PREFACE

The development of a country depends on lot of factors. Reduction of poverty and unemployment are the basic objectives of development planning in India. Poverty and unemployment are inseparable. Higher the level of unemployment, more likely is the presence of poverty and vice-versa. Credit is a very important factor of economic development. To meet the challenges of development in our country, many programmes has been implementing by the Government of India. It may be recalled that the main objective of establishing Regional Rural Banks (RRBs) and State Co-operative Banks (SCBs) were to serve the rural people by making available credit for their problems over time. National Bank for Agriculture and Rural Development (NABARD), which is an Apex Development Bank in the country for supporting and promoting agriculture and Rural development. The RRBs and SCBs are also the eligible institutions for refinance from NABARD. In continuation, the RRBs and SCBs take a great role for the development of rural society by seeking refinance from NABARD from time to time.

Agriculture is the predominant sector in our rural areas. Although, village industries like handlooms and other services contribute for the rural economy, their prosperity also depends on the prosperity of agriculture directly or indirectly. The credits needed by the farmers are
assisted by the landlords/money lenders during the past decades. Today, it is mainly in the context of RRBs and SCBs to flow credit to these rural people. Due to the development in information technology, Electronic-Agricultural Weather (e – Weather) is also forecasted. Farmers can get their crops and animals insured with Electronic-Commerce (e – Commerce) enable agribusiness companies on a good interest rate. Farmers can take loans from such companies on a reasonable interest rate avoiding the village money-lender and other such traps. But all these facilities are not available to all the farmers in our country. In this process, the viability and active growth of RRBs and SCBs is very important and become an issue. The development of rural people is mainly based on the agricultural activities and consequently the flow of credit from such financial institutions. So, it is a must to study about these financial institutions in order to help the farmers to develop our country.