CHAPTER V

FINDINGS, SUGGESTIONS & CONCLUSION
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INTRODUCTION:

Agricultural credit denotes money taken from investment. The farmers require credit for improvement of their lands for construction of wells, for purchasing of agricultural implements, seeds, fertilizers and the payment of wages etc. Credit plays a vital part of the agricultural programme. The risk involves in providing agricultural credit is greater than credit to industry.

The main business of the Kavundapadi PACB is to advance loan to its members. The following loans are mainly advanced by the bank.

1. Short Term loan (Crop loan)
2. Medium Term loan
3. Jewel Loan
4. Deposits Loan
5. Consumer loan
6. Non – farm sector loan

The chapter is designed to incorporate the findings of the researchers and suggestions to solve the problems noted during the study period to improve the situation.
FINDINGS:

1. The total number of members is KPACB had increased from 5743 in 1997-98 to 6812 in 2001-02 representing an increase 18.61%.

2. The total share capital had increased from Rs. 14.56 lakhs in 1997-98 to Rs. 16.92 lakhs in 2001-02 an overall increase of 16.2%.

3. The total fixed deposits had increased from 86.99 lakhs in 1997-98 to Rs. 237.40 lakhs in 2001-02 representing an overall increase of 172.90%.

4. Total savings deposits had increased from Rs. 5.42 lakhs in 1997-98 to Rs. 28.19 lakhs in 2001-02 an overall increase 420.11%.

5. As far as recurring deposits are concerned, it had increased from Rs. 4.51 lakhs in 1997-98 to 10.74 lakhs in 2001 – 02, an increase 138.131%.

6. Provident fund deposit of the KPACB had increased from Rs.0.30 lakhs in 1997-98 to 0.86 lakhs in 2001-02 representing an increase of 186.67%.

7. The total deposits had increased from Rs. 346.82 lakhs in 1997-98 to 997.02 lakhs in 2001-02 an overall increase of 187.47%.

8. The total borrowings KPACB raised from Rs. 8.79 lakhs in 1997-98 to Rs. 15.72 lakhs in 2001-02 an increase of 78.83%.

9. The total short – term loan issued by the KPACB had raised from Rs. 5.38 lakhs in 1997-98 to Rs. 13.02 lakhs in 2001-02 an increase of 142%.

10. The total crop wise short – term loan issued by the KPACB had been increased year after year. It had increased from 18.50% to 165.64% and 143.83% in 1998-99 to 2000-01 and 2001-02 respectively. Of all the crops short – term loan given to paddy is maximum and oil seeds gets the least share.

11. In case of medium term loan issued by the KPACB had raised from 2.99 lakhs in 1997-98 to Rs.8.72 lakhs in 2001-02 an overall increase of 191.63%.
12. The KPACB had given M.T. Loan for 11 types. During 2001-02 of all the various types, loan given to milk cattle ranks first. Sheep breeding ranks second and bullock cart ranks third. The share of SSI is the lowest.

13. The total jewel loan of the bank had increased from Rs. 7.26 lakhs in 1997-98 to Rs 28.81 lakhs in 2001-02 representing an increase of 296.83%.

14. The total fixed deposit loan raised from Rs. 2.26 lakhs in 1997-98 to Rs. 7.41 lakhs in 2001-02 an increase of 227.88%.

15. The total loans of the bank had increased from Rs. 314.64 lakhs in 1997-98 to Rs 943.58 lakhs in 2001-02 an overall increase of 197.89%.

16. In the bank, the percentage of over – dues to demand is 12.3% in 1997-98. It had decreased by -45.73%, 195.96% and 45.18% in 1998 – 99, 1999-2000 , 2000-01 , 2001-02 respectively.

17. The investment position of the bank has increased from 14.08% to 43.43% and 57.39% in 1998-99 to 2000-2001 and 2001-02 respectively. The total investment of the bank had increased from Rs. 1.42 lakhs in 1997-98 to Rs. 7.90 lakhs in 2001-02 representing an increase of 456.33%.

18. The net profit had increased from Rs. 77,720 in 1997-98 to Rs. 85,590 in 2001-02 , an overall increase of 10.13%.
SUGGESTIONS

1. As mounting over-dues stand in the way of progress of PACB effectives steps should be taken to reduce the over-dues and keep them within limits.
2. Effective steps must be taken to mobilize the savings of the members in the form of various types of deposits.
3. Steps must be taken for the close supervision of the utilization of loans by the members, to ensure that the loans are not spent for unproductive purposes.
4. By the large all PACB’s are distributing credit only and have not yet emerged as true multi-purpose institutions, undertaking diversified function, like marketing of produce and distribution of consumer goods. So these societies should expand their business in all spheres.
5. These societies lack expertise and are thus providing merely the Finance which can not generate production of its own. They should provide ideas to the poor residing in dry farming and other less developed areas.
6. These PACB’s would also satisfy the member’s requirements in consumption credit. Otherwise they would borrow from non-institutional sources at high rate of interest.
7. It is found that the personnel in PACB are not professionally competent. Thus there is an urgent need to examine the role of the secretary. He must given proper training.
8. There must be periodical visit and inspection of the central co-operative bank officers. So that adequate supervision and control can be fully ensured.
9. It is found out that the members do not consider the society their own. Hence members should be imparted education co-operative principles.
10. The PACB’s may introduce a prize scheme for the members who repay the loan amount in time.
CONCLUSION

"Finance is the life blood" of every business and also agriculture. Now there are many sources of finance available to farmers. Of all sources banking source particularly the source of co-operative banks is definitely a boom to achieve their desired goal in the desired level of production. The successful working of PACB in India only depends upon both the borrowers' intention to pay the loan amount and the banks ability to collect the over-due. Anyhow the bank is in a position to satisfy the credit requirement of the rural people. The PACB may arrange to grant additional amount of loans to the rural people and have the easy way for availing these loans.