

CHAPTER – V

5.1 FINDING AND CONCLUSIONS

5.2 SUGGESTIONS

FINDINGS AND SUGGESTIONS

INTRODUCTION

In Ashta region, most of the credit co-operative societies are small in size and unitary organizational structure. These credit co-operative societies are very prompt to meet the financial needs of the peoples in the area. The credit co-operative societies, management is also very particulars to solve the local financial problems of their members. They contribute positively for the socio-economic development of the urban and rural area.

In banking field customers expectations are increasing day-by-day from UCCSs. To protect the interest of share holders of the credit co-operative societies is an important challenge before the credit co-operative societies. Credit co-operative societies have to accept the challenges of the new area. At the same time, rules and regulations of the higher authority are becoming very strict regarding NPA limit norms asset liability management and prudential norms etc. Under such circumstances the credit co-operative societies have to maintain stability, solvency, liquidity, profitability, growth and development. This is possible only when the management of UCCSs maintains financial discipline and implements techniques to control and minimize overdues and administrative cost and adopt principles and functions of financial management to undertake banking activities.

Therefore they have to adopt professional management to fulfill performance norms and to remain in the competition.

FINDINGS

In the Ashta region, Ashta Lokmanya Nagri Sahakari Pat Sanstha Ltd., Ashta is facing number of problems. Under the changing circumstances they have to accept the challenges in the bank field. On the background of competition, increased customers expectations. The Ashta Lokmanya Nagri Sahakari Pat Sanstha Ltd., Ashta has to maintain goodwill, stability, customers confidence, share-holders confidence. At the same time, the Ashta Lokmanya Nagri Sahakari Pat Sanstha Ltd., Ashta has to work under the strict regulation and control of the state government and higher authority.

- 1) The paid up share capital of the pat sanstha consist of the Individual members. The paid up share capital of the pat sanstha shows increasing trend during the study period from 1998 to 2007.
- 2) The reserve and other funds consist of a reserve, building fund, dividend, bad and doubt fund and other fund etc. The reserve fund and other reserves are satisfactorily increased during the study period.
- 3) There are no any borrowings of the pat sanstha under the study period.
- 4) The percentage of fixed deposits to total deposit shows a fluctuating trend in the study period.
- 5) The percentage of saving deposit to total deposits shows a fluctuating trend in the study period.
- 6) During the study period pat sanstha has maintained satisfactory growth in working capital.

- 7) Dividend - In the first six years from 1998 to 2003 the shareholders have got the 15% of dividend but after from 2004 to 2007 it shows decreasing trend i.e. 12%, 12%, 8%, 9% etc.
- 8) Branch Expansion Regarding the branch expansion during the study period the pat sanstha has opened new branches Gas Vibhag in Ashta in 2001-02, and at Bhendavade and Kolhapur in 2004-05 at present the pat sanstha has 10 branches including head office.

SUGGESTIONS

1. The co-operative credit society should be taken caution while given loan while giving loan care should be taken that objective of giving loan is fulfilled and to given importance to the capacity of loan holder to regain it.
2. If NPA provision is applied to co-operative credit society then it seems to be at loss so that NPA provision is not applied but it is very necessary
3. Along with fixed deposits saving deposits should increase.
4. The basic objective of credit co-operative society is to help the needy and poor people so care should be taken. Short term loan facility should be provided more than medium term loan facility.
5. To increase the deposits various, attractive schemes should be planned/ introduced.
6. Try to reduce overdues to prevent loss.
7. The Modern technology should be adopted and online services, E-banking facilities should be provided to customers.

In the period of co-operative recession. This society is working for the development of needy people with tremendous enthusiasm. Recently it has successfully completed 25 years. It is ad her to the basic principles & practice of co-operative credit society. That is its secret of glorious success.