PREFACE

Since time immemorial, India has been, still continues to be, and will remain in the foreseeable future, a land of village communities. As a matter of fact, the village was the basic unit of administration as for as the Vedic age, there is a reference to the Gramini (village leader) in the Rig Veda. The predominantly rural character of India’s national economy is reflected in the very high proportion of its population living in rural areas. In 1901, eighty nine per cent of its total population lived in villages and almost after hundred years, the proportion is still at a high seventy per cent. It is quite likely that by turn of twenty first century also at least fifty per cent of India’s population would continue to live in rural areas. Furthermore since about two-thirds of its work force is engaged in agriculture and allied activities which contribute about twenty eight per cent of India’s GDP (Gross Domestic Product), no strategy of socio economic development for India that neglects rural people and rural areas can be successful. Rural development is therefore an absolute and urgent necessity in India now, and will continue to be in future.

As such, the fundamental need is the creation of conditions for healthy community life for the village dwellers by providing adequate welfare services through the adoption of various rural development programmes.

The Government of India have adopted a number of rural development programmes in course of its five Year Plans in order to achieve rural development and to promote the standard of living of the rural inhabitants. An important step in this direction is the nationalisation of major commercial banks in 1969 and associating such banks in implementing the development schemes in the rural sector. As a result, the banking sector in India has emerged as one of the important agencies of rural development. Various policy measures were taken to expand the
reach of banking services to all parts of the country especially the backward regions, and to all sections of the population. Consequently, there has been phenomenal growth and spread of banking services to the far corners of the country and these services have become available to the common man in rural areas.

To what extent the nationalised banks in India are involved in promoting rural development is a vital problem which has been studied at the national level by some scholars. But till now, no serious study of this problem in respect of the contributions made by the nationalised banks for the rural development in Bihar as well as in Jharkhand has been made. This is the reason which has prompted the author to take up a study of rural development through the nationalised banks within the district of Bokaro which was an important district of Bihar and now presently constitute a port of the state of Jharkhand.

The present study, in the context of the general pattern of the nationalised banks and rural development measures in India, deals with the operation of rural development programmes through the nationalised banks with a special reference to Bokaro district during 1991-2005.

The First Chapter of the thesis relates to introductory aspects of the research work, i.e. importance of the study, review of literature, scope and objectives of the study, hypothesis, method, sample and coverage, respondents structure, techniques of data collection and data analysis.

The Second Chapter dealing with a conceptual analysis of rural development, discusses about the real meaning of rural development and importance of the rural areas and rural people in India. This chapter also highlights the history of rural development with a special emphasis to India and nature and objectives of different rural development programmes of the government.
The Third Chapter is devoted to the analysis of the importance of banking system and its origin and evolution in India. Different strategies have been discussed through which banks have made systematic efforts towards greater involvement in rural development. Special attention has been made to study the involvement of nationalised banks in different rural development programmes in the district of Bokaro focusing on the deployment of credit by such banks on different government sponsored schemes meant for the rural poor.

The Fourth Chapter is concerned with the study of the profile of the area under the survey. Here the author has attempted to show the geographical location, historical background, economy and demography of Bihar with special focus on the district of Bokaro with the sample block, which has been selected for the microanalysis. The operation of the nationalised banks and rural development programmes within the study area have also been highlighted.

A study on the various perceptions of the bank officials working in the study area regarding the involvement of bank in promoting rural development, forms the theme of the Fifth Chapter. Here the scholar has studied the opinions of the bank officials by a questionnaire consisting of all important factors attached to the problem. The outcomes of the data analysis were taken to the chapter-VII for the final analysis of the hypothesis.

The Sixth Chapter handled the various perception of the beneficiaries in regard to the role of banks in village development. Here also, their views were collected through the circulation of questionnaires as it was done in case of the bank officials. For the purpose of analysis, the common questions were selected which were put both to the officials and the beneficiaries to get a comparative picture. The major queries were concerned to the analysis of issues relating to
identification of beneficiaries, institutional linkages, socio-economic development of the beneficiaries and people’s participation in the development programmes. The resultant outcome of the field study in this respect has been shifted to the next chapter for final analysis of the relative hypothesis.

The conclusions for the study are presented in chapter VII. It also contains some suggestions emanating from the study for removing the shortcomings on the way of rural development and achieving greater success in rural progress through the nationalised banks.

In course of analytical study of the subject, the scholar has encountered several problems, namely absence of an established information centre on bank sponsored rural development programmes, absence of systematic records and data on the subject in different government and bank offices, disparity in the year wise data documentation between the government offices and the banks and non-availability of required data relating to the nationalised banks.

Despite the above limitations, the scholar has made an humble attempt to study on the nationalised banks and village development in Bokaro district.

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