

encourage only 100 mills all over the country. Because of these policies of the Government, over 60,000 workers in Bombay and one lakh workers in Delhi and everywhere are going to be thrown out.

I, therefore, categorically ask the Government: Are you going to see that the workers' interests will be protected now that the mill-owners have already swallowed the money and the management is poor now? The workers should not be thrown away for no fault of theirs and with the modernisation there should be more production. Are you going to protect the interests of the workers?

**SHRI S. KRISHNA KUMAR:** Sir, I have never stated that the losses of NTC are due to the workers' fault. I was only highlighting the percentage of losses of NTC which is ascribed to over-staffing. This is the rationale behind our rationalisation scheme. The modernisation fund for plant and machinery created for the textile industry which will have a budgetary support as well as IDBI and IFCI finance is to be given to mills on case-by-case basis on the basis of sanctioned project reports. There will be a degree of workers participation to ensure that these moneys are utilised properly for the purposes for which they are sanctioned. The workers interest will be protected as has been laid down clearly in the policy which has been approved by Parliament.

*(Interruptions)*

Self Employment Programme for  
Urban Poor

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\*63. **SHRI V.S. KRISHNA IYER:**  
**SHRI SHANTI DHARIWAL:**

Will the Minister of FINANCE be pleased to state:

(a) whether Government have introduced new bank credit scheme, 'Self-Employment Programme' for Urban Poor (SEPUP);

(b) if so, the details thereof including the categories and the number of people to

be benefited under the scheme; the ways for recovery and the guidelines issued to the banks in this regard;

(c) the amount earmarked for the purpose;

(d) the number of loan applications received under the said scheme and number of applicants sanctioned loans upto September, 1986;

(e) whether complaints have been received about blackmarketing and irregularities in distributing loan application forms for the scheme; and

(f) if so, the nature of the complaints and action taken in the matter?

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI  
JANARDHANA POOJARY): (a) to (f)  
A Statement is given below.

#### Statement

(a) to (c) A Self Employment Programme for Urban Poor (SEPUP) has been launched from September, 1986 with a view to provide soft loan assistance to urban families having an income of less than Rs. 600/- per month. SEPUP will cover all cities and towns with population exceeding 10,000 as per 1981 census and which are not covered under Integrated Rural Development Programme (IRDP). Under this programme, which would be implemented by the public sector banks, financial assistance upto Rs. 5,000 per family will be provided to selected beneficiaries. The Central Government would provide subsidy at the rate of 25% of the amount of assistance. The subsidy amount will be kept with the financing bank as term deposit to be adjusted after the borrower has repaid 75% of the principal amount (with 10% interest) for which a period of 30 months, including initial grace period of 3 months, has been stipulated. It is estimated that loans amounting to Rs. 200 crores will flow from banks, during the current financial year, to 5 lakh beneficiaries under SEPUP.

(d) The Scheme has been launched from September, 1986 and as such, it is too early to give data in respect of number of loan applications received and the number of loans sanctioned upto September, 1986 since metropolitan, urban and semi-urban centres are spread all over the country.

(e) and (f) There has been an overwhelming demand, in certain parts of the country, for loan application forms in respect of SEPUP. However, no complaint regarding black marketing of bank loan forms has been received.

**SHRI V.S. KRISHNA IYER :** Sir, I welcome the scheme. But I would like to know from the Government whether there are any loopholes in the implementation of the scheme. They have announced the scheme about two or three days before 1st of September. They gave little time for the issue of application forms. Is the Government aware that there was an unprecedented rush of men and women for the collection of the forms. In many a place, there was lathi-charge. The managers of the Banks were gheraoed. Forms were sold in black-market. I would like to know what steps the Government has formulated to see such things do not recur. At the same time I want to know from the Government why such little time was given. Of course I know they were eager to implement the scheme. But why only two to three days time was given for the scheme. Forms were given to those who brought ration cards. I know in my constituency in Bangalore, many people and even women slept in the open in the midnight to collect application forms. Is it the way the Government should help our unfortunate brothers and sisters who are getting loans? What steps the Government is taking to see that such things do not recur in future?

**SHRI JANARDHANA POOJARY :** Sir, it is true that overwhelming demand is there for this scheme. In fact wherever there was demand we have issued application forms. Particularly in some centres, there was no demand. For example, in Bombay practically there was no demand. As against the target of about 26000, we

did not get sufficient applicants at all. In Delhi we have got more than sufficient and overwhelming demand. Anyway, wherever there is demand for that, we will see that sufficient application forms are supplied. Not only that. So far we have not received any complaints of corruption so far as issue of application forms is concerned. If the hon. Member has got any instances, he may please give them to us. Definitely we will take action.

**SHRI V.S. KRISHNA IYER :** I would like to know as to why the Government is using the nationalised banks for the issue of loans. Why not they route the loans through the Urban Cooperative Banks. You know, they are doing well in almost all the capital cities. They are the first to give loans to the poor people. Even before the nationalised banks thought of it, they had given loans to them. Another thing which I would like to know is about the definition of the family. Rs. 600 is the ceiling to get loan. If the father gets Rs. 600, his unemployed son cannot get the loan. So, it is necessary to define 'family' in this particular context. Also, there is another thing i.e. you want the beneficiary to get the consent of the owner of the premises. You know most of them are living on foot-paths, stair-cases, platforms etc. So, they should not insist on that certificate.

**SHRI JANARDHANA POOJARY :** Sir, only ration-card is insisted upon and the permission of the land-lord is not at all required. I want to make it very clear on that. So far as the income limit is concerned, this scheme is meant for the people who are living below the poverty-line. As per the Planning Commission, the income for the people who are living below poverty-line is fixed as Rs 7200 per annum in urban area. So, in order to cover those population, the persons who are living below the poverty-line, we have fixed the income as Rs. 7200. Let us see how this scheme works. If at all a change is required, we will consider afterwards.

[Translation]

**SHRI SHANTI DHARIWAL :** Mr. Speaker, Sir, it was asked in the question as to what will be the norms for selecting

persons. The hon. Minister has broadly said that the persons having an income of less than Rs. 600 per month will be given loans. It is all right that they will give loans to those whose monthly income is less than Rs. 600, but supposing they have fixed a target of 20 persons for one branch of the bank for giving loan and 100 applications are received and all the applicants have less than Rs. 600 as their monthly income, then what will be the norms in such a situation? Will they leave it to the Bank Managers to decide or will the opinion of the public representatives also be taken in this regard? What are the norms fixed in this regard?

[English]

**SHRI JANARDHANA POOJARY :** It is true that there is a demand for this scheme, and whenever a large number of applications come, we will have to first identify the persons who are eligible for this Programme. It is also true that we cannot cover all the population at a time. We have to go step by step, and every year we have to cover more people. By 31.3.1987, we have to cover five lakh people giving about Rs. 200 crores. We will see if there is any difficulty and we will look into the aspect mentioned by the hon. Member.

**SHRI M RAGHUMA REDDY :** This is a very good scheme and I must compliment the hon. Minister for that. But I have my own doubt about the implementation, whether the scheme will be implemented in the true sense. In the case of Gramodyoga scheme, in the villages the banks are not giving loans. The same is the case with the Modified Area Development Agency scheme as well as the IRDP. The government subsidy amounts are being deposited in the banks, in the nationalised banks, and Gramin and commercial banks, specially in my constituency, are not giving the loans. I have visited personally some of the Gramin banks and they refused to give because of the poor performance of the banks. May I know whether the hon. Minister will guarantee that these nationalised banks will provide loans to the intended beneficiaries? Or, will you make those intended beneficiaries

go round the banks and allow some of the middle men to enter and take advantage of the situation? What action is the Minister going to take on all these things? I want a categorical reply.

**SHRI JANARDHANA POOJARY :** I do not know about the Gramodyoga programme which he has referred to, whether he is referring to the educated unemployed scheme. I do not know what that Gramodyoga scheme is about, whether their State has given a different name like that for the educated unemployed scheme. Wherever there is deficiency, we are correcting it. We are personally monitoring it. In the Chief Executives meeting we have brought up this issue. We will see that the beneficiaries are not dodged from place to place. Not only that, we will see that a better customer service, particularly for the weaker sections, is given and also see that this programme is also implemented properly and speedily.

**PROF. MADHU DANDAVATE :** My supplementary question is in regard to part (c) of the original question. You can read that part (c) again. It is very important—regarding blackmarketing. I would like to know from the hon. Minister whether he has come across a copy of the *Economic Times*, Bangalore edition, dated the 21st October, in which a big box item has appeared under the caption: "Loan Mela Applications on Black Market—Congress-I men Corner one-third". (Interruptions) This is not my version. (Interruptions)

**MR. SPEAKER :** Please sit down. Why are you doing it? The Minister will reply. Why should you reply?

(Interruptions)

**MR. SPEAKER :** Please take your seat, let the Minister reply, don't take charge of it now.

**PROF. MADHU DANDAVATE :** Incidentally I may submit to you that I am neither the Editor, nor the Printer or the Publisher of *Economic Times*.

**SHRI T. BASHER :** What is your role?

**PROF. MADHU DANDAVATE :** My role is that of a vigilant reader.

On the basis of this particular report in the Economic Times of Bangalore, I want to know whether it is a fact that 100,000 applications for a loan worth of a minimum of Rs. 13 crores were proposed to be distributed at two separate functions, which were very sacred functions to commemorate the second death anniversary of Smt. Indira Gandhi, out of these 100,000 applications, 30,000 were supposed to be sold in black-market with further information that if there is a red seal of certain ruling party functionaries on the application forms....

*(Interruptions)*

**MR. SPEAKER :** The Minister will reply. Why should you get agitated about it? Please sit down. He will say what is the truth.

**PROF. MADHU DANDAVATE :** I would like to know whether at this moment any change of portfolio has taken place. Bither Mr. V.P. Singh or Mr. Poojary has to reply.

**KUMARI MAMATA BANERJEE :** We want a full discussion.

*(Interruptions)*

**PROF. MADHU DANDAVATE :** I am referring to Bangalore, not Bengal. *(Interruption)*....So, further information is that those application forms on which a certain red seal was put are to be taken as the authentic ones which have to be given more favourable consideration. All that I want to ask is whether this report is correct.

**SHRI JANARDHANA POOJARY :** I am grateful to the Hon. Member for asking this question. Throughout the country we are receiving reports from different States—sometimes from West Bengal, sometimes from Congress ruled

States and sometimes from the opposition ruled States also. I may give an example that in Congress ruled States they say that they are identified by the congress party, in West Bengal the complaint is that they are identified by their party people. . . *(Interruptions)*

**SHRI SAIFUDDIN CHOUDHARY :** We objected to loan melas.

**MR. SPEAKER :** Please sit down.

*(Interruptions)*

**SHRI JANARDHANA POOJARY :** This sort of complaints are being received. Submission of application to the bank by any citizen of the country including those who belong to political parties or social organisations is not a crime. We welcome if any people want to serve the people by submitting the application to the bank, we appreciate such people no matter, whether they come from the Congress or from Janata or from Communist Party. We appreciate it. What I am submitting is that the judgement and the processing action has to be done by the bank people. Submission of application is not a crime but the ultimate judgement is with the bank and it has to be done by the bank people only. Coming to the allegation that about 20,000 people had been given applications when 1 lakh people were to be given loans. Here I would like to submit that applications were submitted by Janata people including Congress people but I have not received any complaint so far that there was corruption. In fact when the social workers or any citizen of this country including myself helps the poorman in this country who is ignorant and who is not having sufficient knowledge to file an application then it is a welcome measure. If my Congress people have helped them then I welcome it.

**PROF. MADHU DANDAVATE :** Sir, what about my question?

**SHRI JANARDHANA POOJARY :** I am coming to that. Sir, earlier when Mr. Krishna Iyer, the hon. Member of Parliament from Bangalore told me that there was difficulty. I immediately took the bank

officers to task and told them it is irrespective of party affiliation —whether it is from Janata party member or from Congress party member. The applications are processed and the judgement is that of the bank people.

Now coming to the allegation it is true that on 31st October, 1986 we had given direction that at least 1 lakh people have to be identified and given because it was Indiraji's death anniversary. She fought for the weaker sections. In order to remember her on that day we wanted to help 1 lakh people of weaker sections from Karnataka and particularly of Bangalore. People had submitted applications and the loan mela was in front of the bank premises. I have not received any complaint. I asked the beneficiaries and also made independent inquiries. Everybody stated that not a single paisa had been paid by them for any service. It is voluntary service given by the people including Janata and Congress people. This is the state of affairs.

**PROF. MADHU DANDAVATE :** Sir, has he contradicted the report ?

**MR. SPEAKER :** That is what he has done.

*(Interruptions)*

**SHRI JANARDHANA POOJARY :** Sir, I have already said that I have not received any complaint of corruption.

*(Interruptions)*

**MR. SPEAKER :** What more do you want ? He says, it is wrong. He cannot say more than that.

**PROF. MADHU DANDAVATE :** Then why did he not contradict it before I raised this matter in the House ? Does the Government not want credibility of the banks to be maintained ? *(Interruptions)*

*[Translation]*

**MR. SPEAKER :** I do not know why you are behaving like that. What are you trying to convey ? I am not able to follow either of you.

*[English]*

**PROF. MADHU DANDAVATE :** Till I asked the question in the House, why did they not contradict it ? Do they want to destroy the credibility of the banks ? *(Interruptions)*

**MR. SPEAKER :** There is nothing like that. I do not believe in that. He has replied to that.

**SHRI JANARDHANA POOJARY :** Outside the Parliament in the public meetings as also in Bangalore, I have made it clear that I have not received any complaint. If there is any specific complaint in the possession of the hon. Member, he can send it to me and I will take action *(Interruptions)*.

**MR. SPEAKER :** Nothing doing.

**PROF. MADHU DANDAVATE :** I seek your protection. I want to lay this on the Table of the House . . . *(Interruptions)*.

**MR. SPEAKER :** Not like this. This is already in print. What more can you do about it ? . . . There are so many newspaper reports. How can you go about all these things. He has already done it. Shri Bhoi. *(Interruptions)*

**DR. KRUPASINDHU BHOI :** Loans for people below the poverty line are strictly disbursed to the beneficiaries in the Panchayats and Panchayat Samitis and this loan is meant for the urban poor people as indicated in the answer. What will be the fate of the persons living in notified areas where the population is less than ten thousand ? This loan is meant for people in cities and towns with population exceeding ten thousand.

**SHRI JANARDHANA POOJARY :** For rural people, there is the Integrated Rural Development Programme, where the identification is done by the local authorities i.e. the State Government. We have got another programme of differential rate of interest, where the rate of interest is

four per cent. Under this, a composite loan of Rs 6500 is given and no security or surety is required except the assets created.

**SHRI MURLI DEORA :** I would like to congratulate the Government for announcing for the first time in the Budget for the urban poor. This has started from September, six months after the Budget. The target is Rs. 200 crores benefiting five lakh families and the criterion is Rs. 600 income for urban families. The Minister said just now that in Bombay there are not many applications. The reason is that it is not possible to prove for the cobblers, rickshaw-pullers, hawkers etc. that their income is below Rs. 600. I would, therefore, request the Finance Minister to reconsider this ceiling for the urban areas and increase it to Rs 900 or Rs. 1000.

**SHRI JANARDHANA POOJARY :** Let us first cover the people who are having total income less than Rs. 7200 per annum. Afterwards, we can consider it.

#### British Draft of Extradition Treaty

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\*64. **SHRI SHARAD DIGHE :**  
**SHRI YASHWANTRAO**  
**GADAKH PATIL :**

Will the Minister of **EXTERNAL AFFAIRS** be pleased to state :

(a) whether it is a fact that the British Government have now submitted to Government of India a draft extradition treaty ;

(b) if so, the details of the draft and the position of Government of India thereon ; and

(c) when the final draft is likely to be hammered out ?

**THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) :** (a) In the first round of official level discussions between UK and India held in January 1986, the Indian side presented to the UK

side a comprehensive draft Extradition Treaty. The UK authorities have, just prior to the second round of discussions between officials of the two countries held in London in October, 1986, presented to the Indian authorities their own draft in response to the Indian version of the Treaty.

(b) and (c) Both the drafts were discussed during the meeting in London. Certain basic differences have emerged on the question of determination of jurisdiction, nature of offences and safeguards available to the offenders. These aspects are under examination of the concerned authorities and no final conclusions have yet emerged.

**SHRI SHARAD DIGHE :** In clause (b) of my question I asked that the details of drafts may be given. That has not been replied to at all in the answer which has been given by the hon. Minister. Therefore, I would like to know whether the draft of the British Government insists that India will have to establish a *prima facie* case before extradition proceedings can begin and that the offenders also try to avoid extradition by pleading that they could not get a fair trial in this country.

**SHRI K. NATWAR SINGH :** Sir, there are basic differences between our draft and their draft. We have not come to any conclusion. If I were to give you the details. . . .

**SHRI SHARAD DIGHE :** I am asking about their draft.

**SHRI K. NATWAR SINGH :** I have heard you. I understand this language fairly well. What I am trying to say is that these discussions are continuing. They have given us a draft. They have not made their draft public and we have not made our draft public. That is why I am unable to give details. We have had discussions before and we are continuing our discussions. We do not agree with what they have said. We feel that what they offered is not sufficient to meet the situation.

**SHRI SHARAD DIGHE :** My second supplementary is this. Are you going to