The Pharma Innovation Journal 2023; 12(4): 2743-2746

www.ThePharmaJournal.com

The Pharma Innovation

ISSN (E): 2277-7695
ISSN (P): 2349-8242
NAAS Rating: 5.23
TPI 2023; 12(4): 2743-2746

www.thepharmajournal.com
Received: 02-02-2023
Accepted: 09-03-2023

Venkatesa Palanichamy N
Professor (ARM) & Dean,
Agricultural College and
Research Institute, TNAU,
Coimbatore, Tamil Nadu, India

Kamuvalentina A
Research Scholar,
Agricultural College and
Research Institute, TNAU,
Coimbatore, Tamil Nadu, India

Kalpana M
Professor (Computer Science),
Agricultural College and
Research Institute, TNAU,
Coimbatore, Tamil Nadu, India

Balakrishnan N
Teaching Assistant, (SS&AC),
Agricultural College and
Research Institute, TNAU,
Coimbatore, Tamil Nadu, India

Corresponding Author:
Kalpana M
Professor (Computer Science),
Agricultural College and
Research Institute, TNAU,
Coimbatore, Tamil Nadu, India

Assess the extent of utilization and identify the problem faced by the kisan card by farmers

Venkatesa Palanichamy N, Kamuvalentina A, Kalpana M and Balakrishnan N

Abstract
The Kisan financial Card program was launched in 1998 with the intention of easily meeting farmers' financial needs in order to increase agricultural output. Over the past five years, there has been a significant increase in the number of Kisan Credit Cards in rural areas. Given the significance of KCC, the current study aimed to evaluate its perceived utility by farmers. Using a sample of 120 farmers, the current study was conducted in the Coimbatore area of the state of Tamil Nadu. According to the study, the respondents used the Kisan Credit Card (KCC) the most when it came to increasing agricultural produce, income, crop production activities, using credit for vegetable production and related activities, and the length of time they used credit. Additionally, it was discovered that the use of KCC was notably low when it came to the components of crop insurance, crop pattern changes, and diverse farming. The report recommends that farmers be informed well in advance about contingent planning for unfavorable weather conditions. Awareness-raising and training initiatives should be carried out in order to increase farmers' adoption of improved agricultural production technologies.

Keywords: extent, utilization, identify, Kisan, farmers

Introduction
Agriculture as the main source of the Indian economy has passed through several changes in the last 50 years. No doubt in adoption of new technology and introduction of HYV seeds has increased the productivity of crops considerably. It has increased the demand for the modern inputs such as seeds, fertilizers, pesticides, insecticides, labour and irrigation. But most of the Indian farmers are not able to meet there requirements from their own resources because of uneconomic size of holding, low productivity, low earning and heavy consumption and domestic needs etc. Therefore, to meet the demand of modern inputs and domestic needs they have borrowed loan from different agricultural financing institutions to increase their productivity (Dhanabhakyam, and Malarvizhi, 2012) [1].

With the adoption of new farm technology the credit needs of the agriculture increased tremendously and it was found that the cooperatives alone could not covering with the growing credit needs of developing agriculture. Consequently, 14 major commercial banks were nationalized in 1969 to accelerate the flow of bank credit to agriculture. Later in the year 1975 a third agency, *viz* the Regional Rural Banks (RRBs), designed to pay focused attention to the credit needs of the weaker sections in the rural areas, was introduced in the credit delivery system. Thus a multiagency approach to rural credit was brought into force, each agency complementing the efforts of the other agency (Godara *et al*., 2014) [2].

The private moneylenders, large landowners, traders, relatives and friends were the major sources of borrowed capital at the time of independence. The Rural Credit Survey of 1954 brought out the problems associated with the then prevailing rural credit system and made several suggestions for improvement, which laid the foundation for the growth of institutional source of credit (Nerella, 2015) [3]. Number of studies during fifties and sixties revealed that institutional form of term lending contributed to private fixed capital formation in agricultural and institutional credit support helped the adoption of high yielding technology. Thus, it came to be increasingly realized that a sound institutional rural credit system needs to be evolved not for just financial inter-mediation but for playing a catalytic role in achieving the national goals of agricultural development, rural employment generation and poverty alleviation. The Kisan Credit Card Scheme was introduced in 1998-99 as a step towards providing adequate and timely credit to the farmers from the banking sector.

Recently Government of India has implemented new guidelines for issuance of Kisan ATM cum Debit Card for all new and existing KCC Account holders NPCI has been entrusted with the responsibility of facilitating on its domestic card scheme called "RuPay". NPCI has been working with all the major banks for on boarding them on the RuPay platform & issuing the RuPay Kisan Cards, thus playing a pivotal role in enabling electronic payments through ATM and POS to reach the rural people (Thakur and Barman, 2013) [4].

In order to study agency-wise status of KCC issued in India, the secondary data was collected, analyzed and presented in Table. Total number of KCCs issued till end-March 2010 is 936.72 lakhs in India. Since the inception of the scheme (1998-99), the largest percentage of KCC has been issued by commercial banks. It is observed that there has been a more or less steady increase in the number of cards issued through commercial banks since the scheme was started (Singh and Sekhon, 2005) [5].

The number and amount sanctioned under Kisan Credit Card (KCC) Scheme for Tamil Nadu was presented in Table. About 69 percent of the total number of KCC were issued from commercial banks and the amount sanctioned through KCC by these banks accounted for 76 percent. Co-operative banks issued 25 percent of the total number of cards but disbursed a relatively lesser amount accounting for 20 percent of the amount sanctioned for the same period. As RRBs had lesser number of branches in the state, the number and amount sanctioned also were lower. The amount sanctioned per household under KCC in Tamil Nadu was very low in cooperative banks and regional rural banks when compared with that of all India level (Uppa and Juneja, 2012) [6].

KCCs had been issued by commercial banks, though these are credit cards, KCCs presented a number of advantages to farmers reducing both borrowers' transaction costs as well as delays in accessing and renewing crop loans. But the success of the KCC scheme has been uneven since farmers are unaware and they preferred agricultural loan against security of gold jewellery due to easy and instant availability of credit, preference to borrow frequently, and repayment in small installments. The main objective of the study is to analyse the farmers awareness, utilization and problem of using RuPay Kisan Card of Indian Overseas Bank, Coimbatore district

Materials and Methods

Selection of study area

In Coimbatore district, three branch offices of Indian Overseas Bank exclusively catering to agricultural development serving the credit needs of the farmers were purposively selected for conducting the study on the awareness, utilization and problems of using RuPay Kisan Card.

Sampling design

In Coimbatore district, three branches of Indian Overseas Bank such as kottur, Branch, pollachi branch and Thondamuthur branch were selected. From each branch, 40 farmers were selected randomly from the list of farmers using RuPay Kisan Card was collected from the bank. The details are presented in Table 1.

Table 1: List of Selected Branches for the study

S. No	Branch	Number of farmers
1.	Kottur	40
2.	Pollachi	40
3.	Thondamuthur	40
	Total	120

Method of data collection

The data required for the present study were collected using well-structured interview schedule. For collection of data, interview schedule for selected farmers was constructed based on the objectives of the study which included details about basic farmers profile, knowledge level, perception, extend of utilization, and problems and suggestion regarding in using of RuPay Kisan Card. The data required for the study was collected by personally interviewing the selected farmers.

The data collected from the sample farmers included the details like age, educational status, occupational status, family type, social participation, farming experiences, landholding pattern, crops grown, farm income etc.,

The secondary information about the district like the location of the study area, demography, rainfall pattern, land use pattern and irrigation sources were collected from the records of Assistant Director of Statistics and Joint Director of Agriculture, Coimbatore district and also through internet. The data were also supplemented by different magazines, literatures, periodicals, books and publications, news papers, internet etc. related to banking fields.

Period of the study

Data was collected through field survey during the months of February and March 2013. The data collected from the farmers pertained to the year 2012-2013.

Tools of analysis

The collected data were tabulated and analyzed. The tools of analysis used in this study are as follows:

1. Percentage analysis

Percentage analysis was used to study the general characteristics of the sample farmers which included age, gender, education level, occupation, farming experience, size of land holding, annual income etc.,

$$\text{Percentage analysis} = \frac{\text{Number of respondents}}{\text{Total sample size}} x\ 100$$

2. Mean and standard deviation

In this study mean and standard deviation were used wherever to classify the respondents into different categories. Mean plus one standard deviation indicated high level and mean minus one standard deviation referred to low level. The range in between the ± standard deviation indicated the medium level.

3. Garrett ranking technique

This technique was used to rank the factors which motivated to join the scheme by the sample farmers. The sample farmers were asked to rank each reason and data were analyzed. The

Garrett's ranking technique was adopted by using the following formula.

Percent position = 100 (Rij-0.05) / Ni

Where,
Rij = Rank given to i th attribute by j th individual.
Ni = number of factors ranked by j th individual

By referring to the table given, the percent position estimated was converted into score for each reason and the score of various sample farmers was added and mean score value was calculated. The means scores values were arranged in a descending order. The reason which obtained the highest mean score was considered to be the most important reasons for joining the scheme.

4. Multi-dimensional scaling technique

In this approach, the sample respondents were requested to indicate on a five point scale whether they strongly agree, agree, neutral, disagree and strongly disagree with the attributes, for evaluating their perception of RuPay Kisan Card holder towards RuPay Kisan Card scheme.
The responses were recorded and the scores were given to their responses to obtain the mean score. The score for each factor responses are presented in the Table 2. The score were added to obtain the total score of their perception about the factors influencing scheme.

Table 2: Five point scale for the multidimensional scaling analysis

S. No	Particulars	Scale
1.	Strongly agree	5
2.	Agree	4
3.	Neutral	3
4.	DisAgree	2
5.	Strongly DisAgree	1

The scores are summed up and the mean of each attribute is calculated and ranked based on it.
The mean score is calculated by using the following formulae.

$$\frac{\sum W_i X_i}{\sum X_i}$$

W_i - Weight of the variable.
X_i - Variable.

5. Multiple regression analysis

Regression is primarily concerned with using the relationship for the purpose of predicting one variable from knowledge of the other. Multiple regression is an extension of simple linear regression analysis. The number of variables will be more than two out of which one will be the dependent variable and others are independent variables. Multiple regression analysis is used to find out the relationship between the knowledge level and the factors that influence the level of knowledge about RuPay Kisan Card scheme was analyzed using the MS Excel.

The multiple regression equation is given by
$Y = a + b_1 X_1 + b_2 X_2 + \ldots\ldots\ldots + b_n X_n$

Where,
a = Intercept
y = Dependent variable, y = 1 if the farmers having knowledge about RuPay Kisan Card.
Y = 0 if the farmers are not having knowledge about RuPay Kisan Card.
b_1 to b_n = Partial regression coefficient
X_1 to X_n = Independent variable
X_1 = Age in years
X_2 = Educational status
X_3 = Farming experience in years
X_4 = Size of land holding in hectares
X_5 = Annual farm income in rupees
X_6 = Social participation of the farmers
X_7 = Crop grown in numbers
X_8 = Farmers Satisfaction level

Results and Discussion

General characteristics of the sample farmers

Analyzing the profile of the sample farmers with respect to age, educational status, occupational status, farming experience, size of the land holding and cropping pattern would serve as prerequisite for better understanding of circumstances under which farmers made their decisions regarding RuPay Kisan Card scheme.

Age of the sample farmers

Age is an important factor influencing the decision making of farmers. Based on their age and experience, the sample farmers take a decision about agricultural credit needs and its nature utilization. The farmers' age and experience have significant influence on their decision to have RuPay Kisan Cards. The sample farmers were classified into four age categories, *viz*., less than 30 years, 31 to 40 years, 41 to 50 years and more than 50 years. The details are furnished in Table 3.

Table 3: Age of the sample farmers

S. No.	Age category	Number of farmers	Percentage
1.	Below 30 years	12	10
2.	31 - 40 years	34	28.33
3.	41 – 50 years	35	29.17
4.	Above 50 years	39	32.5
	Total	120	100.00

From the Table 3 it could be observed that majority of the sample farmers (32.5 percent) belonged to the age group of above 50 years, followed by about 29.17 percent and 28.33 percent in the age groups of 41-50 years and 31 – 40 years respectively. Middle aged category (41 – 50 years) felt that agriculture is a diverse and dynamic industry and required more credit during crop period. Therefore, there may be transparent and properly channelized schemes to full the farmers' needs so as that farmer's production activity might be strengthened.

Gender classification of the sample farmers

The data gathered from the sample farmers with regard to gender were tabulated and presented in Table 4.

Table 4: Gender Classification of the Sample Farmers

S. No	Gender	Number of farmers	Percentage
1.	Male	112	93.33
2.	Female	8	6.67
	Total	120	100.00

It could be known from the Table 4 that 93.33 percent of the sample farmers were male and the remaining 6.67 percent were female. It revealed that most of the farm families were male dominated and also concluded that RuPay Kisan Card holders were male and a very few of them were female.

Extent of Use of RuPay Kisan Card among farmers

The extent of use of RuPay Kisan Card among the sample farmers was analysed and the result are presented in Table 5

Table 5: Extent of Use of RuPay Kisan Card (n = 120)

S. No	RuPay Kisan Card components	Level of utilization					
		Low (up to 25%)		Medium (26 to 75%)		High (76 to 100%)	
		Number of farmers	%	Number of farmers	%	Number of farmers	%
1	Utilized the loan facilities under RKC for all cropping season	0	0	101	84.17	19	15.83
2	Utilized amount of loan in the purpose for which it was drawn/ obtained	0	0	102	85	18	15
3	Utilized the credit requirement for agriculture	0	0	79	65.83	41	34.17
4	Utilized the working capital for maintenance of farm assets and activities allied to agriculture like dairy animals	0	0	73	60.83	47	39.17
5	Utilized the RuPay Kisan Card benefits for crop insurance	19	15.83	87	72.5	14	11.7

It could be inferred from the Table 5 that majority (85 percent) of the sample farmers had average utilization as well as amount of loan disbursed through RuPay Kisan Card scheme followed by 84.17 percent said that loan facilities under RuPay Kisan Card were sanctioned as all time money concept and amount was available for all cropping season. About 72.5 percent of farmers were got benefit of crop insurance under RuPay Kisan Card scheme and 65.83 percent of thje farmers used their loan amount for purchase of pumpset, sprayer etc. On an average, 60.83 percent of the sample farmers were reported that they were utilized the loan amount got under Rupay Kisan Card for working capital needs and other allied activities. The low level of utilization was followed in benefit of crop insurance with 15.83 percent.

The 39.17 percent of the sample farmers showed high level of utilization of RuPay Kisan Card for working capital maintenance of farm asset and also for allied activities followed by (34.17 percent) utilized for credit requirement for agriculture and allied activities like sprayer etc and (15.83 percent) utilized loan facilities for all cropping season and (15 percent) utilized for the purpose it was drawn/obtained and only (11.7 percent) of the sample farmers utilized the RuPay Kisan Card benefit for crop insurance.

Problem faced by the RuPay Kisan Card holders

Farmers were told that they faced lot of problems in access to bank credit. The list of problems encountered were delay in sanctioning the loans, inadequate credit and lengthy procedures with too many formalities. There was lack of knowledge among borrowers on documents and procedures on crop loans as well as other (term) loans. Because of these reasons, many farmers were hesitating to approach banks to meet their financial needs. Similarly, banks as well hesitate to sanction agricultural loans to many farmers. There was misunderstanding between bank officials and farmers. There was mismatch between credit need and scale of finance provided by the banks. Even after sanction of loans, majority of the farmers were rarely using the RuPay Kisan Cards for withdrawal, majority of farmers withdraw the loan amount in one stroke. Only very few farmers were withdraw the loan amount on scattered basis. This may be mainly due to lack expertise in use of cards as well as majority of the farmers were always in financial stress.

Conclusion

From the aforementioned data, it can be inferred that the Kisan Credit Card's usefulness was more than satisfactory in terms of revenue growth, crop production activities, credit utilization for vegetable production and related activities, and credit utilization length. Additionally, it was discovered that the KCC was not very well used when it came to crop insurance, crop pattern changes, and diversified farming. The report recommends that farmers be informed well in advance about contingent planning for unfavorable weather conditions. Programs for farmer awareness and training should be carried out in order to increase the use of improved agricultural production technology.

References

1. Dhanabhakyam M, Malarvizhi J. A study on the awareness, utilization and problems of using Kisan Credit Card of Canara Bank with special reference to Coimbatore district. Int. J Mark Financ. Serv. Manag. Res. 2012;1(10):113-9.
2. Godara AS, Sihag S, Dhanju K. Performance of Kisan Credit Card scheme in Haryana through regional rural and co-operative banks. J Res Manag Technol. 2014;3(9):47-54.
3. Nerella J. The Role of Kisan Credit Card: Agriculture in India. Glob J Res Anal. 2015;4(5):167-8.
4. Thakur A, Barman U. Reasons for poor performance of disbursement of Kisan Credit Card and recovery of loan under the scheme in Assam: A qualitative study. J Acad. Ind. Res. 2013;2(1):16-20.
5. Singh H, Sekhon MK. Cash-benefit of the Kisan Credit Card Scheme: Onus is upon the farmer. Indian J Agric Econ. 2005;60(3):319-34.
6. Uppal RK, Juneja A. Kisan Credit Card Scheme in India-Issues and Progress. Asian J Res Soc. Sci. Humanit. 2012;6(2):29-47.