

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE
RAJYA SABHA
QUESTION NO 13.08.2010
ANSWERED ON
SUICIDE BY FARMERS .

2117

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Will the Minister of RURAL DEVELOPMENT AGRICULTURE be pleased to state :-

- (a) whether it is a fact that farmers commit suicide when they fail to get fair amount of money for cereals from their investments and toil;
- (b) if so, whether Government has done something for farmers to save them from such a tendency;
- (c) the reasons for not encouraging the farmers to deposit some amount in monthly income scheme of LIC, Post Offices, Banks after harvest to get a regular income in sowing period; and
- (d) the other alternatives in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(PROF. K.V. THOMAS)

(a) & (b): As reported by the State Governments and revealed in some studies conducted earlier, the causes of suicides by farmers are manifold including personal and other reasons. Some of the suicides have been attributed to crop failure, indebtedness, drought and socio-economic reasons. However, some study reports in this regard have rightly concluded that connecting the spate of suicides directly to any single cause would be erroneous. Suicide is strictly a personal decision and the post suicide search for causes gives only circumstantial evidence. Typical social factors like break down of family support, failure of social institutions, habits, alcoholism, lack of social security, introvert nature and intra family problems have affected the victims to take such an extreme step.

The Government is implementing a Rehabilitation Package covering 31 districts in 4 States i.e. Andhra Pradesh (16), Maharashtra (6), Karnataka (6) and Kerala (3), since the year 2006 to address the problem of agrarian distress. It has been decided by the Government to extend the period for implementation of the non credit components of the Rehabilitation Package by 2 more years i.e. September 30, 2011.

The Government has implemented the Agricultural Debt Waiver and Debt Relief Scheme, 2008 benefitting about 3.69 crore farmers involving an estimated amount of Rs. 65,318.33 crore. The Government has also enhanced interest subvention for timely repayment of crop loans up to Rs. 3 lakh from 1% to 2% for the year 2010-11. Thus, the effective rate of interest for such farmers who repay their loan in time will be 5 % p.a. For the overall development of agriculture and allied sectors, assistance is being provided to farmers through central schemes such as Rashtriya Krishi Vikas Yojana, National Food Security Mission, National Horticulture Mission etc. A sum of Rs. 300 crore has been earmarked to organise 60,000 "pulses and oil seed villages" in rain-fed areas during 2010-11 and to provide an integrated intervention for water harvesting, watershed management and soil health, to enhance the productivity of the dry land farming areas. The Government has also amended the Guidelines of the Mahatma Gandhi National Rural Employment Guarantee Scheme in July, 2009 permitting provision of irrigation facility, horticultural plantation and land development works on land belonging to small and marginal farmers under this Scheme. During the last 5 years, the Minimum Support Prices (MSP) of major cereals have been increased substantially.

(c) & (d): The National Policy for Farmers, 2007 (NPF) envisages improvement in the income of farm families, not only to meet their consumption requirements but also to enhance their capacity to invest in farm related activities. Moreover, a major policy goal of NPF is to provide appropriate opportunities in adequate measure for non-farm employment for the farm households so that farmers supplement their income. The operationalisation of NPF entails involvement of Panchayati Raj Institutions in popularizing the insurance scheme among the farmers by various Banks and Insurance companies. It provides that ATMA scheme may incorporate training on credit and insurance aspects also. The Reserve Bank of India has instructed the State Level Bankers' Committee to set up financial literacy-cum-credit counselling centres on pilot basis.

The Central and State Governments take various measures from time to time to promote and popularise small saving schemes through print and electronic media as well as holding seminars, meetings and

providing training to various agencies involved in mobilising deposits under the schemes. In order to make the Monthly Income Account schemes more attractive and investor friendly, with effect from 8.12.2007, payment of bonus at the rate of 5% of the Principal amount at the time of maturity was introduced in the Monthly Income Scheme Accounts. Moreover, the penalty on pre-mature withdrawal of deposits under the Post Office Monthly Income Account Scheme has been rationalised from 3.5% to 2% on withdrawal on or before expiry of three years and 1% on withdrawal after expiry of 3 years.

The Government has decided to provide appropriate banking facilities to habitations having population in excess of 2000 by March, 2012. It is also proposed to extend insurance and other services to the targeted beneficiaries. These services will be provided using the Business Correspondent and other models with appropriate technology back up. By this arrangement, it is proposed to cover 60,000 habitations. In 2007-08 the Government had set up a Financial Inclusion Fund and a Financial Inclusion Technology Fund in NABARD to reach banking services to the unbanked areas. In order to give momentum to the pace of financial inclusion, an augmentation of Rs.100 crore for each of these funds, which shall be contributed by Government of India, RBI and NABARD, has been proposed in the Union Budget 2010-11.