CHAPTER - III

PROGRESS OF UTTAR PRADESH STATE CO-OPERATIVE LAND DEVELOPMENT BANK

STRUCTURE AND ORGANISATIONAL ASPECT

The structure of Land Development Bank may be (i) Federal or (ii) Unitary.

(i) Federal Structure:

The federal structure that originated in Germany has since been adopted by several countries of Europe. In India also, this pattern has been adopted in provinces like Bombay and Madras. The primary units form the base and they advance loans to farmers and for that purpose value their lands, examine the legal title to lands and take steps to recover the loans as they fall due. In order to provide funds to primary units or to support or to regulate the bonds or debentures issued by local or primary associations, central institutions are established in most countries with state support. Because of their size and status enjoyed by them, they are able to float debentures on favourable terms and help the local associations with funds thus raised.

(ii) Unitary Structure:

The unitary type is found in Japan and France. Where the central organisation issues bonds and makes direct finance to the borrowers through its own
branches and agencies. The agricultural Mortgage Corporation of Britain and the Canadian Farm Loan Board and the South African Land & Agricultural Bank belong to the unitary type of land mortgage institutions.

The type that would be more suited to Indian needs, would be the federal one. In the first place, farmers in India live in remote and inaccessible villages and require loan for discharge of prior debts or agricultural improvements. They would always prefer a land bank as near to them as is practicable. As the co-operative bank is constituted and operated by farmers, its area of operation has to be necessarily a limited one; due attention being had to administrative needs and proper personal for management, business turnover etc. Branches and agencies of centralized organisation will not be able to command that local enthusiasm and support that is needed, and they are run in consequence by paid officials who are fond of routine work. At the same time it must be remembered, as experience has demonstrated that a local bank cannot command the confidence of the outside investing public. Thus the local land banks will have to be federated into a central land mortgage bank which can command ample resources and have expert management.

Still, however, differences in type of structures of land mortgage banking in India are perceptably
noticeable. In the first place, in the group of states consisting of Madras, Andhra, Bombay, Madhya Pradesh, Mysore, Ajmer and Hyderabad, there is an apex Land Mortgage Bank at the top and the primary land mortgage banks from the base. Secondly, in some of the states like Orrisa, Saurastra and Travancore, Cochin, the structure consists only of a Central or Apex land mortgage bank dealing directly with individual agriculturists.

There is also a third category of states, in which primary land mortgage banks alone exist without an apex institution at the top to co-ordinate their activities. States like Assam, Uttar Pradesh, West Bengal, Madhya Bharat and Rajasthan, furnish examples of the third category. It may be added that the total funds made available by the primary banks in the last category of states are indeed limited. In this connection, it may be pointed out that the Registrar's Conference held in 1926 considered the question of organising land mortgage banks, which also claimed the attention of the Royal Commission on Agriculture and the Central Banking Inquiry Committee. A number of useful recommendations made by these bodies may be briefly mentioned.

Recommendations

The various recommendations useful in the structural development of land mortgage banking in
India are as below -

(1) Land Development Banks should be organised under the co-operative societies Act. Their area of operation should not be too large as to become unwidely, nor too small as to be uneconomic.

(2) Land Mortgage Banks should be given power of foreclosure and sale without recourse to civil courts subject to certain safeguards.

(3) Provincial Co-operative Banks should not function except as a temporary measure as Central land mortgage banks for the province, but there is no objection until the Provincial Land Mortgage Corporation is established in a province, to the provincial Co-operative Bank financing primary land mortgage banks with the long-term capital specially raised for the purpose.

PRESENT POSITION

The existing Land Development Banks in India belong to the co-operative type, but since individuals are also members of such banks, actually they are of semi-co-operative type. Although they are all registered under the Co-operative Societies' Act, they are associations of borrowers as well as non-borrowers organised in the principle of limited liability. The borrowing capacity of a member is generally determined
according to the number of shares in the banks, though each member has only one vote according to co-operative principles, irrespective of the number of the shares he holds. Attempts were made in India as far back as 1883 to provide financial facilities when the Land Development Bank of India was started on the model of the Credit Foncier de France but the bank could not succeed because of over investments without the necessary safeguards. Afterwards a land development bank was registered on 30th June, 1920 at Jhang in Punjab, there were 12 such banks throughout the undivided Punjab. These banks raised their funds from share capital. They also borrowed loans from the Government and Provincial Co-operative Union. They also issued debentures but the funds raised thus were quite inadequate. All these banks could not work successfully.

ORGANISATIONAL PATTERN OF LAND DEVELOPMENT BANKS

The organisational pattern of Land Development Banks at the primary level somewhat differs from state to state. In most of the states especially the bigger ones such as Tamil Nadu, Andhra, Maharashtra primary Land Development Banks have been established at Tahsil or Taluka level and they are directly federated with the Central Land Development Banks. The Central Development Banks are the real financiers of the
Primary Banks. They raise the necessary funds by issuing debentures, getting fixed term deposits from the public and also by borrowing from the Government. The funds thus raised are advanced through the primaries. The primaries get the applications for loans, scrutinise them and pass them to the Central Development Banks. The Central Bank on receipt of such applications sends her official to inspect the land and make a report about its value, which if found satisfactory, proceeds further for their disposal. The necessary funds are advanced to the primaries which are lent to the applicants at slightly higher rate of interest than that at which it obtains from the central institutions. Valuation of land effected by the trained officials lent by the Government. The loans require the previous sanction of the Registrar. The recovery of the loans is done by the primary banks.

But in some other states, such as Gujrat, Uttar Pradesh and Bihar the Central Development Banks have established their own branches for this purpose. The number of separate primary banks in such states is still quite insignificant. In Punjab there were no primary banks upto 1962 and the Central Co-operative Banks acted as the agents of the Central Development Banks and for this purpose they had opened separate departments. In carrying on this function they got a
nominal commission on the amount of outstanding loans disbursed through them. But now the agency system has been replaced by the organisation of primary land development banks. In many other states also primary land development banks have been established.

The above account shows that the primary land development banks are carrying on mostly the routine work of accepting the applications and forwarding them to the Central Banks. They are also acting as disbursing machinery for the loans thus sanctioned to the individuals on the basis of their applications. The funds raised by the primaries in the form of deposits and by the issue of debentures are absolutely insignificant. They mostly depend on the Central Land Development Banks, for necessary funds and are working as intermediaries only.

FINANCIAL ASPECT-SOURCES AND USE OF FUNDS

Sources of Finance:

The main sources of finance for the primary banks are (a) Share capital (b) Deposits (c) Loans from Central Banks (d) Admission and other fees (e) Grant and subsidies from Government, and (f) borrowings from other agencies. However, they are mainly dependent on the borrowings from the Central Banks. The working capital raised by them by issuing shares to the members
is not very significant. They issue shares to the members in certain proportion to their borrowings from the Banks. In most of the states the linking of share capital to borrowings in these banks is in the proportion of 1:20 or 5 percent of the loan taken. In Maharashtra it is ten percent while in Gujrat for a loan of Rs.5000 it is 5 percent but if the loan taken exceeds this then the proportion is higher i.e. 7½%.

As regards the share-linking for borrowings of the primary land development banks from the Central Land Development Banks in the federal structure, the proportion to be found is generally 1:25 or 4 percent of the loans borrowed.

The Central Land Development Banks raise their working capital from the following sources:

1. Share capital
2. Issue of Debentures
3. Loans from State Bank
4. Admission and other fees
5. Deposits
6. Grants and subsidies
7. Other funds

But the principal source of the fund for these banks is debentures. Three types of debentures are issued by these banks (a) Ordinary Debentures (b) Rural Debentures (c) Special Development Debentures.
Ordinary Debentures:

These are offered to the general public and institutional investors for subscription at a predetermined rate of interest, which is fixed taking into consideration the prevailing market conditions. The State Governments give a guarantee for the repayment of principal and interest. These debentures are ranked as "Trustee Securities". Formerly, the Reserve Bank of India, Life Insurance Corporation and the State Bank of India were taking up these debentures to the extent of 20 percent, 30 percent and 10 percent of their floatations respectively. But since 1965 because of the heavy demand of the funds from other sectors, there has been a change in the policy of taking up debentures of these banks, by these institutions. At the initiative of the Reserve Bank, the participation of different institutions in the debentures programme came to be limited to a predetermined amount.

The debenture issue programmes of these banks are being determined now at the meeting of the representatives of these banks and the major investors.

The meeting is convened by the Reserve Bank of India before the commencement of the financial year.

In view of the fact that the support of these institutions for the debentures issued by these banks was found inadequate, the Government of India came
forward to provide assistance to these banks by purchasing these debentures. The State Governments were also required to provide support to the debentures issue in order to enable them to get support from the Central Government. Commercial banks have also taken initiative to invest their resources in the purchase of the debentures issued by the Central Land Mortgage Bank. In addition to it the NABARD also invests into these debentures.

Rural Debentures:

As per the recommendation of the Rural Credit Survey Committee Report, rural debentures are also now being issued by these banks. The committee had pointed out that the debentures ordinarily issued by Central Land Mortgage Banks were mostly designed to suit the requirements of large urban and institutional investors such as banks, insurance companies, and trusts. It had suggested, therefore, the issue of a new type of debentures to suit the rural population with a view to mobilise rural savings. The Standing Advisory Committee on Agricultural Credit of the Reserve of India at its seventh meeting in 1957 had also recommended the issue of such debentures. Accordingly a scheme was prepared by the Agricultural Credit Department of the Reserve Bank in 1957 and sent to all
the banks and to the State Governments to implement the scheme for the issue of the rural debentures.

The main features of the scheme were the following:

(1) Central Land Development Banks were to grant loans for the productive purposes for a period of six to seven years against mortgage of land. It was on the strength of such mortgages that special series of rural debentures were to be issued.

(2) They were to be issued immediately after the harvest so that the agriculturists may easily subscribe to them.

(3) Rate of interest was to be slightly higher than on ordinary debentures. The terms and conditions and the price for such debentures were to be fixed in consultation with the Reserve Bank.

(4) They were to be subscribed by the individuals only. Institutional investors were not allowed to take up these debentures. However, village panchayats were allowed to subscribe to them as their funds were drawn from rural areas.

(5) The Reserve Bank was subscribe these debentures if there was a short fall in public subscriptions
The maximum limit for such subscription by the Reserve Bank was two-third of an issue from the long-term operation fund. This was open till the end of June 1958.

As a result of this scheme the Central Banks of Andhra, Maharashtra and Orissa floated the rural debentures but scheme could receive a limited success. The Land Development Banks found it difficult to advance loans for 6 to 7 years as the demand for loans was mostly for 15 years or even longer than that.

So the Reserve Bank reviewed the whole position in this respect in 1958 by calling a meeting of the representatives of these banks and the Registrars of Co-operative societies. The scheme, since then, has been slightly modified. The major change was that the loans by the Central Banks could be issued upto 15 years and the debentures to be issued could be divided into two parts i.e. 7/15 of the total issue for 7 years to be issued to the public and the other parts were to be issued to the Reserve Bank for 15 years. The Reserve Bank was to accept interest at a lower rate i.e. 4 percent uniformly on that part of the series which were allotted to her. This was done with a view to enable the central land mortgage banks to offer a better rate on the part offered to the public to stimulate response from the rural investors.
The Reserve Bank subscribed to rural debentures in the ratio of 8:7 to the contribution made by individuals. The Central land development banks were to get the interim finance for advancing loans to the borrowers for securing mortgages, from their respective State Governments or State Co-operative Banks or the State Bank of India. Although the number of Central Land Development Banks which floated rural debentures and total amounts issued by them showed an increase over the previous years yet on the whole the scheme could not make any significant progress.

The programme of rural debentures could achieve success only in few states only viz. Maharashtra, Gujrat, Tamil Nadu, Karnataka, Andhra Pradesh and U.P. In other states, the scheme has not been very successful. In the states where the scheme has got success, the main reasons have been the active interest taken by the State Governments and its officials in different ways. These officials pursued the borrowers of funds from these banks to invest their savings in such debentures. The efforts thus made by the officials bore fruits. However, the scheme need a vigorous propaganda amongst the rural people. It is also required that better and more attractive terms be offered to these investors. The programme can be a success if door to door canvassing is carried on for
the purchase of such debentures. As suggested by the All India Rural Credit Survey Committee, these debentures, if issued, for those specific projects of developments in which the villagers are interested in different regions, can be more successful. However, so far no attempts have been made to issue debentures for such specific projects. It can be of great help in mobilising the savings of the people residing in rural areas.

SPECIAL DEVELOPMENT DEBENTURES

A new scheme was also implemented for the issue of special development debentures for financing agriculturists under special projects of agricultural development or land improvement. The Reserve Bank was to subscribe such debentures to the extent of 75% and the balance of 25% was to be contributed either by the public or by the State Government of that bank. Now the agricultural Refinance Corporation is financing such debentures to the extent of 90 percent and the remaining 10 percent is to be contributed either by the public or by the State Government.

USE OF FUNDS

Till very recently the Land Development Banks were advancing loans mostly for the redemption of old debts. However, after independence, we find some
change in their loaning policy. The Rural Credit Survey Committee in 1954 had stressed that these banks should advance loans for productive purposes and such as for improvement of land, purchase of machinery and equipment. As far as possible, loans for non-productive purposes were to be discouraged and productive loans were to be popularised. The Reserve Bank of India also made efforts in this direction by issuing directives to these banks from time to time but no change in their policies could take place for over a decade even after independence. However, during the last decade, these banks have reoriented their loaning policies and are advancing loans for productive purposes. The Reserve Bank has also made efforts for this change. It has been giving support to these banks in different ways particularly investing its resources in the rural debentures. As per the efforts of the Reserve Bank, other institutions viz., L.I.C., State Bank of India, NABARD and Commercial banks are also giving support to these banks. So at present Land Development Banks are providing loans for productive purposes to a large extent.

FUNCTIONS AND SCHEMES

The main functions of Land Development Bank are to finance various schemes for the benefit of the agriculturists, which cannot be taken up by the
existing agencies. It is primarily a financing agency providing medium and long-term finance for specific agricultural projects, on the basis of the security of the agricultural land.

Its functions have been broad-based considerably by including agriculture-animal husbandry, wells, Rahat, Boring, pumpsets, Tractors, warehousing financing etc. Assistance from the mortgage banks is provided to small and marginal farmers for agricultural implements, seeds, fertilizers, machines etc. There are also the facilities of providing second loan to small farmers with the other farmers. The loan repayment period is also longer for the small farmers. The provision of joint loan is made for small farmers who cannot arrange individually the minor irrigation project. There is the provision made for grant from the state to select marginal farmers @ 33\(\frac{1}{3}\) percent and to select small farmers the rate of the grant is 25 percent.

**SCHEME UNDERTAKEN BY LAND DEVELOPMENT BANK IN U.P.**

The various schemes selected by the bank for financing to agriculturists may be explained as below:

1. **Construction of minor irrigation plans:**

   Minor irrigation plans are preferred by the banks in granting loan. The construction of wells, boring,
rahat, pumpset, tubewell, drainage etc. is done under minor irrigation plans.

2. Free boring plan:

Under the free boring plan free pumpsets are provided to small and marginal farmers with the help of the state government.

3. Electrification of owned pumpset plan:

Under this scheme long-term credit is provided to Uttar Pradesh Electricity Board, so that the board may electrify the pumpsets and tubewells preferably of the farmers benefited by the bank.

4. Farm Mechanisation scheme:

The scheme is undertaken by the bank to provide long-term credit to purchase tractors, trolleys and instruments for the mechanisation of the farm. So that the farmers may complete their work efficiently and quickly.

5. Dunlop Cart (A.D.B.) Plan:

This scheme has been implemented in those districts having sugar mills, so that small and marginal farmers can earn money by hiring dunlop carts in spare time.
6. Mandi Sthal Yojna:

Under this scheme loan is provided to 'Krishi Utpadan Mandi Parishads' for the construction of marketing place for the sale of agricultural produces.

7. Sugar Godown/Shira Tank Scheme:

Under this scheme credit facility is provided to co-operative sugar mills for the construction of the godowns.

8. Bhandarghar Scheme:

This scheme has been taken over by Land Development bank for the first time in the year ending June 1987. Under this scheme Rajya Bhandarghar Nigam is provided loan for the construction of Bhandarghars in the state. So that the farmers may store their produces in these Bhandarghars.

9. Gobar Gas/Pavan Chakki Scheme:

Under the scheme of plan, the farmers are provided the loan according to their needs for the establishment of Gobar Gas and Janta Bio Gas plants.

10. Cattle Plan:

The Land Development Bank has undertaken cattle plan under the scheme of 'Milk Development'. So that farmers may earn extra income by producing the milk.
11. Fisheries Plan:

The main problem in providing credit for fisheries is because of 'Bank Act', as the tanks are mostly allotted to leaseholders by 'Gram Samaj'. There the efforts are in progress to solve the problem.

12. Barren Land Improvement Scheme:

Under this scheme credit is provided for the improvement of the Barren Land with the help of National Bank for Agricultural and Rural Development.

Before financing such schemes bank studies them for different angles such as economic feasibility, technical feasibility and cost benefit analysis. Certain other factors such as capacity of providing mortgage security, willingness of the farmers to avail the scheme, availability of power, repayment capacity of the farmer are also analysed.

PROGRESS OF UTTAR PRADESH CO-OPERATIVE RURAL DEVELOPMENT BANK

In 1956, this bank was established in the name of Uttar Pradesh Land Mortgage Bank. Later on it was named Land Development Bank. But in 1989 its name was again changed as Uttar Pradesh State Co-operative Agricultural and Rural Development Bank. At present, since 1994, this bank is known as "Uttar Pradesh
Co-operative Rural Development Bank. The progress of the bank can be seen from the table given below:-

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<tbody>
<tr>
<td>No. of Branches</td>
<td>30</td>
<td>185</td>
<td>247</td>
<td>276</td>
<td>298</td>
</tr>
<tr>
<td>Membership</td>
<td>604</td>
<td>346154</td>
<td>1137185</td>
<td>2241924</td>
<td>3138386</td>
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<tr>
<td>Share Capital</td>
<td>0.15</td>
<td>6.10</td>
<td>28.22</td>
<td>53.27</td>
<td>81.10</td>
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<tr>
<td>Owned Capital</td>
<td>0.16</td>
<td>6.80</td>
<td>44.66</td>
<td>106.53</td>
<td>177.67</td>
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<tr>
<td>Working Capital</td>
<td>0.16</td>
<td>93.81</td>
<td>361.85</td>
<td>711.09</td>
<td>1281.14</td>
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<tr>
<td>Loan Disbursed</td>
<td>0.03</td>
<td>83.41</td>
<td>463.07</td>
<td>1343.27</td>
<td>2485.96</td>
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<tr>
<td>Debenture Floatation during the year</td>
<td>26.46</td>
<td>49.09</td>
<td>141.29</td>
<td>248.96</td>
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<tr>
<td>Percentage of Recovery</td>
<td>-</td>
<td>83.07%</td>
<td>70.25%</td>
<td>65.02%</td>
<td>-</td>
</tr>
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<td>Net Profit</td>
<td>0.0022</td>
<td>1.00</td>
<td>4.34</td>
<td>9.45</td>
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</tr>
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</table>

Source: Annual Reports of Uttar Pradesh Co-operative Rural Development Bank (various issues)

The above table shows that the number of branches increased upto 298 as compared to 30 branches in the beginning of the bank in Uttar Pradesh. The bank disbursed total loan ₹. 0.03 crore in 1960-61, ₹. 83.41 crore upto 1970-71, ₹. 463.07 crore upto 1980-81, ₹. 1343.27 crore upto 1990-91 and ₹. 2485.96 crore upto the year 1995-96 to more than 31 lakhs farmers to make them economically self-dependent.

The amount of debentures floatation is increasing year to year. In the beginning it was ₹. 26.46 crore in 1970-71 which stood ₹. 49.09 crore in 1980-81, ₹. 141.29 crore in 1990-91 and ₹. 248 crore in 1995-96.
The position of profit earned by the bank is also on an increasing trend year after year. The amount of net profit was ₹ 0.0022 crore in the year 1960-61, which stood at ₹ 1.00 crore in 1970-71, ₹ 4.34 crore in 1980-81, ₹ 9.45 crore in 1980-81 and ₹ 13.73 crore in 1994-95. The increasing trend in net profits of the bank shows efficient working by the bank as a continuous process.

The bank has not paid sufficient attention towards its branch expansion programme, because the table shows that the number of branches was 247 in 1970-80, 254 in 1984-85. This figure came to 276 in 1991-92. In 1992-93, there was 287 branches in Uttar Pradesh.

**STATUTORY PROVISIONS**

The Uttar Pradesh Co-operative Land Development Banks Act (U.P. Act No. XVI of 1964), received the Assent of the President on July 9, 1994.

An act to facilitate the working of Co-operative Land Development Banks in the state of Uttar Pradesh.

Regulations for the conduct of business of the U.P. State Co-operative Land Development Bank Ltd. framed under section 29(H)&(I) of the U.P. Co-operative Land Development Banks Act 1964.
1. The bank shall advance long-term loans to individual agriculturist, co-operative farming societies, duly approved by the Registrar, Co-operative Registrar after enrolling them as members of the bank.

2. The loans shall be repayable in equated or phased instalments spreading over the period for which they have been advanced. Any odd balance amount shall be repayable as last instalment.

3. The loans shall be advanced for the following purposes:

(i) Redemption of mortgages on land or other immovable property.

(ii) Minor irrigations schemes.

(iii) Liquidation of old debts.

(iv) Purchase of land intervening between the field of the borrower so as to consolidate his holding and of land contiguous to his holding so as to secure more efficient and economic cultivation thereof.

(vi) Horticulture and Social Forestry

(vii) Dairy development

(viii) Fisheries

(ix) Purchase of Agricultural Implements.
(x) Biogas, Dunlop Cart and Gobar gas plan
(xi) Any other productive purposes as approved by the NABARD.

4. Security of Land:
Loans shall be advanced on the mortgage of agricultural land, mortgage of immovable property, on unconditional guarantee of the Government or on hypothecation of the assets created by loans.

5. Quantum of Loan:
(i) Subject to illigibility of the borrower the quantum of loan to be advanced to the borrowers for various purposes may be determined by the bank according to the unit cost of the project as fixed by the NABARD from time to time.
(ii) Every borrowing member shall have to contribute in the shares of the banks in the proportion of loans sanctioned as decided by the committee of management from time to time.

6. Period of Loan:
The period of repayment of loans for various purposes shall be fixed by the bank as directed by the NABARD from time to time.

7. Rate of Interest:
(i) The rate of interest for various purposes shall be decided by the bank keeping in view the
suggestions given in this regard by the NABARD from time to time.

(ii) The member borrower may be allowed rebate in the rate of interest to the extent of ½ percent in case repayment is made before the date specified by the committee of management.

(iii) The member borrower shall be allowed the counter interest in case he repays his instalment at least one month before the due date.

8. Procedure for sanction of loans:

(i) The application in the prescribed format as attached with these regulations shall be prepared and submitted by the borrower to the branch of the bank. However, the application of the corporate bodies shall be submitted to the head office of the bank.

(ii) While submitting his application, every borrower shall have to pay at least amount of one share along with rupee one as admission fee.

(iii) The following documents shall be furnished with the loan application:

(a) Latest khatauni
(b) Latest khasra
(c) CH.11 or CH.23 or CH.45 in consolidated area
(iv) The branch manager shall arrange for the processing of the application and field enquiry.

(v) Officer scrutinising the application should record the findings and give recommendation on the application.

(vi) After all formalities the bank shall obtain non-encumbrance certificate for proceeding 12 years till the date of execution of the mortgage deed through its staff or representative who shall have to record his findings on the prescribed form.

(vii) Administration fee at the rate of one rupee per hundred subject to a maximum of ₹.80/- from individual borrower shall be realised.

(viii) If the branch manager is satisfied, he shall advance loan to borrower in instalments as prescribed by the NABARD/Bank.

(ix) The borrower shall be given a pass-book at the time of disbursement of the 1st instalment of the loan. It shall be duty of the borrower to get the pass-book completed from time to time.

9. Utilisation of Loan:

The borrower should utilise the loan for the purpose for which actually sanctioned within 6 months
from the date of disbursement of the last instalment of the loan.

10. **Norms for Valuation of Land:**

(a) The formula for valuation of land offered as security for loans shall be :-

1200 times of the actual land revenue of land of the Bhumidhar's having transferable right and 800 times of the actual land revenue of Bhumidhar's land having non-transferable rights.

Besides this the cost of minor irrigation project upto maximum of ₹.8000/- and in case of tractor loan upto ₹.60000/- shall be added.

(b) The eligibility of the borrower shall be 50 percent of the valuation assessed on the basis of provision as given that the borrower shall not be eligible for sanction of loan more than his repaying capacity calculated on the basis of prescribed norms.

**CONCLUSION**

The bank was established with the object of making free the agriculturists from the exploitation of private money-lenders and increase in the agricultural production. At present the bank is providing loans for abolition of rural poverty and unemployment also
through various programmes such as Dairing, Fisheries, Cottage and small-scale industries etc. These programmes show the multi-dimensional approach of the bank. The overall progress of the bank shows steady progress in the business of the bank.