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**CHAPTER 7**  
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**OBSERVATIONS AND SUGGESTIONS**

- 7.1 OBSERVATIONS BASED ON PERFORMANCE ANALYSIS**
- 7.2 OBSERVATION BASED ON RESPONSES OF THE SAMPLE DEPOSITORS**
- 7.3 SUGGESTIONS OF THE STUDY**



**CHAPTER 7****OBSERVATIONS AND SUGGESTIONS**

Based on the data analysis presented in Chapter No. Six following observations are made by the researcher.

**7.1 OBSERVATIONS BASED ON PERFORMANCE ANALYSIS**

- (1) In relation to 1983-84 the KMB could registered a steady growth in terms of deposits mobilisation. The Index number so calculated is 222 for the year 1988-89 which is an indication of efficient deposit mobilisation policy of KMB.
- (2) In case of Time Deposits for the year 1988-89 KMB could achieve 62% growth in relation to the deposits of the year 1983-84.
- (3) The Danduppat Deposits, seems to be most popular and could achieved 5 times growth in 1988-89 as compare to 1983-84.
- (4) The share of Danduppat deposit in the total deposits of the bank is 30.35% for 1988-89.
- (5) It is surprising to observe that the 'recurring deposits' of the KMB could not be impressive. The growth of the same for 1983-84 to 1988-89 ranges between the Index number 123. The Index number for the year 1988-89 shows a decline upto 114.
- (6) Special saving deposits remained fluctuating and since 1986-87. They show a declining trend upto 1988-89.

- (7) The Call Deposits have registered an increasing trend upto 1985-86 and then after it a sharp decline which is a indication of change in policy and dropping the scheme.
- (8) The KMB could increase Shubha Laxmi Deposits by 44% in the year 1987-88, in comparision to 1983-84, but declined in the year 1988-89 by 6%.
- (9) As regards to saving deposits KMB has registered a continuous increasing trend with an Index Number of 260 for the year 1988-89.
- (10) Daily saving Deposits of KMB are not impressive at all, and registered a decling trend.
- (11) As regards to current account scheme the bank has made a tremendous progress. Which is indicated by 1188 Index for the year 1988-89 from which it can be concluded that traders and industrialists are showing interest in the bank because such accounts are operated by them only.

## **7.2 OBSERVATION BASED ON RESPONSES OF THE SAMPLE DEPOSITORS**

Deposits of the sample members of the bank under study (K.M.B.) range from Rs. 1,000 to Rs. 60,000. Majority of the members aggregating 54% of the total samples members have deposited in the range of Rs. 2,000 to Rs. 4,000. The percentage of depositors depositing Rs. 1,000 to Rs. 4,000 is 61%.

1. Majority of the depositors belong to economically poor and medium class because 69% of the total sample depositors have deposited in the range of Rs. 1,000 to Rs. 4,000.
2. Though there are nine deposit schemes being operated by the KMB. Only six deposit schemes are more effective and could mobilise maximum amount of deposits, namely Recurring Deposit (19%), Shubha Laxmi Deposit (16%), Current Deposit (19%), Saving Deposit (16%), Dandupost and Time Deposits (15%).
3. In case of Recurring Deposit, Shubha Laxmi, Savings and Current Deposit are most liked deposit schemes by the sample depositors aggregating 15% each of the total depositors.
4. 80% of the sample members have selected their deposits schemes at their own with a view to show trust on the co-operative bank. The friends and relatives could influence the decision of 16% of the total respondents.

### **7.3 SUGGESTIONS OF THE STUDY**

Based on, data analysis presented in Chapter No. Six and observations made therefrom in Chapter No. Seven, following set of suggestions can be offered to the KMB.

1. A separate unit for deposit mobilisation may be set up to plan and monitor the deposit mobilisation function.
2. Special motivational benefits may be given to the branch showing better performance of deposit mobilisation.

3. There are some deposit schemes which are not effective as compared to other schemes e.g. Special Saving Deposit, Call Deposit, Daily Saving Deposit. It is therefore suggested that KMB should probe into the causes and operating weaknesses in respected ineffective deposit schemes.
4. Recurring Deposit Scheme of KMB is not as effective as other banks have therefore management should put concert efforts to convince the prospective depositors through seminars attractive advertisement and personal contact.
5. It is further suggested that women social workers should be motivated to strengthen the financial ability of the KMB by motivating women employees women industrialists etc. to deposit with the KMB.
6. With the necessary administrative support even employee's may be given individual target of deposit mobilisation for which they may be given suitable financial incentive.
7. Learning from the experiences of The Bhagini Nivedita Bank Ltd., Pune. It is suggested that the members of Board of Directors may visit women employees on their salary day to convince them to deposit with the bank in the same manner they may pay home visits to convince housewives to deposit with the bank which represents womens co-operative movement.

8. It seems that the KMB is facing a problem of overdue therefore it is suggested that while sanctioning the loan the member borrower must be convinced about repayment and in case of slow paying borrowers necessary efforts may be done to make him pay in time. Such cases may be reported to the Directors concerned who had recommended their cases.

Thus in conclusion it can be stated that for sound financial footing it is necessary for a bank like KMB to mobilise more and more deposits and to invest them for the cause of well being of women taking into account the importance of womens co-operatives in country like ours. All women should deposit with women's co-operative banks and banks should motivate them to do so by taking different measures.