INTRODUCTION

Co-operative structure plays an important role in the sustainable development of the overall economy through various policies. Co-operative societies provide services to their members most effectively and strengthen the co-operative movement by working together through local, regional, national and international structure. The place of co-operatives in Indian economy and its role in social and economic affairs has developed new dimensions for development through planning. India stressed on the process of planning and gave an emphasis to achieve social justice, equality and a decent livelihood for all citizens, and the promotion of co-operative thought.

Co-operative institutions are considered as important agents of rural development, social justice and equity. The co-operative movement must be financially strong, integrated, professionally managed and forward looking. New economic policy since 1991 effected positively on cooperative banking and it resulted into some favourable impacts such as organizational and business restructuring, adoption of modern technology, new ways of mobilization of resources and measures to upgrade the standards of productivity. Co-operation give the power to the institutions to survive in stiff competition from private sector and public sector competitors, particularly in areas of marketing, technological innovations, and mobilization of resource and development.

Numerous research as well as general studies have been made, over the years, with regard to role of banking institutions in financing agriculture, small scale industry and other schemes under the programme of agriculture and rural development. As it is not possible to deal with all the studies, an effort has been made to review some of the important works having a great bearing on the present study. The books, research papers and articles relating the present study have been reviewed separately in the sequential order. The review of literature pertaining to cooperative banking, district central cooperative banks, its schemes, non-performing assets, funds management, customer satisfaction, other Government agencies and financial institutions has been taken on the following lines with the help of following literature –
I. REVIEW OF COMMITTEE REPORTS

Researcher has made an attempt to review the literature in respect of different committees like review committee, reports of the working groups, study teams on cooperatives etc. for detail study of the research work. Various expert committees were appointed to study the development of co-operatives and to make the recommendations for the sustainable development of co-operative movement, from time to time, as and when the Government felt that something was wrong or necessary with the movement. At the time of independence two major committees were established namely- Agricultural Finance Sub-Committee under the Chairmanship of Prof. D.R.Gadgil, and Co-operative Planning Committee under the Chairmanship of R.G.Saraiya in 1945.

A.3.1 Agricultural Finance Sub-Committee (1945)\(^1\) - Under the Chairmanship of Prof. D.R.Gadgil, observed that, “the spread of co-operation would provide the best and effective solution for problems of rural and agricultural credit specially.” However, it was considered that it might not possible for the co-operative movement to supply the entire credit needs of agriculturists. Therefore, committee recommended that state government should be given much larger funds that would enable the co-operatives to supply better credit facilities.

A.3.2 Co-operative Planning Committee (1945)\(^2\) - Under the Chairmanship of R.G.Saraiya in 1945, recommended that primary societies be converted into multi-purpose societies and that efforts should be made to bring 30 per cent of the rural population and 50 per cent of villages within the ambit of the reorganized societies within a period of 10 years, 25 percent of the total marketable surplus or agricultural produce should come under co-operatives. Committee also recommended that Reserve Bank of India should provide greater assistance in terms of financial, marketing and technical to co-operatives.

A.3.3 All India Rural Credit Survey or Gorwala Committee (1954)\(^3\) – This Committee was appointed by the Reserve Bank of India in 1951, to supervise a survey regarding facilities available in rural areas for providing agricultural loans to the agriculturists and to make necessary recommendations. The Committee submitted its report in 1954. After analysing the various causes for unsatisfactory working of the movement, the committee concluded that “Co-operation has failed but it must succeed”. The committee recommended-
A) An Integrated Scheme of Rural Credit, involving three fundamental principles, namely- i) State participation at different levels, ii) Co-ordination of credit with other economic activities especially processing and marketing in the co-operative sector, and iii) Administration through trained and efficient personnel responsible to the needs of the rural population.

B) Suitable amendments were suggested in RBI Act and the establishment of a National Co-operative Development and Ware Housing Board at all India level.

C) The establishment of three special funds under the RBI was suggested - i.e.
   i. The National Agricultural Credit (long-term operations) Fund,
   ii. The National Agricultural (stabilization) Fund,
   iii. National Agricultural Credit (Relief and Guarantee) Fund.

D) A crop loan system was to be evolved.

E) The economic viability of the co-operatives at the village level was essential. Each village society should be revitalized and reorganized and be made really effective. These recommendations were generally approved and were made the basis for the future plans for development.

A.3.4 Mehta Committee (1959) - Committee on Co-operative Credit gave its report in October 1960, with many important recommendations, to determine the question of viability, providing adequate finance and state participation at the primary level. The Committee suggested suggestions to expand credit facilities for agricultural production as well as credit structure for strengthening co-operative movement. Organized service co-operatives on the basis of the village community as the primary unit and if villages are too small the number of villages to be covered by a society may be increased in the interest of viability, to encourage members to subscribe sufficient share capital in the society as well as Government also contribute to share capital to service co-operatives. The committee also stressed on the co-operative societies to enlarge their internal resources, sound management, not only encourage the credit worthy people as member but also the marginal and sub-marginal cultivators, landless tenants etc. and provide them adequate credit on the basis of their production requirement and paying capacity. The RBI liberalized its credit limits for the Central Co-operative Banks. The pattern of organization of primary societies, which formed the base of the co-operative credit structure, was settled on the basis of the recommendations of the Mehta Committee on credit.
A.3.5 Study Group on Panchayats and Co-operatives (1962)\(^5\) - It was appointed by the Government of India, under the chairmanship of Misra S.D.W. to study and suggest measures to achieve maximum co-ordination between the co-operatives and Panchayats. Concern to the State Governments participation in the share of co-operative societies, working group suggested that it should not be rated through the Panchayati Raj institution, whether they both have a close ideological link and aim at democratic decentralization. However, Panchayats should have an important role in the promotion and development of co-operatives in their areas especially in respect of service co-operatives i.e. co-operative processing industries, fisheries, housing, labour, dairy co-operatives etc. It was also suggested that the panchayats should deposit their surplus funds with the service co-operatives having regard to local conditions. Panchayat should provide accommodation and adequate publicity for education programme of Co-operative Union. Generally, working group emphasized the necessity of these two institutions and their mutual relationship.

A.3.6 Committee on Co-operative Administration (1963)\(^6\) - was appointed in April 1963, under the Chairmanship of V.L.Mehta. The committee appointed to review the departmental set up and to suggest recommendations to make stronger the departmental administrative staffs at various levels. Committee recommended that the Registrar of Co-operative Societies should be an IAS officer along with two years training. There should be Joint Registrar for audit, credit and banking, marketing and processing, industrial societies, forming societies and consumer societies. It is also recommended that suitable training should be given to the departmental as well as institutional staff and orientation training should be given after every five to seven years. The pattern of organization of primary societies, which formed the base of the co-operative credit structure, was settled on the recommendations of the Mehta Committee on Credit.

A.3.7 All India Rural Credit Review Committee (1969)\(^7\) - Government of India had appointed the committee under the chairmanship of B.Venkatappiah. Main objective of the committee was to recommend measures for the reorganization of rural credit. The Committee found that there is eye-catching increase in the co-operative credit between 1951-52 and 1967-68 i.e. from Rs. 24 crore to Rs. 500 crore. However, there was a difference in distribution of co-operative credit in the backward states of Assam, Bihar, Orissa, West Bengal, Rajasthan and Jammu & Kashmir. In other parts of the country too, there were weaknesses in co-operative banking system by way of low
deposits, high overdue and general lack of business, management etc. recognizing such weaknesses but the need for increased requirement of finance for agriculture in the wake of green revolution technology. The Committee suggested the following points and recommendations- a) The establishment of Agricultural Credit Board, b) Adoption of various measures for ensuring the timely and adequate flow of credit for agriculture through co-operatives and through commercial banks, c) Creation of Electrification Corporation for the benefit of underdeveloped areas, d) Formulation of a more active and much bigger role for ARDC, e) Setting up of a Small Farmers Development Agency,. As per recommendations, small farmer’s development agencies were set up in selected districts as well as Rural Electrification Corporation was also established in 1969. Most of the recommendations of the committee were accepted by the government and included in the Fourth Five Year Plan i.e. SFDA, MFAL, were launched with active involvement of institutional credit agencies.

A.3.8 Khusro Committee (1989)8 – The Agricultural Credit Review Committee under the chairmanship of A.M.Khusro was appointed by the Reserve Bank of India in August, 1986 to undertake among others a review of the rural financial system and to assess the credit requirements of the agricultural sector during the next decade. Khusro Committee submitted its report in August 1989. The committee recommended ceiling on lending rate of commercial banks on agricultural lending at 15.5 per cent, whereas in case of Primary Land Development Banks, it was suggested at 5 per cent and for the RRBs 8.65 per cent. According to the committee demand for credit was limited and more realistic as it is based on agriculturists’ desire of borrowing from institutional and non-institutional sources. Accordingly, Committee recommended that the institutional credit has been extended to a very large number of borrowers, who are first generation members of the banking system rather than money-lenders. But the money-lenders and other informal lenders are still in existence. The institutional credit system has still a long way to go. The Agricultural Credit Review Committee visualized that the direct demand for agricultural credit will rise from Rs.27,557 crore in 1989-90 to Rs.57,316 crore in 1994-95 and further Rs.1,10,873 crore in 1999-2000 (@ 1984-85 price level). The committee also estimated that the deficits which the credit system will have to find so as to meet the estimated demand will be of the order of Rs.5487 crore in 1994-95 and Rs.21,426 crore in 1999-2000.

It is also suggested in areas where RRBs are not economically viable may be merged into sponsoring commercial banks. Committee made projections related to the
credit demand from agriculture and rural sector by the turn of the century. It also recommended the creation of National Co-operative Bank to function as national apex bank for all co-operative institutions in the country, business development plan, elimination of control and interference, well paid and qualified secretaries, etc.

A.3.9 Jagdish Kapoor (1999), the committee was set by recognising the relevance and crucial role of co-operative banks in the development of agriculture and non-agriculture sector of Indian rural economy, Government of India, appointed a task force under the chairmanship of Jagdish Kapoor on 9th April 1999 for revival of co-operative banks. The main objective of the committee was to review the functioning of co-operative credit structure and suggest measures to make them member driven professional business enterprises. The committee suggested as under:

1. The licensing of DCCBs should be brought under the provision of Banking Regulation Act, 1949.
2. Bifurcation of DCCBs should be on the sole criterion of viability (not on political considerations).
3. DCCBs should be included in 2nd schedule of RBI Act.
4. Asset liability management should be implemented in the SCBs and DCCBs.
5. NABARD should establish a co-operative development fund.
6. RBI/NABARD should issue guidelines for a common accounting system in SCBs and DCCBs.

A.3.10 Task Force on Revival of Co-operative Credit Institutions (2004) - Government of India constituted a committee under the Chairmanship of A. Vaidyanathan, known as Task Force on Revival of Co-operative Credit Institutions, to reviving and revitalizing the rural co-operative credit structure (CCS) and attributes high priority and urgency to it. Report of Task Force on Revival of Rural Cooperative Credit Institutions (in the Short Term Co-operative Credit Structure) was submitted in February 2005 and Report of the Task Force on Revival of Rural Cooperative Credit Institutions (in the Long Term Co-operative Credit Structure) was submitted in August 2006. Committee was appointed to suggest:-

i) an implemental action plan for reviving the Rural Co-operative Banking Institutions, taking into consideration the main recommendations made by various committees in this regards.

ii) to suggest an appropriate regulatory framework and the amendments which may be necessary for the purpose in the relevant laws.
iii) to make an assessment of the financial assistance that the Co-operative Banking Institutions will require for revival, the mode of such assistance, its sharing pattern and phasing.

iv) to suggest any other measures required for improving the efficiency and viability of Rural Co-operative Credit Institutions.

Committee discussed the reports of the previous committees such as- Task force to study the functioning of Co-operative Credit System and suggest measures for its strengthening (Kapoor Committee, 1999), Expert Committee on Rural Credit (Vyas Committee, 2001) and Joint Committee on Revitalization Support to Co-operative Credit Structure (Vikhe Patil Committee, 2001). The committee recommended that the co-operative credit societies and banks should be free of state control and an Andhra-style act should be passed in every state. Committee recommended that the shareholding by the state in individual co-operative institution should be reduced.

A.3.11 NABARD (2005) conducted a study “Development in Co-operative Banking”, to evaluate the financial performance of 1872 urban co-operative banks and 1,06,919 rural co-operative credit institutions. The findings of the study revealed that in all financial institutions in the rural sector (SCBs, DCCBs, SCARDBs, and PCARDBS), percentage of NPAs in the substandard category declined, while it had increased in doubtful category. NABARD was worried about deterioration in asset quality of these banks. However, all the institutions were able to meet the necessary provisioning requirements. It further highlighted that NPAs ratio in DCCBs varied significantly across the states from 5% to 68% at the end March 2004. Only in four states (Haryana, Himachal Pradesh, Punjab and Uttranchal), the NPA ratio was less than 10%. NABARD recommended that co-operative banks should implement One Time Settlement system (OTS) and refer small value advances to Lok Adalats and high value advances to Debt Recovery Tribunals (DRTS). Further, State Governments were requested to help co-operative banks in reducing NPAs by taking special recovery derives.

A.3.12 Radhakrishana R. (2006) – The Expert Group on Agricultural Indebtedness was set up in August 2006 under the chairmanship of Radhakrishana. The Group provided a large number of recommendations covering immediate credit measures, financial architecture, institutional architecture, risk mitigation and other measures. The Expert Group observed that as the indebtedness of farmers is largely because agriculture depends mainly on the monsoon, which ultimately affects the repaying
capacity of the farmers. Second, though agricultural credit has increased manifold, most of the farmers depend fully/partly on non-institutional sources where the rates of interest are quite high and the terms and conditions often exploitive. Third, the dominance of middle-man often prevents the farmers from getting remunerating price for their produce. Fourth, the farmers do take loans for special functions or medical expenses from money-lenders which do not yield incomes and the interest rates are high leading to indebtedness.

The Expert Group recommended that rearrangement of loans in the case of natural calamities like floods, cyclone, drought. It suggested construction of Price Risk Mitigation Fund at State Government level which help the States to take up market intervention quickly. The Expert Group suggested constituting a high level committee to evaluate crop insurance scheme. It was also observed that production cooperatives, federation of farmers, SHG.s and other forms of collective would enable the farmers, including the small and marginal farmers to participate in value addition activities like marketing and processing, there are no specific recommendations on how to implement this. However, national level organizations like NABARD, National Co-operative Development Corporation, Indian Farmer’s Fertilizer Cooperative to support such formation and encourage formation of farmer’s organization in a proactive manner.

A.3.13 DCCB Level Implementation & Monitoring Committee (DLIC), 2007

The role of DLIC is planning, coordinating and guiding the implementation of the Revival Package in the district. Its Terms of Reference (ToR) were:

1. To draw up a Comprehensive Action Programme and Flow-Chart of activities for implementation of the Package in the district and indicate definite time-schedule for all activities and sub-activities;
2. To ensure signing of the Letters of Undertakings by DCCB and PACS to DLIC;
3. To facilitate preparation of a time-bound action plan for revitalization and business development by each PACS and DCCB and review their implementation from time to time;
4. To ensure identification of the Master Trainers and Auditors in the district for special audit, organize their training, arrange special audit and ensure sample test-checking of a specified number of PACS by the CA;
5. To certify contribution of the share of the DCCB and PACS to the Revitalization Package;
6. To examine, finalize, certify and recommend sanction of financial assistance of PACS and DCCB to the SLIC for recommending further to NABARD;
7. To monitor and certify compliance of all conditionality of the Letters of Undertakings by PACS and DCCB (amendment of bye-laws and their approval, election in PACS, rewriting of the balance-sheets after recapitalization of PACS, appointment of CEO of the DCCB, election to the board of the DCCB, co-option, etc);
8. To review the training needs and arrangements for training of staff, board members and ordinary members of PACS and DCCB, an appropriate training calendar and to facilitate conduct of training programmes in consultation with NABARD;
9. To review the progress of implementation of CAS and MIS in the PACS and the DCCB;
10. To review the progress in the computerization of PACS and DCCB;
11. To sort out field level operational issues within the ambit of the instructions/clarifications issued by NABARD, RBI and NIMC/SLIC and bring persistent and unresolved issues to the knowledge of SLIC/NABARD for clarifications;
12. To review the overall progress in the implementation of the Revival Package and send a monthly report to SLIC and NABARD in the specified formats; and
13. To take any other necessary action as may be deemed imperative for realizing the overall objectives of the Revival Package.

A.3.14 Committee on Financial Inclusion (January 2008)¹⁴

RBI constituted a committee on Financial Inclusion under the Chairmanship of Dr. C. Rangarajan. The Committee is of the view that cooperatives are a good forum for enabling financial inclusion through SHGs. This has been experienced in several districts such as Bidar in Karnataka, Chandrapur in Maharashtra and Mandsaur in Madhya Pradesh. The Committee recommended that federations of SHGs may be registered in all the States under the Cooperative Societies Act or the parallel Self Reliant Cooperatives Act and availability of funds to these cooperatives for advancing loans may be considered by NABARD, based on objective rating criteria. NABARD may also set aside requisite funds for sensitising the cooperative movement in this regard.

Use of PACS and other Primary Cooperatives as Business Correspondents

There are a large number of PACS and primary cooperatives under the parallel Acts located in rural areas where there are no other financial services outlets. Many of these cooperatives are in districts where the DCCBs are not playing any major role.
Such PACS could provide valuable services to their members if they get access to a commercial bank. These PACS could originate credit proposals, disburse loans, collect repayments and even collect savings on behalf of the commercial bank. They could also play the role as payment channels. RBI has already listed Cooperatives as eligible institutions under the BF/BC Model.

In the circumstances, the Committee recommends that the Cooperatives may make use of this opportunity at least in States which have accepted the Vaidyanathan Committee recommendations. NABARD may be asked to suggest appropriate guidelines for the purpose, subject to the approval of RBI.

A.3.15 Expert Committee to Examine 3-Tier Short-term Co-operative Credit Structure (January 2013)

Under-capitalisation is one of the major problems afflicting the 3-tier co-operative credit institutions. This is sought to be addressed largely through implementing the recommendations of the Vaidyanathan Committee on strengthening co-operative banks. Even after capital infusion, as on July 19, 2013, 23 unlicensed banks in four States were unable to meet the licensing criteria as issuing of licences to these institutions is contingent upon their attaining minimum risk-weighted capital ratio of 4 per cent. It is against this backdrop, the Reserve Bank constituted an Expert Committee to examine the 3-Tier Short-term Co-operative Credit Structure (Chairman: Dr. Prakash Bakshi) with a set of objectives: (i) to have a relook at the functioning of the Short-term Co-operative Credit Structure (STCCS) from the point of view of the role played by them in providing agricultural credit; (ii) to identify Central Co-operative Banks (CCBs) and State Co-operative Banks (SCBs) which may not remain sustainable in the long-run even if some of them have met the diluted licensing criteria; (iii) to suggest appropriate mechanisms for consolidating by way of amalgamation, merger, takeover, liquidation and delayering; and (iv) to suggest proactive measures to be taken by co-operative banks and various stakeholders. The Committee submitted its report to the Reserve Bank in January 2013.

The major findings and recommendations of the Committee are:

Findings

- STCCS’s share in providing agricultural credit dipped to 17 per cent at the aggregate level.
- STCCS, which was primarily constituted for providing agricultural credit, must provide at least 15 per cent of the agriculture credit requirements in its
operational area, gradually increasing to at least 30 per cent. Around 40 per cent of the loans provided by PACS and almost half the loans provided by CCBs are for non-agricultural purposes. PACS and CCBs were not performing the role for which they were constituted.

- About 209 of the 370 CCBs would require additional capital aggregating ₹65 billion in four years to attain 9 per cent CRAR by 2016-17.
- Almost two third of the deposits with SCBs are deposits made by CCBs in the form of term deposits for maintaining their SLR and CRR requirements. However, SCBs lend far higher amounts to the same CCBs and also invest in loans which have generally resulted in higher NPAs, thus putting the SLR and CRR deposits made by CCBs at risk.

**Recommendations**

- CCBs should provide at least 70 per cent of their loans for agriculture. If a CCB or SCB consistently underperforms and provides less than 15 per cent share of agricultural credit in the operational area, the bank should be declared and treated as an urban co-operative bank.
- SCBs in the north-eastern region as well as in smaller states and Union Territories where the provision of credit to agriculture is insignificant and so they are catering to the requirements of the urban population may be declared as urban co-operative banks.
- Deposits of members of PACS are not covered by DICGC and PACS are not in a position to issue Kisan Credit Cards (KCC) that are transactable/work on ATMs and POS devices since they are not part of the banking system. CCBs should, therefore, provide these services directly by using PACS as their business correspondents (BCs). All depositors and borrowers of PACS, therefore, would become normal shareholding members of the CCB with voting rights for all active members.
- Amendments to the State Co-operative Societies Acts, Rules and bye-laws would be necessary in each state with regard to the definition of active members for the purpose of mobilising deposits and disbursing loans.
- CCBs may be permitted by the Reserve Bank to issue fixed interest bearing deposits of 10 years or more with a lock-in period of five years for its members and to treat such deposits as Tier-I capital. CCBs may be permitted to issue
perpetual bonds or debt instruments to be contributed by states, individuals and other entities, and these may be treated as Tier-I capital.

- The Reserve Bank may permit Tier-II capital to be treated as Tier-I capital to an extent of 150 per cent of the Tier-I capital fund for a period of five years.
- There is a need to assess the human resources requirements consequent on the transition of SCBs and CCBs to CBS and other ICT platforms.
- The Reserve Bank to modify the banking licence of any CCB to include additional operational area from which a PACS could work as BC of a CCB.
- The Banking Regulation Act needs to be amended to give direct and overriding authority to the Reserve Bank over any other law for superseding the Board or removing any director on the board of a SCB.
- September 30, 2013 to be set as the deadline for all SCBs and CCBs to be fully operational on CBS and providing RTGS, NEFT, ATM and POS device based services.
- SCBs and CCBs to be fully included in the financial inclusion and EBT drive. Deposits of governments and government agencies also to be made in SCBs and CCBs which have achieved 7 per cent CRAR and are on CBS.
- CCBs and SCBs to be covered by the Banking Ombudsman or a similar mechanism that may be developed by the Reserve Bank with NABARD.

An Implementation Committee (Chairman: Shri V. Ramakrishna Rao, Executive Director, NABARD) has been constituted with members from NABARD and the Reserve Bank for expeditious implementation of these recommendations wherever applicable.

The implementation of these recommendations is likely to strengthen rural cooperative credit institutions.

II. REVIEW OF PH.D. THESIS

A.3.16 Bhatia R.C. (1978)\textsuperscript{16}, in his study titled, \textquotedblleft Banking Structure and Performance – A Case Study of the Indian Banking System\textquotedblright \ attempted to review the economic performance of Indian banking system as reflected by its output, price and profitability during the period 1950-68. Researcher found that profit of the Indian banking system during the said period had an increasing trend. The study suggested some measures such as deregulation of interest rates to enhance the profitability of financial
institutions and to ensure a competitive banking environment which would ultimately result in better services.

A.3.17 M. Kutumba Rao (1985)\(^1\) conducted study titled "Management of District Central Co-operative Banks" and was published in 1985. This study analyzed the performance and management of selected Central Co-operative Banks in Andhra Pradesh in view of the objectives and tasks set for them. It also observed the organizational structures, bank’s capital structure, lending policies, procedures, personnel practices, etc. The study concluded that, "bureaucratic leadership was no substitute for ineffective elected leadership". The leadership needs to play a cooperative and positive role in relation to the local needs of farmers, branch expansion, deposit mobilization and recovery of loans. The role of the RBI in guiding and controlling Central Co-operative Banks made a positive effect on their institutional efficiency.

A.3.18 Sivaprakasam P. (1991)\(^1\) conducted a study entitled an "Appraisal of Personnel Management Policies and Practices in Central Co-operative Banks in Tamil Nadu". The study was primarily a descriptive one. This study emphasized the fact that there is an urgent need to form full-fledged personnel department, which may carry the personnel management functions, implement the personnel policies and exercise control over personnel matters, in the context of growing business transaction of the DCCBs in Tamil Nadu and growing importance of personnel function in these banks. It also suggested that it is necessary to form uniform personnel policies to perform personnel functions efficiently in DCCBs. The required data were collected from all Central Co-operative banks in Tamil Nadu and analyzed for the whole state. Statistical tools such as averages and percentages were applied for analysis. Along with these tools, observation technique was also applied to study the employees working conditions and environment of the bank.

A.3.19 Sahoo. S.K and Sahoo.S.C. (1991)\(^1\) attempted to study the "Management of Co-operative Banks in India". The study intended to scrutinize the working of the Central Co-operative Bank in the state of Orissa. The researchers examined the growth and development of the banks and their performance in the field of deposit mobilization, lending to both agricultural and non-agricultural sectors, and their recovery performance. The study concluded the mentioned points: a. the growth in the deposit mobilization was not consistent, b. affiliated societies contributed more and satisfactory deposits than individuals, c. the profitability during the study was very
low. The researcher suggested increasing the profit by improving the efficiency of working and management which would lead to a better utilization of the working capital.

**A.3.20 Kunal Badade (1998)** in his research work titled, “Management of Central Cooperative Banks with Special Reference to Marathwada Regions (A Comparative Study)” submitted to Dr. Babasaheb Ambedkar Marathwada University, Aurangabad has focused financial management of State Cooperative Banks, District Cooperative Banks, and Primary Agricultural Credit Cooperative Banks in Marathwada. He evaluated the performance of these banks by using the aspects like total members, deposits, share capital, working capital, investment, loans advances, loans outstanding, amount of loss, and amount of profit. He concluded that the overall performance of the Parbhani, Nanded, Aurangabad and Beed District Central Cooperative Banks is not quite up to the mark as compared to Jalna, Osmanabad and Latur District Central Cooperative Banks.


**A.3.22 Sabina Kumar (2008)**, in her thesis, worked on “Management of Non-Performing Advances – A Study of District Central Co-operative Banks of Punjab”. A sample of ten DCCBs, i.e., five with high level of NPAs and five with low level of NPAs, was taken for the study. It was found that despite the best efforts, Central Cooperative banks had not succeeded in diversifying their business. The NPAs in crop loan were found to be the lowest, while these were the highest in non-agriculture sector loan. By using the statistical tool of multiple regressions, it was found that caste, education, amount and adequacy of loan were the main factors affecting repayment performance of the borrowers. She suggested that these banks should form a special cell to monitor and control NPAs and should take services of recovery agents for higher recovery.

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III. REVIEW OF BOOKS

A.3.23 Bedi R.D. (1971) - In a comprehensive study of co-operative movement under the title “Theory, History and Practice of Co-operation”, Author studied Indian co-operative movement as well as gave some examples of success of other countries of the world where co-operative movement flourished. The study is divided into four parts as: a. Theory of Co-operation, b. Co-operation in Foreign Countries, c. History of Co-operative Growth and d. Co-operation in India. Part first consists with economic organizations, co-operation; their definition, principles, types, co-operation and State aid etc. Part second is dedicated to the success of co-operative movement in foreign countries, history and practice in co-operation evolved in foreign countries is explained deeply with illustration.

A.3.24 Memoria C.B. and Saksena R.D. (1973) - The book “Co-operation in India”, is an analytical, comprehensive and more critical evaluation of the changing pattern of various aspects of Indian co-operative movement. The book is classified under twenty three chapters to touch every aspect of the economy. Indian economy is an agrarian economy where more than sixty percent of population depends for its sustenance on agriculture; authors think that there is still vast scope for the application of co-operative activities in agriculture. He presented a snapshot of agricultural background to rural areas. Author presented a thought that for releasing the farmers from the clutches of moneylenders, cooperative institutions could play a major role. It can also raise their standard of living. In the present book author discussed the history and growth of co-operative movement, co-operative credit structure (agricultural and non-agricultural), their functions, and progress and also provided some important suggestions.

A.3.25 Saxena K.K. (1974) - “Evolution of the Co-operative Thought” is a comprehensive study. It is a systematic attempt to understand and evaluate the theoretical framework which influenced the evolution of co-operative thoughts. In the study, author focuses the dynamic character of the principle of co-operation and assigns co-operation the status of an emerging economic system. This book is divided into three sections. First Section is concerned with the beginning and the foundation of the co-operation and Rochdale co-operative philosophy. Second Section is focused on emergence of co-operation as an economic system and needs to be reformed. Pattern of development is presented under five chapter i.e. economic progress through co-operation, social aspects of co-operation, political philosophy of co-operation, co-
operation and State action, management development, importance of education, training and leadership. Author explained that co-operatives have to realise that they cannot eliminate all competition. The competition from private enterprise and large capitalistic concerns is there in the market and for facing and surviving in this cutthroat competition cooperatives must seek international cooperation in future.

A.3.26 Devadas (1987) in his book titled, "Co-operative Banking and Economic Development" studied the role of Assam Co-operative Apex Bank Ltd. in economy of the State. He observed that while working as a commercial bank, it had to fulfil three other functions, i.e., to finance primary credit societies, to act as banking centre for primary societies, and to undertake supervision of primary societies. He concluded that bank had not been able to achieve much in these three fields due to lack of adequate support from state government.

A.3.27 Suresh K.A., Joseph Molly (1990) – In this book authors made an attempt to analyze the different rural development programmes implemented by government of India. The authors described the role of the co-operatives under the five year plans and the major types of functional co-operatives as agents of rural development with historical background. Author stated that rural development is a subject of determining significant as it predominance rural population and their poverty. In the present study author studied credit co-operatives of Kerala, this is one of the most leading States in co-operative movement in India. In the present study the review of co-operative efforts has revealed that the functions and performances of co-operatives are affected by a lot of factors. Author focused on several organizations involved in rural development such as government, co-operatives, voluntary organizations, commercial banks, industrial houses, etc. about eleven rural development programmes. Success stories of co-operatives like Amul, IFFCO, Warna, etc. showed that they are simultaneously achieving the dual objectives. Authors concluded that co-operatives are the best form of organization for the rural sector.

A.3.28 Singh Balwinder (2000) – In this book author evaluates source-wise and farm type-wise nature of credit. In this book, the main focus points are relationship between credit and area under cultivation, use of fertilizers, productivity and resources. Author examined that the Green Revolution has disappeared gradually in India. As a result, the matter of indebtedness of the farmers has arisen. The book evaluates the nature and extent of rural credit along with the growth of agricultural production and the process of farm mechanization. Author presented the statistical information of the
case study conducted in Punjab for collecting the primary information. The author also examined the causes determining the extent of credit, the determinants of overdue and different categories of farmers on the basis of their economic position. Finally, it is concluded by the author that even after nationalization of banks, the main sources of credit for farmers is still the private money-lenders.

A.3.29 Bhuimali Anil (2003) - The book discussed rural co-operatives and their impact on the rural economy. Author explained that the Indian farmers needed credit for agricultural purpose and they get credit at very high rates from private money-lenders. Naturally it creates indebtedness in farmers. In various countries co-operation has been used as an institution and instrument of economic development. The co-operative societies in rural sector played a big part in America, Western Europe and even in Israel to raise the level of productivity in agriculture. The author presented three case studies to explain the activities of such societies in the rural India and their consequent impact on the economy. Author stated that co-operatives have played a significant role not only as instrument of economic growth, but also influencing the people towards social and economic changes by way of adopting innovation and technology. The book discussed the co-operation as an instrument of growth, general experience of co-operation in India.

A.3.30 Goel B.B. (2006) - In his book titled “Co-operative Legislation- Trends and Dimensions”, it is stated that the Indian co-operative movement is probably one of the largest movement in the world. The co-operatives structured around the Rochdale principles and Raiffeisen model. Author described that the co-operatives are working at various levels and the role of National Co-operative Development Corporation (NCDC) as the leading development financing institution with huge training infrastructure to promote sustainable development in India. The book is a comprehensive volume, which systematically described co-operative scenario and administrative framework. In the chapter, Co-operative Legislation- Trends and Dimensions author stressed on the growth of co-operative law in backward survey, such as- 1904 and 1912 Acts, recommendations of committees and commissions etc. Further, the author stated the rationality of traditional legislation, Model Act; Multi-State Co-operative Societies Act, and Producer Companies’ legislation.

A.3.31 Swami H.R. and Gupta B.P. (2006) - The co-authored book is a widespread study examined necessity of the co-operatives in sustaining rural economy. Author stated that India is a country of villages (near about 7.5 lack villages). Majority of the
population (72%) of the country lives in villages. Sixty per cent working population of the country is dependent on agriculture and its allied activities for livelihood. The rural economy is the main base of Indian economy which contributes 18 per cent share in national income. Author presented study in three parts; first two parts stated a searching analysis of many aspects of rural development. Part third includes various aspects of co-operation such as concept, principles, origin of the co-operative movement in India and abroad, and co-operation during planning period etc. Co-operation is concerned with all aspects of human life i.e. economic, social, political, moral and religious aspects, rather than any other. Finally author concluded that Government policies can be implemented with the help of co-operative societies in rural areas. And through the co-operative societies, government seeks public support and awareness.

A.3.32 Niti Bhasin (2007) written a book titled “Banking Developments in India – 1947 to 2007, Growth, Reforms and Outlook” focused the various latest issues related with the bank. This book explains and examines the changes which have swept the Indian Banking sector over the last 60 years since independence. This book describes the role of banking system in India, changing functions of central banks, central banks- its history, role and challenges, modern technology in Indian Banking System, progress of banking industry in India. Besides, there are 6 appendices to the book which provide relevant material on the subject.

A.3.33 In the book written by O. P. Agarwal (2008) titled, “Modern Banking of India”, incorporated the history of Indian Banking, various types of banks, regulations of banks by RBI, universal banking, Customer Relation Management, retail banking, pricing of deposits, Non-residents deposit schemes, appraisal of Small and Medium Enterprises, NPAs, capital adequacy norms for banks, E-banking, cyber law and amendments Bankers’ Book Evidence Act have been explained.

A.3.34 Baldev S. Sandhu (2011) undertook a study titled, “Banking and Rural Development – Promises and Performance” and attempts to make an appraisal of the credit needs of the rural and agriculture sector of India. This book contains evolution of Commercial Banking in India, Bank Credit and Integrated Rural Development, Bank Credit and Rural Industrial Development.
IV. REVIEW OF RESEARCH ARTICLES

A.3.35 Mohinder Singh (1967) - The study published in the conference was organized by the International Co-operative Alliance, Education Centre for South East Asia and had its main theme, "the problems of agricultural co-operative credit". Author explained that institutional finance, generally, is available through government departments (including developmental or financing institutions established by governments), commercial banks, and co-operatives. The credit available through government department is very limited and its availability is often restricted to special situation. In many of the Asian countries (Ceylon, India, Japan, Republic of Korea, Republic of Vietnam), the agricultural credit available through co-operatives accounts for four-fifth or more of the institutional agricultural credit. Author concluded that - there should be a well-developed extension service, improve standard of living of farmers, and provide them required equipment. Finally, author gave importance to national level institutions of co-operative as they are responsible for assisting in the task of improving the efficiency of co-operatives.

A.3.36 Datar D.R. (1969) - In a paper discussed the "Place of Co-operation in India's Economy". Co-operative movement in India since independence has made a remarkable progress and it became the backbone of rural economic activities. Researcher measured the contribution of co-operative movement in Indian economy. In this paper researcher made available statistical information for different years and for some of the sectors of co-operative activity such as credit, marketing, processing, sugar production, consumers and industrial co-operation etc. has been collected and presented in tabular form along with corresponding information for the whole country. Researcher found that co-operatives made significant progress, however, that is noticed that it was limited to only certain sectors of the economy such as agricultural credit, sugar manufacturing, cotton ginning and pressing and marketing, but in many fields their contribution was almost insignificant.

A.3.37 Kalyankar (1983) in his study titled, "Wilful Default in Loans of Co-operatives" evaluated the trends in deposits, share capital, working capital, loans outstanding, advances, overdues and recoveries at the district level financing institutes. In this research paper the specific progress made by Central Co-operative Bank of Parbhani District is analysed by considering the socioeconomic factors. The study revealed that the cropping intensity, irrigation facility and working capital of the societies were the major factors for explaining overdues at primary agricultural credit.
societies' level. Researcher concluded that the socio-economic factors were not responsible for increasing overdues at the borrowers' level, but overdues were mainly increased due to the non-economic factors in case of wilful defaulters.

A.3.38 Vaikunthe L.D. in 1988 conducted a study namely “Recovery Performance of DCCB, Dharwad”. In order to examine the bank’s recovery performance, the researcher has conducted a survey of 180 borrowing households, who were selected from different farmer groups such big; medium and small farmer and they were questioned about the reason for default in repayment of loan. The study presented that crop failure was the main reason behind the mounting overdues.

A.3.39 Murthi and Saraswati (1996), in their paper titled, “Reducing Overdues in Credit Co-operatives: Some Alternatives” worked a study to evaluate the Quantitative Progress made in respect of supply of institutional credit. The secondary data was collected from the various reports of RBI relating to Co-operative Movement in India. The study was conducted to find out whether it was possible to reduce overdues by making co-operatives the exclusive institutions of economically weaker sections-by restructuring them; and by effective changes in the loaning policies-by revamping them. It was finally concluded that the change in loaning policies like induction of liaison workers, efforts of elders committee, motivated management would not have helped recovery of loans in the absence of homogeneity.

A.3.40 Ganeshwar Rao D. in 1992 worked on a study namely “Work Technology of Co-operatives”. In this study, the researcher emphasized that the work technology needed to be enhanced in Co-operative Banks as a measure of efficiency of operations, economy in expenditure and improvement in customer service. Cooperative institutions should provide latest and standard services to the customers.

A.3.41 Reddy B.R. and Laxminarayana published in 1996 a research paper “Overdues in Co-operatives: A Case Study in Andhra Pradesh”. It examined that viability and self-reliance could be achieved in Co-operatives by adopting a more professional pattern in the approval and recovery of loans. The author concluded by stating that Co-operatives should function as efficient business units, motivated by an approach of social purpose based on the fundamental principles of cooperation.

A.3.42 Puyalvannan in 1997 undertaken a research entitled, “A Study of Overdues, Recovery Performance and Erosion of Funds in Central Co-operative Banks”. The author studied the overdues, recovery performance and erosion of funds in Central Co-operative Banks and emphasized disbursement and recovery of various types of loans.
requires a high degree of specialization. The study concluded that in some of the DCCBs, the percentage of erosion of owned funds was high due to over dues. Further, author stated that too much Government’s interference in the working of the Cooperatives was the root cause of high overdues.

A.3.43 Pathania and Singh (1998)\textsuperscript{43}, in their study titled, “A Study of Performance of HP State Co-operative Bank” observed that the performance of the Himachal Pradesh State Co-operative Bank Ltd. in terms of membership, share capital, deposit mobilization, working capital and advances, NPAs, overdues, recovery, etc. However, recovery performance was unsatisfactory and overdues also increased speedily. This was due to the effects of loan waiver scheme for farmers. The performance of the bank showed that there is a significant growth in share capital, deposits, borrowings, advances and profits. Authors suggested that in the context of globalization and liberalization of economy, cooperative banks should ensure their business on healthy lines by having professional manpower, training and a spirit of competition.

A.3.44 Debabrata Das (2000)\textsuperscript{44} made a study on “Co-operative Banking in Arunachal Pradesh”. This study aimed to analyze the working of the Arunachal Pradesh State Cooperative Apex Bank Ltd. It analyzed the pattern of advances of the bank, the trends of branch expansion and deposit mobilization of the bank. The study covered a period of nineteen years from 1978-79 to 1996-97. It is observed that the bank's deposit mobilization performance was good. As proper utilization of loan could improve the recovery position of the bank, it recommended that proper and frequent supervision of utilization of loan funds need to be undertaken by the employees at different stages.

A.3.45 Niranjanraj and Chitranbaram (2000)\textsuperscript{45}, in their study titled, “Measuring the Performance of DCCBs” observed that suitable models should be developed to evaluate the performance of co-operative banks. They considered 23 parameters falling into four major groups for measuring the performance of District Central Cooperative Banks and assigned appropriate weights to each parameter. They ranked 14 District Central Co-operative Banks of Kerala based on composite marks. They suggested that performance of co-operative banks should not be measured in terms of financial/ economic achievements only but their performance as co-operative organizations (social achievements) should also be evaluated.

A.3.46 Satyasai and Badatya (2000)\textsuperscript{46} conducted a study regarding restructuring Rural Credit Co-operative Institutions. They analysed performance of rural co-operative credit institutions on the basis of borrowings and lending operations, cost
structure, financial viability, etc. and found that co-operative system, in general, had failed to perform its functions properly. They advised the co-operative banks to diversify their business and also to overcome internal (rising transaction cost, declining business level, mismanagement of overdues) and external (excessive bureaucratization, politicization) weaknesses.

A.3.47 G.S. Kamat (2001) published a study on “Productivity Challenge before Co-operative Banks”. The study found various potential areas to improve the productivity of Co-operative Banks through cost reduction. It revealed that these areas could yield immense benefits if adequate support is extended to the bank. It suggested the Co-operative banks to adopt an appropriate cost reduction approach to improve productivity in their management.

A.3.48 Venugopal Y. in 2001 undertaken a study on “Funds Management in Co-operative Banks- A Need for New Approach”. He reported that in the context of open economy and application of prudential norms and regulation of interest rates, a new orientation of achieving higher productivity and profitability is required for the funds management in Co-operative Banks. The new approach should be increasing the spread of interest, which requires reduction in interest cost and increase of interest income in order to withstand the competition from other players. In this circumstance, the function of allocation of funds in a profitable manner needs to be focused on by banks. The mobilization of resources (owned funds, deposits form public, members, loans from RBI, refinance from NABARD, etc.) at the lowest cost and deployment of funds ensuring higher yield (which also depends in good recovery performance of advances and reduction of NPA to the level of less than 10 percent of gross advances) are the important factors that ensure the profitability. The funds management should also concentrate on the reduction of emerging risks in bank business and also on maintaining desired levels of matching maturities of assets and liabilities. Cost reduction in mobilizing resources and increase in yield from funds deployment are required to be ensured to register profits.

A.3.49 Ramesha K. in 2001 made a study entitled “Credit Risk Management in Agricultural Co-operative Banks”. Given the rates of NPAs and chronic over dues, credit risk management assumes greater significance in Co-operative Banks. The inherent risk in agricultural lending makes credit risk management all the more important and burning requirement in Agricultural Credit Co-operatives. Needless to
say, credit discipline should form the centre piece of the strategies for the survival and growth of PACBs.

A.3.50 Monica Soni in 2002 made a study on “NPA Management by Rural Banks; A Critical Appraisal”. The study aimed at analyzing the NPA position of two major players in rural banking viz., Co-operative Banks and Regional Rural Banks. NPAs have serious impact on the profitability of banks. There is a strain on the profitability of banks as they could not recognize or book income on NPA accounts. Moreover the profits realized needs to be diverted to make provision for impaired assets. The liquidity risk of bank increased due to an increase in the level of NPAs to total credit. However, the bank could not prevent the emergence of NPAs due to risk involved in lending on account of poor banking judgment, changes in economy etc., This demanded a detailed analysis of different aspects of NPAs. The efficiency of rural banks could be made better, if their performance with respect to NPA management improved.

A.3.51 Satyasai. K.J.S and Patil A.S. in 2002, in their study on “Revitalizing Rural Credit System”, they highlighted three strategies such as “Recognising the nature of significance of demand for rural credit, strengthening of organization and competence of the institutions and Sensitizing the regulatory and support system”. Researchers provided valuable suggestions for strengthening the rural credit system.

A.3.52 Amardeep Walia in 2003 reported the core issue in cooperative banking titled, “Funds Management in Central Co-operative Banks” – A case study of the Jalandhar Central Co-operative Bank Ltd. The report identified the following facts-
The Central Co-operative banks were under pressure to properly manage their funds due to cut throat competition in the market. The main source of funds of the bank was deposits and advances which contributed 91 percent of the funds. The loan portfolio of the bank was found in poor condition and only a 34 per cent of total funds were utilized for loans and advances while a major portion, 60 percent was utilized in investments. CD ratio was maintained below 39 percent. It is found that the solvency position and recovery position of the bank were sound with CAR at 12 percent and recovery at 97 per cent level. Finally, the study concluded that the bank suffered from liquidity risk.

A.3.53 Prasad (2005), in his research paper titled, “Co-operative Banking in a Competitive Business Environment” stated that the technology had made tremendous impact on entire banking sector, due to which cooperative banking has to face the
challenges of risk and credit management. Therefore, they needed a combination of new technologies and better processes of credit and risk appraisal, treasury management, product diversification, internal control and external regulation, professional expertise. In the present business environment, the co-operative banks should stand with the tools like latest banking services, efficient grievances redressal mechanism. Researcher emphasised on the urgent need of transformation in the business operations, governance and methods of cooperative banking to face environmental challenges.

A.3.54 Narayanmoorthy A. (2006) — The present study “State of India’s Farmers” focuses on the Situation Assessment Survey of the farming community, commissioned by the Minister of Agriculture and carried out by the National Sample Survey Organization (NSSO). Survey brings out the poor condition of Indian farmers, their income, expenditure and indebtedness. Ministry of Agriculture presented a comprehensive study and socio-economic survey of the farmers’ covering educational status, living standard, farming practices, possession of productive assets, awareness and access to modern technology, resource availability, indebtedness and other relevant issues. Researcher suggested that there should be sufficient credit to the agricultural sector at a reasonable rate of interest given through programmes such as ‘credit widening and credit deepening’ for reducing the indebtedness of rural areas.

A.3.55 Fulbag Singh and Balwinder Singh (2006) — An attempt was made to study the “Funds Management in the Central Co-operative Banks of Punjab— An Analysis of Financial Margin”. The study intended to estimate the impact of the variables that were identified for the study purpose, such as the Ratio of Own Funds to Working Funds, the Ratio of Low Cost Deposits to Total Deposits, the Ratio of Over dues to Total Loans, the Ratio of Recovery to Demand, the Ratio of Agriculture Loan to Total Loan and the Credit to Deposit Ratio on the financial margin of the Central Co-operative Banks in Punjab. The study identified the positive impact of Own Funds to Working Funds and the Ratio of Recovery to Demand on the financial margin while the Ratio of Recovery to Demand had negatively influenced the financial margin. The study concluded that the financial margin could be improved through the timely recovery of previous loans and high use of funds.

A.3.56 Ramesh D. (2007) — Author presented the performance and challenges before the Maharashtra State Central Co-operative Bank, in rural credit delivery system. The study reveals that co-operatives have played an important role in
promoting agricultural and rural development in India, particularly in the field of credit, supply of inputs, processing and marketing of agricultural produce. Due to adoption of globalization, the co-operatives in India are facing several problems. He suggested that there should be a well-conceived action programme to provide specified guide points to co-operatives; adoption of professionalism and efficiency, introduction of modern technology, systematic training through effective interplay of inter co-operative relationship, mobilization of resources, and enhancing participation of members in decision making process and reducing dependence on government assistance.

A.3.57 Vinayagamoorthy A. (2007)57 – The present paper discussed the “Globalization and Co-operative Sector in India.” In India, year 1991 marked the beginning of a new era in economic policy. To encourage privatization, policy changes such as deregulation of state investment in infrastructure, manufacturing etc. provided for new direction and affected almost all the sectors of the economy including co-operative sector. The reforms neglected the rural and agricultural sector. Author explained that it is the need of the hour that co-operative sector in the era of liberalized environment is to capture every opportunity available to it. Finally, it is suggested that the future vision of co-operative movement should be based on efficient parameters relating to promotion of excellence, improvement of operational efficiency and strengthening of financial resource base.

A.3.58 Satish P. (2007)58 – In the research paper titled, “Agricultural Credit in the Post-Reforms Era” studies that after 1991, financial sector reforms systematically changed the institutional credit arrangements for agriculture. The RBI and the Government have emphasized the importance of credit to agriculture many times. The paper suggested a set of reforms which will provide the new guidelines for agricultural credit. For the revitalization of the co-operative banking sector, Central and State Governments and NABARD should work on efficient grounds. RBI has to continue refinancing through NABARD to cooperative banks at a reasonable rate of interest.

A.3.59 Muley S.S. (2007)59 – The paper discusses “Role of Co-operative Banks in Rural Credit” The paper presented the co-operative credit structure in India along with its progress. The PACS and DCCB provide short term and medium term loan and PCARDB and SCARBD provides long term loan in rural areas. The study revealed that recovery performances of co-operative banks are not satisfactory. Researcher discussed the problems i.e. lack of necessary funds, delays in sanctioning loans,
effective supervision verification of actual utilization of loans, political interference, unsatisfactory recovery performance, lack of adequate and trained staff, high cost of management, etc. Researcher also discussed the measures i.e. review of co-operative law, adoption of new technologies, computerization, good communication network, tighten the supervision and monitoring of operation, removal of political interference, required training and incentives to staff, etc.

A.3.60 Reserve Bank of India in 200760 - A research entitled “Study of Services to Depositors and Small Borrowers in Rural and Semi-Urban Areas”. The study aimed to identify the quality of services rendered by the commercial banks to their customers both depositors and small borrowers. It considered a national representative sample of 922 branches constituting a total sample of 9,178 depositors and 13,109 borrowers. The study concluded that customers' satisfaction is relatively high in almost all customer segments. However, customers were not satisfied with the factors such as service and access, information dissemination regarding qualification for getting loan, awareness campaigns about various loan schemes, account opening process and average waiting time, Employees responsiveness, etc, and it suggested all banks to take necessary steps to improve these matters.

A.3.61 Shah (2007)61 conducted a case study titled “Evaluating Financial Health of Credit Co-operatives in Maharashtra State of India”. It is a comparative study of Sangli and Buldana District Central Cooperative Banks regarding the financial health of credit co-operatives in Maharashtra and found NPAs or overdues as the main factors for deterioration in health of these banks. The study revealed that both these banks showed a decline in their financial health and economic viability during the late nineties as compared the early nineties period.

A.3.62 Kavitha M. (2008)62 – The present study is the comprehensive study on the “Co-operative Movement in India- with Future Perspective”, as the paper discussed the all aspects of the co-operative movement like- meaning, origin of the co-operative movement, co-operative movement in India, its types, etc. Author presented the future perspective of cooperative movement in India i.e. increased competition and regulation of local markets. In conclusion of the paper author stated that, co-operatives are suffering from some drawbacks i.e. poor infrastructure, lack of quality management, over-dependence on government, dormant membership, non-conduct of elections, lack of strong human resources policy, neglect of professionalism, etc.
Suggested that to develop effective strategies to overcome existing weaknesses and provide basic needs through public service co-operatives.

**A.3.63 Balasaheb Vikhe Patil (2008)** The present paper titled, "Agricultural Indebtedness: Crisis and Revival" studied the rural indebtedness in India. It is found that it has remained an important issue and an obstacle for development. For the sound economic and social development it requires in-depth analysis. The paper discussed the Expert Group Report of R. Radhkrishana on the problem of agricultural indebtedness. The share of co-operatives in total agricultural credit declined from 74.90 per cent of short term credit in 1975-76 to 33.2 per cent in 2005-06 and from 61.2 per cent of long-term credit to only 6 per cent in the same period. For overcoming these problems, this article points out that improvement in credit delivery system, a correction in planning strategy and adoption of efficient credit and recovery measures.

**A.3.64 Ganesan N. (2009)** made a study on "Data Envelopment Analysis of State and District Co-operative Banks in India: Exploratory results". A sample size of 30 State Co-operative Banks (SCBs) and 20 District Central Co-operative Banks (DCCBs) in India were selected for the study purpose. It covered a period of 2002-06. The researcher analysed the performance of SCBs and DCCBs with the help of direct empirical method. It calculated the self-efficiency of each SCB and DCCB in each state by applying Data Envelopment Analysis (DEA). The efficiency score was derived after completing the regional wise grouping of SCBs and DCCBs. The study highlighted the performance of SCBs and DCCBs in terms of technical efficiency.

**A.3.65 Mayilsamy and Revathi Bala (2009)** A study entitled "Trend and Progress of District Central Co-operative Banks in India", revealed the general growth in the performance of DCCBs owing to the new measures and policy initiatives introduced by the respective State Government and by NABARD. The policies and measures include the substantial State Partnership in the share capital of DCCBs, linking borrowing with share capital, measures for the mobilization of adequate deposits, linking of deposits with borrowing, preferential lending to weaker sections, etc.,

**A.3.66 Singh and Singh (2010)**, in their study titled, "Technical and Scale Efficiency in District Central Co-operative Banks of Punjab - A Non- Parametric Analysis" had attempted to investigate the extent of technical efficiency across 20 DCCBs of Punjab with the help of Data Envelopment Analysis. They brought out that size of DCCBs and profits had been affecting the measures of technical efficiency significantly. The study further revealed that DCCBs of Punjab were suffering from...
the problems of managerial irregularities and improper production scale. Appropriate policy interventions by state government, RBI and NABARD have been suggested by the authors.

A.3.67 Uppal R.K. in 2010\textsuperscript{67} reported a study on “Customer complaints in banks: Nature, extent and strategies to mitigation”. The purpose of the study was to analyse the number of complaints in three type of banking sectors such as public sector banks, private sector banks and foreign sector banks and also to propose measures to reduce the complaints. The study revealed the fact that large number of complaints had been registered in public sector banks than private and foreign sector banks. It recommended for an organization of customer care centers by all the public sector banks, to solve the complaints and to mitigate the complaints. It is considered essential to have a clear understanding of the background in which the District Central Co-operative Banks are functioning for the evaluation of T.D.C.C Bank Ltd. Hence in the succeeding section, the researcher makes an attempt to review the developments in Co-operative Banking in India in general and that of Tamil Nadu in particular.

A.3.68 In the speech of Union Finance Minister Shri Arun Jaitley, (June 2014)\textsuperscript{68} he announced, “The Reserve Bank of India (RBI) has reduced the SLR by 50 basic points while maintaining the repo rate as unchanged. It is a priority for the Government to maintain a balance between growth and inflation. The RBI has also chosen to maintain a balance between growth and inflation while keeping the policy rates unchanged. It has allowed banks to lend more to the private sector since they will be required to subscribe less to government securities than earlier.”
B.3.1 INTRODUCTION

Latur is one of the districts in Marathwada. Marathwada region consists of 5 districts as Aurangabad, Parbhani, Beed, Nanded and Osmanabad up to 1981. In 1982, on bifurcation of Osmanabad district, Latur came into existence on 16th August 1982. Latur district consists of Latur, Udgir, Ausa, Nilanga, and Ahmedpur taluks.

On 15th August 1992, after reconstruction of earlier taluks, two new taluks are included namely Renapur and Chakur. Renapur and Chakur are separated from Udgir taluk because Udgir taluk was geographically large in the district which includes more than 200 villages. It is divided into Chakur, Renapur and Udgir itself by shifting 74 villages in Udgir taluk. On 23rd June, 1999 by restructuring, three new taluks were created namely Doeni, Jalkot, Shirur Anantpal. Presently, Latur district consists of 10 taluks.

Out of 35 districts of Maharashtra, 8 districts are in Marathwada. On 16th Aug. 1982, Latur district came into existence. Latur district made rapid development in these 31 years.

B.3.2 HISTORICAL BACKGROUND

The state of Maharashtra is one of the 25 states of the India Union. On 1st May 1960 Maharashtra, a single uni-lingual Marathi speaking state was formed, after splitting the then existing bi-lingual Mumbai state of 1956. Now the Maharashtra state comprises 4 regions namely Western Maharashtra, Kokan, Vidarbha and Marathwada. Further state bifurcated into 6 administrative sections namely Kokan (Mumbai), Nashik, Pune, Aurangabad, Amarawati, Nagpur including 35 districts. Pune & Nashik come into western Maharashtra.

Marathwada region consists of 8 districts namely Aurangabad, Jalna, Parbhani, Beed, Hingoli, Nanded, Osmanabad and Latur.

Osmanabad district was established in 1960 with 11 taluks as Latur, Osmanabad, Parbhani, Bhoom, Kalamb, Tuljapur, Umarga, Ausa, Ahmedpur, Nilanga and Udgir. On 16th August 1982 for geographical and administrative convenience, Latur came into existence as a district with Latur, Ausa, Nilanga, Udgir, Ahmedpur, Renapur taluks.

At the end of 2011-12, Latur district consists 10 taluks namely Latur,Ausa, Nilanga, Udgir, Ahmedpur, Renapur, Deoni, Jalkot, Chakur, Shirur Anantpal. In Latur
district there are 10 talukas, 945 villages, 787 Gram Panchayats, 10 Tashil Offices, 5 Nagar Parishad, 1 Zilla Parishad, 46 Health Care Centres, 9 Rural hospitals, 2149 Primary schools, 554 Secondary schools, 110 government and granted residential schools, 194 Junior colleges, 38 Degree colleges, 2 Medical colleges, 9 ITIs, 2 Engineering colleges, 2 Polytechnic colleges and 1 Agricultural college. Along with these, there are 3857 registered co-operative societies, 1 Milk powder project, 56 Ashram schools, 356 Health Care Centres, 214 Bank branches, 1358 Ration shops, 20 Courts, 36 Police stations, 239 Veterinary hospitals.

B.3.3 GEOGRAPHICAL AREA AND LOCATION

Latur is at south coast of Maharashtra state and its geographical area is 7157 sq.km. It is 2.32% of Maharashtra and 11.04% of Aurangabad region. It is situated between 18.5 to 18.7 north latitudes and between 73.25 to 77.25 longitudes in east. It is on the boundary of Maharashtra and Karnataka states.

Osmanabad is at the south and west, Parbhani and Beed is at north and north-south, Nanded is at north-east and Bidar district of Karnataka is at east of Latur District.

B.3.4 TALUKAS OF LATUR DISTRICT

1. Latur

Latur is a central place of district with historical background. The main attraction of city is Gunj-Golai, a business centre. In district, the temples of Siddheshwar, Ramlingwar, Papwinasham, Mukteshwar, Ram Mandir, Datta Mandir, Keshavraj are famous. Class ‘A’ Nagar Parishad is for Latur district and it was established in 1935. As per census 2001, the area covered under Nagar Parishad is 21.00 sq. km. and population was 2,99,985. And as per the provisional statistics of Census 2011, the population was 396776. Latur is graded as Municipal Corporation on 25th October, 2011. Latur city is considered as centre of education; hence people are migrating from rural to urban area.

2. Ahmedpur

Ahmedpur has a central place of tahsil and is 60 km away from Latur. Nagar Parishad of this town was established in 1945 & 18.15 Sq. km. area is covered under it. The population of town is 35,805. And as per the provisional statistics of Census 2011, the population was 43973. Yogendra Bharati Math is very famous in Ahmedpur. Alongwith this, the temple of Balaji, Mahuridevi, Mahadev and Datta are also famous. The town is growing at rapid speed.
3. Ausa

Ausa has a central place of tahsil & it is situated at 20 km on west-south directions of Latur taluka. Its population is 30,876. And as per the provisional statistics of Census 2011, the population was 36158. Nagar Parishad was established in 1953 & area covered under it is 5.61 sq. km. Its main attraction is historical fort of Ausa. It covers 5 hectares at the west side of Ausa. In Ausa, there is a big temple of Vrinath Maharaj. It was built before 300 years by Mallinath Maharaj, son of Vrinath Maharaj. Ausa is continuously and rapidly making progress.

4. Nilanga

Nilanga is a taluka place. As per census 2001, its population is 31,662. And as per the provisional statistics of Census 2011, the population was 36215. Nagar Parishad of Nilanga was established in 1944 & area covered under it is 16.86 sq. km. The temple of Nilekantheshwara is very famous which was built in 12th century.

5. Udgir

Udgir is a taluka place and a historical town. As per census 2001, its population is 91,933. And as per the provisional statistics of Census 2011, the population was 112336. Nagar Parishad of Udgir was established in 1953 & area covered under it is 5.80 sq. km. with class 'B' status. Udgir is second largest town of Latur district.

6. Deoni

As per census 2001, population of Deoni is 88,362 & its geographical area is 396 sq. km. And as per the provisional statistics of Census 2011, the population was 97588. Deoni bulls are very famous at national level.

7. Renapur

As per census 2001, its population is 1,22,192 & its geographical area is 552 sq. km. And as per the provisional statistics of Census 2011, the population was 142252. In Renapur, a historical temple of Mata Renukadevi is famous and a weekly market of cattle has been organised regularly.

8. Chakur

Chakur is a taluka place & as per census 2001, its population is 1,57,135 & its geographical area is 668 sq. km. And as per the provisional statistics of Census 2011, the population was 178089. Famous Shri Satya Saibaba temple is in Chakur.
9. Jalkot

As per census 2001, the population of Jalkot is 69,198 & its geographical area is 347 sq. km. And as per the provisional statistics of Census 2011, the population was 87012.

10. Shirur Anantpal

As per census 2001, the population of Shirur Anantpal is 74,081 & its geographical area is 330 sq. km. And as per the provisional statistics of Census 2011, the population was 83515. Its historical Anantpal Shiv Mandir is famous.

Latur district consists above 10 talukas.

B.3.5 VILLAGES / REGIONS

Table No. 3.1
Residential Regions and Wastelands of Latur District

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of Taluka</th>
<th>Residential Regions</th>
<th>Wastelands</th>
<th>Total Regions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Latur</td>
<td>119</td>
<td>1</td>
<td>120</td>
</tr>
<tr>
<td>2</td>
<td>Ahmedpur</td>
<td>121</td>
<td>2</td>
<td>123</td>
</tr>
<tr>
<td>3</td>
<td>Udgir</td>
<td>94</td>
<td>2</td>
<td>96</td>
</tr>
<tr>
<td>4</td>
<td>Nilanga</td>
<td>142</td>
<td>13</td>
<td>155</td>
</tr>
<tr>
<td>5</td>
<td>Ausa</td>
<td>127</td>
<td>5</td>
<td>132</td>
</tr>
<tr>
<td>6</td>
<td>Renapur</td>
<td>79</td>
<td>0</td>
<td>79</td>
</tr>
<tr>
<td>7</td>
<td>Chakur</td>
<td>85</td>
<td>0</td>
<td>85</td>
</tr>
<tr>
<td>8</td>
<td>Shirur Anantpal</td>
<td>51</td>
<td>0</td>
<td>51</td>
</tr>
<tr>
<td>9</td>
<td>Jalkot</td>
<td>47</td>
<td>0</td>
<td>47</td>
</tr>
<tr>
<td>10</td>
<td>Deoni</td>
<td>57</td>
<td>0</td>
<td>57</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>922</strong></td>
<td><strong>23</strong></td>
<td><strong>945</strong></td>
<td></td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)

As per census 2001, Latur district consists of 945 regions. Out of that, 922 towns are residential and 23 regions are wastelands. Table 3.1 shows details of residential & deserted regions.

B.3.6 NAGAR PARISHAD

Five Nagar Parishad are in Latur district. Nagar Parishad of Latur comes under class ‘A’, Nagar Parishad of Udgir comes under class ‘B’, and Nagar Parishad of Nilanga, Ahmedpur and Ausa come under class ‘C’. And for Renapur, Jalkot, Chakur, Shirur Anantpal and Deoni talukas have no Nagar Parishads. Latur is graded as Municipal Corporation on 25th October, 2011.

B.3.7 REVENUE DEPARTMENT / SECTION

The geographical area of Latur district is 7,157 Sq. km and 2.32% of the geographical area of Maharashtra. And it is 11.04% of the Aurangabad region. At the
end of 2011-12, in the district 10 talukas and 3 revenue sub sections exists. Table 3.2 shows the revenue departments.

**Table No. 3.2**  
Revenue Departments of Latur District

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Sub Sections</th>
<th>Talukas</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Latur</td>
<td>Latur, Renapur, Ausa</td>
</tr>
<tr>
<td>2</td>
<td>Udgir</td>
<td>Udgir, Ahmedpur, Chakur, Jalkot</td>
</tr>
<tr>
<td>3</td>
<td>Nilanga</td>
<td>Nilanga, Deoni, Shirur Anantpal</td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)

**B.3.8 PANCHAYAT SAMITI VIKAS GAT**

Latur district includes 10 Panchayat Samiti offices and 787 Grampanchayat offices till the end of the year 2011-12. Table No. 3.3 shows the details about Panchayat Samiti Vikas Gat.

**Table No. 3.3**  
Panchayat Samiti Vikas Gat of Latur District

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of Panchayat Samiti</th>
<th>No. of Grampanchayat</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Latur</td>
<td>109</td>
</tr>
<tr>
<td>2</td>
<td>Ahmedpur</td>
<td>97</td>
</tr>
<tr>
<td>3</td>
<td>Udgir</td>
<td>85</td>
</tr>
<tr>
<td>4</td>
<td>Nilanga</td>
<td>112</td>
</tr>
<tr>
<td>5</td>
<td>Ausa</td>
<td>110</td>
</tr>
<tr>
<td>6</td>
<td>Renapur</td>
<td>66</td>
</tr>
<tr>
<td>7</td>
<td>Chakur</td>
<td>72</td>
</tr>
<tr>
<td>8</td>
<td>Shirur Anantpal</td>
<td>45</td>
</tr>
<tr>
<td>9</td>
<td>Jalkot</td>
<td>43</td>
</tr>
<tr>
<td>10</td>
<td>Deoni</td>
<td>48</td>
</tr>
</tbody>
</table>

Total 787

(Source: District Economic & Social Review, Latur, March 2012)

**B.3.9 POPULATION AND DENSITY**

Density shows the number of persons living in per sq. km. of area. According to census 2001, Latur district covers 9.36% geographical area of Maharashtra state and resides 2.15% of the total population. As per censes 2001, the population of Latur district was 20,80,285. The district density of population is 290 persons per sq. km.
The state density of population is 315 persons per sq. km. The density of district is below state density. By considering geographical area, the density of Latur taluka is 543 per sq. km and it is higher than the density of Maharashtra. As per the provisional statistics of Census 2011, the population of Latur district was 24,55,543 and density was 343 persons per sq. km.

**B.3.10 GENDER RATIO**

As per census 2001, the sex ratio for the state as well as district is unfavourable to females. The gender ratio is 935 for Latur district. The rural and urban ratio is 940 and 916 respectively. It means comparatively the proportion of female in rural area is higher.

And as per the provisional statistics of Census 2011, the gender ratio was 924. The rural and urban ratio is 923 and 927 respectively.

**B.3.11 LITERACY**

As per census 2001, out of the total population of Latur district 71.54% people are literate and the literacy percentage of Maharashtra is 76.9%. District literacy ratio is less than state literacy ratio.

In Latur district, the percentage of literacy is higher in urban area than rural area. In rural area 68.9% and in urban area 80.01% population is literate. In rural area literacy percentage of Shirur Anantpal is highest (71.03%). In Renapur taluka, 66.40% population is literate. Literacy percentage is lowest in Renapur taluka.

In Urban area, Udgir has the highest literacy percentage (81.4%) and Ausa has the lowest literacy percentage (74.9%).

In rural area, literacy percentage of male is highest (84.40%). It is of Ahmedpur taluka and the lowest is of Renapur taluka (78.70%). In case of female, the highest literacy percentage is of Shirur Anantpal (58.09%) and the lowest is of Jalkot taluka (51.9%). There is large difference between the literacy percentage of male and female.

In urban areas, Udgir has the highest literacy percentage of male (89.4%) and lowest is of Ausa (83.6%). In case of female, highest literacy ratio is of Udgir (72.5%) and lowest is of Ausa (65.09%). In rural area, the literacy percentage of male & female are 82.09% and 59.04% respectively. In urban area, it is 88.9% and 70.9% respectively. The literacy percentage of urban area is higher than rural area.

As per census 2001, in Latur district residential homes are 2.81 lakh with 3.82 lakh families.
As per the provisional statistics of Census 2011, out of the total population of Latur district 79.03% people are literate. In Latur district, the percentage of literacy is higher in urban area than rural area. In rural area 76.74% and male and female literacy percentage was 85.96% and 66.82% respectively. In literacy percentage of urban area was 85.71% and male and female literacy percentage was 91.69% and 79.31% respectively.

B.3.12 EDUCATION FACILITIES

Table No. 3.4 shows the education facilities available in Latur at various levels.

Table No. 3.4
Educational Facilities at Latur District

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Levels of Education</th>
<th>No. of Students</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pre-Primary / Primary</td>
<td>306324</td>
<td>54.57</td>
</tr>
<tr>
<td>2</td>
<td>Secondary</td>
<td>172125</td>
<td>30.66</td>
</tr>
<tr>
<td>3</td>
<td>Higher Secondary</td>
<td>54055</td>
<td>9.63</td>
</tr>
<tr>
<td>4</td>
<td>College</td>
<td>28823</td>
<td>5.14</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>561327</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)

In year 2011-12, district consists of 2087 Primary schools, 557 Secondary schools, 133 Colleges, 13 Polytechnic Colleges, 8 Medical colleges, 5 Engineering Colleges, 11 Industrial Training Institutes, 1 Law College, and 1 Agricultural College. In Academic year 2011-12, 5,61,327 students were taken education.

B.3.13 EMPLOYMENT

As per the records of Employment Office, in year 2011-12, 57282 persons were working in various sectors. Out of that 14856 (25.93%) persons were working in government offices, 16881 (29.47%) in semi-government and 25545 (44.60%) were in private sector. The employees in government and semi-government sector were measured. Table No. 3.11 provides the details regarding census of employees in government and semi-government sector as on 1st July, 2008 –

At the end of December 2012, 58404 candidates registered their names with Employment Office. In the year 2012, 16969 candidates registered their names with Employment Office and only 4435 candidates get employed.
### Table No.3.5
**Employees in Government and Semi-Government Sector at Latur District**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>Government</th>
<th>Zilha Parishad</th>
<th>Nagar Parishad</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Class-1 (A)</td>
<td>628</td>
<td>140</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Class-2 (B)</td>
<td>921</td>
<td>779</td>
<td>21</td>
</tr>
<tr>
<td>3</td>
<td>Class-3 (C)</td>
<td>5853</td>
<td>7667</td>
<td>330</td>
</tr>
<tr>
<td>4</td>
<td>Class-4 (D)</td>
<td>2317</td>
<td>1436</td>
<td>1272</td>
</tr>
<tr>
<td><strong>Total 1 – 4</strong></td>
<td></td>
<td><strong>9224</strong></td>
<td><strong>10022</strong></td>
<td><strong>1624</strong></td>
</tr>
<tr>
<td><strong>Other Class</strong></td>
<td></td>
<td>1329</td>
<td>3015</td>
<td>66</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>10553</strong></td>
<td><strong>13037</strong></td>
<td><strong>1690</strong></td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)

### B.3.14 DETAILS OF GEOGRAPHICAL AREA

Table No. 3.6 presents the details of geographical area regarding total geographical area, forest covered area, non-agriculture land, non-fertile land, non-cultivated land in Latur district on March 2012.

In Latur district, the total geographical area is 715700 hectares. Out of that the forest covered area is 3511 hectares and the land which is not useful farming is 29020 hectares. The non-cultivated land except non-fertile land is 20730 hectares.

### Table No.3.6
**Details of Geographical Area of Latur District**

<table>
<thead>
<tr>
<th>Sr. no.</th>
<th>Taluka</th>
<th>Total Geographical Area</th>
<th>Forest covered Area</th>
<th>Land which is not useful for farming</th>
<th>Non-cultivated Land except Non-fertile Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Latur 94256</td>
<td>88</td>
<td>3481 1199 4680</td>
<td>2439</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Renapur 65597</td>
<td>1033</td>
<td>310 259 569</td>
<td>361</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Ahmedpur 86376</td>
<td>229</td>
<td>2938 1435 4373</td>
<td>919</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Jalkot 34180</td>
<td>341</td>
<td>892 600 1492</td>
<td>2757</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Chakur 68336</td>
<td>155</td>
<td>979 2174 3153</td>
<td>1513</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Sh.Anantpal</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Ausa 152265</td>
<td>235</td>
<td>5177 1032 6209</td>
<td>2395</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Nilanga 104976</td>
<td>350</td>
<td>2216 1653 3869</td>
<td>1615</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Deoni 40410</td>
<td>398</td>
<td>1029 701 1730</td>
<td>3217</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Udgir 69304</td>
<td>682</td>
<td>1745 1200 2945</td>
<td>5514</td>
<td></td>
</tr>
<tr>
<td><strong>District Total</strong></td>
<td><strong>715700</strong></td>
<td><strong>3511</strong></td>
<td><strong>18767</strong></td>
<td><strong>10253</strong></td>
<td><strong>29020</strong></td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)
The main economy of district is agriculture. As per census 2001, out of the total working population, 85% population is farmer and farm labours. Agriculture is totally depends on rain. The geographical area of Latur district is 7,15,700 hectares and out of that 6,67,000 hectares (92.91%) is cultivable land.

**Table No. 3.7**  
Cultivation Area under Different Crops at Latur District

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Main Agricultural Crops</th>
<th>Annual Area (In hectares)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jowar</td>
<td>1,99,600</td>
</tr>
<tr>
<td>2</td>
<td>Tur</td>
<td>66,700</td>
</tr>
<tr>
<td>3</td>
<td>Mug</td>
<td>24,200</td>
</tr>
<tr>
<td>4</td>
<td>Udid</td>
<td>76,700</td>
</tr>
<tr>
<td>5</td>
<td>Rice</td>
<td>20,200</td>
</tr>
<tr>
<td>6</td>
<td>Wheat</td>
<td>27,700</td>
</tr>
<tr>
<td>7</td>
<td>Bajari</td>
<td>10,100</td>
</tr>
<tr>
<td>8</td>
<td>Gram</td>
<td>28,900</td>
</tr>
<tr>
<td>9</td>
<td>Sugarcane</td>
<td>24,500</td>
</tr>
<tr>
<td>10</td>
<td>Cotton</td>
<td>40,300</td>
</tr>
<tr>
<td>11</td>
<td>Soyabean</td>
<td>99,000</td>
</tr>
<tr>
<td>12</td>
<td>Others</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>6,27,900</strong></td>
</tr>
</tbody>
</table>

(Source: DIC Action Plan upto 2011-12, DIC Office, Latur)

The district has predominantly kharip crops growing area. However, rabbi crops are also taken in the district. The major kharip crops are Jowar, Pulses, Mug, Udid, Rice, Bajari, Cotton and Oil seeds. Rabbi crops consist of rabbi Jowar, Wheat and Sugarcane. Gram is the only perennial crop in the district.

Table 3.7 shows cultivation area under different crops at Latur district. The major area of cultivation comes under Jowar (1,99,600 hectares) and Soyabean (99000 hectares). Less area comes under Bajari (10,100 hectares) and Rice (20,200 hectares).

On the basis of the table 3.4, it can be said that the main crop produced is Jowar in the district and followed by pulses i.e. Tur, Mug & Udid. Area under sugarcane and wheat should be increased. It will provide more employment opportunities.
B.3.16 LEVEL OF WATER

This includes all types of land; classified as forest under any legal enactment dealing with forest or administered as forests whether state owned or private and whether wooded or maintained as forest land. The forest land in the district is distributed among 87 villages accounting for 9.31 percent of the villages in the district. The total area under forests in the district is about 1539.20 hectares and that of the social forestry is about 2763.68 hectares as per the position in 1989.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of Taluka</th>
<th>Level of Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Latur</td>
<td>3.85</td>
</tr>
<tr>
<td>2</td>
<td>Ahmedpur</td>
<td>3.50</td>
</tr>
<tr>
<td>3</td>
<td>Udgir</td>
<td>2.66</td>
</tr>
<tr>
<td>4</td>
<td>Nilanga</td>
<td>3.73</td>
</tr>
<tr>
<td>5</td>
<td>Ausa</td>
<td>6.40</td>
</tr>
<tr>
<td>6</td>
<td>Renapur</td>
<td>4.05</td>
</tr>
<tr>
<td>7</td>
<td>Chakur</td>
<td>2.35</td>
</tr>
<tr>
<td>8</td>
<td>Shirur Anantpal</td>
<td>7.82</td>
</tr>
<tr>
<td>9</td>
<td>Jalkot</td>
<td>3.10</td>
</tr>
<tr>
<td>10</td>
<td>Deoni</td>
<td>2.06</td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)

Table No. 3.8 shows the talukawise level of water. The common forest products are Khair, Hivar, Temburni, Hankal, Aroni, Apta, Bor, Babhul, and Neem etc. Sale of Tendu leaves and grass in plantation area are the main items of income to forest department.

B.3.17 LANDHOLDER FARMERS AND THEIR LAND HOLDINGS

The economy of Latur district is based on agriculture and its allied industries. As per the Census 2001, out of the total working population, 85% working population was working as farmers and labourers in farm. The agriculture is totally depends on nature. In the district, both kharif and rabbi crops are raised but the proportion of kharif crops is higher.

The geographical area of Latur district is 715700 hectares and the cultivable area is 553319 hectares i.e. 77.31% of total area. The major crops are jowar (kharif and rubbi), wheat and rice. Especially, jowar is the major crop in Latur district. In the year 2011-12, jowar was cultivated on the 118918 hectares which was 21.49% with total cultivable area.
Table No. 3.9 presents that majority of the landholders i.e. 36.57% are holding the agriculture land of 2.0 to 5.0 hectares. 32.58% landholders are holding the land area between 1.0 to 2.0 hectares. Small number of farmers i.e. 266 farmers are holding only 6619 hectares of land.

Table No. 3.9
No. of Landholders and their land holding in Latur district

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Area (In hectares)</th>
<th>No. of Landholders</th>
<th>Land Holding (In hectares)</th>
<th>% with Total Landholders</th>
<th>% with Total Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.0 to 1.0</td>
<td>39907</td>
<td>26952</td>
<td>17.21</td>
<td>4.17</td>
</tr>
<tr>
<td>2</td>
<td>1.0 to 2.0</td>
<td>75562</td>
<td>109934</td>
<td>32.58</td>
<td>17.01</td>
</tr>
<tr>
<td>3</td>
<td>2.0 to 5.0</td>
<td>84771</td>
<td>263480</td>
<td>36.57</td>
<td>40.77</td>
</tr>
<tr>
<td>4</td>
<td>5.0 to 10.0</td>
<td>26595</td>
<td>178789</td>
<td>11.47</td>
<td>27.87</td>
</tr>
<tr>
<td>5</td>
<td>10.0 to 20.0</td>
<td>4800</td>
<td>60417</td>
<td>2.07</td>
<td>9.35</td>
</tr>
<tr>
<td>6</td>
<td>20.0 and above</td>
<td>266</td>
<td>6619</td>
<td>0.1</td>
<td>1.03</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>231907</td>
<td>646191</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)

B.3.18 AGRICULTURE MARKETING COOPERATIVE SOCIETIES

In Latur district various Agriculture Marketing Cooperative Societies & other sub-societies are mentioned in table 3.10.

At the end March 2012, Latur district has 3957 co-operative societies. And the total membership was 784000. Out of that 14.80% i.e. 586 were agricultural credit cooperative societies and 10.23% i.e. 405 were non-agricultural credit co-operative societies. In the year 2011-12, primary agriculture co-operative societies had sanctioned short/medium & long term loan of Rs. 4139782 lakh. The loan due was Rs. 3575600 lakh and arrears were Rs. 406810 lakh.

Table No. 3.10
Agriculture Marketing Cooperative Societies at Latur District

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Agriculture Marketing Society</th>
<th>Sub- Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Latur Agriculture Marketing Coop. Society</td>
<td>Murud</td>
</tr>
<tr>
<td>2</td>
<td>Ahmedpur Agriculture Marketing Coop. Society</td>
<td>Kingaon, Hadolti</td>
</tr>
<tr>
<td>3</td>
<td>Udgir Agriculture Marketing Coop. Society</td>
<td>Wadvana, Hali</td>
</tr>
<tr>
<td>4</td>
<td>Nilanga Agriculture Marketing Coop. Society</td>
<td>Kasar-shirshi</td>
</tr>
<tr>
<td>5</td>
<td>Ausa Agriculture Marketing Coop. Society</td>
<td>Killari, Ujani</td>
</tr>
<tr>
<td>6</td>
<td>Chakur Agriculture Marketing Coop. Society</td>
<td>Nalegaon, chapoli</td>
</tr>
<tr>
<td>7</td>
<td>Aurad (Shirur)</td>
<td></td>
</tr>
</tbody>
</table>
B.3.19 BANKS IN LATUR DISTRICT

In the first decade of 21st century, Latur has seen a spurt in financial activities, with almost all public sector and private banks have opened up branches including State Bank of India, State Bank of Hyderabad, Axis Bank, ICICI Bank, Bank of India, HDFC Bank, IDBI Bank, Bank of Maharashtra, Bank of Baroda, Oriental Bank of Commerce, Allahabad Bank, etc. Latur District Central Co-operative Bank Ltd. Came into existence on 15 August, 1984. Also other Urban Banks whereas Latur Urban Bank was established in 1990, Vikas Cooperative Bank Ltd. was established in 2001. Bank of Maharashtra is having the regional office in Latur.

**Table No. 3.11**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Taluka</th>
<th>No. of villages with Bank Offices</th>
<th>No. of categorised Bank</th>
<th>No. of Bank Branches</th>
<th>Deposits of Banks (In lakhs)</th>
<th>Loan Issued by Banks (In lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Agri.</td>
</tr>
<tr>
<td>1</td>
<td>Latur</td>
<td>22</td>
<td>21</td>
<td>66</td>
<td>146926</td>
<td>15708</td>
</tr>
<tr>
<td>2</td>
<td>Renapur</td>
<td>8</td>
<td>8</td>
<td>14</td>
<td>16192</td>
<td>8125</td>
</tr>
<tr>
<td>3</td>
<td>Ahmedpur</td>
<td>10</td>
<td>7</td>
<td>19</td>
<td>32916</td>
<td>10592</td>
</tr>
<tr>
<td>4</td>
<td>Jalkot</td>
<td>4</td>
<td>7</td>
<td>7</td>
<td>11523</td>
<td>4411</td>
</tr>
<tr>
<td>5</td>
<td>Chakur</td>
<td>12</td>
<td>7</td>
<td>19</td>
<td>12558</td>
<td>5682</td>
</tr>
<tr>
<td>6</td>
<td>Sh.Anantpal</td>
<td>7</td>
<td>7</td>
<td>12</td>
<td>13543</td>
<td>4885</td>
</tr>
<tr>
<td>7</td>
<td>Ausa</td>
<td>17</td>
<td>6</td>
<td>26</td>
<td>33591</td>
<td>13563</td>
</tr>
<tr>
<td>8</td>
<td>Nilanga</td>
<td>15</td>
<td>6</td>
<td>26</td>
<td>47845</td>
<td>17580</td>
</tr>
<tr>
<td>9</td>
<td>Deoni</td>
<td>9</td>
<td>7</td>
<td>12</td>
<td>12611</td>
<td>4841</td>
</tr>
<tr>
<td>10</td>
<td>Udgir</td>
<td>13</td>
<td>9</td>
<td>25</td>
<td>49920</td>
<td>10567</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>117</strong></td>
<td><strong>21</strong></td>
<td><strong>226</strong></td>
<td><strong>377625</strong></td>
<td><strong>95954</strong></td>
<td><strong>126968</strong></td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)

Table No. 3.11 exhibits that total 117 bank offices with 226 branches are rendering services to the customers of Latur district during the year 2011-12. At the end March 2012, the total deposits of these banks were Rs 377625 lakhs. These banks
issued loan to agriculture sector of Rs. 95954 lakhs and to non-agriculture sector Rs. 126968 lakhs.

District has 21 banks with 226 branches and 5 cooperative banks with 96 branches. In 2011-12, in these 21 banks Rs.377625 deposits were credited.

**B.3.20 SELF HELP GROUPS**

In Latur district, various financial institutions are providing financial and technical assistance to set up Self Help Groups for strengthening the people who are Below Poverty Line (BPL) and Above Poverty Line (APL). In Latur district, the main finance providing body to SHGs is Latur District Central Cooperative Bank, Latur.

**Table No. 3.12**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Taluka</th>
<th>Established Self Help Groups</th>
<th>Linked SHGs for Main Business</th>
<th>Linked SHGs for Working Capital</th>
<th>SHGs started Business</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B.P.L.</td>
<td>Above poverty Line</td>
<td>Total</td>
<td>B.P.L.</td>
</tr>
<tr>
<td>1</td>
<td>Latur</td>
<td>25</td>
<td>117</td>
<td>142</td>
<td>44</td>
</tr>
<tr>
<td>2</td>
<td>Renapur</td>
<td>31</td>
<td>23</td>
<td>54</td>
<td>31</td>
</tr>
<tr>
<td>3</td>
<td>Ahmedpur</td>
<td>40</td>
<td>37</td>
<td>77</td>
<td>43</td>
</tr>
<tr>
<td>4</td>
<td>Jalkot</td>
<td>35</td>
<td>0</td>
<td>35</td>
<td>29</td>
</tr>
<tr>
<td>5</td>
<td>Chakur</td>
<td>35</td>
<td>42</td>
<td>77</td>
<td>32</td>
</tr>
<tr>
<td>6</td>
<td>Sh.Anantpal</td>
<td>52</td>
<td>0</td>
<td>52</td>
<td>26</td>
</tr>
<tr>
<td>7</td>
<td>Ausa</td>
<td>54</td>
<td>52</td>
<td>106</td>
<td>40</td>
</tr>
<tr>
<td>8</td>
<td>Nilanga</td>
<td>71</td>
<td>0</td>
<td>71</td>
<td>38</td>
</tr>
<tr>
<td>9</td>
<td>Deoni</td>
<td>10</td>
<td>0</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>10</td>
<td>Udgir</td>
<td>50</td>
<td>0</td>
<td>50</td>
<td>41</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>403</td>
<td>271</td>
<td>674</td>
<td>335</td>
</tr>
</tbody>
</table>

(Source: District Economic & Social Review, Latur, March 2012)

Table No. 3.12 indicates that total Established Self Help Groups for the year 2011-12 were 674, and majority of them were from below poverty line i.e. 403 SHGs. Total Linked SHGs for Main Business were 460, and majority i.e.355 SHGs were from below poverty line. Total Linked SHGs for Working Capital are 867, and out of that 596 SHGs were from below poverty line.

In Latur district, 460 SHGs have started business and their total turnover for the year 2011-12 were Rs. 301.05 crores. Hence, the SHGs are playing very crucial role in the development of rural and below poverty line sector of Latur district.
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