

## THE TEKOVSKÁ ĽUDOVÁ BANKA

The bank originated in Topoľčianky in 1882 on a cooperative basis under the name Malotopoľčianske roľnícke družstevné a zálohové spoločenstvo (Topoľčianky Farmers' Cooperative and Pawn Society) of Topoľčianky. At a founding meeting on 9th February 1891, this financial institution transformed itself into a joint stock company with the name Kistapolcsányi Népbank (Topoľčianky People's Bank) with share capital of 100,000 gulden. The founder and first director of the bank was the local businessman Pető Bertalan. Count Štefan Keglevich was chairman of the board of directors.

The bank oriented itself especially towards the collection of deposits and the granting of loans to small depositors, local businessmen, tradesmen and landowners. In the first year of its activity, it already achieved an annual turnover of 851,000 gulden and a level of dividends of 3%. In an effort to widen its commercial activity, the board of directors decided to transfer the headquarters of the bank to Zlaté Moravce in 1893. It also changed the name to Barsmgyei Népbank (Bars (in Hungarian) Tekov (in Slovak) County People's Bank). By 1896, the bank had increased its share capital to 300,000 gulden and opened branches in Vráble, Kalná nad Hronom and Tekovské Lužany. In 1898, a branch was transferred to Levice, the centre of Tekov, with the aim of gaining customers from the areas of industry and commerce.

The bank gradually expanded its activity. In 1913, it had share capital of 3 million crowns (K) a reserve fund of 200,000 K and deposits of 8,015,000 K. It granted loans of 13,262,000 K. It achieved a net profit of 262,000 K and paid dividends of 13 K for each share. As a result of increased lending activity it used a rediscounting loan from the Austro-Hungarian Bank. The First World War interrupted the development of the bank for a short time. Credit activity and net profit declined, so that the bank did not pay dividends in 1918-1919. It suffered losses especially from war loans. In 1916, it had to lend 5,586,500 K. However, it soon recovered from the transitional period, business flowed, new customers were gained and in 1920 it already operated with share capital of 3 million Czechoslovak crowns (Kč) and deposits of 17,338,000 Kč. It achieved a net profit of 183,000 Kč and again paid dividends of 8 Kč for each share. In

the following year, the headquarters was transferred to Levice.

The bank developed rapidly in the inter-war period and became the strongest rural bank in the territory of the former county of Tekov. It participated in the process of concentration of banking in Slovakia and continued to build up its network of branches. It opened a branch at Šahy in 1922. Two years later it took over or merged with the Žarnovická sporiteľňa (Žarnovica Savings Bank), Žarnovická ľudová banka (Žarnovica People's Bank) and Banskoštiavnický obchodný a úverný ústav (Banská Štiavnica Commercial and Credit Institute), and opened branches in Žarnovica and Banská Štiavnica. In 1926, it took over the Levický úverný ústav (Levice Credit Institute) and Hospodárska ľudová banka (Economic People's Bank) for Oslany and district. A year later it opened a branch at Nové Zámky and transferred the Tekovské Lužany branch to Želiezovce. In 1938, its share capital was 5 million Kč, its deposits amounted 113,129,000 Kč and its loans to 106,912,000 Kč. It achieved a net profit of 915,000 Kč and paid a dividend of 24 Kč on each share.

The Vienna Arbitration of 1938 was a great turning point in the activity of the bank. Levice, location of the headquarters of the bank, was given to Hungary. The branches at Zlaté Moravce, Banská Štiavnica, Žarnovica and Oslany remained in the territory of the mutilated Czechoslovak Republic, from 14th March 1939 the Slovak Republic. The headquarters at Levice and the branches at Vráble, Šahy, Štúrovo, Želiezovce and Nové Zámky were in the territories occupied by Hungary. In spite of the intervention of Bishop Michal Buzalka, the Ministry of Finance of the Slovak Republic rejected the efforts of the management of the Tekovská ľudová banka (Tekov People's Bank), especially the functionaries of the Zlaté Moravce branch, to make the branches in the territory of the Slovak Republic into an independent bank. On the basis of an inter-state agreement with Hungary, these branches in Slovakia were transferred to the Sedliacka banka of Bratislava in 1942.

In the territory occupied by Hungary, the share capital of the Tekovská ľudová banka was increased to 1,000,000 pengő in 1940. In 1939, its share capital had been 714,286 pengő after conversion at a rate of 1 pgő = 7 Kč. It opened a branch in Komárno and



in 1941 at Vámosmikola after merging with the savings bank there. In 1939, it took into its sphere of influence the Hungária gutapercha és gumiárugyár rubber factory in Budapest and in 1941 the soap and vegetable oil factory in Levice, which became the Tekov Industrial Works joint stock company of Levice. It also penetrated into the wholesale trade in grain and agricultural products.

After the end of the war, the Tekovská ľudová banka including its branches returned to the sphere of Czechoslovak banking. A decree of the Commission of the Slovak National Council for Finance of

19th June 1945 placed the bank under temporary administration. On 9th February this was replaced by national administration under the director of the Levice branch of the Slovenská banka Július Hnilica. A decision of the Commission for Finance of 12th June 1946 placed the company in liquidation. This was completed in 1950 after various organizational changes, and the bank was removed from the register of companies.

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