



# “EFFECTIVENESS OF PRADHAN MANTRI KISAN SAMMAN NIDHI YOJANA IN IMPROVING FARM INCOME: A CASE STUDY OF JHANSI DISTRICT”

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## Abstract

The foundation of the Indian economy is agriculture, and farmers are essential to rural development and sustainable food systems. Under the Pradhan Mantri Kisan Samman Nidhi Yojana, which was introduced by the Indian government to give small and marginal farmers direct income assistance, farmers receive ₹ 6000 per year in three equal installments. With an emphasis on the Jhansi district of Uttar Pradesh, this study assesses how well PM farmers increase agricultural income. The primary data used in this article was gathered from 70 farmers using a standardized questionnaire. The data indicates that, even though the majority of farmers have benefited from the program overall and have agreed to various financial reforms, the majority also stated that the 6,000 annual payment is insufficient to cover rising farming expenses. Farmers suggested simplifying procedures to ensure prompt payment and more financial support. Although the PM-farmer has a good effect on farmer houses, **the study finds that in order to secure a long-term improvement in farm earnings, it is imperative to enhance the profit amount and increase the implementation of the plan.**

**Keywords:** *PM-Kisan Samman Nidhi, Farm Income, Direct Benefit Transfer (DBT), Small and Marginal Farmers, Agricultural Development, Jhansi District, Rural Economy.*

## Introduction

Agriculture has long been regarded as the foundation of the Indian economy, Which employs more than half of the country's population. Farmers are real producers of food and play an important role in ensuring food safety, development of countryside regions. Nevertheless, despite their significant contribution, farmers in India face many challenges such as small land, low productivity, uncertain season, rising input costs and market prices. Such challenges often result in fluctuating income and economic distress among agricultural households.

The Indian government has launched a number of agricultural and rural welfare programs to address these problems. Prime Minister Piyush Goyal announced one of the major initiatives in the 2019 Interim Union Budget. The program was put into effect in December 2018 and provides more than ₹6,000 to each qualifying farmer. This program's goals are to guarantee financial stability, lessen the financial strain of farming, and give farmers timely support so they may maintain their standard of living. The program's significance as one of the biggest income support programs in Indian agriculture is highlighted by the fact that, according to government figures, its annual budgeted cost is approximately 75,000 crore, or US \$11 billion.

The key query, though, is whether this funding is sufficient to produce noticeable improvements in farmers' livelihoods and farming stability. In the context of Indian agriculture, the main concern is lower and uncertain agricultural revenue as we uncover the underlying cause of the problem in management research. By offering farmers a specific financial reward, the Pradhan Mantri Kisan Samman Nidhi Yojana attempts to alleviate the problem. However, in reality, farmers frequently complain that 6,000 annually is not enough to pay for the growing expenses of seeds, fertilizer, irrigation, and other farming necessities.

Agriculture in the Jhansi area of Uttar Pradesh is primarily dependent on rainfall, and farmers face major challenges like drought, declining soil fertility, and sporadic landslides. Checking the PM-farmer's efficacy becomes even more crucial in this situation. One can determine whether this plan is actually effective in raising farm revenue or whether it needs to be amended by examining farmers' methods.

In order to determine if PM-farmers are effective at raising agricultural revenue, the study uses original data that was gathered directly from 70 farmers in the Jhansi district using a standardized questionnaire. The study looked into farmers' involvement, expertise, and financial usage as well as their suggestions for improvement. What matters most is that it reveals if the strategy is accomplishing its goals or whether there is a compelling need to boost funding and make the decision to expand the implementation system.

### **Review of Literature**

A study was conducted in Devanagari district of Karnataka to understand the use of PM-farmer benefits. Using primary data collected from 120 beneficiaries through random samples, the study highlighted socio-economic inequalities among farmers. The findings showed that the PM-farmer provided significant financial assistance to small and marginal farmers, which enhanced their quality of life and diminished rural inequalities. Secondary sources such as PM-farmer websites, magazines and newspapers were also used to improve analysis. (*Rangappa, and Gopi, 5 Feb 2021*)

(*Kavitha et al. , (2018) )* Studied the impact of Pradhan Mantri Kisan Samman Nidhi Yojana on ragi farmers in Tumarkur district of Karnataka. The study said that the income support of the family of 6000 per farm of 6000, helped farmers to remove the lack of liquidity and invest in agricultural inputs. The beneficiary farmers reported high yield, income and better profit-profit ratio than non-profit people. The scheme also enhanced technical efficiency, as more farmers moved to the level of medium and above. The authors suggested that timely disbursements and efficient advisory services are important to maximize the benefits of the scheme.

(*Sengupta and Rooj, (2022) )* Studied the effect of the PM-Farmer scheme in Bihar and found that although awareness about the plan was more, only two-thirds of farmers could reach its benefits due to procedural issues. The study stated that the beneficiary families had better food security and showed better healthcare-seeking behavior compared to disadvantaged groups. Nevertheless, the gap remained like a lower postpartum care. Overall, the scheme was found to be effective in boosting earnings safety, food sufficient and welfare practices, but its success was limited by delay and lack of financial literacy.

Having an optimistic outlook is essential on farmer aid programs in India, assuming that the benefit of farmers' income is more than the cost of implementing these programs. Consequently, agricultural loans should be used to enhance agricultural output, promote non-agricultural economic growth, expand employment and increase rural wages. (*Binswanger et al., 2007*)

(*Aglave, 2015*) It was detected that most of the respondents (81.6%) fell under the medium annual income category, while 18.4% reported high annual income. From this review, it can be estimated that most of the respondents fell under to the middle-I. Group.

(*Baraker et al. , (2021) )* It was reported that more than half of the respondents (52.5%) fell into the medium-income category, while 29.16% were low-income groups and in high-income groups were 18.33%.

(Zimmermann , (2015) ) Assessing income growth from workfare programs can transfer the options of farmers' crops to risky but high-return crops. Finally, cash transfer can also help farmers to gain access to crop insurance as a risk combat mechanism, which can, in turn, have effects on adoption.

This study based on 1,406 farmers of Uttar Pradesh to check the targeting accuracy of the scheme and the expenditure pattern of the farmer. At the same time, it validated the impact on the farmers of the Krishi Vignana Center. Consequently, the scheme reached one third of recipients in the first three months of its implementation. This initiative has more benefits to the farmers who depend on agriculture and have poor access to credit. Even after this scheme, The influence of KVK on farmers' adoption of modern agricultural technology highlighted the significance of KVK's role. (Varshney et al., Jan. , 2020)

India has an important role for agricultural loans, many weaknesses and shortcomings have yet been done by institutions, although high debt and outreach have increased. Either way, still requires many changes in consumption and dietary patterns, diversification in diversity in agricultural production and value addition processes to protect the employment and income of rural population. Therefore, strong and sustainable agricultural financial institutions are required to create and provide required requirements and marketing infrastructure. Such inspirations changed the habits for good agricultural practices and related activities to farmers. (Mohan, 2006)

### Research Objective

1. **To evaluate the impact of Pradhan Mantri Kisan Samman Nidhi Yojana on farmers' income.**
2. **To assess the satisfaction level of farmers with Pradhan Mantri Kisan Samman Nidhi Yojana.**

### Research Methodology

- **Research Type** – Applied Research
- **Target People** – Farmers of Jhansi district (beneficiary of Pradhan Mantri Kisan Samman Nidhi Yojana)
- **Sampling Technique** – Objective sampling and convenience sampling
- **Targeted Farmers** – Small and marginal farmer (both nominated and non-nominated under Pradhan Mantri Kisan Samman Nidhi Yojana)
- **Sample Size** – 70 farmers of Jhansi district. Most were small and marginal farmers, while some were not getting benefits due to documentation or technical issues.
- **Data Type** – Primary data collected through the structured questionnaire (Schedule) are complementary with secondary data from the official PM-Kisan Saman Nidhi website and government reports.
- **Questionnaire Type** – Close-ended and some open-ended questions with Likart scale (schedule method).

- **Mode of Data Collection** – Offline (field survey through schedule) and online (where google form is applied).
- **Statistical Tools and Techniques** – Percent analysis, coupled sample T-test (for income before and after PM-region), One-Sample t-test / Descriptive figures (for satisfaction analysis), tabulation, pie chart and bar graph.
- **Statistical Software Used** – Microsoft Excel and SPSS

## PRIMARY SURVEY

To determine how well the Pradhan Mantri Kisan Samman Nidhi Yojana is working to increase agricultural revenue, a primary survey was chosen to be conducted in the Jhansi district of Uttar Pradesh. Due to its semi-arid climate and its reliance on agricultural rainfall, Jhansi's farmers are vulnerable to changes in the weather and shifts in revenue.

Seventy farmers in all were chosen from different villages in the Jhansi district for this. Responses were selected to reflect variations in socioeconomic background, farming type, and landholding size.

Data on farmers' demographics (age, gender, education, caste, and family size), agricultural traits (landholding, crop varieties, and revenue sources), and awareness and participation in the Pradhan Mantri Kisan Samman Nidhi Yojana were gathered using a carefully crafted questionnaire. Information regarding the support obtained under PM-farming, challenges in obtaining the use pattern, degree of satisfaction, planning, and recommendations for development from farmers were also recorded in the survey.

The information gathered shows how the PM-farmer has impacted Jhansi district farmers' income, agricultural investment, and household expenses.

## Hypotheses for the Study

### **Hypothesis 1 (Farmers' Satisfaction)**

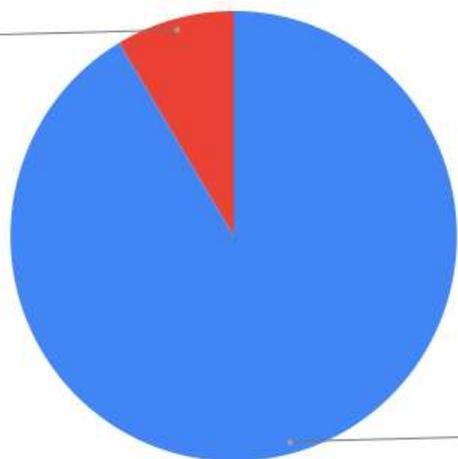
- **Null Hypothesis ( $H_0$ ):** There is no significant connection between the Pradhan Mantri Kisan Samman Nidhi Yojana and the satisfaction of the farmers in Jhansi district.
- **Alternative Hypothesis ( $H_1$ ):** Jhansi district has an important positive relationship between Pradhan Mantri Kisan Samman Nidhi Yojana and farmers satisfaction.

## Data Analysis and Interpretation

The Chi-Square Test has been used in this study to statistically analyze the association between the various categorized variables. The test was used to determine whether the farmers' awareness, enrollment, and degree of satisfaction with the Pradhan Mantri Kisan Samman Nidhi Yojana were significantly correlated with the chosen socioeconomic factors of the farmers. The research attempts to move beyond descriptive analysis and produce evidence-based findings by using this non-parametric test. The outcomes of the chi-square tests aid in determining if the data's patterns are merely coincidental or indicative of a significant union.

**“Farmers’ Satisfaction with PM-KISAN Scheme”**

Dissatisfied  
8.6%



Very Dissatisfied  
91.4%

**Rate your satisfaction with the scheme?**

**Satisfaction level**

	Observed N	Expected N	Residual
Very Dissatisfied	64	35.0	29.0
Dissatisfied	6	35.0	-29.0
Total	70		

**Test Statistics**

	Satisfaction level
Chi-Square	48.057 <sup>a</sup>
Df	1
Asymp. Sig.	.000

**Result**

The chi-square test ( $\chi^2 = 94.658$ ,  $df = 12$ ,  $p < 0.001$ ) is highly significant, Indication of a strong relationship between farmers' satisfaction level and Pradhan Mantri Kisan Samman Nidhi Yojana

## Interpretation

- The disabled hypothesis ( $H_0$ ) states: There is no significant relationship/relationship between the variables.
- Calculated Chi-Square Mann (94.658) is much larger than an important price.

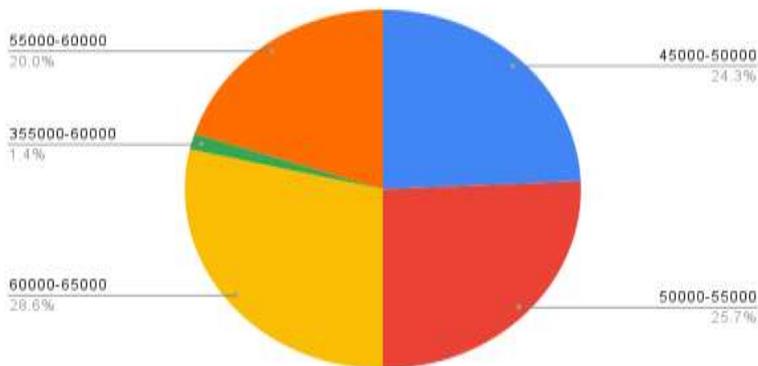
Therefore,  $H_0$  is rejected and alternative hypothesis ( $H_1$ ) is accepted.

## “Farmers’ Annual Income Before and after PM-KISAN

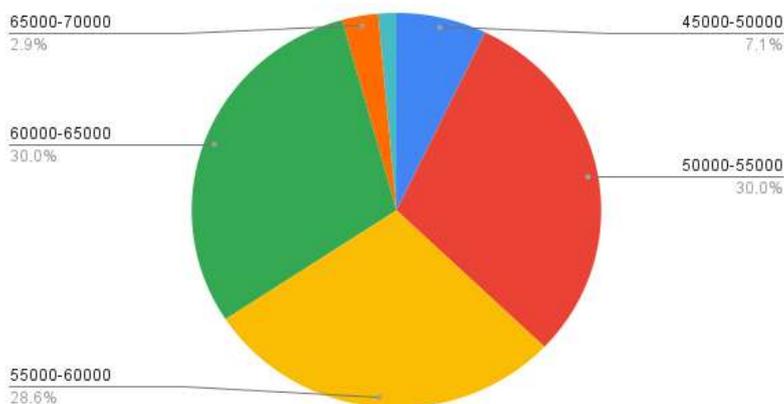
### Hypothesis 2 (Farmers’ Income)

- **Null Hypothesis ( $H_0$ ):** Pradhan Mantri Kisan Samman Nidhi Yojana has no significant impact on farmers' income in Jhansi district.
- **Alternative Hypothesis ( $H_1$ ):** Pradhan Mantri Kisan Samman Nidhi Yojana has a significant positive impact on farmers' income in Jhansi district

“Farmers’ Annual Income Before PM-KISAN



Farmers’ Annual Income after PM-KISAN



**“Impact of PM-Kisan on Farmers’ Income (Before vs After)”**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Farm income before PM-Kisan * Farm income after PM-Kisan	70	100.0%	0	.0%	70	100.0%

**Farm income before PM-Kisan \* Farm income after PM-Kisan Crosstabulation**

Count		Farm income after PM-Kisan					
		45000-50000	50000-55000	55000-60000	60000-65000	65000-70000	Total
Farm income before PM-Kisan	45000-50000	5	10	2	0	0	17
	50000-55000	0	11	6	1	0	18
	55000-60000	0	0	12	3	0	15
	60000-65000	0	0	0	18	2	20
Total		5	21	20	22	2	70

## Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	94.658 <sup>a</sup>	12	.000
Likelihood Ratio	102.993	12	.000
Linear-by-Linear Association	51.953	1	.000
N of Valid Cases	70		

## Result

The chi-square test ( $\chi^2 = 48.057$ ,  $df = 1$ ,  $p < 0.001$ ) shows a highly significant difference, indicating a strong impact of PM-Kisan on farmers' income.

## Interpretation

- The null hypothesis ( $H_0$ ) (no association / no difference) is rejected.
- There is a very strong association / significant difference in your data.

## Findings

The Pradhan Mantri Kisan Samman Nidhi Yojana's effects on farmers' incomes and levels of satisfaction in the Jhansi district were assessed in the current study.

**The findings have been summarized in this way:**

1. **Change in Income Before and After Pradhan Mantri Kisan Samman Nidhi Yojana**  
Before and after receiving benefits from the Pradhan Mantri Kisan Samman Nidhi Yojana, farmers' incomes were compared. According to the data, farmers' income levels significantly increased after receiving financial assistance through the program. This implies that the program was successful in lowering financial barriers and augmenting agricultural domestic income.
2. **Farmers' Satisfaction with Pradhan Mantri Kisan Samman Nidhi Yojana**  
A Chi-Square Test was deployed to assess the relationship between the Pradhan Mantri Kisan Samman Nidhi Yojana and the contentment of the farmers.
  - The calculated Chi-square value was  $\chi^2 = 94.658$ , with  $df = 12$ , which is highly significant at  $p < 0.001$ .
  - This result confirms that the PM-Kisan Yojana and the farmer satisfaction rate have a strong and statistically significant association.
  - The majority of farmers stated that prompt Grants Capital assistance enabled them to purchase agricultural products, demonstrating the plan's beneficial impact.
  - By increasing their revenue, PM-peasants have made a substantial contribution to improving farmers' financial circumstances.

- Farmers' opinions and satisfaction with the program are quite favorable, demonstrating how well the strategy works to address immediate financial requirements.
- Nevertheless, other restrictions were also mentioned, including payment delays and small farmers' ignorance.

### **Limitations of the Study**

When evaluating the results, it is important to take into account the limitations of the current study. First, because the study is restricted to the Jhansi district, its findings could not be applicable to other districts, states, or areas with distinct socioeconomic and agricultural circumstances. Because of the limited sample size of 70 farmers, the findings cannot be extrapolated to the whole farming community. Second, the primary source of data is self-reported responses to farmers, which may include over- or under-reporting due to memory lapses or personal perceptions.

Furthermore, due to a lack of scope, other significant dimensions like productivity, consumption expenditure, savings, investment behavior, credit dependence, and impact on overall rural development have not been covered. Instead, the study focuses primarily on the income change and satisfaction level of farmers under the PM-Kisan Yojana. Additionally, the researcher was unable to use sophisticated statistical tools and cost-effective models that could have produced a more accurate and somber analysis because to time, labor, and budgetary constraints.

Consequently, it is important to carefully assess the study's findings and consider these underlying boundaries when viewing them as indicators rather than final conclusions.

### **Suggestions / Recommendations**

The study's conclusions have led to the following recommendations to increase the Jhansi district's efficacy and go beyond the Pradhan Mantri Kisan Samman The Nidhi Yojana:

1. **Awareness Campaigns** – The program is still unknown to a large number of small and marginal farmers. Social media, Krishi Vigyan Kendra, and awareness campaigns can all aid in improved outreach through gram panchayats.
2. **Timely Disbursement of Funds** – To ensure that farmers can use the funds effectively during the crop season, timely payment should be given.
3. **Simplification of Procedures** – Farmers could benefit from a simplified registration and improvement process that uses local facility centers and reduces paperwork.
4. **Monitoring and Grievance Redressal** – To swiftly address farmers' issues, a clear monitoring system with an appropriate grievance recourse procedure should be implemented.
5. **Linkage with Other Schemes** – Agricultural loan facilities for crop insurance (PMFBY), soil health initiatives, and general improvements in farmers' income can be combined with PM-farmer funds.
6. **Increase in Assistance** – The financial help under PM-farming might be adjusted upward to make the amount more exceptional in light of the growing costs of inputs.

### **Conclusion**

According to the study's findings, the Pradhan Mantri Kisan Samman Nidhi Yojana has significantly improved Jhansi district farmers' income and general level of satisfaction. After receiving compensation from the program, the majority of farmers reported feeling less financial strain and having more financial security. Farmers have been able to invest in necessary resources for improved crop output and more effectively handle agricultural

expenses thanks to financial aid. In addition to the financial gains, this program has increased farmers' trust in government assistance initiatives.

However, the study identified certain challenges, including delayed fund transfers, a lack of knowledge about the plan among some recipients, and a lack of funding that is insufficient to meet farmers' needs. These disparities show how crucial it is to enhance communication and execution tactics in order to guarantee that all qualified farmers may get benefits on schedule. By improving these elements, the program's total effectiveness can be increased. With the right policy changes and improved administrative execution, PM-farmer can contribute even more to farmers' livelihoods.

The program has the potential to make a substantial contribution to the government's primary goal of doubling farmer incomes and ensuring sustainable agricultural development. All things considered, the Pradhan Mantri Kisan Samman Nidhi Yojana is a big step in the direction of advancing farmer welfare and inclusive financial services in the area.

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