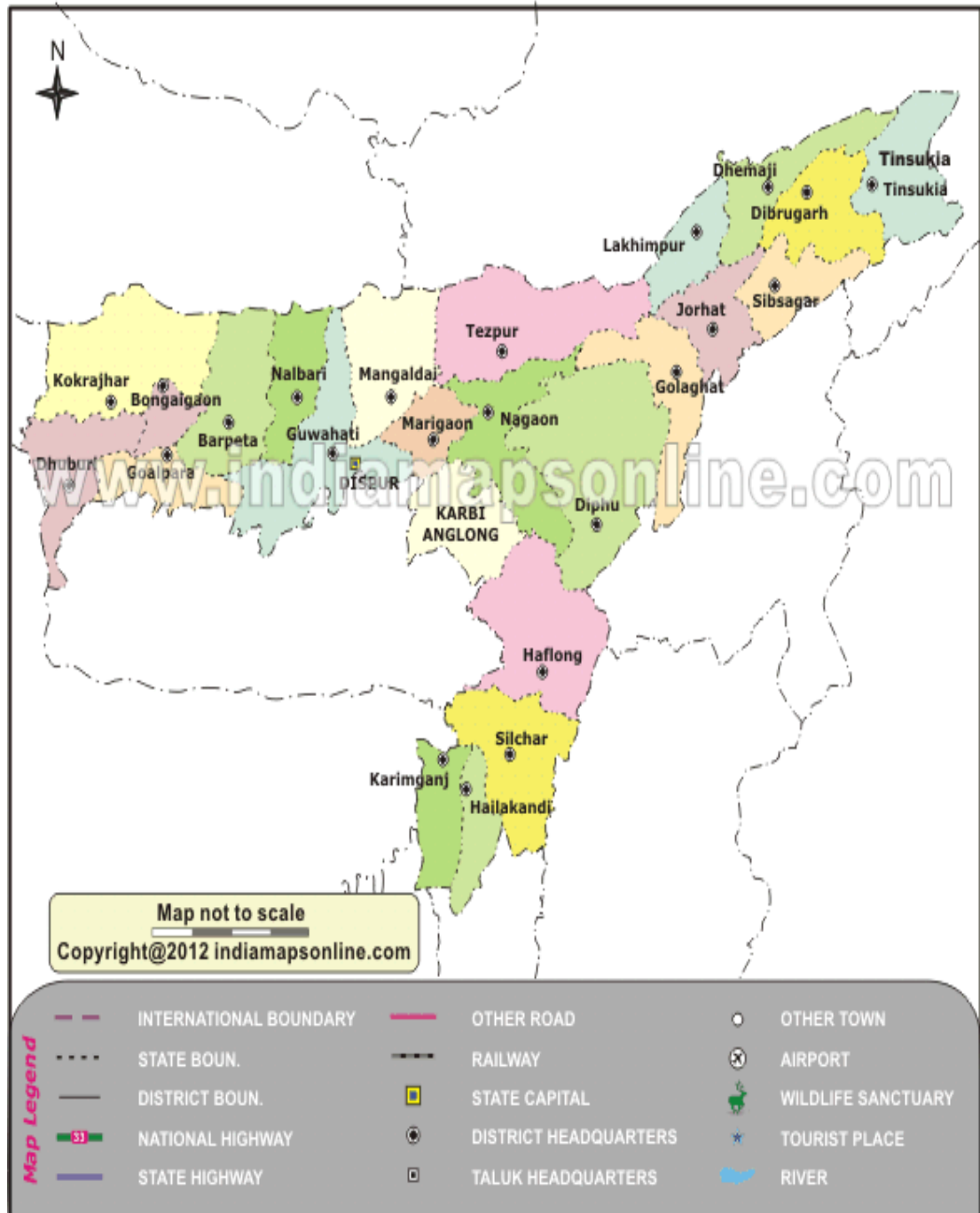


CHAPTER - III
PROFILE OF HAILAKANDI DISTRICT

- ✓ *General Background of the Hailakandi District*
- ✓ *Agro-climatic Condition*
- ✓ *Land Holding Pattern*
- ✓ *Demographic Features*
- ✓ *The Workforce and Its Occupational Pattern*
- ✓ *Operational Land Holding*
- ✓ *The Economy*
- ✓ *Agricultural Profile of Hailakandi District*
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- ✓ *Details of Financial Parameters of Major Credit Institutions of Hailakandi District*
- ✓ *Performance of Institutional Credit under Annual Credit Plan of Hailakandi District*
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MAP OF HAILAKANDI DISTRICT IN ASSAM



INTRODUCTION

This chapter mainly focuses on the Hailakandi district economy, in terms of geographical background, occupational structure, industrial development, agricultural scenario and banking progress in the district. The primary focus of the present chapter is on ascertaining general profile of the Hailakandi district of Assam. This chapter consist of two parts: (a) General Profile of Hailakandi district of Assam and (b) Agricultural Financing Pattern of Hailakandi District of Assam.

GENERAL PROFILE OF HAILAKANDI DISTRICT OF ASSAM

3.1 GENERAL BACKGROUND OF THE DISTRICT

Hailakandi was one of the oldest subdivisions in the state of Assam. Hailakandi district, a civil subdivision of erstwhile Cachar district till September 1989 and has attained the district status in October 1989, situated in the middle of the Barak Valley Zone. Hailakandi along with other southern districts of Assam viz. Cachar and Karimganj districts lies in the Barak Valley Zone. Hailakandi district occupies 19.26 percent area of the Zone. The District is situated in the southernmost part of Assam, and surrounded by the river Barak in the north. Cachar district and Mizoram state in the east, Mizoram state in the south and Karimganj district in the west (Status Paper, 2013-14, Pp.3)¹. Nature's beauty, diversity in human resource and simplicity of the people are the hallmarks of the district. People with varied language, religious and cultural hues co-exist in the district which reverberate an ambience of communal amity in the district.

3.1.1 HISTORY OF THE DISTRICT

It is opined that in ancient days, the old Cachar district was divided into a few smaller nations and each nation was ruled by an independent ruler. It is also believed that the Halam tribe people of Kuki origin were mostly inhabited in present Hailakandi district. Hence it was regarded as a Kuki state. The word 'Hala' denotes to God in Kuki language and Kundi refers to "Parameswara" or the land of "Parameswara". Thus, the word 'Hala-Kundi' means "Kingdom of God". Perhaps,

the word 'Halakundi' was changed to 'Halla-Kandi' during Kachari rule and finally during the British rule it was converted into its present term 'Hailakandi'.

It is believed that the present Hailakandi district was the kingdom of Kuki tribes until 1568 A.D. and the whole kingdom was under the control of Tripura administration. From the two other brick inscriptions discovered on the bank of 'Rakvata' or "Shakwala Dighi" (tank) about 3 kms away from Lalabazar that Maharaja Harish Chandra Narayan had been ruling over this country up to 1490 saka or 1568 A.D. It can be said that the Kacharis did not come to Hailakandi which was under the Tripura administration up to 1568 A.D and were inhabited by Kuki.

The cultivators were also helped to encroach upon the Tripuri territory in the Dhaleswari Valley which consisted the most area of present Hailakandi district. Mr. C. A. Sopitt also admitted that the Kacharis were migrated to the plains of Cachar only in 1750 and king Suradarpa and his successors ruled over it. It is therefore, believed that present Hailakandi district came under Kachari kingdom only after 1750 A.D. The district Hailakandi as a part of old Cachar district was annexed to the British territory in 1832 and the central Cachar and a part of hill tracts of Cachar were finally annexed by the British in 1833. In 1854 the northern part of Cachar which was already under the British was annexed to the district of Nowgong (Nagoan). In 1867 with the formation of Naga Hills district, this tract was partitioned between the district of Nowgong and Cachar. At that time the district consisted of three Sub-Divisions, North Cachar, a hilly area of 4276 kms² and two plains Sub-Divisions of Silchar and Hailakandi with 4967 kms² (District Census Handbook, Hailakandi, 2011, Pp. 9-10)².

Initially, district had three Development blocks viz. Hailakandi, Lala & Katlicherra. 2 (Two) more Development blocks viz. Algapur (Bifurcation of Hailakandi Block) and South Hailakandi (Bifurcation of Katlicherra Block) Blocks were created in 1991-92. South Hailakandi Block is the largest and Katlicherra block is the smallest block of the district with respect to geographical area (Status Paper, 2013-14, Pp. 3)³.

3.1.2 TOPOGRAPHY

The district has undulated topography characterised by hills(3 blocks), hillocks, wide plains and low lying water logged areas known as beels (2 blocks) blessed with rivers and riverines (Potential Linked Credit Plan of NABARD, 2005-06, Pp. 14)⁴. The main river of the district Dhaleswari is originated from northern part of Mizoram and flows towards north through the middle of the district. To give a safeguard to Lala and Hailakandi township from the seasonal turbulence of Dhaleswari river, an artificial semi river like canal was dug out near Ganjakhouri village to divert the flow of Dhaleswari which is now bearing the name 'Katakhal River' and is joining the river Barak near Katakhal. The original Dhaleswari River on the northern part in fact is now a dead river draining into Barak River. The fertile land of Barak basin is suitable for various cereals, pulse, oil seeds and spices. Rice is the predominant crop of the district. The high, medium high and Tilla land are suitable for Horticulture crops (Status Paper, 2013-14, Pp.3)⁵. There are two reserve forests in Hailakandi District viz. Inner Line Reserve Forest and Katakhal Reserve Forest covering an area of 741 Sq km.

3.2 AGRO-CLIMATIC CONDITION

Hailakandi district with geographical area of 132700 hectare occupies 19.26% area of the Barak Valley Agro Climatic zone of Assam. The climate of the district is hot and humid with high rainfall. Humidity is as high as 69% or more (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 13)⁶.

Rainfall

Hailakandi district falls under high rainfall zone and about 60 per cent of the low lying areas are severely affected by floods. Average annual rainfall of the district is around 1600mm. Rainfall is irregular and ill distributed as most of it is received in the monsoon months causing flood. The annual rainfall ranges from 2132.6 mm to 3884.5 mm and is concentrated during the period April-September (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 13)⁷.

The average annual rainfall of the district is 2441.94 mm with 132 average rainy days on the basis of record of last 10 years. During this period, the rainfall varied from 1683.23 to 3469.80 mm annually. High rainfall generally concentrated during the months of May to August. The rainfall is quite erratic and uneven throughout the district. The pre monsoon rain (February-April) helps for growing Autumn Paddy and Kharif vegetable, normal monsoon (May – September) helps for growing winter paddy and in case of excess rainfall it causes damage to crops and livestock. The post monsoon (October – November) shower helps in panicle initiation stage of paddy crop. If sufficient shower is not received then it causes little dry spell condition in October on the other hand excess shower sometimes delays the cultivation of Rabi crops. Winter months (December – January) remains generally dry with scanty rainfall (Status Paper, 2013-14, Pp.4)⁸.

Table No. 3.1: Information on rainfall of Hailakandi district

Year	Rainfall (mm)	Rainy Days
2004	2759.30	136
2005	2907.72	135
2006	1308.49	116
2007	2977.90	110
2008	2278.10	116
2009	1466.70	79
2010	1430.04	110
2011	1087.36	138
2012	2839.45	134
2013*	942.20	44

*Up to June, 2013.

Source: Status Paper, 2013-14, Agriculture Department, Hailakandi district, Assam, pp. no. 5.

Soil Type

The soils of Barak Valley Zone owe their origin to Shillong Plateau and other surrounding hills to a large extent. The main river Barak of the Valley has minor contribution to it. The soils are formed from the sedimentary rocks like sand stone, shale and sandy shale depending upon situations (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 12)¹¹.

Structural classification of soils & soil Ph.

The soil varies from sandy to clay texture with pH from 4.5 to 5.9 and in regards to fertility status, Nitrogen is high to medium, Phosphate is medium to low and Potash content is low. The major classes of soil prevalent in the district are old riverine alluvial, Old Mountain alluvial, non-laterite red and peat soils. Old riverine alluvial soil of the district mainly confined to the banks of the river Barak, Katakhal, Dhaleswari. The soils of the district are classified in to 5 (Five) categories / type viz. Tilla land/ red soil, alluvial soil, sandy soil, sandy loam, clay and clay loam soils. 37.52% cultivable area of the district is occupied by Sandy loam soil, 31.76% by alluvial soil, 17.51% by clay loam soil, 9.90% by sandy soil and 3.30% by Tilla land/ red soils. Tilla land red soil existed only in 3 blocks viz. Lala, Katlicherra and South-Hailakandi whereas all other soils are existed in all the blocks of the district. From the point of the soils almost all tropical and semi tropical crops can be grown successfully with the some corrective measures. The soil of the district is highly acidic in nature. Texture of Soil is clay to clay loam in nature except riverine tracts and hilly tracts; it is clay to sandy loam and laterite (Status Paper, 2013-14, Pp.6)¹².

There is no Soil/ Input Testing Centre in the district for upgrading the soil fertility in the district. However, plans are afoot to establish a Soil Testing Laboratory under the aegis of Agricultural department (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 15)¹³.

Table No. 3.2: Block-wise classification of soils

Name of Block	Tilla Land/ red soil		Alluvial soil		Sandy Soil		Sandy loam Soil		Clay and Clay Loam Soil		Total Cultivable area
	Area	%	Area	%	Area	%	Area	%	Area	%	
Algapur	-	-	4632	43	1293	12	3124	29	1723	16	10772
Hailakandi	-	-	4034	32	1008	8	5168	41	2395	19	12605
Lala	928	5	5385	29	2043	11	7056	38	3157	17	18569
Katlicherra	372	6	1612	26	493	8	2602	42	1116	18	6195
South-Hailakandi	552	7	2131	27	710	9	3078	39	1421	18	7892
Total	1852		17794		5547		21028		9812		56033

Source: Status Paper, 2013-14, Agriculture Department, Hailakandi district, Assam, pp. no. 6.

3.3 LAND HOLDING PATTERN

The pattern of land-use of a country is determined by the physical, economic and institutional framework taken together. The total geographical area of the district is 1, 32,700 hectare. The gross sown area of the district increased from 61,885 hectare in 2003-04 to 67,736 hectare during the year 2012-13. But the net sown area of the district decreased from 46,255 hectare in 2003-04 to 45,157 hectare during the year 2012-13. A brief picture of land use pattern of Hailakandi district can be seen in the following table:

Table No. 3.3 Pattern of land utilisation of Hailakandi district

Name of the category	2003-04 (In hectare)	2012-13 (In hectare)
1. Total geographical area	132700	132700
Total agricultural land	N.A	48442
2. Areas under different situation		
a) Un-cultivable Barren land	12,214	6720
b) Forest area	63,661	50400
c) Fallow land (Current and old)	3,272	3035
d) Cultivable wasteland	275	250
e) Permanent pasture land	932	505
f) Land under Non-agriculture	N.A	20180
g) Area under paddy	36500	50105
h) Area under HYV Seeds (Paddy)	54725	44593
i) Chronically flood prone area	1050	8253
j) Chronically drought prone area	N.A	4995
k) Area sown more than once	N.A	21,779
3. Gross cropped area	61885	67,736
4. Net sown area	46255	45,157
5. Total cropping intensity	131%	150%
6. Area with heavy soil	41400	41400
7. Area with light soil	12000	12000
8. Area affected by pest endemic	N.A	894
9. Area under Mono crop	36950	25182
10. Area under Double crop	7600	18052
11. Triple cropped area	N.A	2150

Source: Different editions of Potential Linked Credit Plan, NABARD and Status Paper (2013-14): Agriculture Department, Hailakandi District, Assam.

The geographical area of the district is 132700 hectares, out of which 42.22% cultivable area, 3.59% is cultivable waste, 2.29% is current fallow, 42.59% is forest

area, 0.70% is pasture, 6.17% is land in non agricultural use, 1.32% is miscellaneous plantation and 1.12% is barren and waste land. Currently, out of total cultivable area, only 82.49% is under cultivation. Low coverage of cultivable area is due to inadequate irrigation facility (Status Paper, 2013-14, Pp.6)¹⁴.

Block wise land pattern of the district is given in the following table:

Table No. 3.4: Land use pattern in different blocks in hectares

Name of Block	Geographical area	Cultivable Area	Cultivated Area	Cultivable Waste	Current Fallow	For-est	Pas-ture	Land in non Agril. use	Misc. Plan-tation	Barren (Waste Land)
Algapur	13208	10772	8074	1264	674	580	171	1426	78	63
Hailakandi	15465	12605	10310	936	779	851	92	1648	120	170
Lala	44225	18569	14851	2004	764	20296	298	2156	376	392
Katlicherra	8438	6195	5182	242	373	315	187	1168	48	25
South-Hailakandi	51364	7892	6740	322	452	34475	181	1399	1130	836
Total	132700	56033	45157	4768	3042	56517	929	8187	1752	1486

Source: Status Paper (2013-14): Agriculture Department, Hailakandi district, Assam, pp. no. 7.

3.4 DEMOGRAPHIC FEATURES

Growth in Population

According to the Census of India, 2011 the population of Assam stands at 3,11,69,272, of which 1,59,54,927 are males and 1,52,14,345 females. The decadal growth of the State's population works out to 16.93 percent during the decade 2001-2011 as against 17.64 percent for the country as a whole. The density of population of the State has gone up to 397 as against India's density 382 as per 2011 Census.

The following table shows the trend of population in Assam and India.

Table No. 3.5: Population trend in Assam and India

Year	Population (in lakh)		Percentage Decadal Variation		Density (person per square kilometre)	
	Assam	India	Assam	India	Assam	India
1951	80	3611	19.9	13.3	102	117
1961	108	4392	35.0	21.5	138	142
1971	146	5481	35.0	24.8	186	177
1981	180*	6833	23.4*	24.7	230*	230
1991	224	8463	24.2	23.9	286	267
2001	266	10270	18.9	21.5	340	325
2011	312	12102	16.9	17.6	397	382

*Interpolated

Source: Economic Survey of Assam, 2011-12, pp. no.8.

The following table highlights the decadal percentage variation in population from 1951-61 to 2001-11 of Hailakandi district of Assam.

Table No. 3.6: Decadal percentage variation in population of Hailakandi district

Year	Hailakandi district	Assam
1951-1961	27.23	34.98
1961-1971	23.61	34.95
1971-1991	45.94	53.26
1991-2001	20.89	18.92
2001-2011	21.44	16.93

Source: Economic Survey of Assam, 2011-12, pp. no.13.

The total population of the Hailakandi district as per 2001 census was 5,42,872 which reached at 6,59,296 in 2011 census. The population density is 497 per sq. km and sex ratio is of 951 female per 1000 males. On the aspect of sex ratio in urban area, Hailakandi district occupy 992 female per 1000 males highest than other districts of Assam. The schedule caste population constitutes 10.71% whereas the schedule tribe population constitutes 0.10%. The literacy rate of the district is

74.3% as per 2011 population census where it was 59.84% in 2001 census; however it varies across gender, urban and rural area. In urban area, the literacy rate of Hailakandi district is 94.67% possess highest position than other districts of Assam according to the 2011 census.

The following table highlights the some general demographic features of Hailakandi district of Assam from 2001 to 2011.

Table No. 3.7: General demographic features of Hailakandi district of Assam from 2001 to 2011

DESCRIPTION	2011	2001
Actual Population	659,296	542,872
Male	337,890	280,513
Female	321,406	262,359
Population Growth	21.45%	20.89%
Area Sq. Km	1,327	1,327
Density/km2	497	427
Proportion to Assam Population	2.11%	2.04%
Sex Ratio (Per 1000)	951	935
Child Sex Ratio (0-6 Age)	954	927
Average Literacy	74.33%	59.84%
Male Literacy	80.74%	68.24%
Female Literacy	67.60%	50.46%
Total Child Population (0-6 Age)	111,278	100,962
Male Population (0-6 Age)	56,936	52,400
Female Population (0-6 Age)	54,342	48,563
Literates	407,366	3,872,120
Male Literates	226,836	2,136,829
Female Literates	180,530	1,735,291
Child Proportion (0-6 Age)	16.88%	18.60%
Boys Proportion (0-6 Age)	16.85%	18.68%
Girls Proportion (0-6 Age)	16.91%	18.51%

Source: Economic Survey of Assam, 2013-14.

Block-wise Composition

The following table represents the Block wise population details of Hailakandi district of Assam.

**Table No. 3.8: Block wise demographic pattern of Hailakandi district
(as per 2011 census)**

Name of the Blocks	Population		
	Male	Female	Total
Hailakandi	86040 (51.68)	80458 (48.32)	166498 (100.0)
Algapur	62764 (51.70)	58628 (48.30)	121392 (100.0)
Lala	103728 (51.06)	99411 (48.94)	203139 (100.0)
Katlicherra	37766 (51.45)	35644 (48.55)	73410 (100.0)
South-Hailakandi	48480 (51.11)	46377 (48.89)	94857 (100.0)
Total	338778 (51.38)	320518 (48.62)	659296 (100.0)

Source: Status Paper, 2013-14, Agriculture Department, Hailakandi district, Assam, pp. no. 3.
Figures in the parenthesis indicate percentage.

Rural-Urban Composition

The total population of the district 6,59,296 as per 2011 census and out of which 6,11,156 lived in rural areas and 48,140 in urban area. The following table represents the Urban and Rural wise household pattern as per population census 2011 report of Hailakandi district.

Table No. 3.9: Urban and rural wise household pattern

Urban	10259 (7.16%)
Rural	133091 (92.84%)
Total Household of the district	143350 (100.0%)

Source: Status Paper, 2013-14, Agriculture Department, Hailakandi district, Assam, pp. no. 4.

3.5 THE WORKFORCE AND ITS OCCUPATIONAL PATTERN

The total operational land holdings in the district are 83011 numbers, out of which 28.78% are landless farmers who are possessing 7.64% cultivable area of the district. 39.53% are marginal farmers those are occupying 32.18% cultivable area, 26.62% are small farmers and are holding 42.15% cultivable area, 3.26% are medium farmers and are occupying 9.60% area. 1.39% is large farmers who are holding 6.01% area and 0.42% are very large farmers and are occupying 2.41% area. Resource rich farmers purely on the basis of size of holding viz. very large, large and medium farmers are 5.07% and are possessing 18.03% cultivable area of the district. Resource poor farmers i.e. marginal/small and landless farmers are 94.93% and are holding 81.97% area. This data reveals that low cost technology has better adoption probability in comparison to high cost technology. Secondly, farmers are needed financial assistant from the financial institutions constantly to raise their income through the production of their farming systems (Status Paper, 2013-14, Pp. 3-4)¹⁵.

The following table represents category of farmers on the basis of cropped land holding working in the agriculture sector of Hailakandi district.

Table No. 3.10: Category of farm households

Landless	23891 (28.78%)
Marginal	32814 (39.53%)
Small	24804 (29.88%)
Large	1502 (1.81%)
Total Nos. of Farm households	83011 (100.0%)

Source: Status Paper (2013-14), Agriculture Department, Hailakandi district, Assam, pp. no. 4.

The following table represents classification of farm households on the basis of caste working in the agriculture sector of Hailakandi district. 83.87 percent of the farm households are belongs in general category where 12.83% of farm households are include in schedule caste category. A small percentage of farm households are belongs to others sections.

Table No. 3.11: Classification of farm households according to caste

Classification of Farm households	Figures
General	69621 (83.87%)
Schedule Caste	10650 (12.83%)
Schedule Tribe	950 (1.14%)
Others (OBC, MOBC etc)	1790 (2.16%)
Total	83011 (100.0%)

Source: Status Paper (2013-14), Agriculture Department, Hailakandi district, Assam, pp. no. 4.

3.6 OPERATIONAL LAND HOLDING

Around 76% of the farmers are marginal and small farmers with an average operational land holding of about 0.50 ha. However, average farm size/ holdings in the district stand at 0.63 ha (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 11)¹⁶. The following table represents the break-up of farm size (land holding) pattern of the district:

Table No. 3.12: Distribution of land holding

Size of Holding	No. of land holdings	Holding area (ha.)	Per capita operational holding (ha.)	% to total area	Remarks
Marginal Farmers (upto 1ha.)	65938 (74.52)	22919 (41.44)	0.35	41.43	MF & SF area is 75.72%
Small Farmers (1-2 ha.)	16910 (19.11)	18969 (34.29)	1.12	34.29	
Medium Farmers (2-4ha.)	5162 (5.83)	11562 (20.90)	2.24	20.9	OF area is 24.28%
Large Farmers (4 ha. And above)	478 (0.54)	1866 (3.37)	3.9	3.37	
Total	88488 (100.0)	55316 (100.0)	0.63	100	

Source: Potential Linked Credit Plan (2012-13 to 2016-17) with specific reference to 2013-14, NABARD, Hailakandi District, Assam, pp. no. 11.

3.7 THE ECONOMY

The district is bountifully endowed with rich soil and forest wealth. It is ideally suited to produce a wide range of plantation crops, fruits and vegetables and herbs.

Agriculture, fishery and forestry are the basic sectors which determine the economy of the district. However, the irony is that the district is sadly deficient in food supply and essential items. The economy of Hailakandi District is predominantly dependent on agriculture like any other district in the state. Agriculture and its allied activities are the predominant income generating activities of the district. 76% land holdings are by small and marginal farmers who practise homestead farming wherein along with crop cultivation, dairy, backyard poultry etc. are also carried out. There are 83,011 farm families consisting of 88,488 farmers (land holding) practising agriculture (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 11)¹⁷. Livestock plays an important role in the economy of the district undertaken by farmers. Subsistence agriculture with limited diversification and commercialisation of allied activities and high value crops still accounts for about two thirds of the labour force engaged but only about one fourth of the total income generated.

3.7.1 MAJOR FOOD / HORTICULTURE CROPS / COMMERCIAL / PLANTATION AND SERICULTURE

Major Food

The major food crop grown in the district is paddy in all the three seasons namely Aus (Autumn), Sali (Winter) and Boro (Summer), maximum coverage is of Sali paddy. Other crops cultivated in the district include potato, pulses, mustards, sugarcane and vegetables (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 6)¹⁸.

Horticulture Crops

Hailakandi district is situated at the tip of Assam bordering Mizoram, with conducive agro-climatic conditions favourable for growing wide variety of horticulture crops (Potential Linked Credit Plan of NABARD, 2012-13, Pp. 28)¹⁹. Horticulture crops grown in the district are banana, pineapple, coconut and arecanut. The Department of Agriculture is the nodal agency for development of horticulture in the district. Technology Mission for Horticulture is being implemented in the district. Development of Horticulture not only helps in creating

additional job opportunities for unemployed youth but also useful from the point of value addition to the food and food processing sector. Horticulture crops are grown in unscientific manner particularly in homestead condition, which deprives the farmers in obtaining higher production (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 35)²⁰.

Tea Plantation

Tea is an important commercial crop of the district. The district has around 17 Tea Estates covering an area of about 5500 hectare of Katlicherra, Lala and South Hailakandi Blocks. Considering the agro climatic and soil conditions, support services and availability of cheap labour, there is scope for further expansion of the area under tea plantation in the district (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 36)²¹.

Rubber Plantation

As regards plantation activities, there are substantial areas under Rubber cultivation in the district. The Rubber Board has a sub-office at Hailakandi. During the year 2009-10, area under Rubber cultivation in the district was 942 hectare with a tapping area of 495.17 hectare, producing 732 MT Rubber, generating 1,81,900 man days of employment (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 35)²².

Manufacturing Industry

The socio-economic condition of the district still remains backward with lack of major industrial establishment in the district. The district can attain appreciable developments in non-farm sector especially in cane and bamboo related activities. Hindustan Paper Corporation owned by Govt. of India runs a paper mill in the district utilising the bamboo grown locally as well as in neighbouring districts, providing employment to a large number of people. Weaving is a traditional activity among the economically backward scheduled tribes. Despite the rich natural wealth, the district is devoid of any industrial development and is thus considered as one of the poorest district in the State. Proper utilisation of natural resources supported by necessary credit will go a long way in improving the economy of the district (Potential Linked Credit Plan of NABARD, 2005-06, Pp. 15)²³.

3.7.2 TRANSPORT INFRASTRUCTURE

Transport

Effective transport and communication are indispensable to economic progress. Transportation is an economic function, that is, it serves along with other productive functions in the production of goods and services in the economy (Rakshit, 2006)²⁴. Hailakandi district has remained in a very backward position in this economic infrastructure. Though the net work of roads is sufficient, all roads are not maintained properly and few are submersible during monsoon. The road connecting Panchgram and Manipur is a National Highway connecting Mizoram State with the district. The facility of air transport is absence.

Post and Telecommunication

Post and Telecommunication net work is adequate and the almost same type of facility is available in all five Developmental Blocks. There are 160 numbers of rural post offices and 3 numbers of urban post offices available in the district (Statistical Handbook of Assam, 2013, Pp.218)²⁴.

3.8 AGRICULTURAL PROFILE OF HAILAKANDI DISTRICT

Agricultural development is a special field which is influenced by natural environment upon nature and its distribution of man's activities and qualities. In the development of agriculture water, climate and natural resources play a predominant role (Sivachithappa and Thimmaiya, 2010, Pp. 99)²⁵. The structure and organisation of the agriculture sector are steadily evolving, driven by changes in production technology, off-farm opportunities, and the organisation of markets and linked industries.

Structure of the agricultural sector is frequently defined to encompasses:-

1. The member and sizes of farms.
2. Concentration of farm production.
3. Ownership and control of productive farm resources including land.
4. Enterprise and regional specialisation of production.
5. Contractual linkages with other farms or non-farm businesses.
6. Characteristics of farm operator households.

Structural characteristics, along with institutional arrangements, are of equal importance with traditional economic relationships in influencing the financing and performance of the agriculture sector (Rakshit, 2006)²⁶. In the district of Hailakandi, agricultural systems are dominated by peasant subsistence and small scale mixed family farms. Agriculture occupied a vital position in the districts' economy and nearly 76% of the total working force depends on agriculture.

3.8.1 AGRO-ECOLOGICAL SITUATION (AES)

The district has been divided into five Agro Ecological Situations (AESs) Viz. AES-I- Beel and Hoar situation (5% of cultivable area), AES-II- Alluvial flood prone situation (13% of cultivable area), AES-III- Alluvial flood free situation (17% of cultivable area); AES-IV- Plantation crop growing situation (45% of cultivable area) and AES-V- Hill and forest situation (20% of cultivable area) on the basis of Physiography, soil, climate, topography, cropping pattern etc. (Status Paper, 2013-14, Pp. 5)²⁷. The Agro Ecological Situation (AES-IV) prevailing in four blocks namely Hailakandi, Lala, Katlicherra and South Hailakandi with a cultivable area of 25,214 hectare has been found to be suitable for growing plantation and horticulture crops.

Table No. 3.13: Agro-Ecological Situation (AES) of Hailakandi district: block-wise

ACZ	Area of the ACZ covered by the district (%)	Name of AES	Type of AES	Block covered	Area in ha.	% of total area of district
Barak Valley Zone	19.26	AES-I	Beels and Hoars	Algapur, Hailakandi and Lala	1648	3
		AES-II	Alluvial flood prone situation	Algapur, Hailakandi and Lala	8405	15
		AES-III	Alluvial flood free situation	Hailakandi, Lala, Katlicherra and South Hailakandi	9525	17
		AES-IV	Plantation crop growing situation	Hailakandi, Lala, Katlicherra and South Hailakandi	25214	45
		AES-V	Hill and forest situation	Algapur, Lala South Hailakandi and Katlicherra	11205	20

Source: Potential Linked Credit Plan (2012-13 to 2016-17) with specific reference to 2013-14, Hailakandi District, Assam, pp, no. 12.

3.8.2 PRESENCE OF MAJOR FARMING SYSTEMS

There are various Farming patterns used in the Hailakandi district of Assam among the agriculturist.

Agriculture- Animal Husbandry- Fishery

Agriculture- Horticulture- Animal Husbandry- Fishery

Fishery- Agriculture

Agriculture- Animal Husbandry/ Poultry

Agriculture/ Horticulture- Animal Husbandry-Poultry (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 12)²⁸.

3.8.3 CROPPING PATTERN

Rice based cropping pattern is the principal cropping pattern in the Hailakandi district. Total area under Paddy cultivation is 50,105 hectare comprising 74 percent of the total Gross Cropped Area (GCA) of which 89 percent of the area is under HYV Paddy comprising around 44593 hectare. However, in some areas promotion of multi-cropping by Farmers clubs in the district has resulted in farmers gradually moving towards multi-cropping. Flood is a recurring feature of the district which causes extensive damage almost every year. The damage to the standing crop is a regular feature, especially during Kharif season. In fact, sixty per cent of the low lying area remains water logged during the monsoon (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 13 and 7)²⁹.

The following season-wise cropping pattern is being practised in the district:

Table No. 3.14: Cropping pattern of the district of Hailakandi

A	Flood Free Medium Land	<ul style="list-style-type: none"> • Ahu Paddy- Sali Paddy • Sali Paddy • Kharif Vegetables • Ahu Paddy-Rabi Vegetables • Kharif Vegetables- Rabi Pulses and Rabi Vegetables
B	Flood Affected Medium Land	<ul style="list-style-type: none"> • Ahu Paddy- Late Sali Paddy • Ahu Paddy- Rabi oil crops/ Pulses/ Vegetables • Late Sali – Boro Paddy
C	Flood Affected Low Land	<ul style="list-style-type: none"> • Boro Paddy/ Early Ahu • Early Ahu - Late Sali Paddy • Boro Paddy- Late Sali Paddy
D	High Land (Tilla)	<ul style="list-style-type: none"> • Kharif Vegetables • Horticultural crops • Kharif Vegetables- Rabi Vegetables

Source: Potential Linked Credit Plan (2012-13 to 2016-17) with specific reference to 2013-14, Hailakandi District, Assam, pp, no. 14.

The agricultural circle wise topographical situation and different cropping pattern adopted and practiced by the farmers are presented in the following table:

Table No. 3.15: Different cropping pattern: agricultural circle wise

Name of ADO Circle	Land Situation	% of Net Cropped area	Cropping Pattern followed
Panchgram	1.Flood Free medium land	10%	a)H.Y.V. Regular Ahu-H.Y.V Sali Paddy
	2.Flood affected medium land	30%	b) Sali Paddy
	3. Flood affected low land	60%	a) R/ Ahu Paddy- Late Sali Paddy a)Boro Paddy /E/Ahu Paddy
Boalipar	1.Flood free medium land	50%	a)R/Ahu Paddy –Sali Paddy
	2.Flood affected medium land	20%	a)Late Sali Paddy
	3.Flood affected low land	30%	a) Boro Paddy/E/ Ahu Paddy
Hailakandi	1.High land (Tilla)	5%	a) Kharif Vegetables / Horti crops.
	2.Flood free medium land	50%	a)Ahu Paddy-Sali Paddy
	3.Flood affected low land		b) Sali paddy
	4. Flood affected medium land	30%	a)E/Ahu Paddy-Late Sali Paddy b)Boro Paddy /E/Ahu Paddy
		15%	a)Boro Paddy /E./Ahu Paddy- Late Sali Paddy(Chance crop)

Lala H.Q	1. High Land (Tilla) 2. Flood free medium land 3. Flood affected low land	5% 70% 25%	--- a)Ahu Paddy – Sali Paddy b)Sali Paddy c)Kharif Vegetables –Rabi Vegetables a)E/ Ahu Paddy – Late Sali Paddy b)E/ Ahu Paddy – RabiVegetables
Lala Bazar	1. Flood free medium land	100%	a)Ahu Paddy – Sali Paddy b)Ahu Paddy – Rabi Vegetables c)Kharif Vegetables – Rabi Vegetables
Katlicherra	1. High land (Tilla) 2. Medium land	50% 50%	a)Horticultural crops b)Kharif Vegetables –Rabi Vegetables a)Ahu Paddy – Sali Paddy b) Kharif Vegetables – Rabi Vegetables
Monipur	1. High land (Tilla) 2. Medium land	60% 40%	a)Kharif Vegetables- Rabi Vegetables b)Horticultural crops . a)Sali Paddy b)Kharif Vegetables

Source: Status Paper of Hailakandi district (2013-14), Office of the District Agriculture Department, pp. no. 9.

The production and the productivity of major crops with area under cultivation during 2011-12 and 2012-13 are given below:

Table No. 3.16: Area, production and yield of major crops

Name of crop	Area in Hectare		Productivity (in MT/Ha)		Total production (in MT)	
	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13
Autumn Paddy	3500	3500	1.95	2.46	6825.00	8610.00
Winter Paddy	42135	42135	1.85	2.10	77949.00	88483.50
Summer Paddy	4470	3500	1.90	1.95	8493.00	6825.00
Black Gram	350	550	0.67	0.87	236.25	478.50
Green Gram	105	115	0.45	0.45	47.25	51.75
Pea	65	80	0.625	0.92	40.63	73.86
French Bean	1350	1355	0.860	1.25	1161.00	1693.75
Arhar	95	105	0.55	0.500	47.50	52.50
Rape & Mustard	390	408	0.70	0.72	273.00	293.76
Linseed	9	10	0.51	0.51	4.59	5.10
Sesamum	45	45	0.39	0.39	17.55	17.55
Kharif Vegetable	1901	2005	7.9	7.9	15017.90	15839.50

Rabi Vegetable	3705	3725	20.40	20.70	75582.00	77107.50
Potato	1050	1150	8.50	8.70	8925.00	10005.00
Sweet Potato	50	50	12.15	12.15	607.50	670.50
Chilli	195	210	6.0	6.10	1170.00	1281.00
Turmeric	141	175	3.12	3.12	439.92	546.00
Zinger	190	210	1.55	1.55	294.50	325.50
Black Pepper	30	33	0.125	0.125	3.75	4.13
Areca nut	2620	2628	0.312	0.312	817.00	819.93
Coconut	260	261	4.65	4.65	1209.00	1213.00
Pineapple	1435	1610	28.00	28.00	40180.00	45080.00
Litchi	101	101	6.90	6.90	696.90	696.90
Banana	1210	1315	12.55	12.55	15185.50	16503.25
Mango	132	133	5.25	5.00	693.00	665.00
Guava	180	180	2.25	2.35	405.00	423.00
Jack fruit	365	366	4.92	4.85	1798.80	1775.10
Assam Lemon	240	250	5.00	5.10	1200.00	1275.00
Orange	55	55	12.90	12.90	709.50	709.50
Papaya	115	115	35.00	35.00	4025.00	4025.00
Other Indigenous fruit crops	90	90	30.00	30.00	2700.00	2700.00

Source: Status Paper (2013-14): Agriculture Department, Hailakandi district, Assam, pp. no.8

3.8.4 SEEDS

Demands for quality seeds in the district is made by private seed supplier as well as Government Seed Farms of Assam States Seed Development Corporation. Agriculture Department is organising Seed Village Programme in 40 identified villages under seven ADO circles in an area of 400 ha involving 2000 farmers. The Directorate of Agriculture, Assam, being the implementing agency supplies certified seeds at 50% cost to the selected farmers for half acre (1.5bigha) per farmer. Three phased one day training is also provided to identify farmers on Seed Production Technique, isolation distance, sowing and best agronomic practices (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 15)³⁰.

3.8.5 TOTAL AREA UNDER HYV PADDY

The total area under HYV Paddy cultivation in Hailakandi district is representing below:

**Table No. 3.17: Distribution total area under HYV paddy for last 4 years
(in hectare)**

Name of crop	2009-10	2010-11	2011-12	2012-13
Autumn Paddy	5700	5700	3500	3500
Winter Paddy	39060	38590	42135	42135
Summer Paddy	4050	4500	4470	3500
Total area under H.Y.V Paddy	36120	37568	39583	40291
Total paddy area	48810	48790	50105	49135
% of total area under H.Y.V paddy	74%	77%	79%	82%

Source: Status Paper (2013-14): Agriculture Department, Hailakandi district, Assam, pp. no. 8.

3.8.6 FERTILISER AND PESTICIDES

The use of fertiliser and pesticides at the agricultural field in the district is low. The average consumption of fertiliser was 54 kg per hectare during 2010-11. Plant protection activities are taken up mostly for vegetable crops and paddy. Due to heavy price charged by the dealers and stock inputs inadequate quantity, lack of knowledge of scientific consumption of fertiliser and pesticides, farmers facing heavy loss in the cultivate of their agricultural product. The Agriculture Department also supplies organic fertilisers to farmers, namely, Azotobacter, Azospirillum, Rhizobium, etc., (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 15)³¹. The position of fertiliser consumption in the district are 317.69 M.T of Urea, 105.66 M.T of SSP, 407.50 M.T of DAP and 20.05 M.T of MOP in the year 2011-12 against 588.00 M.T of Urea, 254.00 M.T of SSP, 279.50 M.T of DAP and 82.00 M.T of MOP in the year of 2012-13.

Table No. 3.18: Fertilizer consumption of Hailakandi district

Sl No	2011-12 (in M.T)				2012-13 (in M.T)			
	Urea	SSP	DAP	MOP	Urea	SSP	DAP	MOP
1	317.69	105.66	407.50	20.05	588.00	254.00	279.50	82.00

Source: Status Paper (2013-14): Agriculture Department, Hailakandi district, Assam, pp. no. 7.

3.8.7 MARKETING INFRASTRUCTURE

In the year 1972 the Assam Agricultural Produce Market Act was passed by the Legislative Assembly and from 1976 the Regulated Market Scheme was introduced in the state with the formation of State Agricultural Marketing Board and the Regulated Market Committees at different places in the state with the objective to regulate buying and selling of agricultural produce, to eradicate malpractices prevailing in the trade in urban, semi-urban and rural markets and also to establish an efficient marketing system so that farmers may obtain reasonable and competitive price and the traders receive a fair deal in trading. The purpose is also to establish a modern market yard, where scientific godowns for storage, platforms for auction of agricultural commodities, display yards, traders shop, banks and post offices, are provided with. The scheme has been implemented by the Assam State Agricultural Marketing Board through Market Committees established in different areas of the State.

The Hailakandi District Regulated Market Committee operates a wholesale market in the district and it is functioning from since 1998. The Regulated Market Committee (RMC) has provided 10 Auction Platforms and 3 Drying Platforms. The RMC has formed 11 growers' societies in the district. The RMC had issued 106 licenses during the year 2010-11. Agriculture Department of the district has set up a Rural Haat at Jamira in Katlicherra Development Block during the year 2010-11. Apart this, there are other retail markets and haats available in all 5 Development Block of the district (Potential Linked Credit Plan of NABARD, 2012-13, Pp. 14 and 15)³².

3.8.8 IRRIGATION

Irrigation is critical input for increasing agricultural production and productivity. The irrigation facility of the district is very limited. The crops grow mostly on rainfed condition. The district has a very low ground water irrigation potentiality. The district has plenty of ponds and beels from which live saving irrigation can be provided in Rabi season through Low Lift Pumps. The main rivers, Dhaleswari and Katakhal are the tributaries of River Barak, Bakri Hawar, Ashiali Beel, Baiyala Beel, Itala Beel Bowa Beel and Churgul Beel which constitute main sources of irrigation (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 23)³³.

The cultivation of the district is mainly depended on the mercy of rain fall as only 4.09% of total cultivated area is irrigated. 18 Electrical Lift Irrigation Schemes (ELIS) and 19 deep tube wells have been constructed / installed by the department of Irrigation, but all most all are lying defunct or unutilized. The flow irrigation schemes are being implemented by the department is creating some potential areas for assured irrigation. The main source of irrigation in the district is low lift pumps, which are installed by the farmers themselves with or without government's assistance. The available irrigation facility is mainly confined to summer paddy and Rabi Vegetable crops in selected pockets. The department of Agriculture distributes power pumps, electric motors etc to create irrigation potential under Assam Agriculture Competitiveness Project (AACP), Rashtriya Krishi Vima Yojana (RKVY), and Bringing Green Revolution to Eastern India (BGREI) etc. (Status Paper, 2013-14, Pp. 5)³⁴. The area under irrigation source wise and block wise are given below:

Table No. 3.19: Block wise and source wise area under irrigation

Name of Block	Rain fed		Irrigated area in hactre (Source wise)							
			ELIS		DTWs		LLP and Others		Total Irrigated	
	Area	%	No	%	No	%	Area	%	Area	%
Algapur	10190	94.60	2	-	8	-	582	5.40	582	5.40
Hailakandi	12000	95.20	5	-	5	-	605	4.80	605	4.80
Lala	17891	96.35	6	-	5	-	678	3.65	678	3.65
Katlicherra	5953	96.10	2	-	1	-	242	3.90	242	3.90
South-Hailakandi	7679	97.30	3	-	-	-	213	2.70	213	2.70
Total	53713	95.91	18	-	19	-	2320	4.09	2320	4.09

Source: Status Paper (2013-14): Agriculture Department, Hailakandi district, Assam, pp. no. 5.

There are two implementing agencies for irrigation projects in the district namely Irrigation Department, which takes up exclusively Government Schemes and Agricultural Engineering Wing of Agriculture Department that takes up some important projects like Shallow Tube Wells (STWs), Low Lift Pump (LLP), Flow Irrigation etc. Most of the minor irrigation projects implemented in the district were funded under Assam Agriculture Competitiveness Project (AACP) with 70% subsidy and 30% beneficiary's contribution. The Divisional Office of the Minor Irrigation Department for the district is located at Hailakandi. The Divisional Office under Executive Engineer looks after major, medium and minor irrigation programmes of the State Government. Minor irrigation is only a small wing of the Irrigation Department. According to the source of Agriculture Department that shallow tube wells (STWs) in few pockets, Low Lift Pumps are feasible minor irrigation structure in the district. The objective of STW and LLP irrigation structure is to increase agricultural production, income and employment by supporting increased investment in simple, low- cost minor irrigation projects. As per the data available with Central Ground Water Board regarding ground water utilization, all the blocks in the district are in the white (safe) category. Net Ground water available for future irrigation use is 28,086 hectare meters (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 23-24)³⁵.

Water resources availability, utilization and stage of development in the district are as given in the following table:

Table No. 3.20: Water resources availability, utilization and stage of development in the district of Hailakandi

(a) Annual Replenishable Ground Water Resources	(In Hectare meters)
i. Recharge from Rainfall (Monsoon Season)	23134
ii. Recharge from other sources (Monsoon Season)	225
iii. Recharge from Rainfall (Non-Monsoon Season)	10860
iv. Recharge from other sources (Non-Monsoon Season)	59
Total	34279
(b) Natural discharge during non-Monsoon period	3428
(c) Net ground water availability	30851
(d) Annual Ground Water Draft	

i. Irrigation	698
ii. Domestic and industrial water supply	1421
Total	2119
(e) Projected demand for domestic and industrial uses up to 2025	2067
(f) Net ground water availability for future irrigation use	28086
(g) Stage of Ground Water Development (%)	7

Source: Potential Linked Credit Plan, (2012-13 to 2016-17) with specific reference to 2013-14, Hailakandi District, Assam, pp. no. 24.

3.8.9 STORAGE/ GODOWN

There is one Cold Storage of 5000 MT capacity and one Rural Godown of 500 MT capacity in the private sector. As such, there is a need to encourage setting up of more Rural Godowns in each of the Development Blocks (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 15)³⁶.

3.8.10 FARM MECHANIZATION

Mechanization of farm operations leads to increased production and productivity. It increases efficiency of agricultural operations and reduces the drudgery of labour. The increase in irrigation facilities leads to increase in demand for farm machinery for optimum utilization of irrigation through efficient farm operations and multiple cropping. It leads to reductions in costs and losses and increases income. The farm mechanization refers to use of wide range of farm machinery helps the farmers commercialize their farm operations instead of subsistence (Potential Linked Credit Plan of NABARD, 2005-06, Pp. 44)³⁷.

The extent of farm mechanization is at a very nascent stage in the district. The Agriculture Wing of the District Agriculture Office has distributed to the farmers different farm equipments like tractors, power tillers and small farm equipments at subsidized rate under various schemes. Hence, the mechanisation of farm operation is relatively less. The following table indicates the growth in farm implements during the study period.

Table No. 3.21: Distribution of agricultural physical inputs

Sl No	Item	2003-04	2004-05	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
1	Tractor	42	45	21	42	8	20	10	4	192
2	Power Tiller	138	145	156	50	96	111	-	65	761
3	Small Implement (Sets)	N.A	N.A	10	8	40	50	35	-	143

Source: Potential Linked Credit Plan (2005-06) and Status Paper (2013-14): Agriculture Department, Hailakandi district, Assam.

3.8.11 AGRICULTURAL FARMERS ORGANIZATION

Category wise numbers of Agricultural Organizations (Semi active to active) available in the district are given below:

Table No. 3.22: Numbers of agricultural organizations: category -wise

Category wise	Numbers
Field Management Committee (FMC)	417
Farmers Interested Group (FIG)	290
Self Help Group (SHG)	105
Agricultural Service Group (ASG)	120

Source: Status Paper (2013-14): Agriculture Department, Hailakandi district, Assam.

Name of the agricultural institutional arrangements exist in the district are given below:

Table No. 3.23: Agricultural institutional arrangements

Name of the Institutions	Total
Number of Villages (As per 2011 Census)	331
Agricultural Sub-Division	1
Community Development Block as on 2011	5
A.D.O. Circle	7
V.L.E.W Eleka	63
Gaon Panchayat as on 2011	62
Anchalik Panchayat as on 2011	5
Zila Parishad	1
Cooperative societies	16
Revenue Village	334
Seed farm	1
Tea Gardens	17
Krishi Vigyan Kendra (KVK) under ICAR	1
Regulated market	1

Source: Status Paper (2013-14): Agriculture Department, Hailakandi district, Assam.

3.8.12 AGRICULTURE EXTENSION AND OTHER SUPPORT SERVICES

Agriculture extension is very important component of development of agriculture sector and food security. The Agriculture Department provides the needed support and extension facilities on all issues/subjects related to field crops and horticulture crops. More integration was brought in agricultural extension through the ATMA model and Hailakandi was also included for extension under ATMA model from 2006-07. The District Agricultural Office of the district is taken responsibility for implementation of ongoing agriculture and horticulture extension programmes in the district through ATMA model. There are 36 Village Level Extension Workers (VLEWs). The district also has a Supervisory Training Centre (STC) under the District Agriculture Office which provides training service to the farmers as well as field level functionaries. There is Block Resource Centre (BRC) in each of the five Developmental Blocks under ATMA model of Hailakandi district. Extension Training Centre (ETC) of State Institute of Rural Development (SIRD) which also caters to the extension need of farmers (Potential Linked Credit Plan of NABARD, 2005-06, Pp. 44)³⁸.

Krishi Vigyan Kendra

The Krishi Vigyan Kendra (KVK) under ICAR, the innovative science based institution was established at Serispore (Balikandi Grant), Hailakandi in 2010 with the objective to impart vocational training to the farmers, rural youth and field level extension workers. The training programmes are designed to impart the latest knowledge of technology innovation in the field of agriculture and allied sector. The primary objective of Krishi vigyan Kendra is to reduce the gap between technology generation and technology implementation for the farmers through On Farm Testing (OFT) and Front Line Demonstration (FLD), work experience by applying the principle of “learning by doing”. The goal of the KVK is to impart trainings as per the needs and requirements in agriculture and allied sector to all the farmers, farm women and youths including school drop-outs in the rural area. The effectiveness of the KVK was further enhanced by adding the activities related to on-farm testing and Front Line Demonstration on major agricultural crops in order

to bring the latest technologies to the farmers. It endeavours the effect of technology by training the farmers on the basis of specific location and resource orientation. KVK has developed and distributed improved variety of paddy seed (Ranjit), Mushroom Spawn and improved variety of Poultry Birds (Vanaraja) in the district (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 16)³⁹.

3.9 CREDIT DELIVERY SYSTEM

3.9.1 Financial Inclusion through Branch Expansion Programme

Inclusive growth is basically known as ‘broad based growth, shared growth and pro poor growth’ achieved through financial inclusion of the vulnerable groups in the society where financial inclusion is a new pillar of economic growth. Banks and other services players are largely expected to mitigate the supply side processes that prevent poor and disadvantaged social groups from gaining access to the financial system. Expansion of the banking network was therefore crucial and hence a nationwide programme “*Swabhimaan*” was launched in February, 2011. “*Swabhimaan*” a path-breaking initiative by the Government and the Indian Banks’ Association tries to extend the reach of banks, bridge urban rural divide and strives towards some sort of egalitarianism.

According to the “*Swabhimaan*” guidelines issued by the RBI and NABARD to Commercial Banks and RRBs/ SCBs to ensure the provision of banking services through the use of technology and intermediaries in every village with population of over 2000 by March 2012. On this aspect, there are 85 villages in the district with population of over 2000, out of which 8 villages are covered by the financial institutions and 77 villages are covered by Banking Correspondence (BCs) namely Ultra Small Branch (USB) or Customer Service Point (CSP) (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 87)⁴⁰.

Name of the RRB	Total No. of villages allotted in the district	No. of villages covered as on 2011-12	No. of villages covered by Branch	No. of villages covered by BCs
RRB (AGVB)	36	36	2	34
CBs	49	49	6	43
TOTAL	85	85	8	77

Source: Potential Linked Credit Plan, 2013-14, NABARD, Hailakandi District, Assam, pp. no. 87.

Most of the banks are utilising Farmer's Club as Business Facilitators due to the deficiency of bank branch facilities. In order to achieve the objectives of financial inclusion, it has been decided to support RRBs who engage Farmers Club (FC) as Business Facilitator (BF) for extending the financial services to rural poor. However, no Farmers' Club in the district has been identified as Business Facilitator. According to the report of Dr. C. Rangarajan's Committee on Financial Inclusion, the Advisory Board of Financial Inclusion Fund (FIF) decided to support Lead Banks in 256 financially excluded districts and 10 disturb districts for setting up of Financial Literacy and Credit Counselling Centres (FLCCS). There are 19 districts in the state of Assam which are eligible for assistance under Financial Inclusion Fund (FIF) to set up the Financial Literacy and Credit Counselling Centres (FLCCS). The Lead Bank Office is actively pursuing with the Hailakandi Districts Administration for establishing Financial Literacy and Credit Counselling Centres (FLCCS) (Potential Linked Credit Plan of NABARD, 2012-13, Pp. 86)⁴¹.

Bank-wise Branch Expansion

During the year 2003-04, the banking network of the district consists of 10 banks with a total branch network of 24 of which 16 are rural branches and 8 are semi-urban. The credit agencies operating in the district comprises of 13 branches of Commercial Banks, 8 branches of RRB (CGB), 2 branches of Assam Cooperative Apex Bank Ltd. (ACAB) & 1 branch of Assam State Cooperative Agricultural Rural Development Bank Ltd. (ASCARDB). There are 16 Primary Agricultural Cooperative Society (PACS) functioning in the district. There is no DCCB in the district. The net work of bank branches in the district is below national average. As against the all India average of 15000 persons/ branch, the district average is 22612.

In 2012-13, the banking scenario of the district is that there are 28 numbers of bank branches of which 16 branches of Scheduled Commercial Banks, 8 branches of Regional Rural Banks i.e. Assam Grameen Vikash Bank, 2 branches of the Assam State Co-operative Apex Bank Ltd and 2 private banks also facilitating banking

services. The Lead bank of the district is United Bank of India and it formulates the Annual Credit Plan for the scheduled banks operating in the district.

The following table represents the growth of bank-wise branch expansion programme in Hailakandi district of Assam.

Table No. 3.24: Bank-wise number of bank branches operating in district of Hailakandi

Name of Bank	2003-04	2008-09	2012-13
United Bank of India	4	4	4
State Bank of India	3	3	4
Union Bank of India	2	2	3
Central Bank of India	1	1	2
Punjab National Bank	1	1	1
UCO Bank	1	1	1
Canara Bank	1	1	Nil
Assam Gramin Vikash Bank	8	8	8
Assam Co. Op. Apex Bank Ltd.	2	2	2
ASCARD Bank*	1	Nil	Nil
Bank of Boroda	Nil	Nil	1
ICICI	Nil	Nil	1
AXIS Bank	Nil	Nil	1
Total	24	23	28
CAGR (%)			1.55%

Source: Potential Linked Credit Plan (2005-2006), District Financial Services Plan, 2008-09 and Lead Bank Office, Hailakandi District.

* PCARDB- defuncting.

From the above table it is clear that the growth of branch expansion programme in the district is unsatisfactory. During the study period from 2003-04 to 2012-13, the number of bank branches increases from 24 to 28 reflected annual compound growth rate is only 1.55 percent.

Block-wise Branch Expansion

The following table represents the block-wise distribution of banks branches in the district of Hailakandi.

Table No. 3.25: Block-wise distribution of bank branches in district of Hailakandi

Sl. No.	Name of Development Blocks	2008-09*	2012-13
		No. of Bank Branches	No. of Bank Branches
1.	Hailakandi Development Block	7	12
2.	Lala Development Block	7	8
3.	Algapur Development Block	7**	4
4.	Katlicherra Development Block	2	2
5.	South Hailakandi Development Block	3	2
6.	TOTAL	23	28

Source: District Financial Services Plan 2008-09 and Lead Bank Office, Hailakandi District.

*Three branches, viz, UBI Hailakandi, Union Bank Katlicherra and SBI Hailakandi have been operating in two Development Blocks each under the Service Area Approach.

**including one branch of SBI for non-target group of borrowers only in the service area of one branch of AGVB.

Among the 5 Development Blocks in the Hailakandi district, the Hailakandi Development Block and Lala Development Block are influencing to the more involvement of the farmer's with the formal credit due to the presence of more bank branch facilities.

3.10 DETAILS OF FINANCIAL PARAMETERS OF MAJOR CREDIT INSTITUTIONS OF HAILAKANDI DISTRICT

3.10.1 DEPOSITS

The following table represents the deposits outstanding of the banking agencies in the Hailakandi district of Assam. The share of Commercial Banks was 78.62% of the total deposit in the year of 20112-13. It is found that total compound annual growth rate of deposits outstanding of the three banking agencies in the Hailakandi district during the study period is 14.98% and the compound annual growth rate of commercial banks is 15.44 percent during the study period higher than the RRB's (14.12%) and Cooperative banks (10.92%).

Table No. 3.26: Deposits outstanding: Agency-wise in district of Hailakandi

Amount of Deposit (Rs. '000)

Agency	2003-04	2004-05	2005-06	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	CAGR (%)
Commercial banks	1305600 (75.55)	1440500 (74.94)	1610159 (74.16)	2068500 (64.34)	2975066 (77.18)	3200935 (73.32)	4117367 (75.51)	4485200 (76.38)	5486832 (78.62)	15.44
Regional rural banks	324100 (18.75)	381400 (19.84)	432348 (19.91)	963200 (29.96)	709048 (18.39)	959889 (21.99)	1103734 (20.24)	1135600 (19.34)	1214134 (17.40)	14.12
Cooperative banks	98457 (5.70)	100300 (5.22)	128834 (5.93)	183100 (5.70)	170477 (4.43)	204981 (4.69)	231880 (4.25)	251300 (4.28)	277625 (3.98)	10.92
All agencies	1728157 (100.0)	1922200 (100.0)	2171341 (100.0)	3214800 (100.0)	3854591 (100.0)	4365805 (100.0)	5452981 (100.0)	5872100 (100.0)	6978591 (100.0)	14.98

Source: Potential Linked Credit Plan, from 2006-07 to 2013-14, NABARD and Lead Bank Office, Hailakandi District, Assam.
Figures in the parenthesis indicate percentage.

3.10.2 LOANS OUTSTANDING

Primary Sector is the prominent in credit absorption as the economy of the district is agrarian in character and the industrial sector is weak. However, with the introduction of Government programmes like PMRY and SGSY, now there is a steady increase in flow of credit to the services and business sector also.

The total loans outstanding increased from Rs.2008.00 lakh as on 31 March 2003 to Rs. 4629.02 lakh as on 31 March 2004 registering a growth rate of 130.42%. Further the same has increased from Rs.4629.02 lakh as on 31 March 2004 to Rs.5853.87 lakh as on 31 March 2005 registering a growth rate of 26.46%. The share of growth rate of RRB as on 31 March 2005 is maximum (48.75%) followed by Commercial Banks (24.84%).

The following table represents the loan and advances outstanding of the banking agencies in the Hailakandi district of Assam. It is clear that total compound annual growth rate of the banking agencies in the Hailakandi district during the study period is 18.54 percent. The compound annual growth rate of the Commercial banks is 18.41 percent where RRBs followed 23.34 percent of growth rate is higher than the commercial banks and the co-operative banks whereas co-operative banks annual growth rate is 0.20 percent.

Table No. 3.27: Loan and advances outstanding: Agency-wise in district of Hailakandi

(Amount of Loan in Rs.'000)

Agency	2003-04	2004-05	2005-06	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	CAGR (%)
Commercial banks	367439	458701	583077	1016600	1354896	1508657	1473461	1713400	1991078	18.41
Regional Rural banks	62868	93517	117881	214300	255877	407909	399758	449200	512195	23.34
Cooperative banks	32595	33169	38367	60300	67018	54158	78890	36500	33265	0.20
All agencies	462902	585387	739325	1291200	1677791	1970724	1952109	2199100	2536538	18.54

Source: Potential Linked Credit Plan, from 2006-07 to 2013-14, NABARD and Lead Bank Office of Hailakandi District, Assam.

AGRICULTURAL FINANCING PATTERN OF THE HAILAKANDI DISTRICT

3.11 PERFORMANCE OF INSTITUTIONAL CREDIT UNDER ANNUAL CREDIT PLAN OF HAILAKANDI DISTRICT

Institutional credit is never explanative and its basic motive is always to help the farmers to raise his productivity and maximize his income. Institutions also make a clear distinction between short-term credit and long-term credit requirements and give loans accordingly (Narasaiah, 2004, Pp. 50)⁴².

The Potential Linked Credit Plan for the year 2011-12, estimates Rs.9142.44 lakh as credit potential for the Hailakandi district. Projected credit potential for crop production and activities allied to agriculture stand at Rs.2111.26 lakh and Rs.3580.86 lakh respectively. Non- Farm Sector and Other Priority Sector credit projections are estimated at Rs.731.13 lakh and Rs.2720.00 lakh respectively (Potential Linked Credit Plan of NABARD, 2011-12, Pp. 1)⁴³. The Potential Linked Credit Plan for the year 2012-13, identifies Rs.12928.39 lakh as finance potential for the district where planned loan potential for agriculture crop production and allied activities stand at Rs.4139.11 lakh and Rs.4241.52 lakh respectively. Non Farm Sector and Other Priority Sector credit projections are estimated at Rs. 1992.67 lakh and Rs. 2555.10 lakh respectively (Potential Linked Credit Plan of NABARD, 2012-13, Pp. 1)⁴⁴. The Potential Linked Credit Plan for the year 2013-14, estimates Rs.18199.56 lakh as credit potential for the district. Projected credit potentials for crop production and allied activities to agriculture

stand at Rs.8164.44 lakh and Rs.4769.27 lakh respectively. MSE (formerly Non Farm Sector) and Other Priority Sector credit projections are estimated at Rs. 2423.10 lakh and Rs. 2826.25 lakh respectively (Potential Linked Credit Plan of NABARD, 2013-14, Pp. 1)⁴⁵.

3.11.1 SECTOR-WISE PERFORMANCE UNDER ANNUAL CREDIT PLAN OF HAILAKANDI DISTRICT

The following table highlights the financial growth of institutional credit through sector-wise in Hailakandi District of Assam from the period 2007-08 to 2012-13. The total target given to all scheduled banks for financing to the agricultural and allied activities sector was Rs. 1715.45 lakh and the achievement in disbursement of loans was Rs. 660.00 lakh during the year 2007-08 followed the percentage of achievement by 38.47. In the year 2008-09, total disbursement of agriculture credit was Rs. 1069.70 lakh against the target of Rs. 1895.55 lakh pursued the percentage of achievement by 56.43. Total agricultural credit disbursed Rs. 2110.02 lakh against the target of Rs. 3480.65 in 2009-10, followed the percentage of achievement against the total agricultural credit target by 60.62.

Table No. 3.28: Institutional credit flow in Hailakandi district of Assam: sector-wise

Type of Loan	2007-08		2008-09		2009-10		2010-11		2011-12		2012-13		CAGR (%)	
	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement
Total Agriculture and allied activities	1715.45 (41.22)	660.00 (30.57)	1895.55 (39.77)	1069.70 (49.37)	3480.65 (52.87)	2110.02 (50.27)	1441.08 (41.77)	2035.00 (44.93)	4142.20 (61.69)	2141.78 (56.16)	12400.85 (74.59)	6826.86 (76.08)	39.05	47.61
Other Priority sector	2133.55 (51.26)	1113.0 (51.55)	2443.18 (51.26)	1025.63 (47.33)	2108.70 (32.02)	1352.32 (32.22)	546.25 (15.83)	1706.31 (37.68)	1127.30 (16.79)	1044.63 (27.39)	1182.0 (7.11)	793.96 (8.85)	-9.37	-5.47
Total Priority Sector	3849.00 (92.48)	1773.00 (82.12)	4338.73 (91.03)	2095.33 (96.70)	5589.35 (84.90)	3462.34 (82.49)	1987.33 (57.61)	3741.31 (82.61)	5269.50 (78.48)	3186.41 (83.55)	13582.85 (81.70)	7620.82 (84.93)	23.39	27.51
Non Farm sector	313.00 (7.52)	386.00 (17.88)	427.68 (8.97)	71.45 (3.30)	994.40 (15.10)	734.70 (17.51)	1462.55 (42.39)	787.68 (17.39)	1444.55 (21.52)	627.25 (16.45)	3043.47 (18.30)	1352.14 (15.07)	46.10	23.24
Total	4162.00 (100.00)	2159.0 (100.00)	4766.41 (100.00)	2166.78 (100.00)	6583.75 (100.00)	4197.04 (100.00)	3449.88 (100.00)	4528.99 (100.00)	6714.05 (100.00)	3813.66 (100.00)	16626.32 (100.0)	8972.96 (100.0)	25.96	26.80

Source: Compiled from different Potential Linked Credit Plan, NABARD, Hailakandi District and State Level Bankers' Committee Reports, Assam.
Figures in the parenthesis indicate percentage of total target and total achievement.

In the year 2010-11, total disbursement of agricultural credit was Rs. 2035.00 lakh against the target of Rs. 1441.08 lakh and the percentage of lending has been reached at the highest peak to 141.21 percent. In the year of 2011-12, total disbursement of agricultural credit by the banking agencies was Rs. 2141.78 lakh against the target of Rs. 4141.20 followed the percentage of achievement against the total agricultural credit target by 51.71. Total disbursement of credit to agricultural and allied activities sectors was Rs. 6826.86 lakh against the target of Rs. 12400.85 lakh in the period of 2012-13 followed the percentage of achievement against the total agricultural credit target by 55.05. In 2012-13, highest amount of institutional credit flows to the agriculture and allied activities.

The growth of bank credit in different sectors may be assessed by compound annual growth rate of bank credit sanctioned during the period. The compound annual growth rate of total achievement of total agriculture and allied activities growth during the period from 2007-08 to 2012-13 are 47.61 per cent against the target growth of 39.05 per cent shows an increasing trend of growth of credit to agriculture and allied activities in Hailakandi district. The compound annual growth rate of total achievement of total priority sectors growth during the period from 2007-08 to 2012-13 are 27.51 per cent against the target growth of 23.39 per cent shows an increasing trend of growth of credit to total priority sectors in Hailakandi district.

**Percentages of Achievement against the Credit Target of Hailakandi District:
Sector-Wise**

The following table shows the percentages of achievement against the sector-wise credit target of Hailakandi district.

Table No. 3.29: Percentages of achievement of institutional credit flow in Hailakandi district of Assam: sector-wise

Type of Loan	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
% of Achievement against the Total Agriculture and allied activities Credit Target	38.47	56.43	60.62	141.21	51.71	55.05
% of Achievement against the Total Other Priority sector Credit Target	52.17	41.98	64.13	312.37	92.67	67.17
% of Achievement against the Total Priority sector Credit Target	46.06	48.29	61.95	188.26	60.47	56.11
% of Achievement against the Non Farm sector Credit Target	123.32	16.71	73.88	53.86	43.42	44.43
% of Achievement against the Total Credit Target	51.87	45.46	63.75	131.28	56.80	53.97

The above table shows that percentage of achievement of disbursement of total agricultural credit against the target was the minimum of 38.47 percent in 2007-08, but in the subsequent years, the percentage of disbursement has been gradually increasing and finally in the year of 2012-13, the percentage has increased to 55.05 percent. In the year 2010-11, the percentages of achievement under the total agriculture and allied activities (141.21%) are more than the targets achieved by the Scheduled Banks but in the year 2011-12, the percentages of achievement under the total agriculture and allied activities have drastically decreased to 51.71 percent.

3.11.2: AGENCY-WISE PERFORMANCE UNDER ANNUAL CREDIT PLAN OF HAILAKANDI DISTRICT:

The following table represents the performance of scheduled banks operating in the district under Annual Credit Plan target given for disbursement of loan to the different sectors from the period of 2007-08 to 2012-13 which was increasing gradually. The achievement of the Commercial banks in disbursing priority sector lending is satisfactory rather than the RRBs operating as Assam Gramin Vikash Bank and SCBs operating as Assam State Co-operative Apex Bank Ltd. in Hailakandi district. The compound annual growth rate of commercial banks of total achievement of total disbursement of credit growth to different sectors during the period from 2007-08 to 2012-13 are 29.84 per cent against the target growth of 32.31 per cent shows an increasing trend of growth of credit to different sectors in Hailakandi district.

Table No. 3.30: Agency-wise performance under annual credit plan in Hailakandi district of Assam

(Rs. lakh)

Type of Loan	2007-08		2008-09		2009-10		2010-11		2011-12		2012-13		CAGR (%)	
	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement
CBs	2742.51 (65.89)	1363.0 (63.13)	3160.69 (66.31)	1319.55 (60.90)	4862.80 (73.86)	3163.73 (75.38)	2548.20 (73.86)	3466.92 (76.55)	4775.50 (71.13)	2777.40 (72.83)	13141.32 (79.04)	7311.17 (81.48)	29.84	32.31
RRBs	1249.65 (30.03)	757.0 (35.06)	1422.70 (29.85)	743.23 (34.30)	1435.65 (21.81)	958.05 (22.83)	779.18 (22.59)	1053.17 (23.25)	1678.55 (25.00)	926.59 (24.30)	3070.00 (18.46)	1637.82 (18.25)	16.16	13.73
SCBs	169.84 (4.08)	39.0 (1.81)	183.02 (3.84)	104.0 (4.80)	285.30 (4.33)	75.26 (1.79)	122.50 (3.55)	8.90 (0.20)	260.00 (3.87)	109.67 (2.87)	415.00 (2.50)	23.97 (0.27)	16.06	-7.79
Total	4162.00 (100.00)	2159.0 (100.00)	4766.41 (100.00)	2166.78 (100.00)	6583.75 (100.00)	4197.04 (100.00)	3449.88 (100.00)	4528.99 (100.00)	6714.05 (100.00)	3813.66 (100.00)	16626.32 (100.0)	8972.96 (100.0)	25.96	26.80

Source: Compiled from different Potential Linked Credit Plan, NABARD, Hailakandi District and State Level Bankers' Committee Reports, Assam.

Figures in the parenthesis indicate percentage of total target and total achievement.

3.12 POSITION OF KISAN CREDIT CARD (KCC) SCHEME IN HAILAKANDI DISTRICT OF ASSAM

Agricultural credit works as the engine of agricultural production and timely availability of adequate agricultural credit at reasonable rate with affordable cost, especially for small and marginal farmers is crucial for improving agricultural-sector growth. NABARD has been constantly endeavouring to facilitate smooth credit flow through innovating new product like Kisan Credit Card, promotional interventions to enhance credit absorption capacities through SHGs, Joint Liability Groups, promotion of Farmers' Clubs, etc.. For promoting Financial Inclusion for Inclusive Growth, it is pre-requisite criteria of the Commercial Banks in Hailakandi district to cover all the rural and poor marginal farmers in the shade of banking facilities. To usher the financial inclusion more and more, the banking network must endeavour to popularise hassle free credit to rural and poor marginal farmers who are identified as 'vulnerable groups' of the society through issuing Kisan Credit Card in Hailakandi District by the expansion of bank branch facilities.

On this aspect, the Kisan Credit Card (KCC) Scheme, introduced in 1998 for timely and hassle-free short term loans has been extended to borrowers for term credit and consumption loans. There is a large gap between the target and achievement in the respect of distribution of Kisan Credit Cards and lending finance through the banking agencies in the Hailakandi District.

3.12.1 PERFORMANCE OF KISAN CREDIT CARD (KCC) SCHEME IN HAILAKANDI DISTRICT OF ASSAM: AGENCY-WISE

During the period of 2003-04, banking agencies of Hailakandi district were issued 618 lakh of Kisan Credit Cards and disbursed loan of Rs. 63.25 lakh through this scheme which is gradually increased to 9145 lakh of issued Kisan Credit Cards and disbursed loan of Rs. 3274.65 lakh up to the year 2012-13.

The following table represented the target and achievement of physical and financial growth of Kisan Credit Card through Agency-wise in the Hailakandi District of Assam from the period of 2003-04 to 2012-13:

Table No. 3.31: Performance of Kisan credit card through agency-wise in Hailakandi district of Assam

(Rs. Lakh)

Year	Cooperative Banks				Regional Rural Banks				Commercial Banks				Total			
	Target		Achievement		Target		Achievement		Target		Achievement		Target		Achievement	
	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial
2003-04	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	2,405 (100.0)	215.00 (100.0)	618 (25.70)	63.25 (29.42)
2004-05	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	2650 (100.0)	287.00 (100.0)	860 (32.45)	78.40 (27.32)
2005-06	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	2870 (100.0)	480.27 (100.0)	1300 (45.30)	170.05 (35.41)
2006-07	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	3293 (100.0)	552.24 (100.0)	1860 (56.48)	290.60 (52.62)
2007-08	117 (2.61)	19.48 (2.90)	75 (2.94)	5.6 (1.27)	1650 (36.80)	253.90 (37.77)	489 (19.18)	105.0 (23.86)	2717 (60.59)	398.86 (59.33)	1986 (77.88)	329.42 (74.87)	4484 (100.0)	672.24 (100.0)	2550 (56.87)	440.02 (65.46)
2008-09	375 (6.89)	60.30 (7.28)	95 (3.45)	7.5 (1.38)	1825 (33.54)	277.52 (33.52)	620 (22.46)	135.6 (24.88)	3242 (59.57)	490.07 (59.20)	2045 (74.09)	401.9 (73.74)	5442 (100.0)	827.89 (100.0)	2760 (50.71)	545.00 (65.83)
2009-10	500 (6.53)	125 (8.39)	130 (3.34)	8.2 (1.06)	2500 (32.66)	410.15 (27.53)	870 (22.37)	170.2 (22.04)	4655 (60.81)	954.75 (64.08)	2,890 (74.29)	593.69 (76.90)	7655 (100.0)	1489.9 (100.0)	3890 (50.82)	772.09 (51.82)
2010-11	400 (4.98)	45 (4.46)	0 (0.0)	0 (0.0)	2700 (33.65)	332.90 (32.96)	1060 (29.39)	186.15 (20.21)	4925 (61.37)	632.00 (62.58)	2546 (70.61)	734.86 (79.79)	8025 (100.0)	1009.9 (100.0)	3606 (44.93)	921.01 (91.20)
2011-12	1000 (7.29)	195 (5.89)	555 (6.89)	138.75 (7.39)	4600 (33.52)	1062.26 (32.08)	2464 (30.58)	508.09 (27.06)	8123 (59.19)	2054.00 (62.03)	5039 (62.53)	1230.5 (65.55)	13723 (100.0)	3311.26 (100.0)	8058 (58.72)	1877.34 (56.69)

Source: Compiled from Different Potential Linked Credit Plan and Lead Bank Office, Hailakandi District.
Figures in the parenthesis indicate percentage achievement.

Commercial banks plays a vital role in the aspect of issuing Kisan Credit Cards compared to the Regional Rural Banks and State Cooperative banks. Commercial banks issues 74.29 % of total numbers of Kisan credit cards and also occupies 76.90 % of total amount of lending among the beneficiaries during the period of 2009-10. Regional Rural Banks and State Co-operative Banks highlighted poor performance in regarding the distribution of Kisan Credit Cards. During the period 2010-11, commercial banks issued 5039 KCC cards and disbursed Rs. 1230.5 Lakh reflects 62.53% and 65.55% of the total issuing Kisan Credit Cards and total disbursement of KCC loan respectively. In the period of 2012-13, total KCC cards were issued 9145 against the target of 13100 KCC's and total amount of loan distributed was Rs. 3274.65 Lakh against the target of Rs. 7648.01 lakh. During the study period from 2003-04 to 2012-13, it is found that there is a large gap between the target and achievement in the respect of distribution of Kisan Credit Cards and lending finance through the banking agencies in the Hailakandi district. During the period of 2007-08, the performance of KCC scheme was not so much extraordinary.

3.12.2 PHYSICAL AND FINANCIAL ACHIEVEMENT OF KISAN CREDIT CARD (KCC) SCHEME IN HAILAKANDI DISTRICT OF ASSAM

The following table reflects the percentage of the physical and financial achievement through the banking sector in the foregoing study area was 25.70 per cent and 29.41 per cent in the year of 2003-04 and it reached to 56.87 percent and 65.46 percent respectively in the year of 2007-08. The total number of issuing KCCs as well as disbursement of loan is increasing year after year and in the year of 2012-13, the percentage of the physical and financial achievement through the banking sector was 69.81 percent and 42.82 percent respectively. The highest percentage of issuing cards achievement is 69.81 per cent in the year of 2012-13 and the highest percentage of disbursed loan achievement is 91.20 in the year of 2010-11 under the Kisan Credit Card scheme in the Hailakandi district.

Table No. 3.32: Total performance of Kisan Credit Card scheme in Hailakandi district of Assam

Year	Target		Achievement			
	Physical (in numbers)	Financial (Rs. in lakh)	Physical (in numbers)	Financial (Rs. in lakh)	% of Physical achievement	% of Financial achievement
2003-04	2,405	215.00	618	63.25	25.70	29.41
2004-05	2650	287.00	860	78.40	32.45	27.32
2005-06	2870	480.27	1300	170.05	45.30	35.41
2006-07	3923	552.24	1860	290.60	56.48	52.62
2007-08	4484	672.24	2550	440.02	56.87	65.46
2008-09	5442	827.89	2760	545.00	50.72	65.83
2009-10	7655	1489.9	3890	772.09	50.82	51.82
2010-11	8025	1009.9	3606	921.01	44.93	91.20
2011-12	13723	3311.26	8058	1877.34	58.72	56.70
2012-13	13100	7648.01	9145	3274.65	69.81	42.82
Total	64277	16493.71	34647	8432.41	53.90	51.12
CAGR%	18.47%	42.93%	30.92%	48.39%	-	-

Source: Compiled from Different Potential Linked Credit Plan and Lead Bank Office, Hailakandi District.
Figures in the parenthesis indicate percentage achievement.

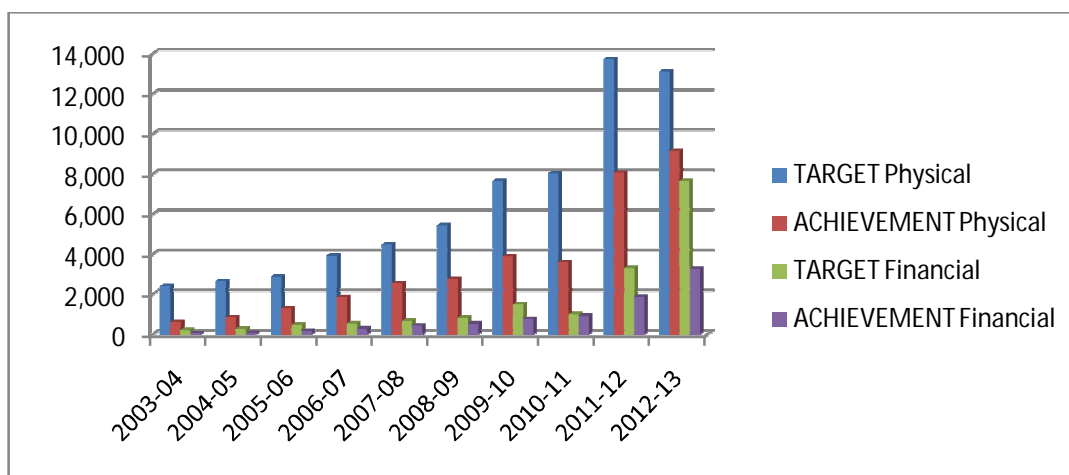
The aggregate percentages of physical and financial achievement of KCC's scheme in Hailakandi district of Assam during the study period of ten years i.e., 2003-04 to 2012-13 are 53.90 per cent and 51.12 per cent respectively.

The compound annual growth rate of total achievement of physical and financial growth during the study period from 2003-04 to 2012-13 are 30.92 per cent against the target of 18.47 per cent and 48.39 per cent against the target of 42.93 per cent shows an increasing trend of growth of KCC scheme in Hailakandi district. The percentage of achievement of physical and financial in issuing KCC's and lending credit were 25.70 per cent and 29.41 per cent respectively in the year of 2003-04. On the other hand, the percentage of achievement of physical and financial in issuing KCC's and lending credit was 69.81 per cent and 42.82 per cent respectively in the year of 2012-13.

The following **chart-3.1** reflects the total physical and financial growth of the Kisan Credit Card scheme in Hailakandi district during the study period i.e. from

2003-04 to 2012-13. There is a large gap between the target and achievement of lending institutional finance in the respect of distribution of Kisan Credit Cards through the banking agencies in the Hailakandi district during the study period. It is clear from the following chart-2 that the total target as well as total achievement in the respect of issuing KCC's and disbursement of loan is increasing.

Chart-3.1: The total performance of Kisan Credit Card scheme in Hailakandi district of Assam



3.12.3 PERFORMANCE OF KISAN CREDIT CARD (KCC) SCHEME BY THE COMMERCIAL BANKS IN HAILAKANDI DISTRICT OF ASSAM

The following table reflects the performance of the achievement of Kisan Credit Card by the Commercial Banks in the Hailakandi district during the study period from 2003-04 to 2012-13. It makes clear that the percentage of achievement in issuing KCCs has been decreasing gradually during the last six years under study. The highest amount of loan of Rs. 2271 lakh was disbursed against the target of Rs. 5991 lakh in 2012-13 and the highest percentage of financial achievement was 116.28 percent in the year of 2010-11. Though the Annual Credit Plan prepared by the Lead Bank has been increasing the physical and financial target under the Kisan Credit Card scheme year after year keeping in mind the vast potentiality of the agriculture and allied activities, traditional skill, availability, market infrastructure, extension support etc. as well as the general investment climate in the district, but still the achievement of the Commercial banks could not reached to the level of target. In the year of 2007-08, the percentage of physical achievement of issuing

KCC's was 73.09 increased to 73.96 and the percentage of financial achievement of disbursed KCC's loan was 82.59 decreased to 35.22 in the year of 2012-13.

Table No. 3.33: Performance of Kisan credit card scheme by the commercial banks in Hailakandi district of Assam

Year	Target		Achievement			
	Physical (in numbers)	Financial (Rs. in lakh)	Physical (in numbers)	Financial (Rs. in lakh)	% of Physical achievement	% of Financial achievement
2003-04	N.A	N.A	N.A	N.A	N.A	N.A
2004-05	N.A	N.A	N.A	N.A	N.A	N.A
2005-06	N.A	N.A	N.A	N.A	N.A	N.A
2006-07	N.A	N.A	N.A	N.A	N.A	N.A
2007-08	2717	398.86	1986	329.42	73.09	82.59
2008-09	3242	490.07	2045	401.90	63.08	82.00
2009-10	4655	954.75	2890	593.69	62.08	62.18
2010-11	4925	632.00	2546	734.86	51.70	116.28
2011-12	8123	2054.00	5039	1230.50	62.03	59.91
2012-13	8100	6448.01	5991	2271.00	73.96	35.22
CAGR (%) from 2007-08 to 2012-13	19.97%	59.01%	20.20%	37.96%	-	-

Source: Compiled from Different Potential Linked Credit Plan and Lead Bank Office, Hailakandi District. Figures in the parenthesis indicate percentage achievement.

It gives a clear picture that comparatively the Commercial banks plays a vital role in the aspect of Kisan Credit Card scheme than the Regional Rural Banks and State Cooperative banks. The Compound Annual Growth Rate of Commercial banks under the achievement of in issuing Kisan Credit Cards from the year of 2007-08 to 2012-13 is 20.20 percent whereas the achievement of disbursement of KCC loan is 37.96 percent.

3.12.4 PERFORMANCE OF KISAN CREDIT CARD (KCC) SCHEME BY THE REGIONAL RURAL BANKS IN HAILAKANDI DISTRICT OF ASSAM

The following table highlights the performance of the Kisan Credit Card scheme of Regional Rural Banks in the Hailakandi district during the study period from 2003-04 to 2012-13. In the year 2012-13, total number of KCCs issued was 2825 against the target of 4000 and the achievement in disbursement of finance was Rs. 978.25

lakh against the target of Rs. 1050 lakh which is highest during the 10 years of study period. The percentage of achievement in issuing KCCs as well as disbursement of loan is increasing year after year by the Regional Rural Banks. The percentage of achievement of in issuing Kisan credit cards and disbursed credit among the beneficiaries were 70.63 percent and 93.17 percent respectively in the year of 2012-13. The Compound Annual Growth Rate of Regional Rural Banks under the achievement of in issuing Kisan Credit Cards from the year of 2007-08 to 2012-13 is 33.95 per cent whereas the achievement of disbursement of KCC loan is 45.06 per cent.

Table No. 3.34: Performance of Kisan credit card scheme by the Regional rural banks in Hailakandi district of Assam

YEAR	Target		Achievement			
	Physical (in numbers)	Financial (Rs. In lakh)	Physical (in numbers)	Financial (Rs. In lakh)	% of Physical achievement	% of Financial achievement
2003-04	N.A	N.A	N.A	N.A	N.A	N.A
2004-05	N.A	N.A	N.A	N.A	N.A	N.A
2005-06	N.A	N.A	N.A	N.A	N.A	N.A
2006-07	N.A	N.A	N.A	N.A	N.A	N.A
2007-08	1650	253.90	489	105.0	29.64	41.35
2008-09	1825	277.52	620	135.6	33.97	48.86
2009-10	2500	410.15	870	170.2	34.80	41.50
2010-11	2700	332.90	1060	186.15	39.26	55.92
2011-12	4600	1062.26	2464	508.09	53.57	47.83
2012-13	4000	1050.00	2825	978.25	70.63	93.17
CAGR (%) from 2007-08 to 2012-13	15.90	26.69	33.95	45.06	-	-

Source: Compiled from Different Potential Linked Credit Plan and Lead Bank Office, Hailakandi District.
Figures in the parenthesis indicate percentage achievement.

3.12.5 PERFORMANCE OF KISAN CREDIT CARD (KCC) SCHEME BY THE CO-OPERATIVE BANKS IN HAILAKANDI DISTRICT OF ASSAM

The following table clearly depicts the performance of the achievement of Kisan Credit Card by the State Co-operative Banks in the Hailakandi district during the study period from 2003-04 to 2012-13. In the regard of issuing KCCs and disbursement of credit, the percentage of achievement were 55.5 percent and 71.15 percent respectively in the year 2011-12. The achievement in disbursement of

finance was Rs. 138.75 lakh against the target of Rs. 195 lakh during the year 2011-12. In the year 2010-11, the physical and financial achievement of the Kisan Credit Card scheme was negligible. The Compound Annual Growth Rate of Co-operative Banks under the achievement of in issuing Kisan Credit Cards from the year of 2007-08 to 2012-13 is 27.94 per cent whereas the achievement of disbursement of KCC loan is 28.66 per cent.

Table No. 3.35: Performance of Kisan Credit Card by the Co-operative banks in Hailakandi district of Assam

Year	Target		Achievement			
	Physical (in numbers)	Financial (Rs. In lakh)	Physical (in numbers)	Financial (Rs. In lakh)	% of Physical achievement	% of Financial achievement
2003-04	N.A	N.A	N.A	N.A	N.A	N.A
2004-05	N.A	N.A	N.A	N.A	N.A	N.A
2005-06	N.A	N.A	N.A	N.A	N.A	N.A
2006-07	N.A	N.A	N.A	N.A	N.A	N.A
2007-08	117	19.48	75	5.6	64.10	28.75
2008-09	375	60.30	95	7.5	25.33	12.44
2009-10	500	125	130	8.2	26.00	6.56
2010-11	400	45	0	0	0.00	0.00
2011-12	1000	195	555	138.75	55.5	71.15
2012-13	1000	150.0	329	25.40	32.9	16.93
CAGR (%) from 2007-08 to 2012-13	42.99	40.52	27.94	28.66		

Source: Compiled from Different Potential Linked Credit Plan and Lead Bank Office, Hailakandi District. Figures in the parenthesis indicate percentage of achievement.

3.13 POTENTIAL LINKED CREDIT PLAN (PLP) OF NABARD AND ANNUAL CREDIT PLAN (ACP) OF LEAD BANK

National Bank for Agriculture and Rural Development (NABARD) prepares the Potential Linked Credit Plans (PLP) for each district in the state, which forms the basis of preparing the Annual Credit Plan by banks. The objective of the PLP is to identify exploitable potential in different sectors of the rural economy which could be used by other agencies engaged in the field of rural development, particularly the banking sector, to give useful insight into the investment opportunities for lending under different sectors and sub-sectors of the economy. While estimating

the credit potential, the growth potential, stage of development, infrastructure and linkage support available and planned, gaps in infrastructure which need to be bridged, absorption capacity, etc., are taken into account. A detailed consultative process with line departments, financial institutions, promotional and developmental agencies, etc., is adopted in the preparation of PLPs to have a meaningful link between development planning and credit planning. In an effort to institutionalize the PLPs for helping stronger plan based credit delivery, the Reserve Bank of India (RBI) had advised all LDMs/Banks to dovetail the potentials assessed in PLPs as the basis for preparation of the District Credit Plans.

The exploitable potentials for credit in PLPs have been assessed for attaining higher growth in the sectors with potential and micro level demands based on local development, infrastructure availability, and priority of GoI, RBI / NABARD and the State Government. Emphasis has also been given for attaining 100% financial inclusion, ensuring high growth rate in credit flow to agriculture to achieve the targets under Bringing Green Revolution to Eastern India (BGREI) programme, development of micro finance and micro enterprises in the State, maintaining the high growth rate in credit flow to agriculture to achieve the targets under Food Security Mission, etc. In the PLP, have been made assessment of potentials, identifies the infrastructural constraints hindering the flow of ground level credit and the infrastructure requirement of the district for balanced development. The process of preparation of PLP has been made consultative particularly through pre PLP discussions with the concerned stakeholders to fine tune the potential estimates. Tapping these potentials call for concerted action on the part of the banks, Government, NGOs and other related organisations.

Developments in the Area of Credit Planning

For improving the credit structure, NABARD, in 1988-99, took the initiative of preparing the district-wise Potential Linked Credit Plans (PLPs) to give guide and advice banks in their credit planning exercise in the district. PLPs are designed to provide a meaningful direction and guidance to the flow of institutional credit to different potential sectors at the root level in the economy taking into consider all

influencing factors like the growth potential, stage of development, infrastructure and absorption capacity, etc. while estimating the credit potential.

Some important initiatives have been taken for the smooth implementation of the different credit lending policies in the district. These are:

- Comprehensive District Agriculture Plan (C-DAP) prepared by State Government for revitalising agriculture sector.
- Report of the High Level Committee to Review Lead Bank Scheme recommending the need for continuance of the scheme for ensuring banks and State Governments work together to achieve inclusive growth, focussing sustainable development. The report focus on financial inclusion, extensive outreach of banking services, greater involvement of State Governments to facilitate banking penetration, use of information technology, preparation of ‘one time Comprehensive State and District level Development Plans’.

Annual Credit Plans of banks to be based on PLPs prepared by NABARD (Potential Linked Credit Plan of NABARD, 2013-14)⁴⁶.