

[Shri B. R. Bhagat]

rance Corporation. I think that is too large a point to be covered by this small amending Bill and I can only say that the Planning Commission in its report has suggested that there should be more and more State participation in the insurance business. The bigger question of nationalisation or the starting of a State Insurance Corporation is not very relevant at this stage.

This is all I have to say.

**Mr. Deputy-Speaker:** The question is:

"That the Bill further to amend the Insurance Act, 1938, as passed by Rajya Sabha, be taken into consideration."

*The motion was adopted.*

#### Clauses 1 and 2

**Mr. Deputy-Speaker:** There are no amendments to any of the clauses.

*Clauses 1 and 2, the Title and the Enacting Formula were added to the Bill.*

**Shri B. R. Bhagat:** I beg to move:

"That the Bill be passed."

**Mr. Deputy-Speaker:** The question is:

"That the Bill be passed."

*The motion was adopted.*

#### RESERVE BANK OF INDIA (AMENDMENT) BILL

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):**  
I beg to move:

"That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration."

For the last few days, I have been speaking before this House on more or less the same subject, rural credit, starting from last Friday on a non-official resolution on that matter. This Bill is just another step in the implementation of the recommendation of

the Rural Credit Survey. The House knows the importance of this survey and the importance and far-reaching effects of the recommendations made by this Committee. I think, it can be said that this is the first report of its kind, surely for India and, perhaps, for most other undeveloped countries. There was never such a big undertaking to make a comprehensive survey of the entire agricultural or rural credit system. The Committee has used a certain phrase and this House has also endorsed these words—'integrated solution of the rural credit problem. During the debate on the State Bank of India Bill, Members expressed their anxiety that that Bill alone might not be quite sufficient to meet the requirements. I myself made it clear that that Bill was just intended to lay the foundations of the rural credit structure and other measures are to follow. This is one of the measures. I have also indicated that the Food and Agriculture Ministry will come forward with another measure. This Bill may be called just a sort of enabling measure to be followed by the Food and Agriculture Ministry's Bill to be introduced in this House.

This Bill authorises the Reserve Bank to advance some money to certain organisations and institutions which will be set up by the Food and Agriculture Ministry. Recently, in Delhi, there was a conference of the State Ministers connected with the co-operative movement. They have unanimously accepted the recommendations of the Rural Credit Survey concerning the development of the co-operative movement. The Central Board of the Reserve Bank also has approved those recommendations and the Reserve Bank is quite willing to implement the recommendations and take the necessary responsibility.

It may not be quite out of place here to mention what the Reserve Bank for the last few years has been trying to do about rural credit. When the Reserve Bank of India Bill was discussed in the Central legislature of those days, you must have been

aware of the sentiments expressed by the nationalist Members regarding the functions of the Reserve Bank of India. It was primarily on the insistence of the nationalist Members, Congress Members of those days, that a provision was made in section 55(1) that the Reserve Bank would undertake an enquiry into the rural credit conditions and make a report to the Central Government on the improvement of the machinery for dealing with agricultural finance and the methods of effecting a closer connection between agricultural enterprises and the operations of the Bank.

According to this provision of the Reserve Bank of India Act, a report was submitted in 1937. But, I think the report was somewhat of a halting nature. It put certain conditions before the Reserve Bank could undertake the responsibility of doing something in agricultural finance. By about that time, the President of the Indian National Congress set up the National Planning Committee which also considered the question and its report was more positive and it suggested some definite steps. It said, to wait till the co-operative movement had re-organised itself through its own efforts would be to wait too long. After a few years, the Reserve Bank started giving some money for some agricultural credit. The Reserve Bank has also been maintaining an Agricultural Credit department to examine the question concurrently. I would not claim that the money that was being advanced by the Reserve Bank was adequate to the requirements. But, it should be appreciated how the Reserve Bank could make progress in this respect. I think hon. Members would also realise that till the achievement of Independence, it was futile to expect the Reserve Bank or any machinery of the Government to take seriously any nation-developing programme. Till 1947 it was rather not quite realistic to expect the Reserve Bank to be very much effective and alert in this matter. Still it made some

beginning in 1944-45. It started giving some credit to the co-operatives and a beginning was made with a paltry sum of Rs. 1,25,000. But, the progress has been more rapid since 1947 or since 1948. Last year, the amount given was Rs. 15 crores. As I said on the previous occasion, this amount was not limited by any particular policy of the Reserve Bank or due to any paucity of funds. It was limited only by the capacity of the co-operative structure in the different States to draw the money.

Much has been said during these two or three days about the poor condition of the co-operative structure in our country. It is no use recapitulating these things here. But, I can only say that the Government and the Reserve Bank have not lost their faith in the efficacy of the co-operative movement in this direction. Rather I feel that the co-operative is the only organisation through which the problem of rural credit can be effectively solved. That is why in the last 2 or 3 years, the Reserve Bank has been paying some special attention to the development of the co-operative organisation.

As the House very well knows, co-operative organisation is a State subject. Technically speaking, the Reserve Bank has not got any authority over the co-operative movement. But, it should be said here that almost all the State co-operative organisations have agreed to work under certain directions of the Reserve Bank. They had voluntarily agreed to submit themselves to the inspection by certain inspectors of the Reserve Bank. The Reserve Bank have been issuing directives and instructions to the co-operatives and I can say that the co-operatives have done everything to implement those instructions and directives, of course, subject to their capacity to implement these things. The Reserve Bank has also started some school for training the personnel to man the co-operative organisation and in that respect also, the co-operative institutions of the different States have been co-operating with the Reserve Bank.

[Shri A. C. Guha.]

It has been the accepted policy of the Government that any agricultural credit or rural credit has to be given through the co-operative organisation and this Bill is just an enabling Bill to do that.

The first thing is the definition of a co-operative credit society. By this definition—hon. Members may refer to the relevant section—the scope of operation for the Reserve Bank in giving loans and advancing money will be widened. Certain categories, like marketing and other things, which were not covered previously would now come under the scope of the operation of the Reserve Bank for allowing accommodation.

The main purpose of this Bill is to authorise the Reserve Bank to set up two Funds, the National Agricultural Credit (Long Term Operations) Fund and the National Agricultural Credit (Stabilisation) Fund. The Rural Credit Survey recommended that the long term operation Fund should be started with an initial grant of Rs. 5 crores. The Central Government and the Reserve Bank have agreed to increase the initial amount from Rs. 5 crores to Rs. 10 crores. There will also be an annual recurring grant of not less than Rs. 5 crores to this Fund from the Reserve Bank. The main purpose of this Fund will be for making loans and advances to State Governments for subscribing directly or indirectly to the share capital of co-operative institutions which give short, medium or long term credit either in the sphere of agricultural activities or rural industries. As I said in the course of the discussion on the State Bank of India Bill, there would be State participation in the co-operative organisations. That means, the State Governments will subscribe to the share capital of the apex co-operative banks and the apex co-operative banks will subscribe to the share capital of the central banks. Similarly, the central

banks will subscribe to the share capital of the primary co-operative banks. As regards long-term loans, the State Government will also give long-term loans, and advances to land mortgage banks.

The second Fund, the Stabilisation Fund, is exclusively for making medium-term loans and advances to State co-operative banks to enable them to convert short-term credit into medium-term credit, whenever necessary. Our experience has been that due to some natural calamities, like flood, drought or anything like that, the co-operative banks may not always be in a position to collect the money they might have lent out to the primary agriculturists—the loanees. In those contingencies, quite a number of co-operative banks have gone into liquidation. For such contingencies, this Bill provides that the short-term loan might be converted into medium-term loan so that the co-operatives may not have the obligation to realise the money within 15 months as provided in the case of short-term loans. There will be only some book adjustment transferring the short-term credit to medium credit. Thus, we feel, the co-operative organisations will be saved from one difficult position which frequently occurs in this country due to natural calamities. The Reserve Bank will give Rs. 1 crore annually to this Fund.

I should mention here that these sums, Rs. 5 crores for the Long Term Operation Fund and Rs. 1 crore for the Stabilisation Fund, are the minimum which the Reserve Bank will contribute. If there is any necessity, the Reserve Bank will increase the Funds, but at present we feel that these will meet the requirements, and it is no use locking up additional money in a particular Fund, even if there may not be any demand or necessity for it.

Another provision in this Bill is to remove, what I should say, one of the last traces of our foreign domination. In the Reserve Bank Act, there is a provision to have an office in London. That is an obligatory provision. We are now removing that provision. It may be necessary for the Reserve Bank to have an office in London, but that will be examined, if found necessary it will do so. But at present, under the provisions of this Act, it is obligatory on the part of the Reserve Bank to maintain an office in London. Sometime ago there was a question in this House on this matter, though, I think the questioner could not catch the real implication of this provision. But we, on our part took up the matter and have since then decided to remove this obligatory provision. If the Reserve Bank finds it necessary to maintain an office in London, it will maintain one; if not, it will abolish that office.

I think there is hardly any controversial matter in this Bill and even though my hon. friend, Pandit Thakur Das Bhargava, yesterday accused me of being too much optimistic—and he also recollected some words which Shri Gadgil uttered on the passing of the Damodar Valley Corporation Bill—I still feel that the measures that we are going to take will really usher in a very good prospect for our rural areas. I still feel quite optimistic about the results of this Bill, and I can also say as regards the rosy picture which Shri Gadgil painted about the D.V.C. that Pandit Thakur Das Bhargava lives in Punjab but those who live in Bengal can surely say that we are still hopeful that the D.V.C., when completed, will give some new life to the Bengal villages and will add to the economic prosperity of that State, and I hope that these measures which we are introducing for the implementation of the Rural Credit Survey Report to reorientate our entire agricultural and rural credit will surely mean quite happy days, and richer life for the rural areas, and I still reiterate the words, that health and

plenty will cheer up lives of our toiling masses and the rural areas.

**Mr. Deputy-Speaker:** Motion moved:

“That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration”.

**Shri Raghavachari (Penukonda):** I rise to voice my appreciation of the purpose behind this Bill.

Last time when the Reserve Bank of India Bill came before this House to provide for some kind of financial aid to co-operative societies, the occasion was utilised to express the views that the amount that they were providing was very small and almost a drop in the ocean and was not likely to satisfy the real demand or needs of the country. Now, they have brought this Bill in the same direction certainly to make up that inadequacy by now providing a little more funds. But before going into the merits of the thing, I would submit one matter. The Report of the Committee was not placed before the House. The Government come with measures incorporating the recommendations. Even in his opening speech, the Minister was pleased to say that the Report wanted only Rs. 5 crores to be the initial contribution. They have made it into ten—that is double. But my purpose is this. I do not wish to enter into a discussion about the condition of co-operative movement in the country. I have been fairly intimately connected with the co-operative movement and yet I find it is a debatable matter; certainly the present conditions are not very hopeful. Yet, the future of the country must necessarily depend upon the co-operative movement only. Democracy can never succeed unless the principle of co-operation is really applied to everyday life. These are matters for which we have to work. The movement as it is, is not serving entirely the purpose of the poor agricultural producer. What we actually find is this. In the old undeveloped economic conditions, money economy had been

[Shri Raghavachari]

forced upon the agricultural producer and almost every article was drawn to be exported in a raw state to foreign countries. Though there has been just a little less of it now, still the fact remains that much of the produce from the villages is being sent to outside centres where they are being utilised. Instead of the foreign manufacturer taking away the entire products, the urban population and the industrial manufacturer has actually taken his place and the poor agriculturist has still to find a market only in the urban areas. In this state of affairs, the agriculturist has invariably to part with his goods at a time when there is a glut in the market. There is no money and the poor agriculturist's economic dependence is such that he must necessarily find the money. The old bartering is gone and money is the medium. So, he is compelled to bring his goods and sell it in the urban market at a time when things are cheap; and the condition is worse today because of the falling agricultural prices. Therefore, the only means that could possibly help him would be to supplant the village or urban money-lender-cum-trader. Unless this is done, the poor man is entirely in the hands of this money-lender-cum-trader who lends the money in times of need, mostly for short term purposes to be the later purchaser of the agricultural products, or a commission agent etc. This system must be replaced by another institution. That is where the co-operative movement is intended to serve him. There are many loan and sales societies of this movement and there are many other activities. We find that many of these people in charge of these co-operative societies are quite often people who are directly interested in the manufacturing processes in the urban areas. Added to this is another factor that the village leaders have some political influences also. The poor agriculturist in these circumstances is entirely without any real help from these co-operative institutions. Those people who

are in charge of these co-operative institutions happen to be people of some influence in the locality and connected with political influences in the outside area. The result is that due to the self-interest of being a trading or purchasing agency or a commission agent, the movement has entirely failed to be of any real service. Under these circumstances, it is very essential that there must at least be plenty of funds available for the co-operative central organisations away from the villages. They are not so bad. There is some use coming out of these central banks and other organisations. They were actually suffering from want of funds. The deposit period being a maximum of three years, no bank could afford to lend out for more than three years. Therefore, there was always trouble in the way of long term loans and they were compelled to confine themselves to short term loans only. At least now, the Reserve Bank is undertaking this responsibility of co-partnership and my only point is that the fund that is provided is thoroughly insufficient. I feel that it must be increased by at least double the proposals that are made in the Bill.

In the case of the scarcity areas or those suffering from drought conditions some special provision is made for converting the short-term loans into long-term loans on such occasions of misfortune. Coming from a part of the country where this is not really an unseen misfortune I know the difficulties. We are bound to have this sort of misfortune every third year or the fourth year. There will be famine conditions or near famine conditions in other years. Therefore, in these districts, this has been a terrible problem for us when the co-operative societies insisted upon the payment of overdues when the agriculturists had nothing to pay. Invariably they used to resort to all kinds of expediences and the co-operative central banks and other banks used to give them some relief, they used to extend time for payment by a year and

the poor agriculturists hoped that better seasonal conditions would enable him to repay. This thing is really a great advantage. But the problem in these scarcity conditions and troubled areas is not so small. The sum of one crore which you are going to provide every year is likely to serve only a part of it. Therefore, it is absolutely necessary both on the other fund for providing long term mortgage bonds and share capital and on this fund for draught condition, to increase the provision into a larger volume than what is now provided.

The hon. Minister was pleased to say that according to the needs they were even prepared to increase the contributions and that in the previous year they had given Rs. 15 crores and the capacity of the co-operative movement was such that it could not take advantage of even Rs. 15 crores. It is most unfortunate that the structure of an institution namely co-operation which must serve the country and where hundreds of crores of rupees credit is really needed was such that it could not utilise even this. At least they must now come forward to make a bigger amount available so that it may not any more be necessary for these people to suffer.

I have one more point with regard to the mortgage banks. They generally issue loans repayable in several years and they are mostly long term loans. The property that will be available for security is the immovable property. When the immovable property and all his future is subjected to these unfortunate visitations of famines every second or third year, it is essential that you must make a greater provision of funds for mortgage Banks.

I was surprised to find powers in this proposed proviso to clause 46(b): 'Provided further that the Central Government may, if the circumstances so require, authorise the Bank to increase or reduce' it is well and good.

I am perfectly aware that powers are meant for a contingency and are not necessarily to be exercised. The Minister may immediately say so. But I feel that in this country nothing should arise which really calls upon the Government to reduce anything.

I shall not take any more time of the House. I welcome the Bill and say that the provision you have made is very, very inadequate. This matter would have been very well impressed upon the Government's mind if only the report to which I referred earlier had been the subject matter of discussion on the floor of this House; then the House would have certainly advanced all arguments from all sides of the House that what was required was something much more than what is now provided. At least it should be twice or thrice the amount, to begin with.

**Mr. Deputy-Speaker:** I find that for all stages of the Bill, 30 minutes have been allotted by the Business Advisory Committee.

**Shri K. K. Basu** (Diamond Harbour): They have not properly advised us.

**Pandit Thakur Das Bhargava** (Gurgaon): I think it is 20 hours, including the State Bank Bill.

**Mr. Deputy-Speaker:** Yes, 20 hours including that Bill, with a specific direction that this Bill must be disposed of in half an hour.

**Pandit Thakur Das Bhargava:** Speeches will have to be very short.

**Shri S. S. More** (Sholapur): We have got some concrete suggestions to make. There is no such thing like flourish here.

**Shri Matthen** (Thiruvellah): Is it desirable to dispose of such an important Bill, dealing with the rural population of India, in half an hour?

**Shri Raghavachari:** From Bulletin No. I, I find that the State Bank of

[Shri Raghavachari]

India Bill and the Reserve Bank of India (Amendment) Bill are combined and the total time for both is 20 hours. It will be open to you, therefore, to allot more time, or the House can take a little more time without encroaching upon the other Bills.

**Pandit Thakur Das Bhargava:** We will be encroaching upon the time available for the State Bank of India Bill. It is equally important. We shall finish this Bill as soon as possible, but at least speeches should be made for at least four or five minutes. That amount of time is necessary for each. There are also amendments tabled.

**Shri S. S. More:** I have personal experience of the working of co-operative societies, and this is the time when we can make suggestions. Otherwise, the Bill will become a statute soon and our grievances will still remain. I do not know what led the Business Advisory Committee—I am not speaking in a critical vein—to say that half an hour will be enough for this Bill.

**Mr. Deputy-Speaker:** Whatever time is taken for this Bill will be automatically taken away from the available time for the State Bank of India Bill on the aggregate. The main purpose of both the Bills is rural credit, but I will only appeal to hon. Members to see that the hon. Members who take part in this Bill are such as have not taken part in the State Bank of India Bill. To speak both on that Bill and on this Bill—for the same Member to speak—will not be possible.

**Pandit Thakur Das Bhargava:** This is also a very important Bill.

**Shri K. K. Basu:** But they are overlapping.

**Shri S. S. More:** A mere rule of thumb will not be enough to do justice to the subject.

**Mr. Deputy-Speaker:** Five minutes for each Member can be allowed.

**Shri A. C. Guha:** Out of the 20 hours, 12 hours have already been used up on the State Bank of India Bill. I think there are about 180 amendments to that Bill.

**Mr. Deputy-Speaker:** More are coming in.

**Shri A. C. Guha:** Yes. It is for you to decide how much time you will allot for this Bill and how much for the State Bank of India Bill—second and third reading stages.

**Mr. Deputy-Speaker:** I have no right to decide anything. It is for hon. Members here to decide. It has already been decided by the Business Advisory Committee that 20 hours for both the Bills will be sufficient. Well, shall we have two hours for this Bill?

**Pandit Thakur Das Bhargava:** One hour will do. There is only one small amendment, really.

**Shri A. C. Guha:** The amendments are all the same. They are of the same nature. I think one reply would suffice on my part, for all the amendments given to the Bill.

**Mr. Deputy-Speaker:** So, if we have two hours for this Bill, then six hours out of the total 20 hours would be left.

**Shri K. K. Basu:** If we finish this sooner, we may proceed to the next stage.

**Mr. Deputy-Speaker:** So, we started this Bill at 12.18, or rather, say, 12.20. We will have two hours—12.20 to 2.20.

**Shri Matthen:** What is the time allotted? There are also amendments to clauses.

**Mr. Deputy-Speaker:** The consideration stage may be disposed of before 1.30 and the clauses will then be taken up, and proceeded with till say,



2 O'clock. Then 20 minutes remain for the third reading. Well, five minutes for each Member.

**Shri S. S. More:** Firstly, this definition of the co-operative credit society will require some explanation. I may bring to the notice of the hon. Minister that here the definition says:

"'co-operative credit society' means a society registered or deemed to be registered under the Co-operative Societies Act, 1912 or any other law relating to co-operative societies for the time being in force in any part of the territories to which this Act extends, the primary object of which is to provide financial accommodation to its members and includes a co-operative land mortgage bank."

My objection to this definition is that it makes the provision of financial accommodation, the primary object of the Bill. The reference is pertinently to the credit societies. In Bombay State credit societies are developed into multi-purpose societies. Financial accommodation is not their primary purpose. Instead of giving credit alone, they do so many other things which are very useful from the point of view of the agriculturist's convenience. Therefore, if this definition is retained as it is, then all these multi-purpose societies will be ruled out.

**Shri Raghavachari:** They can go to the Central Banks.

**Shri S. S. More:** That is the suggestion given by Shri Raghavachari. The financial accommodation available from this fund will be as per the definition given here. I speak subject to correction. If the primary object of this Bill is financial accommodation, and if that is retained here, then the multi-purpose societies will be at a disadvantage. If the Minister has said: "Well, Shri More's fears are misplaced," I shall be very, very happy. It is well and good that this measure has been brought forward

by the Government. I want to make a suggestion that the amount available for the purposes mentioned in this measure should be increased, and to that extent, I do support the amendments which have been tabled by my friend Pandit Thakur Das-Bhargava.

But there are some points which will have to be clarified. The credit societies in this country have a history of more than 60 years. They are as old as the Congress. A Britisher started the co-operative experiment but emphasised the credit aspect with the result that it did not succeed. The agricultural economy being a deficit economy, and the man being illiterate and ignorant, he takes loan from the co-operative bank and puts it into a losing concern and has no surplus to return the money. Therefore, the whole credit system came into discredit. For the purpose of building up credit, I have always been emphasising that you must create a sort of surplus economy for the peasant. The margin between the cost of production and the return that he gets must be sufficiently fat so as to give him some blood from the deficiency of which he suffers now. In that case alone he can return the amount borrowed.

I was one of the directors of the Land Mortgage Bank for the Poona District during the depression years that followed after the depression of 1929. The land mortgage bank was always advancing money. There was an overflowing and persistent demand from the peasantry for loans but as far as the recoveries were concerned, not a chunk was possible to be got back to the bank with the result that the bank also came to grief. Therefore, there is no use yearly providing amounts for the purpose of advancing credit. The Government also must take other relevant and necessary steps to build up the agricultural economy in a healthy and vigorous manner so that the agriculturists shall be in a position to return the loan credit or financial accommodation



[Shri S. S. More]

given to him. I know this is one of the links in the chain which Government propose to hold for the purpose of basing our agricultural economy on a surer foundation.

1 P.M.

There is also one more point which Government will have to take into consideration. It is no use giving credit merely—of course, that is a necessary part—but Government also must on occasions be ready to share in the losses from which the peasant suffers. Whenever he produces in abundance, the prices fall down, and we purchase the produce practically for nothing. Thus when there is profuse crop he loses. When there is scarcity, the prices go up, and we start shouting at the rise in prices. So, when the man suffers, and the return for the produce is not sufficient to cover the cost of production, I think Government will have to devise some machinery by which they shall be able to share in the losses. It is no use only starting a partnership in the credit agencies, but Government will also have to take steps to see whether there are any legitimate losses, mostly due to the economic policy of Government, and if the losses are ascertainable, then Government must also come out with its own quota to relieve the suffering peasant. At present our peasantry is, without any grumble, suffering all the losses.

Let us distribute the losses all over the country. If we distribute the losses suffered by our peasantry on a *per capita* basis all over the country, the losses that we shall have to make good will not be to any large extent, and the peasant will also feel that he is doing good to the country, and that his losses are insured by the country and thus made good.

With these suggestions, I say that the amounts that have been allotted should be raised, because they will not be sufficient, as we have frequently stated, even to touch the fringe of the immense problem with which we are faced.

**Shri N. B. Chowdhury** (Ghatal): We support the Bill as far as it goes. Although the object is quite welcome, yet from its content, it is clear that the moneys provided for are far too inadequate to meet the credit requirements of our country.

This Bill is intended to enable the Reserve Bank to reorganise the co-operative societies. That is its main purpose. For this reorganisation it is not sufficient to have merely the State partnership as recommended by the Rural Credit Survey Committee. In addition to this State partnership there should be reorganisation of the administrative set-up itself. Unless the administrative machinery is improved and purified, we do not think much will come out of this.

It has been stated in the report on the rural credit survey that some of the officials are in league with the local moneylenders and other influential persons who dominate over the societies. They have stated:

“Acting in concert with these, the subordinate official, whose functions take him to the village, creates for the benefit of the superior officers what might be called the illusion of implementation woven round the reality of non-compliance.”

So, it is clear that there is no correct report regarding the functioning of the co-operative societies. The Committee have also stated how the moneylenders and traders in the village also have a dominant voice in these co-operative societies. We find from the report:

“...and it is usual for these to have connections which link them not only to the sources of finance but to the seats of administrative power”.

That creates further difficulties. So, when Government are going to reorganise the co-operative societies

they have to see that not only State partnership is effected at all levels but also that the administrative machinery is purified and improved.

Ours is a vast country with about 5 lakhs of villages. Although there are already about 2 lakhs of co-operative societies in existence, if Government are very serious about this measure then they should see that there is a larger number of co-operative societies in this country. So, in order to reorganise these societies, and also to organise new societies, it is necessary to have a larger provision of money.

In this Bill we find only the creation of two funds—the National Agricultural Credit (Long Term Operations) Fund, and the National Agricultural Credit (Stabilisation) Fund. It has already been pointed out that the sums provided are very inadequate, for the first Fund, an initial sum of Rs. 10 crores would be provided, and then they will provide annually Rs. 3 crores, but even that may be reduced if any necessity arises. So from this it seems that the hon. Minister's enthusiasm or optimism about the results that will flow from these measures is not at all justified.

With regard to the Stabilisation Fund, I would submit that this is very necessary because of the frequent occurrence of famines in some parts of the country during the last three or four years. In spite of the increase in production, every year we get reports of scarcity conditions or famine conditions from a number of States. So it is very necessary to have this Stabilisation Fund augmented. It has been suggested by the Rural Credit Survey Committee that there should be a Stabilisation Fund in the local co-operative banks at the State level and at other levels also, and that the co-operatives also should have their own Stabilisation Funds. In view of drought, famine and other natural calamities, it is very necessary that this Stabilisation Fund should be created at different places, and for

that Government help is necessary. So, the amount credited to the Stabilisation Fund has to be increased.

In fact this question is not a new one. It was raised seriously even when the Reserve Bank Bill was discussed in 1933, when men like Shri Sitaram Raju and others had raised this question. Although there was provision under section 54 of the Act for expert staff for the study of this important question of agricultural credit and for making their services available to the State co-operative banks and other co-operative organisation, yet we know that not sufficient progress has been made in the past. If Government are serious about this, then it is very necessary that there should be a larger provision.

With regard to the amendment of section 8 of the Act as contemplated by clause 4 of this Bill, which makes provision for having three Deputy Governors, instead of two, I have only to say this much that if at all they think it is necessary to have three Deputy Governors instead of two in view of the large number of co-operative societies which will have to be re-organised or the large number of new co-operative societies which have to be brought into existence, then it is necessary to rationalise the pay structure of the high officials of the Reserve Bank. You know that in some cases these officials draw salaries which are even higher than those of the Heads of some of the States. Particularly in view of the declaration of the socialistic pattern in this country, I expect Government to ask these high officials also to make some sacrifice for the welfare of our people and for the rapid development of our country.

My next point is with regard to the period for which such loans would be made available. It is all right that Government would make loans available to the State Government through the Reserve Bank for a period of 20 years and to other organisations like the State co-operative banks for a

[Shri N. B. Chowdhury]

period of 15 months to 5 years. But what we find is that in the case of local primary societies and local central co-operative banks, sufficient time is not given to the primary members of the co-operative societies to pay off the loans, because although there is provision for repayment within a period up to 15 months, sometimes even after five or six months they are asked to pay off the loan. It has been my experience in connection with the loans that were made available by the Reserve Bank to the co-operative banks that in the case of the Ghatal Central Co-operative Bank in the district of Midnapore in West Bengal, in spite of drought and famine conditions there and in spite of the fact that the primary members were in very great difficulties, they were asked to pay off their dues, because otherwise the co-operative bank would not be in a position to get further moneys for giving loans for the next year. In such cases in order to establish their own Stabilisation Funds, it is very necessary that Government should give them loans for this specific purpose also.

Then, it has been stated by the hon. Member Shri S. S. More, that in order to reorganise these co-operatives it is necessary to see that they do such functions also as are necessary in the interests of the agriculturists for getting better prices. The question of costs of production and adequate price has been raised here several times. Therefore, in order to see that the agriculturists get reasonable price, the minimum economic price, it is necessary to extend the warehousing facilities to as many places as possible and for that purpose co-operative marketing societies also should be brought into existence. Unless that is done along with the credit co-operative societies it would not be possible to save these people from the grip of the money-lenders about whom one or two Ministers themselves have said that they have made many people 'bond slaves' and 'chain slaves'. If you are really serious about this

measure and if you want to save the people from the morass of usurious interest, from their state of slavery and bondage, then it is necessary that Government should find out more money and make larger provisions so far as these two things are concerned.

Shri Seshagiri Rao (Nandyal): Sir, I welcome this measure as this is the second step in implementing the recommendations of the Committee on Rural Credit Survey. I do not want to go into the details of this Bill because they are of a non-controversial nature and all these are intended to reorganise co-operative societies.

One point that I would like to make is this. If we want to reorganise co-operative societies we have to do so on the basis of previous experience that we have had. I am very glad to learn that our Minister is not going to lose faith in the co-operative societies. None of the criticisms that have been levelled on the floor of this House are meant to shake his faith. But, on the other hand we want that co-operative societies should be reorganised in the way in which they ought to. What was the mistake or defect in the co-operative societies previously? They were under-financed and over administered. Now, to rectify that defect, enough of finance has been made available by the Reserve Bank and by the present legislation. Now, as my friend Shri Raghavachari has stated, these amounts are hardly adequate and more funds have to be made available.

The second point why the co-operative societies have failed before is that in the rural areas, absolutely the money-lender or the lender of the village was all in all. Here the Report of the Rural Credit Survey says in a graphical way how the money-lender was all in all:

"This is less and less strong and more and more implicit and impersonal at the higher levels, but stronger and more explicit at the lower stages. When local Co-operation gets into the charge of

the village money-lender, and more especially the landlord-cum-money-lender, he becomes the society, the depositor and the borrower, all of them together or each in turn, with the ease with which the one Godhead becomes Brahma, Vishnu and Shiva—Creator, Preserver and Destroyer."

So, because the co-operative societies have gone into the hands of the only leader, the village patel or any other important man of the village, he becomes all in all and the poor agriculturist was not getting any kind of benefit. These co-operative societies have to be so reorganised that the poorest man or the lowest man should get the maximum benefit.

Another point which I would like to say is this. The Reserve Bank must not only make funds available but also should go a step further and see that they have been put to the proper use. The 'principal recommendations' in Chapter IX on page 23 of the Report says:

"The operations of these Funds and the planning and execution (within the Reserve Bank's own sphere) of the programmes and policies for which they are intended to be utilised should remain the responsibility of the Reserve Bank and its Board in their normal functioning, and should not be vested in a separate body, statutory or other."

So, if you are making all these funds available to the co-operative societies are you going to see by any effective machinery that those funds are utilised in the way they ought to or is there any other link or co-ordination between these things. I heard the Finance Minister saying just now that co-operative societies come under the State List and much cannot be done except to give directions. I doubt whether these directions that will be sent from the Reserve Bank will be followed there and if they are not followed the very purpose for which these funds are made available

will be defeated and they will be worth nothing. So, in order to see that what we have intended is given effect to, we have intended is given effect to, invent a procedure to see that the amounts are utilised for the very purpose for which they are intended.

**पंडित ठाकुर दास भगवंत :** डिप्टी स्पीकर साहब, गुहा साहब ने कल जो मैं ने इसके बारे में अर्ज किया, उसको गलत समझा और दरअसल मेरे कहने का मंशा यह नहीं था कि गुहा साहब का जो यह सारा जोश-खरोश है, वह सारे का सारा असली नहीं है। असलियत यह है कि इस मामले को जिस तरह से मैं ने एक छोटी सी किताब है उसको पढ़ा है और जिस तरह से समझा है, शायद हमारे गुहा साहब ने उसको उस तरह से नहीं समझा है। मेरे दिमाग में यह चीज आई है कि रिजर्व बैंक ने जो स्टेप लिया है, दुनिया में किसी रिजर्व बैंक ने ऐसा स्टेप नहीं लिया। यह निहायत आला दर्जे की नेकनीयती से लिया है और वह यह चाहते हैं कि जितनी हमारी रूरल हालत है, उसको हम सारी को रेवलूशनलाइज कर दें और तबदील कर दें और मैं यह समझता हूँ कि उनकी यह मंशा है कि वह शस्त्र जिसको कि पहले किसी तरह की इमदाद नहीं थी, वह जमीन का मालिक नहीं था, वह जमीन से पैदावार तो करता था लेकिन उसकी हालत यह थी कि हमेशा कर्ज में डूबा रहता था, उसको चाहते हैं कि वह जो अंडरडॉग है वह सरफेंस पर आये और उसको फ़ायदा हो, अगर यह बात दुस्त है तो मैं अबद से पृथक्ता हूँ कि जिस आदमी की आज आई आने ग्रामदनी है वह बेचारा गरीब कितने अर्थ में आपका कर्जा पूरा करेगा और वह कर्ज के भार से कैसे बाहर निकलेगा? यह इसी तरह से हो सकता है जब कि उसके साथ वह सबूक न हो जो अब तक कोभापरेटिव बैंक उसके साथ करते चल आये हैं। मेरे जिले में मुझ को

## [पंडित ठाकुर दास भार्गव]

मालूम है जिस पंजाब का यह चित्र करते हैं और कहते हैं कि पंजाब बड़ा मालदार है, तो मैं उनको बतलाऊँ कि मैं पंजाब के खिला हिसार से आता हूँ और जो खिला हिसार देश भर में कहत के वास्ते सब से ज्यादा मशहूर है, उसकी दो चीजें बहुत मशहूर हैं, एक कहत, और दूसरे मवेशी। कहत का यह हाल है कि आप रेकार्ड्स मुलाहिजा फरमायें तो देखेंगे कि करोड़ों रुपये पुरानी सरकार ने भी खर्च कर दिये लेकिन कुछ नहीं बना। वहां होता यह है कि कोआपरेटिव बैंकों के बड़े बड़े अफसर लोगों से कड़ा वसूल करने के वास्ते बँत लगाते हैं और ऐसे मोके आयें हैं जब कोआपरेटिव वालों ने पुलिस का काम वहां पर किया है। कहत जब वहां पड़ता है तो मुझे तो तजूबा हासिल है कि वहां पर क्या हालत होती है, मैं उस हालत को जानता हूँ, शायद गुहा साहब को उसका तजूबा न हो, लेकिन मुझ को है और मैं उनको बतलाऊँ कि कहत के अमानें मैं हालत इतनी बदतर हो जाती है कि ३०० एकड़ जमीन रखने वाले मालिक को ६ पैसे रोख के वास्ते कहत के कामों पर जाना पड़ता है और काम पर उसको दस, दस और बारह, बारह मील रोख चलना पड़ता है। मैं उन लोगों की हालत बखूबी जानता हूँ और मुझे मालम है कि इनको मदद करने और उबारने का काम जो हमारे गुहा साहब न अपने हाथ में लिया है वह कितना मुहीब, कितना मुश्किल और किस मँगनीच्यूड का है और उसी वजह से मैंने अर्बं किया था कि देखा है कि बावजूद इनकी सारी कोशिशों और रुपये के वे अपने मकसद में कहां तक कामयाब होंगे, यह मुझे पता नहीं। मुझे गुहा साहब को जो रेबलूशनलाइज करने की नीयत है उस पर शक नहीं है और उसका तो मैं स्वागत करता हूँ, मेरा शक जो है वह इस कारण है कि क्या जो

रुपये का उसमें प्राविजन रक्खा है वह काफी होगा और क्या इस थोड़ी सी रकम से वे अपने मकसद में कामयाब हो सकेंगे? हिन्दो में मसल मशहूर है और जनाब को भी याद होगा और वह इस तरह है :

आयस की चोरी करी, दियो सुई को दान ।  
ऊपर चढ़ चढ़ देखते, कब आवत विमान ॥

आयस की चोरी करी, काम तो इतना बड़ा है, देश के तमाम गरीब आर्दमियों को ऊपर उठाना है उनको मायर में से निकालने का काम है, और जो उसके लिये रकम रखी गई है वह निहायत ही नाकाफी है और सुई का दान देने के समान है। जनाबवाला, दस करोड़ तो पहले देते हैं, और पांच करोड़ हर साल लौग टर्म लोन्स सेंट्रल लेंड मोर्टगेंज बैंकों को देते हैं और एक करोड़ रुपये स्टै-बिलाइजेशन फंड में देते हैं जो कि समस्या को देखते हुये निहायत ही नाकाफी है और ड्रौप इन दी ओशन के बराबर है। कहत के बारे में मैं दसियों दफ़ा कह चुका हूँ कि उसका सामना करने के लिये आपको नया फ़ैमिन कोड बनाना होगा, यह नहीं कि ६ पैसे दे दिये और दस मील चला कर उनसे काम कराया जाय, जब कभी कहत का खतरा हो तो उसका सामना करने के लिये आपको फ़ैमिन कोड बनाना होगा, और आपको हर एक आदमी को मदद पहुँचानी होगी और हर एक की तरफ़ ध्यान देना पड़ेगा, क्योंकि आखिर हमारी वेलफेयर स्टेट है और इस नाते मैं समझता हूँ कि आपकी यह एक करोड़ की रकम नुकसान का मुकाबला करने के लिये बिलकुल नाकाफी है और इसको बढ़ाया जाना चाहिये। इस वास्ते मैं ने डरते डरते आप के रूबरू इस्तुधुआ की है कि कम से कम ३ करोड़ तो कर दें १ करोड़ का। दूसरी बात यह है

कि इफ यू मीन बिजिनेस जहाँ यह रक्खा है कि १० करोड़ देंगे, वहाँ २० करोड़ कर दीजिये और जहाँ ५ करोड़ है वहाँ १० करोड़ कर दीजिये। अभी आपको इस के बारे में कुछ पता नहीं चल रहा है, लेकिन जब आप काम करेंगे तो आप को मालूम होगा कि कितनी तकलीफ़ लोगों को होती है। पहले सरकार तकावी देती थी, पर तकावी उस आदमी को देती थी जिस के पास ज़मीन होती थी, जो दो गारंटियर लाता था जो कि इस का जिम्मा लेते थे कि कर्ज़ा चुका दिया जायेगा। लेकिन अब तो आप यह नहीं करने वाले हैं। आप ने जो किताब लिखी है उस में लिखा है कि हम इतना पैसा देंगे कि आदमी अपना कुल काम पूरा कर सकेगा। यहाँ तक कि आप ने इस में चिट फंड तक चला दिया है, जिस से लोग शादी गमी पर भी फायदा उठा सकेंगे। मैं उन लोगों को मुबारकबाद देता हूँ जिन्होंने किताब लिखी और सारी रूलर लाइफ़ का नक्शा खींच कर एक ऐसी तजवीख़ निकाली है कि जिस को देख कर बड़ी तसल्ली होती है। लेकिन जब गं रकम की तरफ़ देखता हूँ तो मेरी बही हालत होती है जो कि उस मोर की होती है जो कि अपने जिस्म की तरफ़ देख कर बड़ा खुश होता है लेकिन जब पैर की तरफ़ देखता है तो उसे बहुत अफ़सोस होता है। उसी तरह से जब मैं ५ या १० करोड़ रुपये देखता हूँ तो समझ नहीं पाता हूँ कि यह स्कीम किस तरह से इम्प्लिमेंट होगी। इसी लिये मैं ने यह अर्ज़ किया। आइन्दा आप को कुल प्रोड्यूस के ऊपर कर्ज़ देना होगा, पर प्रोड्यूस पर कर्ज़ा देने का सवाल यहाँ कैसे पैदा होता है। हमारे दोस्त श्री निकुंज बिहारी और श्री शेषगिरि राव ने भी शिकायत की कि आखिर जिस को आप कर्ज़ा देते हैं उस के प्रोड्यूस में से बचेगा क्या कि वह आप का कर्ज़ा अदा कर सके। इस के माने यह हुये कि सारी स्कीम में प्राइस कंट्रोल इम्प्लिसिट है।

अगर आप प्राइस कंट्रोल नहीं करेंगे तो आप की सारी स्कीम खत्म हो जायेगी। कल यह कहा गया कि आप जिस ज़मींदार को कर्ज़ा देते हैं अगर उस के साथ आप माई बाप वाला हिसाब नहीं रखेंगे, उस के साथ ऐसा मुलूक नहीं करेंगे जैसा उस शख्स के साथ होता है जो कि एक फैमिली का जुड़ होता है, तब तक न वह ज़मींदार ही कामयाब होगा और न यह स्कीम ही कामयाब होगी। इस लिये इस स्कीम का जो असली जुड़ है वह यह है कि अगर आप सच्चे माने में वेलफेयर स्टेट बनाना चाहते हैं, लोगों को कर्ज़ा देना चाहते हैं तो आप पूरी तरह से रूलर बैंकों को भी साथ लीजिये। मैं बैंकों के वास्ते कोई ब्रीफ़ नहीं रखता हूँ, लेकिन मुझे यकीन है कि महाजन भी जमाने की, रफ़्तार को देखते हैं, वह भी दिल दिमाग़ रखते हैं। वक्त आयेगा जब कि उस की सारी कोशिशें और रुपये आप के साथ होंगे। हमेशा एक हुवा चला करती है, जब गांव के अन्दर इस स्कीम की हुवा चलेगी तो थोड़े दिन तो महाजन जरूर रेजिस्ट करेंगे, लेकिन बाद में गांव के और आप के सच्चे मददगार बन जायेंगे। उन का सारा रुपया आप के साथ होगा। लेकिन जब तक सरकार की मेहरबानी नहीं होगी उस वक्त तक हम कुछ नहीं कर सकेंगे। आप बेजा तौर पर नाराज़ न हों, नक्शा खींचते वक्त अत्योक्ति से काम लिया ही जाता है। लेकिन कामयाब वही होता है जो करे ज्यादा और कहे कम। नीज ममल मग़हूर है अगर चीते के शिकार के लिये जावें तो शेर के शिकार का सामान करें। आप देखिये कि इस देश में एक साल के अन्दर कहीं न कहीं कहल पड़ता रहता है। कहीं फलड आता है कहीं कहतसाली होती है। हर साल ही कुछ न कुछ मुसीबत आ खड़ी होती है। इस लिये एक साल में एक करोड़ रुपये से कुछ नहीं होगा। अगर

[पंडित ठाकुर दास भागंब]

आप सही माने में लोगों का कुछ भला करना चाहते हैं तो १ करोड़ का ३ करोड़ कर दीजिये, ५ करोड़ का १० करोड़ कर दीजिये और १० करोड़ का २० करोड़ कर दीजिये। कम से कम इतनी तो मेहरबानी आप को कर ही देनी चाहिये। यहां पर इस को रिड्यूस करने का सवाल नहीं है, रिड्यूस का लपज तो आप को डिक्शनरी से ही इस मामले में निकाल देना चाहिये। यहां तो रुपया बढ़ ही सकता है, और इस सिलसिले में आप को और बैंकों की भी मदद लेनी चाहिये इस किताब में लिखा हुआ है कि जो रुपया हम कर्ज में देंगे हम उस के ऊपर नज़र रखेंगे। कोई भी काश्तकार उस को ले कर के नाजायज़ तौर पर खर्च नहीं कर पायेगा। यहां तक कि शादी ब्याह तक में उस को खरूरत से ज्यादा नहीं खर्च किया जा सकेगा। अगर आप इस तरह की कार्रवाई करते हैं, अगर आप यह जिम्मेदारी लेते हुये देश को भला करना चाहते हैं और सचमुच यह बातें हो पाती हैं, तो देश में फिलवाक्या रामराज्य आयेगा। गांधी जी के आदमी हमारी बात नहीं सुनते हैं क्योंकि लैंड रिफार्म और इस तरह की हज़ारों बातें चलती हैं। लेकिन यह एक भलाई की चीज़ आई है। मैं चाहता हूँ कि यह कामयाब हो और इस की तरकीब यही है कि आप इस में रुपया बढ़ाइये। आप को अख्यार है आप चाहे जितना रखें, मैं तो रख नहीं सकता हूँ, लेकिन अगर आप इतना ही दे कर चुप चाप बैठ जायेंगे तो उससे काम नहीं चलेगा।

मैं आप का ज्यादा वक्त नहीं लेना चाहता, लेकिन मैं बड़े जोर से अर्ज करना चाहता हूँ कि जो स्कीम इस किताब में लिखी हुई है वह आपने इस ऐक्ट में नहीं दिया है, लेकिन आप ने अपना इरादा जाहिर कर दिया है।

कल मैं ने अर्ज किया था कि गवर्नमेंट ने इस में बिजनेस प्रिंसिपल को रक्खा है। लेकिन बिजनेस प्रिंसिपल के माने यह है कि आप ने किसी शक्त्त को रुपया दे दिया और इकरार करा लिया कि वह रुपया दे देगा, लेकिन अगर वह रुपया नहीं दे सकता है तो भी आप उस की प्रोड्यूस छीन लें। मैं समझता हूँ कि आप की मंशा यह नहीं है, न ही यह मेरी मंशा है, और न यह प्रिंसिपल चल ही सकता है। इस क्रेडिट सोसायटी का प्रिंसिपल यह है कि आप रिअल मानों में काश्तकारों की मदद करें और यह जाहिर कर दें कि यह पुलिस स्टेट नहीं है, वह एक नेलफेअर स्टेट है। अगर आप ऐसा करना चाहते हैं, अगर आप चाहते हैं कि देश का भला किया जाय तो मेहरबानी कर के और रुपया दीजिये। बगैर रुपया दिये काम नहीं चलेगा।

इस वास्ते मैं चाहता हूँ कि आप जिन ऐमेन्डमेंट्स का मैं न जिक्र किया उन को मंजूर कीजिये। मैं इस बिल को स्ट्रॉंगली सपोर्ट ही नहीं करता हूँ, बल्कि मैं १०० नहीं २०० परसेंट इस बिल के साथ हूँ।

**Shri S. N. Das (Dabhanga Central):** Mr. Deputy-Speaker, this amending Bill is for the implementation of the recommendations of the Committee of Direction appointed by the Reserve Bank of India. There is no doubt that it is a good step, but it is only a first step. As our revered leader Pandit Thakur Das Bhargava said, for financing the agricultural operations that are going on in a vast country like India, this small sum that is being provided here by the establishment of the two funds is but a drop in the ocean.

Sir, while moving my resolution the other day, I said that 70 per cent. of the population of India depends upon agriculture and the survey that has



been made has fully stated what is the vast amount that is necessary for financing these operations. The Committee had stated that at least Rs 750 crores would be required for financing the agricultural operations. Of this vast amount, only 3 per cent. is being contributed by the Government—both the Centre and the States—and only 3 per cent. is contributed by the co-operative societies or co-operative banks in the various parts of the country. Therefore, this is a very important and vast problem which requires very careful consideration. Personally I do not agree that the operation of these funds should be carried out by the Reserve Bank of India. I maintain even now that it would have been better if there had been a central organisation which could exclusively undertake this great task.

The Reserve Bank of India was established in 1934 and even after Independence, this Bank could not undertake the responsibility of financing the agricultural operations of this vast country on a very large scale. The amount that was being provided every year and given to the various State banks in the country was very very small and even that amount did not reach the agriculturists. The various State co-operative banks have utilised this amount that was being provided by the Reserve Bank of India not exclusively for agricultural operations. The banks have utilised that amount for some other purposes also. Although there is a provision that the Reserve Bank of India should make enquiries and see that the money that is being granted by the Reserve Bank is utilised for the purpose for which it is being given, it is seen from the Report of the Reserve Bank of India that this enquiry is not sufficient. Therefore, the provision that the Reserve Bank of India should make an enquiry has proved ineffective.

In a country like India, which is practically rural India, for proper financing of the agricultural operations including cottage industries, it is very

necessary and very urgent that a central organisation like a Central Agricultural Corporation should be established. Even now, in spite of the report of this Committee of Direction which has pointed out that the Reserve Bank of India, the Central Government and the various State Governments should participate in the financing of the agricultural operations very actively, I think the set-up of the Reserve Bank of India even after this amending Bill will not be suitable for that purpose. Even after this amending Bill is passed by this House, the Government should consider the desirability and feasibility of having a Central Organisation specially for providing finance for agriculture.

The second point that I would like to urge is about these two funds—National Agricultural Credit (Long Term Operations) Fund and the National Agricultural Credit (Stabilisation) Fund. I think the initial amount that is being given for these two funds is very very small. It should be increased considerably. I would suggest that in view of the vastness of the programme, in view of the amount that has been calculated by the Committee of Direction, namely, Rs. 750 crores, for financing agricultural operations, in view of all that, should be made at least five times Rs. 10 crores a year. Otherwise, it will be tinkering with the problem and it will not touch the fringe of the agricultural operations carried on in this country. Therefore, in both these cases, the initial amount should be made five times what is provided in the Bill.

I would like to support Mr. More that in the definition of Co-operative Societies it should be made clear that all the multi-purpose co-operative societies that are being established or that will be established and that are functioning in the country for rural credit work, for cottage industries or other things connected with rural development should get advances for carrying on the rural development

[Shri S. N. Das]

work. I would, therefore, request the hon. Minister to see that the definition of co-operative societies is comprehensive enough to include these varieties of societies.

In the amendment it has been stated that there shall be three Deputy Governors of the Reserve Bank of India. I think the purpose here is that in view of the expanding functions of the Reserve Bank and in view of the fact that the Reserve Bank of India is going to take up the responsibility of agricultural finance, there will be one Deputy Director of the Bank who will look after the agricultural side. Therefore, I welcome this change in view of my interpretation of this clause.

In the original Act there was a provision that there should be an agricultural wing of the Bank. But that agricultural wing of the Reserve Bank of India was very very small. From the report that has been supplied to us it has been found that although it is a function of the Reserve Bank of India to examine the accounts of certain State Co-operative Banks, in the year 1952 or 1953, the Reserve Bank was able to carry out the inspection of only two Banks. I think this wing of the Reserve Bank of India should be strengthened and it should be manned in such a way as to be more effective.

We have seen that in the organisations that we set up at the Centre or in the States also, the persons who come into those organisations are not fully aware of the conditions prevailing in the rural areas. The Reserve Bank of India, or, for the matter of that, other organisations that deal with the agricultural operations should be manned by persons imbued with an idea of service of the rural people. In spite of the fact that Mahatma Gandhi laid stress on the amelioration of the rural population, even now we see that greater attention is paid to such questions as pertain to the urban areas. In spite of the fact that Government has taken up the Community Projects in various

parts of the country, the officers that are appointed have no idea of serving the people and I have heard officers talking among themselves 'why should we go to the rural areas, from village to village where there are no roads'. That shows that they are not imbued with any idea of service of the rural people. Therefore, I would urge upon the hon. Minister to see that the organisations that are set up either in the Reserve Bank or elsewhere for the administration of these funds for the implementation of the policies framed by the Government, such people should be selected who are fully conversant with the conditions prevailing in the rural areas and, at the same time, they should have in their minds the service of the people uppermost, the service of the people who are the real backbone of the country.

I hope the Government of India will think again of having a central organisation such as the Central Agricultural Corporation with branches all over the country and take every step at a very early date to implement all the recommendations of the Committee of Direction. As I said, their recommendations are a part of a very important integrated scheme. By implementing one part and leaving the others as they are, I think, the whole scheme will be unsuccessful. Therefore, it is necessary that immediate steps should be taken to implement at every level—at the Centre, in the States or in the villages—all the recommendations made by this Committee of Direction in the Rural Credit Survey Report.

With these words, I support the measure.

**Shri A. C. Guha:** I think I should be given a few minutes to reply to the points raised by the hon. Members.

**Mr. Deputy-Speaker:** How many?

**Shri A. C. Guha:** I think I should get at least fifteen minutes.

**Mr. Deputy-Speaker:** I would say that hereafter hon. Members who go

to the Advisory Committee, both on the side of Government as well as on the side of the groups here, must assess the time properly. Whoever was in charge on behalf of Government had agreed to half an hour. The hon. Minister himself has taken half an hour for his opening remarks and he now wants fifteen minutes to reply. The other Members also want some time. Therefore, we must have a better sense of the time required for all these Bills. Whoever goes to the Advisory Committee should take full responsibility for reading all this and consulting his own group to make a full assessment and to make a report. Otherwise, whatever is passed there is being turned down here and whoever sits in the Chair gets into trouble.

**Shri N. Raghiah** (Mysore-Reserved-Sch. Castes): I support this simple Bill. In our country, out of 36 crores of people about 30 crores are living in the villages. This is according to the report of the Committee of Direction of the All India Rural Credit Survey. The unfortunate rural people in India have been subjected to all sorts of inhuman, economic and social exploitation and also rural indebtedness. As mentioned in page 5 of the same report, Chapter III, the following percentages give an indication of the extent to which the main agencies of rural credit contribute to the total borrowings of the cultivator.

The proportion is as follows:

Government	3.3 per cent.
Co-operatives	3.1 per cent.
Commercial Banks	0.9 per cent.
Relatives	14.2 per cent.
Landlords	1.5 per cent.
Agricultural moneylenders	24.9 per cent.
Traditional moneylenders	44.58 per cent.
Trade and Commission agents	5.5 per cent. and
Others	1.8 per cent.

The agriculturists, particularly the very poor peasantry in the rural areas, have been subjected to this kind of inhuman exploitation by the

landlords and moneylenders who charge very high rate of interest and demand free Service. So, it is of supreme necessity at this juncture to see that all possible encouragement by way of giving credit facilities, is given.

I am very happy to know that the recommendations envisage the complete re-organisation of the co-operative structure on certain lines in the country. This is a very essential feature of the Bill. Further, the Bill provides for the setting up of a National Agricultural Credit (Long Term Operations) Fund by the Reserve Bank. Apart from that, it also provides that a second Fund called the National Agricultural Credit (Stabilisation) Fund is also going to be set up by the Reserve Bank. While supporting these provisions of the Bill, for the purpose of interpretation of these provisions of the Bill and also for the purpose of giving credit to the real peasantry of the country, I would urge upon the Government that the landless agricultural workers' claims also should be taken into consideration. On this point, I would emphasise that as it is the accepted policy, it is the duty of the Government to provide employment for every citizen and if there is no employment for him, the citizen, particularly the poor man is not responsible for that. Naturally, in the rural areas, the landless people who have no employment or who have no land, have to depend upon the landlord, with the result that such exploitation has further harmed the landless worker and subjected him to the forced labour or 'jeeta system'. This forced labour system is prevalent throughout the rural areas. The landless worker has to depend upon the farmer with a small holding or a big holding. Even to redeem the indebtedness the agricultural landless worker I urge that these credit facilities should extend to these landless workers also. Because, if a landless worker gets a loan of Rs. 200 or 300 from a landlord, he and his heirs or descendants have to work for at least 200 years to clear that loan. For 20

[Shri N. Rachiah]

rupees, one has to work at least for 50 years. This is the way in which a poor agricultural worker is exploited inhumanly. I would request the Government to extend these credit facilities to the landless workers who are in indebtedness in such a way that these funds could help the real poor man who is in dire necessity for these credit facilities to redeem the burden of indebtedness.

At the same time, I want to urge upon the Government to see that all the co-operatives which are going to be started and which are in existence to which the Government are going to extend the facilities, or financial assistance should be made multi-purpose co-operative societies. The Congress interim Government in Mysore in 1949 set up a sort of Rural Development Committees at the taluk, district and State levels. They started a new scheme of multi-purpose co-operative societies also. That scheme worked very well and gave very fruitful results. The co-operative movement, particularly, the multi-purpose co-operative movement has been a great success. Unfortunately, without understanding the consequences or results of such a movement, the present Government abolished both the schemes. Now, I learn that even the Central Government are thinking of introducing that scheme after studying what was prevalent in Mysore. These multi-purpose co-operatives should see that all the necessities, all the needs in the rural areas, whether for industry, or for agriculture or even for commercial purposes, are provided with credit facilities.

One point more and I shall conclude. With regard to the appointment of the directors or staff in the co-operative movement that is to be intensified in this country, I would draw attention to one aspect. As my hon. friend Shri Seshagiri Rao said, in the rural areas, generally there is the Patel who is the so-called important man. These officers go to him but won't go to the villages and attend poor peasants. That the charge

made by several hon. Members and also by my hon. friend Shri S. N. Das. When such is the attitude of the officer, we can imagine his attitude towards the Scheduled Caste men who live in the village, particularly secluded from the rest of the population, the so-called caste Hindus. What is their fate? How can they tolerate this? The Congress President Shri Dhebarji says, that if the present state of affairs continues like this, if the people in the rural areas are kept like this for some years, God only knows what will happen in the country. In a democracy there is every possibility of a revolution if the poor masses are neglected. These agricultural workers are always instigated by any political party. To prevent such a thing, the agriculturists, particularly the landless workers who mostly depend upon the landlord or the moneylenders and other exploiters, must be taken care of. Because, he only is the real poor man and it is for him that the Constitution provides all the safeguards and protection.

With these remarks, I am very happy to support this Bill.

**Shri A. C. Guba:** I am very glad that almost everybody in the House has lent his support to this Bill. Most of the criticisms that have been levelled against some of the provisions of the Bill have come from the impatience of the Members. I appreciate this impatience in such an important matter; in such a vital matter.

I shall come later to the different objections that have been raised with regard to some of the provisions. Pandit Thakur Das Bhargava, I think, in these 3 or 4 days has repeatedly mentioned about the per capita income of the Punjab agricultural labour, that I quoted on the first day. I think he has not realised that due to agrarian reforms introduced in most of the States, this agricultural labour, meaning the landless agricultural labour more or less will be a thing of the past.

**Some Hon. Members: How?**

**Shri A. C. Guha:** I think most of the States have provided that the land taken from the big landholders will be available for distribution amongst the landless peasants. Other measures e.g. for the rural industries will also divert some of them from agriculture.

**Some Hon. Members: Where?**

**Pandit K. C. Sharma (Meerut Distt. South):** What is the acreage of that land, may I know from the hon. Minister?

**Shri K. K. Basu:** What are the States? He is arguing on an imaginary proposition.

**Shri A. C. Guha:** The acuteness of landless labour problem will be appreciably diminished. Their per capita income will surely increase, and will not remain the same.

Then there is another thing. In the scheme that we envisage, there is also a proposal for crop loans. So long loan was given only on the guarantee of some land or some immovable property. But in future we envisage that loan may also be given on personal guarantee and on the guarantee of the standing crop. Further, there will be warehousing arrangement whereby agriculturists putting their agricultural products in the warehouse can get some loan. So that will also help to prevent them from getting into fresh debts and may also help them to get over the loan already incurred.

Almost all the Members have referred to the inadequacy of the fund provided. I think Members in their impatience have not seen the principal clause in the Bill but have concentrated their attention only on the proviso. As for long-term operation, it is said: 'an initial sum of ten crores of rupees by the Bank, and such further sums of money as the Bank may contribute every year'. There is no limit here, but the proviso puts a minimum limit—not less than Rs. 5 crores. It does not put a maximum limit. The proviso is just a safeguard to see that the fund may not be less

than Rs. 5 crores. Similarly, for the Stabilisation Fund, it is said: 'to which shall be credited such sums of money as the Bank may contribute every year'. There is no limit to this amount in this clause also. Here again there is a proviso which puts a minimum limit to this fund, being not less than Rs. 1 crore.

Then the Members, again I should say, in their impatience about this very important work, have not taken the complete picture of the whole thing. This is not the entire picture of rural credit. There will be a National Co-operative Development Fund and a National Warehousing Development Fund, and the Government of India should make an initial non-recurring grant of Rs. 5 crores to the National Warehousing Development Fund and a recurring contribution of not less than Rs. 5 crores every year.....

**Pandit K. C. Sharma:** These are the recommendations, not the proposed legislation.

**श्री ए० सी० गुहा :** इस लीजिस्लेशन में तो सब कुछ नहीं आया है. दूसरा लीजिस्लेशन आने वाला है ।

**श्री० रमवीर सिंह (रोहतक) :** एक दम से जल्दी लाइये ।

**श्री गिहकानी (थाना) :** हर चीज एक दम नहीं आती ।

**श्री ए० सी० गुहा :** ठीक है ।

Now he is just to cross the channel.

**An Hon. Member:** Cross the floor.

**Shri A. C. Guha:** As for the Stabilisation Fund, it is not only that the Reserve Bank will have this Fund, but co-operative banks also will set up such Funds. That will also help the co-operative organisations.

**Shri Syamaandan Sahaya (Muzaffarpur Central):** And the States also.

**Shri A. C. Guha:** The Reserve Bank will make this facility conditional on the State co-operative banks concerned maintaining similar agricultural

[Shri A. C. Guha]

credit stabilisation funds the same applying to central banks, where feasible, and the larger size primary societies. The Reserve Bank may insist that part of the overdue liability should be met from such stabilisation fund within the co-operative credit structure itself. So there are other provisions also for stabilisation funds intended to meet certain contingencies.

Some Members have mentioned about multi-purpose co-operative societies. This Bill is intended only for co-operative credit societies, not for other co-operative societies.

**Mr Deputy-Speaker:** But the tendency in the villages seems to be to have multi-purpose co-operative societies.

**Shri A. M. Thomas (Ernakulam):** And that is favoured by this Committee.

**Pandit Thakur Das Bhargava:** They have said about craftsmanship and everything else.

**Mr. Deputy-Speaker:** They will do the work of selling, marketing etc. and incidentally give loan also. If it is purely credit, the purpose may not be served.

**Shri A. C. Guha:** The warehousing and marketing societies that are to be set up will take care of that.

**Pandit Thakur Das Bhargava:** Village industries are also included. They say they will advance money for all those things.

**Shri A. C. Guha:** Yes. I mentioned that village industries also were likely to be helped, thereby relieving unemployment.

**Pandit K. C. Sharma:** But the sum remains the same

**Shri A. C. Guha:** Again he is whispering about the sum. I say Rs. 1 crore is the minimum. There is no maximum limit put.

**Mr. Deputy-Speaker:** What is the object of excluding multi-purpose co-operative societies from the scope of the Bill?

**A. C. Guha:** I think most of them would be covered by the warehousing and marketing boards that will be set up and will get accommodation for their credit operation. Also there is the co-operative Development Fund.

**Mr. Deputy-Speaker:** Until they are established, what is the object of this?

**Shri A. C. Guha:** That will come under Food and Agriculture Ministry legislation that is to be introduced.

In November 1953, I had to pilot another amendment to the Reserve Bank of India Act. There a new subsection to section 17—sub-section 4(a)—was incorporated whereby it was provided: 'making to the State co-operative banks loans and advances for agricultural purposes repayable on the expiration of the fixed period....'. The sum allowed was Rs. 5 crores. That was the maximum put there. Almost all the Members protested about the inadequacy of the fund, but I think Members will be surprised to know that till now, that means, within these 18 months or so, it has been possible for the Reserve Bank only to advance Rs. 20 lakhs. So it is no use putting a bigger sum unless we can set up the appropriate machinery to utilise the sum. I can assure hon. Members that the Government will not be niggardly in this matter. They really are earnest in helping the co-operatives for providing agricultural credit.

2 P.M.

On the last occasion, when I moved the amending Bill the provision there was Rs. 5 crores maximum. Here we have not put any maximum. We have only put the minimum. That by itself can show to the Members with what outlook we are moving the amendment to this Bill. We are not putting a ceiling; we are putting a floor

amount below which this contribution should not go.

There was another point mentioned by Shri S. N. Das. I do not know wherefrom he got the information. He said that the inspection procedure has failed and he referred to some report. It started only in November 1953 and fourteen inspections had taken place. All the apex banks had been inspected and some of the central banks had also been inspected and I do not think there is any reason to conclude that the inspection system has failed. The co-operative organisations have voluntarily submitted themselves to this inspection of the Reserve Bank and the Reserve Bank has been receiving every co-operation from these co-operatives. Even though the co-operatives are not technically within the jurisdiction of the Central Government or the Reserve Bank, I can assure this House that there has been no difficulty as regard this close collaboration between the Reserve Bank and the co-operatives. We are also trying to recruit more staff and train them up for the inspection work and I can assure this House that under the guidance and advice and instruction of the Reserve Bank the co-operatives will be functioning properly and there will not be any difficulty as regards funds or machinery in the future for the proper functioning of the rural agricultural credit programme of the country.

**Shri S. N. Das:** The hon. Minister said something about the information which I quoted. The reference is to page 23 of the Reserve Bank of India report submitted to the central board of directors for the year ending June 1953.

**Shri A. C. Guha:** The real inspection started by the end of 1953. That was before the inspection system was properly introduced. The hon. Member was speaking of 1952-53; we are in 1955 and going into 1956-57.

**Mr. Deputy-Speaker:** The question is:

"That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration."

*The motion was adopted.*

#### Clauses 2 to 6

**Mr. Deputy-Speaker:** There are no amendments to clauses 2 to 6.

*Clauses 2 to 6 were added to the Bill.*

#### Clauses 7 to 11 and 1

**Shri N. B. Chowdhury:** I have two amendments Nos. 2 and 4. I shall say a few words on them.

**Mr. Deputy-Speaker:** The general discussion or the whole discussion was only about adequacy or inadequacy; we had discussed only that point.

**Shri N. B. Chowdhury:** I shall say only a few words.

I beg to move:

(i) In page 2, line 26, for "ten crores" substitute "twenty five crores".

(ii) In page 2, line 32, for "five crores" substitute "fifteen crores".

The Reserve Bank had stated in their report that there was a tendency for the rural credit to increase now although it was ascertained that during the war a part of the debt was liquidated. But now there is a tendency of rise again. This survey was undertaken in 1951. From the experience of people who live and move among the rural people we find that the indebtedness is again rising because of the fall of prices of agricultural commodities etc. So, the amount that is provided here is entirely inadequate and although the hon. Minister had stated that only the minimum had been provided and not the ceiling we would urge that the minimum amount itself has to be



[Shri N. B. Chowdhury]

raised from Rs. 10 crores to Rs. 25 crores. The Minister stated that only Rs. 15 crores was provided by the Reserve Bank last year so far as short-term credit is concerned. A provision of Rs. 100 crores for short-term credit was urged by the Planning Commission. If we see this performance in spite of the provision by the Planning Commission and in spite of the Planning Commission's categorical statement that for the development of rural society we shall have to stress the development of co-operative society, it is not impressive. How can we rely on the statement that it is only the floor and the Government has the intention to provide much more? In view of that, we want that this floor itself should be raised at least to Rs. 25 crores. We also want that the annual amount should be Rs. 15 crores and not this paltry sum of Rs. 5 crores in view of the gigantic nature of the problem and the number of co-operative societies which the Government is going to bring into existence.

**Shri Syamnandan Sahaya:** I beg to move:

(i) In page 3, after line 7, add:

"Provided that the amount available for granting loans and advances to State Co-operative Banks and to Central Land Mortgage Banks and for the purchase of debentures of Central Land Mortgage Banks, together with the amount already disbursed for the above purposes, is at least Rs. 20 crores."

(ii) In page 4, line 15, after "clamities" add

"or adverse economic conditions brought about by fall in prices of agricultural commodities"

(iii) In page 4, omit lines 16 to 18.

**Shri N. B. Chowdhury:** I beg to move:

In page 3, line 39, for "one crore" substitute "five crores".

**Mr. Deputy-Speaker:** The above amendments are now before the House.

**Shri Syamnandan Sahaya:** The amendments standing in my name are very very simple. If you refer to the provisions of the Bill you will find that this fund has been provided for 'the making loans and advances to State Governments for subscribing directly or indirectly to the share capital of a co-operative credit society and repayable on the expiry of fixed periods not exceeding twenty years....' Sub-clause (b) says 'the making to State co-operative banks of loans and advances....'. Our apprehension is that the amount is so small. If the making of loans and advances to the State Governments for subscribing to the share capital of co-operative credit society is taken up seriously, perhaps the entire amount may be diverted in that direction and there may be very little left for making advances to the co-operative societies. I have, therefore, suggested that we should earmark certain sum out of this fund for the purpose of advances to the co-operative banks. My amendment reads like this "Provided that the amount available for granting loans and advances to State co-operative Banks and to Central Land Mortgage Banks and for the purpose of debentures of Capital Mortgage Banks, together with the amount already disbursed for the above purposes, is at least Rs. 10 crores." As circumstances are, the State Governments may like to get the assistance of the Central Government for subscribing to the share capital of co-operative credit societies and as such it is necessary to have some kind of protection so that a certain amount can be earmarked for the purposes of advances to co-operative societies and the rest may be used for purposes of advances to the State Governments. That is my amendment No. 6. There is the other amendment in my name—No. 10.

The provision says:

"No such loans or advances shall be made—

(a) except for the purpose of enabling the State co-operative banks to pay any dues in respect of bills of exchange," etc. and

adds thus:

"unless, in the opinion of the Bank, the State Co-operative banks are unable to pay such dues in time owing to drought, famine or other natural calamities".

I would like to make a specific reference to the adverse economic conditions brought about by fall in prices of agricultural commodities. This consideration has, as you very well know, become very urgent at present, and in the circumstances which are developing, this condition should also be one of the grounds on which loans could be advanced to a State co-operative bank provided the persons are enabled to pay the amount which has been advanced to them in due time.

**Shri A. M. Thomas:** It seems to be rather vague. You can specify the extent of that help.

**Shri Syamnandan Sahaya:** That can be done by the rules. Government will frame the rules as to what that will be.

**Mr. Deputy-Speaker:** Does the Co-operative Societies Act or the Land Mortgage Banks Act permit the State being a shareholder?

**Shri Syamnandan Sahaya:** I think there is no objection to that. There is nothing definitely stated that the State will not take it. As a matter of fact, in several land mortgage banks at least the State Governments are shareholders. I do not think that they are shareholders in any State co-operative bank. They have been advancing loans, but they are not, as far as I know, shareholders, but in land mortgage banks they are.

**Mr. Deputy-Speaker:** The land mortgage banks raise money by debentures and they are guaranteed by the State. That is how capital is raised. Capital is raised by shares and loans and debentures and money for investment is raised by a guarantee of the State. Are there any cases where a State has taken shares directly in any co-operative society or a land mortgage bank?

**Shri Syamnandan Sahaya:** In the land mortgage banks, they have taken. In co-operative societies, directly, they have not.

**Shri K. K. Basu:** Then it is infructuous.

**Shri Syamnandan Sahaya:** If they will amend the State Acts, it would be all right.

**Shri A. C. Guha:** They will amend the local Acts if necessary.

**Shri Syamnandan Sahaya:** I personally think that the amendment in the Co-operative Societies Act in the different States with a view to enable the State Governments to take up the shares has already been taken up. In my State a Bill is already pending before the legislature and the Government in my State have already promised to take shares worth Rs. 40 lakhs.

I now come to the other amendment concerning the guarantees. The sub-clause says.

"unless such loans and advances are fully guaranteed as to the repayment of the principal and payment of interest by the State Government":

My proposal is to drop this, because it may be that in some cases the Reserve Bank may consider that a co-operative society or a State co-operative bank is sufficiently sound to deserve a loan even without the guarantee of a State Government. I do not think I can say very assuredly, but I think even under the present conditions,

[Shri Syamnandan Sahaya]

some loans have been advanced in the States of Bombay and perhaps Madras without the guarantee of the State co-operative bank. Therefore, this clause should be rather an enabling one. As it is, it lays down as a condition precedent, and if the loans are not guaranteed by the State Government, then no loan will be advanced. My view is that this clause may be dropped. Of course in cases where the bank will consider that a guarantee will be necessary, they will go for guarantee and where they consider that the bank is stable enough and it deserves a loan, they will advance the money on its assets and its merits. These are the three proposals of mine which I commend to the acceptance of the House.

**Shri A. C. Guha:** I have already replied to the demand for increasing the amount. I think if the Government would not put those two provisos in these two clauses, then this question would not have arisen at all. The proviso was put simply to take care that the amount should not be less than this. There is no bar to increase the amount. That will only depend on the capacity of the co-operative societies to draw.

As I have already pointed out, the provision put in the last amending Act was for Rs. 5 crores for medium-term loans. There were voices of protest from different sections of this House as well as the other House that this amount would be too inadequate. But in these 10 months the Reserve Bank has been able to advance only Rs. 20 lakhs. It is no use locking up the money in a particular fund without the proper machinery to utilise it. So, I hope those amendments will kindly be withdrawn, because practically there is no limit to the fund to be drawn by the co-operative banks

As for amendment No. 11, it is true that the Reserve Bank gives short-term loans to some apex co-operative banks without any guarantee from the State Governments as in Bombay and

Madras. But this clause refers to medium-term loans. It would be very difficult for a central bank to give credit for medium-term loans without the guarantee of the State Government. These co-operative banks will function under the direct control and supervision of the State Government, who will be partners in these co-operative banks. So, it is just proper that they will guarantee any medium-term loans that will be asked for from the Reserve Bank. For short-term loan, of course, there is no compulsion that all loans should be guaranteed by the State Governments.

**Shri Syamnandan Sahaya:** May I make one submission? This clause contemplates both system—short-term and medium-term loans. If the hon. Minister refers to sub-clause (2) at page 4, he will find that:

“The amount in the said Fund shall be applied by the Bank only to the making to State co-operative banks of loans and advances repayable on the expiry of fixed periods not being less than fifteen months” etc.

So, this fifteen months' period is put in. It is for a short-term loan.

**Shri A. C. Guha:** Not being less than 15 months. In the line above, 15 months would be considered to be a period applicable to medium-term loans.

**Shri Syamnandan Sahaya:** It is for a short-term loan.

**Shri A. C. Guha:** Up to fifteen months.

**Shri Syamnandan Sahaya:** If the idea is medium-term loan, I have nothing to say.

**Shri A. C. Guha:** As for amendment No. 10, I wish to say that agricultural prices are always subject to fluctuation. The provision made in

the sub-clause to which the hon. Member wants an amendment is only to provide for some natural calamities. They may be a passing phase. For one year there may be a calamity but in the next year the tenant would be in a position to repay and recoup his amount. But this fluctuation in agricultural prices may be a continuous thing.

**Shri S. S. More:** Why continuous? Do you mean to say that the fall in prices should be a continuous thing?

**Shri A. C. Guha:** May be. I do not say it will be. It may continue for two or three years.

**Shri S. S. More:** That is not the idea of the Planning Commission.

**Shri K. K. Basu:** But the Minister is frank about that. What will the Government do?

**Shri A. C. Guha:** So it may not be possible to provide for such contingencies in this clause. I hope the hon. Members will withdraw their amendments.

**Mr. Deputy-Speaker:** I will put the amendments to the vote of the House.

**Shri Syamannandan Sahaya:** I beg to withdraw my amendments Nos. 6, 10 and 11.

*The amendments were, by leave, withdrawn*

**Mr. Deputy-Speaker:** I shall put amendment Nos. 2, 4 and 8, of Shri N. B. Chowdhury, to the vote of the House. The question is:

In page 2, line 26, for "ten crores" substitute "twenty-five crores".

*The motion was negatived*

**Mr. Deputy-Speaker:** The question is:

In page 2, line 32, for "five crores" substitute "fifteen crores".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

In page 3, line 39, for "one crore" substitute "five crores".

*The motion was negatived.*

**Mr. Deputy-Speaker:** Shri Syamannandan Sahaya's amendments have been withdrawn. So, there is no other amendment. I shall put clauses 7 to 11 (both inclusive), together with clause 1, the Title and the Enacting Formula, all together, to the vote of the House. The question is:

"That clauses 7 to 11, clause 1, the Title and the Enacting Formula stand part of the Bill."

*The motion was adopted.*

*Clause 7 to 11, clause 1, the Title and the Enacting Formula were added to the Bill.*

**Shri A. C. Guha:** I beg to move:

"That the Bill be passed."

I thank all the hon. Members for the cordial support they have given to the provisions of this Bill. (*Interruption*).

**Shri S. S. More:** Is it a case of bribing the Opposition?

**Shri A. C. Guha:** I quite appreciate the earnestness and impatience born out of the eagerness to provide for further things. And as I have stated the amendments have generally come out of this impatience which has not allowed them to take a proper perspective of the entire picture.

So, I hope the Bill will now be passed.

**Mr. Deputy-Speaker:** The question is:

"That the Bill be passed."

*The motion was adopted.*