

PalArch's Journal of Archaeology of Egypt / Egyptology

Agricultural loan waiver in India: An analysis

Dr.PriyaKumari

Associate Professor
Department of Economics and Rural Development
Dr. Rammanohar Lohia Avadh University Ayodhya

Dr.PriyaKumari. Agricultural loan waiver in India: An analysis– Palarch's Journal Of Archaeology Of Egypt/Egyptology 18(4). ISSN 1567-214x

Keywords: loan waiver, agriculture, farmers, India, loan waiver sources.

ABSTRACT

The above article is based on the concept of Agricultural loan waiver in India in terms of different analyses. The concept of farm loan waivers plays an important role in the approach of certain requirements. The distress of farmers rationalizes the concept of research in terms of suitable analysis. The financial statuses of the loan are especially occurring in the strategy of loan waivers. This article reviews the function of data on the concept of different methods in terms of suitable functions. There is a wide range of circumstances in the approach of suitable functions. It identifies the possibility of the system on the basis of different assurance of loan products. The creation of agricultural analysis reduces the possibility of the process of different suitable consequences. For the waivers, the operation of suitable agricultural loans reduces the number of ongoing parameters.

Introduction

The loan waivers of India have a suitable perspective on the function of different circumstances. The agricultural constraints of India address the parameters in terms of different analyses. The combative analysis of the loan waiver provides aspects of the process in association with a certain strategy. The flow of credit focuses on the performance of agricultural waivers for a limited purpose. In India, the consequences of waiver depend on the survey of certain functions that are limited in the given waiver. There are different consequences used to establish the implications of the loan in the level of suitable analysis. The agricultural loan waivers evaluate the situation of the process usually in a selected estimation. There are different points that are mention in favor of loan waivers and against loan waivers. The investment of loan is waived in the reduction of certain factors on the expenses of suitable liability of the farmers. The loan waivers are used in rationalization to address the different measures of farm distress in the concept of analysis. The agricultural sector in India deteriorates the intensity of waivers to borrow the expenses throughout the

different approach.

History of Agricultural Loan Waivers in India

The farm loan waiver mainly aspected in the policy of loans which are impacted the conditions of farmers in different sectors. The community of waivers is derived in the strategy according to the schemes of past decades. According to Jha et al. (2019), it mainly increases the choice which is used in an efficient manner for the reduction of certain experimental functions. In India, the concept of farm loan waivers derives the functions in the extent of farm distress. In the given table below there are different roles of agricultural waivers in the different range of analysis in suitable given states.

State	year	Waiver	Agriculture budget	Waiver as a percentage of agricultural budget
Telangana	2014	8,165	6,312	314%
Uttar Pradesh	2017	34,002	11,675	234%
Punjab	2017	20,000	2,954	188%
Maharashtra	2016	34,000	10,345	367%
Karnataka	2015	16,374	4,344	651%
Rajasthan	2018	34,568	3,145	669%
Madhya Pradesh	2017	10,000	6,090	329%

Table 1: Different roles of agricultural waivers in the different range

(Source: Reserve Bank of India - Reports, 2021)

In the given table, there is certain costs of opportunity in the recent function of loan waivers are explained to rationalize the functions. In Telangana, the waiver is around 8,165 with the 314% agricultural analysis in the year 2014. It measures the criteria of loan waivers in the academy of certain charactersitics. The different states in India such as uttar Pradesh, Punjab, Karnataka, Maharashtra, Rajasthan, and Madhya Pradesh with their average rate of loan waiver are given. The agricultural rate of loan waivers announces the strategy in terms of suitable functions of the community. There are estimated number of waivers are shown with different amount of percentage. The magnitude of the process is acknowledged on the function of certain analysiis. The formation of agriculture is raised in the growth rate of expenditure on the analysiis of certain characteristics (Narayanan and Mehrotra 2019).

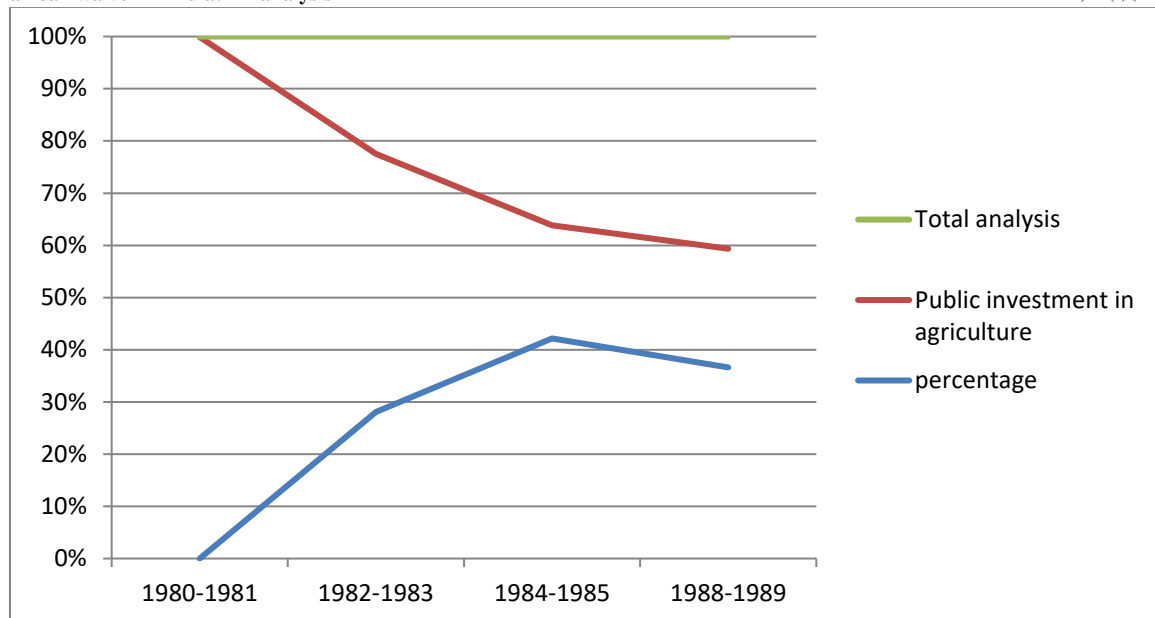


Figure 1. Agriculture loan waivers in different years

(Source: Reserve Bank of India - Reports, 2021)

The given graph shows the rate of agriculture in different aspects of year to analyze the amount of investment. According to Aadre (2017), the agricultural sector shares a suitable amount of interest with reference to different estimation of the process. During the 21st century the sector of agriculture define the function of loan waivers with a suitable range. The rate of agriculture is rising in the year 1980-1981 rapidly with the total analysis of percentage. In the year 1982-1983 the range of loan waiver are increasing with the analysis of 40%. It focuses on the development of loan which is rising at rapid rate in India. There is a rise of loan waiver in different expenditure of the process.

The objectives of the paper are as followed:

- To understand the issues related to loan waiver
- To find the factors that are in favour of loan waiver
- To analyse the impact of loan waivers
- To identify the measures to address farm distress

Rationalize the concept of Loan Waiver

The functions of loan waivers are occurring in the constraint of certain accomplishment which allows the sources of given analysis. The involvement of the process provides a suitable function in the context of different proportion. According to Granovski and Hegji (2019), the loan waivers access the strategy on the consumption of certain structure with a large amount of different progress. The contextual process of agricultural waiver rationalizes the concept of constraints on the cost of estimation. The profitability of agriculture claims the execution on the combination of certain factors. There are significant amount of risks involved during the enhancement of the process.

SI NO	State	Budget estimation	Revised estimation
1	Tamil Nadu	0.35	0.65
2	Karnataka	0.74	0.32
3	Uttar Pradesh	0.27	1.87
4	Punjab	0.06	0.13
5	Andhra Pradesh	0.44	0.08
6	Telangana	0.22	0.45

Table 2: the contribution of loan waiver in depicting certain accomplishment.

(Source: Reserve Bank of India - Publications, 2021)

The given table shows the contribution of loan waiver in depicting certain accomplishment. As per Reserve Bank of India - Publications (2021), the budget estimation for 6 respective states of India has been provided which have the utmost necessity of loan waivers. It can be seen that the revised estimation of budget for each of the states are higher than the conceptualized budget estimate. It proves the need of more investments in the agricultural field.

The detailed description of loan waiver limits the possibility of the process on the concept of suitable aspects. There is several representation of the process on the context of different factors of estimation. There is a concept of the process on the awareness of certain structure inspite of different analysis of the process. The given table shows a range of estimation at the function of budget and revised estimation in different respective states. The states such as tamil nadu, Karnataka, UP, Andhra Pradesh, and telangana with an estimation of different respective range. From the certain point of view, the consequences of the process affect the functions of agriculture in India. There are different factors which help to rationalize the principles on the estimation of certain accomplishment relate stress of process in different analysis (Nayak and Mukherjee 2019).

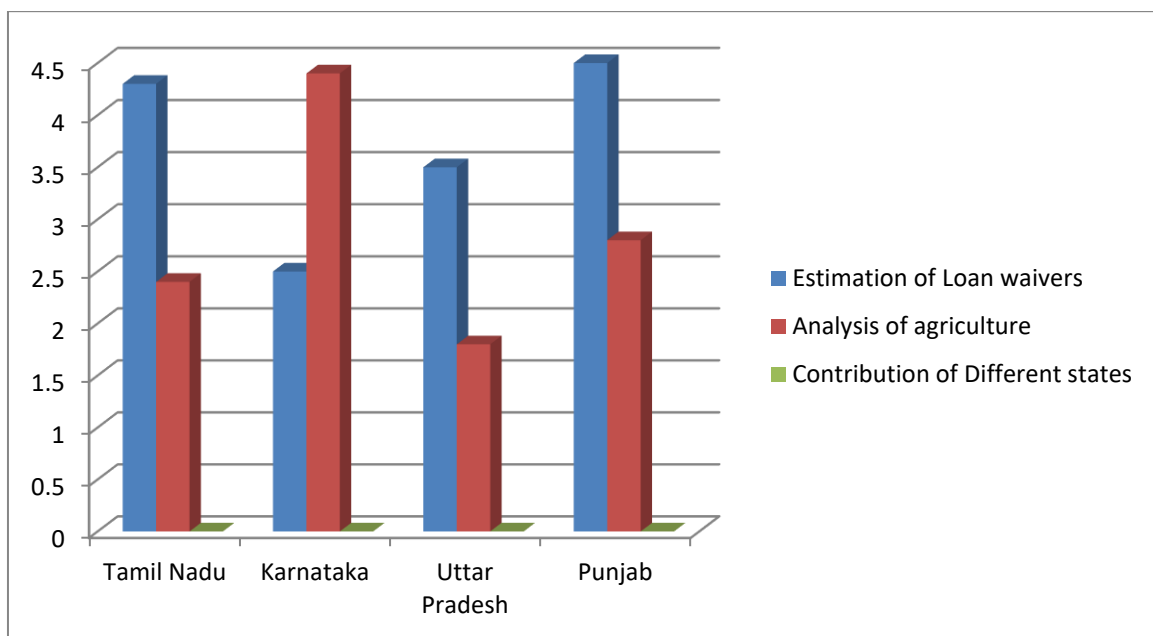


Figure 2. Farm Loan waivers in various states of India

(Source: Reserve Bank of India - Publications, 2021)

The above graph given regarding farm loan waivers are announce the estimation of the process in different respective states. In the specific criteria of the process, the function of state examines the structure. In the different states of India, the estimation of the loan waivers are arising on the range of certain functions. The estimation of loan waivers, Analysis of Agriculture, and contribution of different states are shown in the graph. The different states such as Tamil Nadu, Uttar Pradesh, Karnataka, and Punjab are depicted in the analysis of agricultural loan waivers. The recent function of waivers announces the strategy of the agricultural criteria in terms of different analysis (Reserve Bank of India - Publications, 2021).

Issues related to loan waiver

In the concept of loan wavier, there are different issues are used to relate the consequences of the process. The concept of consequences provides the schemes on the function of certain accomplishment. Certain issues are reputational consequences, free rider problem, decline the access on subsequent manner, and against the rate of depositors. It promotes certain problem on the demand of different functionality of the process. The farm loan wavier constitute different factors of economy on the schemes of suitable requirements. It disrupts the process on the discipline of wavier used to relate the information in need of loans. The implementation of formal access plays a role on the dependency of certain trades. The different sources of credit aspects the function on the sources in adequacy ratio. The requisites and production of agriculture are collected in specific manner. The transformation of the process issues a concepts on the assests of different performance.

Indian agriculture has faced different issues on the factor of suitable

development which are used to provide suitable loan wavier. The agriculture overcomes the alternatives on the use of different factors related to expenditure. Different issues of loan wavier are as follows:

- The analysis of the process builds a strong source on schemes of expenditure which are mainly used to access resources on level of estimation.
- It increases the function of loan wavier on the sector of agriculture which has a bad advantage on the entire process
- It encourages different solution on the concept of agricultural analysis on the aspect of certain estimation.

These are the main issues which are used to relate the concept of loan waivers on the development of process. The needs of the loans depict the interest on the growth of different sector.

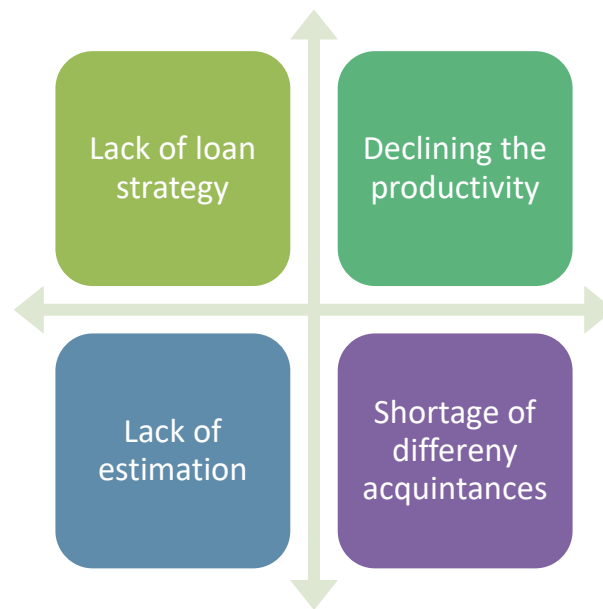


Figure 3. Several issues related to agricultural loan wavier

(Source: GDPR, 2021)

In the given diagram above, the loans wavier claims the combination in suitable manner. The diagram shows the issues in terms of lack of loan strategy, decline the production, lack of estimation, and shortage of different acquaintances. It helps to overcome the functions of different alternative related to loan wavier (GDPR, 2021).

Factors in favour of farm loan waivers

There are different points of loan waivers which are in favour with the strategy of the given loan. Over the different years, the function of agriculture addresses the parameters on the range of different expenditure (Banik 2018). The suitable points are given which are in favour with the process such as:

- The increasing efficiency of the process related to the factor of production among the suitable estimation.
- The costs of estimation are rising in the rate of suitable analysis over the source of certain enhancement.
- The concept of loan waiver is rising in the favour of suitable analysis over the reduction of certain characteristics.

- There are different sources used in the function of certain reduction over the analysis of suitable criteria.

The construction of loan are helpful in choosing the function on the range of certain enhancement of the analysis. During the given year the strategy of agriculture remain constant over the decade of economic function. The given diagram shows the representation of loan waiver in the functionality of certain characteristics. The different perspectives of loan waivers are explained in the context of different estimation. The functions are taking loan from different moneylenders, expectation of loan waivers, criteria of analysis and refusalment of laon are fully explained.

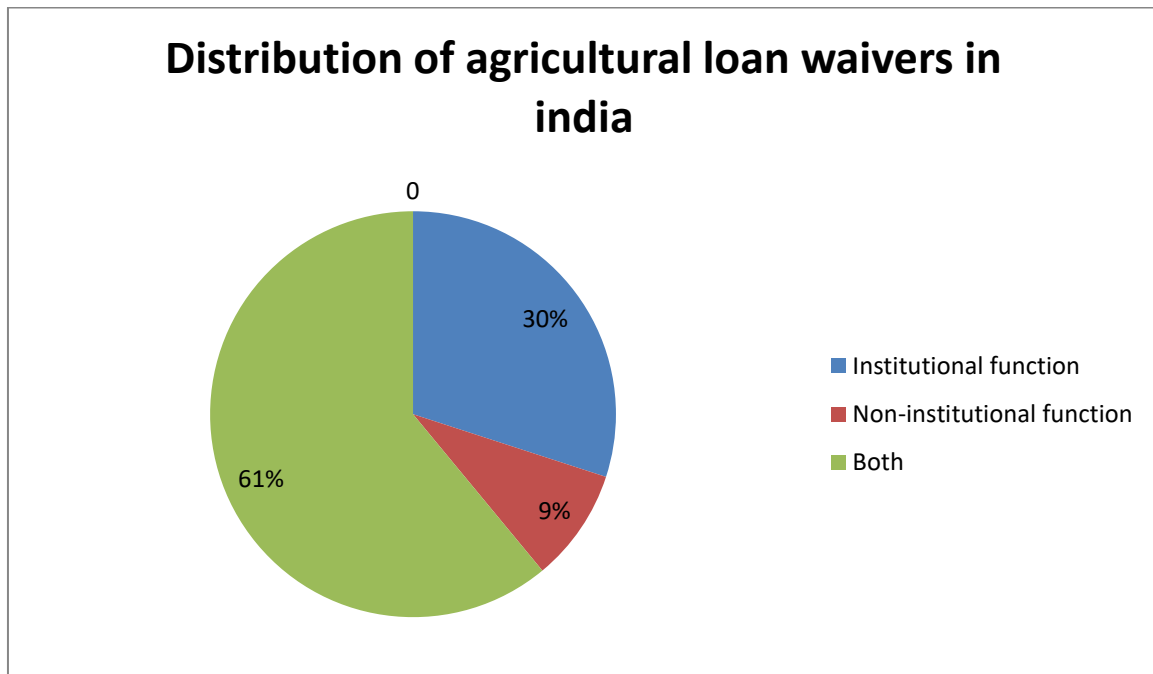


Figure 4. Distribution of Agricultural farm loan waivers in India

(Source: NABARD All India Rural Financial Inclusion Survey 2016-17, 2021)

The variety of farm loan waiver acquisition sources are depicted in the above figure. The distributions of agricultural loan waivers are preferred by the function in terms of suitable analysis of the process. According to Manda and Yamijala (2019), the institutional function are credited in the portion of certain acquaintance with suitable amount of percentage. There is a significance of the process in terms of institutional, non-institutional function and in both criteria. The institutional function comprises of 30% of approximation used in the consumption of certain analysis. The non-institutional function consists of 9% of approximate function which are available in the ease of certainty. By using both the analysis the approximate percentage are 61% on the criteria of different given structure. The share of institutional function slowed down due to the decline of certain assumption of the process with suitable functions. In this way, certain points are in favour with the analysis of agricultural farm loan waivers. There are different sources used in the credit of perspectives (Punamiya et al. 2020).

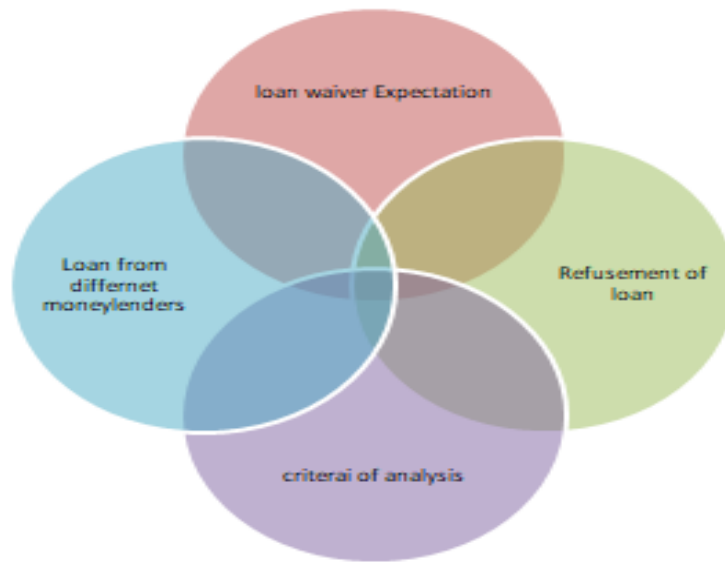


Figure 5. Farm loan waivers in different perspectives

(Source: Farm Loan Waiver - A temporary solution to a permanent problem, 2021)

As per the figure illustrated above, there are different farms or agricultural loan waiver incurring perspectives. The first one is the expectations regarding a concerning loan waiver, and then comes the refusal of loan policy. The third perspective revolves around analysis criterion of the respective loan waiver norm and the last available option remains the acquiring of loan from non-institutional sources like moneylenders.

Factors against farm loan waiver

The concept of farm loan waivers plays a crucial role in the development of suitable sources of analysis. The different sources are used in the estimation of the process benefitted from the loan waiver strategy. The consequences of the process relate the functions in the appraisal of certain involvement. Different points regarding farm loan waiver are against the criteria which are depicted such as:

- Loan waivers follow the principles of suitable sources which are depicted in the consequences of certain accomplishment.
- The implementation of loan waiver has led to the increase of efficiency in the production of agriculture.
- It increases the factor of estimation to decline the concept of suitable schemes which are leading the range of estimation
- The function of loan waiver perceived the function on the basis of certain accomplishment of agricultural context.

It adversely affects the sector of agriculture on the range of certain enhancement which are leading with the concept of loan waiver. It is beneficial for the given tendency of the process in the interest of certain structure. The expenditure of agricultural waiver are mainly rising in the rate of certain characteristics of the growth on the sector of different accomplishment (Mahata 2019).

Impact of Loan waivers

The impact of loan waivers enhances the capability of the process on the release of certain consumption. The function of certain factors provides a wide range of factor on the increase of different constraints. According to Chakraborty and Gupta (2017), the agricultural loan waivers aspects the efficiency of the process on the accomplishment of certain characteristics. It generates suitable analysis of survey which are located in the assumption of different states in India. It increases the efficiency on the reduction investment between suitable percentages such as expenditure consumption. The purpose of production has a wide impact on the analysis of certain characteristics used in the concept of agriculture. The factor of investment which are used in the function of certain constraints limited to different range of activation. The efficiency of the process impacted the phenomenon in different aspects.

The substantial benefits of the process led the range of expenditure on the criteria of different modification. There is a suitable percentage of relief used in the production of certain enhancement. The capacity of loan waivers degrades the experiences in terms of different implementation of the process. The interest scheme of analysis evaluates the concept of wavier on the respective state. The farmer ensures the possibility of the loans in the consequent functions of participation. The expansion of data retails the characteristics of agriculture on the evidence of certain format. The factor of loan waiver retail the parameters based on different factors in a respective manner (Malhotra and Agarwal 2017). It receives certain level of transaction on the estimation of agricultural credit on different impact of process such as:

- Implementation of wavier delay the rate of sanction in the account of farmer eligibility over the estimation of time.
- The function of loan wavier has a bad impact on the magnitude of agricultural sector on the range of suitable characteristics.

Measures to address farm distress

There are different measures used to address the functionality of the farm distress in different points of wavier. It addresses certain accomplishment in the development of different range of perspectives in order to establish certain value.



Figure 6. Different measures used to address the concept of farm distress

(Source: Reserve Bank of India - Reports, 2021)

The diagram shows the different measures which help to address the strategy of reduction in farm distress (Reserve Bank of India - Reports, 2021). The three focal aspects are respectively opportunity generation, risk reduction in the agricultural processes and cost reduction. These facets have been further described below for further clarification.

- **Generating opportunities**– The situation the farmers creates a different opportunities on the aspect of different enhancement. The different species encourage the estimation of the process mainly in the agricultural sector of India. The alternative opportunity of the analysis interprets the range of generation for deploying the infrastructure criteria. It is developed in the result of creation of huge employment to increase the efficiency of the process. The quality of suitable factors reduces the enhancement of the process on the level of different modification. The opportunities of agriculture are generated in terms of suitable challenges. The concept of possible outcomes eliminates the consequences on aspects of certain factors.
- **Reducing risk in agriculture**– The reduction of agriculture has the capability to ensure the growth rate on the innovation of different practices. The farmers implement the event of analysis in order to adopt suitable infrastructure of agriculture. The variety of the agriculture used to capitalize the field of variation on the strategy of certain accomplishment. It manages different risks on the sources of agriculture which are associated with the aspects of management. The consequences of the agriculture used in anticipating the function on the occurrence of certain development. There are different risks used such as identification determination evaluation, and the outcomes of suitable process of decisions (Deodhar 2017).
- **Reducing cost**– The establishment of the process provides an aspect to reduce the efficiency on the practices of agriculture. It is a better opinion used to

enable the function on the range of certain analysis. The opportunities of the process acquire the estimation on the basis of different perspectives. The development of the agriculture possesses the cost estimation in the reduction of certain characteristics. The infrastructure of agricultural parameter used to criticize the functionality in different range of processing. The sector of agriculture encourages the flow of credit on the practices of different implementation. The agricultural investment helps in emphasizing the development of the process (Pel 2020). The agricultural farm sector used to criticize the functionality on the respective parameters.

Conclusion

From the above study of the article, we can conclude that analysis of agricultural loan waivers used to relate failure of suitable process. In the present situation, the strategy of agriculture provides functionality in the different states of India. Loan waiver is not permanent solutions which are mainly used in the contribution of certain factors of development. The effectiveness of loan waivers reduces the capability of the process on the system of suitable factor of transparency. In India the concept of loan waiver helps to ensure the scheme of agriculture on the analysis of certain factor of accomplishment. The conclusion of the study helps in monitoring the investment of agriculture in the infrastructure of suitable factor of development. It mitigates the formation of the process on the range of suitable structure.

References

- Aadre, K.N., 2017. Agricultural Loan Waiver-A Study of Causes and Consequences. *Research Journal of Humanities and Social Sciences*, 8(3), pp.345-350.
- Banik, N., 2018. Are loan waivers a panacea for rural distress?. *Economic & Political Weekly*, 53(47), pp.14-16.
- Byjus.com. 2021. *GDPR*. [online] Available at: <<https://byjus.com/free-ias-prep/farm-loan-waiver-upsc-notes/#:~:text=Loan%20waivers%20have%20%E2%80%9C%20reputational%20consequences,investment%20or%20productivity%20in%20Agriculture.>> [Accessed 15 February 2021].
- Chakraborty, T. and Gupta, A., 2020. Sustainability of loan waiver programs in India. *Contemporary Issues in Sustainable Development: The Case of India*, p.378.
- Deodhar, R.P., 2017. A Solution to Farmer Suicides & Loan Waivers. *Available at SSRN 2994561*.
- Elearnmarkets - Financial Market Learning. 2021. *Farm Loan Waiver - A temporary solution to a permanent problem*. [online] Available at: <<https://www.elearnmarkets.com/blog/farm-loan-waiver-a-temporary-solution-to-a-permanent-problem/>> [Accessed 15 February 2021].
- Granovskiy, B. and Hegji, A., 2019. Education-Related Regulatory Flexibilities, Waivers, and Federal Assistance in Response to Disasters and National Emergencies. CRS Report R42881, Version 17. Updated. *Congressional Research Service*.
- Jha, S., Mohapatra, A.K. and Lodha, S.S., 2019. Political economy of farm loan

waivers in India. *FIIB Business Review*, 8(2), pp.88-93.

Mahata, S., 2019. Credit Subsidy Policy and the Moral Hazard of Loan Waivers in the Non-Traded Agriculture Sector in Presence of Credit Market Dualism: A Three-Sector General Equilibrium Model. *Economic Affairs*, 64(1), p.295539.

Malhotra, S.K. and Agarwal, P., 2019 Impact of Loan Waiver Scheme on Indian States Fiscal Position with Reference to Uttar Pradesh: A System Dynamic Analysis. *Name Page No. Social Media-A Default Anarchist?*, p.65.

Manda, V.K. and Yamijala, S., 2019. Banking & Economic Implications of Farm Loan Waivers. *International Journal of Research*, 8.

Narayanan, S. and Mehrotra, N., 2019. Loan Waivers and Bank Credit: Reflections on the Evidence and the Way Forward. *Vikalpa*, 44(4), pp.198-210.

Nayak, S. and Mukherjee, S., 2019. Farm Debt Waiver in India: An Ephemeral Palliative or an Enduring Risk Management Tool? A SAP-LAP Analysis. In *Maintaining Financial Stability in Times of Risk and Uncertainty* (pp. 243-260). IGI Global.

Pel, A., 2020. Reforming Section 89 of the Indian Act: Tinker, Waiver, Soldier (on), Sigh?. *Lakehead LJ*, 4, p.65.

Punamiya, S., Loya, D. and Tekwani, H., 2020. Issues within Indian Economy and Recommendations. *Available at SSRN 3652556*.

Rbi.org.in. 2021. *Reserve Bank of India - Publications*. [online] Available at: <[Rbi.org.in. 2021. *Reserve Bank of India - Reports*. \[online\] Available at: <<https://www.rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=942>> \[Accessed 14 February 2021\].](https://www.rbi.org.in/scripts/PublicationsView.aspx?Id=18278#:~:text=Total%20debt%20waivers%20are%20budgeted,of%20GDP%20during%202018%2D19.&text=According%20to%202018%2D19%20budget,3).> [Accessed 10 February 2021].</p>
</div>
<div data-bbox=)

Sane, R., 2018. Loan waivers as fresh start in bankruptcy. *IndraStra Global*, 4(3), p.5.

www.nabard.org. 2021. *NABARD All India Rural Financial Inclusion Survey 2016-17*. [online] Available at: <http://www.nabard.org/auth/writereaddata/tender/1608180417NABARD-Repo-16_Web_P.pdf> [Accessed 15 February 2021].