

IIMK/WPS/154/FIN/2014/12

**EXPLORING THE RELATION BETWEEN PROMOTER'S CONTRIBUTION
AND RESUBMITTED APPROVED LOAN PROPOSAL IN THE
INDIAN BANKS AT THE LOAN INCEPTION STAGE**

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We empirically evidenced that the promoter's contribution with respect to resubmitted approved loan proposal in the Indian banks at the loan inception stage, is different and high with proper control for resubmission and non-resubmission of loan proposals at the time of approval of these loans using Mann-Whitney U test. The finding of this study implies that borrowers with higher promoter's contribution and unsecured loan in their control in self-interest will avoid violating core covenants at the inception stage of a loan to get the loans approved. There is evidence of earnings management with respect to resubmitted loan proposal which are approved. Banks should take this information into account while disbursing loan and framing credit policies.

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