

246 Days Struggle by Karnataka Rajya Raitha Sangha in Bellary

Rally with Bullock Carts and Tractors, Public Meeting, Talks with Chief Minister on Karnataka Gramin Bank's Exploitation

Governments gave loan waivers of thousands of crores to each corporate company (58,171 crores to the Bellary Jindal company alone) in the name of Corona pandemic and natural calamities but is callous when the farmers, who lost everything, got notices to auction their farm lands. The peasantry took this up seriously and started agitations. For months, they are doing agitations in various forms.

In the state of Karnataka especially in the Bellary region, KRRS is leading agitations against the government's policy of allocating land to corporates at low prices, for compensation for crop damages, for remunerative prices, for agricultural colleges, for the abolition of the three agricultural black laws, for the protection of public health systems, for the modernization of canals-release of water for irrigation, for the protection of dams - settlement of inter-state water disputes, etc. KRRS is organizing marginal, small farmers and agricultural laborers and is agitating on their problems continuously. In this process, the problem of extortion of compound interest by banks came forward.

The exorbitant interests - interest on interests - is making the farmers defaulters and the banks are auctioning their lands. KRSS took up this just cause. They uprooted the auction notice boards planted by the bank officials and erected the Raitha Sangha (KRRS) flags to reassure the farmers. The Sangha organised agitation programs initially in phases in front of the banks and DC offices and finally took up an indefinite agitation.

Intensifying the agitations, hundreds of people with bullock carts and tractors staged a demonstration in Bellary town on 21-8-23, demanding that the central and state governments resolve their fair demands and expressed their protest and anger in the form of slogans. A public meeting presided by senior advocate Bhaskar Rao was held in front of the Karnataka Gramin Bank headquarters, the epicentre of the ongoing dharna.

Karnataka Rajya Raitha Sangha State President, R.Madhava Reddy explained the direction of agitation programs during the year as part of 'Prastavika Nudi'. Gulbarga MLA BR Patil, the Leader of Samyukta Kisan Morcha (SKM), who came to show solidarity with the agitation, inaugurated the meeting and assured that they will support the movement. Dr Sunilam, leader of Samyukta Kisan Morcha, Madhya Pradesh, expressing solidarity with their

struggle said that this is not the problem of Karnataka farmers alone but of the entire peasantry of this country and that we must question the central government to formulate a proper policy on the loans given by the banks to the farmers. AIKMKS Co-Convenor Comrade S. Jhansi said that struggles for land, water and against debt are all struggles to sustain agriculture and appreciated the determination of the fighting farmers and said that AIKMKS will stand shoulder to shoulder in their struggles. Karnataka state leaders Chaganur Mallikarjuna Reddy, KRRS leaders of other districts Badagalapura Nagendra, Chamaraj Malipatil and others addressed the farmers. Rakesh Tikayat, a prominent farmer leader of SKM, who was supposed to attend the meeting as the main speaker, said that he could not attend due to an arrest warrant. He delivered his message through live video at the beginning of the meeting and expressed his solidarity.

More than two thousand farmers participated in this program. Karnataka Rajya Ritha Sangha activists did extensive campaigning for 15 days in 200 villages. So many people contributed to this meeting and made it successful.

Representation by All India Leaders :

In Bengaluru, the next day, 22 Aug, 2023, at 11 am, the Chief Minister of Karnataka met and discussed with the farmer leaders in the presence of bank officials and government secretaries. The leaders of AIKMKS and KRRS gave a memorandum to the Chief Minister and also showed the bank statement of a farmer which shows his remaining debt as Rs. 2,94,000 against the borrowed amount of Rs. 30,000. This shows that the interest for farm loans is not 40 paisa per Rs. 100 but turns out to be a whopping Rs. 4 per Rs. 100. They also explained how Rs. 89,000 deposited by the government in the last 10 years to the same farmer's account was appropriated by the KG bank. They have provided the passbooks of many such farmers. The farmers have proposed a solution from their side saying that they are not even asking for complete loan waiver, but are asking for OTS (One Time Settlement) to pay 50 percent of the original amount.

Over the discussions, it was revealed how all the banks reduced loan disbursements to the farmers for the sake of the industrial class. Banks claim through press statement that 80% farmers have been given loans this year has been proven false through the calculations given by the bankers to the CM. The KG bank admitted that out of the total KG bank turnover of Rs. 76,000 crore, only Rs. 7,500 crore was given as loans to farmers this year. Even though they didn't disclose further details, it is clear that the rest of the amount, the major chunk, of the Grameen Bank went into the hands of corporate forces in the name of the farmers. After the discussions, the CM promised the farmers to solve their debt issue. He said that the government will discuss with NABARD, Canara bank, the sponsor bank for KGB and the finance department to solve their problem and asked the farmers to stop their indefinite agitation.

After returning to Bellary and discussing with the farmers of all the districts, the indefinite dharna tent in front of the bank headquarters was temporarily removed on 25-08-2023. They held a press conference there and announced their future program, that if the promise

given by the CM is not fulfilled, they will start again their protest in front of the bank. On behalf of KRRS State Committee, R. Madhav Reddy asked the farmers not to pay their debts until the promise on vicious interests is fulfilled and declared that if the bank tries to auction the lands and other properties anywhere online, agitations will start even in front of the houses of the buyers.

As a result of the yearlong agitations questioning the method of debt recovery and the negligent practices of some banks dealing with farmers, banks have mostly stopped appropriating the funds given by the governments to the farmers; The need for small and marginal farmers waiting for hours with folded hands before the banks for loans has reduced to some extent. In some villages that have participated more actively in the agitations, farmers are demanding bank statements as their right and questioning the banks against wrong calculations and penalties. Farmers are now able to deal with those bankers who take finger prints from illiterate farmers in the name of life certificates but actually use them to renew the loans after merging interest into the principal. As a result of discussions with RBI and as a result of court orders, RBI has issued new guidelines to strictly implement the rule of 'no interest on interest' from January 2024. The farmers who have been at loss in many ways have been cheated by banks also. This aggravated the farmers causing them to take the path of agitations and struggles.

Background :

Farmers who were unable to repay their debts due to droughts and floods after taking loans of Rs. 20,000 and Rs. 30,000 were put on the list of defaulters. They were charged with exorbitant interests which far exceeded the principal. Once they are on the defaulters list, banks deny them the subsidies, financial assistance, scholarships and education loans announced by the governments. Karnataka ranks second in the number of farmer suicides in the country next only to Maharashtra. An insight into their lives revealed that bank debts are one of the main reasons for their suicides and that most of the people are committing suicides out of fear of getting auction notices from the bank. In this background, AIKMKS affiliated Karnataka Rajya Raitha Sangha is leading a year-long agitation against the Karnataka Gramin Bank's (KGB) debt recovery practices. A round-the-clock dharna was held in front of the bank's head office for 246 days. AIKMKS and KRRS activists formed teams and toured many villages, educating and emboldening the peasantry. They extensively toured the villages of 15 districts and mobilised the peasantry by telling them that struggles are the only way out for their problems and not suicides.

**By Representative of
AIKMKS**