
CHAPTER 1	RESEARCH FRAMEWORK
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1.1 UNIVERSE OF THE STUDY

The present study is a case study of a Regional Rural Bank working in Belgaum and Dharwad districts of Karnataka. The bank came into existence on 31st August, 1976 with the name Malaprabha Grameen Bank, (MGB) and sponsored by Syndicate Bank.

The area of operation of the bank covers two revenue districts of Belgaum and Dharwad. Hence the field of study covers the total geographical area of these two districts.

1.2 PERIOD OF STUDY

The time period taken into consideration for this study is from 1976 to 1993. The year 1976 is taken as the initial year as the Malaprabha Grameen Bank came into existence in that year. The year 1993 is taken as the terminal year for the study as complete statistics are

available upto that year. However, due to non-availability of adequate data for the year 1988, this year has been omitted in the time series data presentation at the relevant places.

1.3 OBJECTIVES

- 1) To review the working of Malaprabha Grameen Bank, in the light of the objectives of establishment of the RRBs in the country.
- 2) To study the growth and changes in the capital structure of the bank.
- 3) To examine the trend in the growth of deposits as also peruse the composition of deposits.
- 4) To throw light on the rate of growth of advances and their composition.
- 5) To point out weaknesses and make suitable suggestions concerning the role and working of the RRBs so as to make them more efficient in the rural economy.

1.4 SOURCES OF DATA

Data required for the study is collected from the secondary sources. Published data of the MGB from its Annual Reports from 1976 to 1993, is extensively used.

The data for 1988 is not shown in the tables as the year-end is changed from 31st December to 31st March from 1989. So the data for 1989 shown in the tables covers

15 months time from 1st January 1988 to 31st March 1989.

For the study of deposit schemes, loan schemes and future plans of the bank, information is collected from personal discussions with the officers of the MGB and its branch managers.

Data regarding rural banking in India is collected from reference books, Reserve Bank of India Bulletins, Agricultural Banker, State Bank of India Monthly Review, Arthasamwad, and so on.

For the details pertaining to Belgaum and Dharwad districts, data is collected from Gazetteer of Karnataka and 'Karnataka At a Glance' published by the Directorate of Economics and Statistics. Government of Karnataka.

1.5 STATISTICAL TOOLS

The statistical tools and techniques used for the processing and interpretation of the data are simple average, percentage, ratio and proportion. For computation of growth rates of deposits, advances, profitability and liquidity simple average and percentage methods are used.

Besides these, cartographic and other relevant techniques are used to present data graphically and diagrammatically.

1.6 PLAN OF STUDY

The first chapter outlines the framework of the study. Second chapter throws light on the rural scenario of Belgaum and Dharwad districts in which the MGB is operating.

The third chapter brings out the origin and development of the RRBs at national level, the progress of RRBs in Karnataka and the perspective of the Malaprabha Grameen Bank.

In the fourth chapter, analysis of capital structure of the MGB is made. The study of growth of capital, mobilisation of deposits and borrowings and refinance received by the bank is under taken.

Fifth chapter considers the business of the MGB with reference to loans and advances of various kinds, bank's participation in government-sponsored programmes, district credit plan, overdues and port folio management.

Sixth chapter deals with trends in income and expenditure as also growth of reserve funds, liquidity position, net worth and profitability of the bank. Overall performance and future plans of the bank too are discussed.

The concluding part of the study deals with the findings and suggests measures for improvement of the working of the bank.