



UTILIZATION PATTERN OF PM-KISAN AND RYTHU BHAROSA SCHEMES' AMOUNT AMONG MARGINAL AND SMALL PADDY FARMERS

Mandadi Venkatesh Reddy

Research Scholar

Department of Economics

Acharya Nagarjuna University, Andhra
Pradesh, India

Prof. K. Madhu Babu

Department of Economics

Acharya Nagarjuna University, Andhra
Pradesh, India

ABSTRACT

The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) is a central sector scheme launched by the Government of India to provide income support to all landholding farmer families across the country, with a financial benefit of Rs. 6,000 per year in three equal installments. The Rythu Bharosa scheme (now renamed as Annadata Sukhibhava scheme) in Andhra Pradesh provides annual financial assistance of ₹13,500 to eligible farmer families, supplementing the PM-KISAN scheme, to support agricultural activities and improve livelihoods. The study examines the utilization patterns of the PM-KISAN scheme funds among marginal and small farmers in the Guntur district of Andhra Pradesh. The analysis reveals that a significant proportion of farmers use the funds for land preparation, seed purchases, and harvesting support. However, the utilization for purchasing fertilizers, pesticides, and irrigation purposes is relatively low. The study suggests that building on the scheme's successes, efforts should be made to replicate these outcomes in other areas, and capacity-building programs for farmers should be invested in.

Keywords: PM-KISAN scheme, Annadata Sukhibhava scheme, Marginal farmers, Small farmers, utilization pattern of funds.

Introduction

As the world's second-most populous nation, India is home to 17% of the global population. Despite its significance, Indian agriculture faces productivity and modernization challenges, necessitating sustained investment for sustainable growth. The agricultural sector is vital to India's economy, serving as the largest employment source and contributing substantially to national income, exports, and raw materials for agro-based industries. India's agricultural sector, a crucial part of the economy, faces numerous challenges that jeopardize the livelihoods of millions of farmers. Rising input costs, price fluctuations, climate variability, and inadequate access to credit plague the sector. Small and marginal farmers, comprising 86% of the farming community, are particularly vulnerable due to limited landholdings, scarce resources, chronic debt, low productivity, and susceptibility to economic shocks.

Institutional support is crucial for promoting sustainable agriculture and improving farmers' livelihoods in India. Although agriculture is primarily a state subject under the Indian Constitution, certain aspects fall under the union and concurrent lists, including regulation of fisheries, animal husbandry, and forestry beyond state boundaries. Despite the implementation of the PM-KISAN scheme, there is a lack of comprehensive understanding of its effectiveness in supporting the agricultural needs of farmers. Specifically, the extent to which farmers utilize



the scheme's benefits for various agricultural purposes, such as land preparation, seed procurement, fertilizer and pesticide purchase, irrigation, and harvesting support, remains unclear. This knowledge gap hinders the optimization of the scheme's benefits and the identification of areas requiring improvement, ultimately affecting the livelihoods of farmers and the overall agricultural productivity.

Pradhan Mantri Kisan Samman Nidhi Scheme

The Pradhan Mantri Kisan Samman Nidhi (PMKISAN) scheme was launched by the Government of India on February 24, 2019, to provide financial assistance to land-holding farmers. The scheme aims to boost farmers' income by providing an annual amount of ₹6,000, distributed in three equal installments of ₹2,000 every four months. Eligible landholding farmer families receive this financial assistance directly into their bank accounts. The scheme has undergone expansions and modifications since its launch, with a focus on using technology to ensure all eligible farmers receive benefits.

Rythu Bharosa Scheme in Andhra Pradesh

The Rythu Bharosa scheme (now renamed as Annadata Sukhibava scheme) was launched in Andhra Pradesh in June 2019 as one of the state's nine flagship welfare programs. Under this scheme, landholder farmer families receive an annual benefit of ₹13,500, comprising ₹7,500 from the state government and ₹6,000 from the central government. The benefits are disbursed in three installments to support farmers during the crop season, ensuring timely access to quality inputs and services for enhanced crop productivity.

Review of Literature

Naik et al.'s study (2022) on the PM Kisan Samman Nidhi Yojana in Karnataka found that beneficiaries primarily used the funds for seeds (38.33 per cent), fertilizers (15 per cent), and pesticides (11.67 per cent). Awareness mainly came from fellow farmers (36.67 per cent), newspapers (20 per cent), and banks (16.67 per cent).

Rajesh et al. (2022) assessed farmers' awareness of Rythu Bharosa Kendras (RBKs) in Andhra Pradesh's Rayalaseema region. The study found that farmers demonstrated moderate to high awareness of RBK features, products, and services, with 32 per cent showing high awareness, 51 per cent medium awareness, and 17 per cent low awareness.

Babu et al.'s (2023) study on study on Rythu Bharosa Kendras (RBKs) in Andhra Pradesh found that farmers' perceptions of RBK services are influenced by socio-economic factors like caste and annual income. The study also identified gaps in RBK services, including the unavailability of essential agricultural inputs. While Agricultural Extension Officers (AEOs) positively impact farmers' perceptions, the study highlights a disconnect between perception and utilization of RBK services.

Chaturvedi et al. (2023) found that the PM-KISAN scheme had a profoundly positive impact on agriculture in Sehore district, Madhya Pradesh. The scheme enabled farmers to adopt modern farming practices, access timely inputs, and improve their economic well-being. It also increased annual incomes, reduced crop risks, promoted self-reliance, stimulated agricultural investments, and generated employment opportunities.

Karthikeyan, R., & Vishalini, K. (2024) assessed the economic impact of PM-KISAN and PM-KMY on farmers' income and welfare in India. The study found that while the schemes have positively impacted farmers, their effectiveness is limited by implementation issues and restricted reach, highlighting the need for improvements in data accuracy, payment timelines, and beneficiary awareness.

Objectives and Methodology

The aim of the study is to examine the utilization of PM-KISAN scheme funds by farmers over the last five years, from 2018-19 to 2022-23. The study investigates the various purposes for which the PM-KISAN amount is utilized by marginal and small farmers, including agricultural expenses. Specifically, the study analyzes the extent to which the PM-KISAN amount is used for different purposes like land preparation, purchasing seeds, fertilizers and pesticides, irrigation, paying rent of farm equipment, and harvesting support.

The study employed a primary research approach, collecting data from 640 farmers in the Guntur district of Andhra Pradesh, chosen for its prominence in paddy cultivation. The sample consisted of 20 small farmers and 20 marginal farmers from each of four villages, randomly selected from four Mandals (Ponnur, Kakumanu, Duggirala, and Tenali) with the highest area under paddy cultivation. Primary data was collected through a pre-tested interview schedule, and frequency tables were used to analyze the data, describing the utilization patterns of the PM-KISAN scheme among farmers.

Results and discussion

Land preparation

Table-1 presents the utilization of PM-KISAN amount for land preparation among 640 respondents over the last five years. A significant majority (51.60 per cent) of respondents reported utilizing the PM-KISAN amount completely for land preparation, indicating effective use of the scheme. This suggests that the scheme has been successful in supporting land preparation activities among farmers, which can have a positive impact on agricultural productivity. In addition to complete utilization, approximately 40 per cent of respondents (17.70 per cent + 22.70 per cent) reported significant and moderate utilization, respectively. This further emphasizes the substantial impact of the scheme on land preparation. However, a smaller proportion of respondents (8.10 per cent) reported slight utilization, which may indicate potential barriers or limitations in the scheme's implementation. Overall, the analysis suggests that the PM-KISAN scheme has been effective in supporting land preparation activities among

farmers. The significant majority of respondents utilizing the amount completely or significantly indicates a positive impact on agricultural productivity.

Table –1

**UTILIZATION OF PM-KISAN AMOUNT FOR LAND PREPARATION IN THE
LAST FIVE YEARS**

Extent	Number of respondents	Percentage
Completely	330	51.60
Significantly	113	17.70
Moderately	145	22.70
Slightly	52	8.10
Not at all	-	-
Total	640	100.00

Source: Computed from Primary Data.

Purchase of seeds

Table - 2 presents the utilization of PM-KISAN amount for purchasing seeds among 640 respondents over the last five years. The data indicates that nearly half of the respondents (49.80 per cent) utilized the PM-KISAN amount significantly for purchasing seeds, while 24.80 per cent utilized it completely. This suggests that the scheme has been successful in supporting seed procurement among farmers, which is a critical input for agricultural productivity. However, a notable proportion of respondents (13.10 per cent) reported slight utilization, and 12.20 per cent reported moderate utilization. This may indicate that some farmers may not have utilized the scheme's benefits to their full potential or may have faced challenges in accessing quality seeds. Overall, the analysis suggests that the PM-KISAN scheme has had a positive impact on supporting seed procurement among farmers. The significant proportion of respondents utilizing the amount significantly or completely indicates a substantial benefit of the scheme in enhancing agricultural productivity.

Table – 2

**UTILIZATION OF PM-KISAN AMOUNT FOR PURCHASING SEEDS IN THE
LAST FIVE YEARS**

Extent	Number of respondents	Percentage
Completely	159	24.80
Significantly	319	49.80
Moderately	78	12.20
Slightly	84	13.10

Not at all	-	-
Total	640	100.00

Source: Computed from Primary Data.

Purchasing fertilizers

The utilization of PM-KISAN amount for purchasing fertilizers in the last five years is furnished in Table - 3. Only 9.80 per cent of respondents utilized the amount completely, while a mere 3.90 per cent utilized it significantly. This suggests that a relatively small proportion of farmers were able to fully utilize the funds for fertilizer purchases. On the other hand, a substantial proportion of respondents (33.90 per cent) reported moderate utilization, indicating that while they did use the funds for fertilizers, it was not to the fullest extent. The largest proportion of respondents (36.90 per cent) reported slight utilization, suggesting that the funds may not have been sufficient to meet their fertilizer needs. 15.50 per cent of respondents reported not utilizing the amount at all for purchasing fertilizers.

Table –3

UTILIZATION OF PM-KISAN AMOUNT FOR PURCHASING FERTILIZERS IN THE LAST FIVE YEARS

Extent	Number of respondents	Percentage
Completely	63	9.80
Significantly	25	3.90
Moderately	217	33.90
Slightly	236	36.90
Not at all	99	15.50
Total	640	100.00

Source: Computed from Primary Data.

Pesticide purchases

The utilization of PM-KISAN amount for purchasing pesticides in the last five years reveals a relatively low level of utilization. Only 6.40 per cent of respondents utilized the amount completely, while 12.80 per cent utilized it significantly. A substantial proportion of respondents (37.00 per cent) reported slight utilization, indicating that the funds may not have been sufficient to meet their pesticide needs. Furthermore, 30.00 per cent of respondents reported not utilizing the amount at all for purchasing pesticides, which is the highest proportion among all the categories. The moderate utilization category accounted for 13.80 per cent of respondents, which is relatively lower compared to other categories (Table – 4).

Overall, the data suggests that the PM-KISAN scheme has had a limited impact on supporting pesticide purchases among farmers.

Table – 4

UTILIZATION OF PM-KISAN AMOUNT FOR PURCHASING PESTICIDES IN THE LAST FIVE YEARS

Extent	Number of respondents	Percentage
Completely	41	6.40
Significantly	82	12.80
Moderately	88	13.80
Slightly	237	37.00
Not at all	192	30.00
Total	640	100.00

Source: Computed from Primary Data.

Irrigation purposes

The utilization of PM-KISAN amount for irrigation purposes in the last five years is presented in Table - 5. None of the respondents reported utilizing the amount completely, significantly, or moderately, indicating a lack of effective use of the scheme for irrigation purposes. Only 31.10 per cent of respondents reported slight utilization, suggesting that a small proportion of farmers may have benefited marginally from the scheme. However, a staggering 68.90 per cent of respondents reported not utilizing the amount at all for irrigation purposes.

Table – 5

UTILIZATION OF PM-KISAN AMOUNT FOR IRRIGATION PURPOSES IN THE LAST FIVE YEARS

Extent	Number of respondents	Percentage
Completely	-	-
Significantly	-	-
Moderately	-	-
Slightly	199	31.10
Not at all	441	68.90
Total	640	100.00

Source: Computed from Primary Data.

Paying farm machinery rent

The utilization of PM-KISAN amount for paying rent of farm equipment in the last five years is presented in Table - 6. While none of the respondents reported utilizing the amount completely, 8.10 per cent reported significant utilization, indicating that a small but notable proportion of farmers benefited substantially from the scheme. A substantial proportion of respondents (48.90 per cent) reported moderate utilization, suggesting that nearly half of the farmers used the scheme to meet a significant portion of their farm equipment rental needs. Additionally, 43.00 per cent of respondents reported slight utilization, indicating that a sizable proportion of farmers benefited marginally from the scheme. Notably, none of the respondents reported not utilizing the amount at all for paying rent of farm equipment, suggesting that the scheme has had some level of impact on supporting farmers' access to farm equipment.

Table –6

UTILIZATION OF PM-KISAN AMOUNT FOR PAYING RENT OF FARM EQUIPMENT IN THE LAST FIVE YEARS

Extent	Number of respondents	Percentage
Completely	-	-
Significantly	52	8.10
Moderately	313	48.90
Slightly	275	43.00
Not at all	-	-
Total	640	100.00

Source: Computed from Primary Data.

Harvesting support

The utilization of PM-KISAN amount for harvesting support in the last five years is furnished in Table - 7. A significant proportion of respondents (42.80 per cent) reported utilizing the amount completely, indicating effective use of the scheme for harvesting support. Additionally, 25.30 per cent of respondents reported significant utilization, suggesting that the scheme has had a substantial impact on supporting farmers' harvesting needs. The remaining respondents (31.90 per cent) reported slight utilization, indicating that while they may not have fully utilized the scheme's benefits, they still derived some advantage from it. Notably, none of the respondents reported moderate or no utilization of the PM-KISAN amount for harvesting support, highlighting the scheme's overall effectiveness in this area.

Table – 7

UTILIZATION OF PM-KISAN AMOUNT FOR HARVESTING SUPPORT IN THE LAST FIVE YEARS

Extent	Number of respondents	Percentage
Completely	274	42.80
Significantly	162	25.30
Moderately	-	-
Slightly	204	31.90
Not at all	-	-
Total	640	100.00

Source: Computed from Primary Data.

Conclusion

It can be concluded that the analysis of PM-KISAN and Rythu Bharosa Schemes' fund utilization reveals diverse spending patterns among marginal and small farmers. A significant proportion of sample marginal and small farmers utilize the funds for land preparation, seed purchases and harvesting support. The scheme has been effective in supporting land preparation activities, with 51.60 per cent of respondents utilizing the amount completely. A significant proportion of respondents utilized the scheme for purchasing seeds (49.80 per cent significant utilization) and harvesting support (42.80 per cent complete utilization). However, the utilization for purchasing fertilizers (9.80 per cent complete utilization) and pesticides (6.40 per cent complete utilization) was relatively low. The scheme had a limited impact on supporting irrigation purposes, with 68.90 per cent of respondents reporting no utilization. Renting farm equipment was a notable area of utilization, with 48.90 per cent of respondents reporting moderate utilization.

Building on the scheme's successes in supporting land preparation, seed procurement, and harvesting support, efforts should be made to replicate these outcomes in other areas, ultimately contributing to improved agricultural productivity and rural livelihoods. Capacity-building programs for farmers should be invested in, and convergence with other government schemes should be encouraged. A robust grievance redressal mechanism should also be established to address farmers' concerns and ensure timely resolution of issues related to the scheme.

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