CHAPTER III
DESIGN OF THE STUDY

For the effective conduct and success of an empirical work, it is pertinent to design the study using the concepts and methods consistent with the objectives of the investigation. Hence, this chapter is structured, keeping in mind the specific objectives and working definitions of the important concepts that are central to the problem of non-recovery of institutional loans. The logic and argumentation of the study, methodology adopted for sampling and data collection, period of study, profile of the institutions and geographic regions and the use of analytical tools for data analysis are discussed below.

3.1 THE LOGIC AND ARGUMENTATION OF THE STUDY

Non-recovery of institutional loans has not only been a bane of cooperative banks in India, but in recent times, also of commercial banks. Since the introduction of social control on commercial banks in 1967, and more particularly, after the nationalisation of banks in 1969, commercial banks have strived to reach the masses. The transformation of class banking to mass banking is evident from the vast network of branches spread largely in rural and semi-urban centres. The social objective of public sector banks in India are offshoot of the overall economic policy objective of growth with equity. However, attempts to achieve these goals through social banking have failed for the following reasons:

Firstly, concomitant with an unprecedented growth in the network of branches and the quantum of deposits mobilised and credit disbursed by public sector banks, there has been a perceptible rise in the quantum and size of non-
performing assets (NPAs). This has resulted in falling profits and erosion of capital base of the banking system. The trend and progress of banking in India is examined in this study by analysing the data on the performance of public sector banks in India and Tamil Nadu.

Secondly, social banking is largely pursued through priority sector lending. Towards this end, a large share of the net bank credit is mandatorily channeled to certain identified priority sectors. The problem of overdues is phenomenal in respect of priority sector lending. This has not only curtailed the recycling of funds, but also imposed on the bank’s statutory provisioning against sub-standard, doubtful and bad debts. The extent of priority sector lending along with the outstanding and overdue positions is reported in this study by consolidating time series data on priority sector advances and recovery positions of public sector banks functioning in India, and more particularly with reference to banking in Tamil Nadu.

Thirdly, mounting overdues, as is indicated in the growth of non-performing assets (NPAs), is primarily due to non-repayment of loans. The viability of social banking rests on the repayment capacity of the borrower, which in a sense, is a measure of the borrower’s ability to repay the borrowed amount. A low level of repayment capacity compels the borrower to either delay the repayment of loan or default.

Moreover, besides the ability to pay, there are certain socio-cultural, attitudinal and institutional causes for delinquency and default. These causes are
intensively examined in this study through a field survey of a sample of 300 recalcitrant borrowers of institutional loans and the compiled data is analysed to test the causality.

Fourthly, effective recovery management of banks is also crucial for the success of loan recovery. Proper selection of beneficiaries and monitoring of the use of credit by the lender bank will help improve the bank’s recovery position. However, under an administered system of lending, the public sector banks are restrained from pursuing independent lending policies. Such being the system, this study highlights, through an opinion survey of Branch Managers, the lender’s perspective of the factors influencing the viability of social banking.

In conclusion, the fundamental justification of social banking is to provide adequate capital to small investors so as to enable them to create income generating assets. This should help alleviate poverty without compromising the efficiency of banks. Development is a process of enlarging people’s capabilities and skills, and towards the achievement of this goal the public sector banks have a critical role to play.

3.2 METHODOLOGY

Having briefly spelled out the logic and supporting arguments for conducting the study, it is deemed necessary to explain the procedure followed for selecting the institutional lenders and borrower beneficiaries. Alongside of this need, it is also essential to discuss the method adopted for identifying the location for undertaking a field survey and collecting data.
The study has been conducted both at the primary and secondary levels of investigation. The primary data on the socio-economic profile of borrowers along with information on the reasons for their being either a delinquent borrower or defaulter, has been obtained through filled-in questionnaire and personal interviews. The data has been processed and analysed by using statistical tools to identify factors debilitating the borrower's repayment capacity, which eventually influences their decision on the repayment of institutional loans. The secondary data on performance of public sector banks, their priority sector advances and recovery position has been gathered from published reports and documents furnished by the lender banks. Descriptive tabular analysis has been applied to arrive at inferences about the trend, progress and recovery position of the public sector banks' priority sector advances. An opinion survey of Branch Managers has been conducted to elicit the lender banks perspective of social banking and its viability.

3.3 METHOD OF SAMPLING

The procedure adopted for this study is a three stage stratified purposive sampling with public sector banks as the first stage of sampling unit, the district as the second stage, and the third stage being the bank branches and the recalcitrant borrowers. The focus of the study being on the viability of social banking, the first step in conducting an empirical study is the selection of the lender banks. The choice of public sector banks is mainly because these banks (27 in number) not only account for a major share in the disbursement of credit (84.5 percent), but also
have the largest network of branches (50 percent), that are extensively concentrated in the rural and semi-urban centres (76 percent).

Moreover, since the imposition of social control on banks in 1967, public sector banks have been pursuing social banking, with the sole purpose of supplementing the lending activities of cooperative banks in providing credit to the borrowers of the hitherto neglected agriculture and its allied sectors. Priority sector has been a major thrust area for bank lending where a large share of net bank credit (40 percent) is set apart to finance identified economic activities and target groups.

The study being conducted in Tamil Nadu, the choice of Indian Overseas Bank and Indian Bank is justified since they are the two major public sector banks established in Madras City and together operate the largest network of branches (50 percent) in the State. These branches are mostly located in the rural and semi-urban centres and are actively involved in priority sector lending (see table III-1).84.

From among the 23 districts of Tamil Nadu, Chengalpattu MGR District has been specifically chosen for undertaking the field study for the following considerations.

A) Agriculture and activities allied to agriculture happen to be the main occupation of the people residing in the district.

ii. State Level Bankers' Committee Tamil Nadu, 68th meeting, Agenda and background notes, p. 36. (Reference for Statement-B).
### TABLE III - 1

CHENGALPATTU: DISTRICTWISE DISTRIBUTION OF DEPOSITS AND CREDIT
OF SCHEDULED COMMERCIAL BANKS IN TAMIL NADU

AS AT THE END OF MARCH 1993 AMOUNT IS RUPEES LAKHS

<table>
<thead>
<tr>
<th>S.No</th>
<th>Particulars</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No. of offices</td>
<td>No. of Accounts</td>
<td>Deposits</td>
<td>Credit</td>
</tr>
<tr>
<td>1</td>
<td>Tamil Nadu</td>
<td>4522</td>
<td>31,932,353</td>
<td>19,183,56</td>
<td>16,538,33</td>
</tr>
<tr>
<td>2</td>
<td>of which rural area</td>
<td>1942</td>
<td>8,20,3027</td>
<td>23,1272</td>
<td>20,2249</td>
</tr>
<tr>
<td>3</td>
<td>Chengalpattu MGR Dist</td>
<td>265</td>
<td>23,83,662</td>
<td>76,311</td>
<td>59,141</td>
</tr>
<tr>
<td>4</td>
<td>of which rural area</td>
<td>136</td>
<td>86,0874</td>
<td>22,585</td>
<td>20,025</td>
</tr>
</tbody>
</table>

B) The district has the third largest concentration of branch network of public sector banks, next only to Coimbatore and Tiruchirapalli Districts. The percentage of priority sector advances is as high as 68 percent of the total advances as against an overdue position of 45 percent to the total demand.

C) The Tamil Nadu Banking Development District profile denotes the district to be 'below state average' or 'not so-well-off district', this being assessed on certain banking related parameters such as the per capita as well as, per bank deposit and credit.

The selection of the branches has been purposively done on the direction given by the Lead Bank Department Officials of the Indian Overseas Bank and Indian Bank. Three branches of the Indian Overseas Bank (Manimangalam, Nellikuppam and Perungalathur) and two from the Indian Bank (Tiruppukuzhi and Walajabad) have been identified on the premise that these branches have, over a period of time, been plagued with delinquent borrowers and defaulters, leading to poor recovery of loans. (see table III-2a and III-2b). All the five branches are located either in the rural or semi-urban regions.

With the assistance of Agricultural Officers serving the five branches, a list of 300 delinquent borrowers and defaulters, - 150 from each of the two banks - has been prepared by taking recourse to the method of random sampling. The majority of borrowers identified, belong to the weaker sections of the society. For the convenience of the analysis, and to facilitate occupational comparisons, the selected borrowers are classified as farm and non-farm sector borrowers.
### TABLE III - 2a

**BRANCH-WISE AND BANK RECOVERY POSITION OF PRIORITY SECTOR ADVANCES - INDIAN OVERSEAS BANK**

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indian Overseas Bank</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>34.00</td>
<td>46.00</td>
<td>68.00</td>
<td>32.00</td>
<td>56.00</td>
<td>44.00</td>
<td>53.00</td>
<td>47.00</td>
<td>42.00</td>
<td>40.00</td>
<td>56.00</td>
<td>44.00</td>
</tr>
<tr>
<td>Small Scale Industries</td>
<td>40.00</td>
<td>60.00</td>
<td>14.00</td>
<td>56.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Priority Sectors</td>
<td>35.00</td>
<td>65.00</td>
<td>40.00</td>
<td>59.00</td>
<td>50.00</td>
<td>50.00</td>
<td>86.00</td>
<td>12.00</td>
<td>86.00</td>
<td>14.00</td>
<td>86.00</td>
<td>14.00</td>
</tr>
<tr>
<td><strong>Total Priority Sector</strong></td>
<td>62.00</td>
<td>38.00</td>
<td>50.00</td>
<td>34.00</td>
<td>46.00</td>
<td>53.00</td>
<td>47.00</td>
<td>48.00</td>
<td>52.00</td>
<td>52.00</td>
<td>48.00</td>
<td>52.00</td>
</tr>
</tbody>
</table>

Source: Compiled from the branch records

### TABLE III - 2b

**BRANCH-WISE AND BANK RECOVERY POSITION OF PRIORITY SECTOR ADVANCES - INDIAN BANK**

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indian Bank</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>64.02</td>
<td>35.98</td>
<td>50.12</td>
<td>39.88</td>
<td>55.4</td>
<td>44.6</td>
<td>59.04</td>
<td>40.96</td>
<td>56.92</td>
<td>43.08</td>
<td>27.56</td>
<td>72.44</td>
</tr>
<tr>
<td>Small Scale Industries</td>
<td>62.00</td>
<td>37.00</td>
<td>44.68</td>
<td>55.32</td>
<td>33.33</td>
<td>66.67</td>
<td>20.00</td>
<td>80.00</td>
<td>25.00</td>
<td>75.00</td>
<td>26.47</td>
<td>73.53</td>
</tr>
<tr>
<td>Other Priority Sectors</td>
<td>53.81</td>
<td>46.19</td>
<td>42.47</td>
<td>57.53</td>
<td>33.35</td>
<td>66.65</td>
<td>40.00</td>
<td>60.00</td>
<td>2.90</td>
<td>97.10</td>
<td>20.69</td>
<td>79.31</td>
</tr>
<tr>
<td><strong>Total Priority Sector</strong></td>
<td>61.62</td>
<td>38.78</td>
<td>51.28</td>
<td>48.72</td>
<td>52.33</td>
<td>47.67</td>
<td>55.91</td>
<td>44.09</td>
<td>48.00</td>
<td>52.00</td>
<td>26.81</td>
<td>73.19</td>
</tr>
</tbody>
</table>

Source: Compiled from branch records
From among the 186 farm sector borrowers, the marginal farmers constitute the largest segment (67.7 percent) followed by small farmers (24.1 percent), and the remaining, comprising of medium sized farmers. For the 114 non-farm borrowers, the break-up is as follows: Retail traders (42 percent), those pursuing allied activities (52 percent) and the rest of the borrowers are rural artisans.

This sample of 300 delinquent borrowers and defaulters hail from 15 villages which are serviced by the 5 branches and come under the Kancheepuram, Kunrathur and Kattankulathur administrative blocks in Chengalpattu district.

3.4 PERIOD OF STUDY

For collecting primary data, a preliminary survey of 50 sample borrower households was undertaken by the researcher in the month of March 1994, for the purpose of assessing the acceptability and completeness of the questionnaire on matters pertaining to the constraints and causes for non-repayment of institutional loans. The final survey, which began in the month of May, 1994, was completed by end of August 1994. The researcher later interviewed the Branch Managers during the month of September 1995.

For analysing the performance of public sector banks in respect of priority sector advances and recovery position, a time series data was compiled for a period beginning from around the mid 1980s to 1993-94. This time period coincides with the advent of economic liberalisation and financial sector reforms in India.
As a follow-up of the discussion on the choice of the banks, their branches and the district, it would be interesting to know as to whether delinquency and default are the causes for poor recovery, despite high concentration of bank branches and large priority sector advances.

3.5. PROFILE OF THE INSTITUTIONS AND STUDY AREA

A) Profile of the Banks

1) Indian Bank

Indian Bank, which commenced business on August 15th 1907 as a Joint Stock Bank, has been one among the 14 major commercial banks to have been nationalised on July 19th 1969 as part of the first phase of bank nationalisation in India. Banks were nationalised with the objective of bringing them closer to the common man.

With its Head office in the city of Madras, the bank has, over the years, opened a network of 1407 branches spread throughout the country. Of the total number of branches, 703 (50 percent) are located in Tamil Nadu and 3/4th of these branches are functioning in rural and semi-urban centres. The Bank has sponsored four regional rural banks, two of them, namely Adhiyaman and Vallalar Grama Banks are in Tamil Nadu. As a Lead Bank, it has the responsibility for promoting eleven districts in the country which include seven districts of Tamil Nadu.

The bank has formulated innovative schemes for alleviating poverty in rural areas of the country. Model village project is one among the innovative projects launched in the year 1989-90, with the aim of comprehensively developing the villages in all spheres of rural life. 'Swayamseva' is yet another pilot project for linking Self Help Groups (SHGs), directly with the bank. As at the end of March 1994, priority sector advances amounted to Rs. 2083.9 crores, constituting 42.9 percent of the net bank credit, this share is above the 40 percent minimum prescribed by the Reserve Bank of India. Advances to the weaker sections stood at Rs.625 crores, which constitute 12.9 percent of net bank credit. A note of importance for the present study is that, the Bank is the Lead Bank for Chengalpattu MGR District, and has its Regional Administrative Office at Kancheepuram.

The Indian Overseas Bank was established in the year 1937 as a private limited Joint Stock Bank and later nationalised in July 1969, along with thirteen other large Indian commercial banks.

This Bank is the second largest Madras based public sector bank in Tamil Nadu, next only to the Indian Bank. The Bank has a large network of branches spread across the country. Total number of branches, at the end of March 1994, stood at 1,323 and the number of rural and semi-urban branches aggregated to 892 (67 percent). As many as 861 branches of the bank service 8,407 villages under the

86. Indian Overseas Bank, Annual Report, 1993-94
Sevice Area Scheme. A substantially large number of these branches are located in Tamil Nadu [625 or 47.2 percent]. The Bank has sponsored 3 regional rural banks, the Pandyan Grama Bank being one among them which is functioning in Tamil Nadu.

It is also the Lead Bank for ten districts in the country, of which one is in Kerala and the remaining nine districts are in Tamil Nadu. The Bank has been actively supporting schemes for providing Self Employment for Educated Unemployed Youth (SEEUY) and Urban Micro Enterprises (SUME). Against the total advances of Rs.3697.9 crores, the share of priority sector advances stood at Rs.1352.3 crores (36.5 percent) as on March 1994. Advances to the weaker sections during the period had been Rs.386.7 crores, constituting a share of 10.5 percent in total advances.

An aspect of importance for this study is that the Bank is designated as Convenor of the State Level Bankers' Committee. In this capacity, the Bank has been making efforts, along with the State Government functionaries, in evolving strategies for improving recovery performance of all banks in Tamil Nadu.

B] Profile of the Selected Bank Branches

As it has been mentioned in the discussion on the methodology followed for conducting the study, the five branches of two public sector banks have been identified by the Lead Bank Department of the respective banks [I.O.B. and Indian Bank]. The reasons cited by the Officials for selecting them have been (a) A high
incidence of delinquency and default in the repayment of loans and (b) Advances are predominantly to the priority sectors. This is evident from the data given in table No. III-3. Moreover, the credit-deposit ratio too has been extremely high for all the branches, thereby indicating a high volume of lending by recourse to borrowings and availing of refinance facilities. Except for Nellikuppam branch of the Indian Overseas Bank, all the other branches have been functioning for a considerably long period of time. The number of serviced villages is large [approx. 18 per branch], while the average number of accounts serviced per branch is 3829. The branches are classified as rural and semi-urban on the basis of population size of less than 10,000 and between 10,000 - 1,00,000 respectively.

C) Profile of the blocks

The three blocks namely Kancheepuram, Kunrathur and Kattankulathur are predominantly agricultural regions with a high concentration of cultivator and agricultural labour households (Table III - 4). A large number of cultivators and farm labourers pursue non-farm activities such as poultry farming, sheep rearing and sale of milch animals for supplementing their farm incomes. Wet land constitute a sizable part of the land holdings, while tanks form the major source of irrigation, and the main crops cultivated are paddy, sugarcane and groundnut. Except in Kunrathur taluk, there are regulated markets functioning in Kancheepuram and Kattankulathur taluks. Banking services are provided through branches of commercial banks and PACS. (Primary Agricultural Co-operative Societies).
### Table III - 3
PROFILE OF THE SELECTED BRANCHES OF INDIAN OVERSEAS BANK AND INDIAN BANK

(Amt. in Rs. Crores)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Branch Location</th>
<th>Age of the branch</th>
<th>No. of villages serviced</th>
<th>No. of A/c serviced (As on July '95)</th>
<th>Total Deposit (Rs.) As at the end of July 1995</th>
<th>Total Advances (Rs.) As at the end of July 1995</th>
<th>C-D Ratio</th>
<th>Priority Sector advances (% of Total advances)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Tirupukuzhi</td>
<td>25 Years</td>
<td>16</td>
<td>2639</td>
<td>1.49</td>
<td>1.48</td>
<td>99.3</td>
<td>92</td>
</tr>
<tr>
<td>2.</td>
<td>Walajabad</td>
<td>25 Years</td>
<td>34</td>
<td>6782</td>
<td>3.70</td>
<td>6.67</td>
<td>180.2</td>
<td>95</td>
</tr>
<tr>
<td>3.</td>
<td>Perungalathur</td>
<td>25 Years</td>
<td>8</td>
<td>3400</td>
<td>2.06</td>
<td>4.20</td>
<td>203.8</td>
<td>42</td>
</tr>
<tr>
<td>4.</td>
<td>Nellikuppam</td>
<td>8 Years</td>
<td>18</td>
<td>4323</td>
<td>66</td>
<td>1.54</td>
<td>233.3</td>
<td>93</td>
</tr>
<tr>
<td>5.</td>
<td>Manimangalam</td>
<td>14 Years</td>
<td>13</td>
<td>2000</td>
<td>95</td>
<td>1.37</td>
<td>144.2</td>
<td>92</td>
</tr>
</tbody>
</table>

Source: Compiled from the field survey
<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Name of the Block</td>
<td>Occupational Distribution</td>
<td>Agriculture (Total cropped Area in Sq. Km)</td>
<td>Source of Irrigation</td>
<td>Regulated Markets</td>
<td>Bank offices (Nos)</td>
</tr>
<tr>
<td>1. Kancheepuram</td>
<td>Cultivators and Agri. labourers</td>
<td>10,071</td>
<td>Tanks, Wells, and Tube wells</td>
<td>1</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>2. Kattankulathur</td>
<td>Cultivators and Agri. labourers</td>
<td>9,980</td>
<td>Tanks and Wells</td>
<td>1</td>
<td>16</td>
<td>13</td>
</tr>
<tr>
<td>3. Kunrathur</td>
<td>Cultivators and Agri-labourers</td>
<td>13,769</td>
<td>Tanks, wells and Tube wells</td>
<td>0</td>
<td>11</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: Annual Credit plan 1995-96, Chengalpattu MGR District, Indian Bank, Regional office, Kancheepuram
Chengalpattu MGR District is located on the Northern end of Tamil Nadu encompassing the city of Madras from all sides. It covers a total area of 7920 sq. km, inclusive of a coastal length of 225 km along the Bay of Bengal. Kancheepuram Town is the District Head Quarters and the District comprises of 13 taluks and 27 blocks spread over 2227 villages, 4 municipal townships and 12 municipal centres.

The total population, according to the 1991 census is 46.53 lakhs with a density of population of 592 per sq. km. Around 13 percent of the population belong to the class of schedule caste and tribes. The literate and educated people constitute 56 percent of the population with a male literacy rate of 59 percent as against 41 percent for females. There are approximately 10 lakh households, largely made up of agricultural labour and farm households. A total number of 27 scheduled commercial banks with a network of 276 branches provide financial services to the District. Public sector banks constitute the core of commercial banking. A total of 131 (47 percent) of the branches are located in rural areas.

3.6 TOOLS OF ANALYSIS

For analysing the performance of commercial banks in India and Tamil Nadu in respect of priority sector lendings and loan recovery, the use of simple ratio analysis is resorted to. The tabular presentation is juxtaposed with trend lines. A

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87. For the District and block profiles: Source: Annual Credit Plan - 1995-96 Chengalpattu MGR District Indian Bank, Regional Office, Kancheepuram.
similar approach has been adopted for analysing the socio-economic profile of the selected sample of delinquent borrowers and loan defaulters.

To measure the repayment potential of the borrowers, the formula \( R = Y - (E + L + K) \), has been applied where:

\[
\begin{align*}
R & = \text{Repayment Capacity}, \\
Y & = \text{Total Income}, \\
E & = \text{Total Expenditure}, \\
L & = \text{Pre-existing liabilities to be met within a year, and} \\
K & = \text{Risk Allowance (Taken as 10 percent of the total income)}
\end{align*}
\]

The percentage ranking method is adopted to identify and highlight those factors inimical towards prompt repayment of loans. Multiple regression analysis is made use of to examine the relationship between the exogenous and endogenous causative factors of loan repayment with the defaulted loan amount. The regression equation is as follows :-

\[
\log \text{Com Def}_i = \beta_0 + \beta_1 \log \text{Inc}_i + \beta_2 \log \text{Expen}_i + \beta_3 \log \text{Fs}_i + \\
\beta_4 \log \text{Dep}_i + \beta_5 \log \text{TL}_i + \beta_6 \log \text{Asset}_i + \beta_7 \log \text{Oth Def}_i + \beta_8 \text{L1}_i + \beta_9 \text{Sc}_1_i + \beta_10 \text{Sc}_2_i + u_i \\
i = 1, 2, \ldots.
\]
Where,

\[ \begin{align*}
\log \text{Com Def} & \quad \text{Logarithm of Commercial Bank Loan Default} \\
\log \text{Inc.} & \quad \text{Logarithm of Income} \\
\log \text{Expen} & \quad \text{Logarithm of Expenditure} \\
\log \text{Fs} & \quad \text{Logarithm of Family Size} \\
\log \text{Dep} & \quad \text{Logarithm of Dependents} \\
\log \text{TL} & \quad \text{Logarithm of Total land} \\
\log \text{Asset} & \quad \text{Logarithm of Asset holding} \\
\log \text{Oth Def} & \quad \text{Logarithm of Other Loan Default} \\
\text{L1}_2 & \quad \text{Literate} \\
\text{Sc}_1 & \quad \text{Schedule Caste & Tribe} \\
\text{Sc}_2 & \quad \text{Backward Class} \\
\beta_s' & \quad \text{Coefficients} \\
\mu & \quad \text{Disturbance term}
\end{align*} \]

The above discussions on the methodology, sampling design, and analytical tools, along with a summary of the profile of institutions and geographical centres, prompt us to analyse the collected data, the results of which are presented and discussed later in chapter V.