

where border trade can flourish and I want to know if a study of the areas and commodities has been made.

SHRI P.A. SANGMA : As I have said in the beginning four rounds of talks have already taken place between China and India, but I do not know if an attempt to identify the area and commodities has been made.

DR. SUBRAMANIAM SWAMY : Which are those ?

SHRI P.A. SANGMA : I am sorry that I do not have the details of these four rounds of talks. The question arises out of the fourth delegation. They have made a study and identified the items that can be exported from China to India and vice versa.

DR. SUBRAMANIAM SWAMY : What are those commodities ?

SHRI P.A. SANGMA : Steel wires, sheet glass, asbestos sheets, wire ropes, industrial control equipment, industrial equipment, combined plants for cement, these are the items identified from our side for export. From their side edible oil, vegetable oil, pharmaceutical products, coking coal, raw silk, zinc, lead, paper pulp and other items are identified.

About border trade, I do not think that we have discussed it at that level. But when we go for the next talks we will certainly keep this in mind.

MR. SPEAKER : Mr. Swamy, he wants to export you.

SHRI SATYASADHAN CHAKRABORTY : I was about to ask, if we export Mr. Swamy what will we get ?

DR. SUBRAMANIAM SWAMY : Are you short of Maos ?

(Interruptions)

SHRI KRISHNA CHANDRA HALDER : I want to know from the hon. Minister, as he has said that in the year 1981-82 Rs.130 crores of trade was done between India and China, what are those items which were exported from India to China and whether any item was imported from China. I would like to know the names of the items and the value of those items. Another question I wanted to put, but it has been asked by Mr. Swamy, already.

MR. SPEAKER : One is enough.

SHRI KRISHNA CHANDRA HALDER : DO you expect that the fifth round of talks between India and China at the Secretaries level will be held soon and whether we will be able to reach an agreement—trade agreement—with China ?

SHRI P.A. SANGMA : Now, the main item of export from India so far has been tobacco. That is our main product. Raw cotton, iron ore, some minerals and sugar, these are also exported to china. Imports from China consist of chemicals and allied products, ancillary machinery and scientific equipment, etc.

As far as the talks are concerned, a convenient date is awaited from their side.

Payment of Instalments of Bank Loans by Small Borrowers

*195. SHRI GIRIDHAR GOMANGO: Will the Minister of *Finance* be pleased to state :

(a) whether the instalments of bank loans are regularly being paid by the small loan borrowers than the other particularly in rural areas of the country ;

(b) the reasons for delay in payment by the big borrowers, if any ;

(c) whether due to non-payment of instalments by small number of big

borrowers, the weaker sections of the society are being deprived of the loans from the bank under different rural development schemes ; and

(d) if so, the steps taken by his Ministry to collect the instalments from the big borrowers and the agencies for collection of the loans proposed by Government on the line of cooperative banks ?

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

Statement

(a) and (b) The banks do not maintain separate recovery performance data for small borrowers. However, the advances made to small borrowers in agricultural as well as in industrial sector come within the category of priority sector advances. According to provisional data as at the end of June, 1983, the share of priority sector in advances was 37.6% and on the same date its share in overdues was 57.23%. The borrowers, both big and small, do not always make wilful default ; many times it may be due to reasons like industrial sickness, setback in production on account of unforeseen circumstances, business disputes etc.

(c) and (d) The Government has taken necessary steps to ensure the availability of bank loans to small borrowers. Specific targets have been laid down under various schemes being implemented for the benefit of weaker sections like Integrated Rural Development Programme, Differential Rate of Interest Scheme, Scheme for providing Self-Employment to Educated Unemployed Youth, etc. The progress of financing under these schemes is regularly reviewed and monitored by the Government. The banks have, time and again, been asked to take effective measures for improving the recovery of outstand-

ing dues. In those cases where normal recovery methods do not yield satisfactory results, the banks also take recourse to legal action. The recovery performance of various credit institutions in agricultural sector is regularly reviewed at the national level.

SHRI GIRIDHAR GOMANGO : I would like to know whether they have got recovery record of the small borrowers, because I know that they have got recovery record of the big borrowers. Instead of taking legal action, what are the other measures which the Government proposes to take to recover loan from big and small borrowers and to create an awareness among the people to repay loan, willingly ? Is it a fact that due to non-payment of loan to the big borrowers, the payment of loan to the small borrowers is being hampered ?

SHRI JANARDHANA POOJARY : At the outset, I want to make it very clear that we are meeting the requirement of the weaker section. So far as programmes relating to weaker sections are concerned, there is no hurdle and we are meeting the requirements of various schemes fully. So far as dues from big units are concerned, we are monitoring it. Supervision is done and corrective action is also being taken to see that the loan is re-paid. We are taking from time to time legal action against the people who are not paying the dues. So far as weaker sections are concerned, I myself monitor it by going to the villages and also by educating the people. That is why, public functions are being held where 10,000 to 15,000 people are gathered. We are telling them to repay the loan and make use of it.

SHRI GIRIDHAR GOMANGO : There is a confusion that if small borrowers get loan below Rs.5000, there is no need of security. Has the RBI or the Government issued any guidelines to the nationalised banks to provide loan below Rs 5000/—without any security ?

What is the number of schemes which have been initiated by the Government? Will they give priority to small borrowers as is mentioned in the Statement? Has the RBI given instructions to the Banks and whether the banks have correctly interpreted the scheme before its implementation?

SHRI JANARDHANA POOJARY :
A very pertinent question has been raised by the hon. Member. It is the burning point today. For a loan of Rs.5000/-for productive purposes no surety or security should be asked for. Only the assets created out of the loan will be the security.

The instructions have been issued since 1981 and even the Reserve Bank of India has issued comprehensive instructions but these are not being implemented. When I tour various parts of the country and tell the bank people that these guidelines should be implemented, they rather become angry and say that I am giving provocative speeches. In fact, these are not provocative speeches, I am bringing it to the notice of the bank people throughout the country to implement the guidelines. The hon. Members have been asking me whether we are educating the people. The Finance Minister is on record to say that these guidelines should be implemented properly. That is why as his colleague I am moving from place to place and asking the bank people to implement the guidelines.

Allegations have been made both inside and outside the Parliament, that provocative speeches are made by me. I can only say that practically there is no such thing. I am only asking them for implementation, I am not making any provocative speeches. That is what to to make clear.

SHRI RASE BEHARI BEHERA : Sir, I would like to know from the hon. Minister whether the Government have made any review or have formed any special committee to review the extent of

benefits made available to the poor people through banks and to ensure the availability of bank loans to small borrowers?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) :
There is no such thing as a special committee. As the hon. Members know, there are various schemes to identify the beneficiaries and this identification of beneficiaries, either in IRDP or under DRI scheme or under other schemes, is mainly being done by the State administration through their local administrative units. But in order to involve the public persons, I wrote to the Chief Ministers to appoint certain committees consisting of the representatives of the Legislature and other social workers at the Block level so that they can also oversee. Some State Governments have done it, some have not yet done it, but it was not any direction to the State Government, it was my request to the Chief Ministers.

SHRI ERA ANBARASU : Sir, before coming to the point, I would like to congratulate Mr. Janardhana Poojary and, in fact, the entire Finance Ministry headed by Pranab Kumar Ji. After all, the alleviation of poverty is a national programme. As a committed soldier, I find him moving through the entire country in this nation-building task. He really deserves appreciation for that. But still I find the loans are not sanctioned properly in time by the various Branch Managers. When I meet the Branch Managers and discuss with them, they say that they are penalised if the loans, specially the loans, under DRI Scheme, are not realised. In fact, I was informed that disciplinary actions are initiated against them and even their promotion avenues are stopped. So, if such actions are taken against the Branch Managers, then definitely there will be enormous delay in implementing such schemes. Therefore, I request the hon Minister to assure this august House that disciplinary proceedings will not be initiated against such Managers even if the realisation of the

loans, specially of the loans advanced to the weaker sections, is belated.

SHRI PRANAB MUKHERJEE : I can appreciate that the realisation or recovery is delayed but surely I think the House will agree with me that it would not be appreciated if the recovery is not at all made because, after all, it is the people's money and if the money is not recycled, definitely it would not be possible for the banks to provide assistance to the needy.

Unfortunately, we have gone a little away from the main thrust of the question, that the recovery is very low and, as a result of the low recovery in one state—I would not mention the name of the State—we do not get...

SHRI SUBHASH CHANDRA BOSE ALLURI : Why don't you mention it ?

SHRI PRANAB MUKHERJEE : No, I am not mentioning it.

AN HON. MEMBER : West Bengal ?

PROF. MADHU DANDAVATE : Is it a State on the border of Assam ?

SHRI PRANAB MUKHERJEE : As a result of it, we did not get World Bank assistance to start one major agricultural programme ; because, they have a Yardstick that the recovery should be at least 50 per cent. You would appreciate that what I am trying to point out is that the bank people should exercise their judicious mind, they should be careful to see that the programmes are being implemented. At the same time, it cannot be simply one way traffic. Advances have to be made promptly, proper persons have to be identified and viable schemes have to be started. At the same time, necessary measures have to be taken to recover the money so that ultimately the resources of the bank are not drained off.

PROF. RUP CHAND PAL : I have a question relating to loans. As has been

stated, the progress of schemes under the IRD, TRYSEM etc. are regularly and duly monitored by the Government. May I know how much money has been advanced as loan under the scheme of self-employment for uneducated youth ? In the background of that, I may say that serious complaints have been made that in the name of self-employment for educated youth, loans are being sanctioned to people mostly on political considerations(Interruptions).

SHRI SUBHASH CHANDRA BOSE ALLURI : The cat is out of the bag.

PROF. RUP CHAND PAL :.. the bank officials are harassed and that one bank official has died as a result of pressure.

SHRI PRANAB MUKHERJEE : First of all, I would like to make it clear that the exact amount so far sanctioned for self-employment of educated youth is Rs. 401 crores and the total number of beneficiaries to be assisted is Rs. 2.5 lakhs, I do get complaints about it, particularly, I notice, from the State which the hon. Member represents. Here I would suggest, let us not inject politics into it. In the scheme of self-employment, where there is an element of subsidy, the target number of beneficiaries is 2.5 lakhs, and they have been identified. The scheme is operated through the District Industries Centres which, as the hon. Member is well aware, comes under the administrative control of the State Government. If we have some problem of finance there, we have to resolve it. I have found that many of the schemes which are coming are not bankable schemes at all. Further, the DICs do not have the expertise to scrutinise that type of schemes. Therefore, it was suggested that the schemes which are being recommended by the DICs should go through a group of bankers, consisting of the lead bank representative. I can assure you that there is no political consideration. Regarding the particular incident which the hon. Member referred to, we had a detailed discussion on the floor of the other House and I explained the position. It is just a

criminal act and we are sorry for it that one precious life is lost. But it has nothing to do with the scheme or the implementation of the programme by the banks.

A.P. Government suggestions to solve tobacco growers problems

*199. SHRI SUBHASH CHANDRA BOSE ALLURI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government of Andhra Pradesh had suggested certain long-term measures to solve the problems being faced by the tobacco growers of Andhra Pradesh; and

(b) if so, the details of the proposals suggested and the action taken by the Central Government thereon ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b) A statement is laid on the Table of the House.

Statement

(a) and (b) The Andhra Pradesh State Government had inter alia suggested setting up of an organisation in the Central sector to purchase VFC tobacco particularly from primary growers; channelising of tobacco export through STC; notifying total quantity of tobacco to be exported before commencement of the season and for introduction of auctions for sale of VFC tobacco in Andhra Pradesh from 1985 season and strengthening of Tobacco Board for the purpose.

A working Group was constituted by the Ministry of Commerce for formulation of a comprehensive tobacco policy. It was required to consider all aspects of the problems relating to the supply and demand for virginia tobacco and recommend specific measures to bring about a better balance between demand and supply. The Working Group has since submitted its report. The report has an-

alysed the imbalance and weaknesses of the tobacco market and recommended a comprehensive remedial approach consisting of different elements, which include effective consultative mechanism, introduction of auction system to cover all the tobacco growing areas in stages, traditional as well as non-traditional, market intervention through a stabilising agency; more effective production regulation, market promotion, strengthening of the domestic demand base, a massive extension effort to be undertaken by the Tobacco Board and suitable strengthening of the Tobacco Board to enable it to undertake enlarged function.

Action has already been initiated on the various recommendations of the Working Group.

SHRI SUBHASH CHANDRA BOSE ALLURI : I am happy to note from the Statement that a working group has been constituted by the Ministry of Commerce and action has been initiated on the various recommendations. But, Sir, recommendations have not been given in this Statement. I would like to ask the Hon. Minister whether this Tobacco Board is having sufficient funds to have their warehouses to purchase and stock it and then export it ?

MR. SPEAKER : Alluri Ji, question Hour is over.

(Interruptions)

SHRI SUBHASH CHANDRA BOSE ALLURI : That is all right, but I have been called. When you have called me, not even one question was replied. So, let the Hon. Minister reply.

MR. SPEAKER : No, he can't after the time is over.

SHRI SUBHASH CHANDRA BOSE ALLURI : Then you should not have called me, Sir. When I am asking the question, he should be allowed to reply.

MR. SPEAKER : When the time is over, he can't. This is not in my power.