CHAPTER-V

METHODOLOGY AND SOCIO-ECONOMIC AND DEMOGRAPHIC PROFILE OF KAMRUP DISTRICT

5.1 STUDY AREA AND SAMPLE SELECTION:

The Survey design of the study is based on multi-stage sampling incorporated at three stages so as to elicit adequate and accurate information by the field enquiry. The three stages of sampling were –

1) Selection of Area and District.

2) Selection of Sample Community Development Blocks (CDB’s).

3) Selection of Sample Households with KCC-loans.

5.1 a. Selection of the Area and District:

For the purpose of investigating into the role and performance of Kisan Credit Card Scheme, a novel innovation of NABARD for providing institutional credit, the state of Assam has been chosen as an area for study. The reason behind the selection of Assam as an area of study is that about 86 per cent of the total population of the state lives in rural areas and more than 60 per cent of the population depend on agriculture for their livelihood, Some of the States like Andhra Pradesh, Punjab, Haryana have shown a rapid progress of KCC scheme where as in Assam, the performance or coverage of this scheme is very poor though Assam is predominantly an agricultural state. The other reason for selecting Assam as an area of the study is
that we ourselves are well acquainted with the economic conditions and culture prevailing in the state. Though a complete enumeration of the block would have been more accurate and informative for an individual researcher but it has not become possible due to lack of time and resources. Hence, a method of simple random sampling has been assumed to be more suitable for the purpose and therefore, has been adopted.

5.1b. Reasons for selecting Kamrup District:

We have selected Kamrup district purposively and its three blocks Rani, Rangia and Chamaria for field investigation. Following are the main reasons for selecting Kamrup district-

1) The economy of Kamrup district is predominantly agrarian. Nearly 70 per cent of the total population depend on agriculture and allied activities for their livelihood. More than 90 per cent of the total population of Kamrup district lives in rural areas according to 2011 census.

2) Secondary data available from Directorate of Agriculture, Assam reveals that regarding the determination of target of KCC issuance for Kamrup district got the second position after Nagaon district. But maximum number of KCC was issued for Kamrup district of Assam during 2011-12.

3) The composition of population of the district is heterogeneous. Therefore, three blocks namely Rani, Rangia and Chamoria block have been selected out of fifteen blocks of Kamrup district. Because Rani Block is dominated by tribal population, in Rangia block, General caste people and other caste population is high and Chamaria block is selected because it is mainly minority people dominated area.
4) We have purposively selected the three blocks because all the blocks are situated in rural areas and majority of the people depend on agriculture for their livelihood. Modern technology of farming is still not used properly within these blocks. Hence, the income level of the people is also very low.

5) No systematic study has been made so far about the role and performance of the Kisan Credit Card Scheme, an innovative product of institutional credit delivery mechanism in the development of farmer’s condition of the district as well as in the state of Assam where the performance of the KCC Scheme is very poor in comparison to other states of India. So, in order to study the role and performance of Kisan Credit Card Scheme on the improvement of farmer’s condition and contribution to farm sector development, Kamrup district is selected.

5.1 c. Selection of the Sample Blocks:

In Kamrup district, there are 15 CDB’s (Community Development Blocks) and out of this 15 CDB’s, 3(three) CDB’s namely Rani, Rangia and Chamaria block have been selected for field investigation. After selecting the blocks, the list of KCC-holders have been collected from the respective Sub-Divisional Agricultural Office (SDAO) of the concerned block. The base year of the study is 2011-2012.

For collecting the primary data, a field level investigation has been made in three community development block namely Rani, Rangia and Chamaria of Kamrup district. Kamrup district is selected for field investigation because number of KCC issued during 2011-12 is found maximum in this district in the State of Assam. Moreover, more than 90 per cent population lives in rural areas and their main livelihood is agriculture and allied activities. The reason behind selecting the 3 CDB’s
among 15 CDB’s is that Rani is dominated by Tribal population, Chamaria is dominated by scheduled caste and minority people and the Rangia block is dominated by General and other backward Classes.

**5.1d. Selection of Sample Beneficiaries:**

The field study has covered 210 (Two hundred ten) KCC beneficiaries taking 70 beneficiaries from each block. A household has been considered as a sample unit. In order to make a comparison between KCC-holders and non-KCC holders i.e. Control farmers in regard to their performance required data for 90 non-KCC holders have been personally collected taking 30 from each block with structured schedules and questionnaires.

Apart from KCC holders and non-KCC holders, the officials of the banks i.e. branch managers of the concerned banks dealing with supply of KCC were interviewed personally to make the study more comprehensive. A set of pretested schedules and questionnaires have been used while eliciting the information from the sample units. The questionnaires of the KCC-holders bears the characteristics of the household beneficiaries opinion regarding KCC as an institutional vehicle, adequacy of KCC loan, assets generation, repayment, utilization of KCC loan. Separate questionnaire had been prepared for branch managers of banks and non-KCC holders.

**5.2 METHOD OF DATA COLLECTION:**

The primary data have been collected through questionnaire with the help of Survey method. A specially designed questionnaire was prepared in advance for recording the information on the spot in a face to face interview of sample beneficiaries. No vague questions were included in the questionnaire to avoid all sorts
of mistakes on the part of the respondents. The questions included in questionnaire were simple and short in nature and had characteristics of bringing out the information in relevant parts of the main theme of the study. The questionnaire framed on the basis of the requirement of the data was tested before using them in the field study so as to assess the reliability, validity, quality and clarity of information sought to be collected.

The field survey was conducted during the year December 2011-2012 March. All the respondents were personally interviewed. The beneficiary generally responded depending on their memories. All possible steps have been taken to reduce the errors in collection of data from beneficiaries by gaining confidence and co-operation so that they respond naturally to the best of their capacity.

5.3. INTERVIEW WITH THE BRANCH MANAGER:

A field survey of branch manager of various banks of the three blocks was conducted to have further insight into the functioning of banks. For this purpose, a separate questionnaire had been prepared. From each block three branch managers had been selected. Thus the final size of the sample branch managers was nine. In all the cases, branch managers were communicated personally to acquire the required information.

5.4 SECONDARY DATA:

In the present study, the secondary data have also been used for highlighting the various aspects of the problem under study. The secondary data were collected mainly from the various publications of RBI, NABARD, GOI, GOA, Annual reports of NABARD, Agricultural Statistics at a Glance, State Focus paper, books, Journals
like, Indian Journal of Agricultural Economics, Economic and political weekly, various international Journals, various publications of Directorate of Economics and Statistics, published works and articles in connection with the study.

5.5 RESEARCH DESIGN:

Our study is based on multi-stage random sampling technique. At the first stage, simple random sampling technique is used to collect data from the KCC-holders. At the 2\textsuperscript{nd} stage, all the data collected through field survey have been tabulated in appropriate manner. A wide range of statistical measures namely percentage; ratio and average have been used for in-depth analysis. Pictorial presentation of some of the data has also been done in form of bar-diagrams, and pie-diagrams with the help of computer software SPSS16.0. For statistical analysis we took the help of computer software SPSS16.0 for window. Some of the data, map, and information were taken from various web-sites from the internet.

5.6 DEFINITION OF CONCEPTS:

Some of the important economic concepts used in our study are discussed as follows. On the basis of the economic concepts, quantitative analysis of the data has to be made.

**Agricultural Credit:**

Agricultural credit is the amount either in cash or in kind or in both forms, received from external sources. It may be institutional or non-institutional to be repaid in the specified period of time to the lender, with some interest for the use of funds by the borrower.
Over-dues:

The non-repayment of any part or full amount of loan by the borrowers to the lending agency within the time specified for the repayment.

Defaulters and non-defaulters:

Non-defaulters are considered as persons who pay the loan in full in accordance with the scheduled date of repayment, while defaulters are those who fail to repay their loans in full even after the scheduled time.

Marginal and Small farmers:

The farmers who have landholding below 1 hectare are called marginal farmers and those who have landholding in between 1 to 2 hectares are called small farmers.

Control Farmers or Non-KCC holders:

Control farmers are non-KCC holders and tenant farmers who do not have KCC but availed credit or loan from informal sources. Thus, control farmers are those farmers who do not have KCC and not availed credit or do not have KCC but availed credit from non-institutional sources.

Repayment:

It is the amount of loan which is scheduled to be recovered at some specific time period. The amount of loan which has already been recovered up to a point of time is called recovery. It means that the total amount due up to a point of time only has been recovered and it does not mean that the entire loan has been recovered.
5.7 A BRIEF PROFILE OF KAMRUP DISTRICT:

5.7.1 Area and Location:

Kamrup district is situated between 25.46° and 26.49° North Latitude and between 90.48° and 91.50° East Longitude. It is bounded by Udalguri and Baksā districts in the North, Meghalaya in the South, Darrang and Kamrup Metropolitan in the East and Goalpara and Nalbari district in the West. It has a geographical area of 3486.8 sq.km.

5.7.2 Administrative Division:

Administratively the district is divided into two sub-division viz. Guwahati and Rangia sub-division. Guwahati sub-division has eight Revenue Circles (Tehsils) with eleven (11) blocks. Rangia sub-division has three Revenue Circles (Tehsils) with four (4) blocks. The total number of revenue villages in the districts is 991 of which 735 are under Guwahati sub-division and 256 villages under Rangia sub-division.
Map of Kamrup District

Sample Blocks
- Rangia Block
- Rani Block
- Chamaria Block

Source: http://kamrup.nic.in/geofr.htm
5.7.3 Population:

Kamrup district’s population constituted 4.87 per cent of Assam total population according to 2011 census. Table-5.1 shows the population of Kamrup district as per 2011 census.

Table-5.1

Population of Kamrup district as per 2011 census

<table>
<thead>
<tr>
<th>State/district</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assam</td>
<td>15954927</td>
<td>15214345</td>
<td>31169272</td>
</tr>
<tr>
<td>Kamrup</td>
<td>778461</td>
<td>739081</td>
<td>1517542</td>
</tr>
</tbody>
</table>

Source: Census of India 2011.

Table-5.1 shows that total population of Kamrup district as per 2011 census was 1517542 out of which 778461 i.e. 51.30 per cent were male population and 739081 constituting 48.7 per cent were female population.

Table-5.2

Area-wise Population of Kamrup District as per 2011.

<table>
<thead>
<tr>
<th>State/District</th>
<th>Rural</th>
<th>Urban</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assam</td>
<td>86%</td>
<td>14%</td>
<td>31169272</td>
</tr>
<tr>
<td>Kamrup</td>
<td>90.63%</td>
<td>9.37%</td>
<td>1517202</td>
</tr>
</tbody>
</table>

Source: Census of India 2011.
Table-5.2 reveals that nearly 91 per cent population of Kamrup district was rural population and only 9 per cent was urban population. According to 2011 Census of India, Assam had 86 per cent rural population. Thus, it shows that number of rural population was high in Kamrup district than the state level according to 2011 census. The decadal growth rate of population from 2001 to 2011 was 15.67 per cent in Kamrup district and for Assam it was 15.35 per cent.

5.7.4 Literacy Rate:

Average literacy rate of Kamrup district in 2011 was 75.54 per cent compared to 67.73 per cent of 2001. Male and female literacy were 81.30 per cent and 69.47 per cent respectively. For 2001 census, the same figures stood at 75.89 per cent and 58.95 per cent in Kamrup district. This figure is depicted in table-5.3.

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>75.89</td>
<td>58.95</td>
<td>67.73</td>
</tr>
<tr>
<td>2011</td>
<td>81.30</td>
<td>69.47</td>
<td>75.54</td>
</tr>
</tbody>
</table>

Source: Census of India.

Thus it is clear from the table-5.3 that both male and female literacy have increased in 2011 in comparison to 2001 in Kamrup district.
5.7.5 Sex-Ratio:

With regard to sex-ratio in Kamrup district, it was 949 per 1000 male in 2011 census compared to 934 as per 2001 census. The average national sex-ratio in India was 940 and for Assam it was 954 as per 2011 census. Thus, it reveals that Kamrup district’s sex-ratio is below than the state level but above to the national level.

5.7.6 Density of population:

The density of population in Kamrup district was 436 per sq.k.m as per 2011 census and in Assam 397 per sq. km. Thus, 2011 census shows that Kamrup district’s density of population was far above than the state level.

5.7.7 Livelihood Context:

Kamrup district economy continues to be predominantly an agrarian economy as more than 70 per cent populations depend on agriculture. Agriculture and its allied activities play an important role in the socio-economic development of the state of Assam as this sector is the major contributor to the state economy as well as providing livelihood to a significant proportion of the people of the district. Animal husbandry sector has significant impact on employment generation in the district and plays a vital role in income generation of both the rural and semi-urban economy. Fishing also plays a pivotal role in the socio-economic development and employment generation in the district.

5.7.8 Land-Utilization Pattern in Kamrup District:

Table-5.4 shows the land-utilisation pattern in Kamrup district. Out of the total area of 308684 hectare net sown area is 177254 hectare which constituted 57.42
per cent of total area. Again, 59.41 per cent comprised the total cropped area in Kamrup district. Total uncultivable area is 27742 hectare and area sown more than once is only 2.00 per cent i.e. 6146 hectare.

Table-5.4 Land-Utilisation Pattern in Kamrup district, (Area in Hectare).

<table>
<thead>
<tr>
<th>Total area</th>
<th>Not available for cultivation</th>
<th>Other uncultivable excluding fallow land</th>
<th>Fallow land</th>
<th>Net sown area</th>
<th>Total cropped area</th>
<th>Area sown more than once</th>
</tr>
</thead>
<tbody>
<tr>
<td>308684</td>
<td>31671</td>
<td>27742</td>
<td>1132</td>
<td>177254</td>
<td>183400</td>
<td>6146</td>
</tr>
</tbody>
</table>


Thus, mono-cropping is widely practiced in Kamrup district. Soil structure of the district is mainly alluvial in nature. Large scale flood cause substantial damage to crops in the district. The major portion of the geographical area of the district is used for agricultural purposes.

5.7.9 Pattern of Operational Holdings:

Operational holdings reveal that majority of the farmers fall under the categories of small and marginal farmers. Table-5.5 depicts the details of operational holdings of Kamrup district.
Table-5.5

Details of Operational holdings of Kamrup District

<table>
<thead>
<tr>
<th>Category of farmers</th>
<th>Category of area</th>
<th>Operational area in ha</th>
<th>% of total operational area</th>
<th>No. of Holdings</th>
<th>% of total no. of holdings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marginal</td>
<td>&lt;1 ha</td>
<td>62569</td>
<td>24.70</td>
<td>161603</td>
<td>64.13</td>
</tr>
<tr>
<td>Small</td>
<td>1-2 ha</td>
<td>69963</td>
<td>27.69</td>
<td>55986</td>
<td>22.22</td>
</tr>
<tr>
<td>Semi-medium</td>
<td>2-4 ha</td>
<td>78316</td>
<td>31.00</td>
<td>27399</td>
<td>10.87</td>
</tr>
<tr>
<td>Medium</td>
<td>4-10 ha</td>
<td>35566</td>
<td>14.07</td>
<td>6865</td>
<td>2.72</td>
</tr>
<tr>
<td>Large</td>
<td>&gt;10 ha</td>
<td>6240</td>
<td>2.47</td>
<td>149</td>
<td>0.06</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>252648</td>
<td>100</td>
<td>252002</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Census of India, 2011.

Table-5.5 shows that marginal and small farmers constitute about 86 per cent of total number of holdings. Large farmers share is only 0.06 per cent. Due to existence of highest number of marginal and small holdings, development of agriculture is lagging behind in Kamrup district.

5.7.10 Human Development Index:

Kamrup is one of the better performing districts in respect of developments in basic human capabilities in three fundamental dimension, viz. a long and healthy life, knowledge and a decent standard of living as indicated by its HDI value of 0.574 (2nd
rank) which was far above the state average of 0.407. The Human Poverty Index calculated in 1999 indicates that 17.44 per cent of population in the district is in human poverty. The Gender related Development Index for Kamrup in 2001 was estimated to be 0.642, which was above the state average of 0.537.

5.8 BRIEF PROFILE OF THE SAMPLE BLOCKS:

In our study we have selected three blocks of Kamrup district namely Rani, Rangia, and Chamaria block for field investigation. Brief profiles of these three blocks have been highlighted to give an introduction of the blocks.

**Rani Development Block:**

Rani Development Block is situated at a distance of about 30 km. from Guwahati city and 20 km. from District headquarters and 9 km. from Lokpriya Gopinath Bordoloi International Airport (LGBIA). It is directly connected to Guwahati city and the Mirza town. Total area of Rani Development Block is 39256 hectares. There are 8 (eight) Gaon Panchayats, three Mouza and 95 Villages. Total population of Rani block according to 2011 census was 86056 and the number of SC/ST population was 20744 i.e. SC/ST constituted 24 per cent of total population. There are altogether nine banks operating in Rani Block namely Azara CBI, Rani UCO Bank, Bijaya Bank, Dharapur, AGVB Dharapur, AGVB, Barihat, Sikarhati Union Bank, Kulsi UBI, SBI, Airport Branch and PNB Loharghat Branch. The living conditions of most of the people are not good. Because majority of the farmer are under the small and marginal categories. Their size of operational holdings falls between 1-2 hectare. There are three Primary Health Centre (PHC), a few educational institutions such as one college, eight junior college, two high schools, 95 L.P school and eight M.E school in Rani Block. All kind of transport facilities are available here.
Total literacy rate was 76.53 per cent of which male literacy was 81.61 per cent and female literacy was 71.15 per cent as per 2011 census.

**Rangia Development Block:**

Rangia is the regional divisional headquarters of the North-East Frontier Railway. It is situated 52 km. away from the state headquarters Guwahati. Rangia Block is located at 26.47° N and 91.63° E. Total area of Rangia block is 29066 hectare. There are 14 Gaon Panchayat, 94 revenue villages. According to 2001 census total population was 1,16,833 and this increase to 1,71,738 in 2011 census. Eight Banks are operating in Rangia block. These are UCO Rangia, SBI Rangia, Union Bank, Rangia, AGVB Rangia, Apex Bank, Rangia, Alhabad Bank, Rangia and UCO Bank, Dimo. Educational institution, transport facilities are available within Rangia block. College, Law College, Teachers' Training College, H.S. Schools, High, M.E. and L.P. schools are existed within this block. Total literacy rate of Rangia block was 81.63 per cent of which male were 87.04 per cent and female 75.89 per cent according to 2011 census. Occupational pattern shows that the working populations in this block mainly engage in agriculture and allied activities and services. Operational landholding reveals that most of the farmers are marginal and small and their income level is also low.

**Chamaria Development Block:**

Chamaria Development Block is situated 125 km. away from district headquarters. It is mainly minority dominated area. Total literacy rate was 54.32 per cent of which male literacy rate was 57.92 per cent and female literacy 50.50 per cent according to 2011 census. General infrastructures such as road transport, electricity, and financial institution are available. In comparison to other blocks of Kamrup
district, this block posses lowest literacy rate. This may be due to lack of awareness among the minority people. Total geographical area of the block is 26,423 hectare, comprising 15 Gaon Panchyat and 88 revenue villages. Total population according to 2011 census was 1,77,772 out of which 92,220 are male and 85,552 are female. SC/ST population constitutes only 12.54 per cent of the total population. There are four banks in Chamaria block namely Central Bank of India (CBI), Nagarbera Branch, CBI, Malibari, CBI, Dhupdhara and UCO Chamaria Branch. Occupational pattern shows that majority of the people involved in agriculture and allied activities and only a few people engaged in service sector.

5.9 LIMITATIONS OF THE SURVEY:

It is admitted that the dimension of the field study is limited and deals with only three blocks of a district. The sample size of this study is also not so adequately large so as to cover maximum number of households. Only 210 KCC-beneficiaries and 90 non-KCC beneficiaries were selected due to resource constraint and shortage of time. As a result, our findings based on such limited coverage, cannot be treated as purely representative and satisfactory for the different socio-economic condition. However, utmost care had been taken to select the sample units and eliciting the right information from them. Moreover, the characters of the beneficiaries are more or less same in each block. Since our aim is to explore or describe the situation, issues and problems of KCC holders, the question of sample size is not so important. Hence, the size of sample has been made limited. We had also made sincere attempt to gather information from the real life experiences of the sample KCC beneficiaries and also non-KCC beneficiaries. The study has been valid and empirical.