CHAPTER – 2

LITERATURE REVIEW

2.1 What is a Literature Review?

2.2 Conducting a Literature Review

2.3 Review of the Studies

References
2.1 WHAT IS A LITERATURE REVIEW?

A literature review is an account of what has been published on a topic by accredited scholars and researchers. Occasionally you will be asked to write one as a separate assignment (sometimes in the form of an annotated bibliography), but more often it is part of the introduction to an essay, research report, or thesis. In writing the literature review, your purpose is to convey to your reader what knowledge and ideas have been established on a topic, and what their strengths and weaknesses are. As a piece of writing, the problem or issue you are discussing or your argumentative thesis. It is not just a descriptive list of the material available, or a set of summaries.

Besides enlarging your knowledge about the topic, writing a literature review lets you gain and demonstrate skills in two areas.

1. Information Seeking
The ability to scan the literature efficiently, using manual or computerized methods, to identify a set of useful articles and books.

2. Critical Appraisal
The ability to apply principles of analysis to identify unbiased and valid studies.

A literature review must do these things:
1) be organized around and related directly to the thesis or research question you are developing
2) synthesize results into a summary of what is and is not known
3) identify areas of controversy in the literature
4) formulate questions that need further research

A literature review is a piece of discursive prose, not a list describing or summarizing one piece of literature after another. It's usually a bad sign to see every paragraph beginning with the name of a researcher. Instead, organize the literature review into sections that present themes or identify trends, including relevant theory. You are not trying to list all the material published, but to synthesize and evaluate it according to the guiding concept of your thesis or research question.
A literature review can be a precursor in the introduction of a research paper, or it can be an entire paper in itself, often the first stage of large research projects, allowing the supervisor to ascertain that the student is on the correct path.

A literature review is a critical and in depth evaluation of previous research. It is a summary and synopsis of a particular area of research, allowing anybody reading the paper to establish why you are pursuing this particular research program. A good literature review expands upon the reasons behind selecting a particular research question.

2.2 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 folder.
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 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 results.
2.3 REVIEW OF THE STUDIES

Researcher had reviewed the past few years published Literature and data available from various publications, some research work is certainly available which is described as follows.

STUDY: 1

Title
Regional Rural Banks In Rajasthan

Name of the Researcher
M.S.Bapana

Publication Year
1989

Publisher
Himalaya Publishing House

Objectives of the Study
1. To study the organization and working of the four Regional Rural Banks of Rajasthan.
2. To assess the financial resources of Regional Rural Banks.
3. To examine the role of the Regional Rural Banks in providing credit and other facilities to the following sectors and for the following purposes:

A. Direct Advances
   I. Short-term Crop Loans,
   II. Term Loans, Agricultural Investments,
   III. Allied Activities,
   IV. Rural Artisans, village and cottage Industries,
   V. Retail Trade/ Small Business, Self-employed persons, etc.,
   VI. Other Purposes

B. Indirect Advances

C. Loans Under Special Programme, i.e.
I. Integrated Rural Development Programme (IRDP)
II. Differential Rate of Interest Scheme (DRI), and
III. Other programmes/schemes.

4. To examine the viability of the Regional Rural Banks. One of the objectives of this investigation was to test the following hypotheses:
   1. “The farmers and rural artisans, retailers and small businessmen, landless labourers and other weaker sections of the community have been greatly benefited with the establishment of the Regional Rural Banks.”
   2. “The Regional Rural Banks suffers from many structural drawbacks which call for effective measures to fill up the gap between the banks objectives and their implementation.”
   3. “The Regional Rural Banks are not economically viable institutions.”

**Period of the Study**
1975-1984

**Methodology**
To collect the statistical data and other information about the Regional Rural Banks two unstructured schedules were prepared, one for the administrators, top executives, managers at Head Office and at the branches; and the other for the beneficiaries.

For analytical comparison of the performance of the Regional Rural Banks studied, we have used a framework in which ten indicators have been used. These indicators were derived by relating various components of profit and loss account statements a common denominator-volume of business. Volume of business was defined as the total of deposits and out-standing advances.

For making interbank analysis, Regression Analysis, ‘Z’ Score was used. Other techniques used for an in-depth examination of the various types of data are: Ratio Analysis, coefficient of Variation (CV), Compound Growth Rate and Projections of Growth Rate, etc.
For a micro study of all the 4 Regional Rural Banks the investigator personally visit all of them to collect various types of data and information from the officers, employees, depositors and beneficiaries. All the publications and reports relating to the Regional Rural Banks were studied and all other agencies and institutions, where data and information regarding the proposed study were available, were contacted personally by the investigator to collect the needed information. In other words, the various types of data and other information were all collected mainly from the accounting and non-accounting records.

**Sample Size**

Four RRBs in Rajasthan out of four RRBs (100% sampling).
1. Jaipur-Nagaur Aanchalik Gramin Bank
2. Marwar Gramin Bank, Pali
3. Shekhawati Gramin Bank
4. Marudhar Kshetriya Gramin Bank

**Chapterization**

1. Introduction
2. Historical Resume of the Regional Rural Bank In the Context of India and Rajasthan.
3. Organization and Management.
5. Lending and Recovery Performance.
7. Problems and Suggestions
8. Findings and conclusions
Major Findings

1. There is no single master to control and direct the activities of a Regional Rural Bank.
2. It was observed that the Union Government holding 50 percent of the equity was inactive and the Directors of the Central Government rarely attended the Board meetings.
3. Poor Recovery of Loans and Advances
4. Profitability analysis of four Regional Rural Banks clearly indicates that these RRBs were economically not viable during the period of the study.
5. Efforts should be made to reduce staff and establishment costs by better management.

Major Suggestions

1. Management subsidy should be given either by the State Government or by the sponsoring bank.
2. Refinance should be made available at 6 per cent both from sponsoring bank and NABARD.
3. Officials on different disciplines, i.e. agriculture, small-scale industries and veterinary science, etc., should be placed by the State Government at the disposal of the Regional Rural Banks free of cost.
4. The State Government machinery should help the Regional Rural Banks in the recovery of dues as they do in the case of the cooperatives.
5. The paid-up share capital of the Regional Rural Banks should be raised to Rs. 50 Lakhs so that more cost-free funds are available to them.
6. The amount of minimum deposits required to be kept with Reserve Bank of India under the RBI Act, 1934, is applicable both to the rural banks own deposits and to the borrowings from the sponsoring banks. Thus the rural banks pay interest to sponsoring banks. Thus the rural banks pay interest to sponsoring bank on an amount which is kept interest free with the RBI. This compulsion should be waived.
The commercial banks should not compete with the rural banks in their area of operation. Here the agencies should be cooperatives and the rural banks only.

In case where the existing area of operation does not provide adequate business potential for reaching viability level, it must be extended to cover the adjoining district.

Efforts should be made to reduce staff and establishment costs by better managements.

Review

This study at present mainly focuses on the working and growth of Regional Rural Banks in Rajasthan. This study covers various aspects of bank management, e.g., financial resources, loans and advances, recovery performance and viability, etc., of rural banks were studied in detail. The specific aspects that have been emphasized upon include organization, management, financial resources, loans and advances, recovery performance and viability of RRBs. Some suggestions has been made through study which will be helpful to the government and the banks as a whole. The researcher can be covered more units for study.

STUDY: 2

Title
Organisation And Working of Regional Rural Banks In Gujarat

Name of the Researcher
Chandrakant k. Sonara

Publication Year
1998

Publisher
Anmol Publications Pvt. LTD. New Delhi
Objectives of the Study

1. To study the origin and to review the growth of RRBs in Gujarat.
2. To know the management and the organizational set up of the banks.
3. 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.
4. To assess the viability of the banks and to identify their problems.
5. To derive conclusions and suggest measures for improving their performance.

Period of the Study
1984-85 to 1993-04

Methodology

The methodology includes collection of secondary data and supported by the primary data. For collecting the primary data, two separate sets of schedules were specially designed, one for the banks and their branches and other for the beneficiaries. Five head offices and 25 branches belonging to the 5 selected banks were covered for this purpose. An effort was also made to send the schedules to around 100 beneficiaries spread over the area of operation of the five selected banks. Out of these 40 beneficiaries responded. The secondary data has been collected by obtaining the annual reports from the banks and It has been supported by the various publications and reports published by RBI, NABARD or Government of India specially prepared in relation to the working of RRBs. In the chapter on viability, to assess the profitability of the selected banks, the profitability model developed by Mrs. Varsha Varde and Sampat Singh in their study on “Profitability Performance of Regional Rural Banks” – Prajana, Oct-Dec., 1982, was been used. For this purpose 10 parameters were used and requisite were calculated to drive appropriate results.
Sample Size
Five RRBs in Gujarat from out of seven RRBs.
1. The Panchmahal-Vadodara Gramin Bank
2. Surat-Bharuch Gramin Bank
3. Banaskantha-Mehsana Gramin Bank
4. Sabarkantha-Gadhinagar Gramin Bank
5. Surendranagar-Bhavnagar Gramin Bank

Chapterization
1. Genesis and Growth of Regional Rural Banks
2. Management and Organizational Set Up
3. Mobilization of Financial Resources
4. Lending and Recovery Performance.
5. Viability of Regional Rural Banks
7. Conclusions and Suggestions.

Major Findings
1. Up to March, 1994 196 RRBs were working with their 14,539 branches in India and have been covered 392 district of the country.
2. Recovery performance of RRBs in Gujarat was very poor.
4. Every RRB must have General Manager to look after routine matters of the banks.
5. Government must efforts for viability of RRBs.
Major Suggestions

1. The Chairman of the RRB is the key person; much depends on his all-round capacity and ability for shouldering the responsibility cast on him. The selection of the Chairman of the RRB should, therefore, be done by a proper method of nomination and interview by a competent panel of experts.

2. Every rural bank must have a General Manager to look after routine matters, as suggested by the Dantwala committee.

3. Recruitment, training and promotions of the staff may be centralized at the State level through autonomous boards.

4. Each and every farmer should be issued a ‘Loan Book’ in which granting and collection of loans may be noted down by authorities.

5. The RBI/NABARD should permit these rural banks to allow one per cent more rate of interest on deposits to attract more deposits from the urban and rural people.

6. The staff of RRB should always be alert and cautious regard itself the custodian of public money, though over cautiousness is as bad recklessness or over enthusiasm.

7. The top management should also review periodically the sticky accounts and take suitable steps before the situation gets out of control.

8. RRBS may open branches in rural areas and wherever RRBs are well-established, offices of commercial banks in operating rural areas of RRBs may take over by RRBs and their power of lending may be widened to include not only small borrowers, but also others.

Review

This study at present mainly focuses on the organization and working of regional rural banks in Gujarat. The study analyzes the all aspect of working. The study is based on primary and secondary data. It evaluates past and present performance of study. The researcher has made several steps to improve the efficacy and effectiveness of management which will guide the management for improving and formulating new policies.
STUDY: 3

Title
Dimension of Growth of Urban Co-Operative Banks In and Around Anand – A Study of Selected Banks

Name of the Researcher
Nital P. Mahajan

Publication Year
December 1998, a dissertation submitted to the Department of Business Studies, Sardar Patel University, Vallabh Vidyanagar for the Degree of Master of Philosophy.

Objectives of the Study
1. To access the performance of Urban co-operative banks with the parameters of growth like deposits, advances, profitability and other allied matters and added to compare the performance of the selected Urban Co-operative Banks.
2. To study the overall status of urban co-operative banks in India, in Gujarat and particularly in kheda district in that specifically in and around Anand in various areas of their activities.

Period of the Study
The period of the study was eight years during the period from 1990 to 1998

Sample Size
For the research work six urban co-operative banks were selected. They were as under:
1. The Anand Mercantile Co-operative Bank Ltd.
2. The Anand People’s Co-operative Bank Ltd.
3. The Anand Urban Co-operative Banks Ltd.
4. Charotar Nagar Sahkari Bank Ltd.
5. The Vaso Co-operative Bank Ltd.
6. The Karamsad Urban Co-operative Bank Ltd.
Chapterization

1. Profile of Urban Co-operative Banks in India
2. Growth of UCBs in Gujarat
3. Profile of UCBs in Kheda District and in Around Anand
4. Dimension of Growth of Selected Urban Banks – Deposits
5. Dimension of Growth of Selected Urban Banks – Advances
6. Dimension of Growth of Selected Urban Banks – Profitability and other issues
7. Findings and Suggestion

Major Findings

As per the research were the major findings were as follows:

1. The share capital, working capital and reserves were rising at the faster rate of the UCBs around Anand in the research period.

2. All the selected banks were insured banks under the deposit insurance scheme so people had trust on such banks, which will make the development of UCBs.

3. UCBs could fulfill their 75% of working capital need by their own deposits and they were self reliant.

4. More on. of branches especially Mahila branches should be opened for the development women group.

5. Because of the competition prevailing in the banking field amounts the commercial banks and UCBs it is the high time in the UCBs to develop the marketing concept and they should made all efforts to adopt the marketing concept while expanding their business.
Review
This study at present mainly focuses on Dimension of Growth of Urban Co-operative Banks and Around Anand. The study is based on primary and secondary data. It evaluates past and present performance of study. The researcher has made several steps to improve the efficacy and effectiveness of management which will guide the management for improving and formulating new policies.

STUDY: 4

Title
An Analytical Study of the Operation of Regional Rural Banks in Gujarat

Name of the Researcher
Mr. Labhu J. Vanani

Publication Year
June 2008, a dissertation submitted to the Department of Business Studies, Sardar Patel University, Vallabh Vidyanagar for the Degree of Master of Philosophy.

Objectives of the Study
1. To study the origin and to review the growth of RRBs in Gujarat.
2. To evaluate the ion performance of the banks in relation to their mobilization of financial resources, disbursement of loans and advances and their overdue and recovery position.
3. To assess the profitability performance of RRBs.
4. To derive conclusion and suggest measures for improving their performance.

Period of the Study
The period of the study was three years during the period from 2005-06 to 2007-08.
Methodology
The methodology includes collection of secondary data and supported by the primary data. For the purpose of analysis of balance sheet and profit and loss account, they have been rearranged and presented in condensed form. The figures taken from annual reports and accounts have been rounded off up to two decimal places in lakhs of rupees.

Sample Size
Three RRBs in Gujarat out of three RRBs (100 % sampling).
1. Baroda Gujarat Gramin Bank
2. Saurashtra Gramin Bank
3. Dena Gujarat Gramin Bank

Chapterization
1. Introduction
2. Profile of Regional Rural Banks
3. Mobilization of Financial Resources
4. Lending and Recovery Performance
5. Analysis of Financial Performance of RRBs in Gujarat
6. Findings and Suggestions

Major Findings
1. Up to March 2008, 3 RRBs were operating with their 389 branches in India (excluding 37 satellite offices) and have been covered 22 out of the 26 revenue districts in Gujarat.
2. The profitability performance of Saurashtra Gramin Bank was good compare to Gujarat Gramin Bank and Dena Gujarat Gramin Bank during the period from 2005-06 to 2007-08.
3. It was observes that the officers recruited by the banks were inexperienced and untrained.
4. Out of the RRBs, it was observed that all of them provided substantial portion of their loans for agricultural purposes, but the percentage share of crop loan in the total direct aggregate advance showed in different trend.
5. Efforts should be made to reduce staff and establishment costs by adopting better management.

**Major Suggestions**

The chairman should have compliment of expert in the field of agriculture, animal husbandry, village and cottage industries, banking, rural economics etc.

1. Every rural bank must have a general manager to look after routine matters, as suggested by the Dantawala committee.

2. Requirements training and promotion of the staff may be centralized at the state level through autonomous boards.

3. Each and every farmer should be issued a “loan book” in which granting and collection of loans for productive purpose.

4. It would be necessary for the RRBs to increase their lending for consumption purpose also. This is to be done in the same mater as is done in the case of other loans for productive purpose.

5. The top management should also review periodically the strict account and suitable steps before the situation gets out of control.

**Review**

This study at present mainly focuses on operations of regional rural banks in Gujarat. It is felt that the direction of reform should be towards restructuring of RRBs organization to provide economics of scale and by developing their financial assets in such manner, so as to provide them substantial additional income without deserting the focus from agriculture and rural development aimed at the weaker sections. Government is considering a mechanism in order to bring back RRBs from their moribund state into a viable and vibrant part of the institutional credit delivery system for serving the rural poor.
Title
Financial Strategy of Rural Banking In Gujarat

Name of the Researcher
Chhaya Jasbhai Prajapati

Publication Year
June 2011, a dissertation submitted to the Department of Business Studies, Sardar Patel University, Vallabh Vidyanagar for the Degree of Master of Philosophy.

Objectives of the Study
1. To analyze the function of RRBs for which the RRBs were established.
2. To make an analytical study of RRBs, growth and development in India.
3. To derive conclusions and suggest measures for improving financial performance.
4. To assess the viability of the banks and to identify their problems.
5. To derive conclusions and suggest measures for improving their performance.

Period of the Study
The period of the study was five years during the period from 2005-06 to 2009-10.

Methodology
Researcher has used secondary data in the study. Considering the title of the study, secondary data have been used for the study. It was taken from various journals, bulletins related to the banking area, the survey published in financial express and other related websites.

Sample Size
Three RRBs in Gujarat out of three RRBs (100% sampling).
1) Baroda Gujarat Gramin Bank
2) Saurashtra Gramin Bank
3) Dena Gujarat Gramin Bank
Chapterization

1. Introduction
2. Profile of Regional Rural Banks in Gujarat
3. Financial Resources and Investment of RRBs
4. Lending and Recovery Performance of RRBs
5. Analysis of Financial Performance of RRBs
6. Findings and Suggestions

Major Findings

1. It was observed that aggregate borrowing of RRBs increased substantially during the period from 2005-06 to 2009-10.
2. The RRBs should declare different schemes and offers once or twice in a year, so as to satisfy their customers.
3. Total RRBs in Gujarat were operating with their 426 branches and they covered 26 districts in Gujarat.
4. As on 31st March, 2010 the SGB has a network of 151 branches and 8 satellite offices spread over 7 districts of Gujarat state.
5. BGGB is having 132 Branches covering 12 districts of Gujarat state.
6. The profitability performance of SGB was good compare to BGGB and DGGB during the period from 2005-06 to 2009-10.

Major Suggestions

1. In a service industry like banking, the most important need is naturally the human resource development (HRD). HRD basically deals with finding the right people, placing them in right job, training and development tem for better performance, providing carrier path, improving their motivation through proper and timely recognition so that both the employer and the employee can achieve their goals and objectives.
2. The organization should function smoothly by placing the right people at the right place at the right time and cost in the banking industry by the recommendations of the second Narasimha committee.
3. For the purpose of future planning, researcher has suggested that all banking institutions have to be implemented new technology.

4. It would be necessary for the RRBs to increase their lending for consumption purpose also.

5. This is to be done in the same matter as is done in the case of other loans for productive purpose.

Review

This study at present mainly focuses on Financial Strategy of Rural Banking in Gujarat. Banking institutions play a vital role in the economy of a country “Banks are instrument of conversion of static credit into dynamic credit.” The spreading of the banking activities in rural areas is very essential for a country. The expectations from RRBs are varied and diverse. These banks have been widely recognized as institutions most suited to accelerate the tempo of integrated rural development by removing imbalance between different regions. In many spheres they have achieved success, but not free from problems and limitations. Such banks are facing lot of problems. The researcher has made several steps to improve the efficacy and effectiveness of management which will guide the management for improving and formulating new policies.

STUDY: 6

Title
A Study on Governance Practices In Co-operative Banks

Name of the Researcher
Bipinchandra T. Vadhar

Publication Year
March 2011, a thesis submitted to Saurashtra University, for the Degree of Doctor of Philosophy.
Objectives of the Study
1. To study and understand the concept and genesis of Cooperative Banks in India in general and Gujarat in particular.
2. To understand and analyze the importance of Governance in Banks in general and Cooperative banks in particular.
3. To evaluate the compliance level of Governance in Urban Cooperative banks and to evaluate their performance.
4. To identify and discuss various challenges faced by UCBs to implement governance mechanism.
5. To suggest various means through which governance practices can be improved so as to increase the efficiency of Cooperative Banks.

Methodology
The present study is made on the basis of data collected from primary and secondary sources. The researcher has sent the questionnaire to all the urban co-operatives chairman. The structure interview method was employed for knowing the governance practices adopted by their respective banks.

Sample Size
This study is carrying out among the various urban co-operative banks of western part of Indian as especially Gujarat. This includes some of the major UCBs banks of Gujarat.

Chapterization
1. Overview of Banking Industry in India
2. Overview of Co-operative Banks in India
3. Literature Review and Conceptual Framework
4. Research Methodology
5. Analysis and Interpretation of Governance Practices
6. Summary of findings and suggestions
**Major Findings**

1. In the pursuit of good corporate government of India, implementation of corporate governance practices is directly linked with Security Exchange Board India (SEBI) under clause 49 listing agreement.

2. Every Board should be headed by an effective board to offer strategic guidance, lead and control the company and be accountable to its shareholder.

3. It is expected that a formal and transparent procedure in the appointment of directors to the board and all persons offering themselves for appointment, as directors should discloses any potential area of conflict that may determine their position or services as directors.

4. In all cases, the board of directors in 60% of the bank determines the purpose and values of the bank and also the strategies of the bank. In ensuring that the procedure and values that protect the assets and reputation of the bank are put in places, 67% of the banks reported that this is the responsibility of everybody in the management position including the board and the CEO, 22% said it is the CEO while 11% said it is the Board.

5. All the banks reported that they have majors in places to ensure that the banks comply with all relevant laws, regulation, governance practices, accounting and auditing standards.

**Major Suggestions**

1. The corporate governance procedures applied in the banking sector in India have been effective to some extent in achieving the goals and objectives upon which they were set, but it is still in its infancy. On a scale of one two five, this study has graded the general corporate governance of banks in India act 3 and that of non listed together with state.
2 The existing corporate governance procedures within the banks as established by this study are still not effectively implemented. There is need for stockholders to play an effective role in assisting the banks with necessary professional and technical assistance toward the implementation of this.

3 The regulatory and supervision system have been issued by the reserved bank of India. Some bank have also developed own in-house systems to ensure this. More in-house systems are future recommended so that those systems that have been introduced through statutes can be supplemented by the in-house system and enforcement. Sector specifies police reformed will only be more effective when the entire system is well functional and efficient. Introducing new laws and institutions alone is not enough. Reformed can succeed only when institutional changes are accompanied by changes in people attitude.

4 It well said “There is no other way of conducting banking then the way it ought to be conducted professionally.” There is a need of more private oversight then government. The board for financial supervision of RBI should get a complete autonomous status with the representation from whole industry to ensure effective governance. Banks should be subject to normal market discipline and market should decided there fate.

5 To sum up, corporate governance policy implementation in right sprit is very crucial for banks. RBI should spec up the implementation of various committees, recommendation with a post implementation scrutiny of governance scenario.

Review

The present study is intended to study the governance practices in co-operative banks and identify the model of governances, which overall will allowed UCBs to respond to solicitations of the competitive environment. The elements of sound governance and values of co-operative sector UCBs should grapple the challenges and convert them in opportunity.
Title
A Commrative Study on Finacial Performance of Selected Regional Rural Banks in Gujarat.

Name of the Researcher
Tanvi O.Punjabi

Publication Year
June 2013, a dissertation submitted to the Department of Business Studies,Sardar Patel University, Vallabh Vidyanagar for the Degree of Master of Philosophy.

Objectives of the Study
1. To study the theoretical aspects of financial performance of Regional Rural Banks in Gujarat.
2. To study performance of the banks in relation to their mobilization of financial resources, disbursement of loans and advances and their overdue and recovery position.
4. To study the financial performance of selected Regional Rural Banks through ratio analysis.
5. To make suggestions for improving the financial performance of selected RRBs in Gujarat.

Period of the Study
The study has been undertaken for a period of five years starting from the financial year 2007-2008 to 2011-2012.

Methodology
The present study is based on secondary data into consideration relevant financial statements as from the year 2007-08 to 2011-12. The data collected through annual reports and personal interview as analysis with the use of statistical tools, ratios along with trend analysis of the data are the major tools
used in the study t-test has also been used in the present study. Number of sources such as websites, annual reports, magazines, journals, articles, news papers, different books of financial management, previous research findings (dissertations) has been used as a means of data collection.

**Sample Size**

Two RRBs in Gujarat out of three RRBs. (66.66% sampling)

1. Dena Gujarat Gramin Bank, Gandhinagar
2. Saurashtra Gramin Bank, Rajkot

**Chapterization**

1. Profiles of the selected Regional Rural Banks
2. Theoretical aspect of the study
3. Research methodology and review of literature
4. Financial performance of selected Regional Rural Banks
5. A comparative study of selected Regional Rural Banks in Gujarat
6. Findings and Suggestions

**Major Findings**

1. The Gross Expenditure and Income of two RRBs shows a continuous increasing trend during the period of 2007-08 to 2011-12
2. As the P-Value is greater than 0.05, it is concluded that there is a significant difference in Interest Earned as percentage of Working Fund Ratio of DGGB and SGB during the period of 2007-08 to 2011-12.
3. The Expenses of RRBs increases every year. The RRBs are not in a position to control its expenses to increase profit. The RRBs take care about such a point for those RRBs who are in a position to reach at higher position.
4. The Total Investment of two banks which continuous rising during the period of 2007-08 to 2011-12.
5. In both selected RRBs Deposits and Borrowings were their main financial resources. Constituted the most important sources for raising funds followed by borrowings.
Major Suggestions

1. Performance appraisal for the banking sector’s employees should also be attempted as a part of core research programmed.

2. RRBs should really try and undertake pilot studies in the areas where they are not operating today but they may operate tomorrow.

3. To strengthen the liquidity position, long terms funds have to be used to finance core current assets and a part of temporary current assets. Both the banks should try to maintain proper balance between current assets and current liabilities.

4. Banks need to focus more on quality of services in tune with the expectations of the public. Involved product and services have to be marketed and sold base on what values and satisfaction it caters for the customer.

5. It would be necessary for the RRBs to increase their lending for consumption purpose also. This is to be done in the same matter as is done in the case of other loans for productive purpose.

Review

This study at present mainly focuses on financial performance of selected regional rural banks in Gujarat. The study is based on primary and secondary data. It evaluates past and present performance of study. The researcher has made several steps to improve the financial performance of the banks. It measures the present and past performance of the selected banks which will be helpful to the management of the banks. The researcher has made suggestions which will be useful to the banks of the study to improve their efficiency and profitability performances.
STUDY: 8

Title
Corporate Governance And Organizational Performance

Name of the Researcher
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Objectives of the Study
1 To ascertain the effectiveness of existing corporate governance regulations and its ability to monitor corporate conduct.
2 To understand the nature, meaning and scope of corporate governance from various perspectives, viz., financial, social, political and environmental; and present a holistic view of corporate governance.
3 To identify the various elements that constitute quality governance such as:
   a) Wealth maximization for shareholder.
   b) Adequate interest coverage for creditors.
   c) Favorable human resources policy towards employees.
   d) Optimum satisfaction to consumers – by delivering quality at affordable prices with good service.
   e) Compliance with the existing legislatures (a high degree of compliance in letter and spirit).
4 To evolve a methodology to capture the corporate governance parameters and accommodate them within the fold of the evaluation model where financial performance is expected to translate into wealth maximization for the various stakeholders.
5 To establish a fundamental linkage between corporate governance measured by the corporate governance index created with the financial performance of the company, both accounting measures and market – oriented measures.
Period of the Study
2003-04 to 2007-08

Methodology
The methodology adopted includes inter alia, the following steps in the indicated order:

a. Identify the conceptual framework in which corporate governance can be viewed and studied keeping in mind the nature and level of this study.

b. Understanding corporate governance in its local, national and international perspectives, and trying to establish an operational definition for corporate governance.

c. Providing the necessary depth and focus to direct research towards the objectives, a detail literature review and conceptual exposition of the subject matter of corporate governance finds the right place.

d. For arriving at a comprehensive understanding and research findings, the methodology include a primary research, to supplement the finding of the secondary research.

e. The aim of the primary research was to get a complete idea of the contemporary practices and perception of corporate governance among the top management and governance officials in India listed entities.

f. The statistical model was aimed at arriving at statistical interface on the fundamental linkage between corporate governance and financial performance to ascertain whether a company with good governance practices also recorded good financial performance, measured in term of accounting measures, market performance, and indicators debt cover.

Sample Size
The questionnaire was administered on 100 respondents (professionals – mainly company secretaries, charted accountants, MBAs, and other governance officials) and (Top management – CEOs, managing directors, executive director, Independent directors, executives etc.).
Chapterization

1 Introduction
2 Defining Corporate Governance
3 Corporate Governance – Need and Significance
4 Corporate Governance – Systems and Mechanisms
5 Review of Literature
6 Research Methodology
7 Data Analysis – Part I and part II
8 Research Findings

Major Findings

1 Corporate governance in Indian has to be enforced in India: left to themselves the Indian corporate managers will run the corporation in their own interest detrimental to the interest of the other stakeholders.
2 The existing regulations are adequate for monitoring and enforcing good discipline among the corporate entities.
3 Corporate Indian has moved on to the stakeholder concept, and today the stakeholder of business are equally important as the shareholder.
4 The participation of foreign institutional investor has helped improved the state corporate governance in India.
5 The ownership pattern in Indian are still the family dominated business, where individual opportunism comes before the interest of the organization.

Major Suggestions

1 Their needs to be a unitary in command between the regulatory authorities mandating corporate governance. Dual Regulator authorities namely the ministry of corporate affairs, department of corporate affairs, vs. the Securities and Exchange Board of India must have their powers and purview of jurisdiction Cleary checked out for a clear sense of direction.
2 The provisions of clause 49 of the listing agreement must be extended to subsidiaries and other non-listed entries also in order to improve the governance of the corporate India.

3 Corporate need to be monitor for their concern to the environment.

4 The rigor on evaluation of performance of the independent directors should be stepped up, in all business enterprises, to facilitate improved performance.

5 Most of the large capitalize company do not follow the non mandatory provision of Clause 49.

**Review**

The present study had facilitated a comprehensive understanding of corporate governance in India, and the prevalent practices across nations. Several survey report, a research papers have given full credit to the legal framework in India. The study was conducted for a period of five years, this if extended for large time spans could bring to light more concrete results about the impact of good corporate governance.
REFERENCES

11. http://www.mgutheses.org/