

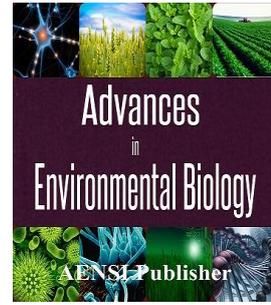


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Factors Affecting the Use of Bank Facilities Bank Sepah (Case Study of Agricultural Facilities in Rasht City)

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ABSTRACT

Background: Due to the expansion of the banking system in recent years and the increase in the facilities and services of banks, to assess the effects of the banking system has become more important. **Objective:** The main purpose of this study to identify factors affecting the banking facilities of Bank Sepah (agricultural facilities) in the city of Rasht. **Results:** Research, applied research is the goal. To collect data, a questionnaire was designed based on Likert scale order to determine the reliability test, Cronbach's alpha was used. Scale reliability 0/86 Respectively. Stratified sampling method and sample size of the study population according to Cochran 77 were estimated according to the formula More to the generalization of the study population with the professors increased to 120 The analysis was performed with SPSS software.

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INTRODUCTION

Banks play an important role in the economy. The role of financial intermediaries, banks only to the transfer of resources between depositors and investors, but banks are at the heart of monetary multiplier. The main function of banks that give them a unique role to overcome information problems in transferring the savings of depositors and investors. Banks due to specialization and the large scale of operations, Can be highly effective than the individual, customer control activities, information and validation of credit do [8].

Changing economic conditions and the anonymity of the many factors influencing the success of an investment project, The decision to participate in an important investment for financial institutions and banks have turned. This is because financial institutions try to use different techniques and tools to be used in the decision making process to improve the evaluation of projects and loans [1].

Looking at the evolution of economic activity and investment in the world, it is observed that developing countries are looking for industrial development and due to limited resources and funding, to achieve this requires investment projects are the right choice. In Iran, the development banks should be subject to the evaluation of the profitability of investment projects on the one hand due to be responsive to investors, smaller and customers on the other hand, should be coordinated with the development programs and projects operated macro [2].

The allocation of risk that threatens the banks, non-performing loan commitments are received. However, development banks, should not only ensure the repayment of loans granted because these banks due to their development goals, the success of the interest in receiving facilities. How many customers due to their financial power, the ability to timely repay their credit, but a plan by which the bank received loan, project fails [3].

Credit and transfer money from one person to another or from one institution to institution other major role in the financing of economic activity. Credit and loans, direct and indirect employment impacts of production and new job opportunities. Injected into the flow of credit for working capital in the short term because of the

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fixed capital stock, Increase employment, but in the long run that the credit will be converted into fixed capital, Technological change as well. If this change is neutral employment remains constant and otherwise make changes in employment [5].

Therefore, if there is, theoretically, the positive effects of the proper use and the optimal flow of credit may increase investment, Production, income and employment to be followed. The effectiveness of monetary and financial system of each country and the financial management of the current economic condition is necessary and sufficient to achieve the positive economic effects the efficiency of this process in the absence or in the credit and what are the desired effects and uses of funds may be expected to be present.

Therefore, the use of bank credit facilities and the creation of new activities in the economic sector is the finance, career changes in economic sectors creates [7].

Banks play an important role in the economy. The role of financial intermediaries, banks only to the transfer of resources between depositors and investors is not, but banks are at the heart of monetary multiplier. The main function of banks that give them a unique role, Information problems in the transfer of savings of depositors and investors. Banks due to specialization and The large-scale activity may be much more effective than the individual, customer control activities, information and validation of credit do [6].

Due to the special role of banks in modern economies, the nature of monetary transmission mechanism in the economy would be incomplete without considering the role of banks.

Financial crisis in 2008, the USA and Europe showed how a large bank disability can bring the world into a deep recession.

Specific characteristics of banks in different countries vary due to the impact of financial crisis on them, Because each bank's reaction to economic shocks, especially monetary shocks on the strength of its balance sheet, such as a bank, Capital Bank and the Bank access to liquidity could be different.

Experience has shown that banks usually have more access to resources or assets greater liquidity in the face of economic shocks, Especially in times of monetary offers greater strength of the [4].

Much research has been done on credit, which went on to mention some of them are:

Gastafson *et al* Quality of honesty, integrity, managing production, financial management skills, marketing skills, goals, education, work full time, marital status, age, membership in associations in the evaluation of proposals have been considered.

Freeman *et al*. using self-regulated endogenous model to investigate the factors influencing the availability of funds paid.

Ritan 42 important factor in evaluating loans in six principal characters, an experienced manager, product or service characteristics, and market conditions, specifications and financial aspects of the organization is classified.

Part in their study, concluded that farmers with higher education levels tend to be higher in non-exercise of their use of credit.

Given the above, this study examines the factors influencing the use of banking facilities are paid.

Methodology:

Generally, banking facilities can be divided into two broad categories based on function. (A) current facilities in order to meet the needs of small production units in working capital and help people pay for their production requirements with the aim of enabling the production units are granted. The short-term credit to be paid and to be paid back in less than two years.

(B) with the aim of facilitating investment in new capacity, retention and expansion of existing capacity and other infrastructure in the agricultural sector are paid often the term and long-term loans offered repayment time between 2 Ta10 years or more.

The main purpose of this study to identify factors affecting the banking facilities of Bank Sepah (agricultural facilities) in the city of Rasht.

Accordingly, the research hypotheses are as follows:

- 1.The relationship between the lending and banking facilities there.
- 2 between current and capital loans and bank facilities there.

Research, applied research is the goal. Data collection questionnaire that was designed based on Likert scale.

The validity of a panel of professors and initial test by means of a questionnaire prior to the interviews with 30 individuals were analyzed to estimate the sample size and any needed corrections have been applied. To determine the reliability of the scale, Cronbach's alpha test was used. The reliability of the scale 0/86 respectively.

The study sample consisted of 4592 persons who have received at least one loan. Stratified sampling method and sample size of the study population according to Cochran 77 were estimated according to the formula more to the generalized more of the study population with the professors increased to 120 the analysis was performed with SPSS software.

Results:**- The amount of loans received:**

Cumulative percentage	Percentage of valid	Percent	Abundance	Loan Amount (million USD)
84.2	84.2	80	96	0to7.5
94.7	10.5	10	12	7.5to15
96.5	1.8	1.7	2	15.1 to 22.5
99.1	2.6	2.5	3	22.5to30
100	0.9	0.8	1	30.1to37.5
-	-	Δ	6	Unanswered
-	100	100	120	Total

Minimum: 0/18 million maximum: 35/1 million Average: 4/58 million SD: 5/67

The table above shows that each of the farmers were, on average, 4/58 had received millions of dollars in agricultural lending. The maximum loan amount (35/1 million USD) for the purchase of agricultural machinery agricultural loans received. Loan amounts received by 84/2% of the farmers, 7/5 million dollars or less, and only 5/3 of them could get a loan of 15 million USD.

- Type of Loan:

Cumulative percentage	percent	Abundance	Types of agricultural loans
7.5	7.5	9	Buy agricultural machinery
70	62.5	75	Purchase of agricultural inputs (current)
71.7	1.7	2	Aviculture
72.5	0.8	1	Drought
89.2	16.7	20	Purchase of livestock
95.8	6.7	8	Animal positions
97.5	1.7	2	Self-employment
100	2.5	3	Garden or workshop
-	100	120	Total

Check the above table shows that most of the mortgage loans to purchase agricultural inputs have been received from the component's current loans that have high mobility Is generally the amount of the loan amount is less than the minimum amount of capital to the drought.

Based on these findings, the repayment period of 71/3% of the loans received between 6 to 12 months. On average, Agricultural loan repayment period of approximately 23 months. Interest rate of 82/8 percent of agricultural loans between 9/1 to 20% and 6/9 percent between 20/1 to 30% and one of the 30/1 to 40% have been reported. Average interest rate received from the manufacturer 14/08%, respectively.

Objective observations, the researchers of this study showed an increase in loan costs and reduced income from loans to farmers as a result of the high interest rate loan is.

- The facilities:

Undoubtedly, the requirement to pay any type of loan, the lender is eligible important. Vetting and efficiency of these related tools, Important role in reducing moral hazard mortgage loans and other risk-related challenges will be. Given the importance of this issue, In this study, the proposed criteria based on previous studies were extracted loans given or not given the credit they asked of farmers and experts. The findings 91/5 percent of farmers have stated that the Bank's experts, at the time the facilities have been given to their occupational background. 97/3 percent of borrowers have emphasized that the bank records that the most important criterion for granting or not granting agricultural loans And even the size of the loan and the loan is considered by the experts.

The Bank's experts, based on the applicant's GPA active bank account and also on the costs of agricultural operations, to lend him. It should be noted that such capital loan quick loan firms, Other factors such as potential candidates for the loan of the type of loan and grant size, or lack thereof, are effective. 95/2 percent of farmers have stated that their education is not considered a loan. Also, only 4/5 of farmers who were unable to receive agricultural loans, have stated that their abilities in the field of production management is studied by loan brokers. However, the good management of the farm is one of the initial conditions for the effective use of agricultural loans, loans which are specially allocated to specific objectives.

96/1% of farmers have expressed that their financial management can be considered by lenders; Therefore, regular repayment of one's previous experience as an advantage in lending is concerned. 67 percent of farmers without providing specific proposals to banks, agricultural loans received. 90% of borrowers also have insisted that their personal characteristics such as honesty, interest in lending activity, skill level, and the like, in a consistent and systematic attention to the importance of agricultural loans not brokers.

85.5% of the Bank's experts have stated when agricultural loans, no consideration of the membership or non-membership in certain organizations have not.

Following the study, the monitoring of the loans were determined. Generally, 62/1 percent of farmers received agricultural loans were Stated that any subsequent monitoring of the use of agricultural loans, if not accepted.

Following the study, the monitoring of the loans were determined. Generally, 60/3 percent of farmers received agricultural loans were Stated that no further monitoring is not about how to use agricultural loans 26/5% of the loans only once, 10/3% of the loan up to three times, 1/9% from three to seven times, 1% of the loan (a) 7 to 10 are subject to future monitoring. . In addition, on average, once the loan has not been monitored. The coefficient of variation (2/07) of a farm loan, which has been monitoring the frequency on which was 10 times. However, because the common agricultural loans with the aim of achieving a particular project or purchase capital goods to be granted, subject to further regulation of-sight.

- Current loans and capital:

Significant level.	T	Standard deviation	Average (score)	Groups	Grouping variable	Variable
0.000	5.50	1.17	1.23	The current	Types of agricultural loans (current or capital)	Amount of loan
		6.88	6.08	Capital (special)		

As indicated in the above table is one of the factors that determine the shift of agricultural loans, loan type. Agricultural loans in the form of current or capital (special) were paid to farmers indicated. Mean comparison t-test results showed no significant differences in the percentage of farmers who have used the current agricultural facilities Using vectors that have received capital facilities, the use of agricultural loans in agriculture has existed; The current loan of loan capital have been moral hazard.

Discussion and Conclusion:

The main objective of the study was to identify factors influencing the use of bank facilities Bank Sepah (agricultural facilities) in the city of Rasht. According to the results of the first hypothesis can be no doubt that the requirement to pay any type of loan, the lender is eligible important. Vetting and efficiency of these related tools play an important role in reducing moral hazard mortgage loans and other risk-related challenges will be. According to the results, 91/5% of the Bank's experts have stated that, at the time the facilities have been given to their occupational background. So between the lending and banking facilities and a significant direct relationship.

According to the results, the second hypothesis can be stated that Mean comparison t-test results showed no significant differences in the percentage of farmers who have used the current agricultural facilities Using vectors that have received capital facilities, the use of agricultural loans existed.

Thus between current and capital loans and bank facilities there And have stated that individuals who have current loans, compared to people who use their capital facilities Moral hazard and therefore are more likely to have more banks try to give credit to those who make use of loan capital.

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