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Anti-social elements must not get bank credit: PM

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MADRAS, October 5.

THE nationalised banks should give "no quarter" to the anti-social elements which formerly had free access to bank credit and used it for unethical purposes, said the Prime Minister, Mrs. Indira Gandhi, here today.

Addressing a big gathering of industrialists and members of the business and trade community, the Prime Minister noted that, before the nationalisation of the big banks, a small section, directors of banks and others, got most of the short-term and long-term credit that pattern had now been changed.

At a suggestion made to her, the Prime Minister administered the national integration to the gathering.

Mrs. Gandhi assured the industrialists that the large-scale industrial sector would never be starved of bank finance for productive purposes. With the opening of more branches and attraction of more savings, there would be enough funds to meet the needs of the small-scale industrial sector without hurting the large-scale sector she said.

MAINTAINING UNITY

Referring to several points raised by Mr. K. Eswaran, president of the Hindustan Chamber of Commerce, who welcomed her on behalf of all the Chambers of Commerce in the city, the Prime Minister said the maintenance of stability was equally the responsibility of the Government and industry. It also called for dynamism in the sense that stability could be achieved only if all sections of the population were convinced that every one was getting justice and a fair deal. This change for the better should be peaceful and orderly, she said.

She agreed that the economy was looking up, with exports maintaining last year's promise of growth.

Referring to Mr. Eswaran's plea that controls should be made less irksome, the Prime Minister said the Government was not philosophically committed to controls for controls' sake. If industry and trade accepted and honoured the principle of social responsibility, exercised financial discipline and introduced better management practices leading to efficiency as in advanced countries, the Government would only be too glad to shed controls.

Social responsibility involved a fair and humane deal to labour, maintenance of quality of products and their

sale to consumers at a reasonable margin of profit, and the observance of governmental regulations applicable to them faithfully. Professional management should be made the rule in the private sector, and the practice of hereditary management should cease. She called on industry and business to depart from traditional modes and experiment boldly. There was no doubt of the need for higher managerial efficiency in both the private and public sectors, she said.

Mrs. Gandhi told the industrialists and business men that only if social justice was assured to the people could industry and business progress and prosper.

The Prime Minister remarked that every gathering of business men she addressed always complained of taxes having reached the saturation point. She said this was true to some extent of marginal rates. On the other hand, there were various incentives and tax rebates — "not to speak of tax evasion"—she said.

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Social Responsibility