



Credit Management in Banks - A Study of Non Priority Sector

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Abstract

The growth and development of economy of any country depends on the status of development in banking sector. The Government of India has classified the economy into priority and non priority sector keeping in mind the development of nation. The banks have been rendering credit services to all sectors by lending credit from the amount of deposit mobilized after meeting the statutory requirements. The amount of spread to the bankers depends on their efficiency in mobilizing deposits and deploying credits. The mobilizing deposits as well as deploying credits involved risk and uncertainty, needs strategic management principles and philosophies to improve their financial health. The present study is based on the secondary data collected from Annual Reports of Lead Bank of Belagavi District. The data thus collected has analyzed by using statistical tools like mean, compound growth rate and ANOVA to examine the comparative efficiency of banks in management of credit. The study revealed that the sample branches of SBI in the district have been ahead in deployment of credit to non priority sector as compared to the sample branches of KVGB and BDCCB during study period.

Key Words: Agricultural Credit, Credit Management, Non-Priority Sector, Priority Sector, and Credit Portfolio.