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शिवार्थ

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सुवर्ण महोत्सवी वर्ष
अर्थशास्त्र अधिविभाग

शिवाजी युनिव्हर्सिटी इकॉनॉमिक्स असोसिएशन, कोल्हापूर (सुर्येक)

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Department of Economics,
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NABARD Potential Linked Credit Plan in Sangli District¹⁴

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Introduction:

In Sangli district main occupation of the people is agriculture, most of the area of Sangli district is under the drought prone condition. The major crop of Sangli district is cotton, jowar, soyabean, sugarcane, maize, horticultural crops, etc. At the time of 2011 census, the district had 10 sub districts and comprised 728 inhabited villages (including 3 inhabited villages) and 7 towns. Rural population of Sangli district is 55%. In total population number of small and marginal farmers is 74.5%. Cropping Intensity of Sangli district is 126%. Rain shadow area is 2/3 of the total area. This is the background of Sangli district.

Objective of the study:

- 1) To study the concept of PLPs.
- 2) To overview the NABARD vision for development of Sangli district.
- 3) To study the sector -wise achievement and credit potential for 2015-16.
- 4) To overview drought mitigation plan.
- 5) To draw conclusion.

Concept of PLPs:

NABARD started Potential Linked Credit Plans (PLPs) in 1988-89 for the development of all the districts. It was a map the existing potential for development. It is an evolved appropriate mechanism through which potential could be exploited over a specified time form. PLPs act refers the bank in direction of credit flow; government should assessing gaps in infrastructure and private sector and development organizations to find out scope for their business activity.

NABARD Vision for Development of Sangli District:

Following visions are enhancing agricultural productivity and incomes of farmers:

1. Improving water resource management and irrigation facilities.
2. Improving watershed management
3. Implementing new value chain management projects for the development of the Sangli district.
4. Classification and diversification of agriculture, value addition and post harvest management through public and private partnership, formation of producers' organisations, direct marketing, contract farming, etc.
5. Development of rural infrastructure facilities.
6. Implementing and promoting rural livelihoods and building social capital.
7. Strengthening of rural credit delivery mechanism in Sangli district.

Table No.1 Sangli Vis-à-vis Maharashtra

Sr.No.	Particulars	Sangli	Maharashtra
1.	Geographical Area (lakh sq.km.)	0.86	3.08
2.	Rural population (in crore)	0.21	6.115

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3.	Net sown area (lakh ha)		
4.	Cross Irrigated Area (lakh ha.)	6.73	174.06
5.	% of Gross Irrigated area to Gross Cropped Area	1.56	40.5
6.	Share of Agriculture in total income (%)	19.18	17.9
7.	Human Development Index (HDI)	27	11
		0.742	0.752

(Source: NABARD Potential Linked Credit Plan in Sangli District-2015-16)

From above table explain that in Sangli district the rural population is 0.21crore and in Maharashtra 6.115crore. Percentage of gross irrigated area to gross cropped area of Sangli district (19.18%) is high as compare to Maharashtra (17.9%). Another side contribution of total income percentage share of agriculture of Sangli district is very high as compare to Maharashtra state (11%) share of agriculture in total income. Human development index (HDI) of Sangli district (0.742) and Maharashtra (0.752) state are equal.

Table No.2 Sector wise Achievement % to target set (Rs. in crore)

Sr.No	Sector	2011-12	Achievement % to target set	2012-13	Achievement % to target set	2012-13	% change Over Previous Year
1.	Crop loan	677.31	109.12	1109.09	132.98	1088.07	(-)1.90
2.	Agriculture (MT+ LT)	427.97	82.52	638.60	85.65	579.97	(-)9.18
3.	Total Agriculture	1105.28	97.01	1747.69	110.64	1668.04	(-)4.46
4.	MSME(Non-farmSector)	127.32	59.99	231.72	94.90	365.83	57.88
5.	Other Priority Sector	199.64	66.18	337.09	96.32	476.59	41.39
6.	Total priority Sector	1432.32	86.63	2316.50	106.57	2510.47	8.37

(Source: NABARD Potential Linked Credit Plan in Sangli District-2015-16)

The table no. 2 explain that sector wise achievement of crop loan, agriculture and total agriculture percentage change over previous year is negative (-1.90,-9.18 and -4.46). Another side, MSME and other priority sectors achievement % change over previous year is positive i.e. 57.88%, 41%.

Table No.3 Sector Wise Credit Potentials for 2015-16 (Percentage)

Sr.No.	Purpose	Plan (Rs.in crore)	Share % to Priority Sector
1.	Crop loan	2087.06	43.93%
2.	Water resources	236.24	4.97%
3.	Land development	29.62	0.62%
4.	Farm mechanization	215.49	4.54%
5.	Plantation and horticulture	460.38	9.69%
6.	Dairy	247.09	5.20%
7.	Poultry	32.02	0.67%
8.	Sheep/ goat/piggery	60.66	1.28%
9.	Fishery	7.2	0.15%

10.	Forestry and waste land development	4.09	0.09%
11.	Storage and market yard	154.53	3.25%
12.	Renewable sources of energy	36.68	0.77%
13.	Other activities	6.12	0.13%
14.	Total agriculture term loan	1490.12	31.36%
15.	Total agriculture	3577.18	79.29%
16.	MSME	524.25	11.03%
17.	Other priority sectors	649.76	13.68%
18.	Total priority sectors	4751.19	100.00%

(Source: NABARD Potential Linked Credit Plan in Sangli District-2015-16)

The above table reveals that percentage share to priority sector credit potential plan for 2015-16 gives the highest priority to the total agriculture sector (79.29%). Next priority for the MSME (11.03%) and remaining for the other priority sector (13.68%). The above table concluded that in total plan given first priority for the agriculture sector.

Table No.4 Share of Agriculture Term Loans in Total Agriculture Credit (Percentage)

Sr. No.	Year	Total Agriculture Credit (Rs.in crore)	of which to Agriculture Term Loan (Rs. in crore)	% share of ATL
1.	2010-11	1105.28	427.97	38.72%
2.	1011-12	1747.69	638.60	36.54%
3.	2012-13	1979.63	776.86	39.24%
4.	2013-14	1668.04	579.97	34.77%
5.	2014-15(Up Dec.2014)	2887.29	1642.54	56.69%

(Source: NABARD Potential Linked Credit Plan in Sangli District-2015-16)

table no.4 shows that share of agriculture term loans in total agriculture credit in Sangli district is increasing rate. The percentage share of ATL in year 2010-11 is 38.72% that is low but as compared to year 2014-15(Up Dec.2014) percentage share of ATL is at increasing rate i.e.56.69%.It means that percentage share of agriculture term loans in total agriculture credit is increasing rate these term loans are benefited for the agriculture people.

Long Term Strategies for Drought Mitigation:

“Water for All – Drought Free Maharashtra 2019”

- 1) Incorporated and inclusive approach – agro-meteorology, production, post-harvest management, marketing, etc. through collaboration of all stakeholders
- 2) Watershed development project relating to agriculture, horticulture, etc.
- 3) Development of Water Resource management including construction of check dams, farm ponds, water harvesting structures, etc.
- 4) Development of micro level irrigation and Solar Pumping System for irrigation
- 5) Auxiliary occupations like dairy, poultry, Off-farm, etc.

6) Banks to contribute in to the lending suitable activities and in CSR
Recent initiatives of Government of India:

The recent initiatives of Government of India are given below;

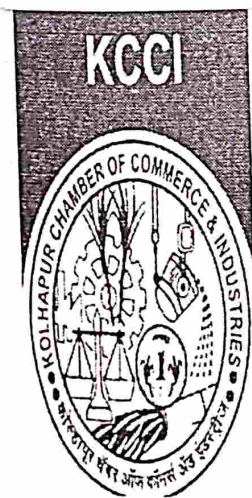
- 1) Credit expenditure target of ` 8 lakh crore for all India.
- 2) Rs. 5000 crore for promote investment credit by Regional Rural Banks and Cooperatives
- 3) Rs. 200 crore with NABARD for promoting 2000 Producers' Organisations
- 4) Financing of 5 lakh JLGs by the banking system to help finance for landless farmers
- 5) Rs.5000 crore for Warehouse Infrastructure Fund
- 6) Financing Rs.2000 crore funds for food processing.
- 7) Rs.20000 crore for Recreation Infrastructure development fund.
- 8) It will continue concessional interest rate on ST-SAO
- 9) In selected districts concessional interest rate for SHGs.

Conclusion:

It can be concluded from the above study that NABARD Potential Linked Credit Plan in Sangli district is potential for development of credit of farm and off-farm sectors under the priority sector. It aims at promoting and overall economic development and improving socio-economic conditions of the drought prone areas people. This action plan achieves the estimated PLPs in Sangli district.

Reference:

- 1) Census of India 2011.
- 2) Potential Linked Credit Plan in Sangli District-2015-16.
- 3) Economic Survey of Maharashtra 2014-15.
- 4) Gazetteer of India/Maharashtra/Sangli.



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