ANALYSIS AND DISCUSSION:-

In recent years, the performance of UCCSs has become the matter of discussion among all the peoples, it is found that, some people alleged that the performance of these societies is not satisfactory, where as some of them stated favourable opinion regarding the working and progress of these societies. On this background, it is prime time to know how far these societies are working in Ahmednagar district, particularly in sample talukas of the district. On the basis of statistical data and information's collected regarding the sample UCCSs, an analysis of the operations of these societies are made as under-

PART-A:- FINANCIAL PERFORMANCE OF SAMPLE UCCSs:

The growth and development of the sample UCCSs has been presented in different tables taking into ten years account. For the analysis various growth parameters are used. Following banking parameters are considered for the period 1994-95 to 2004-05.
A : I  - Paid-up capital per society and percentage change
A : II - Deposit per society & percentage change
A : III - Working capital per society & percentage change
A : IV –Loans & advances disbursed by per society & percentage change.
A : V  –Reserve & other funds per society & percentage change
A : VI –Investment made by per society & percentage change.
A : VII –Net- Profit earned by per society & percentage change.
A : VIII–Overdues percentage.
A : IX  –Credit – Deposit Ratio(CD Ratio).
For the analysis, various ratios & percentages are used. The fixed base index and chain index number are used for the comparison of growth and financial working of the sample UCCSs. The study pertains to Ahmednagar district of Maharashtra state and 22 sample UCCSs are selected from the Kopergaon, Rahuri and Pathardi sample talukas of the district.

**A:I- PAID-UP PER SOCIETY & PER MEMBER:**

The sources of financing the cooperatives have been (i) owned capital, and (ii) borrowed capital. Owned capital comprise of members share capital and reserves. Borrowed capital can be divided into two categories such as internal borrowing and outside borrowing. The chief objective of every society should be to acquire a permanent capital of its own as speedily as possible.

There should be 20% increase in capital over previous year and it should be treated as ideal growth rate. Those societies maintain this growth rate would get 10 marks for audit classification.

From the data available in this regard, following conclusion are drowned-

**UCCSs Kopergaon :-**

1. The tables shows increasing trend in paid-up capital regarding all sample UCCSs of the taluka.
2. As per chain index, Jyoti, Suvarna, Gurdeodatta, Bhagylaxmi, Shri Sai-Arihant, Priyadarshni are successful to maintain ideal growth ratio (20%) regarding paid-up capital and other societies are near the said ratio.
3. As shown in the table No. 8.4 to 8.25 minimum paid up capital per member was Rs. 0.1041 (Bhagylaxmi) and maximum was Rs. 0.9468 (Jyoti) in 2004-05.
UCCSs RAHURI:-

1. As regards paid-up capital, all societies of Rahuri Taluka recorded increasing trend.
2. As far as (AAGR) ideal ratio, Miyasaheb (132.09) Anand Krishi (125.94) Savitribai Fule (121.24), Adarsh (122.90), and Anant (132.90), can maintain the said ratio. But rest of the sample societies could not maintain the ideal growth rate.
3. The table shows that, minimum paid-up capital per member was Rs. 0.0477 (Savitribai Fule) and maximum Rs. 0.4372 (Miyasaheb) respectively.

UCCSs PATHARDI

1) The table reveals that, there was increasing trend in paid-up capital of the sample UCCSs.
2) Only Swami Samartha society is successful to keep ideal growth rate of paid up capital (i.e. 159.82) and remained two societies are far near the said ratio i.e. Adinath (117.38), Lalkrishna (111.65).
3) Minimum paid up capital per member was Rs.0.1101 and (Shri Swami Samarth) maximum Rs. 0.18632 (Lalkrishna).

- The comparison relating to paid-up share capital between sample talukas, it reveals that, maximum paid-up capital was Rs.31.32 lakhs (Suvarna) of Kopergaon taluka and minimum Rs.1.96 lakhs (Dr. B. B. Tanpure) of Rahuri taluka as on 2004-05.

- As regards AAGR, the maximum ideal growth rate was 159.82% (Shri Swami Samarth) Pathardi and minimum was 99.77% (Muktabai) Rahuri.

It is suggested that, the concerned sample UCCSs should try to maintain ideal growth rate (20% per annum) by increasing their paid-up share capital.
The quantum of deposits is the most important indicator of the success and image of the society in public. Accepting deposits from public is main function of a society.

25% increase in deposits per annum is indicated as an ideal ratio as far as these societies are concerned. Those societies maintain this ideal growth rate could get 10 marks for audit classification.

The findings relating to deposit mobilization are noted below-
1) The performance of all the sample UCCSs regarding deposit mobilization is remarkable and excellent. It reveals increasing trend through out the study period.

Only one society (Dnyaneshwar) of Rahuri taluka, which is the oldest society but it, could not performed as required.

2. The sample societies Samata(138.61), Jyoti(164.74), Suvarna (142.99), Gurudeodatta(140.09), Dhanshri-Mahila(137.02), Auto Rickshaw(137.38), Mumbadevi(149.61), Bhagy Laxmi(148.87), Shri sai Arihant(148.32), Priyadarshani(126.46), of Kopergaon taluka and Miyasaheb(223.21), Anandkrishi(125.35), Savitribai Fule(143.23), Dr.B.B.Tanpure(162.71), Adarsh(130.34), Anant(148.90), of Rahuri taluka and Adinath(135.04), Lalkrishna(133.95), Shri Swami – Samartha (204.86) of Pathardi have maintained ideal growth rate as per the norms. It means majority of the sample UCCSs have successfully maintained ideal growth ratio regarding deposits.

These societies are successful in motivating the poor and middle class people to save micro-savings, and make them banking minded.
3. PER MEMBER DEPOSIT :- 2004-05

Kopergaon :- The table shows that, minimum deposit per member was Rs. 0.17567 (Bhagyalaxmi) and maximum Rs. 6.00227 lakhs (Auto Rickshaw) in the year 2004-05.

Rahuri :- Minimum deposits per member was Rs.0.0028 (Dnyaneshwar) and maximum Rs. 1.27018 lakhs (Miyasheb) 2004-05.

Pathardi :- Minimum deposits per member was Rs. 0.31599 (Adinath) and maximum was Rs. 1.91769 lakhs (Shri Swami Samarth).

It reveals from the above figures that these societies have created saving habits among the people by introducing and implementing several attractive special and general deposit schemes in the community.

Comparision between Sample Talukas:-

The comparision regarding deposits, the table reveals that maximum deposit was Rs. 5409.59 lakhs(Samata) Kopergaon and minimum Rs.0.25000 (Dnyaneshwar)Rahuri.

- In Kopergaon taluka out of total 11 sample UCCSs , 6 societies deposit was between Rs. 1000 to 5000 lakhs and remaind societies deposit was between Rs. 130 lakhs to Rs. 937 lakhs.
- In Pathardi Taluka the deposits of sample (3) societies was between Rs.372 lakhs to Rs.963 lakhs.
- In Rahri Taluka – between Rs.200.00 lakhs to Rs. 639 lakhs 3 societies only and 5 societies deposits was between Rs. 25000/- to 66.00 lakhs.

It is found that the sample societies of Kopergaon taluka are leading in deposit collection, which indicates the saving
capacity of the people of that area, and it is due to the agriculturally and industrially developed taluka of the district.

As regards AAGR – the maximum ideal growth rate was (chain index) 204.86% (Swami Samarth) – Pathardi and minimum 92.35% (Dnyaneshwar) Rahuri.

- Remarkable growth in deposits of sample societies reflects the success of these societies in winning confidence of the people at large and so also the efforts taken by the management to promote thrift.
- It is suggested that societies should introduce and implement deposit schemes like- ‘Children Deposit Scheme’, Mahila-Saving Schmes’, Pension Scheme, Traveller’s saving schemes etc.

**A:III- WORKING CAPITAL PER SOCIETY & PER MEMBER:-**

Working capital indicates the amount of funds available with the society for undertaking its business activities. A large number of working capital indicates greater potential for service and credit activities. An increase in the working capital over the years reflects the financial strength of the society, which could be an indication of the potential for better performance. Any society must possess the working capital for smooth functioning of such society. The ingredients of working capital are share capital, reserves, deposits and borrowings. In fact the working capital is the real indicator of the financial management of the society.

The growth trend of working capital is stated in the Table Nos. 8.4 to 8.25 which reveals the performance of the sample UCCSs.

**UCCSs Kopergaon:-**

1) All sample societies recorded increasing trend in working capital during the study period.
2) Total 9 sample societies having working capital between Rs.500.00 lakhs to 600.00 lakhs as on 2004 –05 and 2 societies working capital was between Rs.100.00 lakhs to 401.00 lakhs.

3) Minimum AAGR was 134.65% (Priyadarshani) and maximum was 334.94% (Shri Sai Arihant) as per chain index.

4) Minimum working capital per member was Rs. 0.26090 (Bhagylaxmi) and maximum Rs.6.84402 lakhs(Samata).

**UCCSs Rahuri:-**

1) All sample societies recorded increasing trend in their working capital.

2) Total 2-sample society working capital was between Rs.500.00 lakhs to Rs.1000.00 lakhs and 6 societies was between Rs. 800 lakhs to Rs. 270.00 lakhs.

3) Minimum AAGR was 103.14% and maximum was 163.90%.

4) Minimum working capital per member was Rs. 0.1574 (Savitribai Fule) and maximum was Rs. 1.78403(Miyasaheb).

**UCCSs Pathardi-**

1) There was increasing trend in working capital of all the sample UCCSs.

2) Working capital of all societies between Rs.400.00 lakhs to 1100.00 lakhs.

3) Minimum AAGR was 135.04% and 204.86%.

4) Minimum working capital per member was Rs. 0.43969 and maximum was Rs.2.20291 lakhs.

**Comparison between Sample Talukas :-**

Kopergaon taluka is in leading comparatively Rahrui and Pathardi regarding working capital.


IV-LOANS & ADVANCES PER SOCIETY & PER MEMBER:-

The deposits collected need to be deployed in the most judicious manner to cover the cost of deposits and cost of management risk costs etc, so as to enable the society to earn reasonable profit.

The sample UCCSs disbursed different types of loans, which are about 7 to 8 sets of purposes for which the loans are given, and this is commendable.

These societies are successful in providing credit to encourage productive, economic and income-generating activities of the poor self-employed and others. Loaning operations are the important indicator of the operational efficiency of the UCCSs.

There should be 30% increase per annum in loan & advances, which is an ideal ratio.

- The data presented in table (i.e. Table No. 8.4 to 8.25) indicates the increasing trend in lending operations of the sample UCCSs.
- The sample societies, Samata (138.73) Jyoti(157.66) Suvarna(140.08), Gurudeodatta(137.29), Dhanshri-Mahila(139.65), AutoRickshaw(134.71), Mumbadevi(141.93), Bhagylaxmi(152.23), Shri Sai Arihant(149.90)- Kopergaon and Anant(144.19), Adarsh (142.04), Dr.B.B. Tanpure(496.76), SavitribaiFule(139.48), Dnyaneshwar (188.59), Miyasaheb(154.25). Rahuri and shri Swami Samarth (488.00) Pathardi have successfully maintained ideal ratio of (AAGR) loans & advances.

Loan & advances per member:- 2004-05

- **Kopergaon:-**

  Table No. 8.26 reveals that, minimum loans per member was Rs. 0.11906 (Bhagylaxmi) and maximum Rs 4.11467 lakhs(Samata).
• **Rahuri :-**
  Table shows that minimum loans per member was Rs.0.1091 (Muktabai) and maximum Rs.0.93477 (Miyasaheb).

• **Pathardi :-**
  Minimum loan per member was Rs. 0.35337(Adinath) and maximum Rs.1.33898 (Shri Swami Samarth).
  It may be concluded from the above figures that these societies have disbursed loans per member Rs.0.1000 to Rs.4.00 lakhs.
  The figures of loans indicates the loan capacity of the member.

- **Comparison between Sample Taluka’s**
  As regards disbursement capacity of loans, the study reveals that, in Kopergaon taluka – 6 sample societies have disbursed loans Rs. 1000 to Rs.3500 lakhs and others Rs 7 to Rs. 975 lakhs.
  - In Rahuri taluka –2 sample societies have disbursed loans Rs.90 to 470 lakhs and 6 societies Rs. 0.62000 to Rs.15.00 lakhs.
  - In Pathardi Taluks – All(3) sample societies have disbursed loans Rs. 200 lakhs to Rs. 670 lakhs.
  - It is found that the sample societies of Kopergaon and Pathardi have recorded highest capacity relating to loans disbursement and Rahuri, which is semiirrigated and developed taluka of the district but majority of sample societies(6) of this taluka could disburse loans up to Rs 15.00 lakhs only.
**A:V-RESERVE & OTHER FUNDS PER SOCIETY AND PER MEMBER:**

Reserve forms an important component of owned capital. If share capital is scarce and difficult to obtain, the society has to give special attention to building up reserves – Reserves serve as long-term capital for investment and expansion. This will increase the borrowing power of the society and acts as a buffer for the protection of the members liability i.e. losses can be covered without devaluation of shares or calling on members for additional payments.

In most countries the law provides that a certain fraction generally 20-25% of the annual surplus must be allotted to the statutory reserve fund until it reaches a certain level, for example, equal to the share capital.

The position of sample UCCSs in this regard is shown in table Nos. 8.4 to 8.25.

- All sample societies have recorded continuous increasing trend in reserve and other funds. Only Dnyeshwar credit society (Rahuri) recorded constant trend in this connection.
- Minimum and maximum reserve funds was Rs.0.002 (Savitribai- Fule, Rahuri) and Rs.674.10 lakhs (Sanjeeewani Kopergaon) respectively.

The AAGR (percent increase) was quite satisfactory in majority of the sample UCCSs.

**Per members Reserve & other funds- 2004-05:**

- **Kopergaon:**
  Table No. 8.26 indicates that minimum and maximum reserve & other funds per member was Rs. 2031/- (Suvarna) and Rs.63000/- (Sanjeeewani) respectively.
• **Rahuri:-**
  Table shows that minimum and maximum reserve & other funds per member was Rs.79/- and Rs.13407/- (Anandkrishi) respectively.

• **Pathardi:-**
  Minimum and maximum reserve & other funds per member was Rs.2355/- (Swami- Samarth) and Rs.8249/- (Adinath).
  It is concluded that these societies have created statutory reserves as per the norms.

**Comparision between Sample Taluka’s:-**

**Kopergaon:-**
Out of 11 societies, 6 societies have made provision of Reserve funds more than Rs.100 lakhs.

**Rahuri :-**
Maximum provision of Reserve funds was made Rs.52.00 lakhs by only one society i.e. Miyasaheb credit society.

**Pathardi:-**
All sample societies (3) of this taluka have made provision of Reserve funds Rs. 10 to 11 lakhs only.

  - It is seen that sample societies have maintained reserve and other funds as required and tried to get number of advantages of these funds.

**A: VI- INVESTMENT PER SOCIETY & PER MEMBER:-**

After utilizing the available resources for giving various types of loans and keeping a part of them as cash balance, UCCSs invest a part of its reserves in fixed deposits with DCC bank and cooperative Banks.

As per the norms, the ideal ratio of investment is that, investment with working capital 25% and investment with deposits 30-33 percent respectively.
The following observations are made on the basis of statistical data presented in Table Nos. 8.4 to 8.25.

- There was increasing trend in investment of all the sample UCCSs.
- In majority of sample UCCSs the AAGR was quite good and as per the norms.
- Investments of these societies have shown a significant rise during the study period.

**INVESTMENT PER MEMBER- 2004-05:-**

Table No. 8.26 reveals the position of investment per member of the sample societies-

**Kopergaon:-**

Minimum and maximum investment per member was Rs. 0.12882 (Bhagylaxmi) and Rs. 2.38202 lakhs (Samata) respectively.

**Rahuri:-**

It was Rs. 176 (Savitribai Fule) and maximum Rs.37836 (Adarsha.)

**Pathardi:-**

It was Rs. 8881 minimum (Adinath) and maximum Rs. 84008 (Shri Swami Samarth).

**Comparision between Sample Taluka’s:-**

- In Kopergaon taluka , 3 sample societies have made investment more than Rs.1000 lakhs and 8 societies Rs. 100 and up to Rs.1000 lakhs.
- In Rahuri Taluka 3 sample societies investment was between Rs. 90.00 to 200.0 lakhs.
- In Pathardi Taluka – All sample societies (3) investment was between Rs. 100.00 to 400.00 lakhs.
- It is found that sample societies have made investment as per the norms.
A:- VII- NET PROFIT EARNED BY PER SOCIETY AND PER MEMBER PROFIT:-

Earning of profit is an indicator of efficiency of management of the sample UCCSs. Profit is important for continuing in the business as well as to provide better services to the members.

Profit earned by the sample societies during the study period is shown in Table Nos. 8.4 to 8.25. The following conclusion are drowned from the profit figures

Kopergaon :-

The sample societies, Samata, Sanjeeewani, Dhanshri Mahila, Mumbadevi, have recorded continuous increase in net profit thought out the study period.

The samkple societies, shri Sai Arihant, Bhagylaxmi, Auto-Rickshaw, Gurudeodatta, Suvarna and Jyoti recorded declining trend in net profit in the financial year 2004-05. it is because these societies have made NPA provisions through the net profit during that year. But previous years records of net profit of these societies also shows increasing trend in net profit.

The AAGR (in percentage) of the sample UCCSs was between 100.51% to 459.84 percent.

Minimum profit Rs.7.00 lakhs (Bhagylaxmi) and maximumRs. 67.07 lakhs(Samata) has earned in the financial year 2004-05.

Minimum profit per member was Rs. 0.455 (Bhagylaxmi) and profit maximum profit was Rs.0.9445 (Auto – Rickshaw).

Rahuri:-

The sample societies , Adarsha , Muktabai, Anandkrishi have earned continuous profit during the study period. Anant , Miyasaheb Muktabai have also recorded continuous increasing
trend except 2004-05 because these societies have made NPA provision in the said year.

Savitribai Fule and Dr. B.B. Tanpure credit societies were in losses for some years at the beginning but latter on these societies have improved their financial position and come under profit making societies.

Dnyaneshwar co.op. Credit society is in losses from 1997-98 and till now (2004-05). There is urgent need to improve the financial viability of this society.

Minimum profit Rs.0.59 (Anant) and maximum profit Rs. 12.46 lakhs (Adarsh) was earned by these societies.

Minimum profit per member was Rs. 0.0179 (Anant) and maximum profit Rs. 0.2458 (Adarsha) in 2004-05.

**PATHARDI:-**

- All sample societies recorded increasing trend in profit up to 2003-04 but in the year 2004-05 it was declined due the provision of NPA.
- AAGR in profit was between 110.29% to 197.56% as per chain index number method.
- Minimum and maximum profit Rs.2.82 (Lalkrishna) and Rs. 7.43 lakhs (Swami Samarth) was earned by these societies.
- Table No. 8.26 shows that minimum net profit per member was Rs.0.1480 (Shri Swami Samarth) and maximum was Rs. 0.6446 (Lalkrishna) in 2004-05.

**Comparision Between Sample Taluka’s**

**Kopergaon**

All sample societies (11) were in profit.

**Rahuri**

Out of total 8 sample societies, 7 societies were in profit and only on society was in losses.

**Pathardi**

All sample societies (3) were in profit.
In conclusion, it can be said that majority of sample UCCSs have proved their efficiency by earning profit continuously.

**A:VIII OVERDUES PER SOCIETY & PER MEMBER:-**

One of the criteria for estimating the efficiency and performance of the UCCSs is to know how far they are successful in curbing the over dues from members. Growing over dues creates the problem in day-to-day working of a society. Over dues rises due to different factors. some times over dues are purposely created by members. An increasing over dues is in fact a headache of the to days UCCSs.

Over dues below 10% regarded as an indicator of financial health ness and soundness of the UCCS. The marks are allotted to the society for audit class on the basis of percentage of overdues. overdues less than 5% - 30 marks, overdues between 5% to 10% -20 marks overdues between 11% to 15% - 10 marks and more than 15%- zero marks will be given to the concerned societies.

**Comparision between Sample Taluka’s:-**

- **Kopergaon**
  Out of total 11 sample societies, one sample society (Gurudeodatta) has the problem of overdues less than 5% , 5%to 10% problem of overdues was to 8 societies and 2 societies have the problem of overdues between 11% was nil.

- **Rahuri:-**
  All sample societies have the problem of overdues between 11% to 15% (2) and more than 15% (6).

- **Pathardi:-**
  2 sample societies have the problem of overdues between 11% to 15% and one society more than 15%.
Concluding Remarks:-

- Almost all UCCSs recorded increase in percentage of overdues in 1994-95 to 2004-05. But average ratio of overdues of few societies was between 11% to 15%.
- Overdues are alarming in majority of sample society of Rahuri taluka.
- Majority of sample societies of Kopergaon taluka are successful in keeping overdues below 10%.
- Sample societies of Pathardi taluka have no serious problem in this regard.
- It is suggested that all UCCSs should take legal actions against the willful defaulters and improve their overdues position.

The names and photographs of the defaulters should be published in Annual Reports of the society as back list as well as their photos should be published in local newspapers.

The leaders of UCCSs will have a thorough look at the UCCS sector and examine and decide as to how to improve their financial health. The problem of non-performing assets (NPAS) should be solved by adopting time bound proper measures.

Table Nos. 8.4 to 8.25 shows the overdues position of the sample UCCSs of the concerned sample taluka's of the district from the overdues figures following conclusion are drawned.

Kopergaon

- It appears from the tables that all sample societies have the problem of overdues.
- Overdues below 10% sample societies were – Samata (5.92), Sanjeeewani (6.07), Jyoti(8.24), Gurudeodatta(4.43), Auto-Rickshaw(9.48), Mumbadevi(8.42), Bhagylaxmi(6.41) Shri Sai Arihant (7.35) and Priyadarshani(6.56).
- Over dues below 11% to 15% sample societies were Suvarna (11.43), Dhanshri- Mahila(16.32)
• Minimum overdues per member was Rs. 0.1420 (Bhagyalaxmi) and maximum Rs. 0.44622 (Auto-Rickshaw).

**Rahuri**

• All sample societies have the problem of over dues.
• Over dues below 5% was nil.
• Over dues between 5% to 10% societies were Anant (9.18) Adarsha(7.64), Miyasheb (7.82).
• Overdues between 11% to 15% societies were nil.
• Over dues above 15% societies were Muktabai (30.73) Dr.B.B. Tanpure (39.36), Savitribai Fule(33.66), Anandkrishi (33.09) and Dnyaneshwar (100.00).
• Minimum overdues per member was Rs. 0.1041 (Savitribai Fule) and maximum Rs. 12941 (Anandkrishi)

**Pathardi**

• All sample societies were facing the problem of over dues.
• Over dues below 5% was nil.
• Over dues between 5% to 10% was nil.
• Over dues between 11% to 15% society was Adinath (13.24) and Swami Samarth(14.67).
• Over dues more than 15% societies was Lalkrishna (19.31)
• Minimum overdues per member was Rs. 0.8746 (Adinath) and maximum Rs. 0.20085 (Shri Swami Samarth).

**A: IX CREDIT – DEPOSIT RATIO- (C-D RATIO):-**

One of the controversial aspects of the performance of UCCSs relates to the deployment of credit in different sectors of the economy. Advances should be made in accordance to the bye laws of the society care should be taken to maintain a proper C-D ratio by the UCCSs.

The mobilization of deposits should be in conformity with the credit potentials planned to be deployed. Any mismatch
arising due to the slow pace of deposit mobilisation leads to credit starvation in the service area. Hence, the appraisal of resource mobilisation is made through linkage of deposits to credit i.e. growth of deposits vis-a-vis growth in credit business.

The department of cooperation and commissioner for cooperative & Registrar of cooperative societies Maharashtra state, Pune, issued circulars on dated 16.9.2002, and dated 28.3.2003 regarding C-D ratio and criteria for audit classification of NACCS and also the manner how the C-D Ratio is to be worked out, According, the formula for calculation of C-D Ratio is as follows-

\[
C-D \text{ Ratio} = \frac{\text{Advances} - \text{Own reserve available for advance}}{\text{Deposits}}
\]

The credit – deposit ratio (CDR) as a ratio of total credit out standing during the year by the total deposits mobilised during the year is selected to ensure the effective utilisation of resources. The following table states the C-D Ratio and marks to be allotted to the UCCSs.

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>PARTICULARS</th>
<th>PERCENTAGE</th>
<th>MARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>C-D Ratio</td>
<td>60-70</td>
<td>40</td>
</tr>
<tr>
<td>2</td>
<td>C-D Ratio</td>
<td>51-59</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>C-D Ratio</td>
<td>71-80</td>
<td>10</td>
</tr>
<tr>
<td>4</td>
<td>C-D Ratio</td>
<td>Less than 50</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>C-D Ratio</td>
<td>Above 80</td>
<td>0</td>
</tr>
</tbody>
</table>


During the year 2004-05 the average C-D Ratio of Sample UCCSs was as follows-
### TABLE NO 8.28
C-D RATIO OF SAMPLE UCCS- AS ON 2005

<table>
<thead>
<tr>
<th>Sr.No</th>
<th>SAMPLE UCCS</th>
<th>CDR %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SAMATA – KOPERGAON</td>
<td>76.70</td>
</tr>
<tr>
<td>2</td>
<td>SANJEEWANI</td>
<td>71.02</td>
</tr>
<tr>
<td>3</td>
<td>JYOTI</td>
<td>71.13</td>
</tr>
<tr>
<td>4</td>
<td>SUVARNA</td>
<td>88.63</td>
</tr>
<tr>
<td>5</td>
<td>GURUDEODATTA</td>
<td>83.51</td>
</tr>
<tr>
<td>6</td>
<td>DHANSHRI-MAHILA</td>
<td>65.65</td>
</tr>
<tr>
<td>7</td>
<td>AUTO-RICKSHAW</td>
<td>73.40</td>
</tr>
<tr>
<td>8</td>
<td>MUMBADEVI</td>
<td>80.08</td>
</tr>
<tr>
<td>9</td>
<td>BHAGYALAXMI</td>
<td>68.87</td>
</tr>
<tr>
<td>10</td>
<td>SHRI SAI ARIHANT</td>
<td>83.27</td>
</tr>
<tr>
<td>11</td>
<td>PRIYADARSHANI</td>
<td>96.98</td>
</tr>
<tr>
<td>12</td>
<td>ANANAT- RAHURI</td>
<td>82.29</td>
</tr>
<tr>
<td>13</td>
<td>ADARSHA</td>
<td>93.96</td>
</tr>
<tr>
<td>14</td>
<td>MUKTABAI</td>
<td>91.99</td>
</tr>
<tr>
<td>15</td>
<td>DR.B.B. TANPURE</td>
<td>102.19</td>
</tr>
<tr>
<td>16</td>
<td>SAVITRIBAI FULE</td>
<td>91.53</td>
</tr>
<tr>
<td>17</td>
<td>ANANDKRUSHI</td>
<td>130.63</td>
</tr>
<tr>
<td>18</td>
<td>DNYNESHWAR</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>MIYASAHEB</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>ADINATH- PATHARDI</td>
<td>141.00</td>
</tr>
<tr>
<td>21</td>
<td>LALKRISHNA</td>
<td>73.69</td>
</tr>
<tr>
<td>22</td>
<td>SHRI SWAMI SAMARTHNA</td>
<td>71.55</td>
</tr>
</tbody>
</table>

Source:- Record of sample societies.

- C-D Ratio between 60-70 % is treated as ideal ratio and 40 marks is to be given for audit classification.
- It reveals from the above table that out of 22 sample societies only two societies (i.e. Dhanshri – Mahila and Bhagyalaxmi) succeeded to maintain ideal C-D Ratio.
• The sample societies, Samata, Sanjeewani, Jyoti, AutoRickshaw, Lalkrishna and Shri Swani- Samarth are successful to maintain C-D ratio between 71 to 80 %.

• The C-D ratio of Suvarna, Gurudeodatta, Mumbadevi, Shri Sai – Arihant, Priyadarshani, Anant, Adarsh, Muktabai, Dr.B.B. Tanpure, Savitribai Fule, Anandkrishi, Dnyeshwar, Miyasaheb, and Adinath was above the 80%. It shows inefficiency as to liquidity, security and profitability.

• A high CDR reflects the ability of the UCCSs and of the constituent branches to make fruitful utilisation of resources. On the other hand low level of CDR indicates the ineffective utilization, low profile of lending activities in the service area or the presence of idle funds.

  It is suggested that concerned sample UCCSs should try to maintain ideal C-D ratio.

**AUDIT RATING & SAMPLE UCCSS:**

Auditing is a process. It has been defined as an intelligent and critical examination of books of accounts of a business and verification of correctness of accounts with relevant documents for the purpose of ascertaining the financial position of a business for a given period. Audit of cooperatives is done under the provision of the respective legislative enactments concerning cooperative. The audit classification is based on the two distinct principles:

(i) the financial soundness, and

(ii) the administrative efficiency of the society.

The societies falling under A and B supposed to be rather well functioning, but the working of societies with C and D audit class not satisfactory. The D audit class societies incur heavy losses and become stagnant societies. Therefore, a keen observation is bound to ask why it is that a district like Ahmednagar which is famous for its strong and progressive in cooperative credit movement.

The observation regarding audit class is under
‘A’ Audit Class UCCSs:-

The sample societies, Samata, Sanjeewani, Jyoti, Gurudeodatta, Dhanshri-Mahila, Priyadarshani- (Kopergaon), Adarsha, Dr. B.B. Tanpure, Miyasaheb- (Rahuri), are enjoying audit class ‘A’ throughout the study period i.e. 1994-95 to 2004-05.

‘B’ Audit Class UCCSs:-

Suvarna, Auto-Rickshaw, Mumbadevi, Bhagy laxmi, Shri Sai –Arihant-(Kopergaon), Ananat, Savitribai-Fule-(Rahuri), Adinath, Lalkrishna and Shri Swami Samartha-(Pathardi) these sample societies enjoyed ‘A’ audit class for long period but recent 1 to 3 years these societies were rated ‘B’ audit class.

‘C’ Audit Class UCCSs:-

Kopergaon and Pathardi-nil

Rahuri:-

Muktabai, Anandkrushi, Dnyaneshwar societies were under ‘C’ class.

There is a need to improve financial soundness of the ‘C’ grade audit class sample societies.

DIVIDEND DISTRIBUTION & SAMPLE UCCSs:-

As it is evident from the Tables (8.4 to 8.25) that out of total 22 sample societies 17 societies had distributed dividend 10% to 15% to their members. It reveals the good performance of these sample UCCSs.

MEMBERSHIP:-

A successful cooperative requires enlightened and informed membership. Growth trend in membership is one of the criteria of performance. Constant growth in membership is often a good indicator of drive and direction. Ideal ratio of increase in membership is 10% per annum. Increase in
membership of sample UCCSs is shown in Table No.8.4 in to 8.25. The following conclusions are drawn in this regard.

1) The membership all sample UCCSs in terms of number has increased manifold during their life span.
2) Out of total 22 sample societies only 3 societies Mumbadevi (115.41), Bhgylaxmi(116.14), Shri Swami Samarth(110.70) are successful to maintain ideal ratio of membership. Majority of the sample societies could not maintain the said ideal ratio.
3) Minimum membership was 119 (Auto-Rickshaw) and maximum was 2167 (Mumbadevi) as on 2004-05.
4) Membership more than 500 sample UCCSs was 10 (Kopergaon), 5(Rahuri), and 2(Pathardi).

Although the membership of UCCSs has increased manifold, dormant membership and absence of active participation of members in their management have not also encouraged the dominance of vested interest causing blockage in the percolation of benefits to the members.

**CONCLUDING REMARKS:-**

After going through analysis of paid-up capital, Deposit mobilisation, loans & advances, working capitals, Reserve & other funds, Investment, Net profit, Overdues, C-D ratio and audit class etc. The following conclusions are drawn-

1) The number of membership, share capital, owned fund deposits, advances and profitability has been showing upward trend year by year, with audit classification ‘A’ grade.
2) The UCCSs are successful in motivating the poor and middle class people to save and make them banking minded.
3) The poor persons haven been relieved from the clutches of moneylenders by these societies and financial status of the poor beneficiaries has improved to some extent.
4) Financial performance of these sample societies is in danger due to the high percentage of overdues. Most of the sample UCCSs has the problem of attaining and retaining financial viability.

5) The performance regarding deposit mobilisation is certainly satisfactory and admirable.

6) There is a problem of to maintain ideal ratio regarding membership, paid up capital, deposits, loans & advances C-D ratio, over dues etc.

**SUGGESTIONS**

The management of the UCCSs is advised that they should work as per the cooperative societies Acts and byelaws of their society.
PART. B : OPERATIONAL PERFORMANCE OF
SAMPLE UCCSs : (Table No 8.27 to 8.29)

In this part the operations of sample UCCSs in Ahmednagar district, for the period 1994-95 to 2004-05 with regards operational efficiency parameters are analysed. For the analysis the following operational efficiency parameters are applied.

B-I For Profit Analysis the Following Parameters are used.

1. Net profit to Deposits Ratio (Table No 8.27).
2. Net profit to Loans & Advances Ratio (Table No 8.28).
3. Net profit to Working capital – Ratio: (Table No 8.29).

The secondary data presented in Table Nos. 8.4 to 8.26 regarding deposits, loans & advances and working capital of the respective sample societies is used to calculate the percentage and for the purpose of analysis.