



# A Case Study On Awareness And Procedures Of Loans And Advances

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**Abstract:** The evidences and previous studies had stimulated the study to figure out how much awareness is bestowed with the customers with regard to the kind awareness and process and procedures to avail various types of loans and advances from banks for the differential purposes. The study emphasis on the key knowledge of customers and their Aquent of sound knowledge of loans and advances, types of various loans, availing different loans, interest rates and to know the pre-requisites required to avail loans and advances in Manappuram Gold loan. The study encompasses the aspects of loans and advances , and gives further scope to comprehend the study.

**Index Terms** - Loans, Advances, interest rate, awareness and knowledge

## I. INTRODUCTION

Gold is one of the utmost cherished commodities athwart the board. In India, gold has significant social and sentimental value. Since the dawn of time, it has been used as a security for loans. Previously, unorganised players controlled the gold loan market. One of the Non-Banking Financial Companies (NBFCs) and banks in India's fastest-growing lending segments right now is the structured gold loan firm. The organised sector has grown at an unprecedented rate during the past ten years. The market expansion and financial efficiency of the category have been adversely affected by recent regulatory updates from the reserve bank of India (RBI) and other outside factors.

Manappuram Finance Limited. Manappuram Finance Ltd., frequently known as MAFIL (Manappuram General Finance and Leasing), is an NBFC with headquarters in Valapad, Thrissur, Kerala. More than 190,00 people are employed by Manappuram, which has more than 4190 divisions blowout all over 25 states .

Loan refers to any sum that is rented or lent. If cash is lent, it is measured business debt; if it is loaned, it is considered business receivable.

A loan is a type of lending in which a bank spreads credit to a borrower for a programmed amount of time and a prearranged use. Loans are available for long-term liabilities since they are possibilities for future payments that must be refunded over time periods longer than a year.

In other terms, a loan is when a banker advances a lump sum that cannot be paid in full or in part and that the consumer has approval to withdraw later.

The support around which all corporate activity revolves is profit. In spirit, banking is a business that deals with money and credit. Banks invest their capital in a variety of ways to produce profits since, like all businesses, they are profit-oriented. The majority of their dividend revenue comes from loans and advances

1. BHADRAPPA HARALAYYA (2021): According to the Indian Banking Regulation Act 1949, a bank is defined as "to accept the borrowing or depositing, apparent return or other wise of public deposits and checks, money orders, orders or other instruments". borrowing or investment agreement." The main players in the Indian financial market are banks, which includes lenders. The first group of NBFCs and trade participants includes state-owned banks, investment banks, specialized financial institutions, non-banking financial companies (NBFCs) etc. stockbrokers and includes intermediaries such as lenders.2.
2. Nwaeze Chinweoke (2015): - Access to loans and advances from commercial companies is essential for growth, for the production and agriculture of the Nigerian economy. This study exam in the impact of bank loans and advances on various sectors of Nigeria's economic growth fro m 1994 to 2013. The study was developed by the project after the research and secondary data were taken from the Statistics Bulletin of the Central Bank of Nigeria. In this research, multiple regression models were used using the least squares method (OLS) to estimate hypotheses based on the research objective. Bank loans and advances to agriculture and manufacturing are used as variables, while real GDP (a representative of economic growth) is used to make the difference.
3. Oziengbe Scott (2015):- Given the role of Microfinance Banks (MFLs) in poverty reduction, jo b creation and overall economic growth (especially less efficient markets), this article adopts the
4. ARDL A expansion and error based Bounds testing model. - Analyze using data to explore f actors affecting loan repayment and progress by microfinance banks in Nigeria. The time rang e is from 1992 to 2013. Evidence shows that deposits, shareholder funds, liquidity ratios and inflation are the main determinants of microfinance lending. Customer deposits have positive short- and long-term effects on loans and income from MFL, but long-term effects are not significant. the Sri Lankan banking sector. different. The study concludes that both macroeconomic factors and certain characteristics of banks can be used to explain the level of non-performing loans. It shows that non-performing loans are on the rise as banks do less business. There is also a relationship between loan-to-equity and non-performing loans.
5. Tanu Aggarwal (2018): - The aim of this study is to compare various mortgage loan rates for real estate and on the other hand analyze the impact influence of real estate success in Indian public banks. most suitable model). According. affording to the best performance results of the model, real estate promotion has little effect on public banks. In other words, public sector companies have reduced their participation in the Indian real estate market.
6. Sushmitha, P. (2020):- Bank profile of Gramin Bank, Karnataka covering the past, present and future of the banking industry. Banks play an important significant role in the provision of various services. Banks have given loans and received money in the past. However, many services facilitate of the bank have continued in recent years. Due to the increasing competition, customers need to receive fast and efficient service at affordable prices. Today, banks try to provide timely and complete service to all their customers.

7. CHAITRA, GR (2020):- This study titled "Retail Loans and Advances of Commonwealth Bank Limited" attempts to follow the evolution of retail loans through Commonwealth Bank Limited research. The largest private bank in Kerala and one of the best in India is Federal Bank, head quartered in Aruwa. Banks have influenced politics and commerce for thousands of years. In the past, the main role of banks was to lend money to commercial enterprises. Banks give businesses money to buy goods and get their money back with interest when the goods are sold.
8. Tejaswini, G (2021):- The term 'credit' alludes to the sum obtained via one man or woman from any other. The sum is within the Nature of credit and alludes to the whole paid to the borrower. On this manner, from the view point of borrower, It's miles 'obtaining' and from the view factor of financial institution, it's miles 'loaning'. Credit score might be regarded a 'credit' allowed where the coins are dispensed and its healing is made on a later date. Its miles a Charge for a borrower. Even as giving advances, credit is given for a clear cause and for a Foreordained length. Top rate is charged at the increase at concurred rate and time spans. 'Improve' then again, is a 'credit score office' allowed by using financial institution. Bank's award propels usual.
9. Gopinath, V (2016):- The main purpose of this study is to better understand and analyze the " LOANS AND ADVANCES" of "CHARTERED SAHAKARI BANK NIYAMITHA" and take the necessary steps to avoid any problems. To achieve this goal, analytical research work is used. Data is collected from annual reports. An important limitation is that they did not provide all information about the company. Due to the different ways of cooperation, there are some unclear information. The time limit is seen as an important limitation as some of the above assumptions are used in the analysis.
10. William Abungu Onyango (2020): - The financial crisis and banking failure in Kenya is mainly due to the increase in nonperforming loans. Therefore, this study examines the impact of bank-specific factors on non-performing loans in Kenyan commercial banks.  
The study shows that the focus was on forty three (43) currently licensed companies used in this study. This study used the Census to collect secondary data from financial data from past years and other financial data from 2012 to 2016.
11. Ihtesham Khan (2017): - NPLs are an important part of the stability and profitability of the banking sector. This study aims to evaluate the variables that may affect the NPL ratio in the banking sector in Pakistan. Size, return on assets, earnings per share, cash and investments as a percentage of total assets, capital resources and dividend payments are used as the measure of non-performing loans in banks in the study. Compilation of panel data from 2006 to 2016 using an annual reports and State Bank of Pakistan data base .
- 12 . Anthony Wood (2018): - In Barbados, the banking sector is the main source of financial influence. It is an important factor in payments, an important factor in stimulating domestic savings, and an important factor in external financing of the economy. In 2008, when the global financial crisis was experienced, the deterioration in the financial indicators of the banking sector and the credit quality are the most important ones. In 2007, the ratio of nonperforming loans to all loans reached a record low of 2.9% and rose to 12%. In 2012 it was 9%. Due to the negative impact of nonperforming loans on the performance of commercial enterprises, the reasons for nonperforming loans have been investigated for years. This study investigates macroeconomic and bank-specific influencing factors.

## OBJECTIVES

1. To study several types of loans and advances at Mana Puram finance limited
2. To analyse the awareness of loans and advances
3. To know the procedure of Granting Loans and Advances at MFL.
4. To study the Different Loans and Advances, Interest Rate
5. To Study the Pre-Requisites required to avail Loans and Advances at MFL.

## SCOPE OF THE STUDY

1. The current study "ANALYSIS ON LOANS AND ADVANCES" is experiential and expressive in character.
2. The study's concentration on the financing of the Manapuram gold loan.
3. The study, titled "Loans and Advances on Main Branch Manapuram Gold Loan Finance Sandur," is based solely on information provided by
4. The Manapuram Gold Loan Bank and exclusively the operations of the Manapuram Bank branch in Sandur.

## METHODOLOGY

Empirical research is research that is based on observation and measurement of phenomena, as directly experienced by the researcher. The data thus gathered may be compared against a theory or hypothesis, but the results are still based on real life experience.

## TARGET POPULATION

Sample unit : Sandur

Sample size : 55

## SOURCE OF DATA

Data collection is one of the greatest critical workings of any research project because it controls the final outcome. My approaches of using both primary and secondary to get the data will be useful for the final analysis.

## PRIMARY DATA

The first source of primary data was the annual report of the banks and the investors' registering. Consultations with the representatives who provide useful data collection, books and general banking information yearly report, etc. were held in order to study additional around the rules and regulations leading loans and advances as well as other information.

## SECONDARY DATA

To appreciate the financial situation, secondary data based on loans and advances were prepared. Different rates of interest based on loans exported findings were noted. Through the procedure, inferior bases are second hand to wrinkle the data. This data was used to make routine designs founded on the interpenetration of interest rates.

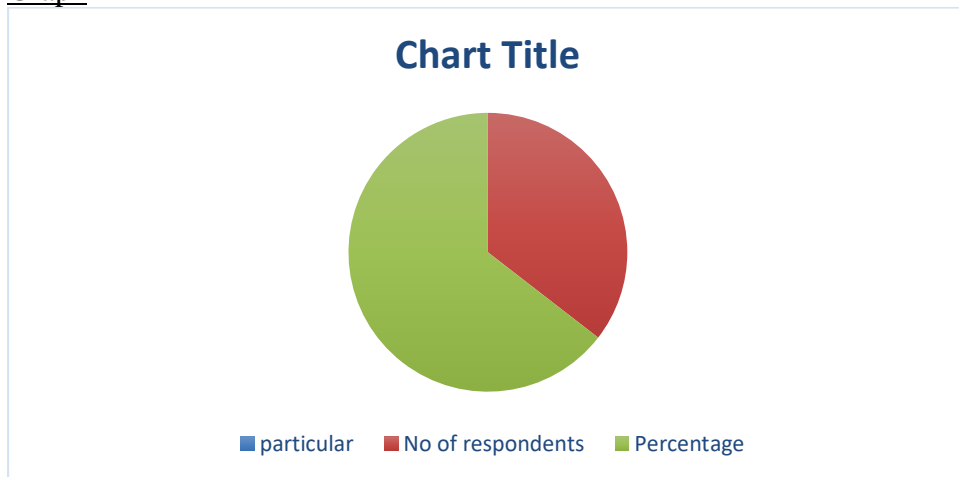
## DATA ANALYSIS AND INTERPRETATION

### Gender

### Table

No of respondents	particulars	Percentage
40	male	72.73
15	Female	27.27

Graph

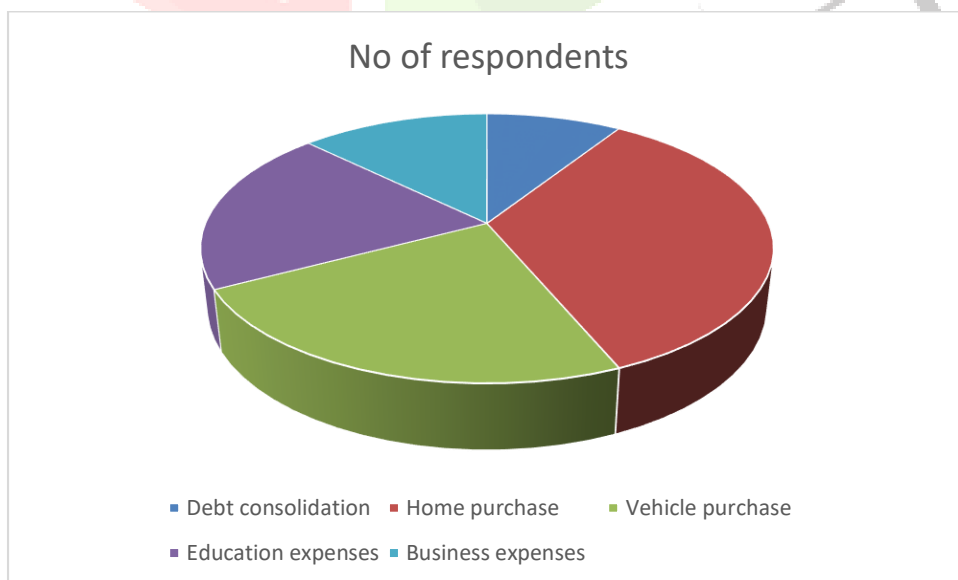


**Interpretation:-** In this survey we come to know how several of the male persons are known about the loans and developments and 27 %of female are aware about the loans and advances.

what is the primary reason for taking out a loans and advances.

Table

Particulars	No of respondents	percentage
Debt consolidation	5	9.09
Home purchase	19	34.55
Vehicle purchase	13	23.64
Education expenses	11	20.00
Business expenses	7	12.73



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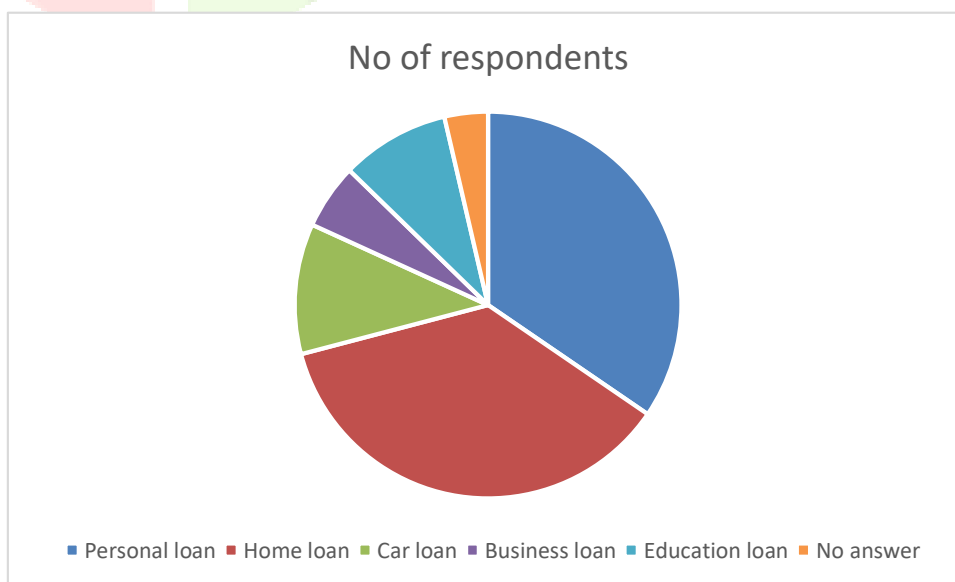
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**Interpretation:-** In this questionnaire survey the 34.55% of customers are taken loans for the resolution of home purchase and 23.55% of customer taken loans for the vehicle purchase purposes and 20.00% of clientele are taken loan for their children’s education purposes 12.73% of clients are occupied loans for their business purposes.

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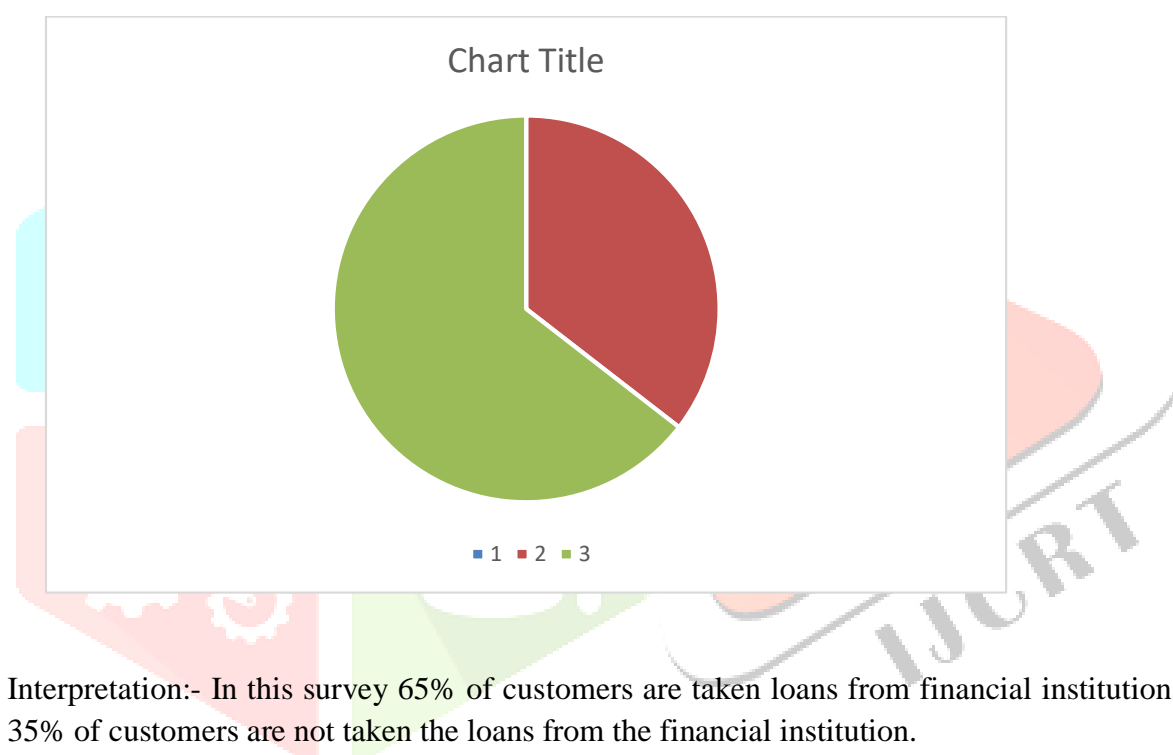


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Have you ever taken loans out a loans and advances from financial institution .

Table

particulars	No of respondent	Percentage
Yes	38	69.09
No	17	30.91



Interpretation:- In this survey 65% of customers are taken loans from financial institutions and 35% of customers are not taken the loans from the financial institution.

## FINDINGS

1. In this survey we come to know how several of the male persons are known about the loans and developments and 27 %of female are aware about the loans and advances.
2. In this questionnaire survey the 34.55% of customers are taken loans for the resolution of home purchase and 23.55% of customer taken loans for the vehicle purchase purposes and 20.00% of clienteles are taken loan for their children's education purposes 12.73% of clients are occupied loans for their business purposes.
3. In this survey the 36.36%of clienteles are occupied home loans and 34.55% of clienteles are occupied personal loan and 10.91%of clienteles are occupied car loan and nearly clienteles are occupied business loan and education loan.
4. In this survey 65% of customers are taken loans from financial institutions and 35% of customers are not taken the loans from the financial institution.

## SUGGESTIONS

- The popular of accused thought they would be interested in applying for a bank-provided personal loan.
- The common of accused thought they would like near pay in monthly installments.
- The mainstream of suspect thought they planned to use the loans within the next one to two years.
- The widely held of plaintiffs assumed they preferred the loan segment's reduced paperwork burden.
- Several opportunities are existing when it comes to loans and advances providing by cooperative banks, founded on the unique policies and products of each bank.
- Here are some typical loan and advances sorts that you might discover at a cooperative bank, nevertheless.
- It is always advisable to visit your local cooperative bank or checked their website for definite data around the loan products they offer, eligibility requirements, interest rates, and application procedures because the accessibility of these loans and advances may vary from one cooperative bank to another.
- Preceding to subtracting or charging any financial rate, MFL must consult the customer.

## CONCLUSION

Cooperative banks offer a wide range of loans and advances to provide to the diverse financial needs of individuals, businesses, farmers, and students. These loans provide an accessible and convenient financing option, often with competitive interest rates and flexible repayment terms.

It is significant to note that the specific loan foodstuffs, suitability measures, attention charges, and application procedures may vary between cooperative banks. Therefore, it is advisable to directly contact your local cooperative bank or visit their site for exhaustive evidence on the loans and advances they offer.

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- Kennedy and Mill. (1990) “Theory and practices of Cooperation”, Meerut: Lall Book Depot.
- [www.mnappuram.com](http://www.mnappuram.com)