CHAPTER II

RESEARCH METHODOLOGY
Andhra bank is providing credit to women borrowers through different financial schemes like SHG-Bank Linkage, agriculture finance, entrepreneur loans, education loans and housing loans for empowerment of women. The Bank is extending loans to women borrowers above 10% of net bank credit which is higher than 5% norm of credit to women out of net bank credit fixed by Reserve Bank of India.

The present study is focused on to understand the level of disbursement of loans under different categories and ascertain the customer satisfaction of process of loans. Further, focus was also given to assess the impact of loans on the socio-economic transition of borrower's families. In addition some case studies of women borrowers also presented to understand the nature of use of loan and impact of loans on empowerment of women.

OBJECTIVES OF THE STUDY

Major Objective:

The major objective of the study is to examine the level of disbursement and effectiveness of financial loan schemes to women by Andhra Bank in Chittoor District of Andhra Pradesh.

Specific Objectives:

- To review the functional efficiency of Bank's financial schemes in the context of self-reliance and sustainability of women.
- To assess the change in status of women through Bank's financial schemes.
- To assess the impact of SHG-Bank Linkage on the empowerment of women and to give suggestions for effective implementation.
- To assess the impact of Bank's loans to women borrowers through agriculture finance, entrepreneur loans, education and housing loans and to give suggestions for effective implementation.
To study the level of promotion of women empowerment through skill development & training programs of Andhra Bank Institute of Rural Development, Tirupathi and their support services and to assess the Rate of Settlement after training.

To recommend the suggestions and strategies to be adopted by the Institute to improve the types of training methods, support services and rate of settlement.

HYPOTHESES

Creation of awareness of bank's financial schemes exclusively for women through dissemination programs will promote the percentage of increase of women borrowers.

Bank's employee's positive attitude and response towards customers will increase the satisfaction of the borrowers.

Bank's women financial schemes result in improvement of status of women in society.

Bank's women financial schemes result in improvement of standard of living.

Bank's financial schemes will bear direct effect on education level of the women borrowers.

Bank's schemes will improve the borrower's personal and family health status.

Bank's successful entrepreneurship lending to women will increase the savings and possession of assets.

The Housing loans provided in the name of women will promote their dignity and respect in families, as house will be in their name.

Andhra Bank exclusive Financial schemes to women viz., AB Vanitha Vahan, Consumer loans to women, AB Mahila Jyothi, AB Mahila Soubhagya, AB Nightingale, AB Swarnabharan will create assets in the name of women which will improve their status in the society.
Concessions in Rate of Interest and other benefits to women borrowers will promote the number of women borrowers.

ABIRD's training programs are resulting in increase of settlement percentage of the trainees either through wage employment or self employment.

Training will improve their skills to start their own enterprise.

Trainees will get support services from the Institute and trainees will get gainful employment after training from Institute.

**RESEARCH DESIGN**

a) **Area of the study:** Majority of the households are Below the Poverty Line (BPL) in the state of Andhra Pradesh as per census 2011, Rayalaseema Region is a most backward area and Chittoor District in Andhra Pradesh is still backward economically and in all aspects. Hence Chittoor District in Rayalaseema Region has been considered for the present study.

The present study was planned to organize by using both Primary and Secondary data. The Primary data was collected through personnel interview of borrowers on related aspects, and Secondary data was collected from records of Andhra Bank, Reserve Bank of India, State Level Banker’s Committee and Lead Bank. In addition some case studies was also conducted to get more details on impact of Bank Financial schemes on Empowerment.

Interview Schedule was designed to interview the borrower and to know the awareness of the loan schemes to women, lending, training programs, types of training, improvement in skills after training and support services by Institute, settlement methods, financial support from Govt. Organisations and Banks, improvement in status, change in family dynamics, customer satisfaction. This was mainly done through direct interaction with the trainees.

**SAMPLE DESIGN**

The study adopts multi-stage sampling method to select sample units. The Chittoor District consists of three Revenue Divisions namely Madanapalli, Chittoor and Tirupathi. Samples were collected from all the three revenue divisions. The
samples are drawn from rural and urban areas where Andhra Bank branches are operating in each revenue division.

One urban and one rural Andhra bank branch from each revenue division was selected purposively for the study. Thus, three urban and three rural branches were considered for the study as shown in the table.

Table 2.1: Distribution of the Sample Units of the Study

<table>
<thead>
<tr>
<th>Name of the Division</th>
<th>Name of the Mandal &amp; Branch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chittoor</td>
<td>Chittoor (urban branch)</td>
</tr>
<tr>
<td></td>
<td>Chandragiri (rural branch)</td>
</tr>
<tr>
<td>Madanapalli</td>
<td>Madanapalli (urban branch)</td>
</tr>
<tr>
<td></td>
<td>Kalakada (rural branch)</td>
</tr>
<tr>
<td>Tirupati</td>
<td>Tirupati (urban branch)</td>
</tr>
<tr>
<td></td>
<td>Yerpedu (rural branch)</td>
</tr>
</tbody>
</table>

The total constituents of the samples is as follows;

Borrowers from Rural branches : 300
Borrowers from Urban branches : 300
Total : 600

Data Collection:

From Rural Branches, in the First stage ten villages were considered based on accessibility. In the second stage of sampling, the list of women borrowers from Andhra Bank covering different categories of loans were finalized. Out of the list, 10 samples from the village are considered for the study. The inclusive criteria for the selection of sample was a) availability and b) interest to participate in interview. Thus, from each mandal branch area 100 samples were drawn for the study. Care has taken to include borrowers from all Five categories of financial schemes.
For the selection of samples from urban borrowers, in the I stage, the list of women borrower living in urban area from all categories of loans were finalized. Separate list was prepared for each category of loan. In the second stage, from each category of list of borrowers, 20 samples are selected on purposive random sampling basis, and their addresses were noted. Thus from each urban branch, 100 samples were drawn for the study.

Thus, a total of 600 women borrowers from all 3 rural and 3 urban branches was covered for the study. The distribution of sample is shown in the table below.

Table 2.2: Distribution of the Sample of the Study

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the Division</th>
<th>Selected Branches</th>
<th>SHG Borrowers</th>
<th>Agricultural Borrowers</th>
<th>Entrepreneurs</th>
<th>Education Loan Borrowers</th>
<th>Housing Loan Borrowers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Chittoor</td>
<td>Chittoor (U)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chandragiri (R)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>2.</td>
<td>Madanapalli</td>
<td>Madanapalli (U)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kalkodka (R)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>3.</td>
<td>Tirupati</td>
<td>Tirupati (U)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yerpedu (R)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>600</td>
</tr>
</tbody>
</table>

Separate schedules have been prepared for borrowers of different sectors of the credit. The data was collected through personal interviews by the researcher. Secondary data from bank records are collected for details on disbursal of loans in different periods on different category borrowers.

**Data Analysis:**

The data was analyzed using SPSS Package. Different types of Uni variant and Bi variant tables were constructed based on requirement. The data was analysed by using frequency tables, and cross tables. Further, Indices were also developed to understand the overall effect of different aspects considered on matters like customer satisfaction, Impact on families etc. In addition to this, Chi square test was also done on cross tabulation to ascertain the significance level.