

## In Telangana, finetuning a scheme for farmers

Rythu Bandhu, a farmers' investment support scheme announced with much fanfare by the Telangana government, has divided farmers. Those left out, including an estimated 14 lakh tenant farmers, have taken to the streets.

### What is the scheme?

The scheme, conceived as an investment support for farmers to buy seeds, fertilizer and other inputs, allows distribution of Rs. 4,000 per acre each for two crops (kharif and rabi). This is considered an important link to a series of pro-farmer measures initiated by the government, including land records update and extending health insurance cover to every beneficiary for Rs. 5 lakh. Chief Minister K. Chandrasekhar Rao announced the programme in February, and the first cheques were handed out last month. The announcement was preceded by an update of land records of 1.43 crore acres, something which the government said was done only during the Nizam's rule prior to independence.

### How many farmers will benefit?

The programme is targeted to benefit 57.40 lakh farmers, who were identified on the basis of updated land records. Of them, 40.92 lakh are marginal farmers, with a holding of less than 2.5 acres, 11.02 lakh small farmers having 2.5-5 acres, 4.44 lakh semi-medium farmers having 5-10 acres, 94,500 medium farmers with 10-25 acres and 6,500 large farmers with more than 25 acres. The government allotted Rs. 12,000 crore in the budget presented to the Assembly within days of the announcement.

### Why was such a step necessary?

The government felt input assistance was crucial to bailing out farmers from distress. It was aimed at ensuring everyone who had land, whether it was tilled or not, was given the benefit. But tenants were excluded as the government felt that it might cause legal disputes since tenancy was an informal arrangement. Apart from tenant farmers, the government omitted from the scheme a few lakh farmers tilling land distributed by the Bhoodan Yagna Board.

### Where will the funds come from?

To meet the kharif requirement of Rs. 6,000 crore, the government has mobilised three instalments of Rs. 2,000 crore each from State Development Loans auctioned by the Reserve Bank of India at an interest ranging from 8.05% to 8.15%, with a repayment tenure of 25 years. About 41 lakh farmers have encashed cheques worth Rs. 4,400 crore since May 10. Of the 58 lakh cheques printed for distribution, officials have distributed cheques to 46 lakh farmers. The other 12 lakh cheques could not be distributed as beneficiaries were not available in villages owing to either migration to other States and countries or errors in the printing of names or multiple accounts. Aadhaar linkage issues also affected distribution. Chief Minister K. Chandrashekar Rao had said those who refused to give Aadhaar numbers should not be extended the benefit. The banks initially expressed apprehension that they might not have enough cash in their treasuries. Moreover, the disbursement coincided with a critical time when banks were starved of cash, and ATMs had run dry. The Opposition parties claimed that it was a stunt ahead of the 2019 general election. The government selected eight banks, led by the State Bank of India, which serviced a majority of farmers to implement the programme through their branches in villages.

### What lies ahead?

After the distribution of cheques, the government planned to entrust registration of land transactions to tahsil offices and maintain the records through a portal titled 'Dharani' to be operated by the National Informatics Centre (NIC). As the distribution of cheques was carried out along side the 'pattadar' passbooks-cum-title deeds, the government has set a deadline of June 20 for cent per cent distribution of cheques and passbooks. At a conference of Collectors recently, Mr. Chandrasekhar Rao asked the official machinery to focus on this job till June 20. He was unhappy that nearly three lakh passbooks had to be held back to carry out corrections.

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