

MR. SPEAKER : The consensus on this is that you have to enquire whether the rules were contravened, whether he could do it or anybody else could do it, if nobody else could do it, then how he could do it, then take appropriate action and then come before the House.

**Opening of Branches of Lead Banks in
Community Development Block
Headquarters**

*843. **PROF. NARAIN CHAND PARASHAR :** Will the Minister of FINANCE be pleased to state :

(a) whether Government have a proposal for opening atleast one Branch of Lead Bank of District at each of C.D. Block Headquarters, so as to ensure successful implementation of 20 Point Programme is general and IRD, NREP. and self-employment to unemployed young Matriculates in particular;

(b) if so, whether Reserve Bank of India proposes to initiate immediate steps in this regard and ensure that all Block Headquarters in a District have District Lead banks branches within 1984-85, before launching Seventh Five Year Plan;

(c) if not, whether Reserve Bank would accept responsibility for making "Block level Planning" and its implementation a success and ensure that Lead Banks are made primarily responsible for supply of credit to those identified as eligible for getting loans for each C.D. Block in Seventh Five Year Plan; and

(d) if so, nature of strategy evolved in this regard ?

**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

The main role of Lead Banks relates to the formulation and implementation of District Credit Planes/Annual Action

Plans for development of the districts in their charge and by co-ordinating efforts of financial institutions and Government functionaries in the district.

All the financial institutions operating in the district participate in various developmental programmes including the 20-Points Programme. Lead Banks are not solely responsible for supply of credit for these programmes; which responsibility is shared by all banks in the district including Co-operative Banks and Regional Rural Banks on a mutually agreed basis.

It is not considered necessary that the concerned lead banks should have offices at all the block headquarters. However, keeping in view the pivotal nature of block headquarters, in schemes of developmental administration, it is being ensured that as far as possible banking facilities are made available at all the block headquarters.

District Credit Plan is a document in which the credit requirements for implementation of various schemes under the free main sectors viz., Agriculture & Allied Activities, Industries and Tertiary Sectors are assessed. It consists of technically feasible and economically viable schemes for financing production and investment by banks within the present and proposed infrastructural and other facilities. The total credit outlay in the District Credit Plan is disaggregated blockwise and indicated in the Plan. Within the existing limitations, District Credit Plans give due emphasis to blockwise planning in accordance with the objectives of the National Plan.

PROF. NARAIN CHAND PARASHAR : Sir, from the statement it appears that the spirit of the question has not been taken into account. The District Credit Plan is prepared by the Lead Bank of the district in consultation with other banks and other district authorities. The point that I wanted to emphasise is that since we are in the process of accepting and launching the Block level planning, it is important that the banks play a key role in this process. For the successful implementation of the various programmes it is necessary that the lead banks should

have branches at the block headquarters and they should be the lead banks of the districts. To give an example, I will quote Kinnaur, where the lead bank is Punjab National Bank, which has only two branches while another bank has more than five branches. In such a situation, there is some sort of discrepancy and the lead bank cannot play its effective role. For this purpose, would the Minister ensure that the proposal is considered in right earnest and the lead bank is given a dominant role, not only by having a branch in the district headquarters but also in the CD block headquarters ?

SHRI JANARDHANA POOJARY : The role of the lead bank has been clearly defined in the main reply itself. It has to formulate and implement the district credit plan and also the annual action plan. The main responsibility for the supply of credit to the development programmes is not only that of the lead bank but also of the other banks in the district. This responsibility has to be shared by all the banks situated in the district. They have to play their role effectively. If there is any deficiency, it will definitely be taken note of.

PROF. NARAIN CHAND PARASHAR : Again it is not clear from the reply as to what is the role of the lead bank in the district. If what bank does not have any branch in the block but only a branch at the block headquarters and certain banks do not co-operate with it, how can it function ? Is it not fair that the lead bank may be given the primary responsibility by streamlining the process by allotting at least one branch at the district headquarters and in all the blocks so that it will be the lead bank of the district so that the primary responsibility of co-ordination and implementation is pinpointed and focussed ?

SHRI JANARDHANA POOJARY : If there are no branches, as per the Branch Licensing Policy, these centres will be identified by the District Consultative Committee, in consultation with the State Government. The Branch Licensing Policy is implemented by the Reserve Bank of India, in consultation with the State

Government. As per the Branch Licensing Policy, such centres are identified by the State Government, and the State Government will make recommendation to the Reserve Bank. If there are any centres which are unbanked, it will be taken into consideration by the District Consultative Committee. So far as the role to be played by the lead bank is concerned, if there are any deficiencies in the functioning of the banks, if the banks are not functioning effectively, this fact will be noted and brought to their notice by the lead bank. If there is any specific instance where any deficiency is found, if it is brought to our notice, proper action would be taken.

SHRI JAMILUR RAHMAN : So far as the question of credit by the banks at the block level is concerned, much has been said in this session, be it under the IRDP, NREP, self-employment of Educated Youth or the 20-Point Programme of the Prime Minister. But the target has not been fully realised. For this purpose the Government took a decision that Advisory Committees at the Block level should be formed. I would like to know whether such committees have been formed at the block level to advise on the working of IRDP, NREP, self-employment of Educated Youth etc. and, if not, why and by what time that will be done.

SHRI JANARDHANA POOJARY : So far as the implementation of the IRDP is concerned, in 1982-83, the banks, including the co-operative banks, have been able to give credit to the tune of Rs. 714 crores. That means we have crossed the target of Rs. 600 crores. So far as the implementation of the P.M. educated unemployed programme is concerned, its time has been extended upto 15th August, 1984. It is hoped that it will be implemented effectively.

So far as the Advisory Committees are concerned, the Hon. Finance Minister, has written to the State Governments to set up Advisory Committees. The Advisory Committees have been formed in a number of States. If there are any States which have not been able to form these Committees, it would be brought to our notice.

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : Here, I would like to add just one point. I cannot appoint the Advisory Committees. It is the State Governments which have to appoint them. I have written to the Chief Ministers. I have reminded them also. Some of them have already initiated action, but some of them have also said that they are not going to establish them.

श्री गिरधारी लाल व्यास : अध्यक्ष महोदय, मैं जानना चाहता हूँ कि डिस्ट्रिक्ट इंडस्ट्रीज सेन्टर्स की तरफ से जो एजूकेटेड यूथ को रोजगार योजना चालू करने के लिए लोन्स रिकमेंड किए जाते हैं उनमें इनके बैंकों की तरफ से टाला जाता है, समय पर पैसा नहीं दिया जाता है, और फिर बाद में पैसा देते हैं। तो क्या यह सही है कि जिन बैंकों को यह काम सुपुर्व किया है उन बैंकों ने इस योजना के तहत जो लोन रिकमेंड किया गया वह सारा दे दिया है, या कितना परसेंट दिया है ?

अभी मंत्री जी ने बताया कि ब्लॉक लेविल पर एडवाइजरी कमेटी बनाना स्टेट गवर्नमेंट का काम है। अगर ब्लॉक लेविल की कमेटी सुपरवाइज नहीं कर सकती जब तक आप डिस्ट्रिक्ट लेविल की कमेटी न बनायें तब तक यह योजना ठीक प्रकार से नहीं चल सकती। इसलिए क्या डिस्ट्रिक्ट लेविल पर इस प्रकार की एडवाइजरी कमेटी बनायेंगे जो इन बैंकों के ऊपर निगरानी रखे कि लोगों को ठीक प्रकार से कर्ज उपलब्ध करा रहे हैं कि नहीं ?

अध्यक्ष महोदय : यह भी स्टेट गवर्नमेंट ही बनाएगी न।

श्री गिरधारी लाल व्यास : यह पहले निर्णय तो लें।

अध्यक्ष जी, पहले वाले प्रश्न का जबाब नहीं आया ?

MR. SPEAKER : This whole thing the State Government will have to do.

श्री गिरधारी लाल व्यास : अगर इन्होंने निर्णय ही नहीं लिया तो कैसे काम चलेगा ?

MR. SPEAKER : They can do it. That is what he says.

SHRI RIZAQ RAM : Sir, I want to know from the Hon. Minister whether a representative of the lead bank as also of the bank advancing the credit are Members of the Committee recommending or identifying the persons eligible for taking loans ? I would also like to know whether it is a fact that after decisions are taken in consultation with the representatives of the lead bank, as also of the banks advancing credit, the bank advancing the credit rejects the applications of those persons held eligible ? I would like to know whether such complaints have come to the notice of the Hon. Minister. If so, whether the Hon. Minister is going to issue directions that the banks should not reject the applications of those persons who have been held eligible at the meeting wherein they have themselves participated. Through you I would like to ask the Hon. Minister whether it is a fact that branch level where the credit is to be advanced unfair means are being adopted and even the persons who have been found eligible for getting the loans, if they refuse to satisfy the bank employees, their applications are rejected ? If such complaints have come to the notice of the Minister, what remedies have been taken against these ?

SHRI PRANAB MUKHERJEE : Perhaps the Hon. Member has in mind the self-employment scheme at the DIC. It is true that it has come to our notice that in certain cases the recommendations made by the Advisory Committee attached to the DIC where the representative of the lead bank was also present, were not complied with by some of the bank branches. And this problem was discussed by me in the presence of the Minister of Industry and the Chief Executives of the nationalised banks. There a decision was taken because one point we shall have to keep in mind is

that these are loans. The assistance is to be provided to each project and the project must stand the test of the scrutiny from viability angle. And if the viability examination is being made by some non-expert, naturally, simply the banks cannot lend money to it. Thereafter it was decided that after the schemes being scrutinised by DIC at the appropriate level, a small Committee consisting of the financial experts representing the various financial institutions and others working in the area, about three or four, will make a quick appraisal and after that these proposals will be sent to the respective banks so that, thereafter the rejections at the branch level are minimised. This decision has been taken. Secondly, we shall have to keep in mind that in our system the moment you fix a target date that you will have to complete so many number of cases within such specific period, immediately the tendency is to reach that target artificially without going into the details of the merit of the scheme and examining it. Therefore, I told them that we want to help the persons. The target is 2,50,000 and if you want to extend the assistance to these 2,50,000 or 3,00,000 persons, it need not necessarily be done within 31st March. You start the scheme from 15th of August. then you say, within 31st March all over the country the bank branches spreading over 45,000 will have to do it and if you fix it in such a tight jacket, naturally it will appear that the scheme will not reach the objective.' So, I told them, 'you take the decision, you reach the target', but I extended the period up to 15th August which my hon. Colleague has already stated.

Non-revival of Permanent Secondment of Service Officers in DGI Organisation

*846 SHRI AJIT KUMAR SAHA : Will the Minister of DEFENCE be pleased to state :

(a) whether it is a fact that a decision has been taken to dispense with the Permanent Secondment of Service officers in the DGI Organisation and, if so, whether any Government letter has been issued to this effect;

(b) whether a similar decision was taken in the past in April, 1981 and the same was later reversed;

(c) whether a section of officers are in favour of retaining Permanent Secondment; and

(d) if so, how Government unit ensure non-revival of Permanent Secondment as it had happened in the past ?

THE MINISTER OF DEFENCE (SHRI R. VENKATARAMAN) : (a) and (b) No decision has been taken to dispense with the permanent secondment of Service Officers in the DGI Organisation. An interim decision was taken in April 1981 that pending cadre review and as a temporary expedient, no further Permanent Secondment of Service Officers in the DGI Organisation will be considered. As the above decision was only of a temporary nature, the instructions were withdrawn in March 1982.

(c) and (d) Does not arise in view of answers to (a) and (b) above.

SHRI AJIT KUMAR SAHA : Through you, Sir, I want to know from the hon. Minister whether a high level meeting was held on January 4, 1984, where the Defence Minister was the Chairman and the Defence Secretary, Secretary (Defence Production) and Joint Secretary and other officers were present at that meeting and where the Defence Minister has taken a decision on discontinuing the Permanent Secondment of Service officers in DGI organisation. I want to know whether it is a fact. If so, I want to know the details from the Minister.

SHRI R. VENKATARAMAN : I cannot disclose discussions with my officers.

(Interruptions)

SHRI AJIT KUMAR SAHA : If we cannot discuss anything, what is the use of asking this question ?

MR. SPEAKER : Certain things are not to be disclosed.