



Impact of Kisan credit card scheme on farm economy

Archana Singh¹, Dr. Sangeeta Gupta², Dr. Mithilesh Verma³

¹ Scholar, Department of Extension Education & Communication Management C.S. Azad University of Agriculture and technology Kanpur, Uttar Pradesh, India

^{2,3} Assistant Professor, Department of Extension Education & Communication Management C.S. Azad University of Agriculture and technology Kanpur, Uttar Pradesh, India

Abstract

Impact of Kisan credit card scheme on farm economy” was carried in two blocks of Fatehpur district to access the Role of Kisan credit card for enhancing the Agriculture production of Farmers. Thus selected total number of 150 respondents in which 75 respondents for the study purpose were selected from each block from Fatehpur district. In the study 40.0 per cent of the respondents were having 5 acres and above land. Impact of Kisan credit card scheme on farm economy, in the other way that KCC helps to increase in farm production by the Agriculture productivity.

Keywords: farm economy, impact, Kisan credit card, scheme

Introduction

Credit can play a pivotal role in increasing agricultural production and also in improving the level of living standard of the rural households. By credit one means, “ability to command the other’s capital in return for a promise to pay at some specified time in the future”. Thus it is a kind of resource, which provides the opportunity to use additional inputs and capital items especially to the farmers who intend to bring in improvement with their lot. Capital-intensive nature of modern agricultural technology and inadequate savings of the farmers have encouraged the common farmers to go for external finances from different sources, both institutional and non-institutional sources. Agriculture is the backbone of Indian economy.

Research methodology

To complete the above objectives, by employing the appropriate research methodology, the study was conducted in district Fatehpur the year 2017-2018. Two blocks Bahua and Ashother 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.

Results

Table 1: Distribution of Farmers according to land holding N=150

Land Holding	Frequency	Per Cent
Landless	2	1.3
Up to 2.5 acres (marginal)	46	30.7
2.5 to 5 acres (Small)	42	28.0
5 acres and above(large)	60	40.0
Total	150	100.0

Table.1 denote the distribution of farmers according to their size of land holding, it was found that 40.0 per cent farmers were holding large land area followed 30.7 per cent of the respondents were belonged to marginal land holding, whereas 28 per cent of the respondents were belonged to small land holding and whereas only 1.3 per cent of the respondents were belong to landless in the study area.

Table 2: Distribution of farmers according to impact of KCC on farm economy

S. No.	Impact of KCC on farm Economy	Improved	Partially improved	Not improved	Not improved	Rank
1	The use of KCC scheme increase technical efficiency of Farmer’s	93.3	6.7	-	2.93	I
2	KCC helps to increase in farm production	93.3	6.7	-	2.93	I
3	Agriculture productivity is increased due to use of KCC	89.3	10.7	-	2.89	III
4	Overall impact on agricultural production	92.0	8.0	-	2.92	II
5	KCC produce flexibility to draw cash and buy inputs.	82.7	17.3	-	2.83	V
6	KCC scheme Produces full year credit requirement of the borrower.	80.0	20.0	-	2.80	VII

7	KCC reduce farmer dependency on the informal banking sector for credit.	62.7	33.3	4.0	2.59	IX
8	KCC brings about the farmer flexibility operation freedom in credit utilization.	48.0	40.0	12.0	2.36	X
9	Credit bring better able to adopt technology to enhance the farm income and employment	66.7	26.7	6.6	2.60	VIII
10	KCC increases monetary gains to the beneficiaries.	81.3	18.7	-	2.81	VI
11	Implementation of KCC scheme benefits farmers to great extent and able to generate profit.	86.7	13.3	-	2.87	IV
12	How much role of KCC in agricultural production?	17.3	9.3	73.4	1.44	XI

Table. 2 Shows that impact of Kisan Credit Card on farm economy 93.3 per cent of farmers have KCC scheme, have improved economy through KCC scheme increase technical efficiency and farm production with mean score value 2.9 and rank I, followed by 92.0 per cent of farmers improved overall impact on agriculture production with the mean score value 2.92 and rank II. 89.3 per cent of respondents improved impact of KCC on farm economy to increase agriculture productivity with mean score value 2.89 and rank III. Whereas 86.7 per cent of farmer improved and 13.3 per cent were partially improved to implementation of KCC scheme benefits farmers to great extent and able to generate profit with mean score value 2.87 and rank IV. 82.7 per cent of farmers improved and 17.3 per cent of respondents partially improved to produce flexibility to draw cash and buy inputs. With the mean score value 2.83 and rank V. followed as 81.3 per cent of the farmers improved and 18.7 per cent were partially improved to KCC increase monetary gains to the beneficiaries with the mean score value 2.81 and rank VI. 80.0 per cent of the farmers improved and 20.0 percent of the respondents were partially improved to KCC scheme produce full year credit requirement of the barrowers with the mean score value 2.80 and rank VII. 66.7 per cent of the farmers were improved whereas, 26.7 per cent of the respondents partially improved and 6.6 per cent of the respondents were not improved to credit bring better able to adopt technology to enhance the farm income and employment with the mean score value 2.60 and rank VIII. 62.7 per cent of the farmers improved and 33.3 per cent of the respondents were partially improved and 4.0 per cent of the respondents were not improved to KCC reduce farmer dependency on the informal banking sector for credit with the mean score value 2.59 and rank IX. 48.0 per cent of the farmers improved and 40.0 per cent of the respondents were partially improved whereas 12.0 per cent were not improved to KCC brings about the farmers flexibility operation freedom in credit utilization with mean score value 2.36 and rank X. 17.3 per cent of the farmer improved and 9.3 per cent of the Farmers were partially improved and 73.4 per cent of the Farmers were not improved with the mean score value 1.44 and rank XI.

KCC schemes has made a significant impact on the availability of short – term credit from formal source. Agriculture production means gaining or increasing various aspect of agriculture crop yield was include KCC as beneficial scheme, availability of credit at due time, increase in production and credit for other agricultural allied activities. Distribution of beneficiaries according to their statement regarding realization of enhancement in agriculture production through KCC.

Conclusion

Impact of kisan credit card scheme on farm economy as, maximum number of respondents like KCC increase technical

efficiency of farmer's and KCC helps to increase in farm production and It was found that the impact of Kisan credit card on farm economy for their agriculture production is the maximum preference given by the respondents to increase technical efficiency of farmer's & increase in farm production.

Recommendation and Suggestion

1. It is also very important to enhance awareness about the scheme and its benefits. X Also, regular motivation from the bank officers would develop confidence among the farmers about the scheme.
2. The study revealed that the KCC scheme of the Bank had highly significant impact on agriculture production of 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.
3. In study it was find out that all the profiles of KCC users has its own influence in enhancement of impact of the credit. On the other hand, majority of the respondents belonged to medium level of their so many profiles. Hence, to improve the impact of KCC the profiles of KCC users should also be increased which are low and medium in category.
4. It is also very important to enhance awareness about the scheme and its benefits. Also, regular motivation from the bank officers would develop confidence among the farmers about the scheme.

References

1. Barik BB. Kisan credit card scheme- dynamic intervention for reduction in rural poverty. *Economic affairs*. 2010; 50(4):200-205.
2. Bhukta, Anindya. Financial Sector Reform and its Impact on Agriculture. *Economic Affairs*. 2003; 48(3):167-170.
3. Nilakantha Rath. Implications of the loan waiver for rural credit institutions *Economic-and-Political*. 2008; 43(24):13-16.
4. Ramesh Kumar S, Alexpandi M. Farmers' attitude towards Kisan credit card (KCC) scheme" *International Journal of Current Research*. 2017; 9(06):52244-52249.
5. Sharma A, Choudhary S, Swarnakar VK. A Study on Impact of Kisan Credit Card Scheme among the Beneficiary Farmers. *International Journal of Science and Research (IJSR)*, India. 2013; (1):2319-7064.
6. Shashidhara KK. A study on socio-economic profile of drip irrigation farmers in Karnataka. 2003; 2(3):37-48.
7. Vedini KH, Kanaka Durga P. Evaluation of Kisan Credit Card Scheme in the State of Andhra Pradesh, *Indian Journal of Agricultural Economics*. 2007; 62(3):365.