



Awareness and utilization of the farmers about kisan credit card scheme

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Abstract

Awareness and Utilization of the farmers about Kisan credit card scheme was carried in two blocks of Budaun district to access the role of KCCs for enhancing the agriculture production of farmers. In the study awareness and utilization of the farmers show that 84.3 percent of the farmers were aware about the Kisan credit card scheme and help to provide the flexible limit of loan rupees 10,000 to 50,000 and above based on land holding crops loan, including postharvest.

Keywords: awareness and utilization of KCC scheme

Introduction

Kisan Credit Card is a pioneer scheme in agriculture sector in India. It was explained in his speech of Mr. Yasvant Sinha, former finance minister in 14 august in 1998. It is beneficial for the farmers of India to purchased primary agriculture input like as seeds fertilizers pesticides, machines and tools to improve agriculture productivity and production. We know very well that the people of Bharat live in small villages and very rural areas. The farmer of India lives in different crises in his life and livelihoods. They have small holding or not. The government of India helps to farmer by the various financial schemes to improve their livelihoods. KCC is one of them as a financial tool.

The Kisan Credit Card has emerged as an innovative credit delivery mechanism to meet the production credit requirements of the farmers in a timely and hassle-free manner. The scheme is under implementation in the entire country by the vast institutional credit framework involving Commercial Banks, RRBs and Cooperatives and h.

Agriculture credit plays an important role in maintaining agricultural production by allowing producers to meet their credit need during the entire cycle of crop production and at the same time provides funds for investment purpose.

Farmers have to avail credit either from institutional sources or from non- institutional sources like private money lenders. Loans from non-institutional sources though very common, are often exploitative, with very high interest rate, and from such sources the borrowers often fall into debt trap. Realizing these difficulties, the government has initiated several measures to galvanize the institutional credit system to make it more responsive to the needs of farmers.

Objectives of the scheme

Kisan Credit Card Scheme aims at providing adequate and timely credit support from the banking system under a single window to the farmers for their cultivation & other needs as indicated below:

1. Post harvest expenses
2. To meet the short term credit requirements for cultivation of crops
3. Consumption requirements of farmer household
4. Working capital for maintenance of farm assets and activities allied to agriculture, like dairy animals, inland fishery etc.
5. Investment credit requirement for agriculture and allied activities like pump sets, sprayers, dairy animals etc.

Research Methodology

To complete the above objectives, by employing the appropriate research methodology, the study was conducted in district Budaun the year 2020-2021. Two blocks Salarpur and jagat were selected randomly in this study. From the selected blocks, six villages were selected. Twenty five respondents were selected randomly from each village. Thus, 150 respondents were selected. Dependent and independent variables, namely age, education, caste, religion, type of family, size of family, type of house, occupation, annual income, size of land, social participation, knowledge and use, impact, constraints, suggestions etc. were used. The data so collected were subjected to statistical analysis for which statistical tools, such as percentage, rank, weighted mean, and correlation coefficient, chi square were used.

Table 1: Distribution of farmers according to Awareness of Kisan credit card scheme

S. No.	Awareness of the farmers about Kisan credit card scheme	Yes	No	Mean Score	Rank
1	Awareness about the Kisan credit card scheme	84.3	15.7	1.83	1
2	Awareness who is eligible for taking loan for Kisan credit card scheme	74.3	25.7	1.73	3
3	Awareness that Kisan credit card scheme Provides the financial liquidity and credit to the rural Farmer	66.7	32.3	1.67	4
4	Awareness about Kisan credit card provides maximum credit limit based on Agriculture Income.	61.0	39.0	1.60	5
5	Awareness that it provides the loan for the Rabi and Kharif crop production not for Jaid crop Production.	74.3	26.7	1.73	3
6	Awareness Kisan credit card limit fixed in taking to account both Rabi and Kharif crop.	54.3	45.7	1.53	7
7	Awareness fixation limit of crops (a) Kharif crop - 35% (b) Rabi crop - 4 %	44.3	55.7	1.43	11
8	Know fixation limit for Kisan credit card Scheme.	41.0	59.0	1.40	12
9	Know how much loan provided by Kisan credit card scheme.	54.3	45.7	1.53	7
10	Know the term loan limits (a). Short term limit (b).Long term limit	47.7	52.3	1.47	9
11	Know KCC is valid for 05 years	81.0	19.0	1.80	2
12	Kisan credit card scheme used to get any accidental insurance up to Rs.50000 by the borrowers?	46.7	53.3	1.47	9
13	Know Kisan credit card schemes get the personal accident insurance scheme under age of 70 years.	45.0	55.0	1.44	10
14	know Kisan credit card schemes get the loan up to 3.00lakh on 10.50 % Interest	57.0	43.0	1.56	6
15	Awareness about crop insurance scheme – National Agriculture insurance scheme under which eligible crop is covered.	35.7	64.3	1.35	13
16	know all new Kisan credit card are issued in the form of RUPAY /ATM debit Card.	53.0	47.0	1.52	8

Table.1 shows that the awareness about the Kisan credit card scheme for farmers 84.3 per cent of the farmers were aware of the Kisan credit card scheme, 15.7 per cent of the farmers not aware Kisan credit card scheme to know about the KCC scheme with the mean score value 1.83 and rank 1. 81.0 per cent of the farmers are aware of the KCC scheme is valid for 5 years and 19.0 per cent of the respondents not aware the KCCs with the mean score value 1.80 and rank 2. 74.3 per cent of the farmers were know that eligibility for taking loan for Kisan credit card scheme to provide the loan for the Rabi and kharif crop production not for jaid crop production and 25.7 per cent respondents not aware with the mean score value 1.73 and rank 3. 66.7 per cent of the farmers know about the KCC schemes provide financial liquidity and credit to the rural farmers and 32.3 per cent not aware to Kisan credit card scheme with the mean score value 1.67 and rank 4. 61.0 per cent of the farmers were aware of the Kisan credit card scheme provide maximum credit limit based on agriculture income and 39.0 per cent not aware the Kisan credit card scheme with the mean score 1.60 and rank 5. 57.0 per cent of the farmers were aware of the Kisan credit card scheme get the loan up to 3.0 lack on 10.50 percent interest and 43.0 per cent of the respondents not know Kisan credit card scheme with the mean score value 1.56 and rank 6. 54.3 per cent of the farmers know how much loan provide by Kisan credit card and which limit fixed in taking to account both rabi and kharif crop and 45.7per cent of the respondents not know with the mean score value 1.53 and rank 8. 53.0 per cent of the farmers ware know all new Kisan credit card are issued in the form of RUPAY / ATM debit card and 47.0 per cent farmers not know Kisan credit card scheme with the mean score value 1.52 and rank 8. 47.7 per cent of the farmers know the term loan limit (a) short term loan (b) long term loan and aware that the Kisan credit card scheme get any accidental insurance up to Rs. 50000 by the barrowers and 52.3 per cent respondents not aware with the mean score value 1.47 and rank 9. 45.0 per cent of the farmers ware know Kisan credit card scheme get the personal accident insurance scheme under age of 70 years, and 55.0 per cent respondents not aware with the mean score value 1.44 and rank 10. 44.3 per cent of the farmers ware know the fixation limits of crops (a) khareef crop – 35 per cent (b) Rabi crop – 4 percent and 55.7 per cent of the respondents not aware with the mean score value 1.43 and rank 11. Whereas 41.0 per cent of the farmers know the fixation limit for KCC scheme and 59.0 per cent not know with mean score value 1.40 and rank 12. 35.7 per cent of the respondents ware know crop insurance scheme – National agriculture insurance scheme under which eligible crop is cover and 64.3 per cent not know with the mean score value 1.35 and rank 13. Respondents were aware about the Kisan credit card scheme Knowledge is essential elements to Kisan credit card scheme. it is like a body of understanding information possessed by an individual or by a culture. It is play a key role in production process.

Table 2: Distribution of farmers according to Utilise of Kisan credit card scheme

S.N	Utilise of Kisan credit card scheme	Long term	Short term	No use	Mean score	Rank
1	Utilise of Kisan credit card	82.0	9.0	9.0	2.68	1
2	Utilise of 3 activities of KCC card Regular crop production Animal husbandry Timber production	31.0	14.8	54.2	1.75	10
3	Utilise KCC card up to limit of 3-5 years?	43.7	21.0	35.3	2.05	8
4	KCC schemes in fixation of limit 3.00 lac.	47.0	12.0	41.0	2.05	6
5	All the finance provide by Kisan credit card in crop Production	42.3	17.7	40	2.01	9
6	Short term loan credit in the farm production?	57.0	22.3	20.7	2.33	3
7	Utilise 1st year finance for crops proposed to be grown during the year to insurance premium.	49.0	17.0	34.0	2.12	5
8	Utilise a flexible limit of Rs. 10000to 50000 based on land holding and crops grown including postharvest warehouse storage related to credit needs and other farm expenses, consumption etc.	59.7	22.3	18.0	2.39	2
9	Term loan credit for investment for land development, minor irrigation, purchase of farm equipment and allied agricultural activities	57.0	25.0	18.0	2.36	3
10	Different types of insurance Kisan credit card used (a) Death (b) Disability (c) Maximum age entering up to 70 year.	31.0	17.0	52.0	1.76	10
11	The term loan credit repayable within a period of 5 years.	43.7	16.3	40.0	2.03	8
12	Utilise of crop insurance scheme - National Agriculture insurance scheme under which eligible crop is covered.	46.3	24.3	29.3	2.14	7
13	Utilise ATM cum debit card to enable them to withdrawal.	54.3	14.3	31.4	2.20	4
14	Kisan credit card any processing fee, inspection and documentation charges up to 3.0 lakh.	43.7	22.3	34.0	2.07	8

Table. 2 Show that the Utilise of Kisan credit card scheme of the farmers to increase farm Economy. 82.0 percent of the farmers were long term used of kisan credit card. 9.0 percent of the farmers short term used of Kisan credit card and 9.0 percent of the farmers were not used of the Kisan credit card with the mean score value 2.68 and rank 1. and 59.7 percent of the farmers long term use a flexible limit of Rs. 10,000 to 50,000 based on land holding and crops grown including postharvest warehouse storage related to credit needs and other farm expenses, consumption etc. and 22.3 per cent of the farmers were short term use of Kisan credit card and 18.0 per cent of the farmers were not used with the mean score value 2.36 and rank 2.57.0 per cent of the farmers were long term of short term loan credit in the farm production and term loan credit for investment for land development, minor irrigation, purchase of farm equipment and allied agricultural activities, 25.0 per cent of the farmers were used short term and 18.0 per cent of the farmers not use with the mean score value 1.76 and rank 3. Followed as 54.3 per cent of the farmers were long term ATM cum debit card to enable them to withdrawal, 14.3 per cent of farmers were short term use of Kisan credit card scheme and 31.4 per cent of the farmers not use with the mean score value 2.20 and rank 4. And 49.0 per cent of the respondent long term use 1st year finance for crops proposed to be grown during the year to insurance premium. 17.0 per cent of the farmers were short term used of Kisan credit card scheme and 34.0 per cent of the farmers not use with the mean score value 2.39 and rank 5. 47.7 per cent of the farmers were long term used Kisan credit card schemes in fixation of limit 3.00 lakh, 12.0 per cent of the farmers were short term used of Kisan credit card and 41.3 per cent of the farmers were not use with the mean score value 2.05 and rank 6. Whereas 46.3 per cent of the farmers were long term crop insurance scheme – National Agriculture insurance scheme under which eligible crop is covered, 24.3 per cent of the farmers were short term used of Kisan credit card scheme and 29.3 per cent of the farmers were not use of Kisan credit card scheme with the mean score value 2.14 and rank 7. 43.7 per cent of the farmers were long term Kisan credit card up to limit of 3-5 years use the term loan credit repayable within a period of 5 years, KCC use any processing fee, inspection and documentation charges up to 3.00 lakh, 22.3 per cent of the farmers were short term use of KCC scheme and 34.0 per cent of the farmers were not use of KCC with the mean score value 2.07 and rank 8. Followed as 42.3 per cent of the farmers were long term use all the finance provide by Kisan credit card in crop Production, 17.7 per cent of the farmers short term use and 40.0 per cent of the farmers were not use Kisan credit card scheme with the mean score value 2.33 and rank 9. Only 31.0 per cent of the farmers were long term use 3 activities of kisan credit card (a) Regular crop production (b) Animal husbandry (c) Timber production and farmers use different type of insurance Kisan credit card used (a) Death (b) Disability (c) Maximum age entering up to 70 year, 17.0 per cent of the farmers were short term used of Kisan credit card and 52.0 per cent of the farmers were not used of KCC with mean score value 2.03 and rank 10.

Use of Kisan credit card in this study areas most of the farmers may use them to readily purchase agriculture input such as seed, fertilizer, farm equipment etc. and draw cash for their production needs. Farmers cannot only purchase input but also can withdraws cash from this credit card for their input needs.

Conclusion

The farmers knowledge about Kisan credit card scheme on various aspects, maximum farmers aware about KCC scheme, KCC is valid for 05 years and eligibility for taking loan for Kisan credit card scheme, its provides the loan for the Rabi and Khareef crop production not for zaid crop production. However, extent of utilization of Kisan credit card scheme maximum farmers were utilise of Kisan credit card, used a flexible limit of Rs.10,000 to 50,000 based on land holding and crops grown including postharvest were house storage related to credit needs and other farm expenses and consumption.

Suggestions

1. The profit selection process should be made more transparent so as to extend the profit to the really interested farmers.
2. It is also very important to enhance awareness about the scheme and its profit. Also, regular motivation from the bank officers would develop confidence among the farmers about the kisan credit card scheme.
3. State Department of Agriculture can make still more efforts to improves the socio economic profile of the farmers by organizing extension activities like conducting training, demonstration and field days.

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