

Requirement, provision and gap in credit for major crops of Amravati district (M.S.)

A.K. VITONDE, R.D. VAIDKAR, P.S. DHARPAL AND J. V. HARNE

See end of the article for authors' affiliations

Correspondence to :

A.K. VITONDE

Department of
Agricultural Economics,
Shri Shivaji Agriculture
College, AMRAVATI
(M.S.) INDIA

ABSTRACT

The study was prominently prosecuted to deal with the needs of the farmers in respect of short term agricultural credit and its provisions and utilization. The necessary data during the year 1995-96 were collected from 75 farmers belonging to 5 villages of Amravati District and then analyzed the said data. The average actual credit gap per hectare based on the average cost of cultivation for cotton varieties namely AHH-468, AKH-4, LRA-5166, H-4 were Rs.1966.80, 944.27, 1689.39, 1883.48 and for jowar varieties namely CSH-5, CSH-9 were Rs.1778.26, 1581.98 respectively and for groundnut variety JL-24 was Rs.1219.54. Similarly, the average credit gap per hectare under modern technology amounted to Rs.2130.31, 1946.34, 1823.57, 2162.69, 1528.16, 2448.99, 1569.07 for the cultivation of cotton varieties namely AHH-468, AKH-4, LRA-5166, H-4 and jowar varieties CSH-5, CSH-9 and groundnut variety JL-24, respectively.

INTRODUCTION

As traditional bound technology in agriculture has been to a wider extent substituted by the modern technology, now a days. The pattern of investment in agriculture, day by day is taking as form of inflatory trend. In other words, the farming business has gone under the adoption of new technology. The investment in agriculture has risen considerably. Agriculture credit need, therefore, be reconsidered in the light of its growing requirements (Desai and Mellor, 1993; Gadgil, 1994; Reddy, 1992 and Swaminathan, 1993). In many parts of the country, agricultural business seems to have become more capital intensive rather than labour intensive. In such parts of the country, the credit needs in agriculture are required to be analyzed with the separate understanding and treatment.

The credit requirement of the farmer depends on the recommended level of input for the adoption of modern technology and the cropping pattern that they adopt. Region wise requirement of the credit in agriculture is also studied initially. The size of land holding also affects the credit need in agriculture. The report of the Banking Commission (1972) has observed that there were large gaps in the institutional arrangement in respect of small, marginal and sub-marginal farmers affecting the agricultural business.

The provision of such credit has also to be analyzed in the light of existing cropping

pattern and application of modern technology in agriculture, considering this view in respect of the study of agricultural credit. It was decided to prosecute the research study on the requirement, provision and gap in credit for major crops of Amravati district (Shanke, 1996)..

METHODOLOGY

Looking to the approach point of view, for assessing the credit needs with adoption of modern technology in agriculture in respect of major crops namely cotton, jowar and groundnut, the relevant data from 75 farmers belonging to 5 villages from Daryapur tahsil of Amravati district were collected and analyzed. 15 cultivators were selected randomly from each of the five villages on the basis of size of land holding owned by the farmers which were grouped as small sized group having 0 to 2.5 hectares, medium sized group having 2.5 to 5.0 hectares and large sized group having 5.0 hectares and above.

The survey method was used for collecting the necessary information confined to the crops grown for the years 1995-96. The relevant data from 75 farmers were then analyzed by sophisticated tools like cost concepts *i.e.* cost 'A', cost 'B' and cost 'C' and executed as per need. The attention was prominently paid to assess the provision of short term credit or crop loan for the cultivation of each specific crop grown by the farmers

Key words :

Credit, Credit utilization, Repayment pattern, Cost of cultivation

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