

Analysis of Disbursement of Loans and Advances: A Study on Uttarakhand Gramin Bank.

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Abstract

Loans and Advances is a separate section or department in a bank which is given a responsibility to sanction short , medium and long term loans after fulfilling required documentation to willing customers whether individuals or organizations. This section is regarded as a backbone of a bank and contributes a major role in smooth and continuous functioning of the bank. The department is known as a revenue generator for a bank. The main function of a commercial bank is to accept deposits from its customers and lend it to needy persons, individuals or organizations after fulfilling the required documentation and other formalities by borrowers. The deposits are accepted mainly by opening Saving Bank Accounts, Current Bank Accounts Recurring Deposit Accounts and Term Deposit Accounts at some prescribed rate of interest for prescribed time period. The major part of these deposits is lend by bankers to needy individuals and organizations at higher rate of interest. The interest rates charged on loans or given on deposits by banks are depending on the repo rate and regulations of Reserve Bank of India. Loans and advances department or section of a bank helps in generating profits for itself and generates self employment in an economy. It contributes in capital formation and accelerates per capita income of a country. This department is continuously working for formation of strategy in disbursement and recovery of loans and advances for a bank. The present study aims to analyze the development of priority Sector (Agriculture and Industries) in Uttarakhand State on disbursement of Loans and Advances by Uttarakhand Gramin Banks .

Keywords: Disbursement; Loans and Advances; Priority Sector; Uttarakhand Gramin Bank

Introduction:

Banking Sector is regarded as a backbone of every economy for its growth and development in service sector . In India , banking services are provided by Nationalized Banks , Private Banks, Foreign Banks , Co-operatives Banks , Regional Rural Banks and Gramin Banks .

According to the Banking Regulation Act 1949 of India, Banking company means any company which transacts the business of banking . Banking means the accepting , for the purpose of lending or investment , of deposits of money from the public, repayable on demand or otherwise , and withdrawal by cheque , draft ,order or otherwise.

There had been several banking reformation decisions in India after Independence, like nationalization of 14 private banks on July 19, 1969 by Government of India. The Government of India and Reserve Bank of India recommended and implemented two very popular Committees viz. Talwar committee in 1975 and Goiporia Committee under the chairmanship of M.N. Goiporia in 1990 for improvement of customer services by banks. Liberalization in licensing policy of Government of India in 1990 helped in growth and expansion of banking sector in India. Many private banks and branches of nationalized banks were established after this liberalization in licensing policy. A Board Level committee named, Tarapore Committee was established and implemented in 2004 for monitoring Customer

Services in Banks . In the year 2009, Ghosh Committee was formed to recommend introduction of Concurrent Audit of large branches of banks.

Indian Banking Credit Policy of 1967-68 had given more emphasize in financing Priority Sectors, viz. Agriculture and Small Scale Industries. Informal Study Group on Statistics submitted a report comprising of Advances to Priority Sector constituted by Reserve Bank of India in May , 1971. This report mentioned certain guidelines for categorizing priority sector and its scope in February, 1972. There were numerous decisions taken by the Government of India and Reserve Bank of India for reformation of banking sectors and issued guidelines for all categories of banks in India.

Literature Review:

- Deepika Chawla & Jitendra Kumar Sharma(2020)¹ have concluded that Self Help Group Linkage with NABARD plays an important role in growth and development of poor and needy people . This program enables a poor to get an opportunity of getting required amount of loan for commencing any business or other commercial activities . It is very much clear that the program has been generating employment and professional opportunities in India
- Md. Ashabur Rahman (2019) has concluded that Agrani Bank Limited has developed itself in introducing new products and improvised customer services . The study further reveals that the bank faced some financial problems lik bad loans, scarcity of cash etc. due to many causes like slow down in economy , fluctuation in interest rates and inflation in money markets.
- Tanu Agarwal & Dr. Priya Soloman(2018) have concluded that State Bank of India, Punjab National Bank , Industrial Development Bank of India, Canara Bank and Indian Bank shows different interest rates for sanctioning loans and advances at different periods. The study also reveals that there is no influence of Real Estate Advances on Public Sector Banks in India and Public Sector Banks are contributing less in the development of Real Estate Sector in India. The study states mentions that State Bank of India has been in first position in lending Real Estate Loans at low interest rates as compared to other banks.
- Kumar Nayan & Dr. Savitri Kumari(2018) have concluded that beneficiaries of Priority Sector Bank Credit in Patna got benefited and the sector influenced socio economic conditions of beneficiaries to a large extent.
- Dr. Kumudani Mangal (2017) has concluded that the procedure of sanctioning loan should be easy and the formalities should be less as much as possible. The study also suggest that the bank should increase awareness campaign for its policies and products in remote villages. The study also reveals that the demand for bank loan have decreased when there was increase in rate of interest.
- S. Radhika(2017) has concluded that there was an increase in the amount of lending but percentage of increase in lending did not rise because bank sanctioned loans to only quality borrowers after analyzing their repayment capacity. Bank has also commenced loan schemes for physically challenged borrowers at low rate of interest . Bank has also started E-Banking for its customers and worked for improvement in customer relationship.
- Chiris O. Udoka (2015) has concluded that Banks Loans & Advances are major factor for agricultural productivity in Nigeria . The study reveals that Bank credit given to farmers resulted in increase of Agricultural production.
- Rajesh Kumar , R.L.(2015) has concluded that the various loans product of the bank has been arranged appropriately and there is fluctuating

trend in the share of short term, medium term and long term loans of the bank.

- Lakshmi & Dr. P.K. Manoj (2015) have concluded that though the performance of Co-operative Banks had been satisfactory to a certain extent, yet these banks have to transform the poor image possessed by the general public into better one. This can be done by banks by performing better in coming years .

Rationale of the Study: The study would be beneficial for Uttarakhand Gramin Bank in taking measurable decisions related to sanctioning of Loans & Advances at micro level.

Objective of the Study:

The study is conducted to examine and analyze disbursement of Gross Loans and Advances in the form of micro finance to priority sector, minorities , scheduled caste , scheduled tribes, small farmers , marginal farmers and agriculture laborers by Uttarakhand Gramin Bank during period from 2011-12 to 2020-21 .

Research Methodology and Period of Study:

Research methodology is a scientific study of conducting research by applying appropriate tools or technique relevant to a research topic to attain a research objective.

In the present study, secondary data shall be collected from Annual Reports of Uttarakhand Gramin Bank, books, magazines, Journals, websites and comparative statement analysis have been applied. The study covers a period of eleven years, with effect from 2011-12 to 2020-21

Concept of Disbursement:

A disbursement is an act of making payment in the form of cash or cash equivalents during a particular period by an individual and organization to another at an agreed rate of interest or without interest. Few instances of disbursement are dividend payment by a company to its shareholders, interest payments to debenture holders, disbursements of cash for incurring expenses, disbursements of loans and advances etc. Disbursement results in cash out - flows in an organization.

Concept of Loan:

Loan implies a certain sum of money paid by a person (including organizations) known as Lender to another person known as borrower as per terms and conditions of agreed Loan agreement. The business of Lending and Accepting funds in India is done by formalized financial organizations after receiving authorization license to commence such business from competent regulatory bodies like Reserve Bank of India, Insurance Regulatory Development Authority.

Classification of Loans:

(A) On the basis of security-

- (i) **Secured Loans:** These loans are sanctioned by lender organizations on mortgage or hypothecation of any asset by the borrower.
- (ii) **Unsecured Loans:** These loans are sanctioned by lender organizations without any mortgage or hypothecation of any asset by the borrower.

(B) On the basis of Repayment:

- (i) **Demand Loan:** A loan which is to be paid back by a borrower on demand of lender.
- (ii) **Term Loan:** A Loan which is paid back by a borrower on completion of a certain time period as mentioned in the loan agreement.
- (iii) **Installment Loan:** A loan which is paid back by a borrower in evenly distributed installments with interest for certain time period as mentioned in the loan agreement.

(C) On the basis of Purpose:

- (i) **Home Loan:** A Loan having a purpose of purchasing, constructing and renovating house by a borrower.
- (ii) **Car Loan:** A Loan taken by a borrower for purchasing a new or used car.
- (iii) **Education Loan:** A Loan taken by a borrower for pursuing and completing any degree, diploma

and certificate course by himself / herself or his/her children.

- (iv) **Commercial Loan:** A Loan taken for commencement or expansion of business, profession or any other commercial activity.

Concept of Advances:

Advances implies amount of cash sanctioned by a lender to a borrower in the form of debt for a shorter period of time, generally , less than a year. The amount of Advance is to be paid back by the borrower to the lender with interest as per the agreement between duo. Unlike Loans, Advances are also sanctioned by financial institutions including banks , authorized and regulated by competent regulatory bodies . Advances are generally sanctioned against securities like Primary, Collateral and Guarantee.

Primary Securities are those which contain hypothecation of current assets like debtors, bills receivables, inventories etc.

Collateral Securities are those which contain hypothecation of Fixed Assets like Land and Buildings; Plant and Machineries; Furniture's and Fixtures.

Guarantee contains an undertaking given by a guarantor to a financial institutions that if Advances are not paid back as per terms and conditions , the amount of Advance would be paid by the guarantor. In general, guarantee for an advance is given by partners, promoters and directors.

Important types of Advances:

- (A) **Short Term Advance:** An Amount which is paid in lump sum by a lender to a borrower according to the agreed terms and conditions between duo.
- (B) **Bank Overdraft:** Banks facilitates its account holders to overdraw a certain amount from his Account on agreed terms and conditions for shorter period of time, generally, less than a year.
- (C) **Cash Credit:** Banks facilitates its account holders with a certain Cash Credit Limit as per terms and conditions agreed by the two. The account holder can withdraw the whole sanctioned amount or partial amount at a time or in different interval of time. Interest will be charged on the amount utilized by the borrower not on the whole amount of Cash Credit limit.
- (D) **Bills Purchased:** It is a facility of advancing a loan by banks against security of Bill Receivables.
- (E) **Credit Cards:** Banks facilitates its account holders with a credit card facility for certain amount. Account holders can make payment wholly or with partial amount of the limit sanctioned by banks on credit cards. The amount utilized for payment to any organizations by the card holder is generally allowed to return back the amount within a certain period of time like for 45 days without any interest charges.

Comparison Chart showing differences between Loans and Advances:

Basis of Comparison	Loans	Advances
Meaning	It is an amount borrowed by an individual or organization from another individual or organization (generally a formal financial institution such as bank) , repayable after certain period of time along with certain rate of interest as per the loan agreement made by them.	It is an amount borrowed by an individual or organization from another individual or organization (generally a formal financial institution such as bank) , repayable after certain period of time , less than a year, along with certain rate of interest as per the loan agreement made by them

Nature	It is a form of debt	It is a form of credit facility
Term	It is generally for long term, more than a year.	It is generally for shorter period of time, less than a year.
Formalities	It has more formalities	It has less formalities
Security	It may be secured or unsecured	It is generally secured

Uttarakhand Gramin Bank

Uttarakhand Gramin Bank is sponsored by State Bank of India and came into existence in Uttarakhand on November 1, 2012 vide official Gazette Notification issued by Government of India, under section 23(A) sub section(i) of Regional Rural Banks Act of 1976, after amalgamation of two erstwhile Regional Rural Banks, namely, Uttranchal Gramin Bank, sponsored by State Bank Of India and Nainital Almora Kshetriya Gramin Bank sponsored by Bank of Baroda. The area of operation was extended to all 13 districts of Uttarakhand state.

The head office of the Bank is in Dehradun district which is the capital of Uttarakhand State. The Uttarakhand Gramin Bank is the second largest bank in terms of Branch Networks. It is operating with 286 branches covering all 13 districts of the state. The Bank is providing services to its customers through its extended network of 4 Regional Offices, 286 branches, 11 satellite offices and 2 extension counters. The bank is providing customer service in unbanked areas through Business Correspondent model. It has 591 Business Correspondent Centers throughout the state. The bank has also installed 234 VSATs in those areas where landline / mobile connectivity is lacking.

Vision & Mission of Uttarakhand Gramin Bank:

- (a) **Vision:** Uttarakhand Gramin Bank has determined to excel in banking business

and to secure a position of Uttam Bank (Best Bank) in Uttarakhand State. The bank has a vision of providing best services to its customers, developing and maintaining transparency and excellency in banking business. The bank is committed with innovative approach in development oriented programs and aims to earn continuous profits.

- (b) **Mission:** Uttarakhand Gramin Bank has a mission to make provision of latest technological banking services to its customers. The bank is eager to contribute in the growth and development of industries including tourism industry in the state. The bank has committed to develop financial inclusion in the state and work with its best efficiency until every individual households is linked with formal banking system. The bank aims to make provision of Kisan Credit Cards for all farmers of the state and facilitate each village with modernized banking services and aims to generate employment opportunities especially for rural people of the state.

Analysis

Following table shows comparative analyses of Gross Loans and Advances disbursed and outstanding to Priority Sectors and Small Farmers / Marginal Farmers with effect from Financial Years 2011-12 to 2020-2021:

Table No. 1.01
Gross Loans & Advances disbursed & Outstanding to:

Financial Year	Priority Sector (Amount in Rs. '000)	Increase / Decrease	% of Growth	Small Farmers /Marginal Farmers (Amount in Rs. '000)	Increase / Decrease	% of Growth
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2011-12	4892038	Nil	Nil	1176272	Nil	Nil
2012-13	10122078	5230040	106.91	2773678	1597406	135.8
2013-14	11857693	1735615	17.15	2806986	33308	1.2
2014-15	13527276	1669583	14.08	2879463	72477	2.58
2015-16	14600342	1073066	7.93	3232041	352578	12.24
2016-17	14271248	-329094	-2.25	2408782	-823259	-25.47
2017-18	14006928	-264320	-1.85	2973703	564921	23.45
2018-19	14372911	365983	2.61	2994563	20860	0.7
2019-20	15447654	1074743	7.48	2945958	-48605	-1.62
2020-21	16677399	1229745	7.96	3036000	90042	3.05

Source: Annual Report of Uttarakhand Gramin Bank

Table No. 1.01 shows that the amount of gross loans and advances disbursed and outstanding to priority sector was Rs. 4892038 thousands in 2011-12, it increased by 106.91% in 2012-13, increased by 17.15% in 2013-14, increased by 14.08% in 2014-15, increased by 7.93% in 2015-16, decreased by 2.25% in 2016-17, decreased by 1.85% in 2017-18, increased by 2.61% in 2018-19, increased by 7.48 % in 2019-20, increased by 7.96% in 2020-21 and reached to Rs.16677399 thousands.

Above table also shows that the amount of gross loans and advances disbursed and outstanding to Small Farmers/Marginal Farmers/Agriculture Laborers was Rs. 1176272 thousands in 2011-12, it increased by 135.80% in 2012-13, increased by 1.20% in 2013-14, increased by 2.58% in 2014-15, increased by 12.24% in 2015-16, decreased by 25.47% in 2016-17, increased by 23.45% in 2017-18, increased by 0.70% in 2018-19 but decreased by 1.62% in 2019-20. In the Financial Year 2020-21, it increased by 3.05% and reached to Rs. 3036000 thousands.

Table 1.02

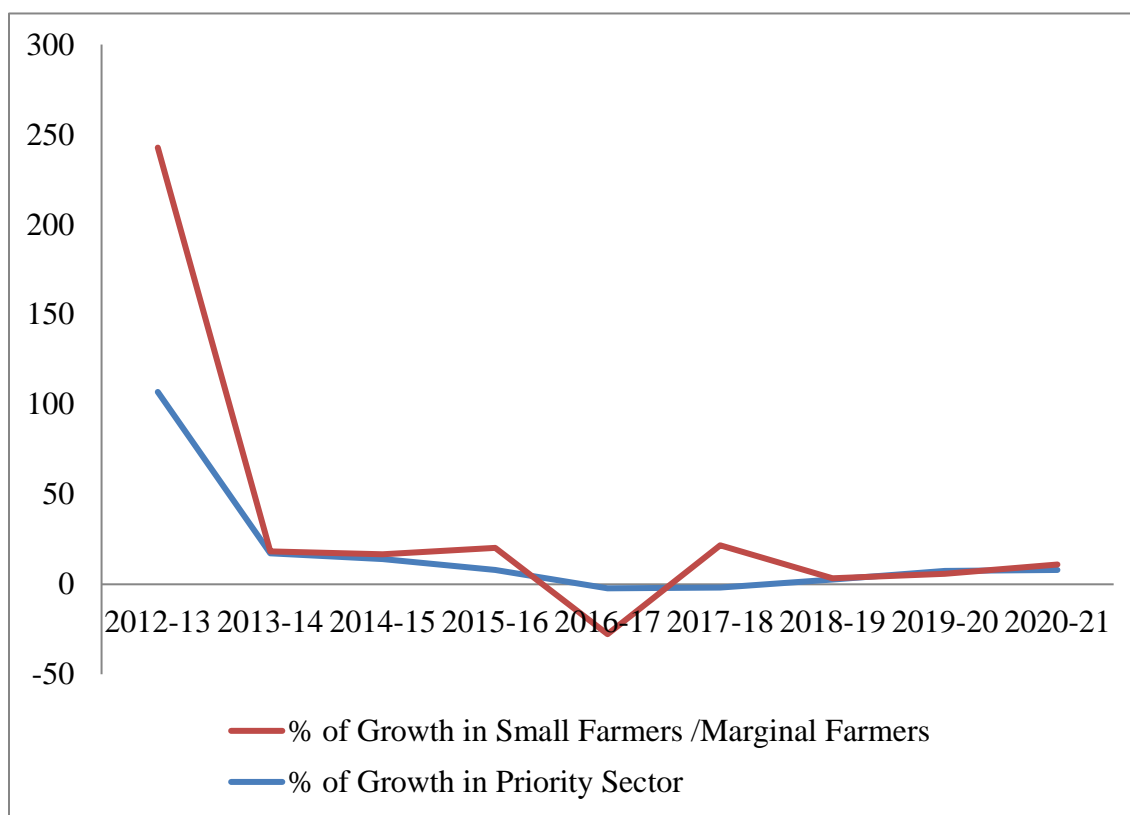
Financial Year	% of Growth in Priority Sector	% of Growth in Small Farmers /Marginal Farmers
2011-12		
2012-13	106.91	135.8
2013-14	17.15	1.2
2014-15	14.08	2.58
2015-16	7.93	12.24
2016-17	-2.25	-25.47
2017-18	-1.85	23.45
2018-19	2.61	0.7
2019-20	7.48	-1.62
2020-21	7.96	3.05

Source: Compiled with the help of Annual Report of Uttarakhand Gramin Bank

Above table 1.02 shows the comparative study of Gross Loans and Advances to Priority Sector and Small Farmers / Marginal Farmers. In the Financial Year 2012-13, the growth percentage in Priority Sector was 106.91% and the growth percentage in Small Farmers/Marginal Farmers was 135.80%. In the Financial Year 2013-14, there was a growth of 17.15% in gross loans disbursement in Priority sector whereas, it was only 1.2 % in Small Farmers/ Marginal Farmers. In the Financial Year 2014-15, the percentage was 14.08 in Priority Sector and 2.58% in Small Farmers / Marginal Farmers. In the Financial Year 2015-16, the percentage decreased to 7.93 in Priority Sector whereas it increased to 12.24% in Small /Marginal Farmers. In the Financial

Year 2016-17, there was a decrease of 2.25% in Priority Sector and also extensive decrease of 25.47% in Small/ Marginal Farmers. In the Financial Year 2017-18, the decrease in Priority Sector was 1.85% but it was an increase of 23.45% in Small /Marginal Farmers. In the year 2018-19, there was an increase of 2.61% in Priority Sector and the increased percentage reduced to 0.7% in Small/Marginal Farmers. In the Financial year 2019-20, the percentage increased to 7.48 in Priority Sector and there was a decrease of 1.62% in Small / Marginal Farmers. In the Financial Year 2020-21, Gross Loans and Advances to Priority Sector was increased by 7.96% and increased by 3.05 % to Small/ Marginal Farmers.

Figure 1.02



(Reference : Table No. 1.02)

Figure No. 1.02 shows that there was 106.91 % increase in gross loans disbursed and outstanding to priority sectors in 2012-13, it increased by 17.15% in 2013-14, it increased

by 14.08% in 2014-15, increased by 7.93% in the year 2015-16. It decreased by 2.25% and 1.85% in the next two financial years but again rise up by 2.61% in 2018-19 , increased by 7.48% in the

financial year 2019-20 and finally increased by 7.96% in the Financial Year 2020-21.

Above figure shows that there was remarkable growth of 135.8 % in gross loans and advances disbursed and outstanding to Small Farmers, Marginal Farmers and Agricultural Laborers in 2012-13, it increased by 1.20% in 2013-14, it increased by 2.58% in 2014-15, increased by 12.24% in the year 2015-16. In the next year it decreased by 25.47% but again increased by 23.45% and 0.70% in the next two financial years. In the financial year 2019-20, it decreased by 1.62% but again showed an increment of 3.05% and reached to Rs. 3036000 thousands in the Financial Year 2020-21.

Above figure clearly shows that in the Financial year 2012-13, growth percentage was maximum in Priority Sector and Small/Marginal farmers. In

the next three financial years, the growth in percentage reduced in both sectors. In the Financial year 2016-17, there was a decrease of 2.25% in Priority Sector and an extensive decrease of 25.47% in Small/Marginal Farmers. The minor decrease was seen in the next financial year in Priority Sector but a remarkable increase of 23.45% was seen in Small/ Marginal Farmers. In next two financial years, there was a bit increase and decrease in percentage of Gross Loans and Advances disbursed and outstanding. In the Financial Year 2020-21, the gross loans and advances increased by 7.96% in Priority Sector and by 3.05% in Small/ Marginal Farmers. Following table shows comparative analyses of Gross Loans and Advances disbursed and outstanding to Minorities Sectors and Scheduled Caste / Scheduled Tribes with effect from Financial Years 2011-12 to 2020-2021:

Table 2.01

Gross Loans & Advances disbursed & Outstanding to:

Financial Year	Minorities(Amount in Rs. '000)	Increase / Decrease	% of Growth	Scheduled Caste/ Scheduled Tribes(Amount in Rs. '000)	Increase / Decrease	% of Growth
2011-12	170470			733255		
2012-13	436025	265555	155.78	1487056	753801	102.8
2013-14	460678	24653	5.65	2120681	633625	42.61
2014-15	470438	9760	2.12	2340270	219589	10.35
2015-16	474379	3941	0.84	2638593	298323	12.75
2016-17	478856	4477	0.94	2622554	-16039	-0.61
2017-18	514617	35761	7.47	2715561	93007	3.55
2018-19	527743	13126	2.55	2744265	28704	1.06
2019-20	551642	23899	4.53	2858939	114674	4.18
2020-21	1046099	494457	89.63	3106364	247425	8.65

Source: Annual Report of Uttarakhand Gramin Bank

Table No. 2.01 shows that the amount of gross loans and advances disbursed and outstanding to minorities was Rs. 170470 thousands in 2011-12,

it increased by 155.78% in 2012-13, increased by 5.65% in 2013-14, increased by 2.12% in 2014-15, increased by 0.84% in 2015-16, increased by 0.94% in 2016-17, increased by 7.47% in 2017-18, increased by 2.55% in 2018-19, increased by 4.53 % ,increased by remarkable 89.63% in the

Financial Year 2020-21 and reached to Rs.1046099 thousands.

Above table shows that the amount of gross loans and advances disbursed and outstanding to Scheduled Caste and Scheduled Tribes was Rs. 733255 thousands in 2011-12, it increased by 102.80% in 2012-13, increased by 42.61% in 2013-14, increased by 10.35% in 2014-15 ,

increased by 12.75% in 2015-16, decreased by 0.61% in 2016-17 , increased by 3.55% in 2017-18, increased by 1.06% in 2018-19 , it further increased by 4.18% in 2019-20 and rose by 8.65% in 2020-21 and reached to Rs. 3106364 thousands .

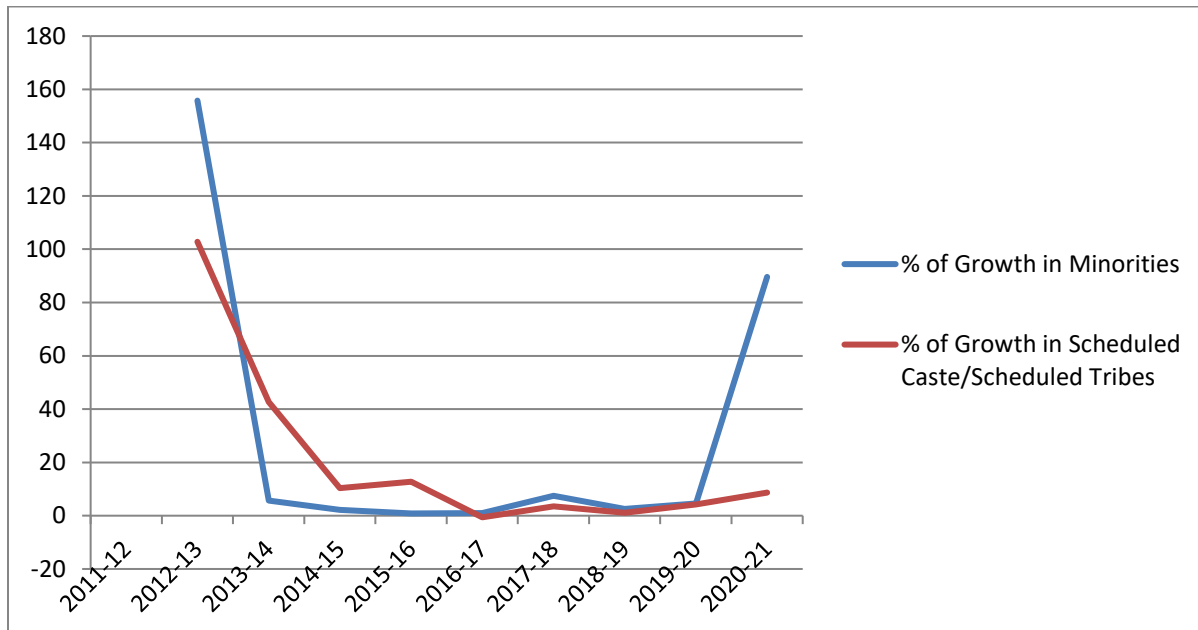
Table 2.02

Financial Year	% of Growth in Minorities	% of Growth in Scheduled Caste/Scheduled Tribes
2011-12		
2012-13	155.78	102.8
2013-14	5.65	42.61
2014-15	2.12	10.35
2015-16	0.84	12.75
2016-17	0.94	-0.61
2017-18	7.47	3.55
2018-19	2.55	1.06
2019-20	4.53	4.18
2020-21	89.63	8.65

Source: Compiled with the help of Annual Report of Uttarakhand Gramin Bank

Above table shows the comparative study of Gross Loans and Advances to Minorities and Scheduled Caste / Scheduled Tribes. In the Financial Year 2012-13, the growth percentage of Gross Loans and Advances disbursed to Minorities was 155.78% and the growth percentage to Scheduled Caste/Scheduled Tribes was 102.80%. In the Financial Year 2013-14, there was a growth of 5.65% in Gross Loans and Advances disbursement to Minorities sector, whereas, it was 42.61 % to Scheduled Caste/Scheduled Tribes . In the Financial Year 2014-15 ,the percentage was 2.12 to Minorities Sector and 10.35% to Scheduled Caste / Scheduled Tribes. In the Financial Year 2015-16, the percentage decreased to 0.84 for Minorities Sector whereas it increased to 12.75% for Scheduled Caste/Scheduled Tribes. In the

Financial Year 2016-17, there was only an increase of 0.94% for Minorities Sector but Gross Loans and Advances decreased to 0.61% for Scheduled Caste / Scheduled Tribes. In the Financial Year 2017-18, there was an increase of 7.47% for Minorities Sector and 3.55 % for Scheduled Caste/Scheduled Tribes, In the Financial Year 2018-19, the percentage of growth was reduced to 2.55 for Minorities sector and it reduced to 1.06% for Scheduled Caste/Scheduled Tribes . In the financial year 2019-20, the growth percentage of Loans and Advances for Minorities sector was 4.53 and it was 4.18% for Scheduled Caste/Scheduled Tribes. In the Financial Year 2020-21, the percentage of Gross Loans and advances for Minorities was increased exceptionally to 89.63 but it was only 8.65 % for Scheduled Caste/Scheduled Tribes.

Figure 2.02

(Reference: Table No. 2.02)

Figure 2.02 shows that there was remarkable 155.78 % increase in Gross Loans & Advances disbursement and outstanding to minorities in 2012-13, it increased by 5.65% in 2013-14, it increased by 2.12% in 2014-15, increased by 0.84% in the year 2015-16. It increased by 0.94% and 7.47% in the next two financial years and further rose up by 2.55% in 2018-19, increased by 4.53% in the financial year 2019-20 and showed a remarkable growth of 89.63% in the financial year 2020-21.

Above figure shows that there was a remarkable growth of 102.80 % in Loans disbursed to Scheduled Caste and Scheduled Tribes in 2012-13, it increased by 42.61% in 2013-14, it increased by 10.35% in 2014-15, increased by 12.75% in the year 2015-16. In the next year it decreased by 0.61% but again increased by 3.55% and 1.06% in the next two Financial Years. In the Financial Year 2020-21 it reached to Rs. 3106364 thousands showing an increment of 8.65%.

Above figure clearly shows that in the Financial year 2012-13, growth percentage was 155.78 for Minorities and 102.80 for Scheduled Caste

/Scheduled Tribes. It was maximum as compared to other Financial Years. In the next Financial Year, the growth percentage was extremely reduced to 5.65 for Minorities and 42.61 for Scheduled Caste/Scheduled Tribes. In the next three Financial Years, the growth percentage was less than 3 for minorities but it was 10 to 15 percent for Scheduled Caste / Scheduled Tribes for next two Financial Years, whereas, it decreased to 0.61 percent in the Financial Year 2016-17. In comparing next three Financial Years, the growth percentage for Minorities was below 8 and for Scheduled Caste/ Scheduled Tribes, it was below 5. In the Financial Year 2020-21, the growth rate of Gross Loans and Advances disbursed and outstanding Minorities was 89.63 %, whereas, it was only 8.65% for Scheduled Caste/Scheduled Tribes.

Conclusion and Suggestions: The study concludes that gross loans and advances disbursed and outstanding to priority sector was Rs. 4892038 thousands in the financial year 2011-12 and it increased by 106.91% in the next year, which had been a remarkable progress. Thereafter, the percentage of increase was

between 2 to 18% except in the F.Y. 2016-17 and 2017-18 when it decreased by 2.25% and 1.85% respectively. In the year 2020-21, the amount of gross loans and advances disbursed and outstanding reached to Rs. 16677399 thousands. Gross Loans & Advances disbursed and outstanding to Minorities was Rs. 170470 thousands in the F.Y. 2011-12, it increased by 155.78% in the F.Y. 2012-13 but the percentage of growth remained below 6% in next financial years but the amount reached to Rs.1046099 thousands in the F.Y. 2020-21. Gross Loans & Advances disbursed and outstanding to Scheduled Caste / Scheduled Tribes was Rs. 733255 thousands in the F.Y. 2011-12, it increased by 102.80 % in the F.Y. 2012-13, increased by 42.61 % in the F.Y. 2013-14 but in the later years the growth percentage was below 11% except in the F.Y. 2016-17 when it decreased by 0.61%. The amount reached to Rs.3106364 thousands in the F.Y. 2020-21. The amount of gross loans and advances disbursed and outstanding to Small Farmers/Marginal Farmers/ Agricultural Laborers was Rs. 1176272 thousands in the F.Y.2011-12, it increased by 135.80% in the F.Y. 2012-13, it increased in the range of 1 to 13% in the next three Financial Years. In the year 2016-17 it decreased by 25.47% but again rose by 23.45% and 0.70% respectively in the next two years. In the year 2020-21, the amount reached to 3036000 thousands. In a nut shell, it is concluded that the loan disbursed to priority sector, minorities, scheduled caste, scheduled tribes, small farmers, marginal farmers and agricultural laborers increased to a major extent during the period of study. It is suggested that the bank authorities should re-analyze all the steps taken in financial year 2011-12 because in this financial year the overall growth percentage of loan disbursal was more than 100% as compared to previous years. It seems that during Covid – 19 pandemic the amount of gross loans and advances disbursement increased as compared to previous years.

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