

I know whether Government also contemplate constituting a sort of revolving fund in which the State Governments are also associated for undertaking various developmental activities in the States ?

**SHRI YESHWANTRAO CHAVAN :** For instance, in the case of the endowment for agricultural universities, it is the States which are going to run the universities. Naturally in any developmental activity that we undertake, the States will have a share.

**SHRI M. RAM GOPAL REDDY**  
What is the total of the PL 480 fund and have we utilised any amount from that ?

Are we still purchasing foodgrains under PL 480

**SHRI YESHWANTRAO CHAVAN :** We are going to stop the purchase of foodgrains under PL 480 by the end of 1971. The total rupee deposits for PL 480 imports from 1960 to 31-3-1971 amount to Rs. 2234.38 crores and the interest accruals to the United States Government amount to Rs. 231.80 crores, so that the total is Rs. 2466.18 crores.

श्री इसहाक सम्मली : मे यह जानना चाहता हूँ कि पी० एल०-480 के रुपये के इस्तेमाल के बारे में सरकार ने क्या पालिसी बनाई है, इस रुपये पर किस का कंट्रोल है और किस चीजों पर यह खर्च किया जा सकता है। पी० एल०-480 के रुपये के बारे में बहुत बुरी बुरी खबरें फैली हुई हैं कि उससे न जाने क्या क्या हो रहा है। क्या सरकार को इस बात का नालेज या जानकारी है कि यह पैसा कितन कितन बतों पर खर्च होगा और कितना खर्च होगा ?

**SHRI YESHWANTRAO CHAVAN :** Yes, Sir, the Government is aware of the position because most of it is invested in Government securities. Naturally some part of it is used for U. S. usage in India and we are making provision in the Budget

for that. But we do not know the details of their internal expenditure. But we know what money has been withdrawn for U. S. usage.

**SHRI SAMAR GUHA :** Is it a fact that a part of PL 480 funds had been apportioned for rural electrification scheme in India and if so what is the amount ? Is it also a fact that the amount apportioned for West Bengal falls far short of the requirements of the State and if so may I know whether the Government will increase the amount for West Bengal for rural electrification ?

**SHRI YESHWANTRAO CHAVAN :** I have not got that particular figure. If you ask a specific question, I shall furnish information.

**SHRI R. V SWAMINATHAN :** In view of the fact that PL 480 funds accumulated due to import of foodgrains from the United States, will the hon. Minister consider a proposal to divert part of the funds if not the entire funds for agricultural development ?

**SHRI YESHWANTRAO CHAVAN :** The funds have been used in the Budget for the last so many years. There is no question of diverting it now. Some funds come under the ownership of the United States authorities and we have made proposals how to make use of that.

#### Conference of All India Bank Employees

126. **SHRI MUHAMMED SHERIFF :** Will the Minister of FINANCE (VITTA MANTRI) be pleased to state :

(a) Whether the All India Bank Employees Conference held in New Delhi in April, 1971 criticised Government for its failure to follow up the nationalisation of Banks with measures to make it a success ;

(b) whether Government have received a copy of the resolution passed at the Conference ;

(c) if so, the main features thereof and the reaction of Government there to : and

(d) the other points discussed at the conference and the decisions arrived at ?

THE MINISTER OF FINANCE.  
(VITTA MANTRI) (SHRI YESH-  
WANTRAO CHAVAN) : (a) to (d)  
A statement is laid on the Table of the House.

### *Statement*

In a Conference held in April 1971, the All India Bank Employees Association passed some resolutions pertaining to the banking industry. Copies of these resolutions were forwarded by them to the Government. Some of the important matters referred to therein were extension of credit to small farmers and other categories of neglected sectors, curbing the supply of credit for speculative and unproductive purposes, merger of small and one - State banks, nationalisation of all remaining banks including foreign banks giving representation to the employees on all policy-making bodies at all levels of banks, reconstitution of the Boards of Directors of the Reserve Bank of India, State Bank of India, etc.

Since the nationalisation of the Banks, we have placed before ourselves the two basic objectives of creation of large scale employment opportunities and extension of credit to hitherto neglected sectors. Considerable progress has already been made in this direction and the policies of the public sector banks are being re-oriented to achieve these objectives. Large borrowal accounts are also being scrutinised more carefully with a view to put down the use of bank credit for speculative and unproductive uses. In my meeting with the Custodians of the public sector banks last month, several important

issues relating to the policies and programmes of the banks were discussed in depth. The views expressed by the All-India Bank Employees Association will be given due consideration while taking decisions on various matters which relate to this vital sector of our economy.

SHRI MUHAMMED SHERIFF : May I know whether there is any proposal for the extension of credit facilities to the small farmer and, if so, the details thereof ?

SHRI YESHWANTRAO CHAVAN : This is one of our major planks in the new policy of nationalised banks, to give credit to the so far neglected sectors, of the population, particularly in the priority sectors. The small farmer is also one of them. But I can not say with satisfaction that the policy was implemented thoroughly, because there were certain procedural difficulties and there was the question of attitudes of the people working in that field. In order to facilitate this change a Credit Guarantee Corporation was formed which started functioning since the beginning of April and which would guarantee the loans of this type where possibly the third party security will not be necessary. This will give confidence to the Branch Managers to form a judgement on the loan proposals and to take a decision on these applications. So, this is really one of the important, major planks. Naturally, it will take some time, because the first major objective of the nationalised banks was to reach the unbanked areas or underbanked areas. Therefore, there has been a certain expansion of branches. Some people have started finding fault with this expansion. I suppose there was a small element of wastage in opening new branches, but this step had to be taken. We have to reach those untapped areas so that the banking habit may spread.

श्री हुनम चन्द कछवाह : अध्यक्ष महोदय,  
जब से बैंकों का राष्ट्रीयकरण हुआ है बैंकों में  
देखा जाना बहुत बढ़ी मात्रा में कम हुआ है यह

बात सही है और छोटे बचोग जिन्हें खोलना है उनके लिए लोन मित्रता भी इन समय बन्द कर दिया गया है। इसलिए मैं जानना चाहता हूँ यह लोन देने की जो प्रथा है जो इस समय बन्द की गई है सब बैंको के अंदर उस के मुख्य कारण कौन से हैं और क्या यह बात सही है कि जब से राष्ट्रीयकरण हुआ है, बैंको कर्मचारियों के कार्य के कारण काफी लोनी में और व्यापारी वर्ग में असंतोष है।

SHRI YFSHWANTRAO CHAVAN

Among those who did not want the banks to be nationalised certainly there is a discontent I do not deny that fact. Members of parties which never believed in nationalisation were discontented, it is very obvious, I do concede that point. But the point, in regard to the first part of his question, that the present attitude due to some sort of reduction in deposit mobilisation is not correct. I the average of this year's deposit mobilisation is quite satisfactory compared to last year.

Secondly, there was some defective implementations must concede when the bank rate was increased last January, and certain instructions were given for squeezing the money expansion. Certain defects were seen at the lower level. It was far easy to deny a loan for the smaller man. That tendency was seen. But it has been corrected. I have myself seen this position. In the month of April, when I met the Custodians I particularly brought this matter to their notice and I am sure the process of correcting this tendency has commenced.

श्री बीभूति मिश्र अध्यक्ष जी, यह बड़ी खुशी की बात है कि बैंक कर्मचारियों की मीटिंग हुई है जानना चाहत हूँ कि बैंक कर्मचारियों के सदाचार और जो घूसखोरी बन्द करनी है इस के संबंध में इस सम्बन्धन में क्या हुआ ? क्यों की यही लोग आज बैंकों में घूसखोरी बढ़ाते हैं, जिससे

कर्म मिलने में बिकल होनी है। मंत्री महोदय का एक बयान मैंने पढ़ा कि राष्ट्रीयकृत बैंको का कार्य मतभ्रजनक नहीं है तो मैं जानना चाहता हूँ कि इन कर्मचारियों की उन्होंने कोई हिदायत दी है कि बैंको के अन्दर जो कर्मचारी हैं और खास कर के गाँवों में, छोटे छोटे शहरी कस्बों और बाजारों में जहाँ यह खुले हैं वहाँ पर यह घूसखोरी न रहे, इस के लिए... व्यवधान...

SHRI S. M. BANERJEE : On a point of order, Sir. He said, bank employees are taking bribe. There are politicians in the country who take bribe ..... (Interruption)

MR SPEAKER I do not allow the point of order.

SHRI PILOO MODY : What is your ruling ?

MR SPEAKER I have not allowed it.

श्री बिभूति मिश्र मैं जानना चाहता हूँ कि बैंक के कर्मचारियों के अंदर सदाचार की गारंटी माँगा जाए और जो बैंक, गाँव में खुले हैं वहाँ आसानी से जो लोग कर्ज लेने के लिए जाय छोटे किसान और छोटे व्यापारी उन को लोन मिले इसके लिए क्या कोई व्यवस्था की गयी है और दूसरी बात यह है कि सरकार ने कोई नियम बनाया है कि धनी लोगों को इतना दिया जाए और गरीबों को इतना दिया जाए क्या जो कि आज बैंको से धनी लोग कर्ज ले कर गरीबों को कर्ज देते हैं? तीसरी बात यह है कि बैंको का रेट बढ़ा देने से छोटे छोटे जो कर्ज लेने वाले हैं उन पर असर हो रहा है और मंत्री जी ने कहा है कि बैंको की कार्यवाहियों से खुद हमें असंतोष है ता सतोंष लाने के लिए यह क्या कर रहे हैं।

**SHRI YESHWANTRAO CHAVAN :** First of all, it would be very wrong to condemn the entire bank employees as being corrupt. If at all *sadachar* is required it is required for every section of the community.

**SHRI S. M. BANERJEE :** It is required here also.

**SHRI YESHWANTRAO CHAVAN :** Wherever the question of corruption was raised, we have certainly tried to take action about it. We have started establishing vigilance cells in different banks. This was discussed with the Custodians also. I had a discussion with representatives of bank employees and officers and I was pleased to find that they were equally interested in the success of nationalisation. Therefore, let us not say that they are less interested in the success of nationalisation. They are equal partners in this effort and I need their cooperation. I do not start with any suspicion about any particular class.

About the other point, there is certainly some truth in it and I have myself said that considering what you and I and this Parliament expect from nationalisation, I am not yet satisfied with the results achieved so far. This is something for which we will have to make continuous efforts. The hon. member is in correspondence with me and he has brought certain facts to my notice. I am trying to look into them from time to time. Let us, therefore, try to achieve what we have set before ourselves.

**श्री विभूति मिश्र :** बैंकों ने रेट जो बढ़ा दिए हैं उससे लोगों को तकलीफ है।

**श्री यशवंतराव चव्हाण :** उस के बारे में मैंने पहले कहा कि कुछ तकलीफ छोटे लोगों को हुई है और छोटे लोगों को लोन मिलना बन्द हुआ है। छोटे छोटे लोगों को लोन मिलना बन्द नहीं होना चाहिए उसके लिए हमने कार्य-

वाही की है और हमारा इरादा है कि जो बड़े बड़े लोग हैं उनके लिए लोन को प्रोज कर के छोटे छोटे लोगों को हम लोन दें।

**श्री रामबेब सिंह :** क्या यह सही है कि जिन बैंकों का राष्ट्रीयकरण हुआ है उन बैंकों ने कृषि के काम के लिये जो ऋण देना शुरू किया था, इधर आ कर वह बन्द कर दिया गया है ?

**श्री यशवंतराव चव्हाण :** बन्द नहीं किया गया है, लेकिन कुछ घसर हुआ था, उस घसर को दूर हटाने के लिए हम ने कार्यवाही शुरू की है।

**श्री हुकमचन्द कछवाय :** वहाँ बिलकुल नहीं मिलता है, साफ इन्कार कर देते हैं, हम ने देना बन्द कर दिया है...

**अध्यक्ष महोदय :** आप क्या बोल रहे हैं।

**श्री हुकमचन्द कछवाय :** अध्यक्ष महोदय, बे बिलकुल नहीं देते हैं, लोग हमारे पास आकर शिकायत करते हैं।

**अध्यक्ष महोदय :** यह सारा सैक्टर ही गरम हो गया है।

**श्री रामबेब सिंह :** मैं माननीय मंत्री जी से अनुरोध करना चाहता हूँ कि सब से पहले वह बिहार के बारे में जानकारी लें। इन बैंकों के द्वारा जो कृषि लोन दिया जाता था, वह बन्द हो गया है आप इस की एन्कवायरी करायें।

**श्री यशवंतराव चव्हाण :** मैंने आप को सूचना का नोट ले लिया है। लेकिन अगर आप के पास कोई स्पेसिफिक केसेज हों, तो उन्हें मेरी नज़र में लाइये, मैं देखूंगा।

**SHRI C. E. BHATTACHARYYA :** Is the hon. Minister aware that this resistance on the part of bank managers has noticeably reduced the loan advances to the small men, in fact defeating the policy of the Government? The bank managers are allergic to giving small loans because of the difficulty of realisation.

**SHRI YFSHWANTRAO CHAVAN :** I think that conclusion is not justified. If we compare the number of accounts in the agricultural sector during the years 1968, 1969, 1970 and 1971 there is a gradual increase in the number of accounts. The quantum of money that is advanced to these accounts is also gradually increasing. Whether it is increasing in the proportion that we desire is a different matter. I can say that I am myself not quite satisfied with it. But it again depends upon the capacity to mobilise savings and supplying it where it is needed. It also largely depends upon the guarantee scheme. It came to my notice that although the Corporation announced that the scheme was to come into operation on the 1st of April some of the branch managers in the far off areas are not yet aware of the existence of the scheme. So, training and education of bank personnel is also necessary. It is a slow process. I am aware of the positions and I will take steps to correct this position.

**Agreement with United Kingdom  
Regarding Operation of Jumbo  
Jets**

128. **SHRI S. M. KRISHNA :**  
**SHRI VISHWANATH JHUN-**  
**JHUNWALA :**  
**SHRI N. K. SANGHI :**

Will the Minister of TOURISM AND CIVIL AVIATION (PARYATAN AUR NAGAR VIMANAN MANTRI) be pleased to state :

(a) whether the existing agreement with the United Kingdom envisages operation of Jumbo Jets through that country ;

(b) whether some doubts have been

expressed by the Government of United Kingdom in this regard ;

(c) whether any settlement of the issue has been reached ; and

(d) if not, what would be its economic repercussions on the operation of Jumbo flights ?

**THE MINISTER OF TOURISM AND CIVIL AVIATION (PARYATAN AUR NAGAR VIMANAN MANTRI) : DR. KARAN SINGH :** (a) and (b). The Government of India's interpretation of the existing agreements was that Air-India had the right to operate a Jumbo Jet service across the North Atlantic through London. This was disputed by the Government of the United Kingdom.

(c) Yes, Sir, a commercial agreement between Air India and B.O.A.C. has been reached.

(d) Does not arise.

**SHRI S. M. KRISHNA :** Is it not a fact that a delegation from our country went to London and after considerable bargaining came to some settlement with BOAC so that our jumbo jets could pick up passengers from London to New York? If so, what are the details of the settlement that has been arrived at between Air India and B.O.A.C. ?

**DR. KARAN SINGH :** The settlement that has been arrived at is a purely commercial settlement between two airlines and I do not think it would be in the interest of Air India if these details are unnecessarily revealed, because they are part of the agreements with a number of airlines in the world. I can say that a mutually satisfactory agreement has been arrived at.

**SHRI K. LAKKAPPA :** There is something fishy about the Agreement ; some study should..... (Interupted)