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THE SOURCES AND COMPONENTS OF MONEY STOCK AND DEPOSITS AND SECTORAL DEPLOYMENT OF SCHEDULED COMMERCIAL BANKS OF SELECTED ASIAN NEIGHBOURING COUNTRIES AND INDIA

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Abstract

In the ending years of the 1970s, the seven inner South Asian nations that included Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka agreed upon the creation of a trade bloc and to provide a platform for the people of South Asia to work together in a spirit of friendship, trust, and understanding. South Asian Association Regional Cooperation (SAARC) was founded by seven states in 1985; Afghanistan joined SAARC as its eighth member state in April 2007.

Keywords: Money Stock; Commercial Banks; Customs Union

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INTRODUCTION

In the ending years of the 1970s, the seven inner South Asian nations that included Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka agreed upon the creation of a trade bloc and to provide a platform for the people of South Asia to work together in a spirit of friendship, trust, and understanding. South Asian Association Regional Cooperation (SAARC) was founded by seven states in 1985; Afghanistan joined SAARC as its eighth member state in April 2007. The SAARC Secretariat was established in Kathmandu on 16 January 1987 and was inaugurated by Late King Birendra Bir Bikram Shah of Nepal. SAFTA was envisaged primarily as the first step towards the transition to a South Asian Free Trade Area (SAFTA) leading subsequently towards a Customs Union, Common Market and the Economic Union. In 1995, the Sixteenth session of the Council of Ministers (New Delhi, 18–19 December 1995) agreed on the need to strive for the realisation of SAFTA and to this end an Inter-Governmental Expert Group (IGEG) was set up in 1996 to identify the necessary steps for progressing to a free trade area. One of the main obstacles is the huge difference in the financial and economic status of member countries [1].

The Indian Subcontinent is a region of South Asia, including the nations of India, Sri Lanka, Pakistan, Nepal, Bhutan, the Maldives and Bangladesh. India is South Asia's major contributor to the world economy, the other nations of the region, notably Pakistan and Bangladesh, also rank among the world's most populous countries. All of the nations of South Asia share a commonality of formerly being British colonies. The Sri Lanka is now getting better, has a high literacy rate and has many positive social indicators. Bangladesh, on the other hand, has a declining fertility rate, but the vast majority of its citizens are very poor and the country faces periodic natural disasters that could worsen in the future due to climate change. Pakistan faces geopolitical pressures and has the internal hurdle of having a military-dominated government.

This geographical zone is the most populated in the world and has the highest population density; but in terms of economy, it is still emerging with all the constraints that such an economy entails for companies wishing to export or set up operations in South Asian countries [2].

SIGNIFICANCE OF THE STUDY

The South Asian Association of Regional Cooperation (SAARC) marked its Silver Jubilee in 2010. The SAARC's charter, which was signed by Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka in 1985, has many similarities to the founding charters of similar regional associations signed elsewhere. While other regional associations have made substantial progress, SAARC has yet to produce notable results. In the context of growing global economic interdependence, it is of

interest to assess how far economic growth in each of the SAARC economies has influenced growth in other member countries. This paper investigates macroeconomic differences in the South Asian region with a view to evaluating its readiness to forge ahead with its integration efforts. India, Pakistan and Bangladesh have come a long way since the British left them. Of the three nations, India has seen by far the most dramatic growth. In terms of economic resources, India did much better than Pakistan out of partition. It is now one of the world's fastest developing economies with average growth rates of 8% over the past three years. It is also emerging as a serious global player in information technology, telecommunications and pharmaceuticals.

STATEMENT OF THE PROBLEM

The poverty is still widespread in all the nations, which feature in the top 10 most populous in the world. Almost half the population in Bangladesh lives on less than \$1 a day and Pakistan's social indicators still lag behind countries with comparable per capita incomes. The economy of Bhutan, one of the world's smallest and least developed countries, is based on agriculture and forestry, which provide the main livelihood for more than 60% of the population. The economy is closely aligned with India's through strong trade and monetary links and dependence on India's financial assistance. For Nepal, it's probably no surprise that neighbour India is far and away the biggest economic partner, accounting for 53.7% of all exports and also the biggest importer is also India at 50% [3]. The findings of the earlier studies reveal that India has been influencing economic growth in the region, as its output variability has been affecting outputs in other member countries. If SAARC has to become successful as a regional bloc, India is the biggest gainer from trade and investment.

OBJECTIVES OF THE STUDY

1. To analyse the trends and patterns of the growth with the selected variables related to the sources and components of money stock and Sectoral Deployment of Scheduled Commercial Banks of Selected Asian Neighbouring Countries and India
2. To evaluate the proportional leaders of the combined sources and components of money stock and Sectoral Deployment of Scheduled Commercial Banks of Selected Asian Neighbouring Countries and India
3. To assess the central tendencies of the selected Asian countries' components of money stock and Sectoral Deployment of Scheduled Commercial Banks.

LIMITATION OF THE STUDY

1. Avoided the countries like Sri Lanka and Afghanistan because of lack and irregular supply of data.
2. Heavily depended on the secondary data since primary data is almost impossible to collect.

ANALYSIS AND INTERPRETATIONS

Sources of Money Stock

Net bank credit to government: Net bank credit to government is the net amount of bank credit issued to the government by the respective central bank of the country after adjusting the money issued and settled by the central bank with the government.

In the case of Sources of money stock-Net bank credit to Government of selected Asian countries are concerned, Bangladesh shows maximum percentage of increase (95%) followed by Pakistan (71%) and Bhutan (23%) [4]. At the same time, when we combine the Net bank credit to Government of the all the selected countries, India has maximum percentage (84% approx.) followed by Pakistan (13.5% approx.) and Bangladesh (2.2% approx.) (Table 1). The country India has 487479 USD Million average Net bank credits to Government followed by Pakistan 63,483 USD Million and Bangladesh 11,768 USD million.

Table 1: Sources of Money stock-Net Bank credit to Government.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|--------------------------------|------------|-----|--------|-----|----------|-----|---------|-----|----------|-----|---------|
| 2012 | 6584.44 | 100 | 24.69 | 100 | 463981.8 | 100 | 1691.34 | 100 | 45836.7 | 100 | 518119 |
| O% | 1.27 | | 0.00 | | 89.55 | | 0.33 | | 8.85 | | 100.00 |
| 2013 | 10679.7 | 162 | 21.35 | 86 | 498078 | 107 | 1731.05 | 102 | 59026.8 | 129 | 569537 |
| O% | 1.88 | | 0.00 | | 87.45 | | 0.30 | | 10.36 | | 100.00 |
| 2014 | 14645 | 222 | 39.37 | 159 | 506635.6 | 109 | 1447 | 86 | 62841.3 | 137 | 585608 |
| O% | 2.50 | | 0.01 | | 86.51 | | 0.25 | | 10.73 | | 100.00 |
| 2015 | 14065.9 | 214 | 35.13 | 142 | 480485 | 104 | 1409 | 83 | 71376.9 | 156 | 567372 |
| O% | 2.48 | | 0.01 | | 84.69 | | 0.25 | | 12.58 | | 100.00 |
| 2016 | 12863 | 195 | 30.25 | 123 | 488216.8 | 105 | 1746 | 103 | 78331.2 | 171 | 581187 |
| O% | 2.21 | | 0.01 | | 84.00 | | 0.30 | | 13.48 | | 100.00 |
| Std Dev | 3271 | | 7 | | 16438 | | 163 | | 12394 | | |
| Average | 11768 | | 30 | | 487479 | | 1605 | | 63483 | | |
| Source: SAARC official website | | | | | | | | | | | |

Net Foreign Exchange Assets of the Central Bank

Foreign-exchange reserves (also called forex reserves or FX reserves) is money or other assets held by a central bank or other monetary authority so that it can pay if need be its liabilities, such as the currency issued by the central bank, as well as the various bank reserves deposited with the central bank by the government and other financial institutions. Reserves are held in one or more reserve currency, mostly the United States dollar and to a lesser extent the EU's euro, the British pound sterling, and the Japanese yen [5]. In a strict sense, foreign-exchange reserves should only include

foreign banknotes, foreign bank deposits, foreign treasury bills, and short and long-term foreign government securities. However, the term in popular usage commonly also adds gold reserves, special drawing rights (SDRs), and International Monetary Fund (IMF) reserve positions (Table 2). This broader figure is more readily available, but it is more accurately termed official international reserves or international reserves. Official international reserves assets allow a central bank to purchase the domestic currency, which is considered a liability for the central bank (since it prints the money or currency as IOUs) [6]. Thus, the quantity of foreign exchange reserves can change as a central bank implements monetary policy, but this dynamic should be analyzed generally in the context of the level of capital mobility, the exchange rate regime and other factors.

Table 2: Sources of Money stock-Net foreign Exchange of the Central Bank.

| Years | Bangladesh | % | Bhutan | % | India | % | Pakistan | % | Overall |
|--------------------------------|------------|-----|--------|-----|----------|-----|----------|-----|---------|
| 2012 | 8424.6 | 100 | 783.8 | 100 | 287762.9 | 100 | 7458.43 | 100 | 304430 |
| O% | 2.77 | | 0.26 | | 94.53 | | 2.45 | | 100 |
| 2013 | 13275.8 | 158 | 706.87 | 90 | 286464.3 | 100 | 3802.14 | 51 | 304249 |
| O% | 4.36 | | 0.23 | | 94.15 | | 1.25 | | 100 |
| 2014 | 19000 | 226 | 885.32 | 113 | 299922 | 104 | 7639.1 | 102 | 327446 |
| O% | 5.80 | | 0.27 | | 91.59 | | 2.33 | | 100 |
| 2015 | 22799.3 | 271 | 876.53 | 112 | 339871 | 118 | 9561.84 | 128 | 373109 |
| O% | 6.11 | | 0.23 | | 91.09 | | 2.56 | | 100 |
| 2016 | 27867.7 | 331 | 871.72 | 111 | 359320.3 | 125 | 12672.8 | 170 | 400733 |
| O% | 6.95 | | 0.22 | | 89.67 | | 3.16 | | 100 |
| Std Dev | 7665 | | 78 | | 33037 | | 3243 | | |
| Average | 18273 | | 825 | | 314668 | | 8227 | | |
| Source: SAARC official website | | | | | | | | | |

In the case of Sources of money stock - Net foreign Exchange of the central bank of selected Asian countries are concerned, Bangladesh shows maximum percentage of increase (231%) followed by Pakistan (70%) and India (25%). At the same time, when we combine the Net foreign Exchange of the central bank of the all the selected countries, India has maximum percentage (90% approx.) followed by Bangladesh (7% approx.) and Pakistan (3% approx.). The country India has 3,14,668 USD Million average Net foreign Exchange of the central bank followed by Bangladesh 18,273 USD Million and Pakistan 8,227 USD million (Table 3). The proportion of Bhutan is very less i.e., 0.25%. The details of Nepal are excluded in the list because of Lack of data.

Components of Money Stock

Currency in circulation

Table 3: Components of Money stock-Currency in Circulation.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|--------------------------------|------------|-----|--------|-----|----------|-----|---------|-----|----------|-----|---------|
| 2012 | 7931.62 | 100 | 147.71 | 100 | 208606.4 | 100 | 2104.32 | 100 | 18682.7 | 100 | 237473 |
| O% | 3.34 | | 0.06 | | 87.84 | | 0.89 | | 7.87 | | 100.00 |
| 2013 | 9691.69 | 122 | 119.59 | 81 | 218972.4 | 105 | 2226.96 | 106 | 19950.2 | 107 | 250961 |
| O% | 3.86 | | 0.05 | | 87.25 | | 0.89 | | 7.95 | | 100.00 |
| 2014 | 11011.9 | 139 | 96.96 | 66 | 216485.6 | 104 | 2316 | 110 | 21087.6 | 283 | 250998 |
| O% | 4.39 | | 0.04 | | 86.25 | | 0.92 | | 8.40 | | 100.00 |
| 2015 | 12614.6 | 159 | 93.48 | 63 | 231393.8 | 111 | 2245 | 107 | 25146.6 | 135 | 271494 |
| O% | 4.65 | | 0.03 | | 85.23 | | 0.83 | | 9.26 | | 100.00 |
| 2016 | 16875.7 | 213 | 95.83 | 65 | 250775 | 120 | 3068 | 146 | 31881.6 | 171 | 302696 |
| O% | 5.58 | | 0.03 | | 82.85 | | 1.01 | | 10.53 | | 100.00 |
| Std Dev | 3402 | | 23 | | 16451 | | 386 | | 5350 | | |
| Average | 11625 | | 111 | | 225247 | | 2392 | | 23350 | | |
| Source: SAARC official website | | | | | | | | | | | |

In monetary economics, circulation is the continuing use of individual units of a currency for transactions. Thus currency in circulation is the total value of currency (coins and paper currency) that has ever been issued minus the amount that has been removed from the economy by the central bank. More broadly, money in circulation is the total money supply of a country, which can be defined in various ways always including currency and also including some types of bank deposits. Standard money is the basic currency circulating within a monetary system. It has legal recognition for prices and settlement.

The currency circulation of selected Asian countries of selected Asian countries are concerned, Bangladesh shows maximum percentage of increase (113%) followed by Pakistan (71%) and Nepal (46%). At the same time, when we combine the currency circulation of the all the selected countries, India has maximum percentage (83% approx.) followed by Pakistan (10% approx.) and Bangladesh (5.50% approx.). The country India has 2,25,247 USD Million average currency circulation followed by Pakistan 23,350 USD Million and Bangladesh 11,625 USD million.

Bankers Deposits with the Central Bank

Bank reserves are the currency deposits that are not lent out to a bank's clients. A small fraction of the total deposits is held internally by the bank in cash vaults or deposited with the Central bank. Minimum reserve requirements are established by central banks in order to ensure that the financial institutions will be able to provide clients with cash upon request [7]. Even when there are no reserve requirements, banks often opt to hold some reserves called desired reserves against unexpected events such as unusually large net withdrawals by customers.

In the case of bankers deposits with the central bank of selected Asian countries are concerned, Bangladesh shows maximum percentage of increase (93%) followed by India (9%) and Nepal (6%). At the same time, when we combine the banker's deposits with the central bank of the all the selected countries, India has maximum percentage (85% approx.) followed by Bangladesh (8.5% approx.) and Pakistan (4% approx.). The country India has 70,027 USD Million average bankers' deposits with the central bank followed by Bangladesh 5,698 USD Million and Pakistan 4,451 USD million (Table 4).

Table 4: Components of Money Stock-Bankers Deposits with the Central Bank.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|--------------------------------|------------|-----|--------|-----|---------|-----|---------|-----|----------|-----|---------|
| 2012 | 3991.97 | 100 | 263.11 | 100 | 69642.6 | 100 | 1357.99 | 100 | 4429.59 | 100 | 79685 |
| O% | 5.01 | | 0.33 | | 87.40 | | 1.70 | | 5.56 | | 100.00 |
| 2013 | 4732.34 | 119 | 186.96 | 71 | 58958.5 | 85 | 1338.51 | 99 | 4896.56 | 111 | 70113 |
| O% | 6.75 | | 0.27 | | 84.09 | | 1.91 | | 6.98 | | 100.00 |
| 2014 | 5667.62 | 142 | 302.74 | 115 | 71498.2 | 103 | 1590 | 117 | 5144.86 | 116 | 84203 |
| O% | 6.73 | | 0.36 | | 84.91 | | 1.89 | | 6.11 | | 100.00 |
| 2015 | 6405.2 | 160 | 301.64 | 115 | 74381.7 | 107 | 1901 | 140 | 4061.55 | 92 | 87051 |
| O% | 7.36 | | 0.35 | | 85.45 | | 2.18 | | 4.67 | | 100.00 |
| 2016 | 7691.2 | 193 | 272.62 | 104 | 75652.7 | 109 | 1443 | 106 | 3723.24 | 84 | 88783 |
| O% | 8.66 | | 0.31 | | 85.21 | | 1.63 | | 4.19 | | 100.00 |
| Std Dev | 1442 | | 47 | | 6623 | | 232 | | 583 | | |
| Average | 5698 | | 265 | | 70027 | | 1526 | | 4451 | | |
| Source: SAARC official website | | | | | | | | | | | |

Scheduled Commercial Banks-Select Aggregates

Demand deposits: Demand deposits, bank money are funds held in demand deposit accounts in commercial banks (Tables 5 and 6). These account balances are usually considered money and form the greater part of the narrowly defined money supply of a country. Demand deposits are usually considered part of the narrowly defined money supply, as they can be used, via checks and drafts, as a means of payment for goods and services and to settle debts. The money supply of a country is usually held to consist of currency plus demand deposits [8]. In most countries, demand deposits account for a majority of the money supply. During times of financial crisis, bank customers will withdraw their funds in cash, leading to a drop in demand deposits and a shrinking of the money supply. Economists have speculated that this effect contributed to the severity of the Great Depression.

Table 5: Scheduled Commercial Banks - Demand Deposits.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|--------------------------------|------------|-----|--------|-----|----------|-----|---------|-----|----------|-----|---------|
| 2012 | 6240.58 | 100 | 515.66 | 100 | 122230.2 | 100 | 1112.10 | 100 | 32512 | 100 | 162611 |
| O% | 3.84 | | 0.32 | | 75.17 | | 0.68 | | 19.99 | | 100.00 |
| 2013 | 7166.84 | 115 | 508.68 | 99 | 121770 | 100 | 1140.47 | 103 | 37933 | 117 | 168519 |
| O% | 4.25 | | 0.30 | | 72.26 | | 0.68 | | 22.51 | | 100.00 |
| 2014 | 8288.59 | 133 | 585.38 | 114 | 118789.3 | 97 | 1197 | 108 | 46156 | 142 | 175016 |
| O% | 4.74 | | 0.33 | | 67.87 | | 0.68 | | 26.37 | | 100.00 |
| 2015 | 9302.62 | 149 | 553.01 | 107 | 126860.4 | 104 | 1296 | 116 | 50847.2 | 156 | 188859 |
| O% | 4.93 | | 0.29 | | 67.17 | | 0.69 | | 26.92 | | 100.00 |
| 2016 | 11448.9 | 183 | 549.41 | 107 | 134020.4 | 110 | 1640 | 148 | NA | | 147659 |
| O% | 7.75 | | 0.37 | | 90.76 | | 1.11 | | | | 100.00 |
| Std Dev | 2017 | | 31 | | 5940 | | 215 | | 8206 | | |
| Average | 8490 | | 542 | | 124734 | | 1277 | | 41862 | | |
| Source: SAARC official website | | | | | | | | | | | |

Table 6: Scheduled Commercial Banks - Time Deposits.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|--------------------------------|------------|-----|--------|-----|---------|-----|----------|-----|----------|-----|---------|
| 2012 | 49790.8 | 100 | 384.07 | 100 | 1032790 | 100 | 9665.83 | 100 | 34396 | 100 | 1127027 |
| O% | 4.42 | | 0.03 | | 91.64 | | 0.86 | | 3.05 | | 100.00 |
| 2013 | 61707.9 | 124 | 405.31 | 106 | 1119366 | 108 | 10602.70 | 110 | 35107 | 102 | 1227189 |
| O% | 5.03 | | 0.03 | | 91.21 | | 0.86 | | 2.86 | | 100.00 |
| 2014 | 72005.5 | 145 | 371.39 | 97 | 1163338 | 113 | 11478 | 119 | 36492 | 106 | 1283685 |
| O% | 5.61 | | 0.03 | | 90.62 | | 0.89 | | 2.84 | | 100.00 |
| 2015 | 80555.2 | 162 | 357.08 | 93 | 1236485 | 120 | 12327 | 128 | 40264.5 | 117 | 1369988 |
| O% | 5.88 | | 0.03 | | 90.26 | | 0.90 | | 2.94 | | 100.00 |
| 2016 | 89871.7 | 180 | 449.83 | 117 | 1272113 | 123 | 14788 | 153 | NA | | 1377223 |
| O% | 6.53 | | 0.03 | | 92.37 | | 1.07 | | | | 100.00 |
| Std Dev | 15688 | | 36 | | 95063 | | 1955 | | 16508 | | |
| Average | 70786 | | 394 | | 1164818 | | 11772 | | 36565 | | |
| Source: SAARC official website | | | | | | | | | | | |

In the case of Scheduled commercial banks - Demand Deposits of selected Asian countries are concerned, Bangladesh shows maximum percentage of increase (83%) followed by Pakistan (56%) and Nepal (48%). At the same time, when we combine the banker's deposits with the central bank of the all the selected countries, India has maximum percentage (90% approx.) followed by Pakistan (27% approx.) and Bangladesh (8% approx.). The country India has 1,24,734 USD Million average Scheduled commercial banks - Demand Deposits followed by Pakistan 41,862 USD Million and Bangladesh 8,490 USD million.

Time Deposits

A time deposit or term deposit (also known as a certificate of deposit in the United States), is a deposit with a specified period of maturity and earns interest. It is a money deposit at a banking institution that cannot be withdrawn for a specific term or period of time. When the term is over it can be withdrawn or it can be held for another term. Generally speaking, the longer the term the better the yield on the money. In its strict sense, certificate deposit is different from that of time deposit in terms of its negotiability: CDs are negotiable and can be rediscounted when the holder needs some liquidity, while time deposits must be kept until maturity.

The Scheduled commercial banks-time Deposits of selected Asian countries of selected Asian countries are concerned, Bangladesh shows maximum percentage of increase (80%) followed by Nepal (53%) and India (23%). At the same time, when we combine the Scheduled commercial banks-time Deposits of the all the selected countries, India has maximum percentage (92% approx.) followed by Bangladesh (6.50% approx.) and Pakistan (3% approx.) The country India has 11,64,818 USD Million average Scheduled commercial banks-time Deposits followed by Bangladesh 70,786 USD million and Pakistan 36,565 USD million.

Liabilities to the Banks

A liability is a Bank's financial debt or obligations that arise during the course of its operations (Table 7). Liabilities are settled over time through the transfer of economic benefits.

Table 7: Scheduled Commercial Banks - Liabilities to the Banks.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|--------------------------------|------------|-----|--------|-----|---------|-----|----------|-----|----------|-----|---------|
| 2012 | 48410.7 | 100 | 153.03 | 100 | 23909.1 | 100 | 12990.10 | 100 | 896 | 100 | 86359 |
| O% | 56.06 | | 0.18 | | 27.69 | | 15.04 | | 1.04 | | 100.00 |
| 2013 | 57504.7 | 119 | 77.22 | 50 | 24471.8 | 102 | 14130.80 | 109 | 2377 | 265 | 98562 |
| O% | 58.34 | | 0.08 | | 24.83 | | 14.34 | | 2.41 | | 100.00 |
| 2014 | 67289 | 139 | 100.56 | 66 | 20996.3 | 88 | 14932 | 115 | 3016 | 337 | 106334 |
| O% | 63.28 | | 0.09 | | 19.75 | | 14.04 | | 2.84 | | 100.00 |
| 2015 | 84194.9 | 174 | 146.21 | 96 | 24948.5 | 104 | 17340 | 133 | 2413.51 | 269 | 129043 |
| O% | 65.25 | | 0.11 | | 19.33 | | 13.44 | | 1.87 | | 100.00 |
| 2016 | 116024.7 | 240 | 125.55 | 82 | 33923.7 | 142 | 20062 | 154 | NA | | 170136 |
| O% | 68.20 | | 0.07 | | 19.94 | | 11.79 | | | | 100.00 |
| Std Dev | 26644 | | 32 | | 4874 | | 2825 | | 902 | | |
| Average | 74685 | | 121 | | 25650 | | 15891 | | 2176 | | |
| Source: SAARC official website | | | | | | | | | | | |

The Scheduled commercial banks-Liabilities to the banks of selected Asian countries of selected Asian countries are concerned, Pakistan shows maximum percentage of increase (169%) followed by Bangladesh (140%) and Nepal (54%). At the same time, when we combine the Scheduled commercial banks - Liabilities to the banks of the all the selected countries, Bangladesh has maximum percentage (68% approx.) followed by India (20% approx.) and Nepal (12% approx.) [9]. The country Bangladesh has 74,685 USD Million average Scheduled commercial banks-Liabilities to the banks followed by India 25,650 USD million and Nepal 15,891 USD million

Investment in Govt securities

A government security is a bond or other type of debt obligation that is issued by a government with a promise of repayment upon the security's maturity date (Table 8). Government securities are usually considered low-risk investments because they are backed by the taxing power of a government. Government securities are usually issued for two different reasons. The primary reason that most government securities are issued is to raise funds for government expenditures.

Table 8: Scheduled Commercial Banks - Investment in Govt securities.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|--------------------------------|------------|-----|--------|-----|----------|-----|---------|-----|----------|-----|---------|
| 2012 | 10165.4 | 100 | 23.25 | 100 | 339135.6 | 100 | 1691.34 | 100 | 25517 | 100 | 376533 |
| O% | 2.70 | | 0.01 | | 90.07 | | 0.45 | | 6.78 | | 100.00 |
| 2013 | 15534.1 | 153 | 20.97 | 90 | 368391 | 109 | 1731.05 | 102 | 33619 | 132 | 419296 |
| O% | 3.70 | | 0.01 | | 87.86 | | 0.41 | | 8.02 | | 100.00 |
| 2014 | 19235.5 | 189 | 19.21 | 83 | 367920.4 | 108 | 1447 | 86 | 37232 | 146 | 425854 |
| O% | 4.52 | | 0.00 | | 86.40 | | 0.34 | | 8.74 | | 100.00 |
| 2015 | 19589.4 | 193 | 7.99 | 34 | 397782.3 | 117 | 1409 | 83 | 50934.7 | 200 | 469723 |
| O% | 4.17 | | 0.00 | | 84.68 | | 0.30 | | 10.84 | | 100.00 |
| 2016 | 19601.4 | 193 | 48.98 | 211 | 395570.4 | 117 | 1658 | 98 | NA | | 416879 |
| O% | 4.70 | | 0.01 | | 94.89 | | 0.40 | | | | 100.00 |
| Std Dev | 4098 | | 15 | | 24055 | | 148 | | 10605 | | |
| Average | 16825 | | 24 | | 373760 | | 1587 | | 36826 | | |
| Source: SAARC official website | | | | | | | | | | | |

The Scheduled commercial banks-Investment in Government securities of selected Asian countries of selected Asian countries are concerned, Bhutan shows maximum percentage of increase (111%) followed by Pakistan (100%) and Bangladesh (93%). At the same time, when we combine the Scheduled commercial banks - Investment in Government securities of the all the selected countries, India has maximum percentage (95% approx.) followed by Pakistan (11% approx.) and Bangladesh (5% approx.) The country India has 373760 USD Million average Scheduled commercial banks - Investment in Government securities followed by Pakistan 36,826 USD million and

Bangladesh 16,825 USD million.

Bank Credit

Bank credit is the aggregate amount of credit available to a person or business from a banking institution. It is the total amount of funds financial institutions provide to an individual or business (Table 9). A business or individual's bank credit depends on the borrower's ability to repay and the total amount of credit available in the banking institution. Many businesses need business funding to pay start-up costs, to pay for goods and services or supplement cash flow.

Table 9: Scheduled Commercial Banks - Bank Credit.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|---------|------------|-----|--------|-----|----------|-----|---------|-----|----------|-----|---------|
| 2012 | 61960.9 | 100 | 788.85 | 100 | 901456.6 | 100 | 7571.42 | 100 | 39471 | 100 | 1011249 |
| O% | 6.13 | | 0.08 | | 89.14 | | 0.75 | | 3.90 | | 100.00 |
| 2013 | 74974.6 | 121 | 920.57 | 117 | 967186.3 | 107 | 8481.53 | 112 | 38943 | 99 | 1090506 |
| O% | 6.88 | | 0.08 | | 88.69 | | 0.78 | | 3.57 | | 100.00 |
| 2014 | 86328.3 | 139 | 934.34 | 118 | 997357 | 111 | 9015 | 119 | 43507 | 110 | 1137142 |
| O% | 7.59 | | 0.08 | | 87.71 | | 0.79 | | 3.83 | | 100.00 |
| 2015 | 95561.7 | 154 | 913.19 | 116 | 1044310 | 116 | 10684 | 141 | 45472.3 | 115 | 1196941 |
| O% | 7.98 | | 0.08 | | 87.25 | | 0.89 | | 3.80 | | 100.00 |
| 2016 | 107054.1 | 173 | 972.62 | 123 | 1092914 | 121 | 13019 | 172 | NA | | 1213959 |
| O% | 8.82 | | 0.08 | | 90.03 | | 1.07 | | | | 100.00 |
| Std Dev | 17542 | | 69 | | 73125 | | 2148 | | 3161 | | |
| Average | 85176 | | 906 | | 1000645 | | 9754 | | 41848 | | |

Source: SAARC official website

The Scheduled commercial banks-Bank credit of selected Asian countries are concerned, Bangladesh shows maximum percentage of increase (73%) followed by Nepal (72%) and Bhutan (23%). At the same time, when we combine the Scheduled commercial banks - Bank credit of the all the selected countries, India has maximum percentage (90% approx.) followed by and Bangladesh (9% approx.) and Pakistan (4% approx.) The country India has 10,00,645 USD Million average Scheduled commercial banks - Bank credit followed by Bangladesh 85,176 USD million and Pakistan 41,848 USD million.

Assets with Banks

An asset is a resource with economic value that an individual, corporation or country owns or controls with the expectation that it will provide future benefit. Assets are reported on a company's balance sheet, and they are bought or created to increase the value of a firm or benefit the firm's operations (Table 10). Bank assets are the money

and property owned by a bank, and the money that is owed to it.

Table 10: Scheduled Commercial Banks - Assets with Banks.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|---------|------------|-----|---------|-----|---------|-----|----------|-----|----------|-----|---------|
| 2012 | 48587.6 | 100 | 1192.48 | 100 | 34775.6 | 100 | 12990.10 | 100 | 1227 | 100 | 98773 |
| O% | 49.19 | | 1.21 | | 35.21 | | 13.15 | | 1.24 | | 100.00 |
| 2013 | 58168 | 120 | 1186.14 | 99 | 40439.5 | 116 | 14130.80 | 109 | 1228 | 100 | 115152 |
| O% | 50.51 | | 1.03 | | 35.12 | | 12.27 | | 1.07 | | 100.00 |
| 2014 | 67612.3 | 139 | 1305.13 | 109 | 32454.2 | 93 | 14932 | 115 | 1649 | 134 | 117953 |
| O% | 57.32 | | 1.11 | | 27.51 | | 12.66 | | 1.40 | | 100.00 |
| 2015 | 84776.3 | 174 | 1310.08 | 110 | 35431.8 | 102 | 17340 | 133 | 3383.54 | 276 | 142241 |
| O% | 59.60 | | 0.92 | | 24.91 | | 12.19 | | 2.38 | | 100.00 |
| 2016 | 116655.3 | 240 | 159.76 | 13 | 39256.4 | 113 | 20062 | 154 | NA | | 176133 |
| O% | 66.23 | | 0.09 | | 22.29 | | 11.39 | | | | 100.00 |
| Std Dev | 26768 | | 490 | | 3301 | | 2825 | | 1027 | | |
| Average | 75160 | | 1031 | | 36472 | | 15891 | | 1872 | | |

Source: SAARC official website

The Scheduled commercial banks-Assets with banks of selected Asian countries are concerned, Pakistan shows maximum percentage of increase (176%) followed by Bangladesh (140%) and Nepal (54%) (Table 11). At the same time, when we combine the Scheduled commercial banks - Assets with banks of the all the selected countries, Bangladesh has maximum percentage (66% approx.) followed by and India (22% approx.) and Nepal (11% approx.) The country Bangladesh has 75,160 USD Million average Scheduled commercial banks - Assets with banks followed by India 36,472 USD million and Nepal 15,891 USD million.

Sectorial Deployment of bank credit by Major Sectors

Bank credit to commercial sector

Table 11: Sectoral Deployment of Bank credit by Commercial Sectors.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|-------|------------|-----|---------|-----|----------|-----|---------|-----|----------|-----|---------|
| 2012 | 44610.5 | 100 | 887.43 | 100 | 378679.6 | 100 | 1595.28 | 100 | 37354.1 | 100 | 463127 |
| O% | 9.63 | | 0.19 | | 81.77 | | 0.34 | | 8.07 | | 100.00 |
| 2013 | 51669.5 | 116 | 998.45 | 113 | 410040 | 108 | 1837.15 | 115 | 35795.4 | 96 | 500341 |
| O% | 10.33 | | 0.20 | | 81.95 | | 0.37 | | 7.15 | | 100.00 |
| 2014 | 57285.6 | 128 | 1007.41 | 114 | 418717.4 | 111 | 203 | 13 | 41219.6 | 110 | 518433 |
| O% | 11.05 | | 0.19 | | 80.77 | | 0.04 | | 7.95 | | 100.00 |
| 2015 | 65119.9 | 146 | 990.62 | 112 | 424603.5 | 112 | 2534 | 159 | 43058.4 | 115 | 536306 |

| | | | | | | | | | | | |
|---------|-------|--|---------|-----|----------|-----|------|-----|---------|-----|--------|
| O% | 12.14 | | 0.18 | | 79.17 | | 0.47 | | 8.03 | | 100.00 |
| 2016 | NA | | 1083.06 | 122 | 411662.5 | 109 | 3100 | 194 | 47210.1 | 126 | 463056 |
| O% | | | 0.23 | | 88.90 | | 0.67 | | 10.20 | | 100.00 |
| Std Dev | 8684 | | 70 | | 17784 | | 1096 | | 4561 | | |
| Average | 54671 | | 993 | | 408741 | | 1854 | | 40928 | | |

Source: SAARC official website

A pre-approved amount of money issued by a bank to a company that can be accessed by the borrowing company at any time to help meet various financial obligations. Commercial credit is commonly used to fund common day-to-day operations and is often paid back once funds become available.

The Sectorial Deployment of bank credit-commercial sector of selected Asian countries are concerned, Nepal shows maximum percentage of increase (94%) followed by Bangladesh (46%) and Pakistan (26%). At the same time, when we combine the Sectorial Deployment of bank credit-Commercial sector of the all the selected countries, India has maximum percentage (89% approx.) followed by and Bangladesh (12% approx.) and Pakistan (10% approx.) The country India has 4,08,741 USD Million average Sectorial Deployment of bank credit - Commercial sector followed by Bangladesh 54,671 USD million and Pakistan 40,928 USD million (Table 12).

Bank credit to Agriculture and Allied Activities

Table 12: Sectoral Deployment of Bank credit - Agriculture and Allied Activities.

| Years | Bangladesh | % | Bhutan | % | India | % | Nepal | % | Pakistan | % | Overall |
|---------|------------|-----|---------|-----|----------|-----|--------|-----|----------|-----|---------|
| 2012 | 2558.08 | 100 | 901.93 | 100 | 106846.4 | 100 | 289 | 100 | 2101.76 | 100 | 112697 |
| O% | 2.27 | | 0.80 | | 94.81 | | 0.26 | | 1.86 | | 100.00 |
| 2013 | 2953.72 | 115 | 1020.65 | 113 | 108461.4 | 102 | 358.49 | 124 | 2244.29 | 107 | 115039 |
| O% | 2.57 | | 0.89 | | 94.28 | | 0.31 | | 1.95 | | 100.00 |
| 2014 | 3555.8 | 139 | 1035.01 | 115 | 110812.2 | 104 | 398 | 138 | 2561.67 | 122 | 118363 |
| O% | 3.00 | | 0.87 | | 93.62 | | 0.34 | | 2.16 | | 100.00 |
| 2015 | 3784.85 | 148 | 1027.82 | 114 | 122363 | 115 | 501 | 174 | 2805.6 | 133 | 130483 |
| O% | 2.90 | | 0.79 | | 93.78 | | 0.38 | | 2.15 | | 100.00 |
| 2016 | NA | | 58.02 | 6 | 133107.7 | 125 | 572.71 | 198 | 2812.26 | 134 | 136551 |
| O% | | | 0.04 | | 97.48 | | 0.42 | | 2.06 | | 100.00 |
| Std Dev | 560 | | 423 | | 11182 | | 113 | | 323 | | |
| Average | 3213 | | 809 | | 116318 | | 424 | | 2505 | | |

Source: SAARC official website

Priority Sector refers to those sectors of the economy which may not get timely and adequate credit in the absence of this special dispensation. Priority Sector Lending is an important role given by the banks for providing a specified portion of the bank lending to few specific sectors like agriculture and allied activities, micro and small enterprises, poor people for housing, students for education and other low income groups and weaker sections. Direct finance to agriculture shall include short, medium and long term loans given for agriculture and allied activities directly to individual farmers, Self-Help Groups (SHGs) or Joint Liability Groups (JLGs) of individual farmers. The Sectorial Deployment of bank credit-Agricultural and allied activities of selected Asian countries are concerned, Nepal shows maximum percentage of increase (98%) followed by Bangladesh (48%) and Pakistan (34%). At the same time, when we combine the Sectorial Deployment of bank credit of the all the selected countries, India has maximum percentage (97% approx.) followed by and Pakistan (2% approx.) and Nepal (0.4% approx.). The country India has 1,16,318 USD Million average Sectorial Deployment of bank credit-Agricultural and allied activities followed by Bangladesh 3,213 USD million and Pakistan 2,505 USD million.

CONCLUSION

In the analysis of the trends and patterns of the growth with the selected variables related to the sources and components of money stock and Sectorial Deployment of Scheduled Commercial Banks of Selected Asian Countries, Bangladesh showing massive growth in (a) Net bank credit to Government (b) Net foreign exchange assets of the central bank (c) Currency in circulation (d) Bankers deposits with the central bank (e) Demand deposits (f) Time deposits (g) Bank credit but at the same time country Pakistan shows growth with respective of (a) Liabilities to the Banks (b) Assets with banks. The variable (a) Investment in Govt securities Bhutan country shows better growth and another country Nepal shows massive growth in the (a) Deployment towards commercial sector and (b) Deployment towards agriculture and allied activities. In the evaluation of the proportional leaders of the combined sources and components of money stock and Sectorial Deployment of Scheduled Commercial Banks of Selected Asian Countries, ten out of the twelve variables India have massive difference as well as leading the scene except with the liabilities to the banks and assets with the banks (Bangladesh is leading in both cases).

In the assessment of the central tendencies of the selected Asian countries' components of money stock and Sectorial Deployment of Scheduled Commercial Banks, India is having very higher central tendencies except with variable liabilities to the banks and assets with the banks. (Bangladesh having higher averages in both cases).

India is the great country in the majority of the variables and has huge differences while compared to other four selected countries at the same time country Bangladesh is growing fast while compared to their previous low levels and even to their more aged neighbouring country Pakistan.

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