



PERCEPTION OF FARMERS ON KCC SCHEME– A STUDY ON SELECTED DISTRICTS IN TELANGANA STATE

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ABSTRACT

The Kisan Credit Card Scheme was implemented in August 1998 in that period banks were issued over 12 crores across India. The 26 Public Sector Banks (PSBs), 373 District Central Cooperative Banks (DCCBs), and 196 Regional Rural Banks (RRBs) introduced the Scheme in all States and Union Territories. The KCC is a broad scheme and extends its scope to all small farmers, marginal farmers; share croppers, oral lessee and tenant farmers are eligible to cover under the scheme and it also includes term credit and consumptions needs. The card holders are covered under Personal Accident Insurance Scheme (PAIS) against accidental death/permanent disability. Recently the Bhasin Working Group on Kisan Credit Card Scheme has made some suggestion to convert it into a Smart Card cum Debit Card and accordingly revised guidelines have been issued by NABARD and these guidelines were accepted by Government of India. perception of farmers on Kisan Credit Card scheme and their opinion with regard to the agricultural usage satisfaction levels of farmers credit with KCC scheme and the farmers socio-economic development also in rural areas.

Key -words - Kisan Credit Card Scheme- Cash withdraws with card ,Renewing of Kisan Credit Card, Freedom to pay, anova

Introduction

The Kisan Credit Card Scheme was implemented in August 1998 in that period banks were issued over 12 crores across India. The 26 Public Sector Banks (PSBs), 373 District Central Cooperative Banks (DCCBs), and 196 Regional Rural Banks (RRBs) introduced the Scheme in all States and Union Territories. The KCC is a broad scheme and extends its scope to all small farmers, marginal farmers; share croppers, oral lessee and tenant farmers are eligible to cover under the scheme and it also includes term credit and consumptions needs. The card holders are covered under Personal Accident Insurance Scheme (PAIS) against accidental death/permanent disability. Recently the Bhasin Working Group on Kisan Credit Card Scheme has made some suggestion to convert it into a Smart Card cum Debit Card and accordingly revised guidelines have been issued by NABARD and these guidelines were accepted by Government of India. State Governments are advised to initiate an intense branch or village level drive to provide all qualified and willing farmers with Kisan Credit Card in a time-bound manner. After its launch in August 1998, Commercial Banks, Provincial Rural Banks and Commercial Banks have issued more than 20 Crore Kisan Credit Cards until 31 March 2019. The schemes provide flexibility in terms of repayment loan, it can be rescheduled in the event of unforeseen incidents. When bad crop season occurs the bank may extended repayment period up to four years and so on, usually Kisan Credit Card has issued for a period of five years and it is subject to depend on the annual

How does Kisan Credit Card work

Customer/farmer must visit the bank and then apply for Kisan Credit Card The Sanctioning officer will be deciding on the loan amount that will be given to the applicant. It can be up to Rs. 3.0 Lakh. Once the amount has been sanctioned, the user will be issued the banks Kisan Credit Card. Cardholders can purchase the items against the limit of credit extended. The interest rate will be applicable only on the amount of credit taken. It ensures the Minimal interest rate is applied for timely payment of loan taken out.

For operational purposes, this facility is simple and straightforward. Banks grant Kisan Credit Card to farmers based on land holdings and income earned from them. In order to be eligible for the same the farmers should have a good credit history. The issuer of Kisan Credit Card should get facilities such as Pass Book, Address of Beneficiaries, validity period of the card and credit limit under the scheme etc., This serves for the customers their unique identification as well as system for tracking their transactions. This credit can be utilized by the farmers to withdraw as well as make use for necessary purchasing of agricultural inputs.

Review of literature

A.P Hosmani and Siddarth Madankar (2019), the authors studied this study from Kalaburagi District, Karnataka. The study reveals that the issue of KCCs from commercial, cooperative and regional rural banks, the respondents were know about this scheme and they also very satisfied with scheme. The study concludes that the respondents are facing some documentation problem in practical and they also know the land details because of the requirements in bank.

Reena Kumari (2019), the paper observed that the performance of KCC scheme in Andhra Pradesh was up to the mark and benefitable to the farmers. It also concludes cooperative banks are best and commercial banks are satisfactory and lastly the regional rural banks are not up to the mark in issuing of KCC cards and sanctioning of the amount to the farmers. For study the author considered 10 years secondary data

Sunil Singh Yadhav (2019), The article reveals that there are many disparities in the agricultural investment and it is from both public and private sector. For analysis the data is considered some states such as Andhra Pradesh, Tamil Nadu, Punjab, Rajasthan, Uttar Pradesh, Maharastra, Karnataka and Kerala had got more than Rs.500 billion credits and additional Andhra Pradesh and Tamil Nadu has got Rs.1000 billion agricultural credits in the year 2015. The study concludes that the Southren region is dominating in getting credit, evidences are the Southern region (Rs.3670) billions, the Northren regions (Rs.1812) billions, the Westren region (Rs.1139) billions, the Central region (Rs.1570) billions, the Eastren region (Rs.753) billions and the North – Eastern region (Rs.99) billions.

Mangalam R and Nagarajan I (2019), In this article the majority of the farmers are aware about the KCC in Madhurai district and the farmers are using this card, availing crop loan and avoiding loan with rate of interest with other institutions. The farmers are taking two dry and wet crops, for these two they are getting loan with this KCC card. The cooperative bank performance was best, majority of the farmers lack in cheque utilisation, internet usage, ATM cards usage. Major finding in the study was the awareness level is positively correlated to the utilization pattern of KCC loan.

Mamata Msannathi, Shobha Hangarki B and Shailaja Kheni (2019), The authors studied that this in Northern Karnataka, in their study the KCC scheme was introduced in the 1998-99 with the recommendation of RV Gupta committee for the development of Agriculture in the country, with this Kisan Credit Card the

farmers will get credit on input agricultural requirements by that production will increase, free crop insurance and the scheme was more benefitable for agriculture and allied activities.

K D Sharma, Divya Sharma, Mahima Ghabru (2018), The author under taken the study, and it is based on primary data collected from 50 KCC beneficiary farmers and 30 non-KCC farmers from eight district villages in Kangra. The Kisan Credit Card (KCC) scheme was initiated to simplify the process for farmers to acquire and use credit system, and is expected to transform the rural credit structure and delivery mechanism. The logistic analysis showed that the probability of adoption of the KCC scheme increased substantially with an increase in land holding size and area under vegetable crops while higher education rates and an increase in family income decreased the probability of adoption. The study was concluding that the farmers are expects the credit limit and taking into account that the inputs such as goats, crops, land holding, possession of dairy and farms has increased.

Research Gap

The research gap is mainly considering the Telangana state understanding of this Kisan Credit Card impact on farmers for various issues. The other scholars has concentrated on issuing of KCC, problems facing in bank, implementations problems, short-term and long term loan issue, high rate of interest issues, only few studies are taken place in Telangana with regard to impact of this Kisan Credit Card scheme. So this gap is mainly concentrating impact on farmers, agricultural development. It will help the researchers to take further study on left over things in Telangana.

Significance of the study

The credit cards distribution is developed to farmers to their agricultural purpose. The cards they are using like anything in single window operations and the procedure is also easy way for use. This Kisan Credit Cards and a pass book or pass book cum-card and case credit facility will be issued to qualifying farmers, it will involve any amount of withdrawals and repayments within the limits and rules. This study will help in understanding the impact of KCC scheme on agricultural income, product and overall development of the farmers. This study will help academician and researchers to carry out further studies regarding impact of KCC on famers.

Statement of problem

This study focuses on farmer development with this KCC, how this KCC is helping them in their economic development. In rural area the farmers depend on moneylender for their credit requirement and the moneylenders give credit to them at high rate of interest, here the scheme KCC role is crucial for controlling of the moneylenders. The micro-financing is also available to farmers to use for their agricultural purpose. Among all other schemes, the study is made to know the process of KCC scheme its impact on farmers and how KCC scheme can be useful for raising their income and agriculture development.

Objectives of the study

1. To present the perception of the farmers on KCC select districts in Telangana

Hypothesis of the study

H₀₁: There is no significant difference in perceptions of employees towards KCC with respect to variables such as, Cash withdraws Renewing Freedom to pay Interest burden.

Research Methodology of the study

The data and information required for the study are collected from both primary and secondary sources. The primary source of the data is personal discussion with few bank officials and with formers. The information is gathered through a structured questionnaire and administrating the questionnaire to the respondents and the opinions are elicited from the farmers in selected districts areas in Telangana state.

The secondary source of the data is collected from the office records of the banks, books, government publications, various Indian journals as well as foreign journals, periodicals, magazines, newspapers and electronic media.

Sampling of the study

For the study to ensure fairly an adequate representation of all the farmers from selected districts has considered the stratified random sampling method has been followed. In the sample of the study only 320 members of the farmers has taken to get meaningful information.:

Sampling techniques

To analyze the data which are prepared by the researcher so as to cover socio-economic position and aspects pertaining to agricultural development and provision, benefits with the KCC. The data has been processed with the help of mathematical and statistical tools like percentages, averages, chi-square test and ANOVA are used for the interpretation of data.

The structured questionnaire is personally distributed by the researcher to the respondents of various districts and villages in the selected districts in Telangana and himself available for any clarifications. Personal discussions are there with few bank officials, leading farmers in selected areas.

Limitations of the study

Because of time and finance conditions, the researcher took some selected districts in Telangana state. The findings therefore generally apply to this field where similar conditions prevail. Data were collected by interview and random sampling method and the lacunas associated with this form of investigation crept into the study. Although estimates are given by the recall memory due to the failure to maintain farm records, diligent attempts have been made to obtain accurate and reliable information through cross examination as far as possible. However, if any the degree of variance will be insignificant, as the figures

Data analysis :

Cash withdraws with card

Cash withdraw in any bank	Caste					Total
	OC/ General	BC/ OBC	SC	ST	Others	
Strongly Agree	41 (12.8)	33 (10.3)	8 (2.5)	14 (4.4)	9 (2.8)	105 (32.8)

Somewhat Agree	41 (12.8)	40 (12.5)	16 (5.0)	10 (3.1)	6 (1.9)	113 (35.3)
Neutral	16 (5.0)	15 (4.7)	8 (2.5)	2 (0.6)	2 (0.6)	43 (13.4)
Somewhat disagree	15 (4.7)	10 (3.1)	2 (0.6)	7 (2.2)	3 (0.9)	37 (11.6)
Strongly disagree	6 (1.9)	11 (3.4)	1 (0.3)	4 (1.3)	-	22 (6.9)
Total	119 (37.2)	109 (34.1)	35 (10.9)	37 (11.6)	20 (6.3)	320 (100.0)

Source: Field work

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.419	4	.855	.571	.684
Within Groups	471.569	315	1.497		
Total	474.988	319			

Data in the table-, reveals that out of total 320 respondents, majority 35.3 per cent of the respondents are saying they are somewhat agree with it and 32.8 per cent of them are saying strongly agree. And 13.4 per cent of the respondents are saying they are neutral and 11.6 per cent of them are saying somewhat disagree with cash withdrawal with this KCC card, remaining are lesser in the percentage. One can conclude from the data that majority are saying they are agreeing and strongly agree with cash withdrawal with this KCC card. Further, the estimated ANOVA it is found to be statistically not significant at 1 per cent level. It indicates that there is no strong association between variables considered for analysis.

The scheme has applicable to farmer after applying in a procedure, on every year it has to be renewed on the request from the farmer, it is the responsibility of the farmer regarding the renewing the KCC card. Here an attempt has been made to know whether the farmers are renewing the card or not, the data has elicited and presented in the following table-4.28

Table
Renewing of Kisan Credit Card

Renewing KCC	Occupation					Total
	Agriculture	Business	Agriculture Labour	Employee	Non-Agri. Labour	
Strongly Agree	38 (11.9)	8 (2.5)	28 (8.8)	12 (3.8)	24 (7.5)	110 (34.4)
Somewhat Agree	31 (9.7)	15 (4.7)	31 (9.7)	12 (3.8)	20 (6.3)	109 (34.1)
Neutral	16 (5.0)	3 (0.9)	6 (1.9)	7 (2.2)	5 (1.6)	37 (11.6)

Somewhat disagree	9 (2.8)	5 (1.6)	12 (3.8)	1 (0.3)	11 (3.4)	38 (11.9)
Strongly disagree	13 (4.1)	4 (1.3)	4 (1.3)	3 (0.9)	2 (0.6)	26 (8.1)
Total	107 (33.4)	35 (10.9)	81 (25.3)	35 (10.9)	62 (19.4)	320 (100.0)

Source: Field work

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.957	4	.989	.613	.654
Within Groups	508.539	315	1.614		
Total	512.497	319			

Data in the table-4.28, reveals that out of total 320 respondents, majority 34.4 per cent of the respondents are saying they are strongly agree with it and 34.1 per cent of them are saying somewhat agree. And 11.9 per cent of the respondents are saying they are somewhat disagree and 11.6 per cent of them are saying neutral with renewing this KCC card, remaining are lesser in the percentage.

It can be inferred from the data that majority are saying they are strongly agreeing and somewhat agree with renewing this KCC scheme card. Further, the estimated ANOVA it is found to be statistically not significant at 1 per cent level. It indicates that there is no strong association between variables considered for analysis.

Freedom to pay wise classification

Freedom to pay	Education						Total
	Illiterate	10th	Intermediate	Graduation	P. G	Others	
Strongly Agree	26 (8.1)	36 (11.3)	41 (12.8)	29 (9.1)	15 (4.7)	4 (1.3)	151 (47.2)
Somewhat Agree	9 (2.8)	29 (9.1)	21 (6.6)	6 (1.9)	6 (1.9)	1 (0.3)	72 (22.5)
Neutral	9 (2.8)	17 (5.3)	12 (3.8)	6 (1.9)	4 (1.3)	3 (0.9)	51 (15.9)
Somewhat disagree	3 (0.9)	8 (2.5)	6 (1.9)	4 (1.3)	2 (0.6)	2 (0.6)	25 (7.8)
Strongly disagree	2 (0.6)	5 (1.6)	6 (1.9)	6 (1.9)	1 (0.3)	1 (0.3)	21 (6.6)
Total	49 (15.3)	95 (29.7)	86 (26.9)	51 (15.9)	28 (8.8)	11 (3.4)	320 (100.0)

Source: Field work

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.125	1	2.125	1.383	.240
Within Groups	488.347	318	1.536		
Total	490.472	319			

The data in the table-4.30, reveals that out of total 320 respondents, majority 47.2 per cent of the respondents are saying they are strongly agree with it and 22.5 per cent of them are saying somewhat agree. And 15.9 per cent of the respondents are saying they are neutral and 7.8 per cent of them are saying somewhat disagree regarding with freedom to pay, remaining are lesser in the percentages.

One can conclude from the data that majority are saying they are strongly agreeing and somewhat agree with regard to freedom to pay. Further, the estimated ANOVA it is found to be statistically not significant at 1 per cent level. It indicates that there is no strong association between variables considered for analysis.

Table – 4.31

Interest burden wise classification

Interest burden	Caste					Total
	OC/General	BC/ OBC	SC	ST	Others	
Strongly Agree	53(16.6)	52(16.3)	11(3.4)	20(6.3)	10(3.1)	146(45.6)

Somewhat Agree	21(6.6)	21(6.6)	13(4.1)	5(1.6)	6(1.9)	66(20.6)
Neutral	19(5.9)	14(4.4)	4(1.3)	4(1.3)	3(0.9)	44(13.8)
Somewhat disagree	14(4.4)	9(2.8)	4(1.3)	4(1.3)	1(0.3)	32(10.0)
Strongly disagree	12(3.8)	13(4.1)	3(0.9)	4(1.3)	-	32(10.0)
Total	119(37.2)	109(34.1)	35(10.9)	37(11.6)	20(6.3)	320(100.0)

Source: Field work

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	14.597	5	2.919	1.578	.166
Within Groups	580.890	314	1.850		
Total	595.488	319			

Data in the table-4.31, reveals that out of total sample 320 respondents, majority 45.6 per cent of the respondents are saying they are strongly agree with it and 20.6 per cent of them are saying somewhat agree with interest burden. And 13.8 per cent of the respondents are saying they are neutral and both 10.0 per cent of them are saying somewhat disagree and strongly disagree with the interest burden of KCC card. It can be concluded from the data that majority are saying they are strongly agreeing and somewhat agree with interest burden. Further, the estimated ANOVA it is found to be statistically not significant at 1 per cent level. It indicates that there is no strong association between variables considered for analysis.

Findings

1. it is found to be statistically not significant at 1 per cent level. It indicates that there is no strong association between Cash withdraws with card and caste considered for analysis.
2. it is found to be statistically not significant at 1 per cent level. It indicates that there is no strong association between Renewing of Kisan Credit Card And occupation considered for analysis.
3. it is found to be statistically not significant at 1 per cent level. It indicates that there is no strong association between Freedom to pay and education
4. it is found to be statistically not significant at 1 per cent level. It indicates that there is no strong association between Freedom to pay and education Interest burden and Caste

Suggestions:

More efforts should be made by the banks to reach deprived community people to utilize Kisan Credit Card by introducing attractive schemes.

Conduct more and more village level campaigns for issuance of KCC scheme and simplified process of loan procedures to bring more farmers under the scheme.

Establish the KCC stalls in a public gathering or an exhibition in districts or villages, to attract more people, towards farming activities and there is a need to provide skill development training to the young farmers in order to make farming profitable and to increase the alternative income.

The significant number of farmers are not having water sources in their villages, in this connection the government has to take responsibility to provide sufficient water facilities to the farmers.

Conclusion:

The study of conclusion KCC scheme and simplified process of loan procedures to bring more farmers under the scheme. farming activities and there is a need to provide skill development training

to the young farmers in order to make farming profitable and to increase the alternative income. farming activities and there is a need to provide skill development training to the young farmers in order to make farming profitable and to increase the alternative income. the government has to take responsibility to provide sufficient water facilities to the farmers.

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