



## PHYSICAL PERFORMANCE OF SYNDICATE BANK IN YSR KADAPA DISTRICT

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### Introduction

Syndicate Bank is one of the oldest major public sector banks in India. The bank provides a range of financial products and services to the retail customers, including housing loans, retail trade loans, consumer loans, education loans, mortgage loans and investment loans. They also offer other services, such as Tele-banking, short messaging service banking data warehousing. The bank delivers their products and services through their extensive branch network, extension counters, ATMs, Phone banking and the Internet.

Syndicate Bank was established in 1925 in Udupi, the abode of Lord Krishna in coastal Karnataka with a capital of Rs.8000/- by three visionaries – Sri Upendra Ananth Pai, a businessman, Sri Vaman Kudva, an engineer and Dr.T.M.A. Pai, a physician – who shared a strong commitment to social welfare. Their objective was primarily to extend financial assistance to the local weavers who were crippled by a crisis in the handloom industry through mobilizing small savings from the community. The bank collected as low as 2 annas daily at the doorsteps of the depositors through its agents under its Pigmy Deposit Scheme started in 1928. This scheme has enhanced the Bank's brand equity today and the Bank collects around Rs.2 crore per day under the scheme.

The progress of Syndicate Bank has been synonymous with the phase of progressive banking in India. Spanning over 80 years of pioneering expertise, the bank has created for itself a solid customer base comprising customers of two or three generations. Being firmly rooted in rural India and understanding the grass-root realities, the Bank's perception had vision of future India. It has been propagating innovations in banking and also has been receptive to new ideas, without however getting uprooted from its distinctive socio-economic and cultural ethos. Its philosophy of growth by mutual sustenance of both the bank and the people has paid rich dividends.

The bank has been operating as a catalyst of development across the country with particular reference to the common man at the individual level and in rural/semi urban centres at the area level. The bank is well equipped to meet the challenges of the 21<sup>st</sup> century in the areas of information technology, knowledge and competition. A comprehensive IT plan is being put in place and the skills and knowledge of the bank's personnel are being upgraded through a variety of training programmes to promote customer delight in every sphere of its activity. The bank has launched an ambitious technology plan called Centralized Banking Solution (CBS) whereby 500 strategic branches of Syndicate Bank with their ATMs are being networked nationwide over a four year period. The bank is pioneer among public sector banks in launching CBS. The bank has already achieved CBS implementation among all its branches. Thus, the bank is 100 per cent CBS enabled.

**Period of Study:** The period of study chosen is ten years from 2006-07 to 2015-16.

**Objective of the Study :**The primary objective of the present study is to measure the physical performance of Syndicate Bank in YSR Kadapa district in terms of branches expansion, deposit mobilisation.

1. To ascertain the physical performance of Syndicate Bank in terms of branch expansion, deposit mobilisation, extending loans and advances in YSR Kadapa district.
2. To analyse credit deposit ratio of Syndicate Bank in YSR Kadapa district and.
3. To assess the quantum of priority sector advances of Syndicate Bank in YSR Kadapa district.



### Branch Expansion of Syndicate Bank

The Branch Expansion of Syndicate Bank in YSR Kadapa District over ten year period from 2006-07 to 2015-16 is presented in table 1:

**Table 1: Branch Expansion of Syndicate Bank in YSR Kadapa District over ten year period from 2006-07 to 2015-16 (No. of Branches)**

Year	Rural	Semi-Urban	Urban	Total
2006-07	8 (42.10)	2 (10.53)	9 (47.37)	19 (100)
2007-08	8 (42.10)	2 (10.53)	9 (47.37)	19 (100)
2008-09	9 (45.00)	2 (10.00)	9 (45.00)	20 (100)
2009-10	9 (42.86)	2 (9.52)	10 (47.62)	21 (100)
2010-11	10 (45.45)	2 (9.10)	10 (45.45)	22 (100)
2011-12	10 (45.45)	2 (9.10)	10 (45.45)	22 (100)
2012-13	10 (45.45)	2 (9.10)	10 (45.45)	22 (100)
2013-14	11 (45.83)	2 (8.34)	11 (45.83)	24 (100)
2014-15	12 (44.44)	2 (7.41)	13 (48.15)	27 (100)
2015-16	13 (43.33)	3 (10.00)	14 (46.67)	30 (100)

Source: Lead District office, YSR Kadapa, Annual Credit Plan from 2006-07 to 2015-16

Table 1 shows the growth in the branch expansion of Syndicate Bank in rural, semi-urban, urban and in total branches in YSR Kadapa district. The growth in the branch expansion of Syndicate Bank in rural and urban areas is stunted in the beginning of the study period but is progressive in the recent years of ten year study period. Whereas the growth in the branch expansion of Syndicate Bank in semi-urban areas is stunted for many years of ten year study period except in 2015-16. The growth in the total branches of Syndicate Bank resembles the proverb slow and steady wins the race.

### Deposits of Syndicate Bank

The deposits of Syndicate Bank in YSR Kadapa district over ten year period from 2006-07 to 2015-16 is presented in table 2:

**Table 2: Deposits of Syndicate Bank in YSR Kadapa District over ten year period from 2006-07 to 2015-16 (Rs.in Lakhs)**

Year	Syndicate Bank Deposits	Total Commercial Banks Deposits	Market Share of Syndicate Bank (%)
2006-07	20553	260777	7.88
2007-08	26157	321638	8.13



<b>2008-09</b>	33965	397487	8.54
<b>2009-10</b>	34135	431383	7.91
<b>2010-11</b>	35418	498645	7.10
<b>2011-12</b>	41752	577287	7.23
<b>2012-13</b>	45244	596918	7.58
<b>2013-14</b>	52246	702628	7.44
<b>2014-15</b>	64113	771018	8.32
<b>2015-16</b>	184575	1055737	17.48
<b>Mean</b>	53815.80	561351.80	8.76
<b>SD</b>	47629.08	236957.13	3.10
<b>CV</b>	88.50	42.21	35.39
<b>CAGR</b>	27.62%	16.81%	9.26%

Source: Lead District office, YSR Kadapa, Annual Credit Plan from 2006-07 to 2015-16

Table 2 depicts the growth in the deposits of Syndicate Bank, total commercial banks and the deposits share of Syndicate Bank in the total deposits mobilised by all the commercial banks in YSR Kadapa district. The deposits of Syndicate Bank and the deposits of commercial banks in absolute terms have been increased continuously over the entire ten year study period.

But the growth in the deposits share of Syndicate Bank increased for the first three years of the ten year study period and decreased in the another two years of same study period, increased for another two year and decreased in 2013-14 and increased from 8.32 in 2014-2015 to 17.48 in 2015-16.

The growth in the deposits extended by all the commercial banks in absolute terms increased from Rs.260777 lakhs in 2006-07 to Rs.105737 lakhs in 2015-16.

The statistical data reveals the growth in the deposits of Syndicate Bank that the growth in the deposits of Syndicate Bank is 27.62 per cent which is more than the growth in the deposits of commercial banks.

### Advances of Syndicate Bank

The Advances of Syndicate Bank in YSR Kadapa district over ten year period from 2006-07 to 2015-16 is presented in table 3:

**Table 3: Advances of Syndicate Bank in YSR Kadapa District over ten year period from 2006-07 to 2015-16(Rs.in Lakhs)**

Year	Syndicate Bank Advances	Total Commercial Banks Advances	Market Share of Syndicate Bank (%)
<b>2006-07</b>	21180	247165	8.57
<b>2007-08</b>	38423	303782	12.65
<b>2008-09</b>	35679	347553	10.27



<b>2009-10</b>	38726	398590	9.72
<b>2010-11</b>	50683	501699	10.10
<b>2011-12</b>	66705	621580	10.73
<b>2012-13</b>	77036	765060	10.07
<b>2013-14</b>	197653	997236	19.82
<b>2014-15</b>	141105	977877	14.43
<b>2015-16</b>	125077	1057835	11.82
<b>Mean</b>	79226.70	621837.70	11.82
<b>SD</b>	57255.15	309001.66	3.27
<b>CV</b>	72.27	49.69	27.66
<b>CAGR</b>	21.81%	17.53%	3.64%

Source: Lead District office, YSR Kadapa, Annual Credit Plan from 2006-07 to 2015-16

Table 3 depicts the growth in the advances extended by Syndicate Bank in YSR Kadapa district over ten year period from 2006-07 to 2015-16. The advances of Syndicate Bank increased from 2006-07 to 2015-16 except in 2008-09 and 2014-15. The advances of all commercial banks also increased from 2006-07 to 2015-16 except in 2014-15. The advances share of Syndicate Bank in the advances of all commercial banks fluctuated from period to period. The advances share of Syndicate Bank in the all commercial banks is very insignificant. But the growth in the advances of Syndicate Bank in YSR Kadapa district is significant. The growth in the time series data pertaining to advances of all scheduled commercial banks is much consistent whereas the growth in the time series data pertaining advances of Syndicate Bank is not at all consistent since the computed value of CV is much higher for the time series data pertaining to advances of Syndicate Bank.

#### Credit/Deposit Ratio of Syndicate Bank

The Credit/Deposit Ratio of Syndicate Bank in YSR Kadapa district over ten year period from 2006-07 to 2015-16 is presented in table 4:

**Table 4: Credit/Deposit Ratio of Syndicate Bank in YSR Kadapa District over ten year period from 2006-07 to 2015-16 (Per cent)**

Year	C/D Ratio	Total Commercial Banks
<b>2006-07</b>	103.05	94.78
<b>2007-08</b>	146.89	94.45
<b>2008-09</b>	105.05	87.44
<b>2009-10</b>	113.45	92.40
<b>2010-11</b>	143.10	100.61
<b>2011-12</b>	159.76	107.67
<b>2012-13</b>	170.27	128.17
<b>2013-14</b>	378.31	141.93
<b>2014-15</b>	220.09	126.83



<b>2015-16</b>	67.76	100.20
<b>Mean</b>	160.77	107.45
<b>SD</b>	87.41	18.41
<b>CV</b>	54.37	17.13
<b>CAGR</b>	-4.55%	0.62%

Source: Lead District office, YSR Kadapa, Annual Credit Plan from 2006-07 to 2015-16

Table 4 explains the growth in the credit deposit ratio of Syndicate Bank and all commercial banks over ten year study period from 2006-07 to 2015-16. The credit deposit ratio of Syndicate Bank in 2006-07 was 103.05 per cent and in 2015-16 it was just 67.74 per cent. The CD ratio is almost more than 100 per cent in almost all the years of ten year study period except in 2015-16 where in the CD Ratio is 67.76 per cent. The credit deposit ratio of all commercial banks is less than 100 per cent from 2006-07 to 2009-10 whereas the same ratio is more than 100 per cent from 2010-11 to 2015-16. The CAGR in the CD ratio of Syndicate Bank in YSR Kadapa district is negative even the CD ratio of all commercial banks for all the ten year study period is very insignificant. The growth in the time series data pertaining to CD ratio of all commercial banks is much significant whereas in the case of Syndicate Bank the growth in the CD ratio is not at all significant.

**Priority Sector Advances Of Syndicate Bank:**The Priority Sector Advances of Syndicate Bank in YSR Kadapa district over ten year period from 2006-07 to 2015-16 is presented in table 5:

**Table 5: Priority Sector Advances of Syndicate Bank in YSR Kadapa district over ten year period from 2006-07 to 2015-16 (Rs.in Lakhs)**

<b>Year</b>	<b>Agriculture</b>	<b>MSME</b>	<b>Other Priority Sector Advances</b>	<b>Total</b>
<b>2006-07</b>	11665	1547	4267	17479
<b>2007-08</b>	25030	2977	4544	32551
<b>2008-09</b>	17200	4548	2870	24618
<b>2009-10</b>	20603	5035	3704	29342
<b>2010-11</b>	26038	6381	11747	44166
<b>2011-12</b>	41368	11164	11294	63826
<b>2012-13</b>	46624	13975	6348	66947
<b>2013-14</b>	160368	14528	11029	185925
<b>2014-15</b>	94160	26779	5834	126773
<b>2015-16</b>	81291	26370	4942	112603

Source: Lead District office, YSR Kadapa, Annual Credit Plan from 2006-07 to 2015-16

Table 5 portrays the priority sector advances of Syndicate Bank in YSR Kadapa district over ten year study period from 2006-07 to 2015-16. The growth in the advances extended by Syndicate Bank in YSR Kadapa district to agriculture and other priority sector is not progress and steady whereas the growth in advances extended by Syndicate Bank in YSR Kadapa district to Micro Small and Medium Enterprises (MSMEs) is progressive and steady from 2006-07 to 2014-15 but in 2015-16 the advances of Syndicate Bank to MSMEs decreased. The



growth in the advances extended by Syndicate Bank to agriculture, MSMEs and OPISA put together is also not progressive and steady. There are ups and down in the quantum of total advances extended by Syndicate Bank over ten year period.

### **Conclusion**

Syndicate Bank was established in 1925 in Udupi, the abode of Lord Krishna in coastal Karnataka with a capital of Rs.8000/- by three visionaries – Sri Upendra Ananth Pai, a businessman, Sri Vaman Kudva, an engineer and Dr.T.M.A.Pai, a physician – who shared a strong commitment to social welfare. Their objective was primarily to extend financial assistance to the local weavers who were crippled by a crisis in the handloom industry through mobilizing small savings from the community. The growth in the branch expansion of Syndicate Bank in rural and urban areas is stunted in the beginning of the study period. But it is progressive in the recent years of ten year study period. The statistical data reveals the growth in the deposits of Syndicate Bank that the growth in the deposits of Syndicate Bank is 27.62 per cent which is more than the growth in the deposits of commercial banks. The advances share of Syndicate Bank in the all commercial banks is very insignificant. But the growth in the advances of Syndicate Bank in YSR Kadapa district is significant. The growth in the time series data pertaining to advances of all scheduled commercial banks is much consistent whereas the growth in the time series data pertaining advances of Syndicate Bank is not at all consistent since the computed value of CV is much higher for the time series data pertaining to advances of Syndicate Bank. The growth in the time series data pertaining to CD ratio of all commercial banks is much significant whereas in the case of Syndicate Bank the growth in the CD ratio is not at all significant. The growth in the advances extended by Syndicate Bank in YSR Kadapa district to agriculture and other priority sector is not progress and steady whereas the growth in advances extended by Syndicate Bank in YSR Kadapa district to Micro Small and Medium Enterprises (MSMEs) is progressive and steady from 2006-07 to 2014-15 but in 2015-16 the advances of Syndicate Bank to MSMEs decreased.

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