

[English]

MR. CHAIRMAN : Why are you wasting time of the House? Please take your seat.

11.05 hrs.

ORAL ANSWERS TO QUESTIONS

[English]

Beneficiaries under IRDP

121. SHRI BIR SINGH MAHATO : Will the Minister of RURAL AREAS AND EMPLOYMENT be pleased to state :

(a) whether there is a sharp drop in the number of beneficiaries in the Integrated Rural Development Programme;

(b) if so, the reasons therefor; and

(c) the remedial steps taken by the Government to check such drop?

THE MINISTER OF RURAL AREAS AND EMPLOYMENT (SHRI KINJARAPPU YERRANNAIDU) : (a) to (c) The thrust in IRDP in the recent years has been to increase the Per Family Investment to ensure quality of projects and better income to the beneficiary. This correspondingly involves higher per capita subsidy, leading to some decline in the number of beneficiaries, given the marginal higher annual releases under IRDP towards subsidy.

SHRI BIR SINGH MAHATO : The objective of IRDP is to enable the identified rural poor families to augment their income and to cross the poverty line. Assistance is given in the form of subsidy by the Government and term credit is advanced by the financial institution. Credit linkage is obligatory. But some financial institutions are not giving the loan portion to the beneficiaries. Only the subsidy portion is being disbursed by the financial institutions. I would like to know from the hon. Minister what steps the Government is taking against such financial institutions.

SHRI KINJARAPPU YERRANNAIDU : The Integrated Rural Development Programme is a Centrally-sponsored major anti-poverty programme aimed at providing income generating assets and self-employment opportunities to the rural poor. The hon. Member says that these financial institutions are not cooperating. To some extent, it is correct. The hon. Member has pointed out that subsidy portion is given to the beneficiaries, but there is no credit from the financial institutions. I would like to clarify that R.B.I. had appointed one Committee under the Chairmanship of Shri Mehta, Deputy Chairman the Governor of Reserve Bank and he has given an interim report. Based on that report, we initiated steps to introduce bank and subsidy scheme. After the grounding up of the scheme, after the asset

provided to the beneficiary and after the repayment, the subsidy will be given to the bank by the Government. Recently, we introduced the system. Since the last two years, there is no scope to give the subsidy in advance to the beneficiary.

SHRI BIR SINGH MAHATO : The Concurrent Evaluation Survey conducted by the Ministry shows that the linkage of IRDP and its sub-schemes namely, TRYSEM and DWCRA are extremely weak. May I know from the hon. Minister what remedial measures are proposed to be taken to develop linkage between IRDP and its sub-schemes.

SHRI KINJARAPPU YERRANNAIDU : The Fourth Round of Concurrent Evaluation Report of the IRDP and the linkage of TRYSEM with IRDP was also analysed. It is encouraging to note that in 56.01 per cent cases the beneficiaries received assistance for the same trade activity for which they were trained. Now from this year onwards also we are giving lot of thrust to the linkage of IRDP with TRYSEM and DWCRA and other programmes.

SHRI V. DHANANJAYA KUMAR : This has been the story which we have been hearing for the last several years through Ministers one after the other. In fact, sometimes it appears that the whole scheme is going to be useless on account of the financial institutions taking a very adamant attitude. Just now, we heard the hon. Minister saying that a new scheme is evolved wherein the subsidy component will be directly credited to the financial institutions after the beneficiary gets the finances from the financial institutions. But what we find is, the financial institutions never come forward to give assistance to the identified beneficiary. Time and again, we have been telling that the financial institution is a party to the team which identifies the beneficiary.

Once the identification is made, there shall not be absolutely any scope for the financial institutions to refuse finances. But the same system is being continued. So, my question is: What is the Government doing to see that the financial institutions, without any fail, give the financial assistance to the identified beneficiaries? Secondly, in many cases, the scheme is not being properly implemented for the reason that the guidelines issued by the Government or the Department concerned are not suitable in a given local area ... (Interruptions)

MR. CHAIRMAN : Please put the question.

SHRI V. DHANANJAYA KUMAR : I am coming to that only. The guidelines make it incumbent upon the Government that they must stick on to the guidelines issued. My question is: Would the Government give some liberty to the executing agencies to make a small deviation so that the scheme could be effectively implemented in the given areas?

SHRI KINJARAPPU YERRANNAIDU : Mr. Chairman, Sir, the Government had already given instructions to

all the State Governments how to select the beneficiaries. The selection of the beneficiaries in Gram Sabha is to be done in an open manner and is to be attended by the local people, non-officials, block officials and the bank officers for which advance publicity is to be given. After selecting the beneficiaries, that list is displayed before the Gram Panchayat Bhavan. If there is any objection, then they will rectify it. This system is adopted by the State Governments. We have already given instructions in this regard. Even recently in the month of December...*(Interruptions)*

SHRI V. DHANANJAYA KUMAR : That is not at all working. That is our objection. The money is not reaching the beneficiaries...*(Interruptions)* The benefit is not reaching the identified beneficiary...*(Interruptions)*

MR. CHAIRMAN : Let him reply

[Translation]

DR. RAMESH CHAND TOMAR : Mr. Chairman, Sir, these instructions are not being followed anywhere in the country...*(Interruptions)*

SHRI ILIYAS AZMI : Mr. Chairman, Sir these instructions are not being followed. The funds are being plundered...*(Interruptions)*

MR. CHAIRMAN : Let him give reply.

(Interruptions)

SHRI ANANT GANGARAM GEETE : Mr. Chairman, Sir whatever hon. Minister is saying that is not being followed anywhere...*(Interruptions)*

[English]

SHRI KINJARAPPU YERRANNAIDU : First, I will complete my reply...*(Interruptions)*

SHRI V. DHANANJAYA KUMAR : He is beating the same trumpet. We have been telling the same thing. All these things are there. But, in spite of that, the identified beneficiary is not getting the benefit. What are you going to do in this regard? That is the question ...*(Interruptions)*

[Translation]

SHRI ILIYAS AZMI : Mr. Chairman, Sir, loot is being committed continuously...*(Interruptions)*

MR. CHAIRMAN : Please sit down. Let him give reply.

(Interruptions)

[English]

MR. CHAIRMAN : I think that is the recommendation of your Committee.

(Interruptions)

SHRI KINJARAPPU YERRANNAIDU : I will tell you. I am ready to give answer to each and every Member's question. Just be patient enough.

SHRI V. DHANANJAYA KUMAR : Please give answer to my question first.

SHRI KINJARAPPU YERRANNAIDU : Last year, in the month of December - to be precise, 30th December 1996 - I convened a national level bankers' meeting also. Whatever questions raised by the hon. Member now, I had already given instructions, in advance, to all the nationalised banks. My Ministry had sent written letters to the Finance Ministry also. In that meeting the bankers agreed to sanction the loan within a month of sponsoring it by the DRDA and to disburse the loan within two months of sponsoring it...*(Interruptions)*

SHRI V. DHANANJAYA KUMAR : I will just take only one minute. After that meeting, have you made any evaluation to see whether your guidelines are adhered to by the bankers?

SHRI KINJARAPPU YERRANNAIDU : I have not yet completed.

MR. CHAIRMAN : Mr. Minister, as you have told, you have sent your instructions to the bankers. I would like to know whether this is being followed or not; whether any review has taken place or not.

(Interruptions)

SHRI KINJARAPPU YERRANNAIDU : Yes ...*(Interruptions)*

[Translation]

SHRI ILIYAS AZMI : Mr. Chairman, Sir, hon. Minister is not giving reply properly. Recommendations of the Parliamentary Committee are not being implemented ...*(Interruptions)*

[English]

SHRI V. DHANANJAYA KUMAR : That is not being followed...*(Interruptions)*

SHRI NIRMAL KANTI CHATTERJEE : When Dr. Debí Prosad Pal was the Minister of State for Finance, he came to West Bengal. He instructed the banks to dispose of all applications pending under the IRDP. That was truned down...*(Interruptions)* The Minister does not belong to Finance Ministry. The point is that only when it is made mandatory, it will bear fruit. The banking representative is there when the project is processed. Can you make it mandatory that the representative from the banking sector is to be there in clearing the project? It has to be done and it has to be sorted out with the Finance Ministry.

SHRI KINJARAPPU YERRANNAIDU : In each District, there is a District Rural Development Agency. Our hon. Members and the Members of the Legislative Assemblies are the members of that committee in each District Rural Development Agency. They are meeting frequently on a quarterly basis. All these queries and questions can be raised there. There is an opportunity for the hon. Members to raise these questions ...*(Interruptions)*

SHRI NIRMAL KANTI CHATTERJEE : If the representative of the Government is at the processing stage, then it can be made mandatory...*(Interruptions)*

SHRI ANIL BASU : I want to know from the hon. Minister whether he can make it mandatory. All sections are unanimous on this...*(Interruptions)*

MR. CHAIRMAN : Shri Anil Basu, take your seat. Let the Minister first complete it. You can ask a supplementary question late on.

(Interruptions)

SHRI ANIL BASU : It would not be possible for him to implement the scheme without making it mandatory.

SHRI KINJARAPPU YERRANNAIDU : I agree with the hon. Members from West Bengal that due to poor performance of the West Bengal Government is poor respect of IRDP scheme and bankers are said to be not cooperating. That is true. I will communicate the views of the hon. Members to the Cabinet. I agree that everything will be good if it is made mandatory. I am going to circulate the views of the hon. Members to the Cabinet. I know, without this, it will be difficult to implement the scheme...*(Interruptions)*

PROF. P.J. KURIEN : Can the Minister give an assurance that it will be made mandatory?

SHRI KINJARAPPU YERRANNAIDU : I have already answered that point.

PROF. P.J. KURIEN : Is it an assurance?

MR. CHAIRMAN : Prof. Kurien, please take your seat. What I have understood from what he said is that he will take these views to the Cabinet and the approval of the Cabinet is required for making this mandatory. Shri Kurien, you also know it as you also know it as you were also in the Cabinet.

SHRI SONTOSH MOHAN DEV : Giving an assurance to take it to the Cabinet is one thing and giving an assurance to make it mandatory is another thing. We want to know whether he is giving an assurance that it will be made mandatory. That is the question.

SHRI KINJARAPPU YERRANNAIDU : I will circulate the views of the hon. Members in the Cabinet saying that poor performance and non-cooperation of the banking institutions are the instances in the States for grounding of the IRDP scheme. I will put it before the Cabinet. If the Cabinet agrees to it, I have no objection.

JUSTICE GUMAN MAL LODHA : What is your opinion after hearing the hon. Members?

[Translation]

SHRI LAKSHMAN SINGH : Mr. Chairman, Sir, there is only one reason of resentment among the Members. Banks do not provide loan to the beneficiaries of IRDP, hence there is decline in the number of beneficiaries. I would like to know that nationalised banks are under the Union Government hence would you set up a

Committee of Members of Parliament to monitor the disbursement of loan under IRDP? Would you set up a Committee of Members of Parliament to establish coordination with these banks so as to put a check on nationalised banks in order to provide loan to the beneficiaries of IRDP in time? I think that all Members are making the same demand.

[English]

SHRI KINJARAPPU YERRANNAIDU : I have already mentioned that there is a decline in the number of beneficiaries under IRDP due to higher family investment. In the Eighth Plan, a target of 126 lakh families had been kept. We achieved the target of 108 lakh families. It was declined because of the higher family investment. In the year 1992-93, the investment was Rs. 7,889 per family which grew up in the year 1996-97 to over Rs. 15,000 per family.

JUSTICE GUMAN MAL LODHA : Mr. Chairman, that is not the question which the hon. Member has asked. He has asked about the formation of a Committee ...*(Interruptions)*

MR. CHAIRMAN : Mr. Minister, perhaps you have not understood his question. He has asked whether a Committee has to be formed where the Members of this House can be involved.

SHRI KINJARAPPU YERRANNAIDU : Sir, it is not necessary. The Consultative Committee is there. The Standing Committees are also there. As and when required, they are sending their recommendations also. I am also reviewing it. So, there is no need to form such a Committee...*(Interruptions)*

JUSTICE GUMAN MAL LODHA : There is a downfall in the number of beneficiaries...*(Interruptions)*

MR. CHAIRMAN : As this question is very important, I am allowing a Half-an-hour Discussion on it. We will have a Half-an-hour Discussion on this question.

Now, we go to Question No. 122.

(Interruptions)

[Translation]

SHRI ILIYAS AZMI : Discussion for one hour should be held on this issue.

MR. CHAIRMAN : Half-an-hour discussion would be held on this question.

(Interruptions)

SHRI THAWAR CHAND GEHLOT : Mr. Chairman, Sir, Half-An-Hour discussion has not been held so far during this Session. Even a single time half-an-hour discussion has not been held.

MR. CHAIRMAN : Discussion would be held during this Session.

(Interruptions)

[English]

MR. CHAIRMAN : Please take your seats.

(Interruptions)

[Translation]

MR. CHAIRMAN : An hour? All right.

[English]

SHRI KINJARAPPU YERRANNAIDU : Sir, a separate Committee is not required for it.

MR. CHAIRMAN : Yes, you have already told this.

[Translation]

Export of Products by NMDC

*122. SHRI RAMESHWAR PATIDAR : Will the Minister of STEEL be pleased to state :

(a) whether National Mineral Development Corporation (NMDC) is exporting its products itself;

(b) if so, the details of products exported during each of the last three years alongwith their value thereof; and

(c) the efforts made by the Government to boost the export of these products?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA) : (a) to (c) A Statement is laid on the Table of the Lok Sabha.

Statement

(a) The National Mineral Development Corporation Limited (NMDC) exports iron ore through the Metals and Minerals Trading Corporation Limited (MMTC Ltd.), which has been designated as canalising agency for export of iron ore with iron content of and above 64% as per existing Export-Import Policy.

(b) Quantity and value of exports of NMDC during the last 3 years, as per latest available information, are as below :

Year	Quantity (In lakh tonnes)	Foreign Exchange Earning (Rs. in crores)
1994-95	66.72	408.47
1995-96	64.11	402.79
1996-97 (Prov.)	64.45	448.55

(c) Identification and development of new markets, revival of old markets, and efforts for better sales realisation are some of the steps being taken by MMTC Ltd. to increase export of iron ore.

[Translation]

SHRI RAMESHWAR PATIDAR : Mr. Chairman, Sir it is clear from the reply given by the hon. Minister in regard to the question pertaining to the National Mineral Development Corporation that export has declined in 1995-96 as compared to 1994-95 and it has also declined in 1996-97. Will the Minister be pleased to state as to why the export has declined? In part (b) of the question I have asked, as to which countries this export is being made and what are the steps being taken in this regard? Japan is importing iron ore from Australia instead of India. Specific reply has not been given to this question as to whether export has been increased to China or not? Will the hon. Minister be pleased to give specific reply to this question? He should also assign the reason as to why this mineral was sold at lower price as compared to the International market price?

[English]

SHRI BIRENDRA PRASAD BAISHYA : Sir, with regard to this question which the hon. Member has asked, it is very clear from my reply that during 1994-95, the total export made by the NMDC was 66.72 lakh tonnes and the foreign exchange earned was Rs. 408.47 crore. In the year 1996-97, NMDC's export was 64.45 lakh tonnes and the foreign exchange which we earned in the form of the Indian currency, was Rs. 448.55 crore.

I do agree with the hon. Member that the export made by the NMDC last year has declined. But I would submit that it was done in the interest of the country.

Sir, India has a rich quantity of iron ore reserves but the total reserves of high grade ores is less. India is producing 12,475 tonnes of iron ore has reserves of 12,745 million but the percentage of high grade iron ore is only ten per cent. So, in the year 1995, the Cabinet took a decision that NMDC will export only after fulfilling the domestic requirements. But the Cabinet imposed a ceiling on export of high grade iron ore. So, the export is declining. Although the export declining, profits are not declining. If you look at the picture, you will find that in the year 1994-95 NMDC earned Rs. 208 crore, in 1995-96, it earned Rs. 402 crore and in 1996-97 it earned Rs. 448.55 crore.

[Translation]

SHRI RAMESHWAR PATIDAR : Mr. Chairman, Sir, in Madhya Pradesh N.M.D.C. also undertakes the mining of Diamond besides Iron-ore. These days an advertisement is shown on T.V. saying 'k'iwab se jyada khoobsoort-khayal se kam dam'. In this advertisement, a handsome man puts a diamond ring into the fingure of a beautiful women. Debeears company is propogating it. How to use diamond in India for this purpose it is giving publicity among the consumers of our country Besides that company is making efforts for taking over 'Debia' mines in Madhya Pradesh. This is going on