

## **A STUDY OF AGRICULTURAL CREDIT BY COMMERCIAL BANKS IN INDIA: A CASE STUDY OF CANARA BANK**

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### **Abstract**

Agricultural credit has its value to the ranchers, banks and augmentation laborers. It is a significant essential for agricultural development. It is considered as one of the most essential contributions for directing all agricultural improvement programs. Agricultural arrangements have been audited now and again to give sufficient and convenient accessibility of finance to this area. The monetary standards of ranch monetary administration encourage in getting power over capital and its effective use. The venture examination relating to pay, reimbursement limit and danger bearing capacity decide the measure of capital a ranch business can beneficially and securely use. Henceforth, the rancher can decide his credit value and can advance his advance application with certainty to bank. The current examination is an endeavor to dissect the horticulture credit by business banks. This examination depends on optional information. The investigation was made by the utilization of pattern examination. Significant finding of the examination is that agribusiness credit by Canara Bank has expanded to arrive at the objective which given by RBI.

**Keywords:** Agriculture Credit, Commercial Bank, Financial Management

### **INTRODUCTION:**

Agribusiness in India is one of the main areas of its economy. Farming is demographically the broadest monetary area and assumes a critical part in the general financial texture of India. It gives work to almost 61% people of complete populace and it contributes 25% to public pay. Farming credit give introduction to the augmentation laborer about the structure and working of loaning foundations which thus encourages him to manage the borrower to pick the modest bank in securing of credit. Also, he can likewise inform on most productive use regarding credit, for

example to expand the profits to restricted capital assets. Besides, with developing modernization of horticulture during post-green insurgency period the prerequisite of agricultural credit has expanded further as of late. The institutional credit framework is basic for agricultural improvement and its job has additionally expanded in the changed monetary climate. In India a multi-organization approach including co-usable banks, booked business banks and territorial rural banks (RRBs) has been followed to permit credit to agricultural area

### **REVIEW OF LITERATURE:**

Anjani Kumar, K.M Singh, Shradhajali Sinha, 2010 analyzed the exhibition of agricultural credit stream also, has distinguished the determinants of expanded utilization of institutional credit at the ranch family unit level in India. The structure of credit sources has seen a critical change and business banks have arisen as the significant wellspring of institutional credit as of late. Yet, the declining portion of speculation credit in the aggregate credit may compel the economical agricultural development. The quantum of institutional credit profited by the cultivating families is influenced by various socio-segment factors which incorporate training, ranch size, family size, position, sexual orientation and so forth

Kannan, E 2011 inspected the dispensing of credit through institutional sources large affected improving agricultural efficiency. Notwithstanding, it focuses at its inadequacy and along these lines desires for broadening its inclusion both regarding the measure of credit and the inclusion of a greater number of minor and little ranchers.

R. Govindasamy 2013, the monetary establishments is powerful channels of credit for ranch area, non-ranch area and other need area credit organizations have assumed a huge part in the improvement of rural and metropolitan regions.

Seena P.C. 2015 this paper portrays the administration of agricultural credit in India and the effect of different financial area changes on horticulture. Banking area changes like fixing prudential standards, decreased SLR, CRR, banking broadening all influence the Indian agricultural area

## **OBJECTIVES OF THE STUDY:**

1. To understand the concept of Agricultural credit.
2. To examining the volume and trend of agricultural credit by selected bank.
3. To analyze the disbursement of agricultural credit by the commercial banks and know about that bank should achieve target or not.ector credit institutions have played a significant role in the development of rural and urban areas.

Seena P.C. 2015 this paper describes the management of agricultural credit in India and the impact of various banking sector reforms on agriculture. Banking sector reforms like fixing prudential norms, reduced SLR, CRR, banking diversification all affect the Indian agricultural sector.

## **RESEARCH METHODOLOGY:**

### Populace of the Study:

In setting of India, 93 business banks are in activity. These 93 business banks are view as populace. Yet, it is preposterous to expect to concentrate every business bank.

### Test Size:

Our business bank has been taken as test from the entire populace for example 93 business banks. The test of the investigation is Canara bank.

### Inspecting Procedure:

The determination system of the example isn't irregular. Canara Bank is chosen for the examination based on helpful inspecting technique and non-likelihood testing strategy.

### Wellspring of Data:

This examination principally relies upon the utilization of optional information that comprises of yearly report of the concerned bank. Anyway alongside the yearly reports different wellsprings

of information have likewise been utilized for the investigation for example paper, magazine, Economic diaries and RBI reports NABARD report and so forth

Time of the Study:

The scientist has embraced the investigation for a very long time for example 2015-16 to 2016-17.

### **LIMITATIONS OF THE STUDY:**

This study is mainly based on secondary data, taken from the published annual reports, website etc.

It has covered only one commercial bank for the study so it may not generalize to whole population.

The study is confined to the agricultural finance only.

Personal view differs from one person to other

### **CONCLUSION:**

The examination uncovers that the bank credit in India to farming area has been expanded during the investigation period. The credit gave by the bank has expanded its advances. However, an exertion must be taken by bank to decrease its remarkable, with the goal that the recuperated bank credit should be siphoned into agribusiness area for its development.

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