CHAPTER III
PROFILE OF THE DISTRICT AND HOUSEHOLDS

Credit can become an effective instrument on the presence of environmental dimensions. In other words, population, literacy, rainfall, irrigation, land holding, land use pattern, cropping pattern etc., are some of the important factors which measure the need of credit aspect. In this chapter the agro-climatic profile of the district and borrower households characteristic features are examined with a view to providing a background for the appreciation of credit aspect and related problems.

Anantapur is on the southern most of ceded districts, now called Rayalseema region lying between 13°41' and 15°15' of the northern latitude; and 76°20' and 78°20' of eastern longitude. The district is surrounded on the north by Kurnool, on the east by Cuddapah and Chittoor districts of Andhra Pradesh; and on the south and west by Karnataka state. The district headquarters are located in Anantapur town. It is administered through sixteen taluks comprising 930 villages.
Area:

The district spreads over an area of 19,123 Sq.kms. which constitutes 6.90 per cent of total area of Andhra Pradesh. Presence of thin forest, rich soils and mineral sources are the chief characteristics of the district.

Rainfall:

The average annual rainfall ranges from 50 to 56 cms. The region enjoys the benefits of both the monsoons and receives about three-fifths of total rainfall from south-west monsoon. But, it is scanty and uncertain resulting in the exhaustion of surface water. 1 Anantapur is the second lowest record of rainfall in the country. 2 The sustenance of crops in the district requires a rainfall of 65-70 cms. The region has been subjected to untimely and inadequate rainfall which periodically affects the agrarian production. The National Commission on Agriculture which has conducted survey in Anantapur district feels "the absence of grasses and tree crops in the region are less sensitive to cyclic moisture stress." 3 So, the economy of the region is naturally

1 Government of Andhra Pradesh, Fourth Five Year Plan, (Hyderabad, Planning and Co-operation Department), pp. 343-44.
interlinked with sufficient dependable irrigation sources like canals, perennial springs, wells etc.

**Literacy:**

The rate of literacy in the district was 23.60 per cent in 1971 and raised to 27.08 per cent in 1981 revealing an increase of 3.48 per cent. For the state, the percentage of increase of literacy during the same period was 5.12 to 1971 position of 24.60.

**Population:**

Table 3.1 gives the population data.

<table>
<thead>
<tr>
<th>Category</th>
<th>1971</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (lakhs)</td>
<td>21.16</td>
<td>26.16</td>
</tr>
<tr>
<td>Percentage of rural to total population</td>
<td>62.23</td>
<td>79.76</td>
</tr>
</tbody>
</table>

**SOURCE:** District Statistical Abstract, Amantapur.

Table 3.1 reveals that 79.76 per cent of total population lived in rural areas and the remaining 20.24 per cent lived in urban areas in 1981 while the corresponding figures in 1971 were 62.23 per cent and 17.77 per cent respectively. An increase of 2.47 per cent is found in urban
centres over rural sector during the period ended by 1981. This is probably due to urbanisation wherein the people will find the economy of other sectors other than the farm. The above fact indicates that a decrease in rural population accompanied by the rise in urban population limelights the immobility of rural people. Immobility breeds diseconomies.

**Occupational Pattern:**

The workforce constituted at 34.93 per cent and the remaining percentage of 65.07 relates to non-workforce in the district. Of the workforce of 8.90 lakhs, 75.62 per cent depends on agriculture. In the neighbouring districts of Cuddapah, Kurnool and Chittoor the figures were 73.45 per cent, 74.71 per cent and 77.20 per cent respectively. For Rayalaseema it was 75.20 per cent. The Nizampur district was second in Rayalaseema region offering higher employment in farm sector. Table 3.2 presents the occupational classification of population vividly.
Table 3.3

OCCUPATIONAL CLASSIFICATION OF POPULATION

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Population (in lakhs)</th>
<th>Percentage to total population</th>
<th>Percentage to working population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce</td>
<td>8.90</td>
<td>34.93</td>
<td>-</td>
</tr>
<tr>
<td>Non-workforce</td>
<td>16.50</td>
<td>65.07</td>
<td></td>
</tr>
</tbody>
</table>

WORKFORCE:

A. Formal Sector
   - Cultivators: 2.87, 12.83, 28.78
   - Agricultural labourers: 3.46, 13.66, 26.02

B. Non-Formal Sector
   - 2.17, 8.52, 24.36

Total: 25.48, 100.00, 100.00


Land-Man Ratio:

Rural economy is born out of give-and-take interactions of land and man. This interaction might be more in the districts like Kusentpur where its economy dwells on the wheels of farm-machinery. It is land not the labour which is, perhaps, the scarce input. The land-man ratio in Kusentpur district was 0.92 acre. 4

Land Utilisation:

Land is the nature's most endowment. Its economic value and competitive uses are inescapable. The utilisation of land for cultivation is a fundamental factor in the development of agriculture. Leading experts say that the use of land as a down to earth index of utilisation which has been a silent participant in the rise and fall of civilisation.

The pattern of land utilisation shows that the district has a net area seen of 23.45 lakh acres which constitutes 49.60 per cent of total geographical area. In other words, the total land used for cultivation comes to a little less than half of the total geographical area.

The forest occupies 10.26 per cent of total geographical area. The area not available for cultivation constitutes barren and uncultivable land and the area put to non-agricultural uses accounts for 20.35 per cent. Occupied 8.90 per cent of geographical area by 'Current fallow' which means the land remains uncultivated not because of barren but lack of availability of inputs like credit, thereby revealing that the district is foregoing about one-fifth of its farm production.

Cropping Pattern:

Cropping pattern as well as cropping intensity are the major factors under the man-made conditions and decisions for stepping-up farm output. Cropping pattern means distribution of cultivable land under different crops in a particular period. The distribution of cultivable land in Anantapur district is given in table 3.3.

Table 3.3

AREA UNDER PRINCIPAL CROPS

(in lakhs)

<table>
<thead>
<tr>
<th>Crop</th>
<th>Percentage to total area</th>
<th>Total acres</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Irrigated</td>
<td>unirrigated</td>
<td></td>
</tr>
<tr>
<td>A. FOOD CROPS:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paddy</td>
<td>99.22</td>
<td>0.78</td>
<td>1.06</td>
</tr>
<tr>
<td>Jowar</td>
<td>5.24</td>
<td>94.76</td>
<td>2.36</td>
</tr>
<tr>
<td>Other Food crops</td>
<td>12.36</td>
<td>87.64</td>
<td>7.70</td>
</tr>
<tr>
<td>B. Groundnut</td>
<td>7.47</td>
<td>92.53</td>
<td>9.67</td>
</tr>
<tr>
<td>C. Other Crops</td>
<td>10.15</td>
<td>89.85</td>
<td>1.76</td>
</tr>
<tr>
<td>Total (A+B+C)</td>
<td>14.96</td>
<td>85.04</td>
<td>22.45</td>
</tr>
</tbody>
</table>

Table 3.3 shows that the groundnut occupied the highest proportion of total cultivable land i.e., 41.34 per cent of total area used for raising crops. Food crops grown accounted for a little more than half of the total cultivable land of which jowar and paddy are the principal ones. This reveals the attitude of farmers towards cropping pattern to meet domestic consumption needs. Further, the above facts reveal that the capital intensive crops like groundnut and paddy together accounted a little less than half of the cultivable land showing the credit needs of the farmers. Critically one can say that the district has limited sources of irrigational facilities as only 14.96 per cent of total area seen in the district. The above fact reveals that the district has not taken a sufficient measure for mitigation of famine conditions as this rest on in bringing more and more land under irrigation. Irrigation averts serious semi-famine conditions.6

Crapping Intensity:

Crapping intensity defined as a ratio of gross cropped area to the net area sown. Intensive utilization of land results in higher cropping intensity. That only 1.02 lakhs acres were brought under the area sown more than once

6 Mehta, V.D., Economic Change in Rural India, (Bhopal: Progress Publishers, 1979), p. 3.
registering the net increase of 4.25 per cent. This throws light on the intensive utilization of area is limited which in its turn reveals the district faces the problem of irrigational facilities probably the main cause. Farm production in the district is focussed on improving and stabilising Kharif crops production as only limited area is brought under Rabi (4.16 per cent) is observed.

Farm Size:

Rural economy is an agriculture-based one, on which prosperity, the size of land has considerable influence. Obviously, a small size of farm is not uneconomic, but the fact remains that it is uneconomic because of financial weakness of small farmers and other production factors. Farmer feels "the size of land is a crucial factor in understanding the rural economy" 7 To proper use of human power, he should be provided a piece of land which must be an economic size to which the Government of India took measures under Land Reforms. In this context, it is proposed to study the effects of Land Reforms during 1971 and 1981 adopting index of inter-class concentration technique. It shows the relative position of the size group. It is defined:

IIC = \frac{Q_i}{P_i} \quad \text{where} \quad Q = \text{Total area} \\
\quad \quad \quad \quad \quad P = \text{Total number of households} \\
\quad \quad \quad \quad \quad Q_i = \text{Area of operational holdings} \\
\quad \quad \quad \quad \quad P_i = \text{Number of holders in a group}

IIC is calculated and shown in table 3.4.

<table>
<thead>
<tr>
<th>Group</th>
<th>1971</th>
<th>1981</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upto 1.23</td>
<td>0.06</td>
<td>0.07</td>
<td>0.01</td>
</tr>
<tr>
<td>1.24 to 4.93</td>
<td>0.29</td>
<td>0.21</td>
<td>0.08</td>
</tr>
<tr>
<td>4.93 to 9.87</td>
<td>0.60</td>
<td>0.54</td>
<td>0.06</td>
</tr>
<tr>
<td>9.87 &amp; above</td>
<td>2.42</td>
<td>2.45</td>
<td>-0.03</td>
</tr>
</tbody>
</table>


With the results of implementing Land Reform in the district, distribution of land to landless farmers is on the move which can be seen in table 3.4. The concentration of farmers in all groups except the group which ranges 9.87 acres and above, is in a desired direction which means that they could get employment on the land which was made available by the Government.
Agencies Set-up:

The agencies operating in this district for distribution of rural credit are cooperatives, commercial banks and regional rural banks. At present (June 1983) 66 commercial bank branches, 13 regional rural bank branches, 14 primary cooperative agricultural development banks and 308 primary agricultural cooperative societies are functioning in the district.

Characteristic Features of Households:

Age:

The degree of flexibility and readiness to receive and adopt new methods of farm cultivation are inhibited by the age of farmers. It is recognised that the Indian farmers are conservative in adopting new technology in the farm sector. In the survey it is found that 25.00 per cent of total farmers in small farmers group are below 25 years of age while the other farmers group it is 65.00 per cent. The remaining farmers in both groups are more than 25 years. This shows the younger generation participation in the farm enterprise. Generally, the small farmers do not possess much land and as a result, they find their employment other than farm in young age is probably the reason.
Size of Family:

Surplus is an indication of economic development. However, at a micro level, the family size determines the activity of surplus. In the survey, it is found that the dependents are more in small farmers group i.e., six while it is four in case of other farmers. This reveals the odd beliefs of weaker section group in following family planning programmes. It is, beyond doubt, that unawareness of the family planning programmes's spirit in weaker section group is responsible factor.

Education:

The higher the level of education, the higher shall be the tendency on the part of the farmers to take to modern and improved methods of farming. The average per family education is calculated giving weightage as illiterate 0, primary level 1, secondary 2 and higher education 3.

If the score is more than unit, it indicates the literates are more than illiterates. On the other if it is less than one the illiterates are more than the literates.

The average family education score of the small farmer families is 0.83 which is below the average score for all farmer families. On the other, it is 1.20 in case of other farmer families showing more than the total average score. Quite acceptable fact is that the education in case of the haves families is more compared to the have-nots. The households education data are shown in table 3.5.

### Table 3.5

**HOUSEHOLDS EDUCATION**

<table>
<thead>
<tr>
<th>Illiterate</th>
<th>Private Secondary</th>
<th>Higher</th>
<th>Total Education Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Farmers</td>
<td>10</td>
<td>15</td>
<td>5</td>
</tr>
<tr>
<td>Other Farmers</td>
<td>4</td>
<td>25</td>
<td>10</td>
</tr>
<tr>
<td>Overall</td>
<td>14</td>
<td>40</td>
<td>15</td>
</tr>
</tbody>
</table>

**SOURCE:** Field Survey

### Size of Holding and Cropping Pattern:

The average size of holding for the sample households comes to 6.85 acres of dry land and 0.30 acres of wet land. The other farmers group has cultivated on average of 10.75 acres of dry land and 1.43 acres of wet land. None of the
farmers except three small farmers and two other farmers, had given out and taken in land on lease. It is noticeable that the irrigated area of the total cultivated land is 11.61 per cent and 11.86 per cent in case of the small and other farmers respectively.

On an average, 5.60 acres of land in small farmers group put their land under food crops and the remaining land 3.15 acres under commercial crops. On 8.02 and 4.15 acres of land raised food and commercial crops respectively by the other farmers group. From these figures, it is derived that 27.74 per cent and 34.01 per cent of total land by small and other farmers groups showed more income generated crops like groundnut, cotton, sericulture, sugarcane etc.

The profile of the district and households features indicate the backwardness of the area with less acreage and higher dependence of people on agriculture. Though this sector provides food and fabrics about 75.00 per cent of population suffers from lack of irrigation facilities, scanty and erratic rainfall, raising high income generated crops. These conditions made known the district as "stocking ground of famines". It can be concluded, therefore, that there is a plenty of farm resources which should be brought under cultivation as shown in the study to which credit is a veritable
instrument to the agronomic development of this district. So, the rural credit agencies have not only to act as mere reservoirs of credit requirements of the needy ones but also take steps to develop the people which they intern make efforts for the development of the society.