

Rythu Bandhu Scheme Impact on Farmers Socio-Economic Development in Telangana State

G.Manguth¹, Dr.K.Krishna Reddy²

¹Research Scholar, Dr.BR.Ambedkar Open University, Hyderabad, Telangana

²Research Supervisor, Assistant Professor, Dr.BR.Ambedkar Open University, Hyderabad, Telangana

Abstract

On May 10, 2018, the Telangana government introduced the "Rythu Bandhu" programme for farmers. The programme was designed to free farmers from debt and prevent them from getting caught in a debt cycle. It is a welfare initiative for farmers. For the procurement of inputs like seeds, fertiliser, insecticides, manpower, etc., the state government provided Rs. 4000 per acre per farmer for each crop under the scheme. There are 58.33 lakh farmers in the state, and there are 1.42 crore acres of arable land in total. The government has set out Rs. 12000 crore for the programme in the 2018–19 budget. Additionally, the Telangana government allocated Rs. 12000 cr. and agreed to raise the compensation under the scheme to Rs. 5000 per acre during the 2019–20 budget. Farmers have been receiving Rs. 5,000 per acre since June 2nd of this year, for both the Kharif and Rabi seasons. The purpose of the current study is to assess the effectiveness of the Rythu Bandhu plan. The study also aims to assess, using three parameters, the effects of the Rythu Bandhu plan on farmers. As a part of it, 193 respondents' primary data was gathered and tested using SPSS version 20. In addition, discussions, policy ramifications, and recommendations are also included.

Keywords: RythuBandhuScheme,Farmers,Telangana State,income

Introduction

On May 10, 2018, the Telangana government introduced "Rythu Bandhu," an initial investment support programme for farmers. It is a welfare initiative designed to help farmers with their two crops each year. The programme was designed to free farmers from debt and prevent them from getting caught in a debt cycle. A farmer can purchase inputs like seeds, fertiliser, insecticides, manpower, etc. under the scheme at a cost of Rs. 4000 per acre per farmer per crop. The Rythu Bandhu scheme has as one of its goals the empowerment of farmers. It is the first programme of its kind in India to assist farmers with their early investments. Each acre will be worth Rs. 8,000 to the farmers in the Kharif and Rabi seasons of a given year. Since more than 97 percent of farmers have fewer than 10 acres per individual, there is no cap on the total number of acres. 1.43 million acres are used for farming, and the state has 58.33 lakh farmers. The government has set out Rs. 12,000 crore for the programme in the 2018–19 budgets. Two equal pay order cheques that were issued before to the two crop seasons were used to disburse the funds. Every farmer in Telangana has received a "Pattadar Dharani" passbook as part of the programme. This book aids in determining who owns the agricultural land. The farmer only receives money under the plan through a bank account. In addition, the Telangana government planned to boost the money under the scheme during the 2019–20 budget up to Rs. 5000 per acre. In consideration of the scheme's advantages, Prime Minister Sri Narendra Modi also expressed his appreciation for it and suggested the Pradhan Mantri Kisan Samman Nidhi Yojana (PMKSNY) during the

2019–20 Central Budget. In actuality, the Central Government created the PM KSN Yojana using the Rythu Bandhu as a model. A farming family receives Rs. 6000 from the central government under the PMKSNY programme every year in three installments. In addition to the Central Government, numerous other states also introduced the Rythu Bandhu-inspired initial investment support programme for farmers.

'Rythu Bandhu' Scheme: Its Importance

Telangana state's agriculture industry is underdeveloped. Numerous issues in the farming process are causing challenges for farmers. The main issues facing Telangana's agriculture sector include low production, stagnation, recurrent droughts, and low levels of public and private investment. Farmers are also having trouble finding an initial investment. Therefore, investment is the most reliable approach to increase agricultural productivity and farmer income while simultaneously ending the vicious cycle of rural debt. A new programme named "Rythu Bandhu" (Initial Investment Support Scheme) is scheduled to be launched in Telangana starting in 2018–2019 in order to ensure that farmers do not become caught in the debt cycle once more. For the fiscal years 2018–2019 and 2019–2020, respectively, a budget of Rs. 12,000 crore has already been set aside.

Examining the Literature

Bhaumik (2018) emphasises that an alternative to MSP (Minimum Support Price) is a direct support plan or an investment scheme. The plan entails a direct transfer of funds through which the farmers will be made whole for the income they lost as a result of a price or yield collapse at the predetermined price or market price for that year. For him, the scheme's application in the Indian context is rather complicated even if it is widely used in the European Union.

It is preferable to have direct income transfers to farmers rather than indirect ones through market price measures, according to Soni and Malhotra's (2015) book. The payment made to the farmers in this manner may be based on income or price. This will facilitate resource distribution, generating money for all production-related elements.

An agricultural economist named Ashok Gulati (2018) believes that loan waivers are nothing more than "Poll Bait". Having a reliable income support programme is essential nowadays. The Rythu Bandhu Scheme is an alternative to loan waivers for the agricultural industry in this direction. Farmers with modest landholdings are the scheme's main beneficiaries. Telangana's plan finds the ideal mix between farmers and consumers. The idea of a direct income system, or to put it another way, an agricultural investment programme for farmers, has been backed by the studies described above. These studies focus on how farmers are affected when a government programme or initiative is introduced. However, there are some holes that must be filled through the analysis of the paper. In addition to analysing an agricultural investment programme, this article differs from the research done above in that it also identifies the "reasons" behind its deployment. The "Rythu Bandhu Scheme" introduced by the Telangana state government of India is discussed in this essay.

Description of the Issue

In Telangana state, farmers are struggling since there is a lack of initial investment before the kharif and rabi seasons. As a result, on May 10, 2018, the Telangana state government introduced the "Rythu Bandhu" programme for farmers. It is the first farmers' welfare programme in Indian history to help farmers with their early investments. The programme was designed to free farmers from debt and prevent them from being trapped in it. The scheme provides farmers with Rs. 4000 per acre for each crop season to be spent on inputs like seeds, fertiliser, insecticides, manpower, etc.

During the 2019–20 budget, the Telangana government decided to enhance the payment under the scheme up to Rs. 5000 per acre and allotted Rs. 12000 cr. Farmers have been receiving Rs. 5,000 per acre since June 2nd of this year, for both the Kharif and Rabi seasons. The purpose of the current study is to assess the effectiveness of the Rythu Bandhu plan. It also focuses on using three parameters to assess how the Rythu Bandhu plan has affected farmers. Additionally, the study would aid the state government in developing better strategies for implementing the Rythu Bandhu plan in Telangana state.

Aims of the research:

1. To list the number of farmers in Telangana who have benefited from the Rythu Bandhu initiative.
2. To assess the effects of the "Rythu Bandhu scheme" on farmers using predetermined criteria.

To assess the effect of the Rythu Bandhu Scheme on farmers in Telangana State, the study took into account the following three factors.

A decrease in the farmer's indebtedness, a rise in the farmer's yearly farming revenue, and a deliberate utilization of the Rythu Bandhu programme

RESULT ANALYSIS METHODS

Both primary and secondary data are used as the study's foundation. The Telangana state Agriculture Department provided the secondary data. Through a standardized questionnaire given to the farmers who benefited from the Rythu Bandhu initiative, the basic data was gathered.

'Rythu Bandhu' provided benefits to farmers.

Through the "Pattadaha Pass Book" regularization programme, the government recognized 58.33 lakh farmers in Telangana and documented roughly 1.43 lakh acres suitable for cultivation. During the 2018–19 fiscal years, the government gave Rs. 5,260.94 crore to 51.50 lakh farmers for the Kharif season and Rs. 5,224.26 crore to 49.03 lakh farmers for the Rabi season. Table 1 lists the farmers in Telangana state who benefited from the Rythu Bandhu initiative by district. With 4,19,723 farmers, the Nalgonda district has taken the lead, followed by the Mahabubnagar district and the Sangareddy district. It has been noted that there are remarkably few farmers in the Warangal Urban district. Furthermore, it is noted that the Hyderabad district has no registered farmers. Farmers have enrolled from 30 of the 31 districts, with the exception of Hyderabad.

Table 1 : District wise farmers' benefited

Sl.No	District	No. of Farmers'
1	Nalgonda	419723
2	Mahabubnagar	334957
3	Sangareddy	316137
4	Khammam	264724
5	Nagarkurnol	263125
6	Siddipet	258306
7	Kamareddy	244920
8	Nizamabad	238909
9	Suryapet	232653
10	Vikarabad	224704
11	Medak	213316
12	Jagital	204906
13	Rangareddy	187718
14	Bhongiri	182455
15	Medchel	171256
16	Warangalrural	167452
17	Karimnagar	157970
18	Nirmal	157268
19	Bhupalli	155770
20	Wanaparthy	152025
21	Gadwal	148512
22	Jangoan	145992
23	Mancherila	130641
24	Peddapalli	127528
25	Mahabubabad	123241
26	Adilabad	116927
27	RajannaSirisilla	105074
28	Kothagudam	99621
29	Asifabad	91812
30	Warangal	78228
TotalFarmers		5356896

Source: Agriculture Department, TS

In India, agriculture and farming are the foundation of both the economy and society. Nearly two thirds of the people in India is dependent on it in some way, making it the country's primary occupation. It is "the heart and

soul" of the people because it is not only a source of income for them but also a way of life. Jawaharlal Nehru was correct when he stated that "agriculture needs to be the top priority of the government because neither the government nor the nation would succeed if agriculture could not." Since agriculture is a state matter, it is essentially the responsibility of the state governments to foster its expansion. The federal government assists states in their efforts both financially and through a variety of administrative and policy initiatives. In the agricultural sector, policymakers' strategies have recently changed from being production-focused to being income-focused, and a number of programmes are being introduced to make farming profitable. Similar to Telangana, India's 29th state, agriculture has received a lot of attention recently, primarily as a result of the hundreds of cotton farmers who have committed suicide as a result of their debt. More than half of the state's workforce is employed in agriculture, which is essential for reviving the rural economy. However, the state's agriculture industry is vulnerable to regular droughts, which causes misery among the farming community. Droughts in agriculture are therefore detrimental to the economy and people's means of subsistence. This prompted the state to take action in response to the farmers' concerns, such as adopting direct investment support programmes that will aid in raising agricultural output.

To meet the farmers' investment demands, an agricultural investment scheme is being introduced. The programme offers farmers financial support and direct funding, which serves as a source of income for them because they are unable to invest their earnings in the agricultural land they own due to limited wages. Any state's primary motivation for launching this programme is not only to give farmers financial support, but also to make up for the losses they suffered as a result of crop failure. Even if agricultural sector development is important for inclusive growth and the reduction of poverty, it is more critical to improve the well-being of those working in the industry. Farmer suicides are one of the main elements that have exacerbated the agrarian distress scenario. Therefore, it is essential to shed light on this matter and comprehend the circumstances of the most downtrodden farmers, who are committing suicide as a result of a lack of natural and financial resources. Additionally, it is crucial to recognise that the state has experienced an agrarian crisis as a result of the farmer suicides.

Results of the research

The large farmer welfare programme known as the Telangana Model "RythuBandhu" scheme serves as an alternative to the Loan Waiver Programme. Although the programme has numerous operational flaws, it prevented the farmers from being caught in a debt cycle. The objectives of the programme are not met, according to the findings of the current study, in the case of farmers with more than 8 acres. The majority of farmers with more than 10 acres have rented out their land to tenant farmers. As a result, the estimated 10 billion people's money is becoming ineffective. As a result, the government must implement the slab system while taking into account the number of acres and farmers who cultivate directly.

The Telangana government's Rythu Bandhu plan, commonly known as the Farmer's Investment Support plan, is a welfare programme to support farmers' investments for two harvests per year.

Farmers receive fair prices for their goods, which are determined by the bazaar committee officers and have little wastage.

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