

26. BANKING

The financial institution in the country plays an important role in exertion of economic development by mobilizing deposits and credit disbursement to various sectors. The progress in the banking sector has help us immensely in our daily activities. The schedule commercial banks in India are categorized into five different groups according to their ownership and nature of operation. These groups are;

- (i) State Bank of India and its associate banks.
- (ii) Nationalised Banks
- (iii) Foreign Banks
- (iv) Regional Rural Banks
- (v) Other schedule commercial Banks.

These institutions plays an important role in banking sectors for stimulating economic growth by strengthening agricultural,

industrial and other self-employment activities. Banks are also credited with designing of social banking policies and programmes, which support vital sectors of the economy as well as aim at poverty alleviation by benefitting members of farmers, artisans, professionals, etc. Commercial banking constitutes the most important functions of banking sector in India. It accepts deposits, advances loans to its needy customer. They also discount bills of exchange and perform a number of subsidiary and general utility functions.

Nagaland does not have the facilities of Reserve Bank of India and do not have the operation of all Nationalised Banks. The district-wise distributions of credits and deposits of schedule Commercial Banks are shown in the Table No. 26.1 and 26.2 respectively.

Table No. 26.1
State Bank of India & Associates

Sl. No.	District	No. of offices	Deposits	Credits
1.	Dimapur	10	925	302
2.	Kiphire	1	30	9
3.	Kohima	9	1465	193
4.	Longleng	1	27	12
5.	Mokokchung	6	137	123
6.	Mon	3	84	55
7.	Peren	2	40	39
8.	Phek	5	65	51
9.	Tuensang	4	52	69
10.	Wokha	5	59	62
11.	Zunheboto	5	85	67
	Total	51	2969	982

(Source: Quarterly Statistics of RBI- March, 2011)

Table No. 26.2
Nationalized Bank

Sl. No.	District	No. of offices	Deposits	Credits
1.	Dimapur	14	866	222
2.	Kiphire	-	-	-
3.	Kohima	6	641	76
4.	Longleng	-	-	-
5.	Mokokchung	3	35	17
6.	Mon	1	7	2
7.	Peren	-	-	-
8.	Phek	-	-	-
9.	Tuensang	-	-	-
10.	Wokha	1	18	5
11.	Zunheboto	-	-	-
	Total	25	1567	322

(Source: Quarterly Statistics of RBI- March, 2011)

Nagaland State Co-operative Bank

State Co-operative Bank is an important institution for credit needs of agriculturists. These banks are federations of District Central Co-operative Bank. They coordinate the activities of Primary Agricultural Co-operative Credit Societies and Central Co-operative Banks. The State

Co-operative Bank also arrange funds for entire credit structure of the state. As per the RBI's quarterly statistical report of March, 2011, State Co-operative Bank in Nagaland has received a total deposits and credits amounting to ₹ 28,111 lakhs and ₹ 6892 lakhs respectively.