

SHRI DIPEN GHOSH: More serious matters can be kept pending. That has to be taken up and disposed of.

THE DEPUTY CHAIRMAN; O. K. I am disposing it of. Sivaji, please speak,

PROF. MADHU DANDAVATE; You are provoking them to sit for the whole night. Our day is spoiled, don't spoil the night at least.

THE DEPUTY CHAIRMAN I am prepared to burn the midnight oil also.

HALF-AN-HOUR DISCUSSION

On points arising out of answer to Starred Question no. 41 given on 9th August, 1990 Re. meeting with Chief Ministers to sort out modalities of loan waivers through Nationalised and Cooperative Banks

DR. YELAMANCHILI SIVAJI (Andhra Pradesh); I congratulate the hon. Finance Minister...

THE DEPUTY CHAIRMAN. Not me for sitting together and allowing you to speak? It is very unfair.

DR. YELAMANCHILI SIVAJI: I congratulate the hon. Finance Minister for announcing the agricultural rural debt relief scheme—1990 and at the same time in implementing the scheme with all sincerity and vigour. But unfortunately, certain State Governments like Andhra Pradesh are not serious to implement and to ensure that this benefit percolates to the farming community in the State. They put forward a wonderful argument stating that the loan waivers for the agricultural community is the headache of the National Front Government. Since they incorporated it in the Election Manifesto, it is their headache and the State Government is not prepared to share any burden. It appears the Chief Ministers of the State Governments ruled by the Congress (I) i. e. Maharashtra, Karnataka and Andhra Pradesh had a dialogue among

themselves to see that the implementation part of the scheme is thwarted. 7.00 P. M.

SHRI JAGESH DESAI (Maharashtra); Will you repeat it again? I could not hear what you have said.

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE); He will get provoked. Let him go ahead.

DR. YELAMANCHILI SIVAJI: It appears that these three Chief Ministers from Congress (I), from Andhra Pradesh, Karnataka and Maharashtra colluded among themselves and engineered a plan to thwart this scheme) for implementation in the respective States.

SHRI JAGESH DESAI: Madam, this is very unfortunate.

PROF. MADHU DANDAVATE; I will clarify it.

THE DEPUTY CHAIRMAN; I will give you permission to speak. Let him make his statement. You are not responsible to answer him. When you want to say something, then, you can make your point. Is it the habit of just getting up and stopping him from making his speech?

SHRI JAGESH DESAI: He said that there is a collusion among the Chief Ministers. This is not correct. This is an allegation.

THE DEPUTY CHAIRMAN. All right you object. You can repudiate the allegation. I will look into the records.

THE DEPUTY CHAIRMAN: You have to do it.

THE DEPUTY CHAIRMAN. You bring it to my notice, I will definitely do it.

DR. YELAMANCHILI SIVAJI: These three Chief Ministers met at Tirupati,

PROF. MADHU DANDAVATE); Co-operated together... *{Interruptions}*...

THE DEPUTY CHAIRMAN: Don't

DR. YELAMANCHILI SIVAJI. These three Chief Ministers met at Tirupati, the sacred town, down South just like the earlier Chief Ministers during 1963, they met at Tirupati and engineered to form a syndicate among the Congress. These three Chief Ministers, it appears and it is reported that they will sink or sail together as far as cooperative loans are concerned. Unfortunately our Chief Minister of Andhra Pradesh had to be operated in the U. S. A. for the transplantation of his kidney. So the farmers of Andhra Pradesh waited until the Chief Minister came back from the U. S. A. with a fond hope that he would take a decision as far as the cooperative loans are concerned. He came back but no decision has been taken. The Cabinet of Andhra Pradesh, met on the 6th August and stated that they would seek a clarification, advise and guidance from Mr. Rajiv Gandhi, President of the ATCC. So it is an extra constitutional authority. I do not mind the PCC getting clarification from the AICC President. There is nothing wrong in it. But a State Government, the Cabinet going on record and passing a resolution to seek clarification from an extra constitutional authority, something serious and unheard of. It is extra constitutional. So on the 6th, it was like that.

Again the Cabinet met on the 17th. No decision has been taken. The Chief Minister was here,

THE DEPUTY CHAIRMAN: Are you informing this from your own source or from the newspaper or were you present in the meeting?

DR. YELAMANCHILI SIVAJI. It appeared in the newspapers and no authority from the Government denied it.

THE DEPUTY CHAIRMAN: It is a newspaper allegation... *(Interruption)*... I think you are talking about the loan waiving scheme.

DR. YELAMANCHILI SIVAJI: It is in regard to the loan waiving scheme only.

SHRI KOTAIAH PRAGADA (Audhra Pradesh): Why do you bring the State Government here? If there is any difficulty in implementing the scheme, you tell the Centre not the State Government. At no time did the State Government a word to bear the burden... *(Interruptions)*..

DR. YELAMANCHILI SIVAJI: That is what I am telling you. There is no contradiction between you and me. So the Chief Minister was here on the 20th of this month to congratulate the AICC President on his birthday. He met him but no discussion took place as far as the loan waiver scheme is concerned on cooperative sector.

Again on 22nd these three Chief Ministers met at Mysore. No decision has been taken. So as things stand today...

SHRI VITHALRAO MADHAVRAO JADHAV (Maharashtra). They met at Mysore to discuss about the Krishna river water dispute but not about the loan waiving scheme... *(Interruptions)*...

THE DEPUTY CHAIRMAN: If anything unparliamentary or which is not proper goes on the record, I will look into the record. I will not allow anything derogatory to anyone.

DR. YELAMANCHILI SIVAJI: As far as Andhra Pradesh is concerned, the lead bank convened the meeting of the concerned banks in respect of Taluks, districts and the State level and the beneficiaries are identified and the lists are prepared and the total amount is also calculated at Mandal and Taluk levels. The beneficiaries are identified and lists are prepared to find out that in a particular district, so many beneficiaries are there. As far as my district is concerned, in Guntur, 2, 26, 000 beneficiaries are there. I am glad to know about it. Out of these 2, 26, 000 beneficiaries, 90, 000 constitute the cooperative sector. The rest of the beneficiaries are loanees both from the cooperative as well as the commercial banks that are nationalised. But in the apportioned banks, the scheme says that

[Dr. Yelamanchili Sivaji]

if a loanee draws loans from two sources, both from commercial sector as well as the cooperative sector, the benefit of Rs. 10,000/- is to be divided between these two—commercial bank as well as the cooperative bank. But unfortunately no decision has been taken by the Cooperative Banks in Andhra Pradesh in this regard as far as loan waiver is concerned. The Union Government came forward by saying that the Union Government is ready to provide 50 per cent reimbursement of the money from the Reserve Bank of India among which 50 per cent is in the form of grant and another 50 per cent is in the form of loan which is repayable in three instalments and the first instalment starts from 31st March 1990-91 and in every year, it has to be reimbursed. That is the position. So unless the State Government takes a decision, nothing will happen. Supposing I am a loanee of two banks, one commercial and other cooperative and Rs. 10,000 benefit is earmarked by Prof. Dandavate through the Reserve Bank then I am eligible to get relief on Rs. 10,000. But I want of a decision from the State Government, that complete benefit is not percolating to me. That Rs. 5,000 earmarked for the cooperative sector is being kept under suspense account. Though the centre is kind enough to allot Rs. 10,000, I am getting relief only up to Rs. 5,000. This is the position. Time and again, day in and day out, we fought with the State Government. We represented the matter before the State Government and the Chief Minister convened a meeting on 9th of this month of the Members of Parliament. I raised the matter in the meeting of Members of Parliament. I brought it to the notice of the State Government but no decision has been taken. The State Government says, "No, we are not going to implement it because it is the election promise of the National Front Government." That is all right. That is good. Let the State Government announce if they dare do so that they are not going to implement the cooperative sector loan waiver scheme, I let them save so. They don't

have guts to do so. But at the same time, they are dilly-dallying. Ultimately what happens? The kharif season is coming to an end. It starts from June 1st and it ends by 30th September. So unless a decision is taken, the entire farming community will be losing the kharif lending. Kharif lending is substantial in Andhra Pradesh and in some parts of the country but not even a paisa has been distributed as loan to the farming community in Andhra Pradesh. NABARD has sanctioned a limit of Rs. 400 crores to the Cooperative Central Bank of Andhra Pradesh but up to this day, not even hundred rupees were distributed to the farming community since no decision has been taken. Unless I clear the entire amount, I am not eligible for refinance. For want of resources and finances, the farming community is suffering. That is how the State Government devised a plan to make the farmers suffer by not allowing the benefits that are earmarked by the Central Government, that is as far as the cooperative loans are concerned. The problem arises even with the commercial banks also. Since the lists have been finalised and the money is available with the Reserve Bank of India, at the same time, there is a proverb in Telugu.

"Dsvudu Varamickino Poojari Varami-walethu Annatlu."

That means that even if God is good enough to give the boon, the priest is not prepared to percolate the boon to the devotee. The priest by name Dr. M. Chenna Reddy, the Chief Minister of Andhra Pradesh, is acting like that and he is thwarting the loan waiver scheme as far as Andhra Pradesh is concerned. *(Interruptions).*

THE DEPUTY CHAIRMAN: Please let him finish. *(Interruptions).*

SHRI PRAGADA KOTIAH: How does your attribution or allegation will help it. But there is no point in accusing the State Government here. *(Interruptions).*

*Not recorded.

PROF. MADHU DANDAVATE: I will clarify that.

SHRI PRAGADA KOTAIAH:... That has come in the way. After all, the Co operative Central Banks... *{Interruptions}*.

THE DEPUTY CHAIRMAN: Let *me* Minister answer. You don't have to answer for the sake of the Minister. He is there to answer. The Finance Minister should take the responsibility, not you.

DR. YELAMANCHILI SIVAJI. I cannot expect the elder statesmen Mr. Kotaiah to be different. *(Interruptions)*,

SHRI H. HANUMANTHAPPA (Karnataka): Madam, what Mr. Sivaji Said is in bad taste. *(Interruptions)*.

THE DEPUTY CHAIRMAN: I do not know what he said. *(Interruptions)*.

SHRI VITHALRAO MADHAVRAO JADHAV; Madam, the hon. Member has said that Mr. Chenna Reddy is behaving like*.

THE DEPUTY CHAIRMAN: No. That won't go on record. I request the hon. Member *to* be serious. If *it* is a serious matter, let us discuss it in seriousness. *(Interruptions)*.

SHRI VITHALRAO MADHAVRAO JADHAV; I would like the hon. Member to speak like a Member. *(Interruptions)*. He is the Chief Minister of Andhra Pradesh. You can criticise him. I have no objection. But do not utter bad words.

THE DEPUTY CHAIRMAN: He is a doctor. *(Interruptions)*.

SHRI VITHALRAO MADHAVRAO JADHAV: He is a very nice man.

DR. YELAMANCHILI SIVAJI; In-s'ead *of arguing* with *me*, why don't you pursue the matter in your party and get the clearance from your party *(In. teiruptions)*.

THE DEPUTY CHAIRMAN: Mr. Kotaiah, are you the Finance Minister?

*Not recorded.

Mr. Sivaji, I would request you not to look that side: Please address yourself to the Chair.

PROF. MADHU DANDAVATE; It is better if you look at her.

THE DEPUTY CHAIRMAN: It is better you address yourself to me.

DR. YELAMANCHILI SIVAJI; The State of Andhra Pradesh stood guarantee on behalf of co-op. banks of A. P. for as high an amount as Rs. 1600 crores to the NABARD and the Reserve Bank of India and the State Government is a party for the entire Rs. 1600 crores. It has to be distributed to the farming community in Andhra Pradesh and NABARD and the Reserve Bank are good enough not to revoke the guarantee. So they are in good taste. But at the same time, I do not understand the rationale of the State Government to pick up a quarrel with the Union Government as well as with the Reserve Bank and the NABARD in this regard.

PROF. MADHU DANDAVATE: This is a half-an-hour discussion.

THE DEPUTY CHAIRMAN: Half an hour is over now. Wj have got other names. Please conclude. *(Interruption)*, I have your name, Mr. Kotaiah. Why don't you come in front? I know you are there. That is why I am asking you to come in front.

DR. YELAMANCHILI SIVAJI: The State Government and the party ruling the State come out with a peculiar and amusing argument that it is the headache of the Union Government. Madam, last year, when Mr. S. B. Chavan presented the Budget, he put forward the Jawahar Rozgar Yojana. In the Jawahar Rozgar Yojana, the then Finance Minister proposed to collect about Rs. 500 crores by imposing surcharge on incomes of more than Rs. 50, 000]-per annum. The income-tax rates were not enhanced. He just imposed a surcharge of eight per cent and that is how he collected Rs. 500 crores. Had the income-tax rates been raised, this

[Eh-. Yelamanchili Sivaji]

Rs. 500 crores would have been shared with the State Government and the State Government would have got Rs. 420 crores. The then non-Congress Governments in various States like Andhra Pradesh, Karnataka, Tamil Nadu, Haryana, Bengal and other parts did not object to this scheme. On the other hand the State Government were asked to contribute 20 per cent to the Jawahar Rozgar Yojna scheme. But this 20 per cent burden, and non-shareable and non-divisible pool, bringing the surcharge and working over the heads of the State Governments and directly sending the cheques to the panchayats and surpanches, it was very deleterious to the interests of the State Governments. In spite of that, the then State Governments accepted the same and thought that it would benefit the rural community at large. It was the large-heartedness of the non-Congress Governments in those days that they accepted the Jawahar Rozgar Yojna, but now these State Governments which are ruled by the Congress (I) are petty-minded and they are not large-hearted. Though the lending of these banks, financial institutions, commercial bank? and cooperative banks, as far as the kharif season is concerned, is coming to an end by 30th of next month, they are not serious at all in implementing the scheme and coming to a decision. So I would like to appeal to and advise the Finance Minister to see that if the State Government is not serious, he should percolate the same benefit to the commercial banks. I am a loanee both from a commercial bank and a cooperative bank. As far as cooperative bank is concerned, the State Government does not take any decision. So instead of keeping some amount in suspense account, you allow me ten thousand rupees in the commercial bank and relieve me of the burden as far as loan from commercial bank is concerned. Let the State Governments pursue the matter and collect it under the Revenue Recovery Act because for the recovery of loans from the cooperative banks the Revenue Recovery Act is there take care of it. If I do not repay the loans to the cooperative bank-

cooperative banks need not go to a court of law; they can straightway come to my house and auction my belongings.

THE DEPUTY CHAIRMAN: Now you have made a very lengthy statement. Please conclude. I have another name also.

DR. YELAMANCHILI SIVAJI; I am concluding. As far as private banks are concerned, there are certain private banks that have extended advances to the agricultural sector. Altogether throughout the country it appears that private banks have extended Rs. 1, 800 crores as loan, out of which Rs. 750 crores have gone to the priority sector. According to these guidelines, Rs. 100 to Rs. 150 crores are to be covered as far as the private banks are concerned. Though the private banks distributed the amount, it is drawn from the NABARD or from the Reserve Bank of India; it is not their own money. In the same village, certain farmers have got advances from the private banks and certain other farmers have got advances from the nationalised banks, but unfortunately these farmers covered by private banks are not getting any relief at all. So I would like to appeal to the hon. Finance Minister to see that this benefit should be given to the loanees of the private banks also. In certain areas, in semi-urban areas, some farmers may be there.

PROF. MADHU DANAVATE; Private money-lenders also?

DR. YELAMANCHILI SIVAJI; No, not private money-lenders. Private banking money. Private money-lenders do not get money from NABARD or Reserve Bank of India. Are they getting? As far as farmers of semi-urban areas are concerned, they are residents of those areas. Their ornaments and jewellery are pledged with the banks

THE DEPUTY CHAIRMAN: Please conclude. You can't make it into a two-hour discussion.

DR. YELAMANCHILI SIVAJI; They

but they are not covered. I would like to advise the Government to see—though the farmers live in urban areas or semi-urban areas and they have pledged their ornaments with the banks for agricultural loans—that if they are able to get certificates from the Revenue Department that they are *bona fide* farmers, that benefit should be percolated to those farmers also.

SHRI PRAGADA KOTAIAH: Madam Deputy Chairman, thank you at the outset for giving me an opportunity to speak on this. My friend, Mr. Sivaji, from the other side started with abusing the State Government. I felt very sorry for it. The waiver of loans was announced by the Centre without consulting the State Governments. Therefore, it should have been the responsibility of the Centre to completely waive the loans of the farmers. There was no point in asking the State Government to bear 50 per cent of the burden; otherwise, you obtain a loan from the Reserve Bank of India to be repaid over a period of three years. What is the present position of Andhra Pradesh Government? Because of the cyclone the Andhra Pradesh Government has already spent over Rs. 1000 crores and is again borrowing funds to the extent of Rs. 200 crores from the World Bank; it has also begged the Centre to provide at least Rs. 100 crores more to arrange rehabilitation of the cyclone victims. After three months now we have again the Godavari floods. So many villages have been inundated in floods and thousands of people have been evacuated. You may kindly imagine how many crores more are to be spent by the State Government, to meet these natural calamities! No doubt, when the agriculturists are not in a position to repay their loans, we have to find a way out. But without adequate financial arrangement how did the Centre propose to waive the loans? That is one question. I am not going into the details of the entire gamut of agricultural farmers, as Mr. Sivaji has done. I leave the matter there. I am more concerned about the handloom weavers. When the announcement was made first by the honourable Prime Minister I felt very happy because I thought all the loans outstanding against

the handloom weavers would be waived. There are five classes of weavers in our State. I am not referring to handloom weavers all over the country because I do not know the position in the entire country. I am referring to handloom weavers as far as Andhra Pradesh is concerned. There are five classes of handloom weavers. The first is handloom weavers working independently. They normally purchase yarn on credit from the dealers. They also purchase dyes and chemicals on credit from the dealers. Then they convert then into cloth and sell it. But when we see the accounts of these independent handloom weavers, the handloom weavers who are working independently, they always remain more or less indebted and they can be termed as bonded labour. So, what is it that the Centre has done to waive the loans of the weavers who are working independently? Apart from that, the weavers working independently have drawn loans from nationalised banks under the DIR scheme, the Differential Interest Rate Scheme, for their working capital but they are not in a position to repay the loans. Therefore, what is it that we have done to enable them to repay the loans or waive the loans that they had drawn from the nationalised banks under the Differential Interest Rate Scheme? The other category is the handloom weavers obtain loans from commercial banks under DRDA and under IRDP and they get some subsidy under DRDA and IRDP for purchase of equipment like lacquards, dobbies improved, handlooms, etc. What about those loans? Are they going to be waived, or, do the handloom weavers have to pay those loans drawn from the nationalised banks under IRDP, DIR, DRDA and also their other loans from the commercial banks? With regard to weavers working under producers, that is, Mahajans or master weavers normally they get yarn from them and after getting the finished goods—the master weavers or Mahajans or producers—pay the wages. But most of the weavers are indebted to the master weavers.

THE DEPUTY CHAIRMAN: You I please conclude now. Already half-an-hour is over.

SHRI PRAGADA KOTAIAH: I am confining myself to the weavers only. There are five classes of handloom weavers. I referred to the weavers working independently. I have referred to the weavers working under the Mahajans or master weavers who are producers. They are indebted to them. What about those loans?

PROF. MADHU DANDAVATE: I will reply favourably. Don't worry.

SHRI PRAGADA KOTAIAH: You see, there are no credit co-operatives for the handloom weavers. There are only production and sale Societies for the handloom weavers in the States. The weavers' co-operatives advance yarn and get back the finished goods against which they can draw wages. But the weavers' co-operatives have become defaulters because of their penury and because of their inability to repay. That is why about 700 cooperatives were liquidated. In Andhra Pradesh, about 700 primary weavers' co-operative societies were liquidated because the weavers were unable to repay the dues to the Societies and, ultimately, they could realise the entire credit given by NABARD and, so, they were liquidated.

THE DEPUTY CHAIRMAN: All right. Now, I am calling Mr. Hanumanthappa-The Finance Minister will answer all your points.

SHRI PRAGADA KOTAIAH: These societies, the 700 societies, were amalgamated or merged with nucleus Societies because of the losses and they have become heavily indebted and they are not in a position to provide employment to the handloom weavers. That is the present position.

THE DEPUTY CHAIRMAN: It is all right. You have raised your points. Now, Mr. Hanumanthappa has something to say on this.

SHRI PRAGADA KOTAIAH: My final point, Madam.

THE DEPUTY CHAIRMAN: All right. You make your final point. You are a veteran though new to this House.

SHRI PRAGADA KOTAIAH. I have classified the weavers and mentioned about the loans to be repaid by them, not only to the nationalised banks and the co-operatives banks, but also to the Centre. The „ Centre, under the modernization scheme, X has given loans to the handloom weavers, to the weavers co-operatives. But they the unable to repay these loans drawn for the purchase of modern equipment from the Government of India direct. Therefore, there are several classes of loans as far as the handloom weavers are concerned; loans to the Mahajans and also to the financiers, loans to the nationalised banks, loans to the co-operatives, loans to the State Government and loans to the Central Government. So, the Central Government has to consider seriously this problem and, if necessary, in consultation with the Development Commissioner for Handlooms, see what best can be done for them. This is all my request, Madam. Thank you,

THE DEPUTY CHAIRMAN: Now, Mr. Hanumanthappa.

SHRI H. HANUMANTHAPPA: Madam, I thank you very much for having given me the opportunity.

Madam, Dr. Sivaji started saying th-t the State Governments have not made up their minds to toe the line of the Central Government, Whose baby is it? It is the baby of the Central Government. Why should we take care of that? It is the baby of the Central Government. Along with your baby, you should Send us money also,

THE DEPUTY CHAIRMAN: Thank God. Mr. Baby is not here now in the House,

SHRI H. HANUMANTHAPPA: You have distributed. You have made divisions among the farmers.

THE DEPUTY CHAIRMAN: Mr. Hanumanthappa, in the morning the Finance Minister wanted to throw the baby along with the dirty... (*Interruptions*) And just now you are talking about another baby!

AN HON. MEMBER: At no time did they get a direct reply from the hon. Minister of Finance regarding the waiver of loans to handloom weavers.

PROF. MADHU DANDAVATE; At least accept that the baby is not illegitimate. That's all.

SHRI H. HANUMANTHAPPA: Legitimate or illegitimate. When the parents themselves do not own it... *(Interruptions)*

AN HON MEMBER: It has become; an orphan.

SHRI H. HANUMANTHAPPA; When the parents have thrown out the baby, you can imagine whether it is legitimate or illegitimate. It has become orphan. Anj the second thing Mr. Yela manchili! Sivaji quoted is: God has given, poojari is not giving. Dandavate has given; Chenna Reddy has not given. Mr. Dandavate has not given. He has only promised. The Centra] Government has only promised to wave it. But i'f he had given the money Chenna Reddy would not have agitated and Veerendra Patil would not have agitated to pay that money. Actually they have no money. What the Central Government did in Karnataka is that they waived off the interest, promising that the Interest would be reimbursed to the cooperative societies. I am coming to your method of working, Mr. Dandavate. Your friend, the great Chief Minister of Karnataka during the Janata regime waived off all the interest on cooperative loans—hundred crores. All the cooperatives have become bankrupt—all the land development banks. In turn the farmers are not getting monav. This is the way you have functioned. And you are putting the horse before the cart. First you promise. Then you try to find out what happened—something wrong—as you have started the right to work... Now the calculation is 61, 000 crores. Now you are re-thinking: we will put it there, then will see what happens. This is how you announced the waiver. And it is your manifesto. How can Sivaji or Madhu Dandavate force the Congress Government to follow your manifesto? The Congress Partv has got no manifesto. Connress Government have their own manifestoes. You don't expect Congress Governments to work for your manifestoes. *(Time be!! rings)* It is your manifesto. If you have waived the loans, I am charging this Government that you have discriminated

amongst the farmers in this country, those who have borrowed from national banks and those who have borrowed from cooperative banks. What is wrong? I am a farmer. If I borrow from a cooperative bank, why don't you extend the same facility to me? *(Interruptions)*

THE DEPUTY CHAIRMAN: Mr. Sivaji, you are not to answer...

SHRI H. HANUMANTHAPPA: You have to become a Minister to answer. You are not a Minister. *(Interruptions)*

THE DEPUTY CHAIRMAN: Mr. Hanumanthappa, please conclude.

SHRI H. HANUMANTHAPPA: Our Government inherited the position. Even old age pensions were stopped. A fifty rupee cheque was bounced—issued by the Government. That was the state of affairs when the Janata Government handed over the Government in Karnataka to the Congress. Added to this, Dandavateji wants us to bear hundreds of crores of rupees on this 50 per cent of the loans.

THE DEPUTY CHAIRMAN: You are supposed to be asking a question, if you allow me—because it is not in your natie. Please ask a question.

SHRI H. HANUMANTHAPPA: I am winding up. Will you at least remove the discrimination and allow all the farmers at a single platform and waive off the loans, whether it is cooperative or... *(Interruption)*. Madam, what has happened? Let the Minister come out. From the Budget till this day how many are benefited, how much loan is waived? In my district, on the 13th of this month I had occasion to preside over the developmental meeting. Nationalised banks managers stood up and said: we have just prepared the list, the RBI has not permitted even to announce, not a single pie is waived till today. I entirely agree with Sivaji. The kharif season is almost coming to an end. Out of 89, 000 people identified only 71 people have been given loans—only 71. This is the state of affairs. It is neither here nor there. I request the Finance Minister to come out openly. Let us not discriminate. Let it be a uniform policy. Do not throw this burden on the State Government. Let your Government bear ' the whole burden.

THE DEPUTY CHAIRMAN: Mr. Jadhav. Please ask questions.

SHRI VITHALRAO MADHAVRAO JADHAV: Madam, I will ask only the pointed questions. I would like to state one thing here. Before the elections and after the elections also, these Janata Dal leaders had stated that the total loan of Rs. 16000 crores due from the farmers will be waived off. I am not saying anything vaguely. I and Mr. Virendra Verma, the Governor of Punjab, gave an interview on the All India Radio. Though I am a Congressman, I had defended fully the attitude of the Government towards the farmers. Later on, they made a provision of Rs. 2400 crores in the Budget. They have come down from Rs. 16000 crores to Rs. 2400 crores. They have made a discrimination among the farmers. That is one thing.

Another important thing is this. Mr. Dandavate comes from Maharashtra, from the Konkan area. I come from Maratha-wada. Both our regions are equally backward. Most of the farmers in Maharashtra do not get loans from the commercial banks. But most of them get loans from the cooperative banks. About 90 per cent farmers get loans from the cooperative banks. We have done our sowing in the month of June. Now it is the end of August. The life span of the kharif crop is not more than 4 months. Mr. Dandavate knows it. Till today, not a single pie has been given by the cooperative banks because the farmers are defaulters and the Government which has promised to make the farmers loan-free has not given money to the cooperative banks. As a result of that, the cooperative banks did not release the finance. So, that is the condition of all the farmers in Maharashtra. Mr. Dandavate might be knowing. The Chief Minister should have complained to him. The Chief Minister told me also. Just 8 days back I came from Shivdistrict. I'm a farmer. My sole profession is farming. I did not get a single pie from the cooperative banks. I was getting loan every year in the month of June. But due to this scheme of waiving off loans of the farmers, the banks could not give us the loans because we are all defaulters. So, I would like to request

the hon. Finance Minister, through you, to find out some solution. You release the money of whatever loans you are giving to the cooperative banks. I think there is some settlement between the cooperative banks and the Finance Ministry. You make the farmers eligible to get loans from the cooperative banks.

I want to ask by what time the farmers of Maharashtra will be eligible to get loans from the cooperative banks or the commercial banks.

PROF. MADHU DANDAVATE: Madam, I am happy. Some specific questions have been put by the hon. Members. May I repeat that in this House, more than four times, I have replied to various controversial questions. Even at the time of the Budget and on the question of rise in prices, the former Finance Minister had also asked certain questions. I replied to them quite satisfactorily. Firstly, let me try to point out to the House that probably provoked by what happened in Andhra Pradesh, my friend, Dr. Sivaji, was provoked to initiate this Half-an-Hour Discussion. Otherwise, really speaking, no discussion was necessary. We had settled the issue.

Firstly, let me make it clear that as a Finance Minister do not want to drive a wedge between the Congress and non-Congress States. I am not the Finance Minister only of non-Congress States. I am the Finance Minister of the entire country and I will act accordingly.

SHRI VITHALRAO MADHAVRAO JADHAV: We did not charge you like that.

THE DEPUTY CHAIRMAN: Please, sit down. He has said it and it is O. K.

SHRI VITHALRAO MADHAVRAO JADHAV: He is the most respected person in politics.

THE DEPUTY CHAIRMAN: All right. Accepted. Your appreciation is accepted.

PROF. MADHU DANDAVATE: You did not charge me. But at least don't discharge me. Firstly, let me make it clear that when the scheme was formulated.

that when the scheme was formulated, there were no specific parametres to which we tried to restrict the scheme. I told this House that our original conjunctures and estimates were very large. Then we had consultations. We tried to restrict-certain parametres. originally we had decided that not only the loans below Rs. 10, 000/-should be waived, but even the size of the loans should also be Rs. 10, 000/-and not more. But many peasant organisations came to us and they said that even if one has taken a loan of Rs. 20, 000, see that Rs. 10, 000 is waived. So, size restriction was removed. That pushed up our estimate. Then we had to put some other restrictions, restrictions in terms of good crop or bad crop, restriction in terms of continuously how many bad crops. We have also to put restriction in terms of some other parameters. And when we took all that into account—originally we felt that we will have to spend Rs. 2843 crores; when we removed the restriction on the size of the loan, we thought that it would go ^{UP} to Rs. 3, 000 crores—it has gone to Rs. 4, 000 crores. Now furthe. if we try to remove the condition regarding 'annawari' which is called assessment of the crop, in that case, I am afraid, the entire bill may go beyond Rs. 8, 000 crores. I did not hide the fact that the financial position of the country is bad. Again, by the recent development in the Middle East, when the price of petroleum has gone up from 16 dollars per barrel to about 30 dollars per barrel—an increase of a single dollar per barrel actually makes us lose Rs. 400 crores—our friend is quite right that there will be a financial constraint on our economy. We have to see that we try to do what is implemen-table.

Now, we come to the second point. I do not want to blame even the Chief Ministers of the Congress States. Firstly, you raised the question that it is your scheme. You have probably forgotten that before the Lok Sabha elections, in our Manifesto we had promised waiving of loans. BuS, then, before the Assembly elections took place, the Congressmen themselves said in some States—there was almost a competition in various States— Rs. 12, 000 because we had talked of Rs.

10, 000. Somebody said Rs. 13, 000. The Congressmen in Rajasthan said Rs. 16, 000. And some of them jocularly said, 'we are not sure whether we have to implement; so, what does it matter even if we bid high? But, anyway, we went on bidding like that. Ultimately, it has really become a national slogan, we at the Lok Sabha level, and they at the Assembly election level. But, anyway, both of us got entangled into this... (Interruption) We were the pioneers. In all the good things, we are the pioneers. So, we started with that. Later on, they joined. But then there was a controversy. I must admit that initially when I met Sharad Pawar, I do not blame only the Congress Chief Ministers because my own Chief Minister from Gujarat who belongs to Janata Dal, my own Chief Minister of Orissa who belongs to the Janata Dal, the Chief Minister of Rajasthan who belongs to the BJP; they also came together. When one wants a concession there is a broad unity. Whether one is a Congressman or one is a Communist, there is no difference. Madam. When something is to be given, to cling to that, there is the broadest possible unity. Therefore, all of them came together. In fact, on one occasion, Sharad Pawar humorously told me that 'we Chief Ministers have formed a union and your Chief Minister of Gujarat 's oiv Secretary'. Of course, he said it in a humours vein. But all of them clinged together and tried to extract out of me as much as possible. Then came the National Development Council. And I made a persuasive speech there. I do not want to congratulate myself. But I tried to persuade all of them. And I am very happy to say that the Congress Chief Minister of Karnataka got up, the Communist Chief Minister of West Bengal got up, and they said, 'after the assurances that have been given by the Finance Minister, we are fully convinced, and we will fully co-operate. ' Actually some of the Congress Chief Ministers said, 'our Manifesto did not contain this scheme; after the new assurance that Prof. Dandavate has given, we will fully incorporate it, and we will join the mainstream. ' In fact, I am thankful to Sharad Pawar because before presenting the Budget, their Cabinet took the decision that they will implement the

[Prof. Madhu Dandavate]

Central scheme. They made a provision also in the Budget. Even after making this provision, they tried to find out if something more could be got. But even then, I must congratulate him. He made a provision outright in the Budget. *(Interruption)* He tried to get some concession. He pointed out to me that there are some difficulties. But then at the time of the National Development Council, I met the difficulties of Congress as well non-Congress Chief Ministers. There were genuine difficulties. They said, "alright, you are taking full responsibility for waiving all the loans that are taken from public sector banks and rural regional banks..." But as far as the co-operative banks are concerned, we wanted the State Governments to bear 50 per cent. They said that they did not have adequate funds. I said that I would take it up with the Reserve Bank of India. In the beginning, the Reserve Bank of India was prepared to give loan to the extent of this 50 per cent amount but said that it should be returned within one year. They said that this would not be acceptable. Ultimately, after negotiations, it was agreed. The Reserve Bank of India said 'All right, if Rs. 100 crores they have to pay, they should pay it back in three instalments, one-third in each instalment.' The Governor of the Reserve Bank of India was very intelligent. He knew that it would be very difficult to get the money back. He knew that they have some money to be paid to the State Governments. He said 'We will cut this amount and pay the rest of it'. He made it sure that it would be safe. Anyway, even the Congress Chief Ministers were happy over it. Of course, they felt that it would have been good if it was to be adjusted in four-five years. Still, they thought it would be better to accept this proposal of the Reserve Bank of India to pay it back in three instalments. They said 'We accept it'.

As far as Andhra Pradesh is concerned, I would like to inform Dr. Sivaji. They have not sent any letter to me. I have checked it up. Till this moment, we have not received any complaint or any protest. They have a right to write to their President. He is a Congressman. Mr. Rajiv

Gandhi is the Congress President. They are justified in writing some letter to Mr. Rajiv Gandhi. How can I tamper with a private correspondence? It can be done at the party level, at the organisational level. I have no grudge. I would only request Dr. Sivaji Let us not bring in the question of Congress and non-Congress, If you try to do that, they will get provoked and further difficulties will come in, in the implementation of the scheme.

THE DEPUTY CHAIRMAN: In the House also.

PROF. MADHU DANDAVATE: Yes, In the House. In the Congress house and at home also. Therefore, I do not want these difficulties to be created. We will try to accommodate.

You raised the question of handlooms. I have also been connected, for years with the handloom movement. I took it up with the Governor. You will be happy to know. That assurance was sought by the former Finance Minister. Not Mr. Vishwanath Pratap Singh. I am referring to Shankarrao. He sought the assurance, the way out. I gave him. I said 'We will not discriminate'. You will be happy to know that already, in the explanatory memorandum, it is mentioned that in the case of weavers' societies and other societies, where wages and I or yarn are taken as advances by the members, such wages, etc., would be treated as loans under the scheme and that this should be ascertained on the basis of the records of the society. The only thing is that the records have to be checked. Once the records are checked, we will not discriminate between one handloom weaver and another. If we do that, we will be doing injustice.

Originally, it was said. The NABARD said 'only those weavers who come from the villages'. But there are a number of districts and taluka centres in Karnataka, in Maharashtra, in Andhra Pradesh, where a number of weavers are there. If we do not allow them, they will be kept out. Therefore, we said that we will not discriminate; whether they are urban weavers or rural weavers. We said that they will be accommodated.

SHRI PRAGADA KOTAIAH: As far as the weavers who are members of the weavers' co-operative societies are concerned, they get loans, they get various advances, from these societies. I have referred only to these cases. But there are also other weavers who are outside such weavers' co-operative societies who have borrowed money under the differential interest-rate scheme towards working capital to the extent of Rs. 1500 per loom.

PROF. MADHU DANDAVATE: I have followed that.

THE DEPUTY CHAIRMAN: He has followed your point. (*Interruptions*)

SHRI PRAGADA KOTAIAH: Modernisation loans are also there.

PROF. MADHU DANDAVATE: We will try to sort out this problem. The idea is not to harass people. The idea is not to harass some sections or some category of people. We know that difficulties. We will try to sort out the problem to the satisfaction of the weavers. We will do that.

The Chief Minister of Maharashtra accepted the whole scheme. But a letter came asking for some clarification about fishermen. We have given the clarification. Fishermen will be included. According to the definition of the NABARD, agricultural activity includes fishery also. Then, the question came up whether it should be applicable only in the case of fishermen in the rural areas, or, it should be applicable to both the rural and the urban fishermen.

Even in places like Bombay, Versova and some areas on the Western coast where they will be entitled, we have sorted out that problem.

About the difficulty pointed out by Shri Jadhav I can assure you that some difficulties will be created due to delays. Let us not at this stage raise the question whose child it is. We have accepted the child as a community project now.

THE DEPUTY CHAIRMAN: The child was not Jadhav's.

SHRI JAGESH DESAI: No, no, of the Government.

PROF. MADHU DANDAVATE: Let us not go into this discussion as to whose child it is. Actually Rabindranath Tagore had composed a poem where he has said that the child is never illegitimate. Relationships of his parents might be illegitimate but the child is never illegitimate. So, let us not blame the child.

SHRI JAGESH DESAI: So, take care of that child.

PROF. MADHU DANDAVATE: The scheme is good. We will take care and we will also see that you take care so that we could jointly implement the scheme.

Dr. Sivaji has pointed out certain difficulties in a lighter vein when he said that if the commercial bank loan is accepted, in that case I can get Rs. 10, 000 Madam, there is a rule that nobody with a financial interest can raise the issues. I did not raise that point of order. But I take it that he has raised it in a lighter vein. Anyway, I will request you to take this as cutting across the party lines. If some difficulties are there, let us try to solve them. If anywhere the scheme is thrown to winds, in that case I may tell you one thing. Shri Chavan had raised the question that the revenue records of some of the States are not available, assessment of crop is not available. I have given him a public assurance in this House that wherever such land revenue records are not available, if the State Government gives us a certificate that we are accepting these villages as villages of bad crop, we will not insist upon any revenue record at all. But that does not mean that where revenue records are available, you try to get certificate from the Chief Minister. Do not do that. That will put the Chief Minister into difficulty. So, these are the clarifications which I had given earlier, but I am glad that some new points have been referred to.

DR. YELAMANCHILI SIVAJI: Is there any time-limit for implementation by the Central Government and the State Government? We cannot go on waiting and waiting.

PROF. MADHU DANDAVATE: Just, listen to me. In fact, we really wanted—if you remember, I had said—that all the Chief Ministers should give us the clearance early,

DR. YELAMANCHILI SIVAJI: No, Sir, this is not that simple. (*Interruptions*)

PROF. MADHU DANDAVATE: I do not yield. In fact, both of us agree. Both of us have raised the issue. We have requested all the Chief Ministers to implement it early so that before the kharif season begins we should be able to implement it. He is perfectly right. Half of the kharif season has already passed. Therefore, those Chief Ministers who have still not given their final consent in writing to the concerned authority of the Reserve Bank, I am going to tell them that, if you still do not give the final assurance, we will have to go ahead and implement at least our responsibility.

DR. YELAMANCHILI SIVAJI: Put a cut-off date. At least you fix the date. Let it be next Saturday or Sunday. Announce the cut-off date.

PROF. MADHU DANDAVATE. Obviously, unless we do that, the scheme will go to dogs. In that case, there will be no refinancing at all.

DR. YELAMANCHILI SIVAJI: Re-financing has not started for want of a decision from the State Government.

PROF. MADHU DANDAVATE: Why do you get angry with me?

THE DEPUTY CHAIRMAN: He is not disagreeing with you, Dr. Sivaji. Please take your seat. (*Interruptions*').

PROF. MADHU DANDAVATE: I do not yield. I will take care of him. Madam, this is a personal epithet. He is angry with the Andhra Pradesh Government and he is taking out the revenge on me.

THE DEPUTY CHAIRMAN: I think I should put a cut-off time for conclusion.

PROF. MADHU DANDAVATE: Madam, I am more interested if you do that.

DR. YELAMANCHILI SIVAJI: You announce the cut-off date. Unless you announce the date,...

THE DEPUTY CHAIRMAN: Mr. Sivaji, please sit down.

THE DEPUTY CHAIRMAN: Please sit down....

PROF. MADHU DANDAVATE: You don't listen. That is the trouble. I said, cut off date will have to be put.

DR. YELAMANCHILI SIVAJI: Then you announce it.

THE DEPUTY CHAIRMAN: Let him announce it. You are interrupting him continuously. You cannot interrupt him like that.

PROF. MADHU DANDAVATE: On the spur of the moment, I cannot announce any date. I am sorry, I will consult my colleagues and we will announce the cut-off date. If it is not put, in that case the whole matter will remain...

THE DEPUTY CHAIRMAN: He is giving an assurance. And that is enough. The matter is over.

SHRI PRAGADA KOTAIAH: We want some guidelines to be issued.

THE DEPUTY CHAIRMAN: The House is adjourned till 11 o'clock tomorrow.

The House then adjourned at fifty-six minutes past seven of the clock till eleven of the clock on Wednesday, the 29th August 1990.