Utilization of Kissan Credit Card by the Farmers on Rice Cultivation in Subtropics of Jammu Region

Dr Poonam Parihar[1], Shabnam Kundal[2]

Division of Agricultural Extension Education, SKUAST-Jammu, India
kundal903[at]gmail.com

Abstract: *The Kissan Credit Card (KCC) scheme was launched in 1998 with the aim of providing short-term formal credit to farmers. Owner cultivators as well as tenant farmers can avail loans to meet their agricultural needs under this scheme at attractive rate of interest. The government has also simplified the application process to increase interest among farmers. KCC is a scheme specifically designed by NABARD to provide farmers with financial support. The short-term loan is intended to help farmers receive timely financial aid and support from the banking system. The money can be used for multiple purposes. To find out the Utilization of KCC, a study entitled "Utlization of Kissan Credit Card by the farmers on Rice Cultivation In subtropics of Jammu Region" was undertaken. Based on the feasibility, non equivalent static group comparison design was applied for the study. Out of the 10 district in Jammu region, three of them was selected i.e. Jammu, Kathua and Samba because of having maximum rice growing area. A list of rice growing KCC holder farmers (having at least 5 kanal each land) in each selected districts were prepared from these blocks which are having maximum rice growing areas. From the prepared list, 200 number of rice growing KCC holder were selected by proportionate sampling method.*

Keywords: Kissan Credit Card, Rice Cultivation, Jammu

1. Introduction

Agriculture constitutes roughly a fifth of the total GDP of India and employs two out of three Indian workers. In the late nineties, agriculture started opening up to the market rather than being limited to subsistence farming. Agricultural credit has played an important role in developing the market for such produce and helps improve the condition of farmers in the country. However, the finance and credit institutions present in the country prior to 1998 were deemed inefficient by several reports and experts and as a result the Kisan Credit Card program was envisaged. This scheme was launched in 1998 and was introduced for the first time in the budget speech of the Finance Minister of India in the parliament. Within a year after its inception around 5 million cards were issued to farmers. Prior to 1998, the system of agricultural credit delivery was complicated. A multi agency approach was used where borrowers had to go through several layers of bureaucracies depending on the purpose of their loans (Samantara 2010). KCC also brought about a revolving credit regime as opposed to the existing demand loan system (Chanda 2012). There was no clause to my knowledge which restricted large farmers from opening a KCC account. Samantara (2010) points out that a major reason why KCC was launched was to integrate the various credit needs of farmers, from personal consumption to festival expenditure, education, health and agricultural needs, into one comprehensive product. In Jammu and Kashmir, though rice is cultivated in both Jammu and Kashmir regions on an area of 0.147 and 0.135 million ha respectively which produces 0.21 and 0.35million tones with the productivity of 1453 and 2635 kg/ha respectively. However, rice-wheat cropping system is predominantly followed in the Jammu region as the area under wheat in the Kashmir Valley is merely 7762 ha which produces 24000 quintals with the productivity of 811 kg/ha whereas, in the Jammu region it is sown on an area of 0.28 million ha with a production of 0.54 million tonnes and the productivity is 1919 kg/ha (DES J&K, 2017).

In Jammu & Kashmir, area under rice cultivation has increased from 0.212 million ha (1965-66) to 0.304 million ha (2015-16) an increase of 43.4 per cent and under wheat cultivation it has increased from 0.154 million ha (1965-66) to 0.281 million ha (2015-16) an increase of 82.4 percent. Area of cultivation under wheat crop in Kashmir and Ladakh region is meager. Maximum Rice Growing area found in subtropics of Jammu region. Area found under rice cultivation in jammu district is 26.01 hec. of area and production is 171.75 tonnes and 27.50 ql/hec yield. In Samba 2.650 hec. area found under rice cultivation and production and yield found in this district is 6.678 tonnes and 25.50ql/hac. respectively and in District Kathua Rice Cultivation area found is about 3.250 hec. and production and yield found is 8.289 tonnes and 27.13 qt/hec. respectively. The state has total 1442894 holdings out of which1174740 are marginal. (up to 1hectare), **Jammu a**nd **Kashmir** State Cooperative Bank (JKSCB), Punjab National Bank (PNB), State Bank of India (SBI) and Jammu and Kashmir bank (J&K) is distributing **Kissan Credit Cards** to the farmers and Dept. of Agriculture has announced to cover all the farmers under KCC in the coming years. According to the APED Report 2016 total rice cultivation area found in Jammu Region is 62, 250 ha. Out of which basmati 1121 is 8400 ha. and Basmati 370 is 53, 600 ha. The estimated production of Basmati 1121 and Basmati 370 are likely to be 25, 710 and 1, 03, 300 metric tones production. Kissan Credit card sanctioned in J&K in 2015-16 is 10, 00, 581 and in 2016-17 is 10, 66, 275. According to the State level banking Committee or SLBC convener Bank and J&k Bank or NABARD. Highest Kissan Credit Card issued and disbursed by J&K Bank followed by J&K Grameen Bank. In the year 2018 distribution of Kissan Credit Cards in the three Jammu districts namely Jammu, Kathua and Samba was 11837 cards followed by Kathua 10545 and it was Samba 7560.

2. Material and Method

The study was conducted in Jammu and Kathua and Samba districts of Jammu and Kashmir as both the selected districts have high High Rice growing area. A list of Rice Growing Kissan Credit Card Holder farmers (having at least 5 Kanal area) in each selected districts were prepared from those blocks which were having maximum rice growing areas. Non equivalent static group comparison design was applied to select a total of 200 Kissan Credit Card beneficiaries respondents 100 Non beneficiaries. From the prepared list 200 numbers of rice growing KCC holders were selected by proportionate sampling method. A matching sample of 100 non KCC holder rice growers were selected (as per land holding) from the same area where KCC holders reside. On random number basis 80 beneficiaries selected from Jammu District and 20 beneficiaries were selected from Samba District and 70 from Kathua. By this way 100 non benefiacries Farmers were selected from adjoining village thus making a total sample of 300 respondents (200 beneficiaries and 100 non-beneficiaries) to utilization of Kissan Credit Card on rice production technology. An interview schedule was prepared based on the various crop specific agronomical practices in order to collect data after consulting the specialists from the division of extension education, Agricultural Economist and faculty at respective Departments and Banks was pre-tested on 10 non-sampled beneficiary and non-beneficiary farmers to find out any ambiguity and its work ability before final use. The utilization status was categorized as Fully, Partially and Nil on the basis of scores obtained by interview scheduled. Utilization was measured with the help of weighted mean Score after that rank were given according to the score. Scoring was done on the basis of correctness/favorability of the responses and scoring was given for full adoption 2, partial adoption 1 and non-adoption 0, and the total adoption score was calculated accordingly. The data collected has been carefully scrutinized and condensed into master chart and tabulated in terms of statistical tools to represent in a meaningful way.

3. Results and Discussion

Table 1: Utilization of KCC amount by card holders (n=200)

S. No (% farmers)	Effect on agricultural activities (% Farmers)	Fully (2)	Partially (1)	Nil (0)	Total Score	Weighted Mean Score	Rank
1	Crop production activities		-	-			
a)	Purchase of seed	200 (100)	-	-			
2	Fertilizers i) Urea ii) DAP iii) MOP iv) FYM	200 (100) 200 (100) 200 (100) 200 (100)	0 0 0 0	0 0 0	2.00 2.00 2.00 2.00	4.00 4.00 4.00 4.00	1 1 1 1
3	Herbicides	200 (100)	0	-	2.00	4.00	1

Table shows that overall utilization of Kissan credit card amount by the beneficiaries farmers on the agricultural activities the table revealed that 100 percent of the farmers used the loan amount for the purchase of seed, Urea, DAP, and FYM, and MOP 100 percent of the farmers used for Purchase of MOP. It was measured with three aspects i. e, Fully scored was given 2, Partially the score was given 1 and Nil score was 0. The rank was given by the use of weighted mean score which was one for all the crop activities.

Table 2: Effect of Utilization and Possession of KCC by Card Holders (N=200)

S. No (% farmers)	Effect on Agricultural Activities (%Farmers)	Fully	Partially	Nil	Total Score	Weighted Mean Score	Rank
	Purchase Farm Machiners						
1	Disc Plough	04 (2.00)	0	196 (98.00)	4	0.04	3
a)	Rotavator	02 (1.00)	0	198 (99.00)	2	0.02	4
2	Electric pump set	15 (7.5)	0	185 (92.00)	30	0.15	1
3	Generator	10 (5.00)		190 (95.00)	20	0.1	2
4.	Laser laveller	1 (0.5)	0	199 (99.50)	2	0.01	5

Table 2 was found that the utilization of Loan amount for the purchase of the farm machineries the table revealed that the 7.5 percent of the beneficiaries farmers used by the purchase of electric pump. And the rank was given by the use of weighted mean score it was 1. And the others was found that 5 percent of the farmers was used for the purchase of Generator, 2 percent for the disc plough, 1 percent for the rotavator 0.5 percent for the purchase of laser leveler and the rank was 2, 3, 4, 5 respectively.

Table 3: Utilization and Possession of KCC by Card Holders (N=200)

B	Diversified farming (Agri based venture)	Fully (2)	Partially (1)	Nil (0)	Total Score	Weighted Mean Score	Rank
1	Poultry	34 (17.00)	0	166 (83.00)	68	0.34	1
2	Mushroom	27 (13.50)	0	173 (86.50)	54	0.27	2

Utilization of loan amount in diversified farming table 4.1 shows that the 17.00 percent of the framers used in poultry and rank was given 1 and 13.50 percent of the farmers used in mushroom cultivation and rank was given 2.

4. Conclusion

Among different Utilization of Kissan Credit Card by the Beneficiaries farmers it was observed that beneficiaries of Kissan credit card was utilized their credit by different aspects. It can be concluded that the agriculturalists in Study area are well aware of the Kisan credit card scheme. Most of them are utilizing this loan is an efficient manner. Even though there are various agricultural credits provided by the banks. Kisan credit card is prepared by most of the banks.

References

[1] Vedini, K. H. and Kanaka Durga, P. (2007), „Evaluation of Kisan Credit Card Scheme in the State of Andhra Pradesh‟, Indian Journal of Agricultural Economics, Vol.62, No.3, July-September, P 365.

[2] Jonathan Anderson, berry h. durston and Millicent Poole. Thesis and assignment writing, New Delhi: Wiley eastern limited 1989

[3] Canara Bank Officers Union: A Hand Book of promotional and faculty, Madras 2005 journals: The Indian institute of banker‗s july-sept-2007

[4] Balaji Kamble (2009). Role of Kisan Credit Cards in the benefit of small farmers, ‖ Shodh, Samiksha aur Mulyankan (International Research Journal) - ISSN0974-2832 Vol. II, Issue-7 (Augus