

children is concerned, it is not so much a question of our showing films to a particular stratum of society. The question is one of lack of interest on the part of the exhibitors to show these films in cinema houses. I think that has to be encouraged. Only through showing them in schools and through societies where children have access to it, it can be encouraged.

#### SURVEY ON LIABILITY GROWTH OF FARMERS

\*462. SHRI KRISHAN KANT:†  
SHRI A. G. KULKARNI :  
SHRI N. R. MUNISWAMY :

Will the Minister of FOOD AND AGRICULTURE be pleased to state :

(a) whether in view of the substantial increase in the level of outstanding loans of average farmers from Rs. 363 to Rs. 472 as from 1951-52 to 1961-62, Government propose to make an extensive survey to gauge their present plight and to arrest the liability growth ;

(b) if so, the details of the survey to be conducted ; and

(c) if the answer to part (a) above be in the negative, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION (SHRI ANNASAHAB SHINDE) :  
(a) to (c) Government do not propose to make any such extensive survey because there is no real increase in the level of outstanding loans. The apparent increase is attributable to the increases in the cost of inputs during this decade as well as the cost of living in general.

SHRI KRISHAN KANT : How could they say there is no increase, when there has been no survey ? As a matter of fact, in their agricultural strategy, the gap has increased and in the case of farmers at the lower level their liabilities have increased. May I know from the Government whether, in view of this, they will try to have a survey conducted immediately ? Secondly, are they aware that in the seminar on farm finance held last year it was suggested that the farm credit

societies and the agricultural credit corporation will not be able to do their job purposefully, it will not be purposive, till the dead weight of the farm indebtedness is liquidated ? For that they had suggested that even the debt relief legislations should be modified and amended, so that commercial banks could take part in that. What action is the Government taking, whether legislative or otherwise, to liquidate the debts of the weaker sections of the society ?

SHRI ANNASAHAB SHINDE : I am sorry the hon. Member is confusing between the words 'outstanding' and 'overdues'. There is a clear distinction between the two. Unfortunately the word used in the question is 'outstanding' loans and not 'overdues'. As regards why the Government is not doing any survey, the Reserve Bank carries out periodical surveys, once in ten years. Last time it was carried out in 1961-62 and it is due for re-examination in 1971-72. The Reserve Bank would be conducting a survey within the next two years. It is not necessary that the Government should independently take up this survey. It is confined to outstandings only.

SHRI KRISHAN KANT : The Minister while asking for your protection does not want to say that indebtedness has really grown. He wants to keep quiet. May I know from the Government what is the position regarding crop insurance ? Why has the Bill not come before Parliament when it was committed to in the President's Address ?

SHRI ANNASAHAB SHINDE : I seek your protection. Crop insurance does not arise out of this question.

SHRI A. G. KULKARNI : May I know from the Government whether it is a fact that indebtedness in the rural areas is on the increase ? I can understand the Government's understanding that the outstandings, which is an indication of more money used, must be increased to help the poor farmer. I can understand their indebtedness also. The Government is well aware that it is increasing. I have got two queries. I want to know what the Government proposes to do. Is it at least aware that till today, in 1969, the part played by the private money-lender in granting loans to farmers at

†The question was actually asked on the floor of the House by Shri Krishan Kant.

exorbitant rates has not decreased, with all the talk about the social control of banks? Secondly, it has been found from the Reserve Bank's surveys that the debts and overdues are increasing because of so many droughts and agricultural fortunes having been hampered by lack of rains. Has the Government got any plan or proposal to wipe out or liquidate the debts which are outstanding for the last ten years, which the poor farmers of the dry areas cannot liquidate from their own resources?

**SHRI ANNASAHAB SHINDE :** As far as the co-operative overdues are concerned, the information of the Government indicates that about Rs. 156 crores are overdues from farmers. It is well known that the small farmers who have uneconomic holdings, who have unirrigated lands and whose farms are located in areas which are subject to recurrent drought, their capacity is limited. Because of that the smaller sections of the farmers are in difficulty in regard to repayment of loans. As far as the moneylenders' hold over these people is concerned, the survey which was carried out by the Reserve Bank indicates that the professional moneylenders advance to the tune of 46.4 per cent of the total loans to the farmers; and the agriculturist money lenders—that is the second category of moneylenders of the agriculturist class—also advance about 25 per cent of the total advances.

**SHRI N. R. MUNISWAMY :** The hon. Minister has been very frank in expressing his viewpoint regarding the outstandings as well as the indebtedness of the farmers. Everybody knows that the indebtedness of the farmer is rising year after year. Unless there is co-ordination between this Ministry and the Finance Ministry as regards the advances by commercial banks or other banks to the needy farmers for giving timely loans when they are in need—sometimes what happens is when they go to the bank, they find that the immovable properties are mortgaged more than four times and they have not been able to get an advance because security is wanting; so I would request that at least for the purpose of inputs the Government will take steps in co-ordination with the Finance Ministry so that for inputs at least money can be granted, and they can recover the money immediately after the harvest takes place. As a first

step, may I know whether they would take such steps in co-ordination with the Finance Ministry to see that loans are advanced to the farmers only for inputs and seeds?

**SHRI ANNASAHAB SHINDE :** My Ministry has taken the very decision on the lines which the hon. Member is insisting. The crop loan is supposed to meet the farmer's need for inputs. May I also submit that we should not confuse it with the fact that the total volume of credit is increasing? Our very object is that the total volume of credit should increase because in India agriculture has suffered for lack of resources. There was not adequate availability of resources. Various studies have been undertaken and the studies indicate that there is a need to increase the volume of credit three or four fold in the next four or five years.

**SHRI B. K. KAUL :** In view of the fact that there has been a long outstanding loan of an average farmer, do the Government not think it desirable to arrange for some survey in order to find out what is the indebtedness and also to find out what is the capital assets of an average farmer?

**SHRI ANNASAHAB SHINDE :** All these details have been looked into by the All India Rural Credit Survey—Report of the Committee of Direction, Vol. I; Survey Report, Part II—Credit Agencies; and All India Rural Debt and Investment Survey. These volumes are available in the Parliament Library.

**SHRI B. K. KAUL :** I would like to know what is the capital asset of the average farmer.

**SHRI ANNASAHAB SHINDE :** I would require notice for it.

**SHRI CHITTA BASU :** It appears to me that the Government's policy so far pursued with regard to the rural credit is based on a particular idea or attitude that the Government wants to develop a richer strata of society in the villages. In view of this may I know from the hon. Minister whether it is a fact that even in the former report on agricultural indebtedness it was made clear that 70 per cent of the indebtedness of the lowest rung of society was for the purchase of foodgrains and other essential commodities of life?

That being the case, and there has been a rise of price in essential commodities in the last ten years also, why does not the Government consider it desirable to institute a survey for finding out the extent of incidence of debt particularly among the lower rung of the agricultural population, namely, the share-croppers and landless peasants who have suffered most? Why does not the Government consider it advisable to have an enquiry through its own machinery rather than relying on the survey being made by the Reserve Bank of India? What stands in their way . . .

**SHRI KRISHAN KANT :** Sir, it is more than 150 words.

**MR. CHAIRMAN :** You finish the question.

**SHRI CHITTA BASU :** If Government really wants to cancel a part of the debt of the lowest rung of the agricultural population why the Government should not consider that a survey of this nature should be made so that the State Governments may also get the benefit out of it?

**SHRI ANNASAHEB SHINDE :** I appreciate the concern of the hon. Member for small farmers, but the Government is equally concerned about them. I explained on a previous occasion that positive steps are being taken by Government to look into the problem of farmers. As far as survey is concerned, I have already stated that the Reserve Bank is likely to undertake it within the next two years. I am sorry the hon. Member is not aware that the Reserve Bank has such an elaborate machinery to go into this problem. If the hon. Member goes into the previous findings of the Survey Committees of the Reserve Bank, I do not think he will have any complaint, but if there are any specific suggestions, I am prepared to draw the attention of the Reserve Bank to them.

**SHRI CHITTA BASU :** I asked what stands in the way. . .

**SHRI KRISHAN KANT :** Sir, you came to his protection. You did not come to my protection. He has replied the same question to other Member about indebtedness. I had asked him a specific question about the rural indebtedness. The Seminar had recommended that the relevant legislation

should be modified so that the farmer's liability can be reduced. He has not replied to that. He is replying to the other hon. Member.

**SHRI ANNASAHEB SHINDE :** His suggestion will be looked into.

**MR. CHAIRMAN :** Your question has been replied by the answer to the other Member.

**SHRI KRISHAN KANT :** He did not reply to the specific question which I had asked.

**SHRI K. P. SUBRAMANIA MENON :** This problem of rural indebtedness has been with us for a long time, from the time of the Karachi resolution of the Indian National Congress to the report of the Kumarappa Committee, the two Rural Credit Surveys and the two Agricultural Labour Surveys. All these have shown that rural indebtedness is a fact of life in the country and it is oppressing the poor people of the villages. There are some States in the country which want to give relief to the agricultural population, and the Kerala State Government had brought forward an Agricultural Debt Relief Bill. May I know whether the Central Government has watered down the proposals of the Kerala Government and insisted on giving exemptions to banks, etc., in the Bill?

**SHRI ANNASAHEB SHINDE :** Nothing comes in the way of a State Government enacting appropriate laws for providing relief to the indebted farmers. In fact the Government has always taken up the issue with the State Governments. As far as the specific question of Kerala Government is concerned, I would require specific notice.

**MR. CHAIRMAN :** Next question. Next question No. 463.

**PROF. SHANTILAL KOTHARI :** Mr. Chairman, Sir, I want half an hour's discussion.

**MR. CHAIRMAN :** I took the names of 10 Members. Ten minutes are over.

**SHRI DALPAT SINGH :** Mr. Chairman, Sir, this is an important matter. We want a discussion.

**MR. CHAIRMAN :** I shall consider it. That is a different matter. Next question No. 463.