



ISSN (E): 2277-7695

ISSN (P): 2349-8242

TPI 2024; 13(1): 10-13

© 2024 TPI

www.thepharmajournal.com

Received: 10-10-2023

Accepted: 14-11-2023

Meenakshi Devi

M.Sc. Agricultural Extension and Communication, School of Agriculture, Abhilashi University, Mandi, Himachal Pradesh, India

Sonia Rani

Assistant Professor, Extension Education, School of Agriculture, Abhilashi University, Mandi, Himachal Pradesh, India

DR Thakur

Professor, Agricultural Economics, School of Agriculture, Abhilashi University, Mandi, Himachal Pradesh, India

Corresponding Author:

Meenakshi Devi

M.Sc. Agricultural Extension and Communication, School of Agriculture, Abhilashi University, Mandi, Himachal Pradesh, India

Utilization of Kisan credit card scheme in Himachal Pradesh

Meenakshi Devi, Sonia Rani and DR Thakur

Abstract

The performance of agricultural sector has a significant effect on the growth of Indian economy. Kisan credit card is a credit to provide affordable credit for farmers in India. The scheme was implemented by public sector commercial banks, RRBs (Regional Rural Banks) and co-operative banks in the country. To find out the utilization of Kisan credit card, the present study entitled “Utilization of Kisan Credit Card Scheme in Himachal Pradesh” was undertaken. The multistage sampling design was employed. In first stage 2 blocks were selected randomly. In 2nd stage five panchayats from each block were selected purposely having maximum number of Kisan Credit Card holders. In this way 100 farmers out of these beneficiaries and non-beneficiaries were selected randomly. The majority of the beneficiary’s respondents ranked 1st had increase in agricultural produce as per weighted mean score of 2.38 percent. Majority of the beneficiary’s respondents 98 percent, purpose of taking Kisan Credit Card to purchase fertilizers, seeds, pesticide. Cent percent of the farmers utilize the amount of Kisan Credit Card for the crop production activities, fertilizer, farm machinery, and harvesting and threshing operation.

Keywords: Kisan credit card, beneficiaries, commercial bank, RRBs, co-operative

1. Introduction

Agriculture sector is the mainstream of Indian economy and the most important sector of the Indian Economy. When any change in the agriculture sector- “positive or negative”- has multiple effect on the entire economy. Therefore; the sustainable development of agriculture is the most important for acceleration in the Indian economy (Ahlawat and Singh 2020) ^[1].

The Kisan Credit Card scheme introduced in the year 1998 with the objective of fulfillment of agriculture the credit requirement of the farmers in a timely and hassle-free manner for raising agricultural production. Agricultural credit has a direct relationship with income level, farm productivity, and agriculture development. With better credit facilities, farmers can invest more in acquiring better quality inputs like seeds, fertilizers, advanced farm machinery like laser land levelers, solar pumps, etc. Better qualities of inputs and advanced technologies with adequate facilities of credit in turn result in an increase in farmers' income and the country's prosperity (Sonia *et al.* 2022) ^[9].

The guidelines of the scheme have revised in the year 2012 by the NABARD and RBI incorporating many new features over and above the financing of short-term credit requirements for cultivation of crops and investment credit requirements (Singh *et al.* 2020) ^[8]. 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 (Nishad *et al.* 2018) ^[6]. Kisan Credit Card is a simple card-cum-passbook. The beneficiaries under the scheme are issued a credit card and a pass book or a credit card cum passbook incorporating the name, address, particulars of land holding, borrowing limit, validity period, etc. which serves both as an identity card as well as facilitate recording of the transactions on an ongoing basis (Parwate *et al.* 2012) ^[7].

Co-operative banks play a significant role in the development of agriculture sector because their national objective was to eliminate exploitations of the farmers by the money lenders by providing agricultural credit at cheaper rates of interest. Co-operative bank promotes all government policies like Kisan Credit Card, Fasal Bima Yojana, SHG, etc. Kisan Credit Card policy is very easy and useful policy for the cultivator because it is the only medium of short-term credit for crop loan (Tiwari 2018) ^[10].

In financial year 2022, over 10 million credit card were operative under the Kisan Credit Card Scheme in the Indian state of Uttar Pradesh. It was followed by Maharashtra and Andhra Pradesh with 6.9 million and 6.2 million cards respectively.

In total, 71 million cards were active that year, a decrease compared to the previous year (Anonymous 2023) [2]. In India 1.5 crore farmers covered under Kisan Credit Card in 2022. Where as in Himachal Pradesh has been covered 4.36 lakh farmers in 8 July 2022 (Anonymous 2023) [3].

Keeping in view the above facts, the present study entitled "Utilization of Kisan Credit Card Scheme Himachal Pradesh" is being proposed to be undertaken.

2. Materials and Methodology

The present study was conducted in Mandi District as it is the central part of the state and our university also falls in this district. It covers 50 percent climatic conditions of the state (ZONE-II and ZONE-III). The multistage sampling design was employed. In first stage 2 blocks were selected randomly. In 2nd stage five panchayats from each block were selected purposely having maximum number of Kisan Credit Card holders, in third stage one villages was selected randomly from each panchayat. In final stage five farmers who are availing Kisan Credit Card facility and five farmers non-Kisan Credit Card holders were selected randomly from the same village. In this way 100 farmers out of these 50 beneficiaries and 50 non-beneficiaries were selected randomly. This study was based on both primary as well as secondary data.

It was measured on three aspects of its utilization. The three aspects were Agricultural activities, Purchase of farm machineries and non-agricultural activities 3 score was assigned to its very much utilized 2 score was assigned for moderate utilized and 1 score was assigned low utilized. Frequency and percentages were employed to present the data. The information collected through the responses of the respondents, was suitably coded, tabulated and analyzed to

draw meaningful inferences by using statistical tools such as frequency distribution, percentages, weighted mean scores, and rank order.

3. Result and Discussion

3.1 Extent of utilization of Kisan Credit Card

Extent of utilization of Kisan Credit Card Scheme has been presented in Table 1. that the majority of the respondents ranked 1st had 'increase in agricultural produce', as per weighted mean score of (2.38) and 'utilization of credit for vegetable production and allied activities' were ranked IInd as per weighted mean score of (2.34) and 'crop production activities' it was ranked IIIrd as per weighted mean score of (2.32) 'increase in income', 'change in cropping pattern', 'utilization for crop insurance', 'duration of utilizing credit', 'increase in saving,' 'diversified farming', were ranked IVth, Vth, VIth, VIIth, VIIIth, IXth, as per weighted mean score of (2.30), (2.24), (2.22), (2.20), (2.10) and (2.04), respectively. It means the Kisan Credit Card was highly utilized to increase in agricultural produce and utilization of credit for crop production and allied activities. On the compary utilization of Kisan Credit Card was low in amount utilized as diversified farming and increase in saving, respectively. The above finding reveled that KCC helps about the credit facility to the farmers which meet their crop loan requirement and the card holders also utilized this amount for inputs in their fields. Bista *et al.* (2012) [4] found that the KCC scheme has played a significant role in farm operation and income of farmers in Bihar. The availability of crop loan has helped in realizing higher per hectare gross returns for the KCC beneficiaries for all the crops studied. Finding are supported by Kundal (2022) [5].

Table 1: Extent of Utilization of Kisan Credit Card in terms of program

S. No.	Aspect	Utilization of Kisan Credit Card (beneficiaries)			Total weighted score	Weighted Mean Score	Rank
		Very much (3)	Moderate (2)	Low (1)			
1.	Crop production activities	17 (51)	32 (64)	1 (1)	116	2.32	III
2.	Utilization for crop insurance	12 (36)	37 (74)	1 (1)	111	2.22	VI
3.	Duration of utilizing credit	10 (30)	40 (80)	0 (0)	110	2.20	VII
4.	Utilization of credit for vegetable production and allied activities	17 (51)	33 (66)	0 (0)	117	2.34	II
5.	Increase in agricultural produce	20 (60)	29 (58)	1 (1)	119	2.38	I
6.	Increase in income	19 (57)	27 (54)	4 (4)	115	2.30	IV
7.	Increase in saving	8 (24)	39 (78)	3 (3)	105	2.10	VIII
8.	Change in cropping pattern	13 (39)	36 (72)	1 (1)	112	2.24	V
9.	Diversified farming	10 (30)	32 (64)	8 (8)	102	2.04	IX

3.2 Purposes of taking credit through KCC

The result revealed from Table 2. Majority of the respondents (98 percent) had to purchase fertilizers, seeds and pesticide followed by purchase farming machinery (62 percent), to purchase cattle (44%), to return money to a moneylender (6 percent), to return bank's old debt (4 percent), for daughter's marriage (2 percent). None of the farmers were taking credit for these 'to purchase land', 'for son's business' and 'other (specify)', respectively. The main purpose of the scheme is to purchase fertilizers, seeds, pesticides, to purchase farming

machinery etc. but no doubt KCC also helped the farmers for increasing the standard of living. The comparison across different categories revealed that farmers used a relatively higher proportion for the purchase of agricultural inputs, medium category used to purchase machinery and cattle and low categories used for the personal needs. Kundal (2022) [5] Chatha (Jammu) the utilization percentage of KCC holders in utilized their loan amount for purchase of input for crop cultivation. Similar results observed by Singh *et al.* (2020) [8].

Table 2: Purposes of taking credit through KCC

S. No.	Purpose	Beneficiaries	
		Frequency	Percentage
1.	To purchase fertilizers, seeds, pesticide	49	98
2.	To purchase farming machinery (e.g., tractor, thresher)	31	62
3.	For daughter's marriage	1	2
4.	To purchase cattle	22	44
5.	To return money to a moneylender	3	6
6.	To return bank's old debt	2	4
7.	To purchase land, For son's business, Other (specify)	0	0

3.3 Aspects of utilization of KCC amount

Table 3. shows that the overall utilization of kisan credit card amount by the beneficiaries on the agricultural activities found that 100 percent of the farmers used KCC loan amount for the purchase of seed, urea, plant protection chemical and harvesting, threshing operation. Followed by fertilizer MOP and diversified farming in 88 percent. Whereas, the utilization of KCC amount used for fertilizer ZnSO₄ was 86 percent, utilization for crop insurance was 84 percent, farm machinery 36 percent, labour component 36 percent, households activities 28 percent, "any other (domestic appliances, refrigerator and gas cylinder" 26 percent, for medical treatment 22 percent, education of children 14 percent,

marriage of children 10 percent, agri based ventures a) poultry b) mushroom was 4 percent and none of the farmers was used KCC amount for Agri based ventures for any other activities, respectively. Kundal (2022) [5] result shows that the beneficiaries adopted the recommended MOP i.e. (26-24 kg/ha) and 22.00 percent of non-beneficiaries adopted MOP and it was also evident that recommended FYM adopted by the respondents found 87.50 percent of the beneficiaries adopted the recommended FYM and 64.00 percent of the non-beneficiaries adopted the recommended FYM. Majority of 71.25 percent beneficiaries and 53.33% Non-beneficiaries adopted the recommended farm machineries.

Table 3: The following aspects of utilization of KCC amount

S. No.	Particulars	Beneficiaries	
		Frequency	Percentage
1.	Crop production activities	50	100
	a) Purchase of seed		
	b) fertilizers	50	100
	Urea		
	MOP	44	88
	Znso ₄	43	86
	c) Plant protection chemicals	50	100
	d) Farm machinery	18	36
	e) Irrigation	5	10
	f) Labour component	15	30
	g) Harvesting and threshing operation	50	100
2.	Utilization for crop insurance	42	84
3.	Diversified farming	44	88
4.	Agri based ventures	2	4.0
	a) Poultry		
	b) Mushroom	2	4.0
	c) Any other	0	0
5.	Education of children	7	14
6.	For medical treatment	11	22
7.	House hold activities	14	28
8.	Marriage of children	5	10
9.	Any other (domestic appliances, refrigerator and gas cylinder)	13	26

4. Conclusion

Kisan Credit Card was highly utilized in terms of selected indicators as perceived by the beneficiaries' farmers was increase in agricultural produce through Kisan Credit card and operation of various agricultural allied activities. It means kisan credit card had positive impact on some aspects of agriculture production for beneficiaries. Hence, the bank management and institution agencies should take initiation to provide all type of credit in agriculture sector, particularly for allied activities and to purchase and adoption of high yielding attributes and practices.

5. References

1. Ahlawat M, Singh S. Progress and Performance of Kisan

Credit Card Scheme in Different Regions of Rohtak District in Haryana. Int J Curr Microbiol Appl Sci. 2020;9(9):959-965.

2. Anonymous. [Internet]. c2023. India: Statista; [cited 2023]. Available from:

<https://www.statista.com/statistics/1245872/india-number-of-kisan-credit-cards-by-state/>.

3. Anonymous. [Internet]. c2023. Karnataka tops among southern states in distribution of Kisan Credit Cards, disbursement of loan to farmers. The Hindu; [cited 2023]. Available from:

<https://www.thehindu.com/news/national/karnataka/karnataka-tops-among-southern-states-in-distribution-of-kisan->

credit-cards-disbursal-of-loan-to-farmers/article66323987.ece.

4. Bista DR, Pramod K, Mathur VC. Progress and Performance of Kisan Credit Card Scheme with a case study of Bihar. *Agric Econ Res Rev.* 2012;25(1):125-135.
5. Kundal S. Impact Evaluation of Kissan Credit Card Scheme on Rice Cultivation in Subtropics of Jammu Region. [PhD thesis]. Sher-e-Kashmir University of Agricultural Sciences & Technology of Jammu Main Campus, Chatha, Jammu; 2022, 180009.
6. Nishad LT, Jaiswal D, Singh S, Dharmendra. Utilization pattern of Kisan Credit Card among the small and marginal farmers in Rewa block of Rewa District (M.P.). *J Plant Dev Sci.* 2018;10(3):185-188.
7. Parwate P, Sharma ML, Maske M. A study on utilization pattern of Kisan Credit Card (KCC) among the farmers in Raipur District of Chhattisgarh. *Int J Agron Plant Prod.* 2012;3(2):54-58.
8. Singh A, Sihag S, Kiran. A Study on the Utilization Pattern and Adequacy of Kisan Credit Card among the Farmers of Sirsa District. *Int J Creat Res Thoughts (IJCRT).* 2020;8(9):3086-3093.
9. Sonia, Malik PD, Sanjay. Assessment of progress of Kisan Credit Card Scheme in Haryana, India. *Asian J Agric Extension Econ Sociol.* 2022;40(10):1107-1115.
10. Tiwari SS. Impact of Kisan Credit Card Scheme on the socio-economic status of farmer's in Anuppur District of Madhya Pradesh (With special reference to cooperative Bank). *Int J Sci Res (IJSR).* 2018;8(8):383-385.