



Assessing the Role and Progress of Scheduled Commercial Banks in Providing Agricultural Credit in India

RUCHI

Research Scholar, Department of Economics,
Maharshi Dayanand, University Rohtak

Abstract

Banks plays an important role in the economic development of a country. Credit is one of the important key for agricultural development. In a country like India which is still in the early stages of economic development. A well organized banking system is the requirement of the day. The commercial banks help the agriculture sector in a number of ways in rural areas and meet their financial requirements. Commercial banks also contribute to the development of the Indian economy. The present study examines the progress of Scheduled Commercial Banks in India. For this purpose selected parameters have been taken like branch expansion, number of offices, deposit mobilization, credit lending, and credit-deposit ratio of Scheduled Commercial Banks. And the study also examines the role of SCBs in providing agricultural credit in India.

Key words: *Scheduled Commercial Banks (SCBs) Agricultural Credit, Compound Annual Growth Rate (CAGR), Branch Expansion, Coefficient of Variation.*

Introduction:-

Credit is one of the important key for agricultural development. It capitalizes farmers to undertake new investment or adopt new technologies. After nationalization of banks the function of commercial banks in agriculture sector increased dramatically. Commercial banks came into the field of agricultural credit only after the nationalization of 14 banks in 1969 and 6 more commercial banks in April 1980. The commercial banks help the agriculture sector in a number of ways. The role of the commercial banks was increased after Green Revolution. Farmers needs for credit was increased due to the modernization and mechanization of agriculture sector. Commercial banks provided the loans to the farmers for the purpose of irrigation facilities, high yielding seeds and fertilizers. Commercial banks provide medium or long term finance for the purpose of purchase the heavier machines, making permanent improvements and increase the size of the holding and other enhanced implements. The growth rate of commercial banks in institutional credit to agriculture has been impressive since their nationalization. Thus, commercial banks are the most important source of institutional credit in India they fulfill the all types of needs for credit in rural areas and help to improve the productivity in agriculture sector. Commercial banks have also been feeling handicapped, because they are not treated at par with the co-operatives in direct lending for agriculture in respect of the right of recovery, exemption from stamp duty, registration fees, etc. The recommendations of the Expert Group (Talwar Committee) seeking to remove these handicaps are yet to be implemented in most of the States (Kumar and Prasad, 2006).

Objectives of study: -

- To examine the progress of scheduled commercial banks in India.
- To study the role of scheduled commercial banks in providing agricultural credit in India.

Data and Research Methodology: -

The objective of the study is to examine the progress of SCBs and the role of SCBs in providing agricultural credit in India. For fulfilling the above said objectives secondary data have been used. Data regarding this paper have been taken from various issues report of **RBI, Economic Survey of India**, Various Issues and **Basic Statistical Returns of Scheduled Commercial Banks in India, Various Issues**. Statistical tools like mean, SD, CV and CAGR have been used. The study used the time series data ranging from 2004 to 2016.

Tools for Analysis:-

Compound Annual Growth Rate: Compound Annual Growth Rate is worked out by using the following formula:

$$CAGR (t_0, t_n) = \left\{ \frac{V(t_n)}{V(t_0)} \right\}^{1/(t_n - t_0)} - 1$$

Where

V (t₀) stands for start value

V (t_n) stands for finish value

t_n – t₀ stands for number of years

Coefficient of Variation: Coefficient of Variation is used for estimating the instability among the data. I have calculated coefficient of variation by using the formula:

$$\frac{\text{Standard deviation}}{\text{Mean}} * 100$$

Result Discussion**Table-1 Branch Expansion of Scheduled Commercial Banks (SCBs)****(Number & per cent)**

Year	Rural	Semi-urban	Urban	Metropolitan	Total
2004	32121 (47.8)	15091 (22.5)	11000 (16.4)	8976 (13.4)	67188 (100)
2005	32082 (46.9)	15403 (22.5)	11500 (16.8)	9370 (13.7)	68355 (100)
2006	29534 (42.4)	16184 (23.2)	12166 (17.5)	11732 (16.9)	69616 (100)
2007	29658 (41.2)	16970 (23.6)	13009 (18.1)	12351 (17.2)	71988 (100)
2008	30173 (39.7)	18246 (24.0)	14232 (18.7)	13315 (17.5)	75966 (100)
2009	30821 (38.6)	19569 (24.5)	15245 (19.1)	14277 (17.9)	79912 (100)
2010	31845 (37.4)	21313 (25.0)	16621 (19.5)	15391 (18.1)	85170 (100)
2011	33315 (36.6)	23630 (25.9)	17571 (19.3)	16403 (18.0)	90919 (100)
2012	35931 (36.4)	26392 (26.8)	18811 (19.1)	17478 (17.7)	98612 (100)
2013	39199 (36.8)	29163 (27.4)	19874 (18.6)	18348 (17.2)	106584 (100)
2014	44676 (37.9)	32216 (27.3)	21515 (18.2)	19589 (16.6)	117996 (100)
2015	48140 (38.0)	34526 (27.3)	23098 (18.2)	20879 (16.5)	126643 (100)
2016	50561 (37.9)	36455 (27.3)	24395 (18.3)	22088 (16.5)	133499 (100)
2017	48806 (35.4)	38201 (27.7)	24574 (17.8)	26478 (19.2)	138059 (100)
Average	36918.71	24525.64	17400.79	16191.07	95036.21
C.V	21.18	33.69	27.41	30.94	26.71
CAGR	3.27%	7.41%	6.38%	8.68%	5.7%

Source: Hand book of Statistics on Indian Economy (RBI)

The above table presents total number of branches expansion of SCBs has increased from 67188 in 2004 to 138059 branches in 2017 with CAGR 5.7 per cent. In comparison with other branches, Semi-urban branches have highest CV which shows maximum variation over the years. The share of rural sector in the total number of branches of the SCBs had decreased from 47.8 per cent in

2004 to 35.4 per cent in 2017, due to by mergers and swapping of rural branches. And the share of Semi-urban, Urban and metropolitan in the total number of branches of SCBs had increased over the years. In brief it can be understood easily that the CAGR of metropolitan branches is higher than that of rural, semi-urban and urban branches, which shows maximum growth in metropolitan sector.

Table-2 Deposit Mobilization of Scheduled Commercial Banks in India**(Amount in Rupees Crores & per****cent)**

Year	Rural Deposits	Semi-urban Deposits	Urban Deposits	Metropolitan Deposits	Total Deposits
2004	195081.71 (12.9)	268216.92 (17.8)	330295.74 (21.9)	717679.01 (47.5)	1511273.39 (100)
2005	213104.11 (12.2)	295685.4 (16.9)	374891.03 (21.5)	863133.51 (49.4)	1746814.04 (100)
2006	226061.18 (10.8)	302212.81 (14.5)	430813.23 (21)	1132087.02 (54.1)	2091174.24 (100)
2007	253013.69 (9.7)	357395.14 (13.8)	532592.21 (20.5)	1454043.47 (56.0)	2597044.50 (100)
2008	303423.04 (9.3)	430279.71 (13.2)	657699.02 (20.2)	1858544.4 (57.2)	3249946.17 (100)
2009	363910.19 (9.3)	529758.39 (13.5)	822913.61 (21)	2205398.63 (56.2)	3921980.82 (100)
2010	420337.72 (9.2)	614047.18 (13.5)	944992.24 (20.7)	2581651.91 (56.6)	4561029.05 (100)
2011	493265.52 (9.2)	716831.20 (13.3)	1110513.31 (20.6)	3068941.29 (56.9)	5389551.33 (100)
2012	573185.85 (9.4)	842544.69 (13.9)	1272592.11 (20.9)	3389920.69 (55.8)	6078243.34 (100)
2013	669888.68 (9.6)	979193.55 (14)	1497012.94 (21.3)	3866525.19 (55.1)	7012620.36 (100)
2014	787151.11 (9.9)	1141077.21 (14.3)	1714010.03 (21.5)	4313482.87 (54.2)	7955721.22 (100)
2015	915676.46 (10.3)	1317250.68 (14.8)	1964900.92 (22)	4724283.15 (53)	8922111.21 (100)
2016	1008941.32 (10.5)	1477211.63 (15.4)	2150575.77 (22.4)	4962802.36 (51.7)	9599531.08 (100)
Average	494080.04	713208.04	1061830.94	2702961.04	4972080.06
C.V	56.13	57.39	58.19	54.54	55.69
CAGR	14.68%	15.28%	16.9%	17.49%	16.66%

Source: Banking Statistics: Basic Statistical Returns of Scheduled Commercial Banks in India,

Various Issues, RBI

The position of deposit mobilization by different population groups shows increasing trend during the study period. In 2004 total deposit of SCBs was Rs. 1511273.39 crores and it increased

to Rs. 9599531.08 crores in 2016 with CAGR 16.66 per cent. In comparison with other branches metropolitan branch has highest CAGR with 17.49 per cent and the lowest CAGR in case of rural branch. The result of the study shows that the metropolitan branches have highest share and rural branches have lowest share in deposit mobilization during the study period. This can be concludes that banking habit is more in metros than the villages and rural share has declined.

Table-3 Credit Lending of Scheduled Commercial Banks in India**(Amount in Rupees Crores & per cent)**

Year	Rural Credit	Semi-urban Credit	Urban Credit	Metropolitan Credit	Total Credit
2004	85020.95 (9.7)	100166.03 (11.4)	150336.09 (17.1)	544788.96 (61.9)	880312.03 (100)
2005	109975.62 (9.5)	130641.17 (11.3)	189236.56 (16.4)	722614.57 (62.7)	1152467.93 (100)
2006	126078.34 (8.3)	151445.46 (10)	245777.29 (16.2)	990541.04 (65.4)	1513842.13 (100)
2007	154897.97 (7.9)	188231.84 (9.7)	317108.89 (16.3)	1286860.92 (66.1)	1947099.62 (100)
2008	183106.81 (7.6)	229030.5 (9.5)	384145.44 (15.9)	1620723.78 (67.1)	2417006.52 (100)
2009	207926.13 (7.3)	264925.16 (9.3)	457526.78 (16.1)	1917335.05 (67.3)	2847713.12 (100)
2010	249276.96 (7.5)	319972.87 (9.6)	558531.01 (16.7)	2217388.48 (66.3)	3345169.32 (100)
2011	295814.54 (7.3)	381572.75 (9.4)	683883.09 (16.8)	2714376.61 (66.6)	4075647.00 (100)
2012	380517.65 (7.9)	459860.81 (9.6)	781512.15 (16.3)	3181376.30 (66.2)	4803266.91 (100)
2013	456190.81 (8.3)	556068.01 (10.1)	907952.53 (16.4)	3605105.68 (65.2)	5525317.03 (100)
2014	524613.38 (8.4)	664095.94 (10.6)	1005342.84 (16)	4088030.26 (65.1)	6282082.43 (100)
2015	598345.99 (8.7)	759187.88 (11)	1103915.44 (16)	4417023.21 (64.2)	6878472.52 (100)
2016	674670.15 (8.9)	851991.98 (11.3)	1195773.12 (15.9)	4800209.49 (63.8)	7522644.73 (100)
Average	311264.25	389014.65	613926.25	2469721.10	3783926.25
C.V	63.41	64.38	58.55	58.60	59.47
CAGR	18.84%	19.53%	18.86%	19.88%	19.58%

Source: Banking Statistics: Basic Statistical Returns of Scheduled Commercial Banks in India,

Various Issues, RBI

Table-3 shows that credit lending of metropolitan branches has displayed rising trend during the study period. The total credit lending was Rs. 880312.03 crores in 2004 which increased to Rs. 7522644.73 crores in 2016 with CAGR of 19.58 per cent. In comparison with other

branches metropolitan branches have highest credit lending with CAGR 19.88 per cent. The share of metropolitan had continuously increased in the total credit lending of the SCBs. And it increased from 61.9 per cent in 2004 to 63.8 per cent in 2016. The C.V by Semi-urban credit is showing the very high variation with 64.38 percent as compared to other branches.

**Table-4 Credit Deposit Ratio and No. of Offices of Scheduled Commercial Banks in India
(Number & Percent)**

Year	Rural		Semi-urban		Urban		Metropolitan		Total	
	No. of Offices	Credit Deposit-Ratio	No. of Offices	Credit Deposit-Ratio	No. of Offices	Credit Deposit-Ratio	No. of Offices	Credit Deposit-Ratio	No. of Offices	Credit Deposit-Ratio
2004	32107	43.6	15252	37.3	11703	45.5	9583	75.9	68645	58.2
2005	31967	51.6	15619	44.2	12304	50.5	10079	83.7	69969	66.0
2006	30610	55.8	15471	50.1	12697	57.0	11998	87.5	70776	72.4
2007	30393	61.2	16352	52.7	13699	59.5	12755	88.5	73199	75.0
2008	30898	60.3	17695	53.2	15275	58.4	13831	87.2	77699	74.4
2009	31549	57.1	19021	50.0	16470	55.6	14762	86.9	81802	72.6
2010	32320	59.3	20601	52.1	17964	59.1	16075	85.9	86960	73.3
2011	33367	60	22725	53.2	18997	61.6	17028	88.4	92117	75.6
2012	35936	66.4	25818	54.6	20225	61.4	18826	93.8	100805	79.0
2013	39233	68.1	28529	56.8	21618	60.7	19899	93.2	109279	78.8
2014	45177	60.4	31442	57.7	21448	58.5	19213	93.8	117280	77.7
2015	48498	65.3	33703	57.6	22997	56.2	20474	93.5	125672	77.1
2016	50102	66.9	35974	57.7	25644	55.6	23138	96.7	134858	78.4
Average	36319.77	59.69	22938.62	52.09	17772.38	56.89	15973.92	88.85	93004.69	73.73
C.V	19.58	11.33	32.28	11.27	25.28	8.00	26.47	6.18	24.32	7.95
CAGR	3.78%	3.63%	7.41%	3.7%	6.76%	1.68%	7.62%	2.04%	5.79%	2.51%

Source: Banking Statistics: Basic Statistical Returns of Scheduled Commercial Banks in India, Various Issues, RBI

The position of credit-deposit ratio in various population groups shows the fluctuating trend over the study period. The total credit-deposit ratio increased from 58.2 per cent in 2004 to 75.0 per cent in 2007. But after that it started declined from 74.4 per cent in 2008 to 72.6 percent in 2009 and after that it increased up to 78.4 per cent in 2016. During the study period the credit-deposit ratio in case of metropolitan area represents the less variation with 6.18 per cent.

Table-5 Sectoral Distribution of Outstanding Credit of Scheduled Commercial Banks in India**(Amount in Rupees Crores & per cent)**

Year	Agriculture	Transport	Professional and other services	Personal loans	Trade	Financial Institutions	Industry	Others	Total
2004	96245.04 (10.93)	11171.96 (1.27)	43927.40 (4.99)	179087.24 (20.34)	101437.86 (11.52)	58963.84 (6.70)	334803.48 (38.03)	54675.21 (6.21)	880312.03 (100)
2005	124384.87 (10.79)	13720.76 (1.19)	55265.55 (4.80)	255981.37 (22.21)	129645.70 (11.25)	73276.89 (6.36)	446824.98 (38.77)	53367.81 (4.63)	1152467.93 (100)
2006	124384.87 (10.79)	13720.76 (1.19)	55265.55 (4.80)	255981.37 (22.21)	129645.70 (11.25)	73276.89 (6.36)	446824.98 (38.77)	53367.81 (4.63)	1152467.93 (100)
2007	172684.07 (11.41)	23717.14 (1.57)	81870.27 (5.41)	353225.38 (23.33)	150196.87 (9.92)	95107.62 (6.28)	566215.95 (37.40)	70824.84 (4.68)	1513842.13 (100)
2008	230191.08 (11.82)	26070.81 (1.34)	121456.14 (6.24)	433561.97 (22.27)	204863.78 (10.52)	123962.20 (6.37)	741897.13 (38.10)	65096.51 (3.34)	1947099.62 (100)
2009	274141.12 (11.34)	44695.92 (1.85)	187268.20 (7.75)	485415.90 (20.08)	212555.88 (8.79)	170554.17 (7.06)	928535.78 (38.42)	113839.54 (4.71)	2417006.52 (100)
2010	309469.44 (10.87)	58143.60 (2.04)	248453.53 (8.72)	553546.47 (19.44)	277190.65 (9.73)	188658.57 (6.62)	1134442.98 (39.84)	77807.89 (2.73)	2847713.12 (100)
2011	390298.30 (11.67)	85757.45 (2.56)	305375.18 (9.13)	558894.81 (16.71)	305482.12 (9.13)	243139.23 (7.27)	1355232.35 (40.51)	100989.88 (3.02)	3345169.32 (100)
2012	461021.88 (11.31)	110371.53 (2.71)	368087.10 (9.03)	670134.59 (16.44)	333258.47 (8.18)	350879.78 (8.61)	1612046.80 (39.55)	169846.85 (4.17)	4075647 (100)
2013	561934.87 (11.70)	117904.41 (2.45)	366703.94 (7.63)	750150.54 (15.62)	468722.28 (9.76)	408822.42 (8.51)	1941964.58 (40.43)	187063.88 (3.89)	4803266.91 (100)
2014	841847.08 (13.40)	129694.22 (2.06)	470436.67 (7.49)	1017100.36 (16.19)	574033.18 (9.14)	506753.70 (8.07)	2616257.90 (41.65)	125959.32 (2.00)	6282082.43 (100)
2015	904271.70 (13.15)	134118.43 (1.95)	496579.87 (7.22)	1143986.08 (16.63)	662736.09 (9.63)	560655.74 (8.15)	2836049.72 (41.23)	140074.89 (2.04)	6878472.52 (100)
2016	996166.16 (13.24)	153957.93 (2.05)	585988.53 (7.79)	1339138.03 (17.80)	695438.25 (9.24)	623103.43 (8.28)	2961893.68 (39.37)	166958.71 (2.22)	7522644.72 (100)
Average	422080.04	71003.46	260513.69	615092.62	326554.37	267473.42	1456347.11	106144.09	3165393.1
C.V	74.21	74.45	71.69	58.62	63.78	74.93	64.64	45.41	76.85
CAGR	21.5%	24.43%	24.1%	18.25%	17.4%	21.71%	19.92%	9.75%	19.58%

Table 5 shows the sectoral distribution of outstanding credit of SCBs in India. Industry has shows the highest share in total outstanding credit for whole period of study and the Transport has shown the minimum share in total. The share of agricultural sector in the total outstanding credit of the SCBs has increased from 10.93 per cent in 2004 to 13.24 per cent in 2016 with CAGR of 21.5 per cent. The average credit outstanding to agriculture is Rs. 422080.04 crores with CV 74.21 per cent showing very high variation. After second reforms the share of agricultural outstanding should be increased due to the programme of doubling the agricultural credit in three years (2004-07). But the improvement in percentage change is not so good till 2016.

**Table-6 Institutional Credit to Agriculture
(Rs. Crores & per cent)**

Year	Co-operative Banks	Share (percent)	RRBs	Share (percent)	CBs	Share (percent)	Total	Share (percent)
2003-04	26,959	31	7581	9	52,441	60	86,981	25
2004-05	31,424	25	12,404	10	81,481	65	1,25,309	44
2005-06	39,786	22	15,223	8	1,25,477	70	1,80,486	44
2006-07	42,480	19	20,435	9	1,66,485	73	2,29,400	27
2007-08	48,258	19	25,312	10	1,81,088	71	2,54,658	11
2008-09	46,192	15	26,765	9	2,28,951	76	3,01,908	18
2009-10	63,497	17	35,218	9	2,85,799	74	3,84,514	27
2010-11	78,121	17	44,293	9	3,45,877	74	4,68,291	22
2011-12	87,963	17	54,450	11	3,68,616	72	5,11,029	9
2012-13	1,11,203	27	63,681	13	4,32,491	60	6,07,375	19
2013-14	1,19,964	17	82,653	11	5,27,506	72	7,30,123	20
2014-15	1,38,469	16	1,02,483	12	6,04,376	72	8,45,328	16
2015-16	1,53,295	17	1,19,261	13	6,42,954	70	9,15,510	8
2016-17 [^]	1,22,651	13	1,03,974	11	7,33,201	76	9,59,826	5

Note: ^ = Provisional

Source: Economic Survey of India, Various Issues

Table-6 shows the institutional credit to agriculture during 2003-04 to 2016-17. In 1970-71 only co-operative banks were financed to the agriculture sector but from the past years the tendency of decreasing the share of co-operatives banks in the flow of institutional credit. Which indicate the need of restructured & improvement in these banks. The share of schedule commercial banks & regional rural banks is increasing. In terms of total credit to agriculture, the commercial banks recorded a considerable growth from around 60 per cent in 2003-04 to about 76 per cent in 2016-17, while co-operative banks registered a fall over 31 per cent in 2003-04 to over 13 percent during the above period. There is a considerable increase in RRBs from 9 per cent in 2003-04 to 11 percent in 2016-17. The percentage share of total credit to agriculture shows very high fluctuating trend which shows the share of total credit decreased continuously.

Table-7 Short and Long-term Loans Disbursements to the Farmers by SCBs
(Number of accounts in thousands; Amount in Rs.Crores)

Year (end-June)	Up to 2.5 Acres		Above 2.5 Acres to 5 Acres		Above 5 Acres		Total	
	No. of Accounts	Amount	No. of Accounts	Amount	No. of Accounts	Amount	No. of Accounts	Amount
2002-03	2494	4834	1934	5578	1983	11445	6411	21857
2003-04	3711	7953	2695	7340	2259	16592	8665	31885
2004-05	4478	10833	3172	10550	2535	19735	10185	41119
2005-06	5004	16823	3670	17619	3670	32682	12344	67124
2006-07	5963	23246	4008	21588	4379	49335	14350	94169
2007-08	6605	25352	4463	23215	4932	48140	16000	96707
2008-09	8544	34267	6641	33280	6811	72753	21996	140300
2009-10	8127	42626	7175	44331	6385	73061	21687	160018
2010-11	9253	46019	9690	57436	6044	85455	24987	188910
2011-12	13735	89714	10021	82919	6782	99037	30538	271670
Average	6791.4	30166.7	5346.9	30385.6	4578	50823.5	16716.3	111375.9
C.V	48.18	83.62	53.81	81.55	41.53	60.56	46.80	71.23
CAGR	18.6%	33.92%	17.88%	30.98%	13.08%	24.08%	16.89%	28.66%

Source: Hand book of Statistics on Indian Economy (RBI)

The total amount of marginal, small and large farmers has been increasing steadily over the years. The total amount has increased from Rs. 21857 crores in 2002-03 to Rs. 271670 crores in 2011-12 with CAGR 28.66 per cent. The highest CAGR was in the case of marginal farmers having land holding up to 2.5 acres i.e. 33.92 per cent. This shows that number of accounts and amount in case of marginal farmers was higher than that of small and large farmers.

Table-8 Short and Long-term Loans Outstanding to the Farmers by SCBs
(Number of accounts in thousands; Amount in Rs.Crores)

Year (end-June)	Up to 2.5 Acres		Above 2.5 Acres to 5 Acres		Above 5 Acres		Total	
	No. of Accounts	Amount	No. of Accounts	Amount	No. of Accounts	Amount	No. of Accounts	Amount
2002-03	4749	9813	4092	11316	3835	23831	12676	44961
2003-04	6086	14805	4806	13974	4377	28786	15268	57565
2004-05	7299	20499	5874	20759	5274	37218	18447	78476
2005-06	8239	29719	6677	29255	6321	52769	21237	111743
2006-07	9954	37336	7548	37815	6985	64810	24487	139961
2007-08	11345	46457	9512	46631	8739	80956	29596	174044
2008-09	11708	60199	9570	59792	10884	99349	32162	219340
2009-10	17321	77952	14220	72916	17657	119500	49198	270368
2010-11	12567	88712	12900	95120	8292	125460	33759	309292
2011-12	16423	124439	14441	126365	9645	140585	40509	391389
Average	10569.1	50993.1	8964	51394.3	8200.9	77326.4	27733.9	179713.9
C.V	39.42	72.27	42.66	73.12	49.16	54.84	41.71	64.50
CAGR	13.21%	28.92%	13.44%	27.29%	9.66%	19.42%	12.32%	24.16%

Source: Hand book of Statistics on Indian Economy (RBI)

Table-8 presents the different sized classes of farmers in direct credit flow from SCBs in short-term and long-term. The total short-term and long-term loans outstanding for agriculture to marginal farmers, small farmers and large farmers continuously increased over the years. The short-term and long-term outstanding by marginal farmers has increased as compared to other land holding size.

CONCLUSION

Agriculture is the foundation of our economy and is playing a key role in sustaining the economic growth of our country since Independence. The study found that in comparison with other branches metropolitan branches have highest CAGR in different population groups during the study period. And the share of commercial banks in providing agricultural finance is highest as compared to others banks. However, the improvement in percentage change is not so good as compared to other sector. The SCBs provides the highest credit for industry and lowest credit for transport sector. The number of account and amount is in the case of marginal farmers increased during the study period. The number of account and amount lowest is in the case of large farmers. Commercial banks will have to focus on enhancing flow of credit to production, investment and marketing credit requirements of the agricultural sector.

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