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CHAPTER -I

PROFILE OF THE SANGLI BANK LTD; SANGLI.

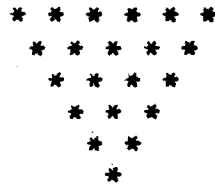
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## CHAPTER I

### PROFILE OF THE SANGLI BANK LTD, SANGLI.

- I.1 Introduction.
- I.2 Registration.
- I.3 Branch Position.
- I.4 Capital Structure.
- I.5 Deposits and Lendings.
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## CHAPTER-I

### PROFILE OF THE SANGLI BANK LTD, SANGLI

I.1 Introduction : In this chapter, we propose to give a detailed profile of the Sangli Bank Ltd, Sangli. This chapter seeks to cover significant details of the Sangli Bank on various matters such as registration, branch position, capital structure, deposits and lendings, organisational set-up, and so on.

I-2 Registration : The Sangli Bank functioning in private sector, established on 5th Oct., 1916 on the very auspicious day of Vijaya-Dashmee, started its work under the patronage of the Ex.Govt. of H.H. the Rajasaheb of Sangli. The Registered office of this bank is located in Rajwada Chowk, Sangli.

The Sangli Bank seemingly a small bank few years ago has now emerged as one of the leading commercial banks in the State. The branches of this bank have been scattered all over Maharashtra, Karnataka, Andhra-pradesh, Tamil Nadu, Gujarat and Union Territory Goa. Most of the branches are in the semi-urban and the rural areas.

I.3 Branch Position : There are mainly two types of Banks viz. 'Unit-banks' and 'Branch-banks.' Unit Banking is a banking system in which a bank is not permitted to open

branches."<sup>1</sup> Whereas, branch-banking "is a banking system with a small number of banks each with a large number of branches."<sup>2</sup> The Sangli Bank is operating under a branch-banking system.

The table I.1 shows the Branch Position (State-wise) of the Sangli Bank:

Table : I.1

BRANCH POSITION OF SANGLI BANK.(as on 31st Dec.1980)

Sr.No.	STATE	No. of Branches.
1.	Maharashtra	109
2.	Karnataka	23
3.	Gujarat	1
4.	Goa (U.T.)	1
5.	Tamil Nadu	1
6.	Andhra Pradesh	1
TOTAL NO. of Branches ....		136 ✓

The above table shows that Sangli Bank has a wide net work particularly in the State of Maharashtra where over 80 percent branches (109) are functioning, followed by Karnataka with percentage around 20.

#### I.4 Capital Structure :

Capital Structure of the Sangli Bank as on 31st Dec., 1980.

	Rs.
1. Authorised Capital:	
50,000 shares of Rs.100/-each	50,00,000
2. Issued and Subscribed Capital:	
43,500 shares of Rs.100/-each	43,50,000
3. Called and Paid-up Capital:	
29,000 Equity shares of Rs.100/-each	
fully paid up ... Rs. 29,00,000	
14,500 equity	
shares of	
Rs.100/-each ...	
Rs.75/- per share	
called up.....	Rs. 10,87,500
	<hr/>
	Rs. 39,87,500
Less: Calls in	
Arrears ...	Rs. 5,340
	<hr/>
	39,82,160
4. Reserve fund and other Reserves	
Including Shares Premium Amount.	69,39,756

(a) Authorised Capital means "when a new company/bank is formed its application for registration is accompanied by a statement indicating the amount of capital with which it proposes to be registered. This is known as its nominal, registered or authorised capital."<sup>3</sup>

(b) Issued Capital means "the actual amount of capital issued by a company/bank and allotted in shares to investors. It may be the same or less than the Authorised Capital."<sup>4</sup>

- (c) Called-up Capital means that part of the issued capital which has been actually called up on the shares. For example, share having a par value of Rs.10/-, the company may call only Rs.6/- per share. Rs.4/- will be called-up as and when required.
- (d) Paid-up Capital is that part of the Called-up capital which has been actually paid-up by the shareholders. This amount can be calculated by deducting calls-in-arrears from called-up capital. This is the real capital available to the company.
- (e) The term 'Reserve' covers any sum which is not a liability or a provision. It simply describes the amounts set aside out of profits and other surpluses, which are not earmarked in any way to meet any liability, contingency or diminution in the value of assets known to exist on the date of the balance sheet.

#### I.5 Deposits and Lendings :

Deposits : The Sangli Bank accepts following deposits.  
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- (a) Time deposits or Fixed deposits: These deposits can be withdrawn only after the expiry of the period for which these are made. A higher interest is paid on them, the rate rising with the length of the period and the amount of the deposits.
- (b) Demand deposits means Saving Bank deposits and current accounts balances. These amounts are repayable on demand without any notice. Usually no interest is paid

on them because the bank cannot utilize short-term deposits and must keep almost cent per cent reserve against them. However, a small interest is paid to people who keep large balances.

Deposits of the Sangli Bank  
as on 31st Dec., 1980

a) Deposits

Time .....	.....	.....	Rs. 67.85 Crores.
Demand .....	.....	.....	Rs. 42.74 Crores.

b) Borrowings from other

Banking Companies, Agents.etc. ....	Rs. 2.52 Crores.
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Total.... Rs. 113.11 Crores.  
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The total number of depositors ( as on 31st Dec., 1980 )  
is 4,24,121.

Lendings : Lendings in the Sangli Bank as on 31st Dec., 1980  
===== are as follows :

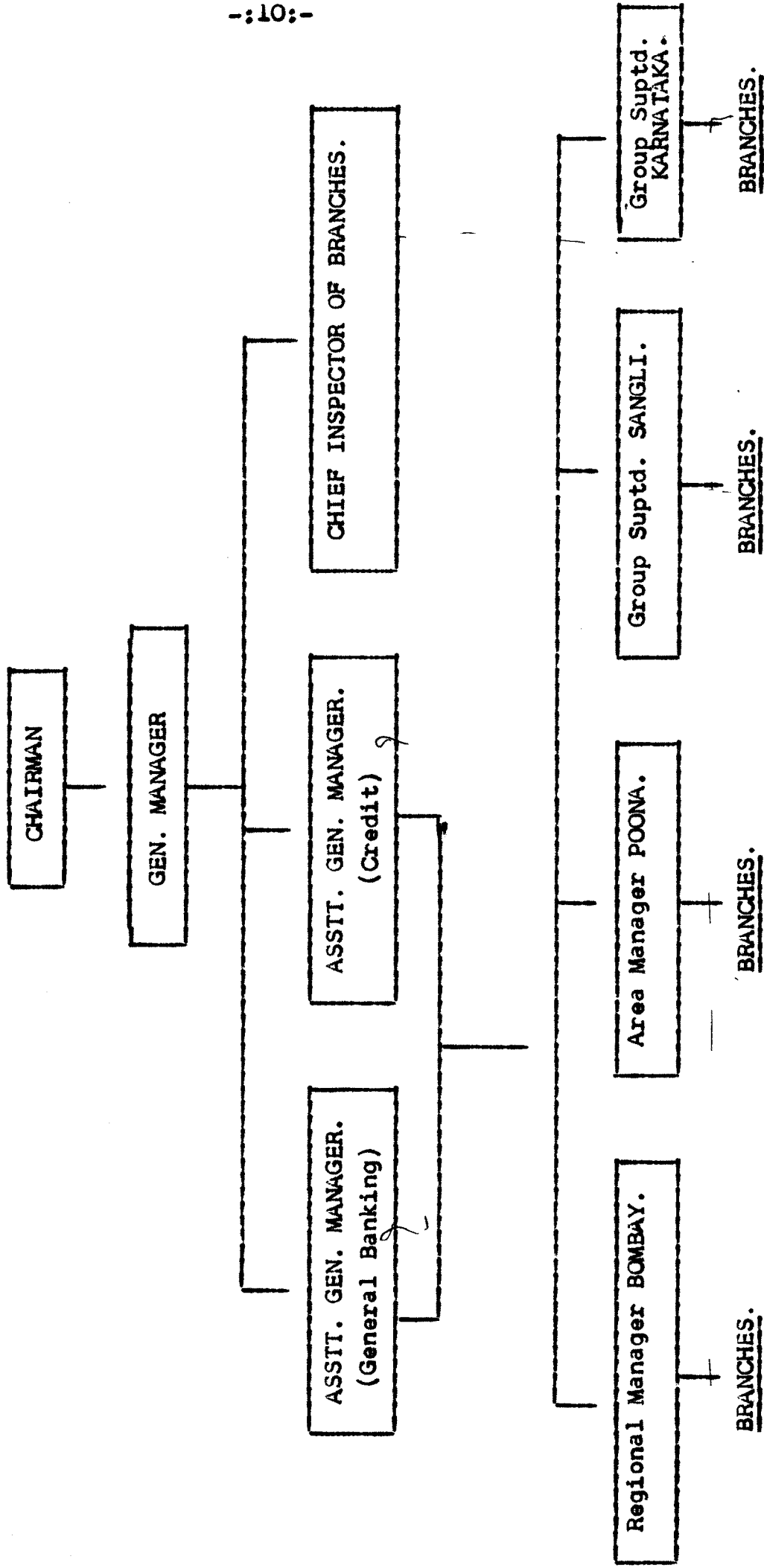
SECTORS	TYPES OF LOAN	TOTAL RS.(in crores)
1. Industry	.....	17.59
2. Trade, Export & all others.	.....	25.00
3. Others-Total Priority sector	.....	18.08
Total Rs.		60.67

I.6 Organisational Structure : No formal organisational structure was prepared by the Sangli Bank before 1980. It is only after the year 1980, bank has adopted organisational structure which is as follows-



ORGANISATIONAL STRUCTURE OF

The Sangli Bank



Chief Executive and General Manager are assisted by Asstt. General Manager of various sections viz. General Banking (Accounts & Personnel), Credit & International Business, Chief Inspector of Branches.

Asstt. Gen. Managers are assisted by Regional and Area managers as well as Group Superintendents.

I.7 Personnel Set-up : The present study is restricted to the Training and Development activities in the Sangli Bank, with more emphasis on the executive's training. By Personnel, here we mean, all those who are working as regular employees, irrespective of their status in the bank, that is; from Chief Executive to the lowest category of staff.

Employees of the Sangli Bank are broadly classified into three categories, viz. Officers, Clerks and Sub-staff.

Chief Executive, Managers, Branch managers and departmental heads such as administration, accounts, advances etc., as well as Junior officers are included in the term 'Officers.'

Staff which is engaged in clerical work, assisting to junior officers and others are included under the head 'Clerks.'

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Sub-staff includes messengers, watchmen, drivers and others.

Table : 1.2

Staffing Position in The Sangli Bank

(as on 31st Dec.,1980)

Types	No. of Employees	% (approx.)
i) Officers	330	19
ii) Clerks	1,091	61
iii) Sub-staff	359	20
TOTAL	1,780	100

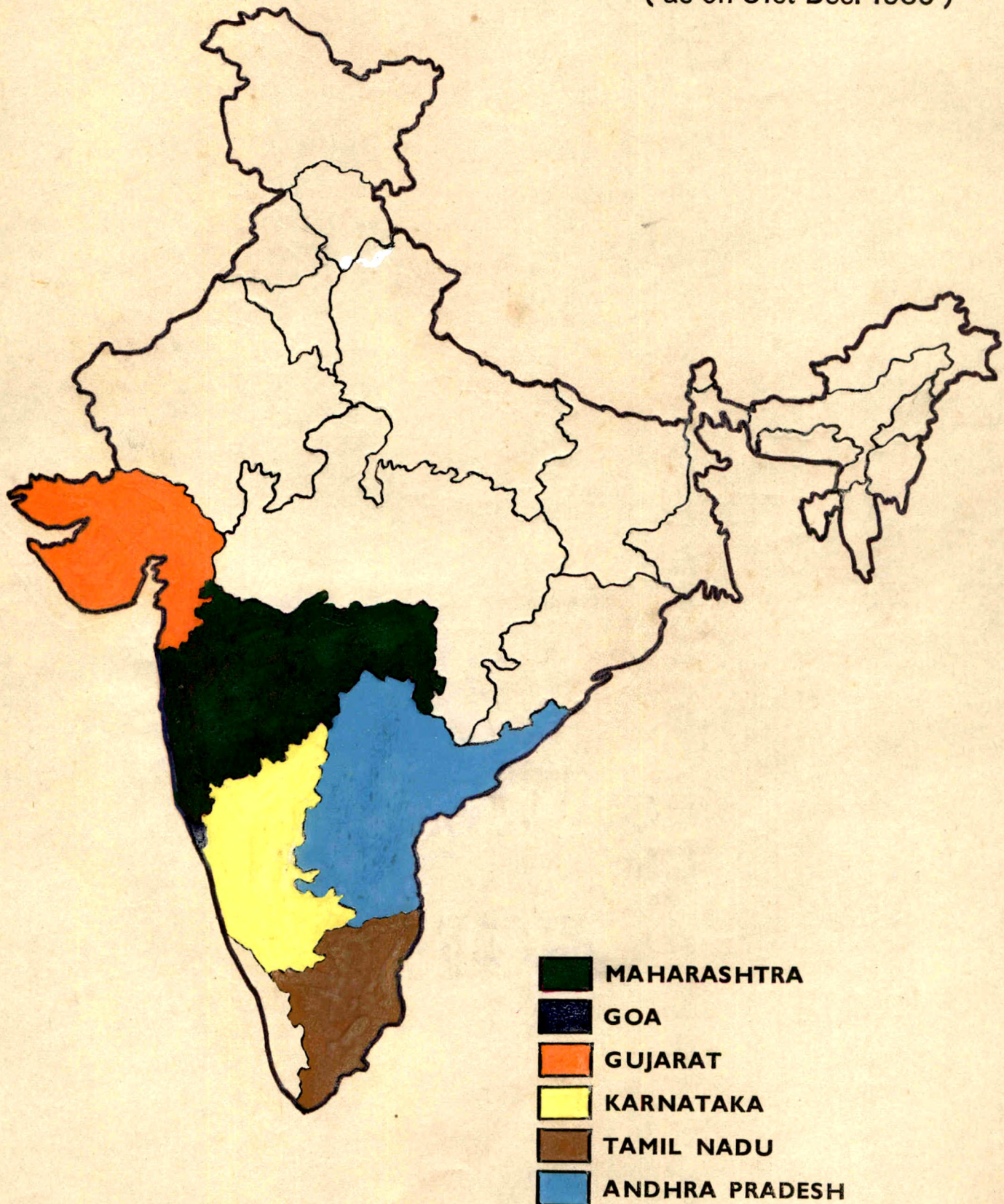
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## OPERATIONAL AREA OF THE SANGLI BANK

( as on 31st Dec. 1980 )



CHAPTER I : NOTES AND REFERENCES:

1. J. L. Hanson : ' A Dictionary of Economics And Commerce.'  
Macdonald and Evans Ltd., London, 1977; p.454.
2. Ibid ..... .... p.49
3. Ibid ..... .... p.22
4. Ibid ..... .... p.277

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Terms should have been  
explained with reference  
to Sangli Bank.  
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