International Journal of Advanced Research in Commerce, Management & Social Science (IJARCMSS)
ISSN :2581-7930 (Online), Impact Factor : 7.270, Volume 08, No. 03(II), July-September, 2025, pp 263-267

Impact of Literacy level of Farmers on awareness about Pradhan Mantri Fasal Bima Yojna (PMFBY) in Sikar District of Rajasthan

Mahesh Kumar[1*] | Dr. Sanjay Kumar Chhabra[2]

[1]Research Scholar, Jayoti Vidyapeeth Women's University, Jaipur, & Assistant Professor, Department of EAFM, S.B.D. Government College, Sardarshahar, Rajasthan, India.
[2]Professor, Jayoti Vidyapeeth Women's University, Jaipur, Rajasthan, India.

[*]Corresponding Author: maheshkbhaskar@gmail.com

***Citation**: Kumar, M., & Chhabra, S. (2025). Impact of Literacy level of Farmers on awareness about Pradhan Mantri Fasal Bima Yojna (PMFBY) in Sikar District of Rajasthan. International Journal of Advanced Research in Commerce, Management & Social Science, 08(03(II)), 263–267. https://doi.org/10.62823/ijarcmss/8.3(ii).8041*

ABSTRACT

Agriculture sector in India is prone to higher risk. Pradhanmantri Fasal Beema Yojna is an exclusive government scheme to protect and secure famers from natural calamities, Pest infestation and other agriculture related risks. Main purpose of this study is to find out the relation between literacy level of farmers and their awareness about the scheme. It is evident from study that educated farmers are more aware about scheme, benefits, application process and claim procedure, while illiterate or less educated farmers have very less knowledge about the scheme. The study also indicates that the higher the literacy level of farmers, the higher the possibility of farmers getting benefited from scheme. Therefore, it is necessary that the government should make special efforts to spread awareness among farmers, specially in the areas where the literacy rate is lower.

***Keywords**: PMFBY, Crop Insurance, Literacy, Farmer, Agriculture.*

Introduction

Agriculture plays a vital role in Indian Economy. Agriculture is a lifeline and earning resource for a large number of populations in Rural areas of India. Livelihood of around 58% of population depends on agriculture directly or indirectly. In last some years the contribution of agriculture to the Gross Domestic Product (GDP) has certainly decreased, but its importance as an employment-generating sector holds a great value at present also. Agriculture is still the most important source of livelihood in rural areas, and this is why the condition of farmers, their income, and the stability of agriculture determine the direction of development in a country like India.

Risks and Insecurity in Agriculture

Agriculture is an activity that is totally depend on natural conditions and surrounded by various types of risks. Climate change has increased the uncertainty of weather and going to extreme conditions. Occasionally there is a drought or excessive rainfall, sometimes there are disasters like droughts or floods that damage farmers' crops. Most of the Indian agriculture production depends on Monsoon also which is totally unpredictable and uncertain. Additionally, the sudden attack of pests and diseases also affects production. Market-related risks are also significant. Many times farmers do not receive a fair price for their produce and it impacts on their income. Due to all these risks, a large number of farmers face financial insecurity. Most of the time, due to crop loss, they become burdened with debt and are forced to take tragic steps such as suicide. Keeping in mind this insecurity of farmers, the Government of India has implemented many Crop Insurance scheme from time to time.

National Agricultural Insurance Scheme (NAIS)

It was introduced in 1999–2000 with the objective of providing compensation to farmers for crop losses caused by natural calamities. Although the scheme covered a wide range of crops, its claim settlement process was lengthy and complex, resulting in delays in financial assistance to the farmers. In India, the majority of farmers operate on small and marginal landholdings. As per data from the National Bank for Agriculture and Rural Development (NABARD) and the Ministry of Agriculture, nearly 86 percent of the country's farmers fall under this category, owning less than two hectares of land. Because of the limited size of their holdings, inadequate irrigation facilities, and dependence on natural resources, their income tends to be unstable. Socially, farmers are also in a vulnerable position, as issues like poverty, indebtedness, lack of education, limited technical awareness, and a complex marketing system adversely impact their economic and social well-being.

The Modified National Agricultural Insurance Scheme (MNAIS) was introduced in 2010 with several significant improvements over the earlier insurance program. Initially launched as a pilot project during the Rabi season in 50 districts, the scheme aimed to make crop insurance more effective and farmer-friendly. It incorporated provisions for assessing crop losses at the individual farmer level, offered premium subsidies to reduce farmers' financial burden, and ensured quicker settlement of claims. Subsequently, in 2016, the MNAIS was merged into the Pradhan Mantri Fasal Bima Yojana (PMFBY) to create a more comprehensive and unified crop insurance framework.

Weather-Based Crop Insurance Scheme (WBCIS)

The Weather-Based Crop Insurance Scheme (WBCIS) was launched as a pilot project during 2013–14 and was later integrated with the Pradhan Mantri Fasal Bima Yojana (PMFBY). The scheme was designed to protect farmers from losses arising due to adverse weather conditions. Under this initiative, farmers were eligible to claim insurance benefits if key weather parameters such as rainfall, temperature, or humidity deviated from the predetermined thresholds. However, practical challenges were observed in accurately measuring and assessing these weather variables, which sometimes led to discrepancies in compensation. The experiences and limitations of earlier schemes like WBCIS highlighted the necessity of introducing a more simplified, transparent, and comprehensive insurance program that could effectively address the genuine needs of farmers.

Pradhan Mantri Fasal Bima Yojana (PMFBY)

Objectives, Features and Current Status

To address the limitations of previous insurance schemes and to provide a stronger financial safety net for farmers, the Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched on 13 January 2016. It represents a significant step by the Government of India towards strengthening the agricultural insurance framework. The scheme aims to offer financial protection to farmers in case of crop loss or damage caused by natural calamities, pests, or diseases. By ensuring timely compensation, PMFBY seeks to prevent farmers from falling into debt traps and to enable them to sustain their agricultural activities with greater confidence and stability.

Some of the important features of the Pradhan Mantri Fasal Bima Yojana include:

- **Minimum Premium Rates:** Farmers pay only 2 percent of the sum insured for Kharif crops, 1.5 percent for Rabi crops, and 5 percent for horticultural crops, while the remaining cost is shared by the Central and State Governments.
- **Comprehensive Risk Coverage:** The scheme provides protection against various risks, including natural calamities, droughts, floods, pests, and diseases.
- **Use of Technology and Transparency:** Crop damage assessment is carried out using satellite imagery, drones, and smartphone applications.
- **Accessibility for All Farmers:** The scheme is available to every farmer, regardless of whether they have outstanding loans or not.
- **Direct Benefit Transfer (DBT):** Approved claim amounts are directly credited to the bank accounts of the farmers.

At present, this scheme is implemented across the country and crores of farmers are getting benefitted from it. However, there many challenges which are faced in the implementation of the scheme such as – delay in claim payment, lack of awareness of farmers, technical difficulties at the local level, etc

Brief Introduction of Agriculture of Sikar District

The agricultural scenario in Rajasthan is heavily influenced by its geographical and climatic conditions, which pose significant challenges. The Shekhawati region, including Sikar district, experiences a semi-arid climate, making farming largely dependent on the unpredictability of monsoon rainfall. Predominant crops cultivated in this area include wheat, mustard, millet, gram, moong, and guar. In recent times, there has been a growing interest among farmers in cultivating vegetables and fruits. According to the 2011 census, Sikar district has a literacy rate of 71.91 percent, surpassing the state average for Rajasthan. However, despite higher literacy, farmers' awareness of agricultural schemes varies considerably. A lack of knowledge about such programs is particularly evident among small, marginal, and illiterate farmers. In this context, examining the influence of farmers' literacy on their awareness of the Pradhan Mantri Fasal Bima Yojana becomes highly pertinent. If literacy significantly impacts awareness levels, it would signal to policymakers that the effectiveness of such schemes relies not only on financial support but also on the educational background of the farmers.

Objectives of the Study

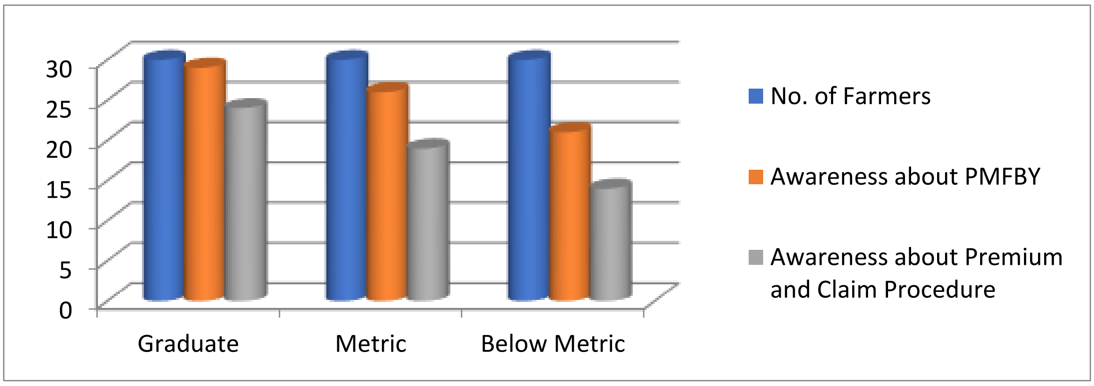
The main objectives of this study are as follows:

- To find out the awareness level of farmers about the scheme.
- To analyse the relation between literacy level and awareness about scheme.
- To suggest concrete steps to spread awareness about scheme.

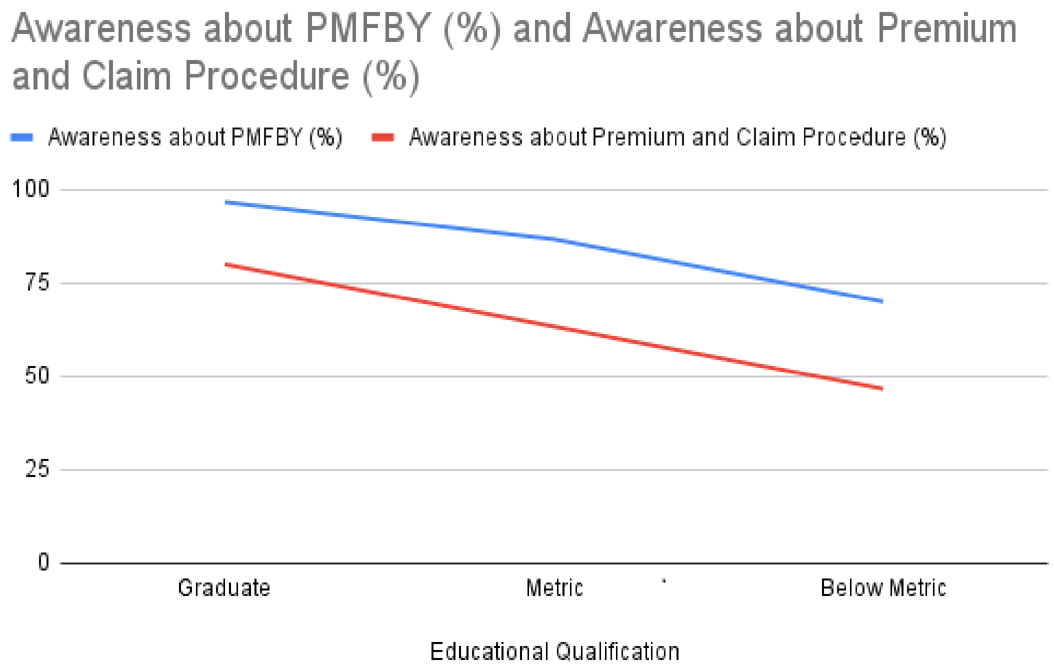
Research Methodology and Findings

This study employs a comparative analysis to examine the influence of farmers' literacy levels on their awareness and utilization of the Pradhan Mantri Fasal Bima Yojana (PMFBY). Data were gathered from selected samples using questionnaires and interviews. Five villages from two Tehsils in Sikar district were chosen for the study. A total of 90 farmers were selected, categorized according to their educational qualifications, and analyzed to assess the relationship between literacy and awareness of the scheme.

Educational Qualification	No. of Farmers	Awareness about PMFBY	Awareness about Premium and Claim Procedure
Graduate	30	29	24
Metric	30	26	19
Below Metric	30	21	14



Educational Qualification	Awareness about PMFBY (%)	Awareness about Premium and Claim Procedure (%)
Graduate	96.66	80
Metric	86.66	63.33
Below Metric	70	46.66



The analysis revealed that farmers with a graduate-level education had greater awareness of the scheme compared to those with only a metric-level education or below. About 80% of graduate farmers were familiar with the premium and claim procedures, whereas only 63.33% of metric-educated farmers and 46.66% of farmers with education below the metric level had knowledge about premiums and claim processes in case of crop loss. Discussions with farmers highlighted that education significantly influences understanding of the scheme's details. In many instances, the PMFBY was availed alongside the Kisan Credit Card (KCC), yet farmers were often unaware of the premium deductions. Most of the time, information regarding claim filing was provided primarily by banks and local Patwaris.

Suggestions

- The scheme should be promoted in local languages using mediums such as radio, brochures, and Gram Sabha meetings.
- Farmers should be trained in using mobile applications and online portals through digital literacy programs.
- Insurance companies and agricultural supervisors should conduct regular village-level awareness camps to educate farmers about the PMFBY. These programs should cover all essential details, including premiums paid, policy status, claim intimation, and the claim settlement process.

Conclusion

The Pradhan Mantri Fasal Bima Yojana has been effective in reducing the risks faced by farmers, providing financial security to many during natural disasters. However, the scheme faces several challenges, including limited awareness, delays in claim settlement, lack of transparency among private insurance companies, and complex claim procedures. Comparative analysis indicates that the benefits of public welfare programs like PMFBY can reach all farmers only if they have adequate awareness about the scheme. This awareness is closely linked to the literacy level of the farmers. In Sikar district, well-educated farmers gained the most from PMFBY, whereas illiterate farmers benefited much less due to their limited understanding of the scheme.

References

1. PradhanMantri Fasal Bima Yojana - https://pmfby.gov.in
2. Agriculture Department, Rajasthan website- https://agriculture.rajasthan.gov.in.
3. **Kaur, S., Raj, H., Singh, H., & Chattu, V. K. (2021).** Crop insurance policies in India: An empirical analysis of *Pradhan Mantri Fasal Bima Yojana*. *Risks, 9*(11), 191. https://doi.org/10.3390/risks9110191
4. Meena, S. K., Wakle, P. K., & More, S. D. (2024). Relationship between profile and attitude of farmers towards Pradhan Mantri Fasal Bima Yojana. *Gujarat Journal of Extension Education, 37*(2). https://doi.org/10.56572/gjoee.2024.37.2.0027
5. Mulay, K., & Biradar, J. (2022). *An assessment of Pradhan Mantri Fasal Bima Yojna in India*. Emerging Trends in Business, Trade and Commerce, 1865-2870.

❑❑❑