

CHAPTER FOUR: PROFILE OF SELECTED SAMPLE BANKS

4.1 THE THANE JANATA SAHAKARI BANK LTD.

4.1.1 HISTORY OF TJSB BANK:

The TJSB bank was founded in the year 1972 in Thane. Since its Inception it has shown a very high growth rate and has 77 branches all over India till date. Though being a co-operative bank it has expanded its operation in various cities like Pune, Satara, Navi Mumbai, Mumbai, Aurangabad, Kolhapur, Latur, Goa and Karnataka.

Adaption of the latest technology and satisfying customer needs has helped the bank to gain faith of the clients. Providing fast service through use of computers and modern communication techniques has attracted not only the individual customers but also many corporate clients. Their clientele includes various professionals, industrialists, businessmen and salaried class people.

4.1.2 TECHNOLOGY USED IN TJSB BANK:

TJSB have adopted various ICT solutions which are described as follows.

- 1) TJSB is the first co-operative bank to install **cheque depository machine** for its customers. This has given customers a 24X7 service to deposit cheques and also helped to reduce the manual labour required by the bank to receive the cheques and give acknowledgement.
- 2) The bank has also started with **E- Lobby outlets** which act as virtual bank having facility of 3 ATM's, 2 Cheque Depository machines and 24x7 Automated Cheque Book Issuance machines.

- 3) The **SMS Banking** facility provided by the bank keeps the the customer updated with their current deposits and also alerts them for every transactions made, maturity of term deposits and return of cheques.
- 4) It has joined hands with other banks and have made 84000 **ATM** centers available to the customers.
- 5) The **RTGS facility** provided helps the customer to transfer and receive funds electronically saving a number of visits of customers to the branch.
- 6) The **Core Banking Technique** Adopted by the bank has enabled it to connect all the branches and helped the customer to operate the account from any other Branch.

4.1.3 ACHIVEMENTS OF TJSB BANK:

1. In 27/08/2012 Bank received the award for “Best Technology Bank of the year 2011” (Second runner-up) in Co-op. Bank segment by Indian Banks Association from hands of Hon'ble Shri. Narayana Murthy the Chairman Emeritus, Infosys Ltd, on

2. Some of the other awards received from the Banking sectors are:

- Shri Vidyadhar Vaishampayan received the BEST CHAIRMAN in UCB category.
- Excellance in Technology Innovation in Large UCB Category.

- Best IT Adoption in Large UCB Category.

1. The TJSB bank was honored by The Indian Bank Association (IBA) y with the TECHNOLOGY BANK OF THE YEAR award in the Co-operative Banks category for FY 2009.
2. Earlier in 2007, the IBA had awarded TJSB with Special Jury Award for "Acknowledging Outstanding Achievements in Banking Technology".

4.1.4 PROGRESS OF TJSB BANK

As per the chart, it is clear that the bank is progressing since 2007-08 in good position. It has also increased with no. of branches and amount invested in information and communication technology. The table shows the progress of the bank since 31st march, 2005 till 31st March, 2013. The share capital of the firm is growing at the faster speed from 10.72 crores to Rs.86.78 Crores in 2013. Continuously the bank is giving returns of 15% in terms of dividend. The audit class of the bank is A since 31st March 2005 till 31st March 2013.

TABLE 4.1 PROGRESS OF THE TJSB BANK

::: Progress at a Glance :::									
Financial Highlights	31st March 2005	31st March 2006	31st March 2007	31st March 2008	31st March 2009	31st March 2010	31st March 2011	31st March 2012	31st March 2013
Rs. in Crores									
Share Capital	10.72	12.32	14.48	18.27	27.57	40.09	55.11	72.10	86.78
Reserves	141.28	157.18	178.92	250.60	281.13	290.93	334.40	424.61	494.26
Own Funds	152.00	169.50	220.40	268.87	308.7	331.02	389.51	496.11	581.04
Working Capital	1177.79	1343.12	1599.73	2596.01	2951.68	3528.69	4304.94	5345.63	6340.57
Deposits	938.82	1073.06	1328.50	2039.17	2347.05	2799.73	3471.58	4344.97	5308.16

Advances	582.47	680.43	902.92	1285.46	1506.61	1679.08	1991.87	2640.18	3400.77
Business Mix	1521.29	1753.49	2231.42	3324.65	3853.67	4478.81	5463.45	6985.15	8708.96
Gross NPA	8.17%	7.06%	4.52%	6.67%	6.36%	4.64%	3.42%	2.63%	3.32%
Net NPA	0.80%	0%	0%	0%	0%	0%	0%	0%	0%
CRAR (%)	20.29	20.01	17.63	14.63	14.74	15.47	15.94%	15.03%	14.25%
Capital Funds	152.00	169.50	220.40	268.87	308.7	331.02	389.51	496.11	581.12
Gross Profit	22.02	25.63	41.96	52.08	65.47	71.94	89.66	104.89	111.55
Net Profit	15.94	23.99	27.00	24.30	24.35	44.19	49.58	60.09	74.99
Dividend (Percent)	15%	15%	15%	15%	15%	15%	15%	15%	15% proposed s.t. approval
Audit Class	A	A	A	A	A	A	A	A	A
Membership No.	22965	24569	26424	28975	33328	28204	34228	40921	46647

SOURCE: www.tjsb.co.in

4.2 GOPINATH PATIL PARSIK JANTA SAHAKARI BANK LTD.

4.2.1 HISTORY OF BANK

The opening of the bank was done on 21st May 1972 in Kalwa Thane. It was founded under the leadership of Late Shri. Gopinath Shivram Patil. The bank was formed through collection of money from 360 members. Each member contributed Rs 50 each as the initial amount.

Today, with its improved efficiency and satisfied customer base, Gopinath Patil Parsik Janta Sahakari Bank Ltd, is on its way to become one of the leading co-operative bank in the state .Today it has current deposit base of 1500 Cr and 42 well equipped branches connected through core banking. It has expanded its services not only in Thane but also in Mumbai, Nashik, Raigad, and Ichalkarangi.

4.2.2 SERVICES

4.2.2.1 CBS (Core Banking Services): Freedom to operate account from any branch through thorough core banking has boosted the customer base of the bank.

4.2.2. ATM Service:

The bank has 32 ATM centers which are connected to each other providing customer to transfer funds or take or deposit cash anytime anywhere.

4.2.2.3 SMS Banking:

The bank is keeping customer updated and in turn satisfied through SMS alerts for every transactions, providing bank balance data and term deposit deadlines.

4.2.3 LAST TEN YEARS BANK PROGRESS: (RS IN LAKHS)

TABLE 4.2 LAST TEN YEARS BANK PROGRESS

YEAR	SHARE CAPITAL	DEPOSITS	LOANS	ASSET FUND	CUSTOMER BASE	NET PROFIT	DIVIDEND
2003 - 2004	959.33	47979.21	18054.27	6475.50	43762	1059.89	15%
2004 -	1104.59	52042.79	21762.46	7925.91	46612	752.63	15%

2005							
2005	1254.05	59317.84	26310.6	8897.01	48505	1028.65	15%
-			1				
2006							
2006	1457.17	70488.24	32340.4	10638.8	50871	468.28	15%
-			0	4			
2007							
2007	1845.67	88013.54	45535.8	11406.6	54424	1540.16	15%
-			7	1			
2008							
2008	2242.75	94341.95	55482.5	13336.8	58093	1743.23	15%
-			4	3			
2009							
2009	2534.71	116717.20	60059.6	15199.1	61240	1837.09	15%
-			4	8			
2010							
2010	3076.62	139803.30	72207.0	18214.1	65073	2072.32	15%
-			9	0			
2011							
2011	3673.93	146049.03	86404.0	21209.7	68837	2130.91	15%
-			6	2			
2012							
2012	4253.86	167300.99	99963.4	24103.6	72512	2275.94	15%
-			6	9			

2013							
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SOURCE: WWW.GPPJSB.IN

4.3 THE THANE DISTRICT CENTRAL CO-OPERATIVE BANK LTD.

4.3.1 INTRODUCTION:

As stated in the first Chapter each district is allowed form a district central co-operative bank which will be controlled by state co-operative bank, The Thane District Central Co-op. Bank Ltd., Thane is the Bank is the example of the same. It was established in 1958 in Thane was registered under Maharashtra Co-op. Societies Act in 1960 and licensed to carry on the Banking business from Reserve Bank of India.

Initially it had 7 branches and now has expanded to 91 all over the district. It is proudly serving more than one million customers. Their main strength is it's widely spread network in the most interior parts of the district. Their personal one to one contact with the customers has helped them to gain faith and expand their business.

Their current deposits till march 2012 deposits are Rs. 3464.57 Crores and Loans are Rs. 1662.08 Crores. With a profit of Rs. 29.10 Crores and working capital of 4082.69 Crores, they on par with other leading co-operative banks in the city.

4.3.2 MAJOR AWARDS RECEIVED BY THE BANK:

- For last six years the bank has been receiving the “Late. Vaikunthabhai Mehta best District Co-op. Bank” award from Maharashtra .
- For last six years NABARD has also felicitated them with Best performance award for work of Self Help Group (100% Linkage).
- In the year 2008 The Mumbai Marathi Newspaper Author Sangh, has honoured them with “Dr. Dilip Sathe Financial Health award.”

4.3.3 OBJECTIVES OF BANK:

The main Objectives of the TDCC Bank are as follows :

- The bank was established to guide and fulfill the monetary requirements of the co-operative movements in the district.
- To act as Middle stage of the three tier rural financial architecture in Maharashtra State.
- To finance primary agriculture co-operative societies (PACS) in the Thane District and generally to carry on Banking Business.
- To advance loans to farmers for rising of crops, marketing of agriculture fisheries societies, labours, rural artisans and other agricultural activities in the Thane District....

4.3.4 OTHER INITIATIVES BY THE BANK:

- ✓ Agriculture Banking being the chief objective of the Bank it provides Short Term Finance to the farmers against security of land. These farmers are generally members of primary Agriculture co-operative societies.
- ✓ Farmers can also apply for Medium Term loan for irrigational pumps. Building of wells, laying of water pipelines, bullock carts, tractors, power tillers, sprinklers etc.
- ✓ As a secondary support to agricultural activities loans are also sanctioned to the farmers for purchasing of milk cattle, rearing of goats, running of the poultry farms etc.
- ✓ Incentives in terms of waiver of interest are given by the bank to the farmers who repay their loan before 31st March every year.

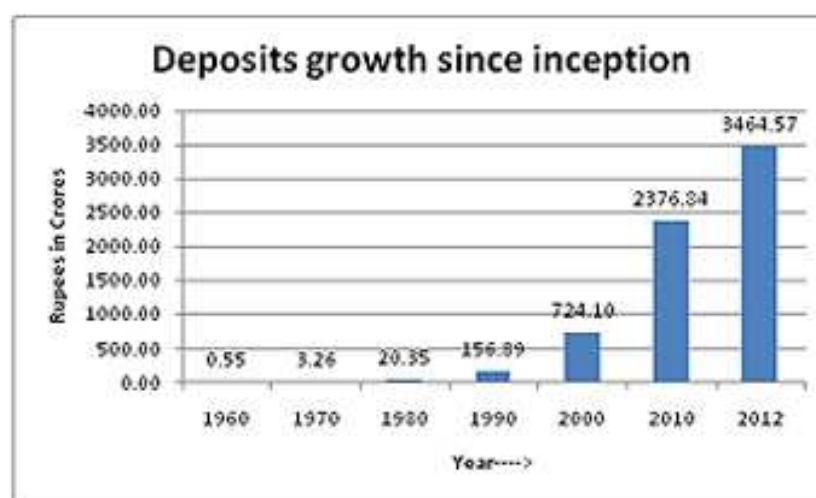
4.3.5 PROGRESS OF BANK SINCE INCEPTION

TABLE 5.3 PROGRESS OF THANE DISTRICT CENTRAL CO-OPERATIVE BANK

Rs. In Lacs							
Particulars	1960	1970	1980	1990	2000	2010	2012
Share Capital	7.76	56.91	93.48	208.64	531.33	1530.37	1781.42
Funds	0.05	17.66	143.41	927.40	13009.81	34424.67	44308.12
Deposit	55.46	326.28	2035.46	15689.14	72410.33	237684.90	346457.35
Loans	7.67	340.58	815.82	3960.35	17652.51	133838.62	166208.51
Investment	12.16	89.81	1103.67	12672.63	66613.07	202326.77	210161.42
Working Capital	75.32	469.97	2484.10	18445.57	90952.80	358527.16	408269.68
Profit	0.00	4.12	9.31	62.50	726.90	2800.00	2910.00
Branches	8.00	28.00	39.00	55.00	69.00	83.00	91.00

SOURCE: www.tdcc.com

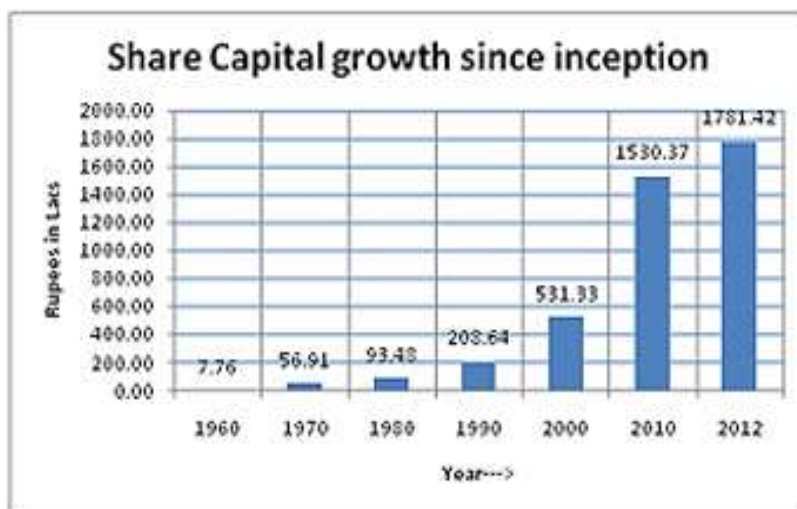
CHART4.1 DEPOSITS GROWTH OF BANK SINCE INCEPTION



SOURCE: www.tdcc.com

The above chart indicates the growth of deposits in TDCC bank. The chart indicates the clear cut growth in deposits since year 2000. There is continuous growth till 2012.

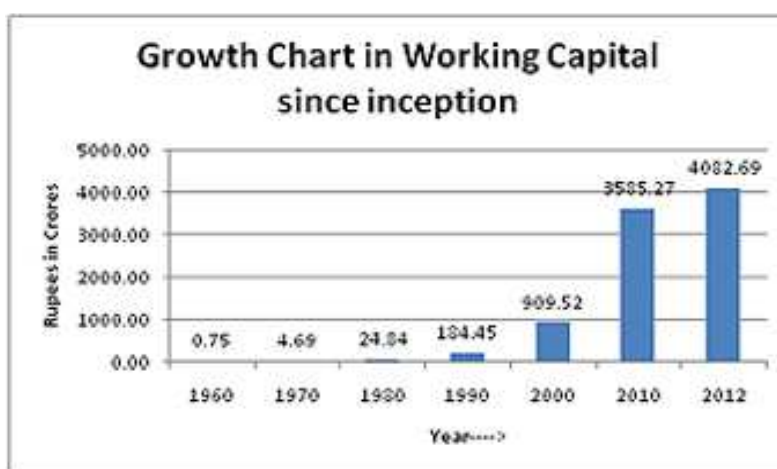
CHART 4.2 SHARE CAPITAL GROWTH OF BANK SINCE INCEPTION



SOURCE: www.tdcc.com

As per the above chart, the share capital of the bank is remarkably increased since its inception. Particularly, after the inception of ICT in the year 2000, there is tremendous growth in share capital of the bank.

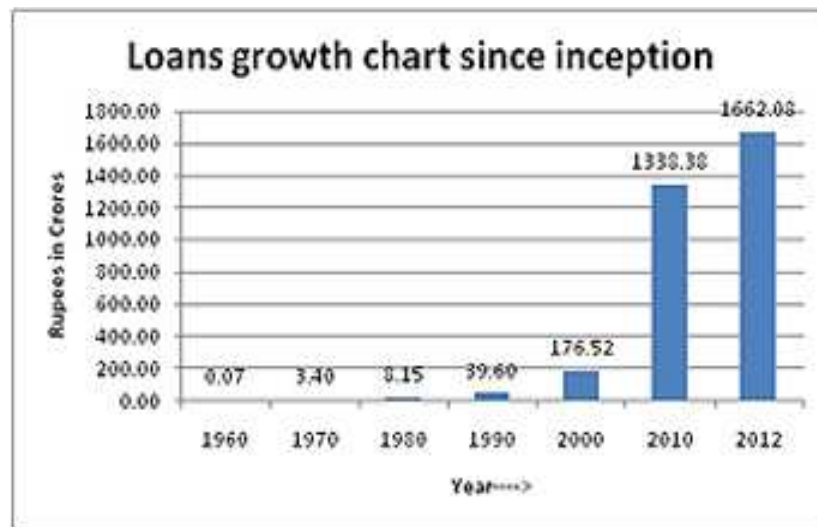
CHART 4.3 WORKING CAPITAL GROWTH OF BANK SINCE INCEPTION



SOURCE: www.tdcc.com

Again, as per the above chart, there is continuous growth in the working capital of the bank. Working capital shows the short term solvency position of the bank to mitigate risks.

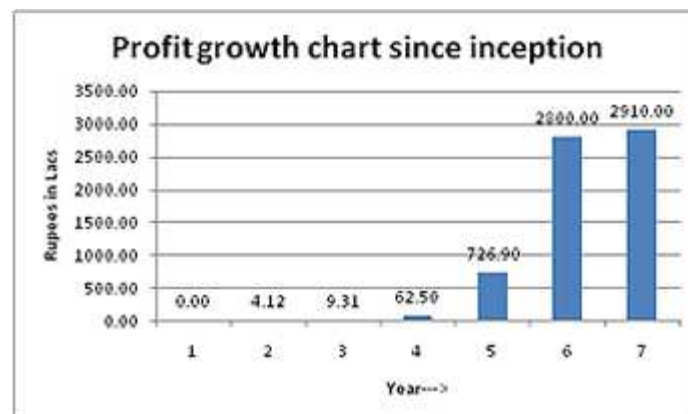
CHART 4.4 LOANS GROWTH OF BANK SINCE INCEPTION



SOURCE: www.tdcc.com

The growth in the loans and advances has gone to great hike as ICT has resulted in surplus deposits in the hands of the bank due to use of ATMs.

CHART 4.5 PROFIT GROWTH OF BANK SINCE INCEPTION



SOURCE: www.tdcc.com

As, all the above charts have shown good hike the profits of the bank have also grown up since 2000. there is great increase in profits of the bank from 1990 till 2000 and 2000 till 2012.

4.4 THE THANE BHARAT SAHAKARI BANK LTD.

4.4.1 HISTORY:

"The Thane Bharat Sahakari Bank Ltd" is a leading bank in Thane District. The bank has grown with the growing industrialization in the city of Thane.

In the early seventies, there were only 2 banks in Thane city. However from the growing needs of the city, these were not sufficient. It was that point of time, Dr. V N Bedekar, M Y Gokhale and many of like-minded senior social workers came up with the idea of having a Bank in the City.

The Bank obtained the RBI License on 19th April 1979 and within 10 days, on the day of Akshay trutiya, the bank was inaugurated at the hands of noted economist Dr V M Dandekar. The bank had spacious premises at "Shata Taraka" in Vishnu Nagar area. Initially the bank was named as "Bharat Sahakari Bank Ltd, Thane".

The first General Body meeting of the bank was held on 20th October 1978 and the first Board of Directors was elected therein. Dr V N Bedekar was elected as the Chairman and Shri M. Y. Gokhale as the Vice Chairman.

During the routine operations of the bank, the bank saw good growth and the decision of computerizing the operations was taken. The bank installed ATMs also. However as the bank

was growing, it was observed that there used to be few confusions in the minds of people because of the similarity in names of 2 other banks, already operating, one being Bharat Co-op Bank and the other, Bharati Sahakari Bank. It was then decided that this bank be renamed as "The Thane Bharat Sahakari Bank Ltd". This was done on 29th November 2000.

The bank is awarded with many awards. In 2003-04, the bank celebrated the Silver Jubilee Year. The bank is constant participating in many social events in the City of Thane and also sponsoring many of them.

On 8th March 2003, The Reserve Bank of India conferred the "Scheduled Bank" status to the bank.

The bank is operating for all 7 days of the week and is at the service of its shareholders, depositors and account holders.

4.4.2 PERFORMANCE OF THE BANK:

TABLE 4.4 PERFORMANCE OF THE THANE BHARAT SAHAKARI BANK

Particular	31.03.2008	31.03.2009	31.03.2010	31.03.2011	31.03.2012
Capital	1433.63	1489.23	1641.5	1898.09	2292.98
Reserve	817.56	902.52	991.18	1041.96	1205.78
Other Nidhi	1289.95	1318.61	1387.78	1387.78	1585.77
Self Nidhi	3640.11	4001.67	4060.07	4,677.80	5790.64

Deposit	53730.76	59353.28	69213.26	72996.7	75746.24
Investment	20663.36	21358.65	29074.04	33,488.68	34103.34
Loan	36475.29	39162.96	40488.19	46346.85	52441.94
Working Capital	63650.88	70488.48	80975.29	87771.79	93912.92
Profit	291.42	350.23	154.41	605.32	832.99

SOURCE:www.thanebharatbank.com

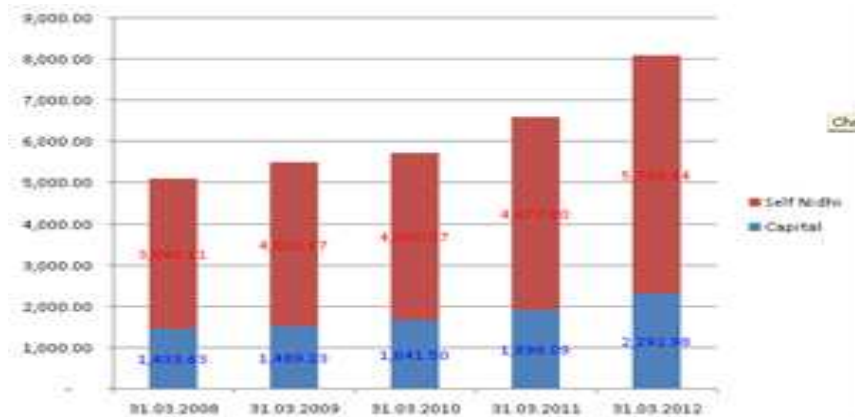
CHART 4.6 GROWTH IN DEPOSITS OF THE BANK



SOURCE: www.thanebharatbank.com

The chart 4.6 indicates the consistent growth in the deposits of the bank.

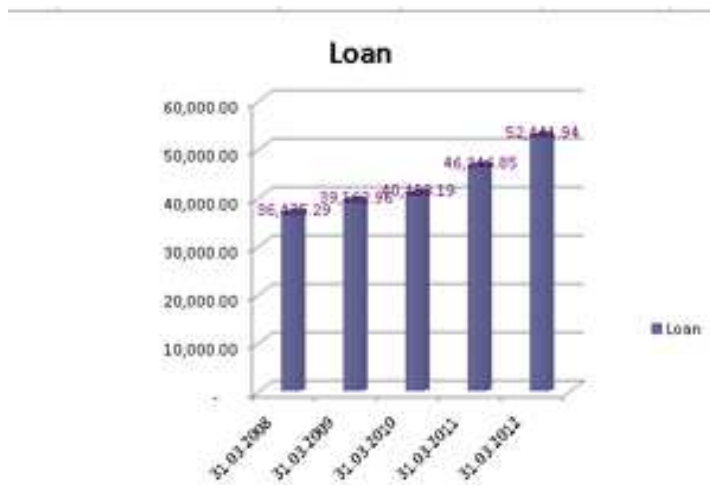
CHART 4.7 PROPORTION OF SHARE CAPITAL AND RESERVES



SOURCE:www.thanebharatbank.com

The above bar diagram indicates the proportion of own fund to borrowed funds of the bank, the carries the increase in own funds or self nidhi.

CHART 4.8 LOAN DISBURSEMENT OF THE BANK



SOURCE:www.thanebharatbank.com

The chart indicates the continuous and consistent rise in the loans disbursement of the bank. This shows the efficiency of the bank.

CHART 4.9 PROFIT POSITION OF THE BANK



SOURCE: www.thanebharatbank.com

The profits of the bank have gone to hike after 2010 when bank has undergone reduction in profits than earlier. Again, the bank's profitability position has increased.

4.4.3 SERVICES RENDERED BY THANE BHARAT SAHAKARI BANK

1. SMS BANKING:

To enable our customers to take advantages of Technology in Banking, the bank have started SMS Banking. This facility is available at all our branches. Customers can visit to nearest branch to avail this facility.

2. E-STATEMENT FACILITY:

Customers can register here for Green Banking through E-Statement. E-Statement facility furnishes the account statement of customer on their registered E-mail Id. Customers can visit to nearest branch to avail this facility.

3. AADHAAR CARD LINKING TO SAVING ACCOUNT:

Thane Bharat Sahakari Bank is empanelled with UIDAI to receive Central & State Government Scheme Benefit and credit directly to Aadhaar Card Linked Saving Account of Customer. This system is launched in India to bring Indian urban, semi-urban and rural population into the mainstream and help banks to serve customers across geography.

APBS, which enables Sponsor Banks/Government Department to transfer money to bank accounts of the beneficiaries, is a centralized electronic benefit transfer system to undertake direct mandates from respective sponsor or accredited bank attached to various government departments for the purpose of disbursing entitlements using Aadhaar numbers.