CHAPTER I
INTRODUCTION

Indian economy is largely dependent upon agriculture as majority of its population is employed in it. As per census 2011, 56.6 per cent of the country’s total workforce is employed in agriculture and allied sector. The contribution of agriculture sector in GDP of the country was 17 per cent in the year 2011-12. Although agriculture sector is the largest employer in the economy but its contribution in the GDP has been declining and was 13.7 per cent in the year 2012-13 (NABARD, 2013: p. 2). This can be attributed due to low productivity of the agriculture sector in the country (CMIE, 2014). Inadequacy of capital has been one of the most important causes of the low productivity in agriculture sector and consequently leading to low capital formation and low growth rate (Nurkse, 1982). Although agriculture in India is largely dependent on monsoons but still certain other inputs are required for its growth that are irrigation facilities, fertilizers, pesticides, seeds etc. For acquiring the essential inputs and for financing the various farm sector and non-farm sector activities credit is vital input. Thus, the role of credit in the agricultural economy is essential.

Agriculture credit is required for various purposes. Agriculture credit can be classified on the basis of period, purpose, security, creditor and borrower. However, the term or period of the loan is the most common means of describing the agriculture credit (RBI, 1954: p.153). On the basis of the term period of the loan, agriculture credit is broadly categorized into three categories viz., short-term, medium-term and long-term credit. The term period of short-term credit is less than 15 months and repayable generally out of sale proceeds of the crops. The short-term credit is granted mainly for the purposes such as purchase of seeds, fertilizers, pesticides, fuel, animal feeds, payments of wages and taxes, irrigation, electricity charges and family maintenance expenses. Medium-term credit is the credit for the term period of more than 15 months but less than 5 years and is granted for the purposes like land development, minor irrigation, orchards
and plantation, purchase of cattle, light agricultural machinery and implements, construction of farm houses and cattlesheds. The credit spread over a period ranging from 5 years to 15 years is treated as long-term credit. Long-term credit is considered as capital expenditure in agriculture which has paramount importance in the Indian economy. There is considerable overlapping in the purposes for which medium-term and long-term credit is supplied. It is therefore somewhat difficult to draw a line of distinction between the medium-term and the long-term agriculture credit (Desai, 1979: p.11).

The cooperative credit societies deal with a peculiar nature of lending that is lending to agriculture sector. The mortgage business was assumed to be an integral part of the agriculture lending. It was because of the reason that the cooperative credit societies were given land mortgage business but the village societies rely for their funds on short-term loans and deposits withdrawal at short notice. So funds of this nature could not be locked-up in land mortgage business without serious risks (Royal Commission on Agriculture in India Report, 1928: p. 460). On the other hand if the village societies denied land mortgage business borrowers / farmers will be driven to moneylenders who will exploit them to the maximum extent. Therefore, village societies were allowed to carry on mortgage business. Thus, the cooperative credit societies started giving long-term loans along with short-term loans. As raising of finance has been a sensitive aspect and raising of finance for short period and lending for long-term was not without risk, it led many societies into bankruptcy. The cooperative credit societies were unable to carry on the mortgage business because farmers need credit for longer period and in large sums and cooperative credit societies could not afford to block their capital for the longer period. Further, there was need of security for long period loans and farmers could offer only their land for security whose value was subjected to fluctuations. It was also difficult for the ill-equipped villagers of cooperative credit societies to complete the large number of complex procedural formalities involved in valuation of land for getting loans. The indebtedness and poverty has been the main cause of low productivity in India and agricultural development is necessary to pace up
its development. Due to this the need for separate agency for long-term credit arose (Reddy, 1986: p. 43-44). Further, the low productivity of land in the country made it necessary to take appropriate steps to enhance the productivity of land through agricultural development and also to bring additional land under cultivation. Thus, there was need for a separate agency for the long-term credit for enhancing the agricultural development.

**EVOLUTION OF LAND DEVELOPMENT BANKS**

Cooperatives occupy an important position in the Indian financial system. The cooperatives were the first formal institutions that were set up to provide rural credit in India. It was in the year 1895 that the Nicholson discussed the role of cooperative agricultural and rural development banks in financing the rural sector especially the agricultural sector in India. The major changes in the system took place only after the introduction of cooperative movement in 1904 with the enactment of the Cooperative Societies Act 1904 (Desai, 1990: p.11). Further, it was replaced by cooperative societies act 1912. In the year 1914, Edward committee on cooperatives headed by Edward Maclagan emphasized on the need for improvements in the working of cooperatives in the country. Another step in the growth of the movement was that co-operation was made a provincial ‘transferred’ subject under the Reforms Act of 1919. In the year, 1920, the cooperative land mortgage banks were started in India with the set up of first land development bank at Jhang in Punjab. The impetus to the land development banks was made in the year 1929 when the land development bank was established in Chennai under the Land Mortgage Act 1930, Since then various committees reviewed the progress of land development banks. The Land Development Banks were originally called land Mortgage banks and in broader sense, they are called State Co-operative Agriculture and Rural Development Banks (SCARDBs) (Dhingra, 1987: p.178). Further, various committees like the Townsend Committee (1929), the Royal Commission on Agriculture (1929), the Central Banking Enquiry Committee (1931) and the Gadgil Committee (1945) recommended for the need to improve the working conditions of the Central Land Mortgage Banks in the
country (RBI, 1965). In the year 1954, All India Rural Credit Survey Committee recommended for the establishment of strong Central and Primary Land Development Banks. Further, the Mehta Committee recommended for the necessity of undertaking measures for strengthening the Land Development Banks. The publication of Rural Credit Review Committee Report in the year 1959 was another landmark in the history of land development banking in India and laid down the detailed loan policies and procedures for the Land Development Banks. In the year 1962, the Patel Committee recommended that the long-term taccavi loans to be channelised through the Land Development Banks (GOI, 1962). In the year 1975, Madhava Das Committee Report on Co-operative Land Development Banks recommended for the comprehensive structure for the Land Development Banks to strengthen and to improve the working conditions of these banks (RBI, 1975). The Hazari Committee (1976) recommended for the integration of short-term and long-term credit structure (RBI, 1976). With the establishment of National Bank for Agriculture and Rural Development (NABARD) in the year 1982 the Land Development Banks started financing agriculture and rural development activities including wastelands. Shivaraman Committee made number of recommendations for Land Development Banks. A high level working group under the chairmanship of Shri Shivaraman in the year 1985, was appointed to review the working of the cooperative institutions. The committee recommended for coordination and integration of short-term and long-term credit structure, also for the need to simplify loan procedures, mobilization of resources, restoration of democratic management and need-based loan schemes in the Land Development Banks in the country (RBI, 1985).

The Agricultural Credit Review Committee (1989) recommended for incorporation of development of agriculture and its allied activities and non-farm sector in the purview of the Land Development Banks (RBI, 1989). Further, the Agricultural Credit Review Committee (1998) recommended many innovative steps to refinance the rural credit institutions for their development (RBI, 1998). The advisory committee (2004) on 'Flow of Credit to Agricultural and Related Activities From the Banking system' under the
chairsman of Vijay Shanker Vyas recommended for the State Government to increase the role of Land Development Banks in the short-term credit where PACs were not functional. In the year 2010, the task force constituted by Government of India under the chairmanship of Shri G. C. Chaturvedi submitted its report to review the need for a separate package for revival of Long Term Rural Co-operative Credit Structure (LTCCS) which was revisited and revised from time to time and it is under consideration of Government of India (NABARD, 2013: p. 29).

LAND DEVELOPMENT BANKS AND FIVE YEAR PLANS

Co-operative banking has passed through many phases since the enactment of the Agricultural Credit Co-operative Societies Act in 1904. Co-operative banks expanded rapidly in the post-independence period and played an important role in implementation of various Government schemes. In India, the Land Development Banks has been given special focus in every five year plan.

The first five year plan (1951-56) outlined the importance of the Land Mortgage Banks in increasing the agricultural productivity in the country. The number of Central Land Mortgage Banks increased from 6 to 9 and the number of Primary Land Mortgage Banks increased from 265 to 317 during the first plan period.

The Second Five Year Plan (1956-61) was developed on the lines recommended in the Rural Credit Survey Committee in the year 1959. At the end of the second plan, almost all the Central Land Mortgage Banks were attached to the apex cooperative bank. The number of Central Land Mortgage Banks increased from 9 to 17 and Primary Land Mortgage Banks increased from 302 to 460 during the second five year plan period.

During the third five year plan (1961-66) in the year 1962, the Agricultural Refinance Corporation was set up to provide long-term loans to cooperatives, through Central Land Mortgage Banks. Then, the National Cooperative Development Corporation (NCDC) was established in the year 1963 as a statutory corporation by an act of Parliament. The number of Central Land Mortgage Banks increased from 17 to 18 and number of
Primary Land Development Banks went up from 460 to 673 during the third plan period.

Fourth five year plan (1969-74) focused on increasing the efficiency and economic viability of the cooperatives. It worked out to re-orient the policies and procedures of Credit Cooperatives and Land Development Banks in favour of small cultivators as per recommendations of the All India Rural Credit Review Committee (1969). The loan policies of the Land Development Banks were liberalized in terms of valuation of land, security, joint loans for small cultivators etc. The number of Primary Land Development Banks went up from 740 to 857 during the fourth five year plan.

The fifth five year plan (1974-79) worked out on the correction of regional imbalances and re-orienting the cooperatives through managing the high overdues. For this purpose, technical cells were recommended to be set up for the Land Development Banks. The major focus of the plan was to ensure a substantial increase in the flow of institutional credit to the small farmers, marginal farmers, tenants and share croppers.

During the sixth five year plan (1980-85) the cooperative policies and practices were reviewed so as to identify the reasons for slow progress of the cooperatives in the country. Further, policies and procedures of cooperatives were re-examined and re-orientated so that they can diversify and expand their agricultural sector activities, including horticulture food processing, sericulture, inputs supply, marketing etc. The National Bank for Agriculture and Rural Development (NABARD) was set up in the year 1982. The NABARD provided re-finance support to Cooperative Banks and to supplement the resources of Commercial Banks and Regional Rural Banks so as to enhance credit flow to the agriculture and rural sector.

The major thrust of the seventh five year plan (1985-90) was to ensure adequate flow of credit to the weaker sections of the society and to less developed areas. Major steps were taken for the integration of short-term and long-term credit to improve the recoveries, reduction of overdues and proper utilization of the loans. To provide the cooperative banking system to the very doorsteps of the farmers, mobile credit delivery system was started. The Agricultural Credit Review Committee (1989) under the chairmanship of
Prof. A.M. Khusro examined the problems of agricultural and rural credit and recommended a major improvement.

The eighth five year plan (1992-97) laid emphasis on building up the Land Development Banks as self-managed, self-regulated and self-reliant institutions by giving them more autonomy and democratizing their activities. The plan focused on saving the rural poor, small and marginal farmers, agricultural labourers and small artisans from exploitation of money-lenders by extending adequate credit facilities and by providing timely finance from the national level to the Primary Land Development Banks (PLDBs).

During the ninth Five year plan (1997-2002), Kisan Credit Card scheme (KCC) was introduced in the year 1998-99 to provide timely, easy and flexible production credit to farmers. Commercial Banks, Cooperative Banks and Regional Rural Banks implemented this scheme. The farmers were provided a Kisan Credit Card and a passbook for availing cash credit facilities. The farmers can make number of withdrawals and repayments within a stipulated date based on landholdings, cropping-pattern and scale of finance.

The tenth five year plan (2002-07) laid emphasis on progress of the Land Development Banks to provide timely and adequate credit support to small or marginal farmers and weaker sections of society to enable them to adopt modern technology for increasing agricultural production and productivity. Further, the plan focused on self-help groups, restructuring of co-operatives to revitalize of the co-operative credit structure to transform them into democratic financial institutions.

The eleventh five-year plan (2007-12) aimed at improving the socio-economic status of the weaker sections of the society by giving the sense of confidence, improving their welfare and by reducing their exploitation. Further, the plan stressed on providing credit facilities to other sectors like consumers, rural development, animal husbandry, education, housing and health through the Land Development Banks.
During the twelfth five year plan (2012-17) the revised separate package for Revival of Long Term Rural Co-operative Credit Structure is under the consideration of Government of India. (NABARD, 2013: p. 29).

AGRICULTURAL DEVELOPMENT BANKS IN INDIA

In India the structure of the co-operative banking sector is complex (Report on Trend and Progress of Banking in India, 2007-08: p. 145). Cooperatives hold a key position in the system. The rural co-operatives played an important role in providing institutional credit to the agricultural sector. The rural credit institutions have been divided into two distinct structures, the Short-term Co-operative Credit Structure (STCCS) and the Long-term Co-operative Credit Structure (LTCCS) (Figure 1.1). The STCCS, have three tier structure comprising Primary Agricultural Credit Societies (PACS) at the village level, District Central Co-operative Banks (DCCBs) at the intermediate level, and the State Co-operative Banks (StCBs) at the apex level.

![Figure 1.1](image)

**Figure 1.1**

*Structure of Rural Co-operative Credit Institutions in India*

*(As on March 2013)*
The LTCCS, have two tier structure comprising State Co-operative Agriculture and Rural Development Banks (SCARDBs) at the state level and Primary Co-operative Agriculture and Rural Development Banks (PCARDBs) at the district or block level to provide long-term loans for agriculture.

As on 31ST March 2013, the long term co-operative credit structure consisted of 20 State Co-operative Agriculture and Rural Development Banks (SCARDBs) in States/UTs with 823 branches and 697 Primary Co-operative Agriculture and Rural Development Banks (PCARDBs) with 1,475 branches (Report on Trend and Progress Banking in India, 2012-2013: p. 93).

However, the structure of rural co-operatives is not uniform over the country. Some States have a unitary structure with the State level banks operating through their own branches, while others have a mixed structure incorporating both unitary and federal systems (Report on Trend and Progress of Banking in India, 2005-06: p. 107). The States which do not have Co-operative Agricultural and Rural Development Banks are served by State Co-operative Banks (Report on Trend and Progress of Banking in India, 2007-2008: p. 145). Region wise structure of SCARDBs, their branches and PADBs are shown in table 1.1. It shows that out of the 20 SCARDBs, eight have unitary structure with branches, 10 SCARDBs have federal structure with PCARDBs, and their branches and remaining two SCARDBs have mixed structure and in northern-eastern region only three States (Assam, Manipur and Tripura) are served by the long-term structure. In the States not served by the long-term structure, separate sections of the StCBs look after long-term credit needs. (Report on Trend and Progress of Banking in India, 2012-13: p. 93)
<table>
<thead>
<tr>
<th>SCARDB</th>
<th>Structure</th>
<th>Branches</th>
<th>PADBS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Northern Region</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Haryana</td>
<td>Fedral</td>
<td>85</td>
<td>145</td>
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<tr>
<td>Himachal Pradesh</td>
<td>Mixed</td>
<td>33</td>
<td>-----</td>
</tr>
<tr>
<td>Jammu And Kashmir</td>
<td>Unitary</td>
<td>45</td>
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<tr>
<td>Punjab</td>
<td>Fedral</td>
<td>0</td>
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<tr>
<td>Rajasthan</td>
<td>Fedral</td>
<td>07</td>
<td>-----</td>
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<tr>
<td><strong>North-Eastern Region</strong></td>
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<tr>
<td>Assam</td>
<td>Unitary</td>
<td>30</td>
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<tr>
<td>Manipur</td>
<td>Unitary</td>
<td>0</td>
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<tr>
<td>Tripura</td>
<td>Unitary</td>
<td>05</td>
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<tr>
<td><strong>Eastern Region</strong></td>
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<tr>
<td>Bihar</td>
<td>Unitary</td>
<td>131</td>
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<tr>
<td>Orissa</td>
<td>Fedral</td>
<td>05</td>
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<tr>
<td>West Bengal</td>
<td>Mixed</td>
<td>02</td>
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<tr>
<td><strong>Central Region</strong></td>
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<tr>
<td>Chattisgarh</td>
<td>Fedral</td>
<td>0</td>
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<tr>
<td>Madhya Pradesh</td>
<td>Fedral</td>
<td>07</td>
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<tr>
<td>Uttar Pradesh</td>
<td>Unitary</td>
<td>342</td>
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<tr>
<td><strong>Western Region</strong></td>
<td></td>
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<tr>
<td>Gujrat</td>
<td>Unitary</td>
<td>181</td>
<td>-----</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>Fedral</td>
<td>0</td>
<td>-----</td>
</tr>
<tr>
<td><strong>Southern Region</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Karanataka</td>
<td>Fedral</td>
<td>23</td>
<td>-----</td>
</tr>
<tr>
<td>Kerala</td>
<td>Fedral</td>
<td>14</td>
<td>-----</td>
</tr>
<tr>
<td>Pundicherry</td>
<td>Unitary</td>
<td>01</td>
<td>-----</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>Fedral</td>
<td>18</td>
<td>-----</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>20</strong></td>
<td><strong>823</strong></td>
</tr>
</tbody>
</table>
The wide network of co-operative banks, both rural and urban, supplements the commercial banking network for deepening financial intermediation by bringing a large number of depositors/borrowers under the formal banking network. Demographically, these institutions have enabled access to financial services to low and middle-income groups in both rural and urban areas. The role of co-operative banks has been commendable in enhancing the inclusiveness of the financial system. However, the financial performance of these institutions has been subjected to operational and governance-related issues (Report on Trend and Progress of Banking in India, 2012-2013: p. 92). Co-operatives have been providing financial services to villages and small towns in India. These institutions have been marked by weak financial health and need to revitalize these institutions by means of various development and regulatory initiatives (Report on Trend and Progress of Banking in India, 2011-12: p. 93). The financial performance of long-term cooperatives was found to be even weaker than their short-term counterparts. In addition, the network of cooperatives was not broad based in the north-eastern region of the country and the efforts are required to improve banking penetration in the north-eastern part of the country along with improving the financial health of the ground level cooperative in the rural cooperative sector (Report on Trend and Progress of Banking in India, 2009-10: p. 103).

**AGRICULTURAL DEVELOPMENT BANKS IN PUNJAB**

The Punjab State Cooperative Agricultural Development Bank Limited was established on 26th February 1958 under the provisions of Punjab Cooperative Land Mortgage Banks Act, 1957. The basic objective of the bank was to eliminate exploitations of the farmers by the moneylenders, by providing the farmers long-term loans at lower rate of interest, repayable in easy installments for redemption of mortgages. Over the period, the bank introduced many schemes and diversified its lending operations with repayment period ranging from 5-15 years, depending upon the purpose of the Loan. In the initial stage, the bank has started functioning through the central co-operative banks, by
appointing them as its agents. The agency system was discontinued in the year 1962 when 14 Primary Cooperative Agricultural Development Banks (PADBs), previously known as Primary Cooperative Land Mortgage Banks came into existence and got affiliated to the Punjab State Cooperative Agricultural Development Bank Limited, for the purpose of advancing long term loans to the farmers in the state.

The long term structure in the Punjab state, as such, is a federal structure having State Cooperative Agricultural Development Bank as an apex institution with Primary Cooperative Agricultural Development Banks as its members. As on 31st March, 2013, there were 89 PADBs. The management of the Punjab State Cooperative Agricultural Development Bank is vested in its board of directors, which is constituted, as per provision of bye law number 29 of the bye laws of the bank. The board of directors lay down the policy guidelines regarding the working of the bank. The functioning of the head office of the bank is run through different branches. For the purpose of close supervision of the PADBs, the bank has 19 district offices at district headquarters, which are supervised by the assistant general managers and 3 regional offices, at Jalandhar, Ferozepur, and Patiala by regional officers.

The sources of funds of the PSCADB consist of shares, debentures, grants, subsidies, fees, deposits, loan from govt. and Reserve Bank of India, and the other sources as are approved by the Registrar, Cooperative Societies viz., cash credit from Punjab State Cooperative Bank and NABARD etc. However, the main source of raising funds with the banks is by way of floatation of debentures under the refinance facilities of NABARD. The PADBs advance loans to their members against the security of simple mortgage of agricultural land. The loans so advanced by the PADBs are reimbursed by Punjab State Cooperative Bank against the security of these mortgage deeds. The Punjab State Cooperative Bank in turn floats debentures against these mortgages and gets refinance from NABARD. As such the cycle of collecting funds and making advancements continues. The debentures are floated under the
provisions of Punjab Co-operative Land Mortgage Banks Act, 1957 with approval of the Registrar, Cooperative Societies, Punjab, who is the trustee for the fulfillment of the obligations to the debenture holders of the State cooperative Bank under Section 3 of the act. To decrease its dependence on NABARD for its resources, the bank has introduced deposit mobilization scheme for collecting deposits from individuals and institutions. The bank at present accepts fixed and recurring deposits from public and institutions.

Initially, the bank started advancing loans for the redemption of land and for purchase of land so as to make land holdings economically viable. After sometime, the bank also started providing loans for the improvement of banjar, alkaline and saline lands. Thereafter, the Bank played a substantial role in the mechanization of farming in the state by advancing loans for the purchase of tractors, agricultural implements and installation of tubewells etc. The bank made significant contribution in the green, white and blue revolutions in the state. The Bank is also playing a vital role in elimination of unemployment in the State by providing self-employment to the educated unemployed youth. In 1993-94, the Bank switched over to Non-Farm Sector (NFS) and started financing ventures of self-employment in manufacturing, processing and service activities with the objective of generating self-employment and business expansion/diversification. The major activities under Non-Farm Sector (NFS) are agro-processing, milk processing, dairy products, fruit processing, floor mills rice-shellers and oil mills, cattle feed plants, cold storage, brick kilns hotels, road-side restaurants and eating joints, computer centers, photostat, STD, PCO, transport vehicles, tent houses, boring machines, agri-clinics, artificial insemination centres etc..

NEED OF THE STUDY

The long-term co-operative credit institutions in the Punjab state, as such, have a federal structure having Punjab State Co-operative Agricultural Development Bank as an apex institution with Primary Cooperative
Agricultural Development Banks as its members. As on 31st March, 2014, there were 89 PADBs. The Punjab State Co-operative Agriculture Development Bank Limited was established in 1958 with the basic objective to eliminate the exploitation of farmers by the money lenders by providing the farmers long-term loans at cheaper rate of interest, repayable in easy installments. Now, these banks have worked for more than 50 years. After 1993-94, these banks have worked more aggressively and provided credit to not only farming and non-farming sector but also to allied activities. Over the period, the Agricultural Development Banks have introduced many schemes and diversified their lending operations and thus there has been continuous change in the focus and working of the banks. Although various studies have been conducted from time to time relating to the agricultural and rural credit and banks, but in the light of the role of the Agricultural Development Banks in providing long-term credit to the agriculturists in the state of Punjab, it becomes important to intensively examine the working of these institutions and to evaluate their performance from different aspects in the changing scenario.

**OBJECTIVES OF THE STUDY**

The main objectives are:

1) To study the Growth and Structure of State Agricultural Development Banks in Punjab.

2) To examine the loan Policies of the State Agricultural Development Banks.

3) To analyze the Financial Performance of the Banks

4) To assess the opinion of borrowers regarding working of PADBs in Punjab.

5) To assess the perception of managers of PADBs regarding functioning of State Agricultural Development Banks.

6) To make suggestions on the basis of finding of the study.

**CHAPTER SCHEME**

The study has been divided into the following eight chapters:

Chapter one is introductory in nature. It evaluates the evolution of Land Development Banks, Land Development Banks under five year plans,
structure of Land Development Banks. It discusses the progress of Agricultural Development Banks in India and in the state of Punjab. Further, it explains briefly the need for study, objectives of the study and chapter scheme.

Chapter two deals with the review of literature. In this chapter important studies done by independent researchers on co-operative banking have been reviewed.

Chapter three deals with the research methodology used for the study. It includes scope of the study, sample and sampling design, methods of collection of data, data analysis, descriptive analysis and limitations of the study.

Chapter four reviews growth of Agricultural Development Banks in Punjab in terms of membership, share capital, owned funds, borrowings, deposits, investments, loans and advances, volume of business, working funds, employees and profits.

Chapter five deals with the loan policies of State Agricultural Development Bank in Punjab and evaluates the performance of various loan schemes during the period of study. It assesses the loan disbursement by PSCADB and PADBs during the study period. Further, it examines the non-performing assets and the recovery position of the banks.

Chapter six analyses the financial performance of Agricultural Development Banks in Punjab based on profit performance, profitability and productivity.

Chapter seven presents the working of Agricultural Development Banks in Punjab: An opinion survey: borrowers’ opinion regarding the working of Primary Agricultural Development Banks in Punjab and perception of managers regarding the working of State Agricultural Development Bank in Punjab.

Chapter eight presents the summary and conclusions that emerge from the study. Various suggestions to improve the performance of Agricultural Development Banks have also been made.
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