
CHAPTER - IV

THE BANKS' LONG TERM FINANCE
FOR LIFT IRRIGATION SCHEMES.

CHAPTER-IV : THE BANKS' LONG TERM FINANCING
FOR LIFT IRRIGATION SCHEMES

As mentioned earlier, the Bank has started with long term financing in the year 1982-83. Long-term loans advanced by the Bank during the five years since 1982-83 may be summarised thus:

| Y e a r | Purpose of Loan | Amount (Rs.in lakhs) |
|---------|--|-------------------------|
| 1982-83 | i) Construction of Godowns (to PACS). | 0.18 |
| | ii) Construction of houses by the Bank employees. | 39.82 |
| | Total | 40.00- |
| 1983-84 | i) Construction of Godowns | 15.92 |
| | ii) Construction of houses by the Bank employees | 43.98 |
| | iii) Lift Irrigation schemes | 54.43 |
| Total | 114.33 | |
| 1984-85 | i) Construction of Godowns | 15.54 |
| | ii) Construction of houses by the Bank Employees | 48.10 |
| | iii) Lift Irrigation Schemes | 83.55 |
| Total | 147.19 | |

| Y e a r | Purpose of Loan | Amount (Rs.in lacs) |
|---------|---|------------------------|
| 1985-86 | i) Construction of Godowns | 14.62 |
| | ii) Construction of houses by the Bank employees | 59.24 |
| | iii) Lift Irrigation schemes | 77.30 |
| | Total | 151.16 |
| 1986-87 | i) Construction of Godowns | 18.19 |
| | ii) Construction of houses by the Bank Employees | 74.32 |
| | iii) Lift Irrigation Schemes | 113.75 |
| | Total | 206.26 |

Loans advanced for (i) Construction of Godowns and (ii) Construction of houses by the Bank employees have a normal repayment period of 15 years. Repayment period for the loans advanced for Lift Irrigation schemes is 7 to 12 years. Repayment period in this case varies with the repaying capacity of the borrowing members. Only loans given for lift irrigation schemes re-financed by NABARD have been considered for the purpose of this study. Loans given for Lift Irrigation Schemes in the year 1986-87, includes the loans given for six Lift Irrigation Schemes for which the NABARD re-finance is yet to be

obtained. These Schemes, as stated earlier, have been excluded for the purpose of this study.

Lift Irrigation Schemes :

During the first year of the bank's long term financing (i.e. in 1982-83) no loans were advanced for Lift Irrigation Schemes. Year-wise schemes sanctioned and loans disbursed from 1983-84 to 1986-87 have been shown in Table No.4.1 given below :-

Table No. 4.1 :

Statement showing Loans sanctioned and Disbursed for Lift Irrigation Schemes by the Bank.

| S.No. | Name of the L.I.Scheme | Amount sanctioned (Rs.in lacs) | Amount disbursed (Rs. in lacs) |
|------------------------------|-------------------------|-----------------------------------|-----------------------------------|
| <u>1.7.1983 to 30.6.1984</u> | | | |
| 1. | Ramling (Manjarwadi)(1) | 2.871 | 2.700 |
| 2. | Bharat (Rashiwade) | 0.670 | 0.670 |
| | Total ... | <u>3.541</u> | <u>3.370</u> |

| S.No. | Name of the L.I.Scheme | Amount sanctioned (Rs.in lacs) | Amount disbursed (Rs.in lacs) |
|--|---|-----------------------------------|----------------------------------|
| <u>Total Schemes .2</u> <u>1.7.1984 to 30.6.1985</u> | | | |
| 1. | Naganath (Nagardale) | 05.854 | 05.854 |
| 2. | Basaveshwar (Rajçoli) | 11.714 | 11.711 |
| 3. | Laxmi (Kurni-Bujawade) | 13.056 | 12.985 |
| 4. | Hanuman (Bonjardi) | 06.978 | 06.970 |
| 5. | Londha-Khore (Keloshi) | 14.510 | |
| | | 19.058 (2) | 25.390 |
| 6. | Narshha (Padali) | 13.507 | 10.200 |
| 7. | Shiradwad (Shiradwad) | 05.000 | 05.000 |
| 8. | Shetaki (Rukadi) | 01.751 | 01.780 |
| 9. | Bhaveshwari (Porewadi-Asgoli) | 13.077 | 13.070 |
| 10. | Koteshwar (Bahireswar) | 00.976 | 00.750 |
| 11. | Mahadeo (Mahalsawade) | 27.578 | 06.100 |
| | Total ... | <u>133.059</u> | <u>99.810</u> |
| <u>Total Cumulative Schemes-13</u> <u>1.7.1985 to 30.6.1986</u> | | | |
| 1. | Nagade ^e wadi (Nagade ^e wadi) | 01.170 | 01.170 |
| 2. | Laxmi (Basarge) | 01.200 | 01.200 |
| | | <u>02.370</u> | <u>02.370</u> |

| S.No. | Name of the L.I.Scheme | Amount sanctioned (Rs.in lacs) | Amount disbursed (Rs. in lacs). |
|------------------------------------|----------------------------|-----------------------------------|------------------------------------|
| <u>Total Cumulative Schemes-15</u> | | | |
| <u>1.7.86 to 30.6.87</u> | | | |
| 1. | Abasaheb Jagadale (Mohare) | 00.819 | 00.890 |
| | | <u>00.819</u> | <u>00.890</u> |

Total Cumulative schemes : 16

Source : Compiled from Records of the Bank.

Notes : 1. Villages are shown in brackets
2. This amount is sanctioned in the year 1986.

Location, Expenditure & Loan :

Details regarding location(i.e. village, taluka and river from which water is lifted), capital expenditure required, down-payment by the borrowing members, finance sanctioned by the Bank and refinance obtained by the Bank from the NABARD are given in Table No.4.2 which follows -

Table No. 4.2 : Statement showing the details Regarding Location, Expenditure & Loans of the Lift Irrigation Schemes financed by the Bank.

| S.No. | Name of Lift | Taluka | Village & No. of River (From which water is lifted) | Area under command (Acres) | Scheme expenditure (Rs. in lacs) | Down Payment (Rs. in lacs) | NABARD Re-finance | | Bank Loan | |
|-------|--------------|---------------|---|----------------------------|----------------------------------|----------------------------|---------------------------|------------------------------|----------------------|--------------------|
| | | | | | | | Amount (Rs. in lacs) | Date of Sanction | Amount (Rs. in lacs) | Date of sanction |
| 1. | Naganath | Chandgad | Nagardale; Tamaparani River. | 188 162.20 | 6.505 | 0.651 | 5.269 | 20.4.83 | 5.854 | 9.7.84 |
| 2. | Basaveshwar | Chandgad | Rajgoli; Tamaraparni River | 160 294.34 | 12.331 | 0.617 | 10.543 | 29.9.83 | 11.714 | 9.7.84 |
| 3. | Laxmi | Chandgad | Kurni Bujawade; Ghataprabha River. | 166 477.00 | 14.507 | 1.451 | 11.750 | 29.11.83 | 13.056 | 9.7.84 |
| 4. | Hanuman | Chandgad | Bonjardi; Ghataprabha River. | 69 180.00 | 7.753 | 0.775 | 6.280 | 15.12.83 | 6.978 | 9.7.84 |
| 5. | Ramling | Karveer | Manjarwadi; Tulashi River. | 27 80.00 | 3.022 | 0.151 | 2.584 | 12.12.85 | 2.871 | 5.4.84 |
| 6. | Bharat | Radhana-gari. | Rashiwade; Bhogavati River. | 1 11.00 | 0.584 | 0.058 | 0.473 | 20.11.84 | 0.670 | 28.4.84 |
| 7. | Londha-Khore | Radhana-gari. | Keloshi; Tulashi River. | 345 640.00 | 13.141 1.444 22.713 | 1.314 0.144 | 10.644 1.170 18.397 | 25.8.84 9.8.84 26.5.86 | 14.510 19.058 | 13.11.84 1.8.86 |
| 8. | Marsha | Karveer | Padali; Bhogavati River | 116 350.00 | 15.008 | 1.501 | 12.156 | 3.12.84 | 13.507 | 24.1.85 |

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| S.No. | Name of Lift | Taluka | Village & River (From which water is lifted) | No. of beneficiaries | Area Under command (acres) | Scheme expenditure (Rs.in lacs) | Down Payment (Rs.in lacs) | NABARD Re-finance | | Bank Loan | |
|-------|------------------|---------------|--|----------------------|-----------------------------|---------------------------------|---------------------------|---------------------|-------------------|----------------------|------------------|
| | | | | | | | | Amount (Rs.in lacs) | Date of sanction. | Amount (Rs. in lacs) | Date of sanction |
| 9. | Shiradwad | Shirol | Shiradwad; Panchaganga River | 277 | 400.00 | 7.242 | 2.242 | 4.50 | 31.1.85 | 5.00 | 13.2.85 |
| 10. | Shetaki | Hatkan-angale | Rukadi; Panchganga River. | 194 | 205.14 | 0.945 | 0.194 | 1.576 | 22.1.85 | 1.751 | 13.2.85 |
| 11. | Bhaveshwari | Chandgad | Asgoli, Porewadi; Chatorabha River | 195 | 251.35 | 14.530 | 1.453 | 11.769 | 20.2.85 | 13.070 | 30.3.85 |
| 12. | Koteshwar | Karveer | Bahireswar; Bhogawati -River | 218 | 164.30 | 1.085 | 0.109 | 0.879 | 2.4.85 | 0.976 | 10.5.85 |
| 13. | Mahadeo | Karveer | Mhalsavade; Tulashi River | 205 | 360.00 | 30.642 | 0.064 | 24.821 | 10.5.85 | 27.578 | 8.6.85 |
| 14. | Nagdevwadi | Karveer | Nagdevwadi; Bhogawati River | 146 | 130.00 | 1.300 | 0.130 | 1.053 | 11.8.85 | 1.170 | 13.9.85 |
| 15. | Laxmi | Gadhing-Laj | Basarge; Gadgadi Nallah | 3 | 70.00 | 1.456 | 0.073 | 1.245 | 11.8.85 | 1.200 | 13.9.85 |
| 16. | Abasaheb Jagdale | Panhala | Mohare; Warana River | 2 | 35.00 | 0.964 | 0.145 | 0.737 | 21.1.86 | 0.819 | 21.7.86 |

Source : Compiled from the Office Record of the Bank.

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It is seen from the above Table that out of the total 16 Lift Irrigation schemes financed by the Bank, 5 schemes are from Karveer and Chandgad Taluka each, 2 Schemes are from Radhanagari Taluka and one each from Hatkanangale, Gadhinglaj, Shirol and Panhala. Thus 63% of the schemes are from Karveer and Chandgad Taluka.

There are 2,312 beneficiaries of all these lift irrigation schemes and 3,810 acres of their land are intended to receive irrigation water.

Loan Disbursement, Repayment and overdues :

Table No. 4.3, given below, shows details regarding disbursement of loan , the actual expenditure, repayments and overdues of the 16 Schemes.

| S.No. | Name of L.I. Scheme | Amount Received by L.I. Society from Bank | | Amount Received by Bank from NABARD | | Actual expenditure incurred (Rs.lacs) | Amount due from society (Rs.lacs) | Instalments due from society | | Actual Repayment by Society | | Overdues | | Complete/ in-progress |
|-------|---------------------|---|------------------|-------------------------------------|------------------|---------------------------------------|-----------------------------------|-------------------------------|----------------------|--------------------------------|----------------------|-------------------------------|----------------------|-----------------------|
| | | Date | Amount (Rs.lacs) | Date | Amount (Rs.lacs) | | | Date | Amount (Rs.lacs) | Date | Amount | Date | Amount | |
| 1. | Nagnath | 9.3.83 to 28.6.85 | 5.854 | 25.7.83 | 5.259 | 7.242 | 3.40 | 28.6.87 | 0.73 | 30.6.87 | 0.73 | - | - | Complete |
| 2. | Basaveshwar | 11.3.83 to 28.6.85 | 11.711 | 19.3.84 | 8.560 | 13.735 | 11.12 | 28.6.85 27.6.86 26.6.87 | 1.47 1.47 1.47 | 12.2.85 | 0.61 | 28.6.85 27.6.86 26.6.87 | 0.86 1.47 1.47 | Complete |
| 3. | Laxmi | 10.3.83 to 28.6.85 | 12.985 | 19.3.84 | 9.710 | 16.769 | 9.94 | 28.6.85 27.6.86 26.6.87 | 1.62 1.62 1.62 | 30.6.86 30.7.87 | 1.82 1.20 | 27.6.86 26.6.87 | 0.22 1.62 | Complete |
| 4. | Hanuman | 5.8.83 to 28.6.85 | 6.970 | 19.3.84 | 5.940 | 9.333 | 6.42 | 28.6.85 27.6.86 26.6.87 | 0.70 0.70 0.70 | 30.6.86 30.6.87 28.12.87 | 0.09 0.27 0.20 | 28.6.85 27.6.86 26.6.87 | 0.14 0.70 0.70 | Complete |
| 5. | Ramling | 22.5.84 to 25.10.86 | 2.700 | - | - | 3.250 | 2.70 | 25.9.86 24.9.87 | 0.36 0.36 | - | - | 24.4.86 24.4.87 | 0.36 0.36 | In-progress |
| 6. | Bharat | 24.4.84 | 0.070 | - | - | 0.750 | - | - | - | 30.5.87 | 0.42 | - | - | Complete |
| | | | | | | | | | 4.41 | | 3.02 | | 1.84 | |
| | | | | | | | | | 2.10 | | 0.56 | | 1.54 | |
| | | | | | | | | | 0.72 | | | | 0.72 | |



| | 30.6.84 | 25.390 | 21.8.84 | 10.664 | 15.250 | 23.98 | 26.6.87 | 4.24 | 23.7.86 | 0.04 | 26.6.87 | 4.20 | In-progress |
|-----------------|----------|--------|---------|--------|--------|-------|---------|------|---------|------|---------|------|-------------|
| 7. Londha-Khore | to | | 25.9.85 | 1.170 | | | | | | | | | |
| | 30.6.87 | | | | | | | | | | | | |
| Marsinha | 15.5.82 | 10.200 | 25.9.85 | 6.885 | - | 1.10 | 28.6.87 | 1.28 | 28.6.87 | 1.28 | - | - | In-progress |
| | to | | | | | | | | | | | | |
| | 30.6.87. | | | | | | | | | | | | |

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Table No. 4.3 : Statement showing Details of Disbursement, Repayment & overdues of L.I. Schemes financed by the Bank.

| S.No. | Name of Lift Irrigation Scheme | Amount Received by L.I. Society from Bank | | Amount Received by Bank from NABARD | | Actual expenditure incurred (Rs.lacs) | Actual Amount due from society (Rs.lacs) |
|-------|--------------------------------|---|------------------|-------------------------------------|------------------|---------------------------------------|--|
| | | Date | Amount (Rs.lacs) | Date | Amount (Rs.lacs) | | |
| 9. | Shiradwad | 27.5.82 | 5.000 | 25.9.85 | 2.700 | 7.192 | 1.88 |
| 10. | Shetki | 12.4.84 | 1.780 | 25.9.85 | 1.378 | 2.370 | 1.09 |
| 11. | Bhaveshwari | 6.8.84 to 26.6.85 | 13.070 | - | - | 15.610 | 11.38 |
| 12. | Koteshwar | 12.2.85 to 30.6.86 | 0.750 | - | - | 1.203 | - |
| 13. | Mahadeo | 3.2.84 | 6.100 | - | - | 23.000 | 4.04 |
| 14. | Nandeowadi | 13.11.84 to 30.6.87 | 1.170 | - | - | 1.340 | 0.66 |
| 15. | Laxmi | 2.12.82 | 1.200 | - | - | - | 0.75 |
| 16. | Abasaheb Jagdale | 27.1.84 | 0.890 | - | - | - | 0.52 |

| S.No. | Name of Lift Irrigation Scheme | Instalments due from Society | | Actual Repayment by Society | | Overdues | | Complete/ In-progress |
|-------|--------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------|-----------------------------|-----------------------|
| | | Date | Amount (Rs.lacs) | Date | Amount (Rs.lacs) | Date | Amount (Rs.lacs) | |
| | | 26.6.87 | 0.63 | 30.4.87 30.5.87 | 0.40 0.23 <u>0.63</u> | - | - | Complete |
| | | 26.6.87 | 0.22 | 20.6.87 | 0.22 | - | - | Complete |
| | | 26.6.86 26.6.87 | 1.45 1.45 <u>2.90</u> | - 30.6.87 | - 0.23 <u>0.23</u> | 27.6.86 26.6.87 | 1.22 1.45 <u>2.67</u> | Complete |
| | | 26.6.87 | 0.10 | 3.87 7.87 | 0.10 0.54 <u>0.64</u> | - | - | Complete |
| | | - | - | - | - | - | - | In-progress |
| | | 28.11.87 | 0.13 | 24.12.87 | 0.17 | - | - | Complete |
| | | 28.11.87 | 0.13 | 16.12.87 | 0.13 | - | - | Complete |
| | | 26.12.86 26.12.87 | 0.10 0.10 <u>0.20</u> | 24.6.86 17.12.87 | 0.10 0.10 <u>0.20</u> | - | - | Complete |

From the above table, it is observed that these 16 schemes have actually received loan of Rs. 106.44 lakhs from the Bank as against the total sanctioned loans of Rs. 139.73 lakhs (as shown in Table No.4.2) Thus, it is clear that some of the schemes have not received the full amount of loan sanctioned. The details of these schemes are as under:-

| S.No. | Name of L.I.Scheme | Amount not disbursed (Rs.lacs) | Complete/ in-progress | Reasons |
|-------|-------------------------------|--------------------------------|-----------------------|--|
| 1. | Basaveshwar (Rajgoli) | 00.003 | Complete | Loan mortgage not completed. |
| 2. | Laxmi (Kurni-Bujawade) | 00.071 | -do- | -do- |
| 3. | Bhaveshwari (Asgoli-porewadi) | 00.007 | -do- | -do- |
| 4. | Koteshwar (Bahireswar) | 00.226 | -do- | -do- |
| 5. | Ramling (Manjarwadi) | 00.171 | In-progress | Disbursement may be made at a later stage. |
| 6. | Londha-Khore (Keloshi) | 08.178 | -do- | -do- |
| 7. | Narsinha (Padali) | 03.307 | -do- | -do- |
| 8. | Mahadeo (Mhalsawade) | 21.478 | -do- | -do- |
| | | ----- 33.441 | | |



The Statement above shows that out of 8 Schemes, 4 are complete and 4 are in progress. Completed Schemes have not lifted remaining loan amount, so also those who have not fulfilled the condition of mortgaging the land, have not been allowed to lift their remaining loan amount. Another reason can be that these schemes may have lifted their remaining loan after 31st December 1987.

Incompleted schemes may lift their remaining loan as and when they need

Actual capital expenditure made on these 16 schemes amounts to Rs. 117.04 lakhs which is more than the total disbursement. Re-finance sanctioned by the NABARD amounts to Rs. 125.84 lakhs against which the Bank has received Rs. 52.26 lakhs upto the end of 1986-87. Two schemes have made entire repayment of loan. Out of the remaining 14 schemes, regular repayment of the loan instalments is received by the Bank from 8 schemes upto the end of 1986-87. Thus, 6 of these schemes have not been able to repay the loan during 1986-1987.

12 Schemes, out of these 16, have been completed, remaining 4 are yet to be completed and start irrigation.

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Out of 12 complete schemes, there are overdues in respect of 6 schemes. The details are as follows :-

| S.No. | Name of L.I. Scheme | Amount over dues (Rs. in lacs) | Date from which overdues |
|-------|-----------------------------------|-----------------------------------|--------------------------|
| 1. | Basweshwar (Rajgoli) | 3.80 | 28.6.85 to 26.6.87 |
| 2. | Laxmi (Kavni-Bujawade) | 1.48 | 27.6.86 to 26.6.87 |
| 3. | Hanuman (Bonjardi) | 1.54 (1) | 28.6.85 to 26.6.87 |
| 4. | Bhaveshwari (Asgoli, Porewadi) | 2.67 (2) | 27.6.86 to 26.6.87 |
| 5. | Ramling (Manjarwadi) | 0.72 | 24.4.86 to 24.4.87 |
| 6. | Londha-Khore (Keloshi) | 4.20 | 26.6.87 |
| | Total | 14.77 | |

Note: 1. Includes amount of Rs. 17000/- repaid after 31.12.87

2. Includes amount of Rs. 30,000/- repaid after 31.12.87

The above statement shows that out of 6 schemes, 2 Schemes (i.e. at No.5 & 6 are yet to be completed, rephasing of these schemes have been made and hence automatically their period of repayment has also postponed. These schemes do not come under overdues of the Bank. In case of the remaining 4 schemes, the reasons for default are as follows :-

Majority of these Lift Irrigation Schemes fall under hilly and terrain area of Chandgad Taluka, where non-cultivable land is more than cultivable land. Hence the repaying capacity of the members and also of the Lift Irrigation Society is meager. Majority of the members of these schemes are small and marginal farmers. Another important factor is that the repayment period given to these schemes is more or less 10 years. If this period is extended by at least 5 years considering the major portion of small farmers and their meager repaying capacity the schemes would have been a success and would not have become defaulters.

The other reason for overdues of above schemes are as follows :-

1. Less cultivation of land than actual command area due to non-cultivation.
2. Faulty pipeline.
3. Harvesting of sugar-cane is not done in time
4. Permission of lifting water is not given for full command area by Irrigation Department.
5. Collection of water charges is neglected.
6. Faulty water distribution system.