

पंजाब में है। वे कहते हैं कि दिल्ली के गुरुद्वारे हमारे सुपुर्द कर दो। इसी मुखालिफाना कब्जे के लिए वे आ रहे हैं। लेकिन दिल्ली के लोग कहते हैं कि हमारे गुरुद्वारे हैं और हम इसको चलाना चाहते हैं लेकिन वे कहते हैं कि हमारे कब्जे में दे दो। लोगों का रुख और रिएक्शन तो यह है कि अगर वहाँ के गुरुद्वारों का इन्तजाम भी अगर सम्हाला जाये तो लाखों नहीं करोड़ों रुपए बच सकते हैं जिसको कि तामीरे नौ के लिए खर्च किया जा सकता है और ऐसे लोगों को लिए खर्च किया जा सकता है जिनके लिए वे खुद कहते हैं कि हम उनके अनमबदार हैं और सब कुछ उन्हीं के लिए करने वाले हैं। अगर इस ढंग से आप देखें तो मैं बर्ज करना चाहता हूँ कि यह उनकी अकलमन्दी का सबूत है कि इन लोगों ने किननी करप्शन की है, इन लोगों ने एक एम० ए० फर्ट क्लास मांगा था हेल्थ डिपार्टमेंट में डेमोग्राफिक के लिए।

**समापति महोदय :** दरबारा सिंह जी, आप कल अपना भाषण जारी रखेंगे।

अब इस समय आधे घंटे की चर्चा चलेगी।

17.30 hrs.

#### HALF AN HOUR DISCUSSION Re. LEAD BANK SCHEME

**SHRI C. K. CHANDRAPPA (Tellicherry):** I have raised this discussion on the Lead Banks to bring out certain aspects of their functioning and to seek certain remedies. We all know the system of lead banks has been instituted by the Reserve Bank following a study and recommendation made by Dr. Gadgil. Later on, the Reserve Bank set up a committee which recommended the institution of such a scheme. The scheme has then been instituted.

It is said that the purpose is to have an area approach and to give credit facilities and to do intensive banking operation in neglected areas, among people who were hitherto neglected, and in the priority sector. I think the objective of the scheme is ideal; nobody will object to it. But the question is how far this scheme

has been successful and how far it could be successful. For example, there are certain peculiar problems which we shall face in the rural India. We have still the problem of money lenders. It is still the order of the day in the villages. Money lenders are providing money for many schemes. The lead banks should operate in such a way that they can get rid of the money lenders. If it could be achieved it will be a wonderful thing.

According to a review published in the Reserve Bank Bulletin this objective by the lead banks. I know that the lead banks is not something which is meant for monopoly operation in the rural areas, but certain practical problems come in the way. We have traditional industries all over the country such as handloom, coir, cashew, goldsmiths etc. People who are engaged in these operations need financial assistance from the banks. Experts of these banks are supposed to make surveys and studies in the given areas according to the Reserve Bank bulletin. Sometimes these surveys are academic, sometimes they are scrappy and sometimes they are too sophisticated to be of any use.

I can cite certain concrete examples of how this affects the initiative of the people. One of the most important objectives of the scheme was to provide help to labour intensive schemes, to help and support them. But in Kerala what happened? There was a cooperative society set up by the unemployed engineers and technicians. It is called ENCOS. This cooperative society of unemployed engineers collected Rs. 6 lakhs and they were a promised three times of Rs. 6 lakhs by the Kerala Government, but they could give only Rs. 6 lakhs. For the remaining Rs. 12 lakhs they were told that the State Government would stand guarantee and had requested the banks and other financial institutions to assist the scheme which was feasible. They are building boats, they are producing scooters. They are running such sophisticated industries, but what did the Bank say? The hon. Minister knows it very well. The Lead Bank which was supposed to lead banking operations in the area and help such schemes said that it could not support these schemes even if the State Government guarantee...

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI K. K.

GANESH) : The Lead Bank has nothing to do with it.

SHRI C. K. CHANDRAPPA : The Lead Bank should have helped it.

SHRI K. R. GANESH : That is not the object.

SHRI C. K. CHANDRAPPA : As I understand it, they could have helped such schemes when they are supposed to lead banking operations, but they were led by the Central Government. When the Centre got convinced and the Minister agreed that the money should be given, the Lead Bank came forward and agreed to give the money.

Secondly, there is a lag between the concept of banking operations and the needs of the country today. Even the Reserve Bank Bulletin about Lead Bank operations says that the Banks are lending money in the old, traditional manner. But today the needs are different. More sophisticated, technologically advanced industries are coming up and we have to help those industries in such a way that the country will be benefited. These Banks which are supposed to lead the activities of banking in the given area, have to make studies and surveys.

They have pointed out two defects. One is that they do not have technically qualified people to study the problems and needs of the industries and that they cannot produce reports which are helpful to the operations of the industries. Secondly, there is a lack of trained staff. How are you going to solve this, because in such a vast country where the vast majority of the population lives in the rural areas, these banking operations can be effective only if you have trained staff. The Reserve Bank Bulletin admits the limitation of staff and the non-availability of enough trained cadres and experts.

The traditional industries face certain peculiar problems. For example, they do not run at a profit, but it is in the interests of the country to see that they are subsidised and supported, that they survive, because several millions of people are engaged in them. The Lead Bank operations cannot help these industries in a big way because they have to account for every pie that they spend. We must have a re-

orientation of credit policies and also of the approach to banking operations in the country. Only if these things are done will this operation bring about certain benefits.

It started only two years ago. So, it will not be correct to say that it has failed or succeeded. But within these two years the survey made by the Reserve Bank shows that it has been functioning in a defective manner, that it could not bring about the benefits visualised when the scheme was proposed. I would like to know how the Government is going to solve these problems and how the Lead Bank operations will be beneficial to the rural areas and particularly to those schemes meant for creating new jobs for the educated people and to the traditional industries.

श्री कमल मिश्र मधुकर (केसरिया) : सभापति महोदय, मेरे मित्र श्री चन्द्रपन ने लीड बैंक के विषय में बहुत से सवाल को उठा कर मंत्री महोदय का ध्यान दिलाया है और बहुत अच्छा काम किया है। मैं केवल यह प्रश्न पूछना चाहता हूँ -

क्या सरकार ने इस बात की समीक्षा की है या समय समय पर समीक्षा करने का कोई योजना बनाई है जिस के जरिये लीड बैंक की फर्माग पर आप लोग सभा के सामने अपनी रिपोर्ट पेश कर सके ?

क्या सरकार यह बनना सकती है कि लीड बैंक योजना में बैंकिंग मिस्टम को विकसित करके किम आधार पर, किन किन मुद्दों पर अपने कार्य-क्षेत्र में किन किन वर्गों को कौन सी सहायता पहुँचाई है ?

क्या सरकार यह भी बनना सकती है कि बिहार में लीड बैंक योजना के अन्दर कौन कौन से जिले लिये गये हैं ? उममे चम्पारन, मुजफ्फरपुर एवं सारन जिले हैं या नहीं ? अगर नहीं है तो क्यों नहीं है ?

क्या सरकार यह बनना सकती है कि इस योजना के अन्तर्गत कृषि उद्योग को विकसित करने, लघु सिंचाई योजना को लागू करने या

इस योजना को लागू करने के सिलसिले में पंचायत समितियों तथा सहयोग समितियों को भी ऋण देने की व्यवस्था है ?

क्या सरकार यह बतला सकती है कि ऋण लेने के सुगम रास्ते बनाये गये हैं, या और लोगों को ऋण लेने की जो सुविधायें दी जाती हैं वैसे ही सुविधायें इसमें भी होंगी ?

क्या सरकार ने लीड बैंक योजना के कार्य-क्षेत्र में जन-प्रतिनिधियों, एम० पी०, एम० एल० ए० और मुखिया आदि को लेकर परामर्श तथा उन के निरीक्षण अथवा देख रेख की कोई योजना बनाई है, जिस के द्वारा नीकरशाही पर नियन्त्रण लग सके और ऋण लेने में जो काफी घमखोरी होती है उस पर कुछ रोकथाम लग सके ?

लीड बैंक योजना के अन्दर बिहार के किन किन जिलों में कौन कौन सी योजनाएँ बनाई गई हैं और उन का काम कहां तक हो पाया है ? अगर नहीं हो पाया है तो क्यों नहीं हो पाया है ?

SHRI K. LAKKAPPA (Tumkur) : The functioning of the lead banks has been invented after the Gadgil Committee and the Nariman Committee appointed in August 1969 made their recommendations. The very object of the setting up of these banks is that each bank has to act as a strengthening source of reconstruction in the various districts. Considering the operation of the lead banks after nationalisation, it is very bad that the weaker sections of the community are not getting any credit facilities. The question is whether the lead banks are functioning in conformity with the object for which they have been set up, namely to give credit facilities to weaker sections such as agriculturists, artisans, unemployed graduates and unemployed technicians, especially in the rural parts of the country. I can give one example. In Tumkur district, which is a chronically drought-affected area, various institutions are charging various interests. There is no proper security which these weaker sections, including scheduled castes and tribes, can provide for getting loans from the banks.

What guarantee is the Central Government or State Government going to give to the weaker sections that they would get credit facilities without furnishing any security? The weaker sections have no security to furnish. Therefore, what are the arrangements made by the lead banks to strengthen the weaker sections of the society after the nationalisation of banks ?

श्री भूलचन्द डागा (पाली) : सभापति महोदय, लीड बैंक स्कीम 1969 में लागू होने के बाद पाली जिले में आज तक आप ने किसी शेड्यूल्ड कास्ट के आदमी का या किसी गरीब व्यक्ति को ऋण दिया है या नहीं ? आप कृपा कर के यह भी बतलायें कि लीड बैंक स्कीम लागू होने के बाद आप ने पाली जिले में कौन सा सर्वे किया है या कहीं पर भी कोई बैंक की ब्रांच खोली है ? आप के अफसर कहीं भी पंचायत समिति, जिला परिषद् या किसी भी संस्था से कंटैक्ट रख कर लोन देते हैं ? क्या आप उस गरीब काश्तकार को लोन देते हैं जिसकी स्टेट गारेन्टी नहीं दे सकती है या देने की हैसियत नहीं रखती है ?

क्या यह बात सही है कि आप उन जगहों पर बैंक की ब्रांच नहीं खोलते हैं जहां पर अफसरों के लिये सड़कें नहीं होती, लाइट का इन्तजाम नहीं होता। जहां पर सारी सुविधायें होती हैं, इरिगेशन फेसिलिटीज होती हैं, वहां पर भी बैंक नहीं खोलते हैं ? क्या यह बात सही है कि आपके बैंक के द्वारा जो बड़े काश्तकार हैं वह भ्रष्ट तरीके आना कर हजारों रुपयों के ऋण ले सकते हैं और आप का जो आन्जेक्ट है केवल उसको फस्ट्रेट करने के लिये गरीब काश्तकारों की पंचायत समितियां या छोटे बैंकों के द्वारा लोन नहीं दिया जाता है क्योंकि उनकी जमीन छोटी होती है, और इस तरह से आप ने जो लीड बैंक योजना बनाई थी वह गांव गांव में अपनी जगह बनाने में अफ़ल हुई है ? आपके बैंकों में अभी तक अनड्रेंड आदमी हैं, क्या यह भी सही है ? न कोई सर्वे हुआ है, न स्टाफ है न कोई योजना को आगे बढ़ाने में आप की प्रगति हुई है ?

[ श्री मूलचन्द डागा ]

क्या यह बात सही है कि बैंकों में इनका स्टाफ नहीं है जो काम को पूरा कर सके ? पाली जिले में जहा पर पैकेज प्रोग्राम लागू हुआ था, सघन खेती की योजना थी, इस योजना के लागू होते हुए भी आप ने जांचेज नहीं खोली हैं, न जो कोऑपरेटिव बैंक है उनसे कोई सलाह ली है न समझौता किया है न । जो डिस्ट्रिक्ट आफिसर्स है, रेवेन्यू अथारिटीज है उनसे मलाह लेकर लोन देते है ।

SHRI D. K. PANDA (Bhanjanagar) : It is stated in the reply :

"With regard to the weaker and backward classes these lead banks will help financing and also they will make available more credits."

Then it is said that they will also give more credit facilities to the agriculturists. These two things do not go together. During the last 22 years so many credit facilities have been made available, but only the richer Sections in the rural areas who go by the name "agriculturists" have taken advantage of such credit facilities. Since the lead banks have come into being as per the scheme in the year 1969. May I know whether there is a clear direction and whether there is a time-bound programme to help the really weaker and backward classes which include the Adibasis, Scheduled, Castes, landless harijans and such of the persons who are depending upon share-cropping, whether such persons are going to get these facilities and whether the lead bank is going to take the lead in practice with regard to these classes ? If so, I would appeal to the hon. Minister to make a statement of policy with a view to overcoming such contradictory statements.

Coming to the credit facilities to the small-scale industries, specially in the rural areas, as far as my district of Ganjam is concerned, it is very well known for bell metal and the neighbouring district of Phulbani is well known for bamboo and bamboo products. But these small-scale industries are almost dead and gone. Are they going to be revived by these lead banks by giving credit facilities to such type of small-scale industries ?

In Bhulbani district of Orissa there is absolutely no bank. I put it to the hon. Minister what are the reasons for not having established even a single bank-either commercial or State bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : Mr. Chairman, Sir, I wish to first clarify that there is some difference in understanding the purpose of the lead bank because what hon. Members have indicated in their remarks and questions is the entire working of the banking system, that is, about the credit facilities, about lack of trained staff and about credit not having gone to the priority sectors of industry but having gone to the affluent sections and various other matters which have been raised concern the working of the nationalised and other public sector banking institutions.

The purpose of the lead bank is to locate areas of growth, to find out the infrastructure necessary for the areas of growth, to work out details in which other banks that are there will start their operational work and to work out a broad outline of the credit requirements of various sections ; and to do this is to work out a machinery in cooperation with the State Government and other agencies. That lead bank is a bank which will coordinate the activities of the other commercial banks, the State Bank, the other public sector banks and also coordinate with the district authorities and the State Governments, so that for a district a clear picture of the requirement of a district, the social requirement of a district, the economic requirements of a district and centres of growth are located. The question that hon. Member is asking is about the objectives of the nationalised banking sector as such.

As you know, commercial banking in our country, prior to nationalisation, had been confined to urban and metropolitan centres. Its clientele and work was confined to a very limited section of our society. It is for the first time that the nationalised banks and the State Banks have gone into the rural areas. Therefore, a specialised study has got to be made of these rural areas as to what are their problems, what is the staff requirement, in which areas new banks have to come, how

unbanked areas have got to be served, what are the social requirements of an area and how best the entire economic and social development in terms of credit could be worked out and channelised by the combined resources of all the banks. That is the object of lead banks.

**SHRI D. K. PANDA :** The hon. Minister will see that it only says that these lead banks will invoke the cooperation of other banks. It is not their function to coordinate or control other banks.

**SHRI K. R. GANESH :** Either you are not understanding me or I am not in a position to make you understand. I am trying to say that the object of the lead banks is to locate the needs of a district. In locating and working out the needs of a district a specialised study has got to be made. In a district there is not only the lead bank but there are other nationalised banks also. Therefore, for the benefit of all the banks that are there, for working out survey reports, firstly, to locate where branches have got to be opened and, as a next step, to work out the economic and social requirements of that district, the lead banks are there.

**SHRI M. C. DAGA :** What is the achievement of the scheme ?

**SHRI K. LAKKAPPA :** The targets have not been achieved in various districts.

18 hrs.

**SHRI K. R. GANESH :** The object of a lead bank is to locate the requirement of a district, to make a specialised study of the economic, social and credit requirements of the district and, in cooperation with the other banks that might be there in the district and other agencies, to work it out. Since this is a little technical, I am once again referring to it. Various banks have been given various districts in the country to identify these problems and to work out surveys and to enter into cooperation with other banks and district agencies to bring about a revival of credit needs and other social and economic requirements of a district. Out of the 300 and odd districts that have been allotted to the Lead Bank, survey of 160 districts has already been completed and fifty more surveys are

expected. These surveys are expert studies as a Reserve Bank bulletin itself says, and the Finance Minister said a number of times on the floor of Parliament that some of these surveys are good surveys, many of them are surveys which require much more work, these are surveys which require much more intensive work and there are divisions in the Banking Department finding out their deficiencies, these surveys need not be only academic surveys, these need not be only collection of statistics and data which have been got from the State Government and tabulated there. These surveys must indicate and there must be an analysis of the requirements of a district and of the requirements of the credit needs of the district and how these credit needs and the economic revival of the district could be met in co-operation with the banks.

The fact remains that out of 300 surveys, 160 have already come and about 50 are expected. For this purpose, the Reserve Bank has convened regional meetings at Madras, Calcutta, Patna, Bhopal and at district level also regional meetings have been conducted. The number of bank offices in the relatively unbanked States like Assam, Bihar, Orissa, Madhya Pradesh and Uttar Pradesh have registered a significant increase. In Assam and Meghalaya it has increased from 80 at the end of June 1969 to 134 at the end of March. In Bihar it has increased from 273 to 416, in Orissa from 100 to 170 and in Uttar Pradesh from 747 to 1071 and in MP it has increased from 343 to 541. Particular mention may be made of a few districts where the banking coverage has substantially increased. In the Saharsa district of Bihar (*Interruptions*) the number of bank branches has increased from only 5 in June 1969 to 16 now. The population served per bank office has come down from 3.98 lakhs to 1.5 lakhs now. Similarly, in Bastar in Madhya Pradesh, the number of bank offices has increased from 5 in June 69 to 9 now. The population coverage has come down from 3.41 lakhs to 1.47 lakhs. In some of the districts of Orissa the population coverage at the time of nationalisation was 5.4 lakhs. This has come down to 2.5 lakhs. The number of districts without any bank office has come down from 13 to 3 and a plan has been drawn for opening branch offices in these remaining districts as well. These are some of the results of the new policy of the nationalised

[ Shri K. R. Ganesh ]

banks, and as a result of the work done by the lead bank and as a result of the survey done by the lead bank, greater coverage as far as banking facilities are concerned is being given to the rural areas.

To fulfil the task and to completely satisfy the objectives for which the lead bank has been constituted, it would be necessary for the establishment of a machinery for the purpose of co-ordination under the auspices of the lead bank. This would be feasible when the lead bank has developed the necessary organisational framework in the districts and an adequate number of branches for its developmental role and for its effective functioning as the leader.

As you know, Sir, the Finance Minister himself is taking interest in going into relatively unbanked and backward areas. Recently, he has visited Varanasi, Ghazipur and Azamgarh in UP and will be paying a visit in a few days to other places. (*Interruptions*) like Surat, Jaipur, Madras and Patna. The districts covered so far are Mirzapur and Sitapur in UP, Monghyr, Patna, Darbhanga, Muzaffarpur and Champaran in Bihar. As far as Pali District which the hon. Member mentioned is concerned, it is also one of the districts in which lead bank survey will be conducted.

SHRI D. K. PANDA : Phulbani in Orissa has not got any bank. The Ganjam and Phulbani adivasis are not given anything.

SHRI K. R. GANESH : I think that is also there ; I cannot immediately tell you ; I will have to look into it. There is wide coverage. There are more than 355 districts or so, which have been located and there is no reason to leave any district.

There are some specific questions which hon. Members have raised and I am trying to indicate the objective of the Lead Bank Survey.

One of the hon. Members raised the question of the training of staff. This is a very major question which the banks are having. They are trying to solve this problem of bringing about training of the staff so that the staff that go to rural areas may be imbued with the objectives of bank nationalisation, who can

enter into meaningful discussion and meaningful work with involvement of the people.

The hon. Member, Shri Daga, raised a number of questions. He has asked about Pali district. It is one of the districts in which Lead Bank Survey will be conducted. The other question he has raised relates to loan not being given to poorer sections of society, loan being given to the affluent section in the agricultural sector and all that. He said, there is no contact with the Zilla Parishad, banks are not opened in areas in which there are no roads, etc. Sir, these are all general questions. The question whether credit is given to the vulnerable section and the priority section or not is not connected with the Lead Bank. It has been stated on the floor of the House that the objective of Bank Nationalisation is to give credit to the poorer sections of society. It has also been stated on the floor of the House that Agriculture which had 3 per cent of credit now gets 12 to 15 per cent of credit and the priority sectors, not over 25 to 30 per cent. This has been stated already on the floor of the House.

Therefore, what I am trying to say is that these factors are not connected with the Lead Bank Scheme for which this short discussion has been raised by the hon. Member.

The same thing may be said about corruption. Shri Lakkappa raised a question and referred to credit to the weaker sections of society.

Sir, once again I may mention here that it is the objective of Bank Nationalisation to bring as much credit as it is possible to the weaker sections of our society. That is the prime objective which the Banking Department, all the Banks and the Ministry are trying to achieve, to see that greater and greater credit is channelised through the Banking sector.

I would like to say one thing more. (*Interruption*) Having put me all questions, you must also bear with my harangues.

Sir, this is a very large question. The question of banking facilities and the orientation of this policy in the largest area of agricultural sector is certainly a very large ques-

tion. We are certainly conscious of the demands that are there. We are equally conscious that much more has got to be done. We are also conscious of the phenomenal and colossal problem of credit requirements of these districts, but we are determined—with all the available resources at our disposal—to

see that the objective of Bank Nationalisation is completely fulfilled.

**18.09 hrs**

*The Lok Sabha then adjourned till Eleven of the clock on Tuesday, August 3, 1971|Sravana 12, 1893 (Saka)*