India is predominantly an agricultural country and its rural population engaged therein. According to the census of 1991 the total population of India was 84.7 crores. 75 per cent of total population were living in the villages while only 25 per cent of total population were living in cities and other urban areas. Agriculture is the backbone of India's economy, agriculture and allied activities provides direct employment to 75 per cent of working people in the country. Agriculture is the first culture and banking is the first organized commercial service ever invented by the man for the betterment and welfare of humanity on the earth. National economy of any country depends upon Financial Institutions which play a very important role. These institutions are very helpful for the development of Industry, Commerce, Trade and Agriculture in modern period. Keeping this fact in view the Indian Government has taken keen interest in developing institutional infrastructure for providing finance to various sectors of economic activities. But soon it was realised that inspite of the fast expansion of these institutional credit agencies i.e., co-operatives and commercial banks in the country, a large segment of rural population consisting of small/marginal farmers, agricultural labourers, rural artisans, small entrepreneurs etc; were not availing the
facilities of these institutions and were dependent upon money lenders for borrowing both for productive and consumption purposes who exploited them by charging exorbitant rates of interest.

Banking institutions are very helpful in creating such an atmosphere in the areas where the money lenders exploited the villagers by charging high rates of interest. And therefore, it is conclusively said that development follows the bank. It was in conformity of this theory alone that bank branches were opened all over the country to save the rural people exploitation as well as to assess the rural credit requirements, regional Rurak Banks came into existence in 1975 with a view to provide financial assistance to the neglected section of the rural economy.

The Regional Rural Banks were set up in the areas where commercial and cooperative banking facilities have been lacking. RRBs improving the flow of credit to the rural sector of the economy. These banks provide finance to meet the short and medium term finance needs of the weaker sections, small and marginal farmers, landless labourers, village artisans, trade and businessmen in the rural areas, specially the agricultural sector have assumed the increased importance in the country in recent years. As 75 per cent of the total population live in the rural areas and they contribute about 45 per cent of the total National Income by Agricultural production. Therefore,
economic development and progress of the country really means reconstruction and resurgence of the rural economy of the country. Regional Rural Banks (RRBs) play very important role in the construction and development of rural economy in particular and the whole country in general. Regional growth is the main purpose of all of the economic development programmes. The present study is restricted to Agra region only and was promoted to undertake a research project on "An Evaluation of the performance of RRBs in the rural development of Agra region," for Ph.D in the faculty of Commerce, Aligarh Muslim University, Aligarh.

**Aims and Objectives of the Study:**

The present study is conducted with a view to evaluate the working of RRBs in Agra region. The main objective of the study is to identify and analyse the rate of operational efficiency, its volume, problems, underlying operational efficiency and advancing suggestions to better course. In the light of needs of rural sector and the goals of RRBs, the objectives of the study are as follows:

1. To highlight the rural economy of India.
2. To highlight and examine the growth and progress of RRBs in the country as well as Agra Region.
3. To examine the Management and Organisational structure of RRBs.
4. To examine the financial structure of RRBs of the Region.
5. To evaluate the role of RRBs in rural development of Agra Region.
6. To evaluate the advances made and recovery of loans of RRBs of the Region.
7. To review credit disbursement by RRBs in rural development of Agra Region.
8. To identify the problems faced by the RRBs of Agra Region and to suggest some remedial measures to overcome these problems.

Methodology:

The methodology of research is simple and based upon primary as well as secondary data. The primary data has been collected through personal interviews, with senior officials of the respective banks of the region and also an intensive study of concerning RRBs was conducted through direct personal investigation with the help of questionnaire.

The secondary data has been collected from statistical bulletin published by various organisations, journals, periodicals, newspapers, annual reports of the respective banks, annual credit plans from the lead banks in the respective district, annual report of NABARD, RBI Bulletin and all the publications and reports published by
RRBs annually. The use of the Maulana Azad Library, A.M.U., Aligarh, and the use of Seminar Library, Department of Commerce, A.M.U., Aligarh has also been made.

Plan of Chapterisation:

The entire study has been divided into nine chapters.

First chapter is an overview of rural economy of India. The importance of rural economy of the nation has been discussed in this chapter.

Second chapter entitled growth and development of RRBs which includes the progress and performance of RRBs in India.

Third chapter deals with the evolution and growth of RRBs in Agra Region which includes the progress and performance of these banks in the region.

Fourth chapter highlights the management and organisational structure of RRBs.

Fifth chapter deals with the financial resources of RRBs and borrowing position from other banking companies Agents, in Agra Region.

Sixth chapter presents, analysis of financial statement of RRBs of the region and their Profit & Loss Accounts and Balance Sheet performance have been discussed in it.
Seventh chapter discusses the credit disbursement of RRBs in rural development of Agra Region. In this chapter the need and importance of credit deployment and the performance of loan provided by RRBs to various section of the society, like agriculture sector, and the recovery of the loans performance have also been discussed.

Eighth chapter has been devoted to the problems and prospects. This chapter deals with various problem faced by RRBs in day-to-day working regarding accepting deposits and deploying credit. Chapter also works out various deploying operational problems effecting the operational efficiency.

The ninth and the final chapter contains summary of the findings, conclusions and suggestions so as to provide suitable guidelines for the future success of the Regional Rural Banks in the region as well as in India.