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**CHAPTER - V**

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**SUGGESTIONS AND CONCLUSIONS**

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5.1. Suggestions.

5.2. Conclusions.

5.1. SUGGESTIONS :

After analysing the performance of problems of UCCS, we dare to suggest certain suggestions for the qualitative growth of UCCS. Some of them are as follows :

1. There is a need <sup>of</sup> macro level policy for the qualitative growth of the UCCS in the state, depending on the coverage of population, trade and commercial activities etc.
2. The Urban Co-operative Credit Societies should cover the entire operational area instead of concentrating on particular area.
3. There is a need of federation of the UCCS both at state level, and national level. Today they are involved in the federation of urban bank's, which are formed at three level i.e. district, state and national level. The federation is essential to discuss their problems, prospectus of their business, and to help for macro level policies etc. District level federation may appoint a recovery officer for the whole district UCCS. On the basis of collection of recovered amount, his salary may be fixed on percentage basis.
4. The UCCS should try to attract the deposits and they should concentrate to increase the share capital and other funds so as to stand self-sufficiently. If this is possible, then they can advance loans on a cheaper rate of interest to their members, of course depending on the guidelines of RBI about rate of interests. As these UCCS belong to small income group, small savings may be collected from such income group on the basis of pigmy collections.

5. The loan advances facilities should be specially prepared for lower income group depending on the recurring incomes to them. Now-a-days UCCS is a medium to combine social and economic factors of human life.

6. The locational factor should seriously and strictly be handled. No. authorities should be given to ministry of co-operation to sanction UCCS as a special case in a rural area which has below 10,000 population. This created a chaos in the urban credit sector. On such occasions political will is emphasised instead of economic will. So, the rate of non-functioning UCCS or dead UCCS is growing.

7. There is need to study the working, performance and problems of UCCS either at state level or at national level. The RBI should initiate to conduct such research.

8. The regular audits should be done. Irregular audit may cause frauds. The frauds in the whole co-operative enterprises are growing.



5.2. CONCLUSSIONS :

In conclusions we can say that, the role of UCCS is immense no doubt. As they belong to small income groups, workers and weaker sections, their problems should be tackled through macro policies. Today the public sector banks under DRI scheme sanction loans upto one percent of their total advances. Another one percent amount may be disbursed through UCCS. And urban banks too, should initiate to help UCCS, out of their total 15% advancement to weaker section 5% amount may be disbursed through UCCS. If this is provided, the financial strength of UCCS will increase, and automatically they will improve. Certain incentives may be provided to develop their financial position, because almost near about all disbursement of UCCS loans goes to the priority sectors. Their role in money market should be noted. The Govt., R.B.I. and Co-operative Ministry should think upon the problems so as to bring the distributive justice among inter co-operative enterprises and intra co-operative enterprises with an effective vertical and horizontal linkages between various co-operative units.

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