CHAPTER-II

REVIEW OF LITERATURE

Sharma (1963) conducted a study on Agricultural Development Banks in India. The study examined the steps taken by the Central Government for the promotion of agricultural development and agricultural productivity in the country. The study observed that the private investment in agriculture and irrigation was high at that time and the proposed corporation would help in increasing long-term credit for private investment in agriculture. The study viewed that the agricultural development banks would help in providing a boom to Indian Economy.

Yuvraj (1967) studied the issues of long-term credit through Land Development Banks with a view to its historical aspects. He discussed the need for the establishment of LDBs in India. The study highlighted that LDBs were the proper agency for the farmers to raise credit and to obtain long-term finance for improvement of their agriculture. With the implementation of five-year plans, the LDBs also gained popularity and helped in increasing the agricultural productivity.

Biswal (1976) in his study attempted to simplify the method of land valuation for Land Development Banks against loans to the farmers in Orrisa. In the older times many short comings were seen regarding land valuation such as human bias, lengthy procedures, improper valuation of land, in experienced and not so learned valuation officers. Over the time, many other efforts were made by the Government and RBI to value the land properly, but every time some limitations were seen. By following the RBI instructions, a new system of valuation was taken namely division of State into compact agro-climatic zones and assessment of net income after development of each zone. Sub committees were made at divisional levels in 1976 upto village level. Detailed guidelines were issued to different compact agro-climatic zones within their respective divisions and to make field visits to the beneficiaries of long-term loans particularly dug wells, tube wells, horticulture etc. on sample basis and to assess the net income after development in each compact agro climatic zone so decided on the basis of
actual observation in the field. The assistance of agricultural experts was taken to make it more realistic for use of data in future. In total 117 compact agro climatic zones were formed. A direct relationship between the net income after development and the average State statistics was observed. A graphical relationship was seen between post development net income and average State statistics that showed positive correlation between these two. In this method human errors were nullified, valuation work could be done in minutes that earlier took months and difficulties encountered in old system of valuation were eradicated.

Garg et al. (1978) studied the role of U.P. State Cooperative Land Development Bank in Agricultural Development of the State by analyzing the organisation and achievements of the Bank, changing in cropping pattern and borrowers and the changes in the level of productivity and income of the borrowers. The study took 100 farmers of 10 villages, out of 100, 50 were borrowers. The study found that a good number of farmers had benefited from loans by buying tractors, installation of tube wells and by way of special loan schemes to small farmers. The repayment performance was quite satisfactory at around 80 per cent, cropping pattern also changed to adoption of high yield varieties, cash crops were grown on large areas, intensity of cropping increased, level of productivity increased, level of income increased for borrowers as compared to non-borrowers. The study found some limitation in working of the Bank such as in field of loaning process that was lengthy and harsh, land as security against loan, some coercive methods for recovery and compulsion to deposit share money of 5 per cent of loan granted.

Singh (1978) examined the performance of Gujarat State Co-operative Land Development Bank in terms of loan disbursement and regional disparity in loan distribution. The study showed good performance due to introduction of new agricultural technologies. The bank was providing more loans for irrigation development and farm mechanization work in Mehasana and Khaira districts. Return on Investment in wells were mostly higher in arid areas compared to that in the districts of South Gujrat. The bank was advancing maximum tractor loans in Mehsana and Kawa due to irrigation
facilities, more cropped area and high density of agricultural population. The number of loans was less in Kutch and Pachwal district as these were backward and in adverse climatic conditions.

Pathnaik and Prasad (1979) examined the factors affecting the demand for and supply of long term credit in India. The study was based on secondary data mainly from the statistical statements relating to the Cooperative Movement in India. Multiple regression models of various possible combinations of variables, assuming linear function were taken. The study concluded that demand for long term credit was influenced 4 per cent by gross cropped area (X2), 19 per cent by net irrigated area (X1) and the debentures (X5) influenced 9 per cent on supply of long-term loans. Increase in sinking funds investments (X6) resulted in 9 to 4 per cent reduction in supply of long-term credit. It also proved that in agriculturally advanced area the demand for short and medium term loans was less. There was no significant direct relationship between the agriculturally advanced or backward areas and long-term loans.

Prabhu (1979) explored the changing role of LDBs from the time of their constitution to the 5th five-year plan. He noticed growth in amount of long-term credit disbursement from 1951 to 1969, but there was downfall in 4th and 5th five year plans due to emergence of other institutions for agricultural credit and due to discipline imposed by Reserve Bank of India on LDBs in relation to recovery performance. He pointed out the diversification of loans by banks on agricultural credit. Problem of overdues was the main reason for the poor performance of many banks. The main reason highlighted for increased overdues were natural calamities like droughts and floods, increasing cost of investment and price fluctuation in agriculture produce, social and economic condition of farmers, political interference, unhelpful attitude of State Government, misutilization or under utilization of loans, lack of administrative efforts on the parts of banks etc.

Reddy and Reddy (1979) in their study of recovery procedure of the Proddatur Cooperative Agricultural Development Bank with 100 borrower cultivators taken as 30 big, 40 medium, 30 small farmers over 5 years found that maximum percentage of repayers were medium farmers followed by
small farmers and then big farmers. All farmers were interviewed with pre-designed questionnaire. Medium and small farmers were more conscious of repayment than big farmers. The study showed that 80% of the borrowers payed off their due amount to the bank by getting additional income from loan. Here small farmers fell in huge percentage of defaulters because they were not provided with sufficient scale of finance. The study also revealed that 60 per cent of small farmers, 52 per cent of medium and 37 per cent of big farmers considered rate of interest charged by bank as high. That meant that small farmers found difficulty not only in getting loans but also in paying interest. The study also revealed that bank officials were more coercive and rude towards small and medium farmers because of their low economic position in society. Small farmers were less influential. On the whole the study showed the recovery performance of bank was highly significant to the norms fixed by RBI and the short coming was due to lack of persuading methods and lack of guidance in utilizing loans on the part of bank officials.

Chauhan (1980) in his study assessed the impact of Land Development Bank finance for tube well installation on intensity of cropping, cropping pattern, crop output of the borrower farmers, for which 16 villages financed by LDB of Agra in Bichpuri block were taken up and 42 borrower farmers were selected. A personal inquiry with the help of set of schedules and questionnaires was prepared. He concluded that financing tube wells enabled borrower farmers to adopt double/multiple cropping and raise intensity of cropping, shift cropping pattern from low income crops to high income crops and increase yields of crops. So, overall income increased for borrower farmers than non-borrowers.

Singh et al. (1980) studied role of Land Development Bank in improving agriculture production and income in Kanpur district of U.P. by studying cropping pattern in case of borrowers and non-borrowers, changes in level of production and income of borrowers and organisational achievements of U.P. State Cooperative LDB in Kanpur. 40 farmers i.e. 20 borrowers and 20 non-borrowers studied by 3 multi-stage random sampling techniques. The study showed that borrowers had higher cropping intensity
and better cropping pattern than non-borrowers due to better irrigation facilities as a result of large number of tube wells. The input cost, value of output, net profit, family labour income and farm business were all on higher side of borrowers than non-borrowers. Thus, long-term investments advanced by LDB particularly for irrigation structure, equipment and farm machinery resulted in increase in production, productivity and measures of farm profits of crop Enterprises.

Mishra et al. (1981) observed 25 borrowers drawn from the 5 selected villages in Satna district by collecting primary data through personal interview with the help of an interview schedule and secondary data from the bank records and reports to determine the extent of utilization and diversion of loans. 9.54 per cent of total borrowings were diverted, out of which 50.57 per cent diverted to productive purposes and remaining were misutilized for unproductive purposes. The study revealed that utilization of loan was 100 per cent in case of purchase of tractors, followed by purchase of pumpsets, sinking of wells and repairs of pumpsets and wells. Diversion for productive purposes was highest in pumpsets, their repairs and sinking of wells and their repairs etc. Diversion for unproductive purposes was to purchase shares and debentures of the Bank, to purchase bullocks, to pay old debts from moneylenders. Diversion of loan made by medium farmers was more than big farmers.

Mishra et al. (1981) studied the impact of farm loans on farm income, employment of farmers, extent of recovery and causes of delay in repayment of loans by using primary and secondary data of collection. Primary data was collected by survey method through prepared and tested schedule. The secondary data was collected from the bank records. They analysed extension of the area under cultivation, increase in crop intensity due to purchase of tractors and increase in area under crops through intensive cultivation due to installation of tube wells and pump sets. The analysis concluded that the farmers were not only capable of refunding the credit from additional returns but also their financial status improved and human labour employment increased. In the first year, recovery was very high but decreased in the second year. This was due to increase in income of farmers
and increase in expenses on comforts and luxuries and moreover some borrowers were defaulters due to their political power and no strict action was taken against them.

Ramaseshu (1981) revealed that during the period of study sanctioning and disbursement of loans was good but sanctioning and disbursement was different because of the change in farmer's wish after sanction of the applications. Maximum amount of loan was distributed among the farmers demanding loans of Rs. 1500-6500. Amount of loan was utilised for farming purpose and its allied activities but also to placate the staff of the bank to sanction the loan in time. The recovery of the loan was about 88 per cent of the annual demand that was more than satisfactory; even then loan outstanding amount increased year by year due to more disbursement of loans every years.

Jain and Mishra (1981) examined the disbursement, impact and cost benefit analysis of loans provided by a Cooperative Land Development Bank in Madhya Pradesh. The study assessed the proposed and actual coverage in terms of loan disbursement. The study analysed the repayment of loans in relation to the purpose of loans, period of loan advanced and examined the economic effect on the farmer borrowers on the basis of case studies of 20 farmers. Thus, the study was based on both primary and secondary data. Loans were disbursed in a manner that 55 per cent went for buying tractors, 13 per cent for sinking of wells, and rest of the percentage for pump sets i.e. largest amount was sanctioned for farm machinery. Kind component was highest at 80 per cent of total loan for agriculture machinery for sinking of wells and pumps and the cash component was 20 per cent. The farmers had improved their cropping intensity and their net income. The repayments of term loan were scheduled after nearly 10 years for many farmers who were not able to pay because of natural and social-economic factors.

Narayana (1981) studied the Performance of Agricultural Development Bank in Warangal District of Andhra Pradesh. A comparative study of two different PADB, located in two different talukas having different level of agricultural development was made. Primary data was collected through interviews with the supervisors of the banks and borrowers. The Bank A was
better in geophysical characteristics than bank B except utilization of cultivable land and average rainfall. Inspite of this agricultural development in bank B recorded at higher level than Bank A. The study showed bank A lagging behind Bank B in Targets and Achievements, but better performance was shown by Bank B in cumulative membership, outstanding loans, over dues and paid up capital. Thus, the study revealed that banks performed differently due to above mentioned differences. Overall performance of the both the banks were satisfactory.

Bedback (1982) examined the potential role of agricultural credit, the economic feasibility of accepting the modernization for paddy cultivation, qualitative and quantitative performance of agricultural credit by PLDB. A sample survey of 20 farmers was done and primary data collected. The study found that after acquiring modern techniques of farming, the total cost and expenditure of farming increased, which increased the needed capital for farmer. In response to this PLDB showed a trend towards the increased amount of loans advanced. At the same time amount of loans outstanding and loans overdue also increased which was due to ineffective collection by field workers, weak repaying ability of farmers and thus led to low productivity of the Bank.

Bisht (1982) studied the development al block Rudrapur of Nainital district in Utter Pradesh by selecting 135 farmers out of 270 total farmers in a village. He categorized them as 45 small (upto 5 acres), 45 medium (5 to 20 acres) and large (above 20 acres). The information was collected by personal interviews with the help of a set of schedule and questionnaire. He observed that most of the farmers were hesitant to go to Land Development bank for loan because of strict action taken by Bank. When farmers were unable to repay the loan, bank did not wait and straightaway arranged to auction their land. The Bank delayed in sanctioning of loan, bank employees charge undue sums from the farmers and agricultural house property was not taken into consideration for loan as security. So to make co-operative credit system a success, all given above shortcomings should be eliminated.

Rao and Rao (1983) studied 137 borrowers of Primary Co-operative Land Development Bank of Nerevepadu village in Guntur district of Andhra
Pradesh. The data was collected from the records of the bank. The Bank provided loan to borrowers under number of schemes like Normal scheme, Nagarjunasagar Project Scheme for minor irrigation scheme, International Development Agency Scheme, Agricultural Refinance and Development Corporation Scheme etc. They revealed that rich property owners dominate 90 per cent of bank management. They are benefiting more from bank assistance and dominating co-operative structure by virtue of their socio-economic and political power. There was also delay in disbursement of the loan amount. For optimum use of scarce long-term resources and for the development of small and marginal farmers, the present system of loan policies and the procedures of Land Development Banks should be revised.

Mohan and Rao (1983) studied role of long term credit in integrated rural development. The study was based on data collected and compiled from annual reports of the Andhra Pradesh State Cooperative Agricultural Development Bank and the statistical statement relating to cooperative movement on India. The authors constructed index numbers of the indicators based on three years’ moving averages of the observations. They examined the progress of the bank and managerial performance of the Bank. Purpose wise lending and distribution of the loans was also analysed. The study showed increase in the numbers of PLDBS, share capital, owned capital, debentures and recovery rate.

Singh et al. (1984) examined 50 farmers, 25 borrowers and 25 non-borrowers from 6 villages of one development block Bakhsha sub divided into 3 size group of holdings i.e. marginal, small and large by using three stage sampling technique. Survey method by personal interview was adopted to collect the data. The cropping intensity of borrowers was higher than non-borrowers on each size of holdings. Investment on fixed capital was higher in all sized groups and in live stock it was in declining trend in both borrowers and non-borrowers while in others it was in rising trend with the rise in farm size. Loan advanced by commercial banks were highest in 1-2 hectares size and 20 and above hectares size and b rising trend with the rise in farm size. Net income was highest in 1-2 hectares size groups for both the categories of farms. The study brought out the fact that the institutional
credit can significantly help in stepping up the farm community yet the most of them are handicapped and faced with lack of resources. Therefore, there is greater scope for institutional credit that will help in increasing production and income of farmers.

Mohana et al. (1985) made a comparative study between operational efficiency of Sree Visakha Grameen Bank (SVGB) Andhra Pradesh – a Rural Bank and Agricultural Development Bank of SBI (ADB) through analysis of utilization of borrowed funds and the impact of Bank finance on income, cropping pattern etc. A 5 per cent sample of 33 marginal and 31 small farmers of SVGB as beneficiaries and 43 marginal and 29 small farmers were chosen as beneficiaries. To elicit the information a structured schedule was canvassed among the selected households. SVGB and ADB were major source of finance to the farmers. SVGB had larger number of beneficiaries than ADB. 87 per cent of SVGB borrowings and about 70 per cent ADB borrowings were utilized on working capital expenditure. The diversion of loans for unproductive purposes was higher in ADB compared to SVGB indicating the efficient and effective supervision by SVGB field staff with their established and wider network. Over all result was that SUGB resulted in better performance and customer satisfaction than ADB of SBI.

Reddy and Reddy (1986) assessed the progress of PADB in AP from 1961 to 1981 which showed steady increase in number of borrowers, number of PADBS and 35 times increase in the degree of profit, except in 1980-81 when some parts were drought stricken. The loans advanced also increased to 21 times. The loans were advanced in a diversified manner i.e. 41 per cent for minor irrigation 16 per cent for Farm Mechanization, 13 per cent to C.A.D. programmes, 6 per cent for horticulture and 24 per cent for other purposes. They also found that recovery performance of PADBs was diminishing and their overdues had mounted 4 times within 6 years only (1975 to 1981).

Gupta and Verma (1986) studied the impact of co-operative credit on agricultural production and analysed the impact on financial position. The primary and secondary data was used. The data was taken from Jabalpur and the farmers were personally intervieved. The bank financed new wells,
tractors, and pumps, thus modifying the cropping pattern (from 1975 to 1983) and the study showed that overall the farmers improved in their cultivation. Tractors improved the production level per hectare, thus farmers benefited by the purchase of tractors. The study revealed that utilization of cooperative finance for tractors, tube wells, pump sets and wells enabled the farmers to refund the credit with interest and helped them in generating additional funds and thus financial status was improved.

Narayanan (1987) in his study of Andhra Pradesh Cooperative Central Agricultural Development Bank (APCCADB) regarding financing of small farmers and weaker sections found that the bank provided concessions to small farmers in order to increase their number. It had a general policy that 50 per cent of its total loans should be given to small farmers of which at least 15 per cent for SC and 3 per cent for ST farmers. The State Government made law that 50 per cent of the Management Committee members of bank be from weaker sections in the ratio 2:1:2 from SC, ST and backward classes respectively.

Pritam and Singh (1988) examined 120 farmers from three blocks namely Samrala, Mangat and Jagraon out of ten development blocks of district Ludhiana by using random sampling technique comprising 45 small (less than 3.48 hectares), 53 medium (3.48 to 5.74 hectares) and 22 large (5.74 hectares and above) and multiple regression analysis was used to see share of institutional credit in total investment on farm. The study revealed that the majority of small size farmer borrowers are still dependent on the non-institutional credit agencies and medium and large size farmer borrowers obtained long-term credit from two or more than two institutional agencies and obtained large quantum of advances for short and medium term loans as compared to small category of farmers. Factors like fixed cost per hectare, per capita consumption expenditure and share of non-institutional credit in total investment were affecting the share of institutional credit in total investment on farms.

Savariah and Nirmalamani (1988) evaluated the performance of Chaitanga Grameena Bank of Guntur District in Andhra Pradesh. They found there was a dire need to credit facilities in that area. The bank had
been giving adequate credit to the rural masses especially to weaker section. The recovery performance of the bank had been very comfortable due the bank’s vigorous efforts through constant monitoring of advances and conduction of special recovery drive aimed at maximum recovery.

Ram (1990) examined the selected growth indicators like membership, paid up capital, borrowings and factors influencing the profits of Primary Cooperative Agricultural Development Bank Bapatla, Guntur District Andhra Pradesh by using index analysis, compound growth rates and multiple regression analysis. The required data was collected from records maintained by the bank. All these indicators had increased significantly over the period and witnessed a positive trend. However growth of loans outstanding is dangerous. Overall, the progress of PCADB has been encouraging the past 20 year except 1-2 years of poor performance, but the bank was under losses in recent times for this bank had to increase work force, efficiency of employees and bring down the cost of establishment.

Tiwary (1991) calculated cost of recovery to monitor the recovery programme more effectively and to examine the relation between the cost of recovery and quantum of recovery. He used questionnaire method to collect data. The study revealed thirteen recovery officers were working to accelerate the recovery in the Sholapur District. Actual advancement percentage of lending eligibility was declining during the study period. The percentage of loan amount sanctioned to the effective loan amount demanded was less than that of the percentage of number of applicants which showed that small project were sanctioned and applications pending with the Bank involved bigger amount. The recovery performance of the Bank was not satisfactory. Under-financing and over-estimation of the anticipated income led to under utilization of loans which in turn led to overdues. Recovery through coercive action was not observed in Sholapur district. As a result, there was a decline in recovery amount. It was examined that overall cost of recovery was increased and average cost of recovery almost remained the same during the study.

Vaikuntha (1991) analysed 180 barrowers selected from Navalgund taluka categorised as big, medium and small farmers who availed credit
Primary data was collected by pre-tested schedule cum questionnaire during May 1986. Secondary data was collected from the office record of the bank for Cooperative year 1980 to 1985. The study revealed percentage borrowing was higher in case of credit taken by big farmers’ then small and medium farmers. All categories of farmers in the irrigated area utilised the credit for productive purposes. In non-irrigated area small and medium farmers misutilised the credit but repayment of loan was more in case of farmers in the non-irrigated areas.

Jospeh (1994) in his Ph.D. Thesis revealed a study of Agricultural land Development Banks in Kerala with special reference of fund management. A sample of six banks was selected from the universe of 31 primary banks. The data was collected from the Annual Reports and Records of these banks from 1983-84 to 1992-93. A primary survey at the beneficiary level was also conducted to identify the factors and reasons for overdues by using tools ratios, percentages, graphs, regression and ANOVA. The computed ratios were compared with the standard developed by the researcher. The primary banks having a low recovery percentage were found to be inefficient in mobilisation and deployment of funds. The owned fund position was also weak in these banks. The operational efficiency and overall return was low in these banks. The debt servicing capacity of these banks was decreasing in recent years. The growth rate of cost components were highly compared to the income factors. The establishment charges constituted the major component of cost of management and the growth rate of establishment charges was higher than the growth rate of cost of management. The cost of management was also high in these banks and it negatively affected the profitability. The banks that earned proportionately high non-interest income were found to be profitable. The margin received by the primary banks is not sufficient for their profitable running. The analysis concretely established that the growth rate of collection was lower than the growth rate of demand. Consequently, the overdues accumulated at a very rapid rate. The analysis proved that willful default is high in the case of defaulters having high size of holding, better education, high family expenditure, more
procedural delay in receiving the loan amount and dissatisfied with the services of the banks. The analysis identified that one significant determinant which influenced the overdues was the heavy family expenditure.

Sankaran (1995) studied the performance of Primary Cooperative Agricultural Development Banks in Kerala on the basis of quantitative factors influencing the performance. These factors were loans outstanding, demand, overdues and level of recovery etc. The author used the performance index for ranking the PLDBs in Kerala. For a comprehensive evaluation of the performance of PLDBs both qualitative and quantitative aspect had been examined. LDBs in northern part of the State concentrated on traditional schematic advances and Southern part on farm sector scheme lending. The study showed better performance of North as rate of recovery was more in that. The study suggested that the LDBs need to concentrate on schematic advances and rate of recovery had to be kept high to sustain better overall performance.

Reddy and Chengappa (1995) examined the operational growth of Primary Co-operative Agriculture and Rural Development Banks in Karnataka by using compound growth rates for selected variables. The study was based on secondary data covering a period of 15 years. The analysis showed that membership was increased steadily over the years. The financial resources such as share capital, working capital and deposits had recorded impressive growth rates though these banks were not deposit oriented. The overall growth of overdues was higher than that of loan. The analysis of purpose wise disbursement of loans indicated that PCARDBs concentrated more on irrigation, farm mechanization and horticultural crops. The PCARDBs had also undertaken financing of non-land based activities. The study suggested the bank to increase non-land based activities to improve its performance.

Chakraborty (1996) examined the performance of Maharashtra State Co-operative Bank by using secondary data. The major share went to loan and advance i.e. 66.57 per cent in 1989-90 and increased to 69.94 per cent in 1992-93, deposits contributed 70 per cent in working capital and fixed
deposits alone contributed 69 per cent. The Credit deposit ratio of Maharashtra State Co-operative Bank showed very high degree of relationship between credit and deposit. The study showed 94 per cent of total deposits were collected from Cooperative Institutions and banks were also liable to invest deposits through their co-operative institutions. The Bank was managing recovery efficiently and percentage of overdues to outstanding reduced. Overall performance of the bank was satisfactory.

Anand (1996) studied that Co-operative Agriculture and Rural Development Bank emerged as an outstanding Co-operative Institution, catering exclusively to the investment credit needs of the rural areas. The Kerala Co-operative Agriculture and Rural Development Bank was considered best among the developing banks based on its outstanding performance in terms of many indicators like the quantum of advances made, reserves, profit, small farmer coverage etc. It had diversified its activities so as to cover and assist rural artisans, small scale industrialists and had also launched the financing of rural housing. He examined the role of the bank in meeting the long term credit requirements of the rural masses, impact of lending, utilization and recovery pattern of loan advanced in the State. Further, the study highlighted some problems prevailing at the beneficiary level.

Singh (1996) analyzed 300 borrowers who availed agricultural credit from Primary Agricultural Co-operative Societies of Himachal Pradesh as on June 30, 1986. A multi stage sampling method was used. Two districts were selected out of 12 districts of H.P, out of 20 blocks 5 were selected randomly. Both primary and secondary sources of data were used. The study revealed that there was no relationship between farmers and extent of credit, utilisation and mis-utilisation of credit was almost same in all categories of farmers. Purchase of land and input were two major productive purposes and social, religious ceremonies and purchase of essential commodities were unproductive purposes on which credit was utilised. Among the borrowers, large farmers who were above matric, having irrigated land and living near PAC’s had more positive attitude towards PAC’s management and also utilised credit more on productive purposes.
Padmani (1997) in her Ph.D. thesis made an attempt to analyse the fund management of District Co-operative Banks in Kerala. This study was limited to the funds’ management of the DCBs in Kerala. Though funds management is a very broad concept, this study explored only the sources and utilisation of funds and their management efficiency. The study made use of both primary and secondary data. For analysing the trend and pattern of funds, 15 years data was collected from annual reports of these selected banks starting from 1979-80 to 1993-94. It was concluded that though funds mobilisation is done reasonably well in most DCBs, sufficient attention was not given for efficient utilisation of these funds. Among the DCBs studied, a few DCBs like those of Ernakulam and Kottayam performed adequately well while the others lagged behind. Lack of professionalisation and poor management practices seemed to be responsible for this situation.

Kurulkar (1997) opined that the co-operative long-term credit advanced by the Land Development Bank was neither sufficient nor cheap. Further, it was found that there was no link between primary land mortgage banks and primary agriculture credit societies at the root or village level. The study recommended for the simplification of lending procedures and integration of Primary Land Mortgage Banks and Primary Agriculture Societies to reduce the misutilisation of long-term credit.

Pathiana and Singh (1998) studied the performance of Himachal Pradesh State cooperative Bank during the years 1991 to 1996, in terms of membership drive, share capital, deposit mobilization, working capital and advances that had improved over the period of five years. Per member and per branch performance of bank showed significant growth and it was found that recovery performance was unsatisfactory and overdues had increased sharply. The main reason for increase in overdues was the implementation of loan waiver scheme.

Kaur (1999) in her Ph.D. thesis analysed the growth and performance of rural banking in Punjab for the period 1987-96. Primary data was collected from a sample of total 120 respondents from rural branches of Commercial Banks, Co-operative Banks and Regional Rural Banks functioning in the five selected districts. The variables used were
Credit/Deposit ratio, deposits mobilized, credit deployment, credit deployed, deposit per branch, in rural areas etc. It was highlighted that deposit per branch, credit deployment, growth of credit deployment in rural areas and semi-urban areas, credit per branch, priority sector advances were the highest for RRBs as compared to those of commercial banks and co-operative banks in the rural areas in Punjab during the study period. It was suggested that there must be greater co-ordination among the developmental institutions in rural areas.

Beegam and K. (1999) analysed organisation structure, present position and progress of land Development Banks. The study showed that there was significant increase in number of both Primary Land Development Banks (PLDBs) & State Land Development Banks (SLDBs). Membership in PLDBs had increased by 21 per cent over the year. A significant part of working capital of all the banks was financed through borrowing and deposits. Deposit position was more satisfactory in SLDBs. Over dues position was in increasing trends in PLDBs and it was fluctuating in SLDBs. The percentage of loan outstandings and to demand showed declining trends in both banks during the period.

Dass (2000) studied Cooperative Banking in Arunachal Pradesh for the period of the nineteen years from the cooperative year 1978-79 to 1996-97. The study is based on secondary data collected from statistical statements published by NABARD, official records, statements of bank and by laws of the bank. He analysed there was increase in share capital every year in the life time of the bank, but share of societies as member was more then State Government. Deposit mobilisation was good, $1/5$ of total advances reflected trends and direction towards farm sector. The recovery position was in discouraging and revealed poor performance in credit collection, to improve which there should have been separate collection cells. Proper utilisation of loans also improved the recovery position. The overall profitability was fluctuating, it was satisfactory in earlier years but in later part, it came down.

Gupta (2000) attempted to know problem of long-term agricultural credit in economically backward region of Uttar Pradesh. He emphasized
that primary land mortgage banks must have a direct link with the primary agricultural credit society at village level. He concluded that investments in tractors satisfied both financial feasibilities as well as repayment capacity and investment in new wells and pump sets satisfied only the financial feasibilities and not the repaying capacity. He emphasized that there should be lenient policies for farmers of economically backward rural areas. He also found that in pre investing period there were chances of misutilisation of long-term credit and in post investment period, major part or whole of incremental income was diverted for consumption purposes.

Kunjukunju (2000) analysed 495 borrowers by using micro level multi-stage sampling technique. Primary data was collected from sample borrowers through personal interview with the help of a schedule specifically designed for the purpose. The study revealed that borrowers who availed long-term credit from the bank improved their income in post loan period than pre-loan period. The higher doses of credit to rural poor would certainly help to increase their, income level and improves their standard of living.

Singh (2000) in his study observed that there was considerable expansion and growth of agriculture credit in Punjab during 1979-80 and 1994-95. The growth rate of institutional credit (at current prices) was 8.71 per cent but it came to only 0.42 per cent in real terms (at constant prices) during 1979-80 to 1994-95. The rate of growth of number of borrowers in all the financial institutions (CBs, PACSs, RRBs and LDBs) was 1.31 per cent per annum during the period of study. This was less than the growth in loans advanced by these institutions. The amount of institutional loan per borrower had increased 4 times (from Rs. 2042 in 1979-80 to Rs. 9123.84 in 1994-95). The study revealed that the amount of institutional credit per hectare also increased in the state from Rs. 418.14 to Rs. 1908.04 during the same period. However, the relative share in institutional credit increased with an increase in the size of land holding. The study indicated that the change in the distribution of institutional credit was skewed in favour of large farmers. The cost of credit ranged between 19 to 24 per cent per year and that was much
higher for marginal and small farmers and the same was relatively lower for big farmers. The study suggested that ownership of land as a criterion for the distribution of credit should be relaxed and the crop production should be taken as criterion for the supply of credit by the institutional agencies.

Sathya and Bedatya (2000) advocated that the aim of rural credit institutions should be satisfaction of the ultimate borrowers at minimum cost. Integration of short-term and long-term credit institutions and rationalization of co-operative structure was suggested to achieve cost reduction per unit of business by removing one of the tiers. It was suggested that the real success would come when co-operatives take full advantage of their ability to have close interface with the clientele.

Sinha (2000) supported for recapitalization of co-operative and banking institutions. Further, it was viewed that though Government of India does own co-operatives, but it definitely has responsibility towards them. The author supported the recommendations of Capoor Committee that a fund should be setup at the level of NABARD for recapitalization of Co-operative with active involvement of RBI. He suggested the age-old association of co-operative movement with agriculture and rural sector to be further strengthened and it was necessary for accelerating growth in these sectors. He further, suggested the Co-operatives to join to form a company to undertake and promote insurance business in the rural areas.

Singh et al. (2001) examined 96 farmers out of which 88 were loanee who were categorized in marginal, small and medium farmers by using primary and secondary data of collection. Primary data was collected by survey method through well-designed and pre-tested schedule from farmers and secondary data was collected from the Bank and block office. The study revealed that more than 92 per cent tribal farmers were linked with rural credit agencies for farm credit. Institutional agencies provided 85 per cent credit by providing irrigation loans and milk production loans while non-institutional agencies gave only 15 per cent farm credit and providing non-Agricultural loans for education, health etc. The study also revealed out of institutional loans 85 per cent was outstanding in the nature of overdues.
while in non-institutional loans it stands only 30 per cent. Income expenditure ratio of tribal farmers indicates that the farmers were in heavy financial deficit and indebtedness.

Singh and Rawat (2001) studied the impact of farm credit on agriculture in Deora district of Eastern Uttar Pradesh for the year 1998-1999 by selecting randomly two blocks out of 29 blocks. Then, two villages from chosen two blocks were selected. Farmers of these two villages were categorized into two categories i.e. borrowers and non-borrowers and then these were further categorized into three groups on the basis of size of holdings. A sample of 33 farmers was chosen. The data was collected by the survey method through personal interviews through schedule. It was found that highest number of crop and live stock loans were taken by smallest size groups of farmers. The Marginal Value Productivity of seed, manure, fertilizer and irrigation were significantly higher in borrowers than in non-borrower, thereby suggesting that productivity could be stepped up by enhancing inputs.

Sidhu et. al. (2002) examined the extent and pattern of loan overdues in Punjab by using secondary data based on records of leading banks of each district, Primary Agriculture Development Bank, Central Cooperative Banks & PACs. They examined the problem of overdues through increases in absolute values, in case of short-term cooperative loans, yet the overdues as a percentage to demand declined over the time. In case of long-term loans, the percentage of overdues to total overdues declined for farm mechanization and irrigation loans, while it increased for dairy loans In case of scheduled commercial banks, the problem of loan overdues decreased over the time. Therefore, the problem of overdues differed quite significantly among different districts of the state.

Mahal (2002) conducted a study on Pune District Central Co-operative Bank to examine the impact of Development Action Plan (DAP). A comparative analysis of the pre and post period of the Development Action Plan of the Bank was done with the help of secondary data. The study found that the performance of the Bank had increased in the post DAP period. Growth rate of share capital, reserve fund, owned fund, total resources,
loans outstanding and recovery percentage was more than satisfaction level. Efficient use of personnel and infrastructure helped in increasing the non-fund business. The transaction cost was reduced during the period. Although the recovery of the loans was less but the turnover of the bank was increased more than double fold in DAP period. Various productivity parameters except per employee advances had been found to be satisfactory. The Bank had no Human Resources Development cell for implementing various HRD components of the DAP and also affiliated societies were not all aware of the DAP. The study suggested the bank to make more efforts on the above mentioned measures to make DAP a more success.

Subburaj, et.al (2003) highlighted the main problems faced by PABDs. The study TWOS Matrix System i.e. Threat, Weaknesses, Opportunity and Strength, and matched it with the nature of funds mobilization, unutilization pattern of business, type of members, responsibility of board of directors etc. The problems highlighted were inadequate business, imbalanced growth and development of PABDS, insufficient deposit mobilisation, poor contribution of share capital, low level of recovery performance, inactive membership, uninformed and unenlightened members, heavy dependence on outside borrowings and lack of adequately trained professionals.

Dash (2003) revealed the financial performance of Nawanagar Cooperative Bank through ratio analysis by using secondary data based on financial statements and annual reports of the bank. The study revealed that financial performance of the bank was improved during the period of study. Operational ratio needed improvement. Profitability was also not satisfactory. Solvency ratios showed better solvency position which was attained by the continuous endeavor of the members, management and staff of the Bank. The study suggested the bank to give new dimensions to its functioning, to innovate products and diversify its activities to improve the financial position and profitability.

Chalam and Prasad (2003) examined the role of Primary Agricultural Co-operative Societies in providing credit and non-credit services to their members by presenting their composition, working and members’ perception
about them. For this, sample survey of 50 members in West Godavari district of Andhra Pradesh was conducted. The study was based on both primary and secondary data for period 2000-2003. Primary data was collected from Secretaries and Members of the Primary Agricultural Cooperative Societies through questionnaire and personal interviews of President and Secretaries were taken to know their opinion about functioning of these societies. It was observed from the survey that majority of members preferred to borrow loans from societies due to easiness of obtaining credit and reasonable rate of interest. Yet credit was not sufficient for the agriculturists. Two-third members preferred to buy inputs from PACS because of quality and reasonable price but one-third of them preferred to purchase agricultural inputs from private traders. PACS took loan from commercial banks against mortgage of goods and from private money lenders against promissory note and mortgaging their properties. It was found that the farmers were prompt in payment of loans except in natural calamities and failure of crops. He suggested fee for the membership of president and directors to be enhanced, provide services other than agricultural credit and non agricultural credit to their members and should linking of credit with marketing of products to get good recovery of loans and advances, give loan to farmers against hypothetication of agricultural products stored in farmer’s godowns.

Aggarwal (2003) in her Ph.D. thesis analysed the Productivity of Commercial Banks in India: Trends and Analysis excluding Regional Rural Banks. The secondary data was collected for the period 1979-80 to 2000-01 published by Reserve Bank of India, Mumbai. By using statistical tools like Least Square Method, Compounded Growth Rate, T-Test, F-Test, Regression Analysis, Coefficient of Variation, Karl Pearson’s Coefficient of Correlation and Data Envelopment Analysis. She analysed that the overall operational productivity of foreign banks was better as compared to the private sector banks and public sector banks. The private sector banks followed the public sector banks. The overall labour productivity of foreign banks was higher as compared to the private sector banks and public sector banks. The overall Management productivity of foreign banks was better as compared to the
private sector banks and public sector banks and the overall productivity of foreign banks in pre-liberalization and post-liberalization period was better as compared to the private sector banks and public sector banks. In both the periods, the public sector banks followed the foreign banks.

Selvaray and Gayathri, (2004) analysed the deposit mobilisation, pattern of deposits and their growth, lending policy and financial performance of the Thalapathisamuthiran Primary Agricultural Co-operative Bank. The study was based on secondary data for the period from 1996 to 2002. Percentage, trend analysis, coefficient of correlation was used to analyze relationship between total deposits and total advances. Original deposits and advances of the bank showed increasing trend when compared with trend values. Low cost deposits were more than total deposits which in turn led to a good earning capacity of the bank. Coefficient of correlation was 0.966 which showed high degree of correlation between total deposits and total advances. Overall financial performance of the bank showed rising trend.

Mohamed (2004) studied Agricultural Co-operatives in Agricultural Development- The case study of Meroufiya Governorate, Egypt. In his study, he revealed that most of agricultural co-operatives were not playing their role in the agricultural development in the desired level. The study viewed that the structure of co-operative was required to be modified in order to form more efficient, self-dependent economic bodies, which would be capable to run themselves administratively and financially. It was recommended that these co-operatives be given more economical and organizational freedom to make them less dependent on the central co-operatives especially in obtaining and distributing the production inputs. He suggested that during planning, the government should activate the coordination and co-operation among the roles of both agricultural co-operatives and other organisations in the villages in order to enhance their abilities and the organisational effectiveness in the agricultural and rural development.

Chattopadhyay and Ghosal (2004) in their study examined the nature of changes in the degree of inequalities in consumption expenditure across
the states in rural India during globalisation as compared with that in pre-
globalization period. The study was based on secondary data taken from
sample surveys on consumer expenditure as conducted by NSSO and Ginni
Coefficients computed by utilising data for the years 1983, 1993-1994 &
1999-2000. Also they investigated the nature of rural poverty across states
and related the behavior of Terms of Trades between agricultural sector and
non-agricultural sector (TOT) with behaviour of Net State Domestic Product
from agriculture (NSDPA) at state level. They found that degree of
inequalities in the distribution of rural consumption expenditure had
deprecated both at National and State levels. The relative position of states
underwent considerable changes during 2 decades of study. The relative
deployment of population below poverty line had increased in some states
although the percentage of people lying below the poverty line had declined.
Study found divergent nature in the declining trend in the rural poverty.
Study found that due to liberalization of agriculture, favorable TOT (Terms of
Trades) in agriculture had failed to show positive impact on growth of
NSDPA and improvement in economic conditions of the poorest.

KunjuKunju (2005) examined the role of different functioning agencies
in Kerala to meet the credit requirements of divergent sectors of rural
economy. The study was an empirical one based on survey method. Both
primary and secondary sources were taken. Primary data was taken from
495 borrowers financed by commercial banks, Primary Agricultural Credit
Societies (PACS) and Primary Cooperative Agricultural and Rural
Development Banks (PCARDB) in 13 District of Kerela. Secondary data
included publication of RBI, NABARD, Ministry of Rural Development,
Planned Documents of both Central and State Governments, State Planning
Board Commensurate of Rural Development. The study found that loans
advanced by banks were inadequate, there was delay in getting credit, and
there was lack of supervision and guidance by banks. Utilization of loans
seemed to be satisfactory, repayment by loaners was good and loans granted
to rural poor had a positive impact on their economic and social conditions.

Yadev and Tabassum (2006) examined the deposit mobilisation by
central cooperative banks in the state of Haryana by using secondary data
based on annual reports of HARCO Bank Ltd Chandigarh. The study covered a period of 5 years from 1998-99 to 2002-03. They observed that deposit increased by 72 per cent, owned funds by 94 per cent and assets by 82 per cent. Ratio of deposit to owned funds and deposits to total assets had witnessed a decreasing trend during the period, so total deposit mobilisation in all the central cooperative banks in Haryana was not much satisfactory.

Abate et al. (2006) analysed the significance and efficiency of agricultural credit by using secondary data collected on outstanding advances to agriculture mainly from state level Bankers Committee for Karnataka in Syndicate Bank Bangalore, data from State Cooperative Bank Ltd., Karnataka State Cooperative Agricultural Rural Development Bank Ltd., NABARD, Department of Planning, institutional Finance & Statistics & Science & Technology (GOK). They used regression analysis which showed the significant influence of agricultural credit on the Agricultural State Domestic Product, even then agricultural credit was underutilized or short of supply from the point of Principle of Price Efficiency. Marginal Value Product was very high than Marginal Factor Cost and their ratio was more than unity. They suggested optimum level of credit use can be achieved by increasing supply of credit in agricultural landing without significant increase in cost of credit which is undesirable in the sector where the dependence on nature and fluctuation in prices of output are considerable and by curbing down the transaction costs and raising the level of bank's efficiency.

Govindarajan and Singh (2006) analysed the portability of the Tamil Nadu State Apex Cooperative Bank by using secondary data based on financial statements and annual reports of the bank. Study showed that profitability of the bank was declining year by year. So proper steps needed to be taken by the concerned quarters. Though cooperative banks are meant for service motive, they must also earn some profit for their existence.

Mohanty (2007) in his research paper focused on Institutional agricultural credit in rural India. He examined credit agencies on comparative basis to study their problems. He divided the study into two parts. In the first part, he discussed the importance of agriculture in the
economy and rural development of India and in second part he focussed on the supply of credit to the agriculture as a factor of rural development. The study was based on secondary data. The study identified that credit norms, scale of finance should be increased, and security needed to be reduced from the present margin. Only crops could be the security against loan. Defaults needed to be reduced, there should be co-ordination among credit supply institution, deposit credit ratio needed to be enhanced, soft interest rate, concessional and subsidized credit supply for the poor and marginal farmers should be provided.

Selvavay and Sankarradivoo (2007) examined Tamil Nadu Co-operative Agricultural and Rural Development Bank having 180 Primary Cooperative Agricultural and Rural Development Banks located at district and block level. The main faced by the bank were revitalization and revamping of agricultural and rural development banks, higher interest of refinance from NABARD (85%), increase in non-performing assets, interest on reserve fund, banks not having the freedom to make short-term advances, restriction in the co-operative loan for raising funds, restriction in giving credit in diversified or allied activities, restriction in investment of funds and recovery of loans, the bank having poor loan repayments and lack of professional management. He suggested interest of refinance to be reduced, curative measures for non performing Assets to be introduced, effective recovery strategies to be adopted, interest on reserve fund to be exempted, and amendment in banking regulation Act-1949, and allowing the banks to have their own executive and manager, not the deputed persons of Government.

Singh (2008) showed the impact of the Agricultural Debt Waiver and Debt Relief Scheme-2008 given by central government. According to the Scheme, the Central Government divided farmers into 3 parts small, marginal and other farmers. The farmers who had a land of less than 5 acre were included in small farmers, farmers having land 5 acres were included in marginal farmers and those having a land more than 5 acres were included in other farmers. In the case of a small farmers or marginal farmers, the entire eligible amount was to be waived. In the case of other
farmers there was one time settlement scheme under which the farmers were given a rebate of 25 per cent of the eligible amount subject to the condition that the farmers would pay the balance of 75 per cent of the eligible amount in three easy installments and also had the benefit of extended time of paying back loan outstanding amount. The scheme was found to be beneficial for all categories of farmers. The benefit for small and marginal farmers was that the outstandings were fully relieved. The study suggested that the scheme should be implemented in other states like Punjab, Maharashtra, U.P, Bihar where so many cases of farmers committing suicide were being reported.

Lakshmanan and Dharmendran (2007) examined the impact of Non-Performing Assets (NPA) on net profits, investments, legal expenses and spread (difference between interest earned and interest expended) of Chennai Central Cooperative Bank. They used simple regression model to analyse the impact. The result showed that impact of NPAs on all the above performance variables of the bank was insignificant at 5 per cent level in all the equation. The only significant variable was constant in investment and spread. They suggested that RBI and NABARD should control the level of mounting of NPAs to make the CCCBs effective in the management of NPAs and performance.

Rao (2007) examined the performance of cooperative through ratio analysis by using secondary data based on audited annual reports of the DCCB, ELURU, Andhra Pradesh covering the period of thirteen years from 1991-92 to 2003-04. Profitability ratios showed that net profit over total income was 10 per cent and net profit over spread was 80 per cent. Productivity ratios showed deposit per employee and deposit per branch had lagged behind loans per employee and loans per branch. Hence at each branch level efforts should be initiated to mobilise deposits. Solvency position is largely analysed through credit deposit ratio which shown on an average credit stood at Rs. 51 for every one rupee secured as deposits. Operational efficiency of the bank was satisfactory.

Dutta and Bassak (2008) suggested that cooperative banks should improve their recovery performance, adopt a new system of computerized
monitoring of loans, implement proper prudential norms and organize regular workshops to sustain themselves in the competitive banking.

Gowthaman and Lakshmanan (2008) revealed the performance of Urban Cooperative Bank in NAMAKKAL by using secondary data based on audited & annual reports of the bank by covering a period of seven years from 1999-2000 to 2005-06. The study analysed the selected variables out of which membership, share capital, net profit had continuous increasing trends and deposits, loans and advance had fluctuating trends during the entire study period. The bank could predict its results for 2010 with the help of trend values for each variable.

Samantary (2008) examined the growth of performance indicators of Cuttak Credit Cooperative Limited from the period 1998-99 to 2005-06 by using secondary data based on annual reports and balance sheets of Bank by calculating percentages, mean, coefficient of variation, annual growth rate, compounded annual growth rate and relative measures. The growth of performance indicators of bank in the recent years had improved compared to the past years along with an indication of positive trend of growth of these indicators over the study period. He suggested CREDTICO should be equipped with all sorts of management strategies to cope with the present competitive market environment.

Pathania and Batra (2009) examined the NPA management in co-operative banks in Punjab by using primary data based on structured survey schedule. The data was collected from sample bank officers of the District Central Cooperative banks in Punjab. They observed that all the selected banks were suffering from burgeoning amount of NPAs especially in non-farm sector loans. This was all due to willful defaults i.e., inadequacy of loans ineffective management and supervision, utilization of loans for unproductive purposes, political supports, redemptions of past debts, inadequate infrastructure facilities, lack of efficient field staff for recoveries and poor socio economic conditions. They suggested, that to reduce NPAs internal control system need to be developed, lending should be project based rather than security based, branches should be computerized, procedural formalities should be simplified and politically motivated loans
waivers should be avoided. DCCBs may think about outsourcing their recoveries.

Vijaylakshami (2009) in her Ph.D. thesis attempted to review the functioning of Thoothukudi District Central Co-operative Bank Limited to analyze various problems of the study unit. The study analysed the functioning of the bank with regard to deposit mobilisation, issue of loans and advances, recovery of loans, financial aspects and views of employees regarding the working performance of the Bank. The data required for this study was collected through primary and secondary sources. The secondary data used for the study was collected from Annual Reports of Thoothukudi District Central Co-operative Bank for the period from 1998-99 to 2007-08. The functioning of the study unit had been quite impressive in terms of deposit mobilisation and credit deployment. But the bank had failed to arrest the overdues position and strengthen the share capital base. The bank had not effectively utilized its working capital and controlled costs. The study has revealed that the financial viability and profitability of the bank was declining. Hence, the success of the Thoothukudi District Central Co-operative Bank in the future would depend not only upon the development of primary societies but also on the extent to which it would be able to mobilize rural savings and recover the outstanding loans.

Chander and Chandel (2010) analysed the financial viability of HARCO Haryana by using CAMEL model based on secondary data collected from annual reports of the bank and found weak financial position in terms of capital adequacy, liquidity, earning quality and management efficiency parameters. Centric to ratio analysis the study had customized and blended different ratios in a model form to examine and predict the financial help. Similarly cooperative performance, recovery performance, cost reduction, productivity and efficiency were vital areas which had been considered.

Bhushan (2010) in his Ph.D. thesis analysed the performance of District Central Co-operative Banks in India in the light of the financial performance of the selected Guntur District Central Co-operative Bank. Primary data was collected from sample bank officials through a structural survey schedule. Information was gathered personally and through
interaction with the officials of the GDCCB for the period 2000-01 to 2008-09. The secondary data was collected from various books, journals, the annual audit reports of the GDCCB during the same period. His analysis of the co-operative movement in India indicated a healthy financial position of the DCCBs in India. However, the contributing share of DCCBs in Andhra Pradesh to the all India level had remained almost stagnant position. It also indicated a healthy and sound financial performance of the GDCCB. The trend demonstrated that the capital adequacy requirement of the bank was sailing on positive lines.

H.C. and Joseph (2011) revealed the financial performance of State Bank of India through CAMEL MODEL by using secondary data based on annual reports and financial statements of the banks. The study revealed increase in non interest income, profit per employee, business per employee and decrease in the operating expenses, staff cost, level of non performing assets by the bank for the last few years. This indicted that the financial performance of the bank had been food & it contributed well to the overall progress of the bank.

Chander and Chandel (2011) revealed the financial viability and operational efficiency of District Central cooperative Banks in India through CAMEL MODEL and Altman model. The study showed that the financial position of these banks was bad in capital adequacy, liquidity, earning quality, and management efficiency parameters. These banks were in the weak performance zone throughout the study period as interpreted from Altman’s Z-score model. The banks should emphasize on generating more profits by efficient utilization of their capital and assets. There should be employee motivation, operational flexibility; development of liquid assets should be cared.

Sukhmani (2011) in her Ph.D. theses attempted to evaluate the performance of District Central Cooperative Banks in Punjab and Haryana from 1999-2000 to 2007-2008. Profitability is an important indicator of performance in banking industry worldwide and there is a lot of variation in profitability of DCCBs. Six DCCBs had been selected from each State as sample size for this study. The study brought out that sources of funds,
their components and loans outstanding had registered a significant growth in all categories of DCCBs in Punjab and Haryana and both were better managed in Punjab. The study highlighted the fact that profitability of DCCBs was neither affected by the resource-mix nor by the composition of loan-mix. However, profitability had shown a direct relationship with recovery position of these banks. The proportion of recovery out of demand for loan was more encouraging in Punjab as compared to the fluctuating and instable trends in DCCBs in Haryana. Recovery position was good in both the States but in new area (non farm sector) banks should make more efforts to recover their dues. Profitability had shown negative trend in all the DCCBs in Punjab and Haryana while productivity improved significantly over the period of study. There was acute shortage of staff in most of DCCBs in both the states. A three-tier structure should be revamped. There should be only one State Co-operative Bank in each state, covering whole of the state with its branches. It would reduce the cost of funds transfer and cost of operations. It will also help to generate non-fund income.

Bansal (2012) in her Ph.D. thesis analysed the performance appraisal of Co-operative Banks in Punjab from 1997-98 to 2009-10. The profitability and productivity of cooperative banks reveals that total profits of the cooperative banks were decreasing due to losses in some cooperative banks and to improve the profits the banks should control their non-interest expenses and efforts should be made to increase non-interest incomes. Productivity analysis reveals that some of the cooperative banks were inefficient, as these banks were not using their inputs efficiently. To improve productivity banks should make efforts to increase their output with the same inputs. Majority of the employees were satisfied with the functioning of the banks because fixed targets were achieved by the banks. But the employees were dissatisfied with shortage of staff in cooperative banks.
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