

Targets and achievement of agriculture credits in SPSR Nellore District of Andhra Pradesh

¹ Kailasa Sreenivasulu, ² P. Venkata Rao

¹ Research Scholar, Department of Commerce, S.V.U. P.G. Center, Kavali-524201, SPSR Nellore District, Andhra Pradesh, India.

² Professor, Department of Commerce, S.V.U. P.G. Center, Kavali-524201, SPSR Nellore District, Andhra Pradesh, India.

Abstract

Agriculture sector is playing an important role in the Indian economy. It produces and supplies a varied of food items for the fast growing population. In SPSR Nellore district, during the year of 2015-16 annual credit plan for the agriculture targets were fixed amount of Rs.3845.15 crore, achievement amount Rs.2132.63 crore and percentage of targets achievement were registered 55.46 per cent only. In the short term crop production loans targets of the district is Rs.3101.85 crore, the achievement amount is Rs.1498.58 and the percentage of targets achievement registered only 48.31 per cent. From the agriculture term loans, the targets of the district is Rs.743.30 crore, the achievement amount is Rs.634.05 crore, here the better percentage of target achievement were registered compare to short term crop production loans and total agriculture target.

Keywords: Targets, Achievement, Short Term Crop Production Loans, Agriculture Term Loans, SPSR Nellore district, Andhra Pradesh

1. Introduction

Agriculture sector is playing an important role in the Indian economy. It produces and supplies a varied of food items for the fast growing population. Traditional agriculture underwent transformation since mid-sixties with the introduction of new technology in India. This was commemorated as 'Green Revolution' obviously the application of costly inputs like high yielding varieties of seeds, high dosage of fertilizers and pesticides under assured irrigated conditions increased the agricultural production significantly. The package of modern agricultural inputs, on the other hand increased the demand for capital. Further the need for capital is more intensified due to the requirements of independent irrigation sources, agricultural machines like tractors, pump sets and other sophisticated agricultural implements. These inputs involve heavy financial investments which the majority of farmers cannot afford from their own savings. This has naturally increased the demand for providing credit to a large number of farmers. Credit thus assumes greater importance in the transformation of Indian agriculture from the traditional subsistence type of modern and scientific farming. Improvement in agricultural productivity in the early phase of economic development is of paramount importance, as this provides the base of future industrial expansion. Dominantly agricultural countries are generally found to be poor, not because their economies are based on agriculture but because their agriculture is backward. Hence economy needs careful handling and planned stimulation as otherwise, it can arrest the development of the entire economy.

2. Source of Credit to Agriculture

Agriculture requires adequate and timely credit in oiling the wheels of agricultural production. Agriculture credit is obtained by the cultivators from different sources. These can be broadly categorized into two sources, viz., non-institutional credit agencies and institutional credit agencies. The institutional sources include: Government, Co-operative Societies, Cooperative Banks, Commercial Banks, Regional

Rural Banks (RRBs). The non-institutional agencies include landlords, money-lenders, traders, commission agents, relatives, friends and others. These institutions will provide money for different purposes of agricultural and allied activities. The credit provided by money-lenders, traders and other non-institutional agencies has not proved beneficial to the farmers.

3. Objective

The main objectives of this paper are to trace out the details of Institution-wise bank branches in SPSR Nellore district and Andhra Pradesh state. The second objective of this paper to analyse Region-wise and SPSR Nellore district Agricultural Annual credit plan 2014-15 and 2015-16 Targets and Achievement in Andhra Pradesh state.

4. Results and Discussions

4.1 Institution-wise no. of branches in Andhra Pradesh: As on 30.09.2015 in Andhra Pradesh total public sector banks established branches are 4418, private sector bank are 782 branches, total commercial bank are 5200 branches, Co-operative bank are 387 branches, RRBs are 1079 branches and other bank are only 13 branches. The public sector banks are established highly in rural areas and the private sector banks are highly established in urban areas. In rural areas the commercial banks are established 1641 branches, and RRBs banks are established 776 branches, and Cooperative banks are established 186 branches. In semi-urban areas the commercial banks are established 1671 branches, and RRBs banks are established 172 branches, and Cooperative banks are established 108 branches. In urban centers the commercial banks are established 1581 branches, out of 1581 the public sector banks are established 1257 branches and private sector banks are established 324 branches and RRBs banks are established 131 branches, and Cooperative banks are established 93 branches. The area-wise and institution-wise bank branches were presented in table-1.

Table 1: Institution-wise no. of branches in Andhra Pradesh as on 30.09.2015.

Institution	No. of Branches				
	Rural	Semi Urban	Urban	Metro	Total
<i>I. Public Sector Banks</i>	1509	1402	1257	250	4418
<i>II. Private Sector Banks</i>	132	269	324	57	782
<i>Commercial Banks (I+II)</i>	1641	1671	1581	307	5200
<i>Co-op. Banks</i>	186	108	93	0	387
<i>R.R.Bs</i>	776	172	131	0	1079
<i>Others</i>	0	0	13	0	13
<i>Grand Total</i>	2603	1951	1818	307	6679

Source: SLBC of A.P. Convenor: Andhra Bank 2015-16.

4.2 Commercial bank Branches in Andhra Pradesh and SPSR Nellore district:

From the table-2 explores the details of Area-wise bank branches in Andhra Pradesh of and all districts as on 30.09.2015.

Table 2: District-wise No. of Branches in Andhra Pradesh as on 30.09.2015

Name of the District	Rural	Semi Urban	Urban	Metropolitan	Total
Srikakulam	153	80	45	0	278
Vizianagaram	143	74	68	0	285
Visakhapatnam	184	88	125	303	700
East Godavari	286	232	206	0	724
West Godavari	200	243	129	0	572
Krishna	273	190	287	3	753
Guntur	272	269	197	0	738
Prakasam	187	161	91	0	439
SPSR Nellore	172	122	103	0	397
Chittoor	233	154	170	1	558
YSR Kadapa	151	103	104	0	358
Ananthapuram	184	122	132	0	438
Kurnool	165	113	161	0	439
Total	2603	1951	1818	307	6679

Source: SLBC of A.P. Convenor: Andhra Bank 2015-16

In Andhra Pradesh total established bank branches are 6679, in Rural centers 2603 bank branches, Semi-urban centers 1951, Urban areas 1818 and Metropolitan centers total branches are 304, as on 30.09.2015. In rural centers, the highest bank branches were opened in East Godavari district and least bank branches were opened in Vizianagaram district. In SPSR Nellore district, as on 30.09.2015 the total branches were established 397, apart from these, rural centers 172, semi-urban centers 122, and urban centers 103 branches respectively.

4.3 Details of Bank Branches in SPSR Nellore district: In SPSR Nellore district total bank branches were established 379 as on 31.03.2015, when compare 31.3.2014 the total braches are established 355. As on 31.03.2015, in rural centers 153 branches, semi urban areas 127 branches, urban areas 99 branches and metropolitan centers are nil. This detailed information regarding to the established branches during 2011 to 2015 are shown in table-3.

Table 3: Bank Branch details of Nellore District

No of Branches	31.3.2011	31.3.2012	31.3.2013	31.3.2014	31.3.2015
Rural	137	150	151	161	153
Semi Urban	75	88	97	102	127
Urban	79	80	89	92	99
Metro	0	0	0	0	0
Total	291	318	337	355	379

In SPSR Nellore district total bank branches were established 355 as on 31.03.2014, apart from these Nationalised banks are

225, rural banks are 77, cooperative banks are only 18 and other banks are 35 respectively.

Table 4: Division-wise bank Branches in Nellore district as on 31.3.2014

Divisions	Nationalised Banks	Rural Banks	Cooperative Banks	Other Banks	Total
Kavali division	31	14	1	7	53
Nellore division	121	28	8	23	180
Gudur division	31	12	4	3	50
Athmakur division	22	16	3	1	42
Naidupet division	20	7	2	1	30
District total	225	77	18	35	355

In SPSR Nellore district they are five main divisions. In Kavali division the total branches are 53, from these nationalised banks are 31, rural banks are 14, Co-operative bank branch only one and other banks are 7. In the SPSR Nellore district the highest branches were opened in Nellore division noted 180 branches, from these nationalised banks are 121, rural banks are 28, cooperative bank branches are 8, and other branches are 23. In Gudur division the total branches are 50, out of these nationalised banks are 31, rural banks are 12, cooperatives banks branches are 4 and other banks are only 3. In Athmakur division the total branches are 42, out of these nationalized banks are 22, rural banks are 16, cooperatives banks branches are 3 and other bank are only one. In Naidupet division the total branches are 30, out of these nationalised banks are 20, rural banks are 7, cooperatives banks branches are 2 and other bank are only one respectively. When the comparison of the divisions the highest nationalised bank branches are established in Nellore division and lowest bank branches are opened in Naidupet division in the SPSR Nellore district. Regarding to the division-wise bank branches as on 31.03.2014 are presented in table-4.

4.4 Region-wise and SPSR Nellore district Agricultural Targets and Achievement of Annual Credit Plan 2014-15 in Andhra Pradesh: Annual Credit Plan District-wise

Agricultural Targets and Achievement in Andhra Pradesh, regional and SPSR Nellore district as on 2014-15 were presented in table-5. In Andhra Pradesh total targets of the total agriculture Rs.56019.16 crore and the percentage of total achievement was registered (Rs.13788.6 crore) 24.61 per cent only. The Rayalaseema region targets are fixed Rs.14451.03 crore and the percentage of target achievement is (Rs.3394.38 crore) 23.49 per cent only, compared to the Costal Andhra region the total targets was fixed Rs.41568.13 crore, and the percentage of target achievement is (10394.22 crore) 25.01 per cent. In Andhra Pradesh total crop loans targets Rs.41977.76 crore and the achievement only Rs.10108.02 crore. The percentage of target achievement was recorded 24.08 per cent. Compare to regional analysis the highest funds were targeted in Costal Andhra accounting Rs.30699.32 crore. The total agriculture term loans targets Rs.6356.06 crore and the achievement only Rs.1605.83 crore. The percentage of target achievement was recorded 25.26 per cent, in these agriculture term loans also the highest funds were targeted in Costal Andhra accounting Rs.5329.43 crore. In agriculture and allied activities the targets of Andhra Pradesh were fixed Rs.7685.34 crore and the percentage of target achievement is (Rs.2074.75 crore) 27.00 per cent only.

Table 5: Annual Credit Plan District-wise Agricultural Targets and Achievement in Andhra Pradesh as on 2014-15 (Rs. in Crores)

Area/Region	Crop Loans		
	Target	Achievement	% of Achievement
Nellore	2918.56	474.98	16.27
Costal Andhra	30699.32	7625.44	24.84
Rayalaseema	11278.44	2482.58	22.01
Andhra Pradesh	41977.76	10108.02	24.08
Agrl. Term Loans			
Nellore	303.98	78.55	25.84
Costal Andhra	5329.43	1253.14	23.51
Rayalaseema	1026.63	352.69	34.35
Andhra Pradesh	6356.06	1605.83	25.26
Agrl. Allied			
Nellore	384.55	76.95	20.01
Costal Andhra	5539.38	1515.64	27.36
Rayalaseema	2145.96	559.11	26.05
Andhra Pradesh	7685.34	2074.75	27
Total Agriculture			
Nellore	3607.09	630.48	17.48
Costal Andhra	41568.13	10394.22	25.01
Rayalaseema	14451.03	3394.38	23.49
Andhra Pradesh	56019.16	13788.6	24.61

Source: SLBC of A.P. Convenor: Andhra Bank 2014-15

In SPSR Nellore district the total agriculture targets were fixed Rs.3607.09 crore, the achievement amount is Rs.630.48 crore, the percentage of target achievement were registered 17.48 per cent only. Out of these targets the crop loans target is Rs.2918.56 crore and achievement of the amount is Rs.474.98 crore, the percentage of target achievement were registered 16.27 per cent only. In agriculture term loans was fixe the target amount of Rs.303.98 crore and the percentage of target achievement were registered (Rs.78.55 crore) 25.84 per cent only. The agriculture and allied activities targeted fund were fixed Rs.384.55 crore and the percentage of target

achievement is registered (Rs.76.95 crore) 20.01 per cent only. The agriculture targets and achievement in Andhra Pradesh and region-wise and SPSR Nellore district were presents table-5.

Annual Credit Plan 2015-16 District-wise Targets and Achievement of the total agriculture as on 30.09.2015 are presented in table-20. In Andhra Pradesh the highest targets were fixed in the Guntur district amount Rs.9028.31 crore and the least targets were fixed in the Vizianagaram district amount of Rs. 2054.21 crore. The highest percentage of achievement of targets is registered in the 89.13 per cent in

Ananthapuram district and the lowest percentage of achievement of targets was registered in Krishna district accounting 49.68 per cent. The short term crop production loans, the highest targets were fixed in the Guntur district amount Rs.7341.13 crore and the lowest targets were fixed in the Vizianagaram district amount Rs.1200.04 crore, but the highest percentage of targets achievement were registered in the Visakhapatnam district accounting 107.75 per cent and the least percentage of targets achievement was recorded in SPSR Nellore district accounting only 48.31 per cent. The Agriculture term loans, the highest targets were fixed in the West Godavari district amount Rs.2816.44 crore and the lowest targets were fixed in the SPSR Nellore district amount Rs.743.30 crore, but the highest percentage of targets achievement were registered in the SPSR Nellore district accounting 85.3 per cent and the least percentage of targets achievement Chittoor district accounting only 27.77 per cent.

4.5 Annual Credit Plan 2015-16, Agriculture Targets and Achievements in SPSR Nellore district and Andhra Pradesh: In SPSR Nellore district, during the year of 2015-16 annual credit plan for the agriculture targets were fixed amount of Rs.3845.15 crore, achievement amount Rs.2132.63 crore and percentage of targets achievement were registered 55.46 per cent only. In the short term crop production loans targets of the district is Rs.3101.85 crore, the achievement amount is Rs.1498.58 and the percentage of targets achievement registered only 48.31 per cent. From the agriculture term loans, the targets of the district is Rs.743.30 crore, the achievement amount is Rs.634.05 crore, here the better percentage of target achievement were registered compare to short term crop production loans and total agriculture target.

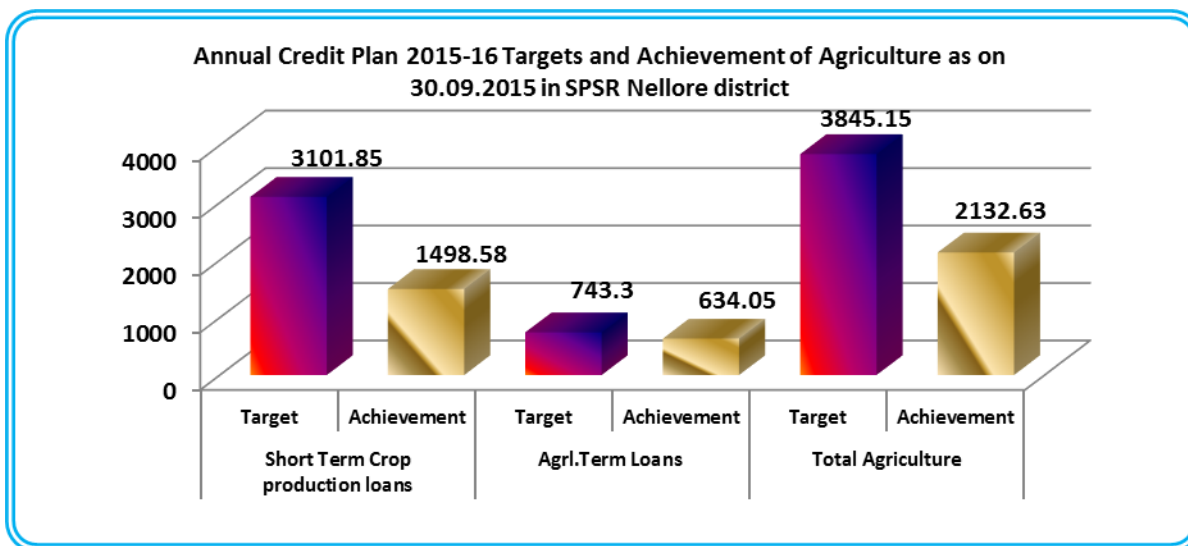


Fig 1: Annual Credit Plan 2015-16 Targets and Achievement of Agriculture as on 30.09.2015 in SPSR Nellore district

Table 6: Annual Credit Plan 2015-16 District-wise Achievement as on 30.09.2015 (Amount in crores)

Name of the District	Short Term Crop Production Loans			Agrl. Term Loans including agriculture infrastructure & ancillary activities			Total Agriculture		
	Target	Achievement	% of Achievement	Target	Achievement	% of Achievement	Target	Achievement	% of Achievement
Srikakulam	1994.59	1171.22	58.72	1010.17	329.89	32.66	3004.76	1501.11	49.96
Vizianagaram	1444	973.97	67.45	610.21	176.96	29	2054.21	1150.93	56.03
Visakhapatnam	1200.04	1293.04	107.75	989.91	643.01	64.96	2189.95	1936.05	88.41
East Godavari	6396.72	3855.86	60.28	2366.13	1089.48	46.04	8762.85	4945.34	56.44
West Godavari	5858.13	4222.03	72.07	2816.44	1116.48	39.64	8674.57	5338.51	61.54
Krishna	4317.94	2230.27	51.65	1759.75	788.98	44.83	6077.69	3019.25	49.68
Guntur	7341.13	4740.06	64.57	1687.18	923.76	54.75	9028.31	5663.82	62.73
Prakasam	3652.03	2232.12	61.12	878.09	692.93	78.91	4530.12	2925.05	64.57
SPSR Nellore	3101.85	1498.58	48.31	743.3	634.05	85.3	3845.15	2132.63	55.46
Chittoor	2808.18	2284.59	81.35	1676.55	465.51	27.77	4484.73	2750.1	61.32
YSR Kadapa	2736.06	1844.6	67.42	997.3	502.02	50.34	3733.36	2346.62	62.86
Ananthapuram	3595.02	3386.1	94.19	764.94	499.74	65.33	4359.96	3885.84	89.13
Kurnool	3621.2	2246.38	62.03	905.4	416.82	46.04	4526.6	2663.2	58.83
Total	48066.89	31978.82	66.53	17205.37	8279.63	48.12	65272.26	40258.45	61.68

Source: SLBC of A.P. Convenor: Andhra Bank 2015-16

5. Conclusion

According to the SLBC reports, As on 30.09.2015 in Andhra Pradesh total public sector banks established branches are 4418, in case of private sector bank are 782 branches are established, total commercial bank are 5200 branches were established, Co-operative bank are 387 branches, RRBs are 1079 branches and other bank are only 13 branches. The public sector banks are established highly in rural areas and the private sector banks are highly established in urban areas. In Andhra Pradesh total established bank branches are 6679, out of these, in rural centers 2603 bank branches, semi-urban centers 1951, urban areas 1818 and metropolitan centers total branches are 304, as on 30.09.2015 were established. In SPSR Nellore district total bank branches were established 379 as on 31.03.2015, when compare 31.3.2014 the total braches are established 355. As on 31.03.2015, in rural centers 153 branches, semi urban areas 127 branches, urban areas 99 branches and metropolitan centers are nil.

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