

SHRI K. S. CHAVDA : It does arise. I would like to know whether they demanded that secondary education should be free because they experience difficulty in getting the income certificates.

MR. SPEAKER : Let the hon. Member kindly not argue about this. The question was whether the Gujarat Government had made secondary education free in Gujarat. The hon. Minister has already given the reply. What else does he want ?

SHRI PILOO MODY : You know what the situation there now is ?

SHRI POPATLAL JOSHI : May I know the reason for the Governor to postpone the freeship ?

SHRI D. P. YADAVA : The Chief Minister should have observed all the paraphernalia before going in for a press release...

SOME HON. MEMBERS : What paraphernalia ?

SHRI D. P. YADAVA : He should have gone to the Cabinet first ; he should have consulted all the Cabinet Ministers. But he did not consult the Cabinet Ministers. He simply passed an order...

श्री अटल बिहारी वाजपेयी : अध्यक्ष महोदय, मंत्री महोदय ने जो उत्तर दिया है क्या उससे यह समझा जाय कि भारत सरकार माध्यमिक शिक्षा को निःशुल्क करने के सिद्धांततः खिलाफ है ? यदि उत्तर हां में है तो क्या सरकार जम्मू काश्मीर की सरकार को भी सलाह देगी जिसने एम. ए. तक शिक्षा निःशुल्क कर रखी है कि वह भी इसको वापस ले ?

श्री डी. पी. यादव : पहले हम प्राइमरी को कर लें उसके बाद सेकेण्ड्री के बारे में सोचेंगे ।

SHRI R. P. YADAV : May I know whether the order that was passed was in conformity with the requirements of the rules of business of the Gujarat Government

and whether the decision taken by the ex-Chief Minister was taken by the State Cabinet or in consultation with the State Cabinet ?

SHRI D. P. YADAVA : No.

Advance of Loans by State Bank of India to Village Agriculturists and Small Traders of Rural Areas in West Bengal

*574. **SHRI SUBODH HANSDA :** Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the role played by the State Bank of India in West Bengal in regard to advance of loans to village agriculturists and small traders in rural areas ;

(b) whether State Bank of India has been able to meet the demands of the above categories of people ;

(c) whether innumerable applications are pending for decision since 1970-71 ; and

(d) how long the Bank would take to come a final decision on each application ?

THE MINISTER OF FINANCE (SHRI (YESHWANTRAO CHAVAN) : (a) Yes, Sir; State Bank of India has formulated specific schemes for financing agriculture and has "adopted" villages for intensive coverage. Schemes for advancing working capital and equipment finance have been drawn for small traders.

(b) No, Sir ; the needs for agricultural credit specially, are very large and it cannot be expected that the State Bank of India alone, or even commercial banks by themselves, would be able to meet these demands fully.

(c) and (d). The State Bank of India has reported that there is no large accumulation of pending applications for loans from agriculturists and small traders in various branches in West Bengal. Very often an applicant for a bank loan also applies to a cooperative society for loan or has already taken loan from a cooperative society or

from the State Government. Checking and counter-checking on this account sometimes leads to delay in final disposal of the loan applications.

SHRI SUBODH HANSDA : Are Government aware that small agriculturists and traders with no capacity for giving security against the loans are finding it difficult to get such loans ?

SHRI YESHWANTRAO CHAVAN : It is true that in the early stages we did find that the small man was in difficulty and we had to find some new solution for that. In order to overcome this difficulty, a new Guarantee Corporation has been established ; it started functioning on 1st April. In reply to one of today's starred questions—I do not exactly remember the number of the question ; I am not sure whether it will be reached—I have in a statement given details of the functioning of this Corporation, what are limits upto which loans extended to traders etc. can be guaranteed, how the small traders, kisans can be helped, how the self-employed man or small businessman can be accommodated etc. The hon. member can refer to the details there so that I need not waste the time of the House on it now. But this matter is certainly important and we are making efforts in this direction.

SHRI SUBODH HANSDA : The Minister has stated that the SBI has already formulated schemes according to which loans are being advanced. Is he satisfied with the performance of the SBI in comparison with the other banks which are advancing such loans ?

SHRI YESHWANTRAO CHAVAN : I am not satisfied because I have again pointed it out to the Chairman of the SBI himself. The functioning of the State Bank so far as the agricultural sector is concerned is better in other States than in West Bengal. As a matter of fact, the State Bank is not a lead bank in any of the districts in West Bengal ; there are some other banks such as the United Commercial and Bank of India which have got a large number of branches in West Bengal. The SBI has its own responsibility in this matter. Therefore, we have pointed out to the bank that it will have to give a better account

in regard to the rural and agricultural sector.

SHRI K. SURYANARAYANA : the hon. Minister has stated that the State Bank has adopted some schemes for advancing loans to agriculturists. What are the policies adopted in this regard, will preference be given to the small farmers needing small amounts or to big farmers wanting Rs. 2 or Rs. 3 lakhs ? Very often we find the big farmers, taking advantage of their local influence, get loans of the order of two or three lakhs of rupees.

SHRI YESHWANTRAO CHAVAN : I think that what the hon. Member said did happen in the beginning. When they were asked to look to the agriculturists, their old banking instincts prompted them to look for clients who were more safe, the rich farmers. But consciously we tried to make a change, and in order to make it easy for them also to reach the small farmers, this Guarantee Corporation has been established. We will have to wait for some time to see its working. As I said, I am myself not very much satisfied with the results of extension of credit to agricultural sector.

SHRI INDRAJIT GUPTA : Details regarding most of these new schemes are not very clear even to Members of this House. So I would like to know from him, conditions in our country being what they are and the banking practices and banking habits being what they have been in the past, what methods are being employed to see that the particulars of these schemes are widely popularised among the people in the villages, small agriculturists, traders and so on, so that they are encouraged to approach the banks.

SHRI YESHWANTRAO CHAVAN : This is a very good suggestion. As a matter of fact, I myself made this suggestion that these schemes should be publicised in the local languages so that they reach the people. My first effort is to see that at least they reach the officers in the field. I would look into it. It is certainly a good suggestion.

SHRI BHAGWAT JHA AZAD : May I know what happened to the much-publicised idea of the hon. Finance Minister about

different rates of interest for different classes of people who want loans from the banks ?

SHRI YESHWANTRAO CHAVAN : I do not know whether it was much publicised but certainly I did make a reference to it more than once. A study group was appointed in the Reserve Bank and its report has been received recently. I propose to publish the report so that hon. Members who want can give their views also. There is difference of opinion between the members of the committee. We have not taken any decision so far. We have to examine the matter.

SHRI D. K. PANDA : May I know whether the Government has issued any specific instructions to advance loans to the share-croppers who are landless on cro-security basis ?

SHRI YESHWANTRAO CHAVAN : I do not know if specific instructions have been issued to this. I will find out.

SHRI K. BASAPPA : Is there any proposal to have an Advisory Committee at the State and district levels for the State Bank ?

SHRI YESHWANTRAO CHAVAN : At the present moment there is no such proposal. There are local committees, Advisory Committees, for Bombay, Calcutta and Madras zones, but not for every State.

SHRI SOMCHAND SOLANKI : Before nationalisation security was given by the borrower... (*Interruption*). May I know from the hon. Minister today, after nationalisation, what is the easy way to get a loan from the nationalised banks because they have to pay Rs. 200 to the management and after that they are getting the loan. What is the easy way to get loans from the nationalised banks ?

SHRI YESHWANTRAO CHAVAN : I do not know what he means by saying easy way. There are certain allegations of corruption. But it would be difficult to say that every agriculturist is supposed to pay Rs. 200 or something like that. Formerly there was a very difficult procedure, I quite agree. Now the procedures have been simplified.

In the past the banks normally insisted on third party guarantee because of the insecurity the man who sanctioned the loan was feeling. In order to facilitate matters, the credit guarantee corporation has been established and we shall have to watch the working of these things ; possibly this might facilitate the lending by the banks to the neglected sector.

Boeing Flights to Trivandrum

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*575. **SHRI C. K. CHANDRAPPAN :**
SHRI PHOOL CHAND VERMA :
SHRI A. K. GOPALAN :

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether the Government of Kerala had requested the Union Government to fly the Boeing flights to Trivandrum ;

(b) whether the runway in Trivandrum airport is suitable for the landing of jet aircraft ; and

(c) the decision taken on the request of the Kerala Government ?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (DR. SAROJINI MAHISHI) :

(a) Yes, Sir.

(b) The runway is adequate for Boeing 737 jets.

(c) Indian Airlines propose to start a Boeing service to Trivandrum from October, 1971.

SHRI C. K. CHANDRAPPAN : The Minister has said that there had been a request from the Kerala Government to start the Boeing service to Trivandrum. She also said that the runway was good. Why did not the Government start the Boeing flight earlier and why has there been this delay ? Why do they not start it as soon as possible ?

DR. SAROJINI MAHISHI : On account of certain technical difficulties the Boeing services could not be extended to Trivandrum earlier. Proving flights were carried out by