CONCLUSION
In the field of money lending and borrowing, the bank or institution which gives the money to a borrower even if is very conservative in its assessment will always have the risk of not getting back the full amount or partial. It is not because the borrower is not willing to return but because in the field of investment the risk factor which exists is sometimes beyond the control of the individuals and thus they would be under compulsive circumstances of not being able to return the amount. This could be in the field of agriculture, small industries, large enterprises or even personal loans. The banks could not get their money back from personal consumers and home loans because due to recession people lost their jobs and even if willing to return had no income to do it. Similarly for agriculture the rainfall and other factors could lead to problems which would lead to turning the account s NPA. The growth rate of agriculture was 3% and that of manufacturing was 4.5% during the last three decades after independence. The growth rate for agriculture slipped to 2.8% while that for manufacturing sector increased to 6.4% during the last fifteen years. Farmers continue to commit suicide across the country. The water level is declining. The country has to import wheat, edible oils and pulses year after year. This all this even after the country as achieved the greatest through land reforms though it could not get implemented all across the country in the way it should have been implemented. There has even been fourfold increase in food production from 51 million tons in 1950 to 195 million tons in 2005. India has also gone through a situation where we were dependent on the food aid from the US in the name of PL480. We have also been able to increase the food availability from 437 grams in 1960 to 480 grams in 2005. Indian agriculture has also diversified from say wheat, rice, bajra, ragi and sugarcane to soya bean, moong, peanuts, sunflower, mustard, fruits, flowers and vegetables.

The banks have therefore always to be on their toes while giving loan to the borrowers, while the loan is continuing and also when the loan amount has finished and the customer is again willing to get additional loans for some future project. Every day we learn in this varied and diverse field. The banks have to regularly monitor the loans and the account holders and take preventive and corrective
measures at regular intervals to reap the maximum benefit for the account holders as well as the banks themselves.

This chapter explains the general setup of Pune and region, which shows that the region is having good educational, economical and infrastructural position. The region is educational hub as well as industrial hub. The migration of labour from all parts of India is taking place in this region. Therefore, the availability of labour force is sufficient. The corrugated box industry is also located in Pune and around the city. The industry is getting all the infrastructural benefits.

The NPA in Pune district as reduced in all the types of loans extended by the banks. The loan may have been extended in commercial and institutional loans, small scale industries, personal loan, small business finance, etc. but the performance of banks has improved. The improvement cannot be attributed only to the efficiency of the banks but the reduction in the amount of loan extended by the banks and their conservative approach towards these types of loans. The banks were nationalized by the government with an aim of meeting the aspirations of the general public and the banks have been able to fulfill the requirements to a great extent. But with the private sector banks entering the market and the competition it has created the banks have become conservative in their approach which they have relook and strike a balance between the aspiration of the public and the banks.

The agricultural sector of Pune district is mostly dependant on rainfall and lack of irrigation facilities in the area has made the agricultural sector not a preferred option for the employment among the rural people. The output the farmers receive from the hard work put in by them is also not very encouraging as compared to the national average. The banks seeing the irregular output and no constant pattern in the sector have also become conservative in their loan disbursement activities thereby affecting the overall performance of agricultural sector in the area. There has been a reduction in NPA in the last five years which is a encouraging factor for the banks but there has to be a balance between the aspirations of the farmers and the economic needs of the banks.
Banks to make profits and meeting the national requirements extend loans to various borrowers who in turn try to utilize the funds allotted for their own improvement and furtherance. But then the circumstances in the environment are such which are beyond their control and the borrowers are not able to meet the deadlines of the banks and the accounts become bad and lead to getting converted into NPA. Sometimes, even the government policies have made the borrowers complacent in meeting the requirement of the loan return just because they know that the government at some stage will come to their rescue. There are many a times the complete system involved in the economic management responsible for the complete breakdown of the logic and aim of the loan disbursals which subsequently only lead to more trouble for the banks and the borrowers wherein banks become more conservative due to the bad intensions of people in the line. An effort should be made by everyone i.e. the banks, the borrowers and the government to meet the economic aspirations of the general public with an aim to further the requirements of the country as a whole.

The banks should give loan keeping in view the aim of the banks of meeting the customer requirements by maintaining liquidity, security and profitability of the banks. The banks have become more competitive due to the entry of foreign banks which do not take any action which can bring loss to them. They banks have corrected their procedures with time and also have started monitoring the accounts on regular basis which have improved the status of outstanding NPAs of the banks.

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