



Source-wise agricultural credit and outstanding among farming communities: A study in Telangana

Dr. B Nageswar Rao

Associate Professor Department of Economics, Government Degree College, Yellandu, Bhadrachalam, Telangana, India

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Abstract

Agricultural credit plays an important role in meeting the financial requirements of farming communities and supporting agricultural activities. The present study, entitled “Source-wise Agricultural Credit and Outstanding Among Farming Communities: A Study in Telangana,” examines the distribution, frequency, amount availed and outstanding position of agricultural credit among farmers across different institutional sources. The study is based on primary data collected from 75 respondents who obtained agricultural credit from Primary Agricultural Cooperative Societies (PACS), National Cooperative Banks (NCBs) and Regional Rural Banks (RRBs). The analysis considers the socio-economic characteristics of respondents, landholding size, educational status, age, frequency of credit availed, credit range and outstanding agricultural credit. The findings reveal that NCBs were the major source of agricultural credit, accounting for 61.3 percent of the respondents, followed by PACS and RRBs. BC respondents constituted the largest social category, while marginal farmers formed the largest landholding group. Primary education was the most common educational level, and respondents aged 56-65 years constituted the largest age group. Five times was the most common frequency of credit availed during the last five years. The Rs.300,001-400,000 range was the most common credit range. NCB borrowers recorded the highest overall average agricultural credit of Rs.312,183 and the highest average outstanding credit of Rs.313,331. The study concludes that institutional credit is an important source of agricultural finance among the farming communities studied, with NCBs occupying a leading position. Strengthening timely, adequate and accessible institutional credit facilities can support farmers in meeting their agricultural financial requirements.

Keywords: Agricultural Credit, Outstanding Credit, Farming Communities, PACS, NCBs, RRBs, Institutional Credit, Farmers, Agricultural Finance, Telangana

Introduction

Agriculture remains an important component of the rural economy and the livelihood security of farming households. The production process requires expenditure before income is generated from the sale of agricultural produce. Farmers therefore need credit to finance cultivation operations, purchase agricultural inputs, meet labour costs, invest in irrigation and farm machinery, and manage seasonal cash-flow requirements. Timely and adequate agricultural credit can help farmers adopt improved technologies, maintain production and manage risks associated with agriculture.

Institutional agricultural credit has received considerable attention in India because formal financial institutions can provide comparatively organized and regulated sources of finance. Public sector banks, Regional Rural Banks and cooperative institutions have traditionally played an important role in agricultural lending. The Reserve Bank of India classifies crop loans and medium- and long-term loans for agriculture and allied activities within agricultural finance, while priority-sector lending provides an important framework for directing bank credit towards agriculture. (Reserve Bank of India)

The Kisan Credit Card (KCC) has further strengthened the mechanism of providing short-term agricultural credit. Recent RBI data show substantial outstanding credit under operative KCC accounts, demonstrating the continuing importance of formal agricultural credit in the rural economy. (Reserve Bank of India) NABARD has also emphasized production-oriented lending and timely credit

availability for agricultural inputs and seasonal operations. (NABARD)

Khammam District has a predominantly agricultural economy, with agriculture and allied activities providing livelihoods to a substantial section of the population. The district administration reports a large cultivated area and a significant number of farm holdings, underlining the importance of agricultural finance in the local economy. (Khammam District)

Review of Literature

Kumar, Singh and Sinha examined institutional credit to agriculture in India and observed that institutional credit had expanded substantially over time, with commercial banks becoming important sources of agricultural finance. Their study also identified education, farm size, family characteristics, occupation and other socio-economic factors as determinants of institutional credit use and recommended simplification of lending procedures for small and less-educated farmers. (Indian Journals). Kumar, Mishra, Saroj and Joshi investigated institutional versus non-institutional credit using national farm-household data. Their findings indicated that formal agricultural credit contributes positively to farm income and household consumption, demonstrating the broader economic importance of institutional finance. (ScienceDirect) Singh, Singh and Prakash examined the adequacy of the Kisan Credit Card scheme and highlighted the importance of sufficient and timely credit in meeting farmers' financial requirements.

Their study demonstrates that the adequacy of agricultural credit is an important dimension beyond simply measuring whether farmers have access to formal finance. (Sage Journals) Pavithra and Singh, using NSSO 77th-round data, found considerable regional differences in KCC coverage. Their findings also indicated that socio-economic characteristics, landholding size, education and access to institutional facilities influence KCC access. (Indian Agricultural Research Journals). Sonia, Malik and Sanjay reported that education and farm size positively influenced adoption of the KCC scheme, while procedural difficulties, repayment problems and other constraints affected participation. (Indian Journals).

Research Gap

Existing studies have extensively examined agricultural credit at national, state and district levels, particularly in relation to Kisan Credit Cards, institutional credit flow, credit access and agricultural productivity. However, there is limited village-level evidence concerning the frequency with which farmers repeatedly obtain agricultural credit, the amount of credit availed over a five-year period, and the corresponding outstanding liabilities. There is also limited comparative evidence across individual villages within Yerrupalem Mandal of Khammam District. Therefore, the present study fills a micro-level research gap by comparing 75 farmers in the major village of Meenavolu of Yerrupalem mandal.

Research Problem

Farmers require continuous financial resources because agricultural expenditure occurs throughout the cultivation cycle, whereas farm income is generally realized after harvesting and marketing. Although institutional banks provide agricultural credit, repeated borrowing may create continuing financial obligations and outstanding balances. Differences in farm size, investment requirements, cropping conditions and repayment capacity may also result in variations in the amount of credit utilised by farmers. The research problem of the present study is therefore to examine the frequency, range and average availability of agricultural credit and the outstanding credit position of farmers in selected villages of Yerrupalem Mandal.

Objectives of the Study

1. To examine the source-wise distribution and socio-economic characteristics of farming communities availing agricultural credit in Telangana.
2. To analyse the frequency and amount of agricultural credit availed by farmers from PACS, NCBs and RRBs.
3. To examine the source-wise outstanding agricultural credit and average outstanding credit among farming communities in Telangana.

Research Methodology

The data base for the study, used the primary and the secondary sources. The primary data collected from the respondent farmers in the sample village. The total 75 respondent farmers randomly selected for the study, 75 respondent farmers were interweaved directly by the scholar. The purpose of interview is to investigate number of times approached to banks for credit, how much you were taken credit, and at present what is your outstanding etc are the content for the study. The study was conducted in

Meenavolu village as one of the major revenue village in Yerrupalem Mandal of Khammam District, Telangana. The main purpose of selection is this mandal is closely associated to border of Andhra Pradesh and at the same time this pure agrarian economy in this village and almost all the farmers are having credit from the public sector banks as such this village was chosen for the study. The study uses primary data collected through a structured questionnaire/interview schedule administered to respondent farmers. Secondary information was obtained from reports and publications of the Reserve Bank of India, NABARD, government departments and relevant academic studies and mandal level statistical records were used. The was held in the last agricultural season 2025-26 financial year.

Results and Discussion

To justify the objectives the study has been adopted 9 simple percentages and average tables with the supporting of primary data which was collected from the respondent farmers in the respective villages. Mainly of number of times credit availed, range of credit distribution, average credit, range wise outstanding and average outstanding etc are analyzed in the following paragraphs.

Table 1: Primary Source of Credit and Social Category-wise Distribution of Respondents

Social Category	PACS	NCB	RRB	Total
SC	3 (17.6)	5 (10.9)	1 (8.3)	9 (12.0)
ST	1 (5.9)	4 (8.7)	1 (8.3)	6 (8.0)
BC	9 (52.9)	22 (47.8)	8 (66.7)	39 (52.0)
FC	4 (23.5)	15 (32.6)	2 (16.7)	21 (28.0)
Total	17 (22.7)	46 (61.3)	12 (16.0)	75 (100.0)

Source: Field Study, Note: Figures in parentheses indicate column percentages

Table - 1 presents the social and primary source-wise distribution of the respondent farmers of the study. The respondent farmers are availing the agricultural credit mainly by Primary Agricultural Cooperative Societies (PACS), National Commercial Banks (NCBs) and Regional Rural Banks (RRBs) like Telangana Grameena Vikas Banks. In the study area these are the main agricultural institutional credit sources to the farming community. The respondent farmers were representing for all the social categories of Scheduled Caste (SC), Scheduled Tribes (ST), Backward Castes (BC) and Forward Communities (FC) in the sample area. Out of 75 respondents a majority of 39 respondents accounting for 52.0 percent are belonging to BCs, followed by FC, SC and ST social categories are 21 respondents with 28.0 percent, 9 respondents constituted as 12.0 percent and 6 respondents constituted as 8.0 percent respectively. On the other hand of the 75 respondents, 46 respondents were constituted as 61.3 percent, 17 respondents are equals to 22.7 percent and 12 respondents with 16.0 percent are having the main source of agriculture credit are NCBs, PACS and RRBs respectively. The credit source wise and social category wise analysis are in the following lines.

In the credit source of NCBs of the 46 respondent farmers, 22 respondents constituted as 47.8 percent are BC as the highest followed by FC, SC and ST respondents are 15 respondents with 32.6 percent, 5 respondents representing for 10.9 percent and 4 respondents accounting for 8.7 percent respectively. Of the 17 respondents who got the

agricultural credit by the PACS, of which a majority of 9 respondents considered as 52.9 percent from the BC category, followed by 4 respondents equals to 23.5 percent of FC category, 3 respondents constituted as 17.6 percent from SC category and only one respondent in ST category. In the case of RRB are as the main agricultural credit out of 12 respondent farmers, of them BC are as the highest 8 respondents accounting for 66.7 percent, 2 respondents equals to 16.7 percent are FC category and each one respondent with 8.3 in each from ST and SC categories as observed from the data.

The data identified that the NCB as the largest main agricultural sources which is indicating that 61.3 percent of the respondents are rely on this credit sources. In all the credit sources BC category respondent farmers are major share it was observed as 66.7, 52.9 and 47.8 percent are depending on RRB, PACS and NCB respectively then followed by FC and SC categories. As per the data the BC and FC social categories are the major farming communities and at the same time the NCB is the largest provider of agricultural credit to the farming community in the rural areas.

Table 2: Primary Source of Credit and Landholding Size-wise Distribution of Respondents

Landholding Category	PACS	NCB	RRB	Total
MF	7 (41.2)	19 (41.3)	5 (41.7)	31 (41.3)
SF	5 (29.4)	13 (28.3)	3 (25.0)	21 (28.0)
Med F	3 (17.6)	9 (19.6)	3 (25.0)	15 (20.0)
LF	2 (11.8)	5 (10.9)	1 (8.3)	8 (10.7)
Total	17 (100.0)	46 (100.0)	12 (100.0)	75 (100.0)

Source: Field Study, Note: Figures in parentheses indicate column percentages

Table 2 presents the distribution of respondent farmers according to their primary source of agricultural credit and size of landholding. The respondents are classified into four landholding categories, namely Marginal Farmers (MF), Small Farmers (SF), Medium Farmers (Med F), and Large Farmers (LF). Landholding size-wise, Marginal Farmers constituted the highest proportion with 31 respondents, accounting for 41.3 percent of the total respondents, followed by Small Farmers with 21 respondents, accounting for 28.0 percent, Medium Farmers with 15 respondents, accounting for 20.0 percent, and Large Farmers with 8 respondents, accounting for 10.7 percent. Thus, the majority of the sampled respondents were Marginal Farmers, while Large Farmers constituted the smallest proportion.

Source-wise, NCBs were the major source of agricultural credit with 46 respondents, accounting for 61.3 percent of the total respondents, followed by PACS with 17 respondents, accounting for 22.7 percent, and RRBs with 12 respondents, accounting for 16.0 percent. Among the 17 respondents, who obtained agricultural credit primarily from PACS, Marginal Farmers constituted the highest proportion with 7 respondents, accounting for 41.2 percent, followed by Small Farmers with 5 respondents, accounting for 29.4 percent, Medium Farmers with 3 respondents, accounting for 17.6 percent, and Large Farmers with 2 respondents, accounting for 11.8 percent. Among the 46 respondents, who identified NCBs as their primary source of agricultural credit, Marginal Farmers constituted the highest proportion with 19 respondents, accounting for 41.3 percent, followed by Small Farmers with 13 respondents, accounting for 28.3

percent, Medium Farmers with 9 respondents, accounting for 19.6 percent, and Large Farmers with 5 respondents, accounting for 10.9 percent. In the case of RRBs, the Marginal Farmers constituted the highest proportion with 5 respondents, accounting for 41.7 percent, followed by Small Farmers and Medium Farmers with 3 respondents each, accounting for 25.0 percent respectively, while Large Farmers constituted the lowest proportion with 1 respondent, accounting for 8.3 percent.

Overall, the data indicate that Marginal Farmers constituted the largest share of respondents across all three institutional credit sources, followed by Small Farmers, Medium Farmers, and Large Farmers respectively. At the same time, NCBs emerged as the major source of agricultural credit, followed by PACS and RRBs respectively. The findings indicate that institutional agricultural credit was predominantly accessed by Marginal and Small Farmers, particularly through NCBs, which constituted the largest credit source among the sampled respondents.

Table 3: Primary Source of Credit and Educational Status-wise Distribution of Respondents

Educational Status	PACS	NCB	RRB	Total
Illiterates	1 (5.9)	4 (8.7)	1 (8.3)	6 (8.0)
Primary	8 (47.1)	22 (47.8)	6 (50.0)	36 (48.0)
Secondary	4 (23.5)	10 (21.7)	3 (25.0)	17 (22.7)
Higher	3 (17.6)	7 (15.2)	2 (16.7)	12 (16.0)
Technical	1 (5.9)	3 (6.5)	0 (0.0)	4 (5.3)
Total	17 (100.0)	46 (100.0)	12 (100.0)	75 (100.0)

Source: Field Study, Note: Figures in parentheses indicate column percentages

Table 3 presents the distribution of respondent farmers according to their primary source of agricultural credit and educational status. The educational status of the respondents is classified into five categories, namely Primary, Secondary, Higher, Illiterate, and Technical education. Educational status-wise, respondents with Primary education constituted the highest proportion with 36 respondents, accounting for 48.0 percent of the total respondents, followed by Secondary education with 17 respondents, accounting for 22.7 percent, Higher education with 12 respondents, accounting for 16.0 percent, Illiterates with 6 respondents, accounting for 8.0 percent, and Technical education with 4 respondents, accounting for 5.3 percent. Thus, the majority of the sampled respondents had Primary education, while those with Technical education constituted the lowest proportion.

Source-wise, NCBs constituted the major source of agricultural credit with 46 respondents, accounting for 61.3 percent of the total respondents, followed by PACS with 17 respondents, accounting for 22.7 percent, and RRBs with 12 respondents, accounting for 16.0 percent. Among the 17 respondents who obtained agricultural credit primarily from PACS, respondents with Primary education constituted the highest proportion with 8 respondents, accounting for 47.1 percent, followed by Secondary education with 4 respondents, accounting for 23.5 percent, Higher education with 3 respondents, accounting for 17.6 percent, and Illiterate and Technical education with 1 respondent each, accounting for 5.9 percent respectively. Among the 46 respondents who obtained agricultural credit primarily from NCBs, respondents with Primary education constituted the highest proportion with 22 respondents, accounting for 47.8

percent, followed by Secondary education with 10 respondents, accounting for 21.7 percent, Higher education with 7 respondents, accounting for 15.2 percent, Illiterates with 4 respondents, accounting for 8.7 percent, and Technical education with 3 respondents, accounting for 6.5 percent. In the case of RRBs, respondents with Primary education constituted the highest proportion with 6 respondents, accounting for 50.0 percent, followed by Secondary education with 3 respondents, accounting for 25.0 percent, Higher education with 2 respondents, accounting for 16.7 percent, and Illiterates with 1 respondent, accounting for 8.3 percent. No respondent with Technical education reported RRBs as the primary source of agricultural credit.

Overall, the data indicate that respondents with Primary education constituted the largest proportion across all three institutional credit sources, followed by Secondary and Higher education respectively. NCBs emerged as the major source of agricultural credit, followed by PACS and RRBs respectively. The findings indicate that institutional agricultural credit was predominantly accessed by respondents with Primary education across the three major sources of agricultural credit.

Table 4: Primary Source of Credit and Age-wise Distribution of Respondents

Age Category	PACS	NCB	RRB	Total
Up to 25 Years	1 (5.9)	4 (8.7)	1 (8.3)	6 (8.0)
26-40 Years	4 (23.5)	11 (23.9)	3 (25.0)	18 (24.0)
41-55 Years	5 (29.4)	12 (26.1)	3 (25.0)	20 (26.7)
56-65 Years	6 (35.3)	15 (32.6)	4 (33.3)	25 (33.3)
Above 65 Years	1 (5.9)	4 (8.7)	1 (8.3)	6 (8.0)
Total	17 (100.0)	46 (100.0)	12 (100.0)	75 (100.0)

Source: Field Study, Note: Figures in parentheses indicate column percentages

Table 4 presents the distribution of respondent farmers according to their primary source of agricultural credit and age. The respondents are classified into five age groups, namely up to 25 years, 26-40 years, 41-55 years, 56-65 years, and above 65 years. Age-wise, the respondents in the age group of 56-65 years constituted the highest proportion with 25 respondents, accounting for 33.3 percent of the total respondents, followed by the 41-55 years age group with 20 respondents, accounting for 26.7 percent, the 26-40 years age group with 18 respondents, accounting for 24.0 percent, and the age groups up to 25 years and above 65 years with 6 respondents each, accounting for 8.0 percent respectively. Thus, the majority of the sampled respondents were in the 56-65 years age group, while the lowest representation was observed among respondents up to 25 years and above 65 years.

Source-wise, NCBs constituted the major source of agricultural credit with 46 respondents, accounting for 61.3 percent of the total respondents, followed by PACS with 17 respondents, accounting for 22.7 percent, and RRBs with 12 respondents, accounting for 16.0 percent. Among the 17 respondents who obtained agricultural credit primarily from PACS, the 56-65 years age group constituted the highest proportion with 6 respondents, accounting for 35.3 percent, followed by the 41-55 years age group with 5 respondents, accounting for 29.4 percent, the 26-40 years age group with 4 respondents, accounting for 23.5 percent, and the age groups up to 25 years and above 65 years with 1 respondent

each, accounting for 5.9 percent respectively. Among the 46 respondents who obtained agricultural credit primarily from NCBs, the 56-65 years age group constituted the highest proportion with 15 respondents, accounting for 32.6 percent, followed by the 41-55 years age group with 12 respondents, accounting for 26.1 percent, the 26-40 years age group with 11 respondents, accounting for 23.9 percent, and the age groups up to 25 years and above 65 years with 4 respondents each, accounting for 8.7 percent respectively. In the case of RRBs, the 56-65 years age group constituted the highest proportion with 4 respondents, accounting for 33.3 percent, followed by the 41-55 years and 26-40 years age groups with 3 respondents each, accounting for 25.0 percent respectively, while the age groups up to 25 years and above 65 years had 1 respondent each, accounting for 8.3 percent respectively.

Overall, the data indicate that the 56-65 years age group constituted the largest proportion of respondents across all three institutional credit sources, followed by the 41-55 years and 26-40 years age groups respectively. The age groups up to 25 years and above 65 years constituted the lowest proportion. NCBs emerged as the major source of agricultural credit, followed by PACS and RRBs respectively.

Table 5: Distribution of Respondents and Frequency of Agricultural Credit Last Five Years by the Primary Source of Credit

Number of Times	PACS	NCB	RRB	Total
Two	1 (5.9)	3 (6.5)	1 (8.3)	5 (6.7)
Three	5 (29.4)	12 (26.1)	3 (25.0)	20 (26.7)
Four	5 (29.4)	14 (30.4)	4 (33.3)	23 (30.7)
Five	6 (35.3)	17 (37.0)	4 (33.3)	27 (36.0)
Total	17 (100.0)	46 (100.0)	12 (100.0)	75 (100.0)

Source: Field Study, Note: Figures in parentheses indicate column percentages

Table 5 presents the distribution of respondents according to the frequency of agricultural credit availed during the last five years from their primary source of credit. The respondents are classified based on the number of times they obtained agricultural credit, ranging from two to five times. Frequency-wise, respondents who availed agricultural credit five times constituted the highest proportion with 27 respondents, accounting for 36.0 percent of the total respondents, followed by those who availed credit four times with 23 respondents, accounting for 30.7 percent, those who availed credit three times with 20 respondents, accounting for 26.7 percent, and those who availed credit two times with 5 respondents, accounting for 6.7 percent. Thus, the data indicate that the majority of the respondents availed agricultural credit five times during the last five years, while the lowest proportion availed credit two times. Source-wise, NCBs constituted the major source of agricultural credit with 46 respondents, accounting for 61.3 percent of the total respondents, followed by PACS with 17 respondents, accounting for 22.7 percent, and RRBs with 12 respondents, accounting for 16.0 percent. Among the 17 respondents who obtained agricultural credit primarily from PACS, those who availed credit five times constituted the highest proportion with 6 respondents, accounting for 35.3 percent, followed by those who availed credit three times and four times with 5 respondents each, accounting for 29.4 percent respectively, while those who availed credit two

times constituted the lowest proportion with 1 respondent, accounting for 5.9 percent. Among the 46 respondents who obtained agricultural credit primarily from NCBs, those who availed credit five times constituted the highest proportion with 17 respondents, accounting for 37.0 percent, followed by those who availed credit four times with 14 respondents, accounting for 30.4 percent, those who availed credit three times with 12 respondents, accounting for 26.1 percent, and those who availed credit two times with 3 respondents, accounting for 6.5 percent. In the case of RRBs, respondents who availed agricultural credit four times and five times constituted the highest proportions with 4 respondents each, accounting for 33.3 percent respectively, followed by those who availed credit three times with 3 respondents, accounting for 25.0 percent, while those who availed credit two times constituted the lowest proportion with 1 respondent, accounting for 8.3 percent.

Overall, the data indicate that availing agricultural credit five times was the most common frequency among the respondents, followed by four times, three times, and two times respectively. Across all three institutional credit sources, NCBs emerged as the major source of agricultural credit, followed by PACS and RRBs respectively. The findings suggest that repeated access to institutional agricultural credit was relatively common among the sampled farmers during the last five years, with five-time credit availing representing the largest proportion of respondents.

Table 6 presents the distribution of respondent farmers according to the range of agricultural credit availed during the last five years from their primary source of credit. The respondents are classified into six credit ranges, ranging from up to Rs. 1,00,000 to above Rs. 5,00,000. Credit range-wise, respondents who availed agricultural credit in the range of Rs. 3,00,001-4,00,000 constituted the highest proportion with 26 respondents, accounting for 34.7 percent of the total respondents, followed by those in the range of Rs. 2,00,001-3,00,000 with 17 respondents, accounting for 22.7 percent, Rs. 4,00,001-5,00,000 with 12 respondents, accounting for 16.0 percent, Rs. 1,00,001-2,00,000 with 10 respondents, accounting for 13.3 percent, up to Rs. 1,00,000 with 6 respondents, accounting for 8.0 percent, and above Rs. 5,00,000 with 4 respondents, accounting for 5.3 percent. Thus, the largest proportion of respondents availed agricultural credit in the range of Rs. 3,00,001-4,00,000, while the lowest proportion availed credit above Rs. 5,00,000.

Table 6: Primary Source-wise Distribution of Respondents by Range of Agricultural Credit Availed during the Last Five Years

Credit Range	PACS	NCB	RRB	Total
Up to 100000	1 (5.9)	4 (8.7)	1 (8.3)	6 (8.0)
Rs.100001-200000	2 (11.8)	6 (13.0)	2 (16.7)	10 (13.3)
Rs.200001-300000	4 (23.5)	10 (21.7)	3 (25.0)	17 (22.7)
Rs.300001-400000	6 (35.3)	16 (34.8)	4 (33.3)	26 (34.7)
Rs.400001-500000	3 (17.6)	8 (17.4)	1 (8.3)	12 (16.0)
Above Rs.500000	1 (5.9)	2 (4.3)	1 (8.3)	4 (5.3)
Overall average	17 (100.0)	46 (100.0)	12 (100.0)	75 (100.0)

Source: Field Study, Note: Figures in parentheses indicate column percentages

Source-wise, NCBs constituted the major source of agricultural credit with 46 respondents, accounting for 61.3 percent of the total respondents, followed by PACS with 17

respondents, accounting for 22.7 percent, and RRBs with 12 respondents, accounting for 16.0 percent. Among the 17 respondents who obtained agricultural credit primarily from PACS, those who availed credit in the range of Rs. 3,00,001-4,00,000 constituted the highest proportion with 6 respondents, accounting for 35.3 percent, followed by the Rs. 2,00,001-3,00,000 range with 4 respondents, accounting for 23.5 percent, the Rs. 4,00,001-5,00,000 range with 3 respondents, accounting for 17.6 percent, the Rs. 1,00,001-2,00,000 range with 2 respondents, accounting for 11.8 percent, and the ranges up to Rs. 1,00,000 and above Rs. 5,00,000 with 1 respondent each, accounting for 5.9 percent respectively. Among the 46 respondents who obtained agricultural credit primarily from NCBs, those who availed credit in the range of Rs. 3,00,001-4,00,000 constituted the highest proportion with 16 respondents, accounting for 34.8 percent, followed by the Rs. 2,00,001-3,00,000 range with 10 respondents, accounting for 21.7 percent, the Rs. 4,00,001-5,00,000 range with 8 respondents, accounting for 17.4 percent, the Rs. 1,00,001-2,00,000 range with 6 respondents, accounting for 13.0 percent, the up to Rs. 1,00,000 range with 4 respondents, accounting for 8.7 percent, and the above Rs. 5,00,000 range with 2 respondents, accounting for 4.3 percent. In the case of RRBs, respondents who availed agricultural credit in the range of Rs. 3,00,001-4,00,000 constituted the highest proportion with 4 respondents, accounting for 33.3 percent, followed by the Rs. 2,00,001-3,00,000 range with 3 respondents, accounting for 25.0 percent, and the Rs. 1,00,001-2,00,000 range with 2 respondents, accounting for 16.7 percent. The ranges of up to Rs. 1,00,000, Rs. 4,00,001-5,00,000, and above Rs. 5,00,000 had 1 respondent each, accounting for 8.3 percent respectively.

Overall, the data indicate that the Rs. 3,00,001-4,00,000 credit range constituted the largest proportion of respondents across the total sample, followed by the Rs. 2,00,001-3,00,000, Rs. 4,00,001-5,00,000, Rs. 1,00,001-2,00,000, up to Rs. 1,00,000, and above Rs. 5,00,000 credit ranges respectively. Across all three institutional sources, the Rs. 3,00,001-4,00,000 range constituted the highest proportion of respondents. NCBs emerged as the major source of agricultural credit, followed by PACS and RRBs respectively.

Table 7: Primary Source-wise Average Agricultural Credit Availed by Respondents during the Last Five Years

Credit Range	PACS	NCB	RRB	Average Total
Up to 100000	65250	95240	72540	77676
Rs.100001-200000	125680	185470	136540	165668
Rs.200001-300000	215870	295000	275450	274157
Rs.300001-400000	315600	385200	368200	369013
Rs.400001-500000	454200	495250	476000	483190
Above Rs.500000	567000	652000	585200	612533
Overall average	260322	312183	293176	297387

Source: Field Study

Table 7 presents the primary source-wise average agricultural credit availed by the respondent farmers during the last five years across different credit ranges. The average amount of credit is presented separately for PACS, NCBs, and RRBs. Credit-range-wise, the highest overall average amount of agricultural credit was observed in the above Rs. 5,00,000 category, with an average of Rs. 6,12,533, followed by the Rs. 4,00,001-5,00,000 category with an

average of Rs. 4,83,190, the Rs. 3,00,001-4,00,000 category with an average of Rs. 3,69,013, the Rs. 2,00,001-3,00,000 category with an average of Rs. 2,74,157, the Rs. 1,00,001-2,00,000 category with an average of Rs. 1,65,668, and the up to Rs. 1,00,000 category with an average of Rs. 77,676. Thus, the average amount of agricultural credit increased progressively with the credit range.

Source-wise, NCBs recorded the highest overall average agricultural credit with Rs. 3,12,183, followed by RRBs with Rs. 2,93,176 and PACS with Rs. 2,60,322. The overall average agricultural credit across all three institutional sources was Rs. 2,97,387. Among PACS respondents, the highest average agricultural credit was observed in the above Rs. 5,00,000 category with Rs. 5,67,000, followed by the Rs. 4,00,001-5,00,000 category with Rs. 4,54,200, the Rs. 3,00,001-4,00,000 category with Rs. 3,15,600, the Rs. 2,00,001-3,00,000 category with Rs. 2,15,870, the Rs. 1,00,001-2,00,000 category with Rs. 1,25,680, and the up to Rs. 1,00,000 category with Rs. 65,250. The overall average agricultural credit among PACS respondents was Rs. 2,60,322. Among NCB respondents, the highest average agricultural credit was recorded in the above Rs. 5,00,000 category with Rs. 6,52,000, followed by the Rs. 4,00,001-5,00,000 category with Rs. 4,95,250, the Rs. 3,00,001-4,00,000 category with Rs. 3,85,200, the Rs. 2,00,001-3,00,000 category with Rs. 2,95,000, the Rs. 1,00,001-2,00,000 category with Rs. 1,85,470, and the up to Rs. 1,00,000 category with Rs. 95,240. The overall average agricultural credit among NCB respondents was Rs. 3,12,183. In the case of RRBs, the highest average agricultural credit was observed in the above Rs. 5,00,000 category with Rs. 5,85,200, followed by the Rs. 4,00,001-5,00,000 category with Rs. 4,76,000, the Rs. 3,00,001-4,00,000 category with Rs. 3,68,200, the Rs. 2,00,001-3,00,000 category with Rs. 2,75,450, the Rs. 1,00,001-2,00,000 category with Rs. 1,36,540, and the up to Rs. 1,00,000 category with Rs. 72,540. The overall average agricultural credit among RRB respondents was Rs. 2,93,176. Overall, the data indicate that the average amount of agricultural credit increased systematically with the credit range across all three institutional sources. NCBs recorded the highest overall average agricultural credit, followed by RRBs and PACS respectively. Among the individual credit ranges, the above Rs. 5,00,000 category recorded the highest average amount under NCBs, RRBs, and PACS respectively, while the up to Rs. 1,00,000 category recorded the lowest average amount across all three sources.

Table 8: Primary Source-wise Distribution of Respondents by Range of Agricultural Outstanding

Outstanding Range	PACS	NCB	RRB	Total
Up to 100000	3 (17.6)	7 (15.2)	2 (16.7)	12 (16.0)
Rs.100001-200000	3 (17.6)	9 (19.6)	2 (16.7)	14 (18.7)
Rs.200001-300000	4 (23.5)	11 (23.9)	3 (25.0)	18 (24.0)
Rs.300001-400000	3 (17.6)	10 (21.7)	2 (16.7)	15 (20.0)
Rs.400001-500000	2 (11.8)	6 (13.0)	2 (16.7)	10 (13.3)
Above Rs.500000	2 (11.8)	3 (6.5)	1 (8.3)	6 (8.0)
Overall average	17 (100.0)	46 (100.0)	12 (100.0)	75 (100.0)

Source: Field Study, Note: Figures in parentheses indicate column percentages

Table 8 shows that the largest proportion of respondents had outstanding agricultural credit in the range of Rs.200,001-300,000, with 18 respondents, accounting for 24.0 percent

of the total. This was followed by the Rs.300,001-400,000 range with 15 respondents, accounting for 20.0 percent, and the Rs.100,001-200,000 range with 14 respondents, accounting for 18.7 percent. Further, 12 respondents, accounting for 16.0 percent, had outstanding credit up to Rs.100,000, while 10 respondents, accounting for 13.3 percent, had outstanding credit between Rs.400,001 and Rs.500,000. The lowest proportion was observed among respondents with outstanding credit above Rs.500,000, comprising 6 respondents, or 8.0 percent.

Source-wise, NCBs constituted the largest source of outstanding agricultural credit, covering 46 respondents, accounting for 61.3 percent of the total. This was followed by PACS with 17 respondents, accounting for 22.7 percent, and RRBs with 12 respondents, accounting for 16.0 percent. Among PACS borrowers, the highest number of respondents, 4, accounting for 23.5 percent, had outstanding credit in the range of Rs.200,001-300,000. This was followed by the ranges of up to Rs.100,000, Rs.100,001-200,000 and Rs.300,001-400,000, each having 3 respondents, accounting for 17.6 percent. The Rs.400,001-500,000 and above Rs.500,000 ranges each accounted for 2 respondents, or 11.8 percent. Among NCB borrowers, the highest proportion was found in the Rs.200,001-300,000 range, with 11 respondents, accounting for 23.9 percent. This was followed by the Rs.300,001-400,000 range with 10 respondents, accounting for 21.7 percent, and the Rs.100,001-200,000 range with 9 respondents, accounting for 19.6 percent. Further, 7 respondents, accounting for 15.2 percent, had outstanding credit up to Rs.100,000, while 6 respondents, accounting for 13.0 percent, had outstanding credit between Rs.400,001 and Rs.500,000. Only 3 respondents, accounting for 6.5 percent, had outstanding credit above Rs.500,000. Among RRB borrowers, the highest proportion was observed in the Rs.200,001-300,000 range, with 3 respondents, accounting for 25.0 percent. The ranges of up to Rs.100,000, Rs.100,001-200,000, and Rs.300,001-400,000 each included 2 respondents, accounting for 16.7 percent. The Rs.400,001-500,000 range also accounted for 2 respondents, or 16.7 percent, while only 1 respondent, accounting for 8.3 percent, had outstanding credit above Rs.500,000.

Overall, the Rs.200,001-300,000 outstanding credit range constituted the largest category among the respondents, while the above Rs.500,000 range constituted the smallest. Across all three sources, NCBs were the major source of outstanding agricultural credit, followed by PACS and RRBs respectively.

Table 9: Primary Source-wise Average Outstanding Agricultural Credit of Respondents

Outstanding Range	PACS	NCB	RRB	Average Total
Up to 100000	85882	82083	82188	83384
Rs.100001-200000	125800	145650	135260	135570
Rs.200001-300000	216800	245850	236500	233050
Rs.300001-400000	315600	368450	312560	332203
Rs.400001-500000	452800	475550	426580	451643
Above Rs.500000	512750	562350	514800	529967
Overall average	284939	313331	284648	294303

Source: Field Study

Table 9 presents the primary source-wise average outstanding agricultural credit of the respondents. The table indicates that the average outstanding credit increased

consistently with the outstanding credit range. The highest average outstanding credit was recorded in the above Rs.500,000 category at Rs.529,967. This was followed by the Rs.400,001-500,000 range with an average of Rs.451,643, the Rs.300,001-400,000 range with Rs.332,203, and the Rs.200,001-300,000 range with Rs.233,050. Further, the Rs.100,001-200,000 category recorded an average outstanding credit of Rs.135,570, while the lowest average of Rs.83,384 was observed among respondents with outstanding credit up to Rs.100,000.

Source-wise, NCBs recorded the highest overall average outstanding agricultural credit at Rs.313,331. This was followed by PACS with Rs.284,939 and RRBs with Rs.284,648 respectively. The overall average outstanding agricultural credit across the three sources was Rs.294,303.

Among PACS borrowers, the average outstanding credit was highest in the above Rs.500,000 category at Rs.512,750, followed by Rs.452,800 in the Rs.400,001-500,000 range and Rs.315,600 in the Rs.300,001-400,000 range. The averages were Rs.216,800 in the Rs.200,001-300,000 category, Rs.125,800 in the Rs.100,001-200,000 category and Rs.85,882 in the up to Rs.100,000 category. The overall average for PACS borrowers was Rs.284,939.

Among NCB borrowers, the highest average outstanding credit was recorded in the above Rs.500,000 category at Rs.562,350. This was followed by Rs.475,550 in the Rs.400,001-500,000 range, Rs.368,450 in the Rs.300,001-400,000 range, Rs.245,850 in the Rs.200,001-300,000 range, Rs.145,650 in the Rs.100,001-200,000 range and Rs.82,083 in the up to Rs.100,000 category. The overall average for NCB borrowers was Rs.313,331.

Among RRB borrowers, the highest average outstanding credit was Rs.514,800 in the above Rs.500,000 category, followed by Rs.426,580 in the Rs.400,001-500,000 range and Rs.312,560 in the Rs.300,001-400,000 range. The corresponding averages for the Rs.200,001-300,000 and Rs.100,001-200,000 categories were Rs.236,500 and Rs.135,260 respectively, while the lowest average of Rs.82,188 was recorded in the up to Rs.100,000 category. The overall average for RRB borrowers was Rs.284,648.

Overall, the average outstanding agricultural credit increased progressively as the outstanding credit range increased. NCBs recorded the highest overall average outstanding credit, followed by PACS and RRBs respectively. The above Rs.500,000 category recorded the highest average outstanding credit across all three sources, whereas the up to Rs.100,000 category recorded the lowest.

Important Findings

- 1. Social Category:** BC respondents constituted the highest proportion of the sample with 39 respondents, accounting for 52.0 percent, followed by FC with 21 respondents, SC with 9 respondents and ST with 6 respondents.
- 2. Primary Source of Credit:** NCBs were the major source of agricultural credit, covering 46 respondents, accounting for 61.3 percent of the total. PACS accounted for 22.7 percent and RRBs for 16.0 percent.
- 3. Landholding Size:** Marginal farmers constituted the largest group with 31 respondents, accounting for 41.3 percent, followed by small farmers with 28.0 percent, medium farmers with 20.0 percent and large farmers with 10.7 percent.

4. Educational Status: Respondents with primary education formed the largest group with 36 respondents, accounting for 48.0 percent, followed by secondary education with 22.7 percent and higher education with 16.0 percent. Only 5.3 percent had technical education.

5. Age Composition: Respondents in the 56-65 age group constituted the largest proportion with 25 respondents, accounting for 33.3 percent, followed by the 41-55 age group with 26.7 percent and the 26-40 age group with 24.0 percent.

6. Frequency of Credit Availed: Five times was the most common frequency of agricultural credit availed during the last five years, with 27 respondents, accounting for 36.0 percent. This was followed by four times with 30.7 percent and three times with 26.7 percent.

7. Amount of Agricultural Credit Availed: The Rs.300,001-400,000 range was the most common credit range, covering 26 respondents, accounting for 34.7 percent. This was followed by Rs.200,001-300,000 with 22.7 percent and Rs.400,001-500,000 with 16.0 percent.

8. Average Agricultural Credit Availed: The average amount of agricultural credit increased with the credit range. NCB borrowers recorded the highest overall average credit of Rs.312,183, followed by RRB borrowers with Rs.293,176 and PACS borrowers with Rs.260,322.

9. Outstanding Agricultural Credit: The Rs.200,001-300,000 range had the largest share of respondents with outstanding agricultural credit, comprising 18 respondents, accounting for 24.0 percent. NCB borrowers also recorded the highest overall average outstanding credit at Rs.313,331, compared with Rs.284,939 for PACS and Rs.284,648 for RRBs.

Conclusion

The study shows that institutional sources play an important role in meeting the agricultural credit requirements of farmers. NCBs emerged as the major source of agricultural credit, followed by PACS and RRBs. The sample was dominated by BC respondents and marginal farmers, indicating that agricultural credit is particularly relevant to farmers with relatively smaller landholdings. The findings further show that most of the respondents had primary or secondary education and were concentrated in the 41-65 age groups. A considerable proportion of farmers availed agricultural credit four or five times during the last five years, indicating repeated dependence on institutional credit. The most common credit amount availed was in the Rs.300,001-400,000 range. The average amount of credit increased with the credit range, while NCB borrowers recorded the highest overall average credit. Similarly, the highest proportion of respondents had outstanding agricultural credit in the Rs.200,001-300,000 range, and NCB borrowers recorded the highest overall average outstanding credit. Overall, the study indicates that agricultural credit is an important financial source for the farmers studied, with NCBs occupying a leading position.

among the institutional sources. The findings also highlight the need for timely and adequate institutional credit, particularly for marginal and small farmers, to meet their agricultural financial requirements.

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