation it was 16.6 per cent and after nationalisation it is 16.2 per cent. Between 1966 and 1972 the developed areas have contributed less as far as the deposit is concerned. It is really the backward people tribals, Harijans and illiterate people who have contributed to the deposits of the banks but you do not find

the growth of industrialisation in the backward areas. There is a feeling that the urban areas are developing more and the backward areas are lagging behind. The State of Maharashtra has progressed a good deal compared to other States in the matter of industrialisation. Why cannot we ask the banks to give technical know-how to the people to start small industries or develop colleges or build hospitals. I saw a report that in Orissa a bank gave a loan for a cinema picture taking the risk that the picture might be a flop also. If that risk could be taken, it means they have imagination, new ideas and perspective. Let us not go back to the old British days when there were fixed definite ideas inherent in the banking system. The country is trying to have a resurgence. If we go to the Gandhian economy, the village should be the economic unit; the district should be the economic unit. Why not ask the bank managers to develop village areas or districts and make them industrially advanced. By that we can develop the country. This is new awakening, resurgence and that could be done by the bank executive. I hope a lead will be taken by our hon. Minister in whose hands the finances are safe.

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): I am grateful to the hon. Members who have participated in this debate.

MR CHAIRMAN: The House would have the benefit of the hon. Finance Minister's views on a subsequent day. The House now stands adjourned.

19.22 hrs.

The Lok Sabha then adjourned at 11 Eleven of the Clock on Friday the August 16, 1974 | Sravana 25, 1896 (Saka)