A REVIEW OF LITERATURE ON PERFORMANCE OF REGIONAL RURAL BANKS IN INDIA

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ABSTRACT:

Regional Rural Bank (RRBs) in India were established to promote economic development in rural areas. Many RRBs were established in various states to enhance the economic well-being of the rural population. In this white research paper, an attempt is made to present the analysis of the performance of Regional Rural Bank (RRBs) in Gujarat state. This assumes significance since Gujarat was the newest state formed in India on 2nd June 2014. The white paper presents a summary of various studies. Conducted on the performance of RRBs at the national level and also at various state levels. Very few studies were earlier reported in the context of Gujarat state which provide an opportunity to investigate the performance of RRBs in Gujarat state. The findings of this research highlight the performance of Baroda Gujarat Gramin Bank, Dena Gujarat Gramin Bank, and Saurashtra Gramin Bank working in Gujarat. The findings of this research will help future researches working on the performance of RRBs in India.

KEYWORDS: : India performance, Regional Rural Banks;

INTRODUCTION

To undertake the study on an evaluation of regional rural banks working in Gujarat, all three RRBs working in Gujarat have been selected in such a way that all the four geographical regions (areas) of Gujarat- South Gujarat ,Central Gujarat, North Gujarat, and Saurashtra and Kutch get due to representation. The names of the three selected bank such as Baroda Gujarat Garmin Bank, Dena Gujarat Garmin Bank and Saurashtra Garmin bank and the district cover by them along with their head office are given in Appendix-A. This three selected banks which constitute 100% of the total banks operating in Gujarat have covered 33 Districts out of 33 Districts. The total number of branches of RRBs in Gujarat stood at 664 in 2014 - 15 out of which the three RRBs selected where having all branches. Thus the study covered 100% of the total district and 100% of the RRBs Branches operating in Gujarat.

The study is mainly based on the Secondary data and supported by the primary data. For collecting primary data, two separate schedules were specially designed, one of the bank and their branches and the other for the beneficiaries. This has been incorporated in Appendix A. Three head office and total number of branches belonging to the three selected banks were covered for this purpose. An effort was also made to send the schedule to around 100 beneficiaries spread over the area

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of operation of three selected Banks. Out of these 40 beneficiaries responded.

The secondary data have been collected by obtaining the annual reports from the Regional Rural Banks and it have been supported by various publications and reports published by either the RBI, NABARD and Government of India specially prepared in relation to the working of RRBs.

Over and above this, the author arranged to visit the head office, branches of few banks to solicit the views of the officers and other employees of the Banks in relation to the problem faced by them. An attempt has also been made to meet few beneficiaries and to know their views in relation to the performance of Regional Rural Banks.

RESEARCH DESIGN:

Research in a common parlance refers to a search for knowledge. One can also define research as a scientific and systematic search for pertinent information on a specific topic. In fact, research is an art of scientific investigation. The Advanced Learner's Dictionary of Current English lays down the meaning of research as a "careful investigation or inquiry especially through search for new facts in any branch of knowledge". Random and Mory define research as a "systematized effort to gain knowledge". The main aim of research is to find out the truth which is hidden and which has not been discovered as yet.

TYPES OF DATA ANALYSIS

In dealing with any real life problem it is often found that data at hand are inadequate, and hence, it becomes necessary to collect data that are appropriate. There are several ways of collecting the appropriate data which differ considerably in context of money costs, time and other resources at the disposal of the researcher. Primary data can be collected either through experiment or through survey. If the researcher conducts an experiment, he observes some quantitative measurements, or the data, with the help of which he examines the truth contained in his hypothesis.

The secondary data will be collected by obtaining the annual report from the banks and it has been supported by the various publications and reports published by either the RBI, NABARD or government of India specially prepared in relation to the working of RRBs.

Over and above this, the author will arrange tours to visit the head offices and branches of few banks to solicit the views of the officials and other employee of the bank in relation to the problems faced by them.

This data would be analyzed as per need and objectives of the study, however One Way ANOVA Mean and Standard Deviation average will be considered for work.

PROBLEMS OF THE STUDY:

After going through existing literature in the library and after deep discussion with the guide, researcher has selected topic. This topic has been selected after considering the availability of time, tools and techniques and other related sources. The topic for this research has been selected as under;
"AN EVALUATION OF LOANS AND ADVANCES OF RRB'S WORKING IN GUJARAT"

PERIOD FOR THE STUDY:

The study is mainly confined to the working results of Dena Gujarat Garmin Bank (DGGB), Baroda Gujarat Garmin Bank (BGGB) and Saurashtra Garmin Bank (SGB). The annual reports of these RRBs will be studied for the period of consecutive ten years 2005-06 to 2014-15.

UNIVERSE OF THE STUDY:

All the items under consideration in any field of inquiry constitute a 'universe' or 'population'. A complete enumeration of all the items in the 'population' is known as a census inquiry. It can be presumed that in such an inquiry when all the items are covered no element of chance is left and highest accuracy is obtained. But in practice this may not be true. Even the slightest element of bias in such an inquiry will get larger and larger as the number of observations increases. Moreover, there is no

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way of checking the element of bias or its extent except through a resurvey or use of sample checks. Besides, this type of inquiry involves a great deal of time, money and energy. Not only this, census inquiry is not possible in practice under many circumstances. For instance, blood testing is done only on sample basis. Hence, quite often we select only a few items from the universe for our study purposes. The items so selected constitute what is technically called a sample.

OBJECTIVES OF THE STUDY:
The main objectives of the study are stated below:
1) To study the origin and to review the growth of RRBs in Gujarat.
2) To evaluate the growth and development of RRBs
3) To evaluate the loans and advances
4) To review the NPA condition in RRBs
5) To discuss the recovery Management System in RRBs

HYPOTHESIS OF THE STUDY:
        Null hypothesis and alternative hypothesis: In the context of statistical analysis, we often talk about null hypothesis and alternative hypothesis. If we are to compare method A with method B about its superiority and if we proceed on the assumption that both methods are equally good, then this assumption is superior or the method B is inferior, we are then stating what is termed as alternative hypothesis. The null hypothesis is generally symbolized as H0 and the alternative hypothesis as H1. The broader hypothesis for the study would be as under.

H0: There would be no significant difference in various performances of loans and   advances, types of loan, NPA, recovery management system in RRBs of Gujarat State.
H1: There would be significant difference in various performances of loans and advances, types of loan, NPA, recovery management system in RRBs of Gujarat State.

DATA COLLECTION FOR THE STUDY:
        The study will be based on secondary data. For the purpose of analysis of Balance Sheet and Profit and Loss account, they will be rearranged and presented in a condensed form. Researcher has decided to take all branches of RRBs working in Gujarat state. So no Sampling will be required. Further Universe will be considered for the study.

SCOPE OF THE STUDY:
        The proposed study covers a period of five years from 2005 - 06 to 2014 - 15. The main objective of the study is to understand the origin and to review the growth of RRBs in Gujarat, and to evaluate the performance of the banks in relation to their mobilization of financial resources, disbursement of loans and advances and their overdue and recovery position. The scope includes investigation of financial performance of the Baroda Gujarat Garmin Bank (BGGB), Dena Gujarat Garmin Bank (DGGB), and Saurashtra Garmin Bank (SGB) and the factor affecting to financial management of the RRBs.
        In the studies, the main purpose of the Regional Rural bank is to provide banking and credit facilities to the rural people and diverted to specific economic and occupation groups, (i.e.) the small and marginal farmers, agriculture labour, rural artisans, etc, are beyond the scope of the present study, an attempt will also made to analyze and interpret the operation of regional rural banks working in Gujarat and it is useful to researchers, Government, society and RRBs also.

TOOLS AND TECHNIQUES FOR ANALYSIS:

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An evaluation of collected data growth rates, average and statistical tools like standard deviation, co-efficient of variation, chi—square and ANOVA (F- test) are using SPSS package.

SIGNIFICANCE OF THE STUDY:

The research study is significant to an evaluation of financial performance of RRBs working in Gujarat. The results of the present study are useful to the policy planners in their efforts to improve the working of the RRBs working in Gujarat.

OUTLINE OF CHAPTER PLAN:

First chapter will be given an overview of Regional Rural Banks with sample profile of bank. Second chapter will be Research Methodology and literature Review. Third chapter will be explaining the analysis of loans and Advances. Fourth chapter will be describing analysis of Recovery Performance. Fifth chapter will be Analysis of Non-performing Assets. Six chapters will be describing major finding, suggestion and conclusion of loans and advances of various RRBs in Gujarat.

LIMITATIONS OF THE STUDY:

1) This study is based on secondary data taken from published annual report and websites. Limitation of secondary data will reveal with analysis.
2) The Study focused on regional rural bank only so further generalization is not possible.
3) There are many different aspects to measure of financial performance and expert's views are different from one another in this regard.

FURTHER SCOPE OF THE STUDY:

1. The study is based on selected ten samples. More samples could be taken for further study.
2. Other geographical area could be covered for the study for better Research work.
3. Bank wise analysis could produce better results.
4. Long time period could be covered for the research study for better Result.

CONDUCTING A LITERATURE REVIEW

Evaluating the credibility of sources is one of the most difficult aspects, especially with the ease of finding information on the internet. The only real way to evaluate is through experience, but there are a few tricks for evaluating information quickly, yet accurately. There is such a thing as „too much information," and Google does not distinguish or judge the quality of results, only how search engine friendly a paper is. This is why it is still good practice to begin research in an academic library. Any journals found there can be regarded as safe and credible. The next stage is to use the internet, and this is where the difficulties start. It is very difficult to judge the credibility of an online paper. The main thing is to structure the internet research as if it were on paper. Bookmark papers, which may be relevant, in one folder and make another subfolder for a 'shortlist.' The easiest way is to scan the work, using the abstract and introduction as guides. This helps to eliminate the non-relevant work and also some of the lower quality research. If it sets off alarm bells, there may be something wrong, and the paper is probably of a low quality. Be very careful not to fall into the trap of rejecting research just because it conflicts with your hypothesis. Failure to do this will completely invalidate the literature review and potentially undermine the research project. Any research that may be relevant should be moved to the shortlist

The next stage is to critically evaluate the paper and decide if the research is sufficient quality. Think about it this way: The temptation is to try to include as many sources as possible, because it is easy to fall into the trap of thinking that a long bibliography equates to a good paper. A smaller number of quality sources is far preferable than a long list of irrelevance. Check into the credentials of any source upon which you rely heavily for the literature review. The reputation of the University or organization is a factor, as is the experience of the researcher. If their name keeps cropping up, and they have written many papers, the source is usually ok. Look for agreements. Good research should have

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been replicated by other independent researchers, with similar results, showing that the information is usually fairly safe to use. If the process is proving to be difficult, and in some fields, like medicine and environmental research, there is a lot of poor science, do not be afraid to ask a supervisor for a few tips. They should know some good and reputable sources to look at. It may be a little extra work for them, but there will be even more work if they have to tear apart a review because it is built upon shaky evidence. Conducting a good literature review is a matter of experience, and even the best scientists have fallen into the trap of using poor evidence. This is not a problem, and is part of the scientific process; if a research program is well constructed, it will not affect the research.

• BashaRao, Krishna and Rao (1990) undertook a case study of Vijayawada District Central Co-operative Bank in which they studied the factors affecting deposits, advances and profits of the bank. They tried to ascertain the extent of the impact of ce1iain important factors on the key financial indicators of the bank under study with the objective of identify the strong and weak factors of growth.

• Dayanandan and Kumar (1993) evaluated the performance of Central Cooperative Banks of Kerala State; they found that though the central co-operative banks achieved better performance in terms of share capital, membership, deposits and reserve funds there was no Cite spending achievement in the net profits during the study period. The reason was high over dues of the banks.

• Master (1996) compared two different models of X-inefficiencies bank profitability. The first model constrained the cost frontier to be the same for all the banks in US while the second model allowed different frontiers and tenor terms across Federal Reserved districts. The results revealed that the distribution of one sided tenor terms were wider for the single cost function model. Ranking of districts by the level of X-inefficiency differed in two models.

• Bhattacharya Hetal (1997) estimated 70 India n commercial banks productive efficiency during the early stages of liberalization process. They used Data Envelopment Analysis to measure the efficiency scores of these banks. After applying DEA, they used Stochastic Frontier Analysis to attribute variation in the estimate ted efficiency scores to three component scores, i.e., random noise, ownership and temporal component. They concluded in their study that public banks were most efficient followed by foreign and private owned banks.

• Naidu L.K. (1998) conducted a study on RRBs taking a sample of 48 beneficiaries of rural artisans in Cudahy District of Andhra Pradesh under Rayak seem Garmin Bank. In this study it was concluded that the beneficiaries were able to find an increase in their income because of the fiancé provided by the bank.

• RenuKohli (1999) study can need on Rural Bank Branches and Financial Reform the study traces the bank branch licensing policy in India in the post-independence period, evaluates its performance and relates to the present rest maturing of the banking industry under financial reform.

• Bhatia and Verma (1999) made an attempt to determine empirically the factors influencing profitability of public sector banks in India by making use of the technique of multiple regression analysis. The analysis revealed that priority sector

• Rizvi (2001) conducted a study on analyze the productivity of banking sector in Pakistan during 1993-1998. In the study applied Data Envelopment Analysis approach to compute the banking efficiency scores. He formed during the period of first recon the total factor productivity remained stagnant. However, the domestic banks performed better than the foreign banks during that period.

• Gandhinath S (2002) conducted a study on "Performance of a Selected Nationalized Bank in India", the study paper was suggested that the bank should take measured to reduce the poor recovery by means of periodical inspection, organizing recovery camps, expanding the recovery management branches in rural a Teas and measure should be taken by the bank to control its expenditure by reducing opera ting expenses which accounted for 21.3 percent to the total expedite in the year 2000.

• Nazrul Islam Md. (2002) study candied out Micro Credit: An Experience of Grameen Bank of Bangladesh, the study says that garment bank is an Innovative micro-credit facilitator, which has already attracted the attention of a large number of countries, donors and individuals. The study observed that the real scenario of poverty is not changed even if the efforts have been taken.

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• Ram Mohan (2002) in his paper documented and evaluate ted the performance of the public, private and foreign banks since deregulation in absolute and in relative tens. It was observed that the efficiency of the banking system as a whole measured by declining spreads has improved.

• Rime and Stroh (2003) studied the performance of Swiss banks for the period of 1996-1999. For that study, they used Data Envelopment Analysis Malmquist Index for total factor productivity. They forward in their study that small and medium sized banks achieved economies of scale but large banks could not.

• Abhiman Das &Saibal Ghosh (2004) the research paper Examining Excess Capacity in Regional Rural Banks: Some Empirical Insights for India. The study observed that the operating expenses in RRBs tends to be high doming the study period, the liability composition is positively related to profitability and also indicate a decline in the expenses ratio over time.

• Ranjan and Malaria (2004) studied the relationship between asset and liability using canonical conflation analysis for the period 1992-2004. The study shows that most of the banks have a good Asset Liability Management (ALM) framework in place. There is a strong relationship between the Fixed Assets and Net Worth for all the banks. The banks (based on ownership) however differ on some of the other aspects like their risk appetite.

• Chavan and Pallavi (2004) have examined the growth and regional distribution of rural banking over the period 1975-2002. Chavan's paper documents the gains made by historical underprivileged region of east, northeast and central part of India during the period of social and development banking. These gains were reversed in the 1990s cutbacks in rural branches in rural credit deposits ratios were the steepest in the esteem and north-esteem states of India. Policies of financial liberalization have mistaken ably worsened regional inequalities in rural banking in India.

• Shivappa. H (2005) his study candied on Agricultural Credit Utilization Patted and its Repayment Performance of Bowers of Regional Rural Banks in Kama taka A Case Study of ChitradurgaGramina Bank The study was based on both primary and secondary data, the identified that 75 percent of the sample booked loans from gramina bank as well as from private agencies. The remaining 25 percentage booked funds only from gramina bank and the recovery performance of the bank was fluctuated during the study period.

• Karam Pal &Jasvir S. Sura (2006) Efficiency of Regional Rural Banks (RRBs) in India: A Conventional Analysis, the study found that there is need to increase in branch networks, poor in C-D ratio, they suggest to the branches of RRBs at gross root level to provide such banking service to the rural people and to take connective measure to raise the credit deposit ratio of the bank.

• Amarender Reddy A (2006) the study was conducted a Productivity Growth in Regional Rural Banks , the study found that the decomposition of productivity into technical progress and technical efficiency is higher for rural banks than present public sector banks.

• Biswa Swarup Misra (2006) conducted a study on The Performance of Regional Rural Banks (RRBs) In India: Has Past Anything to Suggest for Future. The study revealed that the profit makes RRBs have positive performance in the area of investment and loans disbursement but the loss making RRBs have negative performance. He suggests that loss making RRBs are need focused attention of the all management and also focused the attention of the all stakeholders also.

• Medhat Tarawneh (2006) conducted study on A Comparison of Financial Performance in the Banking Sector: Some Evidence from Omani Commercial Banks, the purpose of this study is to classify the commercial banks in Omani in cohesive categories on the basis of their financial characteristics revealed through financial ratios. A total of five Omani commercial banks with more than 260 branches were financially analyzed by assets management, operational efficiency and bank size on the financial performance of these banks. The study found that the bank with higher total capital, deposits, credits and total assets does not always mean that has better profitability performance.

• Shivappa. H (2007) study was examined the Working of Regional Rural Banks in India through the growth in advance and deposits and performance of the RRBs. The study identified the majority of the weaker sections are still depends upon private money lenders due to inadequate loans for traditional activities and non-a availability of credit for all non-traditional activities.

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• Bagchi, KanakKanti, Hadi, Abdul (2007 the study has made a detailed comparative study about the financial viability and profitability position of individual RRBs in West Bengal. Over the period 1995-1996 to 1999-2000. It was identified the reasons for low level profitability of RRBs and the factor behind achieving economic viability. The study concludes with a note on the necessity of undertaking certain measures to achieve the desired objectives. The study concludes with a note on the necessity of under leaking ce1iain measures to achieve the desired objectives.

• Suryachandra Rao D. (2007 conducted a study on Reforms in India Banking Sector - An Evaluative study of the Performance of Commercial Banks, the study paper observed that the response of the banks to the reforms has been impressive, the banks have been adjusting very well to the new environment and the refocus have not only enhance need the opportunities for banks but at the same time through challenges as well. As a result of entry of new generation private sector banks. The competitive presses are constantly on the increase.

• DilipKhankhoje&MilindSathye (2008) they conducted a study on "Efficiency of rural Banks: The Case of India, the study found that the efficiency of rural banks has significantly improved after restructuring. It seems the policy of the Government of India to restrict these banks has shown positive results and the study recommends its continuance.

• BasantaKalita (2008) the study revealed on Post 1991 Banking Sector Reformats in India: Policies and Impacts, the paper with a two major objectives first gather the major reforms measures and policies regarding the banking industry by the Government of India and the Central Bank of India during the last fifteen years. Secondly, study the major impacts of those reforms upon the banking industry. The study got the positive response is seen in the field of enhancing the role of market forces, regarding prudential regulations nom1s, reduction of NPAs and regarding the up gradation of technology. But at the same time the reforms has failed to bring up a banking system which is at par with the interactional level.

• PrabhakkarRajkumar K. (2008) carried a study on "Impact of NABARD Strategic Interventions", the paper an attempt has been made unemployment is the bank of the Indian economy. Since unemployment in the rural areas is a major contributing factor for high incidence of poverty, development of Rural Non-farm sector. In this backdrop, NABARD has recognized development of Rural Non-form Sector as an area. Monitoring is done by the society and NABARD on continuous basis and problems encountered by the women are sorted out.

• SunitaMehla& Hanuman Prasad (2008s) they conducted study on "Banking Reams: Progress and Emerging Issues", the paper makes an attempt to study the various reformats, in the area of interest rate deregulation, reduction in CRR and SLR, Liquidity Adjustment facility. The study was concluded that the deregulation has placed numerous demand on the banks and enhanced their role in the Indian economy. The banks which have been able to recognize the changing environment and took appropriate measured have been able to weather the stone and set themselves on the path to sustained business and profitability growth thereby, satisfying the expectations of its stakeholders.

• Rekha (2009) the study examine "An Evaluation of Concentration Risk Profile of Commercial Banks in India", concentration risk is a very significant component of overall credit risk profile of a banking institution. A pedant credit risk management is based on the principle of diversified portfolio to avoid concentrations is any one or couple of occupations or industry. The paper suggested for quantification of concentration risk yielded satisfactory results. Under the profile-score method, with a score of less than 10 for public sector banks and more than 10 for private sector banks the paper concluded that public sector bank's risk profile is low, while that of private sector bank's risk is moderate.

• Selvaku mar M. &Karthirava n P.G. (2009) they conducted a study on "A Study of Profitability Performance of Public Sector Banks in India ", the objective of the study was to study the income and expenditure patter of PSBs in India, to analyses the profitability performance of PSBs in India and to analyses the Non-Performing Assets of PSBs in India. To fulfilled the objective the study was taken secondary data for the period often years from 1996-1997 to 2005-2006 and also by using the various tools were used for analyzing the PSBs India.

• Prakash Tiwari &HemrajVerma (2009) the study on "A Fundamental Analysis of Public Sector Banks In India", the study was found that the Omar Bank has fared better in ten us of OPM, NPM, ROE and

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ROA. BOB has the highest portion of self-owned funds in its capital structure but is least efficient in controlling costs and expenses. BOI has registered lowest eating capacity, highest debt proportion accompany least yield over its assets. The study also revealed that PNB is efficient in generating yield over assets which indicated that its overall efficiency is good.

• ManasaChakrabarti (2009) study conduct for the intention of an analysis of Regional Wise Profitability Performance of Regional Rural Banks in India the paper suggest that there isneed for up-gradation of the rural banking system i.e., RRBs in India through performance evaluation in the context of necessity of institutional rural credit.

• Tejamani Singh N. &Jitendra Singh T. (2009) in their article identify that there is an unsound situation of Manipur Rural Banks (MRB) is the credit delivery system has not produced desired results in tens of quantity and quality for the end use of credit. In case the recove1y performance in the non-Finance sector is better than the Finance sector.

• Syed Ibrahim M. (2010) ·conducted a study on "Performance Evaluation of Regional Rural Banks in India", on the basis of the study it is found that the performance of rural banks in India has significantly improved after amalgam doing process which has been initiated by the Government of India.

• Selvakumar M. (2010) "Regional Rural Banks (RRBs): Performance Analysis", the research paper cover 9 years study period. The paper found that there is no significance difference between in the performance of RRBs in Tamil Nadu and RRBs in India.

• SeemaJaiswal (2010) study on Relationship between Asset and Liability of Commercial Banks in India, the Asset Liability Management (ALM) is important to the banking industry because of increased financial vole utility, introduction of new financial products and regulatory initiatives. This paper studies the relationship between two sides of the balance sheet of scheduled commercial bank in India. The study found that long term liability, banks are relying on short-term assets, which is a risky strategy of ALM.

• Ramesh Chander& Jai KishanChandel (2010) the study examine the financial viability, efficiency and performance of four DCCBs operating in Gorgon division in Haryana (India), viz. Gorgon, Faridabad, Mahendergarh and Reward for a period of twelve years (1997-98 to 2008-09) by financial analysis and z-score analysis. The financial parameters here taken are profitability, liquidity, efficiency, solvency, risk and bankruptcy. The paper reveals that four DCCBs with approximately fifty branches have not been performing well on all financial parameters taken for study. The banks performed well on one parameter but deteriorated on another and in different years as well. All the banks have been a part of bank empty zone (weak performance zone) throughout the study period. The banks need to visualize their operations, policies and strategies for effective utilization of available financial and human resumes. The banks should amend their vision and act accordingly for sustenance in fierce competitive financial environment.

• Lohi-ud-Din Sangria (2010) study carried out to evaluate the financial performance of the two major banks operating in Not them India. This evaluation has been done by using CAMEL Parameters, the latest model of financial analysis. Through this model, it is highlighted that the position of the bank tamer study is summed and satisfactory so far as their capital adequacy, asset quality, Management capability and liquidity is conceded. The study paper concludes that the analysis and the discussion in the proceeding pages reveals that both the banks are financially viable as both have adopted pedant policies of familial management.

• Ishwar P. (2011) A Financial Performance Analysis of RRBs: Pre and Post Transformation" the paper an attempt has been made to study the performance of the RRBs since form 1980 to 2009. The study focuses financial results before and after amalgamation. The study reveals that after amalgamation RRBs transformation has resulted in a 200% increase in net profit, 100% increase in business, a gradual reduction in the number of loss making banks and have better Non Performing Assets management.

• Aparna K. (2011) "Amalgamation of Deccan Grameena Bank", the paper focus the study about the achievement of the objectives of amalgamation of four RRBs sponsored by State Bank of Hyderabad in Andhra Pradesh State. The study found that business tumour increased to 89.62% and the percentage of NPA to total advances was decreased to 1.72%.

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• Maheshwara Reddy D. & Prasad K.V.N. (2011) they conducted study on "Evaluating Performance of Regional Rural Banks: An Application of CAMEL Model", the email provides magnet of banks current overall financial, managerial, operational and compliance performance. The study conducted to examine the overall performance of AndraPragathiGrameena Bank (APGB) and SapthagiriGrameena Bank (SGB). The study revealed that the SapthagiriGrameena Bank have good in Asset Quality perspective and also revealed that AndraPragathiGrameena Bank rated top on the basis of overall performance comparing to Soothe! Lira Grameena Bank.

• Chandanshive Sunil Bhaskar, JadhavNivas B. (2011) study candied on "Problems and Prospects of Regional Rural Banks in India", the research paper concludes that distribution of RRBs is not same in India. RRBs have to repositioned and canny out their untested responsibility of meeting the credit requirement in rural sector, their van riots constraining factor such as low credit off take, small ticket business, low recovery rate and high employee cost.

• VershaMohindra and Gian Kaur (2011) .analyses the total factor productivity of Regional Rural Banks in India through A Malmquist Approach. The paper observed that the highest growth rate has been observed in case of Malawi Grameen Bank and KshetriyaKisanGrameen Bank which was 5.7 percent and 3.8 percent respectively. The change in scale efficiency has shown increasing trend of 0.3 percent.

• Alagawadi M. V. &Pushpa M. Savadatti (2011) there study analysis was done for two periods; Pre and Post-WTO with the help of twenty-nine variables by applying the method of Principal Component Analysis (PCA). The results revealed that in case of physical indicators based on the factor loading three dimensions during pre-WTO period and two dimensions during post-WTO period were identified, which explained 74 percent and 91 percent of the VA rations respectively. Sinlilarly with respect to financial indicators three dimensions during pre-WTO period and three dimensions during post-WTO period explained nearly 90 percent and 93 percent of the variations in the bank's performance respectively.

• Shiralshetti A.S., Baewadi J.K. (2011) they conducted a study on Credit Services of Banks in Belgaum District-A Diagnostic Study, the study focuses banking performance of the Belgaum District (Karnataka) in the criteria of loans and advances as per bank group wise, area wise, branch wise. The study reveals the nationalized bank shows highest share in the average advances of the district followed by urban co-operative banks and private sector banks. But regarding the compound growth rate of advances is conceded nationalized banks shows poor performance as compared to private sector banks, urban co-operative banks and BDCC banks.

• SujaIhaSusananKumari D (2012) the study on "Impact of Amalgamation on Cost Efficiency and Profitability of Regional Rural Banks In India: A Study of RRBs in Karnataka", the paper analyses the effect of amalgamation on the cost efficiency and profitability of Regional Rural Banks in Karnataka by taking all three amalgamated RRBs. By taking some parameters the study found that the post amalgamation period recorded higher cost efficiency compared to the pre- period amalgamation.

• Rajashekharappa and KundanBasavaraj (2012) "Effective Credit System of PragathiGramin Bank: A Study" the present study the role of RRBs in rural credit structure has been analyzed. The study examine that the PGB has been tremendous achievement in disbursing loans to both the sector.

• Subudhi R N &Jitendra K. Ram (2012) "Operational Efficiency of Regional Rural Banks and other Commercial Banks of Odessa India: A Comparative Study", the study an attempt has been made to assess whether the commercial banks functioning in Odessa have properly discharged their responsibilities towards the economic development of the state, especially rural Odessa (India).

• Tasi Kaye (2012) the study was conducted on "Regional Rural Bank Finance in Himachal Pradesh, India: An Impact of analysis", the study examine the role of Himachal Pradesh Rural Bank in the socio-economic development of the tribal people of the state through its various financial activities in tens of employment generation, enhancing the income and standards of living.

• OnkarShivraj Swami, Senthil Kuma N. &PalashBaruah (2012) candied a study on Trends in Deposits and Credit Deployments of Regional rural Banks in Karnataka, the study in the area of deposit mobilization and credit disbursements, the RRBs had made a notable progress during the post reform period. CD ratios of RRBs were fluctuating throughout the study period. It was observed that RRBs

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continued to focus on agriculture credit disbursements in the state of Karnataka. At the same time, RRBs had favoured credit to personal loans in place of rural a1iisan industries credit and "other small scale industries" credit.

• Murthy, Sudarsana D, Narasaia H, P.V, Mohan, B (2012) they conducted a study on "Agricultural Credit by Regional Rural Banks: Au Empirical Study". The study evaluates performance of RRB's in deploying agricultural credit and evolves a package of measures for effective and efficient performance of RRBs. The objectives of the study are to review the historical performance of institutional agencies in deploying agricultural credit, to examine the progress made by RRBs in agricultural credit, to assess the agricultural credit performance through simple respondents and to evolve a package of measurements for making RRBs effective in agricultural credit deploying.

• Syed Ibra him M. (2012) carried out a study on "Role of Indian Regional rural Banks (RRBs) in the Priority Sector Lending- An Analysis", the study was found that the disbursement of short-ten loans for crops doming the study period are encouraging and it constituted a higher rate than that of term-loans. Also the loans provide by the RRBs to various groups in the priority sector shows an increasing trend during the study period.

• Thirumal R. (2012) conducted a study on "Factors Influencing Profitability of Regional Rural Banks (RRBs)", the study revealed that Regional Rural Banks (RRBs), which emerged as an important financial institution in India for meeting the rural credit requirement. It is always argued that the RRBs have not been able to eat much profit in view of their policy of restricting their operation to target groups. In spite of that the RRBs made a remarkable performance.

• Abhay Kumar Kapre& Anil Kumar Soni (2013) conducted study on "A Comparative Study of Regional Rural Banks in Chhattisgarh State". The study found that the CGB is largest bank of Chhattisgarh in district coverage and branch network but the productivity of CGB is low in comparison of DRGB and SKGB.

• Ahmed J.U., Bhandari G.P., Rohima Ahmed (2013) the authors conduct a study on "Profitability of Regional Rural Banks in India: An Empirical Analysis in Meghalaya Rural Bank", the study was undertaken to examine the profitability performance of MRB in the context of their performance RRB as a whole. The paper has investigated the growth of profits of MRB in the context of RRBs as a whole, established the relationship between volume of business and profitability of MRB and assessed the impact of total earnings on the profitability of MRB.

• Makandar N. M. (2013) study carried on "Analysis of Productivity Efficiency of RRBs: A Comparative Study of Pre and Post Amalgamation of KVGB & PGB", the study investigated the effects of amalgamation on the financial performance of Regional Rural banks in India. The research compared the pre-merger and post-merger final nicely performance of KVGB and PGB which were amalgamated during 2005.

• Kanika, fancy (2013) in their article the main objective of the study was growth pattern and financial performance of Regional Rural Banks in India. With the objective of study conducted is descriptive in nature and data is collected from published annual reports of RBI and NABARD for the period 2006-2012. The study has witnessed positive impact on the financial performance of RRBs due to amalgamation and various other factors.

• JarupubChinna (2013) study carried on Performance Evaluation of Regional Rural Banks (RRBs) in India, the study found that the performance of RRBs in India has significantly improved over time, as steps for their improvement were initiated by the Government of India after the amalgamation process.

• Sudarshana Reddy A. & Prof. Padmavathi A. (2013) the study carried on the Growth and Progress of Regional Rural Banks during 2001 to 2012 in India. Regional Rural Banks emerged as the most comical factor in deciding about their desired role in the emerging economic scenario. The study found that the progress of deposit mobilization and credit creation of Regional Rural Banks is significant.

• Bharat M. Kher (2013) study on "The Role of Rural Banks in the Development of Rural Socio-economy", with the objective of paper is to analyzed the rural credit and the role played by the RRBs in the priority and non-priority sector lending's. The research paper was exploratory in nature and makes use of secondary data. The paper concluded that the compared to the loans to non-agricultural

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activities, the highest share is recorded in the agriculture; it is the responsibility of the banks and the management to look into the matter of providing sufficient amount of loans to non-priority sector as well. The gap between short-term loans for crop and the term loans for agricultural and allied activities need to be minimized.

• KartikeyKoti (2013) study carried on "Management of Non-Performing Assets A Case Study in Krishna Grameena Bank, Gulbarga District", The biggest challenge for the banks in India is efficient management of non-performing assets (NPA's). So the study focused to know what the non-performing assets are, and how they can handle to reduce loss. The study revealed the reason for NPA's, methods that are used to control NPA's and bank should properly evaluate all loan applications and analyze project feasibility. Bank staff should be properly trained in this regard.

• ManasChakrabarti (2013) conducted a study on Impact of Merger on the Profitability Performance of Regional Rural Banks (RRBs) in West Bengal. Since 1975 RRBs are being regarded as one of most important sources of institutional financing of rural credit in India. But at the end of expansion phase (1987) financial viability of the RRBs emerged as an important issue to the policy makers. Since 1991, various steps have been taken up by GOI for strengthening the RRBs e.g. cleansing of balance sheets, recapitalization of selected RRBs etc. State-wise & Sponsor bank wise merger of RRBs is the recent route of restructuring of RRBs for improving their operating performance. There is always a need for up-gradation of the rural banking systems in India through performance evaluation in the context of necessity of institutional rural credit to the poor rural folk. Therefore an attempt is made through this work to examine the impact of merger on the profitability performance of RRBs in West Bengal.

CONCLUSION:-

This white Research paper presents a review of earlier studies reported on the performance of Regional Rural Banks (RRBs) in India. The white paper presents a summary of various studies conducted on the performance of Regional Rural Banks at the national level and also at various state levels. The finding of this research will help future researchers working on the performance of Regional Rural Banks in India. The findings of this white research paper indicate that many earlier studies were reported in the context of various state like Gujarat, Rajasthan and Karnataka and other Indian states while a large number of studies focused at all-India level. The finding indicates that very few studies were reported in the context of Gujarat state which provides an opportunity for future researchers.

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