

What Prime Minister Dhan-Dhaanya Krishi Yojana aims to achieve, how PMDKY will be implemented

The scheme was announced by Finance Minister Nirmala Sitharaman on February 1 during her Budget speech

Written by [Harikishan Sharma](#)

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PMDKY will cover 100 districts based on three broad parameters: low productivity, moderate crop intensity, and below-average credit parameters (Vishal Srivastav/File)

Finance Minister Nirmala Sitharman while presenting the [Union Budget on February 1](#) announced the launch of the Prime Minister Dhan-Dhaanya Krishi Yojana (PMDKY).

Here's all you need to know.

On the lines of ADP

“Motivated by the success of the Aspirational Districts Programme (ADP), our government will undertake a PMDKY in partnership with States,” Sitharaman had said while announcing the programme.

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ADP was launched by Prime Minister [Narendra Modi](#) in January 2018. The programme aimed to quickly and effectively transform 112 of the most under-developed districts across India, based on 3 Cs — Convergence (of Central and State schemes), Collaboration (of Central and State level nodal officers, and District Collectors), and Competition (among districts through monthly delta ranking).

The ranking is based on the incremental progress made across 49 Key Performance Indicators under 5 broad socio-economic themes: Health & Nutrition, Education, Agriculture & Water Resources, Financial Inclusion & Skill Development and infrastructure.

Districts to be covered

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PMDKY will cover 100 districts based on three broad parameters: low productivity, moderate crop intensity, and below-average credit parameters, Sitharaman had said. As per sources, the Ministry of Agriculture and Farmers' Welfare has been collecting data of these parameters, based on which the districts will be identified.

Cropping intensity is a measure of how efficiently land is used, and it is defined as the percentage of the gross cropped area to the net area sown. In simple words, the cropping intensity indicates the number of crops grown on a piece of land in an agricultural year (July-June).

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At the all India level, the cropping intensity was recorded at 155% in 2021-22, although the figure greatly varied from state to state. Cropping intensity was only 111% in 1950-51.

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Sources also said that the Ministry has requested the Department of Financial Services and NABARD to share the data on district wise farm credit.

Aim of scheme, allocation made

According to the Finance Minister, the program has the following five objectives:

- Enhancing agricultural productivity;
- Adopting crop diversification and sustainable agriculture practices;
- Augmenting post-harvest storage at the panchayat and block level;
- Improving irrigation facilities; and
- Facilitating availability of long-term and short-term credit.

“This programme is likely to help 1.7 crore farmers,” Sitharaman had said.



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Although Budget documents do not provide a separate allocation for the scheme, officials say that funds will be drawn from various schemes implemented by the Ministry of Agriculture and Farmers' Welfare, and the Ministry of Fisheries, Animal Husbandry and Dairying. According to the officials, the government can make an allocation for the scheme after it is formally approved by the Union Cabinet, and before its roll out on the ground.