PREFACE

The main thrust of a developing country, caught in the vicious circle of poverty and suffering from capital deficiency is to promote capital formation in the country and make investment in the desired sectors of the economy, Banks, being an important instrument of both mobilisation and channelization of savings, are expected to play a very significant role in the process of economic development.

The Syndicate Bank followed a purely commercial attitude even till late sixties in spite of the specific role assigned to them under the Five Year Plans and preferred to patronize big business houses who were able to offer adequate securities and whose business was perceived to be more profitable. As a result, the concepts of socialization of banks were introduced by the Government in 1967. When the Government could not mould the ways of Syndicate Bank even after socialization, since the nationalisation of the major Commercial Banks in 1969, banks have been asked to make deliberate attempt for accelerating rural development through their instrumentality of credit to the various sectors of the rural areas. Meerut is an important District of U.P., has maximum density of population and greater part of its
population is involved in agricultural activities but even today there is a lack of banking facilities in the rural areas and the villages are unable to get adequate loan facilities at reasonable terms and conditions.

It is in this context that the present study is aimed A Study Of Rural Finance In Meerut District With Special Reference To Syndicate Bank”. The present study assessed of rural finance in Meerut district with special reference to Syndicate Bank. The research project has examined the effectiveness and operational efficiency of this bank. The present study has also examined the Government policy with regard to the development of the rural economy in Meerut District.

150 beneficiaries have been selected as the sample beneficiaries for the study in which 30 are small farmers, 20 are marginal farmers, 50 are in landless labourers and 50 are in other than agriculture sector.

It has been found that all the farmers do not need the financial assistance. Some of them have their own resources. Some of them are too small to make a gainful borrowing and a large number of farmers do not or can not use optimum input. So they require the credit facility from the banks. It is not easy to work out the total requirement of rural finance in the district. One
can always make a rough but reasonable estimate to find out. In this district the Lead Bank, Syndicate Bank, has estimated that normally 50 percent of the credit requirement is worked out on the basis of cost of inputs.

The whole study has been divided into nine chapters. Chapter 1 presents introduction while chapter 2 deals with the Profile of the Research Area. Chapter 3 includes Syndicate Bank and agriculture and allied activities; chapter 4 is devoted to Syndicate Bank & non-agriculture advances. In Chapter 5 rural development programmes have been discussed, chapter 6 includes Syndicate Bank finance and its impacts on rural economy. In Chapter 7 problems & constraints of Syndicate Bank financing in rural sector has been examined. Chapter 8 deals the determination of rural development. The last chapter contains the conclusions and suggestions.
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