

nounced in the credit policy for the first half of 1989-90 are mainly designed to moderate liquidity growth and ensure need based availability of credit, rationalise further Cash Reserve Ratio and to introduce new instruments for greater flexibility and efficiency in banking operations."

[Translation]

Consequently, the traders are not able to encash their cheques and drafts on the same day in Kishangarhvas branch of the State Bank of Bikaner and Jaipur which is located in my constituency. The payment is not done for 2 - 3 days. They do not have a currency chest there. The Government has fixed 15 per cent cash Reserve Ratio in all the commercial banks. This directly affects the farmers as agricultural payments are not made in time. It adversely affects their financial position. Will the Government review this policy and ensure immediate encashment of cheques? Will the hon. Minister look into this matter so that hinderances are removed.

[English]

SHRI EDUARDO FALEIRO: The CRR nothing at all to do with the complaint of the hon. Member. I would like to say that as far as issue of draft is concerned, we have said that within 30 minutes drafts must be issued. We have said that cheques must be cashed immediately. If there are outstation cheques, usually, what used to be done was that the Manager of the bank used to say that he would find out if there were funds in the chest and then let him know. We have said that if the man is a customer and if he presents an out station cheque up to Rs. 2,500 then that must be paid across the counter. (Interruptions)

SHRI RAM SINGH YADAV: This was not there last year. This has been introduced this year. (Interruptions)

SHRI EDUARDO FALEIRO: I am just completing. If an outstation cheque is of more than Rs. 2,500 amount, then that must

be paid within fourteen days. If the bank takes more than fourteen days, the bank must pay interest to the customer to be credited to his savings account. It is not only this that we have done. We have asked all the banks to display prominently these rules so that the customers know these rules.

These are the instructions issued and the instructions are to be displayed in every branch. If there is any particular complaint, that can be enquired into. (Interruptions)

[Translation]

Loans Under Self-Employment Scheme in Uttar Pradesh

*692. SHRI AKHTAR HASAN: Will the Minister of FINANCE be pleased to state:

(a) the number of youths granted loans of rupees 25 thousand each so far in Uttar Pradesh under self-employment scheme:

(b) the percentage of youths out of them who have secured employment through it;

(c) whether there are complaints of heavy deduction by the Bank officials in granting such loans; and

(d) if so, the action taken by Government in this regard?

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). A statement is given below.

STATEMENT

(a) Under the Scheme for providing Self Employment to the Educated Unemployed Youth (SEEUY) introduced during the year 1983-84, initially a maximum amount of loan of Rs. 25,000/- could be sanctioned to an individual. The maximum amount of loan admissible under the Scheme was revised

from the year 1986-87 and was fixed at Rs. 3,000/- for industrial ventures, Rs. 25,000/- for service ventures and Rs. 15,000/- for business ventures. According to information available, during the period 1983-84 to 1987-88, loans amounting to Rs. 241.02 crores had been sanctioned under the scheme to 1.35 lac beneficiaries in Uttar Pradesh.

(b) Reserve Bank of India has reported that the information in the manner sought for is not available. However, a study conducted by Giri Institute of Development Studies, Lucknow in five selected districts of Uttar Pradesh showed that the units set up under SEEUY Scheme on an average generated full-time employment to 1.75 persons per unit.

(c) and (d). Complaints of any alleged corruption on the part of bank officials in granting loans are looked in and action as appropriate is taken in each case.

[Translation]

SHRI AKHTAR HASAN: Mr. Speaker, Sir, my specific question was how many educated unemployed have been granted loans of Rs. 25 thousand so far and the number of youths who have been deprived of this facility? It is reported that the actual beneficiaries are not getting the benefits. The hon. Minister has given a detailed reply. This is a very serious issue. The unemployed youths either commit suicide or become thieves and dacoits when they are taunted by their parents. My simple question related to the number of youths who have been granted Rs. 25 thousand as loan so far. What steps does the Government intend to take in this regard?

[English]

SHRI EDUARDO FALEIRO: Sir, according to the information that I have, at the moment, during the period 1983-84 to 1987-88, loans amounting to Rs. 241.02 crores have been sanctioned under this particular Scheme and this has been given to 1.35 lakh

beneficiaries in Uttar Pradesh. I would like to mention that we want this particular benefit of loan to be taken by the young people for their advantage.

We have instructed the Banks to increase their awareness campaign so that everybody knows that there is no need to bring in intermediaries to take advantage of this particular scheme.

[Translation]

SHRI AKHTAR HASAN: Mr. Speaker, Sir, the hon. Minister has not given a specific reply. My main question was related to the number of youths who have been granted loan of Rs. 25 thousand. He has stated that the Self Employment Scheme for the Educated Unemployed youth was introduced in 1983-84 and initially a maximum amount of loan of Rs. 25,000/- could be sanctioned to an individual. But the maximum loan admissible under this scheme was revised in the year 1986-97 and was fixed at Rs. 35,000/- for industrial ventures, Rs. 25,000/- for service ventures and Rs. 15,000/- for business ventures.

MR. SPEAKER: He thinks that all these loans are after all meant for educated unemployed youth.

SHRI AKHTAR HASAN: The second part of my question was regarding the heavy deductions made by bank officials while granting the loans. They swindle the Government as well as the public. In this connection, the Government should set up some Committee and look into the alleged corruption. I would like to know from the hon. Minister as to the number of corrupt officers against whom the Government has taken action or proposes to take action in the future. It is not possible to bring the deprived people here to prove as to who all have actually been benefited. Will the hon. Minister clarify whether the Government proposes to set up any enquiry committee which would not only help the youths in getting loans but also in checking the prevailing corruption.

[English]

SHRI EDUARDO FALEIRO: Sir, the Government proposes to set up an Advisory Committee at the State level for all the Banks and the Advisory Committee will mainly look into the implementation of the socially oriented schemes like anti-poverty scheme, self-employment scheme and similar schemes, under private sector. The Members of Parliament will be involved in this Committee and when formed.

[Translation]

SHRI GIRDHARI LAL VYAS: Mr. Speaker, Sir, the Self Employment Schemes have been prepared by the Hon. Prime Minister for the upliftment of the poor people and to make them stand on their own feet. But the hon. Minister of Finance and the hon. Minister of State for Finance have turned it into schemes meant only for the sons of the business class. It is only to enable them to earn interest that the loan of Rs. 35,000 is sanctioned. The bank officials take bribes from business class and provide loans of Rs. 35,000 under the Self-Employment Schemes to their sons. None of these people open any factories or take any other initiative. The loans are not available to the poor people and the entire amount is sanctioned to those people to enable them to earn interest on this amount. Will the Government conduct an enquiry into it and find out as to how much amount has actually been disbursed under Self-employment Schemes so far? How many people have opened factories and how many of them have not utilised this money at all? These people are only exploiting others with this money. The hon. Minister should also enlighten us about the per centage of the people belonging to the scheduled castes, Scheduled tribes and other backward classes who have got this benefit so far?

[English]

SHRI EDUARDO FALEIRO: Anybody who has been working at the grass-root level knows about the scheme which has been introduced by the late Prime Minister Smt. Indira Gandhi and now pursued by the present Prime Minister Shri Rajiv Gandhi. The Prime Minister is very dynamically and absolutely taking the interests of the weaker sections at heart. This scheme has benefited a lot of the weaker sections and we are making efforts in this direction. We also seek the cooperation of the hon. MPs in this regard.

[Translation]

SHRI GIRDHARI LAL VYAS: Kindly let us know about the per centage of the people belonging to the weaker sections who have got these loans.....(Interruptions)

[English]

SHRI EDUARDO FALEIRO: No specific case has been referred to..

(Interruptions)

[Translation]

SHRI GIRDHARI LAL VYAS: Mr. Speaker, Sir, we need your protection. The poor people are not getting the loan and the hon. Minister is not paying any attention in that direction. The rich people are being benefited. There is no provision for the poor ...(Interruptions)...

[English]

DR. KRUPASINDHU BHOI: I want to have certain clarifications from the Minister. I am not satisfied with his ejaculatory and volatile answer. Because two-three years back, Members of Parliament had a role to

play in the District Committees of DRDA financing scheme. But now under what circumstances in the Department of Banking that role has been withdrawn?

Hon. Members are now aggrieved. They are feeling aguish and sorrow that a Member of Parliament is a nobody in the decision making process in the District level Committees to award loans to the genuine people. Because Members of Parliament cannot do even this much favour to a person. He will be tortured later on.

For that reason the Hon. Minister while replying to the Budget discussion said that now a Member of Parliament will take an active role in all decision making processes particularly in the banking sector. While it was possible three years back, why now and who has withdrawn this?

SHRI EDUARDO FALEIRO: There was no such scheme at any point of time that Members of Parliament will decide on who should get the loans and who should not get them...*(Interruptions)*.. There was no such Committee. The Government has never formed such Committee and the Government does not intend to form Committees wherein the Members of Parliament will decide for whom the loans should be given. This is the work of the Banks and they will do it. But the advice of Members of Parliament and their supervision will be welcomed and therefore we are forming these Committees now. *(Interruptions)*

MR. SPEAKER: Not allowed. Sit down. You cannot speak without my permission.

SOME HON. MEMBERS: We want a half-an-hour's discussion on this subject Sir.

MR. SPEAKER: You have discussed it so many times. Next question. Shri V. Sobhanadreeswara Rao.

Settlement of Claims of Commercial Establishments Damaged During Riots in Andhra Pradesh

*695. SHRI V. SOBHANADREESWARA RAO: Will the Minister of FINANCE be pleased to state:

(a) the total number of insured commercial establishments damaged in riots/disturbances in some parts of Andhra Pradesh in the last week of December, 1988;

(b) the details of total damages assessed;

(c) the number of cases in which the claims have been settled;

(d) whether Government have issued instructions to the insurance companies to settle the claims without delay; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (e). A Statement is given below.

STATEMENT

(a) to (c). The total number of riot claims reported to the four subsidiaries of General Insurance Corporation of India in Andhra Pradesh so far is 1382. These claims include