

Impact and Determinants of Credit Under KCC Scheme in Guntur District of Andhra Pradesh

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ABSTRACT

The objective of this research article is to analyze the impact and to find the determinants of credit under Kisan Credit Card (KCC) scheme in Guntur district of Andhra Pradesh. 80 farmers were selected as KCC holders and another 80 farmers taken as non-KCC holders. The KCC holders got benefits like meeting credit requirements for crop cultivation for the whole year, availability of credit whenever the credit is needed, reduction in cost of credit for availing the bank loan etc. The independent variables cost of cultivation (0.531) as a whole influenced significantly to the credit requirement under KCC compared to other variables, i.e. loan for farming sector (0.429) and consumption loan (0.021).

Key words : Credit, Cost of cultivation, Determinant, KCC.