
International Multidisciplinary Research Journal

Golden Research Thoughts

Chief Editor
Dr.Tukaram Narayan Shinde

Publisher
Mrs.Laxmi Ashok Yakkaldevi

Associate Editor
Dr.Rajani Dalvi

Honorary
Mr.Ashok Yakkaldevi

Welcome to GRT

RNI MAHMUL/2011/38595

ISSN No.2231-5063

Golden Research Thoughts Journal is a multidisciplinary research journal, published monthly in English, Hindi & Marathi Language. All research papers submitted to the journal will be double - blind peer reviewed referred by members of the editorial board. Readers will include investigator in universities, research institutes government and industry with research interest in the general subjects.

International Advisory Board

Flávio de São Pedro Filho Federal University of Rondonia, Brazil	Mohammad Hailat Dept. of Mathematical Sciences, University of South Carolina Aiken	Hasan Baktir English Language and Literature Department, Kayseri
Kamani Perera Regional Center For Strategic Studies, Sri Lanka	Abdullah Sabbagh Engineering Studies, Sydney	Ghayoor Abbas Chotana Dept of Chemistry, Lahore University of Management Sciences[PK]
Janaki Sinnasamy Librarian, University of Malaya	Ecaterina Patrascu Spiru Haret University, Bucharest	Anna Maria Constantinovici AL. I. Cuza University, Romania
Romona Mihaila Spiru Haret University, Romania	Loredana Bosca Spiru Haret University, Romania	Ilie Pinteau, Spiru Haret University, Romania
Delia Serbescu Spiru Haret University, Bucharest, Romania	Fabricio Moraes de Almeida Federal University of Rondonia, Brazil	Xiaohua Yang PhD, USA
Anurag Misra DBS College, Kanpur	George - Calin SERITAN Faculty of Philosophy and Socio-Political Sciences Al. I. Cuza University, IasiMore
Titus PopPhD, Partium Christian University, Oradea, Romania		

Editorial Board

Pratap Vyamktrao Naikwade ASP College Devrukh, Ratnagiri, MS India	Iresh Swami Ex - VC. Solapur University, Solapur	Rajendra Shendge Director, B.C.U.D. Solapur University, Solapur
R. R. Patil Head Geology Department Solapur University, Solapur	N.S. Dhaygude Ex. Prin. Dayanand College, Solapur	R. R. Yaliker Director Management Institute, Solapur
Rama Bhosale Prin. and Jt. Director Higher Education, Panvel	Narendra Kadu Jt. Director Higher Education, Pune	Umesh Rajderkar Head Humanities & Social Science YCMOU, Nashik
Salve R. N. Department of Sociology, Shivaji University, Kolhapur	K. M. Bhandarkar Praful Patel College of Education, Gondia	S. R. Pandya Head Education Dept. Mumbai University, Mumbai
Govind P. Shinde Bharati Vidyapeeth School of Distance Education Center, Navi Mumbai	G. P. Patankar S. D. M. Degree College, Honavar, Karnataka	Alka Darshan Shrivastava Shaskiya Snatkottar Mahavidyalaya, Dhar
Chakane Sanjay Dnyaneshwar Arts, Science & Commerce College, Indapur, Pune	Maj. S. Bakhtiar Choudhary Director, Hyderabad AP India.	Rahul Shriram Sudke Devi Ahilya Vishwavidyalaya, Indore
Awadhesh Kumar Shirotriya Secretary, Play India Play, Meerut (U.P.)	S. Parvathi Devi Ph.D.-University of Allahabad	S.KANNAN Annamalai University, TN
	Sonal Singh, Vikram University, Ujjain	Satish Kumar Kalhotra Maulana Azad National Urdu University

Address:- Ashok Yakkaldevi 258/34, Raviwar Peth, Solapur - 413 005 Maharashtra, India
Cell : 9595 359 435, Ph No: 02172372010 Email: ayisrj@yahoo.in Website: www.aygrt.isrj.org

LEAD BANK SCHEME: ROLE OF BANK OF MAHARASHTRA



Jitendra Bhalerao

Ph.D. Research Scholar in Faculty of Commerce of Dr. Babasaheb Ambedkar Marathwada University, Aurangabad.



ABSTRACT:

Lead bank works as a consortium leader in the priority sector in invoking Co-operations of other banks and develop agencies for the overall development of the area. Lead bank does not have the monopoly of banking business in the lead districts nor is responsible for its development. According to Reserve bank of India lead bank scheme, some specific area is allotted for working to every lead bank. Bank of Maharashtra Bank is successful in achieving the targets under Annual Credit Plan with achievement under various sub sectoral targets. There were total 478 bank branches in selected districts. Highest number of branches in Pune districts with 191 branches; followed by Nashik 85 branches, Thane 76 branches, Satara 61 branches, Aurangabad 44 branches and Jalna 21 branches.

KEYWORDS

Lead bank works , Co-operations , Lead Bank Scheme (LBS) , economic development.

Article Indexed in :

DOAJ
BASE

Google Scholar
EBSCO

DRJI
Open J-Gate

INTRODUCTION:

Lead Bank Scheme (LBS) was evolved as a framework to be more responsive to the needs of the rural economy. The objectives of the scheme cannot be achieved unless rural lending is properly tied to well design programmers of development. This calls for effective co-operation and co-ordination not only between credit institutions but also between the credit institutions on the one hand and the concerned Government and other development agencies on the other. Appropriate forums had to be created where these two agencies can meet periodically to discuss operational issues arising from the implementation of scheme evolved by both Government and the Banks. The primary responsibility of the lead banks is to identify the unbanked centers and take measures for opening branches to reduce the regional imbalances in the banking facilities. They have to prepare district credit plans, consisting of technically feasible and economically viable schemes for the development of the districts. It acts as a link between banking and other developmental activities in the country. It is clear that the Lead Bank has a greater impact on the country's economic development. The scheme has been made successful in providing credit to the weaker sections of the society and promoting coordination among different agencies for the development of the country. Bank Bank is successful in achieving the targets under Annual Credit Plan with achievement under various sub sectoral targets.

LEAD BANK SCHEME:

In October 1968, the national credit council constituted a study group to suggest organizational framework for implementation of social objectives. After nationalization of banks, Reserve Bank of India constituted another committee of bankers for examine the recommendations and this committee endorsed the area approach and allocation of districts to certain banks and each district to have a lead bank. Reserve bank of India came out with a lead bank scheme in 1969. The main objective of scheme is to reduce the credit gaps and provide adequate banking facilities through area approach. In 1969, Reserve Bank of India declared Bank of Maharashtra as a lead bank among all government Banks. Lead bank works as a consortium leader in the priority sector in invoking Co-operations of other banks and develop agencies for the overall development of the area. Lead bank does not have the monopoly of banking business in the lead districts nor is responsible for its development. According to Reserve bank of India lead bank scheme, some specific area is allotted for working to every lead bank.

Bank Branch Expansion under Lead Bank Scheme:

In the initial years of the LBS, branch expansion in unbanked / under banked areas and credit planning was pursued vigorously but over the years there was a significant slowdown in the process with the result that the total number of rural and semi urban branches in the country has remained almost stagnant since 2001.

Article Indexed in :

DOAJ	Google Scholar	DRJI
BASE	EBSCO	Open J-Gate

Table No. 01:
Branch expansion of scheduled commercial banks:

Year	No. of rural branches	No. of semi urban branches	Total
1969	1833	3342	5175
1991	35206	11344	46550
2001	32562	14597	47159
2005	32082	15403	47485
2007	30551	16361	46912

Source: Basic Statistics, RBI Report.

Lead Bank Scheme:

In October 1968, the national credit council constituted a study group to suggest organizational framework for implementation of social objectives. After nationalization of banks, Reserve Bank of India constituted another committee of bankers for examine the recommendations and this committee endorsed the area approach and allocation of districts to certain banks and each district to have a lead bank. Reserve bank of India came out with a lead bank scheme in 1969. The main objective of scheme is to reduce the credit gaps and provide adequate banking facilities through area approach. In 1969, Reserve Bank of India declared Bank of Maharashtra as a lead bank among all government Banks.⁵ Lead bank works as a consortium leader in the priority sector in invoking Co-operations of other banks and develop agencies for the overall development of the area. Lead bank does not have the monopoly of banking business in the lead districts nor is responsible for its development. According to Reserve bank of India lead bank scheme, some specific area is allotted for working to every lead bank.

Bank Branch Expansion under Lead Bank Scheme:

In the initial years of the LBS, branch expansion in unbanked / under banked areas and credit planning was pursued vigorously but over the years there was a significant slowdown in the process with the result that the total number of rural and semi urban branches in the country has remained almost stagnant since 2001.

Table No. 02:
Branches of Bank of Maharashtra in Selected Districts of Maharashtra.

1	Aurangabad	44
2	Jalna	21
3	Nashik	85
4	Pune	191
5	Satara	61
6	Thane	76
	Total:	478

The above Table shows the data about branches of Bank of Maharashtra in selected districts of Maharashtra. The facts known from the above table that there were total 478 bank branches in selected districts. Highest number of branches in Pune districts with 191 branches; followed by Nashik 85 branches, Thane 76 branches, Satara 61 branches, Aurangabad 44 branches and Jalna 21 branches.

CONCLUSIONS:

Lead bank works as a consortium leader in the priority sector in invoking Co-operations of other banks and develop agencies for the overall development of the area. Lead bank does not have the monopoly of banking business in the lead districts nor is responsible for its development. According to Reserve bank of India lead bank scheme, some specific area is allotted for working to every lead bank. Bank of Maharashtra has Lead Bank responsibility in six districts of Maharashtra State viz. Aurangabad, Jalna, Nasik, Pune, Satara and Thane. Every year Bank is successful in achieving the targets under Annual Credit Plan with achievement under various sub sectoral targets. There were total 478 bank branches in selected districts. Highest number of branches in Pune districts with 191 branches; followed by Nashik 85 branches, Thane 76 branches, Satara 61 branches, Aurangabad 44 branches and Jalna 21 branches.

REFERENCES:

1. Basant Mehata (1989) - The organisation and working of lead bank scheme in India - Vohra Publishers & Distributors , Allahabad.
2. Debendra Kumar Das (2010) – Rural Sector and Development – Deep & Deep Publications, New Delhi.
3. Jagan V. (2015) Regional Rural Banks (RRBs) – ABH Publishing House, New Delhi.
4. Report of the Committee on Credit Related Issues Under SGSY - Department of Rural Development Ministry of Rural Development Government of India, February 2009.
5. Singh, Awadh Bihari Prasad (2007) - Lead Bank Scheme with Special Reference to North Bihar - Capital Publishing House, Delhi.

Publish Research Article

International Level Multidisciplinary Research Journal For All Subjects

Dear Sir/Mam,

We invite unpublished Research Paper, Summary of Research Project, Theses, Books and Book Review for publication, you will be pleased to know that our journals are

Associated and Indexed, India

- ★ International Scientific Journal Consortium
- ★ OPEN J-GATE

Associated and Indexed, USA

- ★ EBSCO
- ★ Index Copernicus
- ★ Publication Index
- ★ Academic Journal Database
- ★ Contemporary Research Index
- ★ Academic Paper Database
- ★ Digital Journals Database
- ★ Current Index to Scholarly Journals
- ★ Elite Scientific Journal Archive
- ★ Directory Of Academic Resources
- ★ Scholar Journal Index
- ★ Recent Science Index
- ★ Scientific Resources Database
- ★ Directory Of Research Journal Indexing

Golden Research Thoughts
258/34 Raviwar Peth Solapur-413005, Maharashtra
Contact-9595359435
E-Mail-ayisrj@yahoo.in/ayisrj2011@gmail.com
Website : www.aygrt.isrj.org