



CURRENT AFFAIRS



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PM KISAN SCHEME

This article covers "Daily Current Affairs" and the topic details " PM KISAN Scheme". This topic has relevance in the Economy section of the UPSC CSE exam.

GS 3: Economy

Why in the news?

Recently, the Prime Minister disbursed the 15th installment of the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme.

Introduction:

Launched on 24th February 2019, the Pradhan Mantri Kisan Samman Nidhi (PM Kisan) initiative is aimed at providing crucial financial support to landholding farmers in India.

Financial Benefits:

- Farmers receive a financial benefit of Rs 6000 per year.
- The amount is disbursed in three equal installments every four months.
- Direct Benefit Transfer (DBT) mode is employed for seamless fund transfer directly into the bank accounts of farmers' families.

Scope of the Scheme:

Initially designed for Small and Marginal Farmers (SMFs) with landholdings up to 2 hectares, the scheme underwent an expansion to include all landholding farmers.

Funding and Implementation:

- PM Kisan is a Central Sector Scheme, receiving 100% funding from the Government of India.
- The Ministry of Agriculture and Farmers Welfare is responsible for the effective implementation of the scheme.

Objective:

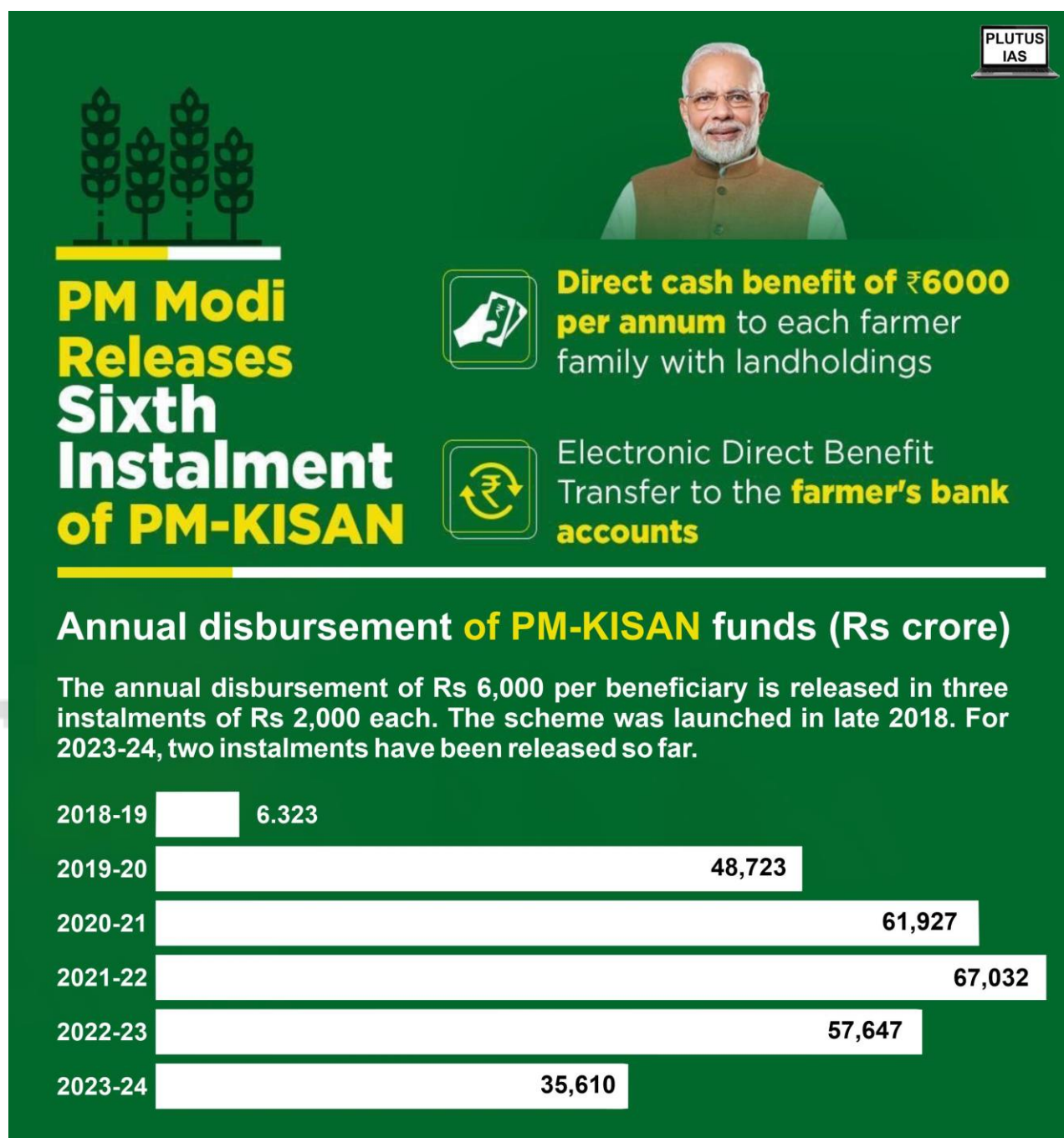
The primary objective of PM Kisan is to address the financial needs of farmers, ensuring direct financial support to enhance their agricultural activities and overall livelihood.

Implementation Process:

- The scheme utilizes a Direct Benefit Transfer (DBT) mode for the efficient and transparent transfer of funds.
- Financial assistance is disbursed in three equal installments, benefiting farmers at regular intervals.

Exclusions in PM Kisan Scheme:

- **Income Tax-Paying Farmers:** Those liable to pay income tax are excluded.
- **Government Employees:** Individuals employed in government services are ineligible.
- **Professionals like Doctors:** Non-agricultural professionals, including doctors, are excluded.



Need for PM KISAN:

- **Access to Institutional Credit:** Over 60% of marginal farmers rely on informal credit sources due to the lack of access to institutional credit.
- **Effectiveness Over Debt Waiver:** Unlike debt waiver schemes, input support schemes maintain credit culture.
- **Crop Neutrality:** PM KISAN is crop-neutral, unlike Minimum Support Price (MSP) mechanisms that favor certain crops.
- **WTO Subsidy Limit:** Income support schemes like PM KISAN do not breach WTO subsidy limits, avoiding trade-related complications.
- **Better Price Realization:** Aims to improve farmers' income by reducing dependence on local traders and commission agents.

Limitations and Challenges:

- **Insufficient Support:** The financial assistance provided may not cover the actual input costs incurred by farmers.
- **Beneficiary Identification:** Challenges in identifying beneficiaries due to inadequate digitalization of land records.
- **Exclusion of Tenants and Sharecroppers:** The scheme does not cover tenants and sharecroppers, limiting its impact.
- **Inefficient Disbursement:** Banks sometimes adjust deposits against past liabilities, impacting the effective distribution of funds.
- **Misuse of Funds:** Instances of farmers using the credited money for unintended purposes, such as alcohol consumption.

Way Forward:

- **Digitalization of Land Records:** Improve beneficiary identification and avoid exclusion errors.
- **Implement Model Tenancy Act:** Formalize land tenancy to include tenants in the scheme.
- **In-Kind Support:** Consider providing input support in the form of resources rather than cash.
- **Infrastructure Development:** Enhance agricultural infrastructure, implement marketing reforms, and provide comprehensive agricultural insurance.
- **Improve Input Use Efficiency:** Incorporate technologies like micro-irrigation and neem coating of urea to reduce input costs.

In conclusion, while PM KISAN addresses certain challenges in the agricultural sector, a holistic approach involving technological, infrastructural, and policy measures is essential for sustainable and comprehensive agricultural development.

Source:

[Why Opposition is objecting to release of PM-KISAN funds amidst polls | Political Pulse News – The Indian Express](#)

Q.1 With reference to the PM Kisan Scheme, consider the following statements:

1. It is a Central Sector scheme Farmers receive Rs 6000 per year.
2. The scheme is exclusively for Small and Marginal Farmers.
3. Direct Benefit Transfer (DBT) mode is used for fund transfer.

Which of the statements given above is/are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1, 2, and 3
- (d) 1 and 3 only

ANSWER: D

Q.2 Examine the significance and impact of the Pradhan Mantri Kisan Samman Nidhi (PM Kisan) Scheme on the agricultural sector and the livelihoods of farmers in India. Also, discuss any potential areas of improvement for the effective implementation of the Scheme.

Rishabh

