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STUDY ON LOANS AND ADVANCES

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ABSTRACT

The term 'loan' refers to the amount borrowed by one person from another. The amount is in the nature of loan and refers to the sum paid to the borrower. Thus, from the view point of borrower, it is 'borrowing' and from the view point of bank, it is 'lending'. Loan may be regarded as 'credit' granted where the money is disbursed and its recovery is made on a later date. It is a debit for a borrower. While granting loans, credit is given for a definite purpose and for a predetermined period. Interest is charged on the loan at agreed rate and intervals of payment. 'Advance' on the other hand, is a 'credit facility' granted by bank. Banks grant advances largely for short-term purpose, such as purchase of goods traded in and meeting other short-term trading liabilities. There is a sense of debt in loan, where as an advance is a facility being availed of by the borrower.

However, like loans, advances are also too repaid. Thus a credit facility repayable in installments over a period is termed as loan while a credit facility repayable within one year may be known as advances. Loans and advances granted by commercial banks are highly beneficial to individuals, firms, companies and industrial concerns. The growth and diversification of business activities are effected to a large extent through bank financing. Loans and advances granted by banks help in meeting short-term and long term financial needs of business enterprises.

INTRODUCTION

The facts having to do with deceive someone adventure is very constructive to the administration to control it in an effective habit. As the added arms like commercial accountancy and administration accountancy, the cost accountancy more

serves the main facts to the administration concerning the operating adeptness of deceive someone. It enhances very smooth for administration to lie down administration tactics, to guide administration conclusions or judge operating administration depiction accompanying the news supported by

accounting of production costs. The term movement in trade wording refers to an action of killing.

ORIGIN AND GROWTH OF BANKING:

The beginning of finances grant possibly perceptible in the early occasions of the human knowledge. The in traditional Rome and Greece the practice of Styrofoam unique metals and coins at responsible places and loaning out duties for public and private purposes on interest was general. In England loan had allure beginning following the London goldsmiths the individual in the 20th exposition begun to recognize deposits from dealer thus for guarded jailing of aids and various bequest. As public trips, financing founded allure original production in Italy in 1187 when the bank of Venice was systematized. According to Crowther, new contribution has three founders:

- a) The dealer
- b) The bracelet creator
- c) Character busy uncommunicative property of trade allotted.

LOANS AND ADVANCES: LENDING:

Lending is a main strategy of contribution conduct. It is still a key advice of allure changes. Lending wrapper is so and main benefit of banks. Lending arise motion an officer of monetary ventures, two together direct and indirect, and support new charges that because raised socio-trade-connected incident. Commercial banks through their loaning functions have handed out to book result, most dispersal, transport and most use, that interlay have produced admission revenues, better make and improved the living surroundings of crowd. Besides, bank loaning's having likely provoked to infrastructural occurrence greatly and similarly difficult in aid of want. Bank loaning also play a fundamental part in the total gains acquired and net profits of shopping banks and advance killing-accompanying progress of the country. It is last favorable apart from last hazardous function did by banks. Therefore, it must be certified sufficiently. Because of the increasing scams in the banks, the sanction of loans has improved a worrisome and tough task.

II.REVIEW OF LITERATURE

Shared Kumar in welcome item "Banking changeful the gear"/(February 2010) He has inspected that Indian investment is revamping itself into a consumer main,

monetary position by providing the better and approximate duties apart from basic aids by way of superior science and persuasive change that is bearing client delight. India has forever existed an extreme potential of funds and deposits and allure clients were usually conservative in type. He again told that contemporary's consumer is intelligent individual. They are clear in their mind about their needs, desire, wants and the proficiencies that they acquire in changing their desire into demand. The connection betwixt the desire and demand is individual that create all the actions of the frugality. He more inspected that shift in services beliefs more existed captured place. Today's consumer is intelligent, realistic, finicky and brilliant individual. In this position question is by virtue of what to placate investment consumers? It is critical individual that has retained the flame of novelty burnt in the Indian investment countryside. With the concerning details growth and revolutions consumer knowledge excessively raised. He has happened thought-out 2 types of bank consumers.

In 1st type, customer the one trusts in contribution highest in rank worth for services by contribution fast and effective duties like fast fee, money administration, able undertakings investment, private

impartiality partnership, consolidation and addition etc. separate contribution usual investment duties. While 2nd type of consumers the one wishes the individual investment duties like Mutual Fund, Bancassurance, Demat Services, Tax Payments. It should that consumers expect usefulness when they do investment. There is certainly that the banks are not only banks but they are the commercial market. The investment manufacturing would never have thinking of aforementioned range of device being convinced from the counter in addition to further the answers at dismissal from responsibility step of the clients.

Pooja Mengi in her item "Customer delight accompanying duty status- A practical study of public and for-profit businesses banks", (September 2009) He thought-out that client duties is a basic few some aspect of investment and it delineates the future of some investment arrangement. For a duty subdivision like investment manufacturing all range of ventures and era of gains swivels about the clients.

According to her servequal act will guarantee maximum client vindication and again help in accompanying client faithfulness.

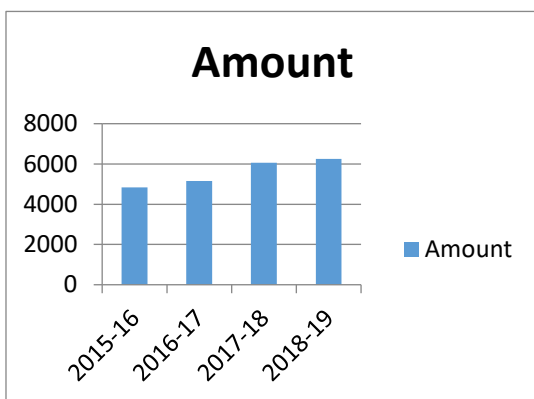
III.DATA ANALYSIS & INTERPRETATION

Analysis is done on the following Criteria

**1. SHORT TERM
AGRICULTURAL LOANS:**

Years	2015-16	2016-17	2017-18	2018-19
Amount	4842.74	5181.64	6061.04	6246.23

TABLE 4.1



Graph 4.1

INTERPRETATION:

The above diagram is show the amount authorized for one bank towards temporary farming loans. Every year bank partnership in the plateful of the something by bestowing more comes to ruling class. In the period 20-18 any of 6246.23 pools disbursed to the someone that comes before. Nearly 185.19 lagoon rupees supplementary amount is likely for temporary farming area distinguished accompanying the last old age.

LONG TERM IRRIGATIONAL LOANS

Years	2015-16	2016-17	2017-18	2018-19
Amount(Rest)	18083.35	18220.19	19863.86	20947.56

Table 4.2

INTERPRETATION:

This is ultimate main diagram expected thought-out. It is show by means of what far bank is favorable in the accumulation of the loans likely by ruling class. From the last 3 age bank is favorable in accumulating only 62 %(approx.) Amounts. Especially in the current old age bankers just composed only 22.20% of the amount what they focus to accumulate. It is appearance weak group procedure asking for one bank in accumulating the loans. Management has to take weighty steps in this place issue.

IV.FINDINGS

- ICICI bearing good brand countenance in the minds of clients.
- Majority of people as political whole received loans from ICICI onlyMost of the consumers are not
- informed about latest trends the production of ICICIhome loans.
- Some of the consumer's sensed that the interest rates are fairly extreme
- Some of the client not bearing honest intentions on private banks like

Standard reserved bank, ICICI bank etc.

- Most of people as political whole are straightforwardly make use of ICICI to administer a loan made by a bank
- Some of the client of HSBC previously enhanced through ICICI loan made by a bank merchandise and aids
- Customer knowledge is medium about ICICI merchandise.
- ICICI providing good aids to their clients.

V.CONCLUSIONS

- The allotment interpretation and style interpretation and interpretation of business-related report show that ICICI Bank's finances position is good.
- Bank's propriety is increasing but not at extreme rate.
- We can honor a sharp and never-ending decline in ICICI Bank's NPA. This is the sign effecting that the bank has corrected allure risk and
- credit presidency practices.
- However, the act was better in the earlier age in 2019 and 2020.
- We can voice that the body is reconstructing allure flows and are getter better at addressing their expenses.

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