



# UTILIZATION PATTERN OF KISAN CREDIT CARD (KCC) AMONG TRIBAL FARMERS IN SIDHI DISTRICT (M.P.)

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## Abstract

The Kisan Credit Card scheme introduced in the year 1998 with the objective of fulfillment of credit requirement of the farmers in hassle-free manner for raising agricultural production. There has been tremendous increase in number of Kisan Credit Cards in the rural areas during the last five years. Keeping the importance of KCC, the present study was an attempt to assess utility of KCC as perceived by the tribal farmers. The present investigation was carried out in Sidhi district of Madhya Pradesh state with a sample of 120 tribal farmers. The study revealed that the utilization of Kisan Credit Card (KCC) by the respondents was observed as maximum in the aspect *i.e.* increase in agricultural produce followed by increase in income, crop production activities, utilization of credit for vegetable production & allied activities and duration of utilizing credit. It was also found that Utilization of KCC was considerable low in the respect of the components as utilization for crop insurance, change in cropping pattern and diversified farming. The study suggests that Contingent planning for adverse climatic condition should be communicated to tribal farmers well in advance. With a view to enhance the adoption of improved crop production technologies among the tribal farmers awareness and training programmes should be conducted in the regard.

**Key words :** Kisan Credit Card (KCC), tribal farmers, vegetable production, social justice.

## Introduction

Agriculture is the most crucial sector of the country because the main policies of output growth, poverty alleviation, social justice and equity are best served in this sector. In modern farming, credit has become one of the crucial inputs. Thus, there is a need to increase the credit flow to agriculture, raise productive capacity of land and enhance the potential of water resources as well as its use efficiency for agricultural production. The Kisan Credit Card scheme introduced in the year 1998 with the objective of fulfillment of credit requirement of the farmers in hassle-free manner for raising agricultural production. The scheme is being implemented in the entire country by the credit institutional bank involving Commercial Banks, Rural Regional banks and Co-operative bank and has received wide acceptability amongst bankers and farmers. It has also minimize the difficulties and to simplify the credit acquisition by small and marginal tribal farmers. It was disbursed through KCC Scheme in our country. There has been tremendous

increase in number of Kisan Credit Cards in the rural areas during the last five years. Keeping the importance of KCC, The present study was an attempt to assess utility of KCC as perceived by the tribal farmers.

## Objectives

1. To assess the utilization pattern of Kisan Credit Cards among the tribal farmers.
2. To find out the constraints experienced by the tribal farmers in utilization of Kisan Credit Cards

## Methods and materials

The present study was conducted in the Sidhi district of Madhya Pradesh state. Since the number of Kisan credit Card holders has been found to be maximum in District Co-operative bank as compared to Commercial banks, the study was focused on Kisan Credit Card holders in jurisdiction of District Co-operative Bank only. There are five blocks in the district. Out of which of Sidhi block was selected as it has highest number of

primary agricultural societies and Kisan Credit Card holders under the District Co-operative bank. Total seven societies have been working in Sidhi block. Out of which seven primary agriculture societies, Padeniya society has highest KCC holders and village coverage in comparison to other societies. Thus Padeniya society was selected for the study. From Padeniya society 50% village was selected on the basis of higher concentration of KCC holders. Out of selected villages 60 marginal and 60 small farmers belonged to tribal category who were using Kisan Credit Card during last three years were selected through proportionate random sampling method. Finally the total sample was consisted of 120 Kisan Credit Cards holders. An interview schedule was designed for collecting the relevant information. The data were collected personally from the respondents through this pre tested interview schedule. Data collected were qualitative as well as quantitative. The quantitative data were interpreted in terms of percentage and qualitative data were tabulated on the basis of approved categorization method.

## Results

### (A) Extent of utilization of Kisan Credit Card by the tribal farmers

With a view to assess the extent of utilization of Kisan Credit Card (KCC) by the farmers, seven aspects were selected out on various aspects of KCC utilization. The response of farmers were recorded in three points continuum scale *i.e.* very much, moderate, and low with the score of 3, 2 and 1 respectively. The mean of each statement was also determined and presented in table 1.

Table 1 revealed that the utilization of Kisan Credit Card (KCC) by the respondents was observed as maximum in the aspect *i.e.* increase in agricultural produce

followed by increase in income, crop production activities, utilization of credit for vegetable production & allied activities and duration of utilizing credit. The finding also exhibits that utilization of Kisan Credit Card (KCC) was found to be minimum in case of the aspect utilization for crop insurance. Utilization pattern of Kisan Credit Card seems to be considerable low in respect of the aspects namely change in cropping pattern and diversified farming. Similar findings were reported by Dhanabhakym *et al.* (2012) Godara *et.al* (2014) and Nerella (2015).

### (B) Constraints for experienced by the respondents in utilization of Kisan Credit

#### Card

Utility of Kisan Credit Card has been affected by various kinds of constraints as perceived by the beneficiaries in the present study. Simple ranking technique was applied to measure the constraints faced by the respondents in utilization of Kisan Credit Card. Each farmer was asked to mention his constraints in utilization of Kisan Credit Card. It was presented on the basis of frequency and percentage in table 2.

The major constraints experienced by the beneficiaries in utilization of KCC were arranged in descending order on the basis of rank order as crop failure due to natural (57.50), lack of sufficient knowledge about the scheme (55.00), lack of awareness and knowledge about improved crop production technology (54.17), poor soil fertility status (50.00), un-availability of irrigation and electricity at critical time (47.50), complicated loaning procedure (46.47), recovery procedure is stringent (44.17), lack of co-operation & guidance from concerning bank officers (40.83), expenses on social events and other contingent work from credit (40.00) and high interest rate in delay repayment of credit (26.67). The findings get the

**Table 1:** Extent of utilization of Kisan Credit Card.

S.No.	Aspect	Utilization of Kisan Credit Card			Mean	Rank
		Very much	Moderate	Low		
1	Crop production activities	41 (34.16)	52 (43.33)	27 (22.50)	2.11	III
2.	Utilization for crop insurance	18 (15.00)	38 (31.66)	64 (53.33)	1.61	IX
3.	Duration of utilizing credit	43 (35.83)	41 (34.16)	36 (30.00)	2.05	V
4	Utilization of credit for vegetable production and allied activities	34 (28.33)	64 (53.33)	22 (18.33)	2.10	IV
5	Increase in agricultural produce	41 (34.16)	58 (48.33)	21 (17.5)	2.16	I
6	Increase in income	38 (31.66)	62 (51.66)	20 (16.66)	2.15	II
7	Increase in saving	31 (25.83)	60 (50.00)	29 (24.16)	2.01	VI
8	Change in cropping pattern	22 (18.33)	47 (39.16)	51 (42.50)	1.75	VIII
9.	Diversified farming	29 (24.16)	46 (38.33)	45 (37.50)	1.86	VII
	<b>Over all mean</b>	<b>1.97</b>				

**Table 2:** Constraints for betterment of operation and utility of Kisan Credit Card.

S.No	Constraints	No. of beneficiaries	Percentage	Rank
1.	Lack of sufficient knowledge about the scheme.	66	55.00	II
2.	Lack of awareness and knowledge about improved crop production technology	65	54.17	III
3.	Crop failure due to natural Calamities.	69	57.50	I
4.	Poor soil fertility status	60	50.00	IV
5.	Expenses on social events and other contingent work from credit.	48	40.00	IX
6.	Lack of co- operation & guidance from concerning bank officers.	49	40.83	VIII
7.	Complicated loaning procedure.	56	46.67	VI
8.	Recovery procedure is stringent	53	44.17	VII
9.	High interest rate in delay repayment of credit.	32	26.67	X
10.	Un-availability of irrigation and electricity at critical time.	57	47.50	V

support from the work of Thakur *et al.* (2013).

### Conclusion

It may be concluded from the above finding that the utility of Kisan Credit Card was quiet satisfactory in the aspects namely increase in income, crop production activities, utilization of credit for vegetable production & allied activities and duration of utilizing credit. it was also found that Utilization of KCC was considerable low in the respect of the components as utilization for crop insurance, change in cropping pattern and diversified farming. The study suggests that Contingent planning for adverse climatic condition should be communicated to tribal farmers well in advance. With a view to enhance the adoption of improved crop production technologies among the tribal farmers awareness and training programmes should be conducted in the regard.

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