CHAPTER – VII

SUMMARY, CONCLUSION AND SUGGESTION

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CHAPTER – VII
SUMMARY, CONCLUSION AND SUGGESTION

7.1 Introduction

This chapter is devoted to conclusions, recommendations and testing of hypotheses. The researcher’s major conclusion is that the Urban Co-operative Banks have made a noteworthy contribution to the economic development in the area under study during the period from their establishment up to March 2009. The major recommendation consists of measures that should be taken for positive development in systems and approaches for fostering economic development in the backward regions.

7.2 CONCLUSIONS:

The researcher’s conclusions regarding the performance of the Urban Co-operative Banks are as under.

7.2.1 General Conclusions regarding the sample:

The researcher had selected a sample 400 customers of the four Urban Co-operative Banks under study. Following conclusions are drawn regarding the socio economic conditions of the sample.

1) Location of the customers: It has been concluded that out of the four banks the total higher percentage of urban customers in the beginning was more in case of (72%) PNSB > (66%) DNSB > (65%) CRSUB > (59%) VUCB were as the latter has a higher percentage of rural customers (41%) VUCB> (35%) CRSUB > 34%) DNSB > (28%) PNSB (Table No. 5.1).

2) Cast of the customers: Thus it can be concluded that the majority of the customers of both banks belong to general category i.e. (56%) PNSB > (55%) CRSUB > (51%) DNSB > (48%) VUCB the other categories of customers of on lower scale (Table No. 5.2).
3) Education of the customers: Thus it can be concluded that the majority of the customers of both banks belong to Graduate category i.e. (51%) DNSB > (50%) CRSUB > (49%) PNSB > (48%) the other categories of customers of on lower scale (Table No. 5.3).

4) Income of the customers: Thus it can be concluded that the majority of the customers of both banks belong to Below 1, 00,000 categories i.e. (41%) VUCB > (40%) CRSUB > (38%) PNSB > (36%) DNSB the other categories of customers of on lower scale (Table No. 5.4).

5) Family size of the customers: Thus it can be concluded that the majority of the customers of both banks belong to Below 3 category i.e. (73%) CRSUB > (70%) DNSB > (66%) PNSB > (65%) VUCB the other categories of customers of on lower scale (Table No. 5.5).

7.2.2 Conclusions Regarding Overall Performance:

The researcher’s conclusions regarding the overall performance of the four Urban Co-operative banks under study are presented below.

1) Membership: It has been concluded that the total number of members of these four banks in the beginning is descending in order it is: (18974) VUCB > (6642) PNSB > (3082) CRSUB > (2127) DNSB were as at the end of period under study the same situation has continued (33110) VUCB > (11661) PNSB > (7130) CRSUB > (5046) DNSB as well as in case of percentage of average growth is: (66.56%) DNSB > (52.06%) PNSB > (41.63%) CRSUB > (34.1%) VUCB. DNSB show highest percentage of average growth and VUCB show lowest percentage of average growth in above four banks (Table No. 4.1).

2) Share capital: It has been concluded that the total authorized share capital the beginning was more in case of comparison of these four banks reveals that the 10 year average paid up share capital of (Rs. In lakhs) (571.19) PNSB > (544.09) VUCB > (216.55) CRSUB > (82.82) DNSB. In case of percentage average growth is concerned the growth of share capital (27.70%) DNSB > (26.79%) CRSUB > (23.83%) PNSB > (18.33%) VUCB. DNSB show highest
percentage of average growth and VUCB show lowest percentage of average growth in above four banks (Table No. 4.2).

3) Reserve fund and other reserves: It has been concluded that the total reserve fund at the beginning was more. The comparison of these four banks reveals that the 10 year average Reserve fund of (Rs. In lakhs) (2869.60) VUCB> (1638.24) PNSB> (553.45) CRSUB> (153.87) DNSB as well as in case of percentage average growth is concerned the growth of Reserve fund (4944.92%) DNSB> (697.13%) CRSUB> (412.64%) PNSB> (191.34%) VUCB. DNSB show highest percentage of average growth and VUCB show lowest percentage of average growth in above four banks (Table No. 4.3).

7.2.3 Conclusions Regarding Deposits:

The researcher’s conclusions regarding the performance in deposit portfolio of the Urban Co-operative Banks are as under.

1) Total Deposits: It has been concluded that the total deposit of the comparison of these four banks reveals that the 10 year average total deposits of (Rs. In lakhs) (24143) VUCB> (14440.80) PNSB> (6749.39) CRSUB> (2512.7) DNSB as well as in case of percentage average growth is concerned the growth of total deposits (722.03%) DNSB> (340.84%) CRSUB> (218.55%) PNSB> (139.04%) VUCB. DNSB show highest percentage of average growth and VUCB show lowest percentage of average growth in above four banks (Table No. 4.4).

2) Current deposit: It has been concluded that the average percentage of growth rate of current deposit of these four banks is descending in order it is: (1399.26%)DNSB> (417.8%)PNSB> (202.88%)CRSUB> (84.42%)VUCB. DNSB show highest percentage of average growth and CRSUB show lowest percentage of average growth in above four banks (Table No. 4.5).

3) Ratio of Current Deposits: It has been concluded that the average percentage of growth rate of ratio of current deposit of these four banks is descending in order it is: (5.42%)CRSUB > (3%)PNSB > (2.6%)VUCB > (2.42%)DNSB. CRSUB show highest percentage of average growth and DNSB show lowest percentage of average growth in above four banks (Table No. 4.6).
4) Saving deposit: It has been concluded that the average percentage of growth rate of saving deposit of these four banks is descending in order it is: (514.92%)DNSB > (382.67%)CRSUB > (213.71%)PNSB > (153.23%)VUCB. DNSB show highest percentage of average growth and VUCB show lowest percentage of average growth in above four banks (Table No. 4.7).

5) Ratio of saving deposits: It has been concluded that the average percentage of growth rate of ratio of saving deposit to total deposit of these four banks is descending in order it is: (21.56%) CRSUB > (16.31%) PNSB > (19.89%) VUCB > (14.97%) DNSB. CRSUB show highest percentage of average growth and DNSB show lowest percentage of average growth in above four banks (Table No. 4.8).

6) Fixed deposit: It has been concluded that the average percentage of growth rate of fixed deposit in these four banks is descending in order it is: 763.33%) DNSB > (344.49%)CRSUB > (215.03%)PNSB > (75.37%)VUCB. DNSB show highest percentage of average growth and VUCB show lowest percentage of average growth in above four banks (Table No. 4.9).

7) Ratio of fixed deposits: It has been concluded that average percentage of growth rate of ratio of fixed deposit to total deposit of these four banks is descending in order it is: (82.61%)DNSB > (80.69%)PNSB > (77.52%) VUCB > (73.02%) CRSUB. DNSB show highest percentage of average growth and CRSUB show lowest percentage of average growth in above four banks (Table No. 4.10).

8) Ratio of Deposit and Number of Members: It has been concluded that the comparison of these four banks reveals that the ratio of total deposit to number of members of as well as in case of percentage average growth is concerned the growth of (1.41%)DNSB > (1.05%) VUCB > (0.7%) PNSB > (0.65%) CRSUB. DNSB show highest percentage of average growth and CRSUB show lowest percentage of average growth in above four banks (Table No. 4.11).

9) Amount of Deposit: It has been concluded that the majority of the customers of both banks belong to Below 1, 00,000 categories i.e. (41%) VUCB > (40%) CRSUB > (38%) PNSB > (36%) DNSB the other categories of customers of on lower scale (Table No. 5.7).
7.2.4 Conclusions Regarding Advances:

The researcher’s findings regarding the performance in Advances portfolio of the Urban Co-operative Banks are as follows.

1) Total Loans and Advances: It has been concluded that the average percentage of growth rate of loans and advances of these four banks is descending in order it is: (579.8%) DNSB > (283.26%) CRSUB > (239.82%) PNSB > (78.03%) VUCB. DNSB was highest percentage of average growth and VUCB lowest percentage of average growth in above four banks (Table No. 4.12).

2) Short-term Loans and Advances: It has been concluded that the average percentage of growth rate of Short-term loans and advances of these four banks is descending in order it is: (1651.24%) DNSB > (305.99%) CRSUB > (246.2%) PNSB > (76.96%) VUCB. DNSB was highest percentage of average growth and VUCB lowest percentage of average growth in above four banks (Table No. 4.13).

3) Ratio of Short Term Loan: It has been concluded that the average percentage of growth rate of short-term loans & advances to total advances of these four banks is descending in order it is: (60.09%) CRSUB > (50.21%) VUCB > (45.18%) PNSB > (30.92%) DNSB. CRSUB was highest percentage of average growth and DNSB lowest percentage of average growth in above four banks (Table No. 4.14).

4) Medium term Loans and Advances: It has been concluded that the average percentage of growth rate of medium-term loans and advances of these four banks is descending in order it is: (246.69%) DNSB > (139.46%) CRSUB > (173.72%) PNSB > (77.89%) VUCB. DNSB was highest percentage of average growth and VUCB lowest percentage of average growth in above four banks (Table No. 4.15).

5) Ratio of Medium term Loans: It has been concluded that the average percentage of growth rate of ratio of short-term loans & advances to total advances of these four banks is descending in order it is: (45.77%) VUCB > (43.93%) PNSB > (27.04%) CRSUB > (18.29%) DNSB (Table No. 4.16).
6) Long term Loans and Advances: It has been concluded that the average percentage of growth rate of long-term loans and advances of these four banks is descending in order it is advances (3221.65%) PNSB > (562.24%) DNSB > (643.99%) VUCB > (61.09%) CRSUB. PNSB was highest percentage of average growth and CRSUB lowest percentage of average growth in above four banks (Table No. 4.17).

7) Advances to priority sector: It has been concluded that the average percentage of growth rate of ratio of priority sector loans & advances to total advances of these four banks is descending in order it is: (86.94%) DNSB > (67.93%) VUCB > (63.25%) CRSUB > (62.25%) PNSB (Table No. 4.18).

8) Advances to weaker section: It has been concluded that the average percentage of growth rate of ratio of weaker section loans & advances to total advances of these four banks is descending in order it is: (24.17%) DNSB > (18.53%) VUCB > (16.12%) PNSB > (16.03%) CRSUB (Table No. 4.19).

9) Recovery Position & NPA: It has been concluded that the comparison of these four banks under study reveals that the average overdue is as follows (2601.65 lakhs) VUCB > (1551.65 lakhs) PNSB > (193.74 lakhs) CRSUB > (185.47 lakhs) DNSB. Comparison of these four banks under study reveals that the average recovery (in per cent) is as follows (95.75%) CRSUB > (89.72%) DNSB > (85.46%) PNSB > (84.48%) VUCB. Comparison of these four banks under study reveals that the average NPA (in per cent) is as follows (10.99%) PNSB > (7.02%) VUCB > (6.15%) DNSB > (3.09%) CRSUB (Table No. 4.20 a & b).

10) Credit deposit Ratio: It has been concluded that the comparison of the average ratio of deposits and advances (CRR) reveals that the average ratio of the former is higher than that of the latter (0.70%) CRSUB > (0.66%) VUCB > (0.65%) PNSB > (0.63%) DNSB (Table No. 4.21).

11) Position of Working Capital: It has been concluded that the comparison of these four banks under study reveals that the working capital of percentage average growth is concerned the growth of (809.69%) DNSB > (373.71%) CRSUB > (204.57%) PNSB > (110.92%) VUCB. DNSB was highest percentage of average growth and VUCB lowest percentage of average growth in above four banks (Table No. 4.22).
12) Purpose Wise Loans & Advances: It has been concluded that the majority of the Advances of both banks belong to Personal Loan account this account holders i.e. (42%)DNSB > (36%)VUCB > (34%)CRSUB > (28%)PNSB the other Deposit account categories of customers of on lower scale (Table No. 5.9).

13) Defaults: It has been concluded that the majority of the Advances of both banks belong to Regular Loan account this account holders i.e. ((92%) CRSUB > (90%) DNSB > (80%) VUCB > (76%) PNSB the other Deposit account categories of customers of on lower scale (Table No. 5.10).

7.2.5 Conclusions Regarding Other Items:

The researcher’s findings regarding the performance in other portfolio of the Urban Co-operative Banks are as follows.

1) Investment of Bank: It has been concluded that the average percentage of growth rate of investment of these four banks is descending in order it is: (1622.76%) PNSB > (760.92%) DNSB > (608.68%) CRSUB > (132.36%) VUCB. PNSB show highest percentage of average growth and VUCB show lowest percentage of average growth in above four banks (Table No. 4.24).

2) Ratio of Investment to Working capital: It has been concluded that the average percentage of growth rate of working capital to investment of these four banks is descending in order it is: (39.83%) VUCB > (38.93%) DNSB > (32.00%) CRSUB > (25.25%) PNSB (Table No. 4.25).

3) Ratio of Investment to Deposit: It has been concluded that the average percentage of growth rate of ratio of investment to total deposits of these four banks is descending in order it is: (49.43%) VUCB > (44.71%) DNSB > (37.62%) CRSUB > (29.27%) PNSB (Table No. 4.26).

4) Number of Employees: It has been concluded that the average percentage of growth rate of total no of employee’s of these four banks is descending in order it is: (258.89%) DNSB > (26.5%) PNSB > (-3.93%) VUCB. PNSB was highest percentage of average growth and VUCB lowest percentage of average growth in above three banks (Table No. 4.27).
5) Business per Employees: It has been concluded that the comparison of these Four banks under study reveals that the business average is concerned the (40188.07 lakhs) VUCB > (23849.67 lakhs) PNSB > (11451.09 lakhs) CRSUB > (4086.71 lakhs) DNSB. VUCB show highest business and DNSB show lowest of average in above four banks. Average percentage of growth rate of business per employees these four banks is descending in order it is: (198.84 lakhs) VUCB > (149.36) PNSB > (116.39 lakhs) DNSB. Thus it can be said that according to total business size and business per employees of VUCB is highest (Table No. 4.28).

7.2.6 Conclusions Regarding Earnings & Expenses:

The researcher’s findings regarding the performance in Earnings & Expenses portfolio of the Urban Co-operative Banks are as follows:

1) Income of the Bank: It has been concluded that the comparison of these four banks under study reveals that the total income of percentage average growth is concerned the growth of is (626.99%) DNSB > (290.27%) CRSUB > (139.46%) PNSB > (36.65%) VUCB. DNSB was highest percentage of average growth and VUCB lowest percentage of average growth in above four banks (Table No. 4.29).

2) Expenditure of the Bank: It has been concluded that the comparison of these four banks under study reveals that the total Expenditure of percentage average growth is concerned the growth of (671.1%) DNSB > (356.43%) CRSUB > (172.48%) PNSB > (40.73%) VUCB. DNSB was highest percentage of average growth and VUCB lowest percentage of average growth in above four banks (Table No. 4.30).

3) Ratio of Income and Expenditure: It has been concluded that the comparison of the average ratio of income to expenditure of four banks under study reveals that the average ratio of the former is lower than that of the latter (98.83%) PNSB > (96.10%) VUCB > (93.27%) DNSB > (85.79%) CRSUB (Table No. 4.31).

4) Ratio of Working capital to Expenditure: It has been concluded that the comparison of the average ratio of total Expenditure and Working capital of
four banks under study reveals that the average ratio of the former is lower than that of the latter (10.70%) VUCB > (10.70%) CRSUB > (11.00%) DNSB > (10.52%) PNSB (Table No. 4.32).

5) Net profit: It has been concluded that the comparison of these four banks under study reveals that the average net profit of over the period under study (Rs. in lakhs) (22.92) DNSB > (112.77) CRSUB > (20.93) PNSB > (27.05) VUCB. The percentage average growth is concerned the growth of (305.66%) DNSB > (108.1%) CRSUB > (-20.31%) VUCB > (-78.61%). CRSUB was highest percentage of average growth and VUCB lowest percentage of average growth in above four banks (Table No. 4.33).

6) Ratio of net profit to working capital: It has been concluded that the comparison of the average ratio of Net Profit to Working Capital of four banks under study reveals that the average ratio of the former is lower than that of the latter (1.42%) CRSUB > (0.79%) DNSB > (0.43%) VUCB > (0.13%) PNSB (Table No. 4.34).

7) Ratio of income to Net profit: It has been concluded that the comparison of the average ratio of Income to Net Profit of four banks under study reveals that the average ratio of the former is lower than that of the latter (14.21%) CRSUB > (6.73%) DNSB > (3.90%) VUCB > (1.17%) PNSB (Table No. 4.35).

8) Gross rate of rate of return: It has been concluded that the comparison of the average rate of return of four banks under study reveals that the average ratio of the former is lower than that of the latter (1.14%) VUCB > (0.8%) CRSUB > (0.36%) DNSB > (0.25%) PNSB (Table No. 4.36).

7.2.7 Conclusions Regarding Customer Service:

The researcher’s finding regarding the performance in Customer Service portfolio of the Urban Co-operative Banks is as follows.

1) Customer Service Deposits: It has been concluded that the customer’s service regarding deposits accounts of VUCB, CRSUB, DNSB, and PNSB is satisfactory. Discussion presented by way of interpretations of Table No. 5.11 to 5.14 in the Deposits Service.
2) Customer Service Advances: It has been concluded that the customer’s service regarding Advances accounts of VUCB, CRSUB, DNSB, and PNSB is satisfactory. Discussion presented by way of interpretations of Table No. 5.15 to 5.18 in the Advances Service.

3) General Customer Service: It has been concluded that the customer’s service regarding General nature of VUCB, CRSUB, DNSB, and PNSB is satisfactory. Discussion presented by way of interpretations of Table No. 5.19 to 5.22 in the General Service.

7.3 Fulfillment of the Objectives of the study

From the discussion presented in the various chapters through the study the various objectives of present research work can be said to be fulfilled as follows.

The principal object of this study was to evaluate the performance of Urban Co-operative banks in Beed District in respect of professionalism, sound business practices, competitiveness and healthy functioning. This objective has been fulfilled.

The researcher has also kept the following subsidiary objectives and the following subsidiary objectives and the same have been achieved as follows:

1) The researcher has presented a study the general working of the Urban Co-operative Banks.

2) The researcher has presented a review historical background of Urban Co-operative Banks in Maharashtra in general and Beed district in particular.

3) The researcher has studied the performance of selected Urban Co-operative Banks with such parameters like loans, deposits, advances, profitability and other allied matters.

4) The researcher has studied the position of NPA in selected Urban Co-operative Banks.
5) The researcher has studied the problems and prospects of Urban Co-operative Banks and to make some necessary suggestions for the future growth of Urban Co-operative Banks.

6) The researcher has studied the financial position in detail of the Urban Co-operative Banks.

7.4 Testing of hypothesis

The present study aimed at testing the following hypothesis:

1) Performance of Urban Co-operative Banks in Beed District is effective in the area of deposit mobilization, profitability and in the area of recovery.

2) Performance of Urban Co-operative Banks in Beed District is satisfactory in the area of customer relationship management.

3) The net profitability of urban Co-operative Banks is declining. The most responsible factor for it is the higher provisioning for NPA as per the dictates of the reform area in India. The same is applicable in case of Beed district also.

From the discussion presented in the above section following points can be observed:

I Regarding deposits is observed

1) That the average growth of total deposits of these four banks (40.99%) DNSB; (28.77%) CRSUB; (19.86%) PNSB & (11.75%) VUCB respectively (Table No. 4.4).

2) That the average growth of total current deposits of these four banks (98.86%)DNSB; (35.95%)PNSB; (25.74%)VUCB & (24.72%)CRSUB respectively (Table No. 4.5).
3) That the average growth of total saving deposits of these four banks (36.93%) DNSB; (30.95%) CRSUB; (22.17%) PNSB & (18.87%) VUCB respectively (Table No. 4.7).

Regarding loans and advances it is observed

1) That the average growth of total loans and advances of these four banks (36.3%) DNSB; (25.87%) CRSUB; (20.91%) PNSB & (10.33%) VUCB respectively (Table No. 4.12).

2) That the average growth of total Short-term loans and advances of these four banks (62.77%) DNSB; (26.15%) CRSUB; (21.37%) PNSB & (8.09%) VUCB respectively (Table No. 4.13).

3) That the average growth of total medium-term loans and advances of these four banks (26.24%) DNSB; (23.44%) CRSUB; (15.9%) PNSB & (12.96%) VUCB respectively (Table No. 4.15).

4) That the average growth of total long-term loans and advances of these four banks (131.06%) PNSB; (35.65%) DNSB; (19.91%) VUCB & (13.18%) CRSUB respectively (Table No. 4.17).

5) That the average recovery of these four banks (95.75%) CRSUB; (89.72%) DNSB; (85.46%) PNSB & (84.48%) VUCB respectively (Table No. 4.20 a & b).

Regarding earning it is observed

1) That the average growth of net profit of these four banks (60.80%) CRSUB; (38.11%) DNSB; (27.05%) VUCB & (-363.74%) PNSB respectively (Table No. 4.33).

II Regarding customer services it is observed

1) That the customer services as regard deposits accounts of these four banks is satisfactory.
2) That the customer services as regard loans and advance accounts of these four banks is satisfactory.

3) That the customer services as regard general nature of these four banks is satisfactory.

III Regarding Net Profit is observed.

The **NPA** amount provision in the Gross Profit and there was large quantity of NPA then deduct from the Gross Profit and get the Net Profit. there was The net profitability of urban Co-operative Banks is declining. The most responsible factor for it is the higher provisioning for NPA as per the dictates of the reform area in India, The same is applicable in case of Beed district also.

Thus the various conclusions regarding deposits, advances earnings and customer service of the selected four Urban Co-operative Banks are positive. Therefore the hypothesis stated by the researcher is tested and proved.

1) It is tested and proved that performance of Urban Co-operative Banks in Beed District is effective in the area of deposit mobilization, profitability and in the area of recovery.

2) It is tested and proved that the performance of Urban Co-operative Banks in Beed District is satisfactory in the area of customer relationship management.

3) It is tested and proved that the net profitability of urban Co-operative Banks is declining. The most responsible factor for it is the higher provisioning for NPA and meeting the capital adequacy norms as per the dictates of the reform area in India, The same is applicable in case of Beed district also.

### 7.5 Suggestions and Recommendation:

On the basis of observations and conclusions the researcher would like to give following suggestions and recommendations:
The Bank may adopt the recommendations suggested by the researcher. It is hoped that this study will promote further research in co-operative banking and rural development.

1) Membership: The membership growth of DNSB is satisfactory as compared to that of VUCB, CRSUB, and PNSB. It is suggested that both the banks should try for membership growth at higher.

2) Share capital: The average growth of the share capital of (18.33%) VUCB is lower as compared to DNSB, CRSUB and PNSB. Share capital is the foundation financial structure of the banks therefore it is suggested that both the banks should try for share capital growth rate. A standard of 20% for VUCB is suggested.

3) Reserve fund and other reserves: Average reserve fund of (90.46%) DNSB is higher as compared to CRSUB, PNSB and VUCB which is on a very lower scale. Reserve fund also contributes to the net worth of the bank and therefore it is suggested both the bank try for higher growth rate for reserve fund.

4) Total Deposits: The Deposit growth of (40.99%) DNSB is satisfactory as compared to that of VUCB, CRSUB and PNSB. However as deposits is the major source of funds for the bank it is suggested both bank should make efforts for deposits mobilization and increase deposits. Special weeks like Ladies week, Student week etc. can be celebrated and some attractive scheme are declared to attract customers. A home to home approach may also be adopted.

5) Total loans and advances: Though the growth rate of total advances of both the banks is satisfactory, but i.e. about (10.33%) VUCB yet the total amount are not satisfactory. It is suggested that they should improve on the advances side.

6) Overdues & Recovery: This is important aspects of credit management in banks. Overdues of DNSB, VUCB, CRSUB and PNSB are very high. Efforts should be made towards 100 per cent recovery and nil N.P.A. Special squads can be appointed for recovery.

7) Investment: The growth in investment of both the banks is satisfactory. However good investment opportunities can be explored for gainful investment considering calculated risk factors.
8) Total Income: Though the percentage growth is satisfactory the actual amounts of total income of both the banks are very low. Therefore it is suggested that efforts should be made to improve total income by making good advances, recovery in NPA and business like bill discounting etc.

9) Total Expenditure: The growth rate of expenditure is very high. It is suggested that both the banks should controlled growth in expenses.

10) Net profit: Net profit of DNSB, VUCB, CRSUB banks shows a satisfactory growth rate. PNSB growth rate was not satisfactory yet the amounts are loss. It is suggested that this bank should increase the net profit and decrease the loss.

11) Customer Service Deposits: Customer service is the base of all business development in all the sectors of banking, yet in case of deposits it is more important. Therefore it is suggested that both the banks should improve customer’s service to deposits.

12) Customer Service Advances: Customer service to advances account holders is very important as it may affect the recovery. Accounts may go bad for want of customer service therefore it is suggested that efforts should be made to improve customer service in advances.

13) General Customer Service: General customer service is also very important some suggestions can be put like.

I. Good sitting arrangements for customers

II. Arrangement of drinking water, musical tune etc.

III. Collection of cheques in time

IV. Payment of interest to late collection

Such steps can be adopted for improving good general customer service.

14) Special Recommendation for Advances: the researcher would like to make some special suggestion for the loans and advances department.

I. Both the banks should design application form for loan properly.

II. The document processing should be easy for both the banks.

III. Both the banks should take proper security as collateral.

IV. Both the banks should improve recovery performance.
15) Special Recommendation regarding staff: Better customer service can be given only with help of good staff. Therefore both banks are suggested to take following steps:

I. Efforts should be made to increase the qualification base of the staff. They may be asked to complete courses like GDC&A.

II. Training facility should be provided.

III. Efforts should be made to send staff for training at co-operative institutes in Pune, Nagpur, etc.

IV. Staff welfare schemes, special loan schemes for staff may be started so that staff will be motivated to work hard.

One can visualize even an all India institution or University of co-operatives. Thanking direction has to come from academicians and co-operative leaders. We can always draw lessons from the past experience in the field and the countries, which have same or similar situation. As a developing country, India has to think of alternatives to the present public/private sectors. The co-operative sector presents a media between public and private enterprises. If this is the only way out, we must strengthen the managerial fabric of Co-operatives.

Urban Co-operative Banks is a step forward towards freedom in a backward area like Beed district of Marathwada region. This is a good sign of entrepreneurship. The four Urban Co-operative Banks have shown a notable performance. This is also a new challenge in the light of new economic policy of liberalization, Privatization and Globalization after India’s participation in GATT and WTO. Co-operatives, particularly those managed challenging task ahead. It is required that the approaches attitudes and mindsets are changed to face with the changing scenario. It is hoped that the present study will open new avenues of research in the field of co-operation.