CHAPTER - VII

CORRECTIVE MEASURES FOR REDUCTION AND CHECKING OVERDUE
7.1 INTRODUCTION:

In terms of resources if the farmers receive the proper economic signals they, everywhere, are capable of producing the right things in the right place in right amount at low costs. Agricultural credit becomes a problem when it cannot be obtained, it is also a problem when it can be had but in such a form that on the whole it does more harm than good. While the loans advanced give the quantitative performance of the societies, recovery reflects their qualitative performance. As the need to disburse adequate loan on time is recognised, timely recovery of loans is essential because it will help to augment loanable funds to expedite the pace of development. Indirectly and quite significantly the improved recovery would make the banking structure and system sound, securing the much needed confidence and support of the general public.

Non-repayment of loans given to farmers by the due date is a serious constraint in the smooth flow of credit, both production and investment, undermining the efforts at the development and modernisation of agriculture and consequently increasing agricultural production. Agricultural credit is expected to undergo two extreme situations i.e. smooth recovery or mounting of overdue. Under the present prevailing situation overdue cannot be eliminated completely so long there is credit provision. However it can be combated, regulated, arrested and managed to a workable or maintainable limit.

It cannot be over emphasised that unless overdue is contained within an acceptable limit the large scale rise in the quantum of credit to meet the demands of the agricultural sector cannot fructify.
7.2 REMEDIAL MEASURES:

The remedy for weakness is not to be found in brooding over the weakness but in thinking of strength. The remedial and corrective measures to arrest overdue, though a complicated problem yet is the call of the hour to combat it. Overdue originates at the borrowers level. Regulating of overdue at this level will no doubt promote smooth flow of credit. Overdue is the function of a number of independent variables. Based on the primary data of 260 crop loan defaulters in Mayurbhanj district, as presented in table 6.29, it is revealed that the functional relationship of overdue in relation to the independent variables like borrowing (65 per cent), agricultural expenses (14 per cent), size of holdings (12 per cent) education (5 per cent and diversion of loan (4 per cent). Mathematically such relationship can be presented as follows:

\[ Y = f (X_1, X_2, X_3, X_4, X_5) \]

where,

- \( y \) = overdue
- \( X_1 \) = borrowing
- \( X_2 \) = agricultural expenses
- \( X_3 \) = size of holding
- \( X_4 \) = education, and
- \( X_5 \) = diversion of loan.

7.2.1 Borrowings:

Amount sanctioned to the loanees constitutes the borrowing of the members and lending of the societies. It is the most valuable input in the production mechanism. Mere advancing loans to the member does neither serve the purpose nor solve the problem--rather it aggravates the situation. Under the present condition and prevailing situation crop loans advanced to the members need to be scientific, modernised and rationalised.
Target Oriented Approach of financing emphasises the quantum of credit to be advanced in general and the specific groups to be covered in particular. What is vital the under present context is not the quantum of loan to be advanced but the quality of lending which involves in correct identification of beneficiaries along with their repaying capacity, timely disbursement of credit and proper follow up action. Target is an imposition upon the credit society concerned in relation to loan sanctioning. The personnel engaged in the process of loan operations are veryoften reluctant to take active part in the disbursement of credit to the target group in general and to the tribals in particular owing to their personal bias. Moreover, low paid status and lack of dynamic leadership to and among the employees of LAMPS neither compel them morally nor persuade socially to discharge their duty assigned to and the responsibility imposed on them. Consequently misfinancing results in due to the presence of ghost beneficiary. During the field study personal contact and discussion with the defaulters transpired that as many as 65 constituting 25 per cent of the defaulters availed themselves of crop loan not for their own sake but for the sake of the landlord. In addition 22 defaulters belonging to the big farmer group had availed the crop loan as being either marginal or small farmer to relend the amount borrowed as the co-operative credit is comparatively cheaper. Hence, target based lending needs certain modifications that would help in improving the quality of credit and would simultaneously reduce the quantum of overdue.

Each LAMPS is expected to prepare every year a normal credit limit statement (NCL) setting out the quantum of finance needed by each one of its members on the basis of the crops grown by them and the area under them. This statement needs to be signed by all the members of the society in token of acknowledgement of their estimated credit requirements. Timely preparation and submission of this statement enable a society to sanction a loan
according to the realistic scale of finance to the needy members in time. However proper scrutinizing of loan applications and identification of borrowers at this stage minimises the possibility of mounting overdue as the process deprives the pseudo applicants of having the loan. Further pressure from within or from outside needs strictly be dealt with. Under no circumstances such pressures should be exerted from any quarters and the state government may positively put down such attempts on the part of others³.

A borrower will be benefited provided the sanctioned loan both cash and kind component is disbursed in time and utilised for the purpose intelligently. The cultivator should get loans in time at the commencement of his agricultural operations and any delay in this might adversely affect production. He should also be made to repay it soon after the harvest or marketing of the crop lest he utilizes the proceeds for purposes other than repayment of his dues. Hence, non-observance of seasonality in lending and recovery is likely to affect the position of overdue⁴. The NCL statement for crop loans be prepared once in three years subject to certain precautions so that the procedural delays involved in the preparation of NCL each year are obviated and speedy disbursement of loans is facilitated. Moreover the due dates for rabi crop loans be postponed from 30th June to 31st August at the borrowers so that repayment dates are congruent with the marketing season⁵. 220 defaulters constituting 61 per cent of the 360 expressed their views on non-getting of the crop loan in the time of need. They got the cash component after the agricultural operations already had started-and kind portion just before the reaping of crops. The practical problem in this connexion is that MCCB is providing the bulk of finance to LAMPS at the fag end of the season and the same amount is credited to current account of the LAMPS concerned in the bank. Concerned LAMPS are entitled to actual drawal on the availability of funds
at the bank. By this type of operations, LAMPS are forced to incur huge loss in paying higher rate of interest on loan in comparison with the interest received on the deposit. Hence the Orissa State Co-operative Bank should take steps to identify these and where necessary ensure that these procedural changes are implemented with diligence to make dispensation of credit more effective and utilisation of credit more effective.

Crop loan is aptly called supervised credit. Lack of supervision and proper appraisal are the major causes for default. A borrower though basically honest is susceptible to a lot of external pressure because of his ignorance and poverty which lead to misutilisation of the advances. Supervision is very much necessary to prevent such diversion by effective and periodical inspection. Farm inspections must be conducted before granting an advance and regularly thereafter. Pre-sanction supervision prevents corrupt practices ie.e obtaining loans by misrepresentation, procuring loans by the landlord in the name of labourer etc. Similarly post-sanction inspection is equally important to ensure the end-use of the amount advanced by examining the conditions of the crops, proposed cropping pattern, utilisation of inputs, yield of crops, diversion of loan and income on something other than the purposes meant etc. Thus each inspection visit should be taken as a goodwill visit by the branch officials. Frequent visit by the branch officials develop close rapport between the branch and the borrowers and gradually the branch is looked upon as a friend and a guide in deed and not as a creditor. Constant touch with borrowers enables branch concerned to collect valuable information which could help the branch in not only preventing overdue and improving its recovery performance but also in developing its business as well as deposit mobilisation. However the strength of the supervising staff engaged by the LAMPS and Bank is inadequate to ensure effective supervision over credit. This situation has to be corrected by
strengthening the staff, if quality of lending is to be improved. It is not sufficient to lay down precise, uniform norms in regard to the charge per supervisor. The basic criterion should be the work-load, which depends on the number of borrowing members, the volume of loan operations and non-credit business, number of villages under one’s jurisdiction, their distance from one another and transport facilities available to the supervisor etc.\footnote{7}

One of the essential features of the crop loan system is that loans advanced by a credit society to an individual for raising crops are recovered out of the sale proceeds of such crops. It is expected that every borrower from a credit society will sell his produce through the marketing society and allow the marketing society to deduct the credit society’s due out of the sale proceeds. Thus the need for linking of co-operative credit with marketing has been long recognised. The All-India Rural Credit Survey Committee emphasised the establishment of a close link between co-operative credit and co-operative marketing. The linking of credit with marketing, besides enabling members of credit societies to reap the benefit of organised marketing helps in the recovery of loans out of sale proceeds of the produce and thus reduces although does not obviate the possibility of overdue\footnote{8}. The linking of credit with marketing to the extent that it can be built up should certainly help to check overdue\footnote{9}. "We strongly emphasise that serious attention should be paid to the scheme of linking of credit with marketing so that its potential can be more fully tapped. There does exist a widespread marketing base and if serious efforts are made to increase the marketing business on the one hand and develop closer linkage with credit on the other, significant results could follow".\footnote{10} The staff position in the LAMPS of Mayurbhanj district is too inadequate to operate the twin basic functions i.e. credit and marketing. The LAMPS have neither a strong financial base nor adequate godown facilities to carry on marketing operations. The
members of the staff are also ignorant of the art of produce preservation. Nearly 50 per cent of the loanees turned defaulters, have no idea of such linkage. Their ignorance forces them to dispose the produce at a much low rate to repay the loan. The dynamic linkage of credit with marketing and provision of sufficient godown facilities with suitable staff in LAMPS of Mayurbhanj district will no doubt bring down the level of overdue to some extent.

Cooperatives are often looked upon not as farmers' institutions but as part of government. Such concept further supports that the bank loans are at par with government subsidies and, therefore, need not be repaid. The write-off of produce advanced are converted into a welfare subsidy through such concept placing a severe constraint on the availability of resources for any recovery. Problem may become all the more serious if the benefit of such a scheme in large measure goes to a class of well-to-do farmers. Generalised debt waiving would encourage wilful defaults. Waiving of loans may bring relief to the wilful defaulters but it would undoubtedly cause bitterness amongst those who have repaid their loans.

Writing off loans will encourage wilful default in future on the part of most borrowers in the hope that such loans may be written off on the eve of the next general election. Commenting on loan waiving action, the study team on west Bengal observed: "The decision of the government may be fully justified but it was represented to us that it has had some repercussion on the climate for recovery of co-operative dues. We are however confident that in future this aspect of the matter will be carefully considered by the government before granting remission of the loans due to them from cultivators in the state". In Mayurbhanj distinct during the ten-year period under review, three loan waiving schemes i.e. The Orissa Agricultural and Rural Debt Relief Scheme,
### T.7.1: WAIVING OF CO-OPERATIVE CROP LOAN AND INTEREST IN MAYURBHANJ DISTRICT

(Rs. Lakhs)

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<tr>
<th></th>
<th>Baripada Circles</th>
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<th>Rairangpur circle</th>
<th>District Total</th>
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<tr>
<td><strong>No.</strong></td>
<td><strong>Amount</strong></td>
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<td>The Orissa Agricultural and Rural Debt Relief Scheme, 1990.</td>
<td>31923</td>
<td>330.05</td>
<td>12822</td>
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<td></td>
<td>(59.80)</td>
<td>(62.16)</td>
<td>(24.02)</td>
<td>(21.84)</td>
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<td>The Orissa Farmers and Landless Cultivators Debt Relief Scheme, 1990</td>
<td>4319</td>
<td>62.66</td>
<td>885</td>
<td>9.46</td>
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<td></td>
<td>(74.54)</td>
<td>(76.03)</td>
<td>(15.27)</td>
<td>(11.48)</td>
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<td>The Orissa Interest (on co-operative loans) Relief Scheme, 1991</td>
<td>2372</td>
<td>14.87</td>
<td>343</td>
<td>1.22</td>
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<td></td>
<td>(65.80)</td>
<td>(76.65)</td>
<td>(9.51)</td>
<td>(6.29)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38614</strong></td>
<td><strong>407.58</strong></td>
<td><strong>14050</strong></td>
<td><strong>126.64</strong></td>
</tr>
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(Figures within brackets indicate the percentages to total)

Source: Claims proposal statements, Mayurbhanj central Co-operative Bank.
1990 (ARDR Scheme), the Orissa Farmers and Landless Cultivators Debt Relief Scheme, 1990 (OFLCDR, 1990) and The Orissa Interest (on Co-operative Loans) Relief Scheme 1992 (OIR, 1992) have been implemented. Table 7.1: reveals that under three schemes-relief provided to 62,777 defaulters covering an amount of Rs. 632.83 lakhs. During 1990 under ARDR Scheme-amounting to Rs.531.01 lakhs constituting nearly 84 per cent waived to 53,378 defaulters. In order of percentages-Baripada circle ranked the highest i.e. 62.16 per cent followed by Karanjia circle 21.84 per cent and Rairangpur 16.00 per cent. Under OFLCDR 1990-total amount waived was Rs.82.42 lakhs comprising Rs. 62.66 lakhs, Rs. 10.30 lakhs and Rs.9.46 lakhs in Baripada, Rairangpur and Karanjia circle respectively. Similarly 76.65 per cent in Baripada circle followed by 17.06 per cent in Rairangpur and 6.29 per cent in Karanjia circle of the total Rs.19.40 lakhs waived under OIR scheme. Writing off loans taken by farmers for productive purpose may in short-run, be viewed as a solution to the problem of general indebtedness of the farming community but it goes against the principle of motivating the farmer to use these loans for raising their income. A more rational approach would have been to make available more credit at a lower cost to the small and marginal farmers.

7.2.2 Agricultural Expenses:

Agricultural expenses are incidental to agricultural operations. The motive behind incurring agricultural expenses is to boost up production and productivity. Incurring of such expenses needs a judicious as well as rationalised approach. Correct dose of expenditure is vital at every stage of operation. The hit or miss idea in the application of agricultural expenditure does not help, rather it hinders the production process- resulting in lower yield rate which ultimately affects the loanee leaving him incapable of the due date fixed for the repayment of the principal and interest. Thus overdue starts mounting. Table
6.27 reveals that overdue per loanee increases along with the increase in the dosage of agricultural expenditure. Table 6.29 establishes that overdue increases by about Re. 0.12 for every one rupee increase in agricultural expenditure. Table 6.31 (variable-11) also shows that probability of becoming wilful defaulting is more with the increase in agricultural expenditure. The positive correlation between overdue and agricultural expenditure reveals the adoption of traditional farming methods and procedure by cultivators in general and the tribals in particular. The application of cost saving and cost reduction technology is of urgent need for combating overdue.

7.2.3 Size of Holding:

The productivity of land depends on the operational size of holdings. There is consensus on the basic hypothesis that productivity of land diminishes with an increase in the size of farm. The marginal and small farmers together account for 81 per cent to the total operational holding with 49 per cent of total operated area and the other (Semi-medium, medium and large farmers) operate on 19 per cent of operational holdings account for 51 per cent of the total area (table 2.4).

Thus the holdings of marginal and small farmers are too small and fragmented. The incidence of overdue is the highest on small farmers (36.24 per cent) followed by marginal farmers (26.35 per cent), large farmers (14.09 per cent), medium farmers (12.90 per cent) and semi-medium farmers with 10.42 per cent (table 6.17). The negative regression coefficient of size of holding evinces that reorganisation of the pattern of holding through consolidation will no doubt retard the substantial amount of overdue falling on small and marginal farmers (table 6.29). The trend of wilful default increases with the increase in holding (table 6.31). So the proclaimed objectives of both land reform and
ongoing economic reform programmes are to liberate the productive forces in agriculture and develop an efficient agricultural production system which ultimately lessen the burden of overdue.

7.2.4 Education:

Illiteracy, low level of education and lack of dynamic leadership result in the mounting of overdue to a certain extent. Most of the LAMPS in Mayurbhanj district are run by illiterate leaders and they do not undertake any determined drive in the right direction. The phenomenon of overdue may be said to have arisen from the falling off in the standards of good co-operative conduct. If the institutional credit agencies are to continue to provide adequate financial support for agricultural development, the creation of a sense of responsibility among the cultivators in regard to timely repayment of loans is of utmost importance. The major cause of overdue is generally wilful default. In the circumstances a proper atmosphere is required to be created to impress on the borrowers the importance of timely repayment of their dues. As pointed out by the Reserve Bank of India in its circular dated 21 October 1980, the state and CCB have an important role to play in this regard by educating borrowers and creating a climate for recovery of dues. It is further suggested that the importance of prompt repayment of co-operative loans should be stressed at every available forum, such as general body meeting of the societies/bank/union besides exhibiting posters and issue of periodical literature at intervals highlighting the advantages of co-operative credit and the responsibility of borrowers to their respective institutions. To make the propaganda more effective in this regard, seminars and discussions on repayment ethics should be organised in remote rural areas in stead of in urban palacial building. Mirdha committee on co-operation in 1965 observed: "But we are certainly of one view that concerted and massive programme of adult education in the country can
be launched through the co-operative movement. It would be tremendous national achievement if the target of imparting literacy to the total co-operative membership is achieved. It can usher in a revolution of light and learning in a rural India". Pandit Jawarlal Nehru emphasised the role of the process of training and education in the co-operative movement. He said," We cannot just ask the millions of people to cooperate. We have to train them in a very big way-educate them and give them same special training". Dr. A.F. Laidlow, an eminent Canadian Cooperator Observes," The Co-operatives that scores high from a social stand point is one that has great concern for education in the boldest sense and indeed the social impact of a co-operative can usually be gauged by the rigour of its educational activities".

7.2.5 Diversion of Loan:

Diversion of loan is a common phenomenon in co-operative credit. While the pressing domestic demands compel the small and marginal farmers to divert either full or partial amount of loan, the other category of farmers do it at their pleasure as they can reinvest it in profitable avenues. While the former category becomes defaulter due to their misdeed, the latter comes under wilful default with the intention to deceive the credit co-operatives. One hundred seventy one out of two hundred sixty defaulters constituting more than 65 per cent diverted the crop loans (table 6.19). The regression coefficient of diversion was 0.0825 indicating that for every one rupee of loan diverted, nearly eight paise mounted as overdue. In other words, checking diversion of one rupee will automatically reduce overdue of eight paise (table 6.29). Further the probability of becoming wilful defaulter in relation to diversion ranged between 37 per cent and 87 per cent (table 6.31).
Diversion of loan by the loanees degenerates their moral and mental strength in relation to repayment of loan. They ponder over all the ways and means to defraud the credit co-operative society of the loan due to their self-created wilful tendencies or inadequate repaying capacity. Effective and efficient supervision by officials from both the LAMPS and Banks, under such an embarrassing situation, will definitely persuade the borrowers to use credit productively, help in combating the rising quantum of diversion and consequently reduce the burden of overdue. A more regressive measure should be perused by enhancing the interest rates on co-operative loans which will create cost consciousness among the borrowers and simultaneously discourage them to borrow for unproductive purposes. "Moderately high rates were advisable, not only to discourage reckless borrowing and borrowing for reloaning by members but also to provide for bad and doubtful debts, to cover management expenses, and to build up the society’s surplus the more rapidly". As an effective deterrent to such misutilisation, the bye-laws of the PACS should contain a provision for imposition of penal interest in such cases, at least at three per cent per annum above the normal rate. The eminent economist Prof. Khusro observed" Interest rates of co-operatives must be high enough to enable the rationing of limited credit amongst the most efficient borrowers. High interest rates must become the instrument of rapid recovery of overdue, of deflection of credit use from consumption to production and within production from less profitable to more profitable ventures. They must become the means of generating surplus for the banking activity and the ploughing back of this surplus for further expansion. High interest rates and the consequent surplus will finally displace the money-lenders credit through a competitive process. It is low interest policy that, among other things is responsible for the non-expansion of co-operative assets and non-displacement of money-lenders credit. Naivete and simple mindedness have gone too far and what has
been sharply noticed in other parts of the Indian economy is noticed here too, that if you care for welfare at the cost of efficiency, you will soon end up when you neither have efficiency nor welfare. Datey committee in this connexion concluded, "Alternatively, the primary credit societies should be advised to increase their present rate of interest on agricultural loans at least by five per cent per annum with a provision to allow an equivalent relate to the borrowers for repayment on or before the due date. This alternative is feasible only if the society has the necessary staff for the additional work the procedure entails. Similar provisions should also be made by the central banks in their bye-laws or loan rules so as to ensure that the defaulting societies pay interest at a penal rate of not less than three per cent above the normal rate on the amount of defaulted loan not only for the period for which the default subsists, but for the entire period of the loan".

7.3 OTHER REMEDIAL MEASURES:

The analysis attempted and the remedial measures suggested so far are based on the findings of the primary processed data related to the defaulters. Overdue is all-pervasive and neutral to the type of institution supplying credit. The problem of overdue cannot be studied in isolation for it is also the result of the larger environment in which both the credit agencies and the borrowers function. Thus other measures are also effective to a certain extent in reducing and minimising the level of overdue.

7.3.1 Legal Action:

The primary credit co-operatives (LAMPS) are expected to initiate coercive action against defaulters if recoveries are not forthcoming. They can file a suit against the defaulters for recovery of loans under section 68 of the Orissa Co-operative Societies Act 1962. This section also provides for the
higher financing agency to initiate proceedings against a defaulter if the society fails to take necessary action. Normally, coercive action is initiated when repayment of loans is overdue by one year and more. It is observed from T.4.8 that there have been delays in disposing disputes, particularly the execution proceedings. Execution proceedings need timely and quick disposal as the wilful defaulter belonging to the class of large and medium farmers with adequate repaying capacity pretend to play hide and seek. Timely action in this regard will definitely induce others to repay loans in time.

In view of the abnormally high level of overdue, and the large number of defaulters involved, it seems inevitable that coercive action for recovery is necessary. A special cell constituting dynamic Sub-Assistant Registrar and senior co-operative Inspectors should be formed with the consent of the Deputy Registrar of Co-operative Societies. These personnel will act as sale officers for execution of decrees and their normal work should be allotted to others in order to enable them to cope up with the disputes so referred. The State Government itself may come forward to purchase the immovable property in auction by setting up separate funds for this purpose to avoid the situation of non-availability of bidders at the time of auction18. Moreover, the district administration, specially the District Magistrate and Collector should pay attention to provide ways and means for timely recovery as the same authority is alert while sanctioning loans to reach the target.

7.3.2 Income Generation

On the basis of the guidelines under Agricultural and Rural Debt Relief Scheme of Orissa 1990, 260 crop loan defaulters personally contacted during field study are divided into two categories viz. the wilful and the non-wilful. 112 defaulters constituting 43 per cent are found non-wilful. Further the
non-wilful category consists of 80 marginal and 32 small farmers. The incidence of default for marginal farmers is more or less non-wilful. The defaults in the repayment of agricultural loans are attributed to the inadequate income generation from the production efforts with the help of credit. The small and scattered holdings hinder the realisation of the fuller potential of improved agricultural technology and hence there is a significant fall in production. In order to overcome such situation the role of the State should be to create an effective infrastructure of research and extension for rainfed crops, up-gradation of rural economy in general and agriculture in particular for generation of higher income for the borrowers.

Table 6.28 reveals that cash crops have a positive effect on the minimisation of the level of overdue. An increase of one per cent in cash crop area will reduce overdue to the extent of thirteen paise. For the optimum utilisation of the wastelands in Mayurbhanj District, Sabai grass locally known as Bubei (Botanical name-Eliopsis Banata) needs to be planted and this turn will more emphasis on plantation provide employment and act as money spinner. The Sabai Map of Mayurbhanj reveals that Sabai is the poor man’s plantation crop. Besides Sabai grass what requires attention is the plantation of bamboos. Bamboos grow in the hill forests in the district and are also grown in the non-forest areas by the individual farmers. These two cash crops can accommodate excessive as well as scanty rainfall. Thus LAMPS operating in Mayurbhanj district should reorient their credit plan in making adequate provision of credit for the cash crops in general and Sabai grass and bamboo in particular in order to boost up the income generating capacity of all categories of borrowers. In addition, the State Government should assure irrigation facilities to all farmers so that they can produce more food crops and oilseeds even during drought situation.
7.3.3 Support of Voluntary Agencies:

At present a number of voluntary organisations are functioning in the tribal dominated district of Mayurbhanj to bring about a change in the socio-economic status of both the tribals and the non-tribals. These organisations are in direct contact with the masses of the district. The District Authorities are implementing total literacy programme with the active support of these agencies. The spread of the repayment ethics among the borrowers is possible and will be effective through these organisations. The Deputy Registrar of Cooperative Societies, the authorities of the Mayurbhanj Central Co-operative Bank and LAMPS should chalk out viable and suitable plans for seeking active support and active co-operation from the voluntary agencies to minimise the burden of overdue. Active persuasion of the borrowers by the members of voluntary agencies will definitely be effective in recovery of loan. The joint and concerted effort in this connexion will enhance the recovery performance resulting in maintaining the viability of the LAMPS as well as the Bank.

7.4 CONCLUSION:

Sanctioning of loan to the needy farmers is said to be effective only when it fulfils both the quantitative dimension and the qualitative assessment. Overdue is the result of a number of factors. Under the prevailing situation it cannot be reduced to zero. However, remedial measures are to be taken to keep it within acceptable limits by rationalising loaning policy and procedure, up-grading the methods of farming, reorganising the pattern of holding, spreading ethics of repayment, checking leakage of credit, seeking support of voluntary agencies and if necessary adopting coercive method to check default.
REFERENCES:


6. Ibid P.574

7. Ibid P.576


9. Report of the All India Rural Credit Review Committee, RBI, Bombay, 1969, P.534

10. Report of the Agricultural Credit Review Committee op cit. p.582

11. Report of the All-India Rural Credit Review Committee op cit.p.189

12. Study Team on Co-operative Agricultural Credit Institutions in West Bengal, 1972, p.39
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