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Loan Disbursement by RRBs of Haryana (With Special Reference to SC/ST, Minorities & SF/MF/LAL)

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Abstract:
The main aim with which RRBs were established was to provide banking services to those areas and sections of society which had least penetration of these services. The objective of the present study is to analyze the performance of RRBs of Haryana on the Loan Disbursement to Scheduled Castes/ Scheduled Tribes, Minorities and Small Farmers/ Marginal Farmers/ Landless Agricultural Labourers in pre-merger and post merger time period. The analysis is based on secondary data collected from various sources. This study is divided into two parts:- a) Loan Disbursement by Gramin Banks to Scheduled Castes/ Scheduled Tribes, Minorities and Small Farmers/ Marginal Farmers/ Landless Agricultural Labourers (Pre-Merger) b) Loan Disbursement by Gramin Banks to Scheduled Castes/ Scheduled Tribes, Minorities and Small Farmers/ Marginal Farmers/ Landless Agricultural Labourers (post-merger). The pre-merger period spans from year 2000-2001 to 2004-2005. The banks covered under this period include: Haryana Kshetriya Gramin Bank, Hisar Sirsa Kshetriya Gramin Bank, Ambala Kurukshetra Gramin Bank and Gurgaon Gramin bank. In case of Post-merger only two banks are left, i.e. Haryana Gramin Bank and Gurgaon Gramin Bank and time period of the study is from year 2005-06 to 2012-13. For the analysis of results, these techniques have been applied, i.e. Tabular Analysis, ANOVA, t-test. Present study shows that the loan disbursement and their consistency level were more in case of post merger.

Keywords: Regional rural banks, analysis of variance, scheduled castes, scheduled tribes, minorities, small farmers, marginal farmers, landless agricultural labourers

1. Introduction

Non-successful record of performance of co-operatives, inability of commercial banks due to the high cost structure and inadequate local involvement, expansion of rural credit requirements due to the 20-Point Economic Programme, and the fear of drying up of the traditional sources of credit due to legislative measures were the factors that led to the rethinking about the formation of a chain of rural banks. As a result of this rethinking, in the fifth Five Year plan, the agency of Regional Rural Bank was introduced in the year 1975 and the Government of India appointed a working group under the chairmanship of Sri M. Narasimham to review the flow of institutional credit for agriculture, particularly to the weaker sections of the community. The working group recommended the establishment of state sponsored, regionally based and rural oriented banks called Regional Rural Banks. In pursuance of acceptance of recommendations of the working group, the Government of India promulgated the Regional Rural Banks ordinance on 26th September, 1975 for the purpose of establishment of Regional Rural Banks throughout the country. Subsequently, the ordinance was replaced by Regional Rural Bank Act.1976.(Rayndu & Naik,1991)

According to the preamble of the Act, the RRBs were established "with a view to developing the rural economy by providing, for the purpose of development of agriculture, trade, commerce, industry and other productive activities in the rural areas, credit and other facilities, particularly to small and marginal farmers, agricultural labourers, artisans and small entrepreneurs, and for matters connected therewith and incidental thereto" (RRBs Act, 1976)

1.1. Regional Rural Banks in Haryana

The Regional Rural Banks were established in accordance with the Regional Rural Bank Ordinance 1975 which was replaced by a Regional Rural Bank Act, 1976 (under Section 21) of Government of India, issued on 26th September 1975. Below Gramin banks are covered as per the period of the study:

1.1.1. Gurgaon Gramin Bank

Gurgaon Gramin Bank sponsored by Syndicate Bank and having its Head Office at Gurgaon was established on 28.03.1976, under the RRBs Act 1976. The Bank is placed under the 2nd Schedule of Reserve Bank of India. Gurgaon is situated in the Southern part of the

Haryana and cater to the banking and credit requirements of seven Districts namely Gurgaon, Rewari, Mahendergarth, Mewat, Palwal, Faridabad and Sonepat Districts are having Industries where Rewari, Mahendergarth, Palwal Districts are dependent on agricultural produce.

1.1.2. Haryana Gramin Bank
The Bank has completed its eighth financial year successfully after coming into existence vide Govt. of India notification dated 21.12.2005 under Section 21 of the RRB Act, 1976 with its Head Office at Rohtak. The Bank has its area of operation spread in sixteen districts of Haryana, namely, Bhiwani, Rohtak, Jhajjar, Jind, Panipat, Ambala, Kurukshetra, Kaithal, Panchkula, Yamuna Nagar, Hisar, Sirsa, Fatehabad, Rewari, Mohindergarh & Karnal. It came into existence after the amalgamation of three erstwhile RRBs, namely, Haryana Kshetriya Gramin Bank, H.O. Bhiwani, Hisar Sirsa Kshetriya Gramin Bank, H.O. Hisar and Ambala – Kurukshetra Gramin Bank, H.O. Ambala City.

1.2. Objectives of the Study
The main aim with which RRBs were established was to provide banking services to those areas and sections of society which had least penetration of these services. The objective of the present study is to analyze the performance of RRBs of Haryana on the Loan Disbursement to Scheduled Castes/ Scheduled Tribes, Minorities and Small Farmers/ Marginal Farmers/ Landless Agricultural Labourers in Pre-Merger and post merger time period.

1.3. Hypotheses
The performance of RRBs of Haryana on the Loan Disbursement to Scheduled Castes/ Scheduled Tribes, Minorities and Small Farmers/ Marginal Farmers/ Landless Agricultural Labourers in Pre-Merger and post merger time period may not be sound.

1.4. Time period and Data Interpretation of the Study
The analysis is based on secondary data collected from various sources. This study is divided into two parts:
- Loan Disbursement by Gramin Banks to Scheduled Castes/ Scheduled Tribes, Minorities and Small Farmers/ Marginal Farmers/ Landless Agricultural Labourers (Pre-Merger)
- Loan Disbursement by Gramin Banks to Scheduled Castes/ Scheduled Tribes, Minorities and Small Farmers/ Marginal Farmers/ Landless Agricultural Labourers (post-merger)

The pre-merger period spans from year 2000-2001 to 2004-2005. The banks covered under this period include: Haryana Kshetriya Gramin Bank, Hisar Sirsa Kshetriya Gramin Bank, Ambala Kurukshetra Gramin Bank and Gurgaon Gramin bank. In case of Post-merger only two banks are left, i.e. Haryana Gramin Bank and Gurgaon Gramin Bank and time period of the study is from year 2005-06 to 2012-13.

1.5. Tools of Analysis
The data collected from different sources has been classified and arranged in tables in one or more forms according to the requirements of analysis. For the analysis of results, the following techniques have been applied.

1.5.1. Statistical Techniques
1. Tabular Analysis:
   a. Simple Statistical Techniques
   b. Compound Growth Rate
2. ANOVA
3. t-test
- 1. Tabular Analysis: In tabular analysis, percentages are calculated to draw the inferences. It is a very scientific and perfect analysis.
- 1(a) Simple Statistical Techniques: For analysis of the data collected, the other simple statistical techniques like diagrams, graphical presentation, percentages and averages have been used.
- 1 (b) Compound Growth Rate: While calculating compound growth rate[1], the following equation has been used:

$A_n = A_o (1+r/100)^n$
Where A_n = the figure of *n*th year
A_o = the figure of the base year
n = the number of years and
r = the rate of growth.

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[1] Compound Growth Rate: The interest rate at which given present value of any variable like deposit advances etc. would 'grow' to given future value in a given amount of time
Formula is CGR = $(fv/pv)^{1/n} - 1$
Where fv is future value and pv is present value and n is number of years.

- 2. ANOVA: The analysis of variance frequently referred, as ANOVA is a statistical technique specially designed to compare the means of the groups. It is used to test whether the means of more then two quantitative samples are significantly different from each other. In ANOVA, the total variation in the outcome measurements is subdivided into variation that is attributable to differences among the groups and the variation that is due to chance or attributable to inherent variation within the group. Within-group variation is considered experimental error. Among group variation is attributable to treatments effects. This can be done via the mechanism of F-test for testing for the significance of the difference between two variances, but the test is so designed that the variances being compared are different only if the means under consideration are not homogeneous.

Source of Variation	Sum of Squares	Degrees of freedom	Mean Sum of Squares	F-value
Between samples	SSC	$v_1 = c - 1$	MSC = SSC(c - 1)	MSC /MSE
Within samples	SSE	$v_2 = n - c$	MSE = SSE(n - c)	
Total	SST	n -1		

Table 1: Analysis of Variance (ANOVA) Table: One way Classification Model

SST = Total sum of squares of variations.
SSC = Sum of squares between samples (columns).
SSE = Sum of squares within samples (rows).
MSC = Mean sum of squares between samples.
MSE = Mean sum of squares within samples.
Compare the calculated value of F with the table value of F for the degrees of freedom at a certain critical level (generally we take 5% level of significance.) If the calculated value of F is greater than the table value. It is concluded that the difference in sample means is significant, i.e. it could not have arisen due to fluctuations of simple sampling. On the other hand, if the calculated value of F is less than the table value. The difference is not significant and has arisen due to fluctuations of simple sampling.

- t-test: It is a small sample test. It was developed by William Gosset in 1908. He published this test under the pen name of "Student". Therefore, it is also known as student's t-test. For applying t-test value of t-statistic is computed. For this, the following formula is used.

$$t = \frac{\text{Deviation from the population parameter}}{\text{Standard Error of the sample statistic}}$$

➢ (a). Under this test of hypothesis about difference between two means in case of independent samples.
Let two independent random samples of sizes n_1 and n_2 ($n_1 < 30$ and $n_2 < 30$) be drawn from two normal populations with means μ_1 and μ_2 and equal standard deviation ($\sigma_1 = \sigma_2 = \sigma_3$) to test whether the two population means are equal and whether the difference $\bar{x}_1 - \bar{x}_2$ is significant we used t-test

$$t = \frac{\bar{x}_1 - \bar{x}_2}{S} \sqrt{\frac{n_1 n_2}{n_1 + n_2}}$$

Procedure: The following steps are taken while testing the hypothesis about difference between two means:1. Set up the null hypothesis H_0: $\mu_1 = \mu_2$ i.e., there is no significant difference between two population's means:
Alternative hypothesis H_1: $\mu_1 \neq \mu_2$ (Two Tailed Test)
     Or H_1: $\mu_1 > \mu_2$ or $\mu_1 < \mu_2$ (One Tailed Test)
2. If the population standard deviation σ_1 and σ_2 are equal, i.e $\sigma_1 = \sigma_2 = \sigma$, the values of S is computed by using any of the following formula:
(a) When deviations are taken from actual mean:

$$S = \sqrt{\frac{\Sigma(X_1 - \bar{X}_1)^2 + \Sigma(X_1 - \bar{X}_2)^2}{n_1 + n_2 - 2}}$$

(b) When standard deviations of two samples s_1 and s_2 given:

$$S = \sqrt{\frac{(n_1 - 1) s_1^2 + (n_2 - 1) s_2^2}{n_1 + n_2 - 2}}$$

3. The values of $\bar{x}_1$, $\bar{x}_2$, n_1, n_2 and S are substituted in the above stated formula.
4. Degrees of freedom are worked out by using this formula:Degree of freedom $= v = n_1 + n_2 - 2$
5. Then calculated value of 't' is compared with the table value of 't' for a given degree of freedom at certain specified level of significance. If the calculated value of t > table value of t at the 5% level of significance, then we reject the null hypothesis and vice versa.

1.6. Detail Explanation of the study

<u>1.6.1. Loan Disbursement by Gramin Banks to Scheduled Castes/ Scheduled Tribes, Minorities and Small Farmers/ Marginal Farmers/ Landless Agricultural Labourers (Pre-Merger)</u>
The bank is committed to the development of scheduled castes/scheduled tribes, minorities and SF/MF/LAL. They are considered to be those who are in need of financial assistance to uplift their living standard. Hence, special attention is required for these people to fulfill their funding requirement.

Year	Loans to SC/ST			Loans to Minorities			SF/MF/LAL		
	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth
2000-01	112	---	---	725	---	---	1394	---	---
2001-02	122	10	8.93	906	181	24.97	2207	813	58.32
2002-03	124	2	1.64	1497	591	65.23	3403	1196	54.19
2003-04	140	16	12.9	1821	324	21.64	3768	365	10.73
2004-05	152	12	8.57	1900	79	4.34	4290	522	13.85
Means	130			1369.80			3012.40		
S.D.	15.87			531.91			1185.71		
C.V.	12.21			38.83			39.36		
CGR	6.30			21.25			25.21		

Table 2: Loan Disbursement by Ambala Kurukshetra Gramin Bank to SC/ST, Minorities & SF/MF/LAL (Rs. in Lakh)
Source: - Annual Reports of Ambala Kurukshetra Gramin Bank for the years 2000-01 to 2004-05

The compound growth rate of loan issued to SC/ST, minorities and SF/MF/LAL was noted at 6.30, 21.25 & 25.21 per cent per annum. The results of coefficient of variation of loans issued to SC/ST, minorities and SF/MF/LAL were 12.21 per cent , 38.83 per cent and 39.36 respectively, which exhibited that loan issued to SC/ST was more consistent and uniform having less variations.
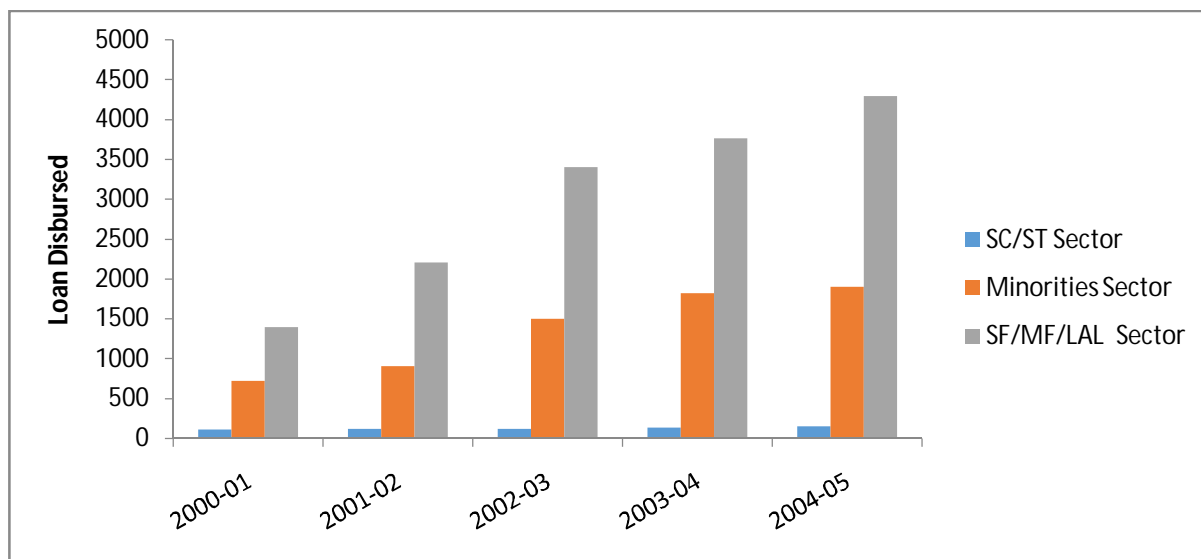

Figure 1: Loan Disbursement by Ambala Kurukshetra Gramin Bank to SC/ST, Minorities & SF/MF/LAL

Year	Loans to SC/ST			Loans to Minorities			SF/MF/LAL		
	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth
2000-01	131	---	---	639	---	---	1485	---	---
2001-02	141	10	7.63	775	136	21.28	1506	21	1.41
2002-03	147	6	4.26	845	70	9.03	1705	199	13.21
2003-04	137	(-)10	(-)6.8	1197	352	41.66	2883	1178	69.09
2004-05	205	68	49.64	338	(-)859	(-)71.76	5218	2335	80.99
Means	152.20			758.80			2559.40		
S.D.	30.08			312.70			1594.27		
C.V.	19.77			41.21			62.29		
CGR	9.37			(-)11.96			28.57		

Table 3: Loan Disbursement by Hisar Sirsa Kshetriya Gramin Bank to SC/ST, Minorities & SF/MF/LAL(Rs. in Lakh)
Source: - Annual Reports of Hisar Sirsa Kshetriya Gramin Bank for the years 2000-01 to 2004-05

Above table depicts the growth in percentage of loan distributed by Hisar Sirsa Kshetriya Gramin Bank to SC/ST was showing mixed trend. Growth in percentage of Loans issued to Minorities was notifying a mixed trend but in case of Growth in percentage of Loans issued to SF/MF/AL was notifying an increasing trend. The compound growth rate of loan issued to SC/ST, minorities and SF/MF/AL was noted at 9.37, (-) 11.96 & 28.57 per cent per annum.

The results of coefficient of variation of loans issued to SC/ST, minorities and SF/MF/AL were 19.77 per cent, 41.21 per cent and 62.29 per cent respectively which conveyed that loan issued to SC/ST was more consistent and uniform having less variation as compared to loans distributed to others.
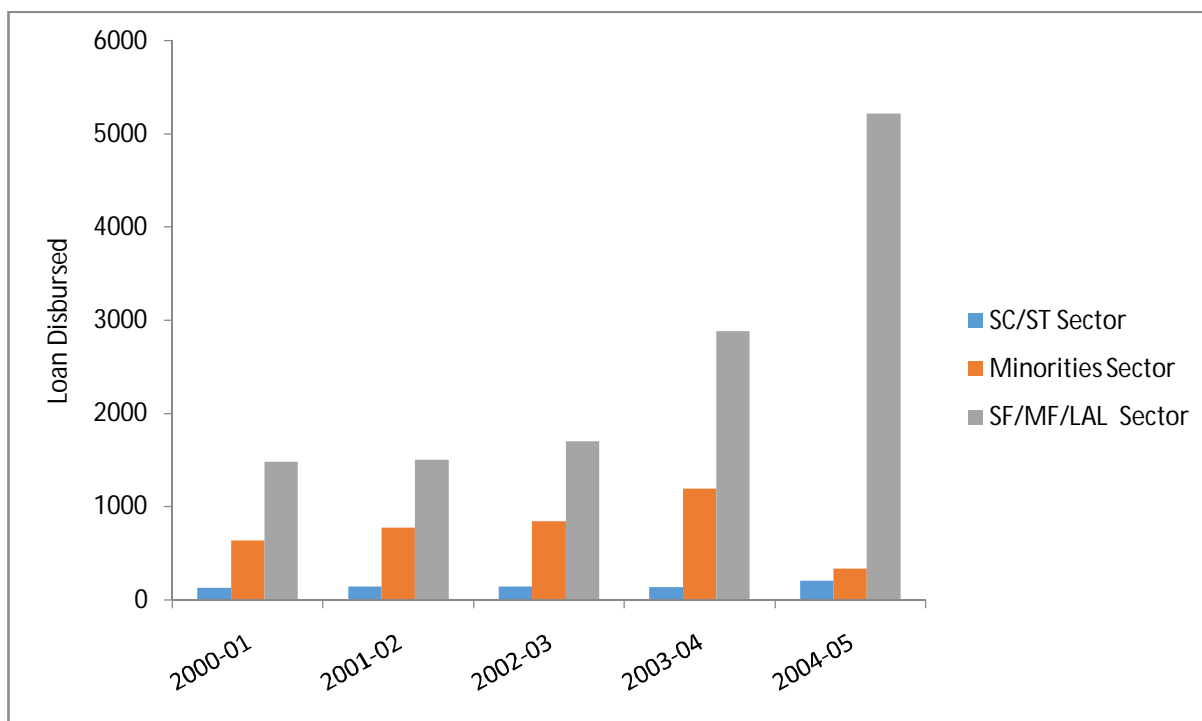

Figure 2: Loan Disbursement by Hisar Sirsa Kshetriya Gramin Bank to SC/ST, Minorities and SF/MF/LAL

Year	Loans to SC/ST			Loans to Minorities			SF/MF/LAL Sector		
	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth
2000-01	10.05	---	---	5.13	---	---	1516.72	---	---
2001-02	83.19	73.14	727.76	10.49	5.36	104.48	2842.45	1325.73	87.41
2002-03	58.89	(-)24.30	(-29.21)	12.13	1.64	15.63	2621.84	(-)220.61	(-)7.76
2003-04	34.65	(-)24.24	(-)41.16	24.90	12.77	105.28	5221.93	2600.09	99.17
2004-05	42.93	8.28	23.90	29.42	4.52	18.15	1697.00	(-)3524.93	(-)67.5
Mean	45.94			16.41			2779.98		
S.D.	27.29			10.27			1479.92		
C.V.	59.41			62.59			53.23		
C.G.R.	33.70			41.81			2.27		

Table 4: Loan Disbursement by Haryana Kshetriya Gramin Bank to SC/ST, Minorities and SF/MF/LAL (Rs. in Lakh)
Source: - Annual Reports of Haryana Kshetriya Gramin Bank for the years 2000-01 to 2004-05

Above table depicts the growth in percentage of loan distributed by Haryana Kshetriya Gramin Bank to SC/ST, Minorities & SF/MF/AL are showing mixed trend.. The compound growth rate of loan issued to SC/ST, minorities and SF/MF/AL are noted at 33.70, 41.81 & 2.27 per cent per annum.

The results of coefficient of variation of loans issued to SC/ST, minorities and SF/MF/AL are   59.41per cent, 62 .59 per cent and 53.23 per cent respectively which shows that loan issued to SF/MF/AL is more consistent and uniform having less variation as compared to loans distributed to others.
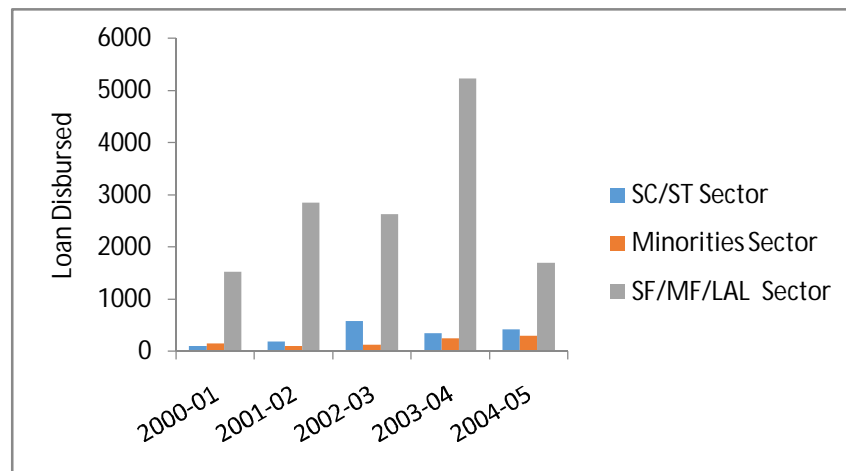

Figure 3: Loan Disbursement by Haryana Kshetriya Gramin Bank to SC/ST, Minorities and SF/MF/LAL

Year	Loans to SC/ST			Loans to Minorities			SF/MF/LAL		
	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth
2000-01	289.82	---	---	770.12	---	---	6991	---	---
2001-02	308.74	18.92	6.53	704.64	(-)65.48	(-)8.50	7254	263	3.76
2002-03	238.45	(-)70.29	(-)22.77	866.51	161.87	22.97	7501	247	3.41
2003-04	331.09	92.64	38.85	1172.23	305.72	35.28	11805	4304	57.38
2004-05	381.33	50.24	15.17	1925.72	753.49	64.28	19493	7688	65.12
Mean	309.88			1087.84			10608.80		
S.D.	52.58			501.48			5347.00		
C.V.	16.97			46.10			50.40		
C.G.R.	20.12			20.12			22.76		

Table 5: Loan Disbursement by Gurgaon Gramin Bank to SC/ST, Minorities and SF/MF/LAL (Rs. in Lakh)
Source: - Annual Reports of Gurgaon Gramin Bank for the years 2000-01 to 2004-05

Above table depicts the growth in percentage of loan distributed by Gurgaon Gramin Bank to SC/ST, Minorities & SF/MF/AL are showing mixed trend. The compound growth rate of loan issued to SC/ST, minorities and SF/MF/AL are noted at 20.12, 20.12 & 22.76 per cent per annum.

The results of coefficient of variation of loans issued to SC/ST, minorities and SF/MF/AL are   16.97 percent, 46.10 per cent and 50.40 per cent respectively which exhibits that loan issued to SC/ST is more consistent and uniform having less variation as compared to loans distributed to others.
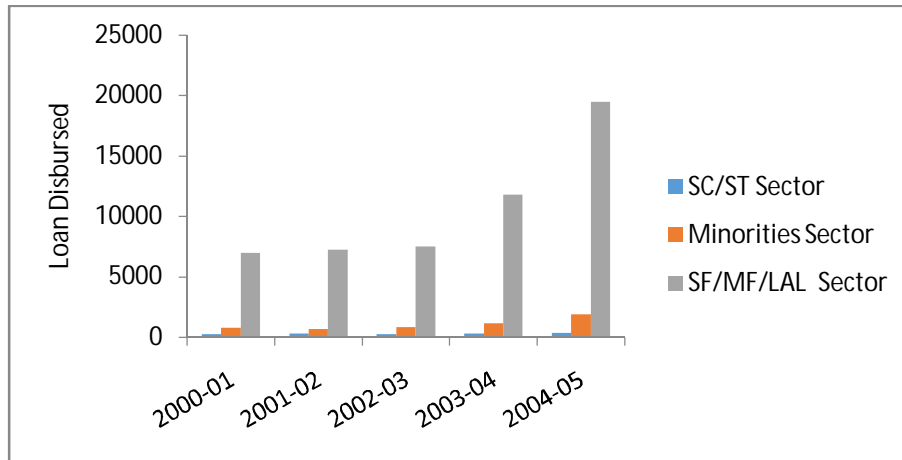

Figure 4: Loan Disbursement by Gurgaon Gramin Bank to SC/ST, Minorities and SF/MF/LAL

- Statistical Analysis

	Sum of Squares	Df	Mean Square	F	Sig.(P-Value)
Between Groups	182174.541	3	60724.847	52.042	.000
Within Groups	18669.596	16	1166.850		
Total	200844.137	19			

Table 6: Analysis of Variance Loan Disbursement by Gramin Banks to Scheduled Caste/Scheduled Tribe (Pre-Merger)

The p-value i.e. the probability of obtaining F statistics of 52.04 or larger when the null hypothesis was true is 0.00. Because the p-value was less than the specified α of 0.05, the null hypothesis had been rejected. Therefore there was statistically significant difference among the four regional rural banks in Haryana on (Pre- merger) the basis of loan disbursed to Scheduled Caste/Scheduled Tribe.

	Sum of Squares	Df	Mean Square	F	Sig.(P-Value)
Between Groups	5114803.778	3	1704934.593	10.785	.000
Within Groups	2529249.317	16	158078.082		
Total	7644053.095	19			

Table 7: Analysis of Variance Loan Disbursement by Gramin Banks to Minorities (Pre-Merger)

The p-value i.e. the probability of obtaining F statistics of 10.785 or larger when the null hypothesis was true is 0.000. Because the p-value was less than the specified α of 0.05, the null hypothesis had been rejected. Therefore, there was statistically significant difference among the four regional rural banks in Haryana on the basis of loan disbursed to minorities.

	Sum of Squares	Df	Mean Square	F	Sig.(P-Value)
Between Groups	230120392.569	3	76706797.523	8.835	.001
Within Groups	138912693.271	16	8682043.329		
Total	369033085.839	19			

Table 8: Analysis of Variance Loan Disbursement by Gramin Banks to SF/MF/LAL (Pre-Merger)

The p-value, i.e. the probability of obtaining F statistics of 8.835 or larger when the null hypothesis was true is 0.001. Because the p-values was less than the specified α of 0.05, the null hypothesis had been rejected. Therefore, there was statistically significant difference among the four regional rural banks in Haryana on the basis of loan disbursed to SF/MF/LAL.

1.6.2. Loan Disbursement by Gramin Banks to Scheduled Caste/Scheduled Tribe, Minorities and SF/MF/LAL (Post-Merger)

Year	Loans to SC/ST			Loans to Minorities			SF/MF/LAL		
	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth
2005-06	2257	---	---	1416	---	---	9485	---	---
2006-07	2314	57	2.51	6677	5261	371.48	12642	3157	33.28
2007-08	2777	463	20.00	8088	1411	21.13	12437	(-)205	(-)1.62
2008-09	2842	65	2.34	8408	320	3.95	27357	14920	119.96
2009-10	8684	5842	205.55	10018	1610	19.14	111626	84269	308.03
2010-11	7694	(-)990	(-)11.40	17228	7210	71.97	158831	47205	42.29
2011-12	3513	(-)4181	(-)54.34	15870	(-)1358	(-)7.88	162193	3362	2.12
2012-13	4731	1218	34.67	12191	(-)3679	(-)23.18	149238	(-)12955	(-)7.99
Mean	4351.5			9987			80476.12		
S.D.	2509.58			5104.87			71322.02		
C.V.	57.67			51.12			88.63		
C.G.R.	9.69			30.88			41.13		

Table 9: Haryana Gramin Bank (Rs. in Lakh)
Source: - Annual Reports of Haryana Gramin Bank (Rohtak) for the years 2005-06 to 2012-13

Above table depicts the growth in percentage of loan distributed by Haryana Gramin Bank to SC/ST, Minorities & SF/MF/AL are showing mixed trend. The compound growth rate of loan issued to SC/ST, minorities and SF/MF/AL are noted at 9.69, 30.88 & 41.13 per cent per annum. The results of coefficient of variation of loans issued to SC/ST, minorities and SF/MF/AL are   57.67 percent, 51.12 per cent and 88.63 per cent respectively, which shows that loan issued to Minorities is more consistent and uniform having less variation as compared to loans distributed to others.
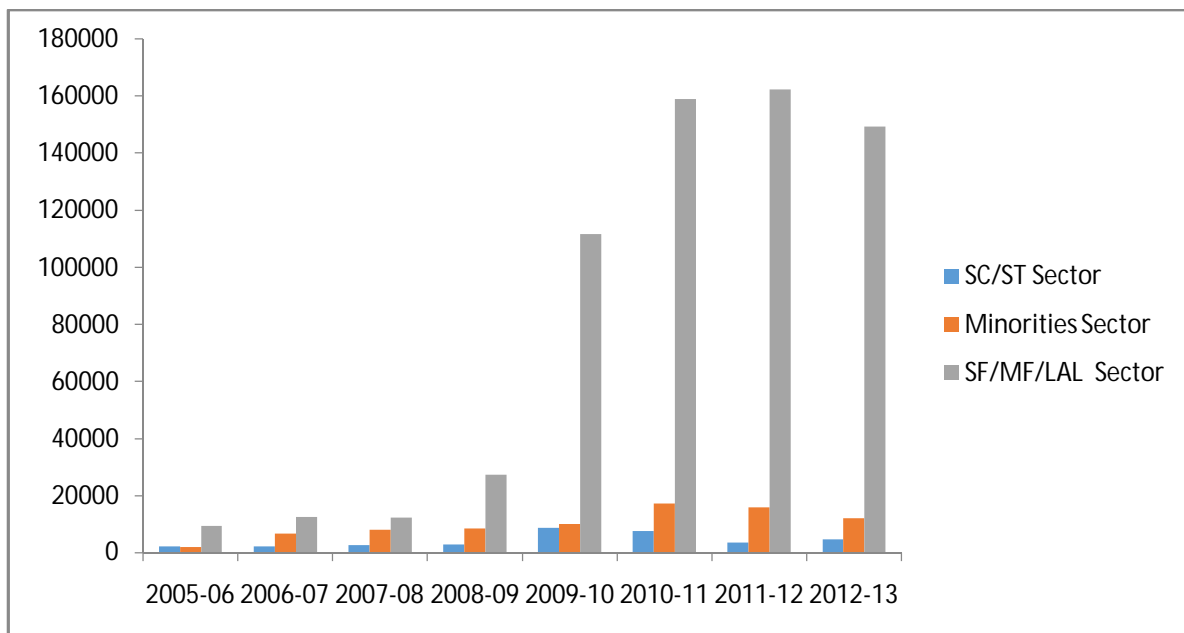

Figure 5: Haryana Gramin Bank

Year	Loans to SC/ST			Loans to Minorities			SF/MF/LAL Sector		
	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth	Loan Disbursed	Disbursed Growth	% Growth
2005-06	512	---	---	2181	---	---	22480	---	---
2006-07	713	201	39.26	3304	1123	51.49	31261	8781	39.06
2007-08	1162	449	62.97	4198	894	27.06	39939	8678	27.76
2008-09	1388	226	19.45	3998	(-)200	(-)4.76	36421	(-)3518	(-)8.81
2009-10	1428	40	2.88	6709	2711	67.81	41135	4714	12.94
2010-11	1695	267	18.7	8079	1370	20.42	52933	11798	28.68
2011-12	2012	317	18.7	6341	(-)1738	(-)21.51	78518	25585	48.33
2012-13	2145	133	6.61	6608	267	4.21	91487	12969	16.52
Mean	1381.88			5177.25			49721.75		
S.D.	577.19			2035.53			23938.93		
C.V.	41.77			39.32			48.59		
C.G.R.	19.61			14.86			19.18		

Table 10: Gurgaon Gramin Bank (Rs. In Lakh)
Source: - Annual Reports of Gurgaon Gramin Bank for the years 2005-06 to 2012-13

Above table depicts the growth in percentage of loan distributed by Haryana Gramin Bank to SC/ST, Minorities & SF/MF/AL are showing mixed trend.. The compound growth rate of loan issued to SC/ST, minorities and SF/MF/AL are noted at 19.61, 14.86 & 19.18 per cent per annum.

The results of coefficient of variation of loans issued to SC/ST, minorities and SF/MF/AL are   41.77 percent, 39.32 per cent and 48.59 per cent respectively which shows that loan issued to Minorities is more consistent and uniform having less variation as compared to loans distributed to others.
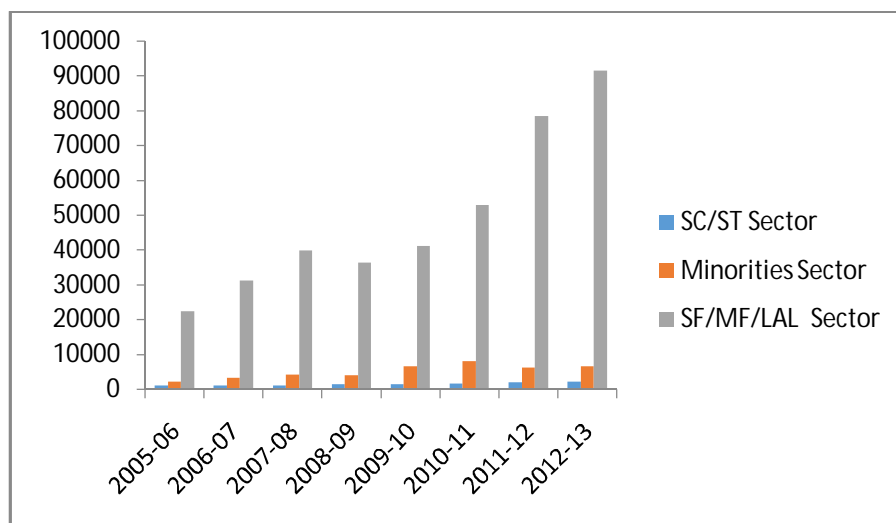

Figure 6: Gurgaon Gramin Bank

- Statistical Analysis

	1.Haryana Gramin Bank 2.Gurgaon Gramin Bank	N	Mean	Std. Deviation	Std. Error Mean
SC/ST Loan Disbursed(lacs)	1	8	4351.50	2509.580	887.271
	2	8	1381.88	577.192	204.068
Minorities Loan Disbursed(lacs)	1	8	9987.00	5104.871	1804.844
	2	8	5177.25	2035.538	719.671
SF/MF/LAL Loan Disbursed(lacs)	1	8	80476.13	71322.023	25216.143
	2	8	49271.75	23938.937	8463.692

Table 11: t-Test (Group Statistics): Loan Disbursement by two Gramin Banks to Scheduled Caste/Scheduled Tribe and Minorities & SF/MF/LAL (Post-Merger)

Post-merger	T	df	Sig. (p-value)	Mean Difference	Std. Error Difference	
SC/ST Loan Disbursed(lacs)	3.262	14	.006	2969.625	910.435	Calculated value is greater than tabulated value. Results are significant. H0 rejected.
Minorities Loan Disbursed(lacs)	2.475	14	.027	4809.750	1943.036	Calculated value is greater than tabulated value. Results are significant. H0 rejected.
SF/MF/LAL Loan Disbursed(lacs)	1.173	14	.260	31204.375	26598.646	Calculated value is less than tabulated value. Results are insignificant. H0 accepted.

Table 12: t-Test (Independent Samples Test): Loan Disbursement by two Gramin Banks to Scheduled Caste/Scheduled Tribe and Minorities & SF/MF/LAL (Post-Merger)
(Tab value; 2.14)

The calculated value of t was noted at 3.262 which was found greater than the table value 2.14 at 5 per cent level of significance and the p-value was less than the specified α of 0.05, the null hypothesis had been rejected. Therefore there was statistically significant difference among the two regional rural banks (Post-Merger) in Haryana on the basis of loan disbursed to Loans to SC/ST.

The calculated value of t was noted at 2.47 which was found greater than the table value 2.14 with 14 df at 5 per cent level of significance and the p-value was less than the specified α of 0.05, the null hypothesis had been rejected. Therefore there was statistically significant difference among the two regional rural banks (Post-Merger) in Haryana on the basis of loan disbursed to minorities.

The calculated value of t was noted at 1.173 which was found lesser than the table value 2.14 with 14 df at 5 percent level of significance and the p-value was more than the specified α of 0.05, the null hypothesis had been accepted. Therefore ,there was statistically insignificant difference among the two regional rural banks (Post-Merger) in Haryana on the basis of loan disbursed to SF/MF/AL.

1.7. Comparison between pre-merger and post-merger period

	Merger Pre =1 Post=2	N	Mean	Std. Deviation	Std. Error Mean	Coefficient
1.SC/ST Loan Disbursed(lacs)	1	20	159.51	102.814	22.990	64.45615
	2	16	2866.69	2333.705	583.426	81.40765
2.Minorities Loan Disbursed(lacs)	1	20	808.21	634.286	141.831	78.48035
	2	16	7582.13	4501.530	1125.383	59.37026
3.SF/MF/LAL Sector Loan Disbursed(lacs)	1	20	4740.14	4407.129	985.464	92.97506
	2	16	64873.93	53860.42	13465.10	83.023

Table 13

1. Coefficient of variation of pre-merger is lesser than post-merger therefore position of loan disbursement to scheduled caste/scheduled tribe in pre- merger is more stable and consistent.
2. Coefficient of variation of pre-merger is greater than post-merger therefore position of loan disbursement to minorities in post-merger is more stable and consistent.
3. Coefficient of variation of pre-merger is greater than post-merger therefore position of loan disbursement to SF/MF/LAL in post-merger is more stable and consistent.

1.8. Conclusion of the Study

RRBs plays very important role for the development of the rural economy of Haryana as they have to act as an alternative agencies to provide institutional credit in rural areas. In course of time, they are intended to eliminate money-lenders altogether. However, they were not set up to replace co-operative credit societies, but to supplement them. In the last 38 years, RRBs have been active participants in programme designed to provide credit assistance to rural population. RRBs in Haryana have taken lots of steps for the welfare of rural population like small & medium enterprises, small farmers, marginal farmers & landless labourer, etc. First phase of merger effectively contributed to the rural society of Haryana and present study shows that the loan disbursement and their consistency level were more in case of post merger. Hence Gramin banks in Haryana achieve their set objective, "Rural bank for the Rural Poor" maintained.

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