

CHAPTER - SEVEN

CONCLUSION AND SUGGESTIONS

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1. It is found from the Table No. 6.1 that, there are 20% young borrower farmers who are upto 39 years of age and 80% old borrower farmers are 40 and above 40 years of age. It shows that the farmers having substantial experience of farming, are very large in number. It indicates that experienced and old farmers have taken more loans from the bank. Perhaps they have gained enough knowledge of whom to approach for the loan and the formalities to be fulfilled to get it sanctioned. So it would be recommended that an awareness should be created among the young farmers. Young farmers who are inexperienced should be given proper and enough knowledge in regard to availing the loans facility from the bank. They may be provided proper help and guidance in order to stimulate them to take loans.

2. It is observed from ~~the~~ Table No.6.2 that out of 178 borrower farmers only six have attended college. Farmers who have attended primary education are 112 and 32 from total borrower farmers are illiterate. Owing to ignorance of new changes and techniques in agriculture nearly 97% farmers are lagging behind. These farmers stick to their old traditions in agriculture. It is hampering their agricultural production and income.

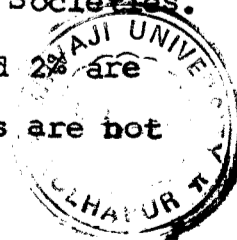
The bank should ^sdisuade them from keeping traditional attitude. They should be made aware of new agricultural techniques and they should be convinced about new high-yielding varieties in seeds,

crops and modern methods of agriculture. So as to bring an awareness of improved methods of agriculture group discussions should be organised at the village level, along with the group discussion, simultaneously demonstration of successful incidents of improved agricultural methods be shown with the help of film shows or film slides, which would have the audio-cum-visual impact on the borrower farmers using traditional methods.

3. It is found, from the Table No.6.4, that out of total borrowers, 60% borrowers are small land holders who are having 5 acres or below 5 acres land and 13% borrowers are large land holders(i.e. ten acres or above 10 acres). It shows that the bank prefers to finance the small land holders. It may be possible that the large landholders are not interested in getting loans.

The bank may keep on its policy of financing to small farmers. Simultaneously it should give special training to small land holders for raising maximum yield from their small size farm. It will enable the bank to recover the loans from such borrowers. At the same time the bank should try to attract the large land holders, by which the bank will have more security and the recovery of loan will be also easy, which will serve the dual purpose i.e. the disbursement of loans will increase ultimately leading to increase in income to the bank in the form of interest.

4. It is found from the Table No. 6.6 that almost all (i.e. 178) borrowers farmers are the members of Co-operative Societies. Nine percent borrowers are members of dairy society and 2% are members of Co-operative Sale-^{purchase} Union. Other 91% members are not



Possessing cows and she buffalos. During the oral discussion while administering the questionnaire these 91% of the borrower farmers cited their interest to posses the milch animals due to their unfavourable financial possition. They cannot afford to buy with their own investment. Taking into consideration their interest, they were asked whether they would like to rear these animals if they are given additional loan, they reacted positively, Considering their zeal and enthusiasm of rearing the milch animals, it would be recommended that the bank should give additional loan facilities for such activity. Due to this the earnings of these borrower farmers will increase and their standard of living will improve.

At the same time the bank should give finance to Co-operative sale-purchase Union and while financing the borrowers must be compelled to sell their production through Co-operative Sale-Purchase Union.

5. It is found from the Table No. 6.7 that there is an increasing demand of bank finance from borrower farmers. Eighty six out of 140 borrower farmers have taken first major loans during 1985-1986.

Form this increasing demand of borrowers, the bank should make provision for raising more finance through different sources Viz. issue of shares, taking loan and assistance from Maharashtra State Co-operative Bank Ltd.

6. It is found from the Table No. 6.22 that, Gross Cropped Area increased by 14.375 acres during the period 1981-1982 to 1985-1986. The borrower farmers reported that, it happened due to bank finance during the period under consideration, (i.e. 1981-1982 to 1985-1986). But the increased cropped area is very less.

It is observed from the Table No.6.19 borrower farmers is decreased by 2.5 acres during the period under consideration. One borrower farmer from Kalambi Village replies that due to drought he has not repaid bank loan in time. Therefore, in order to repay the bank loan he has sold his land and has repaid all the bank loan.

It is also observed ~~from~~ the Table No. 6.22 that, the area under food crops increased by 15.525 acres during the period 1981-1982 to 1985-1986 which is very less.

For this the bank should effectively disseminate the knowledge through their agricultural cell which will guide and advise farmers how to use improved seeds, fertilisers, how to raise high-yielding variety crops which take minimum time, and which require minimum quantity of water.

7. It is found from the Table No. 6.9 that, near about 94% borrower farmers have good opinion about bank, where as 6% borrower farmers have adverse opinion. They feel that the bank functions

only for their own advantage.

To remove this notion from the minds of the above 6% borrower farmers the bank should find out the reasons and try to create healthy attitude about the bank functioning methods the above 6% borrowers. The bank should identify these dissatisfied borrowers and taking them into confidence should ask about the problems, they have come across while getting the loan sanctioned or the problems after the loan has been sanctioned. Probing into ~~their~~ problems this wrongly conceived attitude should be removed and better services should be provided in the near future.

8. It is found from the Table No. 6.10 that cent-percent borrower farmers have given first preference to the Sangli District Central Co-operative Bank. It is very surprising to note that farmers have not shown any preference for the money lenders who supply a large chunk of agricultural credit. It indicates that the first preference of the farmers for the Sangli District Central Co-operative Bank is a very hopeful sign for the rapid development of Bank Credit.

For this the bank should keep on its present policy as it is. The bank should maintain confidence and goodwill among borrowers by supplying good service from time to time.

9. It is observed from the Table No. 6.11 that, majority of farmers expect from the bank the following facilities :

- i) Low interest rate.
- ii) Loan should be adequate for the purpose.
- iii) Timely availability.
- iv) Longer repayment schedule.
- v) In the year of draught, the interest on the loan, for that particular year should be waived.

Considering the above list of demands it would be suggested that the bank should device a plan and take a decision as to how they could optimise these demands. The bank should make all the possible efforts to fulfill them as far as possible.

Some farmers also expect that, during the period of drought, the bank should not charge penal interest on the loan of borrowers, which should also be duly considered to the maximum possible extent and try to fit in their policy frame work.

10. It is found from the Table No. 6.12, that, a secretary of Co-operative Society is the main source of information and consultation about loan to borrowers. About 83% borrower farmers have consulted with the society secretary before taking bank loan. This indicates that the bank can adopt the strategy of dissemination of knowledge through the society secretary, besides the bank staff.

The bank should give some incentive to the secretary in order to maintain his sincerity and the attitude of helping others. Due to this the secretary may be motivated and become more

co-operative in nature assisting and guiding more and more needy borrowers.

11. It is observed from the Table No. 6.15 that, majority of borrower farmers (i.e. about 75%) have taken only crop loans. It indicates that only 25% farmers have taken crop loans as well as medium term loans.

Therefore, the bank should provide maximum finance as far as possible for land development purpose which will be useful to increase production and income of borrower farmers.

12. It is found from the Table No.6.20 that during the period 1981-1982 to 1985-1986 extent of irrigation in the area held by 178 borrower farmers is decreased by six acres. It is reported from the cultivators, due to drought, levels of water of wells have decreased to a great extent.

The bank is to give proper guidance and information to the farmers in relation to cultivation of irrigated land with minimum quantity of water by adopting advanced techniques of water supply. e.g. to grow grapes by dripping system.

13. It seems from the Table No.6.23 that the cropping intensity of irrigated and non-irrigated area is not increased satisfactorily during the period 1981-1982 to 1985-1986. It happened due to increasing drought frequency and traditional agricultural techniques adopted by borrower farmers for cultivation.

With the above findings the suggestion follows is that, the bank should try to overcome the traditional views of the borrower farmers by giving some percentage of subsidy in loan who cultivated high-yielding variety crops.

14. It is observed from the Table No. 6.27 that, the cost of cultivation increased by 42% (i.e. by Rs. 752345) during the period 1981-1982 to 1985-1986. It is happened due to increase in labour charges, increasing prices of fertilisers, manures, seeds insecticides and other expenses.

The bank may provide to the borrower farmers, the cultivation materials and equipments through some Co-operative Societies by starting a new Co-operative unit.