

can the beneficiaries take advantage of the loans? The Blocks have enormous work. They should not be entrusted with the DRDA programme. The Director, DRDA, should take all care of the beneficiaries. May I know the reaction of the Government to this?

SHRI PRANAB MUKHERJEE : Sir, there is a little confusion. I would like to clarify on this.

So far as the IRDP is concerned, the concept is that the weakest of the weak will be identified. Therefore, in each block 600 families are to be identified. The total number of families to be identified in a year is 600. So far as the small and marginal farmers are concerned, they may come within the category of the weakest of the weak. Therefore, a situation actually cropped up that so far as the relatively affluent farmers are concerned, they can be taken care of by the normal commercial banks. So far as the weakest of the weak are concerned, they can be taken care of by the IRD Programme gradually, at the rate of 600 families per Block per year. But the small and marginal farmers scheme which was prevailing was abandoned. That is why, in the current year's budget we have introduced the scheme of Rs. 250 crores - Rs. 125 crores are to come from the Government of India and an equal amount is to come from the State Governments which will be earmarked for the small and marginal farmers' programme.

In regard to agency I do agree with the Hon. Member that agencies at the block level, at the sub-divisional level or taluka level or at the district level are to be strengthened not only to identify the beneficiaries and ensure disbursement of funds, but also to see that the schemes are implemented properly and the persons actually come above the poverty line.

Repayment of Loans Advanced by Banks under IRD Programme

*372. SHRI B.V. DESAI :

SHRI BALASAHEB VIKHE PATIL :

Will the Minister of FINANCE be pleased to state :

- (a) whether it is a fact that the Reserve Bank of India has expressed unhappiness over the present position of repayment of loans advanced by banks under Integrated Rural Development Programme;
- (b) whether the banks have expressed their anxiety that unless the repayment position improves, their liberal approach of not asking for security may have to be changed; and
- (c) if so, what steps Government propose to take to improve the position so that the progress now being made in the IRDP do not get set back?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Statement is laid on the Table of the House.

Statement

The data reporting system does not separately yield information relating to repayment of loans advanced by banks under Integrated Rural Development Programme. However, the Government and the RBI and the banks are concerned over the low recovery position of the banks dues. According to available information recovery position of Scheduled Commercial Banks viz-a-viz direct agricultural advances which includes IRDP advances is as under :—

(Amount in crores of Rupees)

Year	Total Demand	Amount recovered	Percentage of recovery to demand
June, 1979	1008	535	53.1
June, 1980	1265	660	52.1
June, 1981	1544	817	52.9

Government is taking all possible steps to ensure adequate availability of credit specially for anti-poverty programme like the IRDP. However, it is equally important that repayment of bank dues be ensured, so that funds available for lending can be effectively recycled and made available to more and more beneficiaries year after year. The health of the national economy in general and banking sector in particular is dependent on the recycling of funds. Government has been in touch with RBI, the banks and the States to ensure that all legal steps are taken to improve the recovery position, specially by taking stern action against the wilful defaulters. The objective has been to insist on recovery of bank dues without affecting continuing flow of credit to the weaker sections.

SHRI B.V. DESAI : Mr. Deputy Speaker, it is in a way in continuation of the previous question because it is concerned with IRDP.

In reply the Hon. Minister has stated that the Government and the RBI are concerned with the low recovery of the loans. This is the starting point to screw down the advances under IRDP. This is what I feel. The figures which have been given are percentage wise 52.53% recovery and the quantum is 1544, that is the highest in June, 1981. These two put together i.e. it is not only IRDP, it is direct agricultural advances which includes IRDP advances also. If bifurcation is made between the two, the IRDP portion recovery may go a little higher. But then the quantum will be so negligible and small that the Government of India need not worry that much for

recovery as much as for the biggest chunk of the public finances cornered by eleven higher families in this country. What I honestly feel is that the Government of India and the RBI should not grudge non-recovery or low recovery. I do not say that the recovery portion should be neglected, but stringent measures which are envisaged need not be taken because it is not advances towards the affluent people, it is an anti-poverty programme. Naturally they should be a little bit lenient and will the Hon. Minister assure that on no account this IRDP programme will be diluted ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : I am sorry I cannot agree with the idea propounded by the Hon. Member. Even IRDP is not a charity, it is anti-poverty programme. Resources are to be created. So far as the figure of June 1981 is concerned, definitely I do agree with that part of his contention that it does not reflect huge amount particularly connected with IRDP programme. I myself admitted that IRDP programme picked up a little later. About the concept of non-recovery, if we dilute our efforts in that direction a day will come when banks will be totally dried up and we cannot accept that position. So, there is no question of letting down the programme. As I have already made it quite clear in reply to earlier question that the resources will not be constrained to implement programme of IRDP vigorously, but at the same time we cannot encourage the idea that there should not be due emphasis on process of recovery.

SHRI B.V. DESAI : I entirely agree with the Hon. Minister that there need not be

any dilution so far as recovery is concerned because it is not charity. But nonetheless there is a shade of difference between the advances made to the affluent society and this anti poverty programme advances. On that account definitely in Tamilnadu some type of meetings etc have taken place and they try to see that re-cycling of such finances is done by recovery. You can convince the population and try to collect the dues which are there because in the villages and at block levels when it goes to the recovery question much depends upon the monsoons and whenever there is famine, naturally this IRDP recovery or any other recovery, they become nil.

Therefore, my request to the Hon. Minister as he suggested is that definitely the recovery portion should be strengthened but none-the-less it should be lenient. Will he agree to this and see that he makes a shade of difference between the recovery of affluent society loans and IRDP loans ?

SHRI PRANAB MUKHERJEE : Definitely, there is a difference. But the Hon. Member has failed to catch the point. Unfortunately, it is the situation, whatever be the state of affairs, even if it be a drought or flood or any natural-calamity, it is not the private money lenders' money that is being frozen—those who borrow from the private money lenders, being flood victims or drought victims, are in a position to return the money because the private money lenders do not spare them—but it is only the institutional finance either of the banks or cooperatives that becomes the worst-affected and gets frozen. We cannot accept that position.

I even tried to impress upon the Tamil Nadu Government about it. The Hon. Member will find that it is almost an amount Rs. 52 or Rs. 53 out of Rs. 100 which has not been recovered. We cannot accept that position. If out of every Rs. 100, Rs. 52 or Rs. 53 remain un-recovered, where will the money come from to plough it back and to cater to the needs of others ? We can appreciate re-phasing or re-scheduling of loans. But I am sorry to say that the demand immediately comes from the members, the representatives of people, to declare moratorium, wipe out bad debts or write them off.

This is the psychology we are creating in the country as a result of which it would be extremely difficult to meet the demand of the people for institutional finance.

SHRI K. MAAATHEVAR : Tamil Nadu is facing a very serious drought for the last two years. Is the Hon. Minister has correctly put it, so far as Tamil Nadu is concerned, Rs. 52 or Rs. 53 out of Rs. 100 have remained un-recovered and could not be paid by the farmers. The Tamil Nadu Government in the past also had given a promise to the people of Tamil Nadu that they would write off all the long-term loans which could not be recovered from small and marginal farmers. That is the reason why so many people could not repay. Now, the Central Government and the banks are taking serious steps to recover all these loans. I want to know from the Hon. Minister whether the Central Government has got any policy or plan to write off all the loans for the farmers holding below 5 acres of land, as promised by the Government of Tamil Nadu in the past. Is there any plan to write off all the loans because they are also sailing in the same boat. I want to know whether the Central Government has decided to write off all the loans, as requested by the Tamil Nadu Government.

SHRI PRANAB MUKHERJEE : As I mentioned, we have no desire to write off the loans.

PROF. N.G. RANGA : It may not be possible for the Government, this Government or the Tamil Nadu Government or any State Government, to write off loans from year to year. But whenever there is any natural calamity for one year or at the most two years, it should be possible for the farmers to get the loans re-scheduled so that during those two years they need not have to repay, but thereafter they would be expected to repay provided they get a good crop. Have the Government taken note of the suggestion being made from several quarters that there should not be a penal rate of interest and, if possible, there may be a moratorium so far as interest is concerned ?

SHRI PRANAB MUKHERJEE : I do agree with Prof. Ranga that whenever there

is a situation over which the individual borrowers, cultivators or farmers, have no control when the crops are damaged due to any natural calamity, definitely, in respect of those cases, we have to re-schedule or re-phase the loans and even provide concessions of interest.

There is no question of charging penal interest rate. All these points are taken note of. But I would like to emphasise that we should not create the kind of hope and expectation in the minds of the people that the moment something happens that Government would come and wipe off and write off. Let us talk of rephrasing. Let us talk of providing concession and create a situation in which they would be in a position to pay it, if not today, at least tomorrow or day after tomorrow. That is the atmosphere to be created.

SHRI BHOGEN德拉 JHA : I am not called.

MR. DEPUTY SPEAKER : I have not yet called you. I will call according to priority. You have to cooperate with the Chair. You will be called.

(Interruptions)

DR. SUBRAMANIAM SWAMY : Recently I saw the way the IRDP is being implemented in Uttar Pradesh.

The Scheduled Castes people are given 50% subsidy on the loan or the principal. In Lakhimpur-Kheri of Gonda district, they take Rs. 1000 - of which Rs. 500/- is subsidy. What is happening is the Government or the Police official catches hold of a Scheduled Caste man and tells him "Here are Rs. 100/-. Sign on the dotted line" He gets Rs., 100 then the official pockets Rs. 100/-.

I have written to the Minister about this matter. But he has not replied. May be the post is ineffective.

I would like to know from the Hon. Minister, therefore, whether there is any concrete mechanism to ensure that the loans meant for this programme actually reach the people for whom it is slated.

SHRI PRANAB MUKHERJEE : In reply to earlier question, I mentioned that this is the problem. We sometimes get such type of complaints actually. That is why it should be properly identified. Identification is the first step. At various Administrative levels, mainly the State Governments will have to come forward. It is not possible for us to do everything. Sometimes this type of operation may take place. But I do not think that this is the general problem.

DR. SUBRAMANIAM SWAMY : In the whole of Uttar Pradesh, it is a common malpractice.

SHRI PRANAB MUKHERJEE : I do not agree with this type of generalisation. This type of sweeping generalisation is not acceptable. But even when the Hon. Member referred to it, I do give credence to it and I do feel that some such cases might have come to his notice. In order to rectify such cases, apart from the existing arrangement as my colleague has already referred, I have written to the Chief Minister of each and every State to associate the representatives of the public who can oversee the work at the block level itself which is the pivotal point in this case so that they can also detect.

Such type of cases. It is not possible to control 39-40,000 branches spread all over 5,000 blocks, from one place or from one point. This is a job which has to be done at the decentralised level. Panchayats, local representatives and social workers are to be involved so that the programme will be implemented smoothly. I have suggested the Committees. If the Chief Ministers appoint those Committees at the block level, the Committees can oversee and rectify the type of distortion which the Hon. Member referred to.

श्रीमती ऊषा प्रकाश चौधरी : उपाध्यक्ष महादय, जिस प्रकार मन्त्री महोदय को रिजर्व

बैंक का ऋण वसूल करने की फिक्क है, उसी प्रकार आपको लोनिंग करने में घोरण को बदलने पर विचार करना पड़ेगा। बीस सूत्री कार्यक्रम को हम सफल बनाना चाहते हैं, उसी के साथ अर्बन बैंक, जो जिलों और देहातों में काम करते हैं, उनके लिए क्या आपने कुछ नए आदेश दिए हैं या कोई नया प्रोग्राम बनाया है या नहीं? मैं आपको रिजर्व बैंक की लोनिंग के बारे में जो घोरण है, उसके बारे में बताना चाहती हूँ। मैं भी एक महिला अर्बन बैंक की अध्यक्ष हूँ हमारे पञ्जवाहर लाल नेहरू चाहते थे कि कोऑपरेटिव मूवमेन्ट गरीब जनता और अपेक्षित-दलितों के बीच होना चाहिये, लेकिन रिजर्व बैंक की नीति उस के विपरीत है। रिजर्व बैंक की नीति और हमारे आर्थिक परिवर्तन की नीति में कोई तालमेल नहीं है। रिजर्व बैंक की जो जमागत की पालिसी है या कोऑपरेटिव बैंक को चलाने का जो डाइरेक्टिवा है, उस पर कोई निर्वन्ध होना चाहिये। इसलिए मैं सरकार से जानना चाहती हूँ कि आप उन की नीति में कोई परिवर्तन लाना चाहते हैं या नहीं?

SHRI PRANAB MUKHERJEE : One point I would like to clarify is this. Sometimes this type of complaints, we get. Generally when these policies are worked out, it is not that the Reserve Bank does it in isolation; the Reserve Bank consults the Government of India and the whole thing is placed within the framework of the branch expansion and expanding the coverage by various types of financial institutions, commercial banks, regional rural banks, cooperative banks. One of the aspects we shall have to take into account is that too much of concentration of these banks and institutions does not take place. About the particular problem which the Hon. Lady Member has referred to—and she also wrote to me—I am looking into it.

SHRI SUNIL MAITRA : Whatever

Dr. Subramaniam Swamy has said about U.P. is correct. (*Interruptions*)

SHRI RAMAVATAR SHASTRI : Mr. Bhogendra Jha also should be given a chance to ask a question.

MR. DEPUTY SPEAKER : I have noted the names. I am calling one by one...

SHRI RAMAVATAR SHASTRI : He should also be given a chance.

MR. DEPUTY SPEAKER : This is not the way. I will go to the next Question. Then you will see. I have already said that I have noted the names and I am calling one by one. Do not dictate to me. Your colleague is putting a question. Let him put his question.

(*Interruptions*)

SHRI SUNIL MAITRA : Is the Hon. Minister aware that one of the highest placed officials of the Union of India has already conducted an insurvey which says that more than 50 per cent of such money sanctioned for the weakest of the weak does not reach that population for which it is meant and if so, will the Minister assure the House that remedial measures will be taken to see to it that this money reaches the people for whom it is meant?

SHRI PRANAB MUKHERJEE : So far as the study by one of the highest placed officials which the Hon. Member referred to is concerned, I have not come across any such study. I have already, in reply to a supplementary, said that some cases of this type of misuse have come to my notice and in order to prevent that, apart from the existing institutions and arrangements, I have thought of involving the people's representatives at the lowest level to oversee all these things.

MR. DEPUTY SPEAKER : Shri Bhogendra Jha : Congratulations to you. I have conceded your demand as a trade unionist.

SHRI BHOGENDRA JHA : Sir, in the statement that the Minister has made he has told about the recovery of the amount. But, what part of this recovery is the subsidy money given by the Government and what part is actually from the debtors.

(b) We have pointed out at least three dozen specific cases roughly from one district of Madhubani where loans were never advanced to the poor harijan debtors but notices for the instalment payments were made along with the interest to the debtors who are the poor harijans. What action has been taken against the officers who should account for these instalments.

(c) It is one thing that the debtors receive the money. But, I want to know whether, throughout the country, that money was utilised for the purpose for which it is meant. I want to know whether the Minister can ensure this at least in a few districts so that the wealth of the area grows through the productive endeavours and it is not spent for consumption and other things.

SHRI PRANAB MUKHERJEE : Sir, so far as the first part of his question is concerned, in the main statement, it has been pointed out that it is not possible to segregate these things from the IRDP. Therefore, so far as the subsidy scheme is concerned, it a part of that programme. If I cannot segregate the advances made under the IRDP, I cannot segregate the recovery made on the subsidies. Simply it is not possible.

His second point is in regard to the complaints. I have also received some complaints from the Hon. Member himself. I have already directed the Department to look into these. If the complaints are substantiated, then definitely, action will be taken. But, there is a procedure. Even, as a Minister, I cannot over step it. And, if I over step the procedure, you yourself will catch hold of me. Some times complaints come from the M.Ps. I can follow the same rigmarole procedure. I am sorry for repeating it. Today my control over the

banks is a little less than that of the Unions. Even the officers, at their level, cannot transfer a simple casual worker.

DR. SUBRAMANIAM SWAMY : The Minister himself says that he has a little less control than the trade unions.

SHRI PRANAB MUKHERJEE : I am telling this. That is why I am seeking his cooperation. There is a very powerful trade union. What the Hon. Member has suggested is this.

This is one of the finer projects with the IRDP. IRDP has already taken it up as a national programme and, all over, 5,000 blocks in the whole country have been identified. This is an integrated rural development programme. It was asked whether this may be tried in one area an experiment, through a pilot project; this is a suggestion for action. It can be considered. I will have a discussion with the Planning Commission.

MR. DEPUTY SPEAKER : Next question. We have taken more than 35 minutes on this. I have given chances to all. Please cooperate. We have spent half-an-hour on this question. I have gone over to the next question. Q. No. 373.

Development of Tourist Spots in Kanyakumari Distt.

*373. **SHRI N. DENNIS :** Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether there are proposals under the consideration of Central Government to develop important spots in Kanyakumari District in Tamil Nadu as a tourist attraction; and

(b) the details of the co-operation offered by Tamil Nadu Government in this regard ?