



Is The Debt Waiver Scheme A Right Solution To Farmers Suicide

Parul

Abstract : As per the estimates revealed by Central Statistics office the total share of Agriculture and Allied sectors in terms of GDP is 13.9% during 2015-16, where more than 48.9% of India's population depend on Agricultural sector. Farmers risk in his occupation varies from small, marginal and large farmer's from one village to another, one district to another and one state to another state. But the policies framed by the central government remains to be the same irrespective of changes in the amount and extent to which the risk is taken by the individual farmer. Moreover the outreach of the scheme is not for the affected farmers on one side and on another side prompt loan payers show regret for this scheme. One such scheme introduced by the Government is the Debt Waiver Scheme. Is this scheme really useful to the farmers? Or is there any other probable solution for the problems being faced by farmers?

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Objective: Any system that fosters the expectations of a loan waiver is not conducive for building a healthy financial system in a country. Hence an attempt has been made through this article to find out whether debt waiver is the right solution to farmers' problems by analysing the causes for his suicide.

Introduction:

Debt Waiver Scheme in India

The Government of India both at the State level and Central level announce the Debt Waiver and Debt Relief Scheme for farmers from time to time. This scheme covers direct agricultural loans which are extended to the marginal, small and other farmers usually through the assistance of Scheduled Commercial Banks, Regional Rural Banks, Cooperative Credit Institutions (including Urban Cooperative Banks) and Local Area Banks . Here Cooperative Credit Institution means a cooperative society that provides short-term crop loans to farmers and is eligible for interest subvention from the Central Government; or carries on banking activities regulated or supervised by Reserve Bank of India or National Bank for Agriculture and Rural Development or is part of the short-term Cooperative Credit Structure or long-term Cooperative Credit Structure in a State or Union Territory.

Farmers Suicide in India- Statistics for 2016

India is an agrarian country with around 48.9% of its people depending directly or indirectly upon agriculture. Nowadays the problem of farmers' suicides is one of the vital concerns that need to be addressed by the Government. Considering the paramount importance of this issue, the National Crime Records Bureau (NCRB), for the first time, has collected detailed data on farmers' suicides. Farmers include those who own and work on field (viz. cultivators) as well as those who employ/hire workers for field work/farming activities. It excludes agricultural labourers. A total of 5,650 farmers have committed suicides during 2016, accounting for 4.3% of total suicides victims in the country. And it is quite Astonishing to see that farmers' death due to Bankruptcy and Indebtedness (20.58%) is almost equal to the cause due to family problems (20.08%). The information related to this data has been presented below:

Table 1 - Showing Percentage of Causes for Farmers suicides in India during 2016

Sl.No.	Cause	Male	Female	Total	(%) share of the causes
1.	Poverty	140	9	149	2.63
2.	Property Dispute	52	0	52	0.92
3.	Marriage Related Issues	63	58	121	2.14
4.	Family Problems	1038	97	1135	20.08
5.	Farming related Issues	868	101	969	17.15
6.	Illness	682	63	745	13.18
7.	Drug Abuse/Alcoholic Addiction	250	0	250	4.42
8.	Fall in social Reputation	6	1	7	0.12
9.	Bankruptcy or Indebtedness	1112	51	1163	20.58
10.	Causes not Known	208	23	231	4.08
11.	Other Causes	759	69	828	14.65
12.	Total	5178	472	5650	100.00

Source: NCRB Report 2016