

# **Study of Impact and Constraints Experienced in Implementing KCC Scheme in Guntur District of Andhra Pradesh**

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## **ABSTRACT**

The paper attempts to know the impact of KCC scheme on farmers and constraints in adoption of KCC scheme. The investigation was carried out during the year 2013-14 in three selected mandals based on the highest priority sector lendings from different banks in Guntur district with 80 KCC holders, 80 non KCC holders and 15 bank managers of commercial banks, Co-operative banks and RRB banks were selected. The results revealed that savings in annual renewal cost and hassel free borrowing were having positive impact on KCCs. The operational flexibility and adequacy of credit showed negative impact on KCCs. Most of the KCC beneficiary farmers have reported that the insufficient credit limit as the major problem. The non-beneficiary farmers reported difficulty in opening a bank account as KCC scheme credit account. The constraints faced by the bankers in adopting KCC scheme was clearly observed that lower recovery percentage is the major problem.

**Key words:** *Andhra Pradesh, Constraints, Impact, KCC, Logit.*