

CHAPTER V
DATA ANALYSIS
AND INTERPRETATION

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CHAPTER V

DATA ANALYSIS AND INTERPRETATION

5.1 INTRODUCTION

The purpose of this chapter is to present the information collected from the urban co-operative credit societies and analyse the same to determine the feasibility and financial viability of these societies. Human aspects of urban co-operative credit societies are also analysed in this chapter. In Wai, city 24 urban co-operative credit societies are presently working which can be regarded as the universe for this study. Out of which 8 urban co-operative credit societies are randomly selected for study.

Following are the eight urban co-operative credit societies selected for study –

1. Shree Ganesh Nagri Co-operative Credit Society Ltd., Wai. Dist – Satara.
2. Indira Mahila Nagri Co-operative Credit Society Ltd., Wai. Dist – Satara.
3. Bhairavnath Nagri Co-operative Credit Society Ltd., Wai. Dist – Satara.
4. Krishnai Co-operative Credit Society Ltd., Wai. Dist – Satara.
5. Viratnagri Co-operative Credit Society Ltd., Wai. Dist – Satara.
6. Utkarsh Nagri Co-operative Credit Society Ltd., Wai. Dist – Satara.
7. Kalptaru Co-operative Credit Society Ltd., Wai. Dist – Satara.
8. Hidayat Nagri Co-operative Credit Society Ltd., Wai Dist – Satara.

5.2 SOURCES OF FUNDS OF URBAN CO-OPERATIVE CREDIT SOCIETIES.

Finance is the most essential thing for the success of urban co-operative credit societies. These societies are built on the strong foundation of the finance. Without finance, these societies would be lifeless. The viability of urban co-operative credit societies mostly depend on availability of finance.

Finance is required in these societies especially to meet recurring and Non-recurring expenditures. Recurring expenditure represents money required to meet

running expenses of urban co-operative credit society e. g. salary of staff, rent, printing and stationary, postage and telephone, electricity charges, interest paid, audit fees, etc. Non- recurring expenditure includes money invested in furniture, machinery, dead stock, books and journals, etc. Finance is important for proper functioning of urban co-operative credit societies so it is necessary to analysis the major sources of finance of urban co-operative credit societies. Following are the three major sources of fund for any urban co-operative credit society.

- 1) Share Capital
- 2) Reserves and Surplus
- 3) Deposits

5.2.1 COMPARATIVE ANALYSIS

1. Share Capital.

Capital can be regarded as base of any business unit. Without capital any form of business unit cannot be formed. Capital contributes a big share of funds in total sources of funds. Therefore, capital is very important source of fund for business unit. Capital of urban co-operative credit society is collected through issue of shares. Share capital and growth rate of share capital of selected urban co-operative credit societies are shown in table 5.1.

Explanation

Table 5.1 shows Share capital and growth rate of share capital of selected urban co-operative credit societies. It is clear from table 5.1 that, the share capital of urban co-operative credit society shows constant increase in the amount of share capital with one exception of decrease in the share capital. Share capital shows positive growth rate, but it fails to show the trend of growth. To determine trend of growth with the help of above numerical data we calculate progressive average of growth rate of capital. Table 5.2 shows value of growth rate and its progressive averages of Share Capital.

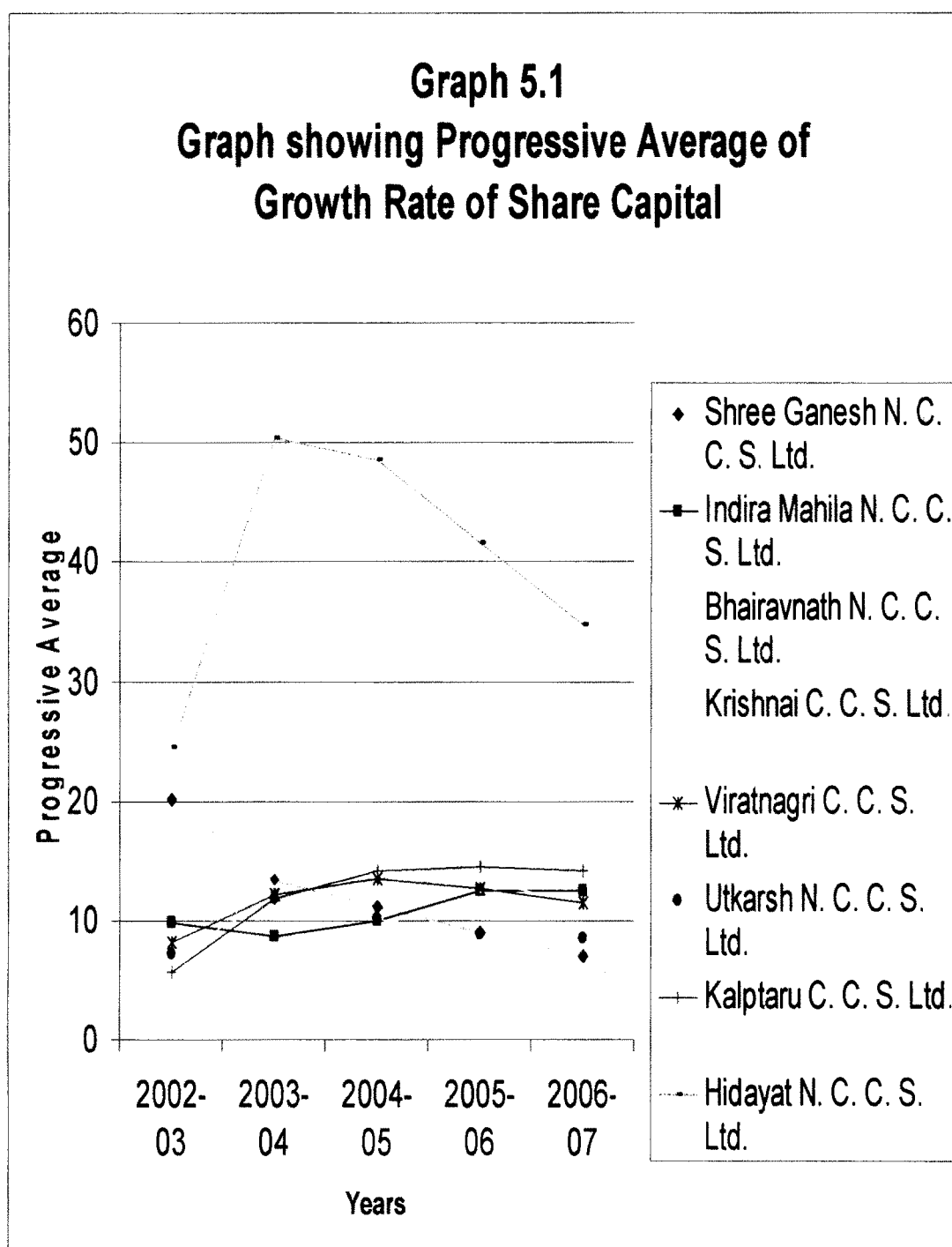
Table 5.1
Share Capital and Growth Rate of Share Capital of selected Urban Co-operative Credit Societies

Name of urban co-op credit society	Years									
	2002-03		2003-04		2004-05		2005-06		2006-07	
	Paid up Capital (Rs.)	Growth Rate %	Paid up Capital (Rs.)	Growth Rate %	Paid up Capital (Rs.)	Growth Rate %	Paid up Capital (Rs.)	Growth Rate %	Paid up Capital (Rs.)	Growth Rate %
Shree Ganesh N. C. C. S. Ltd.	33,65,200	20.05	35,89,300	6.65	38,38,900	6.89	39,24,200	2.27	38,87,100	-0.94
Indira Mahila N. C. C. S. Ltd.	9,71,200	9.87	10,41,800	7.26	11,74,500	12.73	14,09,500	20.00	15,90,600	12.84
Bhairavnath N. C. C. S. Ltd.	14,52,000	17.52	17,53,000	20.69	18,99,000	8.33	20,50,000	7.95	20,53,000	0.13
Krishnai C. C. S. Ltd.	18,95,200	12.46	21,45,500	13.20	24,61,500	14.72	29,17,300	18.51	37,21,300	27.55
Viratnagri C. C. S. Ltd.	11,22,700	8.13	12,63,500	16.26	14,64,600	15.91	16,17,800	10.46	17,31,300	7.01
Utkarsh N. C. C. S. Ltd.	36,76,300	7.14	42,08,000	16.51	44,83,300	6.54	47,15,800	5.18	50,65,700	7.41
Kalptaru C. C. S. Ltd.	2,34,200	5.73	2,76,100	17.89	3,27,900	18.76	3,77,900	15.24	4,28,400	13.36
Hidayat N. C. C. S. Ltd.	3,18,900	24.42	5,62,900	76.21	8,15,400	45.10	9,84,200	20.70	10,54,700	7.16

(Source – Annual Reports of Urban co-operative credit societies)

Table 5.2
Growth Rate and Progressive average of Share Capital of selected Urban Co-operative Credit Societies

Name of Urban co-operative Credit Societies																
Years	Shree Ganesh N. C. C. S. Ltd.		Indira Mahila N. C. C. S. Ltd.		Bhairavnath N. C. C. S. Ltd.		Krishnai C. C. S. Ltd.		Viratnagri C. C. S. S. Ltd.		Utkarsh N. C. C. S. Ltd.		Kalptaru C. C. S. Ltd.		Hidayat N. C. C. S. Ltd.	
	Growth Rate %	P. A.	Growth Rate %	P. A.	Growth Rate %	P. A.	Growth Rate %	P. A.	Growth Rate %	P. A.	Growth Rate %	P. A.	Growth Rate %	P. A.	Growth Rate %	P. A.
2002-03	20.05	20.05	9.87	9.87	17.52	17.52	12.46	12.46	8.13	8.13	7.14	7.14	5.73	5.73	24.42	24.42
2003-04	6.65	13.35	7.26	8.57	20.69	19.11	13.20	12.83	16.26	12.2	16.51	11.83	17.89	11.81	76.21	50.31
2004-05	6.89	11.20	12.73	9.95	8.33	15.51	14.72	13.46	15.91	13.43	6.54	10.06	18.76	14.13	45.10	48.57
2005-06	2.27	8.97	20.00	12.47	7.95	13.62	18.51	14.72	10.46	12.7	5.18	8.84	15.24	14.41	20.70	41.60
2006-07	- 0.94	6.98	12.84	12.54	0.13	10.92	27.55	17.29	7.01	11.55	7.41	8.55	13.36	14.20	7.16	34.71



Explanation

Graph 5.1 shows progressive average of growth rate of share capital of selected urban co-operative credit societies. Graph shows that, the progressive average of growth rate of share capital lies in 7% to 20%. It means general rate of growth in share capital of urban co-operative credit societies is 7% to 20%. There is one exceptional case of Hidayat Nagri Co-operative Credit Society Ltd. as this urban co-operative credit society is in its initial stage so it shows substantial rate of growth in amount of share capital.

2. Reserves and Surplus

Reserve means the amount of accumulated over the years out of undistributed profits. Reserve adds to the financial soundness of an urban co-operative credit society. The larger the reserve, greater shall be the confidence of the people in the co-operative credit society. The urban co-operative credit society has mandatory to transfer 25% of their net profit to Reserve fund. As the reserves are also important source of fund here, we analyze the data of reserve fund and dividend equalization fund of selected urban co-operative credit societies. Table 5.3 shows amounts of reserve fund of selected urban co-operative credit societies.

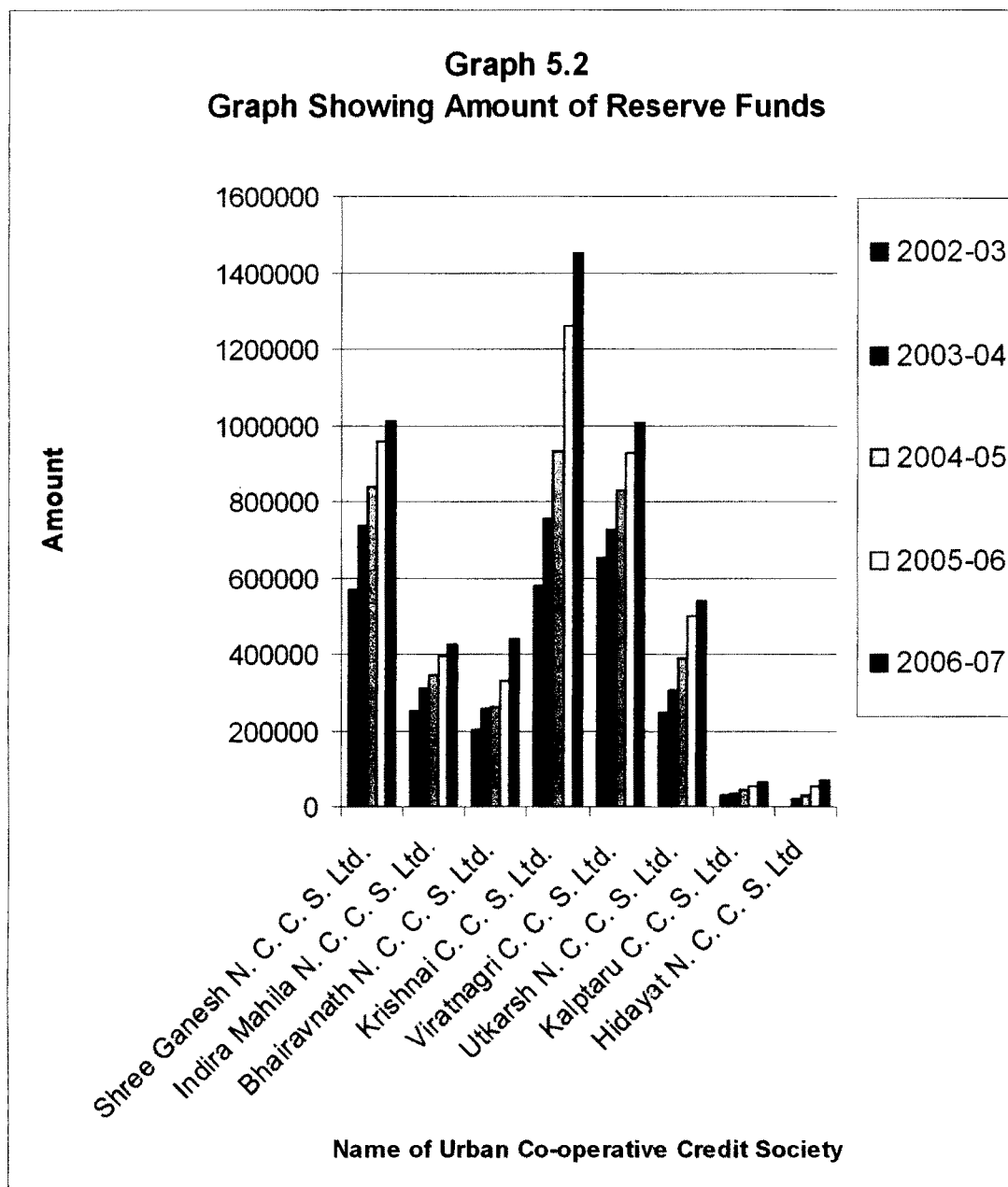
Table 5.3
Reserve Funds of selected Urban Co-operative Credit Societies
(Amounts in Rupees)

Name of Urban Co-operative Credit Society	Reserve Funds				
	2002-03	2003-04	2004-05	2005-06	2006-07
Shree Ganesh N. C. C. S. Ltd.	5,69,866.35	7,34,061.66	8,40,378.21	9,57,597.47	10,10,997.47
Indira Mahila N. C. C. S. Ltd.	2,51,396.05	3,09,278.76	3,45,460.76	3,93,046.76	4,22,999.76
Bhairavnath N. C. C. S. Ltd.	2,04,355.00	2,58,584.00	2,59,801.00	3,33,291.00	4,37,950.00
Krishnai C. C. S. Ltd.	5,77,220.00	7,57,760.00	9,35,220.00	12,57,091.00	14,52,540.00
Viratnagri C. C. S. Ltd.	6,52,020.46	7,24,506.30	8,30,544.30	9,27,843.30	10,05,654.30
Utkarsh N. C. C. S. Ltd.	2,48,287.30	3,04,232.30	3,91,932.30	4,98,672.40	5,37,095.15
Kalptaru C. C. S. Ltd.	29,655.00	35,955.00	42,152.00	52,579.00	64,845.00
Hidayat N. C. C. S. Ltd.	13,406.00	19,186.00	30,039.00	53,929.00	68,225.00

(Source – Annual Reports of Urban co-operative credit societies)

Explanation

Table 5.3 shows amounts of Reserve Funds of selected urban co-operative credit societies. It is clear from table that, the amount of reserves of each urban co-operative credit society increases every year. The growth in reserve funds depends upon amount of profit hence growth rate of reserve fund depends upon profit earned by urban co-operative credit societies. For compare growth in amount of reserve funds Graph 5.2 has been drawn.



Explanation

Graph 5.2 shows amounts of reserve funds of selected urban co-operative credit societies. Graph shows that, the amounts of reserve funds of each co-operative credit society increases during study period. Shree Ganesh Nagri, Krishnai and Viratnagri Co-operative Credit societies have large amount of reserve and show high rate of increase in amount of reserves as compared to other urban co-operative credit societies. Utkarsh Nagri, Bhairavnath and Indira Mahila Nagri Co-operative Credit societies have medium amount of reserve and shows medium rate of growth as compared to other urban co-operative credit societies. While Kalptaru and Hidayat Nagri Co-operative credit societies, have low amounts of funds and shows lower rate of growth as compared to other urban co-operative credit societies.

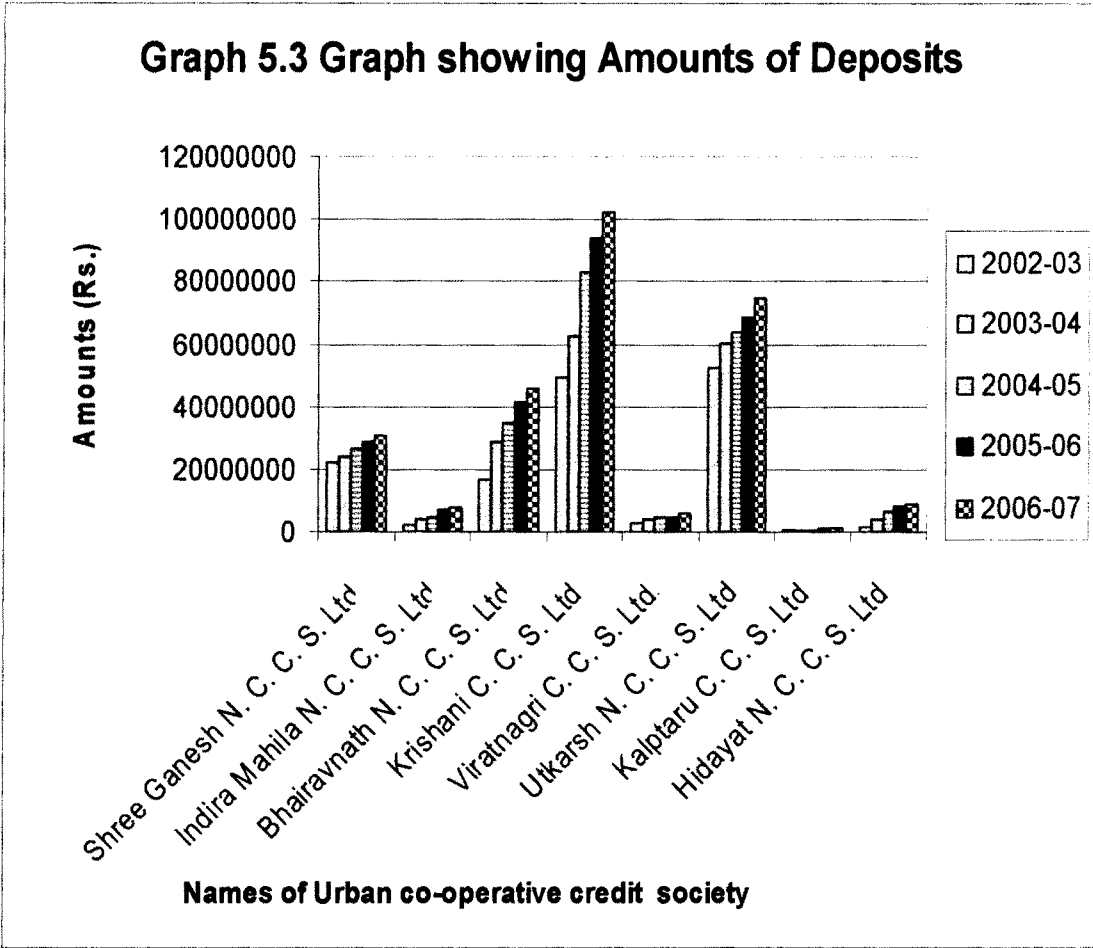
3. Deposits.

Deposits collected from the people are a major source of urban co-operative credit society's borrowed funds. Deposits constitute the bulk of urban co-operative credit society fund. Fund collected through deposits are generally used for investment and for generating income for urban co-operative credit society. Therefore, deposits constitute the working capital of an urban co-operative credit society. The efficiency of an urban co-operative credit society depends upon its ability to attract deposits. Table 5.4 shows amount of Deposits and growth rate of deposits of selected urban co-operative credit societies.

Explanation

Table 5.4 shows amount of Deposits and growth rate of deposits per year of selected urban co-operative credit societies. It is clear from table 5.4 that, the amounts of deposits accepted increase consistently but the rate of increase shows a great fluctuation i.e. there was no uniformity in collection of deposits, one year shows substantial growth rate while other year shows too little growth.

To understand the growth of amount in deposits Graph 5.3 has been drawn based on numerical figure in table 5.4.



Explanation

Graph 5.3 shows amounts of deposits of selected urban co-operative credit societies. Graph shows that, the amounts of deposits of each co-operative credit society increases during study period. Krishani, Utkarsh Nagri, Bhairavnath, and Shree Ganesh Nagri Co-operative Credit Society are four urban co-operative credit societies, which attract large amount of deposits. While Indira Mahila Nagri, Viratnagri, Kalptaru and Hidayat Nagri co-operative credit societies have comparatively attract less amounts of deposits.

5.2.2 INDIVIDUAL ANALYSIS.

1. SOURCES OF FUNDS OF SHREE GANESH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Shree Ganesh Nagri Co-operative Credit Society is well-established society in Wai city and working since last 17 years in the Wai city. Shree Ganesh Nagri Co-operative Credit Society has three branches including head office. Table 5.5 shows

the composition of sources of funds of Shree Ganesh Nagri Co-operative Credit Society Ltd.

Table 5.5
Composition of sources of Funds of Shree Ganesh Nagri Co-operative Credit Society

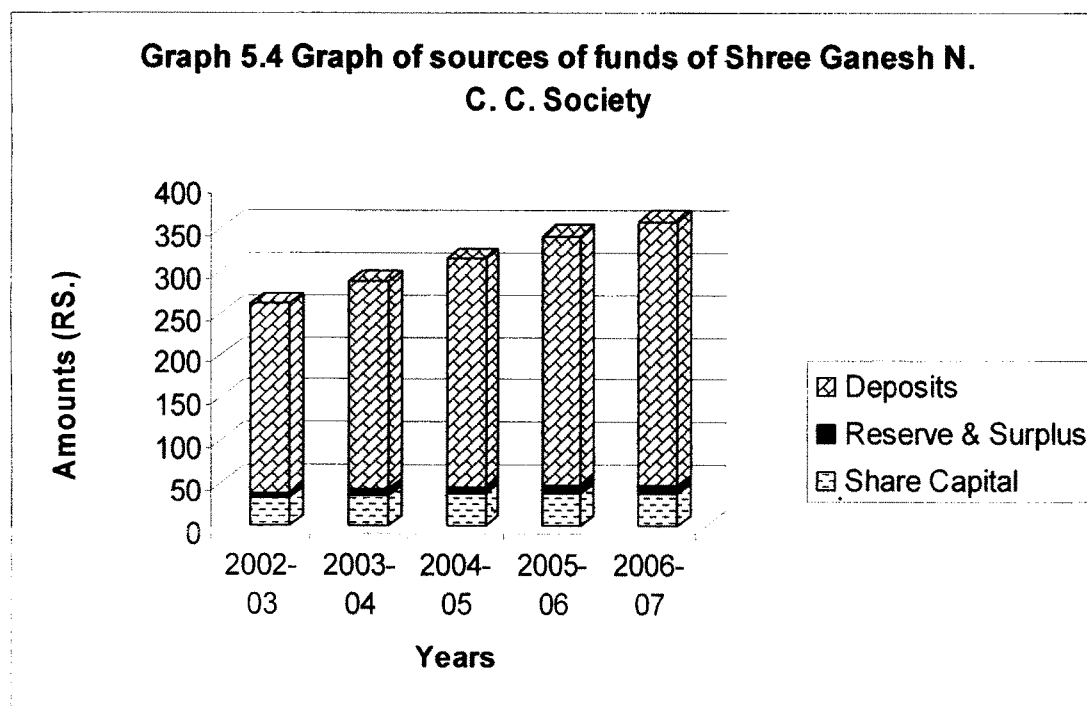
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Share Capital	33.65	35.89	33.38	39.24	38.87
Reserve & Surplus	5.69	7.34	8.40	9.57	10.10
Deposits	221.82	244.06	266.01	292.28	308.94
Total	261.16	287.29	312.79	341.09	357.91

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.5 shows composition of sources of funds of Shree Ganesh Nagri Co-operative Credit Society of five years. It is clear from table that, the share capital of society increased until year 2005-06 but in year 2006-07 it is fell by 37 thousand. On the other hand, amount of reserve and surplus and deposits accepted shows constant increase.



Explanation

Graph 5.4 shows composition of sources of funds of Shree Ganesh Nagri Co-operative Credit Society. Graph shows the funds of society increase every year. Society collects large amount of fund through deposits. While, share capital and reserves and surplus share little amount in total sources of fund. It means borrowed funds are large then owned fund.

2. SOURCES OF FUNDS OF INDIRA MAHILA NAGRI CO-OPERATIVE CREDIT SOCIETY.

Indira Mahila Nagri Co-operative Credit Society is well-established society in Wai city and working since last 17 years in the Wai city. Indira Mahila Nagri Co-operative Credit Society was established by women with the object of development and prosperity of women of Wai taluka. Table 5.6 shows the composition of sources of funds of Indira Mahila Nagri Co-operative Credit Society Ltd.

Table 5.6
Composition of sources of Funds of Indira Mahila Nagri Co-operative Credit Society

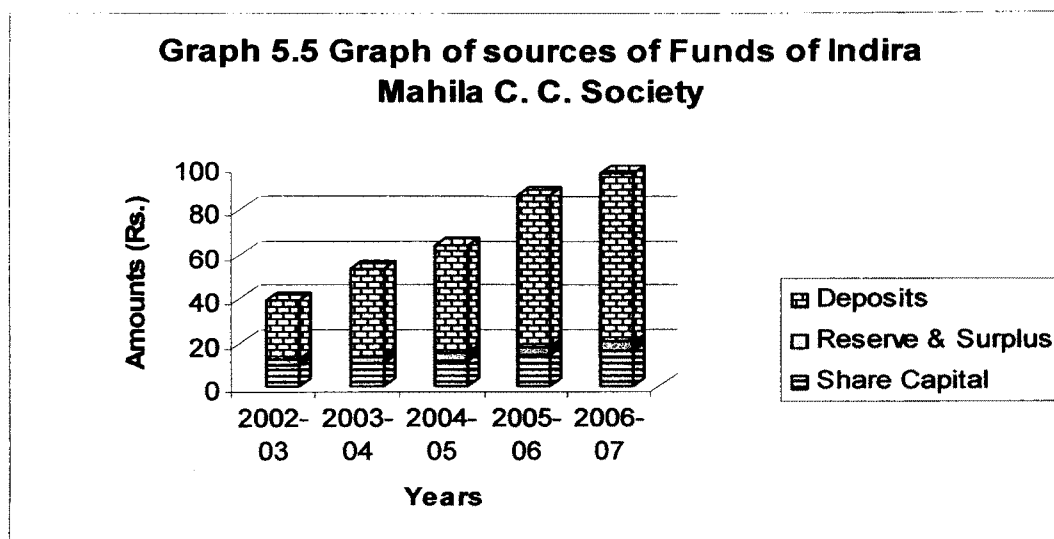
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Share Capital	9.71	10.41	11.74	14.09	15.90
Reserve & Surplus	2.51	3.09	3.45	3.93	4.22
Deposits	27.00	40.24	48.72	69.47	76.73
Total	39.22	53.74	63.91	87.49	96.85

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.6 shows composition of sources of funds of Indira Mahila Nagri Co-operative Credit Society of five years. It is clear from table that, the share capital, reserve & surplus and deposits of society increased every year. Deposits constitute large share in total fund, while share capital and reserve & surplus constitute little part in total fund.



Explanation

Graph 5.5 shows composition of sources of funds of Indira Mahila Nagri Co-operative Credit Society. Graph shows the funds of society increased from 40 Lakhs to 95 Lakhs during study period. Indira Mahila Nagri Co-operative Credit Society collects large amounts of fund through deposits, whereas capital and reserve & surplus share little fund in total fund.

3. SOURCES OF FUNDS OF BHAIRAVNATH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Bhairavnath Nagri Co-operative Credit Society is well-established society in the Wai city and working since last 15 years in the Wai city. Table 5.7 shows the composition of sources of funds of Bhairavnath Nagri Co-operative Credit Society Ltd.

Table 5.7
Composition of sources of Funds of Bhairavnath Nagri Co-operative Credit Society

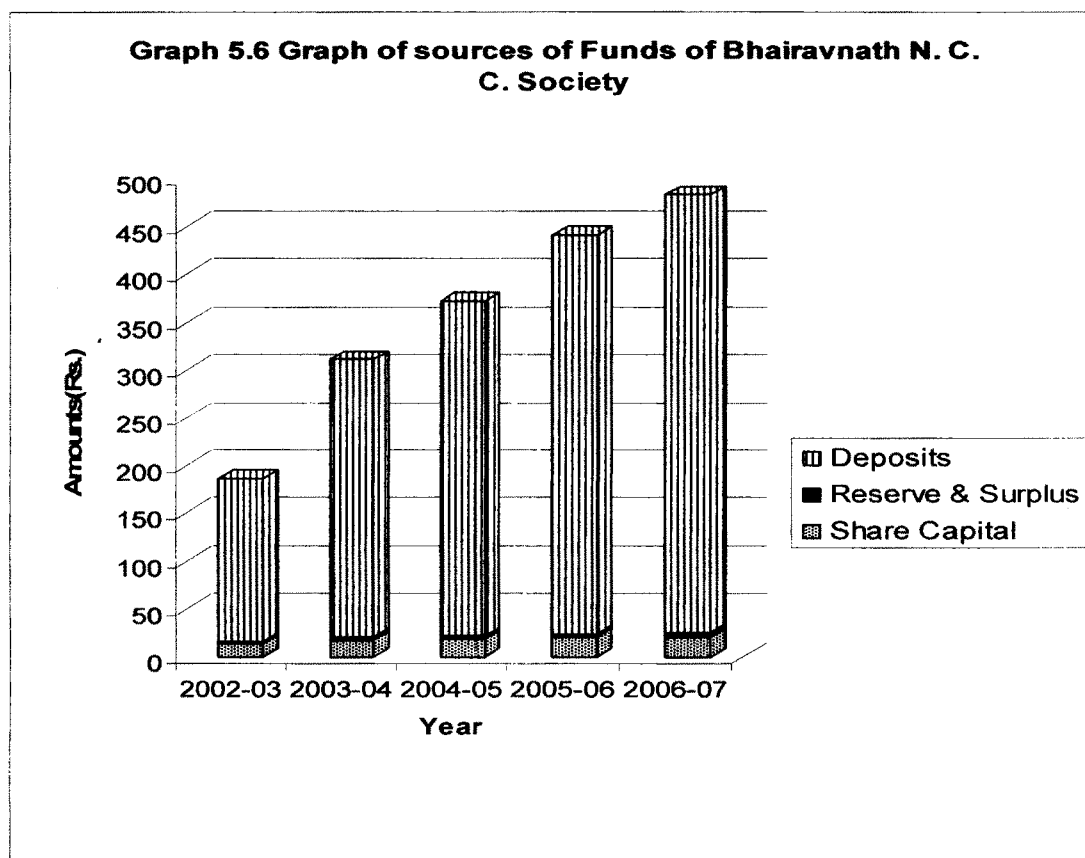
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Share Capital	14.52	17.53	18.99	20.50	20.53
Reserve & Surplus	2.04	2.58	2.59	3.33	4.37
Deposits	170.26	291.21	350.35	417.85	458.35
Total	186.82	311.32	371.93	441.68	483.25

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.7 shows composition of sources of funds of Bhairavnath Nagri Co-operative Credit Society of five years. It is clear from table that, total sources of funds of Bhairavnath Nagri Co-operative Credit Society increase every year. Share capital contributes around 5 % share in total fund, reserve contributes too small share, which is around 1 %, while deposits contribute large share around 95 % in total fund.



Explanation

Graph 5.6 shows composition of sources of funds of Bhairavnath Nagri Co-operative Credit Society. Graph shows that, total funds of Bhairavnath Nagri Co-operative Credit Society increased from 180 Lakhs to 480 Lakhs in five years period it means society collects Rs. 200 Lakhs in five years period. Society collects large amounts of fund through deposits, while capital and reserve & surplus share negligible amount in total fund.

4. SOURCES OF FUNDS OF KRISHNAI CO-OPERATIVE CREDIT SOCIETY.

Krishnai Co-operative Credit Society is well-established society in the Wai city and working since last 15 years in the Wai city. Table 5.8 shows the composition of sources of funds of Krishnai Co-operative Credit Society Ltd.

Table 5.8
Composition of sources of Funds of Krishnai Co-operative Credit Society
(Amounts in lakhs Rupees)

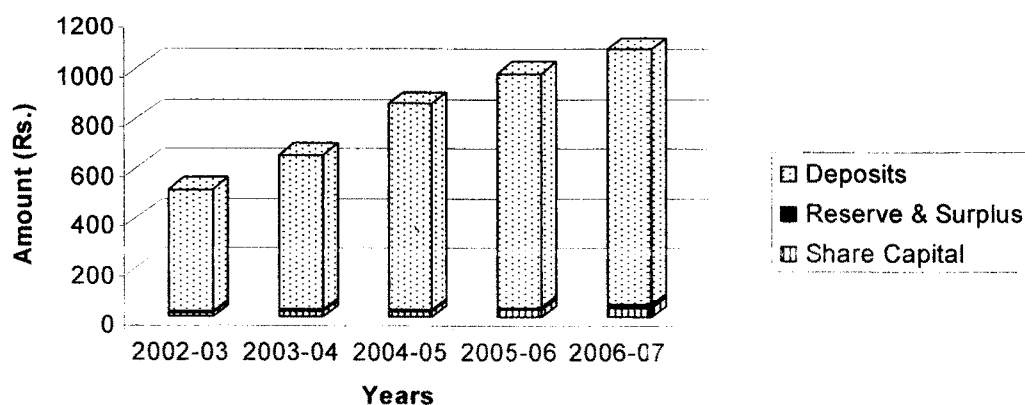
Items	2002-03	2003-04	2004-05	2005-06	2006-07
Share Capital	18.95	21.45	24.61	29.17	37.21
Reserve & Surplus	5.77	7.57	9.35	12.57	14.52
Deposits	491.83	626.00	831.30	941.86	1027.58
Total	516.55	655.02	865.26	983.6	1079.31

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.8 shows composition of sources of funds of Krishnai Co-operative Credit Society of five years. Krishnai Co-operative Credit Society is one of the leading urban co-operative credit societies in Wai city and collects large amount of funds compared to other urban co-operative credit societies in the Wai city. It is clear from table that, the share capital, reserve & surplus and deposits of society increase every year. Krishnai Co-operative Credit Society has doubled the total funds in these five years.

Graph 5.7 Graph of sources of funds of Krishnai C. C. Society



Explanation

Graph 5.7 shows composition of sources of funds of Krishnai Co-operative Credit Society. Graph shows the funds of society increased more than Rs. 100 Lakhs per year. Society collects large amounts of fund through deposits, whereas capital and reserve & surplus share negligible amount of fund in total fund as compared to deposits.

5. SOURCES OF FUNDS OF VIRATNAGRI CO-OPERATIVE CREDIT SOCIETY.

Viratnagri Co-operative Credit Society is well-established society in the Wai city and working since last 14 years in the Wai city. Table 5.9 shows the composition of sources of funds of Viratnagri Co-operative Credit Society Ltd

Table 5.9

Composition of sources of Funds of Viratnagri Co-operative Credit Society

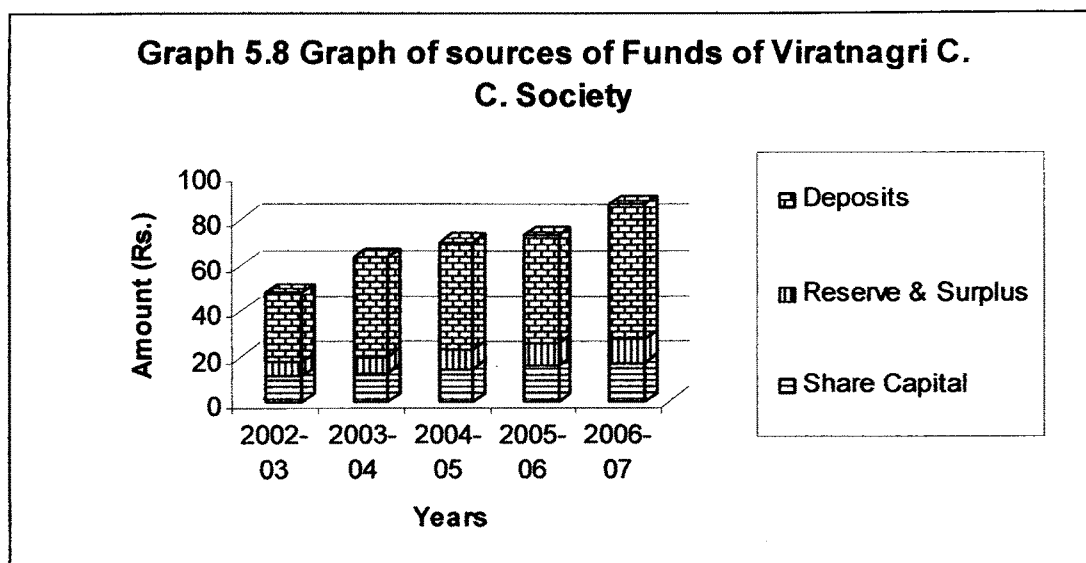
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Share Capital	11.22	12.63	14.64	16.17	17.31
Reserve & Surplus	6.52	7.24	8.30	9.27	10.05
Deposits	30.52	43.29	47.32	47.86	59.24
Total	48.26	63.16	70.26	73.30	86.60

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.9 shows composition of sources of funds of Viratnagri Co-operative Credit Society of five years. The composition of sources of funds of Viratnagri Co-operative Credit Society is different from other urban co-operative credit societies as deposits of other urban co-operative credit societies share large amount in total fund, which is generally more than 85 %, but in case of Viratnagri Co-operative Credit Society, it is falls below 70 %. It is clear from table that, the share capital, reserve & surplus and deposits of society increase every year.



Explanation

Graph 5.8 shows composition of sources of funds of Viratnagri Co-operative Credit Society. Graph shows the funds of society increased from Rs. 48 lakhs to Rs. 85 lakhs during five years period. As compared to other societies, Viratnagri Co-operative Credit Society fails to collect the deposits as considering to growth in share capital and reserve & surplus.

6. SOURCES OF FUNDS OF UTKARSH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Utkarsh Nagri Co-operative Credit Society is well-established society in the Wai city and working since last 9 years in the Wai city. Table 5.10 shows the composition of sources of funds of Utkarsh Nagri Co-operative Credit Society Ltd.

Table 5.10
Composition of sources of Funds of Utkarsh Nagri Co-operative Credit Society

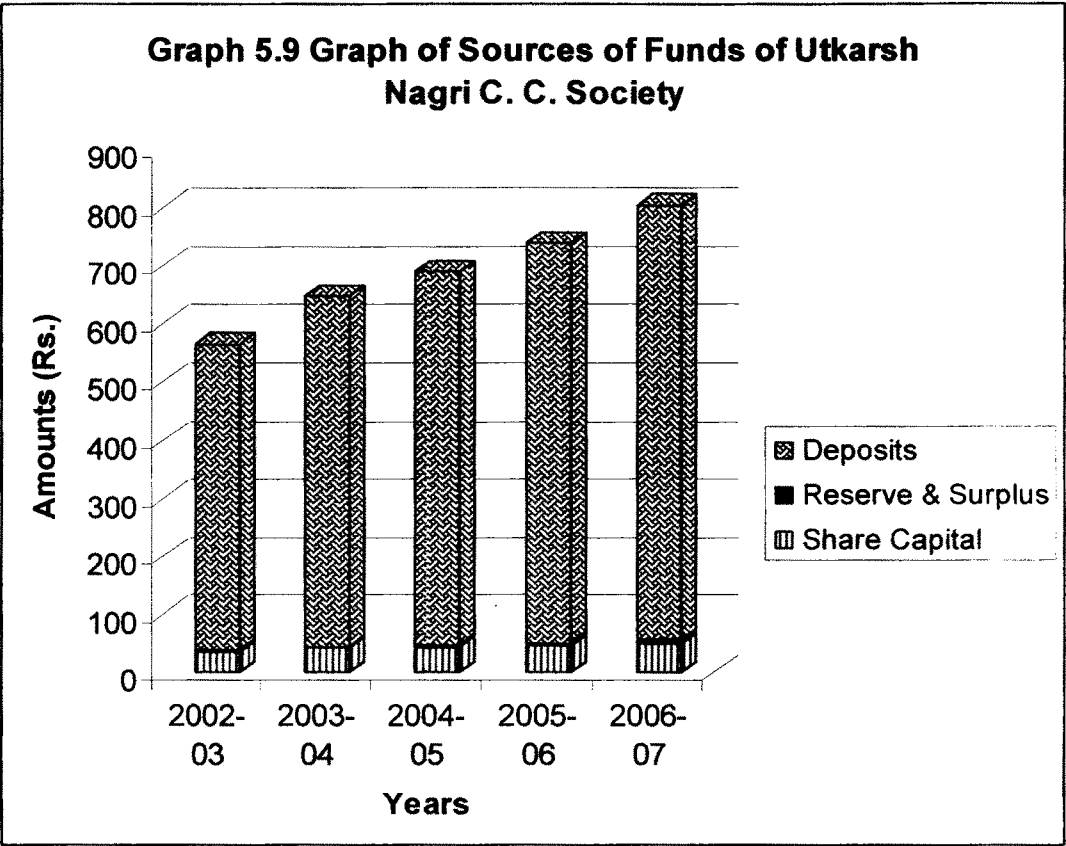
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Share Capital	36.76	42.08	44.83	47.15	50.65
Reserve & Surplus	2.48	3.04	3.91	4.98	5.37
Deposits	526.11	601.67	639.90	687.08	746.73
Total	565.35	646.79	688.64	739.21	802.75

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.10 shows composition of sources of funds of Utkarsh Nagri Co-operative Credit Society for five years. It is clear from table that, the total amount of funds of society increased from Rs. 565 lakhs to Rs. 802 lakhs. It means Utkarsh Nagri Co-operative Credit Society collects Rs. 237 lakhs in form of share capital, reserve & surplus and deposits.



Explanation

Graph 5.9 shows composition of sources of funds of Utkarsh Nagri Co-operative Credit Society. Graph shows the funds of society increased every year. Society collects large amounts of fund through deposits which is more than 90 %, while capital averagely share 6 % share in total fund and reserve & surplus share remaining portion of fund in total fund.

7. SOURCES OF FUNDS OF KALPTARU CO-OPERATIVE CREDIT SOCIETY.

Kalptaru Co-operative Credit Society is well-established society in the Wai city and working since last 9 years in the Wai city. Table 5.11 shows the composition of sources of funds of Kalptaru Co-operative Credit Society Ltd.

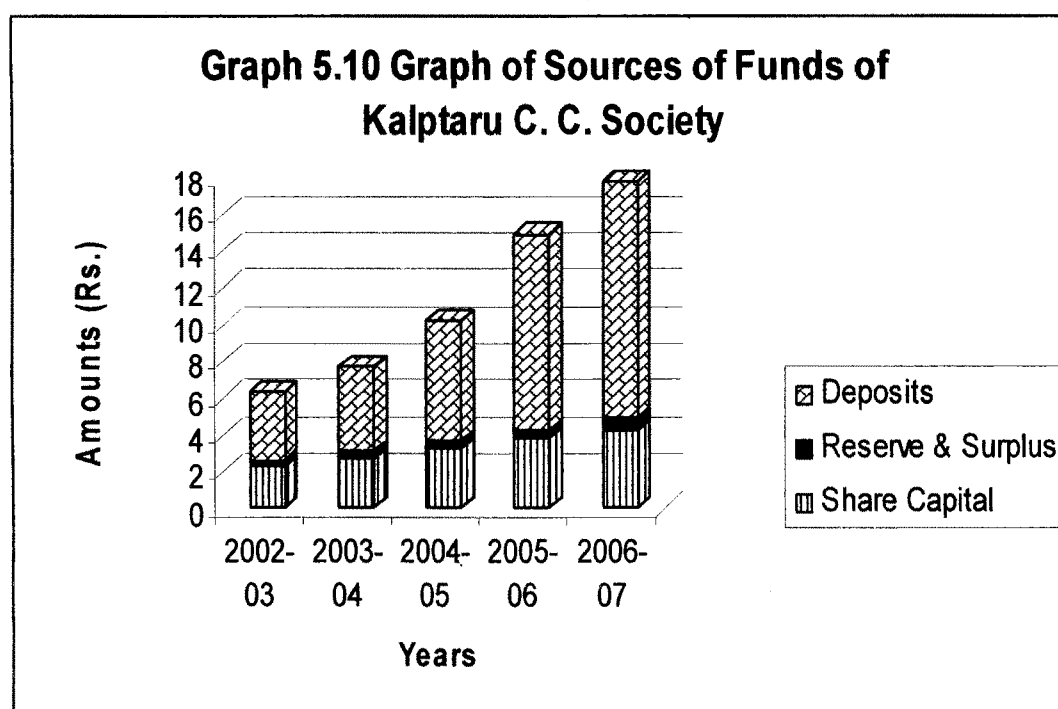
Table 5.11
Composition of sources of Funds of Kalptaru Co-operative Credit Society
 (Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Share Capital	2.34	2.76	3.27	3.77	4.28
Reserve & Surplus	0.29	0.35	0.42	0.52	0.64
Deposits	3.74	4.65	6.53	10.65	12.85
Total	6.37	7.76	10.22	14.94	17.77

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.11 shows composition of sources of funds of Kalptaru Co-operative Credit Society of five years. The Kalptaru Co-operative Credit Society is newly established society and so amounts of funds of the Kalptaru Co-operative Credit society is less as compared to other societies. During study period the amount of fund of society increased by Rs. 11.33 lakhs. Thus, growth in these five years is 177 %. As already stated this is because, the Kalptaru Co-operative Credit Society is newly established society.



Explanation

Graph 5.10 shows composition of sources of funds of Kalptaru Co-operative Credit Society. Graph clearly shows that the amount of share capital, reserves and surplus and deposits increase every year. Society collects large amounts of fund through deposits, which is averagely 65 %, while capital and reserve & surplus share to little fund which is averagely 35 % in total fund.

8. SOURCES OF FUNDS OF HIDAYAT NAGRI CO-OPERATIVE CREDIT SOCIETY.

Hidayat Nagri Co-operative Credit Society is well-established society in the Wai city and working since last 7 years in the Wai city. Table 5.12 shows the composition of sources of funds of Hidayat Nagri Co-operative Credit Society Ltd.

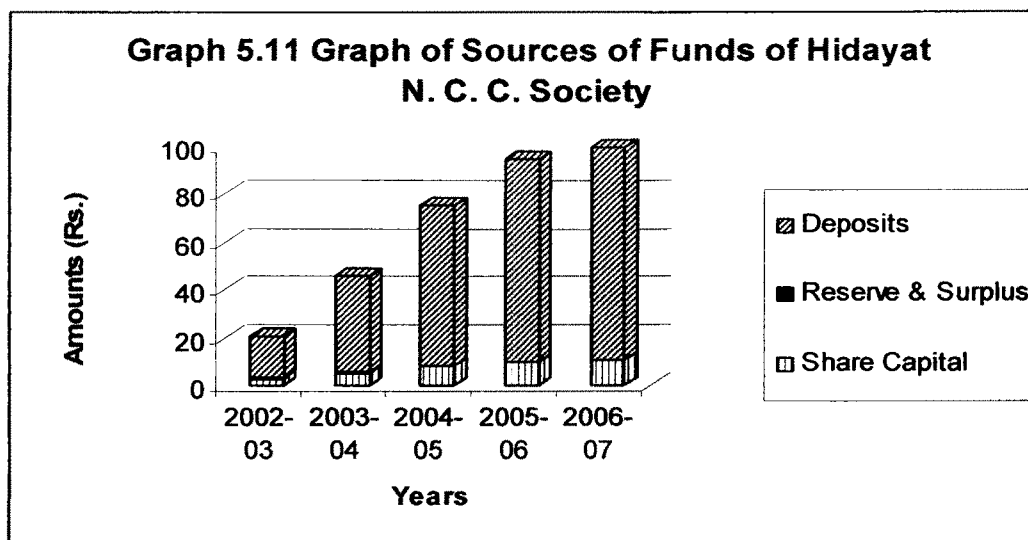
Table 5.12
Composition of sources of Funds of Hidayat Nagri Co-operative Credit Society

(Amounts in lakhs Rupees)					
Items	2002-03	2003-04	2004-05	2005-06	2006-07
Share Capital	3.18	5.62	8.15	9.84	10.54
Reserve & Surplus	0.13	0.19	0.30	0.53	0.68
Deposits	17.29	40.14	67.02	84.35	88.32
Total	20.6	45.95	75.47	94.72	99.54

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.12 shows Composition of sources of funds of Hidayat Nagri Co-operative Credit Society for five years. It is clear from table that, the share capital, reserve & surplus and deposits of society increased every year. Amount of deposit and share capital increased faster than the amount of reserve and surplus. During period of five years, the amount of total fund increased by Rs. 78.94 lakhs. Thus, growth in these five years is 383 %.



Explanation

Graph 5.11 shows composition of sources of funds of Hidayat Nagri Co-operative Credit Society. Graph shows that, the funds of society increased every year. Initial three years show faster growth as compared to latter two year. Society collects large amounts of fund through deposits while capital and reserve & surplus share to little amount in total fund.

5.3 INVESTMENTS OF URBAN CO-OPERATIVE CREDIT SOCIETIES.

Investments are regarded as 'earning assets' and constitute the second line of defense of an urban co-operative credit society. Generally urban co-operative credit societies invest their substantial funds in the shares of Maharashtra state co-operative federation, shares of District central co-operative bank Satara, shares of sugar factory, Indira vikas patra, recurring deposits and fixed deposits with other banks, etc. Large part of the investment is less liquid but earns fair rate of return on it.

Investment also constitutes an important part of an urban co-operative credit society's asset so here, we analyze the investment made by an urban co-operative credit society.

Table 5.13
Investments of selected Urban Co-operative Credit Societies
 (Amounts in lakhs Rupees)

Name of Urban Co-operative Credit Society	Investments				
	2002-03	2003-04	2004-05	2005-06	2006-07
Shree Ganesh N. C. C. S. Ltd.	77.09	112.00	132.60	141.98	158.94
Indira Mahila N. C. C. S. Ltd.	18.36	21.18	18.06	22.27	27.75
Bhairavnath N. C. C. S. Ltd.	60.00	89.39	88.71	148.16	162.85
Krishnai C. C. S. Ltd.	146.58	200.42	193.08	269.02	346.24
Viratnagri C. C. S. Ltd.	22.08	27.49	30.94	26.65	33.82
Utkarsh N. C. C. S. Ltd.	244.79	183.21	253.76	287.33	358.32
Kalptaru C. C. S. Ltd.	2.28	2.54	2.53	3.39	3.50
Hidayat N. C. C. S. Ltd.	2.50	7.50	14.00	18.00	12.44

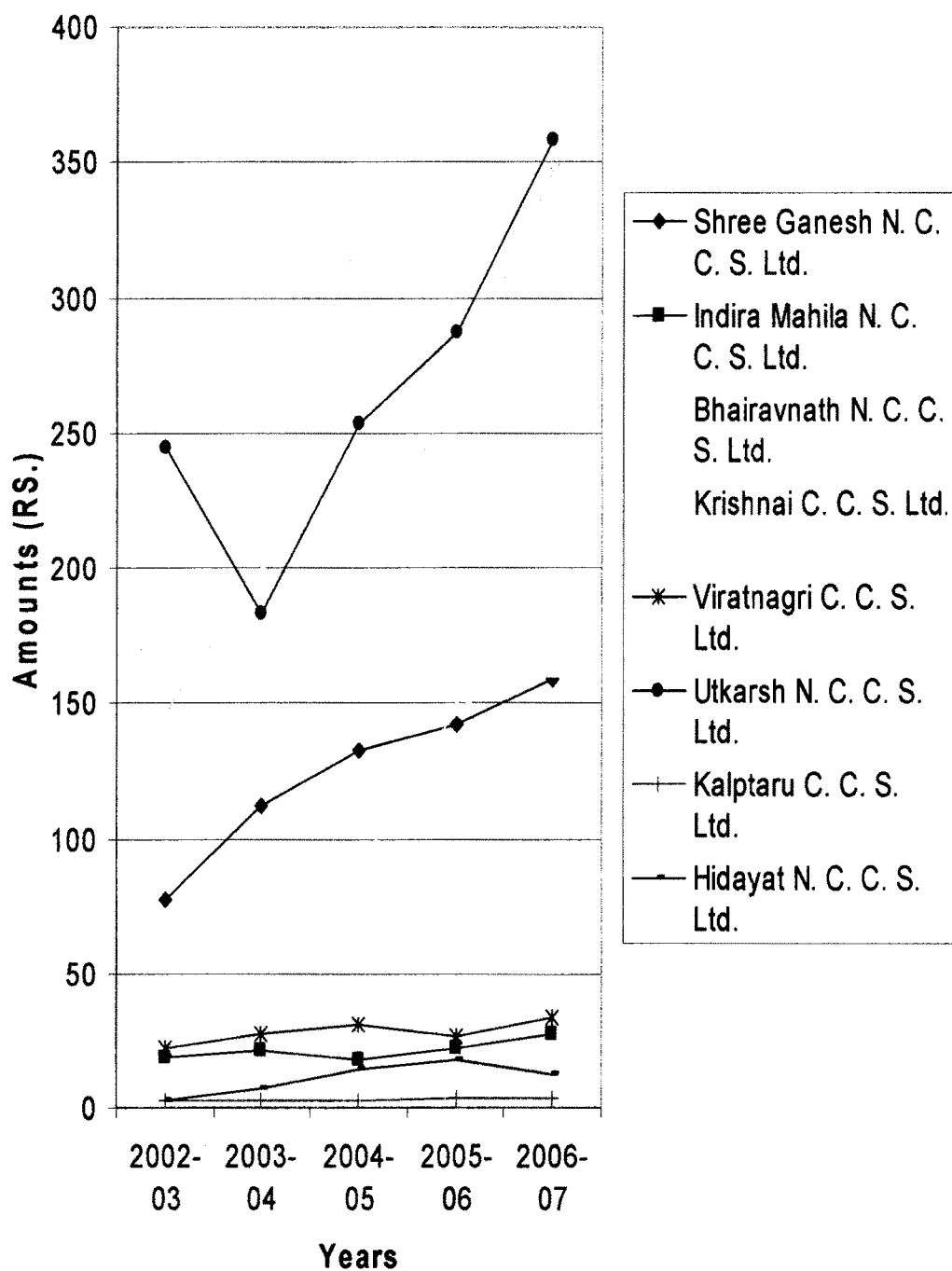
(Source – Annual Reports of Urban co-operative credit societies)

Explanation

Table 5.13 shows investment made by selected urban co-operative credit societies. Table shows that, the investment made by urban co-operative credit society shows fluctuations. As the investment of society depends on idle funds of society, so as amount of idle funds may fluctuate per year so investment of society may change per year and show rise and fall every year. It is clear from table that, Utkarsh Nagri Co-operative Credit Society, Krishnai Co-operative Credit Society, Bhairavnath Nagri Co-operative Credit Society & Shree Ganesh Nagri Co-operative Credit Society made large amount of investment as compared to other society. Investment of Indira Mahila Nagri Co-operative Credit Society, Viratnagri Co-operative Credit Society, Kalptaru Co-operative Credit Society and Hidayat Nagri

Co-operative Credit Society is investing fewer amounts of their funds as investment compared to other societies.

Graph 5.12 Graph showing investments of selected Urban co-operative Credit Societies



Explanation

Graph 5.12 shows investment made by selected urban co-operative credit societies. Investment of societies shows increasing trend with little fluctuation in amount of investment. Investment lines of Utkarsh Nagri Co-operative Credit Society & Krishnai Co-operative Credit Society lie at top of the graph indicates large amount of investment made by them as compared to other societies. Investment lines of Bhairavnath Nagri Co-operative Credit Society & Shree Ganesh Nagri Co-operative Credit Society lie at middle of the graph indicate medium size of investment made by them as compared to other societies. While investment lines of Indira Mahila Nagri Co-operative Credit Society, Viratnagri Co-operative Credit Society, Kalptaru Co-operative Credit Society and Hidayat Nagri Co-operative Credit Society lie at bottom of the graph indicating less amount of investment made by these societies.

5.4 LOANS & ADVANCES BY URBAN CO-OPERATIVE CREDIT SOCIETIES.

The most important earning assets of an urban co-operative credit society are its Loans and Advances. The large part of income of an urban co-operative credit society is generated by interest on Loans and Advances and so, profitability of an urban co-operative credit society depends upon the extent to which society can grant Loans and Advances to its clients.

Loans and Advances have no liquidity, but they bear high profitability. As Loans and Advances have less liquidity, they bear large amount of risk, therefore an urban co-operative credit society has to take precaution while granting loans. An urban co-operative credit society has to take into account the factors like safety, liquidity, security offered, purpose of loan, period of loan, character and capacity of the client, etc.

So here, we analyze the amounts of Loans and Advances of an urban co-operative credit society.

5.4.1 COMPARATIVE ANALYSIS.

Table 5.14
Loans and Advances by Urban Co-operative Credit Societies
 (Amounts in lakhs Rupees)

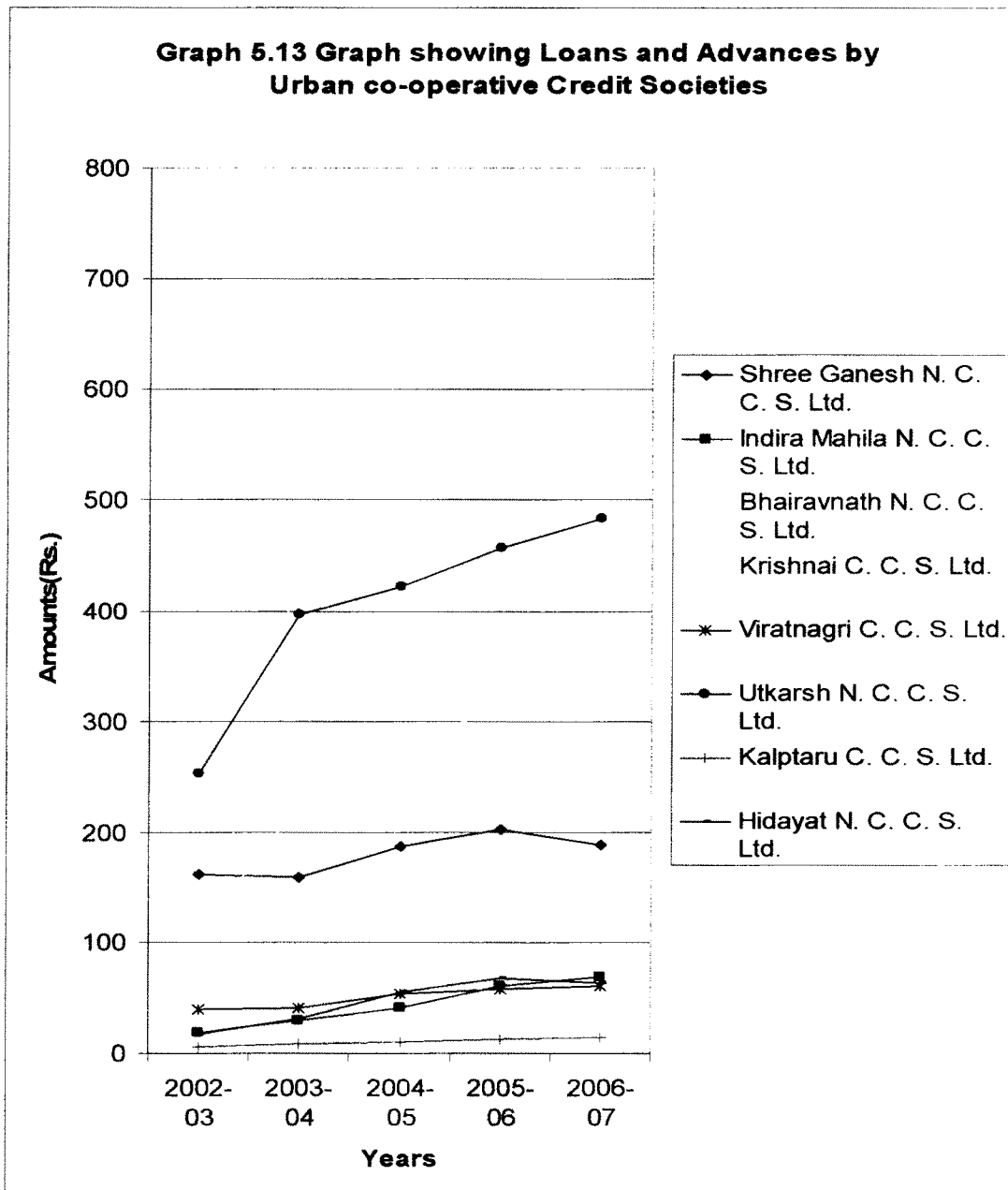
Name of Urban Co-operative Credit Society	Loans & Advances				
	2002-03	2003-04	2004-05	2005-06	2006-07
Shree Ganesh N. C. C. S. Ltd.	162.08	159.04	187.28	202.61	188.78
Indira Mahila N. C. C. S. Ltd.	17.97	29.71	40.39	60.08	69.29
Bhairavnath N. C. C. S. Ltd.	107.61	225.55	281.59	310.53	353.55
Krishnai C. C. S. Ltd.	343.13	406.21	623.54	676.57	693.89
Viratnagri C. C. S. Ltd.	39.63	41.30	53.56	57.13	59.80
Utkarsh N. C. C. S. Ltd.	253.12	396.51	421.68	456.42	484.07
Kalptaru C. C. S. Ltd.	6.32	7.92	10.08	12.18	13.69
Hidayat N. C. C. S. Ltd.	17.49	31.03	55.27	67.79	63.75

(Source – Annual Reports of Urban co-operative credit societies)

Explanation

Table 5.14 shows the amount of loans and advances rendered by selected urban co-operative credit societies. Table shows that, the amount of loans and advances rendered by urban co-operative credit society shows increasing trend with only two exceptions of Hidayat Nagri Co-operative Credit Society and Shree Ganesh Nagri Co-operative Credit Society. It is clear from table that, Utkarsh Nagri Co-operative Credit Society, Krishnai Co-operative Credit Society Bhairavnath

Nagri Co-operative Credit Society & Shree Ganesh Nagri Co-operative Credit Society rendered large amount of loans to its members. Indira Mahila Nagri Co-operative Credit Society, Viratnagri Co-operative Credit Society, Kalptaru Co-operative Credit Society and Hidayat Nagri Co-operative Credit Society are the four urban co-operative credit societies, which rendered comparatively less amounts of loans to its members.



Explanation

Graph 5.13 shows amounts of loans and advanced made by different urban co-operative credit societies during last five years. Graph line of Krishnai Co-operative Credit Society, Utkarsh Nagri Co-operative Credit Society, Bhairavnath Nagri Co-operative Credit Society & Shree Ganesh Nagri Co-operative Credit Society shows

considerable growth indicate that these societies lend large amount of loans to its members. Graph line of Indira Mahila Nagri Co-operative Credit Society, Viratnagri Co-operative Credit Society and Hidayat Nagri Co-operative Credit Society shows slight increase. Graph line of Kalptaru Co-operative Credit Society lies at bottom indicates that Kalptaru Co-operative Credit Society lends fewer amounts of loans as compares to other society.

5.4.2 TYPE-WISE ANALYSIS OF LOANS & ADVANCES

1. LOANS & ADVANCES BY SHREE GANESH NAGRI CO-OPERATIVE CREDIT SOCIETY.

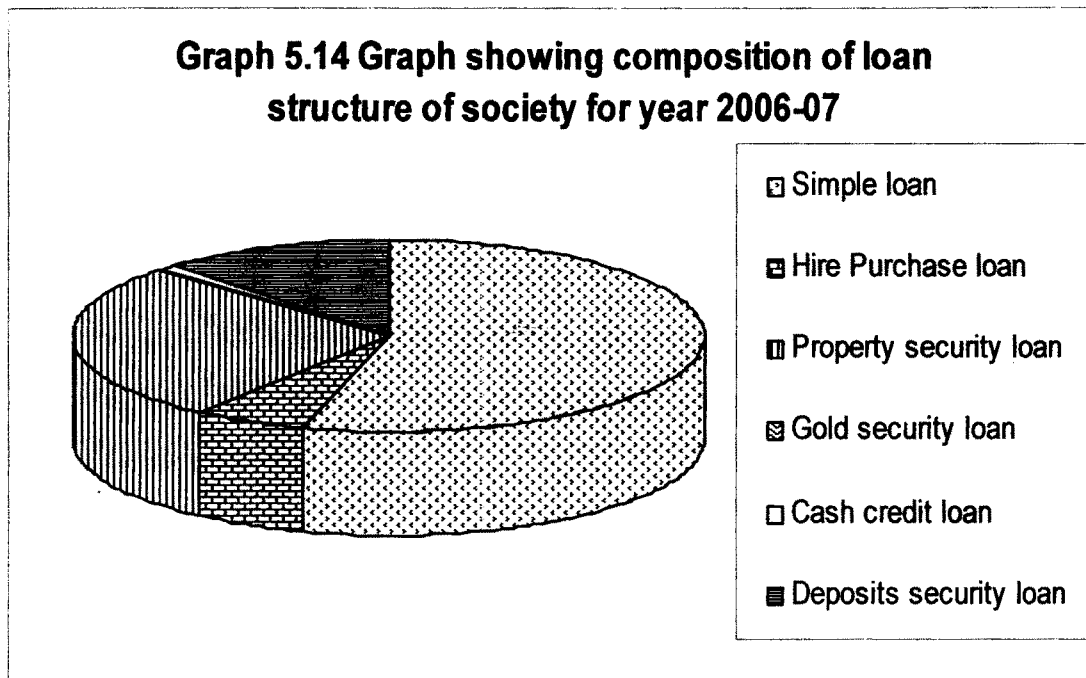
Shree Ganesh Nagri Co-operative Credit Society offers various types of loans to its members. It involves Simple loan, Hire purchase loan, Property security loan, Gold security loan; Cash credit loan and Deposits security loans, etc. following table shows the amount of different types of loans rendered by society during study period.

Table 5.15
Loans and Advances by Shree Ganesh Nagri Co-operative Credit Societies
(Amounts in lakhs Rupees)

Types of Loan	2002-03	2003-04	2004-05	2005-06	2006-07
Simple loan	91.38	92.79	96.57	111.09	103.03
Hire Purchase loan	32.94	27.07	22.90	12.11	10.52
Property security loan	20.98	19.42	43.56	49.18	50.54
Gold security loan	1.11	1.11	0.78	0.37	0.81
Cash credit loan	1.50	1.50	2.40	1.31	1.32
Deposits security loan	14.15	17.49	21.04	28.52	22.54
Total	162.06	159.38	187.25	202.58	188.76
Growth Rate %	14.52	-3.69	17.48	8.18	-6.82

(Source – Annual Reports of Urban co-operative credit societies)

Table 5.15 reveals that, the amount of simple loan and deposits security loan increased until year 2005-06 but last year 2006-07 it shows a decrease. Hire purchase loan and gold security loan show a decrease in its amounts during study period. Property security loan shows variation in increase and decrease during study period.



2. LOANS & ADVANCES BY INDIRA MAHILA NAGRI CO-OPERATIVE CREDIT SOCIETY.

Indira Mahila Nagri Co-operative Credit Society has rendered various types of loans to its members such as Simple loan, Property security loan, Gold security loan, Cash credit loan and Deposits security loans, etc. Table 5.16 shows the amounts of loans rendered by Indira Mahila Nagri Co-operative Credit Society to its member during study period.

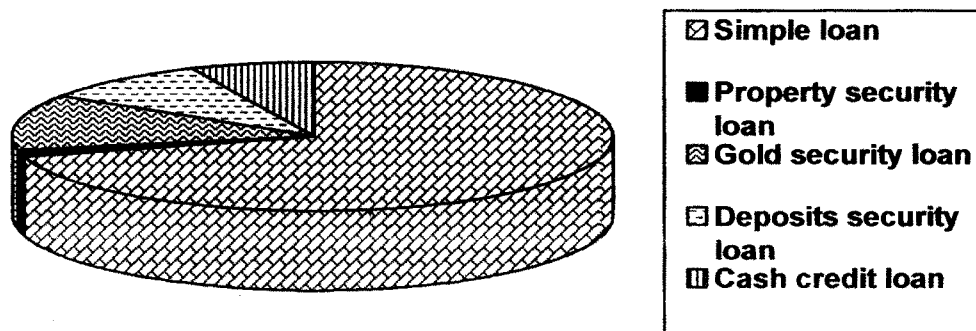
Table 5.16
Loans and Advances by Indira Mahila Nagri Co-operative Credit Societies
 (Amounts in lakhs Rupees)

Types of Loan	2002-03	2003-04	2004-05	2005-06	2006-07
Simple loan	16.29	27.16	36.42	48.55	48.94
Property security loan	0.50	0.46	1.27	1.27	0.96
Gold security loan	--	--	0.22	2.71	8.48
Deposits security loan	1.18	2.07	2.46	6.69	6.35
Cash credit loan	--	--	--	0.86	4.54
Total	17.97	29.69	40.37	60.08	69.27
Growth Rate %	45.37	65.21	35.97	48.82	15.29

(Source – Annual Reports of Urban co-operative credit societies)

Table 5.16 shows that the amount of loans rendered by society has increase during study period. Simple loan amount increased constantly during the study period. Where as property security loan and deposits, security loan also increased during study period but record some decrease in final year. Gold security loan and cash credit loan initially rendered with too little amount but it shows great increase in last year.

Graph 5.15 Graph showing compositon of loan structure of society for year 2006-07



3. LOANS & ADVANCES OF BHAIRAVNATH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Bhairavnath Nagri Co-operative Credit Society is well-established society in Wai city and working since last 15 years in Wai city. Bhairavnath Nagri Co-operative Credit Society rendered various types of loans to its members, such as Simple loan, Hire purchase loan, Hypothecation loan, Gold security loan, Property security loan, Overdraft, Deposits security loan and Cash credit loan, etc. Table 5.17 shows the amounts of loans rendered by Bhairavnath Nagri Co-operative Credit Society during study period.

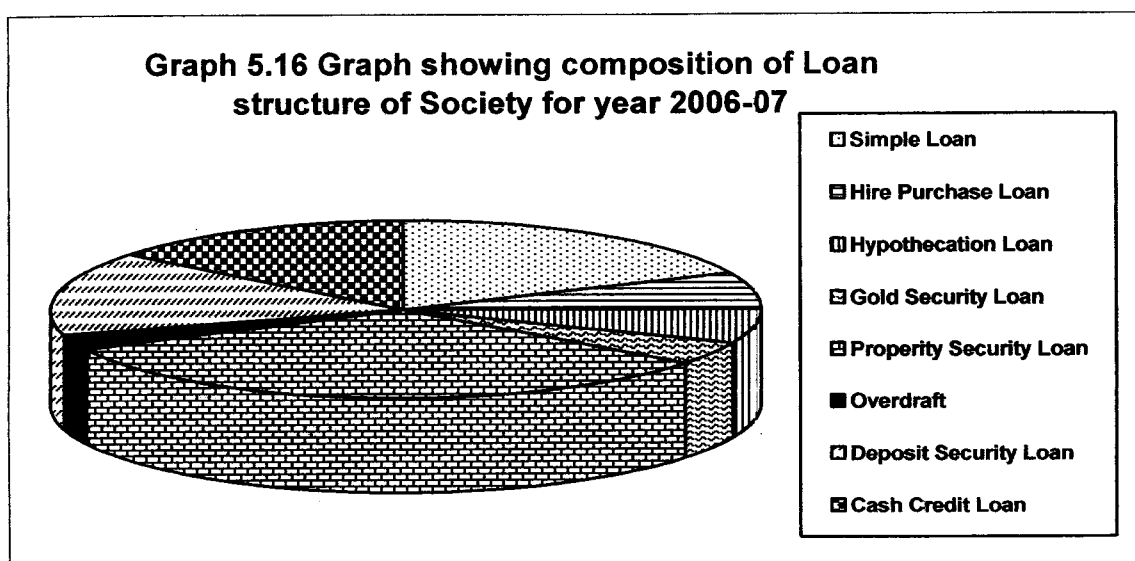
Table 5.17
Loans and Advances by Bhairavnath Nagri Co-operative Credit Society
(Amounts in lakhs Rupees)

Types of Loan	2002-03	2003-04	2004-05	2005-06	2006-07
Simple loan	44.83	58.86	66.67	69.44	64.52
Hire Purchase loan	9.24	9.14	14.88	20.78	23.97
Hypothecation loan	15.44	25.68	19.96	19.05	22.13
Gold security loan	2.78	9.15	14.17	12.95	14.81
Property security loan	19.66	50.15	66.82	97.75	114.61
Overdraft	5.58	6.28	5.38	4.22	9.18
Deposits security loan	10.05	32.47	57.90	43.33	54.54
Cash credit loan	0.00	33.79	35.77	42.99	49.75
Total	107.58	225.52	281.55	310.51	353.51
Growth Rate %	30.17	109.63	24.84	10.27	13.85

(Source – Annual Reports of Urban co-operative credit society)

It is clear from table 5.17 Bhairavnath Nagri Co-operative Credit Society rendered various types of loans to its members. Amounts of loans rendered by society increased during study period. Amount of loans of year 2003-04 increased by 109.63 % while comparing to the figure of year 2002-03, which is highest and

considerable increase in amount of loans and advances. Whereas years 2002-03 shows increase of 30.17 %, year 2004-05 shows increase of 24.84 %, year 2005-06 shows increase of 10.27 % and year 2006-07 shows increase of 13.85 %



4. LOANS & ADVANCES OF KRISHNAI CO-OPERATIVE CREDIT SOCIETY.

Krishnai Co-operative Credit Society rendered different types of loans to its members according to their needs. It involves Salary security loan, Simple loan, Hire purchase loan, Property security loan, Gold security loan; Cash credit loan, Overdraft and Deposits security loans, etc. Table 5.18 shows the amounts of loans rendered by Krishnai Co-operative Credit Society to its members according to various types.

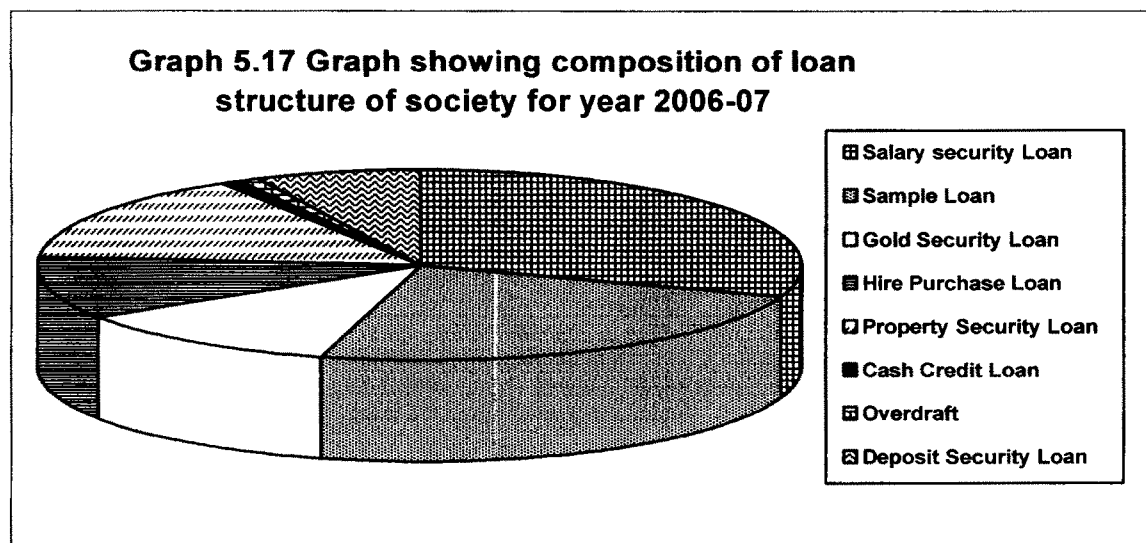
Table 5.18
Loans and Advances by Krishnai Co-operative Credit Society
(Amounts in lakhs Rupees)

Types of Loan	2002-03	2003-04	2004-05	2005-06	2006-07
Salary security loan	103.75	145.77	234.22	241.73	209.87
Simple loan	82.13	82.21	134.42	136.97	166.12
Gold security loan	40.24	31.35	57.79	52.24	81.40
Hire purchase loan	36.02	48.37	52.18	80.63	72.91

Property security loan	51.86	64.13	92.15	106.87	104.00
Cash credit loan	2.05	2.96	4.67	5.77	4.67
Overdraft	3.24	3.37	5.55	5.63	6.68
Deposit security Loan	23.81	28.02	42.53	46.69	48.20
Total	343.10	406.18	623.51	676.53	693.85
Growth Rate %	23.42	18.38	53.50	8.50	2.56

(Source – Annual Reports of Urban co-operative credit society)

Table 5.18 shows that Krishnai Co-operative Credit Society's total amount of loans rendered increases during study period. It is clear from table that society prefers to give loans to salaried people. As amount of salary security loan is higher in total loans. That after society gives preference to simple loan, property security loan, gold security loan, etc. Cash credit loan and overdraft shares too little amount in total loans.



5. LOANS & ADVANCES OF VIRATNAGRI CO-OPERATIVE CREDIT SOCIETY.

Viratnagri Co-operative Credit Society is one of the leading societies in Wai city. Progress of its members is the important object of the society and for this society lends various types of loans to its members. These loans involves Simple

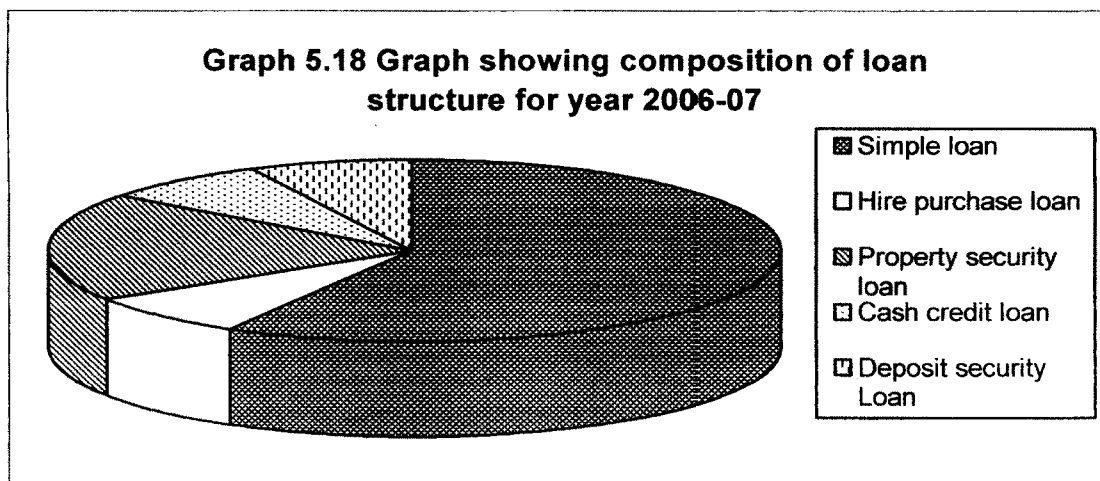
loan, Hire purchase loan, Property security loan, Cash credit loan and Deposits security loans, etc. Table 5.19 shows the type wise analysis of amounts of loans rendered by Viratnagri Co-operative Credit Society during study period.

Table 5.19
Loans and Advances by Viratnagri Co-operative Credit Society
(Amounts in lakhs Rupees)

Types of Loan	2002-03	2003-04	2004-05	2005-06	2006-07
Simple loan	26.14	27.64	35.42	35.12	34.93
Hire purchase loan	3.29	3.49	5.52	4.60	4.47
Property security loan	4.98	4.72	5.56	9.91	11.60
Cash credit loan	2.61	2.63	3.54	4.36	4.39
Deposit security Loan	2.59	2.80	3.50	3.13	4.40
Total	39.61	41.28	53.54	57.12	59.79
Growth Rate %	-7.53	4.21	29.69	6.68	4.67

(Source – Annual Reports of Urban co-operative credit society)

Table 5.19 shows the amounts of loans rendered by society during year 2002-03 to 2006-07. It is clear from table that total amount of loans rendered increases per year, but rate of growth shows more fluctuations. Year 2002-03 shows negative growth rate of 7.53 other 4 years shows positive growth rate with greater fluctuation. Society offers five types of loans to its members in which simple type of loan is highly lends.



6. LOANS & ADVANCES OF UTKARSH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Utkarsh Nagri Co-operative Credit Society is the society who made progress between fewer times and today it can be regarded as a successful society in the Wai city. Utkarsh Nagri Co-operative Credit Society lends various types of loans to its members such as Simple loan, Hypothecation loan, Property security loan, Vehicle security loan, Construction loan, Gold security loan, and Deposits security loans, etc. Table 5.20 shows the amounts of loans rendered by Utkarsh Nagri Co-operative Credit Society to its members during period 2002-03 to 2006-07.

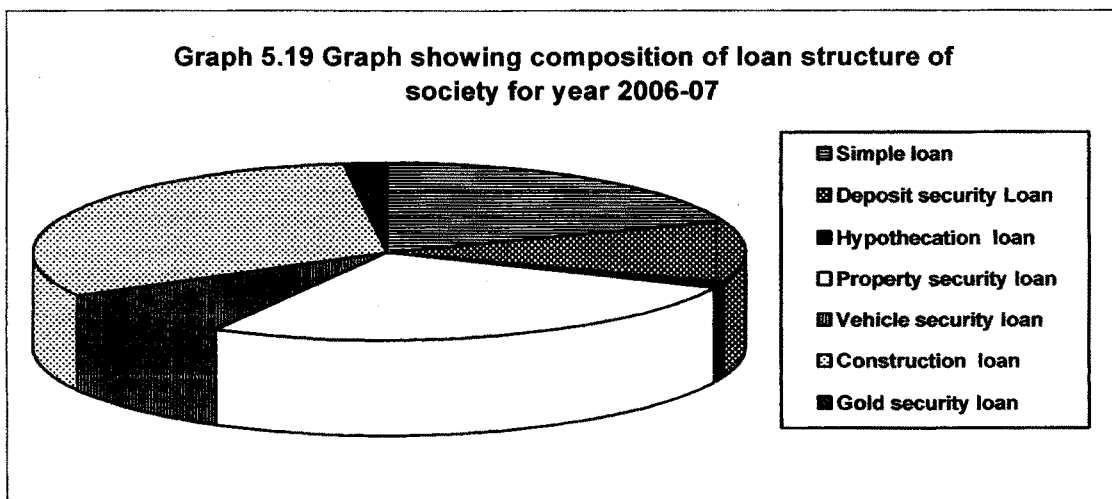
Table 5.20
Loans and Advances by Utkarsh Nagri Co-operative Credit Society
(Amounts in lakhs Rupees)

Types of Loan	2002-03	2003-04	2004-05	2005-06	2006-07
Simple loan	95.56	86.77	97.43	103.92	93.63
Deposit security Loan	26.68	32.18	38.09	25.69	53.82
Hypothecation loan	4.70	8.12	5.43	6.27	6.09
Property security loan	56.80	65.09	67.84	135.91	127.81
Vehicle security loan	53.84	100.08	75.74	53.43	42.86
Construction loan	12.81	100.56	133.05	138.43	150.88
Gold security loan	2.67	3.68	4.07	4.18	8.92
Total	253.06	396.48	421.65	467.83	484.01
Growth Rate %	25.89	56.67	6.34	10.95	3.46

(Source – Annual Reports of Urban co-operative credit society)

From table 5.20 it is clear that Utkarsh Nagri Co-operative Credit Society offers seven different types of loans, to their members. Utkarsh Nagri Co-operative Credit Society gives more emphasis on construction loan and simple loan. It indicates that society gives more importance to security of loan. Whereas Vehicle security loan and deposit security loan contribute around 20 % portion in total loan,

while Gold security loan and hypothecation loan share too little share in total loans. Amount of loans rendered during five years shows increasing trend, but growth rate of total loans rendered shows fluctuations. Initial two year shows high rate of growth while latter three years show low rate of growth.



7. LOANS & ADVANCES OF KALPTARU CO-OPERATIVE CREDIT SOCIETY.

Kalptaru Co-operative Credit Society was well established in year 1998. Progress rate of Kalptaru Co-operative Credit Society is less as compared to other new established societies. Kalptaru Co-operative Credit Society offers only two types of loans to its members as Simple loan & Deposits security loan. Table 5.21 shows the amounts of loans rendered by Kalptaru Co-operative Credit Society during study period.

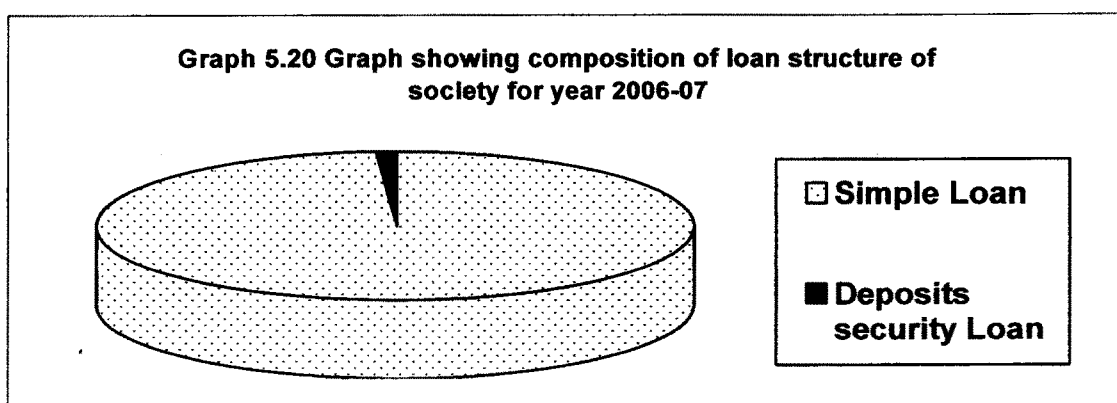
Table 5.21
Loans and Advances by Kalptaru Co-operative Credit Society
(Amounts in lakhs Rupees)

Types of Loan	2002-03	2003-04	2004-05	2005-06	2006-07
Simple loan	5.39	7.63	9.90	11.94	13.54
Deposit security Loan	0.23	0.28	0.17	0.24	0.15
Total	5.62	7.91	10.07	12.18	13.69
Growth Rate %	-3.51	40.92	27.27	20.83	12.39

(Source – Annual Reports of Urban co-operative credit society)

Kalptaru Co-operative Credit Society lends two types of loans first one is the Simple loan and second is the Deposits security loan. However, comparing to figures of both loans it is seen that deposits security loan contributes negligible share in total loan. Therefore, it can be said that society largely lends simple loan.

Total amount of loan lends increases year by year during study period. Growth rate of loan of initial year shows negative growth rate of - 3.51 %, whereas other four years shows positive growth rate. However, this rate of growth declines year by year.



8. LOANS & ADVANCES OF HIDAYAT NAGRI CO-OPERATIVE CREDIT SOCIETY.

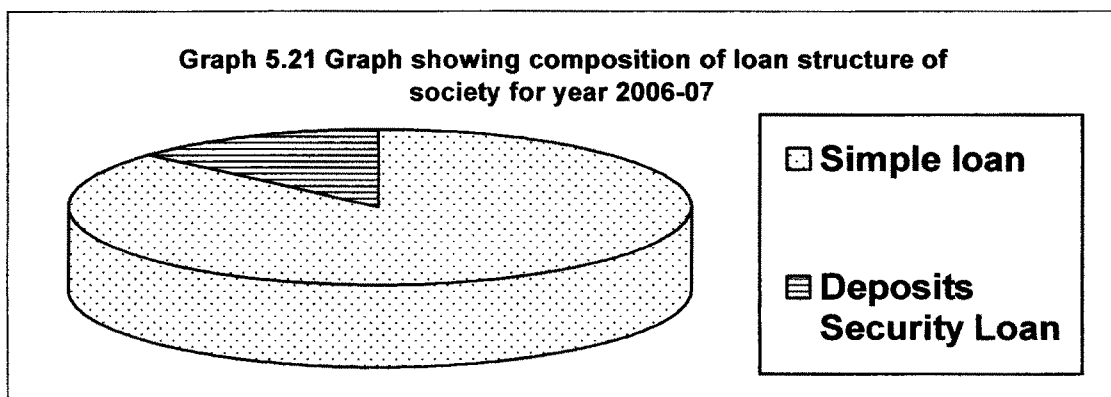
Hidayat Nagri Co-operative Credit Society is newly established society selected for study. As compared to other newly established society, it shows prosperous growth under study period. Hidayat Nagri Co-operative Credit Society lends only two types of loans to its members viz, Simple loan and Deposits security loan. Following table shows amount of loans rendered by Hidayat Nagri Co-operative Credit Society during period 2002-03 to 2006-07.

Table 5.22
Loans and Advances by Hidayat Nagri Co-operative Credit Society
(Amounts in lakhs Rupees)

Types of Loan	2002-03	2003-04	2004-05	2005-06	2006-07
Simple loan	16.35	27.89	48.16	59.19	55.3
Deposit security Loan	1.14	3.14	7.11	8.59	8.45
Total	17.49	31.03	55.27	67.78	63.75
Growth Rate %	36.85	77.41	78.11	22.63	-5.94

(Source – Annual Reports of Urban co-operative credit society)

It is clear from the table that Simple loan contributes around 90 % part of total loan where as Deposits security loan contribute only up to 10 % portion of total loans. Growth rate of amount of loans and advances shows big fluctuations during period under study. First four years show positive growth rate in the amount of loans rendered where as 5th year shows a negative growth rate of loans rendered compared to figures of previous year.



5.5 PROFIT OF URBAN CO-OPERATIVE CREDIT SOCIETIES

Profit is the difference between revenue and expenses over a period of time usually for one year. Profit is essential for any business unit to survive and growth over a long period of time. Urban co-operative credit society is a co-operative type of organisation and its object is to provide service to its members and help them for economic boost up. Earning of profit is not motive of urban co-operative credit society. But in today's competitive world urban co-operative credit society have to earn profit for their survival and growth as a large competition is prevailing in banking business.

Profit is an important tool to measure the efficiency of business unit. So efficiency of urban co-operative credit society is evaluated with the help of profit. Profit of Urban co-operative credit society is calculated as per the Maharashtra Co-operative Societies Act, 1960 and the Maharashtra Co-operative Societies Rules, 1961. This calculated profit is allocated as per the recommendation of board of directors as follows -

- 1) As per the Maharashtra Co-operative Societies Act, 1960 and the Maharashtra Co-operative Societies Rules, 1961 and it is mandatory to transfer 25 % of net profit to statutory reserve fund and it should be invested in District central co-operative bank.

- 2) Directors can declare dividend as per the provisions of the Maharashtra Co-operative Societies Act, 1960.
- 3) Remaining profit should be transferred to other reserves as per resolution passed in annual general meeting of shareholders.
- 4) Surplus if any remains after that should be carried to next financial year.

For the purpose of analysis profit before allocation are taken into consideration. Following table shows the profit earned by different urban co-operative credit societies during study period

Table 5.23
Profits of selected Urban Co-operative Credit Societies
(Amounts in lakhs Rupees)

Name of Urban Co- operative Credit Society	Investments				
	2002-03	2003-04	2004-05	2005-06	2006-07
Shree Ganesh N. C. C. S. Ltd.	3,35,137.	2,59,813.	3,23,317.	- 7,32,488.	-11,80,0443
Indira Mahila N. C. C. S. Ltd.	1,49,398.	1,01,855.	1,12,677.	99,569.	1,37,659.
Bhairavnath N. C. C. S. Ltd.	1,16,815.	89,030.	1,87,195.	4,02,677.	69,796.
Krishnai C. C. S. Ltd.	7,01,609.	3,73,833.	7,05,112.	4,13,826	6,29,228.
Viratnagri C. C. S. Ltd.	3,70,838.	3,95,663.	3,00,343	2,84,607	2,27,785.
Utkarsh N. C. C. S. Ltd.	1,31,785.	3,51,086.	4,20,001.	1,24,570.	4,41,536.
Kalptaru C. C. S. Ltd.	21,002.	23,708	37,607.	42,823.	25,812.
Hidayat N. C. C. S. Ltd.	511	50,333.	1,31,149.	40,143.	36,754.

(Source – Annual Reports of Urban co-operative credit societies)

The above table shows that, all urban co-operative credit societies earned profit during study period except Shree Ganesh Nagri Co-operative Credit Society who failed to earn profit for last two years of study period i.e. 2005-06 and 2006-07. However, with the help of above figures of profit we cannot judge the efficiency of urban co-operative credit societies whether they earn sufficient return on investment or not. So to judge the profitability of investment, profitability ratio relating to investment has been calculated with the help of above figures of profit.

5.5.1 PROFITABILITY RATIO RELATING TO INVESTMENT (RETURN ON INVESTMENT RATIOS)

Bank profit can be examined from the all investors point of view (i.e. owners and lenders). For this purpose profit before allocation has been taken into account. Profit is essential to survive and grow over a long period of time. Earning of profit is not sufficient in banking business, but it is also necessary to see that all funds raised by bank should be properly and profitably used. Hence to judge the profitability of invested funds, return on investment ratios are used, here three returns on investment ratios are calculated for judge the profitability of selected urban co-operative credit societies. They are –

1. Return on capital employed or net assets.
2. Return on shareholder's equity.
3. Earning per share.

1) Return on capital employed.

The term capital employed refers to long-term funds supplied by the creditors (depositors) and owners (shareholders) of the bank. It is equal to non-current liabilities (long terms liabilities) plus owner's equity.

The capital-employed basis provides a test of portability relate to source of long-terms funds. The return on capital employed can be used to show the efficiency of the bank as a whole.

$$\text{Return on capital} = \frac{\text{Net Profit}}{\text{Employed Total capital employed}}$$

2) Return on shareholder's equity.

The term shareholder's equity refers to sum of equity share capital plus reserve and surplus less accumulated losses. The shareholder's equity also referred to as net worth.

This ratio reveals how profitably the owner's funds have been utilized by the urban co-operative credit society. This is also an important ratio to judge whether the urban co-operative credit society has earned a satisfactory return for its equity holders or not.

$$\text{Return on Shareholder's Equity} = \frac{\text{Net Profit.}}{\text{Shareholder's Equity}}$$

3) Earnings per share

Earnings per share measure the profit available to the equity holders on a per share basis i.e. the amount that they can get on per share held. Earning per share calculated by divided the net profits by the numbers of the outstanding share.

$$\text{Earnings per Share} = \frac{\text{Net Profit.}}{\text{Numbers of ordinary Shares outstanding}}$$

1. PROFITABILITY RATIOS OF SHREE GANESH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.24
Profitability ratios of Shree Ganesh Nagri Co-operative Credit Societies
(Amounts in thousands Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Net Profit	335.13	259.81	323.31	- 732.48	-1,180.044
Capital Employed	30,598.13	34,504.05	37,741.53	33,996.32	43,399.06
Equity Fund	4,349.02	4,827.73	5,213.20	6,094.29	6,123.61
No. of Outstanding Shares	33,652	35,893	38,369	39,242	38,871
Return on Capital Employed (%)	1.09	0.75	0.85	--	--
Return on Equity (%)	7.15	5.10	5.84	--	--
Earning per Share (Rs.)	9.95	7.23	8.42	--	--

(Source – Annual Reports of Urban co-operative credit society)

Table 5.24 shows the amount of profit earned by society for five years and various return on investment ratios for five years Shree Ganesh Nagri Co-operative Credit Society earns profit for five years while society suffers losses for last two years. The amount of loss suffers for these two years is quite high, so to avoid such big loss society has to take proper steps.

The average rate of return on capital employed for three years is 0.89, which indicate society fails to earn sufficient return on its total funds. Return on equity ratio and earning per share measure the profitability from owner's point of view. Shree Ganesh Nagri Co-operative Credit Society earns more than 5 % return for first three years it means owners of Shree Ganesh Nagri Co-operative Credit Society earn return at 5 % on their funds. In consideration to the numbers of share outstanding, society able to pay more than Rs. 7 behind per share indicates better earning for shareholders.

2. PROFITABILITY RATIOS OF INDIRA MAHILA NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.25
Profitability ratios of Indira Mahila Nagri Co-operative Credit Societies
(Amounts in thousands Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Net Profit	149.39	11.88	112.67	99.56	137.65
Capital Employed	4,521.25	5,989.05	7,060.99	9,489.70	10,515.68
Equity Fund	1,812.51	1,964.75	2,188.15	2,542.38	2,841.88
No. of Outstanding Shares	9,720	10,418	11,745	14,095	15,906
Return on Capital Employed (%)	3.30	1.70	1.59	1.04	1.30
Return on Equity (%)	8.24	5.10	5.14	3.91	4.84
Earning per Share (Rs.)	15.37	9.77	9.59	7.06	8.65

(Source – Annual Reports of Urban co-operative credit society)

Table 5.25 reveals the amount of profit earned and profitability ratio relating to investment of Indira Mahila Nagri Co-operative Credit Society. From table it is

clear that Indira Mahila Nagri Co-operative Credit Society earns profit for five years. The amount of profit earned shows little fluctuations, which is common and can be seen in any business. But while considering rate of return on investment it is clear that return on investment and earning per share decreases for four years and last year shows a slight increase. The decrease in return on investment and earning per share recorded more than 50 %, so management of Indira Mahila Nagri Co-operative Credit Society has to consider this factor and has to take remedial measures for improve profitability of Indira Mahila Nagri Co-operative Credit Society.

3. PROFITABILITY RATIOS OF BHAIRAVNATH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.26
Profitability ratios of Bhairavnath Nagri Co-operative Credit Society
(Amounts in thousands Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Net Profit	116.81	89.03	187.19	402.67	69.79
Capital Employed	19,654.52	34,601.86	39,968.20	50,137.61	54,131.58
Equity Fund	2,378.27	2,721.70	3,114.70	3,628.23	3,987.11
No. of Outstanding Shares	14,525	17,531	18,993	20,503	20,530
Return on Capital Employed (%)	0.59	0.25	0.46	0.80	0.12
Return on Equity (%)	4.91	3.27	6.01	11.09	1.75
Earning per Share (Rs.)	8.04	5.07	9.85	19.63	3.39

(Source – Annual Reports of Urban co-operative credit society)

Table 5.26 shows the amount of profit earned and profitability ratio relating to investment of Bhairavnath Nagri Co-operative Credit Society for five years. From table it clears that society able to earn profit during study period. In year 2006-07 society earn Rs. 70,000/- as profit, while in year 2005-06 society earn profit of Rs. 4,00,000/-, which shows great fluctuations in amount of profit earned.

Rate of return on capital employed of Bhairavnath Nagri Co-operative Credit Society is too low, indicates that, society properly not uses its total funds. So rate of return total fund seen too small. Return on equity owner funds can be regarded quite well as averagely owners get 5 % on its investment during 5 years period. Shareholders of the society also get better return for first four years, but last year earning per share of society fall by Rs. 16.

4. PROFITABILITY RATIOS OF KRISHNAI CO-OPERATIVE CREDIT SOCIETY.

Table 5.27
Profitability ratios of Krishnai Co-operative Credit Society

(Amounts in thousands Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Net Profit	701.60	373.83	705.11	413.82	629.22
Capital Employed	53,641.31	67,786.41	89,532.57	1,02,080.23	1,12,460.36
Equity Fund	4,458.37	4,886.92	6,000.52	7,260.85	9,097.24
No. of Outstanding Shares	18,624	21,457	24,612	29,612	37,213
Return on Capital Employed (%)	1.30	0.55	0.78	0.40	0.55
Return on Equity (%)	15.73	7.64	11.75	5.69	6.91
Earning per Share (Rs.)	37.67	17.42	28.64	14.18	16.90

(Source – Annual Reports of Urban co-operative credit society)

Table 5.27 shows amount of profit earned by Krishnai Co-operative Credit Society and various profitability ratios for five years. Table shows that by Krishnai Co-operative Credit Society earns profit for five years, but a great increase and decrease can be seen in amount of profit during these five years.

Krishnai Co-operative Credit Society is a big urban co-operative credit society in Wai city and collects large amounts of funds compared to other societies, so amount of capital employed is comparatively high than any other society so rate of

return on total capital employed is seen very small. The rate of return on owners funds is too high than rate of return on capital employed, it means owners get better return on their funds. In consideration to numbers of share outstanding Krishnai Co-operative Credit Society can able, to pay high return behind per share held.

5. PROFITABILITY RATIOS OF VIRATNAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.28
Profitability ratios of Viratnagri Co-operative Credit Society
(Amounts in thousands Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Net Profit	370.83	395.66	300.34	284.60	227.78
Capital Employed	5,815.53	7,572.91	8,515.26	9,111.94	10,574.34
Equity Fund	2,260.53	2,627.50	3,040.45	3,443.16	3,775.14
No. of Outstanding Shares	11,227	12,635	14,646	16,178	17,313
Return on Capital Employed (%)	6.37	5.22	3.52	3.12	2.15
Return on Equity (%)	16.62	15.05	9.87	8.26	6.03
Earning per Share (Rs.)	33.03	31.31	20.51	17.59	13.15

(Source – Annual Reports of Urban co-operative credit society)

Table 5.28 indicates the profit earned by Viratnagri Co-operative Credit Society for years 2002-03 to 2006-07 and profitability ratios related to investment for the same five years. Viratnagri Co-operative Credit Society earns profit for five years, but the amount of profit earned shows decrease per year i.e. profit earned by society shows decreasing trend.

Amount of capital employed by society increases per year and the amount of profit earned shows decrease per year, this causes to decrease in return on capital employed. Return on capital employed of Viratnagri Co-operative Credit Society decrease from 6.37 to 2.15 during five years, it means return on capital employed decreased by 4.22 during these five years.

Return on equity and earning per share of Viratnagri Co-operative Credit Society is quite higher than other co-operative credit society. However, rate of return on shareholder equity and earning per share decrease year by year.

6. PROFITABILITY RATIOS OF UTKARSH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.29
Profitability ratios of Utkarsh Nagri Co-operative Credit Society
(Amounts in thousands Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Net Profit	131.78	351.08	420.00	124.57	441.53
Capital Employed	57,176.59	65,785.24	70,712.03	76,892.16	84,003.87
Equity Fund	4,565.09	5,617.57	6,721.17	8,183.96	9,330.65
No. of Outstanding Shares	36,763	42,080	44,833	47,158	50,653
Return on Capital Employed (%)	0.23	0.53	0.59	0.16	0.52
Return on Equity (%)	2.88	6.25	6.25	1.52	4.73
Earning per Share (Rs.)	3.58	8.34	9.36	2.64	8.71

(Source – Annual Reports of Urban co-operative credit society)

Table 5.29 shows the amount of profit earned by Utkarsh Nagri Co-operative Credit Society and profitability ratios for five years. It is clear from table that society earns profit for all five years. But the profit earned by society shows large variations.

Utkarsh Nagri Co-operative Credit Society collects large amounts of deposits during lesser time so amount of capital employed of Utkarsh Nagri Co-operative Credit Society is too large, so rate of return on capital employed of society is very less it is below than 0.50 %.

Return on equity ratio indicates how the owner's fund effectively utilizes or not. Rate of return on equity of Utkarsh Nagri Co-operative Credit Society fluctuate during five years period. No consistency has been seen in the amount of earning per share payable behind per equity share of society.

7. PROFITABILITY RATIOS OF LOANS & ADVANCES OF KALPTARU CO-OPERATIVE CREDIT SOCIETY.

Table 5.30
Profitability ratios of Kalptaru Co-operative Credit Society
(Amounts in thousands Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Net Profit	21.00	23.70	37.60	42.82	25.81
Capital Employed	786.27	935.29	1,203.01	1,722.67	2,087.85
Equity Fund	343.82	399.90	473.13	540.30	566.62
No. of Outstanding Shares	2,342	2,761	3,279	3,779	4,694
Return on Capital Employed (%)	2.67	2.53	3.12	2.48	1.23
Return on Equity (%)	6.10	5.92	7.94	7.92	4.55
Earning per Share (Rs.)	8.96	8.58	11.46	11.33	5.50

(Source – Annual Reports of Urban co-operative credit society)

Table 5.30 shows amount of profit earned by Kalptaru Co-operative Credit Society and various profitability ratios for five years. It is clear from table that, Kalptaru Co-operative Credit Society earns profits during five years. The amount of profit earned by society increases for first four years while a last year shows a fall in amount of profit earned.

As society is smaller the rate of return on capital employed is quite high. Kalptaru Co-operative Credit Society earns more than 2 % return on capital employed for first four years, while last years earn only 1.25 % return on capital employed.

Return on shareholders equity of Kalptaru Co-operative Credit Society is more than 6 % for first four years while return on equity for last years it is 4.55 %. In consideration to numbers of share, outstanding Kalptaru Co-operative Credit Society could be able to pay more than Rs. 8 during study period except last year.

8. PROFITABILITY RATIOS OF HIDAYAT NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.31
Profitability ratios of Hidayat Nagri Co-operative Credit Society
(Amounts in thousands Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Net Profit	0.51	50.33	131.14	40.14	36.75
Capital Employed	2,122.97	4,735.63	7,757.35	10,533.30	11,211.88
Equity Fund	393.81	721.13	1,054.95	1,280.16	1,400.35
No. of Outstanding Shares	3,189	5,619	8,154	9,842	10,547
Return on Capital Employed (%)	0.02	1.06	1.69	0.38	0.32
Return on Equity (%)	0.12	6.97	12.43	3.13	2.62
Earning per Share (Rs.)	0.16	8.95	16.08	4.07	3.48

(Source – Annual Reports of Urban co-operative credit society)

Table 5.31 shows the amount of profit earned by Hidayat Nagri Co-operative Credit Society and profitability ratios for five years. It is clear from table that society able to earn profit for five years during study period. Amount of profit of year 2002-03 was very small as Hidayat Nagri Co-operative Credit Society is a new established co-operative credit society. Profit for first three years shows increase while profit for latter two years shows a large amount of fall.

Rate of return on capital employed, return on shareholders equity shows variations as per the variations in amount of profit earned by society. As profit for first three years shows increase, ratio of return on capital employed and return on shareholders equity, also increases and profit for latter two years shows decrease so ratio of return on capital employed and return on shareholders equity also decreases during this two years.

5.6 CASH & BALANCE WITH OTHER BANKS MAINTAINED BY URBAN CO-OPERATIVE CREDIT SOCIETIES.

Introduction

Cash and balance with other banks is the important asset of an urban co-operative credit society. Every financial institution has to keep some cash with itself to satisfy the regular needs of its customers. An urban co-operative credit society must pay cash whenever customer makes a demand for it. Inability to honor the customers demand, adversely affect the public confidence, therefore an urban co-operative credit society always maintains sufficient cash reserve to satisfy the demand of customers.

Urban co-operative credit societies are small types of financial institutions and so they maintain cash balances with big banks. There are two objects behind it first it help to maintain some sort of liquidity and the second it facilitates remittance of cash and is helpful for setting inter banks transactions.

Cash and balance with other banks is regarded as first line of defense of urban co-operative credit society so, here we analyse the amounts of cash and balance with other banks maintain by urban co-operative credit society.

1. CASH BALANCE MAINTAINED BY SHREE GANESH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.32
Cash balance maintained by Shree Ganesh Nagri Co-operative Credit Society
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Cash	9.61	5.25	5.13	0.55	8.07
Balance with other Banks	16.23	16.87	11.45	7.66	12.20
Total Deposits	221.82	244.06	266.01	292.28	308.94
Cash to Deposits Ratio	4.33	2.15	1.92	0.18	2.61

(Source — Annual Reports of Urban co-operative credit society)

Explanation

Table 5.32 shows cash balance maintained by Shree Ganesh Nagri Co-operative Credit Society on Balance Sheet date for five years. Table also reveals the cash to deposits ratio of Shree Ganesh Nagri Co-operative Credit Society on Balance Sheet date, which shows fluctuations it means society does not maintain uniform policy regarding maintenance of cash balance. Shree Ganesh Nagri Co-operative Credit Society maintains high cash balance with other banks, it shows second line of defiance is strong than first line of defense.

2. CASH BALANCE MAINTAINED BY INDIRA MAHILA NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.33

Cash balance maintained by Indira Mahila Nagri Co-operative Credit Society

(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Cash	0.74	0.48	1.01	1.13	1.74
Balance with other Banks	2.38	1.11	1.84	0.49	2.08
Deposits	27.00	40.24	48.72	69.47	76.73
Cash to Deposits Ratio	2.74	1.19	2.07	1.62	2.26

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.33 shows cash balance maintained by Indira Mahila Nagri Co-operative Credit Society on Balance Sheet date for five years. The cash to deposits ratio of Indira Mahila Nagri Co-operative Credit society lies in 1.20 % to 2.75 %. Cash to deposits ratio of Indira Mahila Nagri Co-operative Credit Society shows uniformity. While cash balance with other banks show, more fluctuations as compared to cash balance in hand.

3. CASH BALANCE MAINTAINED BY BHAIRAVNATH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.34
Cash balance maintained by Funds of Bhairavnath Nagri Co-operative Credit Society

(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Cash	2.51	7.06	12.41	27.90	9.07
Balance with other Banks	12.90	7.80	0.32	0.36	0.33
Deposits	170.26	291.21	350.35	417.85	458.35
Cash to Deposits Ratio	1.47	2.42	3.54	6.46	1.97

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.34 shows cash balance maintained by of Bhairavnath Nagri Co-operative Credit Society on Balance Sheet date for five years. Table also shows the cash to deposits ratio of Bhairavnath Nagri Co-operative Credit Society on Balance Sheet date, which shows fluctuations it means society does not maintain uniform policy regarding maintenance of cash balance. Bhairavnath Nagri Co-operative Credit Society has to determine the cash requirements based on past experience and to maintain sufficient balance of cash in hand.

4. CASH BALANCE MAINTAINED BY KRISHNAI CO-OPERATIVE CREDIT SOCIETY.

Table 5.35
Cash balance maintained by Funds of Krishnai Co-operative Credit Society
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Cash	3.68	4.76	4.43	5.23	6.27
Balance with other Banks	8.59	9.36	10.10	18.41	13.46
Deposits	491.83	626.00	831.30	941.86	1027.58
Cash to Deposits Ratio	0.75	0.76	0.53	0.55	0.61

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.35 shows cash balance maintained by Krishnai Co-operative Credit Society on Balance Sheet date for five years. It is clear from table that, cash to deposits ratio of Krishnai Co-operative Credit Society is less than 1 %, which records lowest ratio as compared to other co-operative credit societies. But amount of cash balance maintained by society increasing trend. Krishnai Co-operative Credit Society keeps sufficient balance of cash with other banks.

5. CASH BALANCE MAINTAINED BY VIRATNAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.36
Cash balance maintained by Funds of Viratnagri Co-operative Credit Society
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Cash	0.53	0.27	0.15	0.05	0.18
Balance with other Banks	2.67	3.36	2.29	0.46	4.25
Deposits	30.52	43.29	47.32	47.86	59.24
Cash to Deposits Ratio	1.73	0.62	0.31	0.10	0.30

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.36 shows cash balance maintained by of Viratnagri Co-operative Credit Society on Balance Sheet date for five years. It is clear from table that, the Viratnagri Co-operative Credit Society tends to maintain less amount of cash, hence the cash to deposits ratio of society shows decrease per year. To maintain sufficient liquidity society has to increase amount of cash as per increase in amount of deposits.

6. CASH BALANCE MAINTAINED BY UTKARSH NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.37
Cash balance maintained by Funds of Utkarsh Nagri Co-operative Credit Society

(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Cash	2.66	1.13	2.58	1.71	4.01
Balance with other Banks	16.03	23.42	6.83	8.06	8.16
Deposits	526.11	601.67	639.90	687.08	746.73
Cash to Deposits Ratio	0.50	0.18	0.40	0.24	0.53

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.37 shows cash balance maintained by Utkarsh Nagri Co-operative Credit Society on Balance Sheet date for five years. Cash balance maintained by society shows fluctuations. Initial two years society maintains high cash with other banks, whereas latter three years society tends to maintain less cash with other bank. The cash deposits ratio of society is less than 0.50 %.

7. CASH BALANCE MAINTAINED BY KALPTARU CO-OPERATIVE CREDIT SOCIETY.

Table 5.38
Cash balance maintained by Funds of Kalptaru Co-operative Credit Society
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Cash	0.23	0.37	0.30	0.47	1.34
Balance with other Banks	2.27	2.54	2.53	0.46	0.06
Deposits	3.74	4.65	6.53	10.65	12.85
Cash to Deposits Ratio	6.14	7.95	4.59	4.45	10.42

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.38 shows cash balance maintained by Kalptaru Co-operative Credit Society on Balance Sheet date for five years. Kalptaru Co-operative Credit Society is newly established society completes 9 years but does not achieve progress as expected, so amount of deposits collected is less than any other society. Amount of cash balance maintained by society increases, while the cash balance with other banks decrease during study period. Cash to deposits ratio of society is high as compare to other society.

8. CASH BALANCE MAINTAINED BY HIDAYAT NAGRI CO-OPERATIVE CREDIT SOCIETY.

Table 5.39
Cash balance maintained by Funds of Hidayat Nagri Co-operative Credit Society
(Amounts in lakhs Rupees)

Items	2002-03	2003-04	2004-05	2005-06	2006-07
Cash	0.92	4.29	12.77	19.15	18.24
Balance with other Banks	0.73	4.71	2.55	4.13	13.15
Deposits	17.29	40.14	67.02	84.35	88.32
Cash to Deposits Ratio	5.32	10.68	19.05	22.70	20.65

(Source – Annual Reports of Urban co-operative credit society)

Explanation

Table 5.39 shows cash balance maintained by Hidayat Nagri Co-operative Credit Society on Balance Sheet date for five years. Hidayat Nagri Co-operative Credit Society is also a new established society and tends to progress. Cash balance in hand and cash balance with other bank increase per year. Cash to deposits ratio of society is high as compare to other society and also increases per year.

5.7 HUMAN ASPECT OF URBAN CO-OPERATIVE CREDIT SOCIETIES.

The principal component of an organisation is its “human resources” working in it. Human resource can be regarded as the personnel or employee working in organisation on various posts of organisation. The success of any organisation depends upon the human resources working in it. So the personnel or employee working in any organisation is very important. Urban co-operative credit society is a co-operative type of organisation and it requires human resources.

So here, we analyze the human aspect of urban co-operative credit society.

1. TYPE WISE ANALYSIS OF EMPLOYEES OF URBAN CO-OPERATIVE CREDIT SOCIETIES.

Most of urban co-operative credit societies contains following four types of employees.

1. **Permanent Employees:** - Permanent employee means the person who was appointed by board of directors of society and completes probation period and that after board of directors of society appoints him as permanent.
2. **Temporary Employee:** - Temporary employee means the person who was appointed by board of directors of society for temporary and miscellaneous works, which work may be for limited period or regular and seasonal increase in work.
3. **Casual Employee:** - Casual employee means the person who was appointed by board of directors of society on daily payment basis for casual work.

4. Apprentice: - The person appointed by board of directors of society as per Apprentice Act, 1961, payable monthly stipend and who can not be appointed for work more than two years.

Table 5.40
Type wise classification of employees of urban Co-operative Credit Society as on 31st March 2007

Name of Urban Co-operative Credit Society	Type of employees				
	Permanent	Temporary	Casual	Apprentice	Total
Shree Ganesh N. C. C. S. Ltd.	5	7	7	3	22
Indira Mahila N. C. C. S. Ltd.	5	0	8	2	15
Bhairavnath N. C. C. S. Ltd.	5	4	7	1	17
Krishnai C. C. S. Ltd.	11	6	12	4	33
Viratnagri C. C. S. Ltd.	0	5	5	1	11
Utkarsh N. C. C. S. Ltd.	7	6	8	2	23
Kalptaru C. C. S. Ltd.	0	1	0	1	2
Hidayat N. C. C. S. Ltd.	0	6	8	2	16

Table 5.40 discloses type wise analysis of employees of selected urban co-operative credit societies. In general there are four categories of employees working in urban co-operative credit societies. It is clear from the above table that only well established society takes services from permanent employees, while new societies take services from temporary employees. The casual type of employees is higher in total employees as it involve daily and monthly collection agent of urban co-operative credit societies. Apprentice employees are mostly the student of vocational education center.

2. CLASS WISE ANALYSIS OF EMPLOYEES OF URBAN CO-OPERATIVE CREDIT SOCIETIES.

Urban co-operative credit societies appoint various persons for various jobs as, secretary, manager, branch officer, accountant, senior accountant, senior clerk, cashier, loan officer, clerk, computer clerk, sweeper, etc. These total posts can be classified in four classes as follows

Class	Post
I st class	Sectary Manager Branch Officer Accountant
II nd class	Senior clerk Cashier Loan Officer Assistant Accountant
III rd class	Clerk Computer Clerk Record keeper Typist
IV th class	Watchmen Sweeper

For purpose of post wise analysis, only permanent and temporary employees are taken into account. Table 5.41 shows the post wise analysis of selected urban co-operative credit societies.

Table 5.41
Post wise analysis of employees of urban Co-operative Credit Society as on 31st
March 2007

Name of Urban Co- operative Credit Society	Posts							
	Secretary	Manager	Branch Officer	Accountant	Loan Officer	Cashier	Clerk	Office Boys
Shree Ganesh N. C. C. S. Ltd.	0	1	3	2	0	1	3	2
Indira Mahila N. C. C. S. Ltd.	1	0	0	0	1	0	2	1
Bhairavnath N. C. C. S. Ltd.	1	1	0	1	0	1	3	2
Krishnai C. C. S. Ltd.	1	0	3	3	0	3	3	4
Viratnagri C. C. S. Ltd.	1	1	0	0	0	2	0	1
Utkarsh N. C. C. S. Ltd.	0	1	2	1	1	1	4	3
Kalptaru C. C. S. Ltd.	0	1	0	0	0	0	0	0
Hidayat N. C. C. S. Ltd.	0	1	0	1	0	2	0	2

Table 5.41 discloses post wise analysis of employees of selected urban co-operative credit societies. Table reveals that different urban co-operative credit societies have different posts and numbers of employees have been appointed for work on these posts. One generalization can be drawn from the table that, there was no proper or uniform structure of organization in these urban co-operative credit societies. Different urban co-operative credit societies have been created different posts in its organization and appoint employees as per their requirements on these posts.

3. EDUCATIONAL QUALIFICATION OF EMPLOYEES OF URBAN CO-OPERATIVE CREDIT SOCIETIES

As already stated human aspect is important in any form of organization. The success of an organization depends up on its employees. But mere having sufficient numbers of employee do not help organization to achieve its objectives. It requires skilled, educated and highly knowledgeable employees must be filled in organization. So education of employee also gets equally importance. So here, we analyze the educational qualification of employees of selected urban co-operative credit societies.

Table 5.42
Educational qualification of employees of Urban Co-operative Credit Societies

Name of Urban Co-operative Credit Society	Educational qualification					
	Post Graduate	Graduate	H. S. C.	S. S. C.	Below S. C. C.	Total
Shree Ganesh N. C. C. S. Ltd.	2	7	0	2	1	12
Indira Mahila N. C. C. S. Ltd.	0	4	0	1	0	5
Bhairavnath N. C. C. S. Ltd.	1	6	0	0	2	9
Krishnai C. C. S. Ltd.	3	10	1	3	0	17
Viratnagri C. C. S. Ltd.	1	3	0	0	1	5
Utkarsh N. C. C. S. Ltd.	3	7	1	0	2	13
Kalptaru C. C. S. Ltd.	0	1	0	0	0	1
Hidayat N. C. C. S. Ltd.	2	2	1	1	0	6
Total	12 (18)	40 (59)	3 (4)	7 (10)	6 (9)	68 (100)

(Figure in bracket shows percentage.)

Table 5.42 shows the educational qualification of employees of selected urban co-operative credit societies. Table indicates that, majority of the employees of the urban co-operative credit societies possess good qualification i.e. bachelor degree

qualification passed by 77 % employees. While 23 % people who from 4th class not passed bachelor degree examination. Table shows that 12 employees out of 68 employees passed post gradation examination, 40 employees passed gradation degree examination, 3 employees passed higher secondary examination, 7 employees passed secondary school examination and remaining employees hold qualification below secondary school examination.