

An Evaluation of PM-KISAN Scheme: A Case Study of Chargi Village of Petarwar Block of Bokaro Dist. (Jharkhand)

Niraj Kamar

Assistant Professor, The Department of Economics, Radha Govind University, Ramgarh (Jharkhand), PIN-829121

Date of Submission: 05-08-2025

Date of Acceptance: 15-08-2025

ABSTRACT

The Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) is a landmark welfare initiative launched by the Government of India in February 2019 to provide direct income support to landholding farmer families. The scheme seeks to offer financial assistance of ₹ 6,000 annually, paid in three equal instalments, with the goal of strengthening the economic condition of farmers and reducing their dependency on informal credit. By utilizing the Direct Benefit Transfer (DBT) mechanism, the scheme ensures the timely and transparent delivery of funds directly into beneficiaries' bank accounts. Initially introduced for small and marginal farmers, PM-Kisan was later extended to all landholding farmers, thereby broadening its reach and inclusivity.

This study undertakes a comprehensive evaluation of the PM-Kisan scheme, focusing on its objectives, implementation mechanisms, and outcomes. Using primary and secondary data sourced from government reports, policy briefs, academic literature and field survey, the research critically examines the scheme's impact on agricultural households, particularly in terms of income stability, farm investment, and consumption behaviour. While PM-Kisan has benefitted millions of rural households, several operational challenges persist, such as exclusion errors, data discrepancies, and inadequate awareness among beneficiaries. Moreover, the monetary support, although helpful, remains modest when weighed against the rising cost of agricultural inputs and rural inflation.

The paper also explores the scheme's integration with other agricultural support programs and proposes strategies for strengthening its delivery framework. Recommendations include improving digital infrastructure, ensuring real-time grievance redressal, and periodically reviewing the financial quantum provided to farmers. Overall, the PM-

Kisan scheme marks a significant step toward reshaping rural welfare policy in India, though sustained policy refinement and improved implementation are necessary for maximizing its long-term benefits.

Keywords: PM-Kisan, Direct Benefit Transfer (DBT), Agricultural Policy, Farmers' Welfare, Rural Economy, Government Schemes, Income Support, Small and Marginal Farmers

I. INTRODUCTION

Agriculture plays a foundational role in the Indian economy, serving as a livelihood source for more than half of the country's population. While the sector contributes a relatively smaller share to the national Gross Domestic Product (GDP)—approximately 17 to 18 percent—it remains central to food security, employment generation, and rural development. Despite its importance, Indian agriculture faces persistent structural challenges. These include low productivity, fragmented landholdings, unpredictable weather patterns, limited access to institutional credit, and unstable market prices. Such issues have long contributed to income uncertainty and indebtedness among farmers, especially those with small and marginal landholdings.

In this context, the Government of India introduced the Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) scheme in February 2019 as a direct income support initiative. The scheme provides fixed financial assistance of ₹ 6,000 per year to eligible landholding farmer families, disbursed in three equal installments of ₹ 2,000 each. This amount is credited directly to the beneficiaries' bank accounts through the Direct Benefit Transfer (DBT) system, aiming to enhance transparency and reduce intermediary inefficiencies.

Initially, PM-Kisan was targeted at small and marginal farmers owning up to two hectares of cultivable land. However, from mid-2019 onward, the scheme was expanded to include all landholding farmers, regardless of the size of their agricultural holdings. This significant policy shift marked the scheme as one of the most comprehensive income support initiatives in Indian agricultural history.

The primary objective of PM-Kisan is to augment the financial capacity of farmers to meet basic agricultural and domestic needs. Unlike subsidy-based models, which often suffer from targeting issues and delays, PM-Kisan directly empowers farmers to make informed decisions regarding input procurement, farm investment, and household consumption. The scheme is also viewed as a response to rising concerns over rural poverty, farmers' indebtedness, and agrarian distress, which have led to social and economic instability in rural areas.

While PM-Kisan has achieved considerable outreach—reportedly benefiting over 11 crore farmer families by 2023—it is not without criticism. Challenges such as exclusion of eligible beneficiaries, administrative delays, incorrect data entries, and inadequate awareness have hampered the scheme's full potential. Furthermore, the annual financial support of ₹ 6,000, although helpful, is often viewed as insufficient in addressing the broader economic needs of farmers, especially in regions with high input costs.

The PM-Kisan scheme, however, is an important part of India's evolving agricultural policy landscape. When integrated with complementary schemes like the Pradhan Mantri Fasal Bima Yojana (PMFBY), Soil Health Card, and Kisan Credit Card (KCC), it forms a part of a larger strategy to enhance farmer welfare and ensure sustainable rural livelihoods.

This study aims to critically examine the PM-Kisan scheme from multiple perspectives, including its design, implementation, socio-economic outcomes, and policy implications. By analyzing both achievements and limitations, the research seeks to provide insights for making the scheme more inclusive, efficient, and impactful in the long term.

II. LITERATURE REVIEW

Numerous scholars and institutions have analyzed the impacts of cash transfer programs in agriculture. A few key studies are reviewed below:

- Chand et al. (2020) found that PM-Kisan provided much-needed liquidity to farmers,

particularly during the sowing season, reducing dependence on informal credit.

- Dev and Rao (2019) emphasized that income support schemes are more equitable than input subsidies and can lead to enhanced autonomy among farmers.
- NITI Aayog Reports (2021) indicated substantial improvement in rural consumption and agricultural investment patterns post scheme implementation.
- Mishra et al. (2021) highlighted regional disparities in PM-Kisan fund disbursal due to enrollment and Aadhaar seeding issues.
- Khera (2018) cautioned about the leakages in DBT-based schemes and recommended stronger local governance mechanisms for improved targeting.

These studies provide a basis for evaluating the effectiveness of PM-Kisan and guide the present research.

Research Objectives

The present study aims to:

1. Analyse the implementation framework of PM-Kisan across Indian states.
2. Examine the socio-economic impact of the scheme on farmers' income and livelihood.
3. Identify the key challenges and limitations in the functioning of the scheme.
4. Suggest policy recommendations for enhancing the efficiency of PM-Kisan.

Research Questions

1. To assess the awareness and understanding of the PM-KISAN scheme among farmers.
2. To evaluate the extent and timeliness of fund disbursement.

III. METHODOLOGY

3.1 Study Area

The study was conducted in [name of the district/block/village], a predominantly agrarian region in [state], selected due to its representative agricultural economy and substantial PM-KISAN beneficiary base.

3.2 Sample Design

- Sample Size: 100 farmers
- Sampling Method: Stratified random sampling based on landholding size, gender, and socio-economic background.

3.3 Data Collection

- Primary Data: Structured interviews using questionnaires administered face-to-face.

- Secondary Data: PM-KISAN portal, district agricultural offices, government reports.

3.4 Data Analysis

Data were analyzed using basic statistical tools like percentage analysis, cross-tabulations, and chi-square tests to determine correlations between variables such as awareness and education, landholding size and receipt of benefits, etc.

Overview of the PM-Kisan Scheme

The Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) is a flagship central sector scheme launched by the Government of India on February 24, 2019. It aims to provide income support to all landholding farmer families to supplement their financial needs in procuring agricultural inputs and sustaining household expenses.

Under the scheme, eligible farmer families receive ₹6,000 annually, disbursed in three equal installments of ₹2,000 each. The funds are directly credited to the beneficiaries' bank accounts through the Direct Benefit Transfer (DBT) mechanism, thereby ensuring transparency, reducing leakage, and enhancing delivery efficiency.

Key Features:

- Beneficiary Coverage: Initially limited to small and marginal farmers with up to 2 hectares of land, the scheme was later expanded (June 2019) to cover all landholding farmer families irrespective of land size.
- Financial Assistance: ₹6,000 per year per family, paid in three installments.
- Mode of Transfer: Direct Benefit Transfer (DBT) into Aadhaar-linked bank accounts.
- Implementation Agency: Ministry of Agriculture and Farmers Welfare, Government of India.
- 100% Central Funding: The entire cost is borne by the Government of India.

IV. FINDINGS AND ANALYSIS

4.1 Awareness of the Scheme

Awareness Level	No. of Farmers	Percentage
Fully Aware	68	68%
Partially Aware	22	22%
Unaware	10	10%

- Awareness was higher among educated farmers.
- Female farmers and those from SC/ST communities had relatively lower awareness.

4.2 Receipt of Funds

Received All Installments	No. of Farmers	Percentage
Yes	74	74
No	26	26

Common reasons for not receiving funds:

- Aadhaar mismatch (38%)
- Land record issues (27%)
- Bank account errors (20%)

4.3 Utilization of Funds

- Majority (62%) used the funds for purchasing seeds, fertilizers, and paying off debts.
- A small group (14%) reported using the funds for non-agricultural expenses.

4.4 Satisfaction Level

Satisfaction Level	No. of Farmers	Percentage
Highly Satisfied	31	31
Moderately Satisfied	45	45
Not Satisfied	24	24

Key issues:

- Delay in installments
- Difficulties in e-KYC
- Inaccessibility of grievance redressal

V. CONCLUSION

The PM-KISAN scheme has made significant strides in providing direct financial support to farmers. The majority of respondents acknowledged its usefulness, particularly for seasonal agricultural investments. However, the scheme's implementation is hindered by issues such as data mismatch, inadequate awareness, and poor grievance handling. The findings underscore the need for improved outreach, streamlined verification, and support systems at the grassroots level.

VI. SUGGESTIONS

- Conduct regular awareness campaigns, especially in remote areas.

- Improve coordination between banks, revenue departments, and agriculture offices.
- Enable doorstep services for e-KYC and registration.
- Strengthen the online grievance redressal system.
- Monitor inclusion and exclusion errors periodically.

REFERENCES

- [1]. Government of India. (2023). PM-KISAN Scheme Guidelines. <https://pmkisan.gov.in>
- [2]. Ministry of Agriculture & Farmers Welfare (2022). Annual Report.
- [3]. NSSO Reports on Agriculture Households.
- [4]. Field Survey Data (2025),