

PM-Kisan's
contribution to the
income and expenses
of farmers



PM *Kisan* contributes at least 6% to the income of two-thirds of farmers.

According to our study, **73%** of farmers across India earn up to 1250 USD annually

If the annual income of a farmer is 1250 USD (Excluding the income from PM *Kisan*)









And the government's contribution through PM *Kisan* is 75 USD

PM *Kisan* contributes around **6%** of farmers' annual income

The Socio Economic and Caste Census 2011 found that in around 75% of the rural households, the main earning family member earns less than INR 60,000 annually. Further, in only 8% of rural households, the main earning member earns more than INR 120,000 annually.
1 USD =80 INR (as per 19th, July 2022)

The *PM Kisan* benefit contributes approximately 12% to 15% of the farmer's investment per acre of land for various crops.

We calculated *PM Kisan's* contribution to the average investment of farmers on an acre of land for the top three crops in India.

	Rice 	Wheat 	Maize 
 Investment per acre (in USD)	318	250.8	258.9
 <i>PM Kisan's</i> contribution (in USD)*	37.5	37.5	37.5
 <i>PM Kisan's</i> percentage contribution	12%	15%	14%

*The benefit amount is 37.5 USD (75/2), given that most farmers cultivate in two seasons.

Investment per acre is calculated from the national average cost of cultivation (A2+FL) in USD per quintal and the national average yield (quintal per hectare) mentioned in [Agriculture statistics 2020](#) published by the Directorate of Economics and Statistics, Ministry of Agriculture and Farmers Welfare.
1 USD =80 INR (as per 19th, July 2022)

However, *PM-Kisan* impacts different categories of farmers differently.



- *PM Kisan* contributes to a significant proportion of their agriculture-related investments.
- The *PM Kisan* benefit helps small farmers avail fewer loans for agriculture.

“

For small farmers like us, this is like a salary. Even if we make a loss in agriculture, we will still receive this money from the government.

-Farmers from Gujarat

”

Large farmers see lesser value in PM-Kisan.



- A large farmer owns, leases, rents, and invests much more than the *PM Kisan* benefit amount, and thus, does not find it as helpful.
- Large farmers often do not use the benefit amount for agriculture purposes.



The benefit of INR 2,000 in four months amounts to INR 500 per month. What good is INR 500 for agriculture? How am I supposed to use it?

— A large farmer from Chhattisgarh



The findings presented here are from a national-level study on *PM Kisan* conducted by MSC, which covered covering a range of involved stakeholders across 20 states and union territories.

Covering a total sample of



13,166

Quantitative samples of farmers



197

Qualitative samples of farmers



80

Qualitative samples of supply-side stakeholders

With an objective to assess:

1

The efficiency and efficacy of the cash transfer



2

The impact of the *PM Kisan* benefit amount on agriculture



3

The change in the financial status of the farmer household





Stay tuned as we unveil more such findings from our *PM-Kisan* evaluation study!

Sectors we work in

Providing impact-oriented business consulting services



Multi-faceted expertise

Advisory that helps you succeed in a rapidly evolving market



MSC is recognized as the world's local expert in economic, social, and financial inclusion



International financial, social, and economic inclusion consulting firm with **20+** years of experience



>200 staff in **11** offices around the world



Projects in **~65** developing countries

Our impact so far

>550
clients

>1,000
publications

Assisted development of digital G2P services used by **>875 million** people

Implemented **>875 DFS** projects

Developed **>275 FI products** and channels now used by **>55 million people**

Trained **>10,500** leading FI specialists globally

Some of our partners and clients



-  MSC head offices
-  MSC offices
-  Impact areas



[MSC corporate brochure](#)

Contact us at info@microsave.net

Asia head office

28/35, Ground Floor, Princeton Business Park,
16 Ashok Marg, Lucknow, Uttar Pradesh 226001, India
Tel: +91-522-228-8783 | Fax: +91-522-406-3773 | Email: manoj@microsave.net

Africa head office

Landmark Plaza, 5th Floor, Argwings Kodhek Road
P.O. Box 76436, Yaya 00508, Nairobi, Kenya
Tel: +254-20-272-4801/272-4806 | Email: anup@microsave.net

