



**DEVELOPMENT OF AGRICULTURAL LABOURER IN RURAL
INDIA**
**(WITH REFERENCE TO ANDHRA BANK, KAGUPADU BRANCH,
W.G DIST. A.P.)**

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Status of agriculture labour in India:

Agricultural labour is provided mostly by economically and socially backward sections; poor sections from tribes also swell their ranks. It may be divided into four types.

- Ø Landless labourers who are attached to the land lords
- Ø Landless labourers who are personally independent but who work exclusively for others
- Ø Petty farmers with tiny bits of land who devote most of their time working for others and
- Ø Farmers who have economic holdings but who have one or more of their children and dependants working for other prosperous farmers.

The first group of agricultural workers has been more or less in the position of serfs or slaves; they are also known as bonded labour. They do not normally receive wages in cash but are generally paid in kind. They have to work for their master and cannot shift from one to another. They have to provide beggar or forced labour. In some cases, they have to offer cash and also supply fowls and goats to their masters. Among the other groups mentioned above the second and the third are quite important. The problem of landless labourers is the most serious problem in the rural sector.

Importance of agricultural labour:

.According to the second agricultural labour enquiry published in 1960, agricultural labour families constituted nearly 25 per cent of all rural families. According to this, more than 85 per cent of the rural workers are casual, serving any farmer who is willing to engage them and only 15 per cent of agricultural labourers are attached to specific landlords. More than half of the workers do not possess any land, and even the rest of them own only very little of land. Agricultural labourers predominantly belong to the scheduled castes, scheduled tribes and other backward classes. According to one estimate, between 75 and 80 per cent of all agricultural labourers belong to the scheduled castes.



The National Commission on Rural Labour states: "During the seventies and the eighties, the rural population registered an annual growth rate of 2 per cent and 1.5 per cent respectively. However, for the corresponding decades, the growth in the number of agricultural labourers has been at higher levels of 4.1 percent and 3.0 percent per annum respectively. This implies that marginal farmers have been swelling the ranks of landless labourers. On account of the increasing economic compulsions in terms of past debts, they have been forced to sell their lands. This supports the popularly held view that the benefits of millions of rupees invested in irrigation, tube wells, fertilizers of roads have gone to the big farmers. It also implies that cooperatives and rural banks have also helped the rich farmers.

According to NSS 7th Rural Labour Enquiry (1999-00), the average wage employment for men and women was 222 days and 192 days per year. This was lower than the average wage employment of Rural Labour Households from 235 days and 203 days respectively in 1993-94, according to 6th Rural Labour Enquiry. This decline in the days of employment did produce an adverse effect on the earnings and debt conditions of agricultural labour households.

The growing trends towards casualisation of agricultural labour, NCRL states unequivocally; the technological change in agriculture, marginalization of small farmers, eviction of tenants, destruction of traditional cottage industries, inflation etc., are some of the important factors that are operating differently in different regions of India leading to the swelling of the number of agricultural labourers.

Role of banking in rural development:

Banking industry in India has come a long way from the time when banks used to be mere deposit-taking and money-lending institutions. The aim of the bankers at that time was maximum profits with minimum risk. But with the nationalization of banks in 1969, the concept and attitude of the bankers got totally changed. Banks became institutions with social responsibility. They decided to go to weaker sections of the society and help them in achieving their aspirations. Rural areas which hitherto were untouched by banks became the special targets of the banks. Opening of branches in rural areas assumed new significance. As a consequence, more than 40% of the branches of nationalized banks are in rural areas. In spite of rapid industrialization and development of cities, more than 70 per cent of the people live in rural areas. It is therefore; clear that India can't progress without making an earnest effort to improve their lot. Rural people have to be involved in the mainstream of the nation in one form or another.

Banks have contributed a lot in developing the rural India. Banks were entrusted with this Herculean task immediately after nationalization. The target was to provide at least one bank for every 17,000 of population in rural and semi-urban areas. Banks regulate the flow of credit, monitors growth of agriculture, small-scale industries, cottage and village industries, handicrafts and other rural crafts. Regional



rural banks were also created to meet the credit requirements of only weaker sections and small entrepreneurs. A lot has been done by the banks for the above classes of people residing in rural India.

Common guidelines for all categories of priority sector lending advances:

Government of India and Reserve Bank of India (RBI) in particularly frame the priority sector lending advances for the objective of financial support of weaker sections and agricultural labourers in the rural areas and upliftment of backward classes. Various segments, which are presently part of priority sector has follows

- Small and marginal farmers with land holding of 5 acres and less and landless labourers, tenant’s farmers and share croppers.
- Artisans, village and cottage industries where individual credit limits do not exceed Rs.50,000/-
- Beneficiaries of Swarnjayanti Gram Swarojgar Yojana (SGSY)
- Scheduled Castes and Scheduled Tribes
- Beneficiaries of differential rate of interest (DRI) scheme
- Beneficiaries under Swarna Jayanti Shahari Rojgar Yojana (SJSRY)
- Beneficiaries under the Scheme For Liberation Rehabilitation Of Scavangers (SLRS)
- Self Help Groups (SHGs)

TABLE NO: -1.1: NATIONAL GOALS

	Domestic banks (both public sector and private sector banks)	Foreign banks operating
1.Total priority sector advances	40 percent of NBC	32 percent NBC
2.Total agricultural advances	18 percent of NBC	No target
3.Advances to weaker sections	10 percent of NBC	No target
4.Advances under DRI (as at the end of previous year):	1 percent of NBC	No target
(a)DRI advances to SC/ST	40 percent	No target
(b)DRI advances in rural /semi urban offices	66.7 percent	No target
5.CDratio (rural offices)	60 percent	No target
CDratio(semi-urban BOs)	60 percent	
6.SSI Advances		10percent of NBC
Up to Rs.5 lakhs	40 percent	
Between Rs. 5 lakhs and Rs.25 lakhs Upto	20 percent	

Note: NBC denotes net bank credit

Source: www.rbi.in



TABLE NO;-1.2 GENERAL LEDGER BALANCES AS ON 02-08-2011, ANDHRA BANK BRANCH, KAGUPADU.

Priority sector lending	No. of account s	Amount
1.PAGCE	3261(34.99)	2,63,66,194(37.43)
2.Agricultural gold loans	2231(23.94)	1,27,67,885(18.12)
3.Agricultural deposit loans to Agriculture	161(1.72)	1,28,940(0.18)
4.Agricultural term loans	1781(19.11)	1,56,69,527(22.24)
5.Self help groups –farm sector	1221(13.10)	1,45,74,036(20.69)
6.Weaker section		
(a) Business enterprises	301(3.23)	4,24,702(0.60)
(b) Professional and self employment	101(1.08)	31,889(0.04)
(c) Retail trade	261(2.80)	4,74,896(0.67)
total	663(7.11)	9,31,487(1.32)
7.Differential rate of interest(DRI)	0(0.00)	000(0.00)
Grand total	9,318(100.0)	7,04,38,069(100.0)

Note: figures in the brackets indicate the percentages to respective totals.

Source: Andhra bank, kagupadu branch, west Godavari district, Andhra Pradesh.

The priority sector lending loans of Andhra bank, kagupadu branch, is presented in the table 1.2. As evident from the table, the majority of loans go to PAGCE, agricultural term loans and agricultural gold loans and self help groups, with 37.43 percent, 22.24 percent 18.12 percent and 20.69 percent respectively. And reaming loans, the total weaker section share was 1.32 percent (business enterprises with 0.60 percent, professional & self employment with 0.04 percent and retail trade with 0.67 percent).agricultural deposit loans to agriculture is 0.18 percent. Lastly differential rate of interest (DRI) is zero percent. The table also reveals that percentage of account holders in the each sector. The highest percentage of account holders in the PAGCE (34.99 percent), finally zero account holders in the differential rate of interest.

It can be observed from the table 1.2. That the lion share of total priority sector lendings are land lords, rich farmers and forward castes, they produce land documents and get loans. But these schemes are meant for scheduled caste and scheduled tribe and other backward classes (land less labourers). The share of the weakers sections in the priority sector is negligible and approximately zero.

In the name of agricultural schemes and loans the total benefits from the government are utilized by the land lords by their political power and economical power. These people are minorities in the rural areas (15 percent), the majority people are below poverty line and bonded labourers, in the total 72 percent are agriculture labourers. In the 65 years of independence India the agriculture labourer are increasing



year by year,

Development of rural India is in two ways, one is upward direction and other in downward direction. In upward direction minority people (forward castes, rich farmers and land lords) are economically rapidly developing and in down direction weaker sections (sc, st, and backward classes) are socially, economically declining because non implementation of government policies and schemes in a proper way.

Findings of study

In this study I know the status and importance of Indian agriculture labourer in India and I find the some real facts from our Indian agriculture industries. These are as follows

- Ø In rural India agricultural labourers are 80 percent in the total labourers, all are Below Poverty Line (BPL)
- Ø Benefits of millions of rupees invested in irrigation, tube wells, fertilizers of roads have gone to the big farmers. Cooperative and rural banks have also helped the rich farmers.
- Ø In the name of agriculture development, land lords and rich farmers are enjoying the total benefits from the government.
- Ø Agricultural labourers predominantly belong to the scheduled caste between 75 and 80 percent.
- Ø The Indian social system give the low social status to agriculture workers through Indian Varna system
- Ø Agricultural workers are unorganized, helpless, ignorant and illiterate.
- Ø Agricultural workers do not have a continuous work
- Ø Agricultural labourers are financially depending upon the landowners or Money lenders
- Ø Agricultural labourer s wages were low and the rate of interest so high – often 25 to 50 percent that the total loan.
- Ø Agricultural workers have no social security in the form of social, economical, physical etc.
- Ø In the rural areas land lords, rich farmers and money lenders are only 15 percent and 85 percent of agricultural labourer and artisans
- Ø Finally all the agricultural labourer are bonded slaveries to land lords

Suggestions for Development of Agriculture Labourer

For abolishing the bonded slavery system and upliftment of agriculture labourer the government of India should follows some measures.



- Ø Government of India should constitute national and state level ministry on agriculture labour.
- Ø Government of India should constitute national and state level commission on agriculture labour
- Ø Government should start social banking in the place of profit banking for financial assistances to agricultural labourer.
- Ø Government of India strictly implementing the priority sector lending's
- Ø Banks should provide the insurance schemes to agricultural labour
- Ø Government of India have passed legislation fixing ceiling on agricultural land and the surplus land of rich is to be distributed to the landless labourers
- Ø Provide .365 working days in the year through national rural employment guratentee scheme and maintain the minimum wage.
- Ø Government should provide the social security to the agricultural labour
- Ø Development Index of Rural Indian divided into two broad areas (a) agricultural labourer (b) land lords, rich farmers and money lenders
- Ø Government of India make any policies or schemes to rural agricultural are categorized into two areas (a) agricultural labourer (b) land lords, rich farmers and money lenders
- Ø Government of India constitute a committee for supervision of implementation of schemes, policies and loans to agricultural labourers
- Ø Conducting educational and social awareness camps among the agriculture labour for awakening the constitutional rights, schemes and policies of government.

Conclusion:

The Indian social system gives very low status to Agricultural labourers these are socially, economically, exploited and educationally handicapped. Indian social system denied the rights of economy, education, freedom and all human rights to weaker sections. More over Indian constitution provide all rights to depressed class and in five year plans they are allotting amount for upliftment of agriculture labour, but the allotted is diverted to other sectors. With the influence of political leaders, land lords, rich farmers, money lenders, that's why in rural area miniority people are developed but still majority people are underdeveloped. so government of India have to takes necessary action who are responsible for underdevelopment of agriculture labourers and make proper schemes for development of weaker sections in the rural areas. I think in future India would be worlds No, 1 country when majority people are developed.



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