



## CREDIT OPERATIONS OF SAPTAGIRI GRAMEENA BANK FOR WOMEN AFTER MERGER

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### Abstract

One of the goals of establishing Regional Rural Banks (RRBs) in India is to provide credit to women in the rural India. In the present study a modest attempt is made to appraise the credit operations of the Saptagiri Grameena Bank (SGB) after merger.

**Key Words:** Credit Operations, Priority Sector and Outstanding Advances.

### 1. Introduction

Saptagiri Grameena Bank (SGB) was formed with the merger of Sri Venkateswara Grameena Bank and Kanakadurga Grameena Bank with effect from 01.07.2006. The operational area of the SGB is spread over Chittoor and Krishna districts in the state of Andhra Pradesh (AP). The bank is with 157 branches. Of which 102 branches are in Chittoor district and 55 branches in Krishna district and one satellite office. Out of them, 108 are rural, 37 semi-urban and 12 urban. The focus is on the loans made available to women at aggregate and priority sector- wise. The study period is spread over 10 years from merger.

### 2. Target Group-Wise Classification of Outstanding Advances to Women

Target group - wise classification of outstanding advances of the SGB during 2008 – 15 is presented in the **Table 1**. Of the total outstanding advances, Women were provided with Rs. 21,897 lakhs in 2008 while Rs. 93,226.75 lakhs in 2015. These have formed 23.44 per cent in 2008 and 27.15 per cent in 2015. There are to and fro changes in the meantime. There is a significant increase in the proportion of women. The mean amount, per year, to women and total stood Rs. 62,447.47 lakhs, and Rs. 2,21,481.09 lakhs serially during the period. The C.V. in women is 38.93 per cent, indicating more variability and less consistency. It is 38.08 per cent in the case of total outstanding advances, which shows less variability and more consistency. The

**Table 1: Target Group-wise Classification of Outstanding Advances to Women of SGB during 2008 – 15 (Rs. lakhs)**

Year	Women	Total	% of col.(2) to col.(3)
2008	21,897.00	93,428.43	23.44
2009	40,176.45	1,35,454.46	29.66
2010	49,535.64	1,93,846.19	25.55
2011	61,520.66	1,97,030.03	31.22
2012	69,252.00	2,38,680.00	29.01
2013	76,001.12	2,68,802.54	28.27
2014	87,970.16	3,09,180.85	28.45
2015	93,226.75	3,43,426.21	27.15
Average	62,447.47	2,22,481.09	27.84
S.D.	24,309.58	84,725.26	
C.V. (%)	38.93	38.08	
CAGR (%)	14.08	12.56	
't' cal	7.266**	7.427**	

**Notes:** Figures in brackets indicate the percentage to total.

**S.D.:** Standard deviation; **C.V.:** Coefficient of variation; **CAGR:** Compound annual growth rate

\*\* : Indicates significant at 1 per cent level

**Source:** As in Table 4.1

CAGR in the funds made available to women was the higher at 14.08 per cent whereas in the total 12.56 per cent. These are significant at one per cent level.

### 3. Loans issued under Priority Sector

Since the beginning, the bank has been making efforts to introduce new schemes tailored to the needs of women in the rural community. Hence, it is necessary to study to what extent it has provided financial assistance to women folk.



**Table 2: Categorisation of Loans Issued Under Priority Sector to Women in the SGB during 2006 – 15**  
(Rs. lakhs)

Year	Women	Total	% of col.(2) to col.(3)
2006	3,672.50	26,623.55	13.79
2007	5,535.02	39,305.78	14.08
2008	21,785.00	89,828.00	24.25
2009	24,135.45	1,12,795.04	21.40
2010	39,535.25	1,70,220.60	23.23
2011	44,319.43	1,87,824.85	23.60
2012	47,016.00	2,12,546.00	22.12
2013	47,520.66	2,26,994.90	20.93
2014	49,460.84	2,26,299.71	21.86
2015	52,354.12	2,45,998.95	21.28
<b>Average</b>	33,533.43	1,53,843.74	
<b>S.D.</b>	18,377.57	81,000.24	
<b>C.V. (%)</b>	54.80	52.65	
<b>CAGR (%)</b>	30.	24.90	
<b>'t' cal</b>	5.770**	6.006**	

Note: Figures in brackets indicate the percentage total.

S.D. : Standard deviation; C.V. : Coefficient of variation; CAGR: Compound annual growth rate

\*\* : Indicates significant at 1 per cent level

Source: As in Table 4.1

The disbursement of loans under priority sector to women is furnished in the **Table 2**. The amount made available to women was Rs. 3,672.50 lakhs in 2006 while Rs. 52,354.12 lakhs in 2015. The former and latter have formed 13.79 per cent and 21.28 per cent in the total sequentially. There are ups and downs in the meantime. The share of women has increased in absolute figures as well as relative terms. On an average, per year, Rs. 33,533.43 lakhs was made available to women during the period. The coefficient of variation (C.V.) in the funds disbursed to women is 54.80 per cent indicating more variability and less consistency as compared total. It is 52.65 per cent in total, which shows less variability and more consistency. The Compound annual growth rate (CAGR) in the loans made available to women was 30.44 per cent. The CAGR in the total was 24.90 per cent significant at one per cent. Both the CAGR's are significant at one per cent level. The delivery assistance under priority sector to women is in consonance with the declared policy of the government.

#### 4. Conclusion

The share of women increased in absolute as well as relative terms. They are significant at one per cent level. There is a growing importance to women. This is in consonance with the declared policy of the government. In the case of target group - wise classification of outstanding advances of the SGB, there is a significant increase in the proportion of women.

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