Chapter II
Review of Literature

This chapter an attempt has been made to review the recent and relevant literature on the growth, funds management and working of district central cooperative banks in India. The literature relating to governments efforts relating to development and operation of district central cooperative banks, sources of funds of district central cooperative banks and utilization of funds of district central cooperative banks have been reviewed in the same chapter.

Introduction
A co-operative bank is a financial entity which belongs to its members, who are at the same time the owners and the customers of their bank. Co-operative banks are often created by persons belonging to the same local or professional community or sharing a common interest. Co-operative banks generally provide their members with a wide range of banking and financial services (loans, deposits, banking accounts etc.). Co-operative banks differ from stockholder banks by their organization, their goals, their values and their governance. In most countries, they are supervised and controlled by banking authorities and have to respect prudential banking regulations, which put them at a level playing field with stockholder banks. Depending on countries, this control and supervision can be implemented directly by state entities or delegated to a co-operative federation or central body. Co-operative banking is retail and commercial banking organized on a co-operative basis.

Co-operative banking institutions take deposits and lend money in most parts of the world. Cooperative banking, includes retail banking, as
carried out by credit unions, mutual savings and loan associations, building societies and co-operatives, as well as commercial banking services provided by manual organizations (such as co-operative federations) to co-operative businesses.

Pancras has attempted a study on funds management in cooperative banks. The main object of his study was to examine the different sources of funds and deploy them in the cooperative sector of district central cooperative banks in India. He has concluded that an analytical approach to the problem of funds management in the cooperative banks, use the same, both as a tool for day-to-day management & an analysis for control purpose would immensely improve the utilization of the funds available in the cooperative sector. According to him, as far as funds management is concerned, the central cooperative banks are governed by sections 18 and 24 of the Banking Regulations Act. They are legally bound to keep 3 percent and 25 percent in cash and liquid assets respectively of both time and demand deposits. Total funds management having the following main steps. Cash should cover minimum of 3 percent statutory limit sizeable portion of daily expected withdrawells of deposits collection from loans, day-to-day running expenditure repayment of borrowings and cushion for emergency. Liquid assets should cover the statutory limit of 25 percent and emergency cushion for fluctuations in the deposits. The bulk of the deposits, borrowed funds and equity, will have to be used in the best interest of the bank, but finally use of the same both as a tool for day-to-day management and as an analysis for control purposes would immensely improve the utilization of the funds available in the cooperative sector.

Kutumba has published an article on management of central cooperative banks-a case study of Krishna district of Andhra Pradesh for
eight years period from 1971-72 to 1978-79. However, the operations pertaining to loaning and recovery are studied for three years period (1974-75 to 1976-77) only. He considered the two central banks functioning in the Andhra Pradesh State. The main objectives of his study were to analyze the organizational structure of the selected central banks, to examine the performance of the managements of central cooperative banks, to study the nature of functional linkage between central banks and primary societies and to assess the effectiveness of the elected board. In regard to organizational structures, he found that the role of the board in policy making is normal. The Reserve Bank of India and the registrar prescribe most of the policies. In practice, this role is not properly conceived and effectively played. Regarding deposits of this bank he concluded that the growth of deposits is impressive but not commensurate with that of the lending. He also concluded that the financial planning and control techniques of the banks are very simple for the highly regulated nature of the banks and lack of autonomy for the branches in financial matters. It is often pointed out that the democratic set up of a cooperative banks affects the efficiency, as a result of soft-pedaling of the rigorous policies and procedures by and the unwarranted interference of the leadership. To sum up, democratic set up of a cooperative is not incompatible with its efficiency, and bureaucratic leadership, is no substitute for ineffective elected leadership, if any in cooperatives.

Mani and Latha\textsuperscript{3} has published a paper on study on reserve management of cooperative bank a case study of Trichur district cooperative bank. The main objectives of this study were to assess the extent of excess reserves kept by the Trichur district cooperative bank and to estimate the opportunity cost of excess reserves maintained over a 10 years period from 1977-78 to 1986-87. They have observed
that if the cash reserve ratio is kept at the rate of 3 percent and the entire excess amount is utilized for commercial lending at 25 percent statutory liquidity ratio, net profit will be Rs.77.51 lakhs. It was also observed that if cash reserve ratio is kept at the rate of 3 percent and the excess amount is utilized for different lending operation at 25 percent statutory liquidity ratio, net loss will be Rs.53.48 lakhs. If cash reserve ratio is kept at the rate 4.5 percent and the entire excess amount is utilized for commercial lending at 25 percent statutory liquidity ratio, net loss will be Rs.42.11 lakhs. The study has concluded that if the cash reserve ratio is kept at the rate of 4.5 percent and the excess amount is utilized for different lending operations at 25 percent statutory liquidity ratio.

Sharma\textsuperscript{4} has published his articles on a case study of the Jammu central cooperative Bank Ltd; Jammu. The main objective of this study was to find out growth performance of Jammu central cooperative bank and considered a period from 1980-81 to 1989-90. He has observed that the growth rates of the bank through rising are also registering a declining trend. A total recovery of 73.4 percent in the year 1985-86, the position in recoveries has dwindled down to 52.7 percent in 1987-88, 43.9 percent in 1988-89 and to only 21 percent of the demand in the year 1989-90 The affecting factors were the major government orders, such as 'Conversion of cooperative banks to ten year long term loans, Droughts and relief measures by the Government; the debt relief scheme 1990. Even the appeasement policy of the management towards the union too has done quite a bit of harm to the bank, as it has not been possible to enforce ideal discipline amongst the employees. The employees also have their own part in the declining site of the bank.

Sukumaran and Shaheena\textsuperscript{5} have published an article on management of spread, burden and profitability-a case study of palghat district cooperative bank. The main aim of the study to analyse the
efficiency of the banks in managing the interest spread and burden to increase the profitability of the bank. It also lays stress on the measures that have to be taken at various level for gearing up further banks. The study indicated that the profitability of the bank showed a declining trend through the period of study. This study has observed that the profit of the bank, which stood as Rs.9.05 lakhs in 1977-78, has decreased to Rs.2.76 lakhs in 1978-79. It again fell to a minimum of Rs.0.14 lakhs during 1979-80. During the next three years the bank showed a reasonable improvement in its profitability position from 1983-84 The profit of the bank which was Rs.1.57 lakhs during 1983-84 has decreased to Rs.0.21 lakhs in 1984-85 and again to Rs.0.01 lakhs in 1986-87. The study has stated reasons for decreasing profit as a lack of effective management of spread and burden of the bank. The study has observed that the profitability of the bank falls as burden goes up. The profit of the bank has reduced from Rs.7.26 lakhs in 1981-82 to Rs.0.33 lakhs in 1985-86. The study also analysis that the interest income constitutes around 69.12 percent of the total income of the bank during the reference period and the non-interest income during the study period similarly, of the total expenditure. The percentage of interest expenditure constitutes 55.80 percent during the study period. The study also concluded that the profitability interest expenditure of the bank showed a fluctuating but an unfavorable trend throughout the reference period an analysis of the spread ratio and burden ratio indicate towards some deficiency in the found management within the bank. Further probe of the reserve management of the bank throws some light on the excess and idle reserves kept by the bank during this decade. These excess reserves kept by the bank are an indication towards ineffective management of funds within the bank.
Chinnappa\textsuperscript{6} has attempted to examine the problems of the Anantapur district central cooperative bank in Andhra Pradesh. The main objective of this study was to find out problems of the Anantapur district central cooperative bank. The study has stated that it is an established fact that the Anantapur district central bank in Andhra Pradesh is facing innumerable problems like, defective loan policy delay in sanction and disbursement of loans, inadequate planning for medium term loans, problems of personal management, overdues mobilisation of deposits, recovery of loans etc. of course these problems are not confined to Anantapur district central cooperative bank only. Such problems are faced by almost all the district central cooperative banks in Andhra Pradesh and India but their severity is more in Anantapur district cooperative bank. The study has stated that all the banks in the district viz, the district central cooperative bank, the commercial banks and the regional rural banks put together financed agricultural credit to the tune of Rs.71.9 crores for the year 1989-90 which was only 20.8 percent of the total credit required by the agriculturists in a big way at a concessional rate of interest and there by the incentive for raising deposits by the cooperative banks became further weakened. Heavy overdues of central cooperative banks for the last 15 years have impaired their capacity to borrow from higher financing agencies. The average recovery performance of Anantapur district cooperative bank for the past 15 years is 52 percent where as the overdues are 48 percent.

Viswa prasad and parthasarathy\textsuperscript{7} has attempted to examine the supply of short-term credit and estimation of credit gaps in Medak district (Andhra Pradesh). The data pertains to 1986-87 agricultural year. An attempt has been made by him to assess the productivity of credit and the credit needs of different sizes of farms in Medak district of Andhra Pradesh. The study stated the commercial banks constituted
largest share of credit (40.82 percent) and cooperatives and moneylenders provided more or less the same proportion of credit needs of the farmers (26.76 percent) and (24.46 percent) respectively money lenders still formed the most important source of credit to small farmers as compared to other sources and large farmers utilised more from commercial banks and cooperatives. It signals that small farmers credit requirement is mostly met by private lenders to the tune of 50 percent. The sources wise classification of borrowed funds revealed that commercial bank and cooperative are catering to the need of large farmers while the small farmers credit requirements are still being met by private sources. Finally, study has concluded that the sources wise classification of borrowed funds revealed that commercial bank and cooperative are catering to the need of large farmers while the small farmers credit requirements are still being met by private sources. This indicates that the institutional agencies have not gone in a big way in catering to the credit needs of small farmers. The estimation of credit gaps indicated that the same was highest in case of small farmers when compared to medium and large farmers. This situation wants the need to safeguard the interest of small farmers who are more often than not, capital starved, by allowing still more flow of institutional credit for meeting their consumption requirements.

Sivaprkashan\textsuperscript{8} has published an article on an appraisal of personnel management policies and practice in central cooperative banks in Tamil Nadu for period from 1978-79 to 1987-88. The main objective of this study has the organizational set-up for personal management functions in the central cooperative banks in Tamil Nadu. The background of the employees, their attitude towards personnel policies and practices, and their job satisfaction and to identify the practical problems, faced in implementing the personnel policies and
offer suggestions for improving personnel management in the central cooperative banks. The study observed that there are so many policies and practices were made regarding to the personnel management. The study has found that working profile of the bank has an organised system, the loans and advances were doubled in a short span of 5 years profit earned, the profitability had been declining the average amount of net profit earned per bank had increased from Rs.38.2 lakhs in 1978-79 to Rs.53.9 lakhs in 1987-88 and net profit percentage was 1.59 to 0.76 from 1978-79 to 1987-88. Employees profit was that majority of them were of age group of 41 to 50 years, 75 percent were locales, they were experienced in personnel policy, and personnel planning recruitment and selection, training, promotion all were skilled management. That’s why; there was job satisfaction among the employees. The principal suggestions made by majority of the employees include mutual understanding between the management and the unions.

Dayanandan and Sasikumar⁹ have published an article on a study on the performance evaluation of central cooperative banks in Kerala. Period from 1981-82 to 1989-90. The main objective of the study is to evaluate the performance of central cooperative banks in Kerala on the basis of their progress in membership enrollment, share capital, deposit mobilized, accumulated reserve fund, loans overdues and net profit earned. The study has observed that the membership of central cooperative banks in Kerala has been increasing steadily which indicates the effective participation of the weaker section people in the loaning programme. Involvement of people in the rural development programme ensures economic development. The share capital was Rs.16.32 crores in 1981-82 and has increased to Rs.30.48 crores in 1989-90 (186.76 percent). Higher reserve fund the greater will be the effective functioning of the bank. It found Rs.13.21 crores in 1981-82 and has
raised to Rs.75.28 crores in 1989-90 (569.84 percent) share capital and reserve fund constituted own fund, which was accounted for 358.14 percent in 1989-90 over 1981-82. In deposit mobilisation, the bank has shown an impressive result deposit accounted for Rs.132.76 crores in 1981-82 went up about more than four times. The loans overdue stood at Rs. 128.48 crores in 1989-90, which was, more than five times to that of 1981-82. Comparative analysis of the total loans overdues with other factors discussed above proves that the progress of the central cooperative banks is not satisfactory because the rate of increase of total loans overdues is rather unfavorable to the rate of increase in other factors. The net profit accounted for Rs.1.61 crores in 1981-82 went up about only less than two times in 1989-90. As long as there is no decrease in the rate of total loans overdues, profitability of the bank cannot be improved. The study has concluded that the central cooperative bank has achieved better performance on share capital, membership, deposits and reserves fund there is no corresponding achievement in the net profit because of the unfavorable steady increase in the overdues. It can be stated in another way that the growth of central cooperative banks in Kerala is now affected because of high overdues. If the management of the bank takes suitable measures for controlling its overdues, then only it can perform better in future.

Parameshwar\textsuperscript{10} has attempted a study on branch expansion of central cooperative banks in Andhra Pradesh period from 1970-71 to 1989-90. In view of the study were the policies adopted and measures initiated for branch expansion by central cooperative Banks in Andhra Pradesh further, it is also aimed to analyse the performance of the district central cooperative Banks in expanding their network of branches. The study has observed that the number of branch offices has moved up from 134 in 1970-71 to 279 in 1976-77, to 434 in 1985-86
and to 539 in 1989-90 by 1989-90 all the central cooperative banks in the state have not less than 10 branches each and a maximum of 50 offices are there in case of the Krishna district central cooperative bank. As a result of the reorganization of 27 cooperative central banks into 22 central cooperative Banks in Andhra Pradesh, to comply with one bank for one revenue district. The central cooperative banks in the state received financial and non-financial assistance for expansion of their network of branches. The main problem for the central cooperative banks in Andhra Pradesh to extend banking facilities by increasing their branch net-work was that a great number of them were not financially sound and not reached the state of variability. The branch expansion of central cooperative banks in Andhra Pradesh was largely the result of motivation and direction of the state government, Reserve Bank of India and APSCB.

Sivaprakasan\textsuperscript{11} has published an article on his works review of personnel management in central cooperative bank. The study has undertaken covering all the central cooperative banks of Tamil Nadu and 648 employees were covered thus constituting 10.5 percent of the total population only the officers and clerks were included in the study. The study has observed that 56 percent of the employees are satisfied with the recruitment and selection procedure and their suggestions are brought out. It is worth noting that only 23.3 percent of the employees agree to deputation while 61.7 percent oppose because of the following reasons lack of knowledge, lack of commitment of the part deputation, lack of banking knowledge, blocking the promotion of bank employees, delay in policy and decision making, frequent transfers since they are from the government.

Reddy and Puyalvanna\textsuperscript{12} have published a paper on financial pre-emption and statutory compliance of central cooperative bank-A case
The main objective of the study was to analyse the operational performance of Pudukkottai district central cooperative bank, Tamil Nadu. The study has observed that the banks had always maintained more percentage of cash reserve ratio and statutory liquidity ratio than the required limit during June 1992, January/February 1993. They stated the requirement of maintenance of cash reserve is thus a constraint on funds management. There is further constraint that the banks are not in a position to regulate the surplus cash with them by making prompt remittance to head office/Apex. It had maintained thrice and minimum amount required to be maintained under cash reserve ratio. They have found that the position has improved during year 1993-94. Cash reserve ratio and statutory liquidity ratio were maintained at the required level except during the months June 93 and March 94 and June 94. The maintenance at a higher percentage was due to collection of loans with a special drive and target fixed for mobilisation of deposits coupled with persistent remittance problems faced by the district central cooperative bank. The authors have perceived that the most important problems in cooperative banks are related to the maintenance of statutory liquidity ratio and cash reserve ratio. Many times State Bank of India refuses cooperative banks to deposit their quantum of cash. The authors have suggested for a national level policy decision regarding proper arrangement for remittance so as to maintain profitability and efficiency in the cooperative bank. Finally they have concluded that the bank is maintaining the cash reserve ratio and statutory liquidity ratio effectively during the recent periods.

Shanmugasundaram has published the paper on organizational climate in cooperatives; A case study of Madurai district central cooperative bank limited. The main objective of this study was the organizational climate in a cooperative bank. Ten organizational climate
dimensions have been selected for the purpose. The study has observed that the overall perception of organizational climate dimensions by the sample as a whole is in line with the perception of organizational climate dimensions by the supervisors. The overall perception scores indicated that the dimension 'social values' (84.86 percent) is the most well looked-after factor followed by job security (78.2 percent) and pay and benefits' (72.4 percent) at the other extreme, the dimension 'participative management' (53.86 percent) is the least-looked-after factor followed by 'recognition and appreciation' (57.6 percent) and 'training and development' (64.26 percent). The remaining four dimensions' rationality' grievance handing and working conditions fall between these two extremes for the sample as a whole. The author has suggested the overall climate of the organisation should be improved by paying special attention to the dimensions of participative management, recognition and appreciation, and training and development which are least looked after at present. The organisation should attempt to satisfy certain groups of employees like the younger employees, employees working at the branch offices and the employees at lower categories in order to improve their perception of climate. The employees, especially at the supervisory category should be involved in formulating and implementing policies and strategies of the management. The general climate of the organisation could be improved be paying immediate attention to participative management since the respondents are satisfied with the other seven dimensions as they are. The managerial and the personnel policies and practices should be modified in relation to the expectations of the employees. There should be sufficient scope for promotion and career advancement. Satisfactory procedures for handling grievances should be established. Due recognition should be given to efficient employees, distinguishing them from average employees.
Srinath has attempted a study on Mysore district central cooperative bank—An overview during the period from 1989 to 1992. The main objective of this study was to examine the growth performance of Mysore district central cooperative bank. The study has founded that the membership of the Mysore district central cooperative bank stood at 881 as in 1992 with composition of 310 agricultural credit societies, 45 joint farming cooperative societies, 41 industrial cooperative societies, 15 weavers cooperative societies, 13 marketing and processing societies, and other societies numbering 457. The enrollment of membership in primary agricultural cooperative societies by the bank as in 1992 is 1,81,493 comprising of big farmers, small farmers, SC/ST farmers agricultural laborers and artisans. The total number of agricultural farmers stood at 180991. The study has also observed that the share capital of Mysore district central cooperative bank has increased from Rs.209.57 lakhs in 1989 to Rs.233.63 lakhs in 1992 i.e. an increasing extent of Rs.14.06 lakhs. Similarly, reserved and other funds of the bank stood at Rs.206.68 lakhs in 1991 to 482.13 lakhs in 1992, an amount of Rs.275.45 lakhs increased significantly. Further, the deposits show an increasing trend of Rs.1288.99 lakhs in 1989 to Rs.1874.57 lakhs in 1992. Further, the borrowing from apex bank and government show a declining trend to an extent of Rs.528.01 lakhs in 1989 to Rs.203.09 lakhs in 1992; It is in this context, the district central cooperative bank shows significant progress that the bank is not depended on these two sectors for borrowings. The author has found that the amount outstanding against small /marginal farmers in respect of short terms and middle terms loan is of the order of Rs.342.03 lakhs for the year 1991-92. The bank had so far advanced medium term loans of Rs.1.80 lakhs from 1.1.1991 to 31.3.1992 to 12 members of one society. Further the bank made advances to various cash credit loans to
TAPCMS also. The cash credit loans and other loans outstanding in respect of consumer cooperative societies and other societies loans stood at Rs.151.74 lakhs. The study has examined that the main factor responsible for financial weakness of the bank is lack of financial resources. Due to this factor Mysure district central cooperative bank cannot control even the primary societies. Both officials attached and non-officials for managing the bank lack training required to manage the bank successfully. The bank is controlled by very few hands, due to this reason, the interests of small agriculturists has come to be neglected. The lending policies of cooperative banks are riddled by a set of rules and regulations. Members, specially poor one finds it difficult to get loans in due time and to the necessary extent. The proportion of overdues of bank is till high. Due to this, the bank has not been able to accommodate the primary societies. The author has suggested the financial management of the bank should be strengthened. The special steps need to be taken to train officials and non-officials, members of management of the bank. The management should be truly democratic. The lending policies of the bank should be streamlined. The recovery position should be strengthened. The bank should charge low rate of interest on primary-societies, run along sound lines compared to rate of interest charged on inefficiently run ones.

Shollapur has attempted the study on an analysis of profitability of credit management in central cooperative banks with reference to Karnatak state for a period of five years from 1985-86 to 1990-91. The main object of the study was at examining the contributory role of credit management of central cooperative banks in recovering the cost of funds deployed in credit business. He found that the spread as a percentage to volume of credit business has been positive. It increased from 3.3 percent in 1985-86 to 4.39 percent in 1987-88. This reflects that in spite
of minor oscillations in the percentage of spread of volume of business, the credit business has been contributing towards the recovery of burden i.e. fixed operating expenses. However it witnessed an abnormal downward trend in 1889-90, inspite of increase in volume of credit business. The study has stated that the credit business was profitable during the earlier years of the study. However, in the years 1988-89 and 1989-90, the proportionate decline in spread is more pronounced indicating that during these years the credit management could not contribute much towards increase in spread. The study indicates that the credit management has not contributed towards the recovery of burden that is operating cost. If the interest income is more than the interest cost and the spread is zero and there by indicates that the credit management has resulted in spread for the recovery of the burden. If the interest income is less than the interest cost. The study has implied that the high cost funds are invested in low return credit and there by indicates that the credit management has not been able to cover not only the cost of funds but also the operating cost. The study indicated that the credit management has been able to cover the cost of funds, which is evinced by the positive difference between interest income and interest cost that is spread for all the years under the study. It also indicated that the contribution from credit management is diminishing which is supported by the declining trend. The study has concluded that the central cooperative banks have been successful in recovering the cost of funds deployed in credit business. However, the margin available for the recovery of operating cost (burden) has become thin over the years, which needs to be attended immediately. Broadening the base of owned funds, seeking remunerative credit outlets, improving the recovery performance, infusing operational efficiency etc; go a long way in
enhancing the overall profitability of the banks through improving the profitability of credit management.

Ganesan\textsuperscript{16} has attempted the study on case study; A advances and recovery of the Sangrur central cooperative bank Ltd; Sangrur Punjab a period of six years. The main objective of this was that the performance of advances and recovery of the Sangrur central cooperative Bank Ltd; Sangrur Punjab. The study has founded that the share capital was Rs.348.98 lakhs. The bank has its own funds up to Rs.133.34 lakhs during 1993-94 showing the regular increase under a new scheme entitled 'non-farming sector' from 7.1.1994. The bank has advanced to 150 members amounting a total of Rs.80 lakhs on going through the records of the bank. The demand was Rs.6220.24 lakhs and the recovery against the demand was 4704.09 lakhs. However, there is an increase of 10 percent during 1991-92, 12 percent 1992-93 and 5 percent 1993-94 compared to its previous years while the increase in recovery is 14 percent, 19 percent and 9 percent during 1991-92, 1992-93, and 1993-94 respectively. A growth of 10 percent increase in advances and 50 percent in recovery can be seen in 1993-94 as compared to 1991-92. The study has observed that the demand is more as compared to recover during 1990-91. However, there is a certain extent of reduction in the above gap in the following years compared to its previous years. The gap difference shows a little value during 1993-94. The percentage recovery also increases. A remarkable improvement in recovery can be seen, as in 1993-94 the percentage recovery was 88 percent as compared to 75.6 percent during 1990-91. The study has concluded that the progressive nature in the growth of the functioning of the Sangrur central cooperative bank. There is a good increase in advances as well as recoveries in every year as compared to its previous year. Through the discussions with the officials of the bank the gap between the advances
and recovery has been reduced due to mainly contracting the persons who are advanced in a proper time such as non-festival seasons harvesting, frequent contract sanctioning more advance to the able and trained persons. Advancing the really required amount for the purpose to which it is applied making the advances in the kind from rather than in cash and efficient work of the employee.

Sankhyan and Sharma have attempted study on performance of a central cooperative bank in Himachal Pradesh- An appraisal. In the study an attempt has been made to analyse the growth and progress of the Jogindra central cooperative Bank Ltd; in Himachal Pradesh during the period 1980-81 to 1994-95. He found that trained and full time secretaries of cooperatives achieved good recovery than the untrained and part time secretaries. If despite of all these steps the bank is not able to improve its position then it should be merged with the Himachal Pradesh. State cooperative bank ltd; which is in a very good financial position, so that the fruits of cooperative movement are also reaped by the people of its area of operation. The authors have critically examined the viability aspects of the bank such as credit deposit ratio, profit and loss return on capital employed, return on shareholders equality etc. The authors have concluded the paper by suggesting remedial measures for revitalization of the bank like opening of new branches at appropriate places, efficient management of cash and liquid assets, proper deployment of surplus money, training to employees etc. The study has also concluded that the Jogindra central cooperative bank has not performed well. It can be treated, as a weak bank in some fields, hence, requires special attention of management and the government for its proper growth and improving its performance. For improving its position the bank should open new branches in Unbalanced areas, manage its cash and liquid assets properly, expand its credit facilities by
finding avenues for investment and improve its recovery. The performance of the manager of branches should be assessed not only on the growth of deposits but also on the recovery of overdues. Further to improve recovery of overdues, the bank should lay stress that secretaries of the societies and full time employees must be properly trained.

Bagade and Gumaste\textsuperscript{18} have published a paper on the study of organizational pattern and working of district central cooperative banks in Konkan region of Maharashtra state. The main objective of this study was organizational pattern and working of district central cooperative banks aspects like population per branch, constitution of general body and board of directors. Staffing pattern and training provided to the staff were taken into consideration. The study has observed that all the banks from konkan region i.e. Ratnagiri, Sindudurg, Raigad and Thane were based on democracy and has democratic management. General body consists of members and is the highest administrative body general body meets once a year to decide about how to utilise surplus funds and takes other related decisions. They were taking decisions which were subject to the provision of the Act, rules and by laws, which are governing the affairs of the banks. The board of directors consisted of members elected by the general body to carry on day-to-day administration of the bank and it works under the direction of the general body. The study has founded that the number of branches in Konkan region in 1983-84 were 158 per branch population as per 1981 census was 44,297. The number of branches increased by 227 in 1994-95 and per branch population as per 1991 census was 41630. The analysis revealed that the per branch population decreased. It has been found that one member one-vote principle is the most satisfactory procedure for conducting the operation. The total membership of all district central cooperative banks was 6637 of which 84.0 percent was from cooperative societies 13.92 percent
from individual members; government and other societies were to the tune of 2.08 percent. The study has also observed that the total number of employees of district central cooperative banks in Konkan region was 496 of which maximum employees were in account section (36.39 percent) followed by administration section (29.69 percent), loan section (19.36 percent) field section (8.87 percent) Department of Development and Planning (1.01 percent) and Department of Audit and Inspection (4.23 percent) all branch level, the total number of employees of district central cooperative banks in Konkan region were 1774, of which 89.23 percent employees were office staff and only 10.77 percent employees were field staff. In Konkan region, 8 employees on an average per branch of district central cooperative bank were employed. The study has concluded that on an average, 7 to 9 employees were employed in the district central cooperative banks in Konkan region. The maximum numbers of employees were in account section followed by administration section, loan section and field staff at head office. At branch level, the population of office staff was more than 85 percent. The population of a branch for Raigad district central cooperative bank and Thane district central cooperative bank increased while for Ratnagiri district central cooperative bank and Sindhudurg district central cooperative bank it was decreased.

Varma\(^{19}\) has attempted the study on an evaluation of the performance of district central cooperative bank Chittor A.P; before and after the SWCCDS period of ten years; The main objective of this study was the progress and performances of district central cooperative bank, Chittor subsequent to the introduction of SWCCDS as compared to the operations under the previously existing system in terms of capital structure, loan operations recovery and overdues. The study has found that the share capital, reserve fund, deposits borrowings and working
capital are relatively higher after the inception of SWCCDS. The capital of the bank has considerably gone up through the bank started issuing long term advances after the implementation of the SWCCDS, the bulk of outstanding advances are short term in nature. It is also found that the various institutions and schemes, primary agricultural cooperative societies claim more than 80 percent of outstanding advances of the bank. Further, the relative share of each of primary agricultural cooperative societies, sugar factory and non-farm loans register an upward trend. The percentage of share of rest of the institutions / programmes present a downward trend and it is also found that the recovery rate is unsatisfactory after the introduction of present system either in short term or long term loans or both. This is mainly on account of very poor recovery performance reported in 1990. This was due to validated atmosphere created by government by waiving of loans. The borrowers deployed repaying loans anticipating further waiver in 1990 of the short terms and long term loans the recovery efficiency is higher in the former. The mounting up of overdues effects, recycling of funds in the years to come the age-wise classification of overdues reveals that even though there is an increase in overdues, the longevity has sufficiently come down indicating that the members are repaying the loans installments after some time. The study has concluded that on an average the bank incurred losses in both pre and post SWCCDS. The loss has given 4.2 times in post SWCCDS upon SWCCDS. The study has comparatively analysed that district central cooperative bank Chittor and per average district central cooperative bank in Andhra Pradesh. The performance of district central cooperative bank, chittor in terms of working capital, advances outstanding and recovery efficiency is behind per district central cooperative bank in Andhra Pradesh.
Chellani has attempted study on an analysis of working of a central cooperative bank. This study has a problem oriented inquiry into the operations and working the Baroda central cooperative bank limited, (Bank) operating in the Vadodara district in the state of Gujarat. The study covers a period of 10 years from 1986-87 to 1995-96. The main objective of the study is to examine the growth and composition of working funds, the growth pattern and composition of deposit as well as credit and the overdue position of the Baroda central cooperative bank limited in Gujarat state. This study indicated that the solid increase in the working funds during the study period. However, during the last year, the total amount had declined mainly due to the substantial reduction in the borrowings. The overall finance mix is characterised by less degree of financial risk. The borrowings in total have reached from 43 to only 3 percent (in the year 1993-94 it shows nil). The most privileged and cost free constituent i.e. owned funds have increased in absolute terms by 10 times and its proportion in the total has shown a rise from nearly one tenth or one-third the contribution of deposits component also grew in the total funds. The share of fixed deposits in the total working funds shows a considerable rise from 32 to 51 percent. Besides, high cost deposit portfolio, it also shows that the bank has large resource of long-term nature, this calls for profitable deployment so as to fetch a better margin. It is also found that bank has largely collective deposit from the member societies. The bank pays up to 1/2 percent more rate of interest to attract largest deposit from individuals. The study has observed that the bank is yet to diversify the loan portfolio to high yield non-farm sector advance, achieve profitable deposit mixed by mobilizing deposits from individuals. Although a little progress was made in the recovery during the first year of the plan implementation consequently the position deteriorated to the preplan level. The bank
continues to enjoy top slot in accumulated losses among the loss making district central cooperative banks in the state. It is also found that the important and urgent that the bank management should arrange training programmes for officers and clerk in various aspects of banking for skill up graduation. This study has concluded that the Vadodara district is fast changing in its cropping pattern from cotton to sugarcane cultivation, which requires large scale of finance. Also the banks need to develop a systematic plan of non-farm sector advances, the potential for which exists in the district. To diversify and promote the loan portfolio in the non-farm sector, the bank should establish the business development department at the head office of the bank. Next, recovery cell needs to be created to monitor and follow-up the recovery of the bank advances. Bank should also take advantage of the interest free funds of NABARD for establishment of Technical monitoring and evaluation (TME) cell and computerization of bank operation by recreating new qualified and experienced staff only. Further, bank has obtained license to open 3 new branches in vadodara city and one near Vadodara city at Chhani. Bank should open new branches the earliest, as branches in the areas will largely help the bank in mobilizing much needed individual based deposits.

Enusanula\textsuperscript{21} has attempted a study on performance of the Karimnagar district cooperative bank (KDCCB) in Andhra Pradesh, an economic analysis during the period 1985-86 to 1994-95. The main object of this study was to examine the financial performance of Karimnagar district cooperative central bank (KDCCB) for a period of 10 years. This study has given an important "Economic Analysis" regarding the role of district central cooperative bank in Andhra Pradesh in India. The cooperative movement in India has reached a stupendous position today with in the touch of 98 percent of village by covering 50
percent of families. The total turnover of the cooperative institutions is up to 25 percent of the total income of nation. It is also found that a glance to words the Karimnagar district central cooperative bank will give us an economic analytical look over India. The Karimnagar district central cooperative bank was established in 1921 with "Single window credit system" providing short, medium and long term credit to needy farmers. Its credit disbursement increased from Rs.1493.37 lakhs in 1985-86 to Rs.4801.16 lakhs in 1994-95. The deposits mobilized rose from a meagre Rs.754.85 lakhs in 1985-86 to Rs.2796.89 lakhs in 1994-95. For the analysis, the various financial ratios are used, as solvency ratio, liquidity ratio and test of efficiency. Some other terms used are profitability ratios, test of strength etc. which resulting in different ways and accounts. The study has concluded that the Karimnagar district central cooperative bank Ltd; had not maintained a reasonable level of solvency position and was unable to cover its medium and long-term obligations. The credit deposit ratio declined towards the end of the study period indicating better deposit mobilisation, current ratio indicating better deposits mobilisation current ratio indicating better systematic utilization of deposits meant for current operation, thereby showing better margin and technical solvency of the bank. The net working capital of the bank was found to be tied up in the inventory. The percentage of gross ratio for the study period was 108.8, which increased high expenditure over the gross income indicating losses for the bank. Profitability level of the Karimnagar district central cooperative bank was very low on account of service motive adopted by the bank. The net worth decreased year after year and the net capital ratio was less than unity indicating that the assets of the Karimnagar district central cooperative bank were not sufficient to cover all its liabilities.
Devaraja has attempted the study on working of district central cooperative bank, Hassan, Karnataka. An analysis this study confines itself to the analysis of working of the Hassan district central cooperative Bank in certain vital areas, viz. share capital financial stake in credit business, recovery performance and overall profitability. The study covers a period of eight years from the cooperative year 1989-90 to 1996-97. The main object of the study is that the progress made in the share capital, to examine the size and composition of working funds, to analyse the credit structure of the bank, to study the economic viability of the bank and analyse the overall profitability of the Hassan district central cooperative bank in Karnataka. He has found that the share capital of Hassan district central cooperative bank was Rs.120.91 lakhs in 1989-90 and Rs.239.85 lakhs in 1996-97 consisting of money members and government funds. But the individuals are not concerned the 'A' class members by the Karnataka cooperative act so the share capital of Hassan district central cooperative bank was 63.6 percent in 1989-90 and increased up to 71.23 percent by the end of 1996-97. The contribution of government of Karnataka was approximately 35 percent. The size and composition of working funds in 1989-90 was Rs.1607.20 lakhs, which come to extend up to Rs.4594.20 lakhs in 1996-97. The contribution of the bank was satisfactory up to 64 percent and the borrowing volume was at higher level in 1996-97 that is Rs.1384.66 lakhs. The bank has only non-agricultural credit. The agricultural credit was Rs.4.64 lakhs in 1989-90 which was 6 percent, it increased up to 28 percent in 1994-95. The last some years were satisfactory for the agricultural credit. It increased from 28 percent to 37 percent since 1994-95 to 1996-97. The credit flow of Hassan district central bank has not been much chanelised in the risky business of agricultural operations. There was a gradual increase in 1994-95 to 1996-97 because
of the improved recovery of loans. It is also found that the main problem of Hassan district central cooperative bank was overdues. The overdues position in the first five years of the starting i.e. from 1989-90 to 1994-95 was very bad. The percentage was 87. The major reason of overdues was poor recovery performance of the short term credit. The gap between loans of primary agricultural credit societies and Hassan district central cooperative bank is satisfactory. It is increasing sequencely. The gap in loans was Rs.228.57 lakhs in 1989-90 with tremendous increase it reached up to Rs.322.29 lakhs in 1996-97. The simplest and the most convenient yardstick for appraisal of the performance and efficiency of the bank is profit. The attainment of economic stability through profitability becomes essential feature of the bank management. The Hassan district central cooperative bank was in profit through out except in 1989-90 and in 1991-92. The bank had 10.99 percent management cost and lending 10.61 percent in 1991-92. On an account of the analysis of Hassan district central cooperative bank Karnataka, the study comes to conclusion that the economic viability of bank is unsatisfactory. The overdues position is very bad. It means that the bank has to improve the standard.

Dayanandan\textsuperscript{23} has attempted a study on performance Evaluation of district central cooperative banks of Kerala. The major objective of the study is to compare the performance of district central cooperative banks in Kerala with the national level performance on the basis of their progress in membership, enrollment, share capital, deposits mobilized, overdues and net profit earned. The study has found that the number of branches and the membership of the district central cooperative Banks in Kerala are increasing positively, which indicates the effective participation of the people in the state cooperative credit movement. However, compared with the national level growth, this is not
satisfactory, because the rate of growth membership at the state level (4.69 percent) is less than the national level growth rate (7.83 percent). It is also found that the share capital of the district central cooperative banks in Kerala was Rs.16.32 crores in 1981-82 and has increased to Rs.44.13 crores in 1994-95. The higher the reserves fund the greater the effective functioning of the bank. The compound growth rate of reserves fund (13.83 percent) is greater than the compound growth rate of share capital (7.95 percent). The share capital and reserve fund constituted own fund and its compound growth rate at the state level (11.05 percent) and at the national level (11.76 percent) are almost the same. The study has observed that the deposit mobilization of the district central cooperative banks in Kerala has shown an impressive result. As regards borrowings for lending, the state level growth rate (10.06 percent) is less than the national growth rate (15.72 percent). The district central cooperative banks in Kerala could not advance loans equal to the national growth rate level (16.11 percent). However the growth rate of the state (15.55 percent) is satisfactory. It is also found that the amount of loans outstanding at the end of the year at the national level (13.63 percent) and at the state level (13.28 percent) are almost the same. The total loans overdues stood at Rs.108.17 crores. In 1994-95, which was more than four times that of 1981-82. But the total loans overdues in 1991-92 (Rs.111.25 Crores) was less than the loans overdues in 1991-92 (Rs.117.25 crores). This is a favorable indication of the progress of the district central banks in Kerala. Thus study has concluded that the cooperative movement in Kerala is running successfully. The number of branches and members are increasing positively. But the growth is not satisfactory as compared to national level. The district central cooperative banks in Kerala could not advance loans equal to the national growth rate level. The conditions are favorable for
the progress. The compound growth rate of the profit of district central cooperative banks in Kerala is less than the national level. The district central cooperative banks in Kerala should take suitable measures for controlling its overdues. Except some of the problems the banks are good and in profit; but want to be improved.

Shekhar, Rao and Narender have conducted a study on growth analysis a critical review of the Karimnagar district central cooperative Bank in Andhra Pradesh. In this study an attempt was made to analyse the growth of the Karimnagar district. Central cooperative Bank in terms of both physical and financial indicators and to make projections for selected indicators. The study covers the period from 1985-86 to 1994-95. The study has observed that the compound growth rates of the physical indicator viz. number of branches (0.72 percent), government employees under ER-127, (6.54 percent) during the study period were statistically significant. But other financial indicators viz. beneficiaries covered (5.09 percent) total numbers of employees (3.53 percent), growth rates were statistically non-significant.

The study has also observed that the compound growth rates of financial indicators viz. total share capital (8.46 percent), paid up share capital (9.46 percent), borrowings (11.65 percent), total liabilities (13.74 percent), advances outstanding (11.8 percent) during the study period were found to be statistically significant. The study has concluded that the growth rates of selected physical and financial indicators, shows the good progress made by Karimnagar district central cooperative bank and it is also concluded that the same drawbacks were identified, which are to be corrected the total liabilities had grown at a higher rate than the total assets and owned capital during the study period. Hence the bank has to take sufficient measures to reduce its liabilities and it is imperative for the bank to improve credit recovery.
Marrlappan has attempted a study on business performance appraisal a study of Kozhikode district central cooperative bank. The main objective of his study was to find growth performance of Kozhikode district central cooperative bank. The main objective of his study was to find growth performance of Kozhikode district central cooperative bank for the study period 1995-96 to 1999-2000. The study has observed that the membership has increased from 357 to 379 as a result of addition of 22 members. The share capital indicated a record growth of 37.35 percent during the last five years. The deposits show a steady growth and its share in the working funds ranged between 70.26 percent and 90.71 percent. The short-term non-agricultural loans have increased greatly from 40.97 percent to 71.07 percent. The percentage of overdues has reduced gradually from 34 percent in 1996 to 19 percent by 2000. The distributions of loans have recorded a remarkable growth by 281.74 percent during the years. The profitability has recorded a steady growth of above seven times, otherwise 69.82 percent growth in last five years. The working funds to total overdues position has decreased with a fluctuating trend from 14.54 to 8.13 percent. The study has concluded that the performance of the bank under study in terms of deposits, loans and advances are fairly satisfactory. There has been a decline trend in agricultural loans. The recovery performance has shown improvement declining as the percentage of overdues has reduced significantly.

Kale has published an articles on role model of Dhule district central cooperative Banks on computerization. The main objective of the study was to examine the role of information technology in Dhule district central cooperative bank. This study has observed that due to change in government policies, various multinational companies, banks, insurance and finance agencies have started operations in India. The
study concluded that the for better customer service time factor plays an important role. Single window system is very beneficial for the best, prompt and effective customer service. It is also concluded that the beneficial for bank personnel as every one gets hand on experience and knowledge of each and every business of bank has breaking monopoly symptom of manual ledger system. He has observations and concluded that the Dhule district central cooperative banks is one of its kind and would be one of the few district central cooperative banks a cross India providing such value added services to its customers.

Jeyarathnam\textsuperscript{27} has attempted study on the HRD climate in district central cooperative banks a study of Tamil Nadu. The main objective of the study was to examine the employees satisfaction with regard to organizational climate and to find out the reasons for the satisfaction in terms of various human resources development subsystems practiced in district central cooperative banks. The study has covered the various levels of employees i.e. clerks, supervisors, managers, assistant manager, field managers and assistant general managers. He has taken a sample of 300 employees selected out of the total employees working in all branches of the bank. The study has concluded that the success and failure of cooperative organisation has deep impact on the life underprivileged section of the society, the unforeseen challenges in the changed business environment, which arise due to new economic policy; The regulations with respect to prudential norms, deregulation of interest rate and reduction in budgetary support have brought into focus the need for a close look at human resource development in district central cooperative bank.

Shiyani and Visawadia\textsuperscript{28} have attempted the study on growth and instability in performance of Junagath district central cooperative Bank; The main objective of the study is to examine paradigm shifts in
performance of Junagath district central cooperative bank, to estimate growth rates of various parameters of performance of Junagath district central cooperative bank and to examine extent of instability in different parameters influencing performance of Junagath district central cooperative bank. The data on various parameters of bank performance was collected and compiled for the period from 1956-60 to 2003-04. Compound growth and instability indices were computed separately for all the parameters. The study has found that positive and highly significant compound growth rate of all parameters of Junagath district central cooperative bank performance were found for overall period of 45 years. Though relatively higher growth rates of deposit and credit disbursed are good indication, significantly higher growth rates of total expenditure and overdues are not warranted. The association between growth and instability indicated that a moderate to high growth with relatively less instability in different parameters of performance of Junagath district central cooperative bank was noticed during period iv (1990-91 to 2003-04). He has also concluded that the Junagath district central cooperative bank has an undisputedly important role in three tier federal cooperative credit structure, since it is operating in a limited geographical area of a district only and is in district touch with rural masses to understand requirements of local people. However, in present environment of competition, bank should slightly mould their activities, and more emphasis should be given to income generating activities, effective credit disbursement, recovery campaign, curtailment of expenditure and efficiency mobilization of rural savings. This will help bank to reap benefits of better performance.

Thanikodi\textsuperscript{29} has attempted a study on central cooperative bank in India, its problems and remedies. The main objective of the study was the central cooperative bank are facing several problems i.e. problems of
organisation, structure, membership, management, capital structure, recruitment policy, branch banking and deposits mobilization etc. in our country and possible remedial measures to be taken. The author has stated that the before establishing new central cooperative banks, survey should be made to mobilize more share capital, individuals should be made federal by ensuring majority number of primary agricultural cooperative societies. Further, central cooperative bank should strengthen its own resources by increasing the paid up capital than borrowings. New branches should be opened to cater to the needs of borrowing societies. Central cooperative banks have to identify and assess the saving potentials in a systematic way. It is also stated that the loan should be linked with savings and recovery with harvest of crops. Age old cooperative laws should be amended to mark central cooperative banks strong and viable economic units, they must be freed from the influence of politicians. This study has concluded that the success of the central cooperative banks is to be judged by the manner is which they have promoted the healthy functioning and development of primary agricultural cooperative bank in rural areas, it is possible only by having a strong central cooperative bank to sustain a healthy growth of the cooperative movement in a district. To have a strong central cooperative bank, the internal an external defects of the central cooperative banks should be removed with a collective effort from the government, management, employees and public.

Ramesh\textsuperscript{30} has attempted a study on flows in quality of credit delivery by cooperatives a study. The main objective of this study was specifically identify some of burning issues for cooperatives in view of the Second generation economic reforms and by cooperatives. It is imperative to analyze differences in the sphere of credit delivery, defaults and poor recovery of Mahabubnagar district central cooperative
Bank. The cooperative development programme is to improve the institutional credit flow substantially to weaker sections, small and marginal farmers to achieve the targeted objective of the cooperative credit institutions. The study has stated that the extent of overdues faced by the district central cooperative bank Mehabubnagar. Overdues formed as large as 56.84 percent of the total amount of the loans advanced to agricultural in the district in the year 1990-91 the total Rs.1137.13 lakhs. The overdues percentage was 22.55 percent. But in 1995-96 that was Rs.4399.56 lakhs and 64.18 percent in 1999-2000 was Rs.6663.95 lakhs and 64.29 percent but in 2003-04 it went up to Rs.5125.72 lakhs and the percentage improved up to 56.84 percent. This study has founded that the lack of the district central cooperative banks i.e. lack of professionalism, innovative financial resource management, profitical maneuvering, reformulation of government policies, perceptual change, lack of consumption loans, institutional credit and no proper assessment of credit needs etc. The author has suggested that the capital formation and loan appraisal, while increasing the capital base of the cooperatives there must be an appropriate credit planning and right loan appraisal system for ensuring viability and flexibility in disbursing loans to the borrowings members. For debt recovering there should be ample flexibility for the cooperatives to implement their own method of recovering the dues from their members through group pressure. Democratization steps need to be taken to ensure that the cooperative credit institutions are members driven based on democratic principles. People participation the rural credit system should strive for greater peoples participation in the development process from the stage of credit planning up to the stage of recovery of loans. This would enable proper identification of credit needs establish viability of credit scheme and lead to adequate participation in availing credit programs.
Jadhav has published a paper on performance of district central cooperative banks in Maharashtra. A model for quantitative Analysis. The main objective of this study has that the performance evaluation being quantitative analysis provides a better format for comparison of district central cooperative banks then the recovery related eligibility criteria. He has founded that there was better a performance (as understood from the higher) of district central cooperative banks in the Western Maharashtra. The district central cooperative banks had performed better in western Maharashtra region where rural economic activities were more agricultural based. Comparing the district central cooperative of western Maharashtra region of the state to those in Marathwada and Vidarbha region. In Marathwada and Vidarbha region, it was found that broadly the lending operations of the farmer continued for the purpose like crop productions, marketing of crops, minor irrigation, land development, farm mechanization etc. The influence of the rate of recovery on overall performance however continued to be significant and it may be said that higher the rate of recovery better the overall performance. The study has advocated the need of paying attention to borrower members, which will lead to increase in the share capital and loan disbursement for agricultural purposes. The district central cooperative banks are required to be operated more transparently to minimize the percentage of NPAS and disbursement may be made strictly upon repaying capacity of borrowers technical efficiency and economical soundness of the societies. The efforts should be made to enhance deposit mobilization. There is a need to enhance investment of funds in Government securities and fixed deposits for transparency in financial management. This study has concluded that the average performance index analysis showed, Kolhapur, Mumbai, Satara, Pune, Solapur, Ahmednagar, Thane, Nashik, Jalgaon and Raigad district
central cooperative banks were the strong financial institutions among the 30 district central cooperative banks covered by the study. The significantly higher average index of performance of the district central cooperative banks in western Maharashtra and Kakan region indicated a well developed system of district central cooperative banks in these regions. The district central cooperative banks in the Marathwada and Vidarbha region had a poor record in their performances as indicated by lower average index throughout the period.

Jadhav, Shendge and Shinde have attempted a study on recovery performance of district central cooperative banks in Maharashtra from the period of past 16 years that is 1985-86 to 2001-01. This study is divided into three different periods viz; period I i.e. 1985-86 to 1993-94, period II i.e. 1994-95 to 2000-2001 and period III covered the entire study period (1985-86 to 2000-01). The main objective of the study was undertaken the region wise and period wise performance of district central cooperative banks in Maharashtra with the regard to growth in recovery of loans and recovery percentage to demand of loans. The study has found that the total loan recovered by district central cooperative banks in Maharashtra state had increased from Rs.415.45 crores in the base year to 5701-38 crores in the terminal year recording a growth of 13 times increase over the base year that is 1985-86. The district central cooperative banks in Maharashtra (western) recovered about 60 percent of total loan recovered by the district central cooperative bank in the state during both the years under study. Remaining recovery of 40 percent was contributed by all the three regions of the state. The amount of total loans and advances recovered by the district central cooperative banks in Maharashtra registered a compound growth rate of 18.28 percent per annum during the entire
period and the growth was relatively more (25.95 percent) during period I as compared to period II (13.55 percent). The growth in total loan recovery was low in period II and it was mainly due to the negative growth in the recovery of other banks. Region wise analysis revealed that the growth in total recovery of loan was highest in Kokan region (20.81 percent) followed by western Maharashtra (18.73 percent) Marathwada (16.75 percent) and Vidarbha region (16.34 percent) during the entire period under study. The growth in total loan recovery was satisfactory during period II in Marathwada, Vidarbha and western Maharashtra regions as against the non-significant recovery performance in Kokan region during period-II. The study has concluded that the growth in recovery percentage of district central cooperative banks in the Maharashtra state had increased from 63.85 percent in 1985-86 to 69.12 percent in 2000-2001. Period I showed relatively better performance as indicated by significant positive growth rate than period II. Importantly, the recovery of loans during period II was quite good in Marathwada region as compared to other regions in the state. The average total recovery per district central cooperative bank was highest in western Maharashtra as compared to other region during the period under the study.

Concluding Remark:-

The studies reviewed above have indicated that the progress of district central cooperative banks in India and in Maharashtra was steady but not satisfactory. Some studies indicated that financial function in a district central cooperative bank is highly regulated by the Reserve Bank of India and by the registrar. Most of the studies reviewed above have indicated that today, some district central cooperative banks are working well and same are not. Poor recoveries and bad debts are at times
responsible for unsatisfactory functioning of district central cooperative banks. Some studies indicated that the credit management has been able to cover the cost of funds, which is evinced by the positive difference between interest income and interest cost. Some studies indicated that the district central cooperative banks have failed to maintain non-overdues and their unsound lending policies. Some studies also stated that the percentage increased in the interest cost has been more than the percentage increase in the interest income. Some studies indicated that the financial position of district central cooperative banks in Marathwada was poor. Reviewed studies also stated that the main factor responsible for financial weakness is lack of financial resources. The main reason for mounting overdues was lack of supervision and inability of peasants to pay back their loans. Most of the studies reviewed that the growth performance of district central cooperative banks in Maharashtra was good except Marathwada and Vidarbha region. Some study stated that the recovery performance of district central cooperative banks was very bad.

Very few studies have been concluded so far on the sources of funds and utilization of funds analysis of district central cooperative banks at all India level and at Maharashtra state level. No attempt has so far been made for the study of funds management of district central cooperative banks in Maharashtra in general and Marathwada region in particular. Hence, the present study is a sincere effort to fill up this gap.
REFERENCE:


