P R E F A C E

Co-operative land development banking has gathered a new momentum in recent years and gained importance as a crucial factor in agricultural development in India. Particularly Gujarat is one of the leading states in the sphere of land development banking in India. The rapid progress of the movement in the recent years has, however, posed several organisational, managerial and operational problems. Nevertheless, the problems and performance of the land development banks have not received adequate attention by the researchers. Our present study is a humble attempt at throwing some light on land development banking in the Gujarat State.

The main objectives of the study are as under:

(i) to trace the origin and development of co-operative land development banking in Gujarat;

(ii) to examine the organisational and managerial aspects of the Gujarat State Co-operative Land Development Bank, with special focus on the problem of viability of its branches;

(iii) to assess the growth of working capital of the Bank and analyse the components of the working capital;
(iv) to make a quantitative and qualitative appraisal of credit advanced by the Bank;

(v) to measure the growth of Bank's credit in various districts of the State; to make inter-district comparison of credit levels and to identify the factors affecting growth of credit;

(vi) to assess the share of small and marginal farmers in the total credit advanced by the Bank; and

(vii) to examine the relative levels of Bank's credit prevailing in the agriculturally backward areas of the State.

The thesis is based on the available published data and literature and on firsthand information and data specially collected by the personal visits to the Head Office at Ahmedabad and the district offices and the branches of the Gujarat State Co-operative Land Development Bank. Moreover, data were also collected from the Bureau of Economics and Statistics, Gujarat State and the Directorate of Agriculture, Gujarat State, both located at Ahmedabad. Published data is mainly taken from the Statistical Statements relating to the Co-operative Movement, published by the Reserve Bank of India, Annual Reports of the Gujarat State Co-operative Land Development Bank, Census Reports, Socio-Economic Reviews of Gujarat.
State and the Five Year Plans of Gujarat State. Besides these main sources several other books, reports and records have been used for collecting relevant information and data, for which due acknowledgement is made in the thesis. The present study covers the whole period from the inception of the Bank under reference and the formation of Gujarat State. The period under reference is 1960-61 to 1972-73. In some places the analysis is extended to 1973-74.

With a view to giving a comprehensive idea of the line of approach followed in our study an outline of the chapter scheme is given hereunder:

The first chapter presents a brief description of the rural economy of Gujarat State. It provides a suitable background to the forthcoming analysis.

The second chapter traces the origin of co-operative land development banking in Gujarat so as to present the study in proper historical perspective. The trend in the growth of membership and coverage of the cultivators by the movement in the state are also examined.

The third chapter examines the organisational and managerial set-up of the Gujarat State Co-operative Land Development Bank. The focus of analysis is on the problem of viability of the branches of the Bank.
The fourth chapter is devoted to resource analysis. The trend in the growth of working capital of the Bank is examined for the period under reference. Moreover, an assessment of the contribution of the various sources of funds is made with special reference to 'debentures'.

The fifth chapter briefly reviews the lending policy of the Bank and undertakes a comprehensive analysis of the growth in credit advanced by the Bank. The growth in the Bank's credit is also related to the increase in other factors of agricultural production viz. 'land' and 'labour' in the state. This is followed by a relative assessment of the performance of the land development banking movement in the Gujarat State and other states of India. Thenafter, purposewise distribution of credit is examined with a view to assessing the share of the Bank in the creation of farm assets in Gujarat. Lastly, the recovery performance of the Bank is assessed.

The sixth chapter is devoted to the district level analysis of credit. The growth in credit provided by the Bank is measured for each district, over the period under reference. Thenafter, inter-district comparison of credit levels is attempted at a point of time. Lastly, an attempt has been made to identify the factors influencing the credit distribution.
The seventh chapter examines the performance of the Bank in providing credit to the small farmers and agriculturally backward areas in the state.

The last chapter presents our general observations relating to land development banking in Gujarat by way of retrospect and prospect.

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