Socio-Economic study of the Beneficiaries and Non-Beneficiaries of Kisan Credit Card Scheme in Kannuaj District of Uttar Pradesh, India

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Authors' contributions

This work was carried out in collaboration between both authors. Both authors read and approved the final manuscript.

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ABSTRACT

The studies of socio-economic characteristics of farmers are important for better policy options. The Kannuaj district of Uttar Pradesh is also an agriculture dominated region. Approximately 70% of the rural population of Uttar Pradesh is engaged in primary sector but at present agriculture sector is facing lots of problems such as credit, irrigation HYVs and other capital equipments etc. Kisan Credit Card (KCC) scheme playing a significant role in the development of agriculture Sector because the objective of the scheme is to eliminate exploitations of the farmers by the moneylenders by providing the farmers loans at cheaper rates of Interest. Kisan Credit Card (KCC) is very useful policy for rural development because these policy as the only medium of short-term credit for agriculture. From the year 1998-99, the scheme was implemented by public sector

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commercial banks, RRBs (Regional Rural Banks) and cooperative banks in the country. The present paper is aimed to study role of Kisan Credit Card scheme in the rural credit facilitation and impact of KCC scheme on socio-economic status of beneficiaries and non-beneficiaries in Kannuaj district of Uttar Pradesh. It is found that 36.08 per cent beneficiaries were from high socio-economic status group while 43.03 per cent beneficiaries were from medium and 20.89 per cent were in low socio-economic status group. In non-beneficiaries, 27.32 per cent were from high socio-economic status group while 37.34 per cent non beneficiaries were from medium socio-economic status group. 35.44 per cent non beneficiaries were from lower socio-economic group.

1. INTRODUCTION

One of the major economic issues faced by the India is agriculture as it remains the biggest employer contributing to 51 per cent employment. The problem of disguised unemployment is the biggest contributor behind this deficit. In 1951, 69.5 per cent of the working population was engaged in agriculture. This percentage fell to 52.1 percent in 2021-22 of underemployment and disguised unemployment. Six major causes for agricultural crisis because of globalization policies in India are: liberal import of agricultural products, cutback in agricultural subsidies, lack of easy and low-cost loan to agriculture, decline in government investment in the agricultural sector, restructuring of the public distribution system (PDS), and special economic zones are the major reason for agriculture crisis in India. The condition of most farmers is terrible. About 80 per cent of farmers in the country are marginal (less than 1 hectare) or small farmers (1–2 hectare) category. On marketing front, Indian agriculture is still facing the problems such as low degree of market integration and connectivity, accessibility of reliable and timely information required by farmers on various issues in agriculture. Also, the agricultural marketing sector is characterized by fragmented supply chain. Huge postharvest losses, multiple market intermediaries; higher transaction cost, lack of awareness and several other socioeconomic factors are some of the acute problems being faced by the Indian agriculture. They get unusually low wages, conditions of work put an excessive burden on them and employment which they get is extremely irregular [1-5]. Different causes like increasing indebtedness, inadequate support price, soil exhaustion, overproduction of staple crops, decline in self-sufficiency, the vagaries of nature, repeated crop failure lack of adequate legislative protection and aid brings reports of Indian farmer suicides in India. In the situation of food security, rural employment and environmental techniques like soil conservation, management of natural resources, sustainable agriculture is essential for the development of the entire rural area. In spite of various studies and measures, still today this sector is not well developed and faces lots of problems [6-8]. Hence, it is necessary to study about socio-economic conditions of farmers in Kannauj district of Uttar Pradesh, with the following objective.

- To ascertain the socio-economic study of the beneficiaries and non-beneficiaries of Kisan credit Card scheme.

2. METHODOLOGY

The study was conducted in purposively selected district of Kannuaj, Uttar Pradesh. Two blocks namely Chhibramau and Gugrapur were selected for the selection of respondents. five village panchayats were selected from each selected block. The total size of 158 beneficiaries and 158 non-beneficiaries farmers were selected blocks through random sampling.

3. RESULTS AND DISCUSSION

The results of the socio-economic conditions of the beneficiaries and non- beneficiaries of Kisan credit Card scheme in Kannuaj district are presented in the Table 1.

3.1 Age Wise Distribution of the Respondents

Found that 27.85 per cent beneficiaries were in young age group followed by 48.10 per cent middle age group beneficiaries while 24.05 per cent beneficiaries were in old age group. In non-beneficiaries group, 15.82 per cent were also in middle age group where as 55.06 per cent non beneficiaries were in young age group. 29.12 per cent non beneficiaries were in old age group. This shows that farmers from every type of age group are participating in Kisan credit card scheme (KCC) programme.

Table 1. Socio-economic status of beneficiaries and non-beneficiaries of Kisan credit Card scheme in Kannuaj district

S.No.	Categories	Beneficiaries		Non-Beneficiaries	
		Frequency	Percentage	Frequency	Percentage
Age wise distribution of the respondents					
1.	Young (Up to 35)	44	27.85	25	15.82
2.	Middle (36 to 55)	76	48.10	87	55.06
3.	Old (Above 55)	38	24.05	46	29.12
	Total	**158**	**100.00**	**158**	**100.00**
Gender of the respondents					
1.	Male	116	73.41	122	77.21
2.	Female	42	26.59	36	22.79
	Total	**158**	**100.00**	**158**	**100.00**
Marital status of the respondents					
1.	Married	108	68.35	120	75.94
2.	Unmarried	42	26.58	27	17.08
3.	Divorced	0	0.00	2	1.26
4.	Widowed	8	5.06	9	5.69
	Total	**158**	**100.00**	**158**	**100.00**
Education wise distribution of the respondents					
1.	Illiterate	19	12.02	38	24.05
2.	literate (Can read and write)	15	9.49	25	15.82
3.	Primary	21	13.29	28	17.72
4.	Junior High School	32	20.25	21	13.29
5.	High School	35	22.16	20	12.66
6.	Intermediate	24	15.19	19	12.03
7.	Graduate and above	12	7.60	7	4.43
	Total	**158**	**100.00**	**158**	**100.00**
Caste wise distribution of the respondents					
1.	General Caste	31	19.63	28	17.72
2.	Other Backward Caste (OBC)	121	76.58	117	74.05
3.	Scheduled Caste (SC/ST)	6	3.79	13	8.23
	Total	**158**	**100.00**	**158**	**100.00**
Type of family wise distribution of the respondents					
1.	Nuclear	96	61.00	115	72.79
2.	Joint	62	39.00	43	27.21
	Total	**158**	**100.00**	**158**	**100.00**
Size of family wise distribution of the respondents					
1.	Small (Up to 4 members)	72	45.57	68	43.04
2.	Medium (5 to 8 members)	55	34.81	48	30.38
3.	Large (Above 8 members)	31	19.62	42	26.58
	Total	**158**	**100.00**	**158**	**100.00**
Farming experience wise distribution of the respondents					
1.	Up to 10 years	26	16.45	28	17.74
2.	11 to 20 years	61	38.60	48	30.37
3.	Above 20 years	71	44.95	82	51.89
	Total	**158**	**100.00**	**158**	**100.00**
Occupation wise distribution of the respondents					
1.	Farming only	114	72.15	118	74.68
2.	Farming + Business	18	11.39	25	15.82
3.	Farming + Caste occupation	24	15.18	12	7.59
4.	Farming + Service	2	1.28	3	1.81
	Total	**158**	**100.00**	**158**	**100.00**
Land holding wise distribution of the respondents					
1.	Up to 1 ha. (Marginal)	65	41.14	95	60.12
2.	1 – 2 ha. (Small)	68	43.04	44	27.85

S.No.	Categories	Beneficiaries		Non-Beneficiaries	
		Frequency	Percentage	Frequency	Percentage
3.	Large (Above 2 ha.)	25	15.82	19	12.03
	Total	**158**	**100.00**	**158**	**100.00**
Annual income wise distribution of the respondents					
1.	Low (up to Rs. 75,000)	57	36.08	89	56.33
2.	Medium (Rs. 75,001 to 1,50,000)	56	35.44	52	32.91
3.	Large (above Rs. 1,50,001)	45	28.48	17	10.76
	Total	**158**	**100.00**	**158**	**100.00**
Overall Mass Media utility of the respondents					
1.	Low	46	29.12	33	20.88
2.	Medium	63	39.87	55	34.82
3.	High	49	31.01	70	44.30
	Total	**158**	**100.00**	**158**	**100.00**
Risk Orientation of the respondents					
1.	Low	12	7.59	42	26.58
2.	Medium	118	74.68	97	61.39
3.	High	28	17.73	19	12.03
	Total	**158**	**100.00**	**158**	**100.00**
Scientific Orientation of the respondents					
1.	Low	21	13.29	61	38.60
2.	Medium	97	61.39	89	56.33
3.	High	40	25.32	08	5.07
	Total	**158**	**100.00**	**158**	**100.00**
Economic Motivation of the respondents					
1.	Low	27	17.09	55	34.81
2.	Medium	85	53.80	78	49.37
3.	High	46	29.11	25	15.82
	Total	**158**	**100.00**	**158**	**100.00**

3.2 Gender of the Respondents

Found that 73.41 per cent beneficiaries of the selected area were males while 26.59 per cent beneficiaries were female farmers. In case of non-beneficiaries, 77.21 per cent non beneficiaries of the selected area were males while 22.79 per cent non beneficiaries were female farmers. This shows that farmers from every type of age group are participating in Kisan Credit Card scheme of the government.

3.3 Marital Status of the Respondents

Found that majority of 68.35 per cent beneficiaries of Kisan credit card scheme were married, 26.58 per cent beneficiaries were unmarried while 5.06 per cent were widowed. In non-beneficiaries, 75.94 per cent were married, 17.08 per cent were unmarried, 1.26 per cent was divorced whereas 5.69 per cent non beneficiaries of Kisan credit card scheme were widowed.

3.4 Education Wise Distribution of the Respondents

Found that still the majority of farmers are not able to attain high level of education. As such 12.02 per cent beneficiaries and 24.05 per cent non beneficiaries were completely illiterate while 9.49 per cent beneficiaries and 15.82 per cent non beneficiaries were also illiterate but they can read and write. 13.29 per cent beneficiaries and 17.72 per cent non beneficiaries were primary school passed. 20.25 per cent beneficiaries and 13.29 per cent non beneficiaries were Junior High School and 22.16 per cent beneficiaries and 12.66 per cent non beneficiaries were High School where as 15.19 per cent beneficiaries and 12.03 per cent non beneficiaries having education up to Intermediate level. The beneficiaries and non- beneficiaries got qualifications up to graduate and above level were 7.60 and 4.43 per cent, respectively. It can be derived from the above data that maximum numbers of farmers belong to poor educational background but they are improving their

educational status in the study area. Similar findings is also observed by Mehta and Trivedi [9].

3.5 Caste Wise Distribution of the Respondents

Found that 19.63 per cent beneficiaries were from general caste group where as 76.58 per cent beneficiaries were from backward caste group and 3.79 per cent from schedule caste group. In non-beneficiaries group, 17.72 per cent were from general caste group while 74.05 per cent non beneficiaries from backward caste group. 8.23 per cent were from schedule caste group. This clearly indicates that majority of farmers were from backward caste group.

3.6 Type of Family Wise Distribution of the Respondents

Found that most of the beneficiaries (39.00 per cent) were in joint family system followed by nuclear family group with 61.00 per cent beneficiaries respectively. In non-beneficiaries, 72.79 per cent beneficiaries were in joint family system followed by nuclear family group with 27.21 per cent beneficiaries. Thus, it can be concluded that in study area, most of the farmer were found to joint family group followed by nuclear family group. Now a day's, nuclear family type have started dominating joint family types in rural areas due to fragmentation of farm land, communication gap, high cost of family expenditure, student education, change in society etc.

3.7 Size of Family Wise Distribution of the Respondents

Found that 45.57 per cent of the beneficiaries possessed the small family of up to 4 members whereas 34.81 per cent beneficiaries were having the medium size family of 5 to 8 members while 19.62 per cent beneficiaries were having large family of above 8 members. In non-beneficiaries, 43.04 per cent possessed the small family of up to 4 members whereas 30.38 per cent non beneficiaries were having the medium size family of 5 to 8 members while 26.58 per cent non beneficiaries were having large family of above 8 members.

3.8 Farming Experience Wise Distribution of the Respondents

Found that 45.57 per cent of the beneficiaries had farming experience of up to 10 years while

38.60 per cent of the beneficiaries had farming experience of 11 to 20 years whereas 44.95 per cent beneficiaries had farming experience of above 20 years. In non-beneficiaries, 17.74 per cent of the non-beneficiaries had farming experience of up to 10 years while 30.37 per cent had farming experience of 11 to 20 years whereas 51.89 per cent non beneficiaries had farming experience of above 20 years.

3.9 Occupation Wise Distribution of the Respondents

Found that a majority of 72.15 per cent beneficiaries of Kisan credit card scheme were having farming as their main occupation whereas 11.39 per cent beneficiaries were having farming + business as their occupation. A minimum of 1.28 per cent beneficiaries were having occupation of farming + service and 15.18 per cent beneficiaries of were having occupation of farming + caste occupation as their main occupation. In non-beneficiaries, majority of 74.68 per cent non-beneficiaries of Kisan credit card scheme were having farming as their main occupation whereas 15.82 per cent were having farming + business service as their occupation. A minimum of 1.81 per cent non beneficiaries were having occupation of farming + service and 15.82 per cent non beneficiaries of were having occupation of farming + business as their main occupation in the study area. Similar findings is also observed by Mehta and Trivedi [9].

3.10 Land Holding Wise Distribution of the Respondents

Found that 43.04 per cent beneficiaries were marginal farmers where as 41.04 per cent beneficiaries were small farmers while 15.82 per cent beneficiaries were from belongs to large farmers group. In non-beneficiaries group, 60.13 per cent were marginal farmers where as 27.85 per cent were small farmers while 12.03 per cent non beneficiaries were from belongs to large farmers group.

3.11 Annual Income Wise Distribution of the Respondents

Found that 36.08 per cent beneficiaries and 56.33 non beneficiaries were in annual income group of up to Rs.75000/-. 35.44 per cent beneficiaries and 32.91 non beneficiaries were in annual income group of Rs. 75001 to 1,50,000. 20.48 per cent beneficiaries and 10.76 per cent non beneficiaries were in monthly income group

of above Rs.1,50,0001. Thus, the table reveals that the majority of beneficiaries and non-beneficiaries enjoyed better remunerations, resulting in their higher status in the families as well. Similar findings is also observed by Rajmohan and Subha [10].

3.12 Overall Mass Media Utility of the Respondents

Found that 29.12 per cent beneficiaries had low participation in mass media utility whereas 39.87 per cent beneficiaries had medium participation in mass media utility while 31.01 per cent had high participation in mass media utility. In non-beneficiaries category, 20.88 per cent were in low participation in mass media utility category where as 34.82 per cent non-beneficiaries were in medium participation in mass media utility category while 44.30 per cent were in high participation in mass media utility category.

3.13 Risk Orientation of the Respondents

Found that 74.68 per cent beneficiaries had medium risk orientation where as 17.73 per cent working women had high risk orientation while 7.59 per cent had low risk orientation. In non-beneficiaries category, 26.58 per cent were in low risk orientation category where as 61.39 per cent non-beneficiaries were in medium risk orientation category while 12.03 per cent were in high risk orientation category.

3.14 Scientific Orientation of the Respondents

Found that 13.29 per cent beneficiaries had low scientific orientation where as 61.39 per cent beneficiaries had medium scientific orientation while 25.32 per cent had high scientific orientation. In non-beneficiaries category, 38.60 per cent were in low scientific orientation category where as 56.33 per cent non-beneficiaries were in medium scientific orientation category while 5.07 per cent were in high scientific orientation category.

3.15 Economic Motivation of the Respondents

Found that 17.09 per cent beneficiaries had low economic motivation where as 53.80 per cent beneficiaries had medium economic motivation while 29.11 per cent had high economic motivation. In non-beneficiaries category, 34.81 per cent were in low economic motivation category where as 49.37 per cent non-beneficiaries were in medium economic motivation category while 15.82 per cent were in high economic motivation category.

3.16 Socio-Economic Status of Respondents

Socio economic status is typically broken into three levels (high, middle, and low) to describe the three places a family or an individual may fall into. When placing a family or individual into one of these categories, any or all of the three variables (income, education, and occupation) can be assessed. In order to found out if there was any significant difference between beneficiaries and non-beneficiaries regarding their socio-economic status, the following hypothesis was tested and results are presented in the table given below:

3.17 Hypothesis

There was no difference between beneficiaries and non-beneficiaries regarding their socio-economic status.

It was measured with the help of socio-economic status scale developed by Trivedi [11]. Respondents were categorized in three categories viz. high, medium and low. The distribution of farmers in the three categories is presented in the Table 2.

It is apparent from the above table that 36.08 per cent beneficiaries were from high socio-economic status group while 43.03 per cent beneficiaries were from medium and 20.89 per cent were in low socio-economic status group. In non-beneficiaries, 27.32 per cent were from high socio-economic status group while 37.34

Table 2. Distribution of the respondents according to their socio-economic status

S.N.	Categories	Beneficiaries	Non–beneficiaries	χ^2
1.	High (Score above 35)	57 (36.08)	43 (27.32)	**8.54**
2.	Medium (Score 18 - 34)	68 (43.03)	59 (37.34)	
3.	Low (Score up to 17)	33 (20.89)	56 (35.44)	
Total		**158 (100.00)**	**158 (100.00)**	

Figures in parenthesis indicate percentage

per cent non beneficiaries were from medium socio-economic status group. 35.44 per cent non beneficiaries were from lower socio-economic group.

The calculated value of χ^2 test was found to be 8.54, which was greater than the table value of X^2 (5.991) at 5per cent level of significance at 2 degree of freedom. Hence, the null hypothesis was rejected and alternate hypothesis was accepted. The finding is in the same the findings of Mehta and Trivedi [9].

4. CONCLUSIONS

Kisan Credit Card (KCC) is very useful scheme for rural development because these scheme as the only medium of short-term credit for agriculture. India is called the land of farmers, as most of the people of the country are directly or indirectly involved in the agriculture sector. Even though agriculture is the major sector in India, the growth in agriculture is in lethargic phase. This is due to not adopting the most advanced technology. And the major populations of farmers are unaware about the schemes provided by the government. The current scenario of socio-economic conditions of farmers of Kannuaj district of Uttar Pradesh should be aided by extensive government measures to uplift the status of both the agricultural sector and the farmers to reach an appreciable zone of development. Advancement in technology, reasonable market price, lack of finance and decreasing productivity are some of the serious concerns to be attended immediately. It requires substantial support to overcome the challenges faced by the farmers that pose any hindrance in the path of progress. Adequate investment in the sector along with timely provisions, subsidies and compensation can prove to be growth stimulus. Since none of the farmers have lost confidence in agriculture for any other means of livelihood, it is our responsibility to strengthen the backbone of our economy.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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