

C H A P T E R - III

PROFILE OF THE ORGANISATION

3.1 ESTABLISHMENT

"Yashwant Sahakari Bank Ltd., Miraj" is an effect of conversation of 'Yashwant Sahakari Nagari Pat Sanstha Ltd., Miraj in the year 1983-. Formally Yashwant Sahakari Pat Sanstha was established in 1966-1967. In co-operative field, in Maharashtra, South Maharashtra is always in leading and in South Maharashtra Sangli District is on driving seat. In Sangli District there are many institutions formed in co-operative sector. "Yashwant Sahakari Pat Sanstha was set up under the leadership of Late Mr. Abasaheb G. Shinde (Mhaisalkar) and workings of Late Mr. M.A. Narwade.

After establishing as a Pat Sanstha it was always and continuously in a progress. It increased their deposits, funds, members and also loans and advances. Considering its impressive performance it was converted into a Bank in 1983. In this way "Yashwant Sahakari Bank Ltd. Miraj" was registered on 25th February, 1983 and received licences from Reserve Bank of India on dated 9.9.1986. This bank is useful to the economically poor persons. The main aim of formation of this bank is to provide finance to people from low income group and collects savings from them under various savings

schemes.

HISTORICAL BACKGROUND OF YSB

In co-operation field, co-operative banks has occupied an important place. It finance to small traders, small industries, artisans, and economically backward people.

Now-a-days we find YSB has rapidly progressing. But firstly, it should be essential how it was formed ? or established ?

Interest Policy of Money-Lender-Inspiration- Promoted and Motivated to "YASHWANT"

A small Betal Shop

In Miraj city there were a small betal shop. Every day in the morning a money lender visited to this shop and takes 2 bristal packet, (Sigaretes) one matchbox and one (1) Masala Pan.

Every morning the money lender came, visits and went back with above stated material. He did not pay anything to the shopowner.

After detailed discussion with the shop owner Mr.M.A.Narwade, Promotor of YSB /understand that the money lender had given Rs. 50/- to the shop owner. And every day he collects only Interest on that amount lent. What a tremendous situation ? Debt was Rs.50/- and daily interst of Rs. 0.50 (50 paise). That means for a year Interest Rs. 180/-.

What a tremendous situation ? Debt was Rs.50/- and Interest Rs. 180/-.

After knowing this, Mr. Narwade M.A. was very restless. Whole Miraj city then was occupied by that Money lender . So bring out from this trap of money lender he decided to establish a co-operative society, so as to relieve all such persons from economic exploitation. The benefits of the society were received by Patvegar, coolies, foot-makers and small footh-path tradrs.

With the hard work and untiring efforts ^{of} Mr. Dastgeer Bargeer, Mr. M.A.Narwade and Mr. Abasaheb Shinde (Mhaisalkar) , Yashwant co-operative society was formed/ established in 11th August, 1966.

On 16th August, 1966 Yashwant co-operative society was started their business in a small room in Miraj city.

Principle

"All have Equal status" is a principle of this bank.

3.2 AREA OF OPERATION

Miraj Taluka as whole is covered under the area of operation of Yashwant SahakariBank Ltd., Miraj. Including head office branch the bank has five (5) branches. It's Head office is in M.A. Narwade Chowk, Laxmi Market, a central place in Miraj city. The following ^{table} shows the branches of YSB.

Table 3.1
BRANCHES AND THEIR ESTABLISHMENT

	Name of city/Village	Date/Year
1	Mhaishal	1974-75
2	Malgaon	1981-82
3	Gandhi Chowk, Miraj	1988-89
4	South Shivajinagar, Sangli	1992-93

3.3 MANAGEMENT

The management of Yashwant Sahakari Bank is vested in the hands of the Board of Directors. The Board of Directors is consisting of the 16 representative of the members called, as directors of the bank. Out of 16 directors, two are women representative. All directors of the bank are able and reliable persons having long standing experience of social work and requisite knowledge of banking business. Out of 16 directors, some of the directors possess degree and diploma in the field of Arts, Commerce, Engineering and Medical field. Some of them are only social workers, agriculturists, businessmen. At present there are 16 directors as shown below-

Table 3.2
TABLE SHOWING THE BOARD OF DIRECTORS OF YASHWANT
SAHAKARI BANK LTD., MIRAJ as on 1993-94.

Sr.No.	Name	Designation
1	Shri.A.Rahiman Mahamdasahab Bepari	President/ Chairman
2	Shri.Adgonda Nabhagonda Patil	Vice-President
3	Shri.Mohanrao Ganpatrao Shinde (Mahi salkar)	Director
4	Shri.Parvej Babalal Inamdar	Director
5	Shri.Ishalseth Dastigirsaheb Bargir	Director
6	Shri.Appasaheb Chimaraya Patil	Director
7	Shri.Mahaibub Shukur Mutavalli	Director
8	Shri.Bhupalrao Shankarrao Vasgadekar	Director
9	Shri.Shahid Birasaheb Shekh	Director
10	Shri.Lakshmanrao Tukaram Jadhav	Director
11	Shri.Shivaji Govind More	Director
12	Shri.M.Shafi H.Chandsaheb Bagwan	Director
13	Shri.Dr.Mahadev Ganpati Mhetre	Director
14	Mrs. Gulnabi Dastgirsahab Pathan	Director
15	Mrs. Chandbi Nurmahamd Soudagar	Director
16	Mr. M.Nisar Ghudulal Malidwale	(worker Representative)

Source : Annual Reports of Y.S.B.1993-94

The first general meeting counted for the elected board members. The time span of the Board of Directors is for the five years. The election is held of the Board of Director after a period of five years, which is regulated by "election rules" stated in Maharashtra co-operative Act 1960.

The president and vice-president are elected in the first meeting of the elected members. The vice-president takes the charge of the office in the absence of president. If both president and vice-president are absent the board of directors nominates a member from among themselves as a president for the meeting. The president and vice-president are elected every year as per the election sub section 27.

The board of directors takes decisions regarding policy of the bank. The board of directors, seeks the advice and permission of the Deputy Registrar of Co-operative society and works out the daily work. General meetings of the directors is held once in a month, to review the performance and to take routine decisions.

3.4 OBJECTIVES OF THE BANK

As per bylaws of Y.S.B. main objectives of the bank are as below.

- 1) To Promote the spirit of co-operation, savings and self dependence and cultivate the habit of economy.
- 2) To accept deposits from the public and utilise those funds for advancing loans to the needy people, to pay back money to depositors on their demand.
- 3) To raise funds through public deposits under different scheme.
- 4) To advance loans with or without security to members or non members with prior permission of the Registrar of co-operatives.
- 5) To accept, discount, purchase, sale or issue negotiable or non-negotiable instruments like promisory notes, bills of exchange, drafts, coopers, bills of lading, railway receipts, warrents, scrips and certificates.
- 6) To issue and accept 'Letter of Credit', Travellers cheque etc.
- 7) To purchase and sale of foreign exchange and foreign bank notes.
- 8) Acquisition and holding of stocks, funds, bonds and to act as an underwriter.
- 9) To purchase and sale of bonds and debentures on behalf of our customer.

- 10) To provide 'safe deposit lockers facility to the people for safety of their bonds and valuable instalments.
- 11) To render the people safe deposit vault and other related facilities.
- 12) To collect and transfer money and securities of the customer.
- 13) To discuss and adjust for loans and advances.
- 14) To execute gurantee to customer and deals transactions related to industry.
- 15) To manage for Government and semi-governments shares, debentures and loans and provide finance for it.
- 16) For the development of the Bank, purchase and acquire the land or construct a building and to take care of them.
- 17) To acquire, take care or sale the property which hold by the bank for partial or impartial outstanding claim.
- 18) With the permission of Registrar and R.B.I. to render the service to the people in Banks jurisdiction area ,open branches or extension counters or sub-divisions or pay officers.
- 19) With the permission of Registrar officer to acquire or conduct working of other societies/ corporation.

- 20) To form and build unions or trusts for present and former customer. Also provide finance and pensions to them.
- 21) To make a plan and provide finance to the customers for their economic status (customers).
- 22) To provide financial and technical assistance for small and tiny industrial units.
- 23) With the permission of RBI, for providing loans and advances to essential area, to partnership with financial institutions.
- 24) To conduct other related business as per section 6-1 of Banking Regulation Act, 1949. (applicable to co-operatives).
- 25) To appoint, money collecting agents, with the permission of Govt. Semi Govt. and society Registration Act 1860.
- 26) With the pre-permission of Registrar, RBI and LIC, provide finance to co-operative Housing societies.
- 27) Co-operative Banking society, takes any legally business, which is applied by the Central Government.
- 28) To provide finance & loans to co-operative societies with the pre-permission of Registrar.
- 29) To do all useful things related to above objectives and completion bank transactions.

BRIEF HISTORY OF MIRAJ CITY

In Western Maharashtra the Sangli District is one of the very important district which is speedily developing. In Sangli District Miraj Taluka is playing very important role in social, political, economical and cultural activities. Miraj has got historical relevance.

Miraj city is named after a great muslim prophet 'Mirasaheb' and therefore it is called as Miraj. During Maratha regime Chh. Shivaji, the great, had also come to Miraj. Thus the city has religious and historical significance.

The real development of Miraj city started in 20th century when the construction of welknown and famous hospital, Wanless. Memorable Hospital Miraj, was established. Later on some educational institutions, government administrative officer, industrial societies and cultural societies were formed.

Some important development in the city are given below.

- 1) Laxmi Market Miraj.
- 2) Miraj Junction (South central Railway).
- 3) Miraj water work (House).
- 4) Wanless Memorial Hospital Miraj.
- 5) Miraj Municipal Council.

- 6) Miraj Panchyat Samittee, Miraj.
- 7) Government (Milk) Dairy.
- 8) Mirasaheb shopping centre.
- 9) Government Medical College.
- 10) Arts, Commerce and Science College.
- 11) M.I.D.C.
- 12) Krishna Khore Dudh Sangh.
- 13) Chh. Shivaji Stedium.

Miraj is also called as "Hospital town" because good number of hospitals are situated and they are reputed in the country and outside too. In medical field Wanless Memorial Hospital is one of femous and popular in Maharashtra. Some other important hospital are-

- 1) Krupamai Mental and Health Hospital,
- 2) Richardson Lepracy Hospital,
- 3) Wanless Chest Hospital.

Along with this, basic and important factor for the development of Miraj city is a "MIRAJ JUNCTION", It is one of rare junction because it is a combination of Narrow Gage, Meter Gage and Broad Gage. From this junction is possible to go some important cities of our nation. Viz. Bombay, Pune, Nagpur, Kolhapur, Pandharpur, Goa, Bengalore and Nizamuddin.

LOCATION OF THE HEAD OFFICE OF YSB

It is beneficial to have central and main place of the city. The Yashwant Sahakari Bank Ltd., Miraj has established in M.A.Narawade chowk, Laxmi Market Miraj. Laxmi Market is one of the very important and central place of Miraj city. Because every person who visits Miraj, crosses this place. Near YSB has also a big shopping center, Medical hospitals, and many small business units. In short this place is heart of Miraj city.

Types of Customers

Though the bank is located in the heart of the city, these are different types of customers related to the bank i.e., Professionals, business firm, students, housewives, pensioners, small traders etc.

Working Hours

The working hours of the bank is same to other co-operative banks. But this is convenient to the customers of the bank and customers has satisfied on that time. The working hours of the bank is,

Monday to Friday : 11.00 a.m. to 6 p.m.

Saturday : 11.00 a.m. to 4.00 p.m.

Sunday : Holiday/ closed on sunday.

THE FIRST OFFICIAL BODY

The following official body was firstly formed

Sr.No.	Name	Status
1	Mr. Abasaheb G.Shinde (Mahisalkar)	President
2	Mr.Dastgeer Saheb Bargir	Vice-President
3	Mr. Dr.L.R.Bhosale	Director
4	Mr.Appasaheb Chimrayya Patil	Director
5	Mr.A.Rahiman Balasaheb Satarmaker	Director
6	Mr.Sadashivarao Sattojirao Pole	Director
7	Mr.A.Rahiman Mahamad Bepari	Director
8	Mr.Moullabaksha Raje Nipanikar	Director
9	Mr.Shamssoddin Babalal Mutualli	Director
10	Mr.Suresh Maganlal Agrawal	Director
11	Mr.Annasaheb Dyanadev Bargale	Director
12	Mr.Mahamadhusan Abbasaheb Narawade	Director

Visits of great personalities

In 1983-84 , the great co-operative leaders of Maharashtra Mr.Dr.Vasantrao Dada Patil and Mr.Yashwantrao Chavan visited the bank.

On that occasion, Mr. Vasantdada Patil said "This Bank is making a new History in Miraj City, and also on that time Mr.Yashwantrao Chavan Said, " Each and every year important persons visited to the bank and looks the workings of the bank. It shows the reputation and progress of the bank." Following great persons in Maharashtra visited to the bank.

1)	Mr.Vasant dada Patil	Chief Minister
2)	Mr.Yashwantrao Chavan	Vice-Prime Minister
3)	Mr.Vishnu Anna Patil	M.L.A
4)	Dr.Patangrao Kadam	Educational Minister
5)	Mr.Dilipkumar	Film-Star, Bombay
6)	Mr.V.M.Dandekar	Economists
7)	Mr.Gulabrao R.Patil	Member of Parlment
8)	Mr.Baristor J.D.Patil	Former-Industrial Minister
9)	Mr.K.B.Awade	Former Industrial Minister
10)	Mr.Prakash (Bapu) Patil	M.P.
11)	Mrs.Shalinitai Patil	Former Minister
12)	Mr.Tatyasaheb Kore	Chairman of Warana Samuh
13)	Mr.Balasaheb Hari Patil	Chairman S.D.C.Bank

3.5 HISTORICAL EVENTS of YSB

Sr.No. 1	Year 2	Characteristics 3
1	1966-1967	Establishment of YASHWANT Nagari Pat Sanstha or Co-operative Society .An effect of hard working of Mr.Abasaheb Shinde and Mr. M.A.Narwade Saheb.
2	1967-68	Commencement of banking activities
3	1968-1969	Higher purchase scheme of YSB which was inaugurated by former late Chief Minister Hon.Vasantrao Dada Patil. Under this , machinery and vehicles are disbursed to customers.

1	2	3
4	1969-1970	Acquisition of building for administrative office.
5	1970-1971	On occasion of Moharam, under the principle of Religious integration started share and mahaprasad
6	1971-1972	Started a fair price cloth shop for the customers
7	1972-1973	Hon.Y.B.Chavan then Defence Minister visited bank along with Hon.Vasantrao dada Patil.
8	1973-1974	Pat Sanstha started Ganpati Puja.
9	1974-1975	The first branch of Yashwant pat Sanstha's started in Mhaishal, the native place of Abasaheb Shinde the founder of bank.
10	1975-1976	New scheme "Loan against the security of gold started.
11	1976-1977	Fair price grain shop started for customers and shareholders of bank
12	1977-1978	Established a statue of Hon. Abasaheb Shinde at the auspicious hands of Dilipkumar, the great film star.
13	1978-1979	Education Loan policy Started under which loans advanced to medical and engineering students at a reasonable rate of 8% interest. p.a.
14	1980-1981	Under Maharashtra Govt. Policy. The scheme of sanjay Gandhi Sawlamban Yojana the bank has provided loans to 247 shareholders at a reasonable rate of interest i.e. 8%.

1	2	3
15	1982-1983	Second Branch of Yashwant Pat Sanstha's started in a small village-Malegaon.
16	1982-1983	A Golden day of the bank. Yashwant Pat Sanshta /society was converted into a bank with a name "YASHWANT SAHAKARI BANK LTD.,MIRAJ."
17	1983-1984	Bank had purchased the land at the cost of Rs. 45,000.
18	1985-1986	The bank has obtained licence from R.B.I. for doing banking business under B.R .A. 1949, Section 12(i) . Licence No. VBD/MH/545 P/dated 9.9.1986.
19	1987-1988	Reserve Bank Act Sec. 17(2) b. and 4(c) , bank has started advancing loans to small scale industries at a reasonable rate of interest & started advancing medium term loan under I.D.B.I. scheme.
20	1988-1989	Third Branch of Bank started in Gandhi Chowk, Miraj, Miraj city.
21	1990-91	A construction of new building started with a budget of Rs.30 lakhs.
22	1991-92	Whole construction of building has completed with lockers , lift and other adequate facilities, programme of coronation was fulfilled on 14.8.1992.
23	1993-1994	Received a permission for opening a new branch in rual area-Dhavali

IMPORTANT FEATURE-RELIGIOUS INTEGRATION

Religious integration is one of the most notable feature of YSB. The bank observes equal status for every religious and casts. The bank observes secularism, there are Hindus, Muslims, Christians and backwards these all are members of the bank. On account of religious integration the bank celebrates Ganesh Festival, Moharam , Christmas etc.

Especially, in Ganesh Festival the bank donates Mahprasaã and in Moharam the bank donates Sarbat.

3.6 PERFORMANCE OF YSB

Yashwant Nagari Sahakari Pat Sanstha converted into bank in 1983. This shows its good performance and continuous and constantly progress. For the purpose of analysis of performance, following parameters are may be used.

- a) Increase in membership
- b) Increase in share capital
- c) Increase in working capital
- d) Increase in deposits of the bank
- e) Increase in Reserve funds and other reserve
- f) Increase in Investment
- g) Loans and advances to the borrowers
- h) Overdues and receivable loans
- i) Net preofit
- j) Audit class/market/grades

Now above stated performance we can see in detail

a) **Membership**

In case of co-operative sector membership is a crucial aspect as it exhibits the participative efficiency of the organisation. Bank has also a need of working capital, so they issue shares and due to this members is changes. The YSB has also recorded a slow progress in this respect which is evidenced by the following Table.

Table 3.3

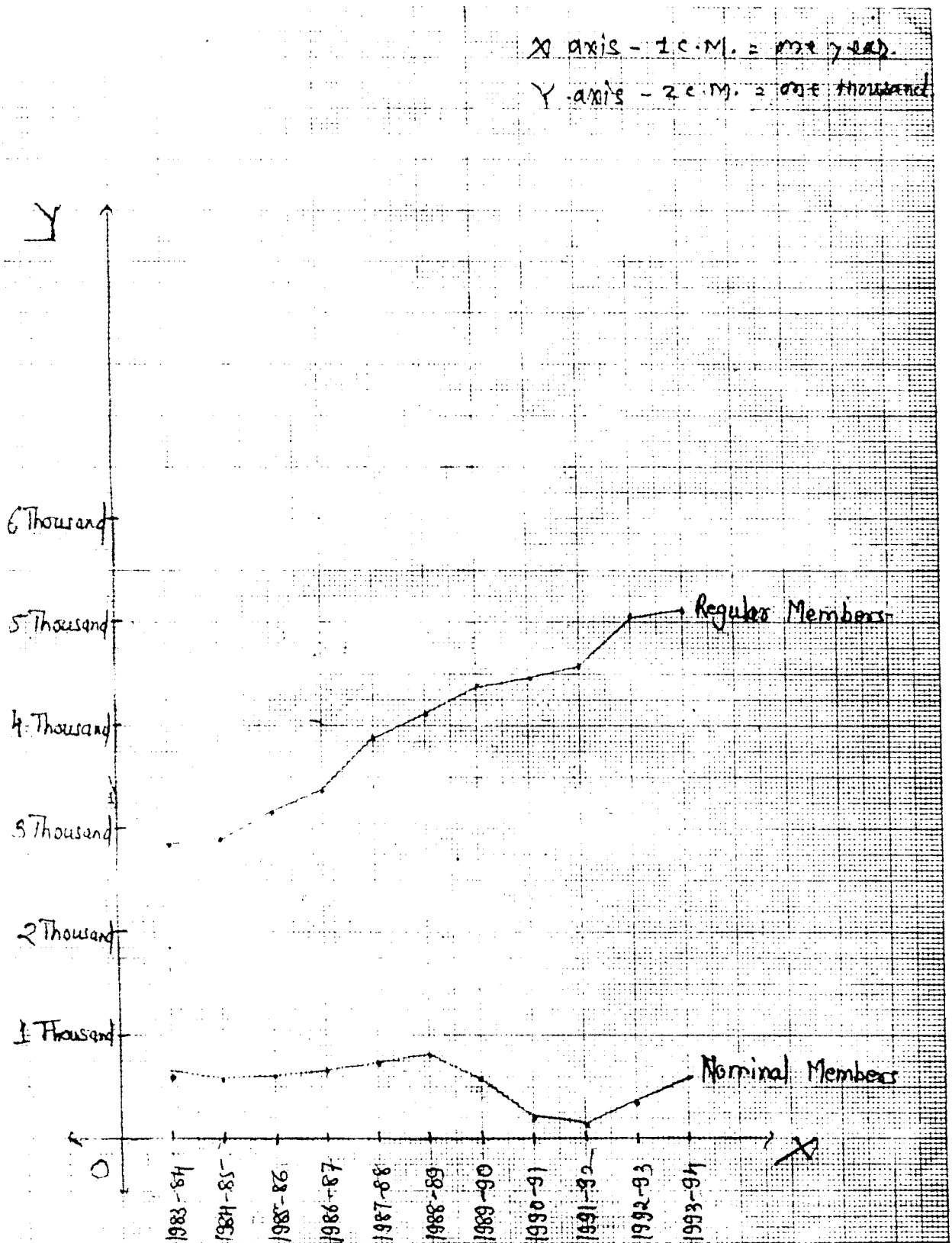
MEMBERSHIP OF THE YSB

Year	Membership		Growth index base year 1983-84,100	
	Regular	Nominal	Regular	Nominal
1983-1984	2,830	546	100%	100%
1984-1985	2,963	510	104%	93%
1985-1986	3,225	512	104%	94%
1986-1987	3,446	524	122%	96%
1987-1988	3,928	612	139%	112%
1988-1989	4,130	725	196%	133%
1989-1990	4,255	512	150%	94%
1990-1991	4,465	281	158%	51%
1991-1992	4,670	255	165%	47%
1992-1993	5,015	452	177%	83%
1993-1994	5,045	641	178%	117%

Source : Annual Report of YSB

Members of Y.S.B.

GRAPH NO. - 1.



Above table shows that the membership of YSB has been increasing slowly since 1983-1984 from 2830 members to 5,045 members. In the year 1993-94 resulting 178% increase in comparison with the membership of 1983-84. For clear picture see graph No.1.

b) **Share Capital**

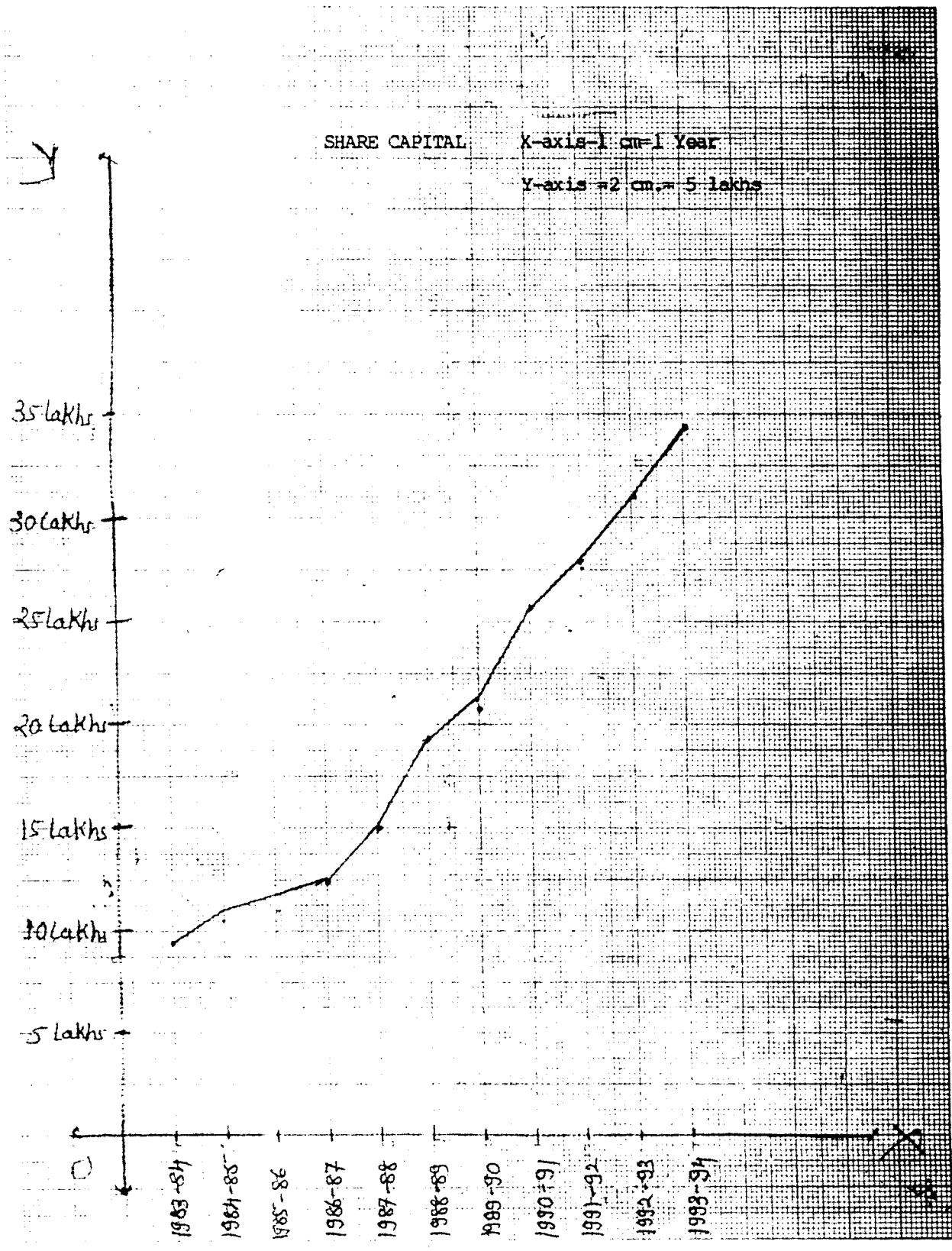
Capital is equally important in the business as blood in human body. Share capital is a backbone of the financial institutions. Following table shows the growth in share capital of YSB.

Table 3.4
TABLE SHOWING SHARE CAPITAL OF YSB

Year	Share Capital	Growth index base Year 1983-84-100
1983-84	1,19,950	100
1984-85	10,49,025	114
1985-86	11,96,000	130
1986-87	13,63,625	148
1987-88	15,99,250	174
1988-89	19,03,375	207
1989-90	22,87,250	249
1990-91	26,72,025	290
1991-92	28,72,600	312
1992-93	31,86,250	346
1993-94	34,41,225	374

Source : Annual Report of YSB.

GRAPH NO-2.



Share capital of YSB, has increase since 1983-84 from Rs. 9,19,950 to Rs. 34,41,225. For the year 1993-94 resulting Rs. 25,21,275 increase as compared to the share capital of the year 1983-84. The growth index of share capital comes to 374. For clear picture see graph No.2.

c) Working Capital

Working capital plays an important role in the banking business. The turnover of banking business is depended upon the working capital. So the maximum utilisation of working capital is quite essential.

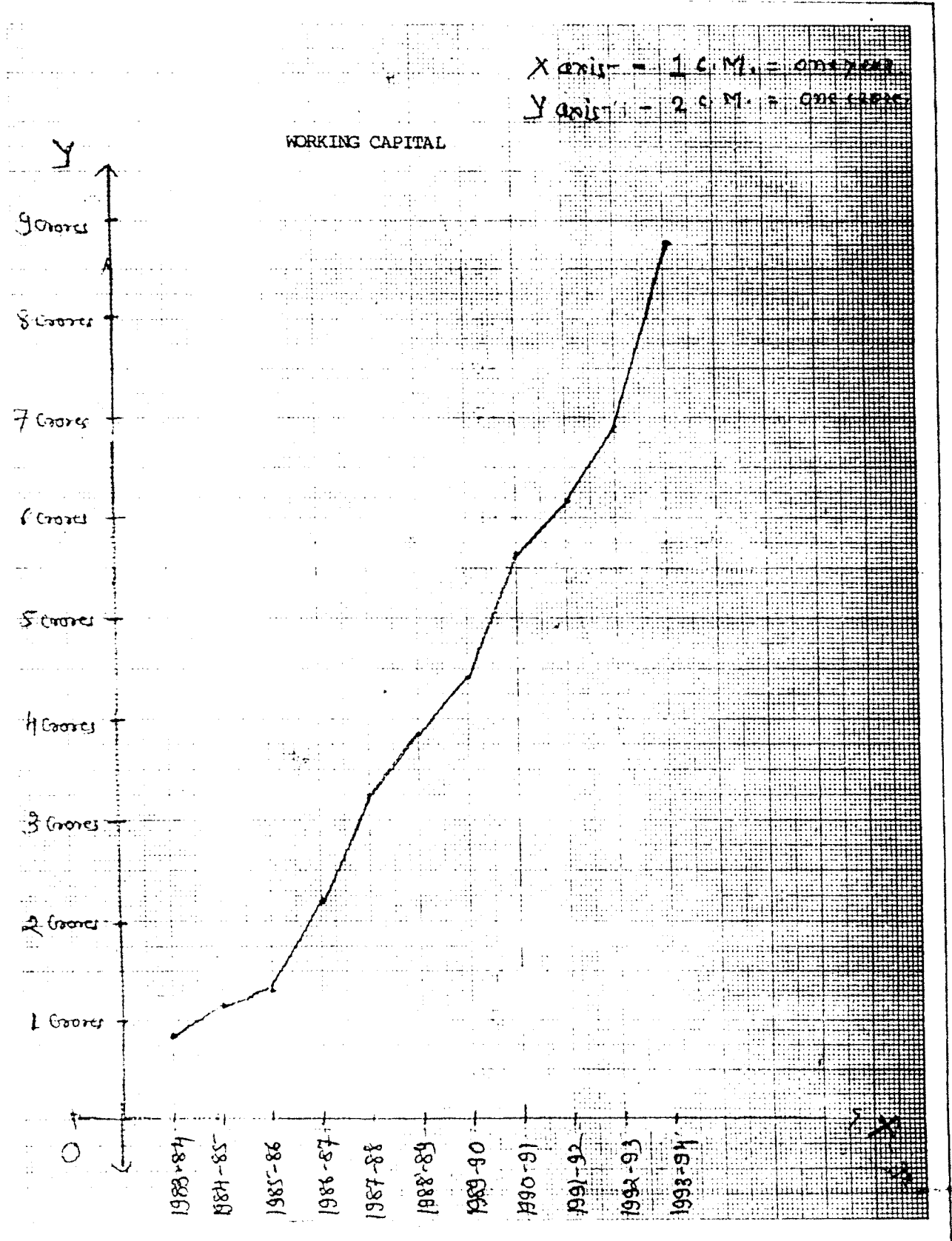
Working capital is the indicator which show the progress of bank. The following figures give a clear and concise idea about the strong position of the working capital of the bank.

Table 3.5
TABLE SHOWING WORKING CAPITAL OF YSB

Year	Working capital in Rs.	Growth Index Base Year 1983-84 100
1983-84	86,54,412	100%
1984-85	1,03,85,696	119%
1985-86	1,19,82,398	137%
1986-87	2,17,01,268	250%
1987-88	3,22,78,316	371%
1988-89	3,99,36,394	459%
1989-90	4,42,19,000	509%
1990-91	5,65,42,255	650%
1991-92	6,22,26,000	716%
1992-93	6,91,43,000	795%
1993-94	8,75,00,000	1,006%

Source : Annual Report of YSB

GRAPH NO.



The above table shows the working capital of YSB for the period under study. From the above table it is clear that there is consistent increase in the amount of working capital of YSB, from Rs. 86,54,412 in the year 1983-84 to Rs. 6,91,43,000 in the year 1992-93. The growth index in 1993-94 is 1,006. It is an impressive achievement (quite satisfactory condition)

d) DEPOSIT GROWTH

The main object of the bank is to maintain public confidence. Without public confidence the bank can not run satisfactorily. Deposits are one of the main sources of the banking activities. This bank has attained considerable amount of sources in attracting more deposits by opening branches in the areas of the active trade centers of the city.

The bank has adopted the following various schemes for collecting deposits.

- i) Fixed deposits,
- ii) Saving deposit,
- iii) Current deposit
- iv) Recurring deposit,
- v) M.F.D.scheme,
- vi) Jantha Deposit scheme
- vii) Corporation deposit,
- viii) Yashwant cash certificates

In the table No. 3.6 shows the position of the growth in deposits of the bank.

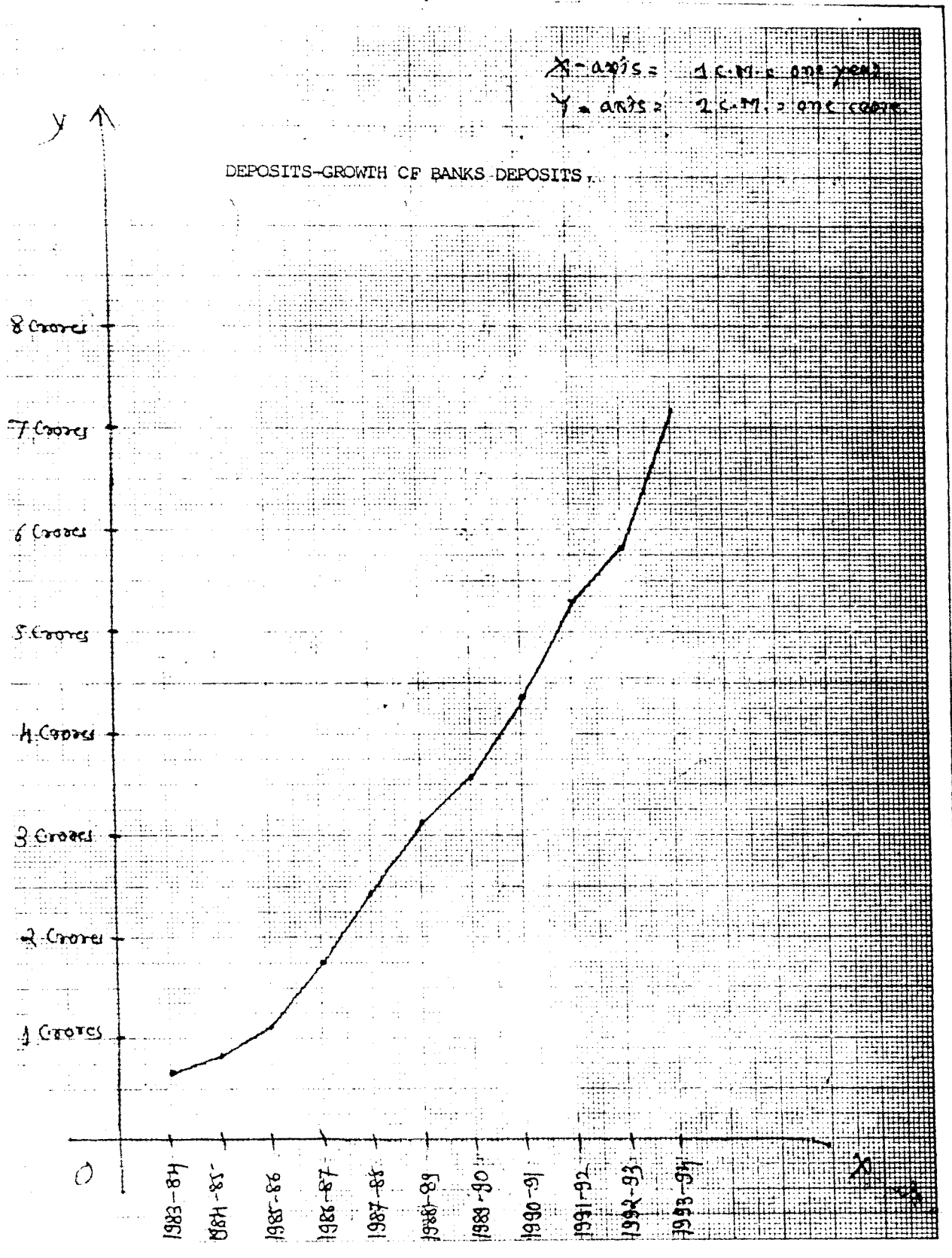
The table shows that the deposits of the banks are increasing constantly. However, the bank is running smoothly in mobilizing of deposits from the public, by adopting all these deposit schemes the bank has collected a deposits of Rs. 7,23,41,063 by the end of 1993-94.

Table 3.6
TABLE SHOWING THE POSITION OF DEPOSITS OF YSB

Year	Amount of deposits	Growth
1983-84	57,44,866	100%
1984-85	69,43,364	120%
1985-86	1,16,44,597	202%
1986-87	1,75,97,628	306%
1987-88	2,47,83,926	430%
1988-89	3,09,05,570	537%
1989-90	3,68,14,700	639%
1990-91	4,37,13,673	759%
1991-92	4,78,83,146	832%
1992-93	5,38,75,124	936%
1993-94	7,23,41,063	1257%

Source : Annual Report of YSB

GRAPH NO -



The bank has played prominent role in mobilising the savings from rural and urban area.

There is a continuous rise in deposits of YSB. The amount is utilised for the development of weaker section. In the year 1983-84 bank had collected Rs. 57.44 lakhs in the form of deposits and in 1993-94 bank had collected Rs. 723.41 lakhs. The growth index of deposits in 1993-94 is 1257.

e) Reserve Fund and Other Reserves

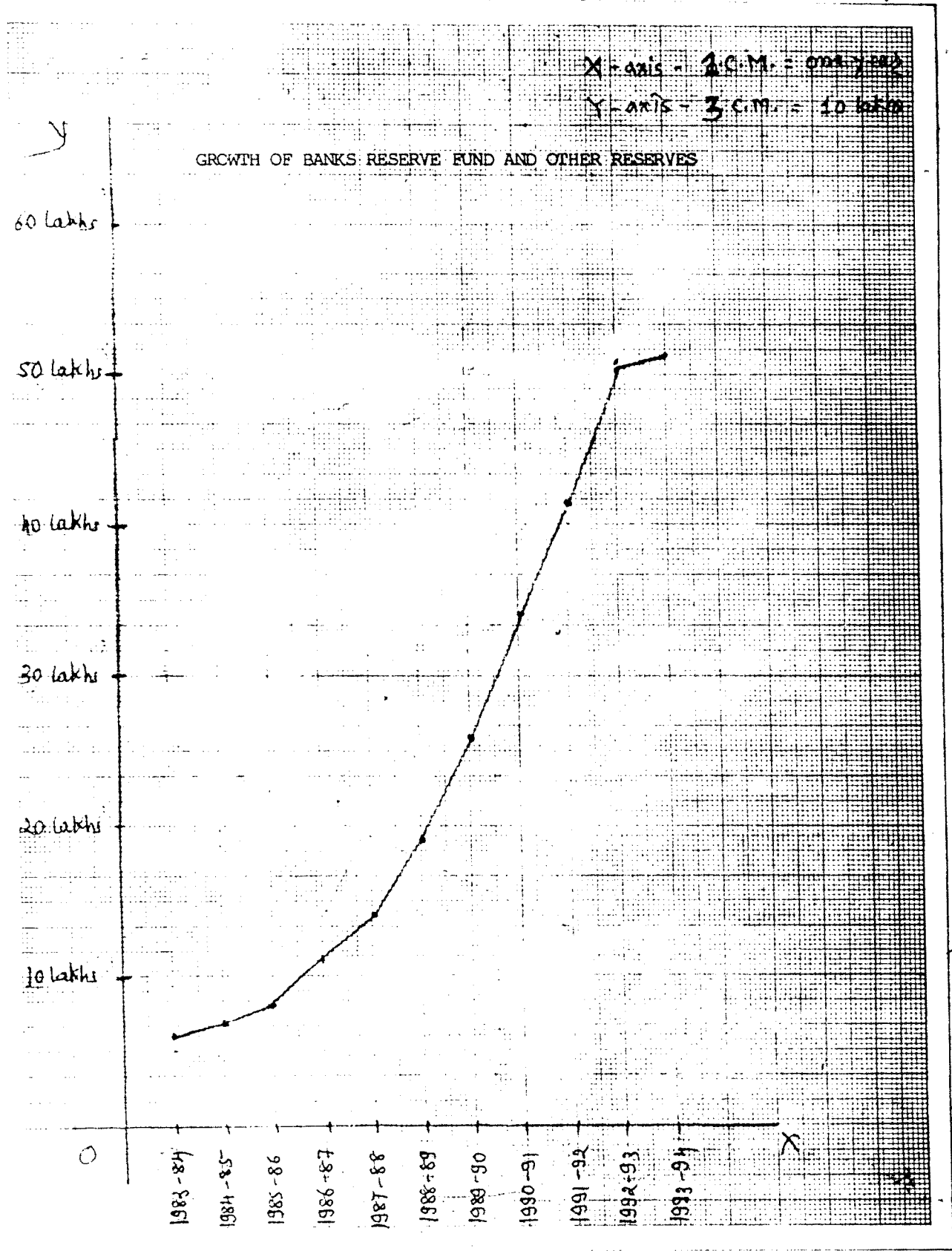
The reserve is the fund set aside from the profits of the bank to meet contingencies in future. Thus, reserve is nothing but, retained profits. The creation of reserves out of the profit is no doubt a different kinds of reserves depending upon the nature of organisation.

The following table shows reserve fund and other reserves of YSB.

Table 3.7
TABLE SHOWING RESERVE FUND OTHER RESERVES OF YSB

Year	Amount in lakhs	Growth Index base year 1983-84 100
1983-84	6.62	100
1984-85	6.90	104
1985-86	8.52	128
1986-87	10.74	162
1987-88	13.95	210
1988-89	19.76	298
1989-90	26.21	404
1990-91	34.48	520
1991-92	43.85	662
1992-93	50.49	762
1993-94	51.11	772

GRAPH NO.



RESERVE FUND AND OTHER RESERVE

1) There is a continuous rising trend in reserve from its establishment. In the year 1983-84 reserve was Rs. 6.62 lakhs and in the year 1993-94 Rs. 51.11 lakhs. The growth index of reserve is 772.

2) Every years bank set aside 25% of its profits to reserve fund which is compulsory by the Banking Regulation Act.

3) From the year 1989-90 bank has increased amount of Reserve Fund and other reserves.

f) Investments

Investment shows an idea of earning capacity of the institution by way of interest and the degree of liquidities of its resources.

Investment is one of important asset of the bank. The bank may invest their funds in,

- i) Share of other banks,
- ii) Bonds and debentures of Govt. and companies etc.

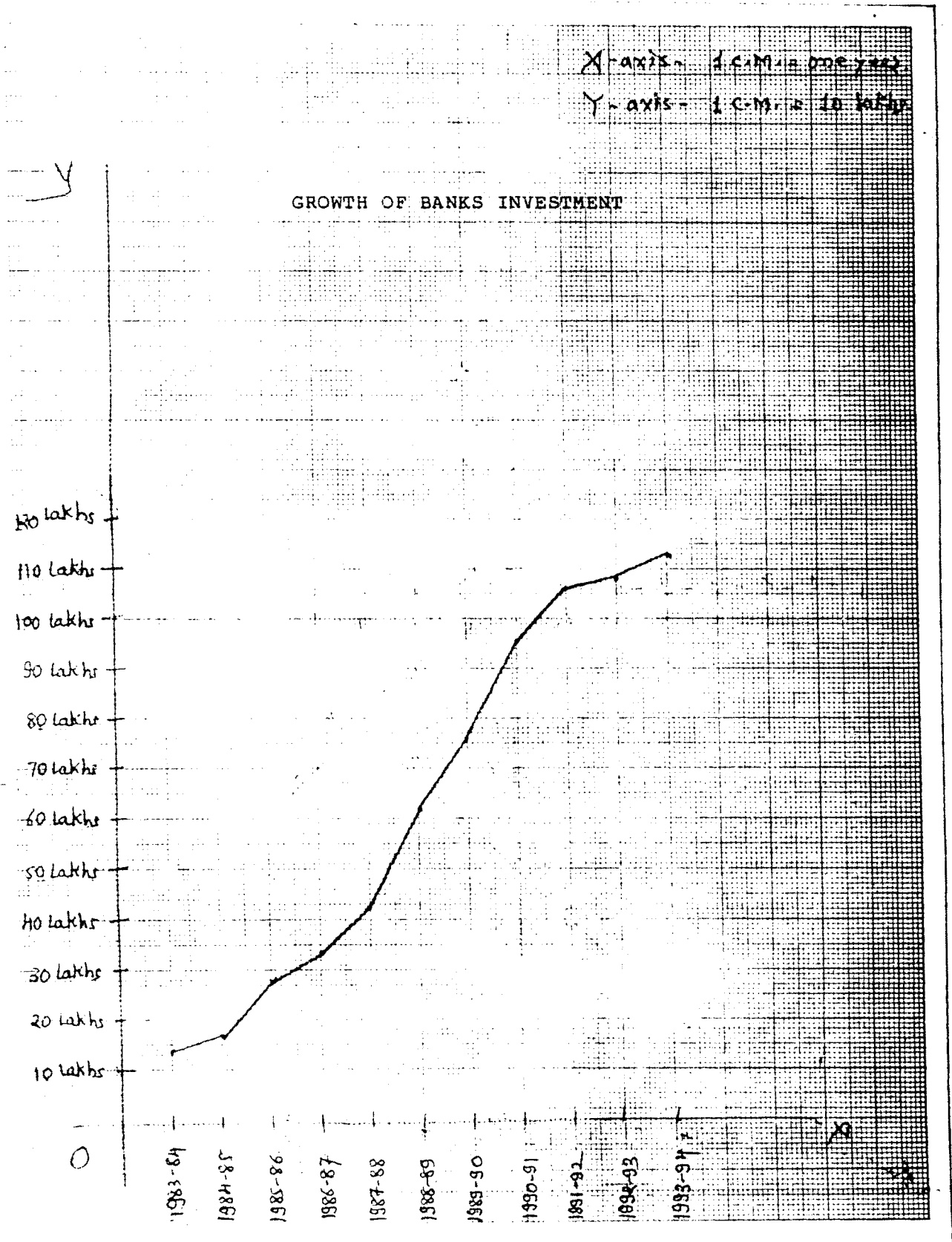
Investment shows the banks liquidity and profitability position. So making investment is essential. The following table shows investment attitude of the bank.

Table 3.8
TABLE SHOWING INVESTMENT ATTITUDE OF THE BANK
(Rs. in lakhs)

Year	Investment in			Total
	Govt. Bonds	Shares	Term & other Deposit	
1983-84	0.10	0.40	13.28	13.78
1984-85	0.10	0.40	15.08	15.98
1985-86	0.15	0.45	27.82	28.42
1986-87	0.15	0.45	32.26	33.86
1987-88	0.30	0.90	41.41	42.61
1988-89	0.40	1.04	59.97	61.42
1989-90	0.60	1.19	73.61	75.40
1990-91	0.60	1.34	93.31	95.25
1991-92	0.80	1.34	104.37	106.51
1992-93	0.80	1.34	107.77	109.91
1993-94	0.90	1.44	109.81	112.15

- 1) Investment in Government bonds of State and National Govt. has increased constantly.
- 2) Out of the total investment bank has invested maximum amount in term deposits and other deposits as compare to investment in shares and Govt. bonds.
- 3) During the period under review,
 - a) Total investment are increased by near about nine times.

GRAPH NO -



- b) Investment in Govt. bonds are increased by nine times.
- c) Investment in shares are increased near about four times.
- d) Investment in term and other deposits are increased near about eight times.
- 3) During the period under review, the rise of investment in Government Bonds, shares and other deposits are 9 times, 4 times and 8 times respectively.
- g) **Loans and Advances to the Borrowers**

The most important function of the bank is to provide loans and advances to the borrowers. The bank provides loan for productive and non productive purposes. Generally, bank provides loan in the form of cash credit, clean loan and secured loan.

According to the by-laws of the bank (11(57 to 9) it provides loan for commercial purposes, development of small scale industries. The Table No. 3.9. shows the position of loan and advances of YSBs from 1983-84 to 1993-94.

The co-operative banking structure in our country is originated from rural economy and agricultural credit. Co-operatives are the backbone of the development of rural sector. The bank has adopted three tier loan structure.

The Table NO. 3.9 shows the position of loans and advances of YSB's from 1983-84 to 1993-94.

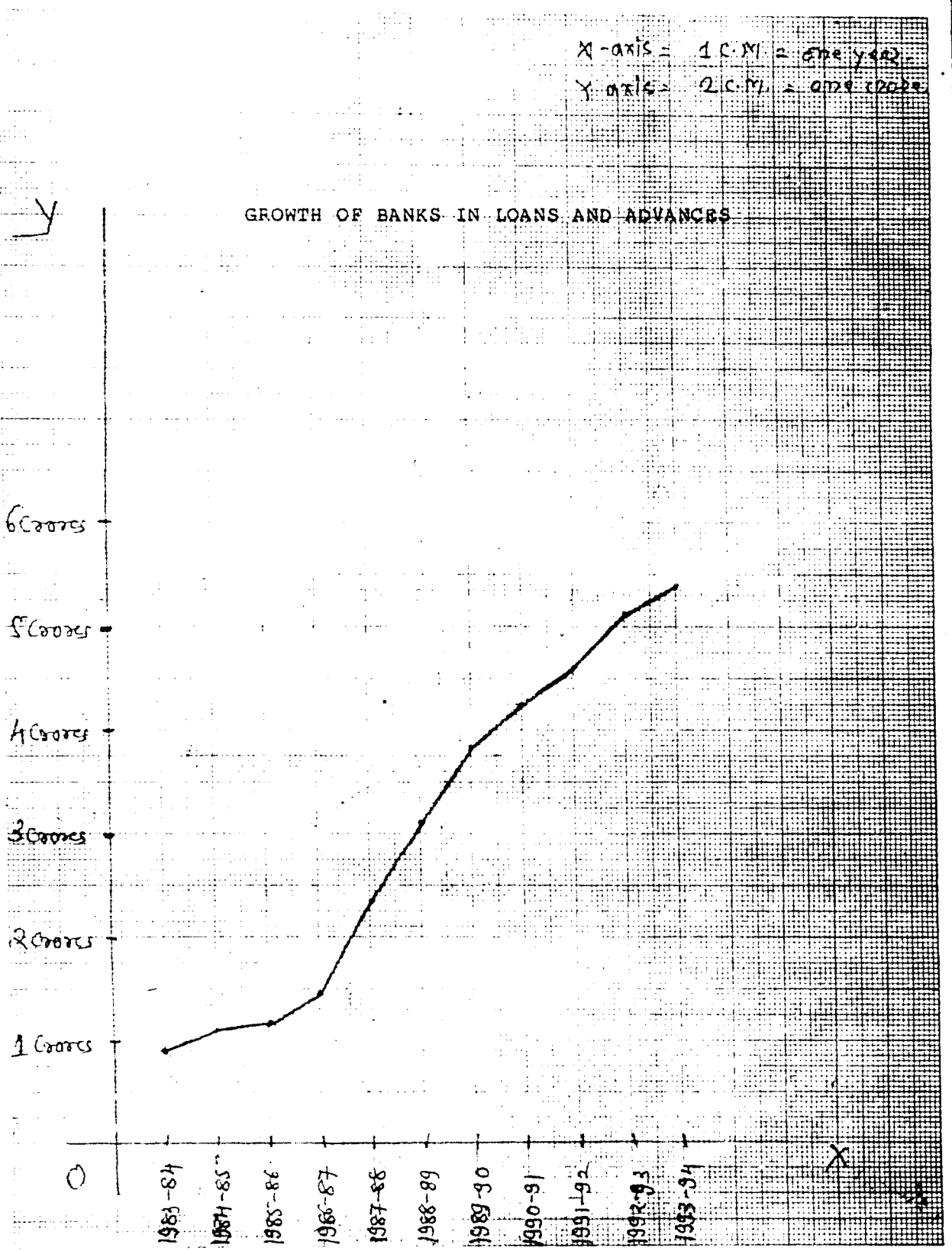
Table 3.9
TABLE SHOWING LOANS AND ADVANCES BY THE BANK

Year	Loans and Advance		Total
	Securd loans	Unsecured	
1983-84	60,60,400	30,20,000	90,80,400
1984-85	66,02,600	35,07,400	1,01,10,000
1985-86	79,40,242	40,42,000	1,20,22,242
1986-87	97,42,046	52,42,407	1,49,84,543
1987-88	1,67,76,208	69,44,102	2,37,20,310
1988-89	2,20,64,935	89,88,745	3,10,53,680
1989-90	2,47,24,892	1,07,34,939	3,54,59,831
1990-91	3,05,96,398	1,20,62,866	4,26,59,265
1991-92	3,10,27,157	1,43,04,187	4,53,31,344
1992-93	3,48,60,787	1,53,86,084	5,02,46,871
1993-94	3,75,91,688	1,67,31,285	5,43,22,973

Source : Annual Report of YSB

Table No.3.9 shows that the loans are classified into secured loans and unsecured loans.

From the above table it is observed that each and every year bank has financed two time, secured loans than that of unsecured loan.



g)(ii) LOANS AND ADVANCES TO THE DIRECTORS OF THE BANK
AND RELATIVES OF DIRECTORS

Loans and advances are also provided to the directors in addition to the relatives of The Board of directors. This has done under the provision of Maharashtra Co-operative Co-operatives Act 1960 under section 75/2.

Table 3.10
TABLE SHOWING LOANS AND ADVANCES PROVIDED TO THE
DIRECTORS AND THEIR RELATIVES

Year	Directors of the Bank	Relatives of Directors	Overdues/Amount outstanding from Directors	Relatives
1983-84	3.22	0.80	1.82	0.30
1984-85	4.55	0.90	2.99	0.35
1985-86	6.33	1.02	4.88	0.54
1986-87	9.36	1.54	5.85	1.68
1987-88	14.52	1.99	11.94	6.33
1988-89	16.65	2.75	14.61	5.19
1989-90	19.28	4.42	17.21	3.00
1990-91	22.44	5.45	11.54	3.66
1991-92	17.62	2.75	17.22	2.88
1992-93	14.30	0.70	13.70	1.14
1993-94	24.99	0.02	25.08	0.43

Source : Annual Reports of YSB

Above table shows YSB's lending policy towards directors and their relatives.

Directors overdues/outstanding is constantly increase therefore, the banks to pay special attention towards overdues.

h) OVERDUES

Loans are given by the bank against security.

The following table Table No. 3.11 shows banks overdues with its percentage. While giving loans, banks must think about the recovery of the loan in a specified time. As the loans are not recovered in a given specified time, the loan amount which is outstanding is treated as overdues. For minimising overdues the bank has to take proper actions.

Table 3.11
TABLE SHOWING OVERDUES OF YSB

Year	Overdues		Total over- dues	Growth index base year 1988-89 100
	Secured	Unsecured		
1983-84	28992	46608	370000	100
1984-85	42312	68188	390000	106
1985-86	80522	120598	380120	102
1986-87	142786	198904	401690	108
1987-88	202900	229222	432122	117
1988-89	303334	428354	731688	118
1989-90	398291	634693	1032984	279
1990-91	680109	1228103	1908212	515
1991-92	1128144	1414111	2542255	687
1992-93	1425848	1470364	2896213	782
1993-94	3823867	2155823	5979690	1616

Source : Annual Reports of YSB.

The bank has been remained in a continuous increases overdues and in the year 1993-94 it is tremendous overdues i.e. Rs. 5979690/- which is not fair suitable for banking business, the bank has essential to pay their special attention towards overdues.

i) NET PROFIT AND AUDIT GRADE

Table 3.12

TABLE SHOWING NET PROFIT AND AUDIT GRADE RECEIVED

Year	Net profit	Growth index base year 1983-84, 100	Audit Grade
1983-84	91345	100	A
1984-85	233556	255	A
1985-86	311698	341	A
1986-87	383447	419	A
1987-88	601895	659	A
1988-89	734973	804	A
1989-90	978124	1070	A
1990-91	1024148	1121	A
1991-92	1009734	1105	A
1992-93	630883	690	A
1993-94	- 3948538 (loss)	-4322 (loss)	A

Source : Annual Reports of YSB.

Above table deals with Net profit or net loss and audit grade received to the bank.

After conversion of primary co-operative society into Bank, the bank is leading always in profit. In 1983-84 the bank has earned Rs. 91345 as a Net Profit and in 1991-92 Rs. 1009734. Upto 1990-91 there was a continuous increase in a profit. But in next two year the profit has been decreased. Surprisingly during 1993-94 the bank has suffered a heavy ^{loss} for Rs. 3948538.

j) STRENGTH OF STAFF AND MANPOWER

Table 3.13
TABLE SHOWING THE STRENGTH OF STAFF OF YSB

Year	Managers & officers	Clerical staff		Total
1983-84	4	19	9	32
1984-85	4	19	9	32
1985-86	4	21	10	35
1986-87	5	20	12	37
1987-88	6	22	14	42
1988-89	6	26	17	49
1989-90	7	25	17	49
1990-91	8	25	17	50
1991-92	9	26	19	54
1992-93	9	28	21	58
1993-94	10	33	21	64

Source : Annual Reports of YSB.

The above table reflects there is a continuous increase in total numbers of staff. This increase may be due to increasing in banking business.

OVERALL PROGRESS OF THE BANK

Progress and performance of the bank in respect of Membership. The overall progress in share capital, working capital, reserve, deposits, loans and advances, profits, manpower and branch offices during the period of last 28 years i.e. from 1966-67 to 1993-94. is shown in the table No. 3.14.

Table 3.14
TABLE SHOWING PROGRESS OF YASHWANT SAHAKARI BANK LTD., MIRAJ (Rs. in lakhs)

Sr. No.	Year	No. of Members	Authorised share capital (lakhs)	Paid up share capital	Reserve fund	Other reserve	Investment	Deposit	Loans	Profit Rate of dividend (%)	Working capital	Class of Audit	Branches including H.O.
1	1966-67	477	3	0.37	0.01	-	-	0.27	1.21	-	1.88	A	1
2	1967-68	784	3	0.87	0.01	-	-	0.61	3.25	0.11	3.63	A	1
3	1968-69	934	3	1.71	0.12	-	-	1.25	5.52	0.17	8.32	A	1
4	1969-70	1397	3	1.99	0.09	0.21	0.13	1.56	7.48	0.32	8.57	A	1
5	1970-71	1407	3	2.74	0.17	0.34	0.19	1.64	7.82	0.36	12.17	A	1
6	1971-72	1639	3	2.89	0.26	0.58	0.23	2.25	11.96	0.41	11.97	A	1
7	1972-73	1640	3	2.87	0.37	0.71	0.56	3.67	10.66	0.38	14.48	A	1
8	1973-74	1666	5	4.75	0.47	0.83	0.79	4.85	12.14	0.42	16.50	A	1
9	1974-75	1787	5	4.83	0.60	0.88	0.81	4.94	14.43	1.04	21.40	A	2
10	1975-76	1806	6	5.17	0.88	1.26	1.21	6.00	17.78	0.95	24.46	A	2
11	1976-77	1839	6	5.38	1.13	1.57	1.41	8.58	19.91	0.76	26.89	A	2
12	1977-78	1946	6	5.41	1.34	1.57	1.65	11.37	20.74	0.85	31.09	A	2
13	1978-79	1971	6	5.64	1.58	1.71	1.83	14.80	24.08	1.05	37.10	A	2
14	1979-80	2185	6	5.99	1.85	1.79	2.15	19.32	27.59	1.03	45.41	A	2
15	1980-81	2392	6	5.94	2.13	2.22	2.46	26.34	34.41	1.31	55.07	A	2
16	1981-82	2713	6	5.88	2.48	2.57	2.90	31.92	41.24	1.36	65.42	A	3
17	1982-83	2802	25	8.39	2.84	2.65	7.88	41.12	44.89	1.64	86.94	A	3
18	1983-84	2830	25	9.20	3.27	3.35	13.78	57.45	61.51	0.91	103.85	A	3
19	1984-85	2963	25	10.49	3.55	3.35	15.98	69.43	76.82	2.34	150.13	A	3
20	1985-86	3152	25	11.96	4.22	4.30	20.76	116.45	106.88	3.12	217.58	A	3
21	1986-87	3446	25	13.64	5.01	5.73	32.86	175.98	114.85	3.83	324.23	A	3
22	1987-88	3666	25	15.99	6.00	7.10	44.87	247.84	236.60	6.02	499.36	A	4
23	1988-89	4130	25	19.03	6.55	11.42	61.42	309.25	309.66	7.34	469.76	A	4
24	1989-90	4198	25	22.82	10.62	13.97	75.41	436.35	154.60	9.73	563.07	A	4
25	1990-91	4438	50	29.72	13.10	20.71	95.25	430.95	426.59	10.24	622.26	A	4
26	1991-92	4570	50	78.72	15.59	29.16	109.51	479.83	453.31	10.16	691.43	A	4
27	1992-93	5015	50	31.86	20.56	39.09	109.94	538.75	502.47	6.31	875.90	A	4
28	1993-94	5645	50	34.41	43.41	51.06	117.19	723.41	543.23	39.49			

Source: Compiled from Reports and Office Records of BSB.