

the threat of foreign intervention and foreign subversion, the utter lack of vigilance has been revealed through her replies.

May I know—she said a little while ago something like authorised agencies—whether there is any practice or system whereby certain organizations in this country are authorised by the Reserve Bank or by the Government to receive foreign contributions regularly perhaps on the ground of some work that they are alleged to be doing here? If so, will she lay on the Table of the House—I am sure she cannot do it just now—a list of such so-called authorised agencies in this country which are permitted to receive regular contributions, along with the countries from which they receive these contributions?

AN HON. MEMBER: And also the purpose for which they are received.

SHRIMATI SUSHILA ROHATGI: As far as possible, I will.

SHRI INDRAJIT GUPTA: What did she say?

MR. SPEAKER: As far as possible she will try.

SHRI INDRAJIT GUPTA: Are there some authorised agencies which are authorised to receive contributions? If she says, 'Yes', then only the next part of my question arises—'whether she will place a list of such authorised agencies'. Are there any authorised organizations to receive contributions?

SHRIMATI SUSHILA ROHATGI: Authorised dealers.

SHRI INDRAJIT GUPTA: Why don't you save this country from foreign subversion?

SHRI DINEN BHATTACHARYYA: After the answer given by the Minister that even the Home Ministry does not know actually how much foreign

money is being received by the voluntary organizations here in India, may I know whether it is also a fact that your Home Ministry and the Research and Analysis Wing which is directly under the Prime Minister know it well that some people regularly visit the Embassies here in Delhi and receive money regularly and have you got any check on that? It is no question of 10,000 or 20,000 rupees, lakhs and lakhs of rupees are coming through that channel. Have the Government kept any watch on that?

MR. SPEAKER: This question you should ask the Home Minister. Next question—Shri Priya Ranjan Das Munsii.

SHRI DINEN BHATTACHARYYA: Let her say, 'Yes' or 'No'.

MR. SPEAKER: She cannot answer that. The Home Minister will answer... (Interruptions)

Next question.

Loan advanced by Nationalised Banks for Additional Employment Scheme and Small Scale Industrial Scheme

*332. SHRI PRIYA RANJAN DAS MUNSI: Will the Minister of FINANCE be pleased to state:

(a) the total amount of loan advanced by nationalised banks for Additional Employment Schemes and Small Scale Industrial Scheme in the year 1974-75 and upto 31st December, 1975; and

(b) the total amount of loan advanced during that period to large scale industries and specially to monopoly houses who come under Monopolies and Restrictive Trade Practices Act?

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). A statement is laid on the Table of the House.

Statement

The available data on advances of public sector banks in respect of schemes taken as part of Employment Promotion Programmes (including Half-a-Million Jobs Programme and Additional Employment Programme) and small scale industries are set out below.

Outstanding advances of Public Sector Banks for schemes taken as part of Special Employment Programme and for small scale industry.

	Outstanding advances	
	(Rs. crores)	
	As at the end of June 1974	As at the end of June 1975
Employment Promotion Programme	11.7	34.1
Small Scale Industry	868.3	942.7

So far as outstanding advances of public sector banks to large and medium industries are concerned, these stood at Rs. 3,617 crores as at the end of December, 1974.

Data compiled by Reserve Bank of India show that as at the end of December, 1974, public sector banks' outstanding advances to undertakings registered under Section 26 of the Monopolies and Restrictive Trade Practices Act 1969 amounted to Rs. 805.7 crores.

SHRI PRIYA RANJAN DAS MUNSI: The statement in part (a) of my question has rightly been stated. The answer to part (b) of my question is not clearly stated; I think the Ministry could not collect the final data upto 31st December, 1975. Anyway, the basic objective of nationalising the banks, if I am not wrong, was to help the poor and the down-trodden people and also the unemployed youth

and not the big monopoly houses and big industrial houses. Based on that spirit, people were enthusiastic when the banks were nationalised. Now, the answer is that under the employment promotion programme, upto June, 1974, Rs. 11.7 crores were spent and upto June, 1975, Rs. 34.1 crores were spent while the large and medium-scale industries got Rs. 3,617 crores of financial support.

I would like to know from the Minister as to what was the actual demand in the additional employment scheme by the unemployed youth of the country from the banks through applications and how much was the demand from the small-scale industrial units and how far it was met upto June, 1974 and also upto June, 1975 and what was the percentage?

SHRI PRANAB KUMAR MUKHERJEE: So far as the figure relates to the period upto December, 1975, as the hon. Member has mentioned, it is not possible to collect. That is why I have given the figure upto December, 1974.

Regarding the demand, it is difficult to quantify the demand but I can give the number of applications received by the banks and to what extent we have been able to meet that requirement. Under the scheme the number of applications received upto June, 1975 was 67,761. The number of applications sanctioned was 31,907. The number of applications rejected was 25,000. The applications pending were 10,822. The amount involved was 34 crores or Rs. 3417.47 lakhs.

SHRI PRIYA RANJAN DAS MUNSI: Whether new restrictions have been imposed in regard to the release of financial loan for additional employment scheme in 1976 and whether fresh relaxation has been made to arrange financial support and to give loan to the monopoly houses and big industrial units?

SHRI PRANAB KUMAR MUKHERJEE: There is no such principle. Perhaps, it would be wrong to say that we are giving assistance to the monopoly houses and whatever is needed for the industrial development of the country and to build up economy of the country, assistance is coming from the Commercial banks.

SHRI HARI KISHORE SINGH: May I know from the hon Minister what is the percentage of loan advanced to the small scale industrial units, especially in Backward States like Bihar and U.P. in view of the deposit received by the banks in the States.

SHRI PRANAB KUMAR MUKHERJEE: It would be too wide a question, namely to give the proportion between what is the deposit from a particular backward area and what percentage has been given from those areas for employment scheme.

SHRI DINESH CHANDRA GO-SWAMI: May I know from the hon. Minister, is it a fact that because of the encouragement given by the nationalised banks to large houses or industrial sectors, to-day in the backward regions, the credit and advance ratio is rather disproportionately unfavourable than the advanced regions. What steps are Government taking to remedy the situation?

SHRI PRANAB KUMAR MUKHERJEE: There is a certain imbalance in the credit deposit ratio in the rural areas and in order to advance the credit and to see that assistance goes to the neglected sector, more and more emphasis is given. If the hon. member is interested in figures, I can give the figures. I have already indicated certain figures showing the progress. But to indicate what is the actual credit deposit ratio in the backward areas, I have no ready figure.

SHRI KRISHNA CHANDRA HALDER: The hon. Minister has stated that about 25,000 applications have

been rejected and some have been sanctioned. I want to know what is the basis of rejection and what is the basis of sanction. Is there any political yard-stick for sanction and rejection? I would like to know the percentage of applications of the unemployed youth that has been rejected.

SHRI PRANAB KUMAR MUKHERJEE: There is no political yardstick. There is only one yardstick i.e. economic yardstick. Regarding rejections, I would like to make it clear that mainly these schemes are sponsored by the State Administration. I would not like to mention the names of the States. We have found, in certain States where State Administration has taken an initiative and they have scrutinised the applications from the entrepreneurs, rejection is much less and where the State Government have merely acted as a post office, by passing on the applications to the bank and after detailed scrutiny it has been found that the rejection has increased. Therefore, this is a matter which is receiving our constant attention and we are in touch with the State Governments to see and to evolve the procedure by which the rejections could be reduced. I can tell the hon. members, to some extent there has been some improvement. Out of 100 applications 41 were sanctioned, 21 rejected and 38 pending. Now in 1975 sanction has increased from 41 to 47 out of every 100 applications and pendency reduced from 38 to 16. It would be possible for us to improve the system in a better way with the help and cooperation of the States Administrations.

SHRI M. RAM GOPAL REDDY: It is very gratifying to note that the banking institutions have advanced Rs. 44 crores but I also request that they should see that these institutions work well. Now my question is this. They have starved the big industries of finance and if this step is pursued

further, I am afraid, they may close their factories and production may go down. Is the Minister going to consider giving of sufficient funds to them so that the big industries may run and produce more?

MR. SPEAKER: This question is about the small industries not about the big industries. Next question.

SHRI C. K. CHANDRAPPAN: I would like to make a submission to you about this question. We have tabled the question, and it was to elicit some specific information from the Government. But the question is so mutilated that it does not look like the question that we have sent for being answered. But I hope it is with your permission that the question has been mutilated like this.

MR. SPEAKER: You please ask the question. I cannot answer this off-hand. Please bring it upto me later

SHRI C. K. CHANDRAPPAN. I am drawing your attention, because, I would like that you go into the matter.

MR. SPEAKER: The list was out 5 days ago. You should have written to me. I cannot answer this offhand here.

SHRI C. K. CHANDRAPPAN: That is a very technical answer. I will come to you later and point it out to you. I will put my question.

Violation of Foreign Exchange Regulations by Concerns

*333 SHRI C. K. CHANDRAPPAN:
DR. SARADISH ROY:

Will the Minister of FINANCE be pleased to refer to the reply given to USQ No. 8425 on 2nd May, 1976 regarding violation of foreign exchange regulations by concerns and state:

(a) whether the investigations have since been completed; and

(b) if so, the results thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) No, Sir.

(b) Does not arise.

SHRI C. K. CHANDRAPPAN: I am very sorry to say that they have to give this answer and so the question has been mutilated in this fashion. I would like to know from the Minister whether it is a fact that on previous two occasions which were referred to in the question the same answer had been given by you in this House, and if the investigations about this company have been going on from 1974, I would like to know whether regarding the Hindustan Sanitaryware and industries, Bahadurgarh any officer or any director of this company has been arrested in Haryana in connection with this investigation about the violation of foreign exchange regulation and Customs Act. If so, I would like to know their names. Further I would like to know whether they have been released and if they have been released, on what condition. I would also like to know the nature of the charges which have been levelled against them.

SHRIMATI SUSHILA ROHATGI: Regarding this question, I do concede that it has taken some time and these questions were tabled also earlier, but at the same time, I would say that there are two sides of this question, one is concerned more with the Income-tax side and the other the foreign exchange side, that is, violation of foreign exchange regulations.

Now, as regards that part of the question namely, violation of foreign exchange regulations, the case arose when the person gave this information. But, then, he has not been traced. It was difficult to proceed further without getting further information about the person. In the meantime, some more information has