

MR. SPEAKER: That is only natural. This is unnatural.

Loans to Weaker Sections of Society

*188. SHRI K. PRADHANI: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that asking for guarantees and sureties in respect of loans of less than Rs. 5,000 has discouraged Scheduled Castes, Scheduled Tribes and other weaker sections of society who have not benefited properly so far as the question of disbursement of loans particularly in the villages is concerned;

(b) whether Government are also aware that even for taking small loans, people are asked to make frequent trips to banks' offices, fill up forms and affix photographs in spite of clear instructions that photographs should not be asked for from literate farmers; and

(c) the details regarding the steps being taken to increase the flow of credit to the Scheduled Castes and to remove the impediments in their getting it?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) to (c). A statement is laid on the Table of the House.

Statement

(a) The Government and the Reserve Bank of India have already initiated various steps to accelerate the flow of credit of weaker sections of society including those of Scheduled Castes and Scheduled Tribes. It is specifically provided that the loans upto Rs. 5000 for agricultural purposes should be given against the hypothecation of crops/moveable assets created out of the loan amount and that no guarantee should be stipulated for such loans. The commercial banks have also been advised to ensure that at least 50 per cent of

their total agricultural advances would go to the small and marginal farmers by the end of March, 1982. Recently, a review was made of the share of Scheduled Castes and Scheduled Tribes borrowers in the advances of public sector banks and they have been requested to take measures to ensure that the credit needs of this section of society are met in an increasing measure.

(b) and (c). Reserve Bank had issued instructions in March, 1979 that borrowers who were literate and were able to affix their signatures to the application forms should not be compulsorily required to attach a copy of their photograph. For illiterate borrowers since it was considered necessary that a photograph might be affixed, Reserve Bank had instructed that for loans upto Rs. 5000 to small and marginal farmers labourers, the banks should not only meet the cost but also make arrangements for taking of photographs. State Bank of India adopt this procedure for literate farmers also. Instructions have been issued that complaints in regard to delays in the sanctioning of loans should be dealt with promptly.

Some of the other steps being taken to increase the flow of credit to the small and marginal farmers including scheduled castes are enumerated below:

(i) Raising the target of banks lending of their aggregate credit to the beneficiaries of the 20-Point Procent to 40 per cent.

(ii) Banks evolving special schemes tailored to the requirements of the beneficiaries of the 20-Point Programmes.

(iii) Establishment of more Regional Rural Banks.

(iv) Adoption by banks of simplified application forms in regional languages as also of simplified lending procedures including relaxed security and margin norms in their lending to agriculture.

SHRI K. PRADHANI: May I know from the hon. Minister what percentage of the lending by banks is specifically set apart for scheduled castes and scheduled tribes, marginal farmers and artisans, and whether this target has been achieved so far; if not, what is the shortfall?

SHRI R. VENKATARAMAN: The banks have been advised that at least 50 per cent of the total agricultural advance should be to small and marginal farmers. As against this target, the achievement is somewhere about 38 per cent. We shall try to improve.

SHRI K. PRADHANI: In spite of so many steps taken by the Government to improve borrowings by the Scheduled Castes and Scheduled Tribes, there is still so much of shortfall. What are the main reasons for this shortfall?

SHRI R. VENKATARAMAN: Generally, even the applications are not sufficient. As far as possible, the banks try to meet the requirements. We find that, as a general rule, they do not come forward with worthwhile schemes. It is to be lent for schemes of agricultural development. There are not worthwhile schemes. We feel that we should also provide them with schemes and also provide them credit. That is the correct thing to do. Therefore, we shall try to help them in this direction.

PROF. N. G. RANGA: In view of the fact that in many cases these people are not able to provide enough or adequate security, have Government considered the possibility of advising the banks to accept collective security of groups of people, three or four or five, so that it would be possible for the banks to advance credit?

Secondly, may I know whether the Government would also advise these banks to have an advisory office where it would be possible for our small farmers to go and obtain advice in filling up the forms, in getting

all the preparatory work done, so that it would not be necessary for them to be visiting these offices again and again and go through the usual process, again, of greasing various palms?

SHRI R. VENKATARAMAN: So far as the security is concerned, we have already given instructions that in respect of loans upto Rs. 1000, a mere promisory note will do in respect of these people. They need not furnish any additional security. In respect of loans upto Rs. 5000, the provision now is that any asset created by the loan granted, namely, if they buy a pumping set or an electric motor or any other thing, that itself can be furnished as a security. Therefore, there is no additional security or surety required. These are the stipulations already given and, therefore, there is no need for a community security, as suggested by Prof. Ranga.

The second point is with regard to filling up the forms. We hold advisory committee meetings in every region. The problems of the region are discussed in the meeting. At the last meeting in the southern region, we looked at some of the forms. We now find that they have been considerably reduced. They are very simple now. The officers have been instructed to help the people, particularly, illiterate and poor people, to fill in these forms. We have taken considerable steps to reduce these formalities.

श्री रामावतार शास्त्री : अध्यक्ष जी, हमारे देश के पशुपालक किसान जिनकी संख्या करोड़ों की है उनकी गणना कमजोर वर्ग में होती है और सरकार के पास एक योजना है, जिसके अन्तर्गत उनको भैंस खरीदने के लिए बैंकों से कर्ज दिए जाते हैं। लेकिन मेरा, अपने सूबे और अपने इलाके, का अनुभव है कि इस मामले में बड़ी गड़बड़ी है। किसान भैंस खरीदने के वास्ते ऋण मांगने के लिए दौड़ते रहते हैं, लेकिन बैंक वाले उन्हें टरकाते और दौड़ते रहते हैं। मैं मंत्री महोदय से यह जानना चाहता हूँ

किं क्या उन्होंने बैंस खरीदकर दो, दूध ज्यादा-से-ज्यादा उत्पादित कर सके, इस बात को ध्यान में रखते हुए बैंस पालने वाले या जानवर पालने वाले किसानों को ठीक से ऋण मिल सके, इसकी कोई व्यवस्था की है या इस पर फिर विचार करने के लिए सरकार कुछ कार्यवाही करना चाहती है?

SHRI R. VENKATARAMAN: I thank the Hon. Member for giving me an opportunity to give some figures with regard to the priority sector, which is included in the question.

Now, apart from agriculture, we have arranged that loans shall be given for various items like dairy-farming, poultry, fisheries, cattle-rearing etc. I will give you a few figures relating to last year only. In respect of dairy-farming, up to September, 1978—for which I have the latest figures—412,000 accounts have been opened and Rs. 76.28 crores were given as loans; in respect of poultry, 74,000 accounts have been opened and Rs. 25.11 crores have been lent; in respect of fisheries 73,000 accounts have been opened and Rs. 26.84 crores have been furnished; in respect of others—unclassified items like cattle-rearing etc.—550,000 accounts have been opened and Rs. 71.2 crores have been furnished. But there is scope for improvement always; if further amounts are required, the banks are prepared to place them at their disposal.

श्री चतुर्भुज : अध्यक्ष महोदय, यह सर्व-विदित है कि इस प्रकार की व्यवस्था कम-जोर बगों को लाभ पहुंचाने के लिये है। लेकिन जो किसान दूर आंचल में बसते हैं उन को सामने सब से बड़ी कठिनाई यह है कि राष्ट्रीकृत बैंक 5-7 किलोमीटर की दूरी तक तो लोन दे देते हैं लेकिन जो 7 किलोमीटर से ज्यादा दूर आंचल में बसते हैं, उन को ऋण देने के लिये कोई संस्था नहीं है। इस के बारे में क्या कभी आपने बैंकों का ध्यान दिलाया है या निर्देश दिया है या देने की कोशिश करेंगे?

SHRI R. VENKATARAMAN: In order to help people living in rural areas spread over the country, we

have decided that every block will have one bank and every block headquarters will have one bank, and since the headquarters and banks are within ten kilometres, it is not very difficult for people to get loans.

श्री मूल चन्द्र शर्मा : अध्यक्ष महोदय, मैं जानना चाहता हूँ कि शेड्यूल्ड कास्ट्स और शेड्यूल्ड ट्राइब्स के लोगों के लिये कितने लोन की मांग का अन्दाजा है और उस में से कितना परसेन्ट लोन आप दे देते हैं?

दूसरी बात—जो लोग इल्लीटेटे हैं उन को फोटो लगाने का नियम बनाया है। फोटो पर कितना खर्चा होगा और लोन बांड को एक्जीक्यूट करने के लिये स्टाम्प ड्यूटी पर कितना खर्चा होगा? मेरी जानकारी है कि 1 हजार के लोन पर 20 रुपये का खर्चा उनको एक्सट्रा करना पड़ेगा। स्टाम्प ड्यूटी पर 5 रुपये 25 पैसे खर्च करना पड़ेगा, कहीं-कहीं यह खर्चा और भी ज्यादा है। क्या यह खर्चा जरूरी है?

MR. SPEAKER: That has been answered already.

SHRI R. VENKATARAMAN: In respect of the photographs and the cost, I have not answered.

There is only one answer. So far as the cost of the photographs is concerned, instructions have been given to the banks to meet the cost of the photographs.

SHRI JYOTIRMOY BOSU: Will the Hon. Minister tell us what percentage of the rural advances have been given under the DRI—that is, differential rate of interest.

SHRI R. VENKATARAMAN: The provision is that one per cent of the total lending should be given as differential rate of interest. But it varies from region to region. In certain regions and in certain banks one per cent has been reached, but in regions like Bengal it has not been reached. We

took a meeting in Calcutta, and reviewed the position there. In certain States like Bengal, Rajasthan, Orissa and three or four other States it has not been reached. We are trying our level best to improve the lendings.

SHRI A. K. ROY: The service of the bank varies from section to section and also from area to area. If we go through the credit-deposit ratio in respect of the different tribal and Scheduled Caste areas and general areas, we will find that there is a fundamental difference there. As the hon. Finance Minister has said just now, he has instructed establishment of a branch of bank in every Block headquarters. Even with that, we have seen that all the panchayats in that Block do not get the services; the service depends on the distance. Shall I conclude that that particular branch of the bank at the Block headquarters has been instructed to serve all the people under the Block regardless of the distance?

SHRI R. VENKATARAMAN: We have already given instructions that there should be one branch bank in every Block. We have also given instructions that there should be one branch bank at the Block headquarters. If there are any areas uncovered, I will immediately take action to open a branch; I will give them the facility.

SHRI A. K. ROY: I wanted to know whether that particular branch bank has been instructed to cover all the panchayats under the Block regardless of the distance.

SHRI R. VENKATARAMAN: Normally it is expected that the two branch banks, that is, the branch at the headquarters and the branch at the Block, will be able to take care of it. After all, it is a small area. It is possible that, in some areas like hill areas and in certain other areas, it is not available. If those cases are brought to my attention, I will certainly help and try to start a branch in that place.

श्रीमती विद्यावती चतुर्वेदी : मैं मंत्री महोदय को यह बताना चाहती हूँ कि यह जो बैंकों का राष्ट्रीयकरण किया गया था, वह इसलिए किया गया था कि छोटे किसानों और दूसरे कमजोर वर्गों के लोगों को आसानी से ऋण मिल सके लेकिन पिछले ढाई-तीन सालों में इन बैंकों की व्यवस्था इतनी खराब हो गई है कि छोटे किसानों के लिए जो ऋण दिया जाता है, वह उन को नहीं मिल पाता है। इस के लिए मैंने आप को और प्रधान मंत्री जी को लिखित शिकायत कई जगहों की भेजी है कि जो छोटे-छोटे किसान ऋण लेने के लिए बैंकों में आते हैं, वे बिना ऋण लिये लौट जाते हैं। दूसरी बात यह है कि अगर कहीं पम्पों के लिए ऋण मंजूर भी हो जाता है, तो वहां पर कुओं के लिए पैसा मंजूर नहीं होता। पम्पों का जो ऋण होता है, उस की किस्त बंध जाती है लेकिन कृण न खुदने के कारण वे पम्प नहीं चला पाते हैं। कई-कई बार इन को बैंकों में जाना पड़ता है, तब कहीं ऋण मिलता है।

अध्यक्ष महोदय : आप सवाल पूछिये।

श्रीमती विद्यावती चतुर्वेदी : मैं सवाल ही पूछ रही हूँ। उन छोटे-छोटे किसानों को ऋण लेने में कई तरह की परेशानी होती है। तो मैं मंत्री महोदय से यह जानना चाहती हूँ कि इस तरह की जो कठिनाइयाँ छोटे-छोटे किसानों और छोटे-छोटे व्यापारियों की आप के सामने रखी गई हैं, उन को दूर करने के लिए क्या आप कोई तुरन्त कदम उठावेंगे? जो बैंकों में अव्यवस्था आ गई है, या जो वहां के कर्मचारियों में भ्रष्टाचार की नीति बनती जा रही है, उस को दूर करने के लिये कोई ऐसे कदम उठाएंगे, जिससे स्थिति में सुधार आ जाये।

SHRI R. VENKATARAMAN: Sir, it is true that, during the last two and a half years, certain banking facilities for weaker sections have deteriorated. (*Interruptions*) the House will remember that we introduced the 20-point Programme and under that 20-point Programme, special emphasis was laid on loans to marginal farmers, small farmers, handloom weavers and a number of people in the very low

income groups. After the Janata Party came to power—and my friend, Dr. Subramaniam Swamy, took credit for it—they abolished the 20-point Programme, and the thing which the hon. Member complains arises out of the abolition of the 20-point Programme. That is why the benefit has not gone to the weaker sections. We have restored it, and in a very short time we will see that the weaker sections get it.

SHRI G. S. NIHALSINGHWALA: May I know from the hon. Minister whether he has received any complaints that the Bank managers and other officials of the banks do not disburse the money unless they get something from the parties.

SHRI BHAGWAT JHA AZAD: It is a fact everywhere.

MR. SPEAKER: The hon. Member wants to know whether it is a fact that the Bank managers take some bribe from the parties.

SHRI R. VENKATARAMAN: If I know or if my Department knows that there is corruption, they will take immediate action. If it happens without our knowledge, then I would like the members to bring it to our attention.

Engineering Goods Export Targets

*189. **SHRI NARAYAN CHOUBEY:** Will the Minister of COMMERCE be pleased to state:

(a) whether the current year's engineering goods export target has been fixed at Rs. 915 crores;

(b) whether the Association of Indian Engineering Industry has said that the target fixed was unrealistic; and

(c) if so, what is Government's reaction thereto?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c). Engineering Export Promotion Council

has recommended target of Rs. 915 crores for 1980-81. Certain reservations about this target were expressed by AIEI. But there has been subsequent consultation between these two bodies and they are understood to have agreed that this target can be achieved if adequate infra-structural support is provided. The Government have adopted this target and are making all out efforts for its achievement.

SHRI NARAYAN CHOUBEY: What and when were the consultations made with these two bodies and what were the recommendations coming out of those consultations?

SHRI PRANAB MUKHERJEE: The hon. Member knows that when we fix an export target in a particular sector normally, we consult the Export Promotion Council and various other bodies connected therewith. Normally, when the Export Promotion Council fixes up a target, they discuss it through the various channels they have set up covering the various manufacturing sectors. Therefore, this is a continuing process and if the hon. Member wants to know at what particular point of time what discussions and what recommendations were made, it is not possible for me to give because we never ascertain it, we entrust this job to the Export Promotion Council and they discuss it with the individual manufacturers and or a group of manufacturers in various sectors and after that they give the decision. On the basis of that we discuss with the various connected Ministries and find out whether the target fixed is a realistic one or not and on the basis of that we fix it.

SHRI NARAYAN CHOUBEY: What are the difficulties that were expressed by the Indian Engineering industries regarding infrastructure and other difficulties which you tried to solve?

SHRI PRANAB MUKHERJEE: The difficulties which they pointed out in the infra structure are: non-availability of raw materials, mainly steel