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Title: Discussion on the motion for consideration of the Regional Rural Banks (Amendment) Bill, 2014, moved by Shri Jayant Sinha on behalf of Shri Arun Jaitly.

HON. DEPUTY SPEAKER: Now we will take up Item No. 31.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): Sir, on behalf of Shri Arun Jaitley, I beg to move\*:

"That the Bill further to amend the Regional Rural Banks Act, 1976, be taken into consideration."

The Regional Rural Banks (Amendment) Bill, 2014, *inter alia*, seeks to introduce reforms to strengthen the capital base and improve the overall capabilities of the Regional Rural Banks (RRBs).

The RRBs were established under the Regional Rural Banks Act, 1976 to create an alternative channel to the 'cooperative credit structure' and to ensure sufficient institutional credit for the rural and agriculture sector. RRBs are jointly owned by Government of India, the State Government concerned and the Sponsor Banks and the issued capital of RRB is shared in the proportion of 50 per cent, 15 per cent and 35 per cent, respectively.

In view of the growing role of RRB, in extending banking services in rural areas, developments which have taken place in recent past including amalgamation of geographically contiguous RRBs, technology upgradation and recapitalization support provided to RRBs from time to time, a need to amend the Regional Rural Banks Act, 1976 has been felt.

Structural consolidation of RRBs was initiated in 2005 by amalgamating RRBs sponsored by the same bank in a State with a view to having economies of scale, better customer services, better infrastructure, larger area of operation, enhanced credit exposure limits and diversified banking activities.

Keeping in view the role of RRBs in financial inclusion in rural areas and to improve their functioning and technology upgradation, several steps had been initiated. The RRBs had rolled out to Core Banking Solution (CBS) and had joined the National Payment System. RRBs had been advised to take necessary action for e-governance and concrete branch expansion plan to cover under-banked and unbanked areas, etc.

In view of the modernization and technology upgradation, a need for further consolidation of RRBs was felt to optimise the use of modern technology and minimise overhead expenses. Therefore, amalgamation of geographically contiguous RRBs in a State was initiated by the Government in consultation with National Bank for Agriculture and Rural Development, State Government concerned and the Sponsor Banks.

The amendments have been necessitated in view of the fact that the amalgamation of geographically contiguous RRBs, technology upgradation and recapitalization support provided to RRBs from time to time has led to a situation where the share capital deposits of RRBs have crossed Rs.500 crore in case of some RRBs, which is many times over the limit of Rs. 5 crore for authorized capital provided under the said Act,

The proposed amendments also provide for raising capital by RRBs from sources other than the Central Government, the State Government and the Sponsor Bank. But this is subject to the condition that (i) in no event the combined shareholding of the Central Government and the Sponsor Bank shall be less than 51 per cent.; and (ii) the State Government concerned will be consulted, if its shareholding is reduced below 15 per cent.

In view of the proposed provisions for raising private capital by RRBs from sources other than the Central Government, the State and the Sponsor Bank; provisions have also been made for (i) shareholders to elect directors; (ii) a person cannot be a director on the Board of more than one RRB; and (iii) appointment of an officer of the Central Government on the Board of RRB, if considered necessary.

I would, therefore, request the Members of this august House to support the Bill.

HON. DEPUTY SPEAKER: Motion moved:

"That the Bill further to amend the Regional Rural Banks Act, 1976, be taken into consideration."

...(Interruptions)

SHRI T.G. VENKATESH BABU (CHENNAI NORTH): Hon. Deputy-Speaker Sir, I thank you for giving me this opportunity to speak on this very important legislation of amending the Regional Rural Banks Act, 1976....(Interruptions)

Sir, as we all know, Regional Rural Banks Act, 1976 mainly provides for incorporation regulation and winding up of Regional Rural Banks. The Regional Rural Banks were established with a view to developing rural economy and to create a supplementary channel to the Cooperative Credit Structure so as to enlarge the institutional credit for the rural and agricultural sector. ...(Interruptions) The RRBs accept deposits primarily from rural/semi-urban areas and provide loans and advances mostly to small and marginal farmers, agricultural laborers, rural artisans and other segments of priority sector....(Interruptions)

In the Statement of Objects and Reasons, the hon. Finance Minister has mentioned about the need to amend the Regional Rural Banks Act, 1976 to strengthen the RRBs' capital base and improve their overall capabilities.

My proposals in the Amendment Bill are as follows. My first proposal is regarding managerial assistance beyond five years and allowing the sponsoring banks to continue financial and managerial assistance to the RRBs beyond the initial five year period. ...(Interruptions)

Sir, here, I humbly differ with the hon. Finance Minister's view. It is because the need to delink functioning of the RRBs from the sponsoring

banks was always felt as the very objective of setting up of RRBs and not for allowing them to function as extensions or proxy identities of already existing sponsoring banks but to reach out to the hitherto unattended or even "untouched areas of interests" for the 'left out' population. Financial assistance by the sponsoring banks beyond five years of setting up of RRBs is understandable. But managerial assistance beyond five years through the higher echelons of managers of RRBs appointed from the sponsoring banks is not acceptable.

In my opinion, it hampers the autonomy of the RRBs. Alternatively, a good proposal could be setting up of an 'apex corporate structure' for the RRBs like NABARD in the lines of GIC, SAIL, Coal India Limited. Instead of managerial assistance from the sponsoring bank, the apex body of RRBs can have a pool of experienced executives who can be deputed to the RRBs.

Here, I would like to mention that as per the Ministry of Finance instructions issued in February, 2012, appointment of branch level staff and ...(*Interruptions*)

**16.45 hrs**

*At this stage, Shri Deepender Singh Hooda and some other hon. Members*

*went back to their seats.*

**श्री मल्लिकार्जुन खड़गे (गुलबर्गा) :** मेरा माइक बंद होता, मेरी आवाज बंद होती है, ...\*

Sir, we are repeatedly requesting that the hon. Prime Minister should respond in the matter. It is not only my Party's request but the request of all parties like TMC, CPI, CPI(M), RJD, JD(S), JD(U), AAP, NCP and others. I am unable to understand as to why the Government is so adamant on this. We have heard Shri Venkaiah Naidu several times. This question has arisen because he has himself admitted that he is a part of that organisation. ...(*Interruptions*) That is why we want a reply from the Prime Minister because he is the controlling authority. The master key is with him. Therefore, we made a request to you. But they are not yielding. ...(*Interruptions*) वॉकआउट भी करते हैं, कुश्ती भी करते हैं, दोनों करते हैं। उनका जो खैया है, उनका जो एटीट्यूड है, उसको हम कनडैम करते हैं और हम वॉकआउट करते हैं।...(*व्यवधान*)

**16.46 hrs.**

*Shri Mallikarjun Kharge and some other hon. Members then left the House.*

SHRI T.G. VENKATESH BABU : Sir, according to the Ministry of Finance instructions issued in February, 2012, appointments of branch level staff and officers of RRBs from 2012-13 onwards are done through a common written examination conducted by the Institute of Banking Personnel Selection, that is IBPS, similar to the procedure followed in the public sector banks. While this being the case in the lower level staff, why should we want to control the RRBs through managerial assistance of sponsoring banks, which actually mean remote control by the sponsoring banks? If we want to improve the overall capabilities as mentioned in the Statement of Objects and Reasons, the right way is to draw the managerial assistance from a pool of executives drawn from financial institutions which will be maintained by the proposed apex body.

The second major point is the capital norms, raising the authorized capital to Rs. 2,000 crore with a minimum fixed capital at Rs. 1 crore and also fixing the minimum issued capital to Rs. 1 crore. This is a good proposal as the quantum of capital required for the operational requirement of RRBs in their enhanced working capacities is huge. No doubt that increased capital for RRBs means increased rural credit at its disposal. I fully support the move.

The third point is the shareholding pattern, allowing RRBs to raise their capital from sources other than the Central and the State Governments, and sponsoring banks with a caveat that in such a case, the combined shareholding of the Central Government and the sponsoring bank cannot be less than 51 per cent. Additionally, if the shareholding of the State Government in the RRB is reduced below 15 per cent, the Central Government would have to consult the State Government concerned. Here also I differ with the proposal. The State Governments already hold only 15 per cent share and that need not be allowed to be reduced. Any reduction in the shareholding can be from the remaining 85 per cent, which is the combined holding of the Central Government and the sponsoring bank. But, at no cost, the total shareholding of the Central Government, State Government and the sponsoring bank should fall below 51 per cent level.

Here I would like to mention that our beloved leader Puratchi Thalaivi Amma has always stressed that shareholding pattern of public sector institutions should never be allowed to be diluted, detrimental to the interests of the common man. A classic example is, when five per cent shares of the public sector, Neyveli Lignite Corporation was sought to be disinvested, our beloved leader of poor masses Puratchi Thalaivi Amma negotiated with the Central Government and other regulatory authorities and ensured buying of the shares by the Government of Tamil Nadu so that the larger objectives and legal rights of the public sector institutions and the workers do not suffer even in the distant future.

The fourth major point is regarding the Board of Directors the election of directors from sources other than the Central Government, State Government and the sponsoring bank. The Bill states that any person who is a director of an RRB is not eligible to be on the Board of Directors of another RRB. This is a good measure and I support the move.

The Bill also adds a provision for Directors to be elected by shareholders based on the total amount of equity share capital issued to such shareholders. In view of the proposed provision for rising of private capital, election of director from such shareholders is understandable. One Director for those who are issued equity share capital up to 10 per cent, two Directors for equity share capital from 10 per cent to 25 per cent and three Directors when the equity share capital issued is 25 per cent and beyond is a reasonable move and I support the initiative. At the same time, a new provision should be made for the appointment of two non-official directors to be nominated by the State Government.

While a private equity shareholder is allowed to be appointed as a director, it is reasonable that the State Government should also be allowed to nominate two non-official Directors who are not State Government officers as is being allowed in the case of Central Government. The Central Government nominates two non-official Directors. It will be fair if the State Government concerned is also allowed to nominate two non-official directors to the Board. This will help appointment of non-officials in the board who are otherwise well equipped to have a place in the Board and they will be able to provide guidance in the Board with their knowledge and experience.

Another proposal in the amendment Bill is enabling the Central Government to appoint an officer of the Central Government to the Board of Directors to ensure effective functioning of the RRB. Considering the field level hands on experience of the State Government officials, the proposal should be enabling appointment of officer to the Board from the Central Government or the State Government and if such an appointment is made from the Central Government, the State Government should also be consulted and only after concurrence of the State Government, such appointment should be made. I am making this point very specific because, at no point of time, should any attempt be made to remote-control any RRB in the veil of appointment of an officer of the Central Government.

The fifth major point is about the date of closure of annual account. I agree with the hon. Finance Minister in the matter of changing the date of closure of annual accounts from 31<sup>st</sup> December to 31<sup>st</sup> March to bring uniformity with the financial year.

Sir, in Tamil Nadu, we have two Regional Rural Banks, namely, Pallavan Grama Bank and the Pandiyan Grama Bank. They are performing well. In general, the RRBs have done good work despite the limited mandate given to them. Their network cannot be allowed to be wasted. We can best utilise them by creating an apex body for the RRBs, giving them functional autonomy by delinking them from the sponsoring banks and paving the way for infusion of expert guidance in the Board by allowing appointment of two non-official members to the Board to be nominated by the State Government.

Our beloved leader Puratchi Thalaivi Amma is always for the upliftment of the rural population and especially those sections of people who are devoid of any support and guidance, the downtrodden, the vulnerable and the marginalised. Her vision of service to the needy and overall development of the nation through a welfare model of governance will be best achieved if our suggestions, which are very reasonable, are incorporated in the proposed Regional Rural Bank (Amendment) Bill, 2014.

With these few words, I once again thank the Chair and conclude my speech. Thank you.

**श्री निशिकान्त दुबे (गोड्डा) :** माननीय उपाध्यक्ष महोदय, मैं इस फार-रीविंग लेजिस्लेशन के समर्थन में बोलने के लिए खड़ा हुआ हूँ जो आज के समय की आवश्यकता है क्योंकि जो हमारा बैंकिंग सिस्टम है, यह पुराना चल रहा है। 1400 बी.सी. की यदि हम बात करेंगे तो पूरी दुनिया में जब लोग बैंक की बात नहीं सोचते थे तो हम बैंक की बात सोचते थे। यहाँ तक बुद्धिज्म स्कल्पचर की बात यदि करेंगे तो जातिकाज में इन चीजों का जिक्र है और चाणक्य ने अपनी थ्योरी में कहा है कि

#### **16.54 hrs. (Shri Arjun Charan Sethi in the Chair)**

इसका मतलब यह है कि समय समय पर इस देश में परिवर्तन हुए, उसमें बैंक का रोल धीरे-धीरे बदला है, चीजें बदली हैं। अभी जो बैंकिंग बाबू जी कह रहे थे, उनके कुछ अंबजेवशंस थे। समय के साथ अपने को बदलने की आवश्यकता है। वर्ल्ड बैंक था, आईएमएफ था, एशियन डवलपमेंट बैंक था लेकिन अभी पहले के प्रधान मंत्री डॉ. मनमोहन सिंह जी और उसके बाद हमारे प्रधान मंत्री जी ने जो इनीशिएटिव लिया, इसके कारण ब्रिक्स बैंक की स्थापना का एक मार्ग प्रशस्त हुआ। इसका मतलब यह है कि वर्ल्ड बैंक काम नहीं कर रहा है। आईएमएफ काम नहीं कर रहा है, एशियन डवलपमेंट बैंक काम नहीं कर रहा है और दूसरे बैंक की आवश्यकता है और इसके लिए ब्रिक्स बैंक की स्थापना हुई।

उसी तरह से प्रधान मंत्री जनधन योजना को देखेंगे तो प्रधान मंत्री जन धन योजना यह कहती है कि इस देश में जितने गरीब लोग हैं, जितने गांवों में रहने वाले लोग हैं, जितने ऐसे लोग हैं, जिनका एकाउंट अभी तक नहीं खुला है, उनके एकाउंट्स खोलने हैं और इन एकाउंट्स को खोलने के लिए जो आवश्यकता है, वह आवश्यकता यह है कि बैंक अपना काम, चाहे वे कमर्शियल बैंक, प्राइवेट बैंक या रीजनल, रूरल बैंक हो वे अपना काम बढ़िया से नहीं कर पा रहे हैं। इसलिए इस देश में, जैसे अभी तृणमूल कांग्रेस के हमारे दोस्त चले गये, यदि वह यहाँ रहते तो बड़ा अच्छा होता। अभी यहाँ शास्त्रा वित फंड की बात हुई है, रोजवैली की बात हुई है, बंगाल में इसके पहले पीयरलैस की बात हुई थी, यदि आपको याद हो। तथान्त बाबू यदि आपको ध्यान हो, क्योंकि ओडिशा भी इस स्कैम में फंसा हुआ है। तो वे जो वित फंड कंपनियां एक्टिव हुई हैं, वे तालव के कारण एक्टिव हुई हैं और चूंकि हम बैंकिंग सिस्टम अपने लोगों को नहीं दे पा रहे हैं और इस कारण से इस तरह के वित फंड के इंस्टीट्यूशंस डैवलप हो रहे हैं। खासकर ईस्टर्न इंडिया में बहुत ज्यादा डैवलप हो रहे हैं और इसलिए रीजनल रूरल बैंक को स्ट्रेंथन करने की आवश्यकता है। रीजनल रूरल बैंक के पास जो सिचुएशन है, रीजनल रूरल बैंक बना, जिसके लिए चर्चा हो गई कि पचास परसेंट सेंट्रल गवर्नमेंट को देना था, 35 परसेंट स्पांसर्स बैंक को देना था और 15 परसेंट राज्य सरकार को देना था और इस कारण से जब इविटी इनप्यूज होने की बात आती है, चक्यूटी कमेटी बनी, चक्यूटी कमेटी ने आर.आर.बी. के लिए 2010 में कुछ रिवर्सेडेंस किये, उन रिवर्सेडेंस में उसने शीकैपिटलाइजेशन की बात की कि आप शीकैपिटलाइजेशन कीजिए, नहीं तो गड़बड़ हो जायेगी और उसके आधार पर भारत सरकार ने अभी तक 2200 करोड़ रुपया शीकैपिटलाइजेशन किया है। लेकिन जो बोरोविंग है, वह बोरोविंग में आपको बताऊँ कि जो 2013 की रिपोर्ट है, उसमें आज की बोरोविंग 38286 करोड़ है और इनवैस्टमेंट लगभग 1 लाख दस हजार करोड़ के आसपास हो गया है। बोरो हमने 40 हजार करोड़ के करीब किया है और इनवैस्टमेंट 1 लाख 10 हजार करोड़ के आसपास हो गया है। तोन आपने 1,39 837 करोड़ रुपये का दिया है और टोटल एनपीए जो आपका लॉस है, यह लॉस 1333 करोड़ रुपये का हुआ है और एनपीए आपका इतना बढ़ा है कि कई एक आर.आर.बी. ऐसे हैं, जिनका पांच परसेंट से ज्यादा एनपीए बढ़ गया है। इस सिचुएशन में बैंक में बासिल फ्रीनार्ब साहब को पता है कि कमर्शियल बैंक में लागू हो गये हैं और प्राइवेट बैंक इव्यूटी ला रहे हैं, आर.आर.बी. में फंड इनप्यूज की आवश्यकता है और इस इनप्यूज के लिए जो करना है, क्योंकि आज जो गांवों की स्थिति हो गई है, गांवों की स्थिति अब पहले वाली नहीं रह गई है, गांवों की स्थिति में काफी आमूलचूल परिवर्तन हुआ है। पहला परिवर्तन गांवों में यह हुआ है कि जो सर्विस सैक्टर है, जैसे शहर में अर्बन सैक्टर में सर्विस सैक्टर बढ़ा है, वैसे ही ग्रामीण क्षेत्रों में भी सर्विस सैक्टर बढ़ा है। वहां भी मोबाइल की दुकानें आपको नजर आती हैं। वहां काफी शाप्स भी खुल गई हैं, वहां जो गांवों की रोड के किनारे जो पहले चाय बेचा करते थे, अब उन्होंने भी सब जगह चाय बेचनी शुरू कर दी। पहले हम लोग ईंटों पर बैठकर जो अपने बांल और दाढ़ी कटाते थे, अब वे लोग भी सैलून खोल रहे हैं, वे भी पंखा लगा रहे हैं। इसके लिए उन्हें अब क्रेडिट की आवश्यकता महसूस हो रही है। पहले लोग कहीं भी चाय पी लेते थे, कहीं भी दाढ़ी बनवा लेते थे, कहीं भी परचून की दुकान खोल लेते थे। लेकिन अब बड़ी-बड़ी शाप्स आ रही हैं, एयरटेल, वोडाफोन, आइडिया आदि कंपनियां आ गई हैं, चूंकि सब लोग मोबाइल फोन यूज कर रहे हैं, अन्यथा पहले गांवों में फोन नहीं हुआ करते थे। इस तरह से सर्विस सैक्टर का जो इनफ्लूमेंट हुआ है, उसमें आर.आर.बी. को बढ़ाने की आवश्यकता है।

इसके अलावा दूसरा पहलू सामने यह आया है कि पहले जो रूरल और अर्बन एरियाज के बीच में डिफरेंसिय थे, वे अब कहीं न कहीं कम होते आ रहे हैं, जैसे प्रधान मंत्री की आदर्श ग्राम योजना है। यह आदर्श ग्राम योजना क्या कहती है कि वहां लोगों को कनेक्टिविटी दो, रोड्स बहुत अच्छे बन रहे हैं। उसी तरह से यदि लोग शहरों में फिज यूज कर रहे हैं तो गांवों के लोगों को भी लग रहा है कि हमें फिज यूज करना है। अभी बिजली एक बड़ी समस्या है। आपको पता है कि राजीव गांधी विद्युतीकरण योजना में सारे ग्रामीणों को और हमारे जैसे मैम्बर ऑफ पार्लियामेंट और एम.एल.एज. को सबसे बड़ी असुविधा यह है कि ट्रांसफार्मर जल जाता है तो ट्रांसफार्मर लगाना पड़ता है तो लोगों की अपेक्षाएं बढ़ रही हैं, रूरल और अर्बन का जो डिफरेंस पहले हुआ करता था, मान लीजिए उन्हें ए.सी. लेना है तो वह कहीं न कहीं से क्रेडिट लेने की बात करेंगे। अगर फिज लेना है तो कहीं न कहीं उन्हें क्रेडिट चाहिए। उन्हें बिजली का बल्ब खरीदना है तो उतने पैसे की आवश्यकता है।

तीसरा सवाल क्या है कि जो एग्रीकल्चर है, पहले एग्रीकल्चर क्या था, पहले एग्रीकल्चर यह था कि पहले हम बटाईदारी में अपनी जमीन को दे देते थे।

## 17.00 hrs.

मान लीजिए कि हम खेती नहीं कर पा रहे हैं तो बटाईदारी में उस जमीन को दे दिया करते थे। लेकिन अब कृषि बढ़ गयी है, जैसे कहीं कॉटन का प्रोडक्शन बढ़ गया, कहीं फल-सब्जी का प्रोडक्शन बढ़ गया। हमारे यहां अरहर और अरंडी बहुत अच्छा होता है तो हमने उसको दे दिया। कृषि कृषि में अब हम बटाईदारी पर नहीं जा रहे हैं। अब हम कह रहे हैं कि तुमको इस फसल का इतना पैसा हमें देना है। वह कमर्शियलाइजेशन हो गया है। जो बटाईदार है, जिसके पास अपना कोई साधन नहीं है, उसको कहीं न कहीं से क्रेडिट चाहिए, वरना वह खेती कैसे करेगा, कॉटन कैसे उपजाएगा, फसल कैसे उपजाएगा, सब्जी कैसे उपजाएगा, क्योंकि हमको तो कृषि चाहिए। हम समान बंटवारा नहीं चाहते हैं तो कमर्शियलाइजेशन ऑफ एग्रीकल्चर हो गया है। इसके लिए आर.आर.बीज. की आवश्यकता है।

उसके बाद जो चौथा सवाल है कि जैसे पहले सब्जी का यूज था, अब ऐसे ही पॉल्ट्री फॉर्म स्टार्ट हो गया है, आप समझिए कि कोई फिश की खेती कर रहा है, कोई मुर्गी की खेती कर रहा है, हमारी बगल में गिरिश साहब बैठे हैं, ये पशुपालन मंत्री रहे हैं, बार-बार ये ऐमू प्लांटेशन के लिए ज्यादा चिंतित रहते थे। यदि कोई पॉल्ट्री फॉर्म खोलेंगे, फिश की खेती करेंगे, तो उसके लिए भी क्रेडिट की आवश्यकता है। पांचवां पॉइंट यह है कि जहां पहले क्रेडिट था, उसमें महाजनी प्रथा की बात में आपको बताऊंगा। सन् 1976 का बजट कैसा था, आज ही कोई बता रहा था कि विदर्भ में अभी-भी कुछ किसान मर रहे हैं, किसान अंत में मरता है, किसान सबसे ताकतवर आदमी होता है। किसान की जो विल पॉवर है, वह सबसे ज्यादा मज़बूत होती है। जब किसान को लगता है कि अब कहीं से भी कोई रास्ता नहीं बचा है तो उसके क्रेडिट के लिए जो है, कोई बड़ा मापदंड है, सरकार किसान क्रेडिट कार्ड खूब खोलने का प्रयास करती है। अब जैसे प्रधान मंत्री जन-धन योजना में उसको छह महीने बाद पांच हज़ार रुपये मिलेंगे, लेकिन उसकी आवश्यकता यहां महसूस होती है। ... (व्यवधान) यदि जिसने अकाउंट खुलवाने के बाद छह महीने तक बढ़िया से अकाउंट चलाया तो बाद में उसको पांच हज़ार रुपये मिलेंगे। अभी शायद उसको तीन महीने करने की बात चल रही है। ... (व्यवधान)

इसके अलावा जो छठा पॉइंट है, जो लार्ज वर्क फोर्स है, अब बहुत ज्यादा लोग काम करना नहीं चाहते हैं। खेती पर जो निर्भरता है, वर्क फोर्स की जो निर्भरता है, वह कहीं न कहीं कम हो रही है। अब वे अलग-अलग काम करते हैं, कोई प्लंबर का काम करने लगा है, कोई इलेक्ट्रिशियन का काम करने लगा है। मतलब यह है कि आप देखिए कि गांव की इकोनॉमी कैसे बदल रही है। गांव का वेडस बदल रहा है, इसलिए आर.आर.बीज. में इस कैपिटल इन्फ्यूजन की वया आवश्यकता है। कोई केबल टेलिविज़न का काम कर रहा है, कोई प्लंबिंग का काम करेगा, तो उसको पेचकस की आवश्यकता पड़ेगी या नहीं, उसको हथौड़े की आवश्यकता पड़ेगी कि नहीं पड़ेगी? यदि ट्रैक्टर खरीदने की बात होगी तो उसकी आवश्यकता पड़ेगी कि नहीं पड़ेगी? इसके बाद सवाल यह है कि कई सीजनल एम्प्लॉयमेंट होते हैं। एग्रीकल्चरल लेबरर हमेशा काम नहीं करता है। जब खेती चलती है, चाहे खरीफ का सवाल हो या रबी का सवाल हो, उस वक्त एग्रीकल्चरल लेबरर काम करते हैं। लेकिन इसके बाद यदि उनको कोई दूसरे काम की आवश्यकता है तो उसके लिए उनको व्यापार की आवश्यकता है। इसके लिए उसको क्रेडिट की आवश्यकता है।

चौथा सवाल यह है कि गरीबों का जो इतना एक्सप्लॉयटेशन हुआ है, आप ट्राइबल्स की बात करते हैं, आप शिड्युल कास्ट्स की बात करते हैं, जैसे हमारे यहां जाति नहीं होती थी, काम के आधार पर बंटवारा होता था, जैसे कुम्हार की बात कीजिए, लोहार की बात कीजिए, सुनार की बात कीजिए या कछार की बात कीजिए। इस तरह के जो लोग थे, उन्होंने भी अपनी अलग-अलग एक्टिविटीज़ बना ली हैं। वे भी टैक्नोलॉजी के साथ अपने आपको एडजस्ट करने की बात करते हैं। मार्केट में यदि कंपीट करना है तो उसके लिए उनको टैक्नोलॉजी की आवश्यकता है। इस कारण से भी उनको एक क्रेडिट की आवश्यकता है। सबसे जो महत्वपूर्ण सवाल है, हम और महात्मा साहब लगातार लड़ाई लड़ते हैं कि जो सीडी २९५० जो है, क्योंकि, जब सन् 1976 में यह बिल आ रहा था, तो कहा गया कि गांव का पैसा गांव में रहेगा, जो मेन मोटो था, जो मेन लोको था कि गांव का पैसा गांव में ही रहेगा। सभापति महोदय, आप भी जहां से आते हैं, जिले में जब डी.एल.सी.सी. की मीटिंग करते हैं तो सीडी २९५० मान लीजिए कि दिल्ली, राजस्थान, तमिलनाडु जैसे राज्य में यदि 110 परसेंट के आस-पास है तो हमारे यहां सीडी २९५० 30 प्रतिशत है, 32 प्रतिशत है या 33 प्रतिशत है। हमारा पैसा है, उसको बैंक के आधार पर आप कह सकते हैं कि सीडी २९५० कहीं उन्होंने बढ़ा कर दिया है, लेकिन हमारा जो पैसा है, वह पैसा कहीं न कहीं दूसरी जगह यूज हो रहा है और हमारे जो गांव के, गरीब किसान लोग हैं, उनको नहीं मिल पा रहा है। इसके लिए जब तक आर.आर.बी. मज़बूत नहीं होगा, इसकी आवश्यकता हमेशा बनी रहेगी और इस कारण से इसकी आवश्यकता है।

महोदय, हमारे कांग्रेस के मित्र यदि उपस्थित होते तो मुझे सुनाने में बड़ा अच्छा लगता। अभी वे प्रधानमंत्री जी से बहुत जवाब माँग रहे हैं कि काले धन का क्या हुआ, धर्मांतरण का क्या हो रहा है, क्या चीजें हो रही हैं, मैं बताना चाहता हूँ कि जब बैंकों का राष्ट्रीकरण 1969 में हो रहा था, तब बड़ा लम्बा-चौड़ा भाषण दिया गया कि गरीबों के लिए यह कर दिया, वह कर दिया, यह एक बहुत बड़ा फार सिटिंग लेजिस्लेशन है। अच्छा है कि बैंकों का नेशनलाइजेशन हो गया, इस देश के लिए अच्छी बात हो गयी, लेकिन उसे लागू करने में कांग्रेस पार्टी को कितना वक्त लग गया, यह आप देखिए।

वर्ष 1948 में ए.आई.सी.सी. का यह रिजोल्यूशन था, उन्होंने 1948 में ए.आई.सी.सी. में यह रिजोल्यूशन पास किया कि बैंक और इन्श्योरेंस सेक्टर का नेशनलाइजेशन होना चाहिए। वह नेशनलाइजेशन वर्ष 1969 में हुआ। 21 साल उनको अपनी पार्टी का रिजोल्यूशन लागू करने में लग गये, जिसके आधार पर उन्होंने आजादी पाई। उस नेशनलाइजेशन की कहानी यह है कि मोरारजी देसाई और इंदिरा गांधी में कितने डिफरेंस थे। मोरारजी देसाई को इस्तीफा देना पड़ा। उन्हें सिर्फ इस्तीफा ही नहीं देना पड़ा, उस वक्त के जनरल सेवैट्टी माननीय वन्द्रीश्वर जी, जो सदन के सदस्य थे, उन्होंने चार लोगों की कमेटी बनायी, जिसमें माननीय मनमोहन सिंह जी भी सदस्य थे। उसमें था कि इसका सोशल कंसालिडेशन होगा या इसका नेशनलाइजेशन होगा। उसकी बड़ी लड़ाई चली, मैं उसकी पूरी चर्चा में नहीं जाना चाहता। सबसे बड़ी इंपोर्टेंट बात यह है कि बैंक नेशनलाइजेशन फाइनली कांग्रेस ने किया। क्यों किया, इसलिए किया कि उस वक्त दो-दो प्रधानमंत्रियों का अचानक देहान्त हो गया था, 1962 के वाइना वार में हम हार गए थे, 1965 के वार में ऐसी सिचुएशन हो गयी थी कि हम लोगों को पूरा पेट खाना खिलाने की स्थिति में भी नहीं थे। आपको याद है कि लाल बहादुर शास्त्री जी ने जय जवान-जय किसान का नारा दिया। यह सारा कुछ आर.बी.आई. का डायरेक्ट कदम है, मैं नहीं कह रहा हूँ।

इंदिरा जी जब वर्ष 1969 में नेशनलाइजेशन लागू कर रही थीं, तो उन्होंने उसमें कहा कि the objective was the vote and support of the poorest and the instrument to achieve this was bank nationalisation और उसमें उन्होंने गरीबी हटाओ का नारा दिया।

मैं आपको यह कह रहा हूँ कि इस देश में इतने नारे बनते हैं, इतनी चीजें बनती हैं, तो आप वर्ष 1948 में कांग्रेस पार्टी का रिजोल्यूशन लाते हैं कि बैंक नेशनलाइज करेंगे, इन्श्योरेंस सेक्टर को नेशनलाइज करते हैं और 21 साल लगा देते हैं। गरीबी हटाओ का नारा इसी पार्टियामेंट में प्रधानमंत्री जी ने अपने भाषण में कहा, तत्कालीन वित्त मंत्री ने कहा। आज भी आप बतायें कि वर्ष 1969 के बाद आज 44-45 साल के बाद क्या गरीबी हट गई? इस तरह से सिचुएशन को, लोगों को बरगलाकर, देश को बरगलाकर चीजों को ऐसा करने से काम नहीं चलता। ये पूरे डायरेक्ट्री प्रूफ्स हैं कि क्या-क्या हुआ।

फाइनली, मैं आपको बताता हूँ कि इन्दर मल्होत्रा की एक किताब है, उस किताब में, मिसेज गाँधी की वलोज फ्रेंड पुपुल जयकार थीं। Pupul Jayakar complimented her on the excellent timing of her decision to nationalize the banks. In a revealing reply Mrs. Gandhi said that: "The timing was not chosen by her but by her adversaries. They drove me to the wall and left me with no other option."

केवल पॉलिटिक्स, इस देश में केवल आप पॉलिटिक्स करेंगे और पॉलिटिक्स के बल पर आपको लगता है कि आप देश को जितना गुमराह करना चाहते हैं, आप गुमराह कर लेंगे। अब आप देखिए कि जब रीजनल रूरल बैंक बनाया गया, उसके ऑब्जेक्ट्स एंड रीजंस क्या थे? उसका ऑब्जेक्ट एंड रीजन था, जब प्रणव मुखर्जी साहब ने इस बिल को इंट्रोड्यूस किया, उन्होंने इस पार्टियामेंट में यह कहा,

"I beg to move for leave to introduce a Bill to provide for the incorporation, regulation and winding up of Regional Rural Banks with a view to developing the rural economy by providing for the purpose of development of agriculture, trade, commerce, irrigation, industry and other productive activities in the rural areas, credit and other facilities, particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs, and for matters connected therewith and incidental thereto."

मैं यह कह रहा हूँ कि 1976 में आर.आर.बी. इस कारण से बनाया गया। इसको बनाए हुए 40 साल हो गए। क्या आज भी फार्मर्स सुसाइड नहीं कर रहे हैं? मैं जिस राज्य से आता हूँ, वहाँ खेतों में केवल 10 परसेंट सिंचाई का साधन है, 90 परसेंट लोग आज भी सिंचाई के बिना खेती कर रहे हैं, मैं जिस राज्य से आता हूँ और शायद ईस्टर्न इंडिया के सारे राज्यों के लोग आते हैं, आज भी 70

परसेंट लोग गरीबी रेखा के नीचे हैं, 70 परसेंट बच्चे कुपोषण का शिकार हैं, 70 परसेंट महिलाएँ आज भी एनीमिक हैं और आज भी देखिये कि वहाँ से मज़दूरों का पलायन हो रहा है। यदि पलायन किसी का हो रहा है तो ईस्टर्न इंडिया में सारे मज़दूरों का हो रहा है। वह सभी जो एग्रीकल्चर चलाते थे, जो मार्जिनल फार्मर्स थे, एग्रीकल्चरिस्ट थे, वे आज लेबरर हो गए हैं। वे आज दिल्ली और मुम्बई जैसे शहरों में कहीं झुड़की का काम कर रहे हैं, कहीं खलासी का काम कर रहे हैं, कहीं गार्ड का काम कर रहे हैं। 10x10 के एक एक कमरे में 20-25 लोग रह रहे हैं। उसी के आगे मैं आपको बताऊँ कि जो डिबेट हुई, उसमें कांग्रेस पार्टी के जो बड़े नेता थे, नाथूराम मिर्था साहब ने इस डिबेट में भाग लिया था। उन्होंने कहा और मैं आपको बता रहा हूँ कि यह देश कैसे गुमराह हो रहा है और किस चीज़ की आवश्यकता है। उन्होंने कहा कि यह बैंक एक शुरुआत है और 1977 के बाद एक एक आदमी जो करोड़ों आदमियों के बराबर हैं, उनको डील करने में बड़ी मुश्किल हो रही है। गाँवों के साहूकार इन लोगों को आज भी अपने नौकर की तरह यूज़ कर रहे हैं और उनका शोषण कर रहे हैं। जल्दी ही इन सरकारों की उद्देश्य पूर्ण के लिए हम ऐसी क्रेडिट व्यवस्था लाएँगे, जिसकी आर्टिफिसियल की आवश्यकता हो गई कि इस स्तर पर इन बैंकों का विकास होगा और इनके लिए गरीब छोटे लोगों के स्रोतों की उन्नति होगी, कारोबारियों को उद्योग चलाने में साधनों की आवश्यकता होगी तो वह पूर्ण की जाएगी। इस एक व्यवस्था से ज्यादा से ज्यादा गरीब लोग गरीबी रेखा के नीचे हो जाएँगे और इन बैंकों से इनका फायदा हो जाएगा - यह नाथूराम मिर्था साहब ने कहा। मैं हमेशा कहता हूँ कि कांग्रेस पार्टी टेर करती नहीं है उनसे टेर हो जाती है। इसके लिए अलग अलग कमेटियाँ बनीं कि रीजनल रूरल बैंक का क्या होना चाहिए। ... (व्यवधान) सभापति जी, हमारी पार्टी के पास डेढ़ घंटे का समय है।

सबसे पहले 1975 में नरसिम्हन कमिटी बनी, जिसके आधार पर आर.आर.बी. 1976 में आई। कांग्रेस का एक स्वभाव है कि वह कमेटियाँ बहुत बनाती है। 1977 में जाते-जाते उन्होंने एक दांतेवाला कमिटी बनाई, जिसकी 1978 में रिपोर्ट आई। उसने कहा कि अमीर और गरीब के बीच क्रेडिट गैप को कैसे कम करें। उसके कुछ रेकमंडेशन हैं। उसने कहा कि कामर्शियल बैंक की जो फंक्शनिंग है, उसको आर.आर.बी. में प्रोग्रेसिव तौर पर लागू करना चाहिए। उसने कहा कि 60 परसेंट का जो लोन और एडवांस है वह स्माल फार्मर्स के लिए, रूरल आर्टिफिसियल के लिए और रूरल पूंज के लिए ईयरमावर्ड होना चाहिए। उसने कहा कि आर.आर.बी. का जो अपरेशनल आरपीएट है उसको नार्बार्ड को समय-समय पर देखना चाहिए और ग्रेजर कैपिटल कंट्रीब्यूशन को देखना चाहिए। यह 1978 की रिपोर्ट है, वह रिपोर्ट आई और चली गई। इसके बाद जब फिर से कांग्रेस पार्टी सरकार में आई तो उन्होंने फिर से एक कमिटी बनाई। In 1981, another Committee to Review Arrangement for Institutional Credit for Agriculture and Rural Development was set up. उसने भी कुछ रिक्मंडेशंस किये। मैं आपको बताऊँ कि कमिटी बनती है, रिक्मंडेशंस होते हैं, लेकिन जब उनके इंप्लीमेंट होने की बात आती है तो कुछ नहीं होता है। उसने कहा कि उसमें प्रोपोजन ऑफ ग्रेजरहोलिडिंग में थोड़ा बहुत बदलाव करने की आवश्यकता है। ऐसे नहीं चलेगा। उसने कहा कि नॉर्थ ईस्टर्न रीजन के लिए एक अलग पॉलिसी बनाने की आवश्यकता है और उसने कहा कि दांतेवाला कमिटी की जो रिक्मंडेशंस हैं कि the entire control, regulation, promotion or development responsibility जो आर.आर.बी. की है, वह कहीं न कहीं नार्बार्ड को ट्रांसफर कर देनी चाहिए। यह 1978 के बाद 1981 में आया। इसके बाद वर्किंग ग्रुप ऑन रीजनल रूरल बैंक्स की एक केलकर कमिटी बनी। मैं केवल आपको बता रहा हूँ कि आर.आर.बी. के साथ किस तरह से फुटबाल खेलने वाली बात हो रही है कि कमिटी बना देते हैं, कोई प्रेशानी हुई तो कमिटी की रिपोर्ट आणी।

आप देखेंगे कि तीन-तीन साल के गैप के बाद कांग्रेस सरकार लगातार इस बारे में एक कमिटी बनाती गई। वर्ष 1981 में भी कमिटी बनी। इसके बाद केलकर कमिटी वर्ष 1984 में बनाई गई। उसने कहा कि एस.सी., एस.टी. ओपेशन में कहीं न कहीं आर.आर.बी. सक्षम नहीं हो रहा है। उस समिति ने कहा कि अनइकोनोमिक आर.आर.बी.ज़. को मर्ज कर दीजिए, क्योंकि एक समय 196 आर.आर.बी.ज़. हो गए थे, अब उनकी संख्या 70 के आस-पास हो गई है। मैं आपको बताना चाहता हूँ कि इसके केपिटल इन्फ्यूजन के लिए बहुत रिवमेंडेशन किए गए। फाइनेंशियल रीस्ट्रक्चरिंग के लिए उन्होंने यह बात कही कि मीटिंग के लिए जो एस.एल.आर. रिववायरमेंट्स हैं, उनका गवर्नमेंट सिवयोरिटीज के लिए स्पॉन्सर बैंक को जिम्मेदार बनाना चाहिए। इसके बाद एक और कमिटी बनाई गई। मैं केवल बता रहा हूँ कि गाँवों के साथ, गरीबों के साथ, पिछड़ों के साथ इस देश में किस तरह का अन्याय होता है, उसका सबसे बड़ा प्रमाण आर.आर.बी. है। एग्रीकल्चर क्रेडिट रिव्यु कमिटी वर्ष 1989 में बनी। उस समिति की अनुशंसाएँ यही थीं कि आर.आर.बी. की फंक्शनिंग ठीक नहीं हो रही है। उस समिति ने फिर से कहा कि विमेन, एससी और एसटी, आर्टिफिसियल के लिए और स्माल फार्मर्स के लिए जो चीज़ें की जा रही हैं, वे सबसेसफल नहीं हो रही हैं और इसमें वेंज करने की आवश्यकता है।

सभापति जी, इसके बाद वर्ष 1991 में जब माननीय मनमोहन सिंह जी देश के फाइनेंस मिनिस्टर बने, तो उन्होंने एक नरसिम्हन कमिटी बना दी। उस समिति ने कहा कि आर.आर.बी. की वायबिलिटी को ठीक करने के लिए सरकार को उपाय सोचना चाहिए और इसके लिए केपिटल इन्फ्यूजन एक बड़ा मुद्दा था। उन्होंने कहा कि आर.आर.बी. का लोकल क्रेडिट के साथ कैसे फाइनेंशियल इन्फ्यूजन कीजिएगा या उसमें कैसे पैसे डालिएगा या लोकल लोगों का जुड़ाव कैसे कीजिएगा, यह महत्वपूर्ण रिवमेंडेशन नरसिम्हन कमिटी की थी। उस रिपोर्ट से भी सरकार संतुष्ट नहीं हुई। कोई भी रिपोर्ट लागू नहीं हो रही है। इसके बाद वर्ष 1994 में भंडारी कमिटी बनी और भंडारी कमिटी ने कहा कि 49 आर.आर.बी.ज़. ऐसे हैं, जिन्हें इन्मीडिएट रीस्ट्रक्चर करने की आवश्यकता है। यदि रीस्ट्रक्चर नहीं करेंगे तो लोगों का पैसा डूब जाएगा और रीजनल सोच प्रभावित हो जाएगा। उस समिति ने ऑनगमेंटेशन की बात कही, एमलगेमेशन की बात कही, जिसकी बात माननीय वित्त मंत्री जी कर रहे हैं। उस समिति ने वर्ष 1994 में कहा कि स्पेशल इन्फेसिस इसकी अप्पेइशन पर देना चाहिए। इस बारे में आज प्रधानमंत्री जी चिंतित हैं, रिक्ल डेवलपमेंट के बारे में प्रधानमंत्री जी बात कर रहे हैं क्योंकि, उन्हें लगता है कि गाँवों में रिक्ल की कमी होती जा रही है, इसीलिए आर.आर.बी.ज़. को रिक्ल अप्पेइशन के लिए काम करना चाहिए। उन्होंने कहा कि राजनीतियों को नहीं बल्कि बोर्ड में प्रोपेइशनल्स को लाइए। जैसे एन.डी.एम.ए. में प्रधानमंत्री जी प्रोपेइशनल्स को लाए हैं। इसके बाद वर्ष 1995 में मिश्रा कमिटी बनी। इस समिति ने कहा कि आर.आर.बी.ज़. की गवर्नमेंट सिवयोरिटीज में ग्रेजुएटिड इन्वेस्टमेंट होनी चाहिए और इन्वेस्टमेंट मैनेजमेंट को रूथिनल करनी चाहिए, क्योंकि मैंने पहले ही कहा कि पांच परसेंट से ज्यादा एनपीए आर.आर.बी.ज़. के हैं, जबकि कामर्शियल बैंकों के एन.पी.ए. दो-तीन परसेंट पर हैं। उन्होंने कहा कि ओपेइशनल सैंट-अप को मजबूत करना चाहिए। इसके बाद वर्ष 1996 में बासु कमिटी बनी। कमिटी के बाद कमेटियाँ बनाई जाती रहीं। भंडारी कमिटी ने जो 49 आर.आर.बी.ज़. के रीस्ट्रक्चरिंग की बात कही थी, बासु कमिटी ने वर्ष 1996 में 68 आर.आर.बी.ज़. के रीस्ट्रक्चरिंग की बात कही। आर.आर.बी.ज़. की पोजीशन इतनी खराब होती गई कि उसे सम्भालने की स्थिति नहीं रही और इनकी संख्या दो सालों में 49 से 68 हो गई। उस समिति ने कहा कि ग्रेजर होल्डर्स के रोल को इसमें बढ़ावा देना चाहिए और कहा कि आर.आर.बी.ज़. की एप्रोच पोजिटिवली स्टैंड एलोन नहीं होनी चाहिए।

इसके बाद एक और कमिटी बनी। उस कमिटी का नाम था, थिंगालिया कमिटी। यह वर्ष 1997 में बनी। वर्ष 1976 से लेकर 1978 के बाद जितनी कमेटियाँ बनीं, वे सब एक ही चीज़ के ऊपर पूंज कर रही हैं कि आपने आर.आर.बी.ज़. बनाया है, आपकी बड़ी अक्ल सोच है, आप बड़ा अक्ल काम करना चाहते हैं, लेकिन कहीं न कहीं इसमें समस्या है। इसे आप स्ट्रेशन करें और आर.आर.बी. को कन्सॉलिडेट करें। उन्होंने यह भी कहा कि आर.बी.आई., नार्बार्ड और स्पॉन्सर बैंक के रोल ओवरलैप कर रहे हैं। उन्होंने कहा कि इन तीनों के बीच कहीं कोई जुड़ाव नहीं है।

इसके बाद फिर नरसिम्हन कमिटी बनी। फाइनेंसी दो और कमेटियाँ बनीं, व्यास कमिटी और अग्रवाल कमिटी। रूरल क्रेडिट के लिए एक्सपर्ट कमिटी ऑन रूरल क्रेडिट।... (व्यवधान) इसका मतलब एक कमिटी वर्ष 2000 में बनी, एक कमिटी वर्ष 2001 में बनी और एक कमिटी वर्ष 2004 में डॉ. व्यास की अध्यक्षता में व्यास कमिटी बनी और एक शोर्टेड कमिटी बनी, जिसकी वर्ष 2010 में रिपोर्ट आयी। इसके आधार पर इन लोगों ने जो कुछ भी किया, आज सरकार के पास इनके अलावा कोई विकल्प नहीं है, सरकार जो काम कर रही है, सरकार आम लोगों के लिए चिंतित है और आम लोगों के लिए काम करना चाहती है। उन आम लोगों के लिए काम करने के लिए इनको री-स्ट्रक्चर करने की आवश्यकता है, इसलिए ये इतना अक्ल बिल लेकर आए हैं, इसमें मेरे कुछ सजेइशंस हैं।

सभापति महोदय, मैं आपके माध्यम से मंत्री जी से कहना चाहता हूँ कि इनका जो एरिया ऑफ ऑपेइशन है, वह बहुत छोटा है। इसमें जो टारगेट ग्रुप का एक्सपोजर है, वह बहुत हाई रिस्क है। वह पैसा लौटेंगा, नहीं लौटेंगा, यह गरीबों के ऊपर है। जो एन.पी.ए. है, जो मार्जिनल टॉसेंस हैं, वे लगातार बढ़ रहे हैं। इन्वेस्टमेंट बैंकिंग का जो रिस्क ओवर है, वह इससे कहीं न कहीं प्रभावित हो रहा है। स्पॉन्सर बैंकों के ऊपर हमारी निर्भरता दिन-पूति-दिन बढ़ रही है। कस्टमर को पता नहीं है कि उन्हें कहां से लोन मिलेगा, कहां से सब्सिडी मिलेगी, इसमें बैंकों का जो रोल होना चाहिए, वह नहीं है। उसमें जो स्टाफ है, उन्हें कम पैसे मिल रहे हैं। इसमें रिक्ल स्टाफ नहीं रखा जाता है, ट्रेजरी मैनेजमेंट और प्रॉफिट ओरिपेइशन का जो रिक्ल है, वह कम हो रहा है, एक्सपोजर ऑफ रिक्ल बहुत कम है, एक्सेलेंस ऑफ स्टाफ के ऊपर ध्यान नहीं दिया जा रहा है।

इसीलिए, मेरा आपके माध्यम से सजेइशन है कि गवर्नमेंट को यह इनकॉरेज करना चाहिए कि रूरल डेवलपमेंट के लिए इसकी क्या आवश्यकता है, इसमें आर.आर.बी.ज़. का क्या रोल होना चाहिए। जो प्रधान मंत्री जन-धन योजना है, उसमें आर.आर.बी.ज़. का क्या रोल होगा जिससे कि ये जो चिट-फंड कंपनियाँ इतनी बढ़ रही हैं, वे कम से कम कैसे बढ़ें? इसके बाद हम स्मॉल बौसेअर्स को नॉन इंटरेस्ट कॉस्ट ऑफ क्रेडिट कैसे दे पाएँ? उन्हें हम कम से कम दर पर इंटरेस्ट कैसे दे पाएँ, तभी आर.आर.बी. का फायदा होगा। जो वीकर सेवशंस हैं, जिनके पास दस किलो मीटर, फुटदूह किलो मीटर, बीस किलो मीटर की दूरी पर बैंक नहीं है, उनके लिए ओपेनिंग ऑफ मोर ब्रांचेज कैसे हों? उन्हें हम टेक्नालोजी के साथ कैसे जोड़ सकते हैं? यह होना चाहिए। इसके बाद जो प्रोडक्टिविटी है, उनकी जो कंट्रोलिंग कॉस्ट और इन्फ्लिज़न इन्कम है, उसे कैसे बढ़ा पाएँ, इसके बारे में सोचना चाहिए। इसके बाद जो पार्टिसिपेशन कॉस्ट है, सब्सिडी है, उसको कैसे हम ट्रांज़ैक्शन में जोड़ सकते हैं? इसके अलावा, जो विलफुल डिफॉल्टर्स हैं, उनके लिए वेरिग ऑफ लोन नहीं होना चाहिए, उनसे पैसे वापस होने चाहिए। लोगों में यह भावना पैदा करनी चाहिए कि ये जो आपको पैसे मिल रहे हैं, ये आपको हमें लौटाने के लिए मिल रहे हैं। उनका इन्वेस्टमेंट का जो डिस्क्रिज़न है, वह कैसे होगा? माइक्रो क्रेडिट स्कीम को हम कैसे इन्कॉरेज कर पाएँगे। को-ऑपरेटिव सोसायटी को क्या हम स्पॉन्सर कर सकते हैं, को-स्पॉन्सर कर सकते हैं या कॉमर्शियल बैंक के इन्वेस्टमेंट में इन तीनों - आर.आर.बी., कॉमर्शियल बैंक और को-ऑपरेटिव बैंक का क्या रोल होगा, इसके बारे में सोचना चाहिए।

रूत एक्टिविटीज के लिए जो क्रेडिट पॉलिसी है, उसे कैसे हम बढ़ा सकते हैं? लॉडिंग का रिलैक्सेशन हम कैसे कर सकते हैं, यदि हम इन आठ-दस चीजों पर कहीं न कहीं काम कर पाए तो मुझे लगता है कि यह जो बिल आ रहा है, जिसे एक बड़े अच्छे स्वभाव, मिजाज के साथ यह सरकार लाई है, प्रधानमंत्री जी की जन-धन योजना के अनुरूप इसे लाया गया है, उसमें हम कुछ कन्ट्रीब्यूट कर पाएंगे। इन्हीं शब्दों के साथ मैं पुनः एक बार इस बिल का समर्थन करते हुए धन्यवाद करता हूँ। जय हिन्द, जय भारत।

SHRI BHARTRUHARI MAHTAB (CUTTACK): Mr. Chairman, I stand here to participate in the discussion on the Bill that has been moved by the Finance Minister. Our good friend, Jayant Sinha Ji is also here. Perhaps, he will be replying to the discussion.

As has been said by my previous speaker, Nishikant Dubey Ji, this Bill was long overdue. Of course, he dwelt on the issue till 1948, came to the year 1969 and missed out 1976 when, actually, the RRB Bill was moved and enactment was done. Subsequently, he moved to the amalgamation of different Regional Rural Banks, how and why it was necessitated.

Initially, I would say that this Bill before us is to amend the Regional Rural Banks Act, 1976. It is said that the amendments will enhance the authorized and issued capital to strengthen their capital base and to bring flexibility in the shareholding between the Central Government, State Government and the Sponsor Bank. The term of non-official director appointed by the Centre will be fixed not exceeding three years. I have moved an amendment to this effect. It is also said that these amendments will ensure financial stability by RRBs, which will enable them to play a greater role in financial inclusion and meeting credit requirements of rural areas. It is said, while piloting the Bill, that the Board of RRBs will be strengthened. Are we not aware that RRBs are jointly owned by the Union Government, by the State Government and the Sponsor Bank with the issued capital of 50 per cent, 15 per cent and 35 per cent respectively?

**17.27 hrs** (Hon. Deputy-Speaker *in the Chair*)

I have come across a comment from All-Kerala Gramin Banks' Staff Federation. It said that the proposed amendments of RRB Act, 1976 will pave the way for privatization of the RRBs in the country, as the amendment was to raise the authorized capital of Regional Rural Banks from the existing Rs.1 crore to Rs.5 crore. Apart from this, the Bill proposes to reduce the share of the Central Government and seeks a 51 per cent support from the existing 85 per cent. It will hold consultation, no doubt, with the respective State Governments to reduce their share from the existing 15 per cent. This clearly demonstrates that the Bill would benefit private monopolies and corporates. No doubt, Nishikant Ji is in favour of this Bill. Do you have any system in place to check if these RRBs transgress from their mandate? Is it not true that the total business earning of the RRBs was Rs.3.5 lakh crore or Rs.5 lakh crore and their total profit was more than Rs.2,500 crore?

Now private monopolies want to have a share in that pie. It is said that the RRB Amendment Bill aims to infuse vigour into RRBs by increasing their capital base from Rs.5 crore to Rs.500 crore. But the capital, as I have said earlier, will no longer be entirely borne by the Centre, State Government concerned and Sponsor Bank. Their shareholding would be limited to 51 per cent and the rest would be raised from private investors.

The All-India Regional Rural Banks Employees' Association has questioned the need for private investment. I would say that it is the concern not only of the employees of the Regional Rural Banks but I think it is also the concern of the whole country that why you are going in for privatization of the RRBs, and that too, in a roundabout way that this is being done.

Since the inspection of RRBs is over.

HON. DEPUTY SPEAKER: Shri Mahtab, please stop for a while.

HON. DEPUTY SPEAKER: What about the Half-an-Hour Discussion?

**17.33 hrs**

### REGIONAL RURAL BANKS (AMENDMENT) BILL, 2014 – Contd.

HON. DEPUTY SPEAKER: Now, Shri Mahtab may continue his speech.

SHRI BHARTRUHARI MAHTAB (CUTTACK): Sir, the capital, as I have said earlier, will no longer be entirely borne by the Centre or the concerned

State or the sponsor bank. Their shareholding would be limited to 51 per cent and the rest would be raised from private investors.

Since the inception of the Regional Rural Banks, the Government has appointed at least ten expert committees to analyse their financials and suggest measures to revive them. Most of the committees have recommended merger of the loss-making RRBs either with neighbouring viable RRBs or with their sponsor banks. Some also recommended their liquidation, but the Government did not act from 1981 till 2005. In that year, consolidation of loss-making RRBs with profit-making ones began to make them economically viable. In Odisha also, a number of RRBs were merged. The Ganjam and Koraput District RRBs were merged. The Cuttack and Balasore District RRBs were merged and named as Kalinga Gramya Bank. Similarly, the Utkal Gramya Bank, Neelachal Gramya Bank and all these RRBs were formed.

By April, 2013 there were just 62 RRBs from 196 in 2004. Following the recommendations of the panel headed by Shri K. C. Chakrabarty, Deputy Governor of RBI, the Government increased the capital inflow of 40 loss-making RRBs. It had recommended that the Centre, the State Governments and the sponsor banks should release Rs. 2,200 crore to bail out these banks. The impact of this capital infusion has begun showing on the ground. The latest RBI report shows that there have been improvements in credit flow in rural areas.

I would mention here, Sir, that there is a need for proper mentoring and that is the actual key in regard to how to make a round about of the RRBs. Biswa Swarup Misra, an economist and banking expert, blames the stakeholders of RRB for its poor performance whom I quote:

"RRBs could have done better had sponsor banks played a proactive role in guiding them and State Governments provided conducive banking environment."

In 2004, more than half of the loss-making RRBs were in four States – Bihar, Madhya Pradesh, Maharashtra and Odisha. When I say in 2004, I mean that at that time, the division between Madhya Pradesh and Bihar had already taken place. These States neither provided proper infrastructure nor managerial skills to RRBs.

In 1998, M. Narsimhan, former Governor of RBI, had pointed out that RRBs had not been able to earn much profit because of limited operation area and target groups. "The salary structure of RRB staff is not motivating enough," points out B.K. Swain, Head of the Centre for Rural Credit and Development Banking at the National Institute of Rural Development in Hyderabad.

Shri N. K. Thingalaya, economist and former Managing Director of Syndicate Bank has said : "RRBs can be made viable without private investment." Shri Y. C. Nanda, former Chairperson of NABARD says that consolidation of RRBs has affected its local feel and role. Private shareholding would lead to further exclusion of rural beneficiaries. I would like to quote him. He said : "I am aware of the poor performance of RRBs. But the point is we are going away from the objectives for which RRBs were established."

Here, I would just like to mention what the Standing Committee in its 4<sup>th</sup> Report in 1993-1994 had said. It said that : "The Committee express their unhappiness over the sad plight of RRBs. The financial position of these banks is deteriorating and the Government appears to be complacent in improving viability of these banks.". The answer and the remedy that has come now is more worse than the medicine that is supposed to be given. I am saying this because here it is going to the private hands. I had just mentioned about the Standing Committee of Finance of 1993-1994.

What is the mandate of RRBs? The Regional Rural Banks (RRBs) were established in 1975 under the provisions of an Ordinance that was promulgated on 26 September 1975, and the RRBs Act, 1976 with a view to develop the rural economy and to create a supplementary channel to the cooperative credit structure so as to enlarge institutional credit to rural and agricultural sector. If this is the mandate, I would come to that aspect of the Report as to what is the present position of our rural economy today and how much money is actually flowing into our rural branches or rural people or those people who are engaged in agriculture.

The major objective of setting up of RRBs is to provide credit and other facilities, especially, to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs in rural areas. How far RRBs have been successful is there for all of us to see. But allowing private investment how far the mandate will be carried out, I have my doubt. Why would any one invest in RRBs, which lends to the rural poor and marginal farmers?

As per the recommendations of Dr. V. S. Vyas Committee, the Government of India, in consultation with NABARD, the State Government concerned and the sponsor Banks initiated amalgamation process of RRBs. The first phase was initiated sponsor bank-wise within the State in 2005. The second phase for further amalgamation was initiated across the sponsor Banks within a State during 2012. After amalgamation, the number of RRBs has been reduced to 57 as on 31 March 2014, and it is reported that all are making profit. Yet, there is an opinion that since the RRBs were established under a special Act passed by Parliament, the decision to amalgamate RRBs at the national-level needs to be ratified by the Parliament, which has not be done and which is yet to be done and to do that, first one has to de-amalgamate, but will it not create more confusion? Yet, I would say, propriety demands that the Parliament should ratify amalgamation of RRBs.

Post amalgamation, the number of RRBs in the country, as on 31 March 2014, stood at 57 with a network of 19,082 branches covering 642 notified districts in 26 States and the Union Territory of Puducherry. The provisional financial results of RRBs for the year 2013-2014 indicates that all 57 RRBs have earned profits aggregating Rs. 2,833 crore. But I would repeat that rural areas continue to be ignored by banks. I am saying 'repeat' because these are the words of RBI. The Deputy Governor Shri K. C. Chakravarty said this in August last, and I quote :

"Rural branches have declined to 37 per cent of total branches from 54 per cent in 1994. Rural deposits constitute just 9.1 per cent of bank deposits, down from 15.1 per cent. All these things indicate that allocation efficiency has not happened despite banks being operationally efficient. It should be the endeavour of banks to diversify into rural areas. Is the financial system without allocation efficiency good enough?"

Sir, rural branches have declined, as I have mentioned, to 37 per cent. All these things indicate that allocation efficiency has not happened despite banks being operationally efficient. Therefore, are Regional Rural Banks still relevant? I would say the relevance has, in fact, increased. More than half of the population still depends on agriculture for their livelihood, and agricultural credit continues to be scarce. Therefore, the effort is called for to strengthen the rural credit system. The scheduled commercial banks which dominate the banking scene today have become reluctant partners in rural banking. Is it for want of a definite policy direction? The need for continuing with the expansion of banking infrastructure in rural areas was recognized even by the Narasimham Committee, but in reality the importance of rural financial infrastructure has got relegated to the background. By bringing in private players into RRB, I think it would be further relegated to the background, and rural investment will not be the priority. Will it give stress on rural banking? I keep my fingers crossed.

Here, I would like to mention what the Standing Committee had mentioned in 1993-94:

"The main objective of the rural bank is to meet credit needs of the weaker sections of society in rural areas. The Committee, therefore, recommends that a National Rural Bank of India should be set up and all RRBs should be brought under its control."

This is a suggestion which was given in 1993-94. Is it not time now to consider in all its impact of forming a National Rural Bank of India? NABARD is definitely playing a greater role, no doubt about it. But having a corpus body like the National Rural Bank of India looking into the aspects of Regional Rural Banks, I think, we will be doing a great service for the rural poor of our country.

I have to move certain amendments relating to the Bill. At the time of passing of the Bill, I will raise that issue. Thank you.

SHRIMATI KAVITHA KALVAKUNTLA (NIZAMABAD): Sir, thanks for the opportunity, but I am afraid there is not much left to say after what Shri Nishikant Dubey and Shri Mahtab have said. Pretty much all my notes are about that. But then I will try to add whatever I can add.

Sir, these Regional Rural Banks were started with the inspiration of Mahatma Gandhi -- on October 2, 1975 by an Ordinance; later, it was converted and the Act came in 1976. As Gandhi Ji said, rural India is the real India and rural development is the real development of India. So, the emphasis was to have one rural bank per each district, but somehow it did not happen, and we ended up with having only 200 plus rural banks. Later on, due to issues of management or the lack of interest by the sponsored banks, and the Central and State Governments, they have again be amalgamated and the number was further reduced to 57 rural banks.

When we formed these 57 rural banks, particularly I will talk about my area, four or five banks have been clubbed into one rural bank and as a result, one Deccani Grameen Bank came into existence. Later on, the small or the marginal farmers who were supposed to be helped by these rural banks were not being helped.

The original Act in fact says:-

"This is to particularly help the agriculture, trade, commerce, industry and other productive activities in rural areas."

Why am I particularly talking about the fundamentals of the Bill? We need to really think about it. This Bill aims at changing the fundamental institution. I will give you one example. This Bill says that it has to give loans to the rural area. I have particularly tried to get some loan for the shepherds in my area. There are 1200 shepherds. They were in want of loan. मैंने डेवकन ग्रामीण बैंक के इतने चक्कर काटे। They simply rejected. They said that these guys have no standing. जैसे निश्कान्त दुबे जी बोल रहे थे कि आज गांव का स्वरूप बदलकर शहर जैसा हो रहा है। वहां छोटे-छोटे बिजनेस आ रहे हैं। Who is going to address the financial needs of those people? That is very crucial. The failure of the RBI had encouraged dubious micro-finances to come into picture. That had encouraged the chit funds to come into picture. It could be anything. The farmers and the rural people with small necessities were duped by various agencies because the Government or the RBI really could not go to their areas to rescue them.

The Bill aims at reducing the stake of the Central Government and the State Government. Is this not privatization? That is what I would like to ask. Of course, the Bill says that 51 per cent will still be retained by the Central Government and the sponsor bank. But then, you have again put in a clause saying that State Governments will have 15 per cent which can be reduced at any time. In that case, the State Governments will only be consulted. Consultation is different and consent is different. Tomorrow, without getting the consent of the State Government, if you, go ahead and reduce the stake of the State Government, how the States interest will sustain?

If 51 per cent is still with the Central Government and the sponsor bank, the management is pretty much with the Government. With this governance structure which we have right now, how do you propose to increase the efficiency of these RRBs? You are encouraging private people to come into picture. What is the change that we will see on the ground? I really do not understand from this Bill.

Many small and marginal farmers are looking up to the NDA Government. The Bill should have a holistic approach. This is a fundamental and a serious issue.

For example, we talk about China in many aspects. China has an agricultural bank of China. It has a separate bank which takes care of its

agricultural needs. Is this not the time to address our needs? हमें अपने किसानों के बारे में सोचना चाहिए। मुझे लगता है कि हमें एक अलग से बैंक रखना चाहिए जिसके नीचे ये आरआरबीज काम करें। नाबार्ड जैसी एजेंसी, जो आलरेडी इन सारे बैंक्स की रेगुलेटरी अथॉरिटी है, let NABARD take over these RRBs.

Whenever we are trying to divert the funds of these banks, should not the State Governments get the first right of refusal? Why are the State Governments being marginalized? Why is there a particular clause of reducing the stake of the State Government without the consent of the State Government? When we are talking about cooperative federalism, I think that the State should be enabled and empowered. The philosophy of the



Modi Ji was told time and again re-iterated and it has been propagated in the elections. You want to reduce the States to a mere consultation agent and are not taking their consent. I do not think that many of the States will take it in right spirit.

There is a report. निशिकांत दुबे जी ने पूरा बता दिया है, लेकिन जो फोर्टी वीक आरआरबीज थे, उनके लिए गवर्नमेंट ने आलरेडी 2200 करोड़ रुपये दिये हैं, बाकी आरआरबीज के लिए how do you get them also on to the level playing field? Without empowering all the RRBs, how do you propose to take care of financial institutions?

You have changed the financial closure date from 31 December to 31 March. When 31 December was kept as a financial closure date of a RRB, it was more to be in sync with the seasons and with the yield periods. Now, if you are changing it and also bringing these into the regular financial institutions, how do you propose to address the concerns of the farmers? Now if you are changing it and also bringing these into the regular financial institutions, how do you propose to address the concerns of the farmers, is another question that I would request you to answer.

When we talk about the Bill, I would request you to amend this Clause 4. It says:

"Provided that in case the Regional Rural Bank raises its capital from sources other than the Central Government or the State Government or the Sponsor Bank, the shareholding of the Central Government and the Sponsor Bank shall not be less than 51 per cent."

Further you say that State Government's shareholding will be reduced to 15 per cent only after a consultation. Kindly incorporate it in the Bill. Instead of 'consultation', 'consent' of the State Government is mandatory, if that can be taken care of. As our friend Shri T.G. Venkatesh Babu had said that a Director from the State Government also will be sustaining the interest of the State. Particularly when we are talking about *Swachh Bharat*, when we are talking about *Beti Bachao, Beti Parao* and emphasis on various other reasons, I would particularly ask you to look at *Kisan Bacho* because आज किसान के लिए बहुत मुश्किलें हैं, आप विशेषकर तेलंगाना राज्य में देखिए, आंध्र प्रदेश में तेलंगाना को इग्नोर किया गया है, बिजली नहीं दी गई है, इसके कारण बहुत आत्महत्याएं हो रही हैं, एक तो किसान को बिजली नहीं मिलती है, दूसरी तरफ क्रेडिट नहीं मिलता है, यूरिया नहीं मिलता है, समय पर बीज नहीं मिलता है। यह बिल कुछ भी एड्रेस नहीं कर रहा है। अगर आप बिल के जरिए बेसिक फंडामेंटल परिवर्तन करना चाहते हैं तो मेरा निवेदन है कि आप इस बिल को स्टैंडिंग कमेटी में भेजिए। स्टैंडिंग कमेटी ने जैसे बताया है, उसके हिसाब से परिवर्तन करने के बाद होलिटिक व्यू से किसान के हित में बिल लेकर आइए। धन्यवाद।

SHRI ANANDRAO ADSUL (AMRAVATI): Hon. Deputy Speaker, I rise to share my views on the Regional Rural Banks (Amendment) Bill, 2014. As per the prevailing circumstances, some of the amendments are suggested by the hon. Finance Minister Shri Arun Jaitleyji which are welcome and support subject to some of my suggestions.

The RRBs were established under the Regional Rural Banks Act, 1976 passed by this august House. The concept of the RRB is to give the financial help to the rural people, particularly small and marginal farmers, unemployed youth and self-help groups. I would bring to the notice one thing. Fortunately, MoS (Finance) is here. There are so many banks and financial institutions. Public sector banks are there; State cooperative banks are there; district central cooperative banks are there; and State Land Development and Rural Development Banks are also there. Along with that, so many cooperative credit societies and cooperative credit agricultural societies are also there. Apart from all those things, specifically for the development of rural area and the rural people, there was a need for Regional Rural Banks.

I can understand that the public sector banks are not having much more branches in the remote area. But in each and every region, there are some public sector banks and one of those banks is working as a leading bank in that region. That public sector bank is controlling all those banks which I have mentioned earlier. Whenever we are there in the DPC, we take their views. Whatever the Central Government's sponsored programmes are there for the youths, self-help groups and marginal and small farmers, but unfortunately, we are not satisfied with that. Ultimately, what is the reason behind it? I have seen the suggestions made and I welcome and support them and I have a particular suggestion to make.

There are many financial institutions and banks, some of them are controlled by State Governments and some of them are controlled by the Central Government. In all States there are State Land Development and Rural Cooperative Banks which were established with the permission of the Central Government. All those State Land Development and Rural Cooperative Banks are on the path of liquidation now. Why? That is because proper regulatory authority is not there and there is mismanagement. It is the responsibility of the Central Government to see that public money is not wasted, whether it is in the cooperative sector or in the public sector. Particularly in the last seven, eight years I have seen this.

In 1998, the Vaidyanathan Committee was appointed by the then Agriculture Minister to review and survey the State Land Development and Rural Cooperative Banks. The Vaidyanathan Committee had suggested that a one time allocation of Rs.4,500 crore be given to all the State Land Development and Rural Cooperative Banks. I followed it up for years but unfortunately I have not got any response from the then Government.

This is our Government, the Government of the people, by the people and for the people. Therefore, I request the Government to look into this matter first and see how those institutions can be made to work effectively. For one time we have to help them financially. Then, those banks will definitely perform better than the Regional Rural Banks.

Thank you very much.

SHRI VARAPRASAD RAO VELAGAPALLI (TIRUPATI): Mr. Deputy-Speaker, Sir, the Bill mostly deals with the authorized capital, issue capital, Directors and other things.

The main purpose for which the RRBs have been created has not been properly addressed in the Bill for the simple reason, as the earlier speaker was saying, that after bringing in private players the RRBs may become more commercial. Already the poor people are not able to approach the banks as the banks are insisting on security and all that. Therefore, unless a percentage of the quota is given to the weaker sections, the economic and the social gap between the rich and the poor can never be filled up.

In fact, the only banks serving the weaker sections in the villages are the RRBs. If the private players are again brought into this also, then they may not provide loans to the poorest of the poor people. So, I would request that a proper credit policy earmarking a certain percentage of the credit for the weaker sections should definitely be made.

The Reserve Bank of India in its report has clearly mentioned that 10 per cent of the population is enjoying 90 per cent of the credit in the country. Therefore, I would request that in order to address that problem a credit policy may be evolved to give preference to weaker sections.

Thank you very much.

HON. DEPUTY SPEAKER: Shri Jayadev Galla, now it is your turn.

SHRI JAYADEV GALLA (GUNTUR): Hon. Speaker Sir, I would rather speak tomorrow, because I am already out of my turn.

HON. DEPUTY SPEAKER: After you speak, the Minister is going to reply. There is no other person to speak.

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SHRI JAYADEV GALLA : Sir, Let me start with difficulties in deposit mobilization.

HON. DEPUTY SPEAKER: Now it is six o' clock. Shri Varaprasad Rao is the last speaker. After that, the Minister is going to reply. Then we are going to take up Zero Hour. We can extend the time till all this business is over.

SHRI JAYADEV GALLA : RRBs have encountered a number of practical difficulties in deposit mobilization. Due to a restrictive lending policy that excludes the richer section of the village society, the RRBs are not able to increase the deposits. These potential depositors show least interest in depositing their money with these banks. Further, State civic bodies and their agencies are also not helping RRBs by maintaining their deposits with the RRBs. This is the main reason for failing to mobilize deposits. I request the hon. Minister to please remove these restrictions so that the RRBs can grow more freely.

Sir, it is not a propounded theory but it is proven that if you shackle or control something, it cannot free or expand itself. That is exactly what is happening with the RRBs. The parent Act prescribed that RRBs will be sponsored by banks and the sponsor banks will subscribe share capital, train RRB personal and provide managerial and financial assistance for five years. I welcome that five year period has been removed by this Bill under clause 2 which proposes to amend section 3 of the parent Act. But under the shadow of sponsored banks, RRBs are not able to grow the way they are expected. It is because RRBs are controlled by NABARD, RBI, Central Government and sponsored banks. But in 1997, the Government removed control of NABARD and RBI but operational responsibilities of the RRBs are still kept with the sponsored banks. So I request the hon. Minister that it is high time to think of formation of a National Rural Bank of India with State level RRBs as its constituents and the branches in every village which will provide the RRBs the flexibility and improve their overall capabilities.

The RRBs pace of growth in disbursement of loans is slow. Some of the reasons for the slow progress include difficulty to identify potential small borrowers as bank staff has been required to make sincere and special efforts in this regard. Most of the small borrowers do not like bank formalities and prefer to borrow from the informal indigenous source of finance such as moneylenders.

There is also anomaly in rates of interest. The RRBs charge a rate of interest of 14 per cent whereas commercial banks are charging much less and there is a lack of coordination between the officials of District Credit Planning Committee and the RRBs. The objective of the Jan Dhan Yojana is to provide rural and urban poor the banking facilities and insurance benefits. Since the majority of the poor live in rural areas, RRBs are expected to play a major role in the scheme. But if one looks at the statistics, as on 18<sup>th</sup> December 2014 RRBs are behind public sector banks not only in opening accounts under Jan Dhan Yojana but also in issuing RuPay Cards. Out of 9.7 crore of accounts opened so far, RRBs contribution is just 1.68 crore, out of which 1.43 crore are in rural areas where 25 lakh are in urban areas. The number of RuPay Cards issued is just 49.75 lakh.

This clearly shows that RRBs are still not able to penetrate into poorer sections. It is primarily because their operations are limited to the area notified by the Government limiting them to just one or two districts. So my first point is that the area of RRBs needs to be expanded. Each RRB should be permitted to go wherever it wants. Hence I request hon. Minister to give RRBs a free hand for their operations so that their further operations reach out to as many poor people as possible. Coming to share capital of RRBs, clause 3 of the Bill aims to amend section 5 of the RRB Act 1976 by permitting the RRBs to raise the capital from market by keeping the combined share of Central Government and State Government and sponsored banks at 51 per cent. Now in the proposed amendment, the share capital of the RRBs can be split into 200 crore equity shares of Rs 10/- each. When compared to the present arrangement which is 5 crore share capital of RRBs split into 5 lakh shares of Rs 100/- each, this move of the Government will help the RRBs to mop up funds from capital market. It is necessary since the financial constraints are being faced by the Central Government, State Governments and also sponsored banks are finding it difficult to provide financial assistance to RRBs.

Here again, the Government has done a good job by keeping the combined share of Central, State and the sponsored banks to be not less than 51 per cent. It is a part of the reform process; as we know, last month, the Government has allowed public sector banks to raise funds from the market, by keeping its share up to 52 per cent. It is primarily to meet the Basal-III norms by the banks.

Our ultimate objective is to ensure that RRBs to have more reach to the rural areas. The success of the rural credit in our country largely depends on the financial strength. There is no doubt that RRBs are the key financing institutions at the rural level, which shoulders the responsibility of meeting

the credit needs of different types of rural areas.

At present, most of the RRBs are facing the problems of overdo, expansion, infrastructure, technology, recovery, NPAs and others. If we succeed in overcoming these difficulties, I am confident that we can bring the image of the RRBs as the common man's bank.

Thank you very much for giving me the time.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI JAYANT SINHA): Thank you very much, Mr. Deputy-Speaker, Sir, for giving me the opportunity to respond to the excellent debate that we have had so far about the amendments to the Regional Rural Banks (Amendment) Bill.

I will start off by saying that there were a lot of expressions of care and compassion for our farmers from my hon. colleagues. As far as this Government is concerned and as far as I am personally concerned, since I come from a very rural backward district, we are working and we will continue to work and do the utmost that we can to be able to provide facilities, resources and credit to our farmers, and to provide them all the services. So, they should not doubt our sincerity and they should not doubt our commitment to be able to provide all these facilities and services to our farmers.

Before I get into answering the specific concerns that they have, let me very quickly sketch out the way agricultural credit works in our country.

Agricultural credit is provided by a variety of institutions, which includes RRBs. Some of the hon. Members felt that it was RRBs that are providing the bulk of agricultural credit. That is a fallacy. The fact is that they provide about 11.6 per cent of the total agricultural credit of Rs.7 lakh crore that is going out every year. It has gone up from Rs. 4 lakh crore in 2009-10 to Rs.7 lakh crore now. So, it is growing well. In fact, the share of the RRBs has increased from nine per cent to 11.6 per cent. So, they are performing well.

But they are one among many other institutions that provide agricultural credit. So, when we talk about agricultural credit, when we talk about providing facilities, resources and support to our farmers, we have to look at the entire picture, not just look at the RRBs in isolation. Of course, in the Ministry and in our Government, we are looking at the entire picture. The RRBs play an important role and that is what we actually want to strengthen.

It is very important for us to continue to strengthen agricultural credit and credit to our farmers because they fall prey, often, to very unscrupulous chit funds

and the Ponzi schemes that they defraud them and make it difficult for them to attain financial security. So, it is very important for us to be able to deepen financial inclusion in our rural areas. That is what this Bill is intended to do.

We have to understand that we have been working on the whole issue of RRBs – strengthening them and improving them over a long period of time. There was a time after 1976 when these RRBs were created, when we had 196 RRBs. They suffered from not having economies of scale; they suffered from poor management and they suffered from not having sufficient technology. So, over a period of time, which started from 2002 onwards, which was accelerated after 2005, we consolidated and amalgamated these 196 RRBs to 56 banks and these 56 banks, as the RBI, NABARD and other institutions have shown as, are actually doing quite well.

This has been a long-drawn process; it has gone through the Standing Committee; there have been many reports; the whole process of coming up with amendments to the 1976 Act has been underway since 2011. It has gone to the Standing Committee; this Amendment Bill was produced and put together by the previous Government. We made some changes and we brought it forward which we think will make it even more effective.

So, it is not as if we are rushing this Bill in any way. It has been in the works for a long time; it has gone through all the parliamentary vetting that it does require.

One of the important things that we have to remember in all of these is that when we think about agricultural credit, we have to think about it in terms of creating a flourishing eco-system. As I said, it is not just one institution. There are many institutions that are required to come together to provide agricultural credit and products and services of various kinds. So, we are looking at the entire picture and in particular, the RRBs are the ones that we are focusing on right now.

The Regional Rural Banks in the last 4-5 years particularly after the consolidation process has taken hold and have, in fact, performed quite well. The reason why we are moving this amendment, I would like to urge the hon. Members to consider is not because they are doing badly but we are doing it and we brought this set of amendments because they are doing well. So, we want to strengthen them, make them stronger and get to the needs that you have said which is to deepen financial inclusion and to be able to provide them credit. So, we are, in fact, pursuing those exact goals that you would like and which the country demands of us and that we needed at this stage. So, that is exactly what we are trying to do.

Let me tell you that right now we have 19000 branches of the Regional Rural Banks that are covering 42 districts. We represent 38 per cent of the total rural branches that exist in this country. Their total deposits in the Regional Rural Banks are quite sizeable. They are Rs. 2.4 lakh crore and their total loans are Rs. 1.6 lakh crore. Their priority sector lending which is supposed to be 40 per cent for a PSU bank that is what the RBI mandates, is 82 per cent and their profitability has been strong. Right now the net interest margins are running at 0.87 per cent. The net NPA of the public sector banks right now is running at about 4 per cent but the gross NPA of the Regional Rural Banks are running at 6 per cent. So, these banks are actually doing quite well and because they are doing well, because we want to expand financial inclusion; because we want to expand credit,

therefore, we have to strengthen them.

This whole process of strengthening them has been, as I said, gone through a long consultative process. The Chakraborty Committee was constituted. It deliberated on this for two years. The NABARD came out with a report and it is on the basis of this report, that we put all of this together. There is a basic fact of banking which I would like the hon. Members to reflect on. There is a basic fact of banking which is if they want to run their banks well and if they have to lend more, they have to provision against that. So for every Rs.100 that I lend, I have to provision Rs.9 for the Regional Rural Bank, for instance, of capital that stays on my balance sheet. So, if I want these banks to grow and if I want these banks to lend more, then I have to have the capital. That is the basic essence and nature of banking. So the Regional Rural Banks have been doing at 14 per cent a year, because they have been expanding their presence, because they have been successful, and because of the amalgamation, we have to provide them capital. That is what we are trying to do.

Now, there have been objections raised about the manner in which we are providing the capital. Certain hon. Members like my good friend, Shri Mahtabji has talked about this privatisation. Some other hon. Members have said that the States are being pushed out of this system. There is a very simple answer to that. We are providing flexibility on the capital structure. We are not mandating what the capital structure need be. It could be private capital and it could also be capital from your States. So, if you are concerned that in Tamil Nadu your share is going to go below 15 per cent and you are concerned about the welfare of your citizens as of course as you should be then, please put more money into your Regional Rural Banks, increase your share and capitalise them in that way. We are not necessarily saying that it should be private capital. We are just saying that we need more capital and in this Bill we are creating the opportunity to flexibly bring in the capital, whether it comes in from the States, the sponsor bank, the Central Government or from private capital, the idea here is flexibility. It is not necessarily privatisation. If you want to step up, I would urge you, hon. Members, put your money where you mouth is. Put more money into your Regional Rural Banks. You have two of them in Tamil Nadu. Put more money into them and provide them the services and facilities that you so eagerly want to provide them so that flexibility is there. This flexibility is what we have provided and therefore, I do not believe that we should be overly concerned about private capital coming in and changing the public nature of these banks. It is because that is precisely what these banks are intended to do and that is precisely what they are doing very well right now.

The other concern that we had from the AIADMK was that we are tying these banks too long to the sponsor banks. You said that there is five year provision that we had and why are we taking away the resolution of that and why are we saying that sponsor banks should continue to be able to work with these banks. There is a simple fact that goes with shareholder ownership. The sponsor banks right now own 35 per cent of the Regional Rural Banks and because they own 35 per cent of the Regional Rural Banks, it is important for them to be able to understand what is happening there and to maintain that managerial assistance and the managerial control that they have. That reflects their 35 per cent ownership and we also understand that it is important for us to take the talent that exist in the PSU banks because of the good systems that they have, the good training programmes that they have and to bring their excellent managers into these Regional Rural Banks on a rotation basis so that we can strengthen the Regional Rural Banks. So, that is the reason why we would like them to continue to provide management assistance that they are providing. I do not believe that that should be a matter of great concern to us.

Finally, regarding our PSU banks, we have said it and the House has agreed that we can bring the Government shareholding down to 51 per cent. In this particular instance also, we are saying that the State Government share of 15 per cent will not be changed unless we agree on that and there is a consultation process associated with it. We are explicitly saying that the ownership of the Central Government and the sponsor banks should be greater than 51 per cent. So, in no way, based on these items that we have brought in the Bill, the public nature of these banks is going to be compromised as we all share the same goal which is to increase financial inclusion, to provide innovative and new products in services to our farmers and rural areas.

There was a final concern about 31<sup>st</sup> December. What we are trying to do with 31<sup>st</sup> December is to align them with the standard reporting and compliance process which all other banks, which are to be associated with the financial year, have in the country. This will help them in raising capital, help them in their tax filings and help them in running the banks. It is a way to make the banks more efficient which, I am sure, is something that you agree to.

With that, I would like to conclude what I am saying and I would ask the hon. Deputy-Speaker to move the Bill and pass it. Thank you very much.

HON. DEPUTY SPEAKER: The question is:

"That the Bill further to amend the Regional Rural Banks Act, 1976, be taken into consideration."

*The motion was adopted.*

HON. DEPUTY SPEAKER: The House will now take up clause by clause consideration of the Bill.

As Shri M.B. Rajesh and Prof. Saugata Roy are not present to move their amendments to Clauses 3 and 4, I shall now put Clauses 2 to 4 together to the vote of the House.

The question is:

"That clauses 2 to 4 stand part of the Bill."

*The motion was adopted.*

*Clauses 2 to 4 were added to the Bill.*

### **Clause 5 Amendment of Section 9**

HON. DEPUTY SPEAKER: Shri K. Suresh is not present. Shri Bhartruhari Mahtab.

SHRI BHARTRUHARI MAHTAB : I beg to move:

"Page 3, for lines 9 to 11, insert,--

"(3) The Central Government may, in consultation with the State Government, appoint an officer of the State Government on the Board of Regional Rural Banks, if the State Government recommends that it is necessary for the purpose of effective functioning of the Regional Rural Banks." (11)

Sir, it was interesting to hear our young Minister advising or educating us relating to the State Governments investment in the share capital. Hearing this from the Union Government is nothing new on the part of the respective regional parties.

My amendment is, the Central Government may appoint an officer of the State Government on the Board of Regional Rural Banks, if it considers necessary, for the purpose of effective functioning of the Regional Rural Banks.

The onus of effective functioning of the RRBs lies with the Central Government, the State Government and also with the sponsoring banks. The ratio is divided as 15 per cent and 35 per cent. When the hon. Minister is suggesting that if the concerned States are so interested that their share should not come down, then how much should they maintain? Is it 15 per cent? But the major stake is with the Union Government and also with the sponsor banks that comes to 85 per cent. And this Bill clearly demonstrates that he will bring it down to 51 per cent even if the respective State Government gives 15 per cent. I would like to educate myself on this point. Even if the State Government invests upto 15 per cent, that is the maximum limit.

SHRI JAYANT SINHA: You can increase it and take the share....(*Interruptions*)

SHRI BHARTRUHARI MAHTAB : Then what for we have 50 per cent, 15 per cent and 35 per cent? This flexibility is our concern. The flexibility here is, if the Central Government or the Union Government wants to withdraw and give it to the private players, it can do it. That is our concern. The respective State Governments can protect their interests in the Regional Rural Banks. But the concern is, the Central Government withdraws and gives it to the private players. Whose interest is being compromised? ...(*Interruptions*) I have to explain. I have to have my say. ...(*Interruptions*) It is not so simple Shri Meghwal, because ultimately there were ten Reports on this. Why had the Finance Ministry considered ten Reports before taking a decision like this? Why, Governors and Deputy-Governors, had given Reports? Why was the Government unable to take a decision? You have a mandate and you are taking this decision today and you say that the previous Government was also contemplating to move such amendments. But they did not move these amendments. It is your Government which is doing this. This Government is going to privatise the RRBs. That is my allegation. By this method, you are bringing in private players. You want money to be invested in the RRBs. It is well and good. But is it necessary to do this? Earlier, Rs. 2,200 crore were invested to lift up the RRBs. It is time this Government can also think of such a measure.

I am moving my amendment. Therefore, I am coming to my amendment. In clause 5, it is said: "Two directors shall be elected from the shareholders including the shareholders referred to in sub-clause (i)". It is also said: "Three directors shall be elected from the shareholders including shareholders referred to in sub-clauses (i) and (ii)." So, practically there are five directors. Over and above that, clause 3 of section 5 says, "If the Government wishes to have one more director, it can do so". There my amendment is, allow the State Government on the Board of Regional Rural Banks if the State Government recommends that it is necessary for the purpose of effective functioning of the Regional Rural Banks. That is my amendment. I am moving my amendment.

SHRI JAYANT SINHA: Mr. Deputy-Speaker, Sir, responding to my senior colleague Shri Mahtab for his concern about privatization, I will just reiterate what I said earlier. What we are providing here is flexibility. We are not necessarily saying it should be private capital. In fact, what we are saying very clearly is that the Central Government and the sponsoring bank, which today have 85 per cent, 50 per cent plus 35 per cent, can come down to 51 per cent. Now, the 34 per cent that they have released can be taken up by any one. We are not saying that the State Government is capped at 15 per cent. We are saying the State Government can take that 34 per cent. Because the State Government is taking the 34 per cent in this, I would suggest, that it defeats the amendment that the hon. Member is presenting. As they increase it by 34 per cent, they have an opportunity to put Independent Directors on the Board. So, both the things are taken care of. We are creating the flexibility. If the State Governments are so inclined and so supportive of their Regional Rural Banks, then they should step in and, as I said, put their money where their mouth is. Thank you.

HON. DEPUTY-SPEAKER: I shall now put amendment no. 11 to clause 5 moved by Shri Bhartruhari Mahtab to the vote of the House.

*The amendment was put and negatived.*

HON. DEPUTY-SPEAKER: The question is:

"That clause 5 stand part of the Bill."

*The motion was adopted.*

*Clause 5 was added to the Bill.*

**Clause 6 Substitution of new section for section 10**

HON. DEPUTY-SPEAKER: Prof. Saugata Roy – not present.

The question is:

"That clause 6 stand part of the Bill."

*The motion was adopted.*

*Clause 6 was added to the Bill.*

*Clause 7 was added to the Bill.*

*Clause 1, the Enacting Formula and the Long Title were added to the Bill.*

SHRI JAYANT SINHA: I beg to move:

"That the Bill be passed.

HON. DEPUTY-SPEAKER: The question is:

"That the Bill be passed."

*The motion was adopted.*

HON. DEPUTY-SPEAKER: The motion is adopted and the Bill is passed.