

## **KALIA Scheme - Odisha**

### **Why in news?**

\n\n

The Odisha government recently launched the Krushak Assistance for Livelihood and Income Augmentation (KALIA) scheme.

\n\n

### **What does the scheme contain?**

\n\n

\n

- KALIA stands for Krushak Assistance for Livelihood and Income Augmentation.

\n

- The scheme involves payments to encourage cultivation and associated activities.

\n

- The scheme will benefit 92% of the cultivators in the state and include every category from big farmers to landless cultivators.

\n

- Under the scheme, all farmers in the state will be provided Rs 10,000 per family as assistance for cultivation.

\n

- Each family will get Rs 5,000 separately in the kharif and rabi seasons, for five cropping seasons between 2018-19 and 2021-22.

\n

- Since the scheme is not linked to the amount of land owned, it will greatly benefit sharecroppers and cultivators, most of whom own little or no land.

\n

- Additionally, the scheme will assist the elderly, sick and differently-abled population who are unable to take up cultivation, by providing Rs 10,000 per household per year.

\n

- This is meant to be used for sustenance.

\n

- However, this component will not be implemented immediately, as Odisha already offers free healthcare and disburses old-age pensions.

- \n
- It also includes a life insurance cover of Rs 2 lakh and additional personal accident coverage of the same amount for 57 lakh households.
- \n
- It further provides that crop loans up to Rs 50,000 are interest-free.
- \n

\n\n

### **How does the scheme benefits landless labourers?**

\n\n

- \n
- The scheme targets 10 lakh landless households, and specifically SC and ST families.
- \n
- They will be supported with a unit cost of Rs 12,500 for activities like goat rearing, mushroom cultivation, beekeeping, poultry farming and fishery.
- \n
- The beneficiary is encouraged to choose an activity with which he is familiar because these trades require some skill and network.
- \n
- The idea behind this is to identify an existing capacity of a beneficiary and build on it.
- \n
- The government is also working on a skilling component to be added to this form of assistance.
- \n

\n\n

### **How does the scheme makes targeted interventions?**

\n\n

- \n
- The scheme is going to be an area-specific scheme wherein an input support for a particular trade, say mushroom cultivation, will be provided if it is prevalent throughout that locality so that there is aggregation of produce.
- \n
- A critical trade like dairy production has deliberately been kept out of the scheme.
- \n
- This is because keeping a cow is more expensive, while milk production needs to have a collection route or agency that processes and refines this low shelf-life product.
- \n

- On the other hand, poultry farming and fishery do not need a strong ecosystem to survive and has a ready market of consumption or cheap method of preservation.  
\n
- Similarly, beekeeping is done by many self-help groups, so they are already familiar with the networks of that trade.  
\n
- Hence, activities like mushroom cultivation, poultry farming and beekeeping are covered under the scheme.  
\n

\n\n

### **How does the scheme differ from loan waiver?**

\n\n

- Unlike a loan waiver, through which banks appease a few farmers, KALIA's main targets are rural activities as a whole.  
\n
- The scheme will support farming on a small scale like sharecropping, fishing, animal herding, which are not covered under bank loans, but are caught in debt traps set up by local moneylenders.  
\n
- Also, a farm loan waiver will reduce credit available to farmers in the long term.  
\n
- On the other hand, income support can be used to make a repayment or at least activate a bank account which can then receive a loan.  
\n

\n\n

\n\n

**Source: The Indian Express**

\n

