Original Research Article

Utilization Trends of the Kisan Credit Card (KCC) Beneficiaries

Abstract

One of the most essential resources in contemporary agriculture is credit. As a result, there is a need to expand agricultural finance, boost land productivity, and raise the potential and effectiveness of using water resources for agricultural output. Credit is needed, among other things, for the adoption of agricultural technology, the purchase of contemporary inputs and tools, the development of land, the purchase of animals, and the purchase of raw materials. By enabling farmers to satisfy their credit needs throughout the whole cycle of crop production and at the same time providing money for investment reasons, agriculture credit plays a significant role in preserving agricultural production. To better understand "Utilization Trends of Kisan Credit Card (KCC) Beneficiaries," the current study was proposed. Descriptive research design was used for the study. For the current study, 120 participants were specifically chosen from the Eligaid mandal of Peddapalli District of Telangana Sate. According to the data, the majority of respondents had socio-economic profiles that are on the middle level. It was discovered that majority of respondents had a medium level of utility for the Kisan Credit Card. Age, education, home type; landholding, annual income, family type, savings increased, income levels increased by this scheme and level of utility etc. were all found to be significantly associated with the credit utilization of the Kisan credit card at 0.05 level of significance by applied the chi-square and one-way ANOVA statistical tests in SPSS.

Keywords: Agriculture, KCC, Credit, Beneficiaries.

Introduction

Agriculture is no exception to the rule that capital is the most important input in any business or nation. The effectiveness and productivity of the agricultural industry depend on the availability of funding for farming operations. As a result, in order to survive and flourish, the agriculture industry needs support or financing.

Agriculture credit is a crucial component of raising the performance and productivity of the industry. Prior to financial reforms, Sahukars, Mahajanas, and money lenders, among others, were the primary non-institutional sources of agriculture credit and they offered farmer households loan facilities at exorbitant interest rates. The financial reforms carried out in 1991 altered the credit landscape for agriculture and gave rise to institutional sources for extending loans to the industry.

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In order to address farmers' capital needs, different organizations like the RBI and NABARD came up to take policy steps including loan facilities. Additionally, NABARD and other organizations created programmes like the Kisan loan Card Scheme on the advice of the RBI with the aim of enhancing the loan delivery system.

In his budget speech on June 1, 1998, Shri Yashwant Sinha, the Union Minister of Finance, announced the KCC Scheme. To help farmers quickly and easily fulfill their needs for production credit, the KCC Scheme was created. It is a cutting-edge method of providing financing to rural households. Since then, the KCC recommendations have undergone several revisions.

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In addition to the financing of crop production requirements, consumption costs, upkeep of farm assets, term loans for agriculture and related activities, coverage of KCC holders under the Personal Accident Insurance Scheme, coverage of KCC holders under the Atal Pension Yojana, and extension of the Kisan Credit Card Scheme for working capital requirements of Fisheries and Animal Husbandry farmers, among other new features, the guidelines revised in 2019 have included a number of new features.

The Kisan Credit Card (KCC) Yojana offers farmers short-term loans to cover unexpected costs incurred during cultivation and to repair their farming machinery. It enables farmers to obtain loans from banks and other financial organisations at cheap interest rates. The Pradhan Mantri Kisan Credit Card Yojana is another name for the programme, which is run by commercial, state cooperative, and regional rural banks. Farmers can obtain short-term loans through the Kisan Credit Card Yojana to cover their farming expenditures. The credit limit is determined by the card-issuing banks depending on grown crops, maintenance costs, and the profit margin. For marginal farmers, a credit amount between Rs. 10,000 and Rs. 50,000 is available.

Farmers may successfully support their farming with the help of the Kisan Credit Card Yojana. In order to encourage Co-operative Banks and Regional Rural Banks across the nation to issue RuPay KCC cum debit cards, the National Bank for Agriculture and Rural Development (NABARD) established Special Project Unit- Kisan Credit Card (SPU-KCC) in January 2013. Through advice, coordination with the National Payment Corporation of India (NPCI), and communication with sponsor banks of RRBs and Co-operative Banks, the unit's primary goal is to make it easier for these institutions to issue cards. By allowing the rural community to utilize all modern financial services on par with the country's metropolitan areas, the main objective is to build a cashless eco-system. To accomplish its goals, the SPU engages in policy formation, capacity building, and networking with many stakeholders.

One of the most crucial inputs in contemporary agriculture is credit. As a result, there is a need to expand agricultural finance, boost land productivity, and raise the potential and effectiveness of using water resources for agricultural output. Credit is needed, among other things, for the adoption of agricultural technology, the purchase of contemporary inputs and tools, the development of land, the purchase of animals, and the purchase of raw materials. As evidenced by inputs like high yielding variety seeds, fertiliser, pesticides, irrigation, machinery and equipment, etc., which all necessitate sizable financial investments that the majority of farmers cannot make from their own savings, farmers are increasingly substituting traditional

farming practices with scientific and modern ones.

Due to the fact that the majority of respondents in the survey are using Kisan Credit Cards, the Peddapalli district was chosen through purposive sampling. In the Peddapalli district of Telangana State, a purposeful sample of the 4 villages (Eligaid, Dhoolikatta, Sulthanpoor and Narsapoor) is selected in the Eligaid mandal. For this study, 120 respondents were specifically chosen. The data has analyzed and draw the outcomes by applied the statistical tools such as Chi-Square Test and One-Way ANOVA Test in SPSS. The outcome of the study is confined to the only one district with limited areas for which the findings of the study may not be applied for whole the areas of the State and India.

Methodology

Methods and Tools of Data Collection

The data has collected from the primary sources of data such as structured questionnaire, observation, group discussion etc., and secondary sources of the data include reports, journals, magazines, surveys of state and central Govt., etc., which is related to the study area.

The random sampling method was applied for examine the study of Kisan Credit Card Beneficiaries and their utilization for which 120 sample respondents were selected from the four villages of Eligaid Mandal of Peddapalli District of Telangana State.

Statistical Tools applied for the Study

For the analysis of data, Chi-Square Test and One-Way ANOVA Test was used through SPSS package.

Objectives of the Study

1. To analyze the socio-economic conditions of the KCC beneficiaries in the study area.
2. To examine the utilization of the scheme among KCC beneficiaries.
3. To suggest some measures to develop the agricultural credit under the scheme.

Hypotheses of the Study

1. There is an impact of increased income levels on their savings increased of the respondents by the KCC Scheme.
2. Education is one of the indicators to impact on the increased the income levels of the respondents under the KCC Scheme in the study area.
3. There is a relationship between the age, social category of the respondents and their raised their income levels by this Scheme.

Data Analysis and Interpretation

Socio-Economic Profile of the Respondents

Table No.1: Age of the Respondents

Age	No. of Respondents	Percent
Up to 35 Years	18	15.0
35 to 55 years	70	58.3
55 Years and Above	32	26.7
Total	**120**	**100.0**

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Source: Primary Data

The table reveal the age of the respondents, 58.3% of the respondents in between the age of 35-55 Years are getting the benefit from the Kisan Credit card and followed by 55 years and above with 26.7% and up to 35 years with 15.0%. It is found that the most of the respondents under the age of 35-55 years in the study area.

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Table No.2: Education Levels of the Respondents

Education Levels	No. of Respondents	Percent
Illiterate	24	27.5
Up to School level	63	52.5
Up to college level	33	20.0
Total	**120**	**100.0**

Source: Primary Data

Education levels of the respondents are presented in the above table. Out of 120 respondents, 52.5% of the respondents have completed up to school level only, 20.0% of the respondents have completed their college level of education and 27.5% of respondents are illiterates in the study area.

Table No.3: Social Category of the Respondents

Social Category	No. of Respondents	Percent
BC	54	45.0
SC	48	40.0
ST	18	15.0
Total	**120**	**100.0**

Source: Primary Data

Social category of the respondents presented in the above table. Out of 120 respondents (100%), 45.0% of respondents belong to BC community. Thus it is stated that the majority of the respondents are utilizing scheme under community BC and followed by SC with 40.0% and ST with 15.0% in the study area.

Table No.4: Nature of House of the Respondents

Nature of House	No. of Respondents	Percent
Kutcha	38	31.7

Semi-Pucca	54	45.0
Pucca	28	23.3
Total	**120**	**100.0**

Source: Primary Data

Nature of house is one of the factors to determine the respondents' socio-economic conditions in the study area. Most of the respondents possess the semi-pucca housing conditions due to their poverty and low level of income gained from the farming.

Table No.5: Type of Family of the Respondents

Type of Family	No. of Respondents	Percent
Nuclear	70	58.3
Joint	50	41.7
Total	**120**	**100.0**

Source: Primary Data

Type of family of the people is one of the indicators to evaluate the sociological evolution in the society. In the modern era, in the rural areas also more families have the structure is nuclear family with less number (3-4), because of most of the respondents preferred the nuclear families structure than the joint families.

Table No.6: Occupation of the Respondents

Occupation	No. of Respondents	Percent
Agriculture	95	79.2
Agriculture + Business	25	20.8
Total	**120**	**100.0**

Source: Primary Data

Agriculture is the backbone of our nation's development; it is proved in the study area that the 79.2% of the respondents are depending on the agriculture sector even in the present modernized digital area in the rural areas. The people/farmers are also adopted new technology for their cultivation and obtained the new knowledge whatever changes occurred in the agriculture sector. Very few respondents are doing agriculture and business activities in the study area.

Table No.7: Land Holdings of the Respondents

Land holdings	No. of Respondents	Percent
Small	53	44.2
Medium	49	40.8
Large	18	15.0
Total	**120**	**100.0**

Source: Primary Data

44.2% of the respondents have small holdings of the land, 40.0% of respondents have medium land holdings and 15.0% of respondents have large land holdings in the study area. Therefore, it is inferred that the majority of the respondents have the small holdings as less than 2 acres of land in the study area.

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Table No.8: Income Levels of the Respondents

Income Levels	No. of Respondents	Percent
Less than Rs.50,000/-	17	14.2
Rs. 50,000/- to Rs.1,00,000/-	51	43.3
> Rs.1,00,000/-	52	42.5
Total	**120**	**100.0**

Source: Primary Data

Income gained annually from this agriculture is presented in the above table. 43.3% of the respondents gained Rs.50,000/- to Rs.1,00,000/- annually and followed by Rs.1,00,000/- and above with 42.5% and Leas than Rs.50,000/- with 14.2% of the respondents by cultivating land in the study area. It is found that the most of the respondents earned in between Rs.50,000/- to Rs.1,00,000/- in the study area.

Table No.9: Level of Utility of the Respondents

Level of Utility	No. of Respondents	Percent
Low	37	30.8
Medium	60	50.0
High	23	19.2
Total	**120**	**100.0**

Source: Primary Data

Level of utility getting from the Kisan Credit Card Scheme by the respondents is revealed in the above table. 50.0% of respondents are gained the utility of medium level and less percent 19.5% of respondents have high utility from this scheme in the study area.

Table No.10: Income Levels increased of the Respondents by this Scheme

Increased Income Levels	No. of Respondents	Percent
Up to 10%	62	51.7
10%-30%	44	36.7
Above 30%	14	11.7
Total	**120**	**100.0**

Source: Primary Data

Income Levels increased of the Respondents by this Scheme is described in the above table. 51.7% of respondents expressed that their income levels up to 10% increased by the scheme and very fewer respondents 11.7% revealed that the income level increased above 30% from this scheme.

Table No.11: Agriculture Production increased of the Respondents under the Scheme

Increased Agriculture Production	No. of Respondents	Percent
Up to 10%	64	53.3
10%-30%	37	30.8
Above 30%	19	15.8
Total	**120**	**100.0**

Source: Primary Data

The above table elicit the agriculture production is increased under the scheme. 53.3% of respondents increased their agriculture production up to 10%, 30.8% of respondents raised their production 10-30% and 15.8% respondents climbed their production above 30% in the study area. Thus, it is concluded that most of the respondent's agricultural production increased very less by this scheme.

Table No.12: Savings increased of the Respondents under the Scheme

Increased Savings	No. of Respondents	Percent
Up to 10%	53	44.2
10%-30%	55	45.8
Above 30%	12	10.0
Total	**120**	**100.0**

Source: Primary Data

45.8% of respondents' savings increased10-30% by this scheme, 44.2% of respondents their savings increased up to 10% and 10.0% respondents increased their savings above 30%. It

is found that the majority of the respondents are increased their savings pattern in between 10-30%.

Table No.13: Cross tabulation of Income Levels and Savings increased under this Scheme

Income Increased	Savings Increased			Total
	Up to 10%	10%-30%	Above 30%	
Up to 10%	29	25	8	62
10%-30%	21	23	0	44
Above 30%	3	7	4	14
Total	**53**	**55**	**12**	**120**

Source: Primary Data

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.474[a]	4	.014
Likelihood Ratio	15.581	4	.004
Linear-by-Linear Association	1.288	1	.256
N of Valid Cases	120		

Significance at 0.05 Level

The above tables reveal the cross tabulation of level of income and savings increased by this scheme. The outcome is drawn using the chi-square test, it is inferred that the p value .014 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is confessed that there is a statistically significance association between the income and savings levels increased of the respondents by utilizing scheme.

Table No.14: Cross Tabulation of Education and Income

Education Levels	Annual Income			Total
	Less than Rs.50,000/-	Rs. 50,000/- to Rs.1,00,000/-	> Rs.1,00,000/-	
Illiterate	0	17	7	24
up to School level	16	26	21	63
up to college level	1	8	24	33
Total	**17**	**51**	**52**	**120**

Source: Primary Data

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	28.187[a]	4	.000
Likelihood Ratio	30.746	4	.000
Linear-by-Linear Association	6.429	1	.011
N of Valid Cases	120		

Significance at 0.05 Level

The above tables present the cross tabulation of education and income of the respondents in the study area. The finding is drawn using the chi-square test, it is inferred that the p value .000 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is confessed that there is a statistically significance association between the education and income of the respondents. Education is playing a vital role to awareness of all schemes in any sector who are engaged, because of that the outcome is revealed there is a significant relationship between education and income.

Table No.15: Cross Tabulation of Social Category and Income

Social Category	Annual Income			Total
	Less than Rs.50,000/-	Rs. 50,000/- to Rs.1,00,000/-	> Rs.1,00,000/-	
BC	2	23	29	54
SC	13	19	16	48
ST	2	9	7	18
Total	**17**	**51**	**52**	**120**

Source: Primary Data

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.809[a]	4	.012
Likelihood Ratio	13.368	4	.010
Linear-by-Linear Association	4.374	1	.036
N of Valid Cases	120		

Significance at 0.05 Level

The above tables describe the cross tabulation of social category and income of the respondents in the study area. The finding has drawn using the chi-square test, it is inferred that the p value .012 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it

is confessed that there is a statistically significance association between the social category and income of the respondents.

Table No.16: Cross Tabulation of Age of the Respondents and Income Increased by this Scheme

Age	Income Increased			Total
	Up to 10%	10%-30%	Above 30%	
up to 35 Years	7	7	4	18
35 to 55 years	32	34	4	70
55 Years and Above	23	3	6	32
Total	**62**	**44**	**14**	**120**

Source: Primary Data

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.029[a]	4	.001
Likelihood Ratio	20.273	4	.000
Linear-by-Linear Association	3.056	1	.080
N of Valid Cases	120		

Significance at 0.05 Level

The above tables illustrate the cross tabulation of age and income levels increased of the respondents in the study area. The finding has drawn using the chi-square test, it is inferred that the p value .001 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is inferred that there is a statistically significance association between the age and income levels increased of the respondents.

Table No.17: Cross Tabulation of Social Category and Income Increased

Social Category	Income Increased			Total
	Up to 10%	10%-30%	Above 30%	
BC	34	15	5	54
SC	21	24	3	48
ST	7	5	6	18
Total	**62**	**44**	**14**	**120**

Source: Primary Data

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.082[a]	4	.005
Likelihood Ratio	12.807	4	.012
Linear-by-Linear Association	6.332	1	.012
N of Valid Cases	120		

Significance at 0.05 Level

The above tables depict the cross tabulation of social category and income levels increased of the respondents in the study area. The finding has drawn using the chi-square test, it is inferred that the p value .005 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is inferred that there is a statistically significance association between the social category and income levels increased of the respondents.

Table No.18: Significant Difference Between the Age and Level of Income Increased by this Scheme- One-Way ANOVA

	Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
Between Groups	3.145	2	1.573	4.069	.020
Within Groups	45.222	117	.387		
Total	48.367	119			

Significance at 0.05 Level

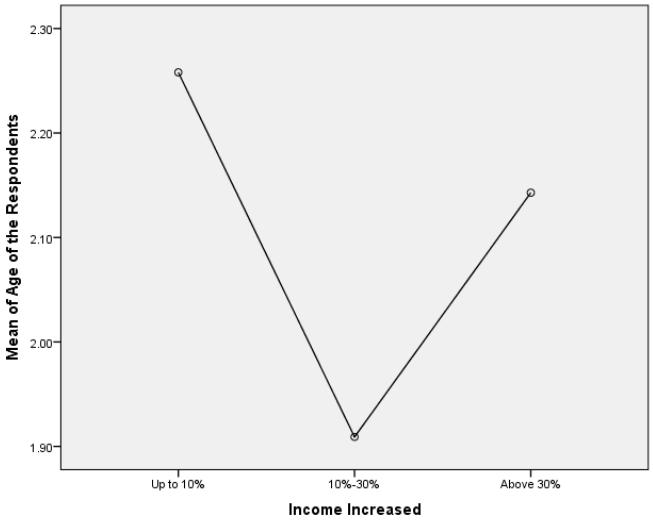

Fig 1. Income Increased by this Scheme

The above table and graph examine the cross tabulation of social category and income levels increased of the respondents in the study area. The finding has drawn using the One-Way ANOVA test, it is inferred that the p value .020 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is inferred that there is a statistically significance association between the age and income levels increased of the respondents.

Findings of the Study

The study has presented below findings:

- It is found that the most of the respondents under the age of 35-55 years in the study area.
- Out of 120 respondents, 52.5% of the respondents have completed up to school level only, 20.0% of the respondents have completed their college level of education and 27.5% of respondents are illiterates in the study area.
- Out of 120 respondents (100%), 45.0% of respondents belong to BC community. Thus it is stated that the majority of the respondents are utilizing scheme under community BC and followed by SC with 40.0% and ST with 15.0% in the study area.
- Most of the respondents possess the semi-pucca housing conditions due to their poverty and low level of income gained from the farming.
- In the modern era, in the rural areas also more families have the structure is nuclear family with less number (3-4), because of most of the respondents preferred the nuclear families structure than the joint families.
- Agriculture is the backbone of our nation's development; it is proved in the study area that the 79.2% of the respondents are depending on the agriculture sector even in the present modernized digital area in the rural areas. The people/farmers are also adopted

new technology for their cultivation and obtained the new knowledge whatever changes occurred in the agriculture sector. Very few respondents are doing agriculture and business activities in the study area.

- Therefore, it is inferred that the majority of the respondents have the small holdings as less than 2 acres of land in the study area.
- 43.3% of the respondents gained Rs.50,000/- to Rs.1,00,000/- annually and followed by Rs.1,00,000/- and above with 42.5% and Leas than Rs.50,000/- with 14.2% of the respondents by cultivating land in the study area. It is found that the most of the respondents earned in between Rs.50,000/- to Rs.1,00,000/- in the study area.
- 50.0% of respondents are gained the utility of medium level and less percent 19.5% of respondents have high utility from this scheme in the study area.
- 51.7% of respondents expressed that their income levels up to 10% increased by the scheme and very fewer respondents 11.7% revealed that the income level increased above 30% from this scheme. 53.3% of respondents increased their agriculture production up to 10%, 30.8% of respondents raised their production 10-30% and 15.8% respondents climbed their production above 30% in the study area. Thus, it is concluded that most of the respondent's agricultural production increased very less by this scheme.
- 44.2% of respondents their savings increased up to 10% and 10.0% respondents increased their savings above 30%. It is found that the majority of the respondents are increased their savings pattern in between 10-30%.
- The outcome is drawn using the chi-square test, it is inferred that the p value .014 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is confessed that there is a statistically significance association between the income and savings levels increased of the respondents by utilizing scheme.
- Thus, it is confessed that there is a statistically significance association between the education and income of the respondents. Education is playing a vital role to awareness of all schemes in any sector who are engaged, because of that the outcome is revealed there is a significant relationship between education and income.
- Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is confessed that there is a statistically significance association between the social category and income of the respondents.
- The finding has drawn using the chi-square test, it is inferred that the p value .001 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is inferred that there is a statistically significance association between the age and income levels increased of the respondents.
- The finding has drawn using the chi-square test, it is inferred that the p value .005 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted. Thus, it is inferred that there is a statistically significance association between the social category and income levels increased of the respondents.
- The finding has drawn using the One-Way ANOVA test, it is inferred that the p value .020 which is less than the table value at 0.05 significant levels. Therefore, null hypothesis is rejected at significant level 0.05 and the alternative hypothesis is accepted.

Thus, it is inferred that there is a statistically significance association between the age and income levels increased of the respondents with KCC Scheme.

Conclusion

The Kisan Credit Card Scheme was created as a brand-new, essential method of distributing credit to farmer households in order to satisfy their needs for credit in a convenient and acceptable way. Due to its widespread recognition and non-discriminatory financial offerings, the KCC is one of the most innovative and well endorsed government programmes in India. As far as the KCC Scheme's success was concerned, the programme greatly aided in addressing the problems associated with rural lending. In the present study examined the most of the respondents are utilized the scheme, but very few respondents are gained the benefits from the scheme such as income and savings increased. Ultimately, we look into the level of utility of the respondents from this scheme with medium effect for that Govt. provides more awareness on this scheme to the farmers. Furthermore, this study will play a vital role in the distribution of the KCC system and its effects on the earlier problems and difficulties.

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