Court’s directive to Waive Loan – Overreach?

What is the issue?

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Recently, the Madras High Court directed the Tamil Nadu government to waive farm loans taken by all farmers, irrespective of their land holding, and to ensure that no penal action or loan recovery was initiated against them.

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What the court order says?

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- The court order was in response to a state government order that only marginal and small farmers were eligible for waiver of agricultural loans.
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- An additional 300,000 farmers will benefit from the debt waiver scheme, apart from the 1.7 million existing beneficiaries, for which the state will have to shell out an additional Rs 1,980.33 crore.
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- **In its order, the court also said that the central government could not be a bystander and should extend support to Tamil Nadu**.
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Rural distress:

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- The issue of rural distress in Tamil Nadu had received national attention when some farmers from the state conducted a protest demonstration at New Delhi’s Jantar Mantar and claimed that the failure of the north-east, or winter, monsoon had hurt them badly.
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Is it an overreach of Judiciary?

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- **The overreach harms not only the accountability of the executive but also the power of the judicial branch.**
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- The legitimacy and speedy implementation of court orders is a crucial component of any constitutionally sound structure of government.
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- However, orders that step beyond a court's mandate incentivise the executive to ignore them, with unfortunate consequences for the balance of powers.
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- The directive on liquor sales near highways might cause state governments to denotify highways, for example.
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- The close management of traffic into and out of Delhi by the courts was another such example.
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Source: Business Standard

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