



A STUDY OF HISTORICAL DEVELOPMENT AND TRENDS IN THE PROGRESS OF DISTRICT COOPERATIVE BANKS AT AGRA MANDAL FOR THE PERIOD 2014 TO 2016

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ABSTRACT

District Cooperative bank is a federation of primary societies and other functional societies and for the SCB, the members are the affiliated DCBs. The DCB serves as a link between State Cooperative Banks and Primary Agricultural Societies. District Cooperative Banks finance primary societies. In some cases, they attract the surplus funds of certain primary societies, to supply the same to others. Thus, Central Cooperative Banks Act as balancing centers to the primary societies. The DCBs form an important part in the short-term structure of Co-operative Credit Institutions. There is a large network of district co-operative banks in Agra Mandal with a total of 63 branches including H.O. (Agra 17, Firozabad 15, Mathura 19, Manipuri, 12) functioning in the state as on 31.3.2016 But, so far a comprehensive and detailed study on the workings of the district co-operative banks at Agra Mandal in Uttar Pradesh has not been undertaken. Researcher reviewed the various study relating to historical development of co-operative banks and researcher selected the some study amongst the various study. After reviewed the researcher found that there were no research contended on the trends in the progress of co-operative banking so, there is to need research for mentioned topic. The researcher fulfilled the mentioned objective in this Researcher paper i.e. "To analyze the growth of District cooperative bank at Agra Mandal for the period 2014 to 2016". To fulfill this objective the researcher used the various statistical tools like percent count, Average etc. After Analysis the researcher found the growth in district cooperative banks during research period (2014 to 216) is positive and steady nature.

Keywords:-Cooperative banks, District cooperative bank, financial performance, growth, Average

INTRODUCTION

Co-operative structure plays an important role in Indian financial system. Co-operative banking is retail and commercial banking organized on a co-operative basis. Co-operative banking institutions take deposits and lend money in most parts of the world. Co-operative banking, includes retail banking, as carried out by credit unions, mutual savings and loan associations, building societies and co-

operatives, as well as commercial banking services provided by manual organizations (such as co-operative federations) to co-operative businesses. In India three tier cooperative structure is followed. The basic principle of co-operation is followed in this structure. At the grass root level various Primary co-operative societies are formed. Members pool in their funds and needy members are given financial assistance from the pool. At district level District Central Co-operative banks are formed. District Cooperative bank is a federation of primary societies and other functional societies and for the SCB, the members are the affiliated DCBs. The DCB serves as a link between State Cooperative Banks and Primary Agricultural Societies. District Cooperative Banks finance primary societies. Uttar Pradesh is the most populous state in the country. Its population is 199,812,341 and growth rate is 20.23% as per census 2011. The state contributes 16.16% of India's population. The population density is 829 people per square kilometer while the national average is 382 per sq. km, making it one of the densest states in the country. Uttar Pradesh is divided in 75 district and 18 MANDALS. Agra Mandal in one of them. Agra region is Famous for Tourist places, religious places, large number of small scale industries in West Uttar Pradesh. Agra Mandal is hold Four District (Agra, Mathura, Firozabad, Mainpuri) there is a large network of public, private and cooperative banks in Agra Mandal. But the Half of the population in Agra region in lives in rural [areas.in](#) rural areas the district cooperative is plays a very important role. There is a large network of district co-operative banks in Agra Mandal with a total of 63 branches including H.O. (Agra 17, Firozabad 15, Mathura 19, Mainpuri, 12) functioning in the state as on 31.3.2016 But, so far a comprehensive and detailed study on the workings of the district co-operative banks at Agra Mandal in Uttar Pradesh has not been undertaken. The District co-operative banks have occupied an important place in the State's economy in terms of financing the major economic activities.

REVIEW LITRETURE

Navdeep barwal and kuldeep kumar [2015] in their research paper titled "Comparative performance evaluation of Himachal Pradesh co-operative bank and Kangra central co-operative bank" the researcher compare that two major co-operative banks are working in Himachal Pradesh viz. Himachal Pradesh state co-operative bank ltd. And kangra central co-operative bank ltd. On certain financial parameters which would be very helpful to judge the existence and potential of these banks in future. Dr .A.B. Adsule and Ratnaparkhe Gajanan [2015] in this research paper titled "A study on financial performance of loans and advances of Godavari co-operative bank ltd. Nanded district in Marathwada region 2009-2010 to 2013-2014" the researcher analyze that the financial performance of the Godavari co-operative bank ltd. With regard to deposit mobilization, issue of loans and advances, recovery of loans, regarding the overall working output of the bank. The researcher suggested that the recovery department should review the recovery performance weekly instead of monthly. Bharati R. hiremath [2014] in his research paper titled "The study of financial performance of co-operative banks-a case study of Muddebihal Taluk,bijapur district, Karnataka" the researcher examined that the financial performance of co-operative banks in Muddebihal Taluk and compare the financial performance of all co-operative bank on the basis of profitability ratios such as operating profit margin ratio, interest earned to total funds ratio, interest paid to total funds ratio, return on total funds ratio ,return on capital employed ratio ,cost of external funds ratio ,net profit to total assets ratio. T. unnamalai [2014] in this research paper titled "A study on financial performance of TDCC bank ltd." The researcher studied on this way TDCC bank ltd in Tiruchirapalli district renders its services for four districts (Tiruchirapalli, Karur, Peranbalur and Ariyalur) and meeting the credit requirement of rural, semi urban and urban customers. And analyzed the financial performance and operational efficiency of Tiruchirapalli district central co-operative bank ltd. Jyoti Gupta and Suman Jain [2012] in this research paper titled "A study on cooperative banks in India with special reference to lending practices" the researcher focused on the cooperative banks performance along with the lending practices provided to the customers is herewith undertaken. The customers has taken more than one type of loan from the banks. The researcher some findings in his study the majority (32% as per study) of the respondent were having housing loan from this bank, most (64% as per study) of the people prefer to take long term loan which is more than 3 years, quality services provided by the staff is satisfactory because bank is catering to small segment only and the customers are properly dealt with. Dr.Mrs.Ratna and K.Nimbalkar [2011] in his research paper titled "A Study of NPA's -Reference to Urban Co-Operative Bank" studied that urban co-operative banks facing

keen competition with public sector banks and private sector banks, particularly after globalization in 1991. At the same time these banks are facing the problem of Non-Performing Assets also.

Amit Basak [2009] in this research paper titled "Performance Appraisal of Urban Cooperative Banks: A Case Study" analyzed that some UCBs have performed creditably in the recent years, a large number of them have shown discernible signs of weakness. The operational efficiency is unsatisfactory and characterized by low profitability, ever-growing Non-Performing Assets (NPAs) and relatively low capital base. The objective of the study is to identify and analyze the trend, progress and problems of this bank, to throw light on the problems of swelling NPAs and to offer some meaningful suggestions for improving the efficiency and effectiveness of this bank. Relevant data have been collected for the period from 1995-96 to 2006-07. Dutta and Basak [2008] in his research paper titled "Appraisal of financial performance of urban co-operative banks- a case study" Studied and suggested that Co-operative banks should improve their recovery performance, adopt new system of computerized monitoring of loans, implement proper prudential norms and organize regular workshops to sustain in the competitive banking environment.

OBJECTIVES OF THE STUDY

To analyze the growth of District cooperative bank at Agra Mandal for the period 2014 to 2016

NEED OF THE STUDY

Researcher reviewed the various study relating to historical development of co-operative banks and researcher selected the ten study amongst the various study. After reviewed the researcher found that there were no research contended on the trends in the progress of co-operative banking so, there is to need research for mentioned topic. The researcher fulfilled the mentioned objective in this Researcher paper i.e.

RESEARCH METHODOLOGY

SAMPLE OF THE STUDY

This paper is an attempt to study the financial performance of the DCCBs. These banks were purposely selected for the study, keeping in view they role and involvement in shaping the economic condition, especially in terms of Number of banks, Branch offices, Membership, Employees, Deposits, Credits, CD Ratios and Investments.

LIMITATIONS OF THE STUDY

The present paper studies only the average performance of the District Central Cooperative Banks at Agra MANDAL in Uttar Pradesh. However, the results may not be proved similar in case of individual bank's study. The present study considers the performance of DCCBs only 2 years period from 2014-15 to 2015-16.

DATA

The present study is mainly based on secondary sources drawn from National Federation of State Cooperative Banks Ltd (NFSCOB) reports, RBI bulletin and other web sites, papers, books and journals relating to Co-operative banking sector. Data were collected for period of two years from 2014-15 to 2015-16. The present study has been conducted to analyze the overall growth of District co-Operative Banks at Agra Mandal in the state of Uttar Pradesh. Secondary data have been collected from the published annual reports for two years i.e. from 2014-15 to 2015-16 the various parameters on which the comparison is made are: Member's growth deposit Mobilization, advances, and financial performance. The statistical tools used are percent Count, average etc. Have also been used to analyze the overall financial and operational Performance of these Bank in the state

ANALYSIS

For analysis of the data, various statistical tools (Percent count, Trend analysis) has been used to arrive at conclusion in a scientific way. The details of growth of DCCBs in India are depicted in table-1.

**TABLE-1
GROWTH OF DCCBS AT AGRA MANDAL**

YEAR	NO. OF DCCBs	NO. OF OFFICES	TOTAL MEMBERSHIP
2014-15	4	63	1140
2015-16	4	63	1140

Source: NFSCOB REPORT

INTERPRETATION

In above mentioned table the researcher found the growth of DCCBs on the basis of Membership. The Researcher found that there is no significant change in membership.

**TABLE -2
TRENDS IN CAPITAL, RESEARVE AND BORROWING OF DCCBS AT AGRA MANDAL
(RS. IN LAKHS)**

YEAR	CAPITAL			RESERVE			BORROWING		
	Amount	Trend	%	Amount	Trend	%	Amount	Trend	%
2014-2015	4388		100	8533		100	28674		100
2015-2016	5054		115.17	10679		125.15	28902		100.79

Source: NAFSCOB Report Base year -2014-15

**GRAPH -1
TRENDS IN CAPITAL, RESEARVE AND BORROWING OF
DCCBS AT AGRA MANDAL**

INTERPRETATION

In above mentioned table the researcher found the growth of DCCBs on basis of Capital, Reserve and Borrowing. The researcher found that there is significant change or growth in Capital, Reserve and Borrowing in the following manner of trend – 100% to 115.17% (Capital), 100% to 125.15% (Reserve) and 100% to 100.79% (Borrowing). So there is growth in all three mentioned terms.

**TABLE -3
DEPOSITE, CREDIT AND C/D RATIO OF DCCBS AT AGRA MANDAL
(RS. IN LAKHS)**

YEAR	DEPOSITE	LOANS OF OUTSTADING	C/D	RATIO
2014-15		93326	60995	65.35
2015-16		105492	70345	66.68

Source-NAFSCOB Report

**GRAPH -2
DEPOSITE, CREDIT AND C/D RATIO OF DCCBS AT AGRA MANDAL**

INTERPRETATION

After above mentioned Analysis the researcher Analyze the cash deposit ratio or growth of cash deposit and loans of outstanding. The researcher Calculate the C/D ratio by using this formula like – Loans of outstanding /deposit*100. After that the researcher marked a Positive growth in both terms.

**TABLE -4
GROWTH OF INVESTMENT BY DCCBS AT AGRA MANDAL
(RS. IN LAKHS)**

YEAR	INVESTMENT	% OF GROWTH
2014-15	20736	100
2015-16	21021	101.37

Source-NAFSCOB Report Base Year-2014-15

GRAPH -3

GROWTH OF INVESTMENT BY DCCBS AT AGRA MANDA

INTERPRETATION

In above mentioned table the researcher found the growth of DCCBs in Investment. The researcher found that there is significant change in investment. The growth of investment is positive but nominal change in percent of growth.

CONCLUSION

The financial performance of the District Central Co-operative banks at Agra Mandal in UP. Analyzed using different statistical techniques. From the above analysis, it is concluded that no significant change in growth of No.of DCCBs branches and there Membership in during research period. The capital, reserves, and borrowings increased during the study period, with a nominal percentage of variation. The cooperative banks have been maintaining on an average C/D ratio. The DCCBs have been showing positive growth in investment.

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