



SWOT Analysis of Rythu Bandhu Scheme of Telangana

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ABSTRACT

A state's ability to grow is based on its industry and agricultural output. While industries are prioritised, the agriculture sector is need to be more noticed. One of the most fundamental necessities for human survival is food, and farmers play a significant role in this. Every time there is a natural disaster, excessive rainfall, a drought, or any other event that affects their farm, Indian farmers are faced with a severe economic problem. Therefore, the Indian government and various states are pushing agricultural investment schemes to help farmers by giving them monetary support to buy the resources they need to farm during India's two primary harvest seasons. This kind of programme is offered by every state; in order to assist farmers, the central government launched the Pradhan Mantri Kisan Samman Nidhi programme in 2019. This paper examines the current status of Telangana's Rythu Bandhu agricultural investment support programme. Despite what the government says, the study focuses on how the programme is implemented and carried out, and it also sees whether this scheme is beneficial for farmers or not, by descriptive research, with mixed quantitative and qualitative data from secondary resources. The scheme is beneficial, but it requires greater awareness and is only available to a small group of individuals, which prevents proper financial utilisation. Additionally, the program's assistance to farmers is only available for a limited number of crops. If the government were to solve its shortcomings, it could seize chances and bolster the agricultural industries.

KEYWORDS: SWOT, Rythu Bandhu, financial support, awareness, inflation.

INTRODUCTION

"Rythu Bandhu Scheme"(RBS) is a popular agricultural investment support scheme in the Indian state of Telangana. It provides financial assistance to farmers in the form of a direct cash transfer, aimed at promoting agricultural activities and supporting farmers' livelihoods.

The framework of a SWOT analysis allows for the identification and study of an organization's strengths, weaknesses, opportunities, and threats. The SWOT acronym is made up of these words. The main objective of a SWOT analysis is to raise awareness of the variables that influence business decisions or the formulation of business strategies.

A SWOT analysis of Rythu Bandhu is intended to help you take a practical, fact-based, and data-driven look at the advantages and disadvantages of a company, its efforts, or its sector.

The most of the policy evaluation is done secondary resources.

STRENGTH

1. **Farmer Empowerment:** Rythu Bandhu provides direct financial support to farmers, empowering them to invest in their agricultural activities and enhance productivity.
2. **Cash Transfer:** The scheme offers cash assistance, which gives farmers the flexibility to use the funds according to their specific needs and priorities.
3. **Financial Stability:** By providing predictable income, the scheme can contribute to the financial stability of farmers, reducing their dependency on loans and debts.

WEAKNESS

1. **Limited Scope:** The scheme primarily focuses on providing financial assistance to land-owning farmers, potentially excluding landless and tenant farmers who might also need support.
2. **Inequitable Distribution:** Depending solely on land ownership, the scheme might not adequately address the needs of small and marginalized farmers who have smaller landholdings.

3. Budgetary Strain: Implementing such a massive cash transfer scheme can put a strain on the state's finances, impacting the allocation of resources to other sectors.
4. The fund is limited.

Opportunities

1. Diversification: The government could consider diversifying the support by providing training, resources, and assistance to encourage farmers to adopt sustainable and diversified agricultural practices.
2. Inclusive Approach: Expanding the scheme to include landless and tenant farmers could help promote inclusivity and address the needs of a broader range of agricultural workers.
3. Technology Integration: Embracing technology could improve the efficiency of fund disbursement and tracking, reducing the chances of fraud and leakages.

Threats:

1. Economic Instability: Economic fluctuations or budget constraints could affect the availability of funds for the scheme, potentially leading to reductions in support.
2. Corruption: There might be challenges in ensuring the funds reach the intended beneficiaries without being siphoned off by corrupt practices.
3. Dependency: Long-term dependence on cash transfers without corresponding improvements in agricultural productivity or infrastructure could hinder sustainable development.
4. Climate Change: The agriculture sector is vulnerable to the effects of climate change, including extreme weather events, droughts, floods, and changes in temperature patterns, which can adversely affect crop yields and overall agricultural productivity.
5. Implementation Challenges: Delays in fund disbursement, administrative inefficiencies, and bureaucratic red tape could hinder the timely delivery of financial assistance to farmers.
6. Currency Devaluation and Inflation: If not adjusted for inflation, the real value of the cash assistance provided under the scheme may erode over time, reducing its effectiveness in supporting farmers.

Suggestion for Threats

The scheme is only for main crops rabi and kharif which is been cultivated twice a year but the scheme can also be open for farming vegetables. There might be challenges in effectively allocating resources to the most deserving farmers, resulting in some beneficiaries not receiving their due share, or the funds not being optimally utilized. It could be solved with proper monitoring the scheme. There could be market fluctuations which make changes in global or national market dynamics, such as fluctuating commodity prices or disruptions in supply chains, could impact farmers' income despite the cash assistance. Political Instability: Changes in government or shifts in political priorities could lead to alterations or discontinuation of the scheme, affecting its long-term sustainability.

Some farmers may lack the necessary awareness or understanding of the scheme's benefits, eligibility criteria, or application process, leading to reduced participation and underutilization of the scheme, its need to be promoted.

Awareness about RBS

Table 1. Awareness about RBS

S.No.	Particulars	Beneficiaries	Percentage of beneficiaries
Acquired Knowledge about RBS			
a.	February 2018 to March 2018	82	68.3
b.	April 2018 and after that	38	31.6
Source of knowledge			
c.	Newspaper or other media	75	62.5
d.	Neighbour farmers	33	27.5
e.	A.E.O or V.R.O or Other govt. officials	12	10

Source- Journal of Experimental Agriculture International

The result or outcome of a scheme is depended upon the awareness about it, and this data from journal of experimental Agriculture international which observed that 68.3% of beneficiary farmers were aware of scheme early after announcement of this scheme in March- 2018 due to wider publicity through

print and electronic media. Newspaper and other mass media (TV, Radio) take the first position, as source of information to farmers followed by neighbors farmers and least from A.E.O

Increase in Prices of farm Inputs and Household Expenditure after RBS Introduction

2.

Table 5. Difference in prices of farm inputs and labour costs before and after RBS introduction

S.No	Particulars	Unit	Before RBS 2018-19	After RBS 2018-19	Percentage increase (%)
1.	Urea	□ / Qtl	484	537	11.0
2.	DAP	□ / Qtl	2024	1315	32.5
3.	MoP	□ / Qtl	1300	1740	33.8
4.	SSP	□ / Qtl	700	1060	51.4
5.	Complex	□ / Qtl	1700	2050	20.6
6.	Seed (paddy)	□ / kg	27	35	32.3
7.	Labour wage	□ / day	304.5	482	58.7
8.	Tractor hiring charges	□ / hr	1204	1625	35.0
9.	Combine harvester charges	□ / hr	1254	2018	60.9
10.	Pesticide cost	□ / L	429	611	42.4
11.	School fees		No change		
12.	Liquor cost	□ /beer	90	110	22.2

Source: Primary data collected from sample farmers

Source- Journal of Experimental Agriculture International

The above data indicates that the cost of all agricultural inputs has increased. The employment costs of combination harvesters are said to have soared by more than 50% on average shortly after RBS was introduced. Similar to the tractor hiring adjustments, the introduction of RBS resulted in a more than 30% increase in the cost of essential farm inputs including fertilizer, seed, and other supplies. The majority of sample participants stated that the introduction of RBS in the state resulted in a 22% rise in the cost of liquor. In summary, the respondents in the sample conveyed that the government has boosted the prices of labor wages, farm inputs, and liquor while also offering financial support via RBS. Consequently, the overall impact of RBS on farmer households' economies is negligible.

What we could observed from the scheme?

The scheme is unaware of many people due to lack of awareness. The main goal of the Rythu Bandhu Scheme is to offer direct investment support to all landowners, whether they are active farmers or absentee landowners. The tenant farmers were not part of the scheme, so they are compelled to take a loan with a high interest. They perceive that the cost of all agricultural inputs is rising, which is what is observed in the research of journal of experimental agriculture international. The employment costs for combination harvesters were reportedly boosted by more than 50% on average shortly after RBS was introduced. Although by the response of tenant farmers the RBS benefit receive by the land owner were mostly used for non-agricultural purpose, yet the scheme is benefit for land owners who are self-farmers.

Conclusion

So, Rythu Bandhu Scheme (RBS) means farmer and bandhu means friend literally it denotes the scheme is for the farmer who is the friend of government. The scheme was started on 2018 and in starting of 2022 cumulatively gave 50 thousand core direct benefit transfer to farmers which is a landmark achievement. Each state has their own name for the same scheme and in the central the same scheme calls as Pradhan Manti Kishan Saaman Nidhi. These schemes help the farmer to get money directly for buying seeds, fertilizer etc for farming at the beginning of crop season. In India there are two crop season rabi and kharif. In Telangana by Rythu Bandhu scheme land-owning farmers gets 5000/acre/crop season. The money is going to land owners and not landless farmers. Actual farmers are not receiving the money to buy crops but the owners are receiving it. It is not clear how much land the farming is taking place, due to lack of monitoring, but the money is been given for the land they own and not cultivation.

This is India's first direct farmer investment support program, where the money is given out in cash. The RBS is a good welfare program initiative by Government of Telangana to support farmer's investment for the two main crops grown in a year. This scheme is fulfilling two UN Sustainable Development Goals, Poverty eradication and Zero Hunger.

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