

Kishenji: Farmers in Lalgarh Region Don't Have to Repay Crop Loans

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Maoists announce 'loan waiver' for farmers

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Farmers in West Midnapore district of West Bengal may not have to repay their crop loans. The Maoists have announced a waiver. This is the first time the rebel group has announced such a decision.

"Several peasants who took crop loans over the last two years have suffered losses. So, we have decided that they don't have to pay back their loans," said Koteswar Rao, alias Kishenji, member of the banned Communist Party of India (Maoist). "Moreover, no agricultural cooperative, bank or private money lender will be allowed to charge more than two per cent interest on loans they advance to peasants this year," he added.

Cooperative and public sector banks usually charge 7 per cent interest on agri loans. Private moneylenders charge much more – between 3 per cent and 5 per cent a month. "If anybody, be it from public sector banks or private moneylender tries to squeeze money out of the farmers, he will be branded a people's enemy and tried in a people's court," Kishenji threatened. These "courts" usually hand out the death penalty to those who defy their writ.

"We will look into the matter and take action if anybody lodges a complaint," said Manoj Verma, superintendent of police, West Midnapore.

State Bank of India, United Bank, Allahabad Bank, UCO Bank and a few co-operative banks have branches in this district. No bank executive was willing to speak on the issue. They were also unwilling to share data of total loans or farmers who may be impacted. "More than 50 per cent of all loans in the district are advanced by private moneylenders," several of them said on condition of anonymity.

Maoists wield considerable influence in 180 of India's 626 districts, where they have killed more than 300 security personnel this year.

Kishenji claimed that farmers have suffered losses and that "no one is in a position to repay the loans. Since the government did nothing, it was left to us to give relief".

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