

Suicides by farmers

***18. MS. PRAMILA BOHIDAR:**

SHRI B.J. PANDA:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government are aware that suicides by farmers is developing into an agrarian crisis;

(b) whether Government are also aware that frequent failure of crops, rising cost inputs, etc. are compelling the farmers to fall into the clutches of money-lenders;

(c) Government's action plan to help the farmers to overcome the financial crisis; and

(d) the details of the help rendered to Orissa in this regard?

THE MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR): (a) to (d) Cases of suicide by farmers have been reported by the State Governments in the States of Andhra Pradesh, Karnataka, Maharashtra, Kerala, Punjab, Gujarat and Orissa. There is no substantial evidence to indicate suicides by farmers is developing into an agrarian crisis. The main causes identified by the State Governments for committing suicide by farmers, *inter alia*, include indebtedness, crops failure, non-payment of loan taken from private money lenders at high rate of interest. The high interest rates charged by money lenders is one of the reasons which render farmers unable to clear the dues, resulting in distress situation.

The State Governments have taken various relief measures to alleviate the distressing condition of farmers. In addition, the State Governments of Andhra Pradesh, Karnataka, and Maharashtra have been granting *ex-gratia* amount of Rs. one lakh to each of the affected families. The State Government of Kerala has been extending financial assistance of Rs. 50,000 to each of the affected families.

The Government of India announced a comprehensive credit policy on 18th June, 2004 for doubling of agricultural credit flow in next three years and provision of debt relief to the farmers affected by natural calamities. Following are the highlights of the credit policy:

- (i) Credit flow to agriculture sector to increase by 30% per year.
- (ii) Debt restructuring in respect of farmers in distress and farmers in arrears providing for rescheduling of outstanding loans over a period of five years including moratorium of two years, thereby

making all farmers eligible for fresh credit.

- (iii) Special One Time Settlement scheme for settling the old and chronic loan accounts of small and marginal farmers.
- (iv) Banks were allowed to finance for redeeming the loans taken by farmers from private money lenders.
- (v) Commercial Banks to finance 100 farmers/branch and 50 lakh new farmers to be financed by the banks in a year.
- (vi) New investments in agriculture and allied activities for 2 to 3 projects/branch.
- (vii) Refinements in Kisan Credit Cards (KCCs) and fixation of scale of finance.

During the year 2004-05 (1st April, 2004 to 31st March, 2005), against the targetted credit flow of Rs. 1,05,000 crores, the achievement was Rs. 1,15,242.81 crore which is a 32% growth in credit flow over the disbursement of Rs. 86981 crore during the year 2003-04. During the year 2005-06 (1st April to 31st December, 2005), as per the available data, the credit flow has been Rs. 119114.41 crore forming 84.48% of the annual target of Rs. 141000 crore.

The National Agricultural Insurance Scheme (Rashtriya Krishi Bima Yojana) is being implemented in the country from Rabi 1999-2000 season.

To provide relief in the event of natural calamities two schemes are under implementation by the Ministry of Home Affairs in terms of recommendations of the Finance Commission, viz. Calamity Relief Fund and the National Calamity Contingency Fund. Besides, the Ministry of Rural Development provides foodgrains free of cost under the special component of the Sampoorna Grameen Rozgar Yojana for generating relief employment for victims of natural calamities who suffer loss of employment.

In the case of Orissa, during the year 2004-05 (1st April, 2004 to 31st March, 2005), a total amount of Rs. 127594.67 lakh was provided by the Cooperative Banks and RRBs, out of which Rs. 116093.25 lakh were towards crops loans and Rs. 11501.42 lakh were towards term loans. During this period, these institutions financed 246084 new farmers, and 3 agri-clinics in the State. Under debt relief measures, Rs. 21807.89 lakh were provided as loan to farmers in distress, Rs. 17137.88 lakh to farmers in arrears and Rs. 3874.12 lakh under One Time Settlement (OTS).