

*Manual on Short-term and Medium-term Loans  
for Agricultural Purposes*



110513

RESERVE BANK OF INDIA  
AGRICULTURAL CREDIT DEPARTMENT  
BOMBAY

MANUAL ON SHORT-TERM  
AND  
MEDIUM-TERM LOANS  
FOR  
AGRICULTURAL PURPOSES

*First published June 1966*

Published by Shri K. C. Cheriyan for the Reserve Bank of India, Agricultural Credit Department, Bombay and printed by Brig. J. F. N. Vakil (Retd.) for G. Claridge & Co. Ltd., at the Caxton Works, Frere Road, Bombay.

# CONTENTS

## *Part I*

### SHORT-TERM CREDIT : CROP LOAN

Scales of Finance .. .. .	1
Field-Workers' Conference .. .. .	2
Cash Component .. .. .	2
Kind Component .. .. .	3
Additional Cash Component .. .. .	4
Repaying Capacity .. .. .	4
Role of Central Banks .. .. .	4
Credit Limit Statements .. .. .	6
Sanction of Normal Limits .. .. .	8
Supplementary Limits .. .. .	8
Time Schedule .. .. .	9
Operations on the Limits: Eligibility .. .. .	10
Drawals against Cash Limits .. .. .	11
Operations on the Limit in Kind .. .. .	12
Execution of Time-Promotes .. .. .	13
Security for Short-term Loans .. .. .	13
Seasonality in Disbursement .. .. .	15
Seasonality in Recovery .. .. .	15
Linking of Credit with Marketing .. .. .	16

## *Part II*

### MEDIUM-TERM CREDIT

Need for Medium-term Credit .. .. .	19
Repaying Capacity .. .. .	19
Individual Maximum Borrowing Power .. .. .	22
Period of Medium-term Loans .. .. .	22
Security for Medium-term Loans .. .. .	23
Seasonality in Lending and Recovery .. .. .	23
Verification of Utilization .. .. .	23
Estimate of Medium-term Resources .. .. .	24
Priorities and Allocations .. .. .	25
Application for Medium-term Loan .. .. .	25
Drawals against the Medium-term Loans .. .. .	26
Appendices A to I .. .. .	28-42