

The Business Standard, Mumbai, 05 Mar 2008

Small farmers greet loan waiver with scepticism, joy, anger

BS REPORTERS
Raipur/Bhubaneswar/Kolkata
Meerut/Chandigarh, 4 March

The Rs 60,000-crore loan waiver for small farmers has not exactly sent farming communities in the country into transports of joy, a dipstick survey by *Business Standard* correspondents, each of whom interviewed 25 to 30 farmers across India, shows.

Some farmers, notably in Orissa, are moderately happy to have debts of Rs 5,000 written off. Others who benefit from a write-off of as much as Rs 77,000 are worried about how much they'll have to bribe to access the waiver.

And there is bitterness among farmers who have been left out of the bounty owing to the size of their land-holdings — the waiver is for farmers with holdings of one or two hectares (2.5 to 4 acres) — or

because they have borrowed from money-lenders and other informal sources.

Harvinder Singh of Kanoi village in Sangrur district of Punjab has only two acres. But then, he and his four brothers have their individual farms in a single consolidated holding in their father's name.

This apart, he has taken a loan of Rs 80,000 from a money-lender. In other words, he is a small, indebted farmer of the kind the government wants to benefit — but he is outside the purview of the largesse.

Indeed, according to Punjab Chief Minister Parkash Singh Badal, nearly 80 per cent of the farmers in 1 million holdings in Punjab will be outside the ambit of the biggest loan waiver in Indian fiscal history.

Business Standard spoke to 25 farmers in three villages in Sangrur and found that just 4 out of 25 farmers benefit from



UNEVEN BURDEN: Farmers who own small plots jointly with their families or have borrowed from money lenders complain that they will be outside the ambit of the loan waiver scheme

BLOOMBERG PHOTO

the waiver.

In Chhattisgarh's Kawardha district in Dharampuri village, 140 km from capital city Raipur, the problem of size repeats itself. There are joint ownerships of land and the waiver would not benefit such hold-

ings which form the majority in the area.

"The waiver announcement elated the farmers at first. But disappointment followed as the government drew the line between small and big farmers," said Ramu Chandravan-

