

## **Impact of Pradhan Mantri Kisan Samman Nidhi Yojana on Agriculture and Agricultural allied enterprises of Beneficiary Farmers in Ranchi District of Jharkhand**

**Gautam Kumar**

Research Scholar, Department of Economics, Ranchi University, Ranchi

### **Abstract**

The Pradhan Mantri Kisan Samman Nidhi Yojana (PM-KISAN Yojana) was introduced by the Government of India in 2019 to provide financial assistance to small and marginal farmers. A major source of livelihood in India is agriculture, along with its allied sectors. The majority of its rural households still rely primarily on agriculture, with 82% of farmers being small or marginal. According to data from 2012, the economic situation in our country is not very good. The study aims to assess the impact of PMKSNY on agriculture and related enterprises. Agriculture has significant potential to enhance the economic status of farmers. Accordingly, a comprehensive study entitled, "Impact of Pradhan Mantri Kisan Samman Nidhi Yojana on Agriculture and Agricultural Allied Enterprises in Ranchi district of Jharkhand." has been conducted. Several of the findings of the study underscore the importance of the scheme in promoting self-reliance among farmers as well as its potential to increase agricultural productivity. In spite of this, there are varying perceptions regarding the sufficiency of the provided amount and its impact on reducing risk and improving economic conditions.

**Keywords:** PM-KISAN yojana, small and marginal farmers, agricultural productivity

### **1. Introduction**

The Pradhan Mantri Kisan Samman Nidhi Yojana (PM-KISAN), launched in February 2019, provides financial assistance of ₹6000 annually to small and marginal farmers. The amount is paid in three installments directly to farmers' bank accounts via Direct Benefit Transfer (DBT). The main goal of PM-KISAN Yojana is to boost agricultural sustainability by promoting modern farming techniques and easing farmers' liquidity issues. Announced by Minister Piyush Goyal in the interim Union Budget 2019, the scheme has an annual budget of ₹75,000 crores. The scheme provides 100% funding from the Central Government to small and marginal farmers with landholdings up to 2 hectares, helping them meet their financial needs for farming inputs and related activities. PM-KISAN Yojana aims to support farmers' financial needs, promoting modern farming techniques, ensuring crop health, and boosting agricultural productivity. The PM-KISAN Yojana involves stages like farmer registration, eligibility verification, and fund disbursement via DBT. Launched by Prime Minister Narendra Modi on February 24, 2019, in Gorakhpur, Uttar Pradesh, the scheme initially allocated ₹20,000 crores in 2018-2019, benefiting over 2 crore farmers. Recently, PM Modi released the 17th installment, transferring over ₹21,000 crores to the bank accounts of more than 9 crore farmers.

Literature indicates that access to credit aids in adopting modern technologies. Cash transfers can increase farmers' net income, enhancing their ability to take risks. Zimmermann (2015) suggests that increased income from workfare programs may lead farmers to choose riskier but higher-return crops. Additionally, cash transfers can improve access to crop insurance, influencing adoption decisions.

## **2. Study Objectives**

It is the aim of this study to evaluate the impact of PMKSNY on agriculture and allied enterprises of the beneficiaries.

To evaluate the impact of the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-KISAN) on agriculture and allied enterprises among beneficiary farmers, it is essential to analyze various aspects of the scheme's implementation and its outcomes. The evaluation should consider how the financial assistance provided under PMKSNY has influenced farmers' decision-making processes, particularly in adopting modern farming techniques, diversifying crops, and investing in agricultural inputs. It should also examine the extent to which the scheme has alleviated liquidity constraints, enabling farmers to engage in more profitable and sustainable agricultural practices.

The study should further explore how the financial support has impacted the overall productivity and economic status of farmers, including their ability to take calculated risks, access crop insurance, and invest in allied enterprises such as livestock, fisheries, or horticulture. Additionally, it is important to assess whether the cash transfers have led to improvements in crop health, yield quality, and market participation. This comprehensive evaluation will provide insights into the effectiveness of PMKSNY in enhancing the agricultural sector and improving the livelihoods of small and marginal farmers across India.

## **3. Review of literature**

Ghazanfar et al. (2015) found that farmers had negative perceptions of crop insurance, viewing it as a tax and believing premiums were too high for poor farmers. Their Profit model analysis revealed that "education" and "previously availed agricultural credit" were the key factors influencing farmers' awareness of crop insurance.

Jamanal and Natikar (2019) found that 37.08% of insured farmers had a medium-level attitude towards crop insurance, followed by 35.42% with a low attitude and 27.50% with a high attitude. Most farmers had an unfavorable view of delays in claims, difficulties with online registration, and lack of proper crop cutting experiments. However, they had a favorable attitude towards the scheme as a good government initiative, direct online payments, and the overall crop insurance scheme.

Khedkar et al. (2020) found that adopting improved practices required an additional cost of ₹967 per hectare but led to an increase in average net returns by ₹9267 per hectare, about 60% higher than traditional practices. The benefit-cost ratios for recommended practices (2.03-3.00) were also higher compared to traditional practices (1.72-2.57), likely due to higher yields under the improved methods, which showed a 23.32% increase in yield.

## **4. Materials and Methods**

### **4.1 Selection of Study Area:**

The proposed study was focused on Ranchi district in Jharkhand, which includes the blocks of Kanke, Burmu, Ratu, Nagri, and Namkum. Among these, only Kanke block was selected for the study due to its significance as a major crop cultivation area needing higher financial aid, as per agricultural department data.

### **4.2 Sampling Procedure:**

Kanke block consists of 103 villages, all covered by the PMKSNY scheme. For this study, 10 villages were randomly selected.

### **4.3 Selection of Respondents:**

From the 1500 beneficiaries in these villages, 120 were chosen as respondents. Data will be collected through personal interviews using a schedule and analyzed with appropriate statistical tools.

### **4.4 Data Collection and Analysis:**

The study examines the impact of PMKSNY on beneficiary farmers and their agricultural enterprises. It evaluates how the scheme influences farming practices, productivity, and financial stability, as well as its effects on related agricultural activities.

#### 4.5 Farmers' perception towards PMKSNY:

The questionnaire assessed respondents' exposure to information about the Pradhan Mantri Kisan Samman Nidhi Yojana using self-scoring. Responses were recorded on a three-point scale: "fully agree" (2 points), "agree" (1 point), and "disagree" (0 points). Scores were categorized into three groups based on the mean  $\pm$  standard deviation.

#### 5. Result & Discussion

The impact of PMKSNY on agriculture and allied enterprises for beneficiaries is presented in the following table.

The distribution of beneficiaries based on the impact of PMKSNY on their agriculture and allied enterprises is detailed in the following table.

Serial No.	Statements	Impact			Total score	Mean score
		Low	Medium	High		
1.	Through this scheme, farmers will become more resilient and self-reliant.	30	54	36	243	2.02
2.	Farmers' standard of living will improve.	41	50	29	230	1.91
3.	This scheme will increase future opportunities for agricultural investment.	29	58	33	230	1.94
4.	The scheme will provide government support for future investment equity.	48	51	21	211	1.65
5.	This scheme will enhance the economic condition of farmers.	48	52	20	211	1.76

6.	This scheme creates employment opportunities in agricultural investment.	41	52	27	224	1.87
7.	This scheme is helpful in reducing the risk of farmers	30	61	29	237	1.98
8.	Investors' risk appetite increases due to opportunities for higher profits.	37	49	34	235	1.95
9.	Based on the benefits received from this scheme, farmers are increasingly adopting scientific farming methods.	21	66	33	250	2.08
10.	This scheme enables farmers to achieve maximum output by utilizing inputs according to their requirements.	44	56	20	214	1.78
11.	This scheme helps in steadily increasing farmers' annual	33	51	36	249	2.00

	income.					
12.	The cash from this scheme ensures farmers have access to seeds, fertilizers, and other inputs, especially for those facing a cash crunch before sowing.	27	55	38	238	2.07
13.	With the benefits of this scheme, farmers can prevent crop damage from pests and diseases by using timely inputs.	30	60	30	249	1.98
14.	This scheme helps farmers avoid external agricultural loans.	41	52	27	224	1.86
15.	This scheme has shifted farmers' attitudes towards adopting scientific farming practices.	34	58	28	232	1.93

The data presented in the results shows that all farmers, regardless of their impact level, from low to medium, are represented based on the mean score. The greatest impact was observed in "On the basis of benefits received from this scheme, farmers are increasingly adopting scientific farming" (mean score 2.08), followed by "The cash available from this scheme facilitates the availability of seeds, fertilizers, and other inputs to farmers facing a cash crunch before sowing" (mean score 2.07). The scheme's impact is as follows: "Farmers will become strong and self-reliant" (mean score 2.02), "Opportunities for agricultural investment will increase in the future" (mean score 2.01), "The scheme helps in continuously increasing farmers' annual income" (mean score 2.00), "Farmers can avoid crop damage from pests and diseases using timely inputs" (mean score 1.98), "The scheme reduces farmers' risk" (mean score 1.98), "The risk appetite of investors increases with opportunities for maximum profit" (mean score 1.95), "The government provides equity for future investment" (mean score 1.94), "There has been a change in farmers' attitudes towards scientific farming" (mean score 1.93), "The standard of living for farmers will improve" (mean score 1.91), "The scheme provides employment opportunities in agricultural investment" (mean score 1.87), "The scheme frees farmers from external agricultural loans" (mean score 1.86), "Farmers achieve maximum output by using inputs as required" (mean score 1.78), and "The scheme will improve farmers' economic condition" (mean score 1.75).

## 6. Conclusion:

The major findings indicate that farmers are generally satisfied with the scheme, though perceptions vary across different aspects. Notably, most farmers are pleased with the benefits, particularly regarding the reduction of external agricultural debt. The scheme has positively impacted farmers' attitudes towards scientific farming and provided essential support in alleviating financial challenges. It has also contributed to increased output by using inputs according to scheme requirements and has played a significant role in promoting self-reliance among farmers.

## 7. References:

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