

C H A P T E R - V I

WORKING OF SHRI.VEERSHAIV CO-OPERATIVE BANK LIMITED., KOLHAPUR -: LOANS AND ADVANCES -

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CHAPTER - VIWORKING OF SHRI.VEERSHAIV CO-OPERATIVEBANK LTD.,KOLHAPUR.LOANS AND ADVANCES6.1 INTRODUCTION :-

According to the bye-laws of the Bank Section 11(5) to 95 (a)) Reserve Bank of India directives, loan policy has been introduced by Shri.Veershaiv Coop.Bank Ltd., Kolhapur. The Bank initially confined itself to meeting consumptional requirements. Later it followed a diversified lending policy by providing finance for better business, better production and better living. It has helped many industrial units to improve their operational performance. The Bank's consumption loans have provided considerable relief to the common man. It has helped him to escape from the clutches of Urban Money lenders. The Bank has taken lead in financing various needy people\$.

Hence, in this chapter an attempt is made (1)to study and examine the various purposes for which loans and advances are given by the Bank and (ii) to know the nature and progress of various types of loans ~~and~~ sanctioned by the Bank during the period 1973 to 84.

6.2 PROCEDURE OF LOAN :-

Shri.Veershaiv Cooperative Banks'have a sound

loan policy. The Bank formulate a procedure in regard to the process of loan applications, their securities, sanction, documentation, follow-up, supervision and control, since it is the main and subordinate or continuous function of the Bank.

After collecting all the information and data the loan proposal is submitted to the higher officer for remarks. With his recommendations the loan proposal is submitted to the Board of Directors for sanction or otherwise. Proper and correct documentation is very important factor for the safety of the Advances policy adopted by the Bank. The three important parts in documentation are Stamping, execution and registration,

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It is important to note that Shri. Veershaiv Co-operative Bank Ltd., has not ignored the principles of safety, liquidity, and profitability, National Interest, Purpose, Spread and Suitability for its better Banking business. The Bank has introduced a healthy procedure in their working to achieve its goal of serving the weaker and vulnerable sectors of society.

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PURPOSES FOR LOAN SANCTIONED :-

The Bank, sanctioned loans for to their members for various purposes, Mainly Commercial purpose, Agriculture purpose, Industrial Development purpose, Transport purpose, Educational purpose, House Construction and repairs purpose, Domestic consumption purpose and for other purposes. Rate of interest is charged according

to the byelaws of the Bank as well as Directives of Reserve Bank of India.

The detailed study of purpose-wise loans and advances is given below.

A) Commercial Purposes -

The Bank sanctioned loans for various commercial purposes. Especially small traders, small businessmen, small retail shop owners, commission agents, various types of goods and materials, shop keepers, agricultural products goods, manufacturing goods, educational books and papers, medicines, furniture spare parts, cloths and other necessary all commercial goods, the Bank granted loans to them for commercial purposes. The following table indicates the position of commercial purposes loans and borrower accounts during the period of last 12 years i.e. from 1973 to 1984.

Table					
Sr. No.	Years	Number Loan A/	are the total an standing	Share in the working capital	Loan outstan -ding to each account Rs.
1	2	3	9	10	
1.	1973	1010	%	34%	5877
2.	1974	966	%	30%	6351
3.	1975	630	%	14%	4971
4.	1976	952	%	10%	2657
5.	1977	3001	%	14%	1430
6.	1978	4210	.5%	13.5%	1095
7.	1979	2848	%	14%	1921
8.	1980	2850	%	13%	2128
9.	1981	3651	%	11%	1672
10. 1982	1982	3155	%	9%	1966
11.	1983	4454	%	8%	1483
12.	1984	5255	%	7%	1504

Source: A) Compi

B) Perce

The Table points out that the commercial purposes loans increased from Rs. 59,36,200 in 1973 to Rs. 79,05,015 in 1984 and the number of borrowers accounts also increased from 1010 in 1973 to 5255 in 1984.

The average growth^{of}/loans for commercial purposes is Rs. 1,72,406 and borrowers 354 during the period of last 12 years.

The Share of commercial purposes loans in the total loan outstanding decreased from 26.5 % in 1978 to 13.5% in 1984 and in the total working capital also decreased from 14% in 1973 to 7% in 1984.

The average loan sanction for commercial purposes increased from Rs. 1095 in 1978 to Rs. 1504 in 1984 ~~for each borrower~~. But the growth rate of the borrowers decreased from 3200 in 1978 to 2400 in 1984 during the period of last 12 years.

The close examination of the table also shows that the rate of loans disbursement ~~since 1977~~ shows contineously, *since 1977*

B) Agricultural Purposes :-

For agricultural improvement and ~~the~~ for the redevelopment of agriculturist members the Bank adopted this policy. The loan is sanctioned mainly for lift-irrigation, well digging, electric motors and pumps, pipelines, ~~xxxxx~~ fertilizer, seeds and other incentives.

Table

Sr. No.	Years	Number of Loan A/cs	Loan Outstanding Rs.	Loan out-standing to each account Rs.
1	2	3	4	10
1.	1973	802	886200	1104
2.	1974	663	755637	1139
3.	1975	321	702057	2187
4.	1976	578	3894537	6737
5.	1977	792	1597188	2016
6.	1978	771	1258444	1632
7.	1979	951	2110068	2218
8.	1980	955	1910350	2000
9.	1981	970	2085630	2119
10.	1982	885	2165730	2447
11.	1983	760	2975690	3941
12.	1984	780	2775070	3557

Source: A) Compiled from Annual Report
 B) Percentage calculated.

The average growth of loans for agricultural purposes comes about Rs. 1,57,406 during the period under review.

The Share of agricultural purposes loans in the aggregate loan outstandings decreased from 7% in 1978 to 4 % in 1984, and in the aggregate working capital also decreased from 4.5% in 1978 to 2.5% in 1984.

The average agricultural purposes loans sanctioned to the borrower increased from Rs. 1634 in 1978 to Rs. 3558 in 1984 during the period of last 12 years.

The rate of these purpose loans disbursement since 1973 not continuously increased or decreased but increased in corresponding period.

The table clearly points out that the Bank has made an attempt to implement of this policy satisfactorily particularly during the period 1981 to 1983.

C) Industrial Development Purposes:-

Under this, loans are sanctioned to small scale industries and industries under priority sector. Various types of industries and operations especially for small scale industry and priority sectors industries development the Bank offered fair and more satisfactory services as well as Working capital facilities to Industrialists members.

Table 8

Sr. No.	Years	Number of Loan A/cs	Loan outstanding	Loan outstanding to each account Rs.
1	2	3	4	10
1.	1973	420	220400	5247
2.	1974	387	264662	6858
3.	1975	342	154550	4453
4.	1976	440	195934	4453
5.	1977	374	164401	4395
6.	1978	331	130231	3945
7.	1979	148	109874	7423
8.	1980	255	127563	3008
9.	1981	350	130793	3644
10.	1982	357	201507	5644
11.	1983	375	250504	6680
12.	1984	405	288041	7062

Sources: A) Compiled from Annual Report
B) Percentage calculated.



Above table indicates that the loans for Industrial purposes increased from Rs. 22,04,000 in 1973 to Rs. 28,80,041 in 1984. But the total number of borrowers decreased from 420 in 1973 to 405 in 1984.

The average growth of industrial ~~purposes~~ loans is of Rs. 56,336 during 1973 to 1984.

The share of loans for industrial purposes in the total loan outstanding decreased from 7% in 1978 to 4.5% in 1984 and in the total working capital also decreased from 4% in 1978 to 3% in 1984.

The average loan sanctioned to the borrower increased from Rs. 3945 in 1978 to Rs. 7062 in 1984 during 1973 to 1984.

The rate of loans disbursement contineously increased since 1979. This trend study shows the satisfactory performance of the bank in respect of industrial loans.

D) House Construction and Repair Purposes -

~~For better~~ Under this purpose. The Bank sanctioned loans for House constructions, repairs, renewalsad purchase of building etc. to the members. ~~The Bank~~ The following table indicates the position of these purposes loans and total number of borrowers during the period of last 12 years. i.e. 1973 to 1984.

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Sr.
No.

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1982

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Above table remarks that the loans for house construction and repairs purposes increased from Rs. 8,67,008 in 1973 to Rs. 20,37,070 in 1984 but the total number of borrowers decreased from 750 in 1973 to 455 in 1984. The Bank extended the loan limits during the corresponding period.

The average growth rate of loans for these purposes is of Rs. 97,506 during the period of last 12 years.

The share of these purposes loans in the total loan outstandings decreased from 8% in 1978 to 3% in 1984 and in the total working capital also decreased from 4% in 1978 to 2% in 1984. Due to increase of other outstanding loans and Working capital.

The average loan sanctioned to borrower increased from Rs. 903 in 1978 to Rs. 4473 in 1984 during the period of last 12 years.

The rate of loans disbursement since 1979 contineously increased.

Thus trend study shows the satisfactory performance of the Bank in respect of House construction and repairs purposes.

B) Educational Purposes-

The poor brilliant and eligible students are also helped by the bank through its financial aid.

TABLE NO 6:6

Table showing the position of Educational Purposes Loans

Sr. No.	Year	No. of A/cs	Loan Outstanding Rs.	Average growth of loan outstanding Rs.	Average growth rate of loan a/c
1)	1975	1	1071	4573	76x 6
2)	1976	11	35373	"	"
3)	1977	53	41775	"	"
4)	1978	41	37210	"	"
5)	1979	48	41892	"	"
6)	1980	55	45630	"	"
7)	1981	57	51050	"	"
8)	1982	62	52070	"	"
9)	1983	65	55630	"	"
10)	1984	1875 75	55950	"	"

Source: Compiled from Annual Reports of the Bank

Percentage Galvanized.

This policy adopted by the Bank for educational purposes to carry out social and moral responsibility. Accordingly the Bank sanctioned loans to the students who were reliable and **efficiency**. The following table indicates the position of loans outstanding for educational purposes the total number of borrowers during the period of last 10 years i.e. 1975 to 1984.

No
~~Table~~ Table/points out that the loans for educational purposes increased from Rs. 1071 in 1975 to 55950 in 1984 and number of borrowers also increased from 1 in 1975 to 75 in 1984. recording nearly more than fifty-four-fold increase.

The average growth rate of educational purposes loans constitutes Rs. 4573 and number of borrowers is 6 during the period of last 10 years.

The average rate of loans sanctioned for educational purposes to the students **decreased** from Rs. 907 in 1978 to Rs. 746 in 1984. Due to increase of No. of students.

The rate of loan disbursement ~~since 1975~~ continuously increased since 1975.

This shows that Bank has **con**tributed much towards the fulfillment of its social objectives, i.e. loans for Educational Purposes.

F) Domestic Purposes -

For development of individual life and to solve major difficulties of the family, loans are sanctioned by the bank to individual members for marriage, other repayment of debts, religious ~~traditions~~ and traditional big ceremonies etc. The data in the following table will give the idea of this domestic purposes loans and number of borrowers during the period of last 12 years

Table No indicates that the loans for domestic purposes increased from Rs. 1,62,300 in 1973 to Rs. 1,90,091 in 1984 and number of borrowers also increased from 115 in 1973 to 370 in 1984.

The loans disbursement in 1975 is the largest amount of Rs. 35,50,904 to 3124 borrowers and the lowest amount of Rs. 46,668 in 1978.

The average rate of loans sanctioned for Domestic purposes to the members decreased from Rs. 8% in 1979 to Rs. 5.13 in 1984 Due to increase of No. of ~~Members~~ borrowers.

This shows that the Bank has contributed much towards the fulfillment of its social objectives i.e. loans for Domestic purposes.

Table showing the

Sr. No.	Year	Number of Loan A/cs	Loan outstanding Rs.	Loan outstanding to each account Rs.
1	2	3	4	10
1)	1973	115	162300	
2)	1974	1937	2503525	
3)	1975	3124	3550904	
4)	1976	53	21514	
5)	1977	555	600427	
6)	1978	254	46668	
7)	1979	217	178867	
8)	1980	250	175070	
9)	1981	305	190050	
10)	1982	285	195070	
11)	1983	345	185081	
12)	1984	370	190095	

Source: A) Compiled from Annual 1

By

Under this, loans are sanctioned to the members and especially for Young unemployed educated members. The Bank sanctioned such types of loans for purchase and proper utilisation of vehicles i.e. Truck, Rickshaws, Tractors, Taxi-cars, Motor-cycles etc. The following table indicates the position of transport purposes loans during the period of last 12 years i.e. 1973 to 1984.

Table No. clearly shows that the transport purposes loans increased from Rs. 5,22,300 in 1973 to Rs. 70,80,071 in 1984. And number of borrowers also increased from 150 in 1973 to 219 in 1984. They recording more than five-fold increase during 1973- to 1984.

The average growth of transport purposes loans is Rs. 5,84,814 during corresponding years.

The share of transport purpose loans in the total loans decreased from 20% in 1973 to 8.8% in 1978. and increased from 12% in 1979 to 12.5% in 1984. The share of these loans in the working capital increased from 2.9% in 1973 to 4.5% in 1978 and 6.5% in 1979 to 7.3% in 1984.

The average loan sanctioned to each loan account increased from Rs. 3482 in 1973 to 11731 in 1978 and Rs. 18955 in 1979 to Rs. 32237 in 1984.

Table reveals that the transport purposes loans more steady increase during last 6 years.

Tab

Sr. No.	Year	Number of Loan A/cs	Loan outstanding Rs	Loan outstanding to each account Rs.
1	2	3	4	10
1973 1973		150	522300	3482
2074 1974		64	355065	5547
39 1975		-	-	-
40 1976		115	560050	4870
5) 1977		125	107080	8560
6) 1978		130	152507	11731
7) 1979		132	250209	18995
8) 1980		134	300193	22402
9) 1981		174	355137	20410
10) 1982		162	400663	24732
11) 1983		196	450715	22995
12) 1984		219	708007	32237

Source: A) Compiled from Annual R
B) Percentage calculated.

H) Other Purposes :-

The Bank sanctioned such loans to those members who were in fact weak, poor, small, petty and low income. The Loan is sanctioned mainly for household purpose. The following table indicates the position of other purposes loans and number of borrowers during the period of last 9 years. That is from 1976 to 1984.

The Table No clearly shows that the other purposes loans increased from Rs. 6134751 in 1976 to Rs. 35393432 in 1984 and number of borrowers decreased from 9110 in 1976 to 7751 in 1984.

They recorded more than five-fold increase during the period of last 9 years.

The average growth rate of the other purposes loans is Rs. 3250964/- during 1976 to 1984.

The share of other purposes loans in the total loans outstandings increased from 40% in 1978 to 58% in 1984 and in the total working capital also increased from 20% in 1978 to 36.6% in 1984.

The average rate of loans sanctioned for other purposes to borrowers increased from Rs. 1181 in 1978 to Rs. 4567 in 1984 during the corresponding years.

The rate of loans disbursement continuous increased since 1976 except in 1978.

Table sh

Sr. Year Number of Loan
No. Loan A/cststanding to
h account
Rs.

1 2 3

1) 1976 9225
2) 1977 7645
3) 1978 5734
4) 1979 8285
5) 1980 7050
6) 1981 7750
7) 1982 8913
8) 1983 8001
9) 1984 7751

Source: ~~Gen~~ A) Compile
B) Percent

6:4 TYPES OF LOANS AND ADVANCES :-

After consider the purpose-wise loans and advances of the Bank. Researcher felt it necessary to study the nature of various types of loans and advances of the Bank and their performance. The list of such loans and advances is given below.

- 1) Loan Against Secured Cash Credit
- 2) Loan against Unsecured Cash Credit
- 3) Loan against gold ornaments
- 4) Loan against fixed deposits
- 5) Loan against Pigmy Deposits
- 6) Loan against recurring deposits
- 7) Loan against mortgage of goods
- 8) Hypothecation loan
- 9) Loan against sugar factory deposits
- 10) Over draft facilities
- 11) Mortgage of House property loans
- 12) Loan against Govt. Securities
- 13) Loan against powerlooms
- 14) Bills
- 15) Loan against personale surety.
- 16) Loan against dam dupat deposit
- 17) Pigmy Dam Dupat Deposit loans
- 18) Panchganga Hami Cash Credit loans
- 19) Loan against cattles.
- 20) Hire purchase loan
- 21) Staff Housing Loans
- 22) ~~Financing~~ Financing to Artisans and Small Scale industries u/s 17(2) (bb)

a) The nature and other particulars of the above types of loans and advances are shown in the following table.

Table showing the Nature of

Sr. No.	Types of Loans	Map-laws Lip Bank	No. of
1	2	3	4
1.	Secured Cash Credit loans	10	(68)
2.	Unsecured Cash Credit loans	10	(68)
3.	Loans Against Gold ornaments	20	(85 to 89)
4.	Loans against Fixed & Other deposits	85	(83-84)
5.	Loan against Mortgage of goods	1	(90 to 95)
6.	Hypothecation	1	(13)
7.	Mortgage of House property loans	1	(73 to 77)
8.	Loan against power looms	2	(7)
9.	Overdraft Secured & Unsecured	1	(10)
10.	Loan against Personal Surety	5	(65 to 67)
11.	Pigmy Dam Dupat Deposit loan	1	(83 to 84)
12.	Hire Purchase Loan	5	(7)

1	2

13.	Panchaganga Hami) Cash Credit Loans
14.	Financial assistance to Small Artisans, Small Scale Industries u/s 17(2)(bb)
15.	Staff Housing Loans (5A)
16.	Loan against Govt) Securities
17.	Loan against) Cattles
18.	Loan against) Handlooms
19.	Loan for Lift) irrigation
20.	Bills Purchased (1)
	Bills Discounted (1)

b) Performance of Loans and Advances-

The performance of various types of loans and advances of the Bank in respect of total outstanding loans, number of accounts etc. at the end of each year during the period 1973 to 1984 is ~~XXXX~~ analysed and shown in the following table.

Year	Loan Against No. of A/cs	Loans outst anding	Aggre gate growth	Share in loan outst	Share in working capital	Loan outst. and to each account
1	2	3	16	17	18	19
1973	309	11.93	15.87	21%	13%	1698
1974	389	13.22	"	21%	13.5%	1652
1975	415	10.73	"	24%	12.5%	821
1976	439	12.23	"	28%	18%	743
1977	411	12.63	"	26%	15.9%	878
1978	463	11.87	"	30.2%	15%	881
1979	398	13.56	"	32%	17%	1036
1980	360	12.35	"	27%	14%	1187
1981	319	12.16	"	35%	20%	1729
1982	278	11.76	"	38%	22.3%	2091
1983	217	12.65	"	39%	23%	2244
1984	100	5.58	-	36.7 %	22%	2320

Source: Compiled from

Year	Loan Against		Recurring Deposit		Loan outst. to each account
	No. of A/cs	Loan outst. and growth	Aggre gate in loan outst.	Share in working capital	
1	2	3	4	5	6
1973	94	7.56	295	-	578
1974	121	9.75	"	-	904
1975	122 166	5.80	"	-	726
1976	170	8.05	"	-	804
1977	164	6.72	"	-	947
1978	131	6.79	"	-	493
1979	187	7.71	"	-	1029
1980	150 150	7.62	"	-	764
1981	143	9.95	"	-	630
1982	184	10.4	"	-	500
1983	185	13.6	"	-	772
1984	202	15.6	"	-	754

Source: Compiled :

Year	Loan against Sugar Factory Deposits					
	No. of A/cs	Loans outstg and in	Aggre gate growth	Share in loan outst.	Share in working capital	Loan outst to each account
1	2	3	16	17	18	19
1973	54	15.46	-	-	-	-
1974	68	16.68	-	-	-	-
1975	92	14.98	-	-	-	-
1976	54	9.37	-	-	-	-
1977	60	12.34	-	-	-	-
1978	25	5.37	-	-	-	-
1979	19	3.73	-	-	-	-
1980	37	5.45	-	-	-	-
1981	23	3.07	-	-	-	-
1982	34	9.04	-	-	-	-
1983	30	7.84	-	-	-	-
1984	34	13.88	-	-	-	-

Source: Compiled :

Year	Overdraft Facility Government Securities					
	No. of A/cs	Loans outst	Aggre gate and growth	Share in loan outst.	Share in working capital	Loan outst to each account
<u>1</u>	2	3	16	17	18	19
1973	9	.29	-	-	-	-
1974	11	.36	-	-	-	-
1975	12	.32	-	-	-	-
1976	3	.14	-	-	-	-
1977	2	.01	-	-	-	-
1978	1	0.00	-	-	-	-
1979	2	.8	- ^u	-	-	-
1980	3	.48	u	-	-	-
1981	5	.29	u	-	-	-
1982	4	.30	-	-	-	-
1983	5	.32	-	-	-	-
1984	14	1.68	-	-	-	-

Source: Compiled f

Year	Loan against Personal Surety		Aggre gate and growth	Share in loan outst.	Share in working capital	Loans outst in each account
	No. of Ac/cs	Loans outst.				
1	2	3	16	17	18	19
1973	150	9.94	350541	1%	1%	1089
1974	207	13.7 "	"	2%	1.5%	782
1975	279	12.7 "	"	1.8%	0.9%	782
1976	229	12.5 "	"	4.9%	3.2%	425
1977	193	10.1 "	"	2.7%	1.6%	800
1978	146	8.93 "	"	3%	1.5%	682
1979	177	10.8 "	"	2.9%	1.5%	798
1980	223	13.3 "	"	2.9%	1.5%	849
1981	194	12.3 "	"	3.3%	3%	1022
1982	204	16.7 "	"	3.9%	2.3%	996
1983	213	15.2 "	"	6%	4%	1935
1984	268	21.7 "	"	7.5%	4.6%	2584

Sources: Compiled

Year	No. of A/cs	Loans outst and growth	Cash Aggre gate loan outst.	Credit Share in loan outst.	Loans Share in working capital	Loans outst to each account
1	2	3	16	17	18	19
1973	-	-	-	-	-	-
1974	-	-	-	-	-	-
1975	-	-	-	-	-	-
1976	2	.3	-	-	-	-
1977	11	.22	-	7.2%	4%	-
1978	52	1.0	-	13%	6%	-
1979	114	2.8	-	9%	5%	-
1980	146	4.2	-	7.5%	4%	-
1981	200	6.1	-	3.5%	2%	-
1982	273	9.4	-	2.9%	1.8%	-
1983	378	15.	-	2%	1.2%	-
1984	559	22.	-	1.8%	1%	-

Source: Compiled

A) Loans Against Secured Cash Credit -

The table reveals that the secured cash credit loans are decreased during last 12 years. In absolute terms secured cash credit loans decreased by Rs. 6,34,680 from Rs. 11,92,985 to Rs. 5,58,135.

The total number of borrowers decreased from 309 in 1973 to 100 in 1984.

The share of secured cash credit loans in the total loans outstanding decreased from 7% in 1973 to 1 % in 1984.

The average secured cash credit loan sanctioned for each borrower increased from Rs. 2564 in 1973 to Rs. 5583 in 1984.

B) Loans Against Unsecured Cash Credit :-

From the table it is seen that the unsecured cash credit loans increased during the last 12 years. Similarly unsecured cash credit loans rose by Rs. 30,87,146 from Rs. 14,35,771 to Rs. 45,22,917 during 1973 to 1984.

The total number of borrowers increased from 412 in 1973 to 643 in 1984.

A close examination of the table also shows that the share of unsecured cash credit loans in the



total loans outstanding decreased from 14.7% in 1978 to Rs. 7.7 % in 1984. Total number of borrowers also decreased from 1023 in 1978 to 643 in 1984.

The average growth of unsecured cash credit loans during the period under review constituted Rs. 2,57,262 and number of borrowers accounts in the same period was 12 years.

It is clearly seen from the table that in 1982 the Bank could distribute largest amount of loans to the extent of Rs. 78,20,790 to 1420 borrowers. The rate of loan disbursement since 1975-76 showed contineous increase. However, after 1982-83 the bank reduced the financial help in this policy, which in turn, therefore curtailed amount of its loans to members in 1982-83 and 1983-84 its loans were Rs. 72,91,790 and Rs. 45,22,917 respectively.

Unsecured loans percentage in to the aggregate working capital declined from 7.5% in 1978 to 4.7% in 1984.

The average unsecured cash credit loan sanctioned to each borrower of Rs. 13,364 during the period of last 12 years.

C) Loans Against Gold Ornaments -

It is evident from the ~~xxx~~ table that there has been a significant increase in the amount of

loan against gold ornaments from a small figure of Rs. 23,47,560 in 1973 it has gone up to Rs. 2,14,05,597 in 1984. recording about more than nine-fold increases during the period of last 12 years.

The proportion of gold ornaments loans ~~of in~~ the ~~bank to~~ aggregate loan outstanding has gone up from 30.2% in 1978 to 36.7% in 1984.

The table also reveals the growth in the accounts of borrowers over the period under review. The total number of borrowers increased from 1382 in 1973 to 9225 in 1984. It marking an increase of 85%.

The average growth of gold ornaments loan constituted of Rs. 15,87,336 and borrower accounts of 654 during the period of last 12 years.

The gold ornaments loans percentage in the aggregate working capital of the Bank went on increasing from 15% in 1978 to 22% in 1984.

The average gold ornament loans sanctioned to each borrower increased from Rs. 881 in 1978 to Rs. 2320 in 1984.

The rate of loan disbursement since 1973 showed contineous imcrease, except in 1975 and 1980 during the same period.

D) Loan Against Fixed Deposits -

The table indk ates that the loans against fixed deposits are rose by Rs. 8,13,040 from Rs. 7,56,220 to Rs. 15,69,260 during 1973-to 1984.

The total number of borrowers increased from 94 in 1973 to 202 in 1984.

~~The~~ A close look of the table shows that the share of fixed deposit secured loans in the total loan outstanding decreased from 4% in 1978 to 2.7% in 1984 total number of borrowers increased from 131 in 1978 to 202 in 1984.

The average growth of fixed deposit secured loans of Rs. 67,752 and borrowers 9 during the period of last 22 years.

The share of loans against fixed deposits ~~loan~~ in the aggregate working capital of the banks increased from 2% in 1978 to 6% in 1984.

The average fixed deposit loans sanctioned to each borrower account increased from Rs. 4141 in 1978 to Rs. 7768 in 1984.

The rate of loans disbursement continuous increased since 1979.

E) Loan Against Pigmy Deposit .

Table reveals that loans against pigmy deposits rose by Rs. 2,60,266 from Rs. 2,03,365 to Rs. 4,63,631 and borrowers rose by 173 to 394 during the period of last 12 years.

They recorded more than 2-fold increase during 1973 to 1984.

The proportion of loans against pigmy deposit in the total loans outstanding decreased from 1.6% in 1978 to 68% in 1988 and proportion of these loans in the aggregate working capital also decreased from 0.9% in 1978 to 0.4% in 1984 in the corresponding period.

The average growth of pigmy deposit secured loans and number of borrowers i.e. Rs. 21,687 and 18 respectively during the period of last 12 years.

The average of loans against piggy deposit sanctioned to each borrower increased from Rs. 236 in 1978 to Rs. 1176 in 1984.

The rate of loan disbursement since 1973 should not continuous increase. In the year 1975,78,80 and 1984 loans advances decreased due to the banking policy of the Bank and requirement from the members. In the year 1974,76,77,79,81 and 1983 loans and advances increased due to the loan policy of the Bank.

F) Loan Against Recurring Deposit -

The above table indicates that the loans against recurring deposits rose by Rs. 15,540 from Rs. 22,200/- to Rs. 37,740 during 1973 to 1984. Number of borrowers rose by 12 from 38 in 1973 and 50 in 1984 during 1973-to 1984.

The average growth of recurring deposit secured loans of Rs. 1295 and average growth of borrowers 1 during the period of last 12 years.

The average recurring deposit secured loan sanctioned to each borrower increased from Rs. 493 in 1978 to Rs. 754 in 1984 during 1973-to 1984.

The data in the table clearly shows that loan against recurring deposits are not satisfactorily increased during the period of last 12 years.

8) Loan Against Mortgage of Goods -

The table indicates that the loan against mortgage of goods decreased from Rs. 15,46,770 to Rs. 13,85,030 during the period of last 12 years. Total number of borrowers also decrease from 54 to 34 during 1973 to 1984.

Average decline rate of loan against mortgage of goods Rs. 13,473 and borrowers 16 during 1973 to 1984.

The ^{loan} disbursement in 1974 largest amount of loans to the extent of Rs. 16,67,815 to 68 borrowers.

The rate of loan disbursement since 1973 should a fluctuating trend. As per directives of the Reserve Bank of India and banking loan policy the Bank reduced the amount of loans and advances under this category. But during the last two years the amount of loan

increased.

H) Hypothecation loan -

The table reveals that the ~~hypothecation~~ loans rose by Rs. 30,12,387 from ^{Rs.} 35,156 to Rs. 30,47,543 during 1980 to 1984. The total number of borrowers also increased from 2 in 1980 to 52 in 1984.

The average growth of the hypothecation loans is of Rs. 6,02,477 and borrowers~~is~~ is 5 during the period of last 5 years. They recorded more than ~~28~~ twenty-eight-fold increase during the period of last 5 years.

The share of hypothecation loans in the total loans outstanding 5% and in the total working capital 3% during the period of last 5 years.

The average hypothecation loan sanctioned to each borrower is of Rs. 58,606 during the period of last 5 years.

The rate of loan disbursement shows continuous increase since 1980 except in 1982. But in 1983 and 1984 hypothecation loans increased from Rs. 8,17,439 in 1983 to Rs. 30,47,543 in 1984 and also borrowers increased from 33 to 52 during 1983 to 1984.

The table points out that the hypothecation loan advances are recently extended by the bank.

I) Loan Against Sugar Factory Deposits -

From the table it indicates that this loan decreased from Rs. 24,502 in 1973 to Rs. 10,379 in 1977 and number of borrowers also decreased from 11 to 9 during 1973-77.

The table points out that the loans against sugar factory deposit continuously decreased during the period of last 5 years.

But due to supervisory control of Reserve Bank of India and policy of the Bank, the grant of such loans was stopped from 1977.

J) Overdraft Facilities -

J) The table shows that the overdraft facilities rose by Rs. 1,38,5³⁴~~86~~ from Rs. 29,300 to Rs. 1,67,834 and borrowers by 5 from 9 to 14 during 1973 to 1984.

They recorded more than five-fold increase in amount of overdraft facilities during the period of last 12 years.

The average growth of overdraft facilities Rs. 11,544 during ~~last~~ the period of last 12 years.

The share of overdraft facilities in the total loan outstanding is 3% and in the total working capital 0.2% in 1984.

The table after close examination shows that overdraft facilities declined since 1973 to 1978. But from 1978 this policy have a steady speed ~~for~~ increasing trends upto 1984.

The table clearly indicates that the overdraft policy stoped in 1977 and 1978 ~~by the bank~~ due to the policy; *of the Bank*

The loan disbursement ~~since 1973~~ shows the fluctuating trend, *since 1973*

K) Mortgage of House Property Loan -

This table clearly shows that the mortgage of house property loan rose by Rs. 8,44,514 from Rs. 9,99,216 to Rs. 18,42,730 and number of borrowers rose by 168 from 161 to 329 during the period of last 12 years.

They recorded more than two-fold increase during 1973 to 1984.

The average growth rate of mortgage of house property loan and number of borrowers accounts Rs. 70,376 and 12 respectively during 1973 to 1984.

The share of mortgage of house property loans in the total outstanding loans decreased from 4% in 1978 to 3% in 1984. The share of this loan in the total working capital also decreased from 2% in 1978 to 1.8% in 1984.

The average loan sanctioned to each borrower increased from Rs. 2992 in 1978 to Rs. 5660 in 1984.

The percentage of short-term loans and medium term in the total mortgage of house property loan increased from ST 49% and MT 51% in 1978 to ST 15% and MT 85 % during 1978 to 1984. It clearly shows that the medium term loans are highest in outstanding loan amount in this loan.

L) Loans Against Government Securities -

The table indicates that these loans decreased from Rs. 46,922 in 1973 to Rs. 45,197 in 1984. The total number of borrowers also decreased from 82 in 1973 to 20 in 1984.

The average declined rate of these loans is Rs. 144 and number of borrowers is 5 during the period of last 12 years.

The percentage of short-term loans and medium term loans in the total loans against government securities decreased from short term 78.5% and medium term 21.5% in 1978 to short term 73.5 % and medium term 26.5% in 1984.

A close examination of the table shows that the loan disbursement since 1973 showed fluctuating trend. Similarly number of borrowers and loan amount not so satisfactory.

The average rate of loan disbursement in 1977 and 1978 is to the extent of Rs. 1,07,838 and Rs. 1,03,991 to 167 and 208 loan accounts. This indicates the declined trends during the period of last 12 years.

M) Loan Against Power Looms-

The table reveals that the power looms security loans rose by Rs. 11,79,525 from Rs. 9,94,469 to Rs. 21,73,994 and total number of borrowers rose by 138 from 150 ^{to} ~~an~~ 268 during the period of last 12 years.

They recorded nearly ~~more~~ that two-fold increase within a period of 12 years.

The share of powerlooms secured loans in the total loans outstanding decreased from 4% in 1978 to 3.8% in 1984. The share of power looms secured loans in the total working capital also decreased from 2.7% in 1978 to 2% in 1984. during 1973-to 1984.

The share of short-term loans and medium term loans in the aggregate power looms secured loans remained as 77% short term and 23% medium term in 1978 and 70% medium term and 30% short term in 1984.

The average rate power looms loans sanctioned to each borrower increased from Rs. 6109 to 8112 during the period of last 12 years.

N) Bills -

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The table indicates that the loans on bills decreased from Rs. 2,02,992 in 1973 to Rs. 1,46,708 in 1984. The number of borrowers also decreased from 48 in 1973 to 14 in 1984.

The share of bills in total loans outstanding also decreased from 1% in 1973 to 0.1% in 1984.

The average decline rate of bills loans is Rs. 5320 and borrower accounts is 3 during 1973 to 1984.

The average bills-loan facilities sanctioned to each borrower increased from Rs. 5320 in 1978 to Rs. 10,479 in 1984.

The loans disbursement in 1980 is the largest amount to the extent of Rs. 6,67,179 and the maximum accounts are 64.

O) Loans Against Personal Surety -

The table reveals that the loans against personal surety rose by Rs. 42,06,500 from Rs. 2,05,890 to Rs. 44,12,390 and total number of borrowers rose by 1518 from 189 to 1707 during the period of last 12 years i.e. 1973 to 1984.

They recorded more than twenty-one fold increase during the period of last 12 years.

The share of loans against personal surety in the total loan outstandings increased from 3% in 1978 to 7.5% in 1984. The share of these loans in the aggregate working capital also increased from 1.5% in 1978 to 3.6% in 1984.

The average personal surety loans sanctioned to the borrower increased from Rs. 682 in 1978 to Rs. 2584 in 1984 during the period of last 12 years. The average borrower accounts is 127 in corresponding period.

The table remarks that the medium term loans are granted from 1981. The share of medium term loans constitutes 66% and short term loans is 44% in the aggregate personal surety loans during 1973 to 1984.

P) Loans Against Dam Dupat Deposit -

The table reveals that the dam dupat deposit against loans rose by Rs. 22,26,771 from Rs. 21,932 in 1976 to Rs. 22,48,703 in 1984 and number of borrowers accounts also rose by 548 from 11 in 1976 to 559 in 1984 during the period of last nine years.

They recorded nearly more than 105 fold increase in loans and fifty folds increase in borrower accounts during the period of last Nine years.

The average growth rate of these loans of Rs. 2,47,419 and number of borrowers 62 during the period of last 9 years.

The share of Dam Dupat Deposits against loan in the total loan outstanding increase from .5% in 1978 to 3.7% in 1984. and also in the aggregate working capital increased from .3% in 1978 to 2% in 1984.

The share of medium term loans increased from 51% in 1978 to 95% in 1984. and short term loans decreased from 49% in 1978 to 5% in 1984. in the total Dam dupat deposit against loans.

The average Dam dupat deposit loans sanctioned to the borrower increased from Rs. 2038 in 1978 to Rs. 4015 in 1984.

The rate of loan disbursement shows that since 1976 it continuously increased upto 1984. This shows the good progress of these loans operations.

Q) Pigmy Dam-Dupat Loan -

The table clearly shows that the pigmy dam dupat loan decreased from Rs. 13,31,625 in 1977 to Rs. 44,488 in 1984. The number of borrowers accounts also decreased from 2786 in 1977 to 213 in 1984.

The rate of loan disbursement shows that since 1977 loans continuously declined except in 1981 and also total number of borrowers continuously declined upto 1984.

From the table it is noted that the progress of such loan is not satisfactory during the period of last 4 years i.e. from 1981 to 1984.

The Reserve Bank of Indias supervisory control and its directives this bank stopped the operationf of thiseloang.

R) Panchganga Hami Cash Credit Loan -

Above table indicates that the panchganga hami cash credit loans decreased fromRs. 19,60,605 in 1977 to Rs. 10,74,583 in 1984. The total number of borrowers also decreased from 514 in 1977 to 256 in 1984 during last 9 years.

The share of these loans in the aggregate loan outstanding decreased from 13% in 1978 to 1.8% in 1984 and in the aggregate working capital also decrease from 6% in 1978 to 1% in 1984 during the period of last nine years.

The table clearly reveals that the largest amount of loan disbursement in 1978 to 941 borrowers is Rs. 2253620. However it is also clear from the table that from 1979 to 1981 there was decrease in the Cash credit loan operation. This might have due to the more repayment of the loans. But during 1983-84 the loan operations again increased by Rs. 72439.

S) Loan Against Cattles -

The table reveals that the loans against cattles increased from Rs. 1,95,38 in 1977 to Rs. 2,52,322 in 1984 and total number of borrower accounts also increased from 27 in 1977 to 136 in 1984,

The average growth of these loans is Rs. 7115 and number of borrowers is 13 during the period of last 8 years.

The share of loan against cattles in the total loan outstandings 3% and in the total working capital 2% in 1984.

The average loan sanctioned to each borrower decreased from Rs. 7236 to Rs. 1855 during the corresponding period.

The table clearly shows that the rate of loans disbursement in 1981 largest amount of Rs. 3,91,201 to 235 borrowers. However this loan shows declining trends since 1982. It also points out that the loan operations are satisfactorily operated by the bank because of the ~~operations~~ changing loan policy of the Bank.

T) Hire Purchase Loan -

The table clearly shows, that there has been a significant increase in the amount of hire purchase

loans. From a small figures of Rs. 5,53,871 in 1973 they have gone upto Rs. 72,27,141 in 1984. and also total number of borrowers increased from 135 in 1973 to 440 in 1984.

The proportion of hire purchase loans in the aggregate loan outstanding has gone up from 5% in 1978 to 12% in 1984 and in the aggregate working capital also has gone up from 2.7% in 1978 to 7% in 1984.

The average growth rate of loans and number of borrowers forms Rs. 5,56,106 and 25 respectively during the period of last 12 years.

The average loan sanctioned to the borrowers increased from Rs. 3405 in 1978 to Rs. 16,425 in 1984 during the period of last 12 years.

The rate of loans disbursement showed contineous increase except in 1978 during the period of last 12 years.

A close look of the table also shows that this loan has been satisfactorily implimented by the Bank during the periods under review.

U) Loans for Staff Housing -

The table clearly shows that the staff housing loans increased from Rs. 4500 in 1978 to Rs. 2,79,542 and number of borrowers also increased from 1 in 1978 to 10 in 1984.

They recorded nearly more than fifty-five fold increase during the period of last 7 years.

V) Financing of Artisans and Small Scale industries,
Refinance from RBI i.e. U/s 17(2)(bb)

The table clearly shows that the loans for small scale industries rose by Rs. 21,63,057 from Rs. 8,17,440 to Rs. 29,80,497 during 1983-84 and total number of borrowers also increased from 31 in 1983 to 102 in 1984, recording nearly more than three and half-fold increase during the period of only one ~~xxxxxx~~ year.

The share of small scale industries loans in the aggregate loan outstanding increased from 1.6% in 1983 to 5% in 1984 and in the aggregate working capital also increased from 1% in 1983 to 3% in 1984.

The average loan sanctioned to the borrowers also increased from Rs. 2636 in 1983 to Rs. 2922 in 1984 during two years.

A close examination of the table shows that this loan policy has implemented by the bank satisfactorily.

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