PREFACE

In India, the money market is characterised by the existence of both the unorganised sector comprising the money-lenders, indigenous bankers etc. and the organised sector comprising commercial banks in public and private sectors, Co-operative banks, Regional Rural Banks and a variety of specialised institutions to cater to the specific needs of industry and agriculture specially. After the nationalisation of major commercial banks, the volume of credit extended by banking institutions have increased manifold. A radical change in the growth of commercial banks in Assam was noticed during the post-nationalisation period. Commercial banks functioning in Assam, have made rapid strides in respect of deposit mobilisation and deployment of credit to various sectors such as agriculture, industry, small business and self employed persons etc.

The present work is an attempt to highlight the recovery position of credit extended by banks. Efforts have been made to analyse the factors responsible for poor recovery of bank loans, thereby increasing the overdues, which adversely affected the profitability of the banks.

The recovery position of bank credit is not at all satisfactory, as compared to the volume of credit extended by them (banks). The profitability of the banks is adversely affected due to poor recovery of credits given to the borrowers. With the increasing volume of Non-perming assets (NPAs) due to non-recovery of banks credit, the profitability position of banks has further worsened.
To assess the recovery position of the selected blocks of Kamrup district, data/information were collected from various borrowers of commercial banks functioning in the blocks. The study was undertaken not merely to ascertain the recovery percentage of the bank credit, but also to understand the reasons for poor recovery.

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