

यह हालत है। लोन लेने में कितना समय लगता है इसको भी आपको देखना चाहिये

"If a person wants to take a loan of say Rs. 5000 for purchasing a diesel engine set for his farm, it might take 6 to 8 months; and there is a whole chain of officers and personnel who have to be satisfied; and the number of forms and performance to be filled up is really amazing."

इतना समय क्यों लगे ? नेशनलाइजेशन के बाद एग्रिकल्चरिस्ट को, गरीब आदमी को लोन मिल जाए, यह नहीं हो सकता है। राज-स्थान का जहाँ तक ताल्लुक है उसको तो आप देते ही नहीं है। राजस्थान को कितना मिला है यह भी आप बताए।

Of the total advances given to the agricultural sector upto September, 1973, 42 per cent had been given to three States—Tamil Nadu, Andhra Pradesh and Maharashtra. Similarly, in the small-scale industries sector, 35 per cent of the credit has gone to Tamil Nadu and Maharashtra.

राजस्थान का मानूँ ही नहीं है। जो उद्देश्य नेशनलाइजेशन का था वह यही तो था।

Development of backward regions—how will this object be fulfilled.

यह जो आपका उद्देश्य था क्या यह पूरा हुआ है? क्या बैंकवर्क फिज्ज को कुछ मिलेगा? मैं मानता हूँ कि राष्ट्रीयकरण के बाद आप ने बहुत ज्यादा वॉन्चिज खोली है। कर्मटी का कहना है :

"The Committee also note that while the progress, made by public sector banks after nationalisation in areas like deposit mobilisation and branch expansion, has been somewhat satisfactory, in other important and vital areas like lending to weaker or priority sectors, particularly agriculture; removal

of regional disparities in banking development of backward areas, provision of improved service to the public—which were the main objectives of nationalisation, the progress has been slow and has rather fallen much short of requirements and public expectation."

शायद सोलह हजार के करीब आपने वॉन्चिज खोली है। लेकिन गरीब आदमी जो सोचता था कि मैं ऊँचा ऊँठ जाऊँगा लोन बैंक से लेकर क्या उसकी इच्छा पूरी हुई है? उसको कर्जा आसान से नहीं मिलता है जो गरीब कृषक है वह अभी भी मनी लेंडर, बनिंग के चक्कर में फँसा हुआ है। बड़े आदमियों को ही यहाँ से कर्ज मिलते हैं। उनकी तादात बहुत सीमित है। मैनेजिंग एजेंट, डाइरेक्टर या दूसरे बड़े लोग ही कर्ज ले पाते हैं। जो बैंकों में काम करते हैं उनको माफ़ूल तन्खवाह मिलती है, क्लर्क को भी चार पाँच सौ रुपया मिलता और प्रोबर्टार्स भी बहुत मिलता है। लेकिन काम भी देश के लिए वहाँ होना चाहिए। नर्विस अच्छी होनी चाहिये। देश के साथ जो गहरी चल रही है, यह कब तक चलेगी, भगवान जाने।

SHRI C. K. CHANDRAPPAN (Tellicherry): It is now 5 years since banks were nationalised in the country. This is an appropriate occasion for us to review and assess the functioning of these nationalised banks. When the fourteen major Banks were nationalised the Prime Minister spelt out the aims of nationalisation. She suggested a reorientation of credit to fulfil social objectives, carrying banking to common man, providing institutional credit to small and hitherto neglected sectors both in agriculture and industry and helping priority sector to grow.

17.18 hrs.

[SHRI VASANT SATHE in the Chair]  
 These were the objectives which were

outlined at the time of nationalisation of banks. Five years have passed. During this period the nationalised banks have no doubt done something which is creditable. For example in the matter of expansion of branches there have been branch expansion in the rural side in the country as a whole. From 8321 in the year 1959, now it has come to 60,503 branches. Deposit mobilisation has come from Rs. 4,669 crores then to Rs. 8962 crores now. Banking operation in rural side has increased by 50 per cent. Commendable performance was there in certain other sectors too. This is one side of the picture the bright side of the picture regarding the work of the nationalised banks. When we take all these aspects into consideration we have to take vital aspects of the functioning of nationalised banks. We were told in 1969 that banks were nationalised to de-link economic institutions from the grip of monopoly houses.

To-day it is with all justification that we can ask you a question as to how far we have succeeded? On 6th August, this year, our hon. Finance Minister, Shri Chavan, said while answering, a question, that five business houses in the country, namely, Tatas, Birlas, Martin Burn, Mafatlal and Bangur—these five big business houses—have amassed an amount of money by way of credits. Rs. 18,610 is the total amount of money in lakhs they have amassed. But, the same companies, in 1969, had only Rs. 15,725 lakhs. It has now gone up, and to-day these big business houses in our country are getting a little more than 75 per cent of the credits which had been given to the organised industrial sector. This is not a very commendable situation. This shows that one of the major objectives of delinking of the industry and of the monopoly houses from the financial institutions could not be achieved successfully by the nationalised banks.

Another interesting thing is this. You may look into that. On 10th May, 1974, the accumulated amount of credits given to the private industries in our country comes to Rs. 9,379 crores whereas the interesting aspect of credits that Government have taken from the banks comes only to Rs. 9,018 crores—nearly 300 crores of rupees worth of credit have been given to the private industry.

MR. CHAIRMAN: Mr. Chandrapan, earlier you gave some figure. Will you kindly check up whether it is Rs. 15,000 crores, 18,000 crores or Rs. 1,500 crores?

SHRI C. K. CHANDRAPAN: This was an answer given in reply to a question on 6th August, 1974 by Shri Chavan. It may not be taken as an argument. The answer has been given by him in the House. The point here is that we did not succeed in delinking the bank from the monopoly houses. That is the point I want to make. Another objective which was stated at that time was to help the weaker sections and the undeveloped areas. I do not want to go into the problems of the undeveloped areas as my friend, Shri Chatterjee, has already dealt with it. I would, however, like to bring to your notice as to what is happening to the weaker sections. They are badly neglected. They are as badly neglected as before. Though I cannot use the word 'worse' I use the words 'as badly as it was before'. Shri Naik is not here. Otherwise he would have fought with me when I say all these things. A statement made by the Directorate of Land Development said that in the matter of returning loans promptly the share-croppers and much better than even the *jotdars*. They set an example. For example, 75 per cent of the share-croppers in West Bengal returned the loan in time. They did not use the loans for any other

purpose. They used the money for increasing their production of paddy by 77 per cent. This loan was given for agricultural purposes. The State says that it is extremely difficult for the share-cropper to get loans because his credit-worthiness is always in question. This is the age-old concept which we are having regarding credit-worthiness, that is you must have either immovable property or a third-party guarantee. You require so many things when you are giving to a poor share-cropper because he cannot produce land-record.

Now, you take the case of land-owning cultivators. They took loans and returned only 40 per cent. The poor share-cropper whose credit worthiness is challenged, returned in time and used the money for productive operations. Another figure may be interesting in this regard. During the last five years the fourteen nationalised banks gave short-term and long-term loans to farmers holding below 2-1/2 acres of land only 24 per cent, and farmers having above 2-1/2 acres 66 per cent, whereas farmers having more than 10 acres got 34 per cent of the loans. This is about short-term loans. When you come to long-term loans, the situation is still worse. Those having 2 1/2 acres got only 5.1 per cent; above 2 1/2 acres got 94.9 per cent and those above 10 acres got the maximum share, that is, 102.3 per cent.

The greatest indictment on the bankruptcy of the policy comes from the Public Accounts Committee. I may quote:

"The Committee are not convinced that the nationalised banks have been able to meet the genuine requirements of the credit for the weaker sections of the society in whose name the nationalisation scheme was implemented."

Now, this is happening. There is big number of bureaucrats for running the whole institution. It will be correct to say that instead of nationalising the banks the Government has bureaucratized the whole set-up. If you want to touch the problem, first of all, the Reserve Bank of India should be re-structured. The persons on the Board of Directors of the Reserve Bank of India—I will not say they are agents—are serving their own cause. Mr. Chavan said the other day that he will not touch them because of the hoary situation. This Board of Directors is analogous to the Railway Board set-up, namely, the same concentration of medieval type of bureaucracy in the highest-policy-making body. When they give loans, they should take into account the needs of the poorer sections. They should not give loans to the blackmarketeers, harders and profiteers. Last year there was a case when we were faced with tremendous hunger and starvation in the country but food materials were hoarded by certain people and yet money was advanced to them by the Reserve Bank. There have also been cases where big business houses were favoured on the instruction or at the instigation of the Reserve Bank. When Goenka approached the bank for a huge loan when there was a CBI inquiry against him, the employees' representatives in the Reserve Bank opposed it and said that it should not be given, but the Reserve Bank said 'No, it can be given'. Again, when Government were about to announce their credit squeeze policy, Rs. 3 crore, was given as loan to a big millowner. The employees' representatives opposed it but the Government representatives did not say anything in the regard at the meeting of the board of directors.

There is no point in accusing the employees in the name of discipline and in the name of overtime, for the

failure in functioning the nationalised banks. They have done good work as employees and as directors of the nationalised banks. Here, I would like to draw the attention of the hon. Minister to what has appeared in the Capital dated the 20th June, where the employees of the banks in Calcutta have offered and said that they are ready to reduce the overtime which they are taking at present. They said that they were ready to come to an agreement with the bank so that the overtime could be reduced. But the answer that has been given is that it should form part of a package deal and so it was rejected with the result that overtime is going on as before and more and more employees are again being accused of that.

Lastly, I would point out that Government are favouring their own trade union in the nationalised banking industry. There are many instances brought to the notice of the Government where they were asked to intervene effectively but they have failed to do so. What is it that is preventing the Government from bringing these nationalised banks under the control and purview of the Public Undertaking Committee so that there will be some accountability on their part to Parliament?

I hope that Government will favourably consider all the suggestions which I have made.

**SHRI RAGHUNANDAN LAL BHATTIA (Amritsar):** Shri Mehta had said that the banks had exploited the rural areas or the rural people. If investing Rs. 501 crores in the agricultural sector and Rs. 275 crores in the plantations could be called exploitation, I do not know what he means. Is this exploitation or giving help to the rural sector? Similarly, Shri Somnath Chatterjee had said that the banks had failed to bring about removal of regional disparities.

In some areas like the northern region, the people have come forward to take advantage of the facilities offered by the banks, but in some areas like Manipur, Assam etc. the people have not come forward in sufficient numbers to take advantage of those facilities. But still this thing cannot be done overnight. It is taking time. More and more people are taking advantage of it because of the awareness, and they are having the advantage.

Shri Agarwal said that by nationalisation we have achieved a political aim and we had never wanted to have any economic aim. If small people are being helped or branches are opened in unbanked areas or in backward areas, if this is politics, then certainly we want to help the poor people. We want to help the small man. We want to help those areas which have been neglected so far.

I feel that any assessment of the progress in the public sector banks has to be viewed with a full understanding and appreciation of the fundamental objectives that we have. Changes were extended to the precepts, concepts and outlook in the process, in fact to all the dimensions of the operations. Our main objectives in nationalising banks were extension of the banking facilities to the backward and unbanked areas, expansions of credit to the neglected sectors of our society, to the priority sectors and thirdly, bringing about a development-oriented system of banking. We have to see whether we have been able to achieve these objectives or not. When we see the figures, we feel very much satisfied that nationalisation of banks has made a tremendous amount of progress. In regard to opening of branches, we find that 6,224 new branches have been opened mostly in