

Sixteenth Lok Sabha

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Title: Need to waive loans of farmers and ensure remunerative price of their produce.

PROF. SAUGATA ROY (DUM DUM): The decision to enhance minimum support price (MSP) for agricultural crops has shown government's failure to address the basic issues of farming community of the country. Farmers say that the increase in MSP was a mere political decision and nothing has happened in reality. Lack of enough fertilizers, pesticides, irrigation facilities and mainly non-availability of bank loans on small interest rates are the main problems of farming community. Agriculture experts agree that lack of consensus and clarity on support price is further adding to concerns of the farming community. Government assured that MSP would be 1.5 time higher than the cost of production according to Swaminathan Commission. The Centre and State Governments establish a state-level intervention corporation to ensure the purchase of other agricultural products at MSP. The cost of production varies from state to state depending upon the agricultural product. Small farmers are not in a position to negotiate or hold the crop till he gets a fair price. Credit from formal institutions is a huge challenge for small and marginal farmers specially for the working capital. Unless policy makers and financial institutions simplify the process of access to credit, the issue will not be addressed. Thousands of farmers are on the verge of suicide due to debt and fall in prices of their product. Government must take immediate steps to write off the agricultural loans of poor farmers and ensure all the facilities for promotion of agriculture in the country.