



## CONSTRAINTS FACED BY FARMERS IN UTILIZATION OF KISAN CREDIT CARD IN BHAGALPUR

Ranvir Kumar and Suman Kalyani\*

Bihar Agricultural College, Sabour, Bhagalpur (Bihar)

\*Corresponding author (Suman Kalyani) Email : [kalyanipbg@gmail.com](mailto:kalyanipbg@gmail.com)

### ABSTRACT

Study was an attempt to assess utility of KCC as perceived by farmers. The study revealed that crop failure due to natural calamities (56.42), lack of sufficient knowledge about the scheme (54.28), lack of awareness and knowledge about improved crop production technology (53.57), poor soil fertility status (50.00), un-availability of irrigation and electricity at critical time (47.85), complicated loaning procedure (46.42), recovery procedure is stringent (45.00), lack of co-operation & guidance from concerning bank officers (42.14), expenses on social events and other contingent work from credit (38.57) and high interest rate in delay repayment of credit (35.00) were some of the important constraints and the utility of Kisan Credit Card was quite satisfactory in the aspects namely increase in income, crop production activities, utilization of credit for vegetable production & allied activities.

**Key words :** KCC scheme, constraints, farmer, Bihar

In modern farming, credit has become one of the crucial inputs. Thus, there is a need to increase the credit flow to agriculture, raise productivity. The Kisan Credit Card scheme introduced in the year 1998 with the objective of fulfillment of credit requirement of the farmers in hassle-free manner for raising agricultural production. The scheme is being implemented in the entire country by the credit institutional bank involving Commercial Banks, Rural Regional banks and Cooperative bank and has received wide acceptability amongst bankers and farmers. It has also minimize the difficulties and to simplify the credit acquisition by farmers. It was disbursed through KCC Scheme in our country. There has been tremendous increase in number of Kisan Credit Cards in the rural areas during the last five years. Keeping the importance of KCC, the present study was an attempt to assess utility of KCC as perceived by farmers.

**Objective :** To find out the constraints experienced by farmers in utilization of Kisan Credit Cards.

### MATERIALS AND METHODS

The present study was conducted in the Sabour, Bhagalpur of Bihar state during the year 2008-9. The total sample was consisted of 140 Kisan Credit Cards holders. An interview schedule was designed for collecting the relevant information. The data were collected personally from the respondents through the pre tested interview schedule. Data collected were qualitative as well as quantitative. The quantitative data were interpreted in terms of

percentage and qualitative data were tabulated on the basis of approved categorization method.

### RESULTS AND DISCUSSION

Utility of Kisan Credit Card has been affected by various kinds of constraints as perceived by the beneficiaries in the present study. Simple ranking technique was applied to measure the constraints faced by the respondents in utilization of Kisan Credit Card. Each farmer was asked to mention his constraints in utilization of Kisan Credit Card.

**Constraints for faced by farmer in utilization of Kisan Credit Card :** The major constraints experienced by the beneficiaries in utilization of KCC were recorded and it has presented on the basis of frequency and percentage in table-1. The major constraints experienced by the beneficiaries in utilization of KCC were arranged in descending order on the basis of rank order as crop failure due to natural calamities (56.42), lack of sufficient knowledge about the scheme (54.28), lack of awareness and knowledge about improved crop production technology (53.57), poor soil fertility status (50.00), un-availability of irrigation and electricity at critical time (47.85), complicated loaning procedure (46.42), recovery procedure is stringent (45.00), lack of co-operation & guidance from concerning bank officers (42.14), expenses on social events and other contingent work from credit (38.57) and high interest rate in delay repayment of credit (35.00).

**Table-1** : Constraints for betterment of operation and utility of Kisan Credit Card.

Sl. No.	Constraints	No. of beneficiaries	Percentage	Rank
1.	Lack of sufficient knowledge about the scheme.	76	54.28	II
2.	Lack of awareness and knowledge about improved crop production technology.	75	53.57	III
3.	Crop failure due to natural Calamities	79	56.428	I
4.	Poor soil fertility status	70	50.00	IV
5.	Expenses on social events and other contingent work from credit.	54	38.57	IX
6.	Lack of co- operation & guidance from concerning bank officers.	59	42.14	VIII
7.	Complicated loaning procedure.	65	46.42	VI
8.	Recovery procedure is stringent	63	45.00	VII
9.	High interest rate in delay repayment of credit.	49	35.00	X
10.	Un-availability of irrigation and electricity at critical time.	67	47.85	V

## CONCLUSION

It may be concluded from the above finding that crop failure due to natural calamities (56.42), lack of sufficient knowledge about the scheme (54.28), lack of awareness and knowledge about improved crop production technology (53.57) were the important constraints faced by the farmers. The utility of Kisan Credit Card was quite satisfactory in the aspects namely increase in income, crop production activities, utilization of credit for vegetable production & allied activities and duration of utilizing credit. It was also found that Utilization of KCC was considerable low in the respect of the components as utilization for crop insurance, change in cropping pattern and diversified farming. The study suggests that Contingent planning for adverse climatic condition should be communicated to small and marginal farmers well in advance. With a view to enhance the adoption of improved crop production technologies among the marginal and small farmers

awareness and training programmes should be conducted in the regard.

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