



## IMPACT OF PRADAN MANTRI FASAL BHEEMA YOJANA SCHEME ON SOCIO-ECONOMIC CONDITIONS OF FARMERS IN RAYALASEEMA REGION OF ANDHRA PRADESH

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### **Abstract**

Agriculture is the largest and most important sector of the Indian economy. Nearly 70 percent of population are depending upon agriculture for their livelihood and employment. Farm agricultural development is essential to overall economic progress. Pradhan Mantri Fasal Bima Yojana (PMFBY), was started on 13th January 2016 by the Government of India, a crop insurance scheme for the farmers who are the backbones of the nation with a sole objective of supporting sustainable production in agriculture sector by providing insurance cover to farmers suffering crop loss due to any natural calamities. It has replaced previous two crop insurance schemes i.e. National Agricultural Insurance scheme (NAIS) and Modified National Agricultural Insurance scheme (MNAIS). The awareness and knowledge on such insurance is essential among the farmers to create risk cover for Kharif and Rabi crops. Hence, the present study covers the PMFBY scheme and its impact on socio-economic conditions of farmers in rayalseema region of Andhra Pradesh.

**Key Words:** *Agriculture, Insurance, PMFBY and Farmers.*

### **Introduction**

Agriculture is the largest and most important sector of the Indian economy. Nearly 70 percent of population are depending upon agriculture for their livelihood and employment. Farm agricultural development is essential to overall economic progress. Due to Dependence on weather and biological uncertainties in managing crops, the agriculture production fluctuates in India and thus has direct impact on both the national income and the farmers or the cultivators (Nidhi Shanker, 2018) [1]. Ultimately farmers are the one who are the most vulnerable or the real sufferers of all these inevitable happenings. The common factors affecting agriculture are natural calamities, increasing cost of inputs and low market price (Sundar. J and Lalitha Ramakrishnan 2013) [2]. Crop insurance play a vital role in reducing the financial losses suffered by the farmers due to destruction and failure of crops (Suresh Kumar, D 2011) [3] .

Pradhan Mantri Fasal Bima Yojana (PMFBY), was started on 13th January 2016 by the Government of India, a crop insurance scheme for the farmers who are the backbones of the nation with a sole objective of supporting sustainable production in agriculture sector by providing insurance cover to farmers suffering crop loss due to any natural calamities. It has replaced previous two crop insurance schemes i.e. National Agricultural Insurance scheme (NAIS) and Modified National Agricultural Insurance scheme (MNAIS).The scheme is implemented through multi-agency framework by empanelled insurance companies work in association with Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), Ministry of Agriculture and Farmers welfare, State and Central government, financial institutions and various government department such as Statistics, Horticulture, Agriculture, Revenue, IT and Panchayat Raj etc. (Rajaram.Y and Chetana B.S 2016) [4] .

### **Statement of the problem**

Agricultural Insurance not only covers crops but also includes insurance of seed, cattle, horticulture, plantations, forestry, sericulture, aquaculture, poultry and all such activities which are allied to agriculture. A stable farm income farmer can stabilize their farm income and guard against disastrous effect of losses due to natural could be achieved. The developing countries offer ample scope for agriculture insurance in their economics. The government of India launched PMFBY scheme in 2016, replacing all the then existing agriculture insurance schemes with comprehensive coverage of risk and benefits. The awareness and knowledge on such insurance is



essential among the farmers to create risk cover for Kharif and Rabi crops. Hence, the present study covers the PMFBY scheme and its impact on farmers in rayalseema region of Andhra Pradesh.

### Research objectives

1. To study the theoretical framework of agriculture in India.
2. To analyze the impact of PMFBY scheme and socio economic characteristics of the farmers.

### Hypothesis

H0 : There is no positive impact of PMFBY scheme on farmer social dimensions

H0 : There is no impact on PMFBY on economic development of farmers

### Sample design

The present is based on empirical evidence. Hence, the researcher has selected farmers based on the simple random sampling. The researcher has covers four district of rayalseema region who are benefited by the PMFBY scheme. Each district, 200 sample beneficiary farmers were selected. Altogether, 800 samples were selected from four district.

### Data collection

Present study is based on both primary and secondary data. Primary data were selected from the farmer through a structured interview schedule also secondary were also collected various sources.

### Results and discussions

**Table 1: Educational Levels of Sample Farmers in the Study Area**

S.No	Education level	Frequency	Percentage
1	Below x	306	38.25
2	Intermediate	204	25.50
3	Degree	196	24.50
4	Other	94	11.75
	Total	800	100

Source: Field Survey

Education is one of the tools for eradication of poverty. When sound knowledge about the Government implementing schemes , everyone get the better. Especially in developing countries, who are depends on agricultural sector. They have to knowledge about the agriculture developmental scheme, new methods and machineries. Based on this dimensions, the researcher has found that majority of the sample respondents education level is below 10 class, followed by intermediate (204), Degree (196) and other educational levels have 94 respondents.

**Table 2: Community Wise Classification of Sample Farmers**

S.No	Community	Frequency	Percentage
1	OC	243	30.37
2	BC	327	40.87
3	SC	180	22.50
4	ST	50	6.25
	Total	800	100

Source: Field Survey

The table shows that the selected farmer according to their community in the Rayalaseema region is presented. It can be found that 243 selected respondents belongs to Open Category, 327 sample respondents belong to Backward Community, 180 selected farmers belong to Scheduled Caste and only merge farmers are belongs to



Scheduled Tribes. IT can be concluded that majority of the sample respondents are belongs to Backward Community.

**Table 3: Income Level of Sample Respondents in the Rayalaseema Region**

S.No	Income level	Frequency	Percentage
1	Upto 200000	236	29.50
2	2 -4 lakhs	462	57.75
3	4 lakhs and above	102	12.75
	Total	800	100

Source: Field Survey

Income is one of the key indication of an individual status in the society. Here, the researcher has found that annual income of selected farmers in Rayalaseema region is analysed and presented in table 3. The study found that 236 sample farmers annual income is upto 2 lakhs, 462 farmers income ranging between 2 lakhs -4lakhs and rest of the farmers income is 4 lakhs and above it represent 102.

**Table 4: Impact of PMFBY on Income Factor**

S.No	Opinion	Frequency	Percentage	Weighted average
1	Strongly agree	115	14.27	<b>-0.16375</b>
2	Cont say	449	56.12	
3	Strongly disagree	246	30.75	
	Total	800	100	

Source: Field Survey

PMFBY programme is very important role in development of farmers when it is regularly failure of crop, loss of productivity. This programme is positive impact on agricultural farmers. The researcher has put a statement to the farmer about the PMFBY scheme impact on the income of the farmers.

It is found that 115 farmers have stated that they give positive response on the PMFBY scheme, 449 farmers has not said any opinion and 246 are says that there is no impact on income by the this scheme. It can be found that majority of the people are not satisfied on this programmes, because of the farmers are not unable and understand by this programme. Hence, they don't think positive dimensions. Formulation of null hypothesis, weighted average value is negative, so null hypothesis is accepted.

**Table 5: Impact of PMFBY on Social Dimensions**

S.No	Opinion	Frequency	Percentage	Weighted average
1	Strongly agree	245	32.62	<b>-0.178</b>
2	Cont say	167	20.87	
3	Strongly disagree	388	48.50	
	Total	800	100	

Source: Field Survey

The researcher has focused on social development of farmers through Pradana Mantri Fasal Bheema Yojana scheme in the study area. In this context the researcher has collected opinions from the selected farmers and it is found that out of 800 sample respondents, 245 are strongly agreed, 167 are neutral and rest of the respondents have strongly disagreed on this dimensions. It can be concluded the PMFBY scheme is not positive impact on social development of farmer in the rayalaseema region. It is statistically proved that because of weighted average value is negative; hence the null hypothesis is accepted.



**Table 6: Impact of PMFBY on Durable Aspects of Select Farmers**

S.No	Opinion	Frequency	Percentage	Weighted average
1	Strongly agree	106	13.25	<b>-0.3412</b>
2	Cont say	315	39.37	
3	Strongly disagree	379	47.37	
	Total	800	100	

Source: Field Survey

The above table reveals that the opinion of sample respondents on position of durable goods of selected farmer in the present study. The opinion were collected through interview schedule and divided into three categories like strongly agree, cont say and strongly disagreed. The responses were observed from the table that, 106 sample respondents were said positive impact on durable goods by the PMFBY scheme, 315 are not expressed their opinion and rest of the sample respondents were not satisfied means they strongly disagreed.

### Conclusions

Agriculture is played a predominant role in nation economy. But gradually it will come down because of environmental effect. Hence, the government has initiated and implemented number of programmes for upliftment of farmers and agricultural sector in India. In this dimensions, Pradhana Mantri Fasal Bheema Yojana is implemented for farmers. But unfortunately, this programme was not known to all of them due to the lack of knowledge, education and awareness. Hence, it is moderately impact on the socio –economic conditions of farmers in this region.