

CHAPTER-8

BIBILOGRAPHY

1. Impact of 'RythuBandhu' Scheme on Farmers
2. a case-study of the Rythu Bandhu Scheme (RBS) in Finance Research Group
3. Rythu Bandhu: A lifeline scheme for farmers in TelanganaThe Hindu
4. Agriculture Investment Support Scheme Rythu Bandhu ...
5. Agricultural Investment Scheme Reference to the Rythu ...



STUDENT STUDY PROJECT

ON

**“Descriptive analysis of Implementation of RythuBandhu
Scheme in Jadcherla”**

Submitted to

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CERTIFICATE

This is to certify that the project work entitled "Descriptive analysis of implementation of Telangana Rythu Bandhu Scheme in Jadcherla" is a bonafide work done by B.Saikumar, M.Nagaraju, V.Srikanth, S.Tharun, K.Suresh, M.Mounika the students of VI semester B.A (HEP) T/M, under my supervision during academic year 2022-23 and the work has not been submitted in any other college or University either part or full for the award of any degree.

Place: Jadcherla

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DECLARATION

We hereby declare that the project work entitled with "Descriptive analysis of implementation of Telangana Rythu Bandhu Scheme in Jadcherla" is a genuine work done by us under the supervision of Sri. Vijay Kumar PVS, Assistant Professor, Department of Political Science, Dr. BRR Govt. Degree College Jadcherla and it has not been under the submission to any other Institute University either in part or in full for the award of any degree.

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Descriptive analysis of Implementation of Rythu Bandhu Scheme in Jadcherla

CHAPTER-1

Introduction

In India still over 50% of rural population & economy is dependent on agriculture. Farmers have to purchase inputs such as seeds, fertilizers, pesticides, labour and other investments. For this they have to lend money from money lenders for heavy interest. As we all know that Indian Agriculture is a gamble of Monsoons. Regardless of the outcome the farmer has to pay back the loan amount to the money lenders. According to data from the National Crime Records Bureau in 2017 Telangana had 846 farmers and cultivators commit suicide, which subsequently declined to 352 in 2021 as the Telangana government schemes related to farmers helped this reducing trend. One of such schemes is Rythu Bandhu. The government is providing 58.33 lakh (5.8 million) farmers ₹5000 per acre per season to support the farm investment, twice a year, for Rabi (Yasangi) and Kharif (Rainy) seasons. This is a first direct farmer investment support scheme in India, where the cash is paid directly. History The scheme was announced by the Chief Minister of Telangana, K. Chandrashekhara Rao at Farmers Coordination Committee (Rythu Samanvaya Samithi) conference at Jayashankar Agriculture University on 25 February 2018. An allocation of ₹12,000 crores was made in 2018-19 state budget. It was launched on 10 May 2018 at Dharmarajpalli village in Karimnagar. If a farmer has a lot of field such that they are due more than Rs.49,000 then they get a second check for the remaining amount. The scheme offers a financial help of ₹10,000 per year to each farmer (two crops). There is no cap on the number of acres, and most of the farmers are small and marginal. The total farming land is 1.43 crore acres and the number of farmers in the state stood at 58.33 lakh. Around 55% of population in Telangana make a living from agriculture. The agriculture land holdings are:

Land Extent	No. of farmers	Total Acres	Est. Cost
under 1 acre	18 lakhs	18 lakhs	14.4 billion
As of 16 February 2020,	30.8%		
under 1-2 acres	24 lakhs	48 lakhs	38.4 billion
41.9%			
under 3-5 acres	11 lakhs	44 lakhs (avg)	35.2 billion
18.8%			
5-10 acres	4.4 lakhs	33 lakhs (avg)	26.4 billion
7.5%			
10 acres	94,000	9.4 lakhs	7.52 billion
1.6%			
25 acres	64,881	1.62 lakhs	1.3 billion
0.1%			
> 50 acres	29,814	900,119 million	0.005%

Land ceiling & Tenancy[edit]As per AP Land Ceiling Act 1976, any person cannot hold more than 51 acres agriculture land and 21 acres dry land. Tenant farmers were excluded from the scheme to prevent legal disputes arising out of tenancy (Hyderabad Tenancy and Agricultural Lands Act, 1950). To prevent legal disputes, the tenancy column was removed from the newly issued Pattadar Passbook. Give it Up Option The Chief Minister was the first farmer to forgo the support called as, Give it up!, given by the government and appealed to all rich farmers to do the same. The farmers who forgo the support, the money goes to the corpus of Rythu Samanvaya Samithi corpus. Distribution The money is given to the farmers through a bank bearer cheque. The Agriculture Extension Officers (AEO) will supervise the Rythu Bandhu cheques distribution at village level. They make entries cheque details on a tablet computer provided to them for easy monitoring. New Pattadar Passbook Along with the cheque, the government is also giving the new Pattadar Passbook, the title deed after an exercise to purify the land records was done by the government. The new passbook is highly secure with 17 tamper-proof security features, and a land bank website, Dharani, to have all land holdings in the state. Monitoring a special dashboard software is being developed by the NIC to monitor the scheme remotely. The sample for the research is selected through random sampling. Misuse the scheme pays all land owners regardless of their personal income and wealth. Much of the opposition to the scheme is directed towards payments to rich land owners. Many wealthy individuals such as government officials, doctors and businessmen etc. are known to own large tracts of farmlands. In contrary to the scheme's intention all such individuals are paid the scheme benefits. According to the government's estimates about 319 crores is paid annually to farmers who own more than 20 acres. However the estimate doesn't take in to consideration the practice of splitting the land between members of the same family in order to show smaller land holding in addition, the scheme only pays the land owners and not the tillers. Oftentimes rich land owners lease their lands to poor farmers for cultivation. In recent times the practice of land leasing is increasing substantially due to scarcity of farm labor. Rich land owners unwilling to do the hard work are leasing their lands to hardworking poor tillers. However, the tillers don't get any benefit from the scheme, defeating its purpose. Besides, the scheme is known to pay for lands that are not in cultivation such as lands converted for real estate or other commercial purposes. The political opposition often criticized the state government for its failure to curb the misuse the scheme.

CHAPTER-2

Objectives:

1. to study the impact of RYTHU BANDHU scheme on the farmers in Jadcherla Mandal.
2. to examine the implementation of RYTHU BANDHU scheme in Jadcherla Mandal.

CHAPTER-3

REVIEW OF LATERATURE

the Rythu Bandhu Scheme (RBS) 20427IndiraGandhiInstituteofDevelopment Research MumbaiThe Indian government, at the centre and at the level of the states, provides support for the agriculture sector in several forms, such as through subsidising inputs, access to cheaper capital, loan waivers and minimum support prices for outputs. In the last five years, there is an increasing trend towards direct cash transfers as one of the main tools of supporting farmer welfare. While most of these efforts have been concentrated at the state level, the interim budget 2019-20 introduced the Pradhan Mantri Kisan Samman Nidhi (PM Kisan Scheme), the first fully centrally sponsored income transfer scheme for farmers. The scheme proposes to transfer an annual income support of Rs.6,000 to the bank accounts of small and marginal farmers. This is a unique scheme in that it almost entirely relies on land records for the identification of beneficiaries. Since the entitlement to the income support is linked to land ownership, the successful implementation of the scheme is directly linked to the robustness and accuracy of the underlying land records infrastructure. The PM-Kisan Scheme Operational Guidelines 2016 specify a cut-off date for eligibility of beneficiaries, and make the States responsible for the identification of beneficiaries for the purpose of the PM Kisan Scheme. The design of the scheme and its linkages to land records poses unique challenges with respect to the identification of beneficiaries on the basis of land records.¹ Apart from the land records databases, the identification process possibly requires co-ordination between various state government departments as well as the integration of databases and de-duplication efforts. These challenges naturally lead to questions of state capacity for the effective implementation of the PM Kisan Scheme. Apart from the central government, three other states, namely, Odisha, West Bengal and Andhra Pradesh, have also announced and at different stages of implementing, similar income support schemes for cultivators of agricultural land.¹ The scheme provides for income

support to small and marginal farmers family, which is defined as “a family comprising of husband, wife and minor children who collectively own cultivable land upto 2 hectare as per land records of the concerned State/UT”.²The Krushak Assistance for Livelihood and Income Augmentation (Kalia) scheme announced by the Odisha government, the Annadata Sukhibhava announced by the government of Andhra Pradesh and the Krisak Bandhu scheme announced by the government of West Bengal, entitle farmers who cultivate land to cash support.⁴Centre

State	Name	Year of announcement	Basis of calculation	Annual amount (INR crores)	Targeted number of beneficiaries (millions)
Telangana	PM Kisan Scheme	2019	Absolute Per acre basis	6,000	120
Andhra Pradesh	RBS	2018	Absolute	10,000	7.2
Odisha	Rythu Bharosa	2019	Per acre	7,500	7.5
West Bengal	Kalia	2018	Per acre	4,000	4

Number of instalments: 3 (PM Kisan Scheme), 2 (RBS), Unclear (Rythu Bharosa), 2 (Kalia). Eligibility: Land owners & tenant cultivators (PM Kisan Scheme, Rythu Bharosa), Land holders & tenant cultivators (RBS, Kalia). Annual budget allocation (INR crores): 75,000 (PM Kisan Scheme), 12,000 (RBS), 8,750 (Rythu Bharosa), 5,611 (Kalia). Targeted number of beneficiaries (households): 6 (PM Kisan Scheme), 4 (RBS), 7.5 (Rythu Bharosa), 7.2 (Kalia). These features are extracted from the scheme documents available in public domain as on January 2020.

Table 1: Overview of farm income support schemes introduced in 2018-19. Table 1 shows that in a span of two years, five major income support schemes have been announced in India. These schemes link the income support to the type of land held by the beneficiary, namely, agricultural land. Two of these schemes link the amount of the entitlement to the size of the land parcel, and at least two of them link it to land ownership. While it is clear from the PM Kisan Scheme and RBS scheme documentation that the list of beneficiaries will be drawn up from land records, the manner of identification of beneficiaries under the other schemes is unclear. However, a common theme running across these schemes is farm income support linked to agricultural land holding (whether on possession or ownership basis). The level of preparation and state capacity deployed prior to the implementation of the schemes has differed from state to state. For instance, while the Telangana government undertook a LRUP prior to operationalising the RBS, Odisha and West Bengal governments did not make any structural changes to the quality of their land records infrastructure prior to rolling out the schemes. The variation in the quality of land records across states and the state capacity for the identification of beneficiaries, will naturally affect the delivery of programs like the PM Kisan Scheme. In this context, Omidyar Network commissioned a study on the RBS, with the objective of understanding the state capacity that was deployed in the conceptualisation, operationalisation and implementation of the RBS. Specifically, this study

seeks to answer the following questions in the context of the RBS:

1. What is the extent and scope of the land reforms that were undertaken by the state government prior to operationalising the Rythu Bandhu scheme?
2. What institutional mechanisms have been set up by the government of Telangana to operationalise the distribution of welfare benefits linked to landownership?
3. What is the state capacity needed, both in quantitative and qualitative terms, for Rythu Bandhu?
4. What are the gaps, if any, in the implementation of the Rythu Bandhu scheme?
5. What solutions can be implemented at the state-level and the local level to fill these gaps?

Given the increasing instances of states linking welfare distribution to land records in the last two years, the learnings of this study can be potentially applied to

analyse the state capacity involved, the design features and potentially the effectiveness of land records linked welfare distribution for the overall economic wellbeing of farmers in India.

6. This report contains the findings of this study. The report is organised as follows. Section 2 gives an overview of the key findings of our study. Given that the LRUP immediately preceded the implementation and laid the foundation for the RBS, we study the implementation of the LRUP in as much detail as that of the RBS. This gives a holistic perspective of the state capacity deployed by the state government of Telangana for rolling out the RBS. Section 3 describes our approach, methodology and tools used for the purpose of this study. We rely on legislation and internal departmental circulars issued by the departments of the state government involved in the implementation of the LRUP and the RBS. To understand the resourcing used for both these programs, we interview officers of these departments at the level of the state, two select districts and a village in each of these districts. To understand the outcomes of both these initiatives, we conduct two separate exercises. First, we conduct FGDs with the beneficiaries and persons excluded from the design of the RBS. Second, we attempt to estimate the extent of wrong exclusion and over-inclusion under the RBS in the two selected villages. In Section 4, we present a brief profile of the state of Telangana, the two selected districts and villages. Sections

5 and 7 present our findings on the design, administrative structures of the departments involved, the capacity created and utilised, and the outcomes of the LRUP and the RBS respectively. In Section 8, we conclude with some learnings and takeaways from the LRUP

and the RBS on linking land records with welfare distribution. Impact of 'RythuBandhu' Scheme on Farmers: An Evolutionary Study in Telangana State | Ramakrishna Bandaru, 2J. Ravikumar | UGC-Post Doctoral Fellow, Department of Commerce, Osmania University, Hyderabad, Telangana State- India 2 Associate Professor, Department of Commerce, Osmania University, Hyderabad Email: brk2282@gmail.com

The Government of Telangana launched 'RythuBandhu' which is an initial investment support scheme for the farmers on 10th May 2018. It is a welfare programme to support the farmer for two crops in a year. The scheme was aimed at relieving farmers of debt burden and protects them from falling into the debt trap. Under the scheme, the state Government offers Rs. 4000 per acre per farmer each crop for the purchase of inputs like seeds, fertilizers, pesticides, labour, etc. Farmer's empowerment is an objective of the RythuBandhu scheme. It is first ever scheme in India which provides initial investment support to the farmers. The farmers will be given Rs. 8,000 per each acre in both Kharif and Rabi seasons in a year. There is no limit on the number of acres as more than 97 percent of farmers have less than 10 acres per person. The total farming land is 1.43 crore acres and the number of farmers in the state is 58.33 lakhs. During 2018-19 budgets, the Government has allocated Rs. 12000 cr. for the scheme. The money being distributed by two equal pay order cheques issued in front of the two crop seasons. Under the scheme, Telangana Government has also provided 'PattadarDharani' passbook to each and every farmer. This book helps in indentifying the ownership of the farming land. The payments under the scheme to the farmer made through a bank account only. Further, the Telangana Government decided to increase the amount under the scheme up to Rs. 5000 per acre during 2019-20 budget. Prime Minister Sri Narendra Modi also appreciated the scheme and keeping in view of the benefits of the scheme, Prime Minister proposed the Pradhan Mantri Kisan Samman Nidhi Yojana' (PMKSNY) during 2019-20 Central budget. In fact, PM KSN Yojana has launched by the Central Government by taking the RythuBandhu as a model. Under PMKSNY, Central Government has been offering Rs. 6000 to a farmer family per year in three instalments. Not only the Central Government, have many other states launched the initial investment support scheme to the farmers by taking the RythuBandhu as a model.

Importance of 'RythuBandhu' Scheme

Agriculture in Telangana state is an undeveloped sector. Farmers are suffering with different problems in farming process. Low productivity, stagnation and frequent occurrence of droughts and low level of public and private investments are the main problems of the agriculture sector in

Telangana. Moreover, farmers are suffering with availability of initial investment. Hence, investment is the surest way to improve agriculture yield and also income of the farmers, besides breaking the brutal cycle of rural indebtedness. In order to ensure that the farmers do not fall again into the debt trap, a new scheme called "RythuBandhu" (Initial investment support scheme) is planned to be implemented from the year 2018-2019 onwards in Telangana. A budget Rs. 12000 crore has already been provided for the financial years 2018-2019 and 2019-20 respectively. The study observed that there were 53.57 lakhs farmers benefited under the RY scheme in both Kharif and Rabi seasons. Nalgonda District has occupied top place with 4,19,723 farmers in respect of number beneficiaries under RythuBandhu (RB) scheme in Telangana state. Further, it is also found that Warangal Urban district has at least with 78,228 farmers. The study noted that about 70 percent of the agriculture land in Telangana is registered on the farmer's name whose age is above 40 years. It is also observed that 87.6 percent of the farmer's annual income is up to 3 lakh and majority of the farmers come under OBC category. It is found that 24% of farmers spent RB benefit to purchase seeds followed by fertilizers. It is identified that 29.5% of the farmers spent RB benefits on other than farming activities. The other key finding of the study and conclusions are presented below.

Finding Conclusion Suggestion The study found that the RythuBandhu' scheme has a positive impact on decrease of farmer's debts. (H01 Rejected - Statistical tool: Regression

Analysis - 'p' value is 0.00 which is less than 0.05) RythuBandhu scheme was introduced with an objective of relieving the farmers from farming debt burden and protect them from falling into the debt trap. The study concludes that RythuBandhu' scheme protected the farmers from falling into debt trap. Moreover, it is a good alternative to Loan Waiver scheme. Therefore, it is suggested that the Government can increase the amount under the scheme and it is the right decision by the Government to increase the financial assistance from Rs. 4000 to Rs. 5000 per acre. The study found that the RythuBandhu scheme don't have the impact on the growth of the farmers annual agricultural income. (H01 Accepted - Statistical tool Regression Analysis - 'p' value is 0.12 which is greater than 0.05) Under the RythuBandhu scheme, farmers are protected against the initial investment problem only whereas growth of the farmer's income is depended on effective marketing conditions in the state. It is concluded that RythuBandhu scheme is meaningless without proper marketing conditions to sell the crop and supportive price mechanism. Therefore, It is suggested that the state Government has to focus in

implementing the Minimum Support Price (MSP) and improving the market conditions to sell the crop at profitable price. The study found that there is a significant difference between number of acres and purposeful usage of the initial investment. It is concluded that the farmers who have the agricultural land up to eight acres have used the initial investment for agriculture purpose whereas there is no purposeful use of the scheme in case of more than 8 acres. Majority of the farmers who have more than 10 acres have given the land to tenant farmer on rent basis. Therefore, It is suggested that the Government has to introduce the slab system for providing financial assistance under RythuBandhu scheme and need to provide the financial assistance only to the cultivating farmers who registered by the Agriculture Extension officer at village level. Managerial Implications of RythuBandhu scheme is a substantial farmer's welfare scheme and it is an alternative to Loan Waiver scheme. The scheme protected the farmers from falling into the debt trap whereas it has some defects in implementation. As per the results of the present study, the scheme objectives are not fulfilled in case of the farmers who have more than 8 acres. Majority of the farmers who have more than 10 acres have given the land to tenant farmer on rent basis. Therefore, the estimated amount of 10 billion of people's money is becoming unproductive. Hence, the Government has to implement the slab system keep in view of number of acres and number of farmers cultivating directly. Nikita & Satya, etc. (2019), the authors concluded that Odisha state Government has brought the KALIA Scheme which is closely related to RythuBandhu scheme in Telangana state. Further, concluded that the RythuBandhu Scheme has brought into the political dividend to KCR in the recent Assembly election but this is a short term solutions to turn aside a threatening crisis. The study suggested that Odisha government has to focus on three aspects namely Minimum Support Price (MSP), Loan waiver and Direct Benefit Transfer. Direct Benefit Transfer is likely to help the small farmer the most. Ashok Gulati & Siraj Hussain, (2018), the author concluded that RythuBandhu scheme is powerful scheme which protect the farmers from the debt burden. The Government of Telangana state has introduced the Direct Investment Support (Rythubandhu) which will carry investment at Rs 4000 per acre per farmer, per season, for purchase of inputs like fertilizers, pesticides, seeds and other investments in the field

operations of farmers' choice, for the crop season. Broadly, it is presumed to take care of the initial investment needs of every farmer. Parag Das (2015), the study concludes that the capital formation, chronic poverty, illiteracy, poor agricultural marketing facilities, flood and drought are the main problems of the rural farmers. The study suggested that the government has to take necessary steps to overcome the problems such as providing the employment opportunities to the farmers in off-forming period. The study further suggested that there is a necessity to provide the awareness programmes on usage of agriculture technology. Salve, P. and G. Frank, (2013), India is suffering with large population, which is mainly dependent on the agriculture sector for their livelihood and survival, the economic reform led development process increased the divide between rural-urban and rich-poor. Pankaj Kumar, & Singh R.J., et al. (2017), the study concluded that lack of information on appropriate adaptation option was the most prioritized problem as mentioned by the farmers. High cost of the technology was also another problem in the farming areas. The study pointed out that the Government has to take necessary steps to make agriculture profitable in India. Sonawane, S.T. (2016), the study concluded that the small farmer is an important person in the society. The government has to introduce various schemes for the development of small farmer in the country. Many of the small farmers have been facing investment problem, technology problem and marketing problems in the rural areas. Therefore, the Government has to lay down the necessary policies keeping in view of the small scale farmer's development. Investment is a major problem in the study area. Initial investment has to provide the small farmers. Lavanya Kumari, & Anupama, et al. (2018), the study concluded that the digital initiative of the Government of India can be fruitfully implemented with the proactive approach and practical approach of the

farmers, NGO's and Government authorities together. Apart from creating a well-designed web portal, accessibility of technology and ingenious personnel always should be the criteria for the flourishing implementation of Digital India Program. Rythu Bandhu: A lifeline scheme for farmers in Telangana Scheme has provided relief but more needs to be done for tenant farmers.

A woman farmer points out the borders of her land. A woman farmer points out the borders of her land. | Photo Credit: Ayesha Minhaz Jayamma (name changed) is a 48-year-old Scheduled Caste farmer and her family holds two acres (1 hectare is 2.47 acres) of assigned land in Brahmanapalle village of Madgul mandal in Telangana's Rangareddy district. They also

take about three to four acres on lease for about Rs.8,000 an acre. They grow only one crop a year as they do not have many farm hands to help them. Besides, the input costs are too high. When not on their farm, Jayamma and her husband work as farm labourers on chilli and cotton farms, and engage in other daily wage work. For marginal farmers like Jayamma, farming stopped being the only source of livelihood long ago. However, the basic consumption needs, the need to keep cash flow, debt repayments, and the emotional attachment to farming keep them going. There is also a fervent hope that they might witness a miraculous year of profits. From the farm and wage work combined, the family makes Rs.7,000 to Rs.8,000 during most months. It is lower than the average monthly income of an agricultural household in Telangana—Rs.9,403 as per the Situation Assessment Survey (SAS) of agricultural households in rural India conducted by the National Statistical Office in 2019. The national average for that round of the survey was Rs.10,218. Several years of crop losses and the subsequent loans taken for farming and personal needs have accumulated a debt of Rs.2.5 lakh for Jayamma's family. It is in this atmosphere of agrarian distress, low incomes, and uncertainty that Telangana's flagship Rythu Bandhu scheme was launched in 2018. "Whether we use it for paying school fees or buying a few packets of seeds or for that month's consumption, Rythu Bandhu does provide us with some relief," says Jayamma. Flagship scheme

The Rythu Bandhu or Agricultural Investment Support Scheme is Telangana's flagship direct benefit transfer programme, which provides Rs.5,000 an acre as assistance to all landowning farmers for each crop season. The scheme is aimed at meeting the "initial investment needs" and meant to "ensure that farmers do not fall again into the debt trap". The farmers can choose to spend the amount on seeds, fertilizers, labour costs, or their personal consumption needs.

Since its inception, the Telangana government has spent a total of Rs.65,559.28 crore under the scheme over 10 crop seasons. Nearly 55 per cent of the allocation in the Budget for agriculture and allied activities was used for the Rythu Bandhu scheme in 2021-22.

In his Budget speech for 2023-24, Telangana Finance Minister T. Harish Rao spoke about the increase in the spending on the agriculture sector in the State since its formation. As compared

with the 10 preceding years, the State spent 20 times more money on the agriculture sector. This amounts to a total of Rs.1,91,612 crore since 2014. The number of beneficiaries has increased over the years. In 2018, there were nearly 50.25 lakh beneficiaries. In the latest round of disbursement, nearly 70.54 lakh farmers received investment support. The government has set aside nearly Rs.15,075 crore in the 2023 Budget for the Rythu Bandhu implementation.

Before the launch of the Rythu Bandhu scheme, the government took up a comprehensive Land Records Updation programme. The programme verified claims of ownership, succession, partition, land use information, and details about various types of government land, along with other information. The verification of land records reportedly helped in the efficient implementation of Rythu Bandhu. Telangana's agricultural sector has surely had an overhaul—with irrigation, power supply, investment support—as compared to when the region was a part of undivided Andhra Pradesh. For the Bharat Rashtra Samithi (BRS), Rythu Bandhu is a crucial part of the narration of its “success story”. It is pivotal for the party's national endeavours as the farm crisis in India cuts across States and remains a crucial electoral issue. The “ ab ki baar, kisaan sarkar” seems to have worked well for the BRS in the meeting held on February 5 in Nanded, Maharashtra. Even its most vocal critics agree that the scheme has its merits. The BRS, however, seems reluctant to acknowledge criticisms of the scheme's shortcomings.

Exclusion of tenant farmers Like most States, socio-economic inequalities are prevalent in Telangana. Inequalities in rural areas are usually intertwined with land ownership. In the absence of land reforms or conditional cash transfers, schemes such as Rythu Bandhu aid in wealth accumulation and the furthering of pre-existing inequalities. One of the principal objections to the scheme has been its exclusion of tenant farmers and the inclusion of absentee landlords or non-cultivating landowners. Further, there is no upper limit on landholding for a farmer to be eligible for the scheme. As long as one owns the land, money gets transferred into his or her account. In Brahmanapalle village, for instance, there are farmers who have received less than Rs.3,000 a crop season and there are others who have received nearly Rs.2.5 lakh under the same scheme. A. Krishnaiah, a tenant farmer ploughing his fields in Nalgonda, Telangana. A. Krishnaiah, a tenant farmer ploughing his fields in Nalgonda, Telangana. | Photo Credit: Singam Venkataramana For farmers like Jayamma, the scheme, while being a buffer against uncertainties, is also a reminder of their socio-economic status in the village. The government's response to this criticism is that over 90 per cent of the beneficiaries are marginal and small farmers. This is not

inaccurate. "However, the fact that the area operated by these marginal and small farmers is about 61 per cent of the total area is often obfuscated by the government," says Kiran Vissa, co-founder of Rythu Swarajya Vedika, a farmers' rights

organisation working in Telangana and Andhra Pradesh. The scheme's 10th round allocated Rs.7,676 crore to provide investment support to 70.54 lakh farmers. The government's press notes about the current round of disbursements provide a closer view of the transfers. For 21,02,822 farmers owning under 1 acre of land, Rs.607.32 crore was credited, averaging about Rs.2,888 a farmer. For 15.96 lakh farmers owning between 1 and 2 acres, Rs.1,218.39 crore was credited, averaging about Rs.7,634 a farmer. The disbursement data for the other sizes of landholdings is not available yet. Most agricultural schemes use data on landholdings as a proxy for farmers. Based on the 2015-16 agriculture census, medium (9.89 to 24.77 acres) and large-sized (24.78 acres and above) landholdings constitute only 2.3 per cent of the total farmers in the State but operate 13.8 per cent of the total operated area. As per the Budget allocation for Rythu Bandhu in 2023-24, nearly Rs.2,000 crore will be deposited into the accounts of these 2.3 per cent of farmers over two cropping seasons. "Nobody is questioning the motive behind giving money to people who are marginal and small farmers," Kiran Vissa told Frontline. "It is only questionable when public money is given to the landlords. Our demand has been to put a cap on the acreage so that the largest portion of public spending goes to small and marginal farmers." Despite years of opposition, the BRS-led Telangana government has not agreed to this. Rythu Bandhu Samithi chairman and BRS MLC Palla Rajeshwar Reddy, speaking to Frontline, highlighted farmer feedback: "The discontent among farmers has reduced, the distress has reduced, and so has their expenditure on inputs." Regarding the possibility of the inclusion of tenants in the scheme, Reddy said, "We do not want to take that risk. Anyway, except for a few political parties, nobody is asking for that." Ahead of the State's Assembly election in 2018, there was pushback against tenant exclusion by opposition parties. With another Assembly election looming this year, the BJP and the Congress have again raised the issue of the exclusion of tenants. These calls appear to have not made an impact so far. The debt trap It has been over a decade since 35-year-old Venkatamma's husband died by suicide due to mounting debt and failing crops. The Rs.2.5-lakh loan was insurmountable for him and he could not bear the pressure from creditors after successive seasons of failed crops. Venkatamma's family did not receive compensation for the death from the then Andhra Pradesh government or the current Telangana government. They

continue to live in Brahmanapalle. Cotton and chillies are the primary crops this season in Venkatamma's village. Cotton and chillies are the primary crops this season in Venkatamma's village. | Photo Credit: Ayesha Minhaz

Eleven years later, Venkatamma is still a farmer. The family continues to own one acre of land, which is inadequate to make a living. So, they lease three more acres (at Rs.6,000 an acre) from a relative who lives in Hyderabad. They grow cotton and chillies. The family needs at least Rs.5,000 a month to meet basic consumption needs, aside from other costs. So, Venkatamma and her elder son also work as labourers. Venkatamma works on chilli and cotton farms and are also enrolled under the Mahatma Gandhi National Rural Employment Guarantee Scheme. It is very difficult to assess whether farming is Venkatamma's primary income or her supplemental income. Yet, it remains her primary source of debt. Venkatamma's loans are nearing Rs.3 lakh this year. As per the SAS report of 2019, the average outstanding loan per agricultural household in Telangana was over Rs.1.5 lakh. Perhaps the next round of SAS or a similar study could provide more clarity on how Rythu Bandhu has interacted with indebtedness in agrarian households in Telangana.

Venkatamma's family owns one acre of land, which is inadequate to make a living. So, they lease three more acres from a relative. Venkatamma's family owns one acre of land, which is inadequate to make a living. So, they lease three more acres from a relative. | Photo Credit: Ayesha Minhaz

"For farmers like me, farming coexists with debt," says Venkatamma. "It was slightly profitable last year. We retained roughly Rs.40,000 as profit. This year is going to be disappointing." Venkatamma gets Rs.10,000 a year as part of the Rythu Bandhu scheme. For her, this is a significant help to meet household expenses in those months. At times, they do use it for some small farming expenses. However, it is not adequate for farmers like her to compensate for the cost of farm inputs. As per the Government of Telangana's Socio-Economic Outlook report from 2017, the cost of cultivation of cotton in the State increased by 150 per cent between 2009 and 2015 (from Rs.33,574 to Rs.84,045 a hectare). Venkatamma's estimates of the cost of cultivation for her cotton farms match up with these numbers. Most marginal farmers, however, continue to farm because wage work on its own is neither guaranteed nor adequate. As per anecdotal accounts, small farmers are on a similar spectrum, with their household incomes not vastly different from that of marginal farmers. A glimpse of the final round of cotton-picking on a farm. A glimpse of the final round of cotton-picking on a farm. | Photo Credit: Ayesha Minhaz

The benefits accrued to marginal and small farmers, both anecdotal and based on several

micro-studies, are evidence that cash support does help to pull farmers out of deep distress and provide temporary relief. However, the systemic and structural issues of agrarian distress need more progressive steps that would involve challenging the social control of moneylenders, middlemen, and non cultivating landlords. Consumption gains

In a recent working paper titled "Land-Holding Inequality and Responses to Government Interventions", authors Abhishek Shaw, Sawan Rathi, and Anindya S. Chakrabarti of the Indian Institute of Management, Ahmedabad, studied the impact of the Rythu Bandhu scheme.

"From our data in Telangana for small and marginal farmers who had outstanding borrowing before the implementation of Rythu Bandhu, about 43 per cent reported they were borrowing to meet consumption needs," the authors told Frontline. "This changed quite dramatically after Rythu Bandhu was implemented, with only 13.5 per cent of households reporting that they were borrowing for consumption needs." Even though the authors' reference scale for small and marginal farmers is not based on land size, it is not too different from that of the Agriculture Census data. In their paper, the authors showed that after the implementation of Rythu Bandhu, many households were able to meet "some of their consumption needs out of the transfers". The authors found that most of this money was used for "good consumption", which includes spending on food, healthcare, petrol, and diesel. Even though there were expectations that there would be some trickle-down from Rythu Bandhu beneficiaries to the landless workers, the study established that there was no effect on landless agricultural labourers. The paper also found that the farmers who were not restrained by capital did not respond to the scheme in a similar manner. "Perhaps a narrower targeting rule (say transfers for only those with five or eight acres of land) would have yielded similar outcomes from a public policy perspective," the authors told Frontline. "While all beneficiaries of transfers certainly made gains, not all probably needed scarce public resources to do so," the authors added.

In Brahmanpalle, Bibi (name changed), a Muslim farmer with about 2.5 acres of land that is under a family dispute, splits the Rythu Bandhu money with her kin. This year, her share went towards hospital visits for her granddaughter. "Most of us don't keep records to track where that money went. It is a small amount and there is always some new need coming up every year," Bibi says. The Crux Telangana's flagship Rythu Bandhu scheme was launched in 2018 in an atmosphere of agrarian distress, low incomes, and uncertainty. The Rythu Bandhu or Agricultural Investment Support Scheme is the State's flagship direct benefit transfer programme,

which provides Rs.5,000 an acre as assistance to all landowning farmers for each crop season. In 2018, there were nearly 50.25 lakh beneficiaries and in the latest round of disbursal, nearly 70.54 lakh farmers received investment support. One of the principal objections to the scheme has been its exclusion of tenant farmers and the inclusion of absentee landlords or non-cultivating landowners. "Nobody is questioning the motive behind giving money to people who are marginal and small farmers," said Kiran Vissa, co-founder of Rythu Swarajya Vedika, a farmers' rights organisation working in Telangana and Andhra Pradesh. "It is only questionable when public money is given to the landlords. Even though there were expectations that there would be some trickle-down from Rythu Bandhu beneficiaries to the landless workers, a recent working paper established that there was no effect on landless agricultural labourers. Theodore W. Schultz 1953 had expressed his views recording the need for income

payments to farmers. When there is a failure on part of fiscal and monetary policy to keep the agriculture sector stable, then it is necessary to emphasis on income payments to farmers directly. This direct support to the farmers keep up with the aggregate income of the agriculture and thus the falling demand of this sector can be curtailed. This method in addition can also increase the demand for agricultural inputs which are used by the farmers which would open channels for trade. Swirling 1959 is of the view that direct investment in agriculture through cash would not be a permanently supported but rather isa temporary act. The benefits would not be attached to the farm land but it would be attached to the person and therefore it would not be transferable. The befits enjoyed out of it can comply with the non farm income as well. He advocates the idea that the main purpose of an income support scheme or an approach is to protect commercial farmers against unstable incomes and to raise farm income levels according to justifiable standard. A special merit of this approach is that it encourages a more careful differentiation of particular farm problems. Unlabeled graphic Unlabeled graphic © 2022 IJNRD | Volume 7, Issue 6 June 2022

[ISSN: 2456-4184 | IJNRD.ORG | IJNRD2206087 International Journal of Novel Research and Development (www.ijnrd.org) www.ijnrd.org 760 Bhaumik (2008) highlights the direct support scheme or an investment scheme is an alternative to MSP (Minimum Support Price). The scheme involves direct transaction of money through which the farmers will be compensated for the income that had been lost to them due to price or yield collapse at the pre-decided price or market price during that year. For him, the implementation of the scheme is quite complex in the

Indian context as this scheme is largely prevalent in the European Union. Soni and Malhotra (2015) mentions in their book that it is better to have income transfers to the farmers that are direct rather than indirectly through market price measures. The compensation to the farmers in this way can be based on the prices or the incomes. This will help in allocation of resources and thus income will be generated to all the factors of the production. Ashok Gulat (2018) is an agricultural economist who holds the view that loan waivers are nothing but the "Poll Bait". The need of an hour is to have a stable income support scheme. Towards this direction Rythu Bandhu Scheme is an alternative to the loan waivers to the farm sector. The beneficiaries of the scheme are farmers having small land holdings. The scheme by Telangana strikes the right balance between the consumers and the farmers. The above mentioned studies have supported the idea of direct income scheme or in other words the agricultural investment scheme to farmers. These studies highlight on the situation of farmers when such a scheme or a program is being initiated by the government. But there exist certain gaps which are needed to be filled through the study of the paper. The paper is different from the researchers done above as this paper brings out the "reasons" that led to the implementation of an agricultural investment scheme apart from analyzing it.

STUDY ON RYTHU BANDHU SCHEME IN
TELANGANA STATE WITH SPECIAL REFERENCE TO
MAHABUBNAGAR. Sivaprasad Asst. Prof. Of. Economic MVS Govt Arts and Science
College(A) Mahabubnagar. In his studies found that,

CHAPTER-4 FINDINGS OF THE STUDY

1. Giving the input investment to all the farmers
2. To avoid non institutional debts
3. To provide the loans are basis on non refundable
4. Tenants are not given financial assistance through this scheme
5. Irrespective of size of the land holdings, all farmers are applied this scheme
6. To applied for all crops like food & commercial crops
7. To improve the self respect of the farmers
8. No need of paying the interest
9. Economical inequalities are arisen by applying this scheme to all the farmers irrespective of the size of the land holdings

10. Barren lands, hilly areas and uncultivated land etc. are brought under this scheme
11. Political leaders, and bureaucrats are also brought under this scheme

CHAPTER-5

SUGGESTIOS

1. Better to apply this scheme only for marginal and small farmers
2. Land lards are to be exempted from this scheme
3. Don't apply for the Govt officials
4. Political leaders, and bureaucrats are exempted from this scheme
5. Barren lands, hilly areas uncultivated land etc, are to be exempted
6. Govt employ above poverty people are to be exempted

CHAPTER-6

METHODOLOY

The data was collected from two sources. The primary data was obtained by collecting information by using self designed interview schedule. The secondary data was collected from journals, books and from websites. A detailed account of methodology that was applied in this study is given as follows:

The Jadcherla toun selected for the present study.

Selection of Sample

The Sample for the study comprised of households containing Male and Female belonging to the age group of 20-60 years. Total cases to be studied was set as 20 cases for this study.

Purposive quota sampling technique was used for the present study.

As the present research study is qualitative in nature therefore Interview method was used to collect the data

Based on the nature of the research study the data collected from the sample subjects and analyzed.

Findings of the study:

1. RYTHU BANDHU scheme is became a supportive tool for the farmers in jadcherla mandal
2. it is helped in reducing the suicides in the farmers comunity.
3. the farmers are happy, as they get the amount in their accounts directly.
4. farmers are getting the amount twice in a year.
5. the amount for each acre may be increased little more.

6. this scheme may be implemented for tenant farmers.

CHAPTER-7 DATA COLLECTION

1. the study is only limited to Jadcherla mandal.
 2. Purposive quota sampling technique was used for the present study.
- suggestions to the Future researchers:

1. Future researchers may focus their research on tenant farmers.
2. Future researchers may included authorities related to this scheme in the study.

Question:

Name : Narayana

Age :58

Residencal: Jadcharla

Land areal:3

1. What is the area of land under cultivation?:
- 2..How many crops are grown annually?
3. You will get financial help through Rythu Bandhu Scheme?
- 4.Before the implementation of the Rythu Bandhu scheme, where did the necessary financi resources for the agricultural expenses come from?
- 5.How much financial assistance will be received per acre?
- 6.Does the financial aid go directly into your bank account?
- 7.Will your debt burden be solved by this Rythu Bandhu scheme?
- 8.Does the financial assistance available through this scheme meet your agricultural needs?
- 9.Do you want to increase the amount of money available through this scheme?
- 10.Do you suggest any changes in this scheme?

Farmer's Name:Narasaiah

Age:53 Years.

What Is The Area Of Land?:Two Acres.

Residential Area:Jadcherla.

1..How Many Crops Are Grown Annually?

A:Two Crops.

2.You Will Get Financial Help Through Rythu Bandhu Scheme?

A:Yes.

3.Before The Implementation Of The Rythu Bandhu Scheme, Where Did The Necessary Financial

Resources For The Agricultural Expenses Come From?

A:From The Lender.

4.How Much Financial Assistance Will Be Received Per Acre?

A:1 Year 10,000

5.Does The Financial Aid Go Directly Into Your Bank Account?

A:Yes.

6.Will Your Debt Burden Be Solved By This Rythu Bandhu Scheme?

A:Yes.

7.Does The Financial Assistance Available Through This Scheme Meet Your Agricultural Needs?A:Yes

8.Do You Want To Increase The Amount Of Money Available Through This Scheme?

A:Yes, We Want To Increase It A Little More.

9.Do You Suggest Any Changes In This Scheme?

A:This Scheme Should Not Be Implemented For Those Who Have More Land.

CHAPTER-8

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