Preface

Rural Development has now come to be reckoned with as sine qua non in the process of accelerating the pace of economic development and significantly improving the standard and quality of living of rural households. Therefore, in our plans for economic development, rural development has been accorded high priority and various programmes and schemes for rural development have been introduced. Again, as rural credit system is a powerful instrument in accelerating development programmes in rural areas, the Government of India has introduced several policies in the sphere of agriculture and rural development through assigning pivotal role to the banking system. The banking institutions also have been providing huge sum of credit every year to a very large number of poor in rural areas under Government Sponsored Programmes of poverty alleviation and generation of self employment in rural areas.

Actually rural credit system is a powerful instrument in accelerating development programmes in rural areas. As we know banks as trustees of a community’s financial resources have a social responsibility to respond effectively to the needs of the community in which they function and to contribute to the welfare of the society. They have to look into the socio-economic upliftment of
even the lowest strata in the society. So the objectives of the rural institutional credit should be to endeavour (a) to improve the quality of life of the rural masses (b) to create condition of growth so as to bridge the gap between the rich and the poor in the rural society. The rural banking institutions, therefore, are to provide the poor in rural areas an appropriate credit delivery mechanism which will be characterized by adequacy, timeliness and certainty of the credit made available based on simple procedures. Besides, the banking institutions in rural areas must keep cautious eyes on the possible threats that might come in the process of financing rural development. Therefore, the rural bank branches have an important role to play in the process of management of rural development programmes.

But in our state we must admit that the rural credit system is in disarray and credit delivered to the rural poor is meager, as compared to the country as a whole, and that we have yet to implement a cohesive policy package to restore the efficacy of the rural credit delivery system. Again, Jorhat district, one of the relatively smaller districts of Assam, is an under banked district. In the district like the North Eastern Region as a whole, a multi agency approach to the credit delivery for rural development has been adopted. Three wings of credit delivery; i.e. Cooperative banks, Commercial banks and Regional Rural Banks operate in the district. A total of 40 rural branches of these banks have been trying to develop the backward rural sector by extending liberal lending facilities and providing bank credit to the poor under different rural development programmes. But many problems crop up on their way to the desired goal. So the need arises to study the problems faced by rural bank branches in rural credit management.
The present study intends to analyze the role of rural bank branches in managing rural development programmes in the district of Jorhat. The researcher, in her short association with the rural credit delivery system, cannot advance a real judgment mere studying a particular area of operation. Even though the researcher tries to emphasize the whole credit system of rural bank branches and their expansion in to the integrated rural area through financing for rural development and no effort was left unused to receive the objectives on her part.

The researcher has made a humble effort to complete the research work just in five chapters. The quantum of loan advanced to different categories of farmers under different rural development schemes, procedures followed in the selection of beneficiaries, purpose wise utilization of such loan, repayment behaviour of the beneficiaries, problems faced by the bankers in providing credit to the beneficiaries and effects of credit on the income and employment of beneficiaries are some of the findings of this study. Those findings may be useful inputs to take remedial measures for optimization of goals of various rural development programmes. It is hoped that the findings of this study will be useful for policy implementations. Future researchers also in these areas would definitely get some clue for further research.

Date:

Place:                                          (Nilima Bora)