

FARMERS' SUICIDE and DEBT WAIVER

An ACTION PLAN for

AGRICULTURAL DEVELOPMENT OF MAHARASHTRA

R E P O R T

Submitted To

GOVERNMENT OF MAHARASHTRA

(July, 2008)

by

Dr. NARENDRA JADHAV

Vice-Chancellor, University of Pune

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Executive Summary

1. In the context of an alarming increase in the farmers' suicide, the Government of Maharashtra announced a Special Package of Rs. 1,075 crore for six districts of Western Vidarbha (December, 2005). Subsequently, Hon'ble Prime Minister Dr. Manmohan Singh announced a comprehensive Package of Rs.3,750 crore for development of agriculture and allied sectors in Vidarbha (July, 2006). This Committee was appointed by the Government of Maharashtra in November 2007, initially for evaluation of these two Packages. Subsequently, following the announcement of the **Agricultural Debt Waiver and Debt Relief Scheme, 2008**, the Government of Maharashtra expanded the Terms of Reference for this Committee to include, importantly, preparation of a **Comprehensive Action Plan for the entire State of Maharashtra**. In the light of the expanded Terms of Reference, the Committee is now presenting its Report herewith.

2. According to the National Crime Records Bureau (NCRB) data, during the nine year period from 1997 to 2005 nearly 1,50,000 farmers committed suicide all over the country. Of these, nearly 90,000 suicides (60 per cent of the national total) were committed in Maharashtra, Andhra Pradesh, Karnataka and Madhya Pradesh (including Chattisgad).

3. There are two extreme views expressed regarding the phenomenon of farmers' suicide. On the one hand, there is a view that farmers' suicide is nothing more than a problem created by the media and that even natural deaths were often shown as farmers' suicide so as to receive compensation from the Government. This Committee is in total disagreement with this extreme view. While there is a non-trivial probability of natural deaths being shown as suicides, to exaggerate such incidents and deny the fact that an alarmingly large number of distressed farmers have committed suicide is, in this Committee's considered view, symptomatic of social insensitivities. At the other extreme, noted journalist Shri P. Sainath has gone to the extent of calling Maharashtra, the **Graveyard of Farmers**. Actually, the criterion used by Shri Sainath i.e. 'absolute number of farmers' suicide' is inappropriate for the inter-State comparison. It would have been more scientific instead, to use the criterion of 'farmers' suicide per 100,000 population'. Actually, in Maharashtra the *rate* of farmers' suicide per 100,000 population was 29.9 whereas the same was *higher* in Goa (35.7), Karnataka (36.4), Kerala (142.9) and Pondichery (834.9). This goes to show that the accusation of Shri Sainath is not only incorrect and misleading but also grossly unfair to Maharashtra.

4. On balance, while Maharashtra has been unfairly regarded as the worst possible State in respect of farmers' suicide, there is no denying that the number of farmers committing suicide and its ratio to the general population has increased to worrisome levels. By end-2007, even after implementation of the two Packages for nearly one and half to two years, there was no *significant* decline in the absolute number of farmers' suicide in Vidarbha, which is a serious cause for concern.

5. While indebtedness and its attendant economic distress is the main *proximate* reason behind suicide by farmers, the *root cause* behind the suicides is the fact that farming in Vidarbha has no longer remained financially viable. The disturbing tale of farmers' woes in Vidarbha can be pieced together, as follows : the support from the Government and banks for farmers in Vidarbha has steadily declined for over 20 years. As a result, farmers had to rely on costly inputs such as expensive seeds from private companies and borrowings from money lenders at exorbitant interest rates. Consequently, the cost of farming rose significantly. Given the paucity of irrigation facilities, farmers had to rely on the vagaries of monsoon, which affected the farm production. At times even when farm production had increased, unremunerative prices meant little or no increase in the income of the farmers. Moreover, during the years of natural calamities there was no supporting income from supplementary activities. As a combined result, indebtedness grew and the farmers were subject to severe economic distress, which also caused damage to their social status. Constant pressures from banks and more so from the unauthorized moneylenders led to severe mental distress, compromising their dignity and resultant frustration drove the self-respecting farmers to commit suicide.

6. As far as the *formulation* of the two Packages is concerned, there is a widespread feeling that these two Packages are '*back-loaded*' rather than being '*front-loaded*', i.e. high priority has *not* been given to schemes providing direct and immediate relief. Even if the long-term measures are most desirable, unless they are supplemented by schemes of immediate and direct relief, the Packages are bound to fail in generating confidence in the minds of farmers about their future. To an extent, this is precisely what seems to have happened about these two Packages.

7. As to the *implementation*, by end April 2008, the Hon'ble Prime Minister's three year Package had completed 21 months. Assuming a uniform rate of implementation, around 58 per cent implementation could have been expected. In reality, the implementation was more than 75 per cent. Likewise, the State Government's three year Package had completed

28 months by April 2008, which means that about 78 per cent implementation should have been completed. In reality, the implementation by April 2008 was more than 98 per cent. In other words, **the speed of implementation of both Packages, is certainly satisfactory.**

8. In actual implementation of both Packages, there are **several positive features** : There is a significant increase in farm credit to the six districts in Western Vidarbha. Under the Prime Minister's Package, there are major achievements in respect of irrigation. From the Hon'ble Prime Minister's Package, each one of the six districts was given Rs. 50 lakh as *ex-gratia* payment for distressed farmers. The Government of Maharashtra added Rs.3.6 crore of its own to this and provided assistance to 7,984 families for education and health. An especially noteworthy initiative in the Package of Government of Maharashtra was community marriages. Up to April 2008, 21,261 community marriages were conducted with the assistance of Rs.19.1 crore, which was most admirable.

9. The Committee discovered the following **shortcomings** in the implementation of the two Packages : An independent institutional structure ought to have been created for effective implementation of both Packages, which did not happen. In view of several administrative shortcomings, the benefits of many good Schemes could not reach the distressed farmers to the extent desired. The shortcoming in the formulation i.e., back-loaded vs. front-loaded has actually been intensified in the implementation of the Packages. Illustratively, the implementation of medium or long-term back loaded Schemes has been 100 per cent or more whereas implementation of front-loaded schemes giving direct and immediate relief has been relatively slow. Further, there were complaints that sometimes milch cattle were distributed to farmers without ensuring availability of the necessary shed for their maintenance and availability of fodder. The Committee also received complaints that milch cattle, agricultural appliances, water pumps etc. were charged much higher than the prevailing market prices and in actuality, poor quality material was provided to the farmers. The benefit of these good Schemes thus reached the contractors and traders rather than the distressed farmers.

10. On the whole, the Committee has concluded that the speed of implementation and achievements made by both Packages are generally satisfactory. Nevertheless, it is necessary to remove the administrative shortcomings and speed up the implementation wherever it is proceeding at a slower pace than expected. Wherever there are allegations of misappropriation, the Committee feels that the relevant machinery should investigate those complaints and take appropriate punitive actions.

11. The **Debt-Waiver and Debt Relief Scheme, 2008** is unprecedented in its scale and most ambitious one in India's economic history. Under the Scheme, out of the total amount of Rs.71,680 crore at the national level, the State of Maharashtra is going to get Rs.9,896 crore (13.8 per cent of the total). Given the ratio of Maharashtra's population to the national population of about 10 per cent, it is clear that Maharashtra is going to get a fairly large share in the financial support under the Scheme.

12. Under the Scheme, the amount payable to farmers is going to be divided between different regions of Maharashtra in an inequitable manner. Illustratively, of the total amount receivable by Maharashtra, 53.8 per cent amount is going to be paid to farmers in Western Maharashtra, whereas the share of the other regions is going to be considerably smaller : Marathwada 24.3 per cent, Vidarbha 20.1 per cent and Konkan 1.9 per cent. Such regional disparities are, to an extent, unavoidable. Clearly, only those farmers who have taken bank loans (or those who could get the bank-loans) and those who have not repaid (or those who could not repay) are going to get the benefit under the Debt-Waiver Scheme. Distribution of land holdings across different regions of Maharashtra is highly skewed. In Vidarbha and Marathwada landholding per farming family is much more than in Western Maharashtra. In respect of irrigation facilities, the situation is exactly opposite: relatively low in Vidarbha and generally abundant in Western Maharashtra. As a result, availability of bank credit facilities is much more in Western Maharashtra than in Vidarbha. It follows that the absolute number of eligible account holders is much more in Western Maharashtra than in Vidarbha. Consequently, the suicide-prone Vidarbha is likely to get significantly smaller benefit than Western Maharashtra.

13. Under the Scheme those farmers whose loans were outstanding before March 31, 1997 are *not* going to get any benefit of debt-waiver. The Committee has proposed that the Maharashtra Government should extend the Scheme backwards to cover all those farmers whose loans became outstanding before March 31, 1997.

14. The short-term crop-loan extended during the year 2007-08 has become outstanding as on March 31, 2008. To date, recovery of these loans is extremely poor i.e., only around 10 per cent. Even those farmers who were otherwise in position to make repayments seem to have refrained from doing so. On a rough and ready estimate, about 25 lakh borrowers in this category are *not* going to be eligible for fresh borrowings. The Committee feels that a very large proportion of these borrowers are willful defaulters and therefore the Scheme should not be extended forward to cover all borrowings of 2007-

08. The Committee has recommended instead, that these borrowings should be re-scheduled and these farmers should be given opportunity for fresh borrowing.

15. The Committee has recommended that the window of One Time Settlement (OTS) be enlarged and the Government of Maharashtra should bear the additional financial burden. Specifically, the depth of the One-Time Settlement (OTS) Scheme should be enhanced by increasing the limit of Rs.20,000 to Rs.50,000 *irrespective of the land-holdings in non-irrigated areas*. This enhancement however, should be applied selectively. The enhancement of the limit of Rs.50,000 be applied to all regions *excluding* Western Maharashtra so that the additional burden on the Government of Maharashtra would be confined to Rs.755 crore instead of Rs.2,844 crore.

16. There is no doubt that the Debt-Waiver Scheme, 2008 is a historic decision of the Government of India. Millions of indebted farmers are going to get relief from this extraordinary and unprecedented Scheme. It would also re-establish their capability to resort to fresh borrowings. At the same time, it must be borne in mind that the Debt-Waiver cannot be a permanent solution to the farmers' woes. Under the prevailing circumstances, **the Debt-Waiver is absolutely necessary but not sufficient**. It would be inappropriate to assume that the Debt-Waiver Scheme would be the panacea for all the problems facing the agricultural sector. The fundamental malady behind the farmers' indebtedness and distress is the uneconomical state of farming. As long as capacity and willingness towards repayment is not created among the farmers through medium and long term measures, the possibility of farmers receiving Debt-Waiver again getting back into the debt-trap certainly remains. In that case, financial burden would have to be placed again on the State and the Central Government. No Government can possibly afford to bear this vicious circle and therefore concerted efforts would have to be made to avoid getting into this vicious circle in the first place.

17. In the last few years the Indian economy has been marching towards becoming an economic superpower, yet, there is no denying that this welcome surge in the economy is accompanied by a stagnation, even retrogression, in the agriculture sector. The effect of Green Revolution which was distinctly visible during the decades of 1970s and 1980s has almost completely vanished. Decelerating agricultural growth rate, falling productivity of the farm sector, surge in foodgrains prices, reduced per capita foodgrain availability, widening rural-urban divide and above all, the alarming increase in the incidence of farmers' suicide, all point to the imperative need for a comprehensive set of measures for rejuvenation of the

farm sector and for farmers on a scale that could possibly constitute the **Second Green Revolution**. Unless concerted efforts are made in this direction, urgently, there is a real danger of social instability, which would inevitably jeopardize the sustainability of the overall GDP growth momentum.

18. The setback to agriculture at the national level has been reflected in Maharashtra as well. There are nine to ten districts (out of 33) in Maharashtra where the per capita income is 35 to 40 per cent *lower* than the national average. While the proportion of population below the poverty line is around 27 per cent at the national level, this proportion is actually higher at around 30 per cent in Maharashtra. While the share of agriculture in the overall GDP has fallen to around 17.5 per cent in 2007-08 at the national level, the same has fallen in Maharashtra to only around 12 per cent. While at the national level, irrigation is around 38 per cent of the cultivable land, the same in Maharashtra is only around 17 per cent. In terms of yield per acre, the State of Maharashtra is ranked 14th, 16th, or 18th for most crops barring the exception of banana, grape and sugarcane. In other words, the much-needed rejuvenation of the agriculture sector at the national level is necessary even more so for the State of Maharashtra.

19. Maharashtra aims at achieving 4.4 per cent growth rate per year in the agricultural sector. It is indeed a tall order, given the current state of agriculture in Maharashtra. It would require concerted efforts to achieve this ambitious target rate of growth. In fact, an all-inclusive State level plan would have to be prepared.

20. The Committee has recommended that an all-inclusive **Action Plan for Balanced Agricultural Development** should be prepared for Maharashtra on the lines similar to the *Rashtriya Krishi Vikas Yojana* (RKVY). For the purpose of implementation of this Plan, an **Inter-Ministerial Committee** should be established under the Chairmanship of the Hon'ble Chief Minister of Maharashtra. In addition, ***Maharashtra Krishi Vikas Parishad and Krishi Vikas Samitis*** should be established at the State and District level, respectively. In both, the State as well as the District level Committees, besides Senior Government Officers, experts from various fields such as agriculture, economics, water-management, energy, financial management (or banking), co-operative sector and peoples' representatives should be included. In every District, the '*Krishi Vikas Samiti*' should study the geographical area, available technology and natural resources and prepare a detailed set of proposals for allround agricultural development of the District. The State level *Krishi Vikas Parishad* should guide the working of the District level *Samitis*. A blue-print for balanced agricultural

development of Maharashtra should be prepared by the State-level *Krishi Vikas Parishad*. Further the State level *Krishi Vikas Parishad* should chalk out appropriate strategies so as to get the maximum benefit from the national initiatives.

21. The Committee has recommended that the following factors should be included in the proposed Action Plan :

Cropping Pattern

There should be a complete rethinking of the prevailing cropping pattern in different regions of Maharashtra. It would be necessary to develop and introduce a '**New Formula**' based on the specific agro-climatic conditions in different regions of the State rather than using the same old technology and methods in the same old manner. The new formula should include both organic and cost-effective inorganic methods. It is also possible to boost the agriculture production by developing appropriate technology for retaining the rainwater. Wherever there is mono-cropping, it is advisable to increase the number of crops chosen scientifically as per the agro-climatic conditions. In this regard, special attention should be given to enhancing the production of rice, wheat and pulses, with financial assistance under the National Food Security Mission (NFSM).

Irrigation Facilities

For accelerating the annual agricultural growth rate to 4.4 per cent in the State of Maharashtra, a very substantial improvement in the irrigation facilities in a balanced manner would be necessary. Specific steps should be taken to cover the large irrigation backlog in Vidarbha region.

Supply of Credit

(A) Reorganization of Rural Financial Institutions

There is a need for restructuring of the rural financial institutions and also making them socially more sensitive. In the case of co-operative banks, suggestions made by the Vaidyanathan Committee be implemented expeditiously.

(B) Agricultural Credit Planning

While providing credit, banks often place a number of undue restrictions on farmers by introducing rigid criteria about season, cropping pattern and the scale of finance. It is imperative to bring in some flexibility in this respect. In this regard, instead of the prevailing cropping pattern, an average cropping pattern could be used and a limit set accordingly. The task

of reformulating the scale of finance should be delegated by the State Level *Krishi Vikas Parishad* to an independent professional institution.

(C) Alternate to Money Lenders

The massive Debt-Waiver scheme has not addressed the indebtedness arising from the non-institutional credit. There is an imperative need to create an effective alternative to the prevailing system of moneylenders and relieving the farmers from their clutches. In this regard, a Plan for '**Moneylender-free Village**' may be formulated on the following lines :

- Atleast one member of each family in the village should become a member of some Self-help Group (SHG) in the village.
- Every rural and semi-urban branch of each bank should adopt one village in its jurisdiction.
- Since at least one member of every family in the village would be a member of SHG and through the SHG to an institutional source of credit, a **100 per cent financial inclusion** would be achieved and over a three-year period the village can be free of indebtedness from moneylenders.

Reasonable Prices for Agricultural Produce

The Central Government announces the Minimum Support Prices (MSPs). However, the MSPs announced by the Central Government are only upto a maximum 70 per cent of the production costs suggested by the State Government (sugarcane being the only exception). Some of the costs incurred by the farmers are not fully covered in the production costs. The Committee has recommended that the State-level *Krishi Vikas Parishad* should form a Sub-Committee to study production costs of the main crops and suggest more reasonable methods to the Central Government for computation of MSPs.

Creation of Agent-free Marketing System

In the prevailing agricultural marketing system, the farmers are often exploited to a very large extent by the middlemen and agents. The gap between farmers and final consumers should be reduced by creating an 'agent free agricultural marketing system'. Additionally, the farmers should be informed about prices of agriculture produce in different markets at their respective villages. The State level *Krishi Vikas Parishad* and the District level *Samitis* should formulate a plan to set up *Krishi Kiosk* one each for every ten villages on the lines of **e-chaupal**.

Infrastructural Facilities

The Government of Maharashtra should actively encourage the use of the RIDF for creation of basic infrastructural facilities in the rural areas through *Gram Panchayats*, NGOs and co-operative societies. For this purpose, the Committee has made the following recommendations:

- Setting up of rural warehouses and cold storage facilities.
- Establishing Supplementary Agro-Businesses
- Improvement in Procedure of Land Records

22. The Action Plan for Balanced Agricultural Development of Maharashtra would need to be supplemented by a series of social security measures so as to improve the standard of living of the distressed farmers, especially those from the suicide-prone districts of Vidarbha. For this purpose, the Committee has recommended a separate Scheme styled, the '*Krishak Sanjeevani Abhiyan*'.

23. Under the *Abhiyan* the 4,34,291 families identified in the survey conducted by the **Vasantrao Naik Sheti Swavalamban Mission** (VNSSM) in acute financial distress should be given special attention and the State should provide them with social security. The Committee has also recommended that in due course a similar survey be undertaken in the remaining five districts of Vidarbha and at a later stage, in other districts of Maharashtra and the *Abhiyan* be extended to the other regions of Maharashtra.

24. The Committee has recommended the following proposals for the '*Krishak Sanjeevani Abhiyan*'.

- **Appropriate Technology, Distribution and Marketing**

The State *Krishi Vikas Parishad* should bring together, scientists from agricultural Universities, experts on extension services and other stake holders for formulating an appropriate strategy for strengthening the cotton economy. At National level, 'Technology Mission of Cotton' (TMC) has already been established in February 2000. A similar special Mission (on the lines of the National Mission) should be established for Vidarbha. Farmers' marketing co-operatives be established through a 'One Village–One Warehouse' Plan.

- **Extended Employment Guarantee Scheme**

The Government should take initiative in projects of soil conservation, construction of farm-bunds, farm-lakes and wells for the benefit of farmers using the Employment Guarantee Scheme. This Scheme could also be used

for soil conservation, watershed development, rainwater harvesting, etc. so that the quality of the soil is preserved.

- **Supply of Good Quality Seeds**

The Government should supply good quality seeds to distressed farmers. In this regard the Committee has recommended, as follows : All private seed companies should compulsorily get their seeds graded by the Government. The Government should fix the prices of the seeds supplied by the private companies. The farmers should be encouraged to develop their own seeds. Further the Graded Seeds Scheme should be expanded to cover land ownership atleast upto 2 hectares. Immediate action should be taken against companies selling defective or spurious seeds. The Seed Control Order, 1983 should be strictly enforced and if necessary, selling of spurious seeds should be made cognizable offence.

- **Improved Crop Insurance Scheme**

The Committee has recommended that a Weather-based Crop Insurance Scheme should be introduced on a trial-basis for the farmers in Vidarbha.

- **Coupon-based Grants for Fertilizers and Pesticides**

The Committee has recommended that the Government should distribute coupons for the purchase of fertilizers and pesticides to farmers who are in extremely distressed conditions.

- **Medication for Crop-Diseases**

At times, a particular type of crop-disease spreads over a large region. Under such circumstances, as a preventive measure, the Government should arrange to spray medicines in the affected region so as cleanse the entire area.

- **Supply of Food Grains**

The scope of the *Antyodaya* and *Annapurna* Schemes of the Central Government should be expanded to cover the distressed farmers in Vidarbha.

- **Supply of Animal Fodder**

The distressed farmers' families are not in a position to provide sufficient fodder to their animals. Such farmers should be provided with animal fodder upto September 2009.

- **Low Cost Health Care Facilities**

According to the VNSSM Survey, about 92,291 families of farmer's are affected by some serious illness; however, they are not in a position to bear the cost of treatment. This has resulted in a number of suicides. Such families should be provided with the health care through 'Group Mediclaim Insurance' of the farmers.

- **Cent Per cent Insurance Inclusion.**

A life insurance cover should be made available to distressed farmers and their families. A Cent Percent Insurance Inclusion Scheme should be implemented with the co-operation from banks and Life Insurance Corporation (LIC).

- **Grants for Marriage**

The Government should provide a grant of Rs. 10,000 to all families having children of marriageable age. Such grants should be provided through organizations conducting community-marriages. Presently, such grants are given only for the marriages of daughters of farmers; these should now be extended to marriages of sons as well.

- **Grants for Education**

The Government should pay for the entire cost of education of children from financially distressed farming families in Vidarbha.

- **Farmers' Awareness**

The Government should immediately enliven the extension mechanism and delegate responsibilities for the working of the same. Continuous efforts should be made to create awareness amongst the farmers about farm-development, co-operative-life, savings groups, banking services, insurance schemes and also developments in the field of agriculture.

FARMERS' SUICIDE and DEBT WAIVER
An ACTION PLAN for
AGRICULTURAL DEVELOPMENT OF MAHARASHTRA

I Background

In the context of an alarming increase in the farmers' suicide, the Government of Maharashtra announced a Special Package of Rs. 1,075 crore for six districts of Western Vidarbha (December, 2005). Subsequently, Hon'ble Prime Minister Dr. Manmohan Singh toured the six districts of Vidarbha and announced a comprehensive Package of Rs.3,750 crore for development of agriculture and allied sectors in Vidarbha (July, 2006). Recently, the Government of Maharashtra appointed a One-Man Committee titled, '**Farmers' Suicide Prevention Packages Evaluation Committee**' aimed at independently evaluating whether or not the schemes under the two Packages are being implemented properly and also to suggest mid-course corrections in response to possible shortcomings therein (Maharashtra Government Resolution dated November 13, 2007).

The incidence of farmers' suicide in Maharashtra has been analyzed by at least seven Study Groups including those constituted by Indira Gandhi Institute of Development Research (IGIDR), the Planning Commission, Tata Institute of Social Sciences (TISS), Yashwantrao Chavan Academy of Development Administration (YASHADA), Government of Maharashtra (Farmers' Suicide in Maharashtra: An Overview, Dr. S.K. Goyal) and Dr. Swaminathan Committee. Some of these Study Groups have extensively surveyed the occurrence of the farmers' suicide and provided exceedingly

useful analyses. While these Reports are undoubtedly informative and enlightening, most of them were prepared *before* the implementation of the aforesaid two Packages. Accordingly, this Committee took the Reports of these Study Groups on board and concentrated on the *formulation* and *implementation* of the two Packages – one from the Government of Maharashtra and the other one from the Hon'ble Prime Minister. This Committee extensively toured Western Vidarbha (November 23rd –26th, 2007, December 11-12, 2007 and February 1, 2008). During all these tours, the Committee invited representations from the general public, which received an overwhelming response. The Committee also met a wide range of stakeholders including farmers and their representatives, experts in the field of agriculture, representatives of NGOs and other Social Organizations besides the Government officials at various levels. Subsequently, the Committee also met leaders from all Political Parties including Congress, National Congress Party (NCP), Shiv-Sena, Bhartiya Janata Party (BJP), Janata Dal and others in Mumbai, Pune, Aurangabad and Nagpur. (A list of individuals and groups with whom the Committee held discussions is placed at Annexure A while the list of 151 representations received is placed at Annexure B).

The Committee was initially given three months (with effect from November 13, 2007) to submit the Report. The initial draft of the Report was ready in February 2008 well within the time limit given, recommending a comprehensive debt-waiver. The Committee had the privilege of meeting the Hon'ble Prime Minister Dr. Manmohan Singh on February 8, 2008 in Pune, and discuss these issues extensively; a summary of the discussion was presented to the Hon'ble Chief Minister of Maharashtra. Subsequently, with initiative from Shri Johny Joseph, Chief Secretary, Government of

Maharashtra, a meeting was convened in Mantralaya (Mumbai) on February 16, 2008. All the Secretaries of relevant departments as well as senior officials from the six districts of Western Vidarbha participated in that meeting. After detailed discussions, the Committee also had a separate discussion with the Hon'ble Chief Minister. In the meeting with the Hon'ble Chief Minister, it was indicated that the Terms of Reference for the Committee would be expanded beyond the issue of farmers' suicide with a view to address the broader agricultural challenges facing the State of Maharashtra.

Hon'ble Finance Minister Shri Chidambaram while presenting the Budget for the year 2008-09 on February 29, 2008-09 announced the historic Debt-Waiver Scheme for marginal and small farmers amounting to around Rs.60,000 crore. It was also indicated that the Guidelines for the same would be announced later.

In the light of these developments, the Government of Maharashtra expanded the Terms of Reference for this Committee (Maharashtra Government Resolution dated March 11, 2008) and extended the time given by three more months. Importantly, the additional Terms of Reference included preparation of a **Comprehensive Action Plan for the entire State of Maharashtra** with a view to accelerate the agricultural growth rate in the State.

Nearly three months after the Budget announcement, detailed Guidelines of the Debt Waiver Scheme titled, '**Agricultural Debt Waiver and Debt Relief Scheme, 2008**' were announced on May 23, 2008. (A copy of the Guidelines is placed at Annexure C). The first phase of this Scheme

was to be implemented by June 30th, 2008. Accordingly, in the light of all these major developments and the expanded Terms of Reference, the Committee is now presenting its Report herewith.

This Report has been structured as follows :

Following the introductory remarks, Chapter II brings together some stylized facts about farmers' suicide. Chapter III then presents an extensive evaluation of the two Packages – one from the Government of Maharashtra and the other from the Hon'ble Prime Minister. Chapter IV offers an analysis of the Debt-Waiver Scheme, 2008. On the premise that Debt Waiver is necessary but not sufficient for rejuvenation of the agricultural sector, Chapter V discusses the major challenges facing the agricultural sector in India and those in Maharashtra. Against that backdrop, the final two Chapters i.e. VI and VII present An Action Plan for Balanced Agricultural Development of Maharashtra and a Scheme of Social Security Measures, especially for the distressed farmers in the suicide-prone six districts of Western Vidarbha.

II Farmers' Suicide : Stylized Facts

As indicated by Shri Sharad Pawar, the Union Agriculture Minister in Rajya Sabha (November 30, 2007), during the nine year period from 1997 to 2005 nearly 1,50,000 farmers committed suicide all over the country. Of these, nearly 90,000 suicides (60 per cent of the national total) were committed in Maharashtra, Andhra Pradesh, Karnataka and Madhya Pradesh (including Chattisgadh).

The official source of this information is National Crime Records Bureau (NCRB). Recently, NCRB has announced relevant figures for the year 2006. These figures reveal that during the ten year period (1997-2006), the average number of farmers' suicide throughout the country was 15,747 per year during the first half (1997-2001) which rose further in the second half (2002-2006) to an average of 17,513 per year. In other words, during the ten year period from 1997 to 2006, there was 11.2 per cent increase in the farmers' suicide from the first half to the second half. To put it differently, during the first half of the said decade, the rate of farmers' suicide was **a suicide every 33.3 minutes** which worsened during the second half to **a suicide every 30 minutes**.

There are two extreme views expressed regarding the phenomenon of farmers' suicide. On the one hand, there is a view taken that farmers' suicide is nothing more than a problem created by the media and that even natural deaths were often shown as farmers' suicide so as to receive compensation from the Government. **This Committee is in total disagreement with this extreme view.** While there is a non-trivial possibility of natural deaths being shown as suicides in some cases, to

exaggerate such incidents and deny the fact that an alarmingly large number of distressed farmers have committed suicide is, in this Committee's considered view, **symptomatic of social insensitivities**.

At the other extreme, noted journalist Shri P. Sainath has gone to the extent of calling Maharashtra, Andhra Pradesh, Karnataka and Madhya Pradesh as **Special Elimination Zone**¹. In fact, Maharashtra has been called the **Graveyard of Farmers**. It is a considered view of this Committee that Shri Sainath's statement is **distorted, misleading and grossly unfair to Maharashtra**. While comparing farmers' suicide across different States, Shri Sainath has concentrated on the *number* of farmers' suicide in those States and their proportion with the national total. In this process what is completely overlooked the fact that the population of Maharashtra is much larger than the other three States. According to the Census 2001, the population of Maharashtra was 9.67 crore - much larger than in the remaining three States : Andhra Pradesh (7.57 crore), Karnataka (5.27 crore), and Madhya Pradesh (including Chattisgadh) (8.1 crore). In other words, even if the *rate* of farmers' suicide *were* the same in these four States, the *number* of farmers' suicide in more populous State of Maharashtra would have been more than in other States.

As a matter of fact, it would have been statistically more appropriate to compare the incidence of farmers' suicide across the States in terms of *not* absolute numbers, but in terms of the *rate* of farmers' suicide say, per 100,000 people. On the basis of available data of 2001, a comparison of twenty major States and Union Territories in the context of general suicides and farmers' suicide is presented in Table No. 1.

1. 'Hindu' (November 12-15, 2007). There was also a news item indicating that Shri P. Sainath made similar remarks while addressing a group of MPs in Delhi.

Table No. 1 : Farmers' Suicide : A Comparison of States(2001)

Sr. No.	State	General Suicide per 1 lakh population	Farmers' Suicide per 1 lakh population	Farmers' Suicides as a proportion of general suicides
1.	Andhra Pradesh	13.8	19.2	1.4
2.	Assam	9.9	4.5	0.5
3.	Bihar + Zharkhand	0.8	0.7	0.9
4.	Goa	19.0	35.7	1.9
5.	Gujarat	9.5	10.2	1.1
6.	Hariyana	9.5	4.8	0.5
7.	Himachal Pradesh	5.1	1.1	0.2
8.	Jammu & Kashmir	1.5	0.9	0.6
9.	Karnataka	22.5	36.4	1.6
10.	Kerala	30.1	142.9	4.7
11.	Madhya Pradesh + Chhatisgadh	13.4	18.4	1.4
12.	Maharashtra	15.1	29.9	2.0
13.	Orissa	11.0	6.0	0.5
14.	Pondichery	54.3	834.9	15.4
15.	Punjab	2.7	2.2	0.8
16.	Rajstan	5.7	3.8	0.7
17.	Tamil Nadu	18.1	19.3	1.1
18.	Tripura	26.7	13.1	0.5
19.	Uttar Pradesh + Uttaranchal	2.2	3.0	1.4
20.	West Bengal	17.1	22.0	1.3

Source: Dr. K. Nagraj, Madras Institute of Development Studies (MIDC), prepared on the basis of information from NCRB. P. Sainath has used the same data.

The same set of data as the one used by Shri P. Sainath, when *appropriately* analyzed, lends itself to the following broad conclusions :

1. As far as the general suicides are concerned, the *rate* of suicides 100,000 population in Maharashtra was *lower* than Goa, Karnataka, Kerala, Pondichery, Tamil Nadu, Tripura and West Bengal.

2. As to the farmers' suicide, the incidence per 100,000 population in Maharashtra was *lower* than Goa, Karnataka, Kerala and Pondichery.
3. In Maharashtra the *rate* of farmers' suicide per 100,000 population was 29.9 whereas the same was *higher* in Goa (35.7), Karnataka (36.4), Kerala (142.9) and Pondichery (834.9).
4. Even in respect of big States, the incidence of farmers' suicide per 100,000 population in Karnataka was 22 per cent higher than in the Maharashtra and in the State of Kerala it was as much as 308 per cent more than in Maharashtra.!

In other words when proper inter-State comparison is made it turns out that **the incidence of farmers' suicide in Goa, Kerala, Karnataka and Pondichery was much *higher* than in Maharashtra. Why should Maharashtra then be singled out of as the Graveyard of farmers?**

It is clear that the criterion used by Shri Sainath i.e. 'absolute number of farmers' suicide' is inappropriate for inter-State comparison. Instead it would have been more scientific to use the criterion of 'farmers' suicide per 100,000 population'. Indeed, in this context the ideal criterion would have been 'farmers' suicide per 100,000 farmers' population'. However, since the data on State wise population of farmers are not available, as an alternative 'farmer suicide per 100,000 rural population' could have been used. Even if that criterion is used, the incidence of farmers' suicide in Karnataka and Pondichery turns out to be much higher than in Maharashtra. This again goes to show that **the accusation of Shri Sainath that Maharashtra is Graveyard of farmers is not only incorrect and misleading but also grossly unfair to Maharashtra.**

What exactly then is the situation in the State of Maharashtra?

According to the National Crime Records Bureau (NCRB) data, during the period 1997-2005, in the State of Maharashtra farmers' suicide were 28, 911 or 19.4 per cent of the total farmers' suicide in the country. Further, it is seen from the recent NCRB data that the farmers' suicide have not declined in the year 2006. In fact there was a 13.4 per cent increase in the farmers' suicide in Maharashtra in 2006 with the total number of farmers' suicide reaching 4,453 (i.e. 26.1 per cent of the total farmers' suicide in India). **One cannot thus, refute that the number of farmers' suicide in Maharashtra as also its proportion to the total suicides in India have become and has remained a serious cause for concern.**

Within the State of Maharashtra, the bulk of the farmers' suicides occurred in the Vidarbha region. More precisely, out of the 33 districts of Maharashtra, most of the suicides were in six districts of Western Vidharba i.e. Amravati, Akola, Yeotmal, Buldhana, Washim and Wardha. The relief Packages both by the Maharashtra State as well as the Hon'ble Prime Minister have therefore been focused on these six districts of Vidarbha.

Information relating to farmers' suicide in the six suicide-prone districts of Western Vidarbha is presented in Table 2. There are two sources of these data: the NCRB and the Government of Maharashtra. NCRB provides information on suicides by 'farmers and their family members' whereas information provided by the Government of Maharashtra relates to 'investigated cases of farmers' suicide'.

**Table No. 2: Farmers' Suicides in the Six Districts of Vidarbha
(2001-2007)**

Year	NCRB Data *	Maharashtra State Data**
2001	1,071	49 (4.6 per cent)
2002	1,067	104 (9.7 per cent)
2003	1,000	144(14.4 per cent)
2004	1,160	441(38.0 per cent)
2005	1,027	431(42.0 per cent)
2006	1,520	1,448 (95.3 per cent)
2007	N.A.	1,241

* Suicides of farmers' and their families

** Farmers' suicides that have been documented (investigated cases)

Table 2 clearly reveals that there are major discrepancies between the information provided by these two sources. Generally upto the year 2005, figures provided by the Government of Maharashtra were considerably lower than the corresponding figures provided by the NCRB. It turns out that until the announcement of the Package by the Government of Maharashtra (i.e. December 2005), the figures relating to farmers' suicide were compiled on the basis of newspaper reports. It was only later, i.e., in early 2006 that orders were issued to check the police record for compiling the figures of farmers' suicide. Accordingly, there is a noticeable increase in the number of farmers' suicide in 2006 as per Government of Maharashtra figures, owing mainly to the enlargement of the statistical coverage. In the recent

years, the figures provided by these two sources have broadly converged thereby becoming more realistic.

According to the figures provided by the Government of Maharashtra, the number of farmers' suicide in Vidarbha was placed at 1,448 in 2006, which came down to 1,241 by the end of the year 2007. In other words, by end-2007, even after implementation of the Government of Maharashtra Package for nearly two years and the Prime Ministers' Package for nearly one and half years, there **was no significant decline in the absolute number of farmers' suicide in Vidarbha.** In fact, going by the press reports, the incidence of farmers' suicide seemed to be spreading to the remaining five districts of Vidarbha and to Marathwada and even to prosperous Western Maharashtra.

In sum, **while Maharashtra has been unfairly regarded as the worst possible State in respect of farmers' suicide, there is no denying that the number of farmers committing suicide and its ratio to the general population has increased to worrisome levels.**

Farmers' Suicide : Analysis

While analyzing the farmers' suicide three important issues deserve special attention :

- a) What are the socio-economic strata of farmers committing suicide?
- b) What are the proximate reasons behind these suicides?

- c) Why did farmers' suicides occur in such large numbers in Western Vidarbha? Going beyond the proximate reasons, what then is the fundamental malady behind the farmers' suicide?

Socio-economic Strata

The following conclusions can be drawn about the socio-economic strata of the farmers who have committed suicide :

- In farming families it is mainly the bread-earning men who have committed suicide.
- The incidence of suicide is almost negligible amongst the landless labourers or marginal farmers.
- Almost 75 per cent of farmers' suicide have occurred amongst the farmers with land holding between 2 and 12.5 acres.
- The incidence of farmers' suicide is considerably more among the Other Backward Castes (OBCs); in contrast, the incidence of suicide was minimal amongst the Scheduled Castes (SC) and Scheduled Tribes (ST).
- Farmers who have committed suicide primarily included those who relied on mono-cropping or those with little or no irrigation facilities and those who did not have supplementary occupations.

Proximate Reasons for Suicide

Different study groups have given a whole range of reasons driving farmers to commit suicide².

• Indebtedness	-	93 per cent
• Financial Stress	-	74 per cent
• Family Disputes	-	55 per cent
• Droughts	-	41 per cent
• Adverse effect on social status	-	36 per cent
• Problems relating to marriage of daughters or sisters	-	34 per cent
• Addictions	-	28 per cent
• Health related problems	-	21 per cent

Clearly most of these reasons are overlapping. As a matter of fact, all these reasons can be classified in one of the three groups:

1. Indebtedness
2. Family Disputes
3. Addiction and Health related Problems.

Illustratively, indebtedness and consequent financial distress causing damage to social status in turn creating difficulties in arranging marriage of daughters or sisters, are overlapping reasons and as such can be classified under a single group of factors: indebtedness. Family disputes constitute the second group, while the third group comprises addiction and health-related problems. Of these three groups, the most dominant one is of course, the indebtedness. In many cases even family disputes or health-related problems emanated from economic distress arising from indebtedness. In other words, **indebtedness and its attendant economic distress is the main proximate reason behind the suicides by farmers.**

2. Farmers' Suicides in Maharashtra : An Overview, Government of Maharashtra

The Root Cause of Farmers' Suicide

While indebtedness and its attendant economic distress is the main reason behind suicide by farmers, **the root cause behind the suicides is the fact that farming in Vidarbha has no longer remained financially viable.**

There are at least three major reasons why farming in Vidarbha has become financially unviable over the last 20-25 years: (1) grossly inadequate irrigation facilities, (2) acute shortage of electric pump-set connections and (3) inadequate supply of institutional credit.

Until 1950s, the region of Vidarbha was way ahead of other regions of Maharashtra in terms of irrigation facilities. During the last 20 years, however, this position has reversed. The irrigation backlog in Vidarbha which was 38 per cent in 1984, shot upto 62 per cent by the year 2002. (It may be noted that in the last three years, there is considerable improvement in irrigation facilities in Vidarbha).

In addition to irrigation backlog, Vidarbha traditionally has had a very large backlog in electric pump-sets connections. As a result, even where wells or lakes had enough storage of water, farmers were not able to use it for their farming needs. (Government has taken some strong measure in the last 2-3 years to reduce this backlog as well).

Same is the case with bank credit. In 1995, the institutional credit³ to agriculture in Vidarbha was 22 per cent of total credit to Maharashtra State, which was exactly same as the proportion of Vidarbha's population to that of the State of Maharashtra. This situation has however, reversed in the last 10 years or so. In the year 2005, the share of Vidarbha to farm credit in Maharashtra was only 13 per cent. Given the inadequate irrigation facilities, the cropping pattern in Vidarbha has remained largely unchanged over the years. Mono-cropping rather than crop-diversification has been the trend. In contrast to Western Maharashtra, the co-operative movement did not take roots in Vidarbha. As a result, supplementary occupations did not develop to the extent desired. Moreover, for traditional cotton crop in Vidarbha much larger scale of finance is applicable whereas in Western Maharashtra, crops such as sugarcane invite relatively larger scale of finance. Consequently, institutional credit to farming in Vidarbha has been of a much lower order than in Western Maharashtra.

In sum, the disturbing tale of farmers' woes in Vidarbha can be pieced together, as follows : the support from the Government and the banks for farmers in Vidarbha has steadily declined for over 20 years. As a result, farmers had to rely on costly inputs. Illustratively, instead of bank credit at low interest rates, farmers had to borrow from money lenders at exorbitant interest rates; instead of cost-effective self-generated seeds, farmers had to buy expensive seeds from private companies. Consequently, the cost of farming rose significantly. At the same time, given the paucity of irrigation facilities, farmers had to rely on the vagaries of monsoon, which affected the

3. Based on 'Direct Agricultural Loans Outstanding' from RBI Banking Statistics: Basic Statistical Returns of Scheduled Commercial Banks in India

farm production. At times even when farm production had increased, unremunerative prices meant little or no increase in the income of the farmers. Moreover, during the years of natural calamities there was no supporting income from supplementary activities. As a combined result, indebtedness grew and the farmers were subject to severe economic distress, which also caused damage to their social status. Constant pressures from banks and more so from the unauthorized moneylenders led to severe mental distress, compromising their dignity and resultant frustration drove the self-respecting farmers to commit suicide.

III Farmers' Suicide Prevention Packages : An Evaluation

As noted above, there was no significant decline in the number of suicides of farmers in Vidarbha inspite of the two Packages amounting to Rs.4,825 crore. The reasons for this are not far to seek; they would have to be explored in the *formulation* and *implementation* of these two Packages.

a) Formulation

Ideally, farmers' suicide prevention Packages ought to have included a well balanced mix of medium to long-term measures and those giving immediate and direct relief to farmers. (An account of inflows and outflows for the Hon'ble Prime Minister's Package as of April 30, 2008 is presented in Appendix D).

As can be seen from Appendix D, out of the total Package amount of Rs.3,750 crore about Rs.2,177 crore (58 per cent of the total size of the Package) is going to be spent for Assured Irrigation Scheme, which is essentially a long-term measure whose impact is not visible immediately. Moreover about 19 per cent of the Package amount is directly going to go to banks in the form of interest-waiver. As a result, most farmers in Vidarbha do *not* feel that they have received anything directly. In other words, there is a widespread feeling in Vidarbha that from the Hon'ble Prime Minister's Package only about 23 per cent amount is going to go towards direct and immediate relief for farmers.

In contrast to the Hon'ble Prime Minister's Package there are several schemes in Maharashtra Government's Package which are aimed at giving direct and immediate relief to distressed farmers. (A detailed account of

Government of Maharashtra Package as of April 30, 2008 is presented in Appendix E). However, from this Package of Rs.1,075 crore, around Rs.370 crore are being returned to farmers as ‘Refund of Share Capital under the Cotton Monopoly Procurement Scheme’ (on this account Rs.430 crore have already been spent). As a matter of fact, it was *not* binding on the Government of Maharashtra to return these funds to the farmers. However, in view of the distressed conditions of farmers, the Government of Maharashtra took a welcome decision to refund the share capital to farmers. However, this was not explained to the public at large. As a result, here again, the farmers do not think that they have received any *additional* relief. Moreover, Rs.225 crore are being given to the banks as interest-subsidy on re-scheduled loans (actually Rs.239 crore have already been spent on this account). In other words, out of the total Package of 1,075 crore, Rs.677 crore, (i.e. 63 per cent of the total Package) is being spent on these two Schemes. Not surprisingly even in the context of this Package, there is a widespread belief that only around 37 per cent of this Package is being devoted towards providing direct and immediate relief to farmers in distress.

Thus, there is a widespread feeling in Western Vidarbha that these two Packages are ‘back-loaded’ rather than being ‘front-loaded, i.e. high priority has *not* been given in these two Packages to schemes providing direct and immediate relief. Even if the long-term measures are most desirable, unless they are supplemented by schemes of immediate and direct relief, the Packages are bound to fail in generating confidence in the minds of farmers about their future. To an extent, this is precisely what seems to have happened about these two Packages. Shortcomings in respect of creating proper awareness among farmers about the Packages can be seen as a failure of government machinery for the necessary publicity.

b) Implementation

By end of April 2008, the Hon'ble Prime Minister's three year Package had completed 21 months. Assuming a uniform rate of implementation, around 58 per cent implementation could have been expected. In reality, the implementation was more than 75 per cent. Likewise, the State Government's three year Package had completed 28 months by April 2008, which means that about 78 per cent implementation should have been completed. In reality, the implementation by April 2008 was more than 98 per cent. In other words, the speed of implementation of both Packages, is certainly satisfactory.

In actual implementation of both Packages, **there are several positive features :**

- **There is a significant increase in farm credit to the six districts in Western Vidarbha.** Illustratively, bank credit in the year 2005-06 was Rs.880 crore (4.48 lakh farmers) which increased significantly in the year 2006-07 reaching Rs.2,014 crore (10.07 lakh farmers). For the year 2007-08 the target was Rs. 2,225 crore. By 31st March 2008 total bank credit of Rs.1,738 crore was extended to 5.75 lakh farmers.
- Under the Prime Minister's Package, **there are major achievements in respect of irrigation.** For the six suicide-prone districts the provision for irrigation was Rs.2,177 crores of which, 77 per cent amount has already been spent. By the end of June 2008 irrigation potential was created for 78,780 hectares. Clearance has been obtained for 14 out of 15 medium and long-term projects from the relevant authorities such as Central Water Commission, Ministry of Tribal Development and Ministry of Forest and Environment. In respect of

minor irrigation, 88 per cent of the amount provided for in the Hon'ble Prime Minister's Package has been spent leading to use of drip and sprinkler system for nearly 60,000 hectare land. Moreover, out of Rs. 100 crore provided for in the State Government Package for 'Vidarbha Watershed Development Mission', 81 per cent of the amount has been utilized. In sum, in respect of irrigation, concerted efforts made by the Government of Maharashtra in containing the backlog of irrigation in Vidharbha is certainly praiseworthy.

- From the Government of Maharashtra Package, out of Rs.150 crore provided for giving assistance of Rs.25,000 each for a pair of bullocks, pump-sets etc. have mostly been spent. Similarly as a relief to 11.54 lakhs cotton growing farmers, Rs.130 crore provided for have mostly been spent.
- From the Hon'ble Prime Minister's Package, each one of the six districts was given Rs. 50 lakh as *ex-gratia* payment for distressed farmers. **The Government of Maharashtra added Rs.3.6 crore of its own to this and provided assistance to 7,984 families for education and health.**
- **An especially noteworthy initiative in the Package of Government of Maharashtra was community marriages.** Up to April 2008, 21,261 community marriages were conducted with the assistance of Rs.19.1 crore, which was most admirable.

Even when one takes note of all these positive features in the implementation of the two Packages, a question remains as to why did these two Packages not get the expected success in reducing the incidence of farmers' suicide in Vidarbha. In this regard one needs to look at the shortcomings in the implementation of these two Packages.

The Committee discovered the **following shortcomings** in the implementation of the two Packages :

1. **An independent institutional structure ought to have been created for effective implementation of both Packages, which did not happen.** As a result there were co-ordination problems among the relevant departments. The officer-in-charge for the implementation of these Packages was transferred five times in two years. Importantly, 30-40 per cent of vacancies in the critical Department of Agriculture have not been filled for many years, which inevitably had a bearing on the effectiveness of implementation of the Packages.⁴ One of the main reasons for not filling these vacancies was said to be the High Court Judgement that prohibited filling these vacancies until after clearing the backlog of physically handicapped. This issue however, has finally been resolved and most of these vacancies are being filled this year. **In view of these administrative shortcomings it is regrettable that the benefits of many good Schemes in these Packages could not reach the distressed farmers to the extent desired.**

4. In some District Headquarters, fleets of touts were reportedly exploiting gullible and harassed farmers.

2. As mentioned above, it is widely believed that both Packages are back loaded rather than front-loaded. **This shortcoming in the formulation has actually been intensified in the implementation of the Packages. Illustratively, the implementation of medium or long-term back loaded Schemes has been 100 per cent or more whereas implementation of front-loaded schemes giving direct and immediate relief has been relatively slow.**

Table 3 presents details about the Schemes in the Hon'ble Prime Minister's Package which are being implemented slower than expected :

Table No.3 : Front-Loaded Schemes in the PM's Package
(Rs. in crore)

Details	Target 2006-2009	Provision	Expenditure	Percentage upto April 30,2008
Watershed Development *	240	130	97.5	40.6
Seed Replacement	180	69	69.0	38.2
National Horticulture Mission	225	76	64.2	28.5
Subsidiary Occupations	135	21	15.8	11.7
Total	780	296	246.5	31.6

* Including Checkdams and Water Harvesting

As can be seen from the Table 3, in Hon'ble Prime Minister Package, Rs.780 crore were to be provided to the State Government on giving immediate and direct relief to farmers. In actuality, after 21 months of its

implementation, only Rs.296 crore were actually provided to the State Government of which only Rs.247 crore have been spent. **This pace of implementation is only 32 per cent of the target which is unsatisfactory. For supplementary occupations only 12 per cent of the target has been achieved which is most unsatisfactory.** Similarly, in the context of the Package by Maharashtra Government the progress of implementation was poor in respect of organic farming and Crop Insurance Schemes, which is certainly regrettable.

3. In the Package of the Government of Maharashtra, an amount of Rs.1 lakh per suicide was announced as support to be paid to the heirs of the farmers who have committed suicide. Table 4 shows the number of farmers who have been 'eligible' for this support payment.

Table No. 4 : Farmers' Suicides in Maharashtra

Year	NCRB Data	Farmers' Suicide documented by Maharashtra Government	Farmers Suicide 'Eligible' for support
2001	1,071	49	29 (59 per cent)
2002	1,067	105	72 (69 per cent)
2003	1,000	143	89 (62 per cent)
2004	1,160	441	250 (57 per cent)
2005	1,027	431	274 (64 per cent)
2006	1,520	1,447	577 (40 per cent)
2007	N.A.	1,241	233 (19 per cent)
Total		3,847	1524 (40 per cent)

The following inferences can be drawn from the data presented in Table 4:

In the year 2006, only 40 per cent of the documented farmers' suicide were deemed to be 'eligible' for immediate support. Initially, if the name of the person who committed suicide did not appear in the 7/12 documents, the person was considered ineligible for support. Subsequently, Maharashtra Government made the necessary corrections, which was welcome. However, according to revised criteria, the proportion of 'eligible' farmers should have increased in 2007, but actually it declined to 19 per cent in that year. Government of Maharashtra officials argued that this decline in 2007 is explained by re-scheduling of the principal, one-year moratorium and interest-waiver on outstanding debt. While there is some merit in this explanation, it is also true that **sometimes even 'eligible' suicides were deemed to be ineligible on the pretext of inadequate proof of repayment pressure, addiction, family disputes and the like.** Complaints have also been made about agents taking commission for release of *ex-gratia* payment, thus exploiting the poor distressed farmers.

4. There were also complaints that **sometimes milch cattle were distributed to farmers without ensuring availability of the necessary shed for their maintenance and availability of fodder.** Some farmers, it was reported apparently sold the milch cattle to traders.

5. The Committee also received complaints that **milch cattle, agricultural appliances, water pumps etc. were charged much higher than the prevailing market prices and in actuality, poor quality material was provided to the farmers.** The Committee received several complaints that the benefit of such good Schemes therefore reached the contractors and traders rather than the distressed farmers.

On the whole, the Committee has concluded that **the speed of implementation and achievements made both Packages are generally satisfactory. Nevertheless, it is necessary to remove the administrative shortcomings and speed up implementation wherever it is proceeding at a slower pace than expected. Wherever there are allegations of misappropriation, the Committee feels that the relevant machinery should investigate those complaints and take appropriate punitive actions.**

IV. Agricultural Debt Waiver and Debt Relief Scheme, 2008 : Some Issues

The Committee has made the following observations on the historic Scheme announced by the Hon'ble Finance Minister, the Guidelines for which were released on May 23,2008.

1) **This Scheme is unprecedented in its scale and most ambitious one in India's economic history.** Under this Scheme, out of the total amount of Rs.71,680 crore at the national level, the State of Maharashtra is going to get Rs.9,896 crore (13.8 per cent of the total). Given the ratio of Maharashtra's population to the national population of about 10 per cent, it is clear that **the State of Maharashtra is going to get a fairly large share in the financial support under the Scheme.**

2) Table 5 shows the potential distribution of Debt-Waiver as between different regions of Maharashtra :

Table No. 5 : Amount of Debt Waiver (Maharashtra)

(Numbers in Lakhs, Amount in Rs. Crore)

Division	Land – Ownership upto 5 acres		Land- Ownership above 5 acres		Total	
	Accounts	Amount	Accounts	Amount	Accounts	Amount
Western Maharashtra	15.22	3,423	4,26	1,897	19.48	5,320
Konkan	1.86	169	0.82	16	2.68	185
Marathwada	9.36	1,897	2.35	576	11.71	2,403
Vidarbha	9.44	1,122	2.87	863	12.31	1,985
Total	35.88	6,540	10.30	3,352	46.18	9,896

It is clear from Table 5 that in the enlarged Scheme, **the amount payable to farmers is going to be divided between different regions of Maharashtra in an inequitable manner.** Illustratively, of the total amount receivable by Maharashtra, 53.8 per cent amount is going to be paid to farmers in Western Maharashtra, whereas the share of the other regions is going to be considerably smaller : Marathwada 24.3 per cent, Vidarbha 20.1 per cent and Konkan 1.9 per cent. The amount per account holder thus works out to be Rs.27,310 for Western Maharashtra, Rs.20,521 for Marathwada, Rs.16,117 for Vidarbha and only Rs.6,903 for Konkan.

Such regional disparities are to an extent unavoidable. **Under the Debt-Waiver Scheme only those farmers who have taken bank loans (or those who could get the bank-loans) and those who have not repaid (or those who could not repay) are going to get the benefit of the Debt-Waiver Scheme.** Distribution of land holdings across different regions of Maharashtra is highly skewed. In Vidarbha and Marathwada landholdings per farming family is much more while it is relatively lower in Western Maharashtra. In respect of irrigation facilities, the situation is exactly opposite: relatively low in Vidarbha and generally abundant in Western Maharashtra. As a result, availability of bank credit facilities are much more in Western Maharashtra as opposed to Vidarbha. It follows that **the absolute number of eligible account holders is much more in Western Maharashtra than in Vidarbha.** Illustratively, among the farmers with land holding up to 5 acres, 42.4 per cent are in Western Maharashtra whereas only 26.3 per cent are from Vidharbha. Similarly for farmers with holdings above 5 acres, 41.4 per cent account holders are in Western Maharashtra, whereas 27.9 per cent came from Vidarbha. Needless to say **that the benefit**

of debt waiver would be disproportionately smaller for Vidarbha region vis-à-vis Western Maharashtra.

Further details in this regard, for different districts *within* the Vidarbha region are presented in Table 6 .

Table No.6 : Debt Waiver in Vidarbha

District	Land Ownership upto 5 acres		Land Ownership above 5 acres		Total	
	Accounts	Amount	Accounts	Amount	Accounts	Amount
1.Amravati*	1.66	168.83	0.51	151.42	2.17	320.25
2. Akola *	1.67	171.85	0.58	187.30	2.24	359.15
3.Yeotmal*	2.22	235.57	1.20	257.97	3.42	493.54
4.Buldhana*	1.35	159.96	0.44	143.65	1.79	303.60
5.Nagpur	0.68	177.31	0.33	195.14	1.01	372.44
6.Vardha *	0.76	84.14	0.40	104.05	1.15	188.19
7.Bhandara	0.87	119.87	0.10	51.83	0.96	171.70
8.Chandrapur	1.10	256.90	0.16	106.37	1.25	363.27
9.Gadchiroli	0.60	51.14	0.06	12.40	0.65	63.54
10.Gondiya	0.96	126.95	0.06	23.84	1.02	150.78
11. Vidarbha	11.84	1552.49	3.81	1233.95	16.65	2786.44

The information provided in Table 6 underscores the regional disparities in distribution of the benefits of the Debt Waiver. **The average eligible amount per account holder in Western Maharashtra turns out to be Rs.27,310 whereas the corresponding average for the 5 suicide-prone districts of Vidarbha is merely Rs.15,709.** Indeed, for the district of Yeotmal which had the largest number of farmers' suicide, the average benefit works out to be only out to be Rs.14,431. In sum, it is clear that **under the Scheme suicide-prone Vidarbha is likely to get significantly smaller benefit than Western Maharashtra.**

3. Under the Scheme those farmers whose loans were outstanding before March 31, 1997 are *not* going to get any benefit of debt-waiver. The Committee has proposed that the **Maharashtra Government should extend the Scheme backwards to cover all those farmers whose loans became outstanding before March 31, 1997.** For this purpose, commercial banks can write-off these loans possibly with the help of Government of India. For co-operative banks, Government of Maharashtra should provide assistance for writing-off the loans outstanding in their books before March 31, 1997. Land Development Bank in Maharashtra had given long-term loans amounting to around Rs.900 crore to 3 lakh farmers before 1997. The Committee has recommended that **debt-waiver should be made available to these farmers in consultation with NABARD and these farmers should be made eligible for fresh borrowings.**

4. The short-term crop-loan extended during the year 2007-08 has become outstanding as on March 31, 2008. Unless repayments are made, such farmers are not going to be eligible for bank credit for current season of the year 2008-09. To date, recovery of these loans is extremely poor i.e., only 10 per cent. Apparently on account of pronouncements at political level

from time to time, in last one year or so, even those farmers who were otherwise in position to make repayments seem to have refrained from doing so. On a rough and ready estimate, about 25 lakh borrowers in this category are *not* going to be eligible for fresh borrowings.

The Committee feels that a very large proportion of these borrowers are willful defaulters and therefore the Scheme should not be uniformly extended forward to cover all borrowings of 2007-08. The Committee has recommended that these borrowings should be re-scheduled and these farmers should be given opportunity for fresh borrowing. The Committee also feels that while re-scheduling these loans, farmers from Vidarbha, Marathwada and Konkan should be given extra benefit. For this purpose for farmers in Vidarbha, Marathwada and Konkan, 10 per cent of the outstanding amount should be recovered and remaining amount be re-scheduled. The rescheduled amount should be recovered in three installments : 20 per cent (March 31, 2009), 30 per cent (June 30, 2009) and 40 per cent (September 30, 2009) while applying *concessional* rate of interest. In the case of Western Maharashtra 30 per cent amount be recovered immediately and the rest be re-scheduled. The re-scheduled amount be recovered in two installments : 30 per cent (March 31, 2009) and 40 per cent (June 30, 2009) at *prevailing* rate of interest. All of these borrowers should be made eligible for fresh borrowings on payment of the first installment. **The final decision in this regard be made in the light of the severity of the drought in the State.**

5. Under the Scheme, farmers holding more than 5 acres of land in 237 non-irrigated districts throughout the country have been provided an opportunity for One-Time Settlement (OTS) wherein such farmers are going

to get Debt-Waiver to the extent of 25 per cent of the eligible amount or Rs.20,000 whichever is higher. Under the Scheme, 26 out of 33 districts of Maharashtra have been included. **The Committee has recommended that both breadth and depth of this window of One Time Settlement (OTS) be enlarged and the Government of Maharashtra should bear the additional financial burden.** For this purpose the Committee has made the following recommendations :

- i) The One-Time Settlement (OTS) should be extended beyond the 26 eligible districts to cover the remaining 7 districts in the State of Maharashtra. With the limit of Rs.20,000 this would mean an additional burden of Rs.141 crore.
- ii) **The depth of the One-Time Settlement (OTS) Scheme should be enhanced by increasing the limit of Rs.20,000 to Rs.50,000 irrespective of the land-holdings in non-irrigated areas. This enhancement however, should be applied selectively.** If this increase is made effective *uniformly* to all regions of Maharashtra, the amount of additional funding required will be as under : Vidarbha (Rs.104 Crore), Marathwada (Rs.628 Crore), Konkan (Rs.23 Crore) and Western Maharashtra (Rs.2,089 Crore). Clearly, thus, if the Rs.20,000 limit is raised to Rs.50,000 *uniformly* in different regions of Maharashtra, the regional disparities in terms of benefits of Debt-Waiver would become even more pronounced. In the light of this consideration, the Committee has recommended that the enhancement of the limit of Rs.50,000 be applied to all regions *excluding* Western Maharashtra so that the additional burden on the Government of Maharashtra would be confined to Rs.755 crore instead of Rs.2,844 crore.

There is no doubt that the Debt-Waiver Scheme, 2008 is a historic decision of the Government of India. Millions of indebted farmers are going to get relief from this extraordinary and unprecedented Scheme. It would also re-establish their capability to resort to fresh borrowings. At the same time, it must be borne in mind that the **Debt-Waiver cannot be a permanent solution to the farmers' woes. Debt-Waiver after all is a short-term relief. Under the prevailing circumstances, the Debt-Waiver is absolutely necessary but not sufficient. It would be inappropriate to assume that the Debt-Waiver Scheme would be the panacea for all the problems facing the agricultural sector.** The fundamental malady behind the farmers' indebtedness and distress is the uneconomical state of farming. **As long as capacity and willingness towards repayment is not created among the farmers through medium and long term measures, the possibility of farmers receiving Debt-Waiver again getting back into the debt-trap certainly remains.** In that case, financial burden would have to be placed again on the State and the Central Government. No Government can possibly afford to bear this vicious circle and therefore **concerted efforts would have to be made to avoid getting into this vicious circle in the first place.** This calls for formulating medium and long-term initiatives in the light of broader challenges that lie ahead for the agriculture sector, to which we turn next.

V Challenges Facing the Agriculture Sector

In the last few years the Indian economy has been marching towards becoming an economic superpower, yet, there is no denying that this welcome surge in the economy is accompanied by a stagnation, even retrogression, in the agriculture sector. This is reflected in several indicators:

1. The share of agriculture sector in the Gross Domestic Product (GDP) of the country was in excess of 50 per cent in 1951 when the planned economic development began. This share had declined to around 31.4 per cent in 1990-91 and further to 17.5 per cent in 2007-08. Admittedly, as any developing economy makes a transition towards a developed status, the share of its agriculture sector in GDP declines. This is borne out by the accumulated experience worldwide. Notably, however, **in India the rate of decline has been abnormally rapid.** Furthermore, going by the experience worldwide, *pari passu* with fall in the share of agriculture in GDP, the proportion of population dependent on agriculture also declines. This phenomenon does not seem to have occurred in India to any significant extent. Illustratively, while in 1951, nearly 75 per cent of the Indian population was dependent on agriculture, nearly two-thirds of our population continues to depend on agriculture for subsistence even today. Inevitably, this anomaly has led to widening of disparities as between rural vs. urban or Bharat vs India.
2. The agriculture sector in India has remained largely insulated from the comprehensive reforms initiated in the aftermath of the unprecedented macroeconomic crisis of 1991. Inevitably, this has been reflected in a

widening gap between the growth rates of agriculture, industry and services as depicted in Table 7.

Table 7 : Decelerating Growth in Agriculture

Years	Overall GDP	Agriculture GDP
1980s	5.6	4.4
1990s	5.7	3.2
2000-01 to 2006-07	6.9	2.5

Source : Ministry of Agriculture, and Central Statistical Organisation (CSO)

As can be seen from Table 7, while the overall GDP growth rate has accelerated, the agriculture sector has witnessed a distinct deceleration. For the period, 1990-2008, the compound annual growth rate of overall GDP in India was placed at 6.4 per cent, whereas, that of the agriculture sector was placed much lower at 2.8 per cent. Going by the index of agricultural production (1993-94 = 100), during the 17 year period of macroeconomic reforms (1990-91 through 2007-08) the average annual growth rate of agriculture turns out to be only 2 per cent per annum. Clearly, thus, the poor growth of the agriculture sector has been holding down the momentum of the overall GDP growth in India.

3. Poor performance of the agriculture sector has meant a serious setback to availability of foodgrains. In fact, the cumulative net addition to foodgrains production (i.e. adding increases and declines) over the period 1998-99 through 2007-08, works out to only 9 million tonnes. Over the same period, India's population grew by around 150 million people, thus sharply lowering the per capita availability of foodgrains. The foodgrains stock which had reached an unusually high level of 65 millions tonnes in June 2002, came down significantly reaching 23 million tonnes in May 2006. Consequently, food security has emerged as a major cause for concern.

4. Public Investment in agriculture has consistently been falling. Illustratively, the share of the 'Agriculture and Allied sector' averaged around 13.1 per cent during the first 5, Year Plans (upto 1980). In contrast, for the next 5, Year Plans (upto the 10th Five Year Plan), the share of 'Agriculture and Allied sector' averaged only 5.4 per cent. In other words, while the Plan Size has expanded rapidly through the successive Plans, the share of 'Agriculture and Allied sector' has come down drastically. Since the agriculture sector in India has been characterized by 'crowding-in' rather than 'crowding-out', the overall investment in agriculture has decelerated in step with the deceleration of public investment in agriculture.

5. Decelerating public and private investment in agriculture has invariably led to falling rates of usage of agricultural inputs as depicted in Table 8.

Table No. 8 : Decline in Use of Agricultural Inputs

Input	1980- 81 to 1990- 91	1990- 91to 1996-97	1996- 97to 2005-06
1.Irrigated Land	0.4	0.4	-0.1
2.Total Irrigated Land	2.3	2.6	0.5*
3.Use of Electricity	14.1	9.4	0.5@
4.NPK [use of fertilizer]	8.2	2.5	2.3

* 2003-04 upto @ 2004-05 up to (Source : Economic Survey, 2007-08)

6. As a combined result, the yield of all major crops have fallen below the corresponding world averages and are considerably below the yield in relevant major producing countries, as can be seen from Table 9.

Table No.9 : Productivity [Kg. per hector]

Country	Rice	Wheat	Corn	Groundnuts	Sugarcane
China	6,074	3,907	4,854	2,624	69,556
Japan	5,850	--	--	2,308	--
U.S.A.	7,448	2,974	8,924	3,540	77,515
Canada	--	2,250	7,819	--	--
Indonesia	4,538	--	3,252	2,016	--
Vietnam	4,634	--	--	1,667	--
World	3,837	2,665	4,472	1,347	65,293
India	3,000	2,617	2,114	938	62,859

Source : Agriculture Statistics at a Glance 2006, Government of India

In sum, the effect of Green Revolution which was distinctly visible during the decades of 1970s and 1980s has almost completely vanished. Even while the country is marching towards becoming an economic superpower, the state of agriculture is far from comforting; indeed, it is worrisome. **Decelerating agricultural growth rate, falling productivity of the farm sector, surge in foodgrains prices, reduced per capita foodgrain availability, widening rural–urban divide and above all, the alarming increase in the incidence of farmers’ suicide, all point to the imperative need for a comprehensive set of measures for rejuvenation of the farm sector and for farmers on a scale that could possibly constitute the Second Green Revolution. Unless concerted efforts are made in this direction, urgently, there is a real danger of social instability, which would inevitably jeopardize the sustainability of the overall GDP growth momentum. In other words, the historic Debt-Waiver Scheme *must* be supplemented by a comprehensive package of structural reforms focused on agriculture.** This indeed, is the order of the day.

Situation in Maharashtra

The setback to agriculture at the national level has been reflected also in Maharashtra, in fact with greater severity.

Maharashtra’s growth rate in the recent years has been consistently higher than the corresponding national GDP growth rate. Similarly, the per capita income in Maharashtra in 2007-08 was around 40 per cent higher than the corresponding national level. The comfort derived from these numbers turns out to be illusory if the following stylized facts are taken into account:

(i) Per capita income in Maharashtra is higher than the national average mainly on account of exceptionally high per capita income in Mumbai and to some extent, in Pune. At the other extreme, there are nine to ten districts (out of 33) in Maharashtra where the per capita income is 35 to 40 per cent *lower* than the national average. While the proportion of population below the poverty line is around 27 per cent at the national level, this proportion is actually **higher** at around 30 per cent in Maharashtra.

ii) While the share of agriculture in the overall GDP has fallen to around 17.5 per cent in 2007-08 at the national level, the same has fallen in Maharashtra to only around 12 per cent. While at the national level, irrigation is around 38 per cent of the cultivable land, the same in Maharashtra is only around 17 per cent. In terms of yield per acre, the State of Maharashtra is ranked 14th, 16th, or 18th for most crops barring the exception of banana, grape and sugarcane⁵.

iii) Plan Outlays on 'Agriculture and Allied Services' as well as 'Rural Development' in the Annual Plans of Maharashtra for the last seven years do not augur well for agriculture growth.

Table No. 10 : Annual Plans of Maharashtra

(Rs. Crore)

	10 th Plan			11 th Plan	
	Total Approved Outlay (2002-07)	Actual Expenditure 2002-06	Actual Expenditure 2006-07	Plan Outlay 2007-08	Plan Outlay 2008-09
Agriculture and Allied services	2,699	1,187	732	776	1,046
Rural Development	6,920	5,933	1,215	1,519	1,429
Grand Total (Plan Size)	66,632	39,642	15,681	20,250	25,000

Source : Table No. 5, Budget in Brief 2008-09, Government of Maharashtra.

As is evident from Table 10, during the 10th Five Year Plan and the first two years of the 11th Five Year Plan, the Plan Outlays on ‘Agriculture and Allied Services’ have been only around 4 per cent. Similar is the case with ‘Rural Development’, wherein the provision for the 10th Five Year Plan placed at around 10.4 per cent was lowered during the 11th Five Year Plan, to 7.5 per cent in 2007-08 and further to 5.7 per cent for 2008-09. In other words, although the Plan Size has been enlarged through the successive Five Year Plans, the share of outlays for the critical heads such as ‘Agriculture and Allied Services’ and ‘Rural Development’ have actually been lowered.

In other words, the much-needed rejuvenation of the agriculture sector at the national level is necessary even more so for the State of Maharashtra. It is precisely for that purpose, two comprehensive schemes – one for the farming sector and the other one for the distressed farmers, have been proposed in the next two chapters.

VI. An Action Plan for Balanced Agricultural Development of Maharashtra.

National Development Council (NDC) in its 53rd Meeting has set the target for the GDP growth rate at about 9-10 per cent for the 11th Five Year Plan. This would require 4 per cent growth rate in the agricultural sector. In this context, the Central Government has announced '*Rashtriya Krishi Vikas Yojana*' (RKYP) for the allround growth of the agricultural and allied sector. A provision of Rs. 25,000 crore has already been made in the 11th Five Year Plan for this purpose. Besides this, other innovative schemes such as the National Food Security Mission (NFSM) and the National Horticulture Mission (NHM) are also currently underway.

Maharashtra aims at achieving 4.4 per cent growth rate per year in the agricultural sector.⁶ While this is welcome, it is indeed a tall order, given the current state of agriculture in Maharashtra. It would require concerted efforts to achieve this ambitious target rate of growth. In fact, an all-inclusive State level plan would have to be prepared .

The Committee has recommended that an Action Plan for Balanced Agricultural Development should be prepared for Maharashtra on the lines similar to the National Agricultural Development Plan – *Rashtriya Krishi Vikas Yojana* (RKVY). This Plan should be all inclusive, incorporating all the earlier small and large schemes for agriculture and allied sectors, if necessary maintaining their separate

6. State Finance Minister's Speech while presenting the Budget 2008-09

identity. Further, the Committee is of the opinion that for the purpose of implementation of this Plan, **an Inter-Ministerial Committee should be established under the Chairmanship of the Hon'ble Chief Minister of Maharashtra. In addition, Maharashtra Krishi Vikas Parishad and Krishi Vikas Samitis should also be established at the State and District level, respectively.** Various relevant Committees that already exist at the State and District levels should be incorporated appropriately in the respective *Parishad* and *Samitis*. In both, the State as well as the District level Committees, besides Senior Government Officers, experts from various fields such as agriculture, economics, water-management, energy, financial management (or banking), co-operative sector and peoples' representatives should be included. The Vice-Chancellors of all Agricultural Universities in Maharashtra should be Special Invitees to the State Level *Parishad*.

In every District the '*Krishi Vikas Samiti*' should study the geographical area, available technology and natural resources and prepare a detailed set of proposals for allround agricultural development of the District. The State Agricultural *Krishi Vikas Parishad* should guide the working of the District level *Samitis*. A blue-print for balanced agricultural development of Maharashtra should be prepared by the State-Level *Krishi Vikas Parishad*. Further the State Level *Krishi Vikas Parishad* should chalk out appropriate strategies so as to get the maximum benefit from the initiatives such as the *Rashtriya Krishi Vikas Yojana* (RKVY), National Food Security Mission (NFSM), National Horticulture Mission (NHM) and such other Schemes of the Central Government. The State level *Krishi Vikas Parishad* should play a vital role in the preparation of the State Budget as also in the preparation of the Annual Plan of the State.

The Committee has recommended that the following factors should be included in the Action Plan for balanced agricultural development of Maharashtra :

1. **Cropping Pattern**

There should be a complete rethinking of the prevailing cropping pattern in different regions of Maharashtra. **If the agricultural sector in Maharashtra is to be made economically viable, it would be necessary to develop and introduce a 'New Formula' based on the specific agro-climatic conditions in different regions of the State rather than using the same old technology and methods in the same old manner.** The new formula should include both organic and cost-effective inorganic methods. It is also possible to boost the agriculture production by developing appropriate technology for retaining the rainwater. Wherever there is mono-cropping, it is advisable to increase the number of crops chosen scientifically as per the agro-climatic conditions. In this regard, special attention should be given to enhancing the production of rice, wheat and pulses.

In the 11th Five Year Plan Rs. 4882.5 crore have been earmarked for the NFSM in 16 states (305 districts) all over India. Under this Mission, an amount of Rs.2 crore per District has been provided for introducing two or more NFSM-crops (rice, wheat and pulses) and Rs.1 crore per District for introducing one such crop. In Maharashtra this programme has been introduced for wheat (8 Districts), rice (6 Districts) and pulses (18 Districts) in 2007-08. Actually NFSM crops can be cultivated in many more Districts in the State of Maharashtra. For example, in the Vidarbha region, instead of cotton or soyabeans, pulses can be cultivated. The Committee has

recommended that **this Plan be implemented in all 33 Districts of Maharashtra.** Wherever possible this should be done with the support from the Central Government. Where such support is not available, it should be undertaken by the State Government on its own.

The State Level *Krishi Vikas Parishad* should suggest a revised cropping pattern for the entire State including rice and pulses or wheat and pulses, after carefully analyzing the agro-climatic conditions of different Districts. This will also help retaining the fertility of the soil. The State should encourage developing different varieties of the NFSM crops. Targets should be specified for bringing a minimum additional area under cultivation of NFSM crops in every District of Maharashtra. Since all the crops under the NFSM come under the MSP and RKVY it should not be difficult to encourage farmers to cultivate these crops. The potential for utilization of the RKVY and NFSM for the benefit of the State needs to be harnessed more fully.

2. Irrigation Facilities

In Maharashtra, 148 out of 350 *Talukas* are drought-prone, of which about 50 per cent are irrigated through wells. Since foodgrains, cereals and cotton, which are among the main crops, are grown in the rain-fed areas, irrigation has been a major constraint in raising the rate of growth of agriculture in Maharashtra. For accelerating the annual agricultural growth rate to 4.4 per cent in the State of Maharashtra, a very substantial improvement in the irrigation facilities would be necessary.

In the Budget of the Government of Maharashtra for 2008-09, a substantial provision of Rs.6,000 crore has been made to bring additional area under irrigation. **This Budget provision should be used for creation of irrigation facilities in a balanced manner throughout Maharashtra.** Specific steps should be taken to cover 62 per cent of irrigation backlog in Vidarbha region (status in 2002). In this regard, it is necessary to follow up and strengthen the positive steps taken by the Maharashtra State in the last 2/3 years. About 422 irrigation projects have reached more or less the completion stage. These projects will require Rs. 4,810 crore for completion. The provision of Rs.6,000 crore that has been made in the Budget should be channelized for the completion of these 422 projects. For any additional financing requirements, support should be sought from the Rural Infrastructure Development Fund (RIDF) and NABARD.

3. **Supply of Credit**

(C) Reorganization of Rural Financial Institutions

Financial institutions play a very important role in development of any sector. For several years, however, institutional credit supply to the agricultural sector has not received adequate attention in many parts of Maharashtra. This has inevitably led to private moneylenders entering the rural areas for financing the farmers and in that process exploiting them to a large extent. **This necessitates restructuring of the rural financial institutions and also making them socially more sensitive.** In the case of co-operative banks, the Committee has recommended that the suggestions made by the Vaidyanathan Committee be implemented expeditiously.

(D) Agricultural Credit Planning

While providing credit, banks often place a number of undue restrictions on farmers by introducing rigid criteria about season, cropping pattern and the scale of finance. It is imperative to bring in some flexibility in this respect. For this purpose the Committee has made the following suggestions :

- Every farming family should be provided a fixed cash credit limit on the basis of all its basic needs including farming, education of dependents and the like.
- Presently the scale of finance is determined by a method that is generally believed to be inappropriate. As such, the farmer faces a number of difficulties if there is any change to be made in the cropping pattern given the vagaries of nature. Therefore, instead of the prevailing cropping pattern, an average cropping pattern could be used and a limit set accordingly. The average cropping pattern should be retained for the next three years rather than for a particular season and the farmer should have the freedom of choosing a crop-mix as per the changing circumstances.
- Presently, the scale of finance is apparently fixed at the District level without any scientific basis. The scale of finance should be planned and structured at the State level rather than at the District level. The task of reformulating the scale of finance should be delegated by the State Level *Krishi Vikas Parishad* to an independent professional institution.

(C) Alternate to Money Lenders

Although the decision of a massive Debt-Waiver has been taken, the indebtedness of farmers has not been totally eliminated. The indebtedness of farmers emanates from two different sources :

- Institutional Loans (Co-operative, Rural and Commercial Banks)
- Loans from Money Lenders.

It is the financing from moneylenders (rather than the institutional credit) which has significantly contributed to indebtedness of farmers. The pressure from moneylenders on farmers is generally much more than that from institutions, driving them towards committing suicide. It is important to note that for every authorized moneylender, there may be several unauthorized moneylenders operating in the system. To make the matter worse, in recent times, a whole **new breed of moneylenders** has been added to this list. These comprise mainly the agro-service providers to farmers i.e. those supplying seeds, fertilizers and pesticides which have increasingly been acting as moneylenders.

Presently, **there are many such agro-service providers in Vidarbha, which act as moneylenders and exploit the farmers** in at least four different ways :

- Seeds and pesticides are supplied on credit basis for which, 10-20 per cent higher price is charged.
- Inferior quality seeds are supplied to farmers.
- The seeds and pesticides given on credit are treated as a loan to the farmers and an interest of three per cent per month (i.e. 36 per cent per annum) is charged for the same.

- These service providers typically go to the fields immediately after harvesting and cheat the farmers in weight and prices, while recovering their loans in kind (i.e. the produce).

Since these moneylenders are always surrounding the farmers, they have a much greater hold on the farmers and exert much more pressure on the farmers than the institutional lenders.

The massive Debt-Waiver scheme has not addressed the indebtedness arising from the non-institutional credit. The Committee feels that as long as the indebtedness to moneylenders remains, the pressure for committing suicide would continue. As such, effective prevention of suicides cannot be achieved, despite the institutional Debt-Waiver to farmers.

This calls for creation of an effective alternative to the prevailing system of moneylenders and relieving the farmers from their clutches. In this regard, the Committee has recommended a **Plan for ‘Moneylender-free Village’** as follows :

- Atleast one member of each family in the village should become a member of some Self-help Group (SHG) in the village.
- Every rural and semi-urban branch of each bank should adopt one village in its jurisdiction. The NABARD officer for the District should ascertain that each village is adopted by some institutional credit agency.
- If Self-help Groups (SHGs) already exist in the village, they should be strengthened and provided a cash credit limit of at least four times their own savings. New SHGs should be established with the initiative of the District level *Samiti* in each adopted village.

Preference should be given to the women' saving groups and saving groups of farmers with adjacent land holdings.

- **Since at least one member of every family in the village would be a member of SHG and through the SHG to an institutional source of credit, a 100 per cent financial inclusion would be achieved.** Since the banks would provide financial support to farmers on their own in their adopted village, neither the farmers nor any person in the village will need to depend on private moneylenders and **over a three-year period the village can be free of indebtedness from moneylenders.**
- Banks should prepare an Action Plan aimed at making their adopted villages totally moneylender loan-free within a period of three years. The main offices and controlling offices of the concerned area should regularly monitor the progress of implementation. **The Moneylender Loan Swap Scheme which was introduced by NABARD some time back should be revived to facilitate this process.**
- Since this project can create a large number of Saving Groups of Women fostering confidence and dialogue among the villagers through the monthly *Gram Sabha*, it will be possible to counsel the distressed families and thereby avoid or atleast contain the farmer suicides'.

4. Electric Supply

A provision of Rs.1,050 crore for electricity generation has been made in the 2008-09 Budget of the State of Maharashtra. Besides, a separate provision of Rs.250 crore has been made for Village Feeder Separation Scheme. Steps need to be taken to increase the supply of electricity to the

agricultural sector, especially, in Vidarbha and Marathwada. A provision of Rs.372.42 crore has been made in the Maharashtra State Budget (2008-09) for reducing the backlog of connection for Pumpsets. The Government should ensure that this whole amount is utilized so as to reduce the backlog in the regions of Vidarbha and Marathwada, possibly through a special campaign. Additional financial support, if necessary, may be sought from Rural Infrastructure Development Fund (RIDF) and NABARD.

5. Reasonable Prices for Agricultural Produce

The Central Government announces the Minimum Support Prices (MSPs). However, the MSPs announced by the Central Government are only upto a maximum 70 per cent of the production costs suggested by the State Government (sugarcane being the only exception). Table 11 presents data regarding the production costs in Maharashtra and the corresponding MSPs of some main crops for the year 2005-06.

Table No.11 : Production Cost and MSP [2005-06]

[Rs.]

Sr.No.	Crop	Production cost/Quintal	MSP	Percentage
1.	Jowar	851	525	62
2.	Tur Dal	2,031	1,400	69
3.	Cotton	2,585	1,760	68
4.	Soyabean	1,473	1,010	69
5.	Wheat	1,204	640	53

Ref: Farmers' Suicides in Maharashtra An Overview (Government of Maharashtra)

Since the MSPs were consistently lower than corresponding production costs for most crops in Maharashtra, farming in large part of the State became financially unviable. In this regard, it may be noted that some of the costs incurred by the farmers are not fully covered in the production costs. For example, the interest on crop-loan is considered only for the cropping-period. In practice, the farmer is unable to repay the loan till the crop is harvested and sold in the market. However, the interest for this extra period is not included in the production costs. Similarly, the costs borne by the farmer i.e. his labour, own bullock-cart, bullocks etc. are not adequately covered in the production cost while determining the MSPs.

The Committee has recommended the following on this sensitive subject :

- The State-level *Krishi Vikas Parishad* should form a Sub-Committee to study production costs of the main crops and suggest more reasonable methods to the Central Government for computation of MSPs.
- The State Government should implement moisture retention projects so as to increase the productivity and thus help bridge the gap between the production costs and MSPs.

6. Creation of Agent-free Marketing System

In the prevailing agricultural marketing system, the farmers are often exploited to a very large extent by the middlemen and agents. The gap between farmers and final consumers needs to be reduced by creating an

‘agent free agricultural marketing system’. Ideally, the number of middlemen i.e. agents should be fully eradicated. While this may take some time, immediate steps be taken atleast to reduce their numbers. Additionally, the farmers should be informed about prices of agriculture produce in different markets at their respective villages. This is certainly possible because of the revolution in the Information Technology sector. The State level *Krishi Vikas Parishad* and the District level *Samitis* should formulate a plan to set up *Krishi Kiosk* one each for every ten villages on the lines of e-chaupal. This would not only create employment opportunities for the educated unemployed, but would also reduce the exploitation of farmers by agents.

7. Infrastructural Facilities

Funding from the Rural Infrastructure Development Fund (RIDF) is not being fully utilized for the creation of basic facilities in the rural areas. The Government of Maharashtra should actively encourage the use of the RIDF for creation of basic infrastructural facilities in the rural areas through *Gram Panchayats*, NGOs and co-operative societies. For this purpose, the Committee has made the following recommendations:

1 Setting up of rural warehouses and cold storage facilities.

- On the principle of ‘one village, one warehouse’, one warehouse for every village having population of 1000 or more should be set up.

- Cold storages and marketyards along with the warehouses for foodgrain should be created in every district and in critically placed large villages.
- Such warehouses should be formed by *Gram-Panchayats* and assistance from the State Warehousing Corporation should be actively sought.

2. Establishing Supplementary Agro-Businesses

It is desirable to focus on milk production as a supplementary business in Vidarbha, Marathwada and Konkan. For this purpose, it is necessary to set up basic facilities for cold storage and processing of the additional milk production. In this regard, the Government of Maharashtra should set up a network of cold-storage chain with the help of *Panchayat Raj* institutions or co-operative societies.

3. Improvement in Procedure of Land Records

Presently the system of 7/12 records is very complicated. Although land holdings are divided among a large number of the family members, the Revenue Department records all these names in a single 7/12 account. This system has led to a number of difficulties while dealing with banks and other departments. Besides it is very tedious and costly to obtain the copies of the 7/12 records. This calls for radical improvement in the procedure of land records. If these reforms are implemented successfully, thousands of pending litigations can be settled. Incidentally, the land records have been computerized at many places. However, the names of all family members appearing on the records have to be separately indicated so that each farmer can obtain the 7/12 records on his individual name. This will facilitate the

farmer's dealing with banks and other departments avoiding much inconvenience. Moreover, the farmers should be able to get the 7/12 record and other related documents from any center in the region. For this purpose the above mentioned *Krishi Kiosk* could be very useful.

VII. Krishak Sanjeevani Abhiyan (KSA)

The Action Plan for Balanced Agricultural Development of Maharashtra outlined in the previous chapter would need to be supplemented by a series of social security measures so as to improve the standard of living of the distressed farmers, especially those from the suicide-prone districts of Vidarbha. For this purpose, the Committee has recommended a separate Scheme styled, the 'Krishak Sanjeevani Abhiyan'.

In June, 2006, the *Vasantrao Naik Sheti Swavlamban Mission* (VNSSM), *Amravati* undertook a major survey wherein 17, 64,438 persons (of which more than 70 per cent were drought affected farmers) in the 8,351 villages of Vidarbha were approached. According to the Survey, 4,34,291 farmers' families were in extremely distressed state (for details:Annexure E). The Committee has recommended that these 4,34,291 families which are in acute financial distress should be given special attention and the State should provide them with social security. The Committee has also recommended that in due course a similar survey be undertaken in the remaining five districts of Vidarbha and the State should plan on providing social security measures for them as well. At a later stage, a similar survey of the other districts of Maharashtra be undertaken and the Abhiyan be extended to the other regions of Maharashtra.

The Committee has recommended the following proposals for the 'Krishak Sanjeevani Abhiyan':

1. **Appropriate Technology, Distribution and Marketing**

In the suicide-prone districts of Vidarbha, cotton is the main crop. About 66 per cent of the total cotton production of Maharashtra comes from Vidarbha. Considering the specific geographical nature of Vidarbha farmers the State *Krishi Vikas Parishad* should bring together, scientists from agricultural Universities, experts on extension services and other stake holders for formulating an appropriate strategy for strengthening the cotton economy.

The Committee has recommended that Vidarbha Cotton Mission should be announced so as to strengthen the cotton economy of Vidarbha. At National level, ‘Technology Mission of Cotton’ (TMC) has already been established in February 2000. A similar special mission (on the lines of the National Mission) should be established for Vidarbha. The Committee is of the opinion that cotton textile mills should be established on a large scale in Vidarbha on a co-operative basis. It is necessary to make special efforts to coordinate the establishment of such mills with the SHGs consisting of farmers cultivating cotton. Large textile firms can coordinate with these SHGs and possibly consider introducing *contract farming* as an alternative to (or in competition with) co-operative cotton mills.

Regarding marketing of the agricultural produce, farmers’ marketing co-operatives can also be established through a ‘One Village–One Warehouse’ Plan. Warehouse receipts can be used for supply of credit to farmers (over time, commodity exchanges can also be established). Since of late, the Vidarbha region enjoys increased milk-production, this can be developed as a supplementary business. It may be possible to introduce a major ‘Public-

Private Partnership' milk production project with the co-operation and support of the Gujarat-based 'National Dairy Development Board'.

2. Extended Employment Guarantee Scheme

Although, it is the State of Maharashtra which has introduced the Employment Guarantee Scheme presently implemented all over India under the National Rural Employment Guarantee Act (NREGA), regrettably Maharashtra is lagging way behind in reaping the benefits from the National Scheme. Effective and extended implementation of this Scheme, could greatly benefit the distressed farmers in Maharashtra.

According to the prevailing Employment Guarantee Scheme, 50 per cent grants are made available to farmers from the Scheduled Caste and Scheduled Tribes for construction of farm-lakes. There has however, been very little response to this Scheme from the farmers. Further, since such grants are not provided to other farmers, they do not have any incentive in constructing such farm-lakes. Considering the already dire and desperate state of the farmers in Vidarbha, it is not reasonable to expect them to construct such farm-lakes and farm-bunds. **The Committee is of the opinion that the Government should take initiative in projects of soil conservation, construction of farm-bunds and farm-lakes for the benefit of farmers using the Employment Guarantee Scheme.** Further, the Employment Guarantee Scheme could also be used for the construction of wells for rainwater retention. **This Scheme could also be used for soil conservation, watershed development, rainwater harvesting, etc. so that the quality of the soil is preserved.** The Committee is of the opinion that if and when there is need for additional labours, the Government could

consider providing large scale labourers through the Employment Guarantee Scheme. Such a programme should be implemented through the *Gram Panchayats*, so that any decision in this regard can be taken at the local level.

3. Supply of Good Quality Seeds

The Committee is of the opinion that the **Government should supply good quality seeds to distressed farmers**. In this regard the Committee has recommended, as follows :

- All private seed companies should compulsorily get their seeds graded by the Government.
- The Government should fix the prices of the seeds supplied by the private companies.
- The farmers should be encouraged to develop their own seeds. Further the Graded Seeds Scheme should be expanded to cover land ownership upto 2 hectares (Presently it is applicable to farmers owning one hectare or less). Since most of the farmers in Vidarbha hold more than one hectare land, the scope of this Scheme should be expanded to cover farmland ownership atleast upto 2 hectares.
- Immediate action should be taken against companies selling defective or spurious seeds. The Seed Control Order, 1983 should be strictly enforced and if necessary, selling of spurious seeds should be made cognizable offence.

4. Improved Crop Insurance Scheme

The prevailing Crop Insurance Scheme for farmers is deemed to be rather unsatisfactory. **The Committee has recommended that Weather-based Crop Insurance Scheme should be introduced on a trial-basis for**

the farmers in Vidarbha. The State of Rajasthan, Uttar Pradesh, Hariyana, Punjab, Bihar, Madhya Pradesh and Chattisgarh have already given permission, in principle, to the Agricultural Insurance Company to implement the Weather-based Crop Insurance Scheme. The Government of Maharashtra should also consider signing a contract with the Agricultural Insurance Company to introduce the Weather-based Crop Insurance Scheme in the 11 districts of Vidarbha. If this Scheme is not acceptable, an alternative scheme should be formulated possibly with the help of National Insurance Academy (NIA).

5. Coupon-based Grants for Fertilizers and Pesticides

The Committee has recommended that :

- **The Government should distribute coupons for the purchase of fertilizers and pesticides to farmers who are in extremely distressed conditions.**
- The coupon amount should be based on the land holding of the farmers and also on their cropping pattern. The farmer should be able to buy fertilizers and pesticides from any supplier, as and when required. The supplier should be able to encash these coupons from the appropriate Government agency.

6. Medication for Crop-Diseases

At times, a particular type of crop-disease spreads over a large region. Under such circumstances even if some farmers use medication to contain the disease, others may not be able to afford the same. Under such

circumstances, as a preventive measure, **the Government should arrange to spray medicines in the affected region so as cleanse the entire area.**

7. Supply of Food Grains

Supply of 25 kg of foodgrains per month on exceptionally concessional terms should be made to farmer's families in acute financial distress. For this purpose, the scope of the *Antyodaya* and *Annapurna* Schemes of the Central Government should be expanded to cover the distressed farmers in Vidarbha. This Scheme should be operational at least upto September 2009.

8. Supply of Animal Fodder

- The distressed farmers' families are not in a position to provide sufficient fodder to their animals. Such **farmers should be provided with grantable animal fodder upto September 2009.**
- Coupons with 6 months validity (based on the number of animals and covering 5 kg of supply of animal fodder per animal) should be provided to every farmer family. One coupon should be worth say, one kg of animal fodder. The Government should supply it to the farmers in the form of a Government stamp and the farmer should be able to get the fodder as and when required.

9. Low Cost Health Care Facilities

According to the VNSSM Survey, about 92,291 families of farmer's are affected by some serious illness; however, they are not in a position to bear the cost of treatment. This has resulted in a number of suicides.

Accordingly, it is necessary to provide timely and sufficient health care facilities to farmers. The Committee has recommended that such families can be provided with the following health care :

- A complete health check up of the concerned person should be done in the Government hospitals. A specific coupon or identity card should be provided to the person for his health-care, within which there should be a provision for the patient to get cash-less treatment in any Government hospital or in case of an emergency, in any private hospital.
- **‘Group Mediclaim Insurance’ of the farmers’ family may be an appropriate way for the implementation of this Scheme.**

10. Cent Percent Insurance Inclusion.

A life insurance cover should be made available to distressed farmers and their families. **A Cent Percent Insurance Inclusion Scheme should be implemented with the co-operation from banks and Life Insurance Corporation (LIC).**

This Scheme can be implemented as follows:

- Joint Insurance of at least 2 members (preferably husband-wife) of every family should be provided and the insurance amount should be at least Rs. One Lakh.
- The Government should provide total grant for the payment of insurance premium of families in financial distress, whereas in the case of other farmers’ families, the Government should grant 50 per cent premium amount.

11. Grants for Marriage

The Committee has recommended that :

- The Government should provide a grant of Rs. 10,000 to all families having children of marriageable age. Government machinery should be used to create awareness amongst farmers' families about hosting marriages with minimum possible cost.
- Such grants should be provided through organizations conducting community-marriages. Presently, such grants are given only for the marriages of daughters of farmers; these should now be extended to marriages of sons as well.

12. Grants for Education

The Committee feels that the **Government should pay for the entire cost of education of children from financially distressed farming families in Vidarbha.** Under this scheme the Government should consider the following:

- Repay the entrance fee, tuition and other fees of the colleges/schools to the concerned student on the basis of receipts.
- Pay a grantable amount of at least Rs. 500/- per year, in the beginning of the year, for purchase of books and other incidental expenses. The distribution of this amount should be through the concerned educational institution. This grant should be in addition to any other scholarship received by the student.

13. Farmers' Awareness

As pointed out in the TISS Report, the collapsed government extension services is, to a large extent, responsible for the large-scale suicides of the farmers. **The Government should immediately enliven the extension mechanism and delegate responsibilities for the working of the same.** The Committee has recommended the following in this regard:

- All the colleges affiliated to Dr. Punjabrao Deshmukh Agricultural University and the Veterinary University in Vidarbha should adopt at least one village and conduct programmes for creating awareness regarding the business of agriculture and allied activities.
- '*Samarth Bharat Abhiyan*' initiated effectively by the University of Pune should be initiated and implemented by the Universities at Nagpur and Amravati in the Vidarbha region.
- Continuous efforts should be undertaken to create awareness amongst the farmers about farm-development, co-operative-life, savings groups, banking services, insurance schemes and also developments in the field of agriculture. This can be done through the extension mechanism of the Government as also with active support of colleges and local self-help experts.

ANNEXURE-A

List of Individuals / Institutions with whom the Committee interacted:

Sr.No.	Name / Institution	Address	Tel.No
1	Hon'ble Dr. Manmohan Singh, Prime Minister	New Delhi	----
2	Hon'ble Shri. Vilasrao Deshmukh, Chief Minister	Mantralaya, Mumbai	----
3	Hon'ble Shri. R. R. Patil, Dy. Chief Minister	Mantralaya, Mumbai	----
4	Hon'ble Shri. Balasaheb Thorat, Minister for Agriculture	Mumbai	----
5	Shri. Govindrao Adik and officials of Farmers Association of Maharashtra	Aurangabad	----
6.	Shri. Uddhav Thakare, Shivsena Leader	Mumbai	----
7.	Shri. Nitin Gadkari, BJP Authorities and Workers	Mumbai	----
8.	Shri. Aundhekar Anil Shridharrao	Regional Manager, Marathwada Rural Bank, Hingoli	02456-223674
9.	Prof. Badole Prabhakar M.		9423064164
10.	Shri. Bangade Kishore	Metikheda, Dist. Yeotmal	----
11.	Shri. Bhaskarwar S. K.	Shinde Plot, Yeotmal	----
12.	Shri. Bhurkapalle Bhagwan Rama	Tal. Chakur, Dist. Latur	----
13.	Shri. Bhurkapalle Rajiv H.	Tal. Chakur, Dist. Latur	----
14.	Shri. Bhurkapalle Suresh Namdeo	Tal. Chakur, Dist. Latur	----
15.	Shri. Bhutada Ashok	District Secretary, <i>Shetkari Kamkari Paksh</i> & Director, <i>Shetkari, Shetmajoor Conflict Committee</i>	----
16.	Shri. Chavan Satish	Director, <i>Nagpur Zilla Harijan Sevak Sangh</i> , Nagpur	----
17.	Dr. Deshpande V. S.	Economics Department, RTM University, Nagpur	9822737725
18.	Shri. Deshpande Prakash A.	Regional Manager, Marathwada Rural Bank, Latur	----
19.	Dr. Dhope A. W.	Zilla Parishad, Yeotmal	----
20.	Mrs. Dhurandhare Vijaya Ashok	Coordinator, Sathewadi, Dist. Beed	----
21.	Shri. Dhome Kisan Rangnath	Sathewadi, Beed	----
22.	Shri. Gaikwad B. M.	Regional Manager, Marathwada Rural Bank Regional Office, Beed	02442-228938 9422241396

23.	Shri. Gethe B. B.	Branch Manager, Marathwada Rural Bank Regional Office, Beed	----
24.	Prof. Ghorpade Rajendra		9764090011
25.	Shri. Ghatge Shrikant	Kolhapur	9422043585
26.	Shri. Hande D. R.		9850975883
27.	Shri. Hirekhan Anil		9423681005
28.	Prof. Ingale Pravin	<i>Mahila Vikas Sanstha,</i> Yeotmal	----
29.	Shri. Jaiswal Sanjay	Principal, Shivaji Vidyalaya, Mohda, Yeotmal	----
30.	Shri. Kuril Ashok	District Agriculture Officer	----
31.	Shri. Shriram Kalaspurkar	Secretary, Vidarbha Organic Farms Association, Shivajinagar, Yeotmal	----
32.	Shri. Kshirsagar Raju Sadashiv	Sathewadi, Beed	----
33.	Dr. Anjali P. Kulkarni	Economics Departments, RTM University, Nagpur	9422115902
34.	Shri. Kanitkar M. D.		9922067032
35.	Dr. Lanjewar Ashok	Dy.Chairman, Citizens Forum, M-5, Premium Plaza, Dharampeth, Nagpur	9823275415
36.	Prof. Lanjewar Babanrao A.		9370259322
37.	Mrs. Lokhande Nanda Bhausahab	Renuka Mahila Bachat Sangha, Sathewadi, Beed	----
38.	Prof. Dr. Mohore R. Y.	Head, Economics Department, RTM University, Nagpur	9822706191
39.	Shri. Nitin Mate	Youth	09822468706
40.	Shri. Mohite Prashant	Asst. Registrar, RTM University, Nagpur	9422150765
41.	Shri. Meshram Pooran	Dy. Registrar, RTM University, Nagpur	9822233174
42.	Dr. R. B. Mankar	Director, LTI Nagpur	9422095110
43.	Shri. Mhaske Rahul	Agro Processors, Pune	9373558393
44.	Shri. Menge Balaji Vitthal	Tal. Chakur, Dist. Latur	----
45.	Shri. Mare Vinayak	Tal. Chakur, Dist. Latur	----
46.	Shri. Nandkhile Shivaji	Dist. Chairman, Pune	9923834883
47.	Prof. Narnavare Milind U.		9323149348
48.	Shri. Narnavare Ulhas	Agriculturist	9823999754
49.	Shri. Narwade Balaji Shankarrao	Andhoree, Tal. Ahmedpur, Dist. Latur	----
50.	Shri. Pande Pramod	Director, Citizen Forum, Nagpur	9822937191
51.	Shri. Pande Shankarrao	Bharatiya Kisan Sangha, Vidarbha Region.	9325289051
52.	Shri. Patil Raghunath	Sangli	9422406188

53.	Dr. Parlawar N. D.	Asstt. Director (Research) Regional Agr. Research Center, Yeotmal	----
54.	Shri. Suresh Randive	Office Superintendent, Nagpur Dist. Harijan Sevak Sangh, Nagpur	9970813233
55.	Shri. Sanjay Rathod, MLA	Darva, Yeotmal	----
56.	Shri. Rathod Tarachand Suryabhan	At & Post Pandhri	----
57.	Shri. Raut Gangadhar Raghunath	At & Post Madakmihi	----
58.	Shri. Savalkar Laxmanrao	Secretary, Citizen Forum, Nagpur	9823394904
59.	Shri. Sukhdeve H. N.	Asstt. Manager, Bank of Maharashtra, Nagpur	9422811511
60.	Dr. Sonkusale Dilip	Asstt. Commissioner, Animal Husbandry, Yeotmal	----
61.	Shri. Sastikar Shrikant R.	Member, Vidarbha Organic Farms. Association, Yeotmal	----
62.	Prof. Tambe Prashant B.	----	----
63.	Shri. Tundalkar Vikas	Nagpur	----
64.	Shri. Wani, MLA	Yeotmal	----
65.	Shri. Panditrao M. Pawar	H.A. Colony, Pimpri	----
66.	Shri. Rangnath Taskar	Pune	----
67.	Shri. Dilip Pawar	Lakhmapur (Baglan) Nashik	----
68.	Shri. Mahendra K. Shinde	Wardha	----
69.	Shri. Bhushan Rambhau Auti	Pune	9922420465
70.	Shri. Babanrao Kite	Coordinator, Shetkari Ekta Manch (MS) Wardha	94233120484
71.	Shri. Shashikant Ghode	Yeotmal	----
72.	Shri. B. N. Admane	Yeotmal	----
73.	Shri. Sandipan Arde	Yeotmal	----
74.	Shri. Sadhu Thorat	Yeotmal	----
75.	Shri. Dhananjay Bhise	Yeotmal	----
76.	Shri. Sachin Bagade	Yeotmal	----
77.	Shri. Thorat	Yeotmal	----

Sr.No.	Government Officials	Designation	----
1.	Shri. Johnny Joseph	Chief Secretary, Maharashtra State	----
2.	Shri. Umeshchandra Sarangi	Director, NABARD	----
3.	Shri. Ramesh Kumar	Principal Secretary, Assistance & Rehabilitation, Maharashtra State, Mumbai	----
4.	Shri. Nanasaheb Patil	Principal Secretary, Agriculture & Horticulture Dept., Maharashtra State, Mumbai	----
5.	Dr. S. K. Goel	Principal Secretary, Maharashtra State, Mumbai	----
6.	Shri. Sunil Porwal	Secretary, Water Conservation Department	----
7.	Shri. Bhaskarrao Munde	Regional Commissioner, Amravati	----
8.	Shri. B. V. B. Gopal Reddy	Director, Vasant Rao Naik Sheti Swawlamban Mission	----
9.	Dr. Shri. Purshottam Bhapkar	Collector, Amravati	----
10.	Dr. Shri. Shrikar Pardeshi	Collector, Akola	----
11.	Shri. Sanjay Deshmukh	Collector, Yeotmal	----
12.	Shri. Vasant Poreddiwar	Collector, Buldhana	----
13.	Shri. P. D. Karvande	Collector, Washim	----
14.	Shri. N. K. Lonkar	Resident Asstt. Collector, Wardha	----
15.	Shri. Ravindra Thakare	Resident Asstt. Collector, Amravati	----
16.	Shri. Apturkar	Regional Registrar of Cooperatives, Amravati	----
17.	Shri. K. S. Mule	District Superintending Agricultural Officer, Amravati	----
18.	Dr. Soham Pandya	Representative of Self- Supporting Organization at Wardha	----
19.	Dr. Nandkishore Tote	Representative of Farmers, Wardha	----
20.	Shri. Vishwas Chavan	Representative of Farmers, Yeotmal	----
21.	Dr. Pramod Chaure	Representative of Self- Supporting Organization Akola	----
22.	Shri. Shivajirao Deshmukh	Representative of Farmers, Akola	----
23.	Prof. Keshavrao Thakare	Representative of self supporting organization, Amravati	----
24.	Shri. Narayan Shravan Shendre	Representative of Farmers, Amravati	----
25.	Shri. Vasant Rao Pohekar	Chairman, Organic Farming. Research & Development Institute, Ner, Dist. Yeotmal	----
26.	Shri. Gulabrao Marode	Representative of Farmers, Buldhana	----

ANNEXURE-B

List of Institutions and Individuals who have submitted their representations to the Committee

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
June, 2008				
1	1/6/2008	----	Shri. Balakrishna D. Damle, Sahajeevan Chawl, Khandelwal Colony, Beturkarpada, Kalyan (W) Dist. Thane	--
May, 2008				
1	8/5/2008	23/4/2008	Akhil Bharatiya Sarvodaya Zillha Vichar Manch, Ahmednagar	--
2	13/5/2008	29/4/2008	Shri. V. G. Parulekar, Section Officer, Revenue & Forest Department, 14 th floor, New Admn. Bldg. Mantralaya, Mumbai	--
April, 2008				
1	23/4/2008	18/4/2008	Shri. Neelkanth Suryavanshi, At. Terdi, Post. Toli, Tal. Parola, Dist. Jalgaon	--
2	22/4/2008	21/4/2008	Shri. Janardan P. Patil, At. Wadiyeraibaug, Tal. Kedgaon, Dist. Jalgaon.	9921883208
3	11/4/2008	7/4/2008	Dr. Shyam Jadhav, Ranu Gas Service, 10, Plot No. 620, Shrikrishna Apartments, B- Kebin Road, Ambarnath (East), Pin 421 501	9226711168 9324206040
4	11/4/2008	11/4/2008	Shri. Ramchandra V. Katole, "Ambika", 101 Sargam Society, No. 2, Dudhane Nagar, Opp. Waje JakatNaka, Karve Nagar, Pune 411 052	9822256716
5	8/4/2008	1/4/2008	Shri. V. D. Kale, Insect- Science Dept, Mahatma Phule Krishi Vidyapeeth, Rahuri 413 722	--

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
6	8/4/2008	3/4/2008	Shri. Yashwant Dagdu Patil, At & Post Shikrapur, Tal. Shirur, Dist. Pune	--
7	7/4/2008	31/3/2008	Sou. Janabai Manohar Mhaske, At & Post Jategaon, Tal. Gevrai, Dist. Beed	--
March, 2008				
1	31/3/2008	--	Shri. Prakash Tekade, Charghad Irrigation and Water Utilization Co-op. Society Ltd. Naya Vathoda, Tal. Morshi, Dist. Amravati	--
2	29/3/2008	21/3/2008	Shri. Bhimrao Balu Chavan and others, Indapur, Dist. Pune	--
3	26/3/2008	22/3/2008	Shri. Bhaskarrao Mhaske, "Seema", 9/3/1, Erandavane, Pune	020-25455656 / 25440983
4	23/3/2008	23/3/2008	Adv. Avinash Tatyaso Kale, Yuva-Bharat, Dr. Ambedkar Chowk, Akluj, Tal. Malshiras, Dist. Solapur	9226669129
5	23/3/2008	23/3/2008	Shri. Vijay L. Nevse, At & Post Malinagar (Hanuman Nagar) Tal. Malshiras, Dist. Solapur	9923411993 / 9923106855
6	17/3/2008	15/3/2008	Principal D. A. Patil, Dr. D. Y. Patil Jr. College, Kolhapur	0231-2663482
7	13/3/2008	8/3/2008	Dr. Subhashchandra Korpe, Chairman, Akola District, ADCC, Bank, Akola	9823042420
8	10/3/2008	28/2/2008	Shri. Vasant D. Tiwari, Yogeshwar, Madhuban Apartments, 100 Ft. Road, Sangli	--
9	5/3/2008	28/2/2008	Shri. Manish Jaiswal, Shri. Gurudev Seva Mandal Prachar Karyalaya, C-23, S. B. Colony (West), Aurangabad.	9822679217

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
10	3/3/2008	28/2/2008	Shri. Kailash Dongre, Secretary, Bahujan Hitaya Navyuvak Shikshan Sanstha, Hiratola, Shivaji Ward, No.1, Amgaon, Dist. Gondia.	09421709506
February, 2008				
1	26/2/2008	2/2/2008	Shri. Prakash Tekade, Ex- Speaker, Education & Construction Department, Z. P. Amravati	07228-227273 / 9422916650
2	26/2/2008	--	Principal Dr. R. J. Barnabas, Ahmednagar College, Ahmednagar	0241-2322415
3	23/2/2008	18/2/2008	Shri. Sharad Sukhdev Vaman, Post Kalwadi, Tal. Junnar, Dist. Pune	9860395928
4	22/2/2008	22/2/2008	Shri. Kalidas P. Deshmukh, Juna Bazar, Hattikhana, Beed 431 122	9423715943
5	20/2/2008	20/2/2008	Shri. Bankatlal Ahmedabadkar and others, At Post Ladegaon, Tal. Karanja, Dist. Washim	--
6	20/2/2008	14/2/2008	Shri. Sham Gattani, Secretary, Akhil Maharashtra Sitaphal Utpadak Prashikshan & Sanshodhan Sangh Samarpan, Post. Janephal, Tal. Mehekar, Dist. Buldhana.	07268-262503 / 9423144603
7	20/2/2008	1/2/2008	Shri. Jayant G. Pathade, Bungalow No. 12, Muktangan, State Bank Colony, Opp. Model English School, Pandurangwadi, Dombivali (East) 421201	09226797402
8	21/2/2008	4/2/2008	Shri. Prakash N. Jadhav, At Post Baggi, Tal. Chandur Railway, Dist. Amravati	9850209213
9	15/2/2008	15/2/2008	Shri. E. Z. Khobragade, I.A.S. Additional Collector, Pune Corporation, Pune	--

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
January, 2008				
1	30/1/2008	21/1/2008	Shri. Sunil Vijaymurty Shete, Market Yard, Pune 411 037	020-25455862 / 9371099438
2	28/1/2008	28/1/2008	Shri. Subhash Desai, MLA, Goregaon, Mumbai	022-24371199
3	28/1/2008	28/1/2008	Shri. Shravan Keshavrao Chavan, Savli, Vikas Nagar, Kalvad Vasti, Lohogaon, Pune	020-26681928 / 25884910
4	25/1/2008	16/1/2008	Shri. Dnyandeo Ramchandra Ghadge, Post Talani, Tal. Ausa, Dist. Latur	--
5	22/1/2008	22/1/2008	Shri. Ganesh A. Jadhav and other students, Rajarshi Shahu College of Engineering, Tathawade, Pune	--
6	21/1/2008	17/1/2008	Shri. Pralhad Kanchan, 19 Mohite Nagar, Holgi Road, Solapur 413 003	--
7	21/1/2008	16/1/2008	Shri. Sakharam Bhaurao Ghule, New Akola Road, Tal. Sangamner, Dist. Ahmednagar	9226855109
8	21/1/2008	10/1/2008	Shri. Namdev B. Jadhav, Dhobighat, Near Govt. Hospital, Kopri Colony, Thane	9324399274
9	18/1/2008	16/1/2008	Shri. Anant R. Deshpande, At & Post Ankoli, Tal. Mohol, Dist. Solapur	--
10	17/1/2008	2/12/2008	Dr. Bhimaji Dahatonde, Plot No. 13, Pratiksha, Sai Colony, Phulari Marg, Savedi Road, Ahmednagar	0241-2430225
11	12/1/2008	9/1/2008	Shri. Shivaji Sukhdev Saundale, At & Post Masale Chaudhari, Tal.. Mohol, Dist. Solapur	--
12	11/1/2008	10/1/2008	Shri. Mohan Dharia, Chairman, Vanarai, Pune	24440351

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
13	11/1/2008	8/1/2008	Dr. Bhimaji Dahatonde, Plot No. 13, Pratiksha, Sai Colony, Phulari Marg, Savedi Road, Ahmednagar	0241-2430225
14	11/1/2008	7/1/2008	Shri. Pradip N. Gawande, Shriram Hsg. Society, Sambhaji Nagar, Amravati	9226592406
15	10/1/2008	7/1/2008	Shri. Vitthal S. Lele, 7, Jai Shriram Prasanna Bldg. Patankar Road, Kurla (East), Mumbai	022-26509842
16	10/1/2008	5/1/2008	Shri. Prabhakar M. Bakale, Bakale Kindergarden, Near Shivaji Putala, Parbhani	02452-223975/ 9823040175
17	7/1/2008	3/1/2008	Shri. Shankarlal Guru, Matru-Chhaya, Near Narangpura Railway Crossing, Osmanpura, Ahmedabad	079-27550939
18	7/1/2008	5/1/2008	Shri. Shivarirao Parulekar, General Secretary, Janata Dal, 583-E, Vyapari Peth, Shahupuri, Kolhapur	0231 - 2325693
19	7/1/2008	4/1/2008	Smt. Chhaya Datar, Tata Social Sciences Inst. P.B.No. 8313, Deonar, Mumbai	022 - 5563290-96
20	7/1/2008	3/1/2008	Shri. B. R. Kothari, Ex-Dairy Development Officer, Nashik	9422748204
21	4/1/2008	--	Shri. Sitaram Suryabhan Kale, At & Post Shendurjana Adhava, Tal. Manora, Dist. Washim	--
22	4/1/2008	30/12/2007	Shri. Laxmikant Janardan Chobitkar, At & Post Chandas-Vathar, Tal. Varud, Dist. Amravati	--
23	4/1/2008	3/1/2008	Shri. Mukund Dharashivkar, Consulting Engineer, 'Ramai', Nagarpatti, Dhule	02562 - 236987 / 235987
24	2/1/2008	28/12/2007	Shri. Baliram Gyanoba Kamble, At. Dongraj, Post Shelgaon, Tal. Chakur, Dist. Latur	--

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
25	2/1/2008	22/11/2007	Shri. Paru Baban Toche, At. Bharvir Khurd, Tal. Igatpuri, Dist. Nashik.	--
26	--	21/1/2008	Prof. Ashok Sonavane, 4, Deepti, B Apartments, Hanumanwadi, Makhmalabad Road, Nashik 3	0253-2620914
27	--	17/1/2008	Shri. Nitin Gadkari, Chairman, BJP, C.D.O. Barrack No. 1, Nariman Point, Mumbai 20	022-22022050
28	--	16/1/2008	Shri. T. T. Deshmukh, At. Wardha, Dist. Wardha	--
29	--	12/1/2008	Shri. Vinayak Parkhi, 11/71, Ruster Colony, Chinchwad, Pune 33	9922888685
30	--	3/1/2008	Shri. Kishor Kulkarni, Plot No. 44, Vaishnavi Park, Nimkhedi Shiwar, Jalgaon	9422776759
31	--		Dr. D. M. More	--
32	--		Shri. Dinkar Narayan Warade, Yawal	--
33	--	10/2/2008	Advocate Raosaheb Shinde, Shrirampur	--
December, 2007				
1	31/12/2007	28/12/2007	Shri. Vasant Ganesh Apte, Shetkari Sanghatana, 1268 Uttar Kasba, Deshpande Galli, Solapur	0217- 2725234/ 2620413
2	26/12/2007	18/12/2007	Shri. Shivaji Oulkar, C/o Shivaji Photos, Harbhat Road, Sangli	--
3	24/12/2007	19/12/2007	Shri. Baba Bhosale, 77, Shankar Nagar, Nagpur 10	--
4	24/12/2007	17/12/2007	Shri. Jyotirao Dole, Hind Nagar, Wardha	9370661584
5	24/12/2007	--	Shri. Sandip Balu Shinde, At Padali, Post. Dhangaon, Tal. Sinnar, Dist. Nashik	--
6	24/12/2007	29/11/2007	Mrs. Vanmala Yashwantrao Bavankar, Post Shukrawar Ward, Pavani, Tal. Pavani, Dist. Bhandara	--

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
7	20/12/2007	16/12/2007	Shri. Mohan Naniwadekar, Kritika Hsg. Society, 4-B/F-1, 3, Tejas Nagar, Kothrud, Pune	25388337
8	19/12/2007	14/12/2007	Shri. Shivaji Lok Vidyapeeth, 5, Shri-Ram Darshan Co-op. Society, Pune Link Road, Katemanivali, Kalyan (East) Dist. Thane	9869626055
9	18/12/2007	13/12/2007	Shri. R. M. Khale, H-4/497, Surya Society, Housing Board Colony, Parvati, Pune 9	24232113
10	18/12/2007	17/12/2007	Shri. Pranay Parate, "Pranjal", 262/D, Opp. Mehadiya Hardware, Laxmi Nagar, Nagpur	0712-2234875 / 9823190174
11	17/12/2007	13/12/2007	Shri. Sudhakar Raut, C/o R. P. Sambhare, Plot No. 25, Near Maharashtra Motors, Darda Nagar, Yeotmal	07232-249324
12	15/12/2007	14/12/2007	Shri. Vidyadhar Danwade, Rajgriha Bungalow, Near Mali Theatre, Sangli	9423829548
13	15/12/2007	11/12/2007	Shri. Deepak Vasantryo Nagesh, Journalist, Tuljapur, Dist. Osmanabad	02471-243086
14	14/12/2007	25/11/2007	Shri. Manohar Rambhau Deshmukh, At & Post Deora, Dist. Amravati	2700525
15	14/12/2007	6/12/2007	Prof. Pundalik Dhumale, Malipura, Pusad, Dist. Yeotmal	07233-247359
16	13/12/2007	11/12/2007	Shri. Mahadev Anandrao Pawar, At & Post Amnapur, Tal. Palus, Dist. Sangli	--
17	13/12/2007	10/12/2007	Shri. D. A. Warde, Retd. Asstt. Commissioner, 21, Milind-Ashram, Tagore Nagar, Zillapeth, Jalgaon	--
18	13/12/2007	9/12/2007	Shri. Vijaykant Kudale, Chairman, The Saswad Mali Sugar Factory Ltd. Malinagar, Dist. Solapur	02185-251177 / 9822501606

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
19	10/12/2007	--	Shri. P. R. Janbandhu, Executive Engineer, Maharashtra Rajya Road Development Corp. Amravati	--
20	10/12/2007	6/12/2007	Shri. Sharad Joshi, Vishwakarma Institute of Management, Kondhwa (Bk), Pune 411 048	9822876195
21	7/12/2007	28/11/2007	A Citizen - Pusad	--
22	7/12/2007	20/11/2007	Shri. Jaideo Laxman Savarkar, At & Post Shendurjanghat, Malangshawali Chowk, Tal. Warul, Dist. Amravati.	--
23	7/12/2007	5/12/2007	Shri. Vijay Vishnu Kolte, 565, Old Ramdaspath, Nagpur 440 010	9371446080
24	4/12/2007	26/11/2007	Shri. S. D. Jorande, Nehru Yuvak Vikas Parishad, Nagpur 440 025	0712-2224352
25	4/12/2007	26/11/2007	Dr. Ram Nene, 30/250, Unnat Nagar, 2, Goregaon, Mumbai 62	022-28732990
November, 2007				
1	30/11/2007	28/11/2007	Shri. Shashikant Sawant, 10/3, Sachin Hsg. Society, Mithagar Road, Mulund (East), Mumbai 81	022-25635736
2	29/11/2007	22/11/2007	Shri. S. D. Kale, Plot No. 114, Govt. Press Colony, Dabha Nagpur 23	--
3	29/11/2007	26/11/2007	Shri. Bhaiyyasaheb Uplenchar, At & Post Harsul, Tal. Digras, Dist. Yeotmal	--
4	29/11/2007	--	Villagers at Deulgaon, Rasal. Tal. Baramati, Dist. Pune	--
5	27/11/2007	23/11/2007	Shri. Atul D. Andhare, At & Post Shirla (Andhare), Tal. Patur, Dist. Akola	--
6	27/11/2007	23/11/2007	Shri. Parmeshwar Baburao Vankalas, 105, Shukrawar Peth, Badami Haud Chowk, Behere Wada, Pune 2	--

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
7	27/11/2007	19/11/2007	Shri. Balaji Sheshrao Pimpale, At & Post Akkalgaon, Tal. Manpat, Dist. Parbhani	9860810240
8	26/11/2007	20/11/2007	Shri. Shivaji Sukhdev Soundale, At & Post Masale Chaudhari, Tal. Mohol Dist. Solapur	--
9	26/11/2007	17/11/2007	Shri. Mehfuj Rehman M. Basheer, Bagwanpura, Washim 444 505	--
10	23/11/2007	19/11/2007	Shri. Prahlad Mahadev Girme, At & Post Tambwe, Tal. Malshiras, Dist. Solapur 413 108	--
11	23/11/2007	23/11/2007	Shri. Kachrual Kothari, At & Post Gondi, Tal. Ambad, Dist. Jalna 431 212	232011
12	21/11/2007	13/11/2007	Shri. Mohansingh Rarul, C/o Virendrasingh Pawar, Post Sambhapur, Post. Chitoda, Tal. Khamgaon, Dist. Buldhana	9823116244
13	21/11/2007	--	Shri. Gurnath Mhatukde, Adhya Maharashtra Sanghatak, 16/569 Sangram Chowk, Ichalkaranji	2430235
14	21/11/2007	17/11/2007	Shri. Shivaji Ganpat Ghogre, At & Post Bavda Tal. Indapur, Dist. Pune	--
15	21/11/2007	--	Shri. Anand Vaman Pendurkar, 11, Gurwar Peth, Pune 411 002	--
16	21/11/2007	20/11/2007	Prof. Mukund M. Tapkir, T. J. College, Kirkee, Pune	020-25819003
17	21/11/2007	--	Shri. C. R. Murthy	--
18	19/11/2007	14/11/2007	Dr. Smt. J. D. Sonkhaskar, Principal, Arts & Commerce College, Trambyakeshwar, Dist. Nashik	02594-233508
19	19/11/2007	14/11/2007	Shri. P. T. Chaudhari, "Vithai", Ashok Co-op. Hsg. Society Ltd. Ward No. 7, Shrirampur, Dist. Ahmednagar	02422-222988

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
20	19/11/2007	14/11/2007	Shri. Ashok Thorat, Journalist, Dainik Gavkari, At & Post Lakhmapur, Tal. Baglan, Dist. Nashik	02555-235678 / 9881667311
21	17/11/2007	16/11/2007	Shri. Shekhar Khapde, 835 Sadashiv Peth, Pune	9850543872
22	14/11/2007	5/11/2007	Shri. Amrut Sitaram Bade, At & Post Tal. Jamkhed, Dist. Ahmednagar	9226795114
23	6/11/2007	1/11/2007	Shri. K. N. Sabnis, G-6, S.B.I. Torna Co-op. Hsg. Society, Shivteertha Nagar, Pune	9860287423
24	5/11/2007	--	Shri. Bhaiyasaheb Uplenchwar At & Post Harsul, Tal. Digras, Dist. Yeotmal	--
25	5/11/2007	28/10/2007	Shri. Shivaji Pandurang Wagh, Chairman, Satyabhamabai Samaj Seva Mandal, Javkhede Khalsa, Tal. Pathardi, Dist. Ahmednagar	--
26	3/11/2007	27/10/2007	Dr. Firoz Khan, At & Post Kotbazar, Tal. Kandhar, Dist. Nanded 431 714	9421759468
27	2/11/2007	31/10/2007	Dr. Dnyandev Talule, Head, Department of Economics, Ahmednagar College, Ahmednagar	9423750555
28	--	26/11/2007	Dr. (Smt.) Neelam Patil, Management Council Member, T. C. College, Baramati	9823378167
29	--	26/11/2007	Shri. Shashikant Ramrao Patil, 92, Santosh Nagar, Deopur, Dhule	9420602622
30	--	24/11/2007	Shri. Pramod Pande, Chairman, Citizen Forum, Maharashtra M-5, Premium Plaza, 242 Khare Town, Dharampeth, Nagpur	9822937191
31	--	24/11/2007	Shri. Shankarrao Pande, Publicity Incharge, Vidarbha Pradesh, Udaynagar Chowk, Ring Road, Shriram Nagar, Nagpur	07152-241217

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
32	--	24/11/2007	Dr. Satish Chavan, Chairman, Vidarbha Vibhag Harijan Sevak Sangh, Mahima Apartments, Flat No. 303, 3 rd floor, Great Nag Road, Nagpur	0712-2705526
33	--	24/11/2007	Shri. Prabhakar Badele	9423064164
34	--	24/11/2007	Shri. Madhukarrao Pangul, Joint Secretary, Drip Irrigation Co-op. Soc. Vidarbha Vibhag, Nagpur	0712-2521795
35	--	23/11/2007	Shri. Prakash Mankar, Chairman, Bharat Krishik Samaj, Maharashtra Rajya, Dr. Panjabrao Deshmukh Krishik Bhavan, 347 Navi Peth, Jalgaon	9422161887
36	--	16/11/2007	Shri. Rahul Mhaske, Shetkari Sanghatana, 469/4, Sadashiv Peth, Pune 30	020-24458722 / 9373558393
37	--	3/11/2007	Shri. Prakash Pohre, Saptahik Krishakonnati, Nishant Tower, M. G. Road, Akola 444 001	0724-2423465 / 2423466
38	--	8/9/2007	Dr. Satish Chavan, Surajya Pratishtan	
39	--	--	Shri. Ashok Bhutada, Yeotmal	07232-245581 / 9860466162
40	--	--	Prof. Prabhakar Borkar, Human Rights Worker, Dattatraya Nagar, Nagpur 24	9422114108
41	--	--	Shri. Madhav Khanderao More, At & Post Pimpalgaon Baswant, Tal. Nifad, Dist. Nashik	9822529999
42	--	--	Green Earth Social Development Consulting Pvt. Ltd., Kalyan, 32, Nataraj Society, Karve Nagar, Pune	020-25466103
43	--	--	Shri. Mohan Rathod	9423848545
44	--	--	Shri. Ranjeet Deshmukh, Chairman, Vidarbha Pragatsheel Shetkari Sanghatana, Nagpur	0712-2534714 / 9822325000

Sr.No.	Inward Date	Ref. Date	Name & Address	Tel/Mobile No.
45	--	--	Jyotirbaskar Jayant Salgaonkar, Editor, Kalniray, Mumbai	--
46	--	--	Dr. R. P. Kurulkar, Director, Swami Ramanand Research Institute, Aurangabad.	0240-2349630 / 9372352645

ANNEXURE - C



RESERVE BANK OF INDIA

Date: May 23, 2008

Agricultural Debt Waiver and Debt Relief Scheme, 2008

RBI / 2007-2008/ 330
RPCD.No.PLFS.BC.72 /05.04.02/2007-08

May 23, 2008

The Chairman/Managing Director
All Scheduled Commercial Banks (including Local Area Banks)

Dear Sir,

Union Budget – 2008-09 – Agricultural Debt Waiver and Debt Relief Scheme, 2008

As you are aware, the Hon'ble Finance Minister, in his Budget Speech (paragraph 73) for 2008-09 has announced a debt waiver and debt relief Scheme for farmers, for implementation by all scheduled commercial banks, besides RRBs and co-operative credit institutions.

2. The detailed Scheme notified by the Government of India along with necessary explanations is enclosed. The scheduled commercial banks (including Local Area Banks) may take necessary action towards implementation of the Scheme at the earliest. The implementation of the Debt Waiver and Debt Relief Scheme should be completed by **June 30, 2008**.

3. Further communication in respect of this Scheme would follow.

4. In case of RRBs and co-operatives, a separate circular is being issued by NABARD.

Yours faithfully,

(G.Srinivasan)
Chief General Manager – in – Charge

AGRICULTURAL DEBT WAIVER AND DEBT RELIEF SCHEME, 2008]

Language version of the Scheme

1. Introduction

1.1. The Finance Minister, in his Budget Speech for 2008-2009, announced a Debt Waiver and Debt Relief Scheme for farmers.

1.2. Guidelines for implementation of the Scheme are given below.

2. Scope

2.1 The Scheme will cover direct agricultural loans extended to 'marginal and small farmers' and 'other farmers' by Scheduled Commercial Banks, Regional Rural Banks, Cooperative Credit Institutions (including Urban Cooperative Banks) and Local Area Banks (hereinafter referred to compendiously as "lending institutions") as indicated in the Guidelines.

2.2 The Scheme shall come into force with immediate effect.

3. Definitions

3.1. '*Direct Agricultural Loans*' means Short Term Production Loans and Investment Loans provided directly to farmers for agricultural purposes. This would also include such loans provided directly to groups of individual farmers (for example Self Help Groups and Joint Liability Groups), provided banks maintain disaggregated data of the loan extended to each farmer belonging to that group.

3.2. '*Short Term Production Loan*' means a loan given in connection with the raising of crops which is to be repaid within 18 months. It will include working capital loan, not exceeding Rs. 1 lakh, for traditional and non-traditional plantations and horticulture.

3.3. '*Investment Loan*' means

(a) investment credit for direct agricultural activities extended for meeting outlays relating to the replacement and maintenance of wasting assets and for capital investment designed to increase the output from the land, e.g. deepening of wells, sinking of new wells, installation of pump sets, purchase of tractor / pair of bullocks, land development and term loan for traditional and non-traditional plantations and horticulture; and

(b) investment credit for allied activities extended for acquiring assets in respect of activities allied to agriculture e.g. dairy, poultry farming, goatery, sheep rearing, piggery, fisheries, bee-keeping, green houses and biogas.

3.4. '*Cooperative Credit Institution*' means a cooperative society that

- i) provides short-term crop loans to farmers and is eligible for interest subvention from the Central Government; or
- ii) carries on banking activities regulated or supervised by RBI or NABARD; or
- iii) is part of the Short-Term Cooperative Credit Structure or Long-Term Cooperative Credit Structure in a State or Union Territory.

3.5. '*Marginal Farmer*' means a farmer cultivating (as owner or tenant or share cropper) agricultural land up to 1 hectare (2.5 acres).

3.6. '*Small Farmer*' means a farmer cultivating (as owner or tenant or share cropper) agricultural land of more than 1 hectare and up to 2 hectares (5 acres).

3.7. '*Other Farmer*' means a farmer cultivating (as owner or tenant or share cropper) agricultural land of more than 2 hectares (more than 5 acres).

Explanation:

1. The classification of eligible farmers as per the above landholding criteria under the Scheme would be based on the total extent of land owned by the farmer either singly or as joint holder (in the case of an owner-farmer) or the total extent of land cultivated by the farmer (as tenant or share cropper), at the time of sanction of the loan, irrespective of any subsequent changes in ownership or possession.

2. In the case of borrowing by more than one farmer by pooling their landholdings, the size of the largest landholding in the pool shall be the basis for the purpose of classification of all farmers in that pool as 'marginal farmer' or 'small farmer' or 'other farmer'.

3. In the case of a farmer who has obtained investment credit for allied activities where the principal loan amount does not exceed Rs.50,000, he would be classified as "small and marginal farmer" and, where the principal amount exceeds Rs.50,000, he would be classified as 'other farmer', irrespective in both cases of the size of the land holding, if any.

4. Direct agricultural loan taken under a Kisan Credit Card would also be covered under this Scheme subject to these Guidelines.

5. A short-term production loan and an investment loan taken by a farmer shall be counted as two distinct loans and the Scheme will apply to the two loans separately. Likewise, in the case of a farmer who has taken two investment loans for two separate purposes, the two loans shall be counted as two distinct loans and the Scheme will apply to the two loans separately.

4. Eligible amount

4.1 The amount eligible for debt waiver or debt relief, as the case may be (hereinafter referred to as the 'eligible amount'), shall comprise of:

(a) in the case of a short-term production loan, the amount of such loan (together with applicable interest):

(i) disbursed up to March 31, 2007 and overdue as on December 31, 2007 and remaining unpaid until February 29, 2008;

(ii) restructured and rescheduled by banks in 2004 and in 2006 through the special packages announced by the Central Government, whether overdue or not; and

(iii) restructured and rescheduled in the normal course up to March 31, 2007 as per applicable RBI guidelines on account of natural calamities, whether overdue or not.

(b) in the case of an investment loan, the installments of such loan that are over due (together with applicable interest on such installments) if the loan was:

(i) disbursed up to March 31, 2007 and overdue as on December 31, 2007 and remaining unpaid until February 29, 2008;

(ii) restructured and rescheduled by banks in 2004 and in 2006 through the special packages announced by the Central Government; and

(iii) restructured and rescheduled in the normal course up to March 31, 2007 as per applicable RBI guidelines on account of natural calamities.

Explanation: In the case of an investment loan disbursed up to March 31, 2007 and classified as non-performing asset or suit filed account, only the installments that were overdue as on December 31, 2007 shall be the eligible amount.

4.2. The following loans shall not be included in the eligible amount:

(a) advances against pledge or hypothecation of agricultural produce other than standing crop; and

(b) agricultural finance to corporates, partnership firms, societies other than cooperative credit institutions (referred to in para 3.4), and any similar institution.

4.3 Nothing contained in this Scheme shall apply to any loan disbursed by a lending institution prior to March 31, 1997.

5. Debt Waiver

5.1. In the case of a small or marginal farmer, the entire 'eligible amount' shall be waived.

6. Debt Relief

6.1. In the case of 'other farmers', there will be a one time settlement (OTS) Scheme under which the farmer will be given a rebate of 25 per cent of the 'eligible amount' subject to the condition that the farmer pays the balance of 75 per cent of the 'eligible amount';

Provided that in the case of revenue districts listed in **Annex-I**, 'other farmers' will be given OTS rebate of 25 per cent of the 'eligible amount' or Rs.20,000, **whichever is higher**, subject to the condition that the farmer pays the balance of the 'eligible amount'.

7. Implementation

7.1. Every branch of a scheduled commercial bank, regional rural bank, cooperative credit institution, urban cooperative bank and local area bank covered under this Scheme shall prepare two lists, one consisting of 'small and marginal farmers' who are eligible for debt waiver and the second consisting of 'other farmers' who are eligible for debt relief under this Scheme. The lists shall include particulars of the landholding, the eligible amount and the amount of debt waiver or debt relief proposed to be granted in each case. The lists shall be displayed on the notice board of the branch of the bank/society on or before June 30, 2008.

7.2. A farmer classified as 'small farmer' or 'marginal farmer' will be eligible for fresh agricultural loans upon the eligible amount being waived.

7.3. A farmer classified as 'other farmer' eligible for OTS relief shall give an undertaking agreeing to pay his share (that is eligible amount minus the amount of OTS relief) in not more than three instalments and the first two instalments shall be for an amount not less than one-third of his share. The last dates of payment in the case of three instalments will be September 30, 2008; March 31, 2009 and June 30, 2009.

7.4. The undertaking shall be in such form as may be prescribed by RBI/NABARD.

7.5. The amount of OTS relief (i.e. the Central Government's share) will be credited to the account of the 'other farmer' upon the farmer paying his share in full.

7.6. In the case of a short-term production loan, the 'other farmer' will be eligible for fresh short-term production loan upon paying one-third of his share.

7.7. In the case of an investment loan (for direct agricultural activities or allied activities), the 'other farmer' will be eligible for fresh investment loan upon paying his share in full.

7.8. Reserve Bank of India shall be the nodal agency for the implementation of the Scheme in respect of scheduled commercial banks, urban cooperative banks and local area banks. NABARD shall be the nodal agency in respect of regional rural banks and cooperative credit institutions.

8. Interest and other charges

8.1. The lending institutions shall not charge any interest on the 'eligible amount' for any period after February 29, 2008. However, in the case of an 'other farmer' who defaults in paying his share of the eligible amount on or before June 30, 2009 and becomes ineligible for OTS relief, the bank may charge interest for the period after June 30, 2009.

8.2. Instalments of investment credit which fall overdue after 31.12.2007 shall be recovered by the lending institutions along with the applicable interest. Lending institutions may, however, in appropriate cases, reschedule these instalments in accordance with the normal policy of the lending institution concerned.

8.3. Notwithstanding anything contained in this Scheme, the amount of interest that a lending institution may claim as reimbursement from the Central Government under this Scheme shall not, in any case, exceed the principal amount of the loan.

8.4. Ministry of Finance will issue supplemental instructions to the lending institutions in respect of all incidental and ancillary matters including instructions on interest and other charges that shall not be claimed by the lending institutions from the farmer or the Central Government.

9. Certificate of debt waiver or debt relief

9.1. In the case of small and marginal farmers, upon waiver of the eligible amount, the lending institution shall issue a certificate to the effect that the loan has been waived and specifically mention the eligible amount that has been waived.

9.2. In the case of 'other farmers', upon granting OTS relief, the lending institution shall issue a certificate to the effect that the loan account has been settled to the satisfaction of the lending institution and specifically mention the eligible amount, the amount paid by the farmer as his share and the amount of OTS relief.

9.3. The certificate shall be in such form as may be prescribed by RBI/NABARD and upon issuing the certificate the lending institution shall take an acknowledgement from the farmer.

10. Obligations of the lending institutions

10.1 Every lending institution shall be responsible for the correctness and integrity of the lists of farmers eligible under this Scheme and the particulars of the debt waiver or debt relief in respect of each farmer. Every document maintained, every list prepared and every certificate issued by a lending institution for the purposes of this Scheme shall bear the signature and designation of an authorised officer of the lending institution.

10.2 Every lending institution shall appoint one or more Grievance Redressal Officers for each State (having regard to the number of branches in that State). The name and address of the Grievance Redressal Officer concerned shall be displayed in each branch of the lending institution. The Grievance Redressal Officer shall have the authority to receive representations from aggrieved farmers and pass appropriate orders thereon. The order of the Grievance Redressal Officer shall be final.

10.3 Any farmer who is aggrieved on the ground that his name has not been included in either of the two lists referred to in paragraph 7.1 or on the ground that his name has been included in the wrong list or on the ground that the relief granted to him has been calculated wrongly, may make a representation through the branch from which he received the loan or directly to the Grievance Redressal Officer of the lending institution concerned and every such representation shall be disposed of within 30 days of receipt thereof.

11. Audit

The books of account of every lending institution that has granted debt waiver or debt relief under this Scheme (including the books of accounts maintained at the branches) shall be subject to an audit in accordance with the procedure that may be prescribed by RBI/NABARD. The audit may be conducted by concurrent auditors, statutory auditors or special auditors as may be directed by RBI/NABARD. The Central Government, if it is satisfied that it is necessary to do so, may direct a special audit in the case of any lending institution or one or more branches of such lending institution.

12. Publicity

12.1. A copy of this Scheme in English and in the official language or languages of the State/Union Territory shall be displayed in each branch of every lending institution covered under this Scheme.

12.2. A copy of this Scheme will be available on the websites of the Ministry of Finance, Department of Financial Services; RBI; and NABARD.

13. Interpretation and power to remove difficulties

13.1. If any doubt arises on the interpretation of any paragraph of this Scheme or any instructions issued thereunder, the Central Government shall resolve the doubt and the decision of the Central Government shall be final.

14. Monitoring

There shall be constituted a National Level Monitoring Committee consisting of

- (i) Secretary, Department of Financial Services, Ministry of Finance – Chairperson
 - (ii) Secretary, Department of Agriculture and Cooperation, Ministry of Agriculture
 - (iii) Deputy Governor, Reserve Bank of India;
 - (iv) Chairman, NABARD;
 - (v) Chairman and Managing Director of two public sector banks;
 - (vi) Chairman of two Regional Rural Banks; and
 - (vii) Managing Director of two State Level Cooperative Banks to monitor the implementation of the Scheme.
 - (viii) Annex 1 (to the Guidelines)
-

Annexure-D

The Prime Minister's Package : An Account (as of end April 2008)

(Rs. in Crore)

Particulars	Target	Funds Received			Expenditure	Percentage
		NABARD	Central Govt.	State Govt.		
1	2	3	4	5	6	7
Waiver of Overdue Interest	712	0.00	356.00	356.00	837.50	117.63
Assured Irrigation Scheme	2,177	0.00	604.27	1,281.40	1,684.04	77.35
Micro Irrigation	78	0.00	57.00	11.85	68.81	88.22
Check Dams	180	60.00	0.00	60.00	87.28	48.49
Watershed Development	54	9.58	0.00	0.00	9.58	17.74
Water Harvesting	6	0.00	0.62	0.00	0.62	10.33
Extension Services	3	0.00	7.89	0.44	7.46	248.6
Seed Replacement	180	0.00	68.80	0.00	68.80	38.22
National Horticulture Mission	225	0.00	75.99	0.00	64.20	28.53
Subsidiary Occupations	135	0.00	21.14	2.90	15.80	11.7
Total	3,750	69.80	1191.71	1712.59	2844.09	75.84

Annexure - E

The State Government Package : An Account (as end – April 2008)

(Rs. in Crore)

Particulars	Target for three years	Total Provision	Actual Distribution	Percentage
1	2	3	4	5
Refund of Share Capital under Cotton Monopoly Procurement Scheme	370	461.86	438.58	118.54
Relief to Cotton Farmers	134	132.58	130.22	97.18
Interest Subsidy on Rescheduling of Loans	225	240.98	239.12	106.28
Direct Assistance to Farmers (25,000/- to 60,000 farmers)	150	149.99	146.99	97.99
Agriculture related occupations	30	31.00	24.22	80.73
Community Marriages	6	19.13	19.13	318.83
Organic Farming	30	18.25	17.84	59.46
Subsidy for Crop Insurance	30	19.00	12.24	40.8
Vidarbha Watershed Development Mission	100	197.00	81.54	81.54
Total	1,075	1270.44	1060.0	98.6

Annexure - F

Survey Results from Vasantao Naik Sheti Swavalamban Mission (VNSSM)

District	Total Villages	Accounts Surveyed	Drought Affected Farmers	Indebted Farmers	Farmers with Daughters in Marriageable Age	Farmers with Severe Health Problems	Distress Levels A : Most Distressed B : Reasonably Well Placed C : No Stress		
							A	B	C
1	2	3	4	5	6	7	8	9	10
Amaravati	1,995	353,524	314,033	174,081	80,487	27,107	101,736	185,325	54,206
Akola	1,009	233,431	177,380	111,545	48,696	8,278	18,129	142,679	72,626
Yeotmal	1,838	380,901	164,272	215,449	38,951	7,759	97,439	190,829	92,633
Buldhana	1,419	388,681	369,719	228,852	85,075	35,861	141,771	202,515	44,395
Vashim	699	194,708	57,862	73,099	18,603	4,600	20,658	92,482	81,501
Vardha	1,391	213,193	143,293	86,630	34,550	8,851	54,558	100,878	21,589
Total	8,351	1,764,438	1,226,559	889,656	306,362	92,456	434,291	914,708	366,950

District	Demand for Loans (in Rs.Crore)	Demand of Agricultural Equipments (No. of Farmers)	Farmers Needing Supplementary Activities		Farmers for Community Marriage	Farmers for Organic Farming	Farmers for Needing Ponds etc.	Farmers Needing other Help
			Number	(1,2,3,4)				
1	11	12	13	14	15	16	17	18
Amaravati	822.56	218,347	236,495	236,495	54,913	184,386	122,090	11,155
Akola	380.31	100,401	102,933	100,401	21,364	81,251	67,379	924
Yeotmal	379.77	151,178	123,279	123,279	18,392	129,394	98,244	0
Buldhana	786.51	294,875	312,507	312,507	66,566	226,165	170,698	24,906
Vashim	202.66	67,654	59,441	59,441	1,312	41,732	28,444	0
Vardha	403.53	132,097	110,880	75,199	23,599	90,516	65,206	3,299
Total	2,975.34	964,552	945,535	907,322	186,146	753,444	552,061	40,284

ACKNOWLEDGEMENTS

Hon'ble Dr. Manmohan Singh
Prime Minister of India

Hon'ble Shri. Vilasrao Deshmukh
Chief Minister, Maharashtra State

**All Political Leaders, Agriculturists, Representatives of Farmers,
Representatives of Social Organizations and Government Officers.**

SPECIAL THANKS

Hon'ble Shri. Balasaheb Thorat
Minister for Agriculture.

Shri. Johny Joseph
Chief Secretary, Government of Maharashtra

Shri. Ramesh Kumar
Principal Secretary, Government of Maharashtra

Shri. Umeshchandra Sarangi
Chairman, NABARD

Dr. S. K. Goel
Principal Secretary

Dr. S. N. Pathan
Vice-Chancellor, Rashtrasant Tukdoji Maharaj Nagpur University, Nagpur.

SPECIAL ACKNOWLEDGEMENTS

Shri. Harishchandra Sukhedeve
AGM, Bank of Maharashtra, Nagpur.

Dr. Vasudha Garde
Director, International Centre, University of Pune

Shri. Vikas Patil (Assistant Registrar)
Executive Assistant to the Vice-Chancellor, University of Pune

Shri. B. W. Dhage
Sr. Stenographer, Vice-Chancellor's Office, University of Pune

Smt. S. M. Joshi
Sr. Stenographer, Vice-Chancellor's Office, University of Pune

Smt. S. V. Karhadkar
Stenographer, Vice-Chancellor's Office, University of Pune

Smt. M. B. Gunjal
Steno-Typist, Finance & Accounts Dept., University of Pune

Shri. R. D. Kurhade
Assistant, Vice-Chancellor's Office, University of Pune

Other Staff of the Vice-Chancellor's Office, University of Pune