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H, Gopi and K B, Rangappa

Department of Studies in Economics, Davangere University,
Karnataka

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Utilization Pattern of PM-KISAN Benefits

GOPI. H¹, Dr. K. B. RANGAPPA²
Research Scholar¹, Professor²
Department of Studies in Economics
Davanagere University, Davanagere, Karnataka

Abstract: *In developing countries like India, the obstacles for development for an economy are large. Such countries' population is mainly dependent on agriculture for their livelihood. It is relic, that the exploitation of landlords and zamindari systems on small and marginal farmers. Even today small and marginal farmers with small holdings are still in the need of development. Due to some market negotiations while selling their output, farmers might face loss and sometimes find difficult to debt repayment, crop diseases, floods and droughts. Because of debt issues large number of farmers have given up their lives. According to the National Crime Report of Bureau (NCRB), the number of farmer suicides in the country has plunged to 11,379 in 2016, 12,360 and 12,602 in 2014 and 2015 respectively. Therefore, to rescue and upliftment of SMFs,' the central government of India introduced many programs among PM-KISAN Yojana is also one which provides a financial inducement to the farmers through instalments under certain duration gap, since December 1st of 2018. The scheme aims to provide financial support to the small and marginal farmers to get hold of various inputs such as crop health and appropriate yields along with farm income proportionate to the land holdings at the end of each crop. This would also protect them from falling in the clutches of moneylenders for meeting such expenses and ensure their continuance in the farming activities.*

As of the aim of PM-KISAN, beneficiaries have not been optimum utilization of the scheme financial assistance. So that, the present study objects to analyses the scheme benefit utilization pattern among beneficiaries in Davanagere district of Karnataka. The description of the study relates to Davanagere district particularly and that has planned to take few farmers to analyses the scheme influences on beneficiaries. The information will be collected from beneficiaries directly and will be presented through tabular representation with some analysis followed by interpretation. There are many sources even used by articles, newspapers and government publications.

Key Terms – Landlords, Zamindari system, Crop Yield, Crop Health, NCRB.

Introduction

Developing countries like India, the obstacles for development of an economy are large. Such countries' population is largely dependent on agriculture for their livelihood. The livelihood on farming was 72% in 1951 and it had expanded to 71-78 percent according to 1981 and 1991 Agricultural Census. The reliance has been declining to 50 percent and contributing just 17-18 percent to GDP according to the Economic Survey of 2018-19. There are numerous hazards for example lack of financial assistance, water system organizes, flood control frameworks, dependable power creation limit, all-season country and urban expressways, cold stockpiling to forestall decay, present-day retail, and serious purchasers of produce from Indian farmers. This is progressively the focal point of Indian farming strategy. Among many issues, since ancient we could see the exploitation of landlords and zamindari systems on small and marginal farmers. The underdevelopment and backward development are more even today to the farmers who come under small and marginal landholdings. To

upliftment of SMFs,' the central government of India introduced many programs among PM-KISAN Yojana is also one which provides a financial inducement to the farmers through instalments under certain duration gap since December 1st of 2018. The scheme aims to provide financial support to the small and marginal farmers to get hold of various inputs such as crop health and appropriate yields, proportionate count on with the farm income at the end of each crop. This would also protect them from falling in the clutches of moneylenders for meeting such expenses and ensure their continuance in the farming activities.

The SMFs landholder farmer family is defined as “a family comprising of husband, wife and minor children who collectively own cultivable land up to 2 hectares as per land records of the concerned State/UT”. This scheme provides an annual income of Rs. 6000 within 3 instalments of Rs.2000 per each instalment with the gap every 4 months. That's restricted to Small and Marginal farmers of the nations. In India, as per financial Year 2018-19 the projected amount of SMF's was 13.54 crore but 12.50 crore had been considered due to few certain categories' exclusion.

Financial assistance is a needed input for farmers' agricultural activities. Under developed countries have been facing a problem regarding financial issues moreover. In India also we find the same problem. Therefore, there are many programmes introduced to fill the financial gap of the farmers. Review has studied by many authors and few of them are listed below.

Many of the government programmes have not been proven that they have been reducing farmer's financial risks. He suggested to increase the scope of the insurance of farm assets, life of the people and of some specific perils that affect crop and livestock yields. The greatest challenge is to rescue farmers from the natural hazards on the financially sound basis. Therefore, Simple lottery schemes that provide insurance against catastrophic weather events recorded at regional weather stations might prove effective. There has to be increase the role of private sector along with the government programmes (**Hazell, Dec. 1992**).

There is a need of optimistic assumption about the farmer's programme in India which exceeds the farmer's income than programme cost. Therefore, the impact of agricultural credit must be efficient on the agricultural output, non-farm growth, employment and rural wages (**Binswanger et al., Nov. 2007**).

This study based on 1,406 farmers of Uttar Pradesh to examine the scheme's targeting accuracy and the farmer's expenditure pattern. At the same time, it verified the Krishi Vignana kendra's impact on farmers. Resulted that scheme reached one-third of the beneficiaries in the first three months of its implementation. The scheme more over benefited for the farmers who dependent on agriculture and have poor access to credit. There after scheme also induced the KVK's impact on the adoption of the modern technology in the farmers agronomic practices (**Varshney et al., Jan. 2020**).

There is a vital role for agricultural credit in India, many weaknesses and drawbacks are there yet undertaken by the institutions though increased in the high credit and outreach. Anyhow, still there is a need of many shifts in consumption and dietary patterns, diversification in agricultural production and value addition processes in order to protect employment and incomes of the rural population. Therefore, strong and sustainable agricultural financial institutions systems needed to build and provide required necessities and marketing infrastructures. These kinds of inducements change the farmers thinking habits towards good agronomic practices and allied activities (**Mohan, 2006**).

There are large of studies have been done on the financial assistance programmes for the farmers in India and among many states as well. The mentioned studies revealed the programmes aims and targets of farmers welfare. Especially very less studies are conducted on PMKISAN scheme programme evaluation. The conducted studies too have not analysed the expenditure pattern of the farmers with the scheme amount. Therefore, this study aims to analyse the utilization of the scheme financial assistance between productive and non-productive expenditure among the beneficiaries.

Statement of the Problem

There are numerous policies and programmes which have been performing towards farmer's welfare by giving financial assistance through loans, subsidies and incentives etc. Among them, PMKISAN introduced to overcome the obstacles regarding financial issues of agronomic practices. But there are still many issues under scheme such as implementation issues, lack of data of farmer's, banking issues, identification problem of beneficiaries, follow up of beneficiaries, etc. Majorly farmers do not utilise the scheme benefit as such a great manner. There is still need for improvement in the scheme guidelines for the betterment of

farmers based on the use of scheme benefits. Hereby the study interest to focus on their expenditure pattern of the Davanagere district SMF's after getting instalments for their betterment. Because, the study area is identified as well developing city but not in the structural issues of primary sector and many of the farmers have not been utilizing the programme benefits. Hence, the study wants to do an analysis of utilization pattern of the beneficiaries in the respected area.

Objective

- To Interpret the Expenditure Patterns across the beneficiaries of PM-KISAN

Hypothesis

- There is a significant difference among the most of the expenditure particulars across the categories.

Methodology

The study considers primary data to analyse the objective. The district is divided into two parts based on 'Dr. Nanjundayya Committee report' 2002 on High-Power Committee for Redressal of Regional Imbalances which reports that backward and developed taluks of Davanagere district. The obtained two-taluks picked with the help of lottery method and in each taluk three villages were chosen and in turn 20 beneficiaries were selected in each village. Hence, totally 120 beneficiaries' have been drawn from six villages of two-taluks by random sampling.

Systematic questionnaire, observation and field survey are the tools and method for the data collections respectively. To test the hypothesis F test has used with systematic table followed by the interpretation. Many of the secondary sources had been used such as PMKISAN website source, journal articles, newspapers information, etc.

Results and Discussions

Since the society has many unequal compositions among the communities. There are many issues, changes, difference in terms of the living standards, occupation, business styles, education system, etc. between the people. It is quite common there is high standard of living owned by the upper-class people of the society and less by lower one. Especially, in rural areas it is found more than urban areas. In order to reduce this PM-KISAN has been providing financial assistance to small and marginal farmers to improve their quality of life with equal to other upper-class people.

PM-KISAN has been providing financial assistance since 2018 and so far, there are five instalments completed. The study has taken 2019 period instalments for the analysis of expenditures of the beneficiaries. As per the aims of PM-KISAN scheme many instalments were paid to the accounts of eligible farmers but most of the farmers did not get instalments yet. The beneficiaries are divided into various categories such SC, ST and others and their financial assistance expended for various purposes and detailed interpretation is followed by the below table.

Table 1.1: Utilization pattern of benefits across the categories

Expenditure Particulars	Average Expenditure (in Rupees)			F Ratio
	SC	ST	Others	
Seeds	712.86	505	508.89	4.45*
Fertilizers	2191.43	1485	1753.33	3.64**
Pesticides	748.57	617.5	545.78	2.89
Bore Maintenance	285.71	125	177.78	0.86
Labour Cost	336.16	337.5	255.56	0.22
Transport Cost	145.28	77.5	160	1.08
Animal Husbandry	0	300	0	2.05
Shop Maintenance	371.43	400	985.33	2.11
Groceries Expense	497.14	1092.5	980	6.21*
Health Expense	145.71	462.5	180	4.91*
Personal Expense	565.71	597.5	453.33	1.05
Total	6000	6000	6000	

* and ** indicate 0.01 and 0.05 percent level of significance

As per the table 1.1, the study considered eleven expenditure particulars namely seeds, fertilizers, pesticides, bore maintenance, labour cost, transport cost, shop maintenance, animal husbandry, groceries expenses, health expenses and personal expenses. Categories are broadly divided into SC, ST and Others. To estimate the expenditure on various particulars across the categories F test has been is used.

The expenditure particulars from various background such as agriculture expenditures, allied agricultural expenses, business expenditures and other personal expenditures. The beneficiary's expenditure on seeds has significant difference between the categories at 1% level

of significance. Because, difference in land size and technology adoption, crop diversities, adoption of organic farming system, etc. there is more average expenses on seeds incurred by the SC (712.86) category beneficiaries than the ST (505) and others (508.89). Because, the SC community is from backward nature and they have no any other sources to purchase inputs. So that, usually they use scheme benefit on seeds relatively more by SC than ST and other beneficiaries. Likewise, the expenditure incurred on fertilizer is also significant at 5% level of significance. Here also the relative expenditure is more by SC than others because, poor farmers wish to enhance their output to get hold of good returns but others have some other sources of income so that there is less expenditure incurred on fertilizers.

It is found that most of the expenditure particulars are not significant across the categories, namely pesticides, bore maintenance, labour cost, transport cost, shop maintenance, animal husbandry and personal expenses. These are the expenditures incurred by the beneficiaries in a similar pattern between the categories. The cost incurred on pesticides has no difference among the beneficiaries because, nowadays pesticides used by all the farmers irrespective of categories to get high yield and farmers who have ground water resources through bore well also have no expenditure difference because of the frequently maintenance. Even under labour expenditure, there is no difference among the different categories. There is high labour cost made by SC category because these farmers directly dependent on these kinds of financial benefits and the use it for the agronomics practices rather than others. Hence, they paid the labour cost with scheme amount.

The cost undertaken for the transportation is also same by the different categories and there are no differences among them. There is higher average cost on transportation by other category farmers. Animal husbandry expenses also found no distinguishes among the categories and it is more incurred by the ST category farmers. Why? Because, the backward taluk is not directly dependent on agriculture because of less ground water sources. Therefore, they depend on some other allied activities. Most of the farmers have been doing animal husbandry under the ST categories.

Shop maintenance is one of the non-agricultural forms of expenditure, here also no difference in the expenditure among the categories. The beneficiaries one has any shops for his livelihood he has to incur the cost for the maintenance. Most of the other category beneficiaries have shops and other agricultural activities to earn income. Here they are investing the scheme instalments more than SC/STs. Health expenditure is a productive form of expenditure it is also

significant at 1% level of significance and expenditure on groceries is also significant at 1% level of significance. These two expenses based on the nature of family, a joint family expense more and nucleus one expense less. Due to backward of taluk demographic structure the ST beneficiaries' expense more on the groceries and health expenditures. Personal expense is an unproductive form expenditure and it is not significant across the categories. The beneficiaries have a same expenditure taste in this particular component. Specially, due to illiteracy SC/STs expense more on this component.

Conclusion

The study resulted that the beneficiaries of the Davanagere district is relatively poor compared to other districts. They have various purposes to expense the PM-KISAN benefits. Most of the beneficiaries (3/4th) do productive expenditure and relatively less unproductive expenditure. There are many farmers yet to get instalments, because of late release of fund they didn't get any instalments so far. The beneficiaries who received instalments have not significant difference under the most of the expenditure particulars across the categories. Among them more expenditures on particulars incurred by SC/STs than others. Because, they have less other income sources so that they incurred more scheme amount for their livelihood and agronomic practices as well.

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