Regional Rural Bank (RRB) is an important component of rural financial system of India. These institutions were an innovation in providing banking services to rural people in general and rural poor in particular. The journey of Regional Rural Banks in India was started in the year 1975 and Regional Rural Banks have become integral part of the rural banking system of the country and have been playing a commendable role in providing credit and banking services in rural areas by opening a wide network of branches in different states of the country.

In the era of reforms, when inter-bank competition is intensifying, there is a greater need for constructive thinking and discussion on management of deposit and credit by Regional Rural Banks. It becomes extremely important in the new environment to re-emphasise the role of Regional Rural Banks as the mobiliser of deposit and provider of credit so that more innovative and customer friendly schemes get evolved in order to cater to the requirements of varied categories of customers belonging to rural areas as well as semi-urban areas of a specific region.

The researcher has selected Cachar Gramin Bank for undertaking a case study on management of deposit and credit by Regional Rural Banks in India. The acceptance of deposit and providing of credit are the two primary and traditional functions of any bank. So, the present study is concentrated on these two dimensions.
The present study analysed the performance and problems of Cachar Gramin Bank in the field of deposit mobilisation and credit deployment including problems of overdues from 1990-91 to 2003-2004 covering a period of fourteen (14) years. The study not only analysed the trend of deposit and credit of Cachar Gramin Bank over the years but also the growth rate of deposit and credit of Cachar Gramin Bank is compared with all Regional Rural Banks of India as well as Assam. Further, through field survey responses of customers and employees of Cachar Gramin Bank are procured and analysed to assess the various factors affecting deposit mobilisation, credit deployment and problems of overdues.

It may be mentioned here that although various studies on Regional Rural Banks have been carried out in other parts of the country as well as Assam, not a single study has so far been undertaken on the performance of Regional Rural Bank in Barak Valley of Assam on these two dimensions. Hence, it is expected that the findings of the present study would serve as a pioneering work in exploring ways and means for efficient management of deposit and credit by the branches of Regional Rural Bank operating in the three districts of Barak Valley of Assam.

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