

BOOK REVIEW

Reviewer: N.S. Viswanath

S. BISALIAH, S. MAHENDRA DEV, SYED SAITULLAH & DHRITISREE SARKAR: ASSET AND LIABILITY PORTFOLIO OF FARMERS – MICRO EVIDENCES FROM INDIA: ACADEMIC FOUNDATION, NEW DELHI-110 012 FIRST EDITION, 2014, pp.1-212.

The book under review is as on asset and liability portfolio of Indian farmers. The theme has been analyzed on the basis of panel data sets obtained from two major institutions— Central Statistical Organization (CSO) and National Sample Survey Organization (NSSO). The data sets related to the time points between 1991-92 and 2005-06. The authors have made numbers to reveal facts. The investors' portfolio structure of Indian cultivator household has been analyzed in terms of farm business, non-farm business, household and financial assets.

The determinants of non-farm business assets and the liability structure have been analyzed using financial analytical tools. The data analysis has been attempted by cultivator household type by asset accumulation and by liability patterns. The concept of financial inclusion, leading to cultivator type differentials, credit worthiness and expenditure patterns, have been lucidly explained to draw evidence based results. The results partly explained the nature of asset accumulation in respect of small cultivator households and on liability of big cultivator households. The major determinants of household have critical difference in terms of the type of assets and pattern of expenditure. The education, age, household size, net worth and farm size have been established to have positive impact on non-farm business assets. The farm business asset is yet to acquire minimum influence on the nature of income delivered from household assets or non-farm business assets. Financial income is considered a major policy instrument along with cultivator household characteristics. The best of urban facility and the best of rural serenity are yet to come! The income distribution and spread of expenditure are yet to make a mark. Some major policy instruments are suggested based on inferences. Assets accumulation should be concentrated on household assets to be acquired and on non business financial assets. The policy is to drive towards augmenting income from non-business assets. With respect to expenditure the debt portfolio has to be restructured by creating enlarged credit base. This requires updated knowledge of markets to allocate for capital expenditure and to make info available at all times for the cultivator households to take right decisions. The book is an incredible document for financial institutions and policy makers at the Federal Bank and at the level of different states as Agriculture is a State subject in the constitution. There should be convergence in terms of policies, strategy and actions to enable them to reach all agricultural households. The design, layout and printing of the book are immaculate and deserve a special praise.