

**UTILIZATION OF RURAL CREDIT BY THE FARMERS OF
UDAIPUR DISTRICT, RAJASTHAN**

राजस्थान के उदयपुर जिले के कृषकों द्वारा ग्रामीण ऋण का उपयोग

MR.RAKESH PALSANIYA

THESIS

**MASTER OF SCIENCE (COMMUNITY SCIENCE) IN
(Extension Education and Communication Management)**



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**DEPARTMENT OF EXTENSION EDUCATION AND COMMUNICATION MANAGEMENT
COLLEGE OF COMMUNITY AND APPLIED SCIENCES
MAHARANA PRATAP UNIVERSITY OF AGRICULTURE & TECHNOLOGY,
UDAIPUR (RAJASTHAN)**

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A

THESIS

SUBMITTED TO THE

MAHARANA PRATAP UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR

THE DEGREE OF

MASTER OF SCIENCE (COMMUNITY SCIENCE)

(EXTENSION EDUCATION AND COMMUNICATION MANAGEMENT)

BY

RAKESH PALSANIYA

2024

CERTIFICATE - I
CERTIFICATE OF ORIGINALITY

The research work embodied in this thesis titled “**Utilization of rural credit by the farmers of Udaipur district, Rajasthan**” submitted for the award degree of **Master of Science** to Maharana Pratap University of Agriculture and Technology, Udaipur (Raj.), is original and bonafide record of research work carried out by me under the supervision of **Dr. Rajshree Upadhyay**, Professor, Department of Extension Education and Communication Management (EECM), College of Community and Applied Sciences (CCAS), MPUAT Udaipur. The contents of the thesis, either partially or fully, have not been submitted or will not be submitted to any other Institute or University for the award of any degree or diploma.

The work embodies in the thesis represents my idea in my own words and where others’ ideas or words have been included, I have adequately cited and referenced the original sources. I also declared that I have adhered to all principle of academic honestly and integrity and have not misrepresented or fabricated or falsified any idea/data/fact/source in my submission. I understand that any violation of the above will be cause for disciplinary action by the University and can also evoke penal action from the source which have thus not been properly cited or form proper permission has not been taken when needed.

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CERTIFICATE – II

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This is to certify that this thesis entitled “**Utilization of rural credit by the farmers of Udaipur district, Rajasthan**” submitted for the degree of **Master of Science** in the subject of Extension Education and Communication Management of the **Maharana Pratap University of Agriculture and Technology, Udaipur** embodies bonafide research work carried out by **Mr. Rakesh Palsaniya** under my guidance and supervision and that no part of this thesis has been submitted for any other degree. The assistance and help received during the course of investigation have been fully acknowledged. The draft of the thesis was also approved by the advisory committee on

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Enclosed one original and two copies of bound thesis, forwarded to the Director Resident Instructions, Maharana Pratap University of Agriculture and Technology, Udaipur through the Dean, College of Community and Applied Science, Udaipur.

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**DEPARTMENT OF EXTENSION EDUCATION AND
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CERTIFICATE – V

Dated.....

This is to certify that **Mr. Rakesh Palsaniya** (M.Sc. Scholar) has worked under me on **“Utilization of rural credit by the farmers of Udaipur district, Rajasthan”**

1. I have monitored her research work.
2. Myself and the scholar were in contact with the committee members and the research work was reviewed regularly.
3. The advisory committee members have gone through M.Sc. thesis critically and made the corrections as per requirement.

Dr. Rajshree Upadhyay

Major Advisor

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Date:

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INTRODUCTION

The majority of Indian population lives in villages and relies on agriculture for their livelihood. Small and marginal farms as well as unprofitable farms have been the issues for Indian agriculture since marginal and small farmers make up a sizable portion of the rural population. They have failed to raise their standard of living, elevate their social standing, or expand their job opportunities. Farmers need to invest a substantial amount of money annually to ensure a good crop. For impoverished rural farmer to overcome the unavoidable gap between income and expenses, credit is essential. Credit is a component of the financial intermediation system, which transfers resources between individuals, households, and businesses and distributes them over time. In order to boost their output and augment their personal and household earnings, farmers require credit. They usually resort to borrowing money from moneylenders. Non-institutional credit can be obtained from a variety of significant sources, including commission agents and traders, landlords, money lenders, friends, and family. Typically, non-institutional lenders that hold real estate or other assets as collateral impose exorbitant interest rates.

An essential growth engine is an institutional credit which is displacing more conventional sources of credit, such as local bankers and moneylenders. Numerous organizations, such as cooperative banks, regional rural banks, commercial banks, land development banks, self-help groups, non-banking financial agencies, and widely dispersed informal credit outlets, make up the Indian rural credit distribution system. Rural credit has gained a lot of traction and recognition as a financial strategy for helping the impoverished get the credit they need to start their own businesses or to meet their basic needs. Commercial banks have extended their network of rural branches and implemented specific policy directives to augment credit availability to agriculture and other targeted industries. In addition to maintaining a credit deposit ratio of 60% in rural and semi-urban branches, commercial banks are required to make sure that 40% of all credit is allocated to the priority sectors, of which 18% to direct financing agriculture and 25% to priority sectors in favor of the weaker section. Credit is made available through the banks in the form of various loan programs which support farmers in the areas of crop cultivation, livestock acquisition, dairy industry development, irrigation technology advancement, farm mechanization, etc.

To improve the institutional rural credit system, the government has launched a number of initiatives. The Indian government has started implementing a number of policy initiatives to increase farmers' access to institutional credit sources. These policies have placed a strong emphasis on progressive institutionalization in order to give all farmers timely and sufficient credit support, with a focus on small and marginal farmers as well as the weaker segments of society, to enable them to adopt improved agricultural practices and modern technology in order to increase agricultural productivity and production. The policy places a strong emphasis on improving credit flow at the local level by streamlining lending policies and procedures, adopting region-specific strategies, and credit planning.

A study by Das *et al.* (2009) discovered that direct agricultural credit has an immediate, positive, and statistically significant impact on agricultural output. Credit availability helps impoverished farmers take on more risk, buy inputs, and smooth out their consumption. It also makes it possible for them to use contemporary technology one important factor influencing the profitability of agriculture is the availability of timely credit or financing. When seeds are not purchased with credit at the time of planting, or when credit is unavailable to apply fertilizer, it can seriously impact on agricultural productivity (Economic Survey, 2018-19).

Government of India has launched Pradhan Mantri Jan Dhan Yojana scheme with a target to provide universal access to banking facilities starting with "basic banking accounts" with overdraft facility of Rs 5000 after six months and Rupay debit card with inbuilt accident insurance cover of 1lakh and Rupay Kisan Card. There are many rural credit schemes of various banks for the farmers such as Kisan Samrddhi Rin, Kisan Credit Card scheme, Tractor Loan Scheme, Finance Harvester Scheme, Minor Irrigation Scheme, Finance Power Tiller Scheme and SHG group scheme which provide loan at low interest rate.

The Kisan Credit Card (KCC) program developed by NABARD (National Bank for Agricultural and Rural Development) in 1998 provides farmers with short-term formal loans. To guarantee that the credit requirements for farmers in the agriculture, fishery, and animal husbandry sectors are met, the Kisan Credit Card Scheme (KCC) was established. This was accomplished by assisting them in obtaining short-term loans and giving them a credit limit to use for both equipment purchase and other expenses.

Though the government has made efforts to make credit accessible to farmers, however due to the cumbersome loan procedure, they find it difficult to get credit from institutional sources. Some of the difficulties that they faces in applying credit are: certification of identity, lack of assets for furnishing security, the necessity for traveling long distance frequently to transect the loan and illiteracy. Vitthal (2017), revealed that the majority of respondents experienced issues with having to wait longer for scheme approval, having to go through a time-consuming document acquisition process, having their grant application interrupted at a critical moment, needing more documents than necessary, and not knowing what documents were required.

JUSTIFICATION OF THE STUDY

Credit is a vital resource for fulfilling the demands of rural families for other necessities as well as for dairy, poultry, artisan work, and commerce. Credit is borrowed money that can be used to buy goods as needed and then paid back at a predetermined period. It is the trust that permits one party to lend resources to another in the event that the second party does not immediately repay the first party (creating a debt), but instead makes arrangements to either return or repay the resources (or other materials of equivalent value) at a later date.

Farmers in India are finding it difficult to make a living due to a number of severe problems with agriculture, including irregular rainfall, declining soil fertility, fragmented land holdings, difficulty in obtaining agricultural inputs, labour, credit, and timely labor, as well as high cost. Large capital inputs into the farming business are necessary for contemporary farming to succeed. Since very few farmers have their own capital to invest in agriculture, finance is most needed in this sector. Short-term loans are necessary for farmers not just to fulfill their consumption demands and grow their crops, but also to maintain or replace their production farm assets and their ability to make income. The need for crop loans is present among all farmer types, not only larger ones. When it comes to improving farmers' socio economic standing, credit and loans are viewed as an economic elevator. Increased agricultural revolution is impossible without making crop loans freely accessible to farmers. Therefore, timely and sufficient access to agricultural loans has grown to be necessary for further agricultural expansion.

Credit is powerful development tool but like any instrument, its effectiveness depends on how it is used and above all how well it is known to target groups. To have effective credit delivery and efficient utilization of rural credit, it is therefore necessary to examine to what extent these facilities through the institutional framework for development have been utilized by the farmers. Financial institutions may improve the performance of the agriculture sector by providing advice and guidance on how farmers can use the credit they have been given to utilize the funds more effectively and efficiently. This can be done by studying how farmers use the credit that has been supplied to them. By recognizing the problems, financial institutions can create more user-friendly lending policies and credit programs that will encourage financial inclusion among the farmers. Hence, an attempt has been made in this study to assess the knowledge of the farmers of Udaipur district regarding rural credit, utilization of rural credit and problems faced by them in accessing institutional rural credit facilities.

1.2 OBJECTIVES OF THE STUDY

1. To study the knowledge of farmers about rural credit.
2. To study the utilization of rural credit by the farmers.
3. To explore the problems experienced by the farmer in accessing rural credit

1.3 IMPLICATIONS OF THE STUDY

1. The study of knowledge of farmers about rural credit will help the planners in formulating a strategy for making farmers aware about rural credit.
2. The study helps to know the extent to which credit facilities are being utilized by them.
3. The study will help planners to know about the problems faced by farmers in accessing rural credit from institutions.
4. The study will help the government policy makers, implementers and bank authorities to restructure the rural credit delivery system for optimum utilization of these facilities by the farmers.

OPERATIONAL DEFINITIONS

Knowledge: Knowledge in the present study refers to the amount of information possessed by the farmers with respect to various rural credit facilities.

Utilization: Utilization in context of this study means the use of rural credit by the farmers.

REVIEW OF LITERATURE

One of the most important early steps in a research work is the conducting of the literature review. In any scientific investigation a comprehensive review of relevant literature is imperative. A literature review is designed to set the current research project within a conceptual and theoretical context. Besides giving knowledge of work already done in the area and providing insight into the methods and procedures, it provides a basis for operational definition of a major concept. Thus, the present investigation has been reviewed under the following major sections:

2.1 Knowledge of the farmers about rural credit

2.2 Utilization of rural credit by the farmers

2.3 Problems experienced by the farmer in accessing rural credit

2.1 KNOWLEDGE OF FARMERS ABOUT RURAL CREDIT

According to Mehta (2015), the findings indicate that the 55per cent do not completely understand the range of bank agricultural lending programs. Therefore, raising farmer awareness is crucial to improving the efficacy of bank credit programs.

According to Mohapatra (2015), 37 per cent of the farmers in the sample relied on commercial banks to provide them with the necessary funds. Thirty percent of them relied on regional rural banks, while thirty percent relied on cooperatives. But a significantly lower reliance on unofficial sources, such as moneylenders, was a reliable measure of how well the banking industry performed in meeting the demands of the farmers in the study area

According to Hirwe *et al.* (2016), among the respondents, 41.33 percent had medium understanding of the KCC scheme, followed by high knowledge (32.0%) and low knowledge (26.67%). Thus, it can be said that a greater proportion of beneficiaries in the study region were found to have medium awareness of the KCC scheme.

According to Prabhu and Vijiya (2016), majority of the beneficiaries were brought into existence with a bank account for savings but not for other financial products, indicating that they had some knowledge of banking but were unable to distinguish between the various financial products that the banks offered.

According to Chhoidub and Pathania (2017), of the beneficiaries, 5.00 percent were unaware of the KCC initiative, while the majority had some to moderate ignorance about it.

According to Dhayal (2017), most respondents (57.00%) had a medium level of knowledge, while 26 per cent had a high level of knowledge and the remaining 17 per cent of insured farmers were found to have low knowledge.

According to Khaparde and Jahanara (2017) , the half the of respondents (51.67%) had poor understanding about the Kisan Credit Card, while 46.66 and 1.67 percent of respondents had medium and high knowledge, respectively.

According to Naskar and Das (2017), the majority of the tribal communities were aware of PMJDY's benefits and expressed the program's positive views (68.23%).

Udaykumar, (2017) revealed that 42 per cent of farmers in rural areas drew credit for agricultural production, with the next most common uses being for livestock rearing (32%), education (20%), and other purposes. Within the peri urban area, thirty percent of farmers have taken out loans to raise livestock, twenty-eight percent have borrowed money to produce crops, and twenty-four percent have borrowed money to grow high-value commodities.

Keshriet *al.* (2018) studied Awareness of Kisan Credit Card holders and non-holders about KCC scheme in Bikaner district of Rajasthan. In case of overall awareness about registration, KCC and Non KCC holders were considerably aware about “copy of jamabandi”, “search report from bank nominated advocate”, passport size photograph & ID proof”, “two witnesses to open the account”, “land certificate,” and “map of field”. The mean per cent scores of these aspects were 51.67, 41.33, 35.67, 28.33, 25.67 and 19.00 per cent respectively. Least awareness was found about map of field. Overall findings show that farmers of both the groups possessed highest awareness about “credit limit under the card”, followed by “under Rs 3 lakhs, provision of four per cent subsidy” and “rate of interest” (3 to 13 %) with their aspect wise MPS of 39.00, 34.00 and 31.33 per cent.

Singh *et al.* (2018) in a study on Knowledge and use of the farmers about Kisan Credit Card revealed that maximum farmers (83.3%) were aware about KCC scheme. They knew about validity of KCC for 05 years, eligibility for taking loan for KCC

scheme, provision of loan for the Rabi and Khareef crop production not for zaid crop production.

Murmu et al. (2019) found that 65 per cent of beneficiaries knew a medium amount about the Kisan Credit Card Scheme, compared to 20 per cent who knew a high level and 15 per cent had knew a low knowledge. Notably, 45 percent of non-beneficiaries knew very little about the Kisan Credit Card Scheme, compared to 43.33 percent who knew a little and 11.66 percent who knew a lot.

Goswami and Jindal (2021), while evaluating farmers' awareness of Primary agricultural credit societies, in Uttar Pradesh and Uttarakhand revealed that 58 per cent of farmers were aware of primary agriculture credit societies.

Glady and Ramesh (2021) worked out awareness metrics on agriculture credit schemes with special focus on farmers of Orthanadu Taluk of Thanjavur, Tamilnadu. The study determined that the uneducated farmers are lacking in awareness about the available schemes in India. The banking correspondent model need to be strengthened in order to educate the farmers on various credit schemes. It was observed that there exists a significant difference on awareness and unawareness level about credit schemes such as Kisan Credit Card (KCC), investment loan, Joint Liability Group (JLG) Scheme, interest subvention in the event of natural calamity in India and interest subvention of farmers.

In a study on An analysis of knowledge of the farmers about Kisan Credit Card Scheme, Gupta and Tiwari (2022) revealed that cent per cent farmers had knowledge about the fact that Kisan Credit Card schemes provides the loan for the Rabi and Kharif crop production but not for Zaid crop production, validity of Kisan Credit Card, eligibility for taking loan for Kisan Credit Card scheme and consumption of Kisan Credit Card loan used in farmer household activities.

Bohora (2023), revealed that majority of the respondents (60.00%) had a neutral perception of accessing credit, while 22.50 per cent had an unfavorable perception and 17.50 per cent had a favorable perception

Gupta (2023), revealed that, the majority (62.50%) had a medium level of expertise. Conversely, 15.83 percent of respondents had strong understanding of the K.C.C. Scheme, whereas 21.66 percent of respondents had limited knowledge of it.

Singh *et.al*(2023) revealed that 105 farmers were aware that the KCC scheme is valid for five years, 102 farmers knew that they are eligible to take out loans under the KCC scheme to support the production of Rabi and kharif crops, 98 farmers were aware that the KCC schemes offer financial liquidity and credit to rural farmers, 82 farmers knew that the KCC scheme provides a maximum credit limit based on agricultural income, and 103 farmers knew that they can borrow up to Rs3,000 with a seven percent interest rate. Seventy-two farmers were aware of the loan amount provided by KCC and the predetermined limit that accounts for both the rabi and kharif crops.

According to Salvi (2023), the majority of respondents, or 66.67 per cent had a medium level of knowledge of the PM-KISAN Scheme, while 17.50 per cent had a low level of knowledge and the remaining 15.83 per cent had a high level of knowledge.

Madhavan (2014) revealed that 42 per cent of farmers have not taken out any agricultural loans, either from institutional or non-institutional sources, while the remaining fifty-eight percent can only obtain credit from institutional sources. Not a single farmer who answered to the survey has taken out a loan from a non-institutional lender. More than 48 per cent of farmers have accessed loans from Primary Agricultural Credit Societies (PACS), the main institutional organization that offers financial support to farmers. PACS and public sector banks offer agricultural loans in the form of Kisan Credit Card (KCC) limits, agricultural gold loans under interest subvention schemes, and agricultural loans under Differential Rate of Interest (DRI) loans.

2.2 UTILIZATION OF RURAL CREDIT BY THE FARMERS.

Sharma and Kumawat (2014) reported that only 74.97 per cent of the credit that was borrowed was used for the intended purpose, , while 24.03 per cent was diverted to other uses. Crop production received the least amount of credit, while the purchase of a sprinkler system received the most. The credit was diverted as lowest for sprinkler system purchases and highest for agriculture loans. 72.57 per cent of the credit that was diverted was utilized for non-productive activities. Of the farmer borrowers, 70.59 per cent had used the credit exclusively for the designated purpose and 5.43 per cent had completely misappropriated the loan.

In a study in Rajasthan state, Meena and Jheeba (2015) revealed that, only 87.77 per cent of short-term credit, 83.05 per cent of medium-term credit and 74.40 per cent of long-term credit borrowed from the banks was repaid by due date and the remaining was overdue as on the due date. The non-farm income, farm income and cropping intensity affected amount of overdue negatively while amount spent on un-productive purposes, old debts, amount borrowed and expenditure on family consumption had positive impact on the amount of overdue of sampled farmers.

According to study by Chavan *et al.* (2016), large farmers used an average of 96.77 per cent of the money they borrowed from commercial banks for the production of red grams, compared to 76.78 per cent for small farmers. While cooperative banks showed a similar trend, their average loan amount was about half that of commercial banks. Nonetheless, wealthy farmers used 95.51 per cent of the funds from commercial banks for cotton production, while small farmers used 85.72 per cent of the funds; cooperative banks showed a similar pattern.

A study conducted in Haryana by Varmani and Chander (2016) found that the majority of respondents (61.00%) used loans to buy crop inputs for productive purposes. Fifty and one percent borrowed money to organize social ceremonies for non-productive purposes. Similarly, 17.0 per cent and 13 per cent of respondents borrowed money for home improvement and healthcare, respectively. Only 68.40 per cent of borrowers took out small non-institutional loans.

In a study on Pattern of utilization of agricultural credits among KCC credit holding farmers of Allahabad District UP, John *et al.* (2017) found that utilization of credit by large size group is better as compared to small and medium size group of farmers. It was observed that tube well /pumping set loan was fully utilized by both size of holders, while medium and small size group did not fully utilize the fish farming loan because of ineffective supervision by the banking official.

According to Nakashe (2017), a significant portion of farmers used the loan for the intended use. In particular, 83.30 percent of large farmers, 66.20 percent of medium farmers, 79.30 percent of semi-medium farmers, and 70.80 percent of marginal farmers used the credit to its fullest extent. However, a small proportion of farmers only used a portion of the credit for the original intended usage. According to the report, the primary reason why 34.31 percent of borrower farmers misused the credit

was for other commercial purposes. The second most frequent reasons for misusing the loan amount were buying a house, paying off previous debts, and sub lending, followed by using the money for social ceremonies, 74.50 per cent of farmers fully utilized the credit for its intended purpose, whereas just 25.50 per cent of farmers used it.

Rathore *et al.* (2017) revealed that 90 per cent of defaulters mentioned high living expenses as a significant cause, whereas 98 per cent of defaulters cited low income from their crops as the reason they were unable to repay their debts. The survey also showed that 82 percent of defaulters cited low farm commodity prices, 78 percent cited high interest rates, and 82 percent cited other factors as the cause of their loan default. Additionally, 76 per cent of defaulters disclosed assets that were not being produced as anticipated, but inadequate agricultural produce marketing facilities were 72 percent of defaulters reported. Insufficient credit related to advertising (58.00%), unexpected expenses (48.00%), previous debts (42.0%), and government loan cancellations (30.00%), unanticipated illness, and inadequate supervision by bank employees were also mentioned as causes of loan default.

.Sirisha and Reddy (2017) found that 81.25 per cent of the respondents shared a high level of utilization of the KCC for accessing low-cost credit, with the remaining percentages being: 73.75 per cent for crop insurance; 53.75 per cent for timely credit availability; 33 per cent for loan amounts up to the maximum allowed limit; 28.75 per cent for the purpose for which the loan was obtained; 15 per cent for loan facilities under KCC for all crop seasons; and 2.5 per cent as a cash credit.

According to a study by Premalatha and Sonu (2018), when it came to borrowing money, farmers in the study area favored using cooperative banks. Age, gender, family size, and educational attainment all had a big impact on the agricultural finance options that farmers in the Vellore district chose. The size of the loan, the typical processing time, and the loan payback duration were found to have an effect on the agricultural finance option selected by the farmers in the research area.

Rathore *et al.* (2017) in a case study of Rajasthan Marudhara Gramin Bank mentioned that majority of defaulters reported that they did not pay back the loan amount because of low income generated from crop, high living expenses reduces their ability to repay the loan and high interest rate. Poor marketing facility for agriculture produce

(72%), absence of linking of credit with marketing (58%), unexpected financial problems (48%) and old debts (42%) reduced their repayment capacity.

Singh *et al.* (2018) in a study regarding extent of utilization of KCC scheme, revealed that maximum farmers used Kisan credit card. They used a flexible limit of Rs.10000 to 50000 based on land holding and crops grown. More than half of the farmers (56%) always used short term loan credit in the farm production and term loan credit for investment for land development, minor irrigation, purchase of farm equipment and allied agricultural activities.

According to Solanki *et al.* (2018), 92.00 per cent of the respondents had used official loan sources, with 71.00 per cent of farmers using them entirely for productive reasons and 23.00 percent using them partially. Additionally, nearly all 99 per cent of the respondents had taken out an informal loan, of which 45 percent had fully utilized it and 54 percent had only partially. In conclusion, the study shows that most farmers have used formal loan sources for profitable end eavours, and nearly all of them have used informal credit sources to some degree.

According to Valamannavar *et al.* (2018), the majority of respondents expressed support for the KCC's operationalization of the various activity statements. A little over 77.50 per cent of respondents said the KCC scheme improved productivity and production, with 74.16 per cent and 72.50 per cent of respondents believing it sped up productivity and production, respectively. Furthermore, 69.16 percent of respondents said that the KCC program increased farmer productivity, and 64.17 percent thought the goals the KCCs addressed were pertinent. The majority of respondents (52.50%) said that living standards had risen. According to 25.83 percent of the beneficiaries, there should be coordination between farmers and finance institutions. Nevertheless, only 20.83 percent of farmers thought the card offered by the program was helpful, 15.83 percent thought the insurance offered by the program was adequate, and 13.33 percent thought the KCC's implementation was appropriate.

According to Sarju (2019), high cost of cultivation of crops and lack of remunerative price were associated with partial repayment while illness or death of working head in family, marriage in family especially daughter's marriage were responsible for non-repayment of loan.

In a study carried out in Tamilnadu's Theni district, Babu *et al.* (2020) revealed that majority of the small farmers preferred short term loan only because their requirements were very low. Among the small farmers only 18.18 percent of the farmer availed the long term loan. The requirements of the farmer was according to their land owing.

Rath *et al.* (2020) determined the impact of farm credit on farmers' income in the district of Nayagarh's various agricultural terrains. The study revealed that the farm credit per household and land holding had positive and significant relationship with the household income while family size and farm expenditure were negatively related to the household income. The average per-acre farm expenses were Rs. 15753, and the average revenue from crop sales was Rs 31606. With the positive impact of the credit on the farmers' income, it can be well stated that the farmers efficiently used the agricultural credit.

Udaykumar and Umesh (2020) in a study on Investment and Crop Diversity: An empirical evidence from rural-urban interface of Bengaluru mentioned that loan was utilized by the farmers for livestock, digging of bore well, crops and education for children.

According to Suryawanshi (2021), half of the respondents (54.16%) made full use of the loan money for the specified purpose. The remaining respondents (45.84%) only used a portion of the loan amount, using money for reasons other than the agricultural loan. Interestingly, there were 120 responses, and none of them fit into the category of not using any resources at all, therefore the proportion of non-utilization was zero. This survey clarifies that even if a sizable portion of farmers are making their loan payments as agreed upon, thereby ensuring that loans are adequately utilized for their intended purposes.

Soundarya and Parimalarani (2022) reveled the primary issue brought up by farmers was loan non-repayment, which was mostly due to crop failure. Farmers often take out loans, however there are a number of reasons why they might not return the loan balance, including low yields, crop failure, unjustified produce prices, delayed sales profits receipts, lack of revenue from other sources, rising production costs, The main causes of it are the repayment of previous debts, an increase in household expenses, and the monsoon's failure.

Kumar and Sonkar (2023) revealed that access to KCC increases farmers' use of the agricultural inputs and households and farm income especially for marginal and small farmers. Also access to KCC reduces farmer's dependency on moneylenders for borrowing credits by 25 per cent.

According to Ray and Das (2023), the sample borrowers obtained the greatest amount of loans (42.88%) from Regional Rural Bank, with the next highest amounts coming from cooperative banks (19.80%), public sector banks (34.48%), and private sector banks (1.84%).

According to Ray and Das (2023), marginal Indian farmers have redirected the largest percentage of crop loans (21.9%), small loans (14.8%), and medium loans farmers (12.25%), primarily for futile reasons. It was noted that the pattern was comparable in terms of loans offered for related agricultural pursuits, with marginal farmers transferring the most amount (25.33%), small farms (17.59%), and medium-sized farmers 15.91 percent). Remarkably, as the size increased, the degree of diversion decreased. Within the holding, the analysis revealed that 43.53 per cent of the loan was used in all size groupings of farmers to pay labor expenses. Settlement of previous obligations was discovered to be the main reason for divergence to unnecessary use, accounting for 10.13 percent of farms that were acquired.

Ramasamy and Malairasan (2023) stated that while farm credit policies have enhanced the well-being of farmers who receive benefits, there appears to be inefficiencies in the credit distribution system, as over 60 per cent of farmers lack access to credit. This illustrates the necessity of comprehensive and inclusive policy interventions to bring all farmers into the credit system, with a focus on providing small and marginal farmers with term loans. In addition, it is recommended that tenant farmers be granted access to Kisan Credit Card and simplified crop loan services.

2.3 PROBLEMS EXPERIENCED BY THE FARMER IN ACCESSING RURAL CREDIT

Anil et al. (2015) found that majority of KCC holders cited the protracted and laborious paperwork as the main issue. Among the other significant issues that the farmers mentioned were a low credit limit, a high interest rate, delayed loan availability, rigid withdrawal policies, and the usage of bank branches.

According to Andotra and Gupta (2015) the local bank managers are reluctant to provide accurate financial and comprehensive information about KCC holders because of privacy concerns. Due to their lack of interest, carelessness, and communication issues, the respondents appeared to be unwilling.

In a study in Rajasthan state, Meena and Jheeba (2015) revealed that, the major problems faced by the farmers included inadequate loan amount, insufficient time for repayment, cost of borrowing, lack of knowledge of bank's formalities and lack of technical guidance. Prevalence of corrupt practices and non-cooperation from banking officials are major structural constraints in procurement of credit.

According to Matkar and Jadhao (2015), small and medium farmers continue to face difficulties in obtaining financial support from official institutions due to the inadequate supply of credit available to the agricultural sector. This is a worrying issue that calls for swift response from the government and banking institutions to advance the agricultural industry. The introduction of novel products and cutting-edge technologies is one possible remedy.

Patel et al. (2015) revealed that other significant limitations mentioned by the farmer included the following: lengthy bank documentation (59.00%), beneficiary fraud by middleman (57.0%), insufficient guidance from a concern officer (64.50%), and delays in sanction (66.50%).

Rani et al.(2015) revealed the study found that high rate of interest, too many intermediaries, lengthy and complicated loan procedure, problem of financial guarantor and attitude of the loan officer were there main constraints in availing dairy loans.

According to Rana (2015), the respondents' main issues when evaluating rural loans were a lack of documentation, illiteracy, and the distance between bank, a lot of

formalities of bank requirements, and a lack of knowledge about the loan application process.

Naik (2016) found that although a large number of people had established accounts under the PMJDY plan as a result of its widespread marketing, few were aware of the benefits of the scheme or the qualifications needed to be eligible for them. Karwar Taluk did not host the financial literacy training offered by the scheme. Loan interest rates are exceptionally high, typically 2.50% higher than the standard rate. Even though the loan application process is simple, the burden on the poor is increased by higher interest rates. This is a further reason why they are not utilizing the overdraft and loan facilities.

According to Shrotriya and Yadav (2017), majority of KCC beneficiary farmers, also mentioned a number of other significant issues, including a low credit limit, a high interest rate, delayed loan availability, rigid withdrawal policies, and trouble using bank branches. Farmers who were not recipients of the program stated that the hardest issue they were facing was creating a bank account, which was followed by getting a non-institutional loan easily, having a low credit limit, not knowing the advantages of and officials who weren't motivated. Reduced legal procedures involving copious amounts of paperwork are therefore important.

Subramanian and Shivanjappa (2017) studied Problems faced by the farmers in obtaining and repayment of agricultural credit in Karaikal district of Puducherry. The result indicated that the major problems faced by the farmers in obtaining the institutional credit were the non-availability of loan in time, the procedure for obtaining the credit was more expensive, inadequate amount of loan sanctioned against the actual requirement, the transport cost and document expenses. The farmers listed out the problems they faced in repaying the credit were crop failure, failure of monsoon, expectation of waiving of loans by the government, lower yield, increase in the cost of cultivation, and decrease in the market value of the harvested produce. The study concluded that the agricultural credit needs of farmers are increasing with the increase in cost of cultivation.

Vitthal (2017), revealed that the majority of respondents experienced issues with having to wait longer for scheme approval, having to go through a time-consuming document acquisition process, having their grant application interrupted at a critical

moment, needing more documents than necessary, and not knowing what documents were required.

According to Dhakshana and Rethinavelu (2018), farmers' main obstacle in access to agricultural credit facilities was the length of time the bank took to process their transactions. It was indicated that getting bank loans was impacted by a number of factors, including documentation, interest rates, reliability and collateral requirements, and difficulties repaying EMIs.

According to Gupta and Agrawal (2018), farmers had different perspectives and difficulties with the loan application process, such as delayed credit disbursement, complicated paperwork as well as a deficiency of knowledge on loan procedures. Farmers also thought that the loan application processes were difficult and that bankers' conduct was rude, especially when it comes to agriculture loans at the District Cooperative Bank. In spite of these obstacles, the farmers thought that loan programs reached the targeted people and were determined by necessity.

Shobhaand (2018), found that although formal credit for agriculture was growing quickly, it was still insufficient to meet the needs of Maluri farmers, who had to turn to informal credit to cover some of their demands, both productive and unproductive. Due to their incapacity to provide collateral, high interest rates, onerous loan application procedures, and ignorance of interest subsidy programs, farmers have had limited access to credit.

According to Padma and Kumar's (2018), majority of the 300 farmers surveyed felt negatively about the agricultural financing application process. A mean score of 4.06 indicated how strongly they felt about not knowing about the facilities that were available; a mean score of 3.73 indicated how complicated they thought the documentation process was; a mean score of 3.63 indicated that they felt unsatisfied with the level of service; a mean score of 3.56 indicated that they received insufficient loan amounts; a mean score of 3.53 indicated that they were facing high interest rates; a mean score of 3.30 indicated that they had taken out loans from sources other than banks; an average score of 3.30 indicated that they had taken out loans from outside banks; a mean score of 3.06 indicated that they had trouble accessing credit; a mean score of 3.00 indicated that they lacked educational knowledge; and a mean score of 2.76 indicated that they found it difficult to open bank accounts.

According to Rathna (2018) study revealed the issues that need to be addressed in rural areas, such as low loan amounts, inadequate marketing resources, and reliance on the monsoon, crop losses, loan approval delays, high interest rates, and job uncertainty

Khan *et al.* (2019) revealed that farmers face a number of challenges in obtaining and repaying agricultural loans, including crop failure, monsoon changes, bank requests for collateral security, loan formalities, ignorance, lower yield, and fluctuations in market rates.

Nishad *et al.* (2019), revealed that Kisan Credit Card holders had to deal with a number of obstacles. The top five were inflexibility while using the branch, inflexibility when withdrawing money, an inadequate credit limit, a lack of enthusiasm from officials, and a lot of paperwork.

According to Yadav *et al.* (2019), 58.33 per cent of KCC holders were farmers who experienced difficulties mostly related to bank staff's lack of collaboration and guidance. A further problem that 54.17 percent of KCC holders faced was inadequate awareness of the scheme. Another issue that 54.17 percent of KCC holders had to deal with was delayed credit availability. For 45.83 percent of KCC holders, the challenging loan application process was a challenge. For 43.75 percent of KCC holders, high interest rates constituted a serious problem. Last but not least, 41.67 per cent of KCC holders said the loan recovery process was inadequate.

According to Choudhry *et al.* (2020), the biggest obstacle that borrowers, was the difficult and drawn-out documentation procedure needed to obtain a loan, which had the highest ranking, scoring 38.52 per cent on the Garrett's scale. The loan's delayed disbursement constituted the second most important restraint. With 38.40 per cent of borrowers reporting this problem. Ultimately, the research revealed that borrowers expressed dissatisfaction with the payback schedule, citing it as the third significant restriction with a 37.40 per cent Garrett's score.

Negi (2020), revealed the respondents' primary issues were illiteracy, difficulty obtaining benefits on behalf of women, lack of access to village-level mitigation, the distance between banks or other relevant institutions and the village, inadequate scheme publicity and numerous scheme registration requirements.

A study by Aazam and Pathak (2021) revealed that while financially sound, educated, and large-scale farmers benefited more from financial institutions, small and marginal farmers in the poorer economies were unable to obtain agricultural credit because of long documentation requirements, ignorance, and lack of literacy.

According to Azam *et.al.* (2022), small and marginal farmers frequently lack the capacity to obtain credit because of ignorance, tardiness, protracted processes, and concerns with documentation. Large-scale farmers are thought to be stable financially and possess enhanced credit availability.

Bhattacharjee and Sharma (2021) revealed that the primary obstacle to credit for KCC beneficiaries was getting a guarantor, which was the most important problem. Additional barriers were the requirement for appropriate security, middlemen, low credit, exorbitant interest rates, unfavorable loan officer attitudes, copious documentation, illiteracy, the requirement for a no due certificate, and bribery.

According to the study by Behara and Behara (2022), the constraints faced by farmers in Odisha included collateral issues, lack of awareness due to lower levels of education among farmers, a low density of financial institutions in village areas, a lack of funding in accordance with demand, loans that are diverted from productive to consumption purposes, and non-repayment of loans as a result of crop loss.

Bohora (2023), revealed that the participants faced notable obstacles in various areas of their credit access. The "high interest rate offered by the scheme" (MPS: 87.50), the "excessive documentation requirement" (MPS: 85.83), and the "lack of financial literacy" (MPS: 84.44) presented them with significant obstacles. Conversely, they encountered comparatively milder limitations concerning "Inadequate financial records" (MPS: 78.89), "Repeated visits to the institution" (MPS: 72.78), and "Strong eligibility criteria" (MPS: 79.44).

METHODOLOGY

This chapter describes the methodological details of the present investigation with the view to find out knowledge, utilization and problems in accessing rural credit experienced by the farmers of Udaipur district. The various aspects pertaining to study are described under following heads:

- 3.1 Locale of study
- 3.2 Selection of sample
- 3.3 Selection and construction of tool
- 3.4 Procedure of data collection
- 3.5 Analysis of data

3.1 LOCALE OF STUDY

The present study was conducted in Udaipur district. There are 20 panchayat samities in Udaipur district, out of which two panchayat samities, Badgaon and Girwa, were selected randomly. From each selected panchayat samities, 4 villages were selected randomly viz. Rama, Jheendoli, Paray Kibagel and Kailashpuri from Badgaon panchayat samiti and Nai, Kaladwas, Lakadwas and Debari village from Girwa panchayat samiti.

3.2 SELECTION OF SAMPLE

A list of farmers for each of the eight selected villages was prepared separately with the help of the Patwari and Agricultural Supervisor. From each village, 25 farmers were selected randomly.

Thus, the total sample for the study consisted of 200 farmers.

3.3 SELECTION AND CONSTRUCTION OF TOOL

The interview technique was used considering the objectives and sample of the study. The interview schedule was developed after extensive review of literature and consultation with subject matter specialists (SMSs). The interview schedule consisted of the following sections -

Section I - This section dealt with general information of the farmers such as age, marital status, caste, education, occupation, family type, family size, land holding, and socio political participation. To measure the socio economic status of farmers, socio economic status scale developed by Pandey and Pandey (2007) was used.

Section II - This section consisted of questions which were used to know farmers knowledge regarding rural credit i.e. meaning and objective of rural credit, sources of rural credit-PACS, LAMPS, FPO, SHG, credit scheme of bank, bank loan procedure, banking instruments, and Kisan credit card scheme.

Section III – This section comprised of the information related to the different aspects of credit utilization by farmer which included type of bank account, frequency of visiting bank, bank loan taken, duration of bank loan, source of credit, utilization, and repayment by farmers.

Section IV – This section dealt with different types of problems faced by farmer in accessing rural credit. The information related to extent of problems faced was recorded on four-point continuum viz. most severe, severe, least severe and nil.

Pretesting of tool

The primary draft of interview schedule was tested for clarity and understanding with a ten non sample farmers. Modifications in questions in terms of vague and complex words were made on the basis of pre testing. After final corrections and modifications, the schedule was used for data collection.

3.4 PROCEDURE OF DATA COLLECTION

Interview technique was used to collect data from the farmers. For gathering information from farmers, good report was established through local leaders and informal discussions with the respondents by making them clear about the objectives of the research. Respondents were interviewed personally by using the developed schedule at their farm/home as per their availability. The interview was conducted in local dialect. Probing was also done to gather information from the respondents.

3.5 ANALYSIS OF DATA

a) Measurement of variable: The variables selected for the study and their measurement is presented below:

i. Background information of the farmers

On the basis of their personal characteristics, i.e., age, education, family type, family size, occupation, and land holding, the socio-economic status, farmers were categorised as under:-

Age: The chronological age of respondents at the time of data collection in completed years is taken as their age. The respondents were categorized into four group on the basis of their age as shown in Table 3.1.

Table 3.1: Categories of the respondents on the basis of their age

S.No.	Categories
1.	20 to 30 years
2.	31 to 45 years
3.	46 to 60 years
4.	Above 60 years

Marital status: On the basis of marital status the respondents were grouped into following categories given in Table 3.2.

Table 3.2: Categories of the respondents on the basis of their marital status

S.No.	Categories
1.	Unmarried
2.	Married
3.	Widower
4.	Divorced

Caste: Caste referred to the status accorded to the individual by birth. Following categories were formed based on this aspect as given in Table 3.3

Table 3.3: Categorization of the respondents on basis of their caste

S.No.	Categories
1.	General
2.	OBC
3.	ST
4.	SC

Education: On the basis of educational level, the respondents were categorized as given in Table 3.4

Table 3.4: Categorization of the respondents on the basis of their education

S.No.	Categories
1.	Illiterate
2.	Functionally literate
3.	Primary
4.	Middle
5.	High school
6.	Graduation and above

Occupation: Categorization of the respondents on the basis of their occupation was done as shown in Table 3.5:

Table 3.5: Categorization of the respondents on the basis of their occupation

S.No.	Categories
1.	Professional / service in govt.
2.	Farming / business /farming with other service
3.	Skilled occupation
4.	Service in private
5.	Unskilled occupation

Family structure: Depending upon the composition and size of the family, the respondents were categorized into following heads as in Table 3.6:

Table 3.6: Categorization of the respondents on the basis of their family structure

S.No.	Categories
Family type	
1.	Nuclear
2.	Joint
Family size	
1.	1to 2 member
2.	3 to 4 member
3.	5 to 6 member
4.	7 to 8 member
5.	Above 8 member

Social political participation: On the basis of the social and political participation, the respondents were categorized as mentioned in Table 3.7:

Table 3.7: Categorization of the respondents on the basis of their social political participation

S .No.	Categories
1.	Involvement in community work
2.	Active office barrier
3.	Financial contribution or rising fund community
4.	Official position in social and political committee
5.	Member of society in one or more socio –political organization
6.	No participation

Land holding: Land holding was categorized on the basis of the amount of land in hectare possessed by the respondents at the time of investigation into the categories as in given Table 3.8

Table 3.8: Categorization of the respondents on the basis of land holding

S .No.	Categories
1.	Land less
2.	Marginal (0.01 to 1ha.)
3.	Small (1.01 to 2ha.)
4.	Semi medium (2.01 to 4 ha.)
5.	Medium (4.01 to 10 ha.)
6.	Big above 10 ha.

Housing: On the basis of type of house owned, the respondents were classified into categories as given in Table 3.9

Table 3.9: Categorization of the respondents on the basis of house owned

S .No.	Categories
1.	Thatched shed
2.	Mud walled / metal sheet roof
3.	Concrete
4.	Concrete double storied
5.	Tiled and brick wall

Livestock possession: It refers to the animals possessed by the respondents. On the basis type of animals possessed following categories were made as given in Table 3.10

Table 3.10: Categorization of the respondents on the basis of heard size

S .No.	Categories
1.	No animals
2.	Pigs
3.	Poultry
4.	Bulls / heifers /goat /sheep /donkey
5.	Bullock
6.	Buffalo / cow

Socio-economic status (SES): For SES, five categories were formed as mentioned in Table3.11:

Table 3.11 Categories of the socio- economic status and score range

S .No.	Categories	Score range
1.	Lower	Below 15
2.	Lower middle	15- 20
3.	Middle	21-32
4.	Higher middle	33-38
5.	Higher	Above 38

Measurement of knowledge: Knowledge test consisted of 41 questions related to rural credit for scoring, each correct answer was assigned one score. The test consisted of maximum score 80. The components wise details of the questions and score are given in Table 3.12

Table 3.12: Details of number of questions with maximum scores for knowledge test

S .No.	Items	No. of questions	Maximum score
1.	General information about rural credit	6	20
2.	Credit scheme of banks	4	13
3.	Bank loan and procedure	9	20
4.	Banking instruments and ATM	6	6
5.	Primary Agriculture credit society and Large and Multi-Purpose Credit Society, Self-help group FPO	9	10
6.	KCC Scheme	7	11
	Total	41	80

In order to have uniformity, the knowledge scores obtained by the respondents were converted into percentages. Three equidistance categories were made to categorise the respondents on the basis of their knowledge as given in Table 3.14

Table 3.13: Categories of knowledge and score range

S .No	Categories	Scores range
1.	Poor (below 33.33 per cent)	Less than 26.66
2.	Average (33.33-66.66)	26.66 – 53.32
3.	Good (above 66.66 per cent)	More than 54

Measurement of utilization of rural credit by farmers

For assessing the extent of utilization of rural credit by farmers, the responses of the respondents related to different aspect of rural credit were recorded. On the basis of relative importance of different items, scores were assigned. The maximum score of utilization were 63. On the basis of scores obtained in utilization, respondents were categorized as under:-

Table 3.14: Categories of utilization and score range

S. No.	Categories	Score range
1.	Low (below 33.22 per cent)	Below 21
2.	Medium (33.66-66.65per cent)	21-41.98
3.	High (above 66.65 per cent	above 42

Statistical Analysis:

After collecting data, it is necessary to analyze it with the help of statistical tools to arrive at meaningful conclusions. Following statistical measure were used to analyze data:

1. **Frequency and Percentage:** Frequency and percentage were used to analyze the data related to background information, knowledge and utilization of rural credit and the problems faced by the respondents.

2. **Mean Per cent Score:** To measure the knowledge, utilization and problems faced by the respondents in accessing credit, mean per cent score were calculated with the help of following formula.

$$MPS = \frac{\text{Sum of score obtained by the respondents}}{\text{Maximum obtained score}} \times 100$$

RESULTS AND DISCUSSION

The chapter furnishes the results emerged out from analysis of the data of present investigation. As per the objectives of the present study, all the pertinent information has been categorized and reported under the following sections:

- 4.1 Background information of the respondents
- 4.2 Knowledge of the farmers about rural credit
- 4.3 Utilization of rural credit by the farmers
- 4.4 Problems experienced by the farmers in accessing rural credit

4.1 BACKGROUND INFORMATION OF THE RESPONDENT

This section deals with the general information of the respondents like age, education status, marital, occupation, caste, family size and type, socio-political participation and socio economic status.

Age: Data in Table 4.1 reveal that nearly half of the respondents (48.5%) belonged to the age group of 46 to 60 year while 41 per cent respondents were between 31 to 46 year whereas, few respondents were above 60 years (3%) and in the age group of 20 to 30 years (7.5 %).

Marital status: It can be seen from the table that majority of the respondents (87.5%) were married and few respondents were unmarried (6.5%) and widow (5.5%).

Education: Table 4.1 also reveals that more than one third of the respondents (37.5%) were functionally literate followed by 17 percent who were illiterate. One fourth respondents (25%) were primary school educated whereas, 10 and 7.5 per cent respondents were educated up to middle and high school, respectively.

Occupation: It is clear from Table 4.1 that all the respondents (100%) were in the category of farming/ business/farming with service/farming with other enterprises the respondents selected for the study were farmers.

Table 4.1: Distribution of the respondents according to their personal variables

n= 200

S.No.	Categories	Frequency	Percentage
1.	Age		
i.	20 -30 years	15	7.5
ii.	31 -45 years	82	41
iii.	45 -60 years	97	48.5
iv.	Above 60 years	6	3
2.	Marital status		
i.	Unmarried	13	6.5
ii.	Married	175	87.5
iii.	Widow	11	5.5
iv.	Divorced	1	0.5
3.	Education		
i.	College /post-graduation	5	2.5
ii	High school	15	7.5
iii	Middle school	20	10
iv	Primary school	50	25
v	Functionality literate	75	37.5
vi	Illiterate	35	17.5
4.	Occupation		
i.	Professional /service in govt.	0	0
ii.	Farming/ business/farming with service/farming with other enterprise	200	100
iii.	Skilled occupation	0	0
iv.	Service in private	0	0
v.	Unskilled occupation	0	0

Cast: Data in Table 4.2 regarding social variables reveal that the majority of respondents (75%) were from schedule tribe and one fifth of the respondents (20%) belonged to schedule caste whereas few respondents (2.5%) were from other backward class and upper middle class.

Family structure: Table 4.2 elucidates that majority of the respondents (75%) belonged to nuclear families and rest of them (25%) had joint families. With regard to the family size, 65 per cent respondents had small sized families whereas, 10 per cent respondents had 3 to 4 and 7 to 8 member family. Very few respondents (7.5%) had large sized family having more than 8 members.

Socio political participation: Table 4.2 clear shows that more than half of the respondents (57.5%) had no participation in any social or political organization. Equal number of respondents (12.5%) had participation in raising fund for community and they were member of society in one or more socio- political organization. Few respondents (10%) were having official positions in social committee and were active office barriers (5%).

Table 4.2: Distribution of the respondents according to their social variables

n=200

S. No.	Variables	Frequency	%
1.	Caste		
i	General	5	2.5
ii	OBC	5	2.5
iii	ST	150	75
iv	SC	40	20
2.	Family type		
i	Joint	50	25
ii	Nuclear	150	75

3.	Family size		
i	1 to 2 number	130	65
ii	3 to 4 number	20	10
iii	5to 6 number	15	7.5
iv	7 to 8 number	20	10
v	Above 8 number	15	7.5
4.	Socio political participation		
	Involvement in community work	5	2.5
	Active office barrier	10	5
	Financial contribution or raising fund for community	25	12.5
	Official position in social and political committee	20	10
	Member of society in one or more socio –political organization	25	12.5
	No participation	115	57.5

Land holding: Data shown in Table 4.3 regarding social variables depict that nearly one third respondents had marginal land (35.5%) and medium sized land holding (32.5%) followed by 12.5 per cent farmers having semi medium landholding. Only two per cent respondents had big landholding above 2 hectares.

Livestock possession: Table 4.3 reveal that the majority of the respondents (75%) had buffalo or cow whereas 9.5 per cent respondents had no animals. Few respondents (2.5-7.5%) were having goats, bulls, bullocks and poultry.

Table 4.3: Distribution of the respondents according to their economic variables

n=200

S.No.	Variables	Frequency	Percentage
1.	Land holding		
i.	Big above 10 ha.	4	2
ii.	Medium (4.01 to 10 ha.)	65	32.5
iii.	Semi medium (2.01 to 4 ha)	25	12.5
iv.	Small (1.01 to 2 ha)	35	17.5
v.	Marginal (0.01 to 1 ha)	71	35.5
vi.	Landless	0	0
2.	Livestock possession		
i.	Buffalo /cow	150	75
ii.	Bullock	10	5
iii.	Poultry	5	2.5
iv.	Bulls / heifers / goat / sheep /donkey	15	7.5
v.	Pigs	0	0
vi.	No animal	19	9.5
3.	House holding		
i.	Concrete double storied	2	1
ii.	Concrete	75	37.5
iii.	Tiled and brick wall	5	2.5
iv.	Mud walled /metal sheet roof	105	52.5
v.	Thatched shed	13	6.5
4.	Annual income (Rs)		
i.	Above 250000	11	5.5
ii.	200000 -250000	21	10.5
iii.	150000 -200000	25	12.5
iv.	100000 -150000	41	21.5
v.	Up to 100000	102	51

Housing: Table 4.3 shows that more than half of the respondents (52.5%) had mud walled with metal sheet roof house, while 37.5 per cent respondents possessed concrete house. Few respondents had thatched house (6.5%), tiled house (2.5%) and concrete double storied house (1%).

Annual income: It can be seen from Table 4.3 that about half of respondents (51%) had annual income up to Rs 1 lac only. More than one third respondents (37.5%) were having annual income between Rs.1, 00,000 to 1, 50,000. Few respondents (5%) had annual income between Rs 1, 50,000 to 2, 00,000 and Rs2, 00,000 to 2, 50,000 while only 2.5 per cent respondents had annual income above Rs2.5 lacs.

Table 4.4: Distribution of the respondents on the basis of their socio economic status

n= 200

S.No.	Categories of SES	Frequency	Percentage
1.	Higher	25	12.5
2.	Higher middle	14	7
3.	Middle	140	70
4.	Lower middle	12	6
5.	Lower	9	4.5

Socio economic status- On the basis of score obtained by the respondents in different aspect of socio economic status, the respondents' socio economic status was categorized as higher, higher middle, middle, lower middle and lower socio economic status. Table 4.4 reveals that majority of the of respondents (70%) had middle socio economic status while 12.5 per cent respondents belonged to higher socio economic status category. Very few respondents had lower socio economic status (4.5%).

Table 4.5: Distribution of the respondents according to the source of information

n=200

S.No.	Source of information	f	%
1.	Personal localite		
i.	Neighbors	45	24.5
ii.	Friends and relatives	37	18.5
iii.	Progressive farmers	67	33.5
iv.	Local leader	49	24.5
v.	Panchayat member	2	1
2.	Personal cosmopolite		
i.	Village level worker	110	55
ii.	Agriculture agency	29	14.5
iii.	NGO officials	61	30.5
3.	Impersonal cosmopolite		
i.	Radio	53	26.5
ii.	Television	29	14.5
iii.	Newspapers/,magazine	31	15.5
iv.	Mobile phone	87	43.5

Source of information: Data shown in Table 4.5 regarding sources of information used by the respondents has been divided in three categories i.e. personal localite, personal cosmopolite and impersonal cosmopolite sources of information and 18.5 per cent respondents sought information from friends and relatives. Very few respondents (1%) used panchayat member as the source of information. Regarding personal cosmopolite sources, more than half of respondents (55%) were connected to village level worker and 30.5 per cent respondents contacted NGO officials. In case of impersonal cosmopolite sources of information, visualization of Table 4.5 indicates that 43.5 per cent respondents used mobile phone and more than one fifth of the respondents (26.5%) were connected to radio. Relatively less number of respondents (14.4-15.5%) used newspaper/ magazine and television as a source of information.

Table 4.6: Distribution of the respondents according to their participation in extension activities

n =200

S.No.	Extension activities	Regularly		Occasionally		Never	
		f	%	f	%	f	%
i.	Training program	15	7.5	90	45	95	33.5
ii.	Field day	23	11.5	12	6	165	82.5
iii.	Field visit	0	0	30	15	170	85
iv.	Demonstration	0	0	51	25.5	149	74.5
v.	Exhibition	0	0	47	23.5	153	76.5
vi.	Krishimela	0	0	77	38.5	123	61.5
vii.	KVK/SAUs/ SHG activities	2	1	63	31.5	135	67.5

Data regarding the participation of the farmers in extension activities i.e. training programs, field days, farm visit, demonstration, exhibition, krishimela and KVK has been presented in Table 4.6. It was found that majority of the respondents (61.5-85%) had never participated in field day, field visits, demonstration, exhibition and krishimela whereas 45 per cent respondents occasionally participated in training programs (45%) which indicates less participation of the respondents in extension activities.

4.2 KNOWLEDGE OF THE FARMERS ABOUT RURAL CREDIT

Rural credit plays an import role in improving the economic and social situation of the farmers. Therefore basic knowledge about of the rural credit is very important for the utilization of rural credit. In this section the knowledge of respondents regarding meaning and advantage of rural credit scheme of banks, bank loans procedure, banking instruments and ATM, Primary agriculture credit society, large and multi-purpose credit society, Self-help groups and FPO has been discussed in the section.

Rural credit and sources:

Rural credit refers to government and bank initiatives to assist rural residents by offering them simple financing at affordable interest rates and with minimal paperwork. Data in Table 4.7 clearly show that most of the respondents (98.5%) were aware of the meaning of rural credit.

Table 4.7: Knowledge of the respondents regarding rural credit and sources

n=200

S.NO.	Item	f	%
1.	Meaning of rural credit	197	98.5
2.	Sources of institutional credit		
i.	Banks	164	82
ii.	Primary agriculture co-operative society	33	16.5
iii.	Grameen Sahkari Samitee	24	12
iv.	Large Area Multi-Purpose Societies (LAMPS)	21	10.5
v.	SHG	32	16
vi.	FPO	30	15
3.	Name of banks		
i.	Punjab national Bank	87	43.5
ii.	State bank of India	43	21.5
iii.	Rajasthan Marudhara Garmin bank	37	18.5
iv.	Bank of Baroda	33	16.5
4.	Bank located in vicinity		
i.	Punjab National Bank	17	8.5
ii.	State Bank of India	127	63.5
iii.	Rajasthan Marudhara Garmin Bank	31	15.5
iv.	Bank of Baroda	35	17.5
5.	Purpose of getting credit		
i.	Production purpose	154	77
ii.	Consumption purpose	62	31
6.	Advantage of rural credit		
i.	Low interest rate	104	52
ii.	No chance of fraud	43	21.5
iii.	Easy for repayment	51	25.5
iv.	No need of any guarantee collateral security	27	13.5
v.	Avoid cheating by moneylenders	51	25.5

There are various source of rural credit. Formal or institutional source of credit include cooperatives, commercial banks, regional rural banks, Primary Agriculture Credit Societies (PACS), Large Area Multi-Purpose Societies (LAMPS), GramSahkari Samite, Self Help Groups (SHGs) and Farmer Producer Organizations (FPOs). Regarding the source of institutional credit, majority of the respondents (82%) reported bank whereas 10.5-16.5 per cent respondents were aware of Primary Agriculture Co-Operative Society, SHGs, FPO, Gram Sahkari Samitee and Large Area Multi –Purpose Credit Society. When asked about the name of the bank, 43.5 per cent respondents mentioned Punjab National Bank while relatively lesser respondents were able to report the name of State Bank of India (21.5%) , Rajasthan Marudhara Gramin Bank (18.5%) and Bank of Baroda (16.5%).

Table 4.7 shows that the 63.5 per cent of the respondents stated that State Bank of India is located nearby or in their villages, while Bank of Baroda (17.5), Rajasthan MarudharaGramin Bank (15.5%) and Punjab National Bank (8.5%) were also mentioned by the respondents. Bank provides loan for consumption and production purposes. Loan for consumption include personal loan, home loan, vehicle and educational loan and loan for production purpose include loan for new machine, implements, seed and fertilizers etc. Majority of the respondents (77%) knew that credit can be taken for production purpose while 31 per cent respondents knew that bank provides credit for consumption purpose (25%) also.

Data in Table 4.7 regarding the advantage of rural credit depict that more than half of the respondents (52%) reported low interest rate while about one fourth respondents knew that rural credit is easy for repayment (25.5%), avoid cheating by money lenders (25.5%) and there is no chances of fraud. No need of collateral security was known to 13.5 per cent respondents.

Similar findings were revealed by Rana (2015) who reported that most of the respondents (94%) knew the concept of rural credit. The advantage i.e. credit is provided at low interest rate, no chance of fraud in getting the loan from bank , avoid cheating by moneylender, convenience in repayment of bank loan were reported by 40-65 percent respondents.

4.2.2 Credit schemes of banks

Many bank programs, such as the Kisan Credit Card (KCC), home loan, Kisan gold card, loan for agriculture implements, and vehicle loan, are available to rural residents. An economical lending option for Indian farmers is the Kisan credit card, farmers who would otherwise have to continuously go through laborious bank credit screening procedures can now have cash credit facilities through Kisan Credit Card. A four-year extension is available, and repayment may be postponed in the event of a poor crop season. A home loan is available to anyone who want to build or buy a house. Banks also offer the Kisan Gold Card, which extends hassle-free financing to farmers and/or agriculturalists against gold ornaments and/or gold wares to increase their liquidity to meet crop production expenses, investment expenses related to agriculture and/or allied agricultural activities. Additional loans for agricultural implements are available for the purchase of heavy agricultural machinery, such as tractors and power tillers.

Data in Table 4.8 regarding the knowledge of farmers about different credit schemes indicate that more than one third of respondents (36.5%) had knowledge of agriculture implements loan, 23.5 per cent of respondents were aware about the Kisan credit card loan, 16.5 per cent respondents knew about home loan, 11.5 per cent respondents stated Kisan gold loan. Few respondents stated that banks provide dairy farm loan (6.5%) and vehicle loan (5.5%). Regarding concept of subsidy, less than half of the respondents (45.5%) were aware of the term subsidy. Different types of subsidy is provided by the banks. It was found that more than one fourth of the respondents (27.5%) knew about subsidy on agriculture implements while subsidy on animal purchase and domestic gas was known to 17.5 and 9.5 per cent respondents, respectively.

Table: 4.8 Knowledge of the respondents regarding credits schemes and subsidy

n=200

S.NO.	Item	f	%
1	Credit schemes		
i.	Home loan	33	16.5
ii.	Vehicle loan	11	5.5
iii.	Agriculture implements loan	73	36.5
iv.	Kisan credit card	47	23.5
v.	Kisan gold loan	23	11.5
vi.	Dairy farm loan	13	6.5
2.	Subsidy		
i.	Concept	91	45.5
ii.	Different types of subsidies		
iii.	Agriculture implements	55	27.5
iv.	Domestic gas	19	9.5
v.	Animal purchase	35	17.5

4.2.3 Bank loan and procedure

A loan is an arrangement with a bank that permits an individual or group to obtain credit or borrow funds as needed. It's a credit arrangement where the loan has a set payback period. For example, a short- term medium-term, and long-term loan.

Table 4.9 Knowledge of the respondents about bank loan

n=200

S.No.	Item	f	%
1.	Duration of bank loan		
i.	Short term	148	74
ii.	Medium term loan	115	57.5
iii.	Long term loan	12	6
2.	Duration of repayment (depend upon policy and schemes)	63	31.5
3.	Frequency of repayment of credit (every month)	125	62.5
4.	Amount of monthly installments	122	61
5.	Bank interest rate	110	55

Data in Table 4.9 show that the majority of the respondents (74%) knew about the short term credit i. e. credit for 1 to 2 years while more than half of the respondents (57.5%) mentioned about medium term loan (2 to 5 years). Very few respondents (6%) reported about the long term loan i. e. for more than 5 years.

Duration of repayment, monthly installment also depends on policy and schemes of institution lending credit. Table 4.9 indicates that less than one third of the respondents (31.5%) mentioned about the duration of repayment of credit i. e. it depends upon the credit scheme while 62.5 per cent respondents knew about the frequency of repayment of credit i.e. it has to be paid every month. . Majority of the respondents (61. %) were aware of the monthly installment i.e. it is fixed as per the amount of loan and duration of loan. More than half of the respondents (55%) knew about the interest rate of credit in different schemes of bank.

Table 4.10: Knowledge of the respondents regarding bank loan procedure

n=200

s.no.	Item	f	%
1.	Application form	158	79
2.	Steps of receiving credit		
i.	Filling application form	152	76
ii.	Submission of application form with documents	150	75
iii.	Verification of application form with documents	118	59
iv.	Sanctioning of credit	118	59
3.	Documents required for loan		
i.	Voter identification	148	74
ii.	Aadhar card	148	74
iii.	Domicile certificate	59	29.5
iv.	Ration card	140	70
4.	Need of collateral security for taking loan		
i.	Equitable mortgage of residential property	142	71
ii.	Equitable mortgage of land	142	71
iii.	Third party guarantee	45	22.5

A certain process must be performed in order to transfer a bank loan. When clients apply for a bank loan, they must complete out an application that the bank provides. Name, address, family members, type of account, loan amount, length of repayment, interest rate, terms and conditions that apply to the specific loan, amount of monthly installments, etc. are all included in this application form. The application must be submitted to banks with all fields filled out.

Data in Table 4.10 indicate that majority of the respondents (79%) were aware of application form provided by the bank. Procedure of receiving credit from the bank includes filling of application form, submission of application form with documents, verification of documents with application form and sanctioning of credit. About three fourth of the respondents knew about the filling of application form(76%) and submission of application form with documents (75%) while 59 per cent respondents were aware of verification of application form and documents and sanctioning of credit. Regarding various documents required for loan, majority of the respondents (74%) mentioned voter identification card (74%), aadhar (74%) and ration card (70%) while Only 29.5 per cent knew about domicile certificate. Regarding need of collateral security for taking loan, data in Table 4.10 reveal that majority of the respondents (71%) knew about the equitable mortgage of residential property and land while 22.5 per cent respondents were aware about third party guarantee.

4.2.5: Kisan Credit Card

The Kisan Credit Card (KCC) scheme was introduced in 1998 for issue of Kisan Credit Cards to farmers on the basis of their holdings for uniform adoption by the banks so that farmers may use them to readily purchase agriculture inputs such as seeds, fertilizers, pesticides etc. and draw cash for their production needs. The scheme was further extended for the investment credit requirement of farmers viz. allied and non-farm activities in the year 2004. The Kisan Credit Card program has been assisting farmers by providing them with short-term formal loans and a credit limit that they may use for other needs, such as buying equipment. Knowledge of the respondents regarding Kisan Credit Card scheme depicted in Table 4.11 reveals that 23.5 per cent respondents were aware about the concept of Kisan Credit Card scheme. The farmers eligible under the KCC scheme include small farmers, marginal farmers, share croppers, oral lessee, tenant farmers and dairy farmer. The Self Help Groups (SHGs) or Joint Liability Groups (JLGs) are also eligible for availing benefits under this scheme. It can be seen from the table that only 12.5 to 20 per cent respondents

knew about who can be benefitted by it. Under this scheme, 1-3 lakh per annum loan is provided to the farmers at the interest rate of 7% per annum and there is provision of 4% subsidy which was known to 20.5 and 20 per cent respondents, respectively. Credit given under KCC scheme is to be repaid in 12 months and 17. per cent respondents were aware of it. For registering under KCC scheme, basic requirements are copy of jamabandi, landholding certificate, search report from bank nominated advocate, ID proof, Passport size photographs and two witnesses to open the account. It was known to few respondents (02-8.5%).

Table: 4.11 Knowledge of the respondents regarding Kisan Credit Card scheme

n=200

s.no.	Item	f	%
1.	Concept of Kisan Credit Card	47	23.5
2.	Beneficiaries of KCC		
i.	Small farmer	40	20
ii.	Marginal farmer	31	15.5
iii.	Oral lessee	31	15.5
iv.	Tenant farmers	28	14
v.	Sharecroppers (JLG and SHG)	25	12.5
vi.	Dairy farmer	31	15.5
3.	Credit limit of card	41	20.5
4.	Interest rate under KCC	40	20
5.	Subsidy amount in KCC loan	35	17.5
6.	Repayment of KCC	35	17.5
7.	Prerequisites for KCC registration		
i.	Copy of jamabandi	17	08.5
ii.	Land holding certificate	15	07.5
iii.	Search report from bank nominated advocate	08	04
iv.	ID proof	17	08.5
v.	Passport size photographs	15	07.5
vi.	Two witnesses to open the account	4	02

Keshri *et al.* (2018) who studied awareness of Kisan Credit Card holders and non-holders about KCC scheme in Bikaner district of Rajasthan revealed that in case of overall awareness about registration, KCC and Non KCC holders were considerably aware about “”, “search report from bank nominated advocate”, passport size photograph & ID proof”, “two witnesses to open the account”, and “land certificate,” The mean per cent scores of these aspects were 51.67, 41.33, 35.67, 28.33, and 19.00 per cent respectively.

Table: 4.12 Knowledge of the respondents regarding institutional credit

n=200

S.No.	Items	f	%
1.	Primary agriculture credit society		
i.	Concept	30	15
ii.	Type of loan	17	8.5
iii.	Process of taking loan	12	6
2.	Large area multi-purpose credit society		
i.	Concept	21	10.5
ii.	Type of loan	10	5
iii.	Process of taking loan	07	3.5
3.	Farmer producer organization		
i.	Concept	30	15
ii.	Type of loan	0	0
iii.	Process of taking loan	0	0
4.	Self-Help group		
i.	Concept	60	30
ii.	Type of loan	14	7
iii.	Process of taking loan from SHGs	4	2

Table 4.12 reveals that only 15 per cent respondents had knowledge about Primary agriculture credit society, 8.5 per cent respondents were aware about the type of loan i.e. short term whereas, 6 per cent respondents were aware about the process of taking loan. Data indicated that only 10.5 per cent respondents had knowledge about Large area multi-purpose credit society, 5 per cent of the respondents were aware about the short term loan and 3.5 per cent of respondents knew the process of taking loan.

Regarding Farmer Producer Organization, 15 per cent of the respondents knew about only concept but not aware of type and process of taking loan. When asked about self – help group, 30 per cent respondents knew about the concept but few respondents were aware about type of loan (7%) and process of taking loan (2%).

4.2.8 Banking instruments:

The documents used to process bank operations are referred to as banking instruments. Numerous banking instruments exist. A paper book used to keep track of bank transactions related to a deposit account is called a passbook or bankbook. It may be the size of a check book, depending on the banking institution. Like a bill of exchange, a demand draft is a negotiable instrument. A demand draft is sent by the bank to a client (drawer) directing another bank (drawee) or one of its own branches to make a certain payment to the payee. A sort of bill of exchange, a check is created to eliminate the need to carry big sums of cash when making payments. Table 4.13 clearly show that the majority of the respondents (75- 97.5%) were aware about the passbook, cheque, ATM card while 63.5 per cent respondents knew about demand draft.

Table: 4.13: Knowledge of the respondents regarding banking instruments, Procedure and ATM

n=200

S.No	Items	f	%
1.	Passbook	195	97.5
2.	Cheque	150	75
3.	Demand draft	127	63.5
4.	ATM (Automatic teller machine)	170	85

An effort was made to categorize the respondents on the basis of their knowledge about the rural credit. Overall knowledge was categorized in poor, average and good categories. It is clear from Table 4.14 and Fig. 4.1 that more than half of the respondents (57.5%) had poor knowledge about rural credit while 24 per cent respondents had average knowledge of rural credit and only 18.5 per cent respondents had good knowledge. The reason behind such findings may be the low educational level and low socio political participation of the respondents.

Table 4.14: Overall knowledge of the respondents about rural credit

n= 200

S. No.	Category	f	%
1	Poor	115	57.5
2	Average	48	24
3	Good	37	18.5

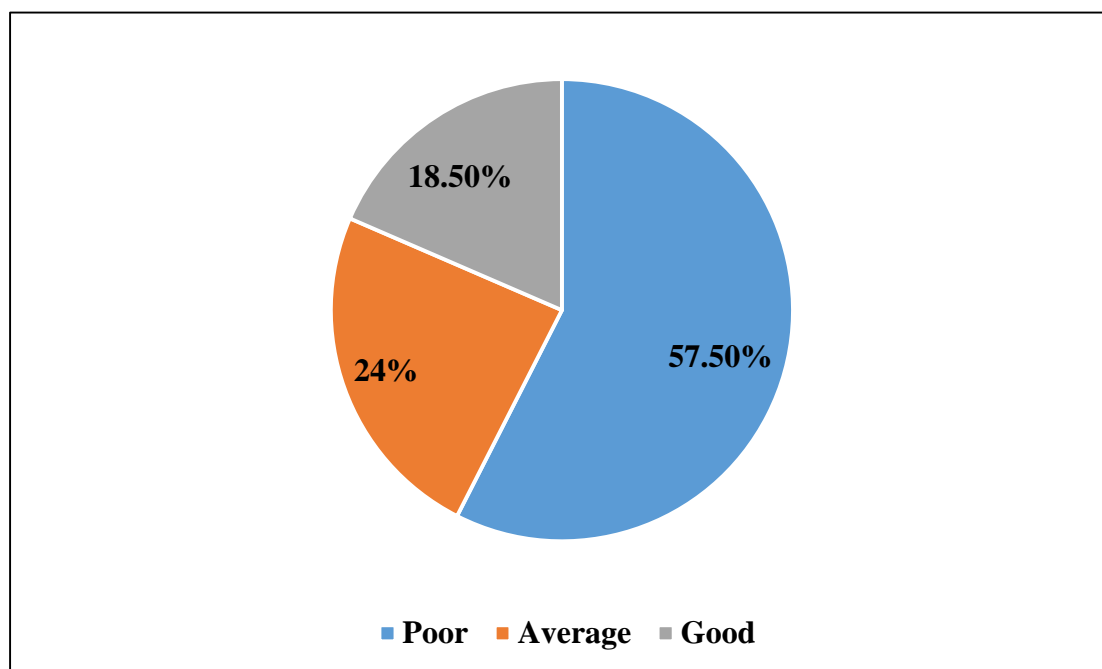


Fig. 4.1: Overall knowledge of the respondents regarding rural credit

Similar findings were reported by Glady and Ramesh (2021) who mentioned that the uneducated farmers of Orthanadu Taluk of Thanjavur, Tamilnadu were lacking in awareness about the available schemes in India. Worked out awareness metrics on agriculture credit schemes with special focus on farmers.

4.3 UTILIZATION OF RURAL CREDIT BY THE FARMERS

Giving farmers credit is ineffective if it is not used properly. Information about how the respondents used rural credit—such as how often they visited banks, what kind of bank accounts they used for credit, what kind of loans they took out, how long they lasted, , how often they used the credit, patterns of credit utilization, and general procedures farmers followed when using loans has been covered in this section.

According to Table 4.15, most of the respondents (95%) used to go to the banks. Regarding frequency of visiting the bank, nearly two third respondents (65%) visited the bank monthly while 24.5 per cent respondents were going to the bank quarterly whereas 10.5 per cent respondents reported that they go to bank weekly to deposit, withdraw money and for updating the pass book. The table further indicates that majority of the respondents (95%) were holding bank accounts which were joint accounts (77.5%) whereas, 62.5 per cent of the respondents had individual accounts.

Table: 4.15 Distribution of the respondents by their type of bank account and deposits

n= 200

S. No.	Items	f	%
1.	Go to bank	190	95
2.	Frequency of visiting banks		
i.	Weekly	21	10.5
ii.	Monthly	130	65
iii.	Quarterly	49	24.5
3.	Hold bank account	190	95
4.	Type of bank account*		
i.	Joint account	155	77.5
ii.	Individual account	125	62.5
5.	Hold bank account		
i.	Before 2005	100	50

ii.	2005 to 2022	75	37.5
iii.	2023 to 2024	25	12.5
6.	Type of deposit schemes*		
i.	Fixed deposit (F.D)	135	67.5
ii.	Short deposit (S.D)	41	20.5
iii.	Current deposit (C.D)	13	6.5
iv.	Recurring deposit (R.D)	11	5.5

*** Multiple response**

Table 4.15 reveals that half of the respondents (50%) had bank account before 2005, while 37.5 per cent of the respondents opened account between the year 2005 to 2022 and rest of the respondents (12.5%) opened the account during the year 2022 to 2023. Regarding the type of deposit schemes, majority of the respondents (67.5%) kept their money in fixed deposit scheme and 20.5 per cent of respondents kept short deposits whereas, very few respondents had current deposits (6.5%) and recurring deposit (5.5%).

Data in Table 4.16 depict the pattern of taking credit including frequency, sources, type, purpose and amount of loan. It was found that majority of the respondents (77.5%) had taken loan. When asked about the frequency of taking loan, more than half of the respondents (57%) had taken loan once while 20.5 per cent of the respondents took loan twice. It can be seen from the table that majority of the respondents (68.5 %) had taken loan from bank, 5 per cent of the respondents took loan from Large Area Multi-Purpose Credit Society and very few respondents (1.5%) had taken from Primary Agricultural Credit Society. None of the respondents took credit from KCC, FPO and SHGs as they were not well aware about these sources. Such findings may be due to the reason that bank give loan for different durations while PACS and LAMPS give only short term loans.

Table 4.16: Distribution of the respondents by their credit utilization pattern

n=200

S. No.	Items	f	%
1.	Taken credit	155	77.5
2.	Frequency of taking loan from banks		
i.	Once	114	57
ii.	Twice	41	20.5
3.	Sources or credits		
i.	Bank	137	68.5
ii.	KCC	0	0
iii.	LAMPS	10	5.0
iv.	PACS	3	1.5
v.	FPO/SHG	0	0
vi.	From money lenders	2	1
vii.	Friends	3	1.5
4.	Year of taking loan		
i.	2015-2018	74	37
ii.	2019-2022	66	33
iii.	2023-2024	15	7.5
5.	Type of loan		
i.	Short term loan	123	61.5
ii.	Medium term loan	17	8.5
iii.	Long term loan	15	7.5
6.	Purpose of loan		
i.	Production purpose	121	60.5
ii.	Consumption purpose	34	17
7.	Production purpose		
i.	Purchase of Seed	88	44

ii.	Purchase of Manure ,fertilizers and pesticides	9	4.5
iii.	Purchase of animal	19	9.5
iv.	Purchase of Farm machinery	5	2.5
8.	Consumption purpose		
i.	Religious and social functions	13	6.5
ii.	Payment of old debts	14	7.0
iii.	Household consumption	7	3.5
9.	Amount of loan (Rs)		
i.	50,000-75, 000	63	31.5
ii.	75, 000- 1,00,000	21	10.5
iii.	1,00,000- 1,25,000	59	29.5
iv.	1,25,000- 1, 50,000	6	3.0
v.	150,000 to 1, 75, 000	6	3.0
10	Used loan for the purpose /sanctioned	114	57

According to Table 4.16, nearly one third of the respondents took loan in the year 2015 – 2018 (37%) and 2019-2022(33%). Very few respondents (7.5%) got their loan sanctioned in year 2023-2024. Regarding the type of loan, the table shows that 61.5 per cent of the respondents had taken short term loan (1 to 2years) while few respondents took medium term (8.5%) and short term loan (7.5%).

Different credit institutions lend money for both production and consumption purposes. Data in Table 4.16 regarding the purpose of loan show that 60.5 respondents had taken loan for production purpose while 17 per cent respondents had taken loan for consumption purpose. For production purpose, respondents availed loan for purchase of seed (44%), purchase of manure, fertilizers and pesticides (4.5%) and purchase of farm machinery (2.5%). These findings indicates that they used the credit to address more urgent issues. Under the consumption purpose, respondents utilized loan for repayment of old debts (7.5%), for religious and social functions (6.5%) and for household consumption (3.5%).

The findings get support from Dasgupta and Dey (2015) who mentioned that amount of productive loan was used in crop production by all the respondents. Regarding consumption loan, the respondents used it for social ceremonies (28.57%), consumption (28.57%), health (28.57%), and building house (14.28%). Singh and Banafar (2005) also reported that most farmers obtained loan for productive purposes such as high yield variety seeds, fertilizer and pesticides. Udaykumar and Umesh (2020) also mentioned that loan was utilized by the farmers for livestock, digging of bore well, crops and education for children.

Regarding the amount of loan Table 4.16 reveals that nearly one third respondents (31.5%) had taken loan of Rs 50,000- 75,000 followed by 29.5 per cent respondents who availed loan between Rs. 1-1.25 lakh and 10.5 per cent respondents who took loan between Rs. 75,000-1lakh. Few respondents also took loan between Rs 1.25-1.75 lakh. Further more than half of the respondents (57%) used the loan for the purpose it was sanctioned and did not utilize for other purposes.

Table 4.17 presents the repayment pattern of loan by the respondents. It was found that majority of the respondents (70%) had rapid loan amount. Regarding the duration of loan repayment, 33.5 per cent respondents had repaid the loan in one year followed by 22.5 per cent respondents repaying the loan in two years. Rest of the respondents paid the loan in three years (2.5 %), four years (2%) and five years (9%) depending upon the type of loan they took.

Table: 4.17 Distribution of the respondents by their loan repayments pattern

n=200

S. No.	Items	f	%
1.	Repaid loan	140	70
2	Duration of loan repayment		
i.	1 year	67	33.5
ii.	2year	45	22.5
iii.	3 year	5	2.5
iv.	4 years	4	2
v.	5 year	19	9.5

3.	Regular payment of loan	114	57
4.	Full repayment of loan	114	57
5.	Sources of repayments of loan		
i.	Labor work	27	13.5
ii.	Agriculture	113	56.5
6.	Problems in repayment		
i.	Low crop yield	83	41.5
ii.	Crop failure	27	13.5
iii.	Expenditure in social ceremonies	21	10.5
iv.	Unproductive use of loan	39	19.5
v.	Absence of income from other sources	10	5.0
vi.	Expectation of loan waiver from govt.	13	6.5
vii.	High dependency ratio of family	5	2.5

Table 4.17 regarding regular repayment reveals that 57 per cent respondents paid the loan regularly and the same number of respondents (57%) had repaid the full amount of loan. When asked about the source of income for repayment of the loan, more than half of the respondents (56.5%) repaid the money from income earned from agriculture while 13.5 per cent respondents did labour work to repay the loan amount.

Various problems were faced by the respondents in repaying the loan. It can be seen from the table that 41.5 per cent of respondents had low crop yield and 13.5 per cent farmers faced crop failure which affected their repayment capacity. Further 19.5 per cent respondents made unproductive use of the loan and 10.5 per cent respondents spent the loan amount in social ceremonies. Expectation of loan waiver from government (6.5%), absence of income from other sources ((5.0%) and high dependency ratio of family (2.5%) hindered their loan repayment regularly.

Similar findings were revealed by Rathore *et. al.* (2017) regarding reason for non-repayment of agricultural loans. Majority of the respondents reported that they did not

pay back the loan amount because of low income generated from crop. Jakhar et al. (2022) revealed the low price of agricultural produce, crop failure, and the high interest rates charged by non-institutional sources were major constraints in the timely repayment of loan amounts.

Table: 4.18 Distribution of the respondents by bank transaction pattern

n=200

S. No.	Items	Way of transaction			
		Individually		With family members	
		f	%	f	%
1.	Use of check book	152	76	38	19
2.	Use of demand draft	112	56	78	39
3.	Depositingwithdrawing money	144	72	46	23
4.	Hold ATM card	155	77.5	-	-
5.	Use of ATM card	52	26	103	51.5

Data in Table 4.18 presents the bank transaction pattern of the respondents. It can be seen from the table that majority of the respondents (76%) used check book individually while 19 per cent respondents used check book with the family members. Regarding use of demand draft, more than half of the respondents (56%) used demand draft individually and 39 per cent respondents used demand draft with the help of family members. Majority of the respondents (72%) were able to deposit and withdraw money in bank individually, while 23 per cent respondents used to take help of family members. It was encouraging to note that 77.5 per cent respondents were holding ATM cards but only 26 per cent of the used it individually while half of them took the help of family members. This may be due to the reason that majority of the respondents were either literate or just functionally literate.

Table 4.19 Overall utilization of rural credit by the respondents

S. No.	Category	f	%
1	Low	48	24
2	Medium	124	62
3	High	18	9

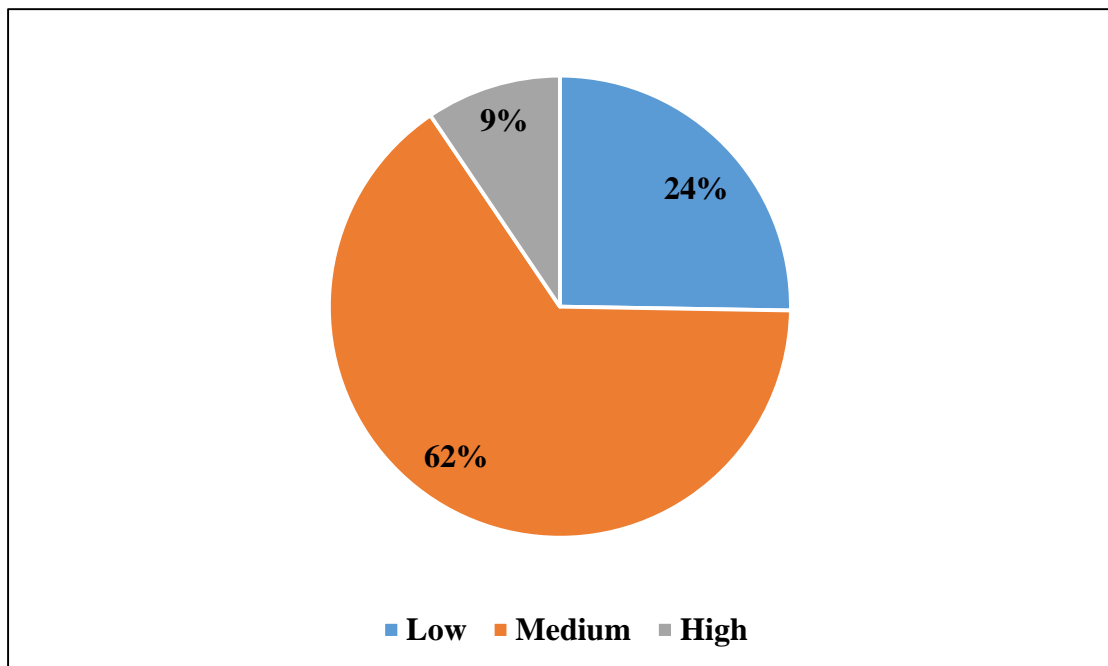


Fig. 4.2 Overall utilization of rural credit by the respondents

An effort was made to categorize the respondents on the basis of overall utilization about rural credit. Table 4.19 and Fig. 4.2 clearly show that 62 per cent of the respondents had medium utilization of rural credit while only 9 per cent of the respondents had high utilization of rural credit whereas 24 per cent respondents had low utilization of rural credit. The reason behind such findings may be illiteracy among them and the problems experienced by them in accessing the credit from institutional sources.

4.4 PROBLEMS EXPERIENCED BY THE FARMERS IN ACCESSING RURAL CREDIT

Farmers' access to institutional sources of financing is restricted due to various constraints or issues, despite the government's extensive development efforts. The current study aims to investigate the difficulties farmers had when attempting to obtain the finance. Response of the respondents regarding problems faced was gathered on four point continuum i.e. most severe, severe, least severe and nil assigning 3, 2, 1 and 0 scores respectively and then mean percent scores were worked out.

Data in Table 4.19 reveal that majority of the respondents (92.5%) reported the lack of information regarding institution providing loan to farmers was the major problem experienced in accessing rural credit with the mean per cent score of 95.50(I). They were aware about only bank as a source of credit but lacked information about other institutional sources such as PACS, LAMPS, FPO and SHGs. Problem of non-availability of documents was reported by majority of the respondents (71%) as most severe with MPS 85.66 ranked at second place as most of them inherited the land from their ancestors and did not have the proper documents. It was followed by lack of information regarding schemes of loan with the MPS 82 and ranked III. They were not aware of the various schemes under which credit can be taken.

Majority of the respondents mentioned problem of illiteracy (IV) with MPS 69.16 as lack of education hindered them in accessing bank facilities. Hidden charges of bank was also mentioned by the respondents with MPS 67.5 at V rank followed by problem of distant location of bank from the village with MPS of 62.5 as their homes and farms were located away from the banks. Respondents also faced the problem of need of collateral security for personal loan with MPS 56 ranked at VII place.

Respondents reported lack of knowledge regarding loan process with MPS 54.5 and ranked VIII, followed by problem of proper guidance with the MPS 54.16 (Rank IX). The respondents were not very well aware of the bank procedures and they were hesitant to discuss with the bank employees. Similarly problem of loan amount less than required amount was mentioned by 66 per cent respondents at X rank and lots of formalities of bank at XI rank was reported with MPS 53.5. Lengthy bank finance procedures also affected their access to bank credit.

Table: 4.20 Distribution of the respondents by the problems faced by them in accessing rural credit

n=200

S. No.	Problems	Degree of severity f (%)				MPS
		Most severe	Severe	Least severe	Nil	
1.	Lack of information regarding institution providing loan to farmers	185 (92.5)	8 (4)	2(1)	4(2)	95.66 (I)
2.	Non availability of documents	142(71)	37(18.5)	14 (7)	7 (3.5)	85.66 (II)
3.	Lack of information regarding schemes of loan	98(49)	86(43)	3(1.5)	13(6.5)	78.16 (III)
4.	Illiteracy	34(15.5)	111(55.5)	48 (24)	7 (3.5)	69.16 (IV)
5.	Hidden charges of bank	79 (39.5)	51 (25.5)	66 (33)	4 (2)	67.5(V)
6.	Distant location of bank from the village	11(5.5)	159(79.5)	21(10.5)	9(4.5)	62.6 (VI)
7.	Need of collateral security For personal loan	19(9.5)	129(64.5)	21(10.5)	31(15.5)	56 (VII)
8.	Lack of knowledge regarding loan process	65(32.5)	8(4)	116(58)	11(5.5)	54.5 (VIII)
9.	Lack of proper guidance	34(15.5)	66 (33)	91 (45.5)	9(4.5)	54.16 (IX)
10.	Loan amount less than required amount	12(6)	132(66)	21(10.5)	35(17.5)	53.5 (X)

11.	Lots of formalities of bank	19(9.5)	88(44)	86(43)	7(3.5)	53.16 (XI)
12.	Lack of cooperation from officials	29(14.5)	35 (17.5)	127(63.5)	9 (4.5)	47.33 (XII)
13.	Bribe for taking the loan on card	31(15.5)	38 (19)	119(59.5)	12 (6)	47 (XIII)
14	Non availability of bank officials in time.	19 (9.5)	34 (17)	142 (71)	5 (2.5)	44.5 (XIV)
15.	Insufficient credit limit in KCC	19 (9.5)	35(17.5)	139(69.5)	7 (3.5)	44.33 (XV)
16.	Delay in loaning	17(8.5)	36(18.5)	140(70.5)	7(3.5)	43.83(XV I)
17.	High rate of interest	19 (9.5)	32 (16)	141(70.5)	8 (4)	43.6 (XVII)

Other problems such as lack of cooperation from officials, bribe for taking the loan on card, non-availability of bank officials in time, insufficient credit limit in KCC, delay in loaning and high rate of interest were also revealed by the respondents with MPS ranging between 43.6-47.33.

Similarly Rani *et al.* (2015) also found that high rate of interest, too many intermediaries, lengthy and complicated loan procedure, problem of financial guarantor and attitude of the loan officer were there main constraints in availing dairy loans. According to Rathna (2018), there are still issues that need to be addressed in rural areas, such as low loan amounts, inadequate marketing resources, and reliance on the monsoon, crop losses, loan approval delays, high interest rates, and job uncertainty. Shobha and Siji (2018) also found that although formal credit for agriculture was growing quickly, it was still insufficient to meet the needs of Maluri farmers, who had to turn to informal credit to cover some of their demands, both productive and unproductive. Due to their incapacity to provide collateral, high interest rates, onerous loan application procedures, and ignorance of interest subsidy programs, farmers have had limited access to credit.

Because of the above mentioned problems, farmers continue to rely on informal credit markets for their economic and social needs because of easy access, flexibility of rescheduling and non-requirements of collateral. These advantages in their perception are far outweighing even the exorbitant interest of rate they pay to moneylenders. More ever the formal credit institution does not satisfy the social requirement and other survival needs of poor farmers prefer moneylenders to arrange credit.

It can be inferred from the present study that the respondents possessed poor knowledge about the credit and their utilization was medium because they faced some problems also. They continue to rely on informal credit markets for their economic and social needs because of easy access and flexibility. In order to increase the utilization of rural credit by the farmers, efforts needs to be made to overcome the problems.

SUMMERY

The majority of Indian population lives in villages and relies on agriculture for their livelihood. Small and marginal farms as well as unprofitable farms have been issues for Indian agriculture since marginal and small farmers make up a sizable portion of the rural population. They have failed to raise their standard of living, elevate their social standing, or expand their job opportunities. Farmers need to invest a substantial amount of money annually to ensure a good crop. For impoverished rural farmer to overcome the unavoidable gap between income and expenses, credit is essential. Credit is a component of the financial intermediation system, which transfers resources between individuals, households, and businesses and distributes them over time. In order to boost their output and augment their personal and household earnings, farmers require credit. They usually resort to borrowing money from moneylenders. Non-institutional credit can be obtained from a variety of significant sources, including commission agents and traders, landlords, money lenders, friends, and family. Typically, non-institutional lenders that hold real estate or other assets as collateral impose exorbitant interest rates.

Historically, India's formal sector banking institutions have only catered to the needs of the commercial sector, offering loans to people in the middle and upper income brackets. The official financial institutions comprise Commercial Banks, NABARD, Land Development Banks, Rural Development Banks and Co-operative Banks .To improve the institutional rural credit system, the government has launched a number of initiatives. Commercial banks have extended their network of rural branches and implemented specific policy directives to augment credit availability to agriculture and other targeted industries. In addition to maintaining a credit deposit ratio of 60% in rural and semi-urban branches, commercial banks are required to make sure that 40% of all credit is allocated to the priority sectors, of which 18% are direct financing to agriculture and 25% are priority sectors in favor of the weaker section.

Government of India has launched Pradhan Mantri Jan DhanYojana scheme with a target to provide universal access to banking facilities starting with "basic banking accounts " with overdraft facility of Rs 5000 after six months and Rupay debit card with inbuilt accident insurance cover of 1lakh and Rupay Kisan Card. There are many

rural credit schemes of various banks for the farmers which provide loan at low interest rate.

Though the government has made efforts to make credit accessible to farmers, however due to the cumbersome loan procedure, they find it difficult to get credit from institutional sources. Some of the difficulties that they faces in applying credit are: certification of identity, lack of assets for furnishing security, the necessity for traveling long distance frequently to transect the loan and illiteracy. Thus, the present study entitled “Utilization of Rural Credit by the farmers of Udaipur District, Rajasthan” has been planned with following objectives:

1. To study the knowledge of the farmers about rural credit.
2. To study the utilization of rural credit by the farmers.
3. To explore the problems experienced by the farmers in accessing rural credit.

METHODOLOGY

The present study was conducted in two randomly selected panchayat samities of Udaipur District (Rajasthan) viz., Badgaona and Girwa . From each of these two selected panchayat samities, four villages were selected randomly viz., Rama, Jheendoli, Paray ki bagel and Kailash puri from Badgaon Panchayat samiti and Nai, Kaladwas, Lakadwas and Debari from Girwa panchayat samiti. From each village, 25 farmers were selected randomly, thereby making a total sample of 200 respondents. Data were collected withthe help of personal interview schedule. Frequency, percentage and mean percent score were used for analyzing the data statistically.

MAJOR FINDINGS

I. Background information of the respondents

- i. Nearly half of the respondents (48.5%) belonged to the age group of 46 to 60 year. Majority of the respondents (87.5%) were married and more than one third of the respondents (37.5%) were functionally literate. All the respondents (100%) were in the category of farming.
- ii. Majority of the respondents were schedule tribes (75%), had nuclear (75%) and small sized families (65%). More than half of the respondents (57.5%) had no participation in any social or political organization.

- iii. Nearly one third respondents had marginal land (35.5%) and medium land holding (32.5%). Majority of the respondents (75%) had buffalo or cow whereas 9.5 per cent respondents had no animals. More than half of the respondents (52.5%) had mud walled house with metal sheet roof, while 37.5 per cent respondents possessed concrete houses. Nearly half of the respondents (51%) had annual income up to Rs 1 lac only.
- iv. Regarding sources of information used, 33.5 per cent of respondent were connected to progressive farmers, 24.5 per cent of respondents were connected neighbors and local leaders. Majority of the respondents (61.5-85%) had never participated in extension activities such as field days, field visits, demonstrations, exhibitions and farmer's fair.
- v. Majority of the respondents (70%) had middle socio economic status while 12.5 per cent respondents belonged to higher socio economic status category.

II. Knowledge of the farmers about rural credit

- i. Most of the respondents (98.5%) were aware of the meaning of rural credit. Regarding the source of institutional credit, majority of the respondents (82%) reported bank whereas 10.5-16.5 per cent respondents were aware of Primary agriculture co-operative society, SHGs, FPO, Grameen Sahkari Samiti and Large area multi –purpose credit society as sources of institutional credit.
- ii. Majority of respondents (77%) knew that credit can be taken for production purpose while 31 per cent respondents knew that bank provides credit for consumption purpose (25%) also. Regarding advantages, more than half of the respondents (52%) reported low interest rate while about one fourth of the respondents knew that rural credit is easy for repayment (25.5%), avoids cheating by money lenders (25.5%) and there is no chances of fraud.
- iii. Regarding credit schemes and subsidy, more than one third of respondents (36.5%) had knowledge of agriculture implements loan and 23.5 per cent of respondents were aware about the Kisan credit card. Less than half of the respondents (45.5%) were aware of the term subsidy. It was found that more than one fourth of the respondents (27.5%) knew about subsidy on agriculture implements while subsidy on animal purchase and domestic gas was known to 17.5 and 9.5 per cent respondents.

- iv. Majority of the respondents (74%) knew about the short term credit i. e. credit for 1 to 2 years while more than half of the respondents mentioned about medium term loan (57.5%) and interest rate of credit in different schemes of bank (55%).
- v. Majority of respondents (79%) were aware of application form provided by the bank. About three fourth of the respondents knew about the filling of application form(76%) and submission of application form with documents (75%).
- vi. Regarding documents required for loan, majority of the respondents (74%) mentioned voter identification card (74%), aadhar (74%) and ration card (70%) while only 29.5 per cent knew about domicile certificate. Majority of respondents (71%) knew about the equitable mortgage of residential property and land.
- vii. Concept of Kisan Credit Card scheme was known to 23.5 per cent respondents while prerequisites for registration were known to few respondents (2-8.5%).
- viii. Regarding institutional loan 10-15 per cent respondents were aware about the concept of Primary agriculture credit society, Large area multi-purpose credit society and FPOs while 30 per cent respondents knew about the self-help groups.
- ix. Overall, more than half of respondents (57.5%) had poor knowledge about rural credit while 24 per cent respondents had average knowledge and only 18.5 per cent of respondents had good knowledge.

III. Utilization of Rural Credit by the Farmers

- i. Most of the respondents (95%) used to go to the banks and were holding bank accounts since long time which were joint (77.5%) and individual accounts (62.5%).
- ii. Majority of the respondents (77.5%) had taken loan where 57 per cent had taken loan once while 20.5 per cent of the respondents took loan twice. Majority of the respondents (68.5 %) had taken loan from bank while very few respondents took loan from Large area multi-purpose credit society (5%) and from Primary agricultural credit society (1.5%).

- iii. Regarding type of loan, 61.5 per cent respondents took short term loan.
- iv. Loan for productive purpose was taken by 60.5 per cent respondents for purchase of seed (44%), purchase of manure, fertilizers and pesticides (4.5%) and purchase of farm machinery (2.5%). Under the consumption purpose, 17 per cent respondents had utilized loan for repayment of old debts (7.5%) for religious and social functions (6.5%) and for household consumption (3.5%).
- v. One third of the respondents (31.5%) had taken loan of Rs50,000- 75,000 followed by 29.5 per cent respondents availing loan between Rs. 1-1.25 lakh and 10.5 per cent respondents taking loan between Rs. 75,000-1lakh. Half of the respondents (57%) used the loan for the purpose it was sanctioned.
- vi. It was found that majority of the respondents (70%) had rapid loan amount. Regarding the duration of loan repayment, 33.5 per cent respondents had repaid the loan in one year followed by 22.5 per cent respondents repaying the loan in two years. More than half of the respondents (57%) paid the loan regularly and had repaid the full amount of loan. More than half of the respondents (56.5%) repaid the money from income earned from agriculture while 13.5 per cent respondents did labor to repay the loan amount.
- vii. Regarding problems in repayment of loan, 41.5 per cent of respondents mentioned low crop yield and 13.5per cent farmers faced crop failure, 19.5 per cent respondents made unproductive use of the loan and 10.5 per cent respondents spent the loan amount in social ceremonies.
- viii. Findings regarding overall utilization of rural credit depict that 62 per cent of respondents had medium utilization while 24 per cent respondents had low utilization and only 9 per cent of respondents had high utilization of rural credit.

IV. Problems experienced by the farmers in accessing rural credit

- i. Majority of the respondents (92.5%) reported the lack of information regarding institution providing loan to farmers was the major problem experienced in accessing rural credit with the mean per cent score of 95.50. Problem of non-availability of documents was reported by majority of the respondents (71%) as most severe with MPS 85.66 ranked at second place. It

was followed by lack of information regarding schemes of loan with the MPS 82 and ranked III.

- ii. Problems such as illiteracy, hidden charges of bank, distant location of bank from the village, need of collateral security for personal loan, lack of knowledge regarding loan process, lack of proper guidance, loan amount less than required amount and lots of formalities of bank were reported by the respondents with MPS ranging between 53.16-69.16.
- iii. Other problems such as lack of cooperation from officials, bribe for taking the loan on card, non-availability of bank officials in time, insufficient credit limit in KCC, delay in loaning and high rate of interest were also revealed by the respondents with MPS ranging between 43.6-47.33.

CONCLUSION

- i. More than half of respondents (57.5%) had poor knowledge about rural credit while 24 per cent respondents had average knowledge of rural credit and only 18.5 per cent of respondents had good knowledge.
- ii. Majority of the respondents (62%) had medium utilization of rural credit while only 9 per cent of respondents had high utilization whereas 24 per cent respondents had low utilization of rural credit.
- iii. Major problems faced by the farmers in accessing the rural credit were lack of information regarding institution providing loan to farmers, non-availability of documents, lack of information regarding schemes, distant location of bank, illiteracy, hidden charges of bank, lack of information process of loan and need of collateral security.

RECOMMENDATION

- i. Awareness need to be generated among the farmers regarding the various rural credit facilities by government and banks. In order to raise awareness among them, various personal and impersonal cosmopolite sources can be used.
- ii. There should be further expansion of the rural bank network.
- iii. The lending program needs to be planned, carried out, and monitored effectively to cover every rural household with a bank deposit and credit scheme.

- iv. Banks should create proper policies to ensure that farmers use loans effectively and efficiently.
- v. Government should prepare plans to insulate the farmers from the vagaries of nature so that they can repay the credit.
- vi. There is need to focus on financial literacy program for the farmers in their villages and communities.

SUGGESTIONS FOR FUTURE RESEARCH

- 1. More studies can be planned covering large sample of farmers from different areas to assess their credit utilization pattern.
- 2. Further comparative studies can be planned to assess the knowledge and utilization of credit by farm women and farmers.

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MSc. Thesis, 2024

Title: Utilization of rural credit by farmers of Udaipur district, Rajasthan

ABSTRACT

The objectives of the present investigation were to study the knowledge of the farmers regarding rural credit, utilization of rural credit and problems experienced by them in accessing rural credit. The present study was conducted in eight villages of randomly selected Badgaon and Girwa panchayat samities of Udaipur district. A sample of 200 farmers was selected randomly for the present study and interview technique was used for data collection. Frequency, percentage and mean per cent scores were used for analysis of data.

Result of study revealed that half of the respondents (48.5%) belonged to the age group of 46 to 60 year. Majority of the respondents (87.5%) were married, more than one third of the respondents (37.5%) were functionally literate. Majority of the respondents (75%) were from schedule tribe, belonged to nuclear and small sized families (65%). More than half of the respondents (57.5%) had no participation in any social or political organization. Majority of the respondents (70%) had middle socio economic status while 12.5 per cent respondents belonged to higher socio economic status category.

Findings of the study reveal that more than half of farmers (57.5%) had poor knowledge about rural credit while 24 per cent had average knowledge of rural credit and only 18.5 per cent of respondents had good knowledge. Majority of the respondents (62%) had medium utilization of rural credit while only 9 per cent respondents had high utilization of rural credit whereas 24 per cent respondents had low utilization. Major problem experienced by farmers in accessing rural credit were lack of information regarding institution providing loan to farmers, non-availability of documents and lack of information regarding schemes of loan, illiteracy, hidden charges of bank, distant location of bank from the village and need of collateral security for personal loan.

Major Advisor

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सामुदायिक एवं व्यावहारिक विज्ञान महाविद्यालय, उदयपुर
प्रसार शिक्षा एवं संचार प्रबंधन विभाग
स्नातकोत्तर शोधकार्य 2024

शीर्षक – राजस्थान के उदयपुर जिले के कृषकों द्वारा ग्रामीण ऋण का उपयोग

अनुक्षेपण

वर्तमान अध्ययन का उद्देश्य ग्रामीण ऋण, ग्रामीण ऋण के उपयोग और ग्रामीण ऋण तक पहुंचने में उनके द्वारा अनुभव की जाने वाली समस्याओं के बारे में किसानों के ज्ञान का अध्ययन करना था। वर्तमान अध्ययन उदयपुर जिले के बड़गांव और गिर्वा पंचायत समितियों के यादृच्छिक रूप से चयनित आठ गांवों में किया गया था। वर्तमान अध्ययन के लिए 200 किसानों का एक नमूना यादृच्छिक रूप से चुना गया था और आंकड़ों के संग्रहण के लिए साक्षात्कार तकनीक का उपयोग किया गया था। आंकड़ों के विश्लेषण के लिए आवृत्ति, प्रतिशत और औसत प्रतिशत स्कोर का उपयोग किया गया था। अध्ययन के परिणाम से पता चला कि आधे उत्तरदाताओं (48.5%) की आयु 46 से 60 वर्ष के बीच थी। अधिकांश उत्तरदाता (87.5%) विवाहित थे, एक तिहाई से अधिक उत्तरदाता (37.5%) कार्यात्मक रूप से साक्षर थे। अधिकांश उत्तरदाता (75%) अनुसूचित जनजाति से थे, एकाकी और छोटे आकार के परिवारों (65%) से संबंधित थे। आधे से अधिक उत्तरदाताओं (57.5%) की किसी भी सामाजिक अथवा राजनीतिक संगठन में कोई भागीदारी नहीं थी। अधिकांश उत्तरदाताओं (70%) की सामाजिक आर्थिक स्थिति मध्यम थी, जबकि 12.5 प्रतिशत उत्तरदाता उच्च सामाजिक आर्थिक स्थिति श्रेणी के थे। अध्ययन के निष्कर्षों से पता चलता है कि आधे से अधिक किसानों (57.5%) को ग्रामीण ऋण के बारे में खराब जानकारी थी एवं 24 प्रतिशत को ग्रामीण ऋण का औसत ज्ञान था और केवल 18.5 प्रतिशत उत्तरदाताओं को अच्छा ज्ञान था। अधिकांश उत्तरदाताओं (62%) में ग्रामीण ऋण का मध्यम उपयोग था, जबकि केवल 9 प्रतिशत उत्तरदाताओं के पास ग्रामीण ऋण का उच्च उपयोग था, जबकि 24 प्रतिशत उत्तरदाताओं के पास कम उपयोग था। ग्रामीण ऋण तक पहुंचने में किसानों द्वारा अनुभव की जाने वाली प्रमुख समस्याएँ किसानों को ऋण प्रदान करने वाली संस्था के बारे में जानकारी का अभाव, दस्तावेजों की अनुपलब्धता और ऋण की योजनाओं के बारे में जानकारी का अभाव, अशिक्षा, बैंक के छिपे हुए शुल्क, गाँव से बैंक की दूरी का और व्यक्तिगत ऋण के लिए प्रतिभूति की आवश्यकता शामिल थी।

मुख्य सलाहकार

शोधकर्ता

APPENDIX -1

Interview schedule

Section I: Background information

Name:

Village:

Panchayat Samiti:

Age of respondent

20 yrs.to 30 yrs. (Young) (1)	31 yrs.to 45 yrs. (lower middle) (2)	46yrs. to 60 yrs. (upper middle) (3)	Above 60 yrs. Old (4)
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Marital Status

Unmarried (1)	Married ² (2)	Widow (3)	Divorced (4)
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Occupation of respondent

S. No.	Occupation	5
i	Farming (crop/dairy poultry/fish	4
ii	Business / Service	3
iii	Artisan/Craftsman	2
iv	Farm labor	1

SOCIO ECONOMIC BACKGROUND

A. SOCIAL FACTOR

1. Caste

Caste		Score
a	General	4
b	OBC	3
c	ST	2
d	SC	1

2. Family structure

Family type		
a	Joint	2
b	Nuclear	1

3. Family size

a	1 to 2 members	5
b	3 to 4 members	4
c	5 to 6 members	3
d	7 to 8 members	2
e	Above 8 members	1

4. Family Occupation

a	Professional /service in govt.	5
b	Farming /business /farming with service/farming with other enterprise	4
c	Skilled occupation	3
d	Service in private	2
e	Unskilled occupation	1

5. Education of respondent

College/ Post graduation	5
High school	4
Middle high school	3
Primary school	2
Functionally literate	1
Illiterate	0

6. Annual income

a. Above 2,50,000	5
2,00,000to 250,000	4
b. 1,50000to 2,00000	3
c. 100000 to1, 50000	2
e up to 1,00,000	1

7. Land holding (in ha.)

a.	Big above (10 ha)	5
b.	Medium (4.01to 10ha)	4
c.	Semi medium (2.01 to 4 ha)	3
d.	Small (1.01 to 2 ha)	2
e.	Marginal 0.01 to 1 ha	1
f.	Landless	0

8. Socio political participation

a.	Involvement in community work	5
b.	Active office bearer	4
c.	Financial contribution or raising fund for community	3
d.	Official position in social and political committee	2
e.	Member of society in one or more socio-political organization	1
f.	No participant	0

7. Material possessions

a	Tractor/Mini tractor/Gobar gas plant/ Refrigerator /Cooler /Green house/ Internet /Car, Truck	5
b	Pump set/ Mobile/ Telephone/ Drip irrigation set /Sprinkler irrigation Set/LPG gas connection /Television/ Improved farm implements	4
c	Motorcycle/Electricity/Newspaper/Sofa/VCD / DVD	3
d	Bullock cart /Fan/Radio/Camera	2
e	Watch/Table/Clock/Chair/Bicycle	1

9. Livestock Possession

a	Buffalo/Cow	5
b	Bullock	4
c	Poultry	3
d	Bulls/Heifers/Goats/Sheep/Donkey/	2
e	Pig	1
f	No animal	0

10. House holding

a	Concrete double storied	5
b	Concrete	4
c	Tiled and brick wall	3
d	Mud walled/Metal sheet roof	2
e	Thatched shed	1

11. Extension participation:

S. No.	Source of information	Frequency		
		Regularly (1)	Occasionally (2)	Never (3)
1.	Training programme			
2.	Field day			
3.	Field visit			
4.	Demonstration			
5.	Exhibition			
6.	Krishimela			
7.	KVK/SAUs/SHGs activities			
8.	Any other (specify)			

SOURCE OF INFORMATION

	Personal localite sources	Personal cosmopolite sources	Impersonal cosmopolite channels
1.	Opinion leaders	Agricultural scientists	Television
2.	Progressive farmers	Agricultural department	YouTube
3.	Neighbors and fellow farmers	Co- operatives	Film show
4.	Friend and relatives	Kisan call Centre	ICTs
5.	Farmer clubs and associations	Agricultural supervisors	Newspapers /articles
6.	Local agri graduates	NGO officials	Farm journals /magazines
7.	Family members	Salesmen and dealers	websites
8.	FPO /FPC members	Plant clinic	Radio
9.	Panchayat members	Bank officials	Posters /folders
10.	Private money lenders	Panchayat officers	Traditional media
11.	Religious heads	Commission agents	-

SECTION – II-- Knowledge of rural credit

1. What do mean by rural credit? 1
2. What are the sources of institutional credit? 6
 - (a) Bank
 - (b) primary agriculture co- operative society
 - (c) Gram sahkari samitee
 - (d) large and multi- purpose credit society
 - (e)SHG
 - (f) FPO
3. Give the name of the bank known to you? 4
 - a. Punjab National Bank
 - b. State Bank of India
 - c. Rajasthan Marudhara Garmin Bank
 - d. Bank of Baroda
 - e. Any other
4. Bank located in vicinity 4
 - a. Punjab National Bank
 - b. State Bank of India
 - c. Rajasthan Marudhara Garmin Bank
 - d. Bank of Baroda
5. For what purpose farmer can get loan? 2
 - (a) For production purpose
 - (b) For consumption purpose
6. What are the advantages of institutional credit over the non-institutional credit? 5
 - (a) Low interest rate in credit
 - (b) No chance of fraud
 - (c) Easy for repayment
 - (d) No need of any guarantee collateral security
 - (e) Avoid cheating by moneylenders
7. What are the various types of credit scheme of bank? 5
 - a. Home loan
 - b. Car loan
 - c. Agriculture implements loan- seed, fertilizer ,machinery
 - d. Kisan credit card
 - e. Kisan gold loan
 - f. Dairy farm

7. What is subsidy? 1
8. What are different subsidies given to farmers? 3
- a. Agriculture implements
 - b. Domestic gas
 - c. Animal purchase
 - d. Any other
9. What is the time duration for which bank provides loan? 3
- a. Short duration (1to 2 yrs.')
 - b. Long duration(more than 5 years)
 - c. Medium duration (2 to 5 years)
10. What are the steps for receiving credit from the bank?
- 4 (a) Filling application form
 - (b) Submission of application form
 - (c) Verification of application form and documents
 - (d) Sanctioning of Credit
11. What documents are required for getting loan from the bank? 4
- a. Voter id card
 - b. Ration card
 - c. Aaddhar card
 - d. Domicile certificate
12. Is there need for any collateral security for taking loan ? Yes / No 1
13. If yes, which type of collateral security are required for taking loan from banks? 3
- (a) Equitable mortgage (E.M.) of residential property
 - (b) Equitable mortgage of land
 - (c) Third party guarantee.
 - (d) Any other
14. What is duration of repayment? 1
15. What is frequency of repayment? 1
16. What is the interest rate of bank loan ?
17. Do know any which about Jan Dhan Yojana 1
- Yes /no if yes what is this ?.....

18.	Do know about Pradhan Mantri Fhasal Beema yojana? Yes /no if yes what is this?.....	1
19.	Do know about KCC scheme yes /no if yes what is this?...	1
20.	What is the target group of KCC?	1
21.	What are the pre requisites for registration in KCC	6
	a. Copy of jamabandi	
	b. Land certificate	
	c. Map of field	
	d. Search report from bank nominated advocate	
	e. Passport size photographs & ID proof	
	f. Two witnesses to open the account	
22.	What is the Credit limit under the card?	1
23.	What is the interest rate after subsidy on KCC?	1
24.	What is the subsidy in KCC loan ?	1
25.	What is the repayment time of KCC?	1
26	Do you know about Primary Agriculture Credit Society? Yes / NoIf yes, what is this.....?	1
27.	What type of loan given by the PACS?	1
28.	What is the process of taking loans PACS	1
29.	Do you know about Large and Multi-Purpose Credit Society? If yes, what is this.....?	Yes/No 1
30.	What type of loan given by the LAMPS?	1
31.	What is the process of taking loans LAMSP?	1
32.	What is a Self Help Group?	1
33.	If yes, what is this.....?	1
34.	What type of loan given by the SHGs? a.long term loan b.short term loan	2
35.	What is the process of taking loans from SHGs?	1
36.	Do you know about FPO?	1
37.	What type of loan given by the FPO?	1
38.	What is the process of taking loans from FPO? What is passbook?	1 1
39.	What is cheque?	1
40.	What is demand draft?	1
41.	What is ATM?	1

SECTION- III - Utilization of rural credit

1. Do you go to bank? Yes /no 1
2. If yes, what is the frequency of going to bank? 1
 - a. weekly
 - b. monthly
 - c. quarterly
3. Do you have account in bank? yes /no 1
4. If what type of account you have? 4
 - a. Joint account
 - b. individual account
 - c. Saving account
 - d. current account
5. When you opened account in the bank? 3
 - (a) Before 2005
 - (b) 2005-2022
 - (c) 2023-2024
 - (d) any other
6. What are the deposit scheme of bank you have used? 4
 - a. Fixed deposit
 - b. Saving deposit
 - c. Current deposit
 - d. Recurring deposit
 - e. Any other
7. Have you taken loan from the bank? 1
8. How many times you have taken loan from the bank? 2
9. Where from you have taken loan? 5
 - a. From bank
 - b. LAMPS
 - c. PACS
 - d. From money lenders
 - e. Friends
 - f. Any other
10. When you took loan? 3
 - a. 2014- 2018
 - b. 2019 – 2022
 - c. 2023-2024
11. What type of loan have you taken from banks? 1
 - a. Short term loan
 - b. medium term loan
 - c. long term loan
12. For what purpose you have taken loan? 2
 - (a) Production purpose
 - (b) Consumption purpose
13. For what production purposes have you taken loan? 6
 - a. Seed
 - b. Manure , fertilizers and pesticides
 - c. Purchase of animal
 - d. Farm machinery
 - e. Medicine

	f. Repairing of animal shed		
14.	For what consumption purposes have you taken loan?		3
	a. Religious and Social functions		
	b. Payment of old debts		
	c. Household consumption		
15.	What amount of loan you have taken?		
	a. 50,000-75, 000 b. 75, 000- 1, 00,000 c. 1, 00,000- 1, 25,000 d.1, 25,000- 1, 50,000 e. 150,000 to 1, 75, 000		
16.	Have you utilized loan for the purpose it was sanctioned? Yes/No		1
	If No, for what purpose it was utilized?		
17.	How much amount was diverted?		1
	In which activity the loan was diverted?		
18.	Have you repaid the amount of the loan?	Yes/No	1
	If what are the reasons for non-repayment		
	i. Low crop yield		
	ii. Crop failure		
	iii. Expenditure in social ceremonies		
	iv. Unproductive use of loan		
	v. Absence of income from other sources		
	vi. Expectation of loan waiver from govt.		
	vii. High dependency ratio of family		
19.	What was the duration of loan repayment?		1
	Have you regularly repaid the loan?	Yes/No	1
20.	Have you repaid full amount of loan?	Yes/No	
22.	What are the sources of repayment of loan amount?		4
	(a) Labor work		
	(b) Agriculture		
	(c) Government job		
	(d) Earning from income generating activity		
	(e) Any other		
21.	Do you deposit and withdraw money from institutional source?	Yes/No	2
22.	Have you used cheque?	Yes/No	2
23.	Have you used demand draft?	Yes/No	2
24.	Do you have an ATM Card?	Yes/No	1
25.	Have you used ATM Card?	Yes/No	2

SECTION–IV- Problem faced by farmer in accessing rural credit

S.No.	Problems	Degree of severity			
		Most severe	Severe	Least severe	Nil
1.	Lack of information regarding institution providing loan to farmers				
2.	Lack information regarding scheme of bank loan				
3.	Distant location of bank from the village				
4.	Lack of knowledge regarding loan process				
5.	Loan amount less than required amount				
6.	Need of collateral security for personal loan				
7.	Non availability of documents				
8.	Lots formalities of the bank / Lengthy bank finance procedure				
9.	Insufficient credit limit in KCC				
10.	Non availability of bank officials in time.				
11.	Illiteracy				
12.	Lack of proper guidelines				
13.	High rate of interest				
14.	Bribe for taking the loan on card				
15.	Lack of cooperation from officials				
16.	Delay in loaning				
17.	Bank hidden charges				