

The Deputy Minister of Home Affairs (Shrimati Alva): (a) No.

(b) The State Governments who give grants to local Organisations for the welfare of Backward Classes are responsible for ensuring proper utilisation of the funds given to the Organisations.

Dearer Money Policy

2342. Shri Kanha Singh: Will the Minister of Finance be pleased to state:

(a) whether the statement of Shri H.V.R. Iengar Governor of the Reserve Bank of India at Madras on November 1st regarding the policy of 'dearer money' henceforward is going to affect adversely the agriculturists who were hopeful of large scale credits in the course of the Third Five Year Plan;

(b) if not what is the explanation in detail regarding policy underlying 'the dearer money' announcement; and

(c) how the Reserve Bank intends to help the agriculturists in the Third Plan?

The Minister of Finance (Shri Morarji Desai): (a) No. The recent measures in the direction of greater credit restraint are not being applied to the credit that is made available to agriculturists by institutional agencies such as cooperative banks and societies. The cooperative movement will continue to enjoy as before the privilege of obtaining from the Reserve Bank accommodation at concessional rates of interest.

(b) The monetary policy of the Reserve Bank has been and continues to be one of permitting such increases in bank credit as are in keeping with the genuine requirements of the economy and the maintenance of monetary stability. This policy is intended to be applied flexibly. The aim of the recent steps taken by the Reserve Bank is to keep in check any undue

expansion in bank credit; and it may be mentioned that in view of the busy season the Reserve Bank has relaxed (vide its Notification dated 11th November, 1960) its earlier measures impounding a certain proportion of the rise in scheduled banks' deposits.

(c) A substantial expansion of Reserve Bank assistance to agriculturists is envisaged in the Third Plan. The Reserve Bank has been studying closely the best means of achieving the end in view. It is at present examining the question of liberalising further its scheme of assistance to agriculturists through the cooperative movement in the light of the recommendations of the Report of the Committee on Cooperative Credit (Chairman: Shri V. L. Mehta). The Bank is also examining the question of a suitable contribution by it to the Special Development Debentures to be floated by central land mortgage banks in certain States to enable them to finance schemes of long-term credit.

School Teachers in Delhi Government Schools

2343. Shri S. M. Banerjee: Will the Minister of Education be pleased to state:

(a) whether it is a fact that in Government Schools in Delhi 50 per cent. quota has not been filled in from the departmental candidates for promotions to the grade of Rs. 200-400 in various subjects by the Directorate of Education of Delhi Administration; and

(b) if so, the reasons therefor?

The Minister of Education (Dr. K. L. Shrimall): (a) Yes, in subjects like Physics, Chemistry, Biology, Mathematics and English.

(b) Suitable qualified departmental candidates in these subjects are not available.