



## **PM KISAN in Andhra Pradesh**

### **Implementation Status - Dec,2018 to July,2021**

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## About the Report:

The objective of this report is to provide a snapshot of the PM KISAN scheme implementation in the state of Andhra Pradesh. We hope our observations and subsequent recommendations contribute towards improving the programme implementation and providing much needed relief for farmers in the State.

## Methodology:

As a part of the study, we analyzed the PM Kisan data for more than 56 lakh registered farmers for whom the data is available on MIS and a random sample of 5% transactional level data for the villages in each district of AP covering 2.85 lakh beneficiaries to understand exclusions. We used the data available as on 26-07-2021 for the 8 installments from December, 2018 to July, 2021. We conducted field studies in Visakhapatnam, Srikakulam, East Godavari, Chittoor and Anantapur districts.

During our field investigations, we came across many beneficiaries who were missing PM Kisan entitlements and some had stopped receiving their transfers from the Government of India. We investigated this with five months of field research that combined interviews with officials and analysis of PM Kisan data in the public domain. We have also been working closely with officials in Visakhapatnam and East Godavari to resolve payment issues in the district with a special focus on Paderu ITDA.

## Key Observations:

***About 29 % of the farmers have not received their full benefits and the missed amount by these farmers accounts for ₹1091.2 crores.***

- 56,37,105<sup>1</sup> farmers have been registered since the inception (December, 2018) of the scheme and are eligible to receive ₹ 8082.9 crores.
- 90,193 (1.6% ) farmers are declared ineligible either by citing “Beneficiary is Dead” or “Beneficiary is an Income tax payee”.
- 39,75,374 (71%) farmers received all installments due to them, i.e amount worth ₹ 6915 crores
- 16,61,731 (29%) farmers are yet to receive at least one installment, i.e amount worth ₹ ₹ 1091.2 crores
  - 12,44,519 (22%) farmers are yet to receive an amount ranging from ₹ 2,000 to ₹ 14,000 i.e amount worth ₹ 707 crores,
  - 4,17,212 (7%) farmers didn't receive any benefits( each farmer is yet to receive an amount ranging from ₹ 2,000 to ₹ 16,000) amounting to ₹ 461 crores in total.
- 7,67,940 (46%) of (estimated) farmers are missing benefits due to bank rejections<sup>2</sup> and 4,89,480 (29%) (estimated) are pending for state action.

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<sup>1</sup> Data for about 3% farmers(1.75 lakh) is missing in the MIS. Our analysis is for the farmers whose aggregate and transaction level data is available.

<sup>2</sup> Payments that are processed by the government but didn't get credited to the beneficiary account due to various technical reasons.

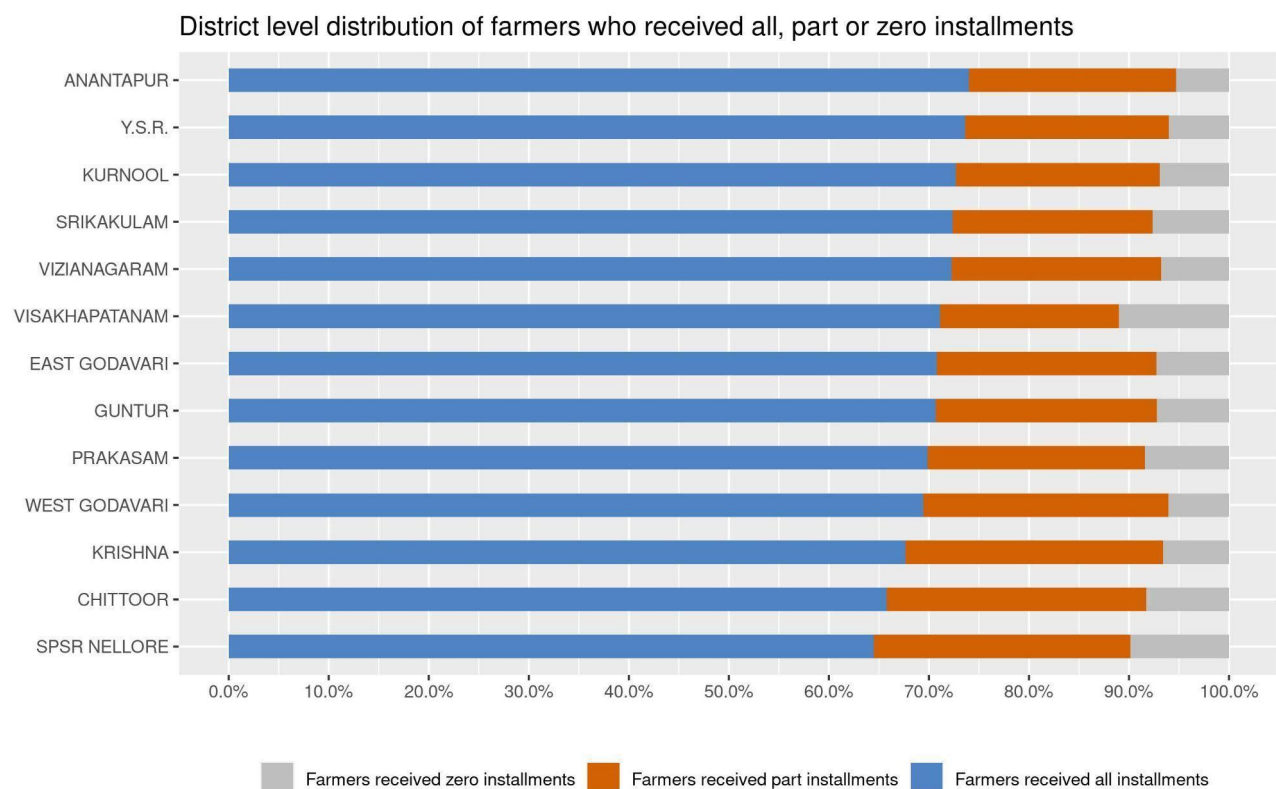
## District Level Story:

The district level picture shows slight variations in the percentage of farmers, who received benefits. Anantapur and Y.S.R districts fared well with about 74% of the registered farmers receiving all the benefits, whereas Chittoor and SPSR Nellore districts fared poorly with only 65% of the registered farmers receiving all the benefits.

However, the 'number of farmers who have received zero installments' is above the average of 7.5% in Visakhapatnam(at 11%) closely followed by SPSR Nellore at 10%.

## Registrations Vs Benefitted Farmers:

About 4,17,212 of the farmers registered from the state didn't receive a single payment from PM KISAN yet. Some of these farmers were registered as early as Feb,2019. Number of farmers registered in each district along with the number of farmers and the amount of money received can be seen in table 1.



The absolute amount of payment dues shows that S.P.S.R Nellore received the least with ₹ 365.3 crores while Anantapur received the highest i.e ₹ 750 crores.

YSR Kadapa and Vizianagaram has least amount of dues in the state with ₹ 58.2 crores and ₹ 62.7 crores respectively whereas Anantapur, Chittoor, East Godavari, Guntur and Prakasam have more than 100 crore rupees due each and would require urgent resolution.

**Table 1: Farmers registered-benefited, and payments paid - unpaid in different districts in Andhra Pradesh**

| Sl. No | Name of the District | Farmers    |                                   | Amount of Rupees (Crores) |        |                   |
|--------|----------------------|------------|-----------------------------------|---------------------------|--------|-------------------|
|        |                      | Registered | Received at least one installment | Paid                      | Unpaid | Amount Unpaid (%) |
| 1      | ANANTAPUR            | 5,99,500   | 5,67,910                          | 750.3                     | 96.5   | 12.9              |
| 2      | CHITTOOR             | 5,02,220   | 4,60,666                          | 602.5                     | 89.4   | 13.7              |
| 3      | EAST GODAVARI        | 4,97,501   | 4,61,307                          | 621.1                     | 102.3  | 16.5              |
| 4      | GUNTUR               | 4,91,248   | 4,55,810                          | 599.1                     | 107.8  | 17.9              |
| 5      | KRISHNA              | 3,93,565   | 3,67,707                          | 482.7                     | 105.2  | 17.6              |
| 6      | KURNOOL              | 5,34,369   | 4,97,251                          | 654.5                     | 93.6   | 16.8              |
| 7      | PRAKASAM             | 4,63,467   | 4,24,470                          | 556.6                     | 72.7   | 14.4              |
| 8      | SPSR NELLORE         | 3,08,312   | 2,77,967                          | 365.3                     | 83.6   | 17.3              |
| 9      | SRIKAKULAM           | 4,11,430   | 3,79,967                          | 505.9                     | 78.4   | 16.4              |
| 10     | VISAKHAPATNAM        | 3,98,214   | 3,54,450                          | 479.4                     | 78.3   | 16.7              |
| 11     | VIZIANAGARAM         | 3,24,382   | 3,02,443                          | 406.1                     | 54.4   | 12.8              |
| 12     | WEST GODAVARI        | 3,74,854   | 3,52,162                          | 468.2                     | 58.6   | 14.4              |
| 13     | Y.S.R. Kadapa        | 3,38,043   | 3,17,783                          | 423.3                     | 70.4   | 19.3              |
|        | Total                | 56,37,105  | 52,19,893                         | 6915.0                    | 1091.2 | 13.6              |

As a proportion of payments due - Anantapur and Y.S.R Kadapa have the least proportion of payments due, while SPSR Nellore has the highest proportion due (17.1%) followed by Chittoor (16.1%).

## Reasons for Exclusions<sup>3</sup>:

**Table 2: Reasons, farmers affected and amount is on hold.**

| Sl. No | Reason                          | No of farmers affected | Amount of money on hold (crores of rupees) |
|--------|---------------------------------|------------------------|--|
| 1      | Aadhar Number is not Verified   | 97,160                 | ₹ 98.6                                     |
| 2      | Action required by the state    | 4,89,480               | ₹ 394.3                                    |
| 3      | Bank Rejection and other issues | 7,67,940               | ₹ 507.7                                    |

<sup>3</sup> We have used 5% of a sample (2,84,951) to conduct reason wise analysis.



|   |                          |           |          |
|---|--------------------------|-----------|----------|
| 4 | Payment under processing | 2,17,480  | ₹ 89.3   |
| 5 | Other <sup>4</sup>       | 3,240     | ₹ 1.4    |
|   | Total                    | 15,75,300 | ₹ 1091.2 |

This shows that nearly two-thirds of the missing amount is due to bank rejections and State Action. Aadhar related issues contribute to a staggering 8.4% of the missing amount. From our field work, we observed that the Aadhar related cases can largely be resolved by the local officials but they are not being done due to lack of understanding.

## Conclusion:

From our field work and data analyses, we observed that a significant number of bank rejection cases and the 'state action required cases' are unresolved for months (3 to 18 months), leaving around 17 lakh farmers without the input subsidy on time. Lack of transparency at multiple levels for all the stakeholders involved is to blame for this loss. For instance, farmers are unaware of the failed payment status to act on to resolve and the possible ways to contest the reason for ineligibility. To avoid this situation, the state should share the data being used to decide the eligibility of the farmers and provide opportunities to contest and correct in the case of errors. And information about PM Kisan benefits should be posted in village secretariats, just like it is being done with YSR Rythu Bharosa.

While officials at various levels are unaware of bank rejections, where the govt has approved the payments but the banks couldn't process the payments due to various technical reasons, absence of standard operating procedures (S.O.P and/or Guidelines) and a systemic resolution mechanism from the state adds to the ambiguity around resolution processes in PM KISAN at large. It's on the state to act immediately in resolving Stop payment cases and bank rejections that can help the farmers to receive about ₹ 900 crores. *It is important to note that after due verification by the state some of the registered farmers can turn out to be ineligible<sup>5</sup> to receive benefits under PM KISAN and the amount on hold might reduce proportionately.* In any case, the state should act immediately on all possible reasons of exclusions, to verify and ensure all the eligible farmers receive PM KISAN part(₹ 6000) of the ₹ 13,500 as input subsidy promised to the farmers under YSR Rythu Bharosa.

### About LibTech:

We are a team of engineers, social workers, and social scientists who work towards improving public service delivery in India. We have been working as a team in Telangana & Andhra Pradesh for the last 8 years, although individually some of us have been working in the region for more than a decade.

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<sup>4</sup> Other includes transactions failed and unspecified reasons.

<sup>5</sup> We have empirical evidence on the same.