Preface

“The poor themselves can create a poverty free world …. Credit can create self- employment instantaneously. Why wait for others to create job for you” (Yunus, 2005). Muhammad Yunus the father of the Grameen Bank in Bangladesh and Nobel Laureate is of the view that there is direct relationship between micro finance and self employment. Bank inclusion of the poor is a major challenge for the country. The All India Debt and Investment Survey, Government of India, 2005, estimated that only 13.4 per cent of the rural house holds has access to formal institutional credit. For the house holds in the lower four asset holding classes, the same percentage varied from 3.5 to 10.9 per cent, which shows a very poor picture of outreach of the poor by institutional credit system. Potential linked Credit Plan (PLP) has been prepared to estimate potentials for investment opportunities under different sectors and sub sectors of economy for each district. In the PLP, government has made assessment of potentials, keeping in view the infrastructure and other necessary support services available in a district. It also identifies the infrastructural constraints hindering the flow of ground level credit and the infrastructure requirements for balance development.

With the advent of liberalization and globalization, process of Indian economy in general and agriculture, agriculture and allied and non farm sector in particular, the sector needs to be more responsive and competitive to face the external challenges. This would necessitate considerable investments in infrastructure, technology, post harvest management, research and development, extension services, etc. Credit planning will therefore continue to play a significant role in ensuring prioritization and making available adequate credit to various sectors of rural economy.
NABARD has been constantly endeavouring to provide various technical and developmental supports for accelerating and smoothening the flow of credit to the rural sector. Therefore, NABARD has prepared a number of area based bankable schemes like dairy, piggery fishery, vermi-compost, bamboo, etc. The Agriculture Policy (2004) seeks to actualize the vast untapped potential of Indian agriculture and non farm sector, strengthen rural infrastructure, promote value addition, accelerate growth of agri-business, create employment in rural areas and secure a fair standard of living for people.

Entrepreneurship is the powerful key to economic development, which takes a major share in developing countries. Entrepreneurship is the process whereby entrepreneurs takes the lead and organize the business or industry and provide employment to others. The term ‘Trained Entrepreneurs’ signify the section of people who venture out with their expertise into the agriculture, agriculture & allied, manufacturing, assembling, job works, service based activities and other business. Education and training will definitely play a major role for entrepreneurship development. The education must be given a new orientation so that our young educated people will have the skills, incentives and facilities to go for self employed enterprises. In the same way, training module may have to be introduced in view of the emerging opportunities and changes in entrepreneurial field in the liberalized economic environment. Finance is one of the most primary factors in the development of small enterprises. The problem of institutional finance is a major hindrance which involves a lengthy process right from delay in appraisal of loan proposal, sanction and disbursement of loan to outright rejection, long procedural formalities, lack of personnels capable of appraising loan proposal in bank branches, lack of absolute authority of bank managers, lack of clear communication from financial institutions to
entrepreneurs, delay in completing documentation formalities and lack of motivation to support small entrepreneurs—particularly new entrepreneurs. This situation needs to be changed to promote small entrepreneurs in the state of Assam. This study will cover effective follow-up and monitoring of utilization of loan after disbursement and steps in improving recovery position of loan in a particular field or area.

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