

Chapter III

UBKGB, CREDIT DEPLOYMENT, AND ITS IMPACT.

Introduction

The main objective behind the setting-up of the RRBs was to provide institutional credit to the weaker sections in the rural areas neglected hitherto by the commercial banks, and bringing about a progress with social justice to the rural poor. The reduction of priority sector lending by the public sector banks (state bank and nationalised banks) from 43.4 percent in 1980 to 32.8 percent during 1994-95 (table 3.8) has created further problems for meeting additional needs of the priority sector. Thus, RRBs in the country have an important role to play in our rural economy with particular reference to the target groups lending i.e., to meet the needs of small and marginal farmers, agricultural labourers, rural artisans and small enterprises.

The RRBs in the country have achieved considerable degree of success in taking the banking service to the very remote areas which had hitherto remained unbanked and in making available institutional credit to the weaker sections in those areas. Further, in making available credit to the far-flung rural areas, they have facilitated the flow of credit from the central money market to these areas through refinance from NABARD. Nevertheless, a close look at their performance would be needed for proper evaluation of their impact and the factors that stand way for their sustained growth.

In this chapter an attempt has been made to review the performance of the bank (UBKGB) in achieving the primary objective of lending to the weaker sections and to analyses the problems for maintaining a circular flow of credit for its sustained growth. The analysis below looks into the following aspects (a) the growth of credit— a comparative assessment, (b) Factors affecting growth, (c) Credit management and (d) Impact of credit.

A package of short-terms measures was devised in Dec, 1993 in view of their problems of viability which among other thing, includes, increase of non-target group financing from 40 percent of their fresh lending to 60 percent w.e.f. January 1994'. Hence, an attempt will also be made to see how far the bank has been able to utilise this opportunities and whether there exists scope for such facilities in the rural areas. For the purpose of our analysis both the primary and secondary date are used.

Growth of Credit : A Comparative Assessment.

A close look into the table 3.2 brings out the fact that outstanding credit of UBKGB increased from Rs. 1423 lakh in Dec. 1984 to Rs. 3310 lakh in March 1990 recording a growth of more than two times during the six year period when the index number increased from 100 to 233. During the same period the credit of MGB (another RRB operating in another three backward districts of the same state like UBKGB) increased from index number 100 to 471 i.e. it increased by 4.7 times. The table also indicates that at the state and national level they increased by 3.6 times and 3.3 times respectively during the same period. Thus, the growth of Credit of UBKGB was far behind the growth of MGB and from the state and national level during 1984-90.

During 1991 & 92 a negative growth was recorded when the index member decreased to 169 from 233 in the previous year. This negative growth in 1991 was due to Debt Relief by the Govt. in that year. The index number then increased at a very slower rate and reached to 442 in March 1996 i.e. during the last 12 years (1984-96) the growth was just 4.4 times. While, for MGB it increased by 9.8 times and at the state and national level they increased by 7.9 times and 6.9 times respectively during the same period.

Thus, the performance of UBKGB in meeting the credit needs of the rural economy in comparision with other RRBs in the country was very unsatisfactory.

The growth of credit in amount and in account number, in the coverage of new member, over previous year is presented in table 3.1. The table indicates that the growth of both in the accounts and amount fell steadily over the years. The growth in the number of barrowal accounts over Previous year decreased from 45.3 percent in Dec 1984 to 4.3 percent in March 1990. While in amount it decreased from 50.5 to 15.5 percent. There has been a negative growth for both, in 1991 due to relief of debt by the Govt. and thereafter it increased marginally. The Performance of MGB and RRBs at the state and national level was however, slightly better. The average (A.M.) annual growth rates of credit amount during 1984-90 were 21.1, 36.3, 20.5 and 29.7 percent respectively for UBKGB, MGB, state & all India level as against 13.3, 12.9, 13.7 and 13.4 percent during 1991-96.

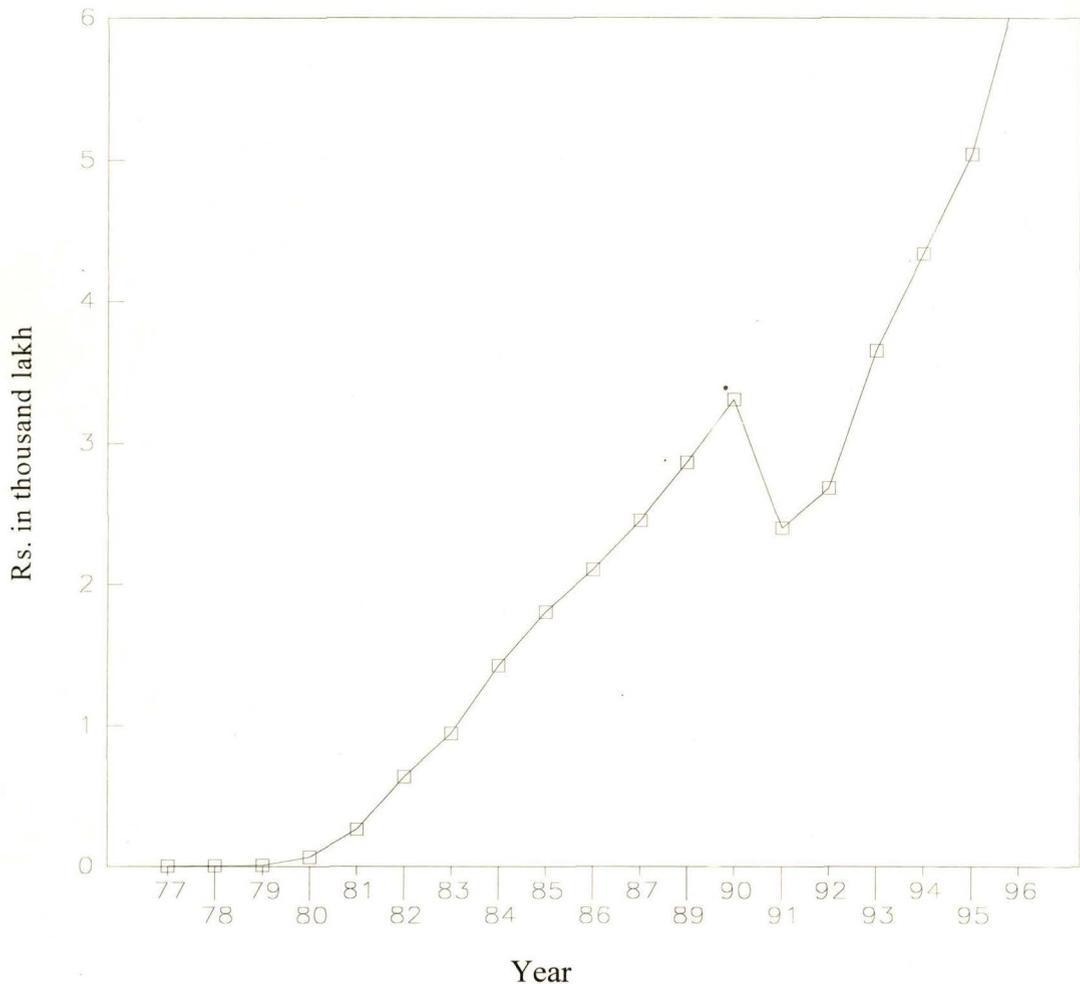


Fig. 2

Growth of Credit of UBKGB since inception

Credit per staff, per Account and per Branch

Table 3.3 indicates that the average credit per staff of UBKGB was Rs. 5.32 lakh during 1984-90 increased to Rs. 7.34 lakh during 1991-96 as against Rs. 3.14 lakh and Rs. 6.42 lakh of MGB during the same period. Thus, in both the period the performance of UBKGB was better than MGB. The per staff credit of UBKGB was also better than state average of Rs. 6.32 Lakh but lower than national average of Rs. 7.46 lakh during 1991-96.

Another important factor is that the average credit per account of UBKGB which was Rs. 1540 during 1984-90 and increased to Rs. 2379 during 1991-96 lower than MGB of Rs. 1655 and Rs 2907 during the same period. The average credit per Account at national level during 91-96 of Rs. 4187 was much higher than UBKGB of Rs 2379. It is also seen from the table 3.3 that the average credit per branch of the bank of Rs 23.4 lakh during 1984-90 was better than the average of MGB of Rs. 16.2 lakh. But the performance of UBKGB during 1991-96 was lower, Rs. 36.6 lakh than MGB of Rs. 43.0 lakh and state level average of Rs. 37.3 lakh.

It is seen therefore, from the analysis above that the growth of credit of UBKGB during the last 12 year period was far behind the growth of state and national level average. Though the performance of the bank in terms of credit per staff and per branch during the period 1984-90 was better than RRBs it becomes lower during the recent years 1991-96.

The sharp fall in the growth of credit since Dec 1985 and particularly during 1991-93 was due to :

- a) Sharp fall of recoveries of outstanding loans. The percentage of recoveries to demand decrease from 49.2 in 1984 to 39.2 in 1985 and from 31.6 in 1986 to 27.3 in 1996. The performance during 1991-93 became worse when the recoveries were 6.8% (excluding ARDRs relief) in 1991, 18.2% in 1992 and 23.6% in 1993 (table 4.1)
- b) The resultant decrease of refinance facilities from NABARD for imposing the condition of recovery with refinance. The refinance from NABARD

in general term decreased from Rs. 552 lakh in 1986 to Rs. 5 lakh in 1992 and thereafter it becomes nil (table 4.5)

- c) The relief of agriculture and rural debt by the govt. of India under Agricultural & Rural debt relief scheme (ARDRs) of 1990.
- d) The preference of the bank for earning interest income without any risk at a better rate than the rate of interest on lending to target groups. The interest income on loans and advances was almost remain constant at about 10.5 percent as against an upward trend on the rate of return on deposits with sponsor bank & investment, the average return from which is recorded at about 11.73% during the last 5 years (1992-96).
- e) The poor credit management and lack of professional skill in lending to non-target group also affected the growth of credit.
- f) The implementation of prudential accounting norm, the concept of NPA (non-performing assets) w.e.f. 1995-96 has further reduced the amount of outstanding credit.

Purpose-wise Distribution of Credit

A close look into the table 3.4 reveals that of the total advances, agricultural sector on an average accounted for 30-40 percent with downward trend. The share of short term crop loan which was about 12.5 percent during 1984-90 decreased to 4.5 percent during 1991-96. The retail trade and small business accounted for 43 to 51 percent of the total advances. However, its share decreased to 11.3 percent in 1996. The share of rural Artisans and village and cottage industries varied from 3 to 10 percent. The priority sector accounted for about 80-97 percent of the total advances with a downward trend.

The share of non-target and non-priority sector (data for which was not available separately) including house building loan to staff and demand loan against term deposit, accounted for about 4 percent during 1984-90 increased to 12 percent during 1991-96 with an increasing trend. This recent increase in non-target and non-

priority sector lending was due to change in the policy guide lines by the govt. of India in the context of emerging financial policy. However, the performance of the bank, other than loan to staff for housebuilding and others, in availing the opportunities could not be judged properly due to non-availability of data in separate heads.

District-wise Distribution of Credit and there respective growth.

It can be seen from the table 3.5 that Cooch Behar district deployed highest amount of credit followed by Jalpaiguri and Darjeeling. The table reveals that during the period under reference the credit of the Cooch Behar increased by 5.6 times as against 4.4 and 3.2 times of Jalpaiguri and Darjeeling. The reasons for this highest growth of CoochBehar was due to its highest mummer of branches than other two districts and its agricultural base economy (the agricultural sector accounted for 30-40 percentage of total advances). The growth of Darjeeling district also affected due to political disturbances in the three hill subdivisions during 1986-89.

Credit-Deposit Ratio (C/D ratio)

The C/D ratio is an important indication of deployment and utilisation of resources mobilised by way of deposits in that area and used for evaluating the performance of a bank. The RRBs are required to deploy credit for the economic welfare of the weaker sections residing in their jurisdiction and to reduce the rural urban disparities. The trend of this ratio of all RRBs in the country is significantly negative. The ratio for RRBs at the national level in 1984 was 113 and decreased almost at a constant rate over the years and reached to 53 in 1996. For RRBs in West Bengal the ratio decreased from 99 to 47. The ratio of UBKGB was as high as 159 and decreased to 57 while for MGB it reduced o 47 from 66 during the same period under reference (table 3.2).

During the initial years, UBKGB's performance in the deployment of resources mobilised by way of deposits from that area was very satisfactory

(Appendix - VII). The performance of the bank in comparison with MGB, state and national level average was also better, but there has been a steady fall in the ratio. This fall in the ratio may be attributed to:

- a) At the instance of mounting overdues and poor recovery NABDARD instructed all RRBs in the country to bring down the C/D ratio within 100.
- b) Non availability of sufficient refinance facilities from higher tier on eligibility ground due to poor recovery performance.
- c) A preference for keeping the cash balance with the sponsor bank for earning higher rate of return than the lending activities.
- d) To avoid risks of non-recovery and liquidity problems caused by recurrent losses.

The more important criteria for judging the performance is how far the bank has been able to meet the credit needs in its area of operations according to the planned allocation of credit under the District credit plan and Annual Action plan. The C/D ration could be considered only as a rough yardstick to ensure that deposits mobilised in rural and semi-urban areas are not deployed elsewhere, but are used to finance local economic activity¹.

Performance of UBKGB in the Distribution of Credit as per District Credit Plan/Annual Action Plan. (DCP/AAP)

The UBKGB along with other financing agencies participate in the preparation and implementation of District Credit Plan (DCP). The Annual Action Plan is prepared by the lead Bank of the district concern keeping in view the credit needs of the district. In preparing the credit plan each of the bank branches has to take care the need of their service area considering the Govt. incoming plans, RBI guidelines and technical feasibility of the bankable scheme. Therefore, it is very

important that the bank performance to be judged in the implementation of the credit plan.

It can be seen from the table 3.9 that the target for the UBKGB during 1984 was Rs. 322.4 lakh but the achievement was Rs. 683.5 lakh, that is the performance was 212 percent higher. In the subsequent years the performance of the bank fell sharply. It fell from 123 percent in 1985 to 57 percent in 1990 and increased to about 75 percent in 1995. Thus, the performance of UBKGB in the implementation of the credit plan i.e. in meeting the credit need of the area during 1985 and onwards, was very unsatisfactory.

The main reasons for this poor performance were.

- a) High incidence of overdues and poor recovery;
- b) Decrease of refinance facilities;
- c) NABARD policy to reduce the C/D ratio within 100
- d) Deficiencies in the plan preparation itself, resource potentialities of the areas are never properly surveyed and
- e) The attitudinal deficiencies of the staff.

Performance under special scheme of the Govt.

i) Integrated Rural Development Programme (IRDP)

The scheme of IRDP was introduced in the year 1978-79 to assist selected families below the poverty line in the rural areas by taking up self-employment programme. In consonance with priorities explicit in the development programme of the Govt. the UBKGB like other RRBs in the country also actively participate with such Govt. scheme in addition to its own scheme.

The table 3.6 reveals that of the total credit deployed during 1984-90, IRDP loan claimed on an average 19.5 percent of the total borrowal accounts and 16.4 percent of the total credit amount. The share increased to 41 and 44.4 percent during

1991-95 respectively for borrowal accounts and credit amount.

It has therefore been observed that in this rural development programme, the involvement of UBKGB was very remarkable.

ii) Assistance to scheduled caste and scheduled Tribe (SC&ST).

This scheme was projected by the Govt. with the objective of raising the standard of living of the SC&ST population. The bank (UBKGB) has also participated in this scheme in achieving the objective of the Govt. The amount disbursed to this scheme increased from Rs 562 lakh in 1984 to Rs. 1622 lakh in 1995 recording thereby 3 fold increase during 11 year period 1984-95. The increase in the number of beneficiaries from 45 thousand to 87 thousand registering about two fold increase during the same period. The percentage share to total advance of this scheme was 35.9 and 40.8 percent respectively for credit amount and credit account during 1984-90 and it increased to 40.8 and 47.1 percent respectively during 1991-95 (table 3.6).

It thus appears that the bank has also played a very active role in this development programme of the Govt.

Performance under Development Action Plan (DAP)

The DAP was introduced during 1994-95 with a view to achieve the break-even level (BEL) within a reasonable period. The DAP envisages several measures to be taken by RRBs for improving their performance.

It appears from the table 3.10 that the achievement for target group lending in both the accounting year 1994-95 and 1995-96 was quite satisfactory. The achievement was 154.9 and 127.2 percent respectively for the period mentioned. However, performance for non target group lending in the 1st year of its inception of this programme was only 79.1 percent of the targeted amount. It improved in 1995-96 when the performance reached to 123.9 percent. The performance however needs to be improved a lot for attaining its viability.

Credit Management.

The efficiency and efficacy of credit management has an important bearing upon the end use and maintenance of circular flow of credit and ultimately on the revenue and viability of a bank. The credit policy has to ensure credit productivity in the end use and maintenance of circular flow of credit for meeting the needs of the economy. For this it is essential that the leakage or grant of credit to unsuitable and unviable scheme is minimised and credit goes to economically viable schemes having marketing facilities and infrastructure. The credit quality warrants technical expertise for project/scheme appraisal and viability study. It is also essential that supply of credit is well spaced over the horizon and is speedily disposed at a particular point of time according to the needs of the beneficiaries. The bank also need to diversify the credit portfolio for reducing credit risk and for better credit recovery.

It is seen from the table 3.2 and 3.3 that in the flow of credit (growth) the performance of UBKGB was far behind from the MGB and also from the RRBs at the state and national level average. The performance became worst during 1991-92 and onwards.

Views of the bank staff

The views of the respondents are given in table 4.10. The response indicates that 16.5 percent cases loans were sanctioned for unsuitable and unviable schemes and about 13 percent cases without marketing and infrastructural facilities. The loans are also sanctioned without proper pre-sanction scrutiny and appraisal of loan proposal to which 9 percent of the respondents attributed their views and another 4 percent also viewed inadequate supervision and followed-up for end-use of credit.

Of the total respondents 65 percent have opined that there has been a direct or indirect pressure from the govt. agencies for lending to unviable and unsuitable scheme. Again, 94 percent have expressed that there were negligible scope for

rejecting the loan application selected by the respective panchayat (table 4.11). Thus, the views expressed by the respondents signifies poor credit management or Poor quality of credit.

Views of the borrowers (table 4.9)

Data presented in Table 4.9 shows that supervision and follow-up visit for end-use of credit was inadequate or insufficient to which more than 50 percent respondents attributed their views. Other important factors signifying the poor credit management to which the borrowers expressed their views are :

- i) failure of the scheme-17 percent case
- ii) misutilisation and diversion of fund 15 percent case,
- iii) supply of poor quality of assets 30 percent case,
- iv) wrong selection of scheme 2 percent case.

It has also been observed that credit programme are hastily drawn-up to achieve the target at the cost of quality. The success or failure of the programme primarily depends on how much credit has been given in a given period of time. Only at the close of the year the loan applications for target groups are taken for consideration when no time can be spared for scrutiny and appraisal of the loan proposal. The table 3.4 also indicates that in the sectoral deployment of credit, the retail trade & small business accounted for more than 43 percent of total loans inspite of the fact that in the rural areas the scope of such business are very limited.

The credit recovery is an important part of credit management and is essential to maintain circular flow of credit, reduce incidence of everdues, improve viability, sustain growth and keep up public image. This calls for an effective supervision, monitoring and follow-up of end use of credit and to maintain a continuous link with the borrowers in the post disbursement stage. Any diversion or misuse of funds not to be allowed and timely action to be taken. Defaults wilfully need to be dealt

properly.

In this direction also the performance of the bank was quite unsatisfactory. The recovery performance of the bank is dealt separately in the next chapter.

Impact of Credit

To study the impact of credit 239 number of beneficiaries. (of which 144 belongs to Sc & ST (60.3%) and 52 belongs to other backward class (21.7%) selected from all the three districts, were interviewed. The result of the survey is presented in table 3.7. The table indicates that of the 239 beneficiaries, 126 beneficiaries (52.7%) have been benefited directly in the generation of income by utilising the loan or benefited by acquiring some other assets. While, another 67 beneficiaries (28.0%) have benefited indirectly in meeting their household and social obligation which saved their property (land) from sale under that circumstances. Among the beneficiaries 4.2 percent have even expressed that they have really been benefited in the improvement of their standard of living by acquiring consumer durable goods (like T.V., Cycle, Radio, Fan etc.) or by repairing and constructing houses. It has been observed during the survey that the beneficiaries actually benefited are more in number than expressed. About 15 percent of the beneficiaries however, reported that they have not been benefited at all due to loss/death of assets and in some cases for non-utilisation of fund for having no experience or lack of proper guidance from the Govt. agencies as well as from the bank staff.

Thus, it can be inferred from the above analysis that there has been a positive impact on the income and in the improvement of the standard of living of the rural people. However the desired result could not be achieved due to the limitation like:

- i) Wrong and improper identification of beneficiaries;
- ii) Pressure for lending on unsuitable and unviable scheme;
- iii) lack of infrastructure and marketing facilities;
- iv) supply of poor quality of assets;

- v) misutilisation due to lack of assistance, proper supervision and follow-up for end use of credit;
- vi) insufficient and delay in sanctioning of the loan amount;
- vii) Inadequate pre-sanction scrutiny and appraisal of loan proposal and above all the
- viii) lack of initiative and interest of the bank staff as well as of govt. agencies and poor credit management of the bank.

Impact of Credit : District-Wise Comparison

A perusal of table 3.7 also indicates that the impact was not similar for all the districts. It appears from the table that the impact of credit in the generation of income was very minimum for Cooch Behar district (37.3%) followed by Jalpaiguri (60.7%) and Darjeeling (61.1%). The main reason for this is that the amount of loan was not utilised properly by the beneficiaries of Cooch Behar district. That is the fund diversion or misutilisation was maximum for CoochBehar (42.2%) followed by Jalpaiguri (21.4%) and Darjeeling (19.4%). The poor credit management in the form of improper pre-sanction scrutiny and appraisal of loan proposal, sanctioning of loan to unsuitable and unviable scheme inadequate supervision and follow - up for end of credit, as pointed out in detail in the previous paragraphs, and lack of infrastructure and marketing facilities and initiatives/interests were found to be responsible for misutilisation of fund.

The study also reveals that among the member benefited 82% belongs to beackward sections of the society (SC & ST 60.3% and OBC 21.7%). It can therefore be inferred that UBKGB can play an important role in the improvement of the economy of weaker sactious by improving its credit management and by taking sufficient interest and initiative by the staff and the Govt. agencies.

Findings of the previous study

The study conducted by M.Sarker¹ observed the similar impact of credit on the earnings of the loanee members. The impact as has been found by him is as follows :

19% of the borrowers have been able to increase their income by about 20 to 40 percent; 27% by 40 to 80 percent and 6% by 100 percent. That is total 52% of the beneficiaries have been benefited in the increase of their income up to the level 20 to 100 percent. (In our study the percentage is 52.7%). Another 13% however, were benefited marginally in increase their income up to 20% only. The study also showed that 31% of the borrowers have not been benefited in increasing their income. In our study this percentage was just 15 percent. Thus, there has been a shift in the nature of utilisation of loan amount. The benefit could have been far more had there been adequate marketing and other facilities and proper vigilance on the part of the bank staff and other Govt. agencies.

Summary

The above analysis has brought to focus the following conclusions:

- 1) There has been a sharp fall in the growth rate of credit both in the coverage of new beneficiaries (credit account) and in credit amount during the period under reference. The growth rate even was negative during 1991-92. The growth rate of 4.4 times during the 12 year period (1984-96) for UBKGB was far behind the growth rate of 7.9 times of the RRBs at the state and 6.9 times of the RRBs at the national level and also from MGB which registered a growth of 9.8 times.
- 2) In terms of credit per staff, though the performance of UBKGB was better than MGB and from state average, the credit per branch of UBKGB was lower than MGB and from state average during the recent years 1991-96. The credit per account of UBKGB was much lower than the MGB and the RRBs at the state and national level during the whole period of our study.

- 3) The sharp fall in the growth of credit of UBKGB was mainly due to poor recovery and resultant decrease of refinance facilities from NABARD, preference of the bank for earning interest income at a higher rate on deposits from sponsor bank without any risk, poor credit management and lack of professional skill in lending to non-target and non-priority sector also affected the growth of credit.
- 4) In the distribution of credit, retail trade and small business was given unnecessarily more importance inspite of its limited scope, which accounted for 43-51 percent of total advances, at the cost of agricultural sector to which due importance was not given.
- 5) The priority sector alone accounted for more than 85 percent of the total advances and the share of IRDP loan increased from 16.4 during 1984-90 to 44.4 percent during 1991-95 and the share of SC and ST loan was 40 percent of the total advances.
- 6) The Credit Deposit (C/D) ratio of the bank decreased to 57 in 1996 from 159 in 1984 at the instance of mounting overdues and for preference of the bank in keeping cash balance with the sponsor bank for earning interest income at a higher rate than lending to target group without any risk.
- 7) The UBKGB like other RRBs in the country has performed a definite role for the upliftment of the rural economy by financing the rural development programme of the Govt. But the target groups still outside the preview of the bank's credit suffered on account of liquidity ground and resultant decreased in refinance facilities from higher tiers. The performance of the bank in the implementation of District credit plan during 1985 and onwards was very unsatisfactory. IRDP's share to total credit deployment increased from 16.4% during 1984-90 to 44.4% during 1991-96.
- 8) High incidence of overdues has become a major constraint to the

expansion of credit which in turn adversely affected the development programme of the Govt. Interview with the branch manager revealed that a sizable number of fresh applications are to reject on ground of fund constraint.

- 9) Poor credit management in the form of inadequate pre-sanction scrutiny and appraisal of loan proposal, improper identification of suitable beneficiaries or selection to unsuitable & unviable schemes having very limited scope of marketing and infrastructural facilities, in adequate post disbursement supervision and follow up for end-use of credit and lack of professional skill for lending to non-priority sector has been the main factors for poor performance of the bank.
- 10) There has been a positive impact of loan to the target groups on the generation of income to which 52.7 percent of the beneficiaries have expressed their views, and in the improvement of standard of living of the rural poor to which more than 4 percent of the respondents attributed their views. The impact of credit was very minimum for Cooch Behar district due to maximum misutilisation of loan.

Reference

- (1) Sarker M.R. "Rural Banking and economic development with special reference to UBKGB - N.B.U. thesis 1990.

Table No. 3.1

**Percentage of growth of Credit over previous year
in Credit Accounts and Amount**

Years	UBKGB		MGB		West Bengal		All India	
	Account	Amount	Account	Amount	Account	Amount	Account	Amount
Dec 84	45.3	50.5	33.5	36.0	35.7	43.4	28.8	42.5
Dec 85	19.9	26.8	5.4	34.0	20.9	33.8	20.7	31.3
Dec 86	9.3	16.6	29.2	41.0	16.9	24.1	16.6	27.6
Dec 87	10.1	16.5	34.4	40.0	19.8	23.3	14.9	24.5
March 89	18.6	16.9	14.5	40.0	16.1	44.9	12.0	30.7
March 90	4.3	15.5	22.1	27.0	13.8	21.5	13.0	21.8
March 91	-8.3	-27.4	6.9	10.4	8.4	-0.5	4.1	3.8
March 92	7.3	11.4	3.2	17.4	6.8	22.2	0.7	10.9
March 93	10.0	36.2	1.2	11.0	4.8	16.9	-0.1	13.1
March 94	11.9	18.7	2.3	13.9	3.9	14.4	0.3	13.5
March 95	-6.9	16.3	0.0	10.5	-0.8	15.0	1.4	19.8
March 96	5.1	24.7	0.4	14.3	9.3	17.3	0.5	19.3
Avg. during								
1984-90		22.1		36.3		20.5		29.7
1991-96		13.3		12.9		13.7		13.4

Source : Computed from data based on Annual Reports and statistics on RRBs.

Table No. 3.2

**Growth of Credit (Index No) and C/D ratio of
UBKGB, MGB, W.B. & All India**

Rs. In Lakh

Years	UBKGB		MGB		West Bengal		All India		C/D Ratio			
	Amount Rs.	Index No	Amount Rs.	Index No	Amount Rs.	Index No	Amount Rs.	Index No	UB KGB	MGB	WB	All Ind
Dec 84	1423	100	1028	100	5752	100	108077	100	159	64	99	113
Dec 85	1805	127	1379	134	7696	134	140767	130	157	61	91	109
Dec 86	2105	148	1943	189	9554	166	178484	165	133	59	81	104
Dec 87	2453	172	2722	265	11778	205	223226	207	117	59	77	97
March 89	2867	201	3810	371	17068	297	291825	270	104	63	73	94
March 90	3310	233	4845	471	20750	361	355404	329	92	62	67	86
March 91	2402	169	5350	520	20645	359	360927	334	54	68	57	72
March 92	2683	189	6281	611	25227	439	409086	379	52	62	58	70
March 93	3653	257	6971	678	29498	513	462673	428	63	58	58	67
March 94	4336	305	7937	772	33758	587	525302	486	58	52	52	60
March 95	5041	354	8773	853	38820	675	629096	582	57	50	50	56
March 96	6287	442	10029	976	45521	791	750502	694	57	47	47	53

Source : Computed from data based on Annual Reports of the respective Banks and statistics on RRBs.

Table No. 3.3

Credit per Account, Per Staff & Per Branch

(Credit per Account Amount in Rs. & Credit per Staff & per Branch Rs. in lakh.)

Rs. In Lakh

Years	UBKGB			MGB			West Bengal			All India		
	Per Acct Rs.	Per Staff Rs.	Per Branch Rs.	Per Acct Rs.	Per Staff Rs.	Per Branch Rs.	Per Acct Rs.	Per Staff Rs.	Per Branch Rs.	Per Acct Rs.	Per Staff Rs.	Per Branch Rs.
84	1626	4.37	17.2	1139	1.79	9.30	-	-	-	1850	-	10.6
85	1720	4.42	21.8	1450	2.18	8.90	-	-	-	2000	-	11.2
86	1835	5.02	21.1	1581	3.09	12.20	-	-	-	2204	-	13.9
87	1941	5.56	24.3	1649	3.46	17.0	-	-	-	2387	-	16.7
89	1913	6.38	26.3	2014	3.71	22.3	-	-	-	-	-	20.7
90	2117	6.15	29.8	2098	4.62	27.5	2281	4.80	24.4	3005	5.7	24.6
91	1685	4.16	21.6	2166	4.81	30.4	2094	4.34	23.9	2932	5.4	24.9
92	1754	4.36	24.2	2463	5.26	35.7	2399	5.08	29.2	3299	5.9	28.1
93	2173	5.68	32.9	2701	5.86	39.6	2676	5.68	34.1	3737	6.6	31.8
94	2301	8.26	39.1	3006	6.68	45.1	2944	6.51	39.1	4229	7.4	36.1
95	2887	9.58	45.4	3323	7.40	49.9	3413	7.51	44.9	4994	8.9	43.4
96	3415	12.00	56.63	3783	8.47	57.0	3712	8.82	52.7	5928	10.6	51.8
Average during												
1984-90	1540	5.32	23.3	1655	3.14	16.2	-	-	-	-	-	-
1991-96	2379	7.34	36.6	2907	6.42	43.0	2873	6.32	37.3	4187	7.46	36.01

Source : Computed from data based on annual reports on bank and statistics on RRBs.

Table No. 3.4

Purpose-wise Distribution of Credit (WBKGB)

Rs. In Lakh

Years	Term Loan for			Total of Agr. & Allied	Rural Artisans Village Industries	Retail Trader Small Business	Consu- mption Loan	Other Non-tergat Non-Priority	Indirect Advances	Total Advances
	Short Term Crop Loan	Agric- ulture	Allied activities							
Dec 84	200 (14)	120 (8.5)	303 (21.2)	(43.7)	43 (3)	726 (51)	-	31 (2.2)		1423 (100)
Dec 85	242 (13.4)	159 (8.8)	387 (21.5)	(43.7)	56 (3)	922 (51)	-	40 (2.2)		1806 (100)
Dec 86	284 (13.5)	181 (8.6)	456 (21.6)	(43.7)	71 (3.3)	1054 (50)	-	60 (2.8)		2106 (100)
Dec 87	315 (12.8)	210 (8.6)	542 (22)	(43.4)	89 (3.6)	1192 (48.6)	1.2	105 (4.3)		2454 (100)
March 89	356 (12.4)	234 (8.2)	621 (21.6)	(42.2)	93 (3.3)	1357 (47.3)	1.6	204 (7.1)		2867 (100)
March 90	316 (9.5)	340 (10.3)	879 (26.6)	(46.4)	158 (4.7)	1442 (43.6)	1.1	174 (5.3)		3310 (100)
March 91	81 (3.3)	191 (7.7)	331 (13.3)	(24.3)	96 (3.9)	1451 (58.5)	6.4	245 (9.9)		2482 (100)
March 92	117 (4.3)	189 (7.1)	466 (17.3)	(28.7)	159 (5.9)	1365 (50.8)	-	340 (12.7)		2683 (100)
March 93	156 (4.3)	243 (6.6)	64.6 (17.6)	(28.5)	299 (8.2)	852 (50.7)	5.4	452 (12.4)		3653 (100)
March 94	208 (4.8)	319 (7.3)	838 (19.3)	(31.4)	479 (11)	2041 (47.1)	18.0	433 (10)		4336 (100)
March 95	288 (5.7)	379 (7.5)	924 (18.3)	(31.5)	514 (10.2)	2379 (47.2)	66.4	491 (9.7)		5041 (100)
March 96	367 (5.8)	703 (11.2)	763 (12.1)	(29.1)	438 (7)	710 (11.3)	7	1172 (18.7)	2127 TL/D(33.8)	6287 (100)
Average				(35.5)		(43.8)				

Source : Annual Reports

Note.: Figures in brackets are percentage share to total.

Table No. 3.5

District-wise distribution of Credit and their respective growth (Index No.)

Amount Rs. In Lakh

Years	Cooch- Behar	Index No	Jalpai- guri	Index No	Darjeel- ing	Index No	Total	Index No
Dec 84	495 (34.8)	100	494 (34.7)	100	434 (30.5)	100	1423	100
Dec 85	659 (38.5)	133	611 (33.9)	124	535 (29.6)	123	1805	127
Dec 86	783 (37.2)	158	728 (34.6)	147	594 (28.2)	137	2105	148
Dec 87	920 (37.5)	186	856 (34.9)	173	677 (27.6)	156	2453	172
March 89	1074 (37.4)	217	1005 (35.1)	203	790 (27.6)	182	2867	201
March 90	1240 (37.5)	251	1165 (35.2)	236	905 (27.3)	209	3310	233
March 91	1224 (51.0)	247	789 (32.8)	160	589 (24.5)	136	2402	169
March 92	1195 (44.5)	241	883 (32.9)	179	605 (22.5)	139	2683	189
March 93	1617 (44.3)	327	1220 (33.4)	247	816 (22.3)	188	3653	257
March 94	1906 (44.0)	385	1448 (33.4)	293	982 (22.6)	226	4336	305
March 95	2261 (44.9)	457	1663 (33.0)	337	1117 (22.2)	257	5041	354
March 96	2764 (44.0)	558	2158 (34.3)	437	1365 (21.7)	315	6287	442

Source : Based on data of Annual reports and QLY Progress reports of the Bank.

Note : Figures in brackets are percentage share to total.

Table No. 3.6

Performance under Special Scheme of the Govt.

*Account in thousand
Amount Rs. In Lakh*

Years	No. of Account	Amount Rs.	IRDP		No. of Account	Amount Rs.	Assistance to SC&ST	
			Percentage share to Advanced Account	Amount			Percentage to total Advanced Account	Amount
Dec 84	11.6	141.1	13.2	9.9	45.1	561.7	51.5	39.5
Dec 85	15.9	219.6	15.2	12.2	51.4	709.9	49.0	39.3
Dec 86	23.1	348.7	20.2	16.6	42.2	692.7	37.0	33.0
Dec 87	27.8	468.7	22.0	19.1	44.1	856.6	34.9	34.9
March 89	35.8	593.7	23.9	20.7	52.3	996.7	34.9	34.8
March 90	41.0	803.6	26.2	24.3	63.9	1130.8	40.9	34.2
March 91	50.9	1050.8	35.6	43.7	68.6	1216.4	47.9	50.6
March 92	61.3	1388.1	40.0	51.7	74.6	1372.8	48.8	51.2
March 93	68.7	1579.3	40.9	43.2	78.4	1438.7	46.7	39.4
March 94	77.2	1788.8	41.1	41.3	81.3	1484.0	43.2	34.2
March 95	84.4	2161.0	48.2	42.9	86.9	1622.2	49.6	32.2
March 96	NA	NA			NA	NA		
Annual Average IRDP				Annual Average (Assistance to SC & ST)				
		Amt.	A/C			Amt.	A/C	
during 1984-90		16.4	19.5			35.9	40.8	
during 1991-95		44.4	41.0			40.8	47.1	

Source : Computed from data based on Annual Reports data.

Table No. 3.7

Impact of Credit : views of the beneficiaries interviewed

Sl. No	Benefitis/Impact	Cooch- Behar	Jalpai- guri	Darjee- ling	Total	Percentage to total
1.	Generated income by utilisation of of loan or benefited by acquiring some other assets	31 (37.3)	51 (60.7)	44 (61.1)	126	52.7
2.	utilised the loan amount for household expenditure to meet social obligation likes marriage, birth, death etc.	35 (42.2)	18 (21.4)	14 (19.4)	67	28.0
3.	Improved in the standard of living by acquiring consumer durable or repairing/constructing house etc.	4 (4.8)	3 (3.6)	3 (4.2)	10	4.2
4.	No benefits due to loss/death or for non-utilisation of fund for having no experience	13 (15.6)	12 (14.3)	11 (15.2)	36	15.1
5.	Total	83 (100)	84 (100)	72 (100)	239	100.0
6.	SC & St & other backward				196	82.00
			SC & St		144	60.3
			OBC		52	21.7

Source : Field survey

Table No. 3.8

Priority sector Advances by commercial Banks
(as percentage to total Advances)

Year	State Banks group	Nationa- lised Bnks	Public Sector Banks	Private Sector Banks	C/D Ratio			All SCB
					Rural	Semi- urban	Urban	
80	35.5	46.8	43.4	—	56.9	49.0	59.7	85.2
85	42.8	42.7	34.2	—	67.9	54.7	56.0	73.1
90-91	30.2	33.3	32.1	30.5	59.4	46.9	55.3	71.4
91-92	36.0	38.4	37.6	28.8	58.7	47.8	54.3	71.8
92-93	30.9	35.9	34.1	30.4	55.3	44.0	64.1	72.5
93-94	33.0	36.3	35.1	29.6	52.5	39.9	50.1	69.3
94-95	31.1	33.8	32.8	28.3	49.1	38.6	51.5	77.1

Source : RBI statistical Tables relating to Banks in India IBA, Bulletin Special issue 1991-96 & IBA, performance highlights of Banks.

Table No. 3.9

Performance of UBKGB under the District Credit Plan/Annual Action Plan

Rs. In Lakh

<i>Year</i>	<i>Target Rs.</i>	<i>Achievement Rs.</i>	<i>Percentage of achievements to target</i>
1984	322.4	683.5	212
1985	477.2	585.4	123
1986	515.8	413.0	80
1987	483.6	389.2	80
1988	426.9	310.4	72.7
1989-90	727.3	415.0	57.0
1995	933.0	699.8	75.0

Source : Computed from Annual Reports and the respective District Credit plan.

Table No. 3.10

Growth of Credit Achievement under DAP

Rs. In Lakh

Credit to	Projection as per DAP		Achievement		Variations	
	1994-95	1995-96	1994-95	1995-96	1994-95	1995-96
Target groups	400.00	500.00	619.66	635.98	+219.66	+135.98
	(33.57)	(34.89)	(49.75)	(35.49)	(+54.94)	(+27.20)
Non-Target groups	791.47	933.15	625.91	1156.14	-165.56	+222.99
	(66.43)	(65.11)	(50.25)	(64.51)	(-20.9)	(+23.9)
Total	1191.47	1433.15	1245.47	1792.12	+54.00	+358.97
	(100)	(100)	(100)	(100)	(+4.53)	(+25.00)
Purpose-wise						
ST (SAO)	335.0	442.0	284.19	366.85		
Agriculture (Term)	438.0	546.0	370.05	702.46		
Allied activities	923.0	1048.0	923.89	763.26		
SSI/Cottage Industries	461.0	511.0	513.49	437.77		
Retail Trade/Small	2205.0	2557.0	2187.56	2127.48		
Others	962.0	1489.28	151.68	716.47		
Indirect	-	-	-	1172.36		
Total	5330.0	6594.0	4430.86	5114.41		
Non-Target group	-	-	610.00	1172.38		
Grand Total			5040.86	6281.74		
Non Priority Sector			601.34	693.48		

Source : DAP of the bank.

Note : Figures in brackets are Percentage share to total.