# **RESERVE BANK OF INDIA**

# MULTI AGENCY APPROACH IN AGRICULTURAL FINANCE

# **REPORT OF THE WORKING GROUP**



## MULTI AGENCY APPROACH IN AGRICULTURAL FINANCE

## REPORT OF THE WORKING GROUP

Examiner Press, Bombay 400 023

#### REPORT OF THE WORKING GROUP TO STUDY PROBLEMS ARISING OUT OF THE ADOPTION OF MULTI-AGENCY APPROACH IN AGRICULTURAL FINANCING

#### CONTENTS

.

CHAPTER I		INTRODUCTORY	1 -	12
CHAPTER II		PROBLEMS & PERSPECTIVES	13 -	17
Chapter III	_	THE MULTI-AGENCY APPROACH- ANALYSIS OF VIEWS/SUGGESTIONS ELICITED AND REFERENCES TO THE PROBLEM BY EARLIER COMMITTEES/COMMISSIONS/ SEMINARS	18 -	32
CHAPTER IV	_	BRANCH EXPANSION	33 -	38
CHAPTER V	_	INTEREST RATES	39 -	48
CHAPTER VI		SECURITY FOR LOANS	49 -	54
CHAPTER VII	_	INSPECTION/SUPERVISION CHAR- GES	55 -	58
CHAPTER VIII	<i>_i</i>	CREDIT GUARANTEE PREMIUM	59 <b>-</b>	60
CHAPTER IX		SUMMARY AND RECOMMENDA- TIONS	61 -	79

#### TABLES

1.	Institutional Finance for Agricultural Development:	
	1972-76	80
2.	Co-operative Farm Credit to individuals (All-India)	
	1974-76	81
3.	Primary Agricultural Credit Societies – Financial	
	details (June 1976)	81
4.	Primary Land Development Banks — Financial	
	details (June 1976)	82

.

Pages

		Pages
5. 6.	Size-Distribution of Operational Holdings (1970-71) Progress of Agricultural Financing by Commercial	82
	Banks through Primary Agricultural Credit Societies (1972-1975)	83
7.	Comparative Indicators regarding performance of Primary Agricultural Credit Societies Financed by Commercial Banks and all Primary Agricultural	
	Credit Societies	83
8.	Graduated requirement of Credit : 1985	84
9.	Credit requirements by 1985 for Agricultural and	
	Allied Activities	85
10.	Sources of Institutional Finance — 1979 & 1985	86
11	Resource availability for Agricultural Lending by	
	Commercial Banks : 1979	86
12.	Regionwise/Statewise Distribution of Commercial	
	Bank Branches: (July 19, 1969 and April 30, 1977)	87
13.	Commercial Banks' Branches in different Categories of	
	Centres : (July 19, 1969 and April 30, 1977)	88
14.	Branches of Regional Rural Banks : (August 1977)	89
15.	Range of Interest Rates Charged by Public Sector	
	Banks on Agricultural Advances	90
16.	Interest Rates Charged on Small Loans (upto Rs. 5,000)	
	to Small Farmers (with Holdings upto 5 acres of	
	Irrigated Land or 10 acres of Unirrigated Land)	
17	and other Concessions given by Public Sector Banks	91
17.	Distribution of Loans issued by Primary Agricultural Credit Societies — State-wise — to Small Farmers and other weaker sections according to size of land	
	Holdings (1975-76)	00 9
18.	Rate of Interest on Advances to Agriculture and Allied	92 - 9
	Activities — Charged by Regional Rural Banks	105
	Charged by Regional Rulai Ballks	94 — 96

,

## ANNEXURES

.

1. 2.	Statewise review of the Agricultural Pass Book System Credit Guarantee Corporation of India – Liability								
0	on Guaranteed	Acco	unts	• •	••	• • •	••	117 -	118
э.	Questionnaire	••	••	••	• •	••	••	118 -	119⁄

•

· •

.