Uttar Pradesh occupies first place in India from population point of view. Twenty commercial banks were nationalised in India up to 1980. Those banks, which have not been nationalised so far, are known as non-nationalised banks.

In U.P., both nationalised and non-nationalised banks are working. Recently Reserve Bank of India has declared eight public sector banks as sick. These banks are United Commercial Bank, United Bank of India, Bank of India, Syndicate Bank, Bank of Maharashtra, Punjab and Sind Bank, New Bank of India (Now merge with PNB) and Indian Bank.

The position of sick banks in India at present is so severe that roughly every third public sector bank is regarded as a sick unit. Hence, it is desirable to make a detailed research study about the financial management of non-nationalised banks; in general and The Nainital Bank Ltd. in particular in order to find out their financial position and to see how for the non-nationalised banks in U.P. are working in comparison to nationalised banks. It has been found out in this study as to how far their financial management is satisfactory taking into consideration, their working, efficiency and contribution in the economic development of U.P.

For the purpose of this study following Methodology has been adopted:

Both primary and secondary data have been collected. Proper classification and tabulation have been made according to the requirement of this research work. Survey of some selected non-nationalised banks has been made. Both Government and other publications have been made use of. Questionnaires have been prepared for bank officers/employees and the customers of the banks. Trade Union Leaders have also been contacted. Selection has been made on the basis of random sample. Statistical Methods have been used at various stages for the purpose of analysis and interpretation.

Main purpose of writing this thesis is to make a detailed and critical study of financial management of non-nationalised banks in U.P. with special reference to The Nainital Bank Ltd. and to give suitable suggestions in this respect so that these banks may make appreciable contribution in the economic development of Uttar Pradesh.

Keeping in view the above, the layout of this research work has been divided into seven chapters – (1) Introduction, (2) Financial Management – Sources of Finance, (3) Utilisation of Funds, (4) Organisation, Management and Administration of The Nainital Bank Ltd. and its Financial Implications, (5) Analysis of Financial Position of The Nainital Bank Ltd., (6) Problems and (7) Conclusion and Suggestions.
It was my heart-felt desire to do research work only under Dr. S.M. Shukla. It is indeed my greatest gift of life that I could get him as my Guide. With the grace of Almighty God. I got the privilege of working under him.

No words can adequately express my debt of gratitude to my ‘Guru’ for his true and real guidance, periodical supervision, timely suggestions for improvement in this study. Let me express my deepest sense of gratitude to Dr. S.M. Shukla, but for whom this thesis would not have seen the light of the day. I always bow my head towards my most reverent Gurudev Dr. S.M. Shukla as whatever I could get in the academic field that is all due to perennial source of inspiration from boundless, liberal and divine heart of my Gurudev. I always keep him in my mind and heart worshipping him with deep devotion.

I am obliged to the top officials and employees of the non-nationalised banks of Uttar Pradesh and to Shri Arun Chatterjee, Director, NIBSTC, New Delhi for providing me their assistance and giving information regarding non-nationalised banks in U.P. from their Institute/Library from time to time.

I am greatful to the Librarian of Reserve Bank of India, Lucknow and Librarian of G.B.Pant University of Agriculture & Technology, Pantnagar (UP).

I am thankful to Shri S.N. Amin (Ex-Chairman, NTB), Shri P.G. Rao (Ex-AGM, NTB), Shri Satish C. Ahuja (Chairman, NTB), Shri R.L. Shah (G.M., NTB), Shri T.C. Upreti (AGM, NTB), Shri K.K. Arora (AGM, NTB), Shri K.S. Mehra (Chief Manager, NTB), Shri M.K. Pandey (Sr. Manager), Dr. T.C. Pandey (Principal, STC, NTB), Shri S.N. Dubey (Sr. Manager, NTB), Shri V.B. Chaddha (NBI), Shri T.K. Sinha (SBI), Dr. Alok Mehrotra, and Dr. J.M.C. Joshi (Kumaon University) for providing assistance from time to time in doing this research work.

(K.N. Kandpal)