

Two Days National Seminar

on

Rural Credit and Financial Penetration in Punjab On March 21-22, 2016

Important Dates

Submission of Abstract up to 300 words (at rbi.crrid@gmail.com)	January 25, 2016
Submission of final paper by (at rbi.crrid@gmail.com)	February 29, 2016
Workshop Dates	March 21-22, 2016



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Two Days National Seminar on 'Rural Credit and Financial Penetration in Punjab'

Concept Note

A two days national seminar will be organized to deliberate on the conclusions and suggestions brought out in the book entitled 'Rural Credit and Financial penetration in Punjab' which was published by the CRRID, Chandigarh in February 2015. The book has been well received in the academic, banking, as well as policy making circles, and has been given wide coverage in the print media. (See Links):

<http://timesofindia.indiatimes.com/city/chandigarh/Burden-of-private-loans-on-poor-rural-households-up-6-in-Punjab-CRRID/articleshow/42205904.cms>

<http://timesofindia.indiatimes.com/city/chandigarh/Average-debt-of-rural-households-up-by-Rs-1-57-lakh-in-5-years/articleshow/46535287.cms>

<http://epaper.indianexpress.com/c/5649502>

<http://www.deccanherald.com/content/488903/rural-india-not-shining.html#>

<http://www.tribuneindia.com/news/spectrum/books/when-debt-outlives-the-debtor/149613.html>

<http://www.tribuneindia.com/news/comment/act-fast-to-rescue-the-cultivators-from-debt-trap/150798.html>

Though the book concentrates on a number of issues relating to the flow of institutional and non-institutional loans, but the central point of discussion in the seminar will be:

'Why is it so that, despite all out efforts by the banks, apex banking institutions and the government, the moneylender (Arhtiya) in Punjab continues to be a dominant source of loans in rural areas? More interestingly, their share in outstanding rural cash debt in the decade of the nineties has increased tremendously and remained almost stable during the first decade of the new millennium. Has the moneylender (Arhtiya), because merely of its century old characteristics of ease and round the clock availability of loans, and flexibility and secrecy of dealings, over the years, has succeeded in gaining further penetration into the rural credit market; or certain such institutional arrangements in Punjab, e.g. APMC Act, have been formalized that have resulted into facilitating further their money lending operations. In the later case, how far is the possibility and viability of the suggestion that marketing/producer cooperatives should be encouraged as the

competitor of the moneylender (Arhtiya) to mediate in the sale of foodgrains to public and private procurement agencies?’

It is to deliberate on these and related issues (and the suggestions) that we invite original articles based on primary and secondary data for discussion in this seminar that we propose to organise at CRRID, Chandigarh on March 21-22, 2016. Articles dwelling on experiences of other states on these issues are also welcomed.

Specific topics slated for discussion in the seminar include:

1. Share of institutional and non-institutional loans in rural areas, borrower and category of the village-wise (banked and unbanked).
2. Institutional and non-institutional loans according to rate of interest and purpose.
3. Barriers in flow of institutional credit in rural areas.
4. Share of institutional and non-institutional sources in rural cash debt.
5. APMC Act and the non-institutional loans.
6. Solutions to increase the share of institutional sources in rural loans.

The detailed suggestions and recommendations enumerated in the seminar will be forwarded to the Reserve Bank of India, NABARD, Ministry of Finance, Ministry of Rural Development, state governments, and other stakeholders for the purpose of supporting and providing background material for decision making process on the policy.

A copy of the book ‘*Rural Credit and Financial Penetration in Punjab*’ for detailed reference will be made available to the participants of the seminar.

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Important Note:

- Topic and abstract of the proposed article/s may please be sent by January 25, 2016 at our email address rbi.crrid@gmail.com
- Up to third AC rail fare will be paid to some selected participants.

Satish Verma
RBI Chair Professor & Coordinator