



## THE WORKING AND EVALUATION OF RURAL LOAN PLANS BY NATIONAL BANK IN RAIPUR DIVISION

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**ABSTRACT** The root reason behind any research is extraction of the knowledge. In peculiarity, the research seeks the enhancement of the welfare programme. In this verge of the paper performs an evaluation of the planning of loan scheme for rural people in nationalized banking system. This research specifically carried out for the Raipur Division in context with district Durg. The paper suggest the development of rural area with those loan schemes and in all the aspects of the government and society to reach a command conclusion. The national banking system plays an important role in this evaluation for the economic and social development.

**KEYWORDS :** Rural loan plan, economic, nationalizes banking system.

### INTRODUCTION

The main goal behind any research work is to enhance the knowledge or to find an unknown aspect. The paper here deal with the working and evaluation of rural loan plans by national banking systems. The study carried in Raipur Division specifically in context with the Durg district. The key goals of research are as follows:

- To study the contribution of nationalized banking system for various rural loan plans implemented in district.
- To study the nature of loan earning and there role in promotion of loans provided by nationalized banking system.
- To find the role of nationalized banking system in national, economic, and social growth in the intended district.
- To find the contribution of nationalized banking system in uplift of land less, farming labor and underprivileged in society.

### PREPROCESSING

The research methodology sources is classified in two category:

1. Based on nature
2. Based on rationality

#### 1. Based on nature:

Again classified in two category:

- **Quantitative data:** In which facts organized as numerical values involving several calculative aspects.
- **Qualitative data:** facts are deducted from analysis based on the characteristics of the data.

#### 2. Based on rationality:

Classified in two category:

- **Primary sources:** The researcher himself goes to the site and intact interaction with the resource, and acquires the raw facts. For any kind of research the raw facts is the root source.
- **Secondary sources:** The facts acquired from already published or not published sources, viz. journals, reports, statistical manuscripts, etc.

### RURAL LOANS PROVIDED BY BANKS

The growth of any rural plain is based on agriculture indeed the growth of agriculture will become feasible only when all the resources are utilized for maximum quality production. For this purpose the rural people need finances from cutting crop to taking them to market and gaining profit from it. Thus the banking systems had been developed to fulfill these need of farmers. Which provides the loan not only for production but also for basic requirements of cultivation and other:

**1. Agriculture loan:** loan related to the farming work is an agriculture loan. It is classified in two categories:

- Loan for production:
  - For cultivating crops in the land
  - For purchasing farming tools
  - For enhancing irrigation
  - For enhancing farming infrastructure
  - For storage
  - For production and processing of the seeds
  - For gardening, dairy, fisheries farms, piggery farm, poultry farms.
  - For distribution of compost, herbicides, pesticides etc.

- Loan for unproductive:
  - For utensils and clothing.
  - For medicines, education and other household expenses.
  - For lodging.
  - For buying and constructing home.
  - For mrityubhoj, marriage, celebration of new born.
  - For tax paying when crop sink.
  - For buying jewelry.
  - For paying previous loans and for litigations.

**2. Non agriculture loan:** Loans other than agriculture for rural people:

- **Retail business:** various consumer requirement, for social events.
- **Small business:** that business whose equipment's expanse is not more than 10 lacs. Viz. house boot, tourisms, acquisition construction and renovation etc.
- **Small industry:** those entities, which are reconstructing and experimenting the resources. The basic expanse of such industry 1 crore rupees viz. laundry, photocopy, storing and repairing of consumer goods.
- **Educational loan:** Different educational courses chosen by people the bank provides loan accordingly. For courses in India upto 7.50 lacs and for overseas courses upto 15 lacs amount loan is provided by the bank.
- **Home loan:**
  - Direct finance: Upto 5 lacs rupees loan for building house and 1 lacs rupees for renovation of old house.
  - Indirect loan: upto 3 lacs rupees loan are provided to the government agencies for constructing new houses or resettling slums.

### CASE STUDY- NEED OF RURAL LOAN AND INSTITUTIONALSOURCES

The financial need of Indian farmer if classified in three category:

1. Loans, which are required for small span of 15 months for cultivation and household need. Usually are paid after cutting the crops.
2. Loans, which are required for medium span of 15 months to 5 years, for repairing land, buying cattle and agriculture tools.
3. Loans, which are required for long run and is for duration of more than 5 years, for buying extra land, permanent reconstruction of land, paying previous loans and heavy agriculture machinery.

Following table no. 1 represents the percentage distribution of loan fulling various goals of all families.

**TABLE-1**  
**THE PERCENTAGE DISTRIBUTION OF LOANS FOR VARIOUS GOALS OF ALL FAMILIES**

S no.	Goals	Percentage of loan		
		1982	2002	2012
1.	work related to farm	60.1	41.0	48.6
2.	Non-farm work	9.1	12.0	8.33

<b>A. Total production goal</b>	69.2	53.0	57.55
3. Family expenses	22.3	35.0	33.9
4. Others	8.5	12.0	10.12
<b>B. Total non-productive goals</b>	30.8	47.0	58.5
<b>All goals A, B</b>	100.0	100.0	100.0

Source: national survey sample

Following figure show the pie chart of the distribution.

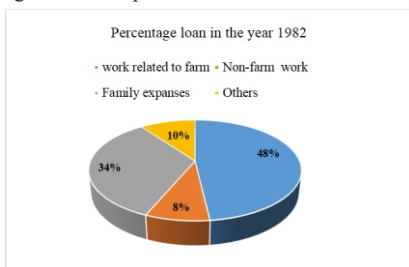


Fig 1. Percentage loan in the year 1982

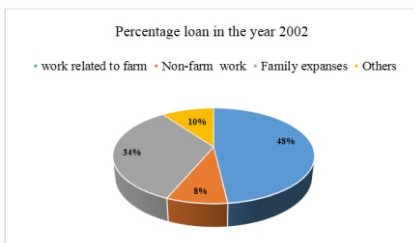


Fig 2. Percentage loan in the year 2002

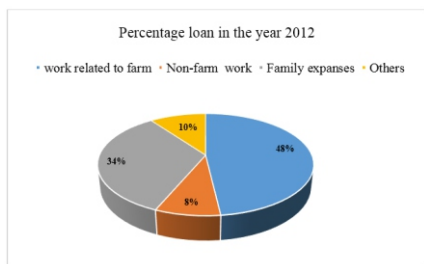


Fig 3. Percentage loan in the year 2012

**CONCLUSION**

From the above pie charts we can observe the goal of production was 69.2 %in the year of 1982 has deprecated in 2002 to 53 % and again elevated to 57.55 in the year of 2012. In contrast to this the non-productive goal is continuously increasing from 1982 to 2012 i.e. it was 30.8 % in the year of 1982 has reached to 58.5% in 2012. The research proposes the continuous requirements of the agriculture finance for the growth of production, for the growth of rural people.

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