

on the Finance Bill, 1987. I support this Finance Bill, 1987. This is intended to give effect to the various financial provisions of our Budget 1987.

This is the third stage of our discussion on the Budget. First there was a general discussion quite for some time. We had gone into the details of the Budget proposals. Thereafter, demands have been discussed. Yesterday there was guillotine and also an Appropriation Bill was adopted. Today we are discussing the Finance Bill so as to get final approval of the Lok Sabha to the entire Budget. With this the Budget exercise will be over and final approval of the Lok Sabha will be given to the Budget of 1987-88.

MR. DEPUTY SPEAKER: You can continue to-morrow. Now we take up Half-An-Hour Discussion.

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18.00 hrs.

#### HALF-AN-HOUR-DISCUSSION

[English]

#### Loans for Purchase of Animals

MR. DEPUTY SPEAKER: The House will now take up Half-an-Hour Discussion. Shri Dileep Singh Bhuria.

[Translation]

SHRI DILEEP SINGH BHURIA (Jhabua): Mr. Deputy Speaker, Sir, the Rural Development Programmes are so dynamic that if properly implemented they can accelerate the development of villages. The IRDP programme has been formulated for the prosperity of villages. I had asked a starred question of 15th regarding this programme. Crores of rupees are spent on these programmes, but the plight of beneficiaries in contrary to it. What are the reasons and why is such a situation created? Indiraji had launched this programme for the prosperity of villages but we

did not achieve the desired results. Only the hon. Minister knows whether this is being done intentionally or otherwise. The farmer who is engaged in agriculture requires many things, whether he is running dairy or is engaged in poultry or fish farming. How can poverty be removed from villages if this continues? What is happening today. Suppose 50 cases are sanctioned. Thereafter, farmer goes to the market or to the mela to buy an ox and he gets an ox for Rs. 1000. He has to pay twice the price. There is rampant corruption in getting a fitness certificate from the doctor or getting things done in the bank. The beneficiary is so perturbed that he is ready to receive whatever is given to him, sometimes the ox dies within a month or two. The farmer is thus not able to plough his fields with one ox. He is handicapped and he runs from pillar to post in the bank. He is asked to get a medical certificate. 80% of the people live in the villages in our country. Sometimes the farmer is not able to find a doctor and at other he has to run after the BDO or other politicians. Even after running from pillar to post he is not able to get the insurance money. 'According to the reply of the hon. Minister Rs.51 crores are deposited in the banks on this account. Why that money has been deposited? This should be utilised to improve the economic condition of the poor and to help them. We do not help them which proves harmful to them. Such a good programme is becoming a complete failure and it is being done internationally. In the hill areas, oxen are provided where they are of no use. It would be better if cattle are provided as per the climate and suitability of the area. In Jhabua area, the Labour Ministry has made an assessment of the programme. I have complete record of the assessment with me and on the basis of it I asked the question. If the hon. Minister desired I will provide a copy thereof to him. Not even a single cattle provided under the rural development programme whether an ox, goat or buffalo could survive. I wanted the Ministry of Rural Development also to be associated with this question but it was restricted to the Ministry of Finance only. Therefore, I would request the Finance Minister to make

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reassessment of the implementation of the programme to find out the number of people who have been benefited and the number of goats, oxen and buffaloes which have perished and how many more people require the assistance. So long as we do not do that we cannot make this good programme successful. We have to see under which climate what type of animal can be more useful. If the cattle of Haryana are given in Madhya Pradesh and vice versa then it may not prove successful. The cattle of hill region are useful only in that area and as such they should be provided there only. In our area she-goat of trans Yamuna area was given but it could not survive. Not even a single claim of insurance policy was settled because there is no doctor to issue medical certificates. Therefore, you must see all these things. Rural development programme is a good programme which will bring prosperity in the villages but special attention has to be paid to it. You have done good work in this direction and have organised so many loan melas. Planning Commission had also organised a seminar in which cattle insurance was reviewed. In this regard I would like to know as to what was the outcome of the review and what suggestions were made to facilitate grant of loans to the farmers so that they may become self reliant. What steps have been taken to make the programme a success. If the programme fails, the huge investment made on it will go waste. This is a programme of the Central Government and funds are also allocated by the centre but the State Governments are responsible for its implementation. Shri Rajiv Gandhi wants to help the poorest of the poor but some big people come in the way of providing subsidy and grant to the poor as a result of which the poor are not getting adequate help. So long as you do not make reassessment of the programme, such things will not come before you. The poor are still hopeful that one day they will also get its benefit but to-date they have not been benefited by this programme. He is with us and hopes that one day he will benefinitely get its benefit. Therefore, steps should be taken to see that they are also benefited.

Mr. Deputy Speaker, Sir, we have such a big finance Ministry, our banks have so much money, we have so many branches of our banks and we have such a large staff working in them but even then the real beneficiaries are not getting benefit of it. We should, therefore, give a serious thought to this problem. Do we want to make the country happy merely by opening branches of the Bank in different places and by posting staff in them? In this way the country can never become happy. The country will become happy only when the real beneficiaries of the country are benefited and the villagers living in remote areas get a square meal. It was the dream of Mahatma Gandhi that in rural areas the cottage industries like fisheries, poultry, dairy etc. should be encouraged so that the villagers may also join the main stream of the development of the country and their living standard may also improve. But in spite of the good programmes, we are not getting their desired results. Today, there is no proper arrangement of marketing the products of our farmers. Similarly the people engaged in fisheries and milk production do not get proper marketing facility to sell their products. Therefore, Banks should formulate their own schemes to provide all these facilities and for this purpose you have also to formulate a district plan. If the hon. Minister has such plan, he should tell us how the Government propose to benefit every beneficiary so that every poor person may share the fruit of development and he may join the mainstream of national progress. With these words I thank you.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): Sir, the hon. Member has brought out this debate here. In fact, I must congratulate him and it is a very important issue, and particularly when he asked the question last time, I answered it. He wanted further information. Today also he asked about some information. Sir, here so far as the IRDP is concerned, it is meant for the weaker section in order to lift them

above the poverty line. The procedure that is adopted here is, these beneficiaries are to be indentified by DRDAs, that is, the official agency of the State Government. After identifying the people they have to forward these applications for sanctioning and disbursal to the banks. Then the banks will process, sanction the amount and whenever the assets are to be created, then there is a Committee with State officials, bank representatives and the purchasing will be done, disbursal will take place. Whenever there is death of the animal, then it has to be reported and after reporting, that claim will be sent to insurance companies and insurance companies then settle the claims. This is the procedure. That was a Starred Question that was asked on that particular day. Sir, I have stated on that day when I replied that insurance companies have collected a premium of Rs. 51 crores. It includes in that Rs. 51 crores the premium received in respect of not only IRDP beneficiaries but also in respect of other animals which were covered not under IRDP. Even an individual person, whether he is a big farmer or a small farmer or any citizen of the country whether he is residing in rural areas or urban areas who has paid the premium for those animals were also covered. It comes to Rs. 51 crores. That is what I have said. Now, the hon. Member has said that there are deficiencies in these areas. That is why, I have said that I thank the hon. Member because this question has brought so many deficiencies to light. That is why, at the outset, I wanted to thank him.

I immediately ordered a meeting of our officers yesterday. The meeting had taken place with the Banking Division officer and also with the representative of RBI and Rural Development Ministry. Some decisions have been taken and they are under active consideration. Therefore, the delay that has been caused in setting the claims by the insurance company has to be reduced. They have to settle the claims without causing any delay. As soon as the claims are received, within 10 or 15 days, they must process and settle the claims. After settlement and when it reaches the

banks, the claim is paid to the bank. The bank people should immediately adjust the money with the beneficiary's account and they must purchase the animal within 15 days in order to help the beneficiary. Earlier, it used to be that the beneficiaries, after adjustment, had to open a new account and the processing and sanctioning of the application was taking more time. Now, we have given instructions that it has to be done without treating it as a new account. As soon as the amount is given to the bank, the animal should be purchased. So, these areas were brought to light by the hon. Member's Question and we acted immediately. It is true that in some cases, some type of malpractices are adopted. Earlier also action was taken when it was brought to our notice. That does not mean that the implementation of the programme is not at all to the satisfaction of the people. In the year 1985-86, under this programme, we have given a sum of Rs. 730 crores to more than 30 lakh people. During the Sixth Five Year Plan, we have given to more than one crore sixty four lakh families, an amount of rupees three thousand and one hundred and odd crores from the banks. There are complaints, no doubt. We have got 53,378 branches. Even if one complaint comes from one branch of the bank, there will be 53,000 complaints. That does not mean that everything that is done is not reaching the weaker sections. Wherever complaints are received, we have taken action. At the same time, I would appeal to the hon. Members that please don't say that nothing is done by your Government. The Government has been doing. We are implementing the programme. There is the responsibility of the State Government also while implementing it. So, it is for you also to tell the people. If there are any complaints, we will look into them and we will not spare any person. You can bring it to our notice. Action has been taken in the past and it will be taken in future also, whenever there are deficiencies or irregularities that have been brought to our notice. At the same time, please don't project to show that nothing is done, all the cattle are dying; nothing is given under IRDP. So, it is not

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a correct statement. On the contrary, the Government of India both during Shrimati Indira Gandhi's time and now under the Prime Minister Shri Rajiv Gandhi also, is going in a big way and for the information of the hon. Member, I can tell him that in the current year, we are covering 39 lakh people under IRDP. A sum of Rs. 1,200 crores will flow from the banks and cooperative banks with a subsidy of Rs. 600 crores on 50:50 basis, 50% from the Central budget and 50% from the State Government Budget. These programmes are being implemented in this manner and for the information of the hon. Member, we can say that in order to implement the Programme effectively, we have in 22 blocks in the country abolished the purchase of the cattle by the Purchase Committee. Money is now given direct to the beneficiaries to see that it is properly utilised and that they purchase better assets under this programme. That is the attempt we are making and a study has also been made whether the benefits are reaching the people and what is the percentage of satisfaction. We have been given a report stating that the percentage of satisfaction is about 70%. But that does not mean that we should be satisfied with this. There is lot of scope for improvement.

We assure the hon. Member that the Government is seized of the matter and will take necessary action. We are at it.

I would assure him once again that we will take further action in this matter.

MR. DEPUTY SPEAKER: Shri Chintamani Jena.

SHRI CHINTAMANI JENA (Balasore): Sir, I am very much grateful to the hon. Minister that, after the question was put by my hon. colleague Shri Dileep Singh Bhuriaji, he has already given prompt response so that the payment by the insurance company is expedited. The hon. Minister has also just now announced that within 10 to 15 days the claims will be cleared for which I am very very grateful to him. But, from my own experience, I can

say that thousands of cases are there pending for more than one year and the poor beneficiaries are harassed like anything, approaching here and there. Nobody is listening. I myself had also wrote two or three DO letters to the concerned Collector Banks and also to the concerned insurance company but to no avail. The beneficiaries under IRDP Scheme are selected from the poorest of the poor and most of them are illiterate. The provision is like this, whenever any animal suffers from any of the diseases, the beneficiary is to go and approach the Veterinary Assistant Surgeon or a higher officer. But we know that, in one Block having a cattle population of more than a lakh or so, there would be only one Veterinary Assistant Surgeon. In very few cases, there are two Veterinary Assistant Surgeons. Otherwise, there is one. The poor man, being illiterate, when he will go to the VAS, VAS might not be in the Headquarter or he is not willing to go to see the animal or whenever the animal dies, then also, he does not come and does not issue the certificate. We all know the reason. I should not say anything against anyone. But the state of affair in the field is like this. So, if he cannot obtain the certificate from the Veterinary Assistant Surgeon, the claim will not be considered by the Insurance Company and by the Bank. May I know from the hon. Minister whether obtaining the certificate from the V.A.S would be condoned. Also, there are Livestock Inspectors posted in each locality may be one or two in number and basing on their certificate whether the Insurance Company will entertain the claim.

SHRI RANA VIR SINGH (Kaiserganj): Let them get the certificate from the Pradhan of the village.

MR. DEPUTY SPEAKER: Once again, the same problem will arise.

SHRI RANA VIR SINGH: He has said that there are no doctors available in some of the blocks etc. I think appointment of the doctors is the duty of the State. If the State is not able to do it, then there will not be any doctors.

**SHRI CHINTAMANI JENA:** Secondly, may I know from the hon. Minister as to how many such cases regarding the animals have been brought to the notice of the Government and on how many such cases, the compensation from the Insurance Company has been paid.

**MR. DEPUTY SPEAKER:** You cannot go on making points one by one like this. Please conclude.

**SHRI CHINTAMANI JENA:** Besides the subsidy portion the loan portion is charged with interest. It should be there. But due to delay in payment of claim by the Insurance Company, the poor beneficiary has been harassed and he has, as well, to pay more interest for the loan amount. May I know from the hon. Minister if, in case, it is being delayed, whether no interest will be charged on the loan portion. With these words I conclude.

Thank you, very much.

**SHRI SOMNATH RATH (Aska):** Sir, certainly these poverty alleviation schemes have worked wonders in the villages. The weaker sections of the rural area are much benefited by these poverty alleviation schemes. Their status has been raised from the below-poverty line. But there are some loopholes which need to be plugged off. In these schemes, one-third, 50 per cent and even for tribals 75 per cent subsidy is given. But the banks are keeping these subsidies in the Savings Bank Account of the beneficiaries. Only the loans portion is being given because they fear that the loan portion cannot be realised. So, the beneficiaries are not able to utilise the whole amount. I am not saying that this is the rule every where. But in some banks it is done so. I have come across some banks in my constituency where this method has been adopted. The grievance of the bank is that the beneficiaries are not returning the money. So, a safeguard to recover the loan, they have adopted this method, thereby the implementation of the scheme, fails. We have got some responsibilities. The hon. Minister has said that when the beneficiaries are

identified, the MPs are also involved. We are given the list of each block in each Gram Panchayat containing the details as to who are the beneficiaries. We have got information because we are the Members of DRDA. In that meeting, we are expected to attend. So, my first point is that of the plugging the loopholes. The second thing is that of the second does benefit i.e. after giving one cow, there is a provision in the scheme to give a second cow. But that is not given. What the hon. Minister said about the purchase committee is correct. The purchase committee consist of representative of the block and the representative of the bank and they purchase. I do not know as to how the second method is adopted in giving the whole money to the beneficiary, its usefulness, because the money may be misutilised. Money may not be utilised for the purpose for which it is given. He may utilise money for marriage or some other purpose. Ultimately, he will not be benefited and he cannot rise above the poverty line. That is a point which needs consideration. While giving cash direct to beneficiaries as contemplated.

About veterinary doctors, I would like to invite the attention of the Hon. Minister through you that banks have appointed some veterinary doctors and it is their duty to see that the cattle given to the beneficiaries are properly looked after. They are not discharging their duties properly. So, instead of veterinary surgeon giving a certificate why not the bank employed veterinary doctors give a certificate? Why not, in the DRDA meeting, the representative of the banks who are giving the loans be present? Government can have a circular that the bank's representatives ought to be present in the DRDA meeting and the cases, defaults in respect of giving loans in time, giving insurance amount in time can be discussed in the presence of the bank officers and the representative of the insurance company and settled. Instead of bringing it to the notice of the Hon. Minister, it will be better to decide it at the DRDA meeting at the district level. This scheme can work very well as the DRDA is expected to meet twice in a year, and if

[Sh. Somnath Rath]

necessary earlier also. If a circular goes from the Government especially from the Finance Department that the bank's representative ought to attend the DRDA meeting, I think, this problem can be solved to great extent. And also, instead of beneficiary going to the veterinary surgeon, why not veterinary doctor appointed by the banks look into this and give a certificate.

MR. DEPUTY SPEAKER: Put questions.

SHRI SOMNATH RATH: I think, the Hon. Minister will be giving his answer on these points so that loopholes can be plugged. The DRDA has to deposit the subsidy in a particular bank and then only the loan is given. It takes long time. If the subsidy is not deposited by the DRDA with the respective banks, the beneficiary is not able to get the loan for months together. That causes the trouble, the causes inconvenience. So, the subsidy should be given the moment the Panchayat Samitee sends the name of the beneficiary to the DRDA. And the time limit should be fixed for the DRDA to deposit the subsidy with bank and also time limit be fixed for banks to give loans. Banks should not keep the subsidy amount in the savings bank of the beneficiary. I want answer from the Hon. Minister.

[Translation]

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad): Mr. Deputy Speaker, Sir, the hon. Members have told the House about the importance and usefulness of cattle wealth in our country and how they solve our problems of fuel, fertilizer, agriculture, milk and many other problems. But this question relates particularly and specifically to the cattle insurance. At the time of purchase of cattle the Doctor's presence is much because it is he who can issue certificate about the health of the cattle upto this stage it is all right. But in case of the death of the cattle, if the farmers prefer a claim against the insurance policy, the position is that State Government do not

have adequate number of doctors. As a result, the post mortem of cattle is not done in 4 or 5 days after the death. Sometimes after running after the doctors for post - mortem for ten days or so, the people are so fed up that they neither want post mortem nor claim against the insurance. In this way these poor people are deprived of their right to which they are entitled.

I would like to know from the hon. Minister through you as to how he would simplify the procedure so that in case of death of cattle, the farmer may get the claim of insurance immediately. As suggested by Shri Rana Vir Singh, if doctors cannot be appointed immediately, power should be given to gram pradhan or to any other responsible person to certify the death of cattle so that claim can be settled.

Secondly, the hon. Minister has also said about the premium collection of Rs. 51 crores. The General Insurance Company has also circulated its booklet in which it has claimed that the General Insurance company and its subsidiaries had increased the business in regard to cattle insurance. For example, the national company had insured 2,171 thousand cattle in 1983 which came down to 2,086 thousand in 1984 but the New India, Oriental and United India General Insurance companies have insured more cattle in 1984 as compared to the year 1983. The New India has insured 32.66 thousand cattle as against 16.79 thousand in 1983. The Oriental Company has insured 21.21 thousand in 1984 as against 15.62 thousand in 1983. Similarly, the United India has insured 67.94 thousand cattle as against 51.66 thousand in 1983. These are the figures of cattle insurance and premium collection but they have not told how many death claims have been settled and how many are pending with them. I would like to know from the Hon. Minister through you if he has any information about Uttar Pradesh as to how many cattle were insured and how many death claims have been settled and how many claims are pending and what are the reasons and how the

Government propose to simplify the procedure?

The second important question is of improved quality of cattle. Last year cows of Fijian breed were brought to India but it was said that since they had been brought from extreme cold climate. They would perish if they are sent to Uttar Pradesh. Therefore, I would like to say to the hon. Minister that besides the facilities provided by him for purchase of cattle, grant of subsidy, will be made steps to provide cattle of good breed in the rural areas? Otherwise, the entire investment made by Government will go waste.

I would like to know one more thing. We are also receiving complaints that the offices of General Insurance Companies are not enough as a result of which they take 6 to 8 months or sometimes years to settle the claim. I would like to know from the hon. Minister about the Statewise numbers of branches of the General Insurance Companies and whether they are not able to settle the death claims in view of the population and if so, whether they have any proposal to set up more branches so that claims may be settled immediately?

[English]

SHRI JANARDHANA POOJARY: Sir, Hon. Members Shri Jena, Shri Rath and Shri Tripathi has given some suggestions and also put questions. All their suggestions are noted and I am thankful to them for giving such effective and experienced suggestions.

Coming to the concern which they have expressed regarding the medical certificate after death of the animal already the decision has been taken that post-mortem certificate is not required. No certificate is required from any doctor. A certificate from the village pradhan, panchayat pradhan, President of an cooperative society, officers of the milk collection centre, officers of any bank other than the bank which has given the loan, DRDA or his nominee their certificate will be

sufficient. Now no certificate is required from the doctor.

The hon. Members had asked about the number of claims which are pending. The figure that has been brought forward regarding pendency in the beginning of the year 1985 was 56,435 involving an amount of Rs. 6.40 crores. The claims which were received during the year was 1,61,745 for an amount of Rs. 14.67 crores. As against this the number of claims settled was 1,73,635 with an amount of Rs. 15.44 crores at the end of the year. So, the pending number of claims pending was 44,545 with an amount of Rs. 5.62 crores.

Now the hon. Members have expressed their concern. We are thinking and it is under active consideration. I would have announced it now itself but certain procedural hurdles were there. We are thinking of settling the claim at the bank branch level itself as soon as the claim is received by the bank before sending it to the insurance companies. So at that level in the beginning itself we will settle the claim and then as soon as the amount is given by the insurance company that will be adjusted into the bank loan. This is under our active consideration. As soon as it is done I will come before the House and also write to the Members. It is true that there are deficiencies. We have done a lot of things for the weaker sections and the people in the rural areas. There are some deficiencies that have to be identified and corrective measures have to be taken. For that State Government officials, Banks and we will take necessary action. For that purpose we are holding credit camps throughout the country. In the presence of the people we are giving even the cattle and animals. What is created out of the loan under IRDP and various programmes is given in the presence of the people.

SHRI SOMNATH RATH (Aska): I will request you to hold one at Aska in Orissa.

SHRI JANARDHANA POOJARY: I give that assurance we will hold it. Sir, like that, we are holding the credit camps

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throughout the country. Even from the banks' side, every bank has to hold the credit camps twice in a month outside the bank premises to give the loans or distribute the assets created out of these programmes. This instruction has also been given.

At the end, I thank Mr. Bhuria for bringing out this pertinent question before

the Parliament and also subsequently to come before the House with half-an-hour discussion giving an opportunity to all of us, including the Parliament, to take action.

18.46 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Thursday, April 30 1987/Vaisakha 10, 1909 (Saka).*

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