

## CHAPTER 5

### PERFORMANCE OF PUBLIC SECTOR BANKS IN GOLAGHAT DISTRICT

#### 5.1. Deposits and Credit Deployment by Public Sector Banks in Golaghat District

There are twelve public sector commercial banks in Golaghat district of Assam along with Assam Gramin Vikash bank, private sector bank and Cooperative apex bank. State bank of India and United Bank of India (UBI) play an important role due to their wide network of branches and presence in rural, semi-urban and urban areas. The other public sector banks concentrate in the district headquarters only or open their branches in the rural areas recently.

**Table 5.1: Deposits and Credit Deployment by Public Sector Banks in Golaghat District**

Year	Deposits		Credit		Credit/Deposit Ratio
	Amount (₹ in crore)	Annual Growth (%)	Amount (₹ in crore)	Annual Growth (%)	
2006-07	348.57	---	255.61		73.33
2007-08	501.07	43.75	279.28	9.26	55.74
2008-09	610.87	21.91	325.46	16.53	53.28
2009-10	668.23	9.39	357.64	9.89	53.52
2010-11	847.46	26.82	377.56	5.57	44.55
2011-12	890.58	5.09	433.75	14.88	48.70
2012-13	1095.84	23.05	495.16	14.16	45.19
2013-14	1224.76	11.76	563.02	13.70	45.97
CAGR (%)	19.66		11.94		

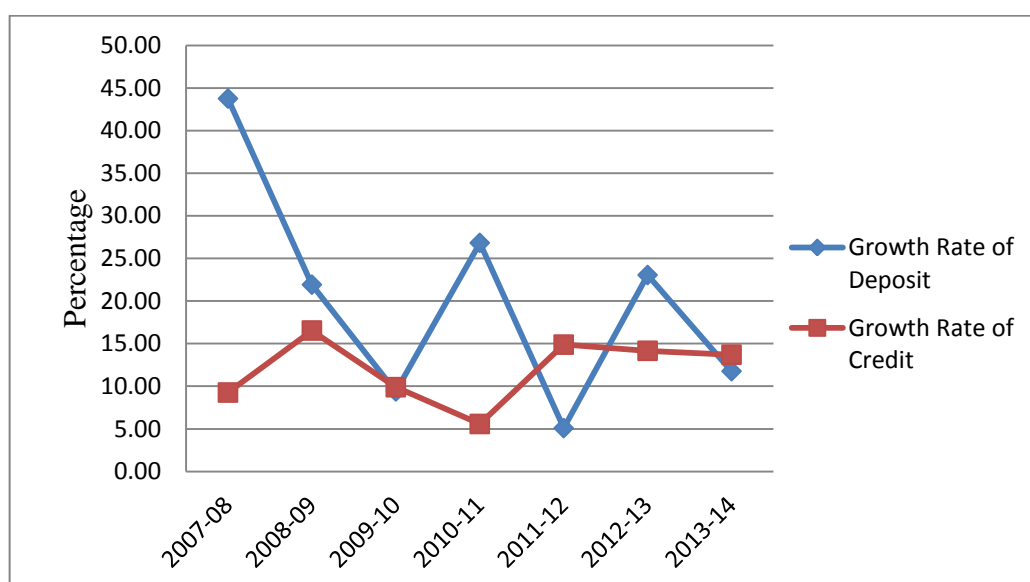
Source: Lead Bank Statement of Golaghat District (Various Issues)

The deposit of public sector banks in Golaghat district was increasing year after year from 2006-07 to 2013-14 (table 5.1). Deposit mobilisation by public sector banks increased from ₹ 348.57 crore to ₹ 1224.76 crore during the study period. The growth rate of

deposits was the highest (43.75percent) in 2007-08 and the lowest (5.09 percent) in the year 2011-12. Compound annual growth rate of deposit mobilisation was 19.66 percent during the study period.

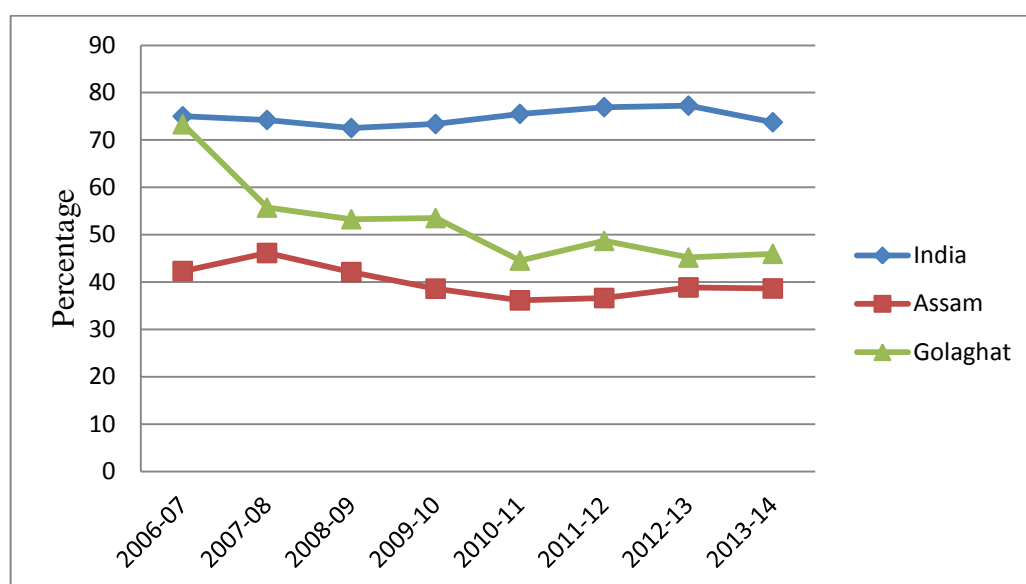
Credit deployment by public sector commercial banks was also significantly increased from ₹ 255.61 crore in 2006-07 to ₹ 563.02 crore in 2013-14. Annual growth rate was fluctuating in between 5.57 percent to 16.53 percent during the reference period. Compound annual growth rate of credit was 11.94 percent which was lower than the compound growth rate of deposit (19.66 percent) in Golaghat district.

**Figure 5.1: Growth Rate of Deposit and Credit in Golaghat District**



Credit-Deposit ratio of public sector banks in Golaghat district was very poor during the study period. Credit-Deposit ratio of public sector banks was below the norms specified by RBI during the study periods i.e., 60 percent except the year 2006-07. Though Credit Deposit Ratio is below the RBI norms but it is above the credit deposit ratio of Assam during the study period and is far below than India during the study periods, which was very much clear from the figure 5.2.

**Figure 5.2: Credit Deposit Ratio of India, Assam & Golaghat District**



### 5.1.1. Bank wise deposits of Public Sector banks in Golaghat District

Table 5.2 displays the deposits of all the public sector banks in Golaghat district of Assam. SBI holds major share of total deposits collected by public sector banks in all the year followed by UBI. SBI is playing the major role in deposits mobilisation in the district to tap the largest share during the period, i.e., 59.18 percent followed by UBI with 21.08 percent. Hence SBI and UBI are the major public sector banks in the district which collect more than 80 percent of total deposits collected by all public sector commercial banks. Bank of India (BOI) had least share of total deposits during the study period with 0.03 percent. Five public sector banks namely Union bank, Indian Overseas bank, IDBI, BOI, Canara Bank had collected less than 1 percent of total deposits during the study period. These banks have a few or no presence in rural areas and have branches in district headquarters and semi-urban areas.

**Table 5.2: Bank Wise Deposits of Public Sector Banks in Golaghat District of Assam**

(Figures in Lakhs)

<b>Banks</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Total</b>	<b>Percentage Share of Total Deposit</b>
<b>UBI</b>	8869.73	10262.4	12161.2	14186.3	18683.5	19998.5	23688	22600	130449	21.08
<b>SBI</b>	18720.8	31443.3	37375.9	40850.1	51208.2	50047.8	63540	72988	366174	59.18
<b>Vijaya Bank</b>	1580.86	2061.98	3820.51	2201.12	2680	2569.16	3086	3294	21293.6	3.44
<b>Indian Bank</b>	2590.09	3045.84	3508.34	3983.16	5236.7	6224.98	6435	7421	38445.1	6.21
<b>PNB</b>	920.4	1078	1505.68	1822.67	1453.84	2291.55	2815	3154	15041.1	2.43
<b>CBI</b>	1235.56	1248.33	1520.95	2101.88	2784.1	4228.25	4999	4819	22937.1	3.71
<b>Allahabad Bank</b>	939.29	967.06	1194.84	1677.81	2207.32	2750.1	3650	5273	18659.4	3.02
<b>Union Bank</b>	0	0	0	0	492	815	909	1487	3703	0.60
<b>IOB</b>	0	0	0	0	0	133	192	406	731	0.12
<b>IDBI</b>	0	0	0	0	0	0	187	485	672	0.11
<b>BOI</b>	0	0	0	0	0	0	0	204	204	0.03
<b>Canara Bank</b>	0	0	0	0	0	0	83	345	428	0.07
<b>Total</b>	34856.7	50106.9	61087.3	66823	84745.6	89058.3	109584	122476	618738	100.000

Source: Lead Bank Statement of Golaghat District (Various Issues)

### **5.1.2. Bank wise Credit of Public Sector banks in Golaghat District**

Table 5.3 depicts bank wise credit of public sector banks in Golaghat district of Assam. In case of credit deployment also SBI play major roles and occupies major share of total credit deployment by public sector banks during the study period followed by UBI during the study period. SBI had the largest share i.e., 68.62 percent while BOI had the least share i.e., 0.01 percent in the total advances of public sector banks during the study period. SBI and UBI together occupied more 80 percent share of total credit during the period due to wide branch network in rural and semi-urban areas. Share of other ten public sector banks in total credit was below 20 percent during the study period.

**Table 5.3: Bank wise Credit of Public Sector Banks in Golaghat District**

**(Figures in Lakhs)**

<b>Banks</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Total</b>	<b>Percentage Share of Total Credit</b>
<b>UBI</b>	2777.91	3163.85	3496.15	4951.37	6073.5	7143.25	8923	10035	46564	15.08
<b>SBI</b>	18957.4	20478.8	24255.1	25912.1	26165.3	28961	32057	35077	211864	68.62
<b>Vijaya Bank</b>	1316.74	1537.91	1769.37	1631.48	1588	1693.97	1628	1838	13003.5	4.21
<b>Indian Bank</b>	881.18	985.02	1189.77	1144.6	1480.58	1769.54	1936	2120	11506.7	3.73
<b>PNB</b>	317.83	361.37	374.58	428.41	296.74	689.18	782	888	4138.11	1.34
<b>CBI</b>	655.91	736.67	733.34	724.86	839.14	1175.2	1543	1936	8344.12	2.70
<b>Allahabad Bank</b>	653.77	664.2	727.25	970.95	1264.4	1826.2	2386	3664	12156.8	3.94
<b>Union Bank</b>	0	0	0	0	48.45	107	132	176	463.45	0.15
<b>IOB</b>	0	0	0	0	0	10	117	192	319	0.10
<b>IDBI</b>	0	0	0	0	0	0	0	71	71	0.02
<b>BOI</b>	0	0	0	0	0	0	0	40	40	0.01
<b>Canara Bank</b>	0	0	0	0	0	0	12	265	277	0.09
<b>Total</b>	25560.8	27927.8	32545.6	35763.8	37756.1	43375.3	49516	56302	308747	

Source: Lead Bank Statement of Golaghat District (Various Issues)

## 5.2. Priority Sector Lending By Public Sector Banks

Priority sector advances are a very crucial parameter for evaluating the performance of public sector banks. The main objective of priority sector lending (PSL) programme is that bank credit is made available to those segments of the economy on liberal terms and conditions, which were neglected by the banks in the past. The foremost achievement of nationalisation lies in the flow of massive credit to the neglected priority sectors. Table 5.4 depicts the priority sector lending, percentage share of PSL to Aggregate Net Bank Credit (ANBC) by public sector banks in Golaghat district.

**Table 5.4: Priority Sector lending by Public Sector Banks in Golaghat**

Year	Amount (₹ in crore)	Annual Growth (%)	Percentage Share to ANBC
2006-07	89.88	--	35.16
2007-08	135.91	51.21	48.67
2008-09	151.22	11.26	46.46
2009-10	187.16	23.77	52.33
2010-11	202.55	8.22	53.65
2011-12	264.94	30.81	61.08
2012-13	298.71	12.75	60.33
2013-14	374.13	25.25	66.45
CAGR (%)	22.60		

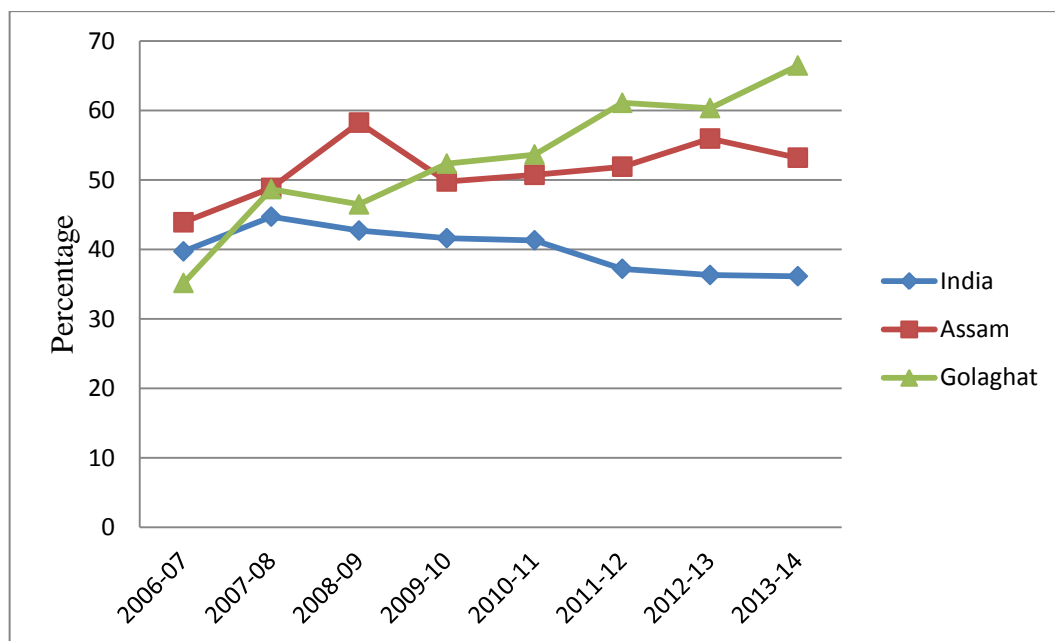
Source: Lead Bank Statement of Golaghat District (Various Issues)

Priority sector lending by public sector banks in Golaghat district had increased from ₹ 89.88 crore in 2006-07 to ₹ 374.13 crore in 2013-14. Annual growth of priority sector lending shown positive during the period. Annual growth rate was the highest (51.21 percent) in the year 2007-08 and the lowest (8.22 percent) in the year 2010-11.

Compound annual growth of priority sector lending in Golaghat district during the period was 22.60 percent, which was more than compound growth of PSL in India (17.57 percent) and Assam (19.56 percent) during the study period. Hence public sector banks in Golaghat district had shown better performance than Assam and India in priority sector lending.

Public sector banks in Golaghat district had achieved the target of priority sector lending set by RBI i.e., 40 percent of ANBC in all the year except 2006-07. Share of priority sector lending to ANBC has increased from 35.16 percent in 2006-07 to 66.45 percent in 2013-14. Percentage share of PSL to ANBC in Golaghat district was below than Assam till 2006-07 to 2008-09 and thereafter it was more than Assam till 2013-14 which was clearly visible from the figure 5.3. Percentage share of PSL to ANBC in Golaghat District was above the percentage share of India during the reference period except 2006-07.

**Figure 5.3: Percentage Share of PSL to Total Credit in India, Assam & Golaghat**



**5.2.1. Bank-Wise Priority Sector Lending by Public Sector Banks in Golaghat**

Table 5.5 depicts bank wise priority sector lending by public sector banks in Golaghat District of Assam. SBI playing the major role in priority sector lending followed by



UBI in all the years during the study period. More than 50 percent of total priority sector credit provided by SBI during the study period followed by UBI with 23.04 percent. 76.81 percent of total priority sector lending during the period deployed by SBI and UBI due to wide branch network in rural and semi-urban areas. Five public sector banks namely Union bank, Indian Overseas bank, IDBI, BOI, Canara Bank had deployed less than 1 percent of total priority sector lending during the study period due to opening their branches in the district few years bank. These banks have a few or no presence in rural areas and have branches in district head quarters and semi-urban areas. SBI have got 1<sup>st</sup> rank in terms of percentage share of total priority sector lending followed by UBI. Allahabad Bank got the 3<sup>rd</sup> position and BOI had got the last position in terms of percentage share of total priority sector lending.

**Table 5.5: Bank Wise Priority Sector Lending In Golaghat District of Assam**

(Amount in Lakhs)

<b>Banks</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Total</b>	<b>Percentage Share of Total PSL</b>
<b>UBI</b>	1743.37	2308.57	2720.21	4201.77	4432.45	6830.4	7941.47	9088	39266.2	23.04
<b>SBI</b>	4572.09	8071.06	8733.58	10734.9	12939.2	13611.7	14746.22	18240	91648.7	53.77
<b>Vijaya Bank</b>	968.24	1101.67	1172.89	1149.75	246.95	1334.36	1383.80	1796	9153.66	5.37
<b>Indian Bank</b>	677.63	763	987.77	949.99	993	1352.82	1484.52	1634	8842.73	5.19
<b>PNB</b>	203.2	272.62	312.07	321.86	258.74	590.45	672.52	713	3344.46	1.96
<b>CBI</b>	402.9	476.49	631.3	582.96	170.62	979.45	1326.98	1832	6402.7	3.76
<b>Allahabad Bank</b>	420.85	597.78	564.16	774.49	1174.1	1720.1	2147.40	3548	10946.9	6.42
<b>Union Bank</b>	0	0	0	0	39.54	74.92	102.96	165	382.42	0.22
<b>IOB</b>	0	0	0	0	0	0	65.52	152	217.52	0.13
<b>IDBI</b>	0	0	0	0	0	0	0.00	59	59	0.03
<b>BOI</b>	0	0	0	0	0	0	0.00	28	28	0.02
<b>Canara Bank</b>	0	0	0	0	0	0	0.00	158	158	0.09
<b>Total</b>	8988.28	13591.2	15122	18715.7	20254.6	26494.2	29871.4	37413	170450	100.00

Source: Lead Bank Statement of Golaghat District (Various Issues)

### 5.3. Agriculture Finance by Public Sector Banks in Golaghat District

Agriculture plays an important role in the economic development of India and this sector provided livelihood of more than 65 per cent of the population in India which contributes less than 20 per cent to GDP, with a sizable share of exports. To meet the requirement of the growing population and rapid developing economy, agriculture has to grow fast and get modernized. It would be very difficult to get the benefits of modernization of agriculture without adequate credit to the farmers at reasonable interest. Agricultural credit clearly started to grow after bank nationalisation, and it has been growing continuously since then. Table 5.6 depicts the trend and growth of public sector banks in Golaghat district during 2006-07-2013-14.

**Table 5.6: Agricultural Finance by Public Sector Banks in Golaghat District**

Year	Amount (₹ in Crore)	Annual Growth (%)	Percentage Share to ANBC
2006-07	32.67		12.78
2007-08	47.42	45.17	16.98
2008-09	64.90	36.85	19.94
2009-10	91.78	41.43	25.66
2010-11	98.81	7.66	26.17
2011-12	146.88	48.64	33.86
2012-13	169.17	15.17	34.16
2013-14	245.14	44.91	43.54
<b>CAGR (%)</b>	33.37		

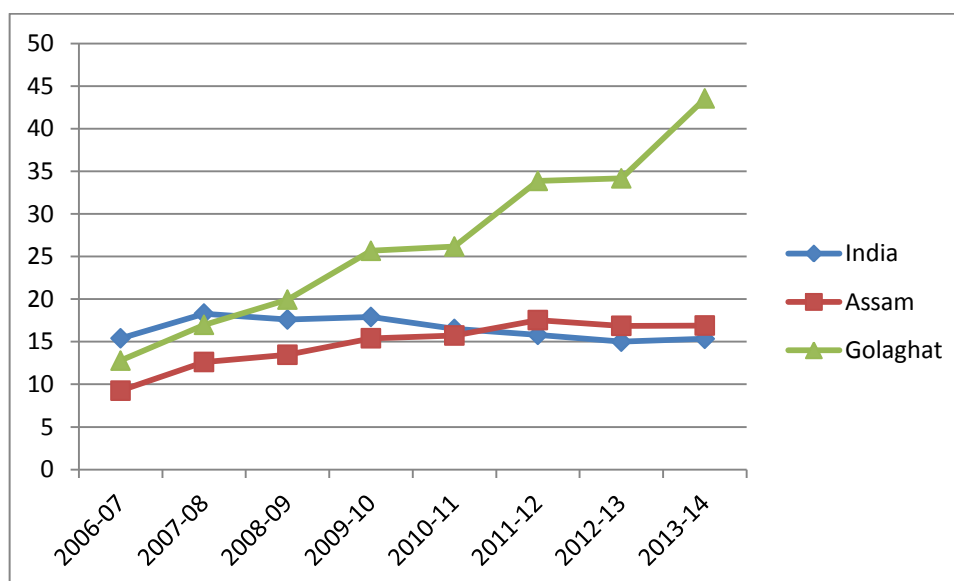
Source: Lead Bank Statement of Golaghat District (Various Issues)

Agricultural credit by public sector banks in Golaghat District had increased manifold from ₹ 32.67 crore in 2007 to ₹ 245.14 crore in 2014. Annual growth rate of agricultural credit was the highest (48.64 percent) in 2011-12 and the lowest (7.66) in 2010-11. Compound annual growth rate of agriculture finance was 33.37 percent which

was higher than that of total agriculture lending in India (19.06 percent) and Assam (26.77 percent) during the study period.

Percentage share of Agriculture finance to ANBC in Golaghat district has continuously increased from 12.78 percent in 2006-07 to 43.54 percent in 2013-14. Percentage share of agriculture credit to ANBC was below the target set by RBI in the year 2006-07 and 2007-08 and after that the percentage is improving as well as above the target set by RBI i.e., 18 percent of ANBC. Percentage share of agriculture credit to ANBC in Golaghat district was above the percentage in India and Assam during the study period except the year 2006-07 and 2007-08. Hence, public sector banks made satisfactory performance in agriculture finance during the study period.

**Figure 5.5: Percentage Share of Agriculture Finance to ANBC by Public Sector Banks in India, Assam and Golaghat District**



### 5.3.1. Bank-Wise Agricultural Finance by Public Sector Banks in Golaghat District

Table 5.7 depicts bank wise agricultural lending by public sector banks in Golaghat District of Assam. SBI is playing the major role in agricultural lending followed by UBI during the study period. Out of the total agriculture credit deployed by public

sector banks, more than 50 percent deployed by SBI during the study period followed by UBI with 23.04 percent. SBI and UBI together deployed 78.84 percent of total agricultural lending during the period due to wide branch network in rural and semi-urban areas. Five public sector banks namely Union bank, Indian Overseas bank, IDBI, BOI, Canara Bank had deployed less than 1 percent of total priority sector lending during the study period due to involvement in banking business in the district few years back. These banks have a few or no presence in rural areas and have branches in district head quarters and semi-urban areas. SBI have got 1<sup>st</sup> rank in terms of percentage share of total agricultural lending followed by UBI. Indian Bank got the 3<sup>rd</sup> position and IDBI had got the last position in terms of percentage share of total agricultural lending.

**Table 5.7: Bank Wise Agricultural Lending In Golaghat District of Assam**

(Amount in Lakhs)

<b>Banks</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Total</b>	<b>Percentage Share of Total Agricultural Credit</b>
<b>UBI</b>	592.76	792.23	1097.71	2594.75	2945.2	3918.3	4628.3	8254	24823.3	27.68
<b>SBI</b>	1652.94	2731.65	3880.02	4913.56	5669.92	7730.92	8567.4	10736	45882.4	51.16
<b>Vijaya Bank</b>	124.84	181.68	233.47	365.49	46	493.1	512	616	2572.58	2.87
<b>Indian Bank</b>	476.66	499.31	663.79	664.87	397.2	1091.95	1208.2	1391	6392.98	7.13
<b>PNB</b>	101.19	91.76	160.03	141.09	95.73	278.48	328.4	396	1592.68	1.78
<b>CBI</b>	95.03	115.4	147.23	156.99	143.3	343.5	587.8	993	2582.25	2.88
<b>Allahabad Bank</b>	223.36	330.22	307.4	341.69	576.61	816.2	1047.4	2009	5651.88	6.30
<b>Union Bank</b>	0	0	0	0	7.3	15.5	35	88	145.8	0.16
<b>IOB</b>	0	0	0	0	0	0	2	4	6	0.01
<b>IDBI</b>	0	0	0	0	0	0	0	0	0	0.00
<b>BOI</b>	0	0	0	0	0	0	0	4	4	0.004
<b>Canara Bank</b>	0	0	0	0	0	0	0	23	23	0.03
<b>Total</b>	3266.78	4742.25	6489.65	9178.44	9881.26	14688	16916.5	24514	89676.8	100

Source: Lead Bank Statement of Golaghat District (Various Issues)

#### 5.4. Credit to Micro & Small Enterprise (MSE) by Public Sector Banks

Small scale industries and cottage industries constitute another important segment of the economy. They provide maximum employment next only to agriculture and account for more than one third of the total exports of the country. After nationalisation of commercial banks, there is a significant improvement in credit deployment to small scale industry for fostering the industrial growth as well as GDP. Table 5.8 showed trend and growth of micro and small Enterprise (MSE) finance by public sector banks in Golaghat district.

**Table 5.8: MSE Finance by Public Sector Banks in Golaghat District**

<b>Year</b>	<b>Amount (₹ in Crore)</b>	<b>Annual Growth (%)</b>	<b>Percentage Share to ANBC</b>
<b>2006-07</b>	16.18	--	6.33
<b>2007-08</b>	20.56	27.06	7.36
<b>2008-09</b>	22.32	8.55	6.86
<b>2009-10</b>	53.10	137.88	14.85
<b>2010-11</b>	54.80	3.21	14.51
<b>2011-12</b>	47.24	-13.80	10.89
<b>2012-13</b>	51.73	9.51	10.45
<b>2013-14</b>	49.69	-3.95	8.83
<b>CAGR (%)</b>	17.38		

Source: Lead Bank Statement of Golaghat District (Various Issues)

MSE finance by public sector commercial banks in Golaghat district has shown fluctuating trend during the study period. Finance to MSE has significantly increased from ₹ 16.18 crore in 2006-07 to ₹ 54.80 crore in 2010-11 and thereafter it has decreased to ₹ 47.24 crore in 2011-12. Annual growth rate of MSE finance was not positive in the year 2011-12 and 2012-13. Annual growth rate of MSE finance was the highest (137.88 percent) in the year 2009-10 and the lowest (-13.80 percent) in the year

2011-12. Compound annual growth rate of credit deployment during the period was 17.38 percent which was lower than the compound growth rate of MSE finance in India (28.32 percent) as well as Assam (21.42 percent). Percentage share of MSE credit to aggregate net bank credit (ANBC) had varied between 6.33 in 2006-07 to 14.85 percent in 2009-10 during the reference period. Percentage share of MSE credit to ANBC had continuously decreased from 14.85 percent in 2010-11 to 8.83 percent in 2013-14.

#### **5.4.1. Bank –Wise MSE Finance by Public Sector Bank in Golaghat District**

Table 5.9 depicts bank wise MSE lending by public sector banks in Golaghat District of Assam. SBI was playing the major role in MSE lending followed by UBI in all the years during the study period. 46.62 percent of total MSE credit provided by SBI during the study period followed by UBI with 24.87 percent. 71.49 percent of total MSE lending during the period deployed by SBI and UBI due to wide branch network in rural and semi-urban areas. Five public sector banks namely Union bank, Indian Overseas bank, IDBI, BOI, Canara Bank had deployed less than 1 percent of total priority sector lending during the study period due to opening their branches in the district few years bank.



**5.9: Bank –Wise MSME Finance by Public Sector Bank in Golaghat District**

**(Amount in Lakhs)**

<b>Banks</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Total</b>	<b>Percentage Share of Total MSME Credit</b>
<b>UBI</b>	358.18	520.99	641.35	1222.23	1385.3	1538.73	1595.4	587	7849.18	24.87
<b>SBI</b>	613.78	856.85	786.4	2901.6	3467.7	1729.58	1920.5	2438	14714.41	46.62
<b>Vijaya Bank</b>	338.44	350.72	405.26	617.92	43.45	427.6	448.8	530	3162.19	10.02
<b>Indian Bank</b>	48.57	41.89	79.7	48.94	93.2	20.84	32.2	48	413.34	1.31
<b>PNB</b>	44.27	74.08	41.86	81.49	67.5	145.67	149.7	154	758.57	2.40
<b>CBI</b>	149.87	166.46	154.93	116.27	7.1	246.3	295	330	1465.93	4.64
<b>Allahabad Bank</b>	65.17	45.25	122.53	321.1	410.14	596.4	647.5	726	2934.09	9.30
<b>Union Bank</b>	0	0	0	0	5.85	18.6	20.5	24	68.95	0.22
<b>IOB</b>	0	0	0	0	0	0	63.52	65	128.52	0.41
<b>IDBI</b>	0	0	0	0	0	0	0	15	15	0.05
<b>BOI</b>	0	0	0	0	0	0	0	7	7	0.02
<b>Canara Bank</b>	0	0	0	0	0	0	0	45	45	0.14
<b>Total</b>	1618.28	2056.24	2232.03	5309.55	5480.24	4723.72	5173.12	4969	31562.18	100

Source: Lead Bank Statement of Golaghat District (Various Issues)

### 5.5. Other Priority Sector Lending by Public Sector Banks

Other priority sector includes small road and water transport operators, retail trade, small business, professional and self-employed persons, education loans, housing, lending to state sponsored organisation for schedule caste/ tribe, consumption loans and other miscellaneous loans.

**Table 5.10: OPS Lending by Public Sector Banks in Golaghat District**

<b>Year</b>	<b>Amount (₹ in Crore)</b>	<b>Annual Growth (%)</b>	<b>Percentage Share to ANBC</b>
<b>2006-07</b>	41.03	--	16.05
<b>2007-08</b>	67.93	65.55	24.32
<b>2008-09</b>	64.00	-5.78	19.67
<b>2009-10</b>	42.28	-33.94	11.82
<b>2010-11</b>	48.93	15.74	12.96
<b>2011-12</b>	70.83	44.75	16.33
<b>2012-13</b>	77.82	9.87	15.72
<b>2013-14</b>	79.30	1.90	14.08
<b>CAGR (%)</b>	9.87		

Source: Lead Bank Statement of Golaghat District (Various Issues)

Table 5.10 displays that other priority sector lending by public sector banks in Golaghat district had shown fluctuating trend during 2006-07 to 2009-10. After that it had continuously increased from ₹ 42.28 crore in 2009-10 to ₹ 79.30 crore in 2013-14. Annual growth rate had shown positive during the study period except the year 2008-09 and 2009-10. Annual growth rate was highest (65.55 percent) in the year 2007-08 and lowest (-33.94 percent) in the year 2009-10. Percentage share of OPS to ANBC had varied between 11.82 percent in 2009-10 to 24.32 in 2007-08 percent during the study period. Compound annual growth rate of OPS lending during the study period was 9.87

percent which was lower than the compound annual growth rate of PSL, agriculture lending and MSE lending in Golaghat.

#### **5.5.1. Bank –Wise other priority sector Finance by Public Sector Bank in Golaghat District**

Table 5.11 depicts bank wise OPS lending by public sector banks in Golaghat District of Assam. SBI was the major contributor in other priority sector lending in Golaghat district in all the years during the study period. SBI got 1<sup>st</sup> position in terms of share of total OPS lending, provided 63.10 percent of total OPS credit during the study period followed by UBI with 13.40 percent. SBI and UBI altogether provided 76.50 percent of total other priority sector lending during the period deployed which had wide branch network in rural and semi-urban areas. Five public sector banks namely Union bank, Indian Overseas bank, IDBI, BOI, Canara Bank had deployed less than 1 percent of total OPS lending during the study period due to opening their branches in the district few years bank. These banks have a few or no presence in rural areas and have branches in district head quarters and semi-urban areas. Vijaya Bank got the 3<sup>rd</sup> position and BOI had got the last position in terms of percentage share of total OPS lending.

**5.11: Bank –Wise OPS Finance by Public Sector Bank in Golaghat District**

(Amount in Lakhs)

<b>Banks</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Total</b>	<b>Percentage Share of Total OPS</b>
<b>UBI</b>	792.43	995.35	981.15	384.79	101.95	1373.37	1717.77	247	6593.81	13.40
<b>SBI</b>	2305.37	4482.56	4067.16	2919.74	3801.53	4151.17	4258.32	5066	31051.9	63.10
<b>Vijaya Bank</b>	504.96	569.27	534.16	166.34	157.5	413.66	423	650	3418.89	6.95
<b>Indian Bank</b>	152.4	221.8	244.28	236.18	502.6	240.03	244.12	195	2036.41	4.14
<b>PNB</b>	57.74	106.78	110.18	99.28	95.51	166.3	194.42	163	993.21	2.02
<b>CBI</b>	158	194.63	329.14	309.7	20.22	389.65	444.18	509	2354.52	4.78
<b>Allahabad Bank</b>	132.32	222.31	134.23	111.7	187.35	307.5	452.5	813	2360.91	4.80
<b>Union Bank</b>	0	0	0	0	26.39	40.82	47.46	53	167.67	0.34
<b>IOB</b>	0	0	0	0	0	0	0	83	83	0.17
<b>IDBI</b>	0	0	0	0	0	0	0	44	44	0.09
<b>BOI</b>	0	0	0	0	0	0	0	17	17	0.03
<b>Canara Bank</b>	0	0	0	0	0	0	0	90	90	0.18
<b>Total</b>	4103.22	6792.7	6400.3	4227.73	4893.05	7082.5	7781.77	7930	49211.3	100

Source: Lead Bank Statement of Golaghat District (Various Issues)

### Testing of Hypotheses

The following null hypotheses were framed for the study.

H1. There is no significant difference between the growth rates of advances at the district and state levels.

H2. There is no significant difference between the growth rates of priority sector advances at district and state levels.

H3. There is no significant difference between the growth rates of agriculture lending at district and state levels.

H4. There is no significant difference between the growth rates of MSE lending at district and state levels.

The Mann-Whitney test was used to test the above hypotheses. To test the hypotheses, U values were calculated for growth rate of total advances priority sector lending, agriculture lending and MSME lending are given in table 4.12

#### Mann-Whitney Test (level of significance 0.05)

Growth Rate	Calculated Value	Table Value	Result
Total Advances	14	8	Accept H <sub>1</sub>
priority sector advances	22	8	Accept H <sub>2</sub>
Agriculture Advances	16	8	Accept H <sub>3</sub>
MSE Advances	18	8	Accept H <sub>4</sub>

The results of Mann-Whitney test confirm that there is no significant difference between the growth rate of total advances, priority sector lending, agriculture lending and MSE lending of public sector commercial banks at the district and state levels. Hence the hypotheses H<sub>1</sub>, H<sub>2</sub>, H<sub>3</sub>, and H<sub>4</sub> are accepted.