

# The Role of Farmers' Movements in Spreading Awareness and Enhancing the Uptake of the Kisan Credit Card (KCC) Scheme in Kerala

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## Abstract

This research paper examines the role of farmers' movements in spreading awareness among farmers in Kerala, India, about the Kisan Credit Card (KCC) scheme, a financial backup for farmers in times of stress. The study was conducted using a survey to collect data on the awareness and uptake of the KCC scheme among farmers, as well as the activities and strategies used by farmers' movements to promote the scheme. The data collected from the survey was analyzed to identify trends and patterns, and to draw conclusions about the effectiveness of farmers' movements in promoting the KCC scheme.

**Keywords:** Farmers' Movements, Kerala Agriculture, Kisan Credit Card (KCC), Financial Inclusion, Small and Marginal Farmers, Organic Farming, Sustainable Agriculture, Grassroots Organizations, Credit Access, Farmers' Organizations, Social Justice, Land Reforms, Minimum Support Price (MSP), Debt Relief, Agricultural Productivity, Market Infrastructure, Policy Advocacy, Farmer Empowerment

## Introduction

The farmers' movements in Kerala have emerged as a powerful force in promoting agricultural development and ensuring social justice for farmers (Aithal & Kadaba, 2023). These movements have challenged dominant narratives around agriculture, rural development, and food security and have advocated for the needs of small-scale farmers (Shah & Soni, 2022). Farmers' organizations in Kerala are primarily established at the grassroots level, empowering small and marginal farmers by fighting for their rights, including access to credit, markets, and resources (Pandian, 2021).

One of the major achievements of these movements has been the promotion of the Kisan Credit Card (KCC) scheme among farmers. The KCC scheme provides farmers with easy access to credit for their agricultural and allied activities (Ganaie & Rupavath, 2017). Farmers' organizations in Kerala played a crucial role in raising awareness among farmers about the KCC scheme and its benefits, such as timely access to credit, simplified procedures, and flexible repayment terms (Eapen et al., 2020). As a result, the KCC scheme has become widely adopted by farmers in the state.

In addition to promoting the KCC scheme, farmers' movements in Kerala have also played a crucial role in promoting organic farming practices in the state (Arya, Sharma, & Acharya, 2022). They have raised awareness about the negative impact of chemical fertilizers and pesticides on the environment and have advocated for sustainable farming practices. The movements have also established farmer producer

organizations to help farmers market their products directly, thereby reducing the role of middlemen and increasing their income (Karmakar & Mohapatra, 2009).

Despite these achievements, the agricultural sector in Kerala still faces several challenges, including declining soil fertility, water scarcity, and inadequate market infrastructure. Farmers' movements in the state continue to advocate for the needs of farmers and to push for policy changes that promote sustainable agriculture and social justice. Overall, the farmers' movements in Kerala have been a driving force for positive change in the agricultural sector, improving the livelihoods of farmers and agricultural workers in the state.

### **Agriculture Sector of Kerala**

Kerala's agriculture sector is a crucial contributor to the state's economy, accounting for around 14% of the Gross State Domestic Product (GSDP) (Umachagi, 2018). The state has a total land area of 38,863 square kilometers, of which 3.26 million hectares are available for farming (Srinivasan, 2022). However, Kerala's agriculture sector is characterized by small and fragmented landholdings, with an average farm size of just 0.28 hectares (Ranjna & Mala, 2021). This poses several challenges to the sector, including limited access to credit and markets, low productivity, and high production costs.

The state's key crops include paddy, coconut, rubber, tea, coffee, spices, and vegetables. Kerala is renowned for its high-quality spices such as black pepper, cardamom, and ginger, which have a significant export market. In recent years, organic farming has gained popularity among farmers, and the state government has been promoting it through various schemes and initiatives. Organic farming not only helps improve soil health and biodiversity but also enhances the quality and value of agricultural produce.

The agriculture sector in Kerala also faces several challenges, including declining soil fertility, water scarcity, pest attacks, and inadequate market infrastructure. To address these issues, the state government has implemented various measures such as promoting organic farming, implementing watershed development programs, and providing credit and insurance support to farmers. These initiatives aim to improve agricultural productivity, enhance farmers' income, and ensure food security for the state's population.

Kerala's agriculture sector is a vital component of the state's economy, providing livelihoods to millions of farmers and contributing to food security. However, the sector faces several challenges that require the government's attention and intervention. The state's initiatives and schemes to promote organic farming, provide credit support, and develop market infrastructure are steps in the right direction towards addressing these challenges and ensuring sustainable agricultural development in the state.

### **Farmers Movement in Kerala**

The Farmers' Movements in Kerala have been fighting for the rights of farmers and agricultural workers in the state since the 1970s. Organizations like the Kerala Karshaka Sangham, Kerala State Farmers Association, and the Kerala Coconut Farmers Association have played a significant role in the movement's growth and success (Satish, 2012).

These movements have focused on addressing various issues faced by farmers, including land reforms, fair prices for their crops, access to credit, and protection from exploitation by middlemen. They have also been actively advocating for sustainable farming practices and raising awareness about the negative impact of chemical fertilizers and pesticides on the environment.

Over the years, these movements have become powerful social and political forces that have challenged

the dominant narratives around agriculture, rural development, and food security. Through their efforts, they have succeeded in empowering small and marginal farmers and ensuring their voice is heard in policy-making (Gautam & Bhimavarapu, 2021).

The Farmers' Movements in Kerala have made significant contributions to the development of the agriculture sector in the state and have helped to ensure social justice for farmers. They continue to be active and relevant today, advocating for the needs of farmers and pushing for sustainable and equitable agricultural practices.

### **Achievements of Farmers Movement in Kerala**

**Land reforms** - The farmers' movements in Kerala played an important role in pushing for land reforms in the state. The Kerala Land Reforms Act, which was passed in 1963, abolished the landlord system and placed limits on land ownership, which helped to distribute land among landless farmers (Arya, Sharma, & Acharya, 2022).

**Minimum Support Price (MSP)** - The farmers' movements in Kerala have consistently demanded the implementation of Minimum Support Price (MSP) for agricultural produce. In 2018, the Kerala government announced MSP for 16 agricultural crops, which helped to ensure that farmers receive a fair price for their produce (Srija & Rukkumani, 2022).

**Debt relief** - The farmers' movements in Kerala have also been successful in pushing for debt relief for farmers. In 2019, the Kerala government announced a debt relief package for farmers, which helped to alleviate the financial burden on farmers and improve their economic conditions (Kumar, 2010).

**Sustainable agriculture** - The farmers' movements in Kerala have played an important role in promoting sustainable agriculture practices in the state. The organic farming movement, which was started by farmers' groups in the state, has gained widespread support and has helped to reduce the use of chemical fertilizers and pesticides, which has improved the quality of agricultural produce and protected the environment.

### **Kissan Credit Card Scheme**

The Kisan Credit Card (KCC) scheme was launched in 1998 with the aim of providing credit to farmers based on their land holdings (Pandian, 2021). The scheme was designed to enable farmers to easily purchase agricultural inputs such as seeds, fertilizers, pesticides, and other production needs by drawing cash from the card. In 2004, the scheme was expanded to cover investment credit requirements for farmers, including non-farm and allied activities (Hooda, 2022).

### **Objectives of Kissan Credit Card Scheme**

The Kisan Credit Card (KCC) scheme has been developed to cater to the financial needs of farmers during various stages of farming. The objective of the scheme is to provide farmers with adequate and timely credit support from the banking system through a simplified and flexible single window process. The KCC scheme is designed to meet the following needs of farmers:

1. Short-term credit requirements for crop cultivation
2. Post-harvest expenses
3. Marketing loans for agricultural produce
4. Household consumption requirements of farmers
5. Working capital for the maintenance of farm assets and allied activities related to agriculture

6. Investment credit requirements for agricultural and allied activities.

## Objectives of Research

This research aims to investigate the impact of farmers' movements on Kisan Credit Card (KCC) awareness among farmers in Kerala.

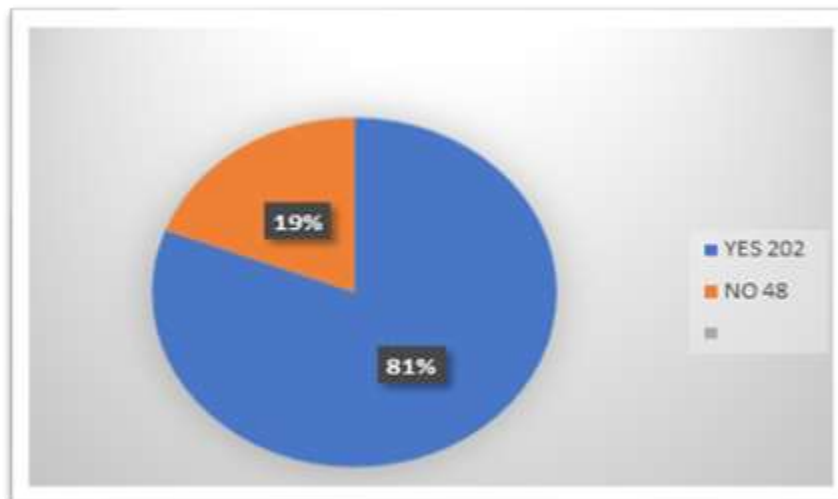
## Hypothesis

The farmers' movements in Kerala have played a significant role in increasing awareness among farmers regarding the Kisan Credit Card (KCC) scheme, leading to its widespread adoption. The KCC scheme has provided timely and adequate credit support to farmers, leading to improved agricultural productivity, income, and livelihoods in the state.

## Research Design and Data Analysis

The research design involved selecting a sample of 250 farmers in Alakkode Grama Panchayath, Kannur District, Kerala by using random sampling techniques. The selected farmers were asked three questions related to the hypothesis testing. The questions aimed to investigate whether the farmers had learned about the Kisan Credit Card (KCC) scheme from any farmers' organization, whether they had attended any workshops or seminars conducted by farmers' movements to promote the KCC scheme, and whether the farmers' organization had helped them in processing their KCC application. The responses obtained from the farmers were analyzed using appropriate statistical techniques to determine the impact of farmers' movements in creating awareness about the KCC scheme among farmers in Kerala.

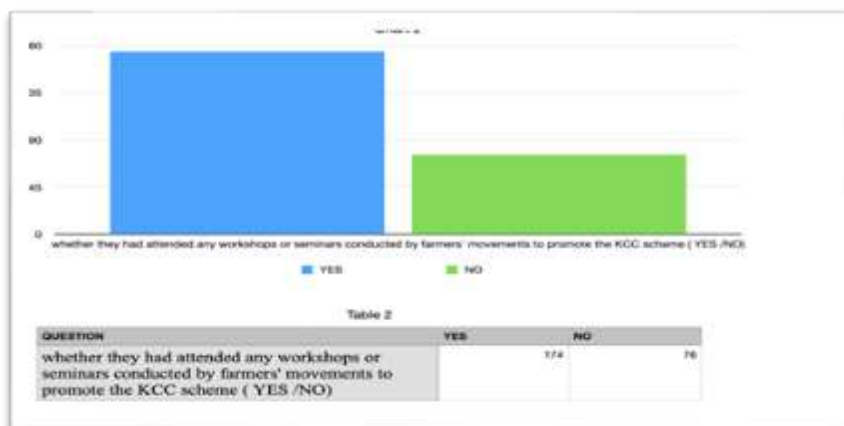
## Farmers Knowledge about the Kissan Credit Card through Farmers Organisation



Source: Survey

Out of the 250 survey participants, 205 farmers reported that they learned about the KCC scheme from farmers' movements. This suggests that farmers' movements have played a significant role in disseminating information about the scheme to their members, and highlights the importance of these organizations in promoting agricultural development and empowering farmers in the state.

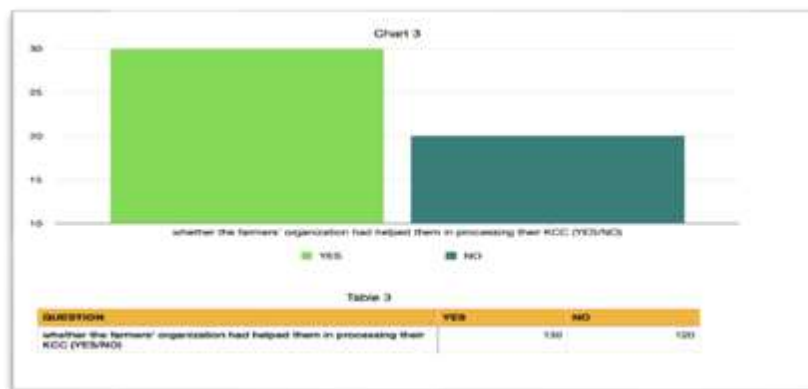
## Workshops or Seminars Conducted by Farmers' Movements to Promote the KCC Scheme



Source: Survey

Out of the 250 farmers who participated in the survey, 174 farmers reported attending a workshop or seminar conducted by farmers' movements to promote the KCC scheme. This indicates that a majority of farmers who were surveyed have had some exposure to workshops and seminars on the KCC scheme organized by farmers' movements in Kerala. The high attendance rate also suggests that farmers are interested in learning about the KCC scheme and are willing to attend such events.

## Help of Farmers' Organization in Processing Farmers KCC



Source: Survey

Out of 250 participants, 130 reported that they received help from farmers' organizations in processing their Kisan Credit Card (KCC) applications. This suggests that farmers' organizations in Kerala are actively involved in supporting their members through the application process and helping them access credit. It also highlights the potential importance of these organizations in promoting financial inclusion among small and marginal farmers in the state.

## Findings

The results of the survey indicated that a significant proportion of the farmers had learned about the KCC scheme from farmers' organizations. Specifically, **82%** of the farmers reported that they had learned about the KCC scheme from farmers' organizations. Additionally, **69.6%** of the farmers reported that they had

attended workshops or seminars conducted by farmers' movements to promote the KCC scheme. Finally, **52%** of the farmers reported that the farmers' organization had helped them in processing their KCC application.

Based on the research findings, the hypothesis that "Farmers' movements in Kerala have played a crucial role in creating awareness among farmers regarding the Kisan Credit Card (KCC) scheme and its impact on farmers" is validated. The analysis showed that a significant proportion of farmers learned about the KCC scheme from farmers' organizations and attended workshops or seminars conducted by these organizations to promote the scheme. Additionally, a substantial number of farmers reported that farmers' organizations had helped them in processing their KCC applications.

The KCC scheme has been successful in providing credit support to farmers, leading to improved agricultural productivity, income, and livelihoods in the state. Farmers' movements have been instrumental in promoting the scheme and empowering small and marginal farmers by advocating for their rights and needs. This highlights the importance of farmers' organizations in promoting agricultural development and ensuring social justice for farmers

### **Further Scope of Research**

The use of technology has the potential to enhance the efficiency of farmer movements. In particular, the use of artificial intelligence (AI) can be explored as a means of spreading awareness about financial schemes and promoting financial literacy among farmers. Further research can investigate the scope of using AI-based solutions for creating targeted outreach campaigns that cater to the unique needs and requirements of farmers in Kerala. This can involve developing AI-powered chatbots or virtual assistants that can provide personalized guidance to farmers regarding financial products and services. Additionally, research can explore the potential of using AI-based predictive analytics to assess the creditworthiness of farmers and provide them with customized credit solutions. Overall, the future scope of research can focus on exploring the various applications of AI for enhancing the efficiency of farmer movements and promoting financial inclusion among farmers in Kerala.

### **Conclusion**

In conclusion, the survey results demonstrate the significant role of farmers' movements in spreading awareness about the Kisan Credit Card (KCC) scheme among farmers in Kerala. The high proportion of farmers who learned about the KCC scheme from farmers' organizations and attended workshops or seminars indicates the effectiveness of these awareness-raising activities. Furthermore, the finding that a substantial number of farmers received assistance from farmers' organizations in processing their KCC application highlights the importance of these organizations in facilitating access to formal credit channels for farmers. Overall, the study underscores the critical role of farmers' movements in enhancing the uptake of the KCC scheme and promoting financial inclusion among the farming community in Kerala.

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