
CHAPTER - V

CONCLUSIONS AND SUGGESTIONS

CONCLUSIONS

In this chapter an attempt is made to give conclusions and suggestions on the aspects of mobilisation of deposits by Vikas Co-operative Bank Ltd., Solapur, so far covered in this study. However the conclusions are based on the available data.

1. General

- Germany is the first country where the urban Co-operative credit movement started in the middle of the 19th century.
- The urban Co-operative banks de-serve special appreciation for occupying the most distinguished place in the Co-operative credit movement.
- The main objectives of these banks are to meet the credit needs of people, small scale and cottage industry and trade.
- Deposits mobilisation and to promote the habit of savings are the main functions of the bank.
- In India the first urban Co-operative credit society established in February 1889 in Baroda.

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- The number of committees and even Reserve Bank of India emphasised the need of establishing the urban Co-operative banks for providing the facilities to urban and semi-urbans middle class people.
 - The real development of urban Co-operative banks took place only after the nationalisation of fourteen [14] major commercial banks.

2. Deposits

The most essential factor of banking industry is the mobilisation of deposits, because it is the basic raw material for the banking business. To attract deposits from people the bank has introduced various deposits schemes. All deposits schemes are being efficiently operated by the bank. It is examined that, there is tremendous increase in deposits of the Vikas Co-operative Bank Ltd., Solapur during the period of last five years i.e. 1990-91 to 1994-95.

- At the end of 1995 total deposits were Rs. 764.79 lacks which increased from Rs. 523.30 lacks. The amount of deposit increased by Rs. 241.50 lacks by 46.14%.

2.a Fixed Deposit :

- Out of variety of attractive deposits of the Bank, the fixed deposits scheme recorded great success. The amount of fixed deposit increased for the period 1991-92 to 1994-95 by Rs. 179.43 lacks by 25.01%, 27.10%, 52.43% respectively.
- In respect of fixed Deposits scheme of the bank for the said period, the amount increased from Rs. 106.99 lakhs to Rs. 286.42 lakhs.
- The percentage of fixed deposits increased in the year 1993-94 by 52.33% is too much satisfactory.
- The average growth of the fixed deposits is quite impressive during the study period, which is Rs. 35,88,585.

2.b Savings Deposits :

- The savings deposits of the bank clearly shows the average growth of Rs. 2,37,492/- during the period from 1990-91 to 1994-95.
- The percentage of savings deposits increased from 1.15% to 12.03%. during the 1990-91 to 1994-95.

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- A close look at the table reveals that the amount of savings deposits is decreased in the year 1992-93 by Rs. 37071/- by 0.48% But the bank made a good progress in saving deposits scheme.

2.c. Current Deposits :

- A close examination of the current deposits schemes of the bank shows that the increase decreased and increased position within last five years i.e. 1990-91 to 1994-95.
- The share of current deposits in the aggregate deposits is 16.20% in the year 1992-93 is highest share.

2.d. Recurring Deposits :

- Recurring deposits are not made the progress during the period of last five year i.e. 1990-91 to 1994-95 except, the year 1993-94.
- In this deposits scheme, the bank collect highest deposits in the year 1993-94 is Rs. 6,16,310=60 providing interest @ 10.50 % p.a.

2.e. Pigmy Deposit :

- In case of pigmy deposits the data indicate the average growth of Rs. 2,79,440/- during the 1990-91 to 1994-95.



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- The share of pigmy deposits in the aggregate deposits declined from 7.05% to 6.65% during the period of last 5 years.

2.f. Margin Deposits :

- Margin deposits scheme of the bank are not shown impressive progress during the study period. The data relating to the Margin deposits indicate the average decline of Rs. 2872/-.

2.g. Employees Provident Fund Deposits :

- Employees provident fund deposits scheme is one of the most important scheme introduced by the bank. The bank provides the loans and advances to deposit or against their deposit.
- This scheme shows the surprisingly increase trend of deposits during the study period.
- Its share in aggregate deposits is i.e. 1.22%, 1.40% and 1.18% in the year 1992-93, 1993-94 & 1994-95 respectively.

2.h Damani Prashala Sanchit Deposits :

- Damani Prashala Sanchit Deposits scheme reveals that the amount of deposits increased in the year 1991-92 by 3.60% and decreased in the year 1992-93, 1993-94 and 1994-95 by 0.51%, 12.51% & 12.73% respectively.

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- This position indicate that the less response to Damani prashala from bank or the bank is fully responsible for this position.

2.m. Adarsha Prashala Sanchit Deposit :

- Adarsha Prashala Sanchit Deposits scheme is operated by bank but its position is same to Damani prashala sanchit Deposit scheme. Hence we concluded that the bank is fully responsible for the decline position.

3. LOANS AND ADVANCES :

- The data relating to laons and advances reveals that the constant increase in amount of this scheme during the study period.
- The percentage of increased in loans and advances, 7.95%, 0.89%, 18.82% and 16.38% in the year 1992-93, 1993-94 & 1994-95 respectively.
- The credit deposit ratio of the bank increased during the period of 1990-91 to 1994-95 from 90.32% to 102.56% But by taking into account the progressive position of the bank, it is fully secured and satisfactory.

SUGGESTIONS ✓

The researcher would like to make the following few suggestions with regards to the deposits mobilisation by the Vikas Co-operative bank Ltd., Solapur.

- It is necessary for the bank to pay attention towards the operating various deposits schemes.
- Every attempt should be made to increase the proportion of these deposits in the aggregate deposits of the bank.
- For the purpose of mobilisation of deposits the bank should increase the interest rate of pigmy deposits and attract huge amount under this scheme.
- The commission to pigmy agent should also be increased so that pigmy agents would take more interest in increasing their daily collection.
- Most of the deposits schemes of the Vikas Co-operative Bank are unknown to the people. And they going to other bank to invest their money.
- To attract these people the bank should try to make oftenly and eventually advertisement.



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- Recurring deposits interest rate has decreased in the year 1994-95 as compare to 1990-91. The bank should increase, if possible the rate of interest of this scheme and all the deposits schemes.
 - Lastly the bank if possible should appoint public relation officer and deposits development officer at least one for each department to increase the deposits mobilisation for growth and stability of the bank.