CHAPTER - VI
SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSIONS

This chapter presents a summary of the findings based on the study.

Importance of the rural economy in India was eloquently recognized by Mahatma Gandhi when he advocated the concept of village swarajya as the ultimate goal of independent India. According to him, India will perish, if villages perish.

India is a country of 5.76 lakh villages. Every four out of five persons villagers depending on agriculture and allies activities for their livelihood. According to the All India Rural Credit Survey, “India is essentially rural India and it is virtually the cultivators”. Indian agriculture which provides livelihood for majority of the country’s population also contributes to overall economic growth through supplies of food, raw material and exports and has been experiencing a substantial impact of science and technology since mid – sixties by achieving a break-through in production and productivity. Thus, rural sector is the backbone of Indian economy. Inspite of the industrialization in the country agriculture occupies a pride of place in the overall economy as it provides employment to about 62 per-cent of its population even now.

NABARD's refinance is available to State Co-operative Agriculture and Rural Development Banks (SCARDBs), State Co-operative Banks (SCBs), Regional Rural Banks (RRBs), Commercial Banks (CBs) and other financial institutions approved by RBI. While the ultimate beneficiaries of investment credit can be individuals, partnership concerns, companies, State-owned
corporations or co-operative societies, production credit is generally given to individuals.

In the present study entitled the Refinance Operation of NABARD in Sivagangai District using the secondary data collected from the published works besides the primary data elicited with the help of structured schedules from the banking institutions and the beneficiaries covering the aspects of refinance provided, loans sanctioned and the impact of loans on the income of the beneficiaries. The summary of the findings made from the analysis, the interpretations of the data, the appropriate conclusions drawn there from and the suggestions offered are presented in this chapter.

**GENESIS (NABARD)**

The credit is an important factor of integrated approach for improving production and productivity of agriculture and strengthening the related activities like marketing, land tenure, farmers’ organizations, etc. Therefore, adequate supply of credit to farmers and weaker sections is one of the pre-requisites to increasing agricultural production.

The cooperative banks were established for the purpose of bringing together people of small means for promoting thrift and mutual help for development. On the other hand the commercial banks in India was started on traditional lines with urban and security orientation instead of rural and purpose-orientation and hence were not tuned to rural banking. However, changes were initiated gradually following the recommendations of All-India Rural Credit Survey Committee in 1954. The establishment of State Bank of India in 1955, the introduction of ‘social control’ over banks in 1967, the subsequent nationalization of major banks in 1969 and in 1980 with an objective to participate in the
development process of rural and backward areas and for the uplift of the poorer sections of the society, metamorphosis the banking development in general and rural development in particular.

Although the emphasis was, thus, laid on development-oriented lending the institutional credit system suffered from certain basic shortcoming viz. more emphasis on credit-worthiness of borrowers instead of purpose, ad-hoc of scattered lending to individuals without a project or area approach for lending and bias in favour of small farmers and weaker sections whose need for the credit is greater and more urgent. The lending operations of commercial and cooperative banks have tended, by and large, to be more money lending in upland and less institutional in form and without satisfactory organisations, procedural and operational arrangements for planned and systematic dovetailing with the overall national development policies and objectives. It was in this context that the urgent need for imparting development orientation to banking in rural sectors was felt.

Further, the new agriculture technology of 1960’s which is scale neutral and is based on irrigation, fertilizers, high yielding varieties of seed (HYV), has increased the cost of cultivation of all farm-size categories. Since the majority of the farmers belong to small and marginal farmer categories they lack self-financing capacity. Hence the urgent need for systematic institutional finance. At this juncture the NABARD was established in 1982 to give thrust to the integrated rural development in general and agriculture development in particular. The establishment of NABARD was the landmark in the evolution of agricultural financing in the country as it is expected to:
a. Provide refinance to eligible institutions viz., SLDBs, SCBs, CBs and RRBs for supporting production and investment credit for developmental activities in rural areas;

b. Improve the absorptive capacity of the credit delivery system through institution building by monitoring, formulating the rehabilitation schemes, restructuring credit institutions and training of personnel, etc.

c. Coordinate the activities of different agencies engaged in developmental work at the field level and to keep liaison with GOI, RBI and State Governments;

d. Undertake monitoring and evaluation of projects refinanced by it.

The NABARD came into existence with the merger of ARDC and ACD of RBI. As an organizational device it is a statutory body for policy making for agricultural credit in general and the credit problems arising out of integrated rural development in particular. The policy frame covering the lending terms and conditions has been designed by the bank and implemented by making requisite modifications from time to time in order to meet the changing circumstances.

Its administration is being undertaken through a well established organizational setup including board of directors and the committees like executive committee and advisory committee. The NABARD with its head office at Bombay manages the affairs through 17 regional offices and 10 sub-offices. The NABARD undertakes both credit and non-credit functions. The important purposes for which it provides refinance support include both farm and non-farm activities.
OBJECTIVES OF THE STUDY

1. To study the working of NABARD in India and Tamilnadu since its inception.
2. To know the Sivagangai District Banking Development.
3. To examine the refinance operations of NABARD in Sivagangai District.
4. To assess the impact of refinance of NABARD on the beneficiaries of different financial agencies in Sivagangai District.
5. To suggest suitable recommendations for overcoming the various issues.

METHODOLOGY

Survey method is adopted for the study by using the random sampling frame. All the Two Revenue Divisions of the District are covered for selecting the bank branches refinanced by NABARD and the beneficiaries of sample branches. From Sivagangai, a relatively bigger divisions over the rest of the one division, four Commercial Bank Branches, Sivagangai District Central Cooperative Bank Branches and SixPandian Grama Bank branches have been chosen at random from the list of bank branches prepared alphabetically. The sample works out at 25 per-cent to the total number of branches in each division.

In the second stage 203 beneficiaries from a total of 1280 have been chosen from Commercial Bank Branches, 150 out of 1007 from Central Cooperative Bank Branches and 237 out of 1422 from PandianGrama Bank Branches, at the rate of 6 per-cent sample, were chosen for the purpose of study. Thus, the bank sample constitutes 36 Commercial Bank branches, 12 SivagangaiDistrict
Cooperative Central Bank branches and 30 PandianGram Bank branches (Total 78), with 203, 156 and 237 beneficiaries (Total 590) respectively for the present study

**PERIOD OF THE STUDY**

The reference period for the study was seven years i.e 2005-12

**METHOD OF DATA COLLECTION**

For the purpose of collecting data two schedules, one for the bankers and other for loan beneficiaries were framed and administered among the sample units.

The first schedule was used to collect the information relating to advances refinanced by NABARD under different schemes, the deficiencies and difficulties in getting the refinance from NABARD by the banks and to ascertain the administrative difficulties in dealing with NABARD. Suggestions were also invited from bankers with regard to the formation of schemes and NABARD refinancing under LT/ST/MT loans.

The second schedule was administered to beneficiaries to collect information relating to identification of beneficiaries, their socio-economic conditions, their interaction with bankers in receiving the loans and making repayments, and the impact of loans on beneficiaries. Secondary data were collected from the published sources, Regional manager of NABARD, Siagangai and related websites
TOOLS OF ANALYSIS

The data were analyzed using statistical techniques such as per-centages, averages, linear growth rates, compound growth rates, coefficient of variance and regression analysis, etc.

SUMMARY OF FINDINGS

The major findings of the study are summarized below

1. It is found that out of the total of Rs.7898.862 lakhs of refinance provided by NABARD during 2005-12, Rs.3788.82 lakhs or 48 per-cent was allocated to APCCADB followed by 31 per-cent to CBs and 21 per-cent to PGBs. Out of the total refinance to all agencies put together, the highest amount of refinance, Rs.62346.62 lakhs was in 2000-01 and the lowest was Rs.909.394 lakhs in 2007-08.

2. It is observed that in the aggregate refinance disbursements by NABARD in Sivagangai District, the lion’s share of 48 per-cent was claimed by TNSCAB followed by CBs with 31.22 per-cent; PGBs with 20.45 and SDCCBs with a meager share of 0.21 per-cent

3. The study reveals that the per-centage of utilization to the credit limit sanctioned was the highest with 85.82 during 2009-10. In the total credit limit sanctioned and utilised the weavers accounted for the highest of Rs.9419.62 lakhs and Rs.6176.28 lakhs respectively followed by SAOs, OPP and NPD, MT (Conversion).

4. It is found that the per-centage of utilisation to the credit limit sanctioned was the highest with 85.82 during 2009-10. In the total credit limit sanctioned and utilised the weavers accounted for the highest of Rs.9419.62 lakhs and Rs.6176.28 lakhs respectively followed by SAOs, OPP and NPD, MT (Conversion).
5. It is inferred that out of the total sanctioned and utilised amounts during 2007-12, the major amount utilised was Rs.8716.76 lakhs as against an amount of Rs.9000 lakhs sanctioned for 2010-11. But the total per-centage of utilisation was the highest at 99.97 in 2006-07.

6. It is observed from the analysis that almost all the growth rates are significant at 1% level. Thus, there is significant growth in the variables studied.

7. It can be observed from the analysis that all the growth rates are significant at 1% level. Thus, there is significant growth in the variables studied.

8. It can be observed from the analysis that almost all the growth rates (except for FM accounts and CGR for RDP amounts) are significant at 1% level.

9. It is found that both linear and compound growth rates were the highest in amounts recovered compared to those of loans sanctioned and outstanding. Instability in recovery performance was more as indicated by high CV values. It can be seen from the analysis that amount sanctioned, and recovered show significant growth at 1% level.

10. It is observed that the CGRs with regard to number of accounts was the highest in the total deposits with 7.00 per-cent and the lowest in SB A/c with 0.17 per-cent. With regard to amounts deposited the CGR maintained the same rank as LGR.

11. It is found that the highest and the lowest LGRs recorded in number of accounts were at 65.16 per-cent and 37.98 per-cent in PS and others respectively. With regard to amounts advanced other types of advances stood first with 80.42 per-cent followed by the total number of accounts with 55.94 per-cent.
12. The above study shows that with regard to number of accounts ‘SCAP, STAP and others’ showed the highest LGR with 115.85 per-cent and RDP, the lowest with 33.68 per-cent.

13. Regarding amounts advanced MI stood highest with 81.60 per-cent and the ‘SCAP, STAP and others’ occupied the lowest with 53.37 per-cent.

14. The highest and lowest LGRs recorded were for MI at 107.61 per-cent, and others at 74.11 per-cent respectively. The same rank order was maintained in the case of CGRs. As per CV farm mechanism showed more consistency. It indicates that there is significant growth of the entire variable under study.

15. It is found that the per-centage of loan recoveries has been slowly decreasing year after year. The highest and the lowest LGRs were recorded in loan outstanding amounts at 115.83 per-cent and the loan amounts recovered 45.77 per-cent respectively. The CGRs registered were in the same rank order. Amounts recovered showed more consistency as per CV. It can be observed from the analysis that the growth rates are highly significant at 1% level.

16. This study found that the highest LGR is number of accounts was recorded in FDs at 24.51 per-cent and the lowest in RDs at -6.39 per-cent. Regarding amounts the highest and the lowest LGRs recorded were in FDs at 119.07 per-cent and in RDs at 22.14 per-cent respectively. The same rank order was noticed in the case of CGRs.

17. It is inferred that stability of growth as revealed by CV values is the highest in number of accounts of the total deposits and in amounts RDs showed more consistency.

18. It reveals that the highest and the lowest LGRs in number of accounts
recorded in ‘other accounts’ were at 21.41 per-cent and priority sector at -3.71 per-cent respectively and in amounts the highest being 73.05 per-cent in ‘others’ and the lowest being 8.04 per-cent in priority sector. In the case of CGRs the same rank order was registered. As per CV, the number of accounts in total advances showed more stability and advance amounts under priority sector revealed consistency.

19. In the case of accounts RDP, stood first at 9.33 per-cent of LGR and the lowest rate recorded being at -2.96 per-cent for total advances. CGR recorded the same rank order and the number of accounts of MI showed more stability and with regard to amounts the FM registered high consistency as per CV values.

20. It can be observed that almost all values showed (except two) a significant growth at 5 per-cent level.

21. The study shows that the highest and the lowest LGRs registered during 2005-12 were 32.67 per-cent in total advances and 12.11 per-cent in MI respectively. The same rank order was witnessed in the case of CGR and MI showed more stability as per the values of CV.

22. The per-centage of recoveries has been declining slowly, indicating the increase in loan outstanding amounts during the period under study by select branches of PGBs, Sivagangai Growth in amounts outstanding during 2005-12 was high at 16.79 per-cent of LGR and the lowest LGR was 2.68 per-cent in amounts recovered. The same rank order was also noticed for CGR growth in outstanding amounts showed more stability as per CV value

23. For all agencies put together the index changed from 416.26 to 323.2 between bench-mark years, showing a refinances disbursed by NABARD
to different purposes through various agencies in the Sivagangai district during 2007-12.

24. It is found that the loan amount per borrower was the highest from SDCCBs at Rs.19,302 as against the lowest of Rs.10,538 from AGBs.

25. The average loan sanctioned was the highest at Rs.19,400 for STs followed by Rs.19080 for FCs, Rs.16556 for BCs and Rs.12,826 for SCs.

26. The average income from the main source is the highest for FCs at Rs.3611 followed by SCs at Rs.2624, BCs at Rs.2576 and STs at Rs.2574. With regard to average total income, FCs stood first with Rs.3990 and BCs with the lowest with Rs.2836.

27. It is found that with regard to the per-centange of utilisation on loan sanctioned a different picture has emerged. High loan utilisation of 100 per-cent each was recorded for small business and allied activities followed by 45.84 per-cent for agriculture and 64.11 per-cent for all occupations. The above analysis reveals that application, sanction and utilization were better in allied activities than in small business and agriculture.

28. It is found that out of the total loan of Rs.1023950 to 64 sample borrowers, a lion’s share of 47.36 per-cent had gone to agriculture followed by small business and allied activities with 32.51 and 20.13 per-cent respectively.

29. In terms of per-centage for costs allied activities stood first with 11.64 followed by agriculture with 8.22 and small business with 4. The average time taken was the highest in agriculture with 2.96 months followed by 2.90 months in small business and 1.78 months in allied activities.

30. The borrowers in ST category had the highest transaction costs of 13.91 per-cent followed by 11.83 per-cent in SCs, 4.75 per-cent in FCs and 4.39 per-cent in BCs. The average time taken in ST category for securing loan
was the highest with 3.20 months and the lowest in SCs with 2.10 months. It reveals that STs spent more money and time for securing loan than other categories of loanees.

31. It can be concluded that the per-centage of income of agriculture borrowers was higher than those of other categories of loaners.

32. It reveals that SCs generated more per-centage of income on loans granted by commercial banks than other castes.

33. It reveals that borrowers of agriculture had more amount of net average annual income than other categories of borrowers.

34. It reveals that FC borrowers have generated more amount of net annual income than other categories of borrowers.

35. It reveals that the per-centage proportions of annual incremental income spent for loan clearance and capital formation have inverse relationship.

36. For loan clearance BCs spent the highest amount of 88.9 per-cent as against the lowest of 11.1 per-cent on ceremonies. Spending on ceremonies and for loan clearance is inversely related to amount spent for acquiring assets. Inter-caste differences are quite obvious regarding income usage patterns.

37. It can be concluded that loan repayment of FCs was better than those of other categories of borrowers.

38. It is found that the average loan sanctioned was the highest at Rs.215900 for FCs and the lowest for STs at Rs.66660. For the sample as a whole it was at Rs.193020. This is higher than the sample average for FCs and lower than that of BCs, SCs and STs.

39. The above analysis signifies that the average income of loanees of FC
category was the highest followed by BC, SC and ST loanees.

40. It reveals that average loan was the highest for allied activities at Rs.240000 and the lowest for small business at Rs.85320. Agricultural borrowers were given the highest average subsidy of Rs.41300 and the lowest was for allied activities at Rs.10000.

41. It is found that high loan utilisation of 100 per-cent each was recorded for small business and allied activities and the lowest was for agriculture at 67 per-cent. The above analysis reveals that loan application, sanction and utilisation was better in the case of small business and allied activities than in agriculture.

42. It reveals that borrowers of agriculture spent more amounts for securing loans and small business borrowers took more time for obtaining loans.

43. It reveals that the BC spent more amounts for securing a loan and the STs took more time to obtain loan other than categories of loanees.

44. It is found that in terms of per-centage increase of income over the base, BCs stood first with 107.43 and the least being FCs with 75.11 per-cent. It reveals that FC borrowers generated more amount of net annual income than other categories of borrowers.

45. It reveals that BCs generated more per-centage of income on loans granted by SDCC banks than other castes.

46. This reveals that the major chunk of incremental income was used for loan clearance by all categories of loanees of SDCC banks.

47. Spending on ceremonies and loan clearance are inversely related to the amounts spent for acquiring assets. Inter-caste differences are quite obvious as to income usage patterns.

48. It reveals that the borrowers in agriculture stood first in repayment of the
borrowed loans with 54.34 per-cent, followed by 53.84 per-cent in small business and 41.56 per-cent are allied activities. The data reveals that repayment of loans in agriculture was better than in other occupations.

49. The borrowers in agriculture stood first in repayment of the borrowed loans with 54.34 per-cent, followed by 53.84 per-cent in small business and 41.56 per-cent are allied activities. The data reveals that repayment of loans in agriculture was better than in other occupations.

50. It is found that the caste group-wise average loan amounts were higher than the sample average of STs, FCs and SCs but lower for BCs.

51. The average income from main source was the highest for FCs at Rs.44320 followed by BCs at Rs.39840, STs at Rs.28540, SCs at Rs.31680 and all castes at Rs.35860. The same rank order was arrived at with respect to average total income for different caste-groups.

52. It reveals that the allied activities were given the highest average subsidy of Rs.13460 followed by small business of Rs.11200

53. With respect to loan amounts the following are the loan-size model classes: Rs.60001-100000 for agriculture, small business, allied activities and all occupations put together. This implies that the PGBs have sanctioned more medium loans i.e. above Rs.20000 and below Rs.100000.

54. It reveals that the borrowers of small business spent more amounts for securing loan and the borrowers of allied activities took more time for obtaining loan.

55. It reveals that the per-centge of income generated from loan by allied activities was higher than those of other categories of loans.

56. Regarding the per-centge of income generated on average loan, the BCs stood first with 51.07 per-cent followed by FCs with 40.16 per-cent, SCs
with 30.69 per-cent and STs with 25.74 per-cent. It reveals that BCs generated more per-centage of income on loans granted by PGBs than other caste loanees.

57. It reveals that borrowers in allied activities had a more amount of net average annual income than other categories of borrowers.

58. It implies that FC borrowers had generated more amount of net average annual income than other categories of borrowers.

59. The highest per-centage of incremental income i.e. 20.0 on customer goods was spent by small business borrowers followed by 17.0 by agricultural borrowers and 3.3 by allied activities borrowers. This implies that major chunk of incremental income was used for loan clearance by all categories of loanees.

60. For loan clearance, STs spent the highest amount of 88.9 per-cent as against the lowest of 11.1 per-cent for purchasing assets. Spending on ceremonies and loan clearance has an inverse effect.

61. It signifies that repayment of loans in agriculture was better than in other occupations.

62. The highest per-centage of incremental income i.e. 20.0 on customer goods was spent by small business borrowers followed by 17.0 by agricultural borrowers and 3.3 by allied activities borrowers. This implies that major chunk of incremental income was used for loan clearance by all categories of loanees.

63. The borrowers in FC category stood first in repayment of loans with 71.63 per-cent followed by SCs with 63.48 per-cent, STs with 47.45 per-cent and BCs with 37.74 per-cent. It signifies that repayment by borrowers of FCs was better than other categories.
SUGGESTIONS

Specific Suggestions

The interpretations of the data gathered from the banks and the beneficiaries of CBs, DCCBs and PGBs in Sivagangai District to study the refinancing of NABARD in the District and its impact on the income of the beneficiaries have facilitated to draw some specific suggestions which are presented in the following paragraphs.

1. The District of Sivagangai has its adverse agro-climatic conditions (monsoon failure, low precipitation, and scanty rainfall) and geographical features. Hence, the NABARD has to devote its attention to refinancing and bringing coordinated efforts of other agencies to strengthen the resource base and eliminate the constraints standing in the way of its development.

2. With regard to agriculture the banks should discourage through its selective lending the farmers to raise water intensive crops like paddy, sugar cane, etc. and encourage them to cultivate less water-consuming crops or adopt dry land farming based on water shed management approach. The crops to be raised under this category cover jowar, maize, ground-nut, cereals carrying higher market value and consuming less water. Further, the refinancing should be made to the development of orchard crops of citrus family, mango, guava, etc. horticulture, floriculture covering jasmine and sunflower and mash room projects, which are more suitable for cultivation despite the scanty rainfall. In the case of allied activities the apiculture, sericulture, etc. should be encouraged.

3. Another significant area having high economic export potential in the district is forest-based resources like red sanders, neem (Azadiracta
indica) and sandal wood. But due to restrictions imposed under the Forest Act, the farmers are prohibited to grow red sander plantation whose contribution by the district is about 70 per-cent of the total production of the world. The rate per cubic ton of red sanders of high quality goes upto Rs.2,50,000. Hence, the valuable resource like red sander and sandal wood plantation would metamorphose the district economy fetching huge incomes to be used in investing not only for further processing of red sanders but also mining activities of rich minerals and geo-deposits like byrates, lime stone, white clay, etc.

4. To make NABARD’s lending in Sivagangai District more pragmatic and realistic, the District Development Manager’s Office (DDM’s Office) should be located at the district headquarters. All applications of schematic lending of special nature should invariably be sent to the Regional Office (RO) of NABARD through DDM’s office, as the DDM can recommend depending upon the merits of each case on the basic of local resources, conditions and constraints.

5. Moreover the DDM may guide the lead banks in the preparation of Annual Action Plans/ District Credit Plans besides effectively evaluating and monitoring of various schemes.

6. As Sivagangai district is a drought-prone area, NABARD should step up refinance for MI so that more irrigation facility would be made available in the district as most of the people eke out their living from agriculture. Water shed schemes should be implemented in the district in a big way, wherever possible, to conserve underground water resources which in turn ensure sustainable agriculture development in the district. It is also suggested that surface water resources like tanks should be developed by way of de-silting, etc.
7. As Sivagangai district is a semi-arid zone the transmission and evaporation losses are high. The Agriculture department of Tamilnadu may think of introducing the concept of wind breaks and shelter belts to reduce the velocity of winds which are main causes of high evapotranspiration loses.

8. There are six voluntary agencies organizing a few Self Help Groups (SHG) in Sivagangai District. Besides involving the above voluntary agencies the bankers as well as Government departments may also think of organizing these groups on their own and link the lending operations to their organization, functioning and promotion.

9. The time gap between the registration of application and the sanctioning of loans must be reduced by banks by processing the loan applications with the help of computers and also adopting a simplified loan appraisal and sanction procedures.

10. The majority of the branch managers of banks in Sivagangai district expressed that the staff to deal with the activities of monitoring the end use of credit sanctioned and the recovery of the advances, is inadequate. As such they opinioned that the NABARD may provide some assistance by deputing some personnel on adhoc basis at the time of necessity.

11. Further, the bankers should study the borrowers’ motives of securing loans which is a vital factors hitherto neglected. That is the borrower should have an intention to develop himself and his family by improving the production and productivity of the activities which he pursues with the help of the loans secured from the financial institutions. Such beneficiaries must be encouraged and others are to be discouraged. This demands special skills for the banking staff which are to be imparted through training programmes.
12. The NABARD should focus its attention while designing and implementing schemes / programmes for the areas like Sivagangai by taking into consideration the beneficiaries problems and facilities in terms of their: (i) transaction cost (ii) time taken for securing a loan (iii) income generation (iv) income utilisation and repayment of loan.

13. It is suggested that NABARD must assist the stakeholders in preparation of relevant project reports so as to facilitate a speedy process of approvals, sanction and release of funds

14. The expectations of people in agriculture sector have grown manifold and the Government sponsored institutions have to brace up to fulfill their legitimate requirements.

15. The incentives available under many of the State and Central Schemes for farmers and Development Departments are not enough to fulfill the requirements. So, the quantum of subsidy may increased.

16. NABARD should have more involvement with the Agriculture and allied Departments of the State Government

17. In discharging its role as a facilitator for rural prosperity, NABARD may be considered opening of Service and Guidance Centres in the production hubs/ catchments to actively popularize its role

18. NABARD may think over to open its knowledge, expertise and resources beyond the scope of traditional SHGs and Farmers’ Clubs up to the farmers’ level in complete and cohesive synergy with the State Departments.

19. Small-scale industries, cottage and village industries, handicrafts, rural crafts and other allied economic activities in rural areas may be encouraged in promoting integrated rural development and securing prosperity of rural areas.
20. Financial inclusion and covering of farmers under Kisan Credit Card scheme should be encouraged.

CONCLUSION

In a nutshell, NABARD has been acting as an apex refinancing institution as well as development agency in the field of agriculture and rural development in its true sense. The overall performance of NABARD can be said to be satisfactory and the prospects are bright. But what is more needed is paying proper attending to some of the problems that emerged recently like mounting over dues, undue political interference, willful defaults and declining efficiency of financing institutions and lack of information in rural areas. Without initiating the measures explained earlier all other efforts including pumping money through banks by NABARD cannot create any significant impact either on the development of district economy or on the beneficiaries.

SCOPE FOR FURTHER RESEARCH

The scope for further research in the study is underlined here, the course of the present study touched upon “re financing operations of NABARD in Sivagangai District. which can be pioneering and explorative studies in future in the following unexplored virgin fields in the refinance operation of NABARD can be made.

- Role of NABARD in the development of Infrastructure
- SHG AND Bank Linkage Scheme
- Financial inclusion with focus on Information and communication
- Role of NABARD in Warehousing Infrastructure
• Rural Roads under NABARD
• NABARD’s Schemes in the promoting of Agricultural Marketing
• Performance Appraisal of NABARD with special reference to construction of Primary Schools
• Financial Performance of NABARD in the case of Dairy Project Loans.
• Role of NABARD in water shed Development.
• Role of NABARD covers financial inclusion of women
• NABARD’S concern in the implementation of government sponsored schemes, etc