

CHAPTER - 4

SUMMARY & CONCLUSION

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This dissertation deals with the study of Dadasaheb Sakhawalkar Non-Agriculture co-operative credit society. An attempt has been to examine the role of co-operative credit society in Rural development and also the economic development of the members of the society. Statistical data was collected from through discussion, the reports of the society and with manager, Administrative officers, secretary, clerks and founders of the bank.

An attempt has been made to examine the growth in the Deposits, Share capital, Loan expansion, Investment, Branch expansion, performance of the Branches, Profit and expenditure pattern and Income pattern of the society and Non-performing Assets etc. of the society. All the available data about these economic factors have been processed and analysed by using statistical tool, like percentage and averages.

4.1 Major Findings of the Study :

There are some major findings drawn from the study. There findings are as below-

- 1) This society has been greatly successful in promoting saving habits among the members in its jurisdiction areas.
- 2) Under the study period, the number of share holders of the society has been increased.
- 3) Excepting the year 1986-87, 87-88, 88-89 society has been awarded 'B' Audit class. After three years, society has been awarded 'A' class. In 1992-93 society has been awarded 'B' class. After the 1993 society has been Awarded 'A' class. During the last 13th year society has got the 'A' class. This is

good remark which shows satisfactory performance of the society.

- 4) The society has helped in creating job opportunities in this areas.
- 5) The enthusiastic and hardworking service staff of the society has contributed a great deal in the successful working of the society.
- 6) The society's Koregaon Branch has been made operational for 24 hours a day. In order to provide service to the members and people in this areas.
- 7) The society has been successful in maintaining public confidence. Therefore there has been remarkable growth in deposits mobilization.
- 8) The society has been performing in the social, educational and cultural fields for overall development of the region.
- 9) Membership of society has constantly increased. In 1986-87 there were 648 members in the society and in 2004-05 the member increased to 11,064. This shows increasing confidence of the local people in the working of the bank.
- 10) Deposits of these society increased from Rs.53,002.in 1986-87 to Rs. 2145.49 lakh in 2004-05 in subsequent period. Deposits becomes more and more increasing, indicating ability of the bank to make advances and increasing ability of the local people to save for longer periods.
- 11) Owned capital comprises share capital, Reserve Fund, and other funds. Owned capital increased from Rs.85,500 in 1986-87 to Rs.3,22,88,008 in 2004-05 12 in the study period. It indicates the basic financial strength of the society and successful financial performance.

12) In the year 1986-87 the outstanding amount of loans was Rs.1,15,325.90 which increased to Rs.1865.24 lakh in the year 2004-05. There was a substantially large increase loans.

13) Working Capital –

The growth of working capital indicates the increasing loans and investment capacity of the bank, on which depends the income earning capacity of the society. The working capital of the society was Rs.1,41,176.25 in 1986-87 which increased to Rs.29,59,14,030.83 in 2004-05.

14) Profit –

Excepting the first of the society has earned profit for the subsequent years. The profit shows a gradually increasing trend. In 1987-88 there was Rs.4000. Profit which increased to Rs.38.25 lakh in 2004-05 indicates society has been financially successful.

15) Dividend –

As the society has earned profit throughout the periods under study. The society has distributed 12% dividend to its share holders.

16) Reserve Fund and other fund have been continuously increased. Which efficiency of the society.

17) Overdues-

During the period under study the amount of overdues of the society has increased. In 1987-88 it was Rs.20,576 which increased to Rs.2,64,30,000 in 2004-05.

18) Investment of the society –

The period under study the amount of Investment increased. In 1987-88 it was Rs.4.72 lakh which increased to Rs.580.34 lakh in 2004-05.

19) Expenditure –

In 1986-87 total expenditure was Rs.17,046 which increased to Rs.3,69,08,754.50 in 2004-05. Interest of deposits was the largest constituent of total expenditure. It shows a rising trend. Expenditure on salary and providend funds comes next in order. Personel administration of the society shows rising efficiency. Expenditure on other items was within reasonable limit.

Suggestions:-

The co-operative movement was emerged primarily to wipe out the money lenders and intermediaries from the rural sense and to inculcate a sence of mutual help and fraternity among the weak and needy people and to make the peoples of strong and self reliant in rural areas & given these main objectives of the co-operative movement, the society under study has played an important role in the development of rural areas.

While studing Dadasaheb Sakhawalkar co-operative credit society. It was observed some merits and demerits in the working of this society. The new to increase efficiency of bank, some suggestions are to be taken in account.

The board of directors should fix the direction of work. It should also watch the daily dealing of the society carefully. Ready cash balance should be kept minimum. Further extra balance should be kept in bank and loans should be under constant watch of board of directors.

In order to run the society on profitable manner and to strengthen the economic base of the society. Directors, office staff, and members also should have some self imposed rules and they should be conscious and hard working towards the society.

There are some instructions while studying the working of Dadasaheb Sakhawalkar co-operative credit society. These instructions may be helped in its working. These are as follows-

- 1) There is huge potential for deposits mobilization, considering the membership numbers of the society.
- 2) The society should create various types of deposit schemes for the weaker section.
- 3) Proper balance between deposits and loans should be maintained.
- 4) Increasing overdues is one of the serious problems of the credit society. Some precautionary measures should be adopted to minimize the overdues and separate court should be constituted with the due powers.
- 5) Most of the credit societies are under local political influences which create problems in collecting the recovery of overdues. Therefore the unwanted outside interference by the local politicians must be stopped by making suitable amendments to the co-operative act.
- 6) As training increases an employees moral confidence and awareness about the works. This in turn helps the institution by way of increase in satisfaction, mutual understanding cordial and healthy relations and less incidence of mistakes. Frauds, customer complaints, unnecessary work and supervisory costs etc. Therefore special attention should be given to provide training to employees.

- 7) Deposits are considered as economic base of the society. Therefore proper balance between short term deposits and long term deposits be maintained.
- 8) Some deposits should be made compulsory for each members. This will help strengthen the economic base of the society.
- 9) There should be immediate and good communication system between head office and it branches.
- 10) Loans should provide to right purpose with specific conditions.
- 11) A continuous contact has to be maintained with the borrower in order to see that the loans used for right purpose.
- 12) The Board of Directors should keep constant watch on the daily working and fair control on office staff.
- 13) The society should create a separate fund for N.P.A.
- 14) All the society member did not attend the General Body Meeting. It is suggested that the society should appeal all the members to attend the meeting.
- 15) The society should organize exhibitions and seminars every year during 'Sahakar Saptah'.
- 16) For the era of globalization, professionalism should be developed in view to complete other banks in the areas. Moreover, compularisation of banking business should be promoted.