

KRUPINSKÁ SPORITEL'ŇA

The Krupinská Sporiteľňa (Krupina Savings Bank) did not begin to operate as a new financial institution, but as the legal successor of the Sporiteľňa a Záložňa Krupinského Vidieka (Savings Bank and Pawnshop of the Krupina District) joint stock company founded on 1st September 1872. The activity of the savings bank was limited to a period of 30 years and only Slovaks participated in its running. The general meeting of 21st March 1901 agreed on a change of name to Krupinská Sporiteľňa joint stock company of Krupina and extended the period of its activity by another 30 years.

The primary aim of the Krupinská Sporiteľňa was to help the poorer groups in the population by offering advantageous deposit and loan conditions. The share capital of 60,000 crowns was composed of 600 registered shares, each with a nominal value of 100 crowns. This was actually the original share capital of the Sporiteľňa a Záložňa Krupinského Vidieka. The composition of the board of directors also remained unchanged, with Ján Bohuš as the chairman and Ján Knežovič as the deputy chairman. The highest auditing body was the supervisory committee, chaired by Oto Baumert. The accountant of the savings bank was Pavol Bukva, the treasurer was Gustáv Šuhajík and the legal representative was Gustáv Lehocký. Ján Cablk became the new secretary and, at the same time, chief accountant.

A substantial part of the commercial activity of the savings bank in the first years of its existence consisted of granting small bill and mortgage loans to the inhabitants of Krupina and its immediate surroundings, but the town of Krupina also had the possibility to gain advantageous loans. The improving economic results of the savings bank enabled it to participate in supporting Slovak financial institutions, specifically the Nadlacká Ľudová Banka, Petrovská Sporiteľňa and Kysáčská Ľudová Banka. In 1902, it also established a close commercial connection with the newly established Zvolenská Ľudová Banka. In 1911, the shareholders agreed to increase the share capital from the original 60,000 to 120,000 crowns and at an extraordinary general meeting in autumn they adopted a resolution to establish a branch at Békešská Čaba in present-day Hungary, where Slovaks formed a substantial part of the population. The branch began its activity on 1st January 1912, and the management of the savings bank made the gre-

atest possible effort to develop it. At this time, the savings bank was already performing all kinds of banking operations, and its successful development is also shown by its holdings of shares in other Slovak financial institutions.

Like many other financial institutions, the Krupinská Sporiteľňa did not avoid fraud, in spite of repeated warnings from the supervisory committee. In this case, it was the chairman of the board himself, Samuel Ďarmek, whose securities did not cover the size of his loans drawn from the savings bank. He solved the intolerable situation with suicide and the treasurer Gustáv Šuhajík was elected in his place in mid October 1912. The management of the savings bank dealt with part of the debt by taking the remainder of Ďarmek's property, while the rest was recorded as a loss. After solving the situation around this scandal, the development of the savings bank continued, but the First World War slowed it. At the beginning of July 1914, the savings bank decided to establish a sub-branch at Horné Terany, but the savings bank and its branch soon came under police supervision as a result of being a Pan-Slavist institution. The savings bank recorded a decline of investment and deposits during the war years, but also a growth in surplus financial resources deposited in other financial institutions. In 1916, it decided to solve this situation by constructing a rolling mill at Krupina, and by the end of the war, it widened its commercial activity to include sale of agricultural equipment and wine. Free financial resources enabled it to purchase more securities, mortgage certificates, municipal bonds and shares in other companies.

During the dramatic circumstances of the invasion of the Hungarian Red Army in summer 1919, the chairman of the board Šuhajík transferred part of the savings bank's money to the Zvolenská Ľudová banka and hid part himself. In autumn of the same year, a general meeting approved a proposal of the board to increase the share capital from 120,000 to 500,000 crowns and establish a branch at Šahy. The establishment of this branch was a response to the liquidation of the Békešská Čaba branch, which was now in foreign territory. Its definitive sale to a Hungarian financial institution was achieved at the end of 1920. However, the attempt of the savings bank to increase the size of its share capital did not bring the



expected success, and the assumption that the share capital would be increased to 250,000 crowns in the first stage proved to be incorrect. The reason was the fears of the population, which had lost confidence in securities as a result of wartime events. In spite of the revival of commercial activity and the growth of deposits, the merging of the savings bank with a larger financial institution began to be considered in 1919. The reason was the low share capital, which did not meet the conditions for transformation into a joint stock bank. After talks with the Zvolenská Ľudová Banka, an extraordinary general meeting on 8th December 1920 agreed to the merging of the savings bank with this financial institution. The Zvolen-

ská Ľudová Banka took over all the assets and liabilities of the Krupinská Sporiteľňa, which became a branch, with all the employees of the savings bank remaining in their previous positions.

During almost 50 years of existence, the Krupinská Sporiteľňa fulfilled its role and acted as the leading financial institution in its district. Apart from its commercial activities, it did not forget to support charitable aims. For example, it participated in financing the Detvan society, the Slovenský Týždenník (Slovak Weekly), Národné Noviny (National News) and other cultural institutions.

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