

**PERFORMANCE OF RATNAGIRI DISTRICT CENTRAL
CO-OPERATIVE BANK LTD.**

THESIS

**Submitted in partial fulfilment of the requirements
for the Degree of**

**MASTER OF SCIENCE
IN
AGRICULTURE
(AGRICULTURAL ECONOMICS)**

**By
Mr. BHAVE ROHAN DEEPAK
(ADPM/20/2774)**

**DEPARTMENT OF AGRICULTURAL ECONOMICS
COLLEGE OF AGRICULTURE, DAPOLI**



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NOVEMBER, 2022

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Under the Guidance of

Dr. S. R. Torane
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DECLARATION OF STUDENT

I hereby declare that the experimental work and its interpretation of the Thesis entitled "PERFORMANCE OF RATNAGIRI DISTRICT CENTRAL CO-OPERATIVE BANK LTD." or part thereof has neither been submitted for any other degree or diploma of any University, nor the data have been derived from any thesis/publication of any University or scientific organization. The source of materials used and all assistance received during the course of investigation have been duly acknowledged and that no part of the thesis has been submitted for any other degree or diploma.

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The assistance and help received during the course of investigation have been fully acknowledged.

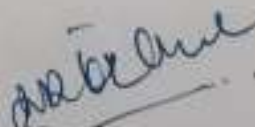
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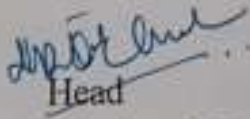
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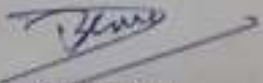
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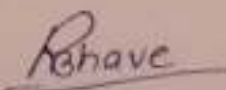
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(Bhave Rohan Deepak)

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Abbreviations

| | |
|----------|--|
| % | : per cent |
| / | : per, or |
| Agri. | : Agriculture |
| BCR | : Benefit Cost Ratio |
| C: D | : Credit deposit ratio |
| DCCB | : District Central Co-operative Bank |
| et al | : and other |
| etc. | : etcetera |
| Fig. | : Figure |
| GOI | : Government of India |
| ha | : hectare |
| KCC | : Kisan Credit Card |
| km | : kilometer |
| LT | : Long-term |
| MT | : Medium-term |
| NABARD | : National Bank for Agriculture and Rural Development |
| No. | : Number |
| NRLM | : National Rural Livelihoods Mission |
| PACS | : Primary Agricultural Co-operative Society |
| PMFBY | : Pradhan Mantri Fasal Bima Yojana |
| PMSBY | : Pradhan Mantri Suraksha Bima Yojana |
| PMJJBY | : Pradhan Mantri Jeevan Jyoti Bima Yojana |
| RBI | : Reserve Bank of India |
| RDCCB | : Ratnagiri District Central Co-operative Bank |
| Ref. | : Reference |
| RRBs | : Regional Rural Banks |
| SCB | : State Co-operative Bank |
| ST | : Short-term |
| VAMNICOM | : Vaikunthalal Mehta National Institute of Co-operative Management |



INTRODUCTION



CHAPTER I

INTRODUCTION

1.1 General

The word co-operation is derived from the Latin word “cooperate” it means “working together”. Co-operation is a philosophy of life which can cover every aspect of human activity. Co-operation literally means working together and in other words an association for purpose of joint trading among the weak and powerless people and always conducted in an unselfish spirit for utilizing reciprocally their own forces, resources or for promotion of economic interest of them-selves. Co-operation is a voluntary organization of people meant for satisfying their economic needs. The agricultural industry contributes strategically to the process of economic growth. Credit is frequently a crucial component in the modernization of agriculture

Co-operation has more scope in agriculture than in industry, particularly in developing countries like India, where the units of production are small and scattered, while profit from farming are uncertain and insufficient to meet their capital needs. Co-operation provides needed credit support, supplies other agricultural essentials such as fertilizers, seeds, agricultural chemicals, machinery, etc. arranges for marketing storage and processing of farmers produce effectively and economically. In India, cooperative banks, commercial banks, regional rural banks, etc. are primarily responsible for providing finance for agriculture. Cooperative banks among them have a significant impact on rural credit. Agricultural developments need certain institutional as well as technical changes. The rural agricultural households not only need the credit for agricultural activities but also for consumption needs. One of the most important inputs in all agricultural development operations is agricultural financing. In India, people are largely ignorant and illiterate and a co-operative society has become semi state organization in which there is hardly any initiative among members. The co-operative credit is not a controlled credit. Many societies neither properly audited nor effectively supervised. Co-operation had worked as a weapon for fighting the evils of capitalism, as a shield against communism and elementary school of democracy.

1.2 Agricultural Finance

Agricultural finance is commonly defined as the examination, study, and investigation of the financial aspects of the farm business. The farm business is also known as India's core sector. The financial characteristics include monetary value conveyed to agricultural production and disposal. Agriculture finance is one of the most common and visible challenges, particularly for farmers. Any farmer can obtain agricultural loans to purchase farm or production equipment. Agriculture finance is required for the purchase of digging tube wells, agricultural implements,

seeds, marketing of agricultural produce, livestock, fertilizers, affecting permanent improvements on the land, manures, wage payment, and so on.

Agriculture credit is considered as one of the most basic input for conducting all agricultural development programs. Small farmers require credit for almost all agricultural operations. Agriculture finance is a significant factor in the adoption of technological innovations. Credit refers to the borrower's trust in the lender. Farmers require credit to pay current cultivation expenses such as the purchase of seed, manures, implements, raw materials, acquire new land or improve land by irrigation etc. The Indian farmer's microfinance requirements are classified into three categories:

1. Short Term Credit: - It is needed to fulfill the current financial requirement of the farmer related to the purchase of seed and fertilizers. It stretches up to a period of 12 to 15 months.
2. Medium Term Credit :- It is needed for medium period ranging from 15 months to 5 years, for the purchase of tools, implements or the construction of wells, tube wells etc.
3. Long term Credit :- It is required for the repayment of old debts, purchase of land, tractors, etc. This credit is valid for more than 5 years.

1.3 Importance of credit in agriculture

Credit has played an important role in agricultural development. Commercial banks, cooperatives, and micro-finance institutions (MFI) are the three major channels through which formal credit is disbursed across the country. Credit is a critical input that affects agricultural as well as rural productivity and is significant enough to establish causality.

Agricultural credit is critical to the nation's agro-socioeconomic development, both at the micro and macro levels. It improves the farm business and increases the productivity of scarce resources. If these requirements are met, the institutional credit, which is a tool for the country's agricultural and economic development, will perform admirably.

1.3.1 Three tier Structure of Co-operative credit in Maharashtra state

- A) Co - operative credit is divided into three categories: short, medium, and long term credit. The apex level is the State cooperative bank, the district level is the Central cooperative bank, and the village or grass root level is the Primary Agricultural Credit Societies.
- B) The apex body, namely State Co-operative Bank lends agricultural credit to District Central Co-operative Banks. The District Central Cooperative Banks play a major role in the disbursement of credit to primary agricultural credit society (PACS) and PACS provide agricultural credit to cultivator members.

1.4 District Central Co-operative banks (DCCB)

Cooperative credit institutes have played an important role in rural development and agricultural development in rural areas in particular. A District Co-operative Central Bank (DCCB) is a cooperative bank that operates on a district level throughout India. It was founded to provide agricultural banking to the rural hinterland, with branches primarily located in rural and semi-urban areas. The banking model includes a district central bank for each district in each state of India, known as a District Central Co-operative Bank. The bank's president is elected by its members and their elected directors, who represent a variety of professional cooperative bodies such as milk unions, urban cooperatives, rural cooperatives, agricultural and non-agricultural cooperatives, and others. These banks are represented collectively by a State Apex Central Co-operative Bank for each state, which serves as the ultimate bank and apex body for the DCCBs in that state.

Co-operative banks have helped to boost the Indian economy's growth rate by boosting agricultural production in the country by making agricultural finance affordable and hassle-free. The cooperative credit structure is an important institutional arrangement for the development of agriculture and allied sectors in Maharashtra State, particularly in rural areas. Membership of district central co-operative bank are open for all individual farmers, primary credit society, marketing co-operative society, consumer stores, farming society. Functions of District central co-operative bank are to meet credit requirements of member societies, to perform banking business, to act as balancing center for the Primary agricultural credit society (PACS) for diverting the surplus funds of some societies to those which face shortage of funds and to undertake non credit activities.

1.5 Role of District Central co-operative banks in agricultural finance

Credit is a key element of agricultural development. Agriculture is the backbone of the Indian economy, and cheap credit is the lifeblood of Indian agriculture. In India, cooperative institutions have been critical in providing credit to agriculture. Agriculture necessarily requires short, medium, and long-term credit. There is a three-tier structure of cooperative institutions that provide farmers with short and medium-term credit. District Central Cooperative Banks (DCCB) play an important role in the short-term cooperative credit structure by acting as a link between the State Cooperative Bank and the Primary Agricultural Cooperative Societies.

1.6 Ratnagiri District Central Co-operative Bank Ltd. (RDCC)

The Ratnagiri District Central Co-operative Bank was established on May 24, 1957, and began operations on December 5, 1957. The bank was inaugurated on December 5, 1957, by Lt. Shri Ramanlal Saraiya, former president of the Maharashtra State Cooperative Bank Ltd.,

Mumbai. Essentially, the bank was registered for the 'United Ratnagiri District', which considered Ratnagiri and Sindhudurg districts at present. Following then separation of the districts of Ratnagiri and Sindhudurg, the Ratnagiri District Central Cooperative Bank was established on July 1, 1983, and a jurisdiction of nine tehsils (blocks) Mandangad, Dapoli, Khed, Chiplun, Guhagar, Sangmeshwar, Ratnagiri, Lanja, and Rajapur that constitute the Ratnagiri District.

Ratnagiri district Central Co-operative Bank also provides large-scale financing to Employees' Co-operative Credit Societies, Housing Societies, Labor Co-operative Societies, Industrial Co-operative Societies, Self-Help Groups, and other government schemes that aid in poverty eradication. It was observed that Bank has secured a very good position in Maharashtra state in all aspects, without any compromise in administration, banking, procedure, and adherence to National bank for agriculture and rural development (NABARD) standard norms. Following independence, the bank was established to significantly improve the economic condition of farmers and other needy people in the district. Ratnagiri District Central co-operative bank provides various type of loans such as Agriculture loan, business loan, vehicle loan, education loan and mortgage loan. As a result, the Ratnagiri district Central Co-operative Bank provides loans to small, marginal, and large farmers for crop production, land development, and the construction and establishment of various agro-based industries. In agricultural loan bank provide loan under various schemes to farmers are *Kharif & Rabbi* Season Agricultural Loan-through Primary agricultural credit society (PACS) under Kisan credit card (K.C.C.) Scheme, Horticulture Crop Loan for Mango, Cashew nut, Coconut, Arecanut etc., The bank also provides loan for Plantation of vegetables & Horticulture, Loan for nursery, Production of Katha, Loan for Land Development, Fencing , Loan for Green – House, Digging of New well / Renovation / Pump-House & Drip Irrigation, Farm – Mechanization, purchase tractor, Implements etc.

However, being an important institution for agricultural credit in the district, it was found the efforts made in the past year very less to undertake detailed study especially in respect of this bank. It was therefore felt necessary to assess the performance of Ratnagiri district central co-operative bank Ltd. (RDCC), opinion of the primary agricultural Co-operative credit societies, farmers and problems faced by them.

A present study entitled “Performance of Ratnagiri District Central Co-operative Bank Ltd.” was undertaken with following specific objectives -

Objectives

1. To study the progress of Ratnagiri District Central Cooperative Bank Ltd.
2. To study the different activities taken up by Ratnagiri District Central Cooperative Bank Ltd.
3. To study response of farmers and Primary agricultural credit Societies towards bank credit.

1.7 Scope and utility of the study

The findings of this study will be useful for the Ratnagiri District Central Co-operative Bank Ltd. and primary agricultural credit societies to formulate their policies regarding credit supply, borrowing activities, deposit mobilization. This study provides necessary information on the various aspects of progress of the bank. The study will also provide necessary feedback to the bank for required modification in credit planning. This study will also be useful for the farmers to understand the role of RDCC and also to the research workers engaged in the field of rural credit.



REVIEW OF LITERATURE



CHAPTER II

REVIEW OF LITERATURE

The Review of Literature is an essential part of the research process. It helps in understanding the significance, background, and current condition of the subject chosen for research. As a result, it is necessary to conduct a thorough review of all relevant literature. The review of literature is an important aspect that assists the researcher in becoming more acquainted with the subject matter and directing his efforts toward the desired goal. It aids in the comprehension of concepts as well as analytical and methodological issues related to the problem under consideration. The review of literature is divided into three sections:

1. Progress of Ratnagiri District Central Cooperative Bank Ltd.
2. Different activities taken up by Ratnagiri District Central Cooperative Bank Ltd.
3. Response of farmers and credit Societies towards bank credit.

1) Progress of Ratnagiri District Central Cooperative Bank Ltd.

Deorukhakar and Borude (1983) Studied the progress of Ratnagiri District Central Cooperative Bank with special emphasis of crop loan. They found that the institutional membership increased at the rate of 20.21 per cent per annum and the individual membership increased at 5.11 per cent per annum. The annual growth rates of loans to agriculture and non-agriculture sectors were 292.53 per cent and 457.68 per cent respectively. The number of branches increased at 44.24 per cent per annum. Study indicated that the loans to agricultural purposes seem to less significance in the total advances of the bank.

Basha A. N et al. (1990) studied the impact of certain selected variables on the mobilization of deposits, deployment funds as advances and net profits of the Vijaywada Central Co-operative Bank Ltd., during the years 1976-77 and 1985-86. They found that the selected congent variables explained more than 98 per cent variability I respect of deposits and advances, while time $(X)_1$ and share capital by societies $(X)_5$ are found to be significantly playing a positive role in promoting deposits of the bank, number of individual shareholders $(X)_2$ was also found significantly contributing to the advances of the bank.

Borude (1993) Studied the co-operative movement in Maharashtra during 1971 to 1990. She observed that statistically significant positive and more than 12 per cent growth rates in deposits, working capital, loan advances and overdues. The per annum CGR for membership of banks, branches, amount of profit and share capital were positive but less than 10 per cent. This revealed that both in accepting the deposits and advancing loans to Primary agricultural credit society (PACS), the District Central Co-operative Bank (DCCBs) did perform excellently.

Rao and Rao (1994) Studied and evaluated the growth and development of co-operatives in Andhra Pradesh for the period of 1955-56 to 1986-87. In this study they observed that the share capital had increased by 84 times, deposits by 36 times, borrowings by 73 times and working capital by 107 times over the base year of DCCBs in Andhra Pradesh. It showed that DCCBs had improved financial position during the entire study period.

Shollapure (1995) analysed the working performance of Karnataka State Co-operative bank during 1985-86 to 1991-92. The share of borrowings had increased from 14 per cent to 33 per cent in 1985-86 to 1991-92 respectively, indicated increased cost burden. The study revealed that share of owned funds in the total funds declined from 16 per cent to 9 per cent. It was observed that the loans advances accounted for lions share in the total funds deployed. The percentage of recovery to demand declined from 94 per cent to 54 per cent and from 95 per cent to 54 per cent in total credit and agricultural credit respectively indicating the poor performance of credit collection.

Barik and Puyalavannan (2001) studied funds management in Central Co-operative banks in India during 1951-52 to 1988-89. Study revealed that the owned funds of DCCBs had increased by 646 times and deposits had increased by 1090 times. It was mainly due to the policy of RBI in lending to DCCBs, which was linked with minimum involvement and compulsory deposit mobilization by DCCBs. After the introduction of minimum involvement of DCCBs, the level of borrowings had reduced. Loan advanced increased by 344 times during last five decades. The percentage of overdues had increased over the entire period.

Jadhav (2004) studied the performance analysis of District Central Co-operative Banks in Maharashtra. He concluded that, the performance of DCCBs based on number of branches in all the regions and in the state as a whole during entire period under study. The satisfactory performance was resulted in the membership of DCCBs in all the regions. The total share capital of the DCCBs in Maharashtra has steadily increased by 13.99 per cent per annum during entire period. The deposits had recorded an impressive growth with annual growth rate of 18.52 per cent. The growth of total investment had increased by 22.13 per cent and total loan advanced had increased by 12.76 per cent per annum for the entire period. The Credit- deposit (C: D) ratio had witnessed a declining trend in all the regions and for state as a whole during the period. The poor performance in recovery by DCCBs was quite comprehensible from an increase in total overdues of the DCCBs in Maharashtra state.

Koli and Landage (2007) evaluated the performance of the Ratnagiri District Central Co-operative Bank in Maharashtra from the time it was established in 1983 upto 2004-05. The annual growth rates of total deposits ranged from 1.26 per cent to 47.01 per cent during entire study period. The loan recovery percentage ranged between 62.83 and 87.35 per cent whereas

the percentage of overdues ranged between 9.45 per cent and 42.66 per cent, showing that the bank was trying to be competent.

Pujari (2008) studied the performance of Primary Agricultural Co-operative Credit Societies in Haryana and Karnataka during 1996-97 to 2005-06. He concluded that, there was significant growth in numbers of societies, membership, share capitals, deposits, borrowings, working capital loan outstanding and overdues over the entire study period. Share of agricultural loan range between 88.16 per cent to 95.10 per cent for Haryana and 69.71 per cent to 92.31 per cent for Karnataka. Yearly compound growth rates of loan overdues were more or less same for both states.

Jadhav (2009) examined the performance of Pune District Central Co-operative Bank in Maharashtra. The study was based on secondary data for the period from 1996-97 to 2005-06. The number of branches and membership had increased satisfactory growth of Pune District Central Co-operative Bank (PDCCB). A significant increase in the total share capital, reserve fund, owned funds, investments, deposits and working capital during entire study period indicated financial soundness of PDCCB. Bank had made satisfactory progress in branch expansion, credit disbursement and deposit mobilization.

Hooda and Chahal (2010) Studied the growth of PACS in India for a period of ten years, i.e., 1998-99 to 2007-08. Several indicators i.e., number of societies, membership, employees, borrowers, funds, deposits, advances, working capital and recovery performance were analyzed. It was found that there was not significant growth in number of societies but number of members and borrowers showed an increasing growth. There is significant growth in funds, deposits, loans, working capital and overdues. It was suggested that there is need of proper infrastructural facilities and regular audit.

Manwatkar (2011) studied the performance of Nagpur District Central Co-operative Bank (NDCCB). The number of branches of NDCCB were recorded significant growth of 8.03 per cent for the period 1981-91. Own funds of NDCCB also increases from 160.58 6163.01 during study period. Huge growth during year 1992-2002 was noticed. The CGR per cent is significantly highest at level of 5 per cent in amount of working capital (21.65 per cent) for the period 1992-2002 which reveals good position of bank.

Bhosale S.S (2012) studied the performance of DCCBs in konkan region. Study revealed that the number of offices and membership had increased substantially. In 1990-91 to 1999-00 during first decade period, the better performance of DCCB was notice based on various indicators i.e., number of branches, membership, reserve funds, working capital, share capital, total deposits, loan and advances etc. There was satisfactory growth of share capital in entire

period with a significant growth rate of 11 to 15 per cent per annum. Total borrowings of DCCBs had increased 13.12 per cent at regional level for entire period. The growth in total investment had significantly increased by 16.59 per cent. The credit deposit (C: D) ratio had declined from 108.44 per cent in 1990-91 to 53.74 per cent in 2009-10.

Anil kumar soni (2012) studied the District Central Co-operative Bank Rajnandgaon District. All of the parameters are increasing in a positive and significant way. On the basis year 2000 the highest Growth Rate was observed with respect to Investments (1229.87%) followed by Funds (866.00%), Deposits (424.41%), Working Capital (404.10%), Share Capital (403.35%), Borrowing (252.22%), Loan and Advances (226.00%), Management Expenses (176.70%) and Establishment Expenses (165.00%), No growth in Number of Branches.

Kale (2013) studied the performance Latur District Central Co-operatives Bank (LDCCB). The performance of LDCCB based on no. of branches indicated that there was significant growth in number of branches during entire period. The share capital of the LDCCB in Maharashtra has steadily increased by 16.32 per cent per annum. A significant increase in the loan issued of the LDCCB resulted in increase of annual growth rate of loan issued was substantially higher (22.68 per cent). The compound growth rate of working capital of LDCCB was 17.12 per cent indicates a sound financial position of LDCCB.

Unnamalai (2013) analyzed the working capital management of Tiruchirapalli District Central Co-operative Bank (TDCCB). He observed that the growth of branches of TDCCB positively increased to certain period later there was negligible negative trend in growth. The financial position of this bank analyzed by ratio analysis techniques and it was found that the solvency position, liquidity and profitability were sufficient.

Bharti Hiremath and Mamata Bannur (2014) studied financial performance of Bijapur district Central Co-operative Bank Ltd. They observed data revealed that there was effective growth in membership, reserves, total income, mobilization, owned funds, working capital, loans and advances, total expenditure and overdues with reference to Bijapur district Central Co-operative Bank Ltd. (BDCCB).

Kshitij Deshmukh (2015) analysed the performance of Cooperative banks involved in local development and progress of financial position of middle-class people. Cooperative banks play very important role in the financial system. Cooperative banks in India are now an important part of our financial system.

Pramendra (2021) studied the performance of District Central Co-operative Banks in Southern Rajasthan. The DCCB wise growth of branches showed that the number of branches had increased significantly at the rate of 1.87 per cent per annum. There was satisfactory growth

of share capital in entire period with a significant growth rate of 2.10 to 13.42 per cent per annum. Total reserve funds showed significant growth of 8.53 per cent per annum. The annual compound growth rates in deposits of DCCBs for all the districts and for the southern region as a whole ranged between 9.41 per cent per annum to 17.82 per cent per annum which indicated satisfactory performance. The growth in total investments had significantly increased by 18.03 per cent per annum during entire period. The Credit deposit (C:D) ratio of DCCB in southern region had increased from 65.23 per cent in 200-01 to 112.39 per cent in 2017-18.

2. Different activities taken up by Ratnagiri District Central Co-operative Credit Bank Ltd. (RDCCB)

Godbole (1975) studied multipurpose Co-operative Service societies in Ratnagiri district. Study concluded that those who are already members of the societies, majority of them do not take adequate advantage of the societies in respect of credit and fertilizers and seems to be defunct members. This brings average benefit of co-operative credit both cash and kind in terms of per enrolled member and per acre of gross cropped area to a very low level. The total turnover of the societies was Rs.1,56,692.69 of which 7.79 per cent was fertilizer turnover, 12.51 per cent was credit and 79.72 per cent was of consumption good.

Kalyankar and Rajmane (1983) suggested some measures to increase the recovery of short term loans (Interlinking credit with marketing). It was observed that considerable amount of current due and overdues can be recovered through cotton monopoly procurement scheme. Hence such schemes can help in strengthening the agricultural finance. Efforts should be made to convince the borrowers for sale of their produce through co-operative marketing agencies only.

Krishnamurthy and Parameshwar (1985) suggested various measures to improve the deposit consciousness among the district central cooperative banks. The district Central Cooperative banks must penetrate into market with wide publicity campaigns along with personal approach and effective communication methods, in order to compete with commercial banks. The educational qualification, experience and training of the managers were not upto the required standards to boost up the image of DCCB. Hence a time bound training program in rural banking to all the bank managers should be planned.

Gupta et al. (1998) examined the impact of cooperative finance provided by Raipur DCCB in Madhya Pradesh on cropping pattern, irrigation and per hectare profit. Study revealed that the beneficiary farmers had not only utilized the loan amount but also earned a significantly higher profit per hectare than non beneficiary farms for all the crops for which loan from cooperative bank was availed. The beneficiary farms had a net profit of Rs.684, Rs.1730 and Rs.1979 per hectare over the non beneficiary farms for paddy, gram and vegetables, respectively.

Dikole V. S. (2008) analyzed the Performance Evaluation of Sahayadri Sahakari Bank Limited Karad. It was also noticed that, factors like salary structure, working conditions, fringe benefits, and facilities provided to employees working in Sahayadri Sahakari Bank Ltd. Karad. Study suggested remedial measures like modification of recruitment policy and salary structure, active participation of Board of Directors and employee, provision of modern facilities like core banking, net banking, mobile banking, ATM, Debit/Credit Card facility. Researcher has suggested providing training to employees. It was suggested to adopt easy loan procedure and provide good working conditions to employees.

Vijayalakshmi (2009) studied the Performance Evaluation of The Thoothukudi District Central Co-Operative Banks Limited had a specific objective to analyse various problems of the study unit and also offer appropriate suggestions for improving the working of the study unit. According to the study, the bank's financial viability and profitability are declining. As a result, the Thoothukudi District Central Co-operative Bank's future success will be determined not only by the development of primary societies, but also by its ability to mobilise rural savings and recover outstanding loans.

Kaur Rimpi (2010) studied Indian Banking and their managing transformation through Information Technology – Problems and Prospects states that due to entry of new products it has a significant impact on domestic banking forcing banks to adjust the product mix and operations. The study empirically analyses the role of IT in banks performance and clearly indicates that new private sector banks have used information technology effectively in taking away the customers from public sector banks with significant improvement in revenue, potential customer base, efficiency. Study concluded that e-banking serves with better efficiency, reduced costs and have bright future with more satisfied customers and employees.

Kanchu Thirupathi (2012) analyzed Performance Evaluation of DCCBS in India. The DCCB had showed maximum growth in investment. It was suggested that government should formulate specific policies and they should be implemented for the upliftment of District Central Co-operative Banks in India. To compete with commercial banks, DCCBs should try to upgrade technology and develop customer-friendly policies.

Uppal and Juneja (2012) evaluated the performance of various banks in issuing Kisan credit cards and limit via Kisan credit cards for the period 2009 to 2011. The main purpose of this paper was to study the features of kisan credit card, agency wise and state wise progress of Kisan credit card. For the analysis, commercial banks, state regional rural banks and state co-operative banks were selected. The study found that commercial banks were most successful in pleasing the aims of NABARD followed by regional rural banks. Overall average percentage growth rate of all the bank groups was 0.323 per cent which showed the efficient performance of

Indian Banking industry in serving agriculture. It was also suggested that by strengthening cooperative banks, the rate of issuing Kisan credit cards could be increased.

Uma devi (2013) studied performance of District central co-operative bank in agricultural progress of Godavari district of Andhra Pradesh. Credit provided by DCCB are Farm advances include agricultural term loans and crop loans whereas non-farm advances include loan to self-employed, rural assistance, self help groups. The present study clearly enunciated the advantages enjoyed through improved technology with the efforts of the cooperative bank for the beneficiaries in terms of high output, increased net returns, and secondary income. In addition to the banking services, it is also extending other valuable services such as crop insurance, debt relief and waivers, supply of agricultural inputs etc.

Chougule S. B. (2014) Studied Loans and Advances of Kolhapur Urban Co-operative Bank Limited Kolhapur and also studied lending policies, collection of over dues, loan sanctioning procedure, various types of loans and has suggested few measures like reduction in interest rates of loans, providing flexibility in installment etc. it was found that the lending policy of the Bank is too time consuming and borrowers have to submit many documents for loan. Also, the Bank has not taken much effort for collection of over dues. Bank has provided loan to un-productive sector, while the education sector was fully neglected.

K Ravichandran (2014) studied the Funds and Investment Management Urban Co-Operative Banks in Karnataka has analyzed the strategies adopted, the investment pattern, and the pattern of deposit mix and credit deposit ratio maintained by the Urban Co-operative Banks. The overall objective of the study is to ascertain whether the sample banks are prudently managing their funds or not.

Saroj Kumari Sharma (2014) examined the performance of Primary Agriculture Societies in Himachal Pradesh. Study concluded that, the PACS in Himachal Pradesh improved the agriculture sector by providing credit for agricultural inputs, consumer goods and marketing facilities. The distribution of consumable items and fertilizers has declined in the year 2012-13. But distribution of agriculture marketing has increased. PACS also provide credit for activities which helps beneficiaries to earn money. These activities are like poultry, dairy, aquaculture, goat and sheep rearing and sericulture, etc. In rural areas PACS has diversified their activities in many ways such as agriculture marketing, processing, spinning, fertilizer etc.

Hoda (2015) analyzed the credit policy for agriculture in India- An evaluation. The reach of banks has been increased further by the programs of financial inclusion, in which banking correspondents are used to provide farmers with access to banking. Commercial banks' lending to priority sectors, programs such specific agricultural credit plans and the doubling of

agricultural credit, the launch of the Kisan Card Scheme, connections with self-help organizations, and microfinance all contributed to the success of the process.

Vishwanath (2016) studied the financial performance of District central co-operative bank (DCCB) with special reference to Vijayapur District. Study suggested that the bank should adopt the modern methods of banking like internet banking, credit cards and ATM. The bank should plan for expansion of branches. The bank should plan to introduce new schemes for attracting new customers and satisfying the present ones. The bank should improve the customer services of the bank to a better extent.

Raut surajkumar (2017) analyzed that total crop loan disbursed by the DCCBs at state level significantly increased from Rs.2126.69 crores to Rs.10736.11 crores with 3.61 per cent annual compound growth during study period. The activities considered while disbursing loans by the DCCBs for crop production, maintenances and marketing of crop produce. At regional level crop loan disbursed showed significant increase in all the regions of the state. The total loan disbursed for biogas plant by DCCB in Maharashtra significantly increased from Rs.0.171 crores in base year to Rs.92.66 crores in terminal year with 36.02 per cent annual growth. Loan disbursed for sericulture units by DCCB in Maharashtra significantly increased from Rs. 0.17 crores in base year to Rs. 10.88 crores in terminal year with 13.70 per cent annual growth. The total loan disbursed for plantation and horticulture by the DCCB at the state level significantly increased from Rs.55.87 crores to Rs.198.14 crores with 12.20 per cent annual compound growth during study period.

3. Response of Farmers and Credit Societies towards bank credit.

Gnanalakshmi S (2002) studied the Salem District Central Co – Operative Bank – Salem with Special Reference to Customer Service has studied origin, growth of co-operative banks and SDCCB and their customer service. The period of study was from 1995 to 2001. It was found that there is no relationship between age and attitude and also both male and female respondents responded uniformly. Hence it is found that occupation is not a constraint towards the attitude of the customer. Frequency of the customer's visits also has not had a major influence towards attitudes. All customers have same attitude towards the service rendered by the bank even if they visit daily or weekly or fortnight or monthly.

Gupta Jyoti, Jain Suman (2012) studied Cooperative Banks in India with special reference to Lending Practices and satisfaction level of the customers about Bank's lending policies. They found that simple loan procedure is followed by bank; most of the people prefer to take long term loan due to easy repayment, less formalities and satisfactory service provided by the staff.

Long-term cooperatives' financial performance was found to be even worse than their short-term counterparts.

Linda Mary Simon (2012) Customers satisfaction towards credit card services provided by State bank of India, with special reference to Coimbatore city. In the study the careful analysis of the Credit Cardholders has been taken up. The performance of credit cards in meeting consumer requirements has been good. When it was first introduced, people did not welcome it because it was mostly utilized for a few specific activities, but today it is a blessing to all of humanity. Capital and State Bank of India, no doubt but still Credit Card consciousness is lacking among many people. This is due primarily to the card fee and interest charges. So, the immediate need is to take more effective measures so as to make Credit Card attractive. Such an attempt will allow Credit Card to reach new heights in the banking sector.

Mohammad Hosein Moshref Javadi et al., (2012) in their study to evaluate the quality of private banks services provided to the customers and to measure the customer's satisfaction. Six dimensions scale to be measured are tangible, reliability, responsiveness, assurance, empathy and accessibility the ability to access private banks easily and conveniently. A pilot survey was conducted for the questionnaire and reliability and validity test satisfies and the final questionnaire was distributed to the 390-convenience respondent. Six hypotheses were framed for the above and tools like mean and t test were analyzed and the result indicated that assurance, reliability seems to be most important dimensions and Accessibility and tangibility are the most serious problem and private bank have to improve actions in mentioned dimensions.

Soyeliya Usha L. (2013) studied on Co-operative Banks in India has made an attempt to know the lending practices, measures and has compared the efficiency of cooperative banks in India. The questionnaire and interviews with experienced loan officers were used as the method. For collection of Primary Data, she used Observation, Interview Method & Structured Questionnaire & for secondary data she has referred Annual reports of the Bank, Books, Articles and Research Papers & Internet. Result of the study that majority of customers preferred housing loan from co-operative banks due to simple loan procedure, easy repayment procedure followed by bank for loan.

George Jacob (2014) Attempted to find out member satisfaction of Urban Co-operative Banks and analyse the impact of member profile and bank profile on Member Satisfaction in his thesis, Member Satisfaction in Urban Co-operative Banks: Scale Determination and Measurement. An interesting phenomenon that was noticed is that member satisfaction displayed different patterns of rate of increase for productivity and profitability. With increasing levels of productivity, the level of member satisfaction kept increasing. But for profitability Member Satisfaction in Urban Cooperative Banks: Scale Development and Measurement.

Raju V.P. (2014) analyzed the Influence of Technology in Banking a Customer Centric Study with Special Reference to Kerala. The present study is primarily intended to unearth the customers perceptions in using Self Service Banking Technology (SSBT) services by the bank customers in Kerala. The study is conducted to understand the purpose, extent of use of Self Service Banking Technology and to study the level of customer satisfaction about Self Service Banking Technology (SSBT) services. The present study is a customer-centric study related to Self Service Banking Technology (SSBT) Services, which consists of ATM, Internet Banking (IB) and Mobile Banking (MB). The study mainly considers primary data, which was collected during the period from October 2012 to March 2013 from the respondents through a structured and pre-tested questionnaire.

Venkatanarayana Miriyam (2018) Studied on Role of District Central Co-Operative Societies for Promoting Agriculture - With Special Reference to Raichur District Central Co-Operative Bank Limited, Raichur. It was found that 56 percent customers have opinioned good about the services of RDCC Bank, 62 per cent opinioned timely disbursement of loan, 58 per cent opinioned to limited lending, 53 per cent opined that low rate of interest.

Valamannavar (2020) examined the knowledge and opinion of the farmers regarding Kisan Credit Card Scheme in Dharwad District of Karnataka. A study revealed that most of the respondents possess low to medium level of knowledge about KCC scheme. The beneficiaries of any scheme should be fully aware of the entire scheme for it to be successful. The end users should be informed of all relevant information, including the scheme's origins, creator, goals and motivations, participation by other authorities, and other relevant elements. In the study the majority of respondents expressed favorable opinion towards the KCC scheme. Hence, KCC scheme implementation of needs to be continued.

Tamboli (2020) analyzed the Farmers Opinion about Lead Bank Scheme in the Ahmednagar District. Study concluded that awareness of farmers in regards to lead bank schemes does not differ either according to their age, education and income. The only variable where such a difference is observed is land holding of farmers. Hence, we come to the conclusion that the awareness of farmers in regards to lead bank schemes does not differ significantly across farmers according to their individual attributes and hence we accept the null hypothesis.



METHODOLOGY



CHAPTER III

METHODOLOGY

To arrive at useful conclusions, it is necessary to adopt appropriate methods and procedure for conducting any research and researcher should follow appropriate steps involved in carrying out research to obtain desirable results. Accordingly, to the methodology of research was decided to for the present study and same is presented in this chapter.

The research methodology adopted for the present study is divided in following heads -

3.1 Selection of Sample

3.2 Source of Data

3.3 Reference period

3.4 Analysis of data

3.1 Selection of Sample

3.1.1 Ratnagiri District Central Co-operative Bank Ltd. (RDCC)

Ratnagiri District Central Co-operative Bank Ltd. (RDCC) was selected purposively for the present study, being one of the district central co-operative bank in the university jurisdiction.

3.1.2 Primary agricultural credit societies

3.1.2.1 Selection of Tehsils –

Four tehsils namely Ratnagiri, Dapoli, Sangmeshwar and Chiplun were selected on the basis of maximum number of credit societies.

3.1.2.2 Selection of Societies –

It was found that there was total 363 Primary agricultural credit societies (PACS) as beneficiaries of RDCC. From each selected tehsil ten societies were selected randomly thus total 40 societies were selected for study.

3.1.3 Selection of Farmers –

From each tehsil 15 farmers were selected randomly thus total 60 farmers were selected for the present study.

3.2 Source of Data

Secondary data was obtained from secondary sources i.e., annual reports of the Ratnagiri district central co-operative bank Ltd. Primary data were collected from farmers and credit societies through specially designed schedules.

3.3 Reference period

The information about RDCC bank was collected through various annual reports (past 11 years) and some reports, statements of the bank. The total data for 39 years from 1983 to 2021 were collected and divided in 3 period such as

Period I – 1983-2000

Period II – 2001-2021

Overall period – 1983-2021

3.4 Analysis of data

The collected data were analyzed by using proper statistical tools viz. Percentage, ratios, averages etc. in addition to that various growth rates were calculated for drawing necessary calculations. i.e., Compound annual growth rate (CAGR), linear growth rates etc.

The operating status of Ratnagiri District Central Co-operative Banks were studied by analyzing the data regarding various parameters such as number of branches, number of employees, share capital, reserve and other funds, owned funds, external loans, total deposits, loan and advances, investment, total working capital, percent of recovery of loans.

I. Linear Growth Rate (LGR)

$$Y = A + Bt + e$$

Where, Y = Estimated trend value of growth parameter

T = Time Period in years

B = Trend value or Regression Coefficient

A = Intercept (constant)

e = Error term

II. Compound annual growth rate (CAGR)

The study period wise (as mentioned in 3.3) compound annual growth rates for different indicators of RDCC have been estimated using the following type exponential model.

$$Y = AB^t e$$

Where,

Y = Estimated trend value of growth parameter

A = Intercept

B = Trend value or Regression Coefficient

t = time period in year

$$\text{CAGR \%} = ((\text{Antilog of } b) - 1) * 100$$

III) Study parameters

Various study parameters were used to determined progress of Ratnagiri District Central Co-operative Bank Ltd. (RDCC). The list of these parameters is as below.

- | | |
|-----------------------------|-----------------------------------|
| 1. Number of branches | 7. Total deposits |
| 2. Number of employees | 8. Total working capital |
| 3. Share Capital | 9. Total investments |
| 4. Reserved and other funds | 10. Total loan and advances |
| 5. Owned funds | 11. Per cent of recovery of loans |
| 6. External Loans | |

3.5 Basic Concept and definitions

3.5.1 Share capital

One of the key funding sources for the DCCBs is share capital, which is mostly obtained through member societies and private persons.

3.5.2 Reserve funds

A reserve fund is a highly liquid asset, such as a savings account, that is placed aside by a person or a business to cover any future expenses or debts, especially those that may arise unexpectedly.

3.5.3 Owned funds

The owned funds include total of share capital, reserve funds, surplus minus accumulated losses.

3.5.4 Deposits

The co-operative societies and individuals were the major sources of deposits in DCCBs.

3.5.5 Borrowings

Borrowings are useful to assess the dependence of DCCBs. The DCCBs generally borrow from the State Co-operative Bank, loans from Government loans from commercial banks cash credit and overdrafts.

3.5.6 Working capital

Working capital is the amount of money available in a cooperative organisation for various credit and service activities. The greater the working capital, the greater the potential of the District Central Cooperative banks' services and credit activities. Working capital in a District Central Cooperative Bank is comprised of three major components: 1) owned funds (share capital + reserve funds), 2) deposits, and 3) borrowings. A bank with a larger working capital base can easily meet its clients' credit needs.

3.5.7 Investment

After recognizing the importance of proper fund management, it is necessary to plan its deployment in the best possible way to maximize returns while ensuring virtually no risk of liquidity on the other hand. The investments were primarily limited to meeting statutory cash reserve ratio (CRR) and statutory liquidity reserve requirements (SLR). The reserves cannot be invested in the bank's business, but if the total accumulated reserves exceed the paid up share capital, the surplus may be invested in the bank's business with special permission from the Registrar of Cooperatives. DCCBs' investments in government securities, other trustee securities, fixed deposits, and other investments⁹⁵ include investments in SCB mutual agreement schemes, deposits, SCB reserves, industrial finance corporation shares, and so on.

3.5.8 Agricultural credit

The term agricultural credit includes three types of credit viz., short-term credit, medium term credit and long-term credit at the district level, rather than at the individual level.

3.5.8.1 Short-term credit

The short-term credit refers to the amount of credit available for the purpose of crop production from the District Central Co-operative Banks for the period of 12 to 15 months.

3.5.8.2 Medium-term credit

This refers to medium-term investment credit made available by the District Central Co-operative Banks for the period ranging from 15 months to 5 years.

3.5.8.3 Long term credit

Farmers can use a long-term loan to cover non-seasonal expenses. This loan can be used to purchase or upgrade equipment such as windmills, solar panels, and so on. The repayment period for such loan schemes can be up to four years, allowing the farmer to repay the loan in a timely manner.



**SOCIO-ECONOMIC
BACKGROUND**



CHAPTER IV

SOCIO ECONOMIC BACKGROUND OF THE RATNAGIRI DISTRICT

The main purpose of this chapter is to provide socioeconomic information regarding the research area. It is helpful to analyze the data, draw conclusions and consider the implications of the study's findings. It is essential to have a better understanding of the area.

The study of socio-economic information is essential to understand the economic implication of the physical conditions under which development of agriculture is carried out. There are some factors are viz;

4.1 Location

4.2 Boundaries

4.3 Topography

4.4 Soils

4.5 Climate

4.6 Rainfall

4.7 River

4.8 Area and population

4.9 Irrigation

4.10 Land utilization

4.11 Cropping pattern

4.12 Poultry

4.13 Livestock

4.14 Fisheries

4.15 Forestry

4.16 Transport and Communication

4.17 Agro industries

4.18 Banks

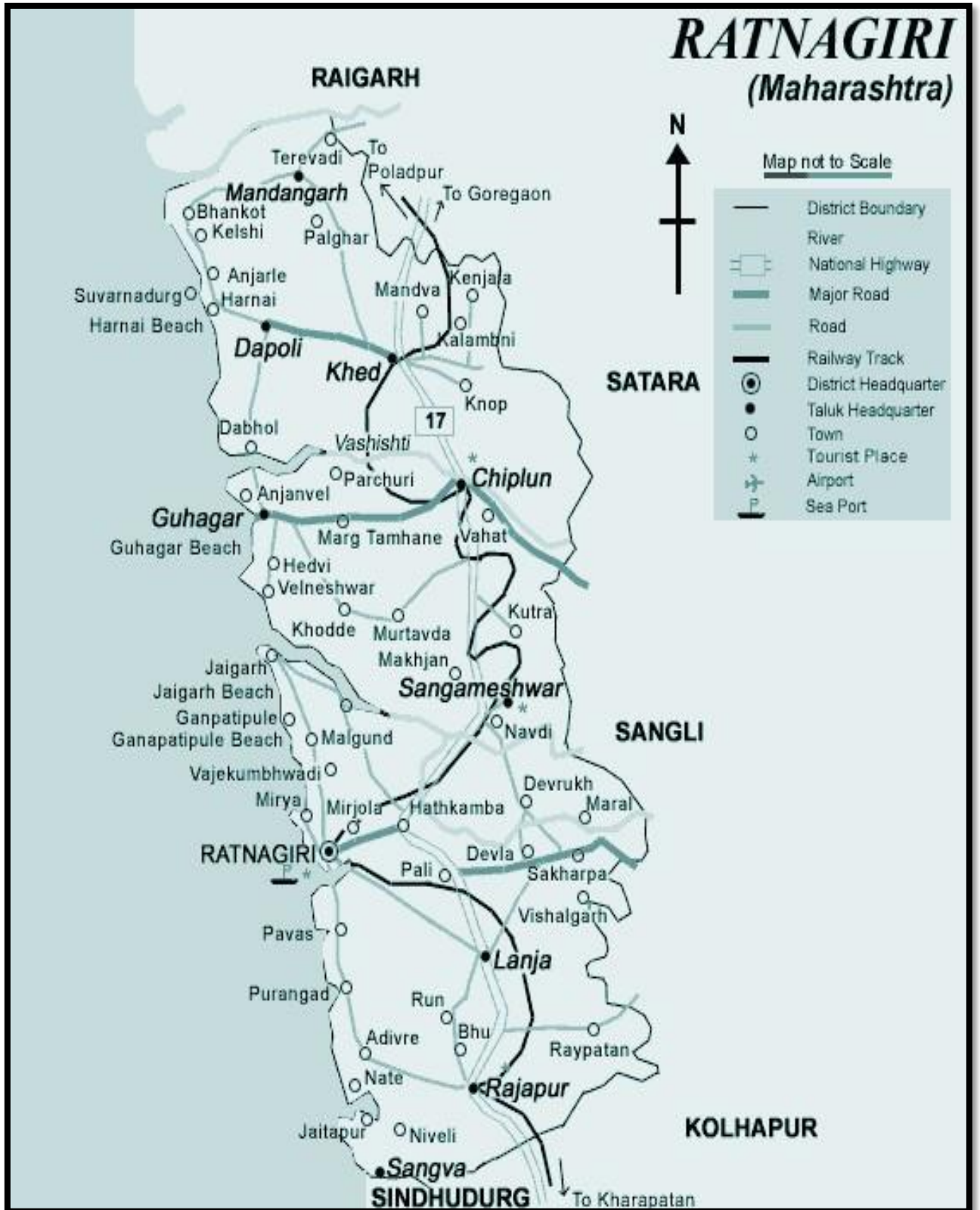


Fig. 1 MAP OF RATNAGIRI DISTRICT

4.19 Co-operatives

4.20 Regulated markets

4.21 Electricity use

4.1 Location

Ratnagiri district is a part of the Konkan region, specifically the South Konkan region, which is formed by a narrow strip running from north to south along India's western coast. It is located between latitudes 16°30' to 18°04' north and longitudes 73°02' to 73°52' east. Except for its extremities, which taper to join the coastal line, the district has a north-south length of about 225 kms and an average east-west extension of about 64 kms. The district's total geographical area is 8,208 square kilometers, accounting for 2.65% of Maharashtra state.

4.2 Boundaries

Ratnagiri district is bounded to the east by the Sahyadri hills and to the west by the Arabian Sea. Satara, Sangli, and Kolhapur districts are located near the Sahyadri hills. Sindhudurg district is located in the south, while Raigad district is located in the north.

4.3 Topography

The district's topography is undulating, with hills and rocky plains interspersed. Ratnagiri district can be divided into three geographical zones based on physical characteristics, namely,

- To the east, the hilly Sahyadri ranges.
- Plateau surface in the middle part of the district, which is used for cultivation of cereal crops, like rice and nagli, cashewnut, mango etc.
- The coastal plain, where cultivation of coconut and arecanut gardens and fishing are main sources of earning livelihood.

Hills cover more than 85 per cent of the land surface in Ratnagiri district. Ratnagiri district has approximately 69.07 percent arable land, but only 45.72 percent of that area is under cultivation.

4.4 Soils

The predominant type of soil in the Ratnagiri district is lateritic soil, which ranges in colour from bright red to brownish red due to the predominance of hydrated iron oxides. It has a high organic matter content and, as a result, a high nitrogen and potassium content. Nitrogenous fertilizers are found to be effective in these soils. The soil is naturally acidic, with a pH ranging from 5.5 to 6.5. The texture of the soil is loamy, and the depth ranges from one to three feet. The soil is porous, non-retentive of moisture, and widespread throughout the district. Coastal saline

and coastal alluvial soils occur in a narrow belt along the sea coast. Coastal saline soils contain more than 3% total soluble salts and have a pH of 7.5 to 8.0. The coastal alluvial soils have a clay loam texture and a PH of 7.0 to 7.5, with total soluble salts ranging from 0.1 to 0.2 percent. They have high fertility and can support garden crops such as coconut, arecanut, and others. The hilly, high-lying terrain in 'Varkas' type soil is suitable for growing millets such as nagli and vari, as well as oilseed crops such as niger and sesamum.

The soils are found in several grades. The main grades are:

- Soil which holds moisture up to some extent, which is useful for rice cultivation.
- Coastal alluvial soil useful for coconut and arecanut gardens.
- Varkas soils useful for cashewnut, mango fruits and nagli cultivation.
- Salty lands locally known as 'Khar' or 'Khajan' land which is uncultivable.

4.5 Climate

The combined effect of rainfall, temperature, and humidity determines the cropping pattern of any area. The coastal belt is distinguished by a warm and humid climate from other areas of Maharashtra. The temperature varies little during the day and throughout the season. Maximum temperatures rarely exceed 38°C along the coast, and rarely exceed 40°C in the interior. There are three seasons viz., i) Summer (March to May), ii) Monsoon (June to October) and iii) Winter (November to February). The climate of the district is very humid and the relative humidity seldom goes below 50 per cent. For agriculture purpose, summer or hot weather season is early *kharif* season and the winter is *Rabi* season.

4.6 Rainfall

The South-West monsoon dominates rainfall in the district. Winter rains from the north-east monsoon are minimal or non-existent. Rainfall is not evenly distributed throughout the district. Although rainfall occurs from the middle or last week of May to November, the major rainfall occurs during four months (June to September), Nearly 97 percent of the rainfall is observed during these months. July has the most precipitation. Rainfall intensity increases from the coast to the Western Ghats on the district's eastern border. The average rainfall in Ratnagiri district is 4,289 mm, which falls over 90 to 120 days. There are dry spells that last between 7 and 21 days. The maximum dry spells are observed in month of September followed by June.

4.7 River

Savitri, Vashishit, Jagbudi, Shastri, Bav, and Muchkundi are the major rivers that run through the district. All of the rivers in the district originate in the Sahyadri ranges and have eroded to their base level within a 20-kilometer radius. The district's rivers all flow from east to

west and join the Arabian Sea. Most rivers in the district are not perennial, but they become overflowed during the monsoon due to heavy rains.

4.8 Area and population

The district covers an area of 8,208 square kilometres. According to the 2011 census, the region's total population was 16,15,069. Ratnagiri district accounts for 1.44 per cent of Maharashtra's total population. The total female population is 8,53,948 (52.87%) of the total population, while the total male population is 7,61,121 (47.13%) of the total population. There are 1122 females for every 1000 males in the district. Between 2001 and 2011, the district's population reduced by 4.82 per cent. Among the male and female populations, the male population reduced by 4.20 per cent while female population reduced by 5.36 per cent. The population density in the district is 197 people per square kilometre. In 2016, there were 17,467 live births in the district, with 9,066 being males and 8,401 being females. In the same year, there were 13,518 deaths in the district, with 7,413 males and 6,105 females. According to the 2011 census, the majority religion in the district is Hindu, accounting for 80.94 per cent of the total population. According to the 2011 census, the primary language of the district is Marathi, which is spoken by 88.18 per cent of the population. The district's total literacy rate is 82.18 per cent. The rural population makes up approximately 83.67 per cent of the total. According to the 2011 census, there are 5,75,756 workers in the district, accounting for 35.2 per cent of the total population. Farming employs 63.50 per cent of the total workforce.

4.9 Irrigation

The district's gross cropped area was 268083 ha. Out of only 14344 hectares were irrigated, accounting for 2.45 percent of total cropped area. The district has no major irrigation projects. One minor irrigation project, Natuwadi Minor Irrigation Project (Tahsil-Khed), with a total command area of 2050 ha, has been completed. Other minor irrigation projects are underway in Gadnadi and Tal. Sangameshwar, in Rajapur tahsil, on Jmada and Arjunariver. In the Ratnagiri district, 1065 minor irrigation projects have been completed.

The district receives high amount of rain, but because of the undulating and hilly terrain, most of it runs into the sea. Irrigation is primarily obtained through minor irrigation projects and dug wells. Rice, pulses, spices, groundnut, coconut, arecanut, and other vegetables are among the important crops grown under irrigation. Surface irrigation, such as government canals, private canals, tanks, and so on, is the primary source of irrigation.

4.10 Land utilization

One of the most important production factors is land. The land is undulating, and the district's topography renders the majority of its land unsuitable for cultivation. Pattern of land utilization in Ratnagiri district is given in table 4.1.

Table 4.1 Pattern of Land utilization in Ratnagiri district for the year 2020-21

| Sr. No | Land use category | Area (ha) | Percentage to total Geographical area |
|--------|--|-----------|---------------------------------------|
| 1 | Land put to non-agricultural users | 21178 | 2.59 |
| 2 | Barren and uncultivable land | 197918 | 24.24 |
| 3 | Culturable waste land | 206901 | 25.34 |
| 4 | Land under miscellaneous tree crops and groves | 4966 | 0.61 |
| 5 | Permanent pastures and other grazing land | 5075 | 0.62 |
| 6 | Current fallow | 36088 | 4.42 |
| 7 | Other fallow | 87453 | 10.71 |
| 8 | Net area sown | 261299 | 32.00 |
| 9 | Area sown more than once | 6784 | 0.83 |
| 10 | Forest area | 5860 | 0.72 |
| 11 | Gross cropped area | 268083 | 32.84 |
| 12 | Total geographical area | 816433 | 100 |

Source: Socio-economic Review and District Statistical Abstract of Ratnagiri district, (2020-21).

According to the data in Table 4.1, there is good potential for increasing area under cultivation by cultivating cultivable waste land, which accounts for 25.34 per cent of the district's total geographical area. The proportion of land covered by forest is very low (0.72 percent of total geographical area), and it needs to be increased. The proportion of net area sown to total geographical area is only 32.00 per cent due to a high proportion of cultivable waste land as well as barren and uncultivable land.

4.11 Cropping pattern

The area under different crops in Ratnagiri district is presented in Table 4.2.

Table 4.2 shows the cropping pattern used in the Ratnagiri district. According to table 4.2, the total cereal cropped area in the district was 79925 ha. Rice, nagli and vari cover 68833 ha, 10599 ha, 485 ha, and 8 ha, respectively. The proportion of total cereals to total cropped area was 29.81 percent. The district's total pulse cropped area was 3711 ha. Gram (1 ha), Red Gram (431 ha), Green Gram (135 ha), Black Gram (25 ha), Kulith (1521 ha), Val (992 ha), Cowpea

and Vatana (570 ha), and other pulses are grown on the land (36 ha). The proportion of total pulses to total cropped area was 1.38 per cent.

Table 4.2 Cropping pattern of Ratnagiri district for the year 2020-21

| Sr. no. | Crops | Area (ha) | Percentage to Total cropped Area |
|---------|--------------------------------------|---------------|----------------------------------|
| 1 | Cereals | | |
| | a)Rice | 68833 | 25.67 |
| | b) Nagli | 10599 | 3.95 |
| | c) Vari | 485 | 0.18 |
| | d) Maize | 8 | 0.002 |
| | Total cereals | 79925 | 29.81 |
| 2 | Pulses | | |
| | a) Gram | 1 | 0.0003 |
| | b) Red gram | 431 | 0.16 |
| | c) Green gram | 135 | 0.05 |
| | d) Black gram | 25 | 0.009 |
| | e) Kulith | 1521 | 0.57 |
| | f) Val | 992 | 0.37 |
| | g) Cowpea/ | 570 | 0.21 |
| | h)Other pulses | 36 | 0.01 |
| | Total pulses | 3711 | 1.38 |
| 3 | Total food grains (cereals + pulses) | 83636 | 31.20 |
| 4 | Sugarcane | 50 | 0.02 |
| 5 | Total spices | 94 | 0.04 |
| 6 | Fruits | | |
| | a) Mango | 66463 | 24.79 |
| | b) Banana | 115 | 0.04 |
| | c) Other fruits | 117539 | 43.84 |
| | Total fruits | 184117 | 68.68 |
| 7 | Total vegetables | 11 | 0.004 |
| 8 | Total fruits and vegetables | 184128 | 68.68 |
| 9 | Oilseed crops | | |
| | a) Groundnut | 49 | 0.02 |
| | b) Sunflower | 3 | 0.001 |
| | c) Other oilseeds | 123 | 0.05 |
| | Total oilseeds | 175 | 0.07 |
| 10 | Cropped area | | |
| | a) Total non-food cropped | 175 | 0.07 |
| | b) Total food cropped | 267908 | 99.93 |
| | Total cropped area | 268083 | 100.00 |
| 11 | Net cropped area | 261299 | 97.47 |

Source: Socio-economic Review and District Statistical Abstract of Ratnagiri district (2021)

Ratnagiri district's total fruit cropped area was 184117 ha. Mango, banana, and other fruit crops account for 66463 ha, 115 ha, and 117539 ha of the total fruit cropped area. The total vegetable area is 11 ha. The proportion of total fruits and vegetables to total cropped area is 68.68 per cent. The district's sugarcane area is 50 ha, with a 0.02 percent share of total cropped area. The total area for spices and oilseeds is 94 ha and 175 ha, respectively. The percentages to total cropped area were 0.04 and 0.07 percent, respectively.

The total area under total food cropped and total non-food cropped is 267908 ha and 175 ha, respectively. Ratnagiri district had a 99.93 per cent share of total cropped area and a 0.07 per cent share of total cropped area. Ratnagiri district had a net cropped area of 261299 ha.

4.12 Poultry

Poultry contributes significantly to the economy by providing employment opportunities for landless labour, food for the human population, and additional income to farmers. In 2020-21, the total poultry population in Ratnagiri district was 824703. The total hen population was 820709, accounting for 99.51 per cent of the total poultry population the district.

4.13 Livestock

Livestock contributes significantly to the economy by providing employment opportunities for landless labor, food for the human population, and secondary income to farmers. Livestock population of the Ratnagiri district is given in Table 4.3.

Table 4.3 Livestock population in Ratnagiri district for the year 2020-21

| Sr. No. | Livestock category | Number | Percentage to total Livestock |
|---------|--------------------|----------|-------------------------------|
| 1 | Cattle | 3,19,312 | 80.47 |
| 2 | Buffalo | 43,816 | 11.04 |
| 3 | Total bovine | 156 | 0.04 |
| 4 | Goat | 33,071 | 8.33 |
| 5 | Sheep | 127 | 0.03 |
| 6 | Horses , Mule | 22 | 0.006 |
| 7 | Other livestock | 295 | 0.07 |
| 8 | Total livestock | 3,96,799 | 100 |

Source: Socio-economic Review and District Statistical Abstract of Ratnagiri district (2021)

According to the data in Table 4.3, the total livestock population in Ratnagiri district was 3,96,799 heads, with cattle accounting for 80.47 per cent and buffalo accounting for 11.04 per cent. Sheep, goat, horses, and Mule each contributed 0.03 per cent, 8.33 per cent, and 0.006 per cent. The total bovine and other livestock populations are 0.04 and 0.07 per cent, respectively.

4.14 Fisheries

Ratnagiri district has a 167-kilometer-long seacoast. This district is one of the state's marine districts. Fishing is practised along the entire coastline of Ratnagiri. The seacoast is located in five tahsils: Ratnagiri, Dapoli, Mandangad, Rajapur, and Guhagar. Mirya port in Ratnagiri, Harne port in Dapoli, and Nate port in Rajapur taluka are the three main fishing ports. The primary source of fish production is marine resources. There are 99 fishing villages along the coast, with 50 landing centres and ports.

In 2020-21, total marine fish production was 73,738 M.T. worth Rs. 231.14 crores. 7.13 per cent of total fish production was sun dried, 7.40 per cent was treated with salt, and the remaining 75.47 per cent was sold as fresh fish.

4.15 Forestry

In the year 2020-21, the district's total forest area was 5860 ha. Teak, Khair, Shivan, Ain, Terminalia, Chebula, and Bamboo are among the important forest trees grown in the district.

4.16 Transport and Communication

In terms of transportation, roads are one of the most important prerequisites for any district's economic development. This is especially true in the district of Ratnagiri, where the majority of the terrain is hilly. According to 2020-21, the total length of the road in the district is 10518 km. A major National Highway Mumbai-Goa (NH-17) runs the length of the state and serves as an important mode of transportation. The majority of the villages and towns are linked to the highway by small roads. Recently, the Konkan railway has emerged as an important mode of transportation for this region. The total length of the railway track is 194 kilometres. Ratnagiri district has 15 railway stations. Besides this, navigation facility is also available in the district to some extent. There are 695 post offices and 48882 telephones are in working condition in Ratnagiri district.

4.17 Agro industries

Paddy, nagli, mango, cashew, coconut, arecanut, kokum, and jackfruit are the main agricultural crops of Ratnagiri district. In addition, the district contains medicinal plants and forest products such as timber woods, kattachu (Kath), and grass.

This district is well-known for its high-quality Hapus mangoes and cashews. Coconut, arecanut, and kokum are also important products. Ratnagiri district has numerous cashew processing industries. The district's cashew kernel export earns a good amount of foreign exchange. Minor fruits such as kokum, jamun, and jackfruit, for example, are processed into a variety of products at the household level. There are also a few licenced units that produce such minor fruits on a commercial scale. Paddy straw and bamboo can be used to make paper and paperboard. Bamboo is also used to make baskets, which are in high demand for packing fruits and storing agricultural produce.

4.18 Banks

The district has District Central Co-operative Bank and Urban Co-operative Banks with 79 branches and other commercial banks with 50 branches and also few. Bank of India is the lead bank of district.

4.19 Co-operatives

Cooperatives are an important aspect of agricultural development. There are 3008 co-operative societies in total, with 2573 thousand members. There were 363 agricultural co-operative credit societies, 282 non-agricultural credit societies, and 2358 non-credit societies among the total co-operatives.

4.20 Regulated markets

There is one regulated market in Ratnagiri, but it is closed because there is no marketable surplus of rice or nagli, the two most important cereal crops. Ratnagiri district has a food grain production deficit. Mango is a commercial crop sold by cultivators and pre-harvest contractors through commission agents in major city markets such as Mumbai and Pune. Cashew is a commercial crop that cultivators sell in Vashi market. Local sales are insignificant. As a result, the market has been inactive.

4.21 Electricity use

Electricity consumption reached 873 million kilowatt hours in 2020-21, with 359 million kilowatt hours for domestic use, 57 million kw hours for trade and small scale industries, 370 million kilowatt hours for large scale industries, 7 million kilowatt hours for public lighting, 11 million kilowatt hours for agriculture use, and 68 million kilowatt hours for other works. In the reference year, there were 5.75 lakh power connections, and per capita consumption was 506 kilowatt hours.



RESULT AND DISCUSSION



CHAPTER V

RESULT AND DISCUSSION

The results of the study are presented and discussed in this chapter. The results with respect to progress of working and different activities of Ratnagiri district central co-operative bank Ltd. (RDCCB) in Ratnagiri District of Maharashtra state are presented and discussed in this chapter.

The information regarding existing situation of Ratnagiri District Central Co-operative Bank for year 2020-21 with various parameters such as number of branches, number of employees, share capital, reserve and other funds, owned funds, external loans, total deposits, loan and advances, investment, total working capital, profit or loss, percent of recovery of loans, audit class and credit deposit (C: D) ratio is presented in Table 5.1

Table 5.1 Existing situation of Ratnagiri District Central Co-operative Bank Ltd. (RDCC) as per various parameters (2020-21)

| Indicators | Units | Amount |
|-------------------------|--------------|-----------|
| Total branches | Number | 80 |
| Total Employees | Number | 417 |
| Share Capital | Rs. In lakhs | 5268.29 |
| Reserve and other funds | Rs. In lakhs | 18592.69 |
| Owned funds | Rs. In lakhs | 23860.98 |
| External loans | Rs. In lakhs | 4074.23 |
| Total Deposits | Rs. In lakhs | 222364.30 |
| Total loan and advances | Rs. In lakhs | 155802.51 |
| Investment | Rs. In lakhs | 81806.16 |
| Total Working Capital | Rs. In lakhs | 257429.53 |
| Profit (+) /Loss (-) | Rs. In lakhs | + 2054.25 |
| Percent of recovery | Per cent | 96.33% |
| CD Ratio | Per cent | 70.07 |
| Audit Class | | A |

The table shows that the existing situation of the Ratnagiri District Central Co-operative Bank Ltd. (RDCC). In the year 2020-21, the number of branches of Ratnagiri District Central Co-operative Bank Ltd. was 80 and the total numbers of employees of Ratnagiri District Central Co-operative Bank Ltd. were 417. Share capital of Ratnagiri District Central Co-operative Bank Ltd. was Rs. 5268.29 lakhs and reserve and other funds and owned funds were Rs. 18592.69 lakhs and Rs. 23860.98 lakhs, respectively. The amounts of external loans of Ratnagiri District Central Co-operative Bank Ltd. for year 2020–21 were Rs. 4074.23 lakhs. The total deposits of Ratnagiri District Central Co-operative Bank Ltd. found to be Rs. 222364.30 lakhs, and total loans and advances of Ratnagiri District Central Co-operative Bank Ltd. were Rs. 155802.51 lakhs. The Ratnagiri District Central Co-operative Bank Ltd. invested Rs. 81806.16 lakhs in various entrepreneurs in year 2020-21. The total working capital of Ratnagiri District Central Co-operative Bank Ltd. (RDCC) was Rs. 257429.53 lakhs. The total profits of bank in year 2020-21 were Rs. 2054.25 lakhs. Ratnagiri District Central Co-operative Bank Ltd. recovered 96.33 percent of its debts indicating good performance of bank. The credit deposit ratio was 70.07 per cent. The Ratnagiri District Central Co-operative Bank Ltd. achieved an A audit class for year 2020-21. The various indicator of the year 2020-21 indicated that the financial position of bank is good and it is spread over the district with wide network of 80 branches.

5.1 Progress of Ratnagiri District Central Co-operative Bank Ltd. (RDCCB)

5.1.1 Number of branches

5.1.1.1 Progress regarding establishment of new branches of the bank

The information regarding progress of Ratnagiri district central co-operative bank in respect of establishment of number of branches are presented in table 5.2

Table 5.2 Decade wise progress in establishment of number of branches

| Year | Total branches (Number) | Per cent change | Per cent change over base year |
|------|-------------------------|-----------------|--------------------------------|
| 1983 | 39 | | |
| 1993 | 66 | 69.23 | 69.23 |
| 2003 | 74 | 12.12 | 89.74 |
| 2013 | 74 | 00.00 | 89.74 |
| 2021 | 80 | 8.10 | 105.12 |

The table shows that, the decade 1983–1993 saw the biggest change as 69.23 per cent and there was zero per cent change in decade 2003 to 2013. The percent change progress was discovered stagnated. The percent change in the number of branches from decade to decade ranged from 8.10 per cent (year 2021) to 69.23 per cent. (Year1993). During the period of previous 39 years, the bank's total number of branches increased by 105.12 per cent over the base year of 1983. The table shows that Ratnagiri District Central Co-operative Bank Ltd. has significantly increased in the number of branches.

5.1.1.2 Trend in growth of number of branches

The information regarding progress of Ratnagiri District Central Co-operative Bank in terms of number of branches is represent with the help of linear as well as compound annual growth rates is given in table 5.3

Table 5.3 Growth trend in number of branches of Ratnagiri District Central Co-operative Bank Ltd.

| Period | Year | Linear growth rate (No.) | Compound annual growth rate (%) |
|----------------|--------------|--------------------------|---------------------------------|
| Period I | 1983 to 2000 | 1.64 | 2.97** (0.0026) |
| Period II | 2000 to 2021 | 0.50 | 0.66** (0.0008) |
| Overall period | 1983 to 2021 | 0.85 | 1.36** (0.0011) |

** = significant at 5 per cent level

(Figures in parentheses indicates standard error)

It is observed from the table that, In period I from year 1983 – 2000, the compound annual growth rate during 18 years for number of branches of Ratnagiri District Central Co-operative Bank was 2.97 per cent, which were statistically significant at 5 per cent level. In period II (2000-2021), compound annual growth rate during 21 years was 0.66 per cent, which were statistically significant at 5 per cent level. In overall study period, from 1983 – 2021, the compound annual growth rate during last 39 years for number of branches was 1.36 per cent, were statistically significant at 5 per cent level and the linear trend per year was 0.85 number of branches. The analysis revealed that number of branches of Ratnagiri District Central Co-operative Bank Ltd. were increasing and indicated a positive growth found to be in number of branches, at least one branch is open in a year.

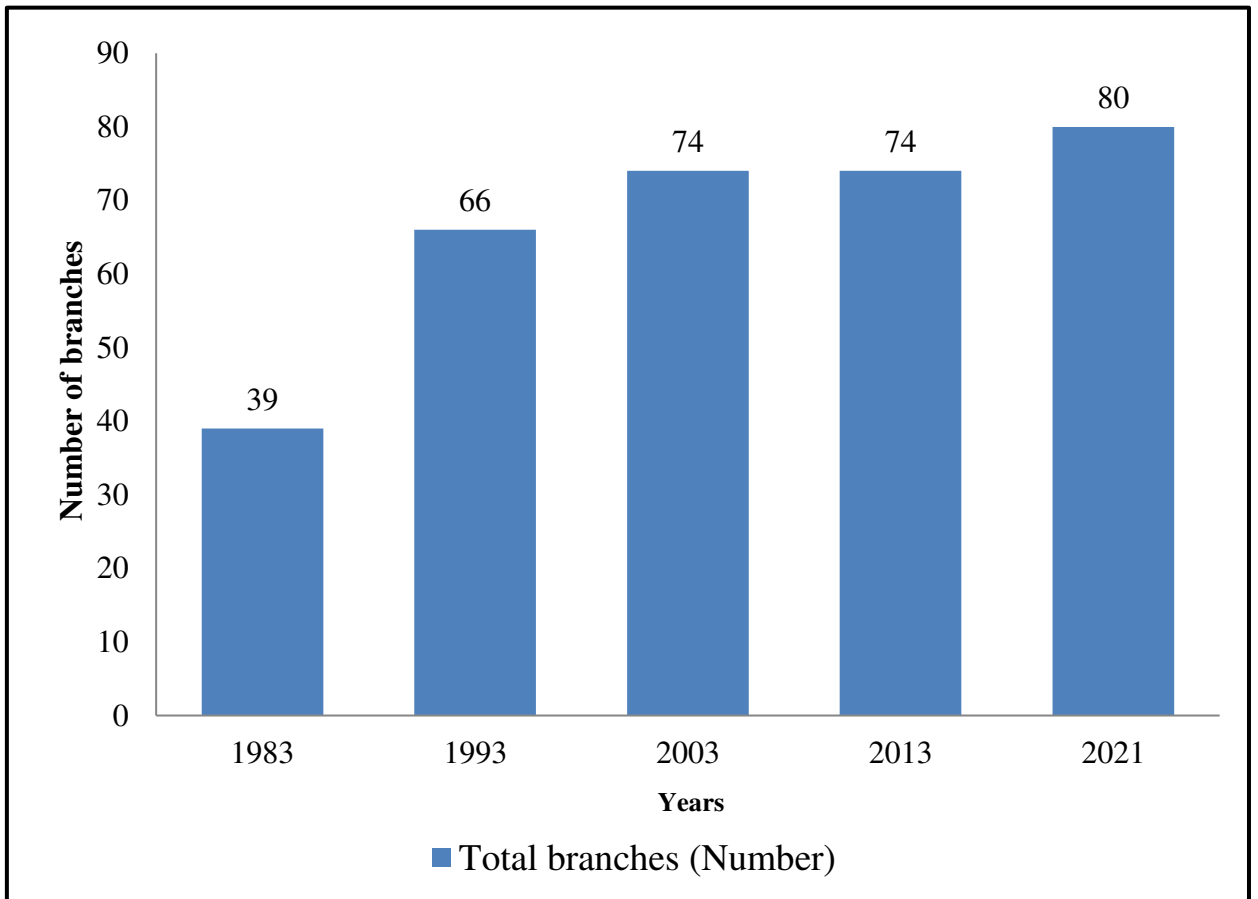


Fig. 5.1 Growth of number of branches of Ratnagiri District Central Co-operative Bank Ltd.

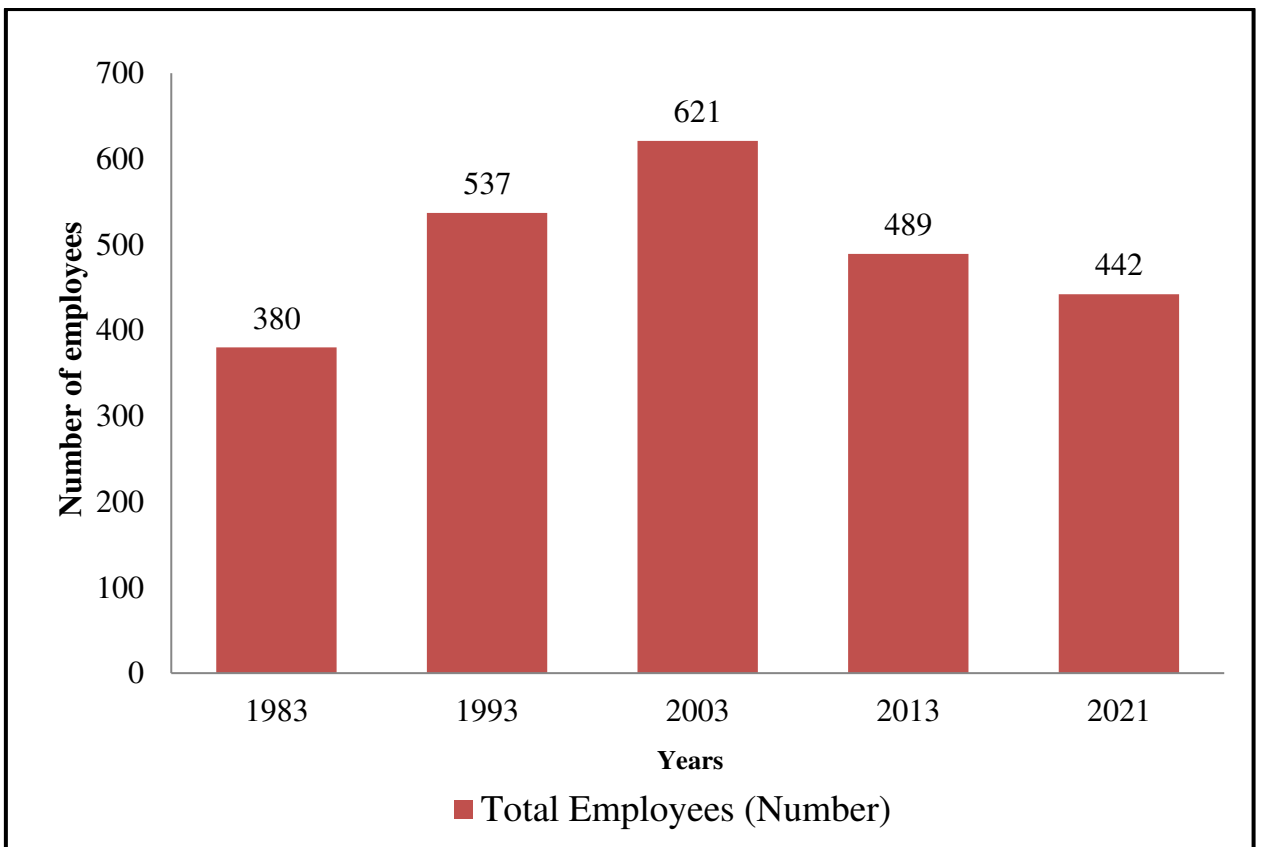


Fig. 5.2 Growth of number of Employees of Ratnagiri District Central Co-operative Bank Ltd.

5.1.2 Number of employees

5.1.2.1 Decadal progress of total employees in the bank

The information regarding progress of Ratnagiri district central co-operative bank in respect of number of employees were calculated and presented in table 5.4

Table 5.4 Decade wise change in number of employees of the bank

| Year | Total Employees (Number) | Decadal Per cent change | Per cent change over base year |
|------|--------------------------|-------------------------|--------------------------------|
| 1983 | 380 | | |
| 1993 | 537 | 41.30 | 41.30 |
| 2003 | 621 | 15.64 | 63.42 |
| 2013 | 489 | -21.25 | 28.68 |
| 2021 | 442 | -9.61 | 16.31 |

As indicated in table, the actual number of total employees in 1983, 1993, 2003, 2013 and 2021 was 380,537,621,489 and 442, respectively. The maximum change was observed in year 1983 to 1993 (41.30 per cent) and thereafter decrease in number of employees was observed. The decadal per cent change was negative from year 2003 to 2021. The per cent change over base year from year 1983 to 2021 was 16.31 per cent. It looks from the table and graph that, the number of employees were decreased from year 2003 to 2021 (- 9.61). It was revealed that after establishment of bank in initial years, number of employees were increases, however later number of employees were reduced, which indicated just 16.31 per cent increase in the employees. It may be result of computerization and bank policy.

5.1.2.2 Trend in growth of number of employees

The information regarding progress of Ratnagiri District Central Co-operative Bank in case of number of employees is present with the help of linear as well as compound annual growth rates in table 5.5

Table 5.5 Growth trend of number of employees

| Period | Year | Linear growth rate (No.) | Compound annual growth rate (%) |
|----------------|--------------|--------------------------|---------------------------------|
| Period I | 1983 to 2000 | 18.34 | 3.67** (0.0029) |
| Period II | 2000 to 2021 | - 10.47 | -1.9** (0.0025) |
| Overall period | 1983 to 2021 | 0.56 | 0.15 NS (0.0024) |

** = Significant at 5 per cent level, NS – Non significant
(Figures in parentheses indicates standard error)

It was observed that, During Period II, 2000-2021, the compound growth rate was -1.9 percent over 21 years, indicated decrease in employment. In overall study period, from 1983 to 2021, the compound annual growth rate for the number of employees was 0.15 percent, indicated just 0.15 percent increase. The linear growth rate, for overall period in number of employees was just 0.56. It was concluded from table that, between 1983 and 2000, the compound growth rate for the number of employees at Ratnagiri District Central Co-operative Bank was 3.67 per cent per year which indicated an employment generation of nearly four persons per year.

5.1.3 Share Capital

The most important fund of the bank is the share capital, which is contributed by the members, individual members and affiliated societies both contribute to the share capital. A District Central Co-operative Bank, like any other banking institution, requires funds to lend to its members. The share capital increases mainly due to increase in number of branches and memberships.

5.1.3.1 Decadal progress in share capital of the bank

The information regarding decade wise progress of Ratnagiri district central co-operative bank in respect of share capital were estimated as average of triennium ending for each decade and presented in table 5.6

Table 5.6 Decade wise progress in share capital of the RDCC Bank

| Year | Share Capital (Rs. In lakh) | Decadal Per cent change (%) | Per cent change over base year (%) |
|------|--------------------------------|--------------------------------|---------------------------------------|
| 1983 | 55.20 | | |
| 1993 | 221.77 | 301.75 | 301.70 |
| 2003 | 1200.93 | 441.52 | 2075.59 |
| 2013 | 2891.04 | 140.73 | 5137.39 |
| 2021 | 5146.25 | 78.00 | 9222.91 |

It was observed from the table that the decade wise per cent change in share capital was ranging from 78 per cent (year 2021) to 301.75 (year 1993). The maximum change was observed in the decade 1993-2003 (441.52 per cent). As the quantity of share capital accumulated with the bank is increased, the per cent change progress was found to be decreased. In last 39 years the total per cent increase in share capital with the bank over base year 1983 was 9222.91 per cent. It was concluded from the table that the Ratnagiri district central co-operative bank Ltd. have made a substantial progress in case of share capital.

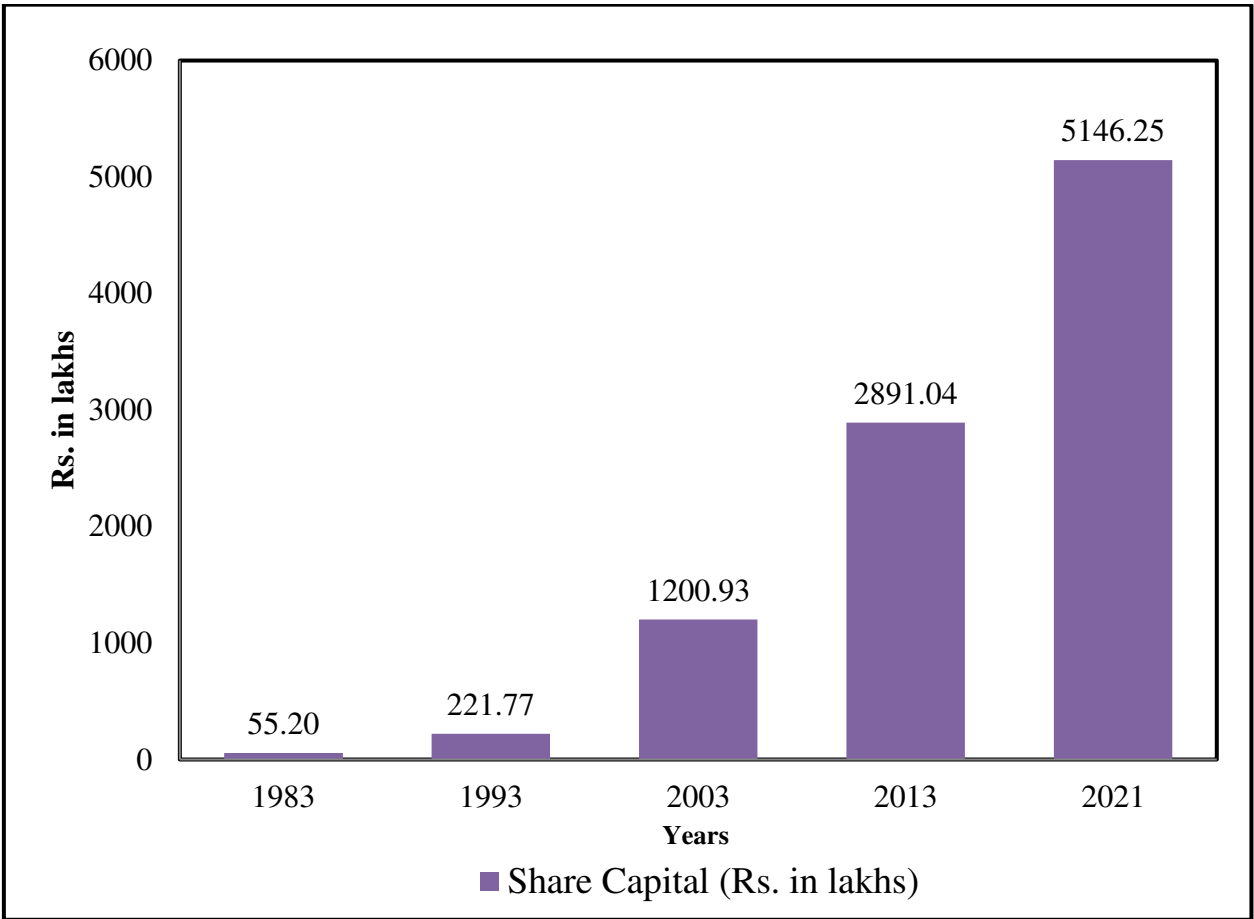


Fig. 5.3 Growth of Share Capital of Ratnagiri District Central Co-operative Bank Ltd.

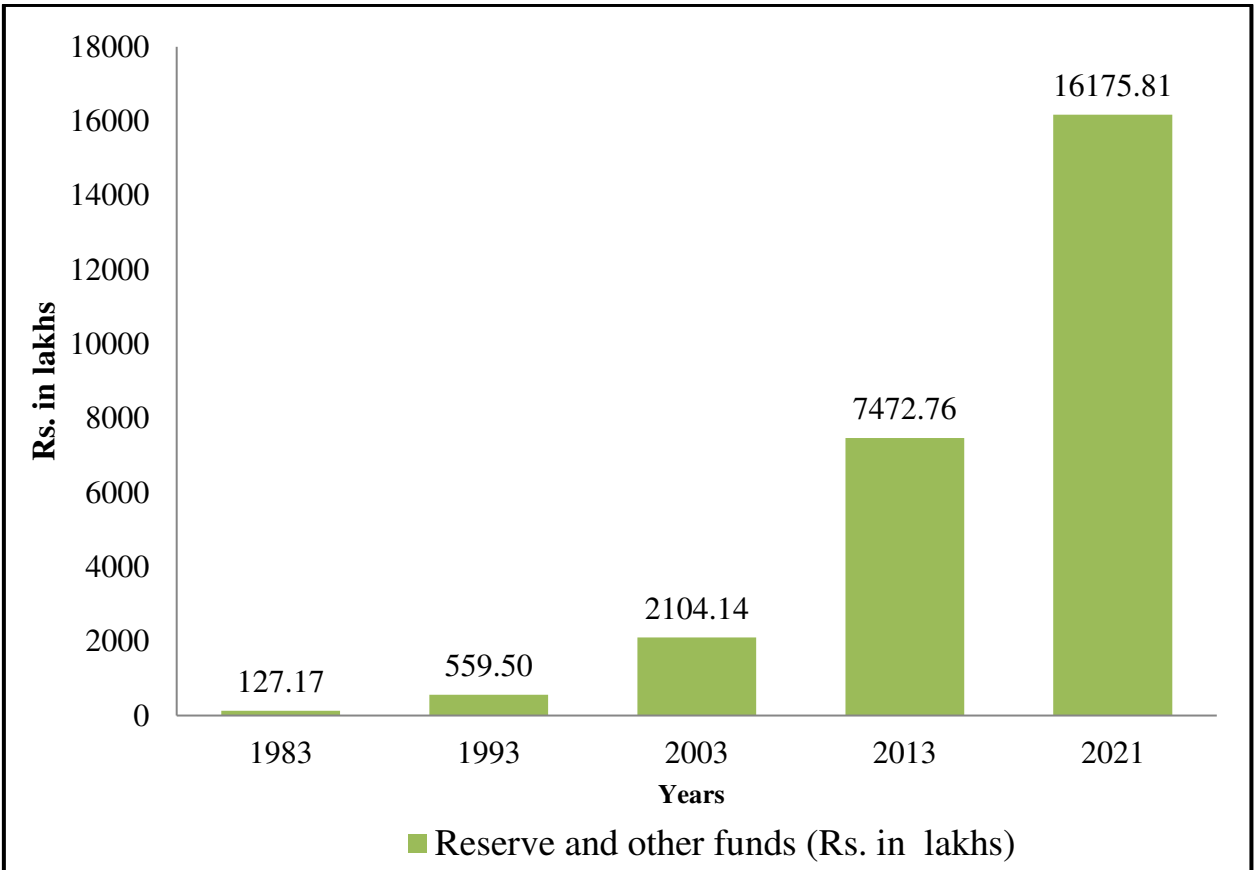


Fig. 5.4 Growth of Reserve and other funds of Ratnagiri District Central Co-operative Bank Ltd.

5.1.3.2 Trend in growth of share capital

The information regarding progress of Ratnagiri District Central Co-operative Bank in case of share capital is depicted with the help of linear as well as compound annual growth rates in table 5.7

Table 5.7 Growth trend in share capital

| Period | Year | Linear growth rate (Rs. In lakh) | Compound annual growth rate (%) |
|-------------------|--------------|-------------------------------------|------------------------------------|
| Period I | 1983 to 2000 | 39.86 | 18.2** (0.0042) |
| Period II | 2000 to 2021 | 223.45 | 8.3** (0.0032) |
| Overall period | 1983 to 2021 | 144.32 | 13.9** (0.004) |

** = significant at 5 per cent level

(Figures in parentheses indicates standard error)

It was observed from the table that, in overall period, from 1983 – 2021, the linear growth rate during last 39 years for Share Capital was Rs. 144.32 lakh per year and Compound growth rate was 13.9 per cent per year, which was statistically significant at 5 per cent level. In period II (2000-2021), compound growth rate was 8.3 per cent per year and the linear growth registered per year increase Rs. 223.45 lakhs. In period I from year 1983 – 2000, the compound annual growth rate during 18 years for Share Capital of Ratnagiri District Central Co-operative Bank was 18.2 per cent per year and linear growth change per year was Rs. 39.86 lakhs. The analysis revealed that Share Capital of Ratnagiri District Central Co-operative Bank Ltd. were found to increasing at significant rate as both linear and compound growth rates are significant at 5 per cent level and increasing trend of 13.9 per cent per year indicated a substantial progress in share capital in study period.

5.1.4 Reserve and other funds

The amount of funds available with the bank reveals its financial strength, which is required to create confidence in depositors and credit institutions. A district central co-operative bank's important function is to mobilize local funds from various sources and use them to provide adequate agriculture finance through its constituent primary societies, thereby accelerating agricultural development and expanding rural banking facilities.

5.1.4.1 Decadal progress in reserve and other funds of the bank

The information regarding decade wise progress of Ratnagiri district central co-operative bank in case of reserve and other funds were calculated as triennium ending average for each decade and given in table 5.8

Table 5.8 Decade wise progress of reserve and other funds

| Year | Reserve and other funds (Rs. In lakhs) | Decadal Per cent Change | Per cent change over base year |
|------|---|----------------------------|-----------------------------------|
| 1983 | 127.17 | | |
| 1993 | 559.50 | 339.96 | 339.96 |
| 2003 | 2104.14 | 276.07 | 1554.58 |
| 2013 | 7472.76 | 255.14 | 5776.19 |
| 2021 | 16175.81 | 116.46 | 12619.83 |

The table showed that the reserve and other funds' decade-wise percent change ranged from 116.46 per cent to 339.96 per cent. The decade from 1983 to 1993 indicated the largest progress, 339.96 per cent. As the banks reserve and other cash grew, it was discovered that the percent change progress was found to be decreased. Over the course of the previous 39 years, the reserve and other money at the bank increased by a total of 12619.83 per cent as compared to the base year 1983. The table shows that Ratnagiri District Central Co-operative Bank Ltd. has significantly increased reserve and other fund levels.

5.1.4.2 Trend in growth of reserve and other funds of the bank

In the table 5.9, linear and compound annual growth rates are used to illustrate information about Ratnagiri District Central Cooperative Bank's progress with regard to reserve and other funds

Table 5.9 Growth trend in reserve and other funds

| Period | Year | Linear growth rate (Rs. In lakh) | Compound annual growth rate (%) |
|-------------------|--------------|-------------------------------------|---------------------------------|
| Period I | 1983 to 2000 | 108.51 | 18.8** (0.0049) |
| Period II | 2000 to 2021 | 700.71 | 10.9** (0.0054) |
| Overall period | 1983 to 2021 | 378.09 | 13.7** (0.0033) |

** = Significant at 5 per cent level

(Figures in parentheses indicates standard error)

It was observed from the table that, In 20th century, 1983 – 2000 (period I), the compound annual growth rate (18 years) for reserve and other funds of Ratnagiri District Central Co-operative Bank was 18.8 per cent per year. During year 2000 to 2021(period II), compound annual growth rate and compound growth rate during 21 years was 10.9 per cent. In overall study period, from 1983 – 2021, the Linear growth rate during last 39 years for reserve and other funds was Rs. 378.09 lakhs per year and Compound annual growth rate was 13.7 per cent per year. The analysis resulted that Ratnagiri District Central Co-operative Bank Ltd.'s reserve and other funds were growing at a significant rate which indicated a good sign of progress in respect of reserve and other funds.

5.1.5 Owned funds

The owned funds include total of share capital, reserve funds, surplus minus accumulated losses.

5.1.5.1 Decadal progress in owned funds of the bank

The information regarding decade wise progress of Ratnagiri district central co-operative bank in case of owned funds were calculated as triennium ending average for each decade and presented in table 5.10

Table 5.10 Decade wise progress in owned funds of RDCC Bank

| Year | Owned funds (Rs. In lakhs) | Decadal Per cent change | Per cent change over base year |
|------|-------------------------------|-------------------------|-----------------------------------|
| 1983 | 182.37 | | |
| 1993 | 781.28 | 328.40 | 328.40 |
| 2003 | 3305.07 | 323.03 | 1712.28 |
| 2013 | 10363.8 | 213.57 | 5582.84 |
| 2021 | 21322.06 | 105.73 | 11591.65 |

It was observed from the table that, In period of 1983 to 2021 (39 years) the total per cent increase in owned funds with the bank over base year 1983 was 11591.65 per cent. The decade wise per cent change in owned funds was ranging from 105.73 per cent to 328.40 per cent. The maximum progress observed in the decade 1983-1993 was 328.40 per cent. As the quantity of owned funds accumulated with the bank is increased, the per cent change progress was found to be decreased. According to the table, Ratnagiri District Central Co-operative Bank Ltd. has made significant progress in terms of owned funds.

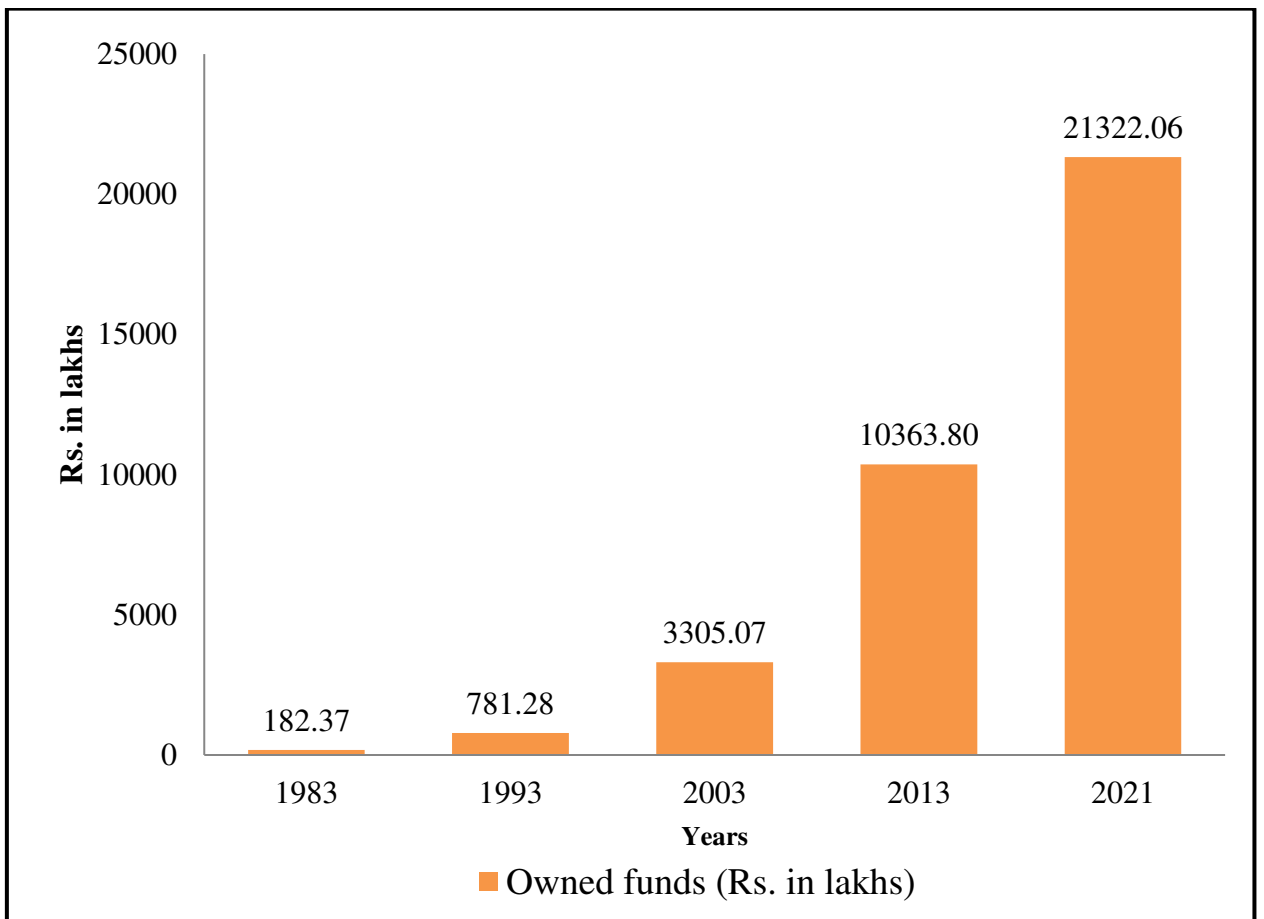


Fig. 5.5 Growth of Owned funds of Ratnagiri District Central Co-operative Bank Ltd.

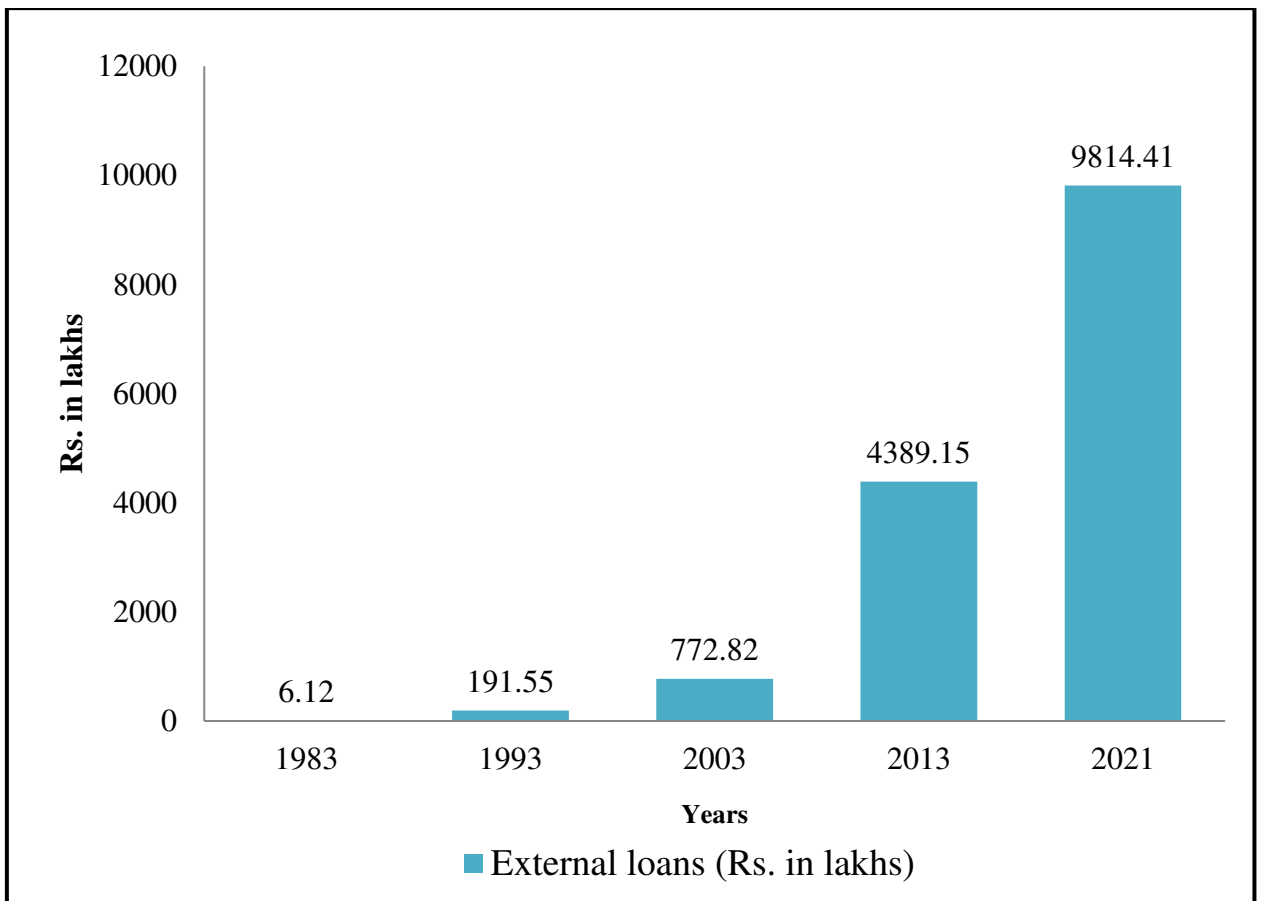


Fig. 5.6 Growth of external loans taken by Ratnagiri District Central Co-operative Bank

5.1.4.2 Trend in growth of owned funds of the bank

The progress of Ratnagiri District Central Co-operative Bank in terms of owned funds is shown in the table 5.11 using linear and compound annual growth rates.

Table 5.11 Growth trend in owned funds of Ratnagiri District Central Co-operative Bank

| Period | Year | Linear growth rate (Rs. In lakh) | Compound annual growth rate (%) |
|----------------|--------------|-------------------------------------|------------------------------------|
| Period I | 1983 to 2000 | 148.37 | 18.7 (0.0040) |
| Period II | 2000 to 2021 | 924.16 | 10.1** (0.0040) |
| Overall period | 1983 to 2021 | 522.42 | 13.7** (0.0033) |

** = Significant at 5 per cent level

(Figures in parentheses indicates standard error)

It was resulted from the table that, in overall period, from 1983 – 2021, the Linear growth rate during last 39 years for owned funds change per year was Rs. 522.42 lakhs and Compound growth rate for same period was estimated to 13.7 per cent per annum. In period II (2000-2021), compound annual growth rate during 21 years was 10.1 per cent per year, which were significant at 5 per cent level. In period I from year 1983 – 2000, the Compound growth rate was 18.7 per cent, which was statistically significant at 5 per cent level. The analysis revealed that owned funds of Ratnagiri District Central Co-operative Bank Ltd. were found to be increasing at significant rate as compound growth rate of 13.7 per cent per year showed an enlarging figure as far as future of bank is concerned.

5.1.6 External loans

5.1.6.1 Decadal progress in external loans taken by the bank

The information regarding decade wise progress of Ratnagiri district central co-operative bank in case of external loans were calculated as triennium ending average for each decade and presented in table 5.12

According to the table, the greatest change, 3029.90 per cent, was observed between 1983 and 1993. The percentage change in external loans over the decade ranged from 123.60 percent to 3029.90 per cent. As the amount of external loans accumulated with the bank increased, the per cent change progress was found to be reduced. In a study period, the total per cent increase in

external loans with the bank was 160266.20 per cent. Ratnagiri District Central Co-operative Bank Ltd. has made significant progress in terms of external loans, according to the table.

Table 5.12 Decade wise progress in external loans of RDCC Bank

| Year | External loans (Rs. In lakh) | Decadal Per cent change | Per cent change over base year |
|------|---------------------------------|-------------------------|-----------------------------------|
| 1983 | 6.12 | | |
| 1993 | 191.55 | 3029.90 | 3029.90 |
| 2003 | 772.82 | 303.45 | 12527.78 |
| 2013 | 4389.15 | 467.93 | 71618.14 |
| 2021 | 9814.41 | 123.60 | 160266.20 |

5.1.6.2 Trend in growth of external loans taken by the bank

In the table 5.13, linear and compound annual growth rates are used to assess progress of Ratnagiri District Central Cooperative Bank with regard to external loans.

Table 5.13 Growth trend in external loans of RDCC Bank

| Period | Year | Linear growth rate (Rs. In lakh) | Compound annual growth rate (%) |
|----------------|--------------|-------------------------------------|------------------------------------|
| Period I | 1983 to 2000 | 8.47 | 19.7** (0.0438) |
| Period II | 2000 to 2021 | 523.09 | 15.8** (0.0345) |
| Overall period | 1983 to 2021 | 264.02 | 22.5** (0.0140) |

** = Significant at 5 per cent level

(Figures in parentheses indicates standard error)

The table showed that during period I, the Ratnagiri District Central Co-operative Bank's compound annual growth rate for external loans was 19.7 per cent per year, which was statistically significant at the 5 per cent level. In period II 2000-2021, compound growth rate was 15.8 per cent per year. The Linear growth rate during last 39 years for external loans was Rs. 264.02 lakhs per year. The compound growth rate was 22.5 per cent for overall study period (39 years). The analysis revealed that external loans of Ratnagiri District Central Co-operative Bank Ltd. were also increasing at significant rate.

5.1.7 Total deposits

For district central co-operative banks, deposits are the primary source of working capital. The district central co-operative banks aim to mobilise as many public deposits as possible. Deposits also immediately assist the bank by allowing them to cover their past-due amounts, maintaining a continuous supply of credit from the higher financing agency.

5.1.7.1 Decadal progress in total deposits of the bank

The information regarding decade wise progress of Ratnagiri district central co-operative bank in case of total deposits were calculated as triennium ending average for each decade and presented in table 5.14

Table 5.14 Decade wise progress in total deposits of RDCC Bank

| Year | Total Deposits (Rs. In lakhs) | Decadal Per cent change | Per cent change over base year |
|------|----------------------------------|----------------------------|-----------------------------------|
| 1983 | 1387.65 | | |
| 1993 | 7425.44 | 435.10 | 435.10 |
| 2003 | 35614.73 | 379.63 | 2466.55 |
| 2013 | 91337.39 | 156.45 | 6482.16 |
| 2021 | 208373.06 | 128.13 | 14916.25 |

As seen in the table, the highest decadal change, 435.10 per cent, was observed in the decade 1983-1993. The percentage change in total deposits over the various decades ranged from 128.13 per cent to 435.10 per cent. The per cent change progress was noticed to be reducing as the banks total deposits collected was increased. The banks total deposits increased by 14916.25 per cent during the overall study period (39 years). The table showed that the Ratnagiri district central co-operative bank Ltd. has made substantial progress in terms of total deposits.

5.1.7.2 Trend in growth of total deposits of the bank

The progress of Ratnagiri District Central Co-operative Bank in terms of total deposits is shown in the table 5.15 using linear and compound annual growth rates.

From the table, it was revealed that, In study period (1983 – 2021), the Linear growth rate during last 39 years for total deposits was Rs. 5239.45 lakhs per year and Compound growth rate was 14.0 per cent per year. In period II (2000-2021), linear growth rate (21 years) was Rs. 9971.40 lakhs per year and compound annual growth rate was 11.0 per cent per year. In period I from year 1983 – 2000, the compound annual growth rate during 18 years for deposits of

Ratnagiri District Central Co-operative Bank was 18.8 per cent, which were statistically significant at 5 per cent level. It was resulted that the Ratnagiri District Central Co-operative Bank Ltd.'s total deposits were growing at a substantial rate, with compound growth rates of 14.0 per cent per year.

Table 5.15 Growth trend of Deposits of Ratnagiri District Central Co-operative Bank Ltd.

| Period | Year | Linear growth rate (Rs. In lakh) | Compound annual growth rate (%) |
|-------------------|--------------|-------------------------------------|------------------------------------|
| Period I | 1983 to 2000 | 1355.46 | 18.8** (0.0032) |
| Period II | 2000 to 2021 | 9971.40 | 11.0** (0.0029) |
| Overall period | 1983 to 2021 | 5239.45 | 14.0** (0.0029) |

** = Significant at 5 per cent level

(Figures in parentheses indicates standard error)

The competitive rate of interest paid by the bank on deposits, the constant and coordinated efforts of bank officials, the trust that the bank has built in the minds of the investors. The branch expansion, and exceptional customer service are the key drivers for such impressive achievement.

5.1.8 Total loan and advances

Due to the implementation of various agricultural development schemes, the lending policies of District Central Co-operative Banks have undergone significant changes. Under the differential rate of interest scheme, they started providing credit to small-scale industries and business activities of the poorer sections. Short-term loans were made available to identified farmers for crop cultivation, while medium-term loans were made available for secondary occupations such as dairying, poultry farming, sheep and goat rearing.

5.1.8.1 Decadal progress in total loan and advances of the bank

Ratnagiri district central co-operative banks decade-by-decade progress in terms of total loans and advances was calculated as the triennium ended average for each decade and presented in table 5.16

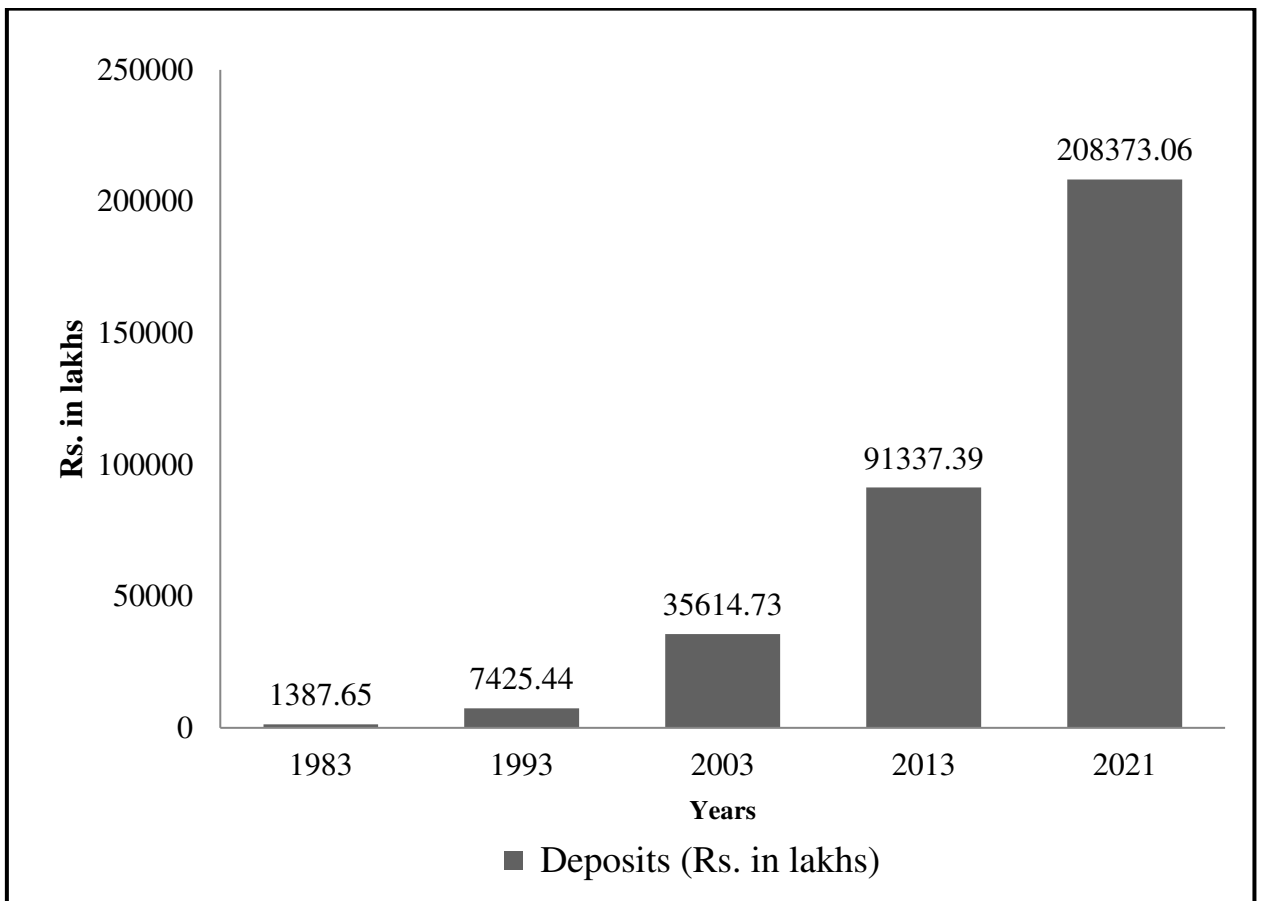


Fig. 5.7 Growth of Total Deposits of Ratnagiri District Central Co-operative Bank Ltd.

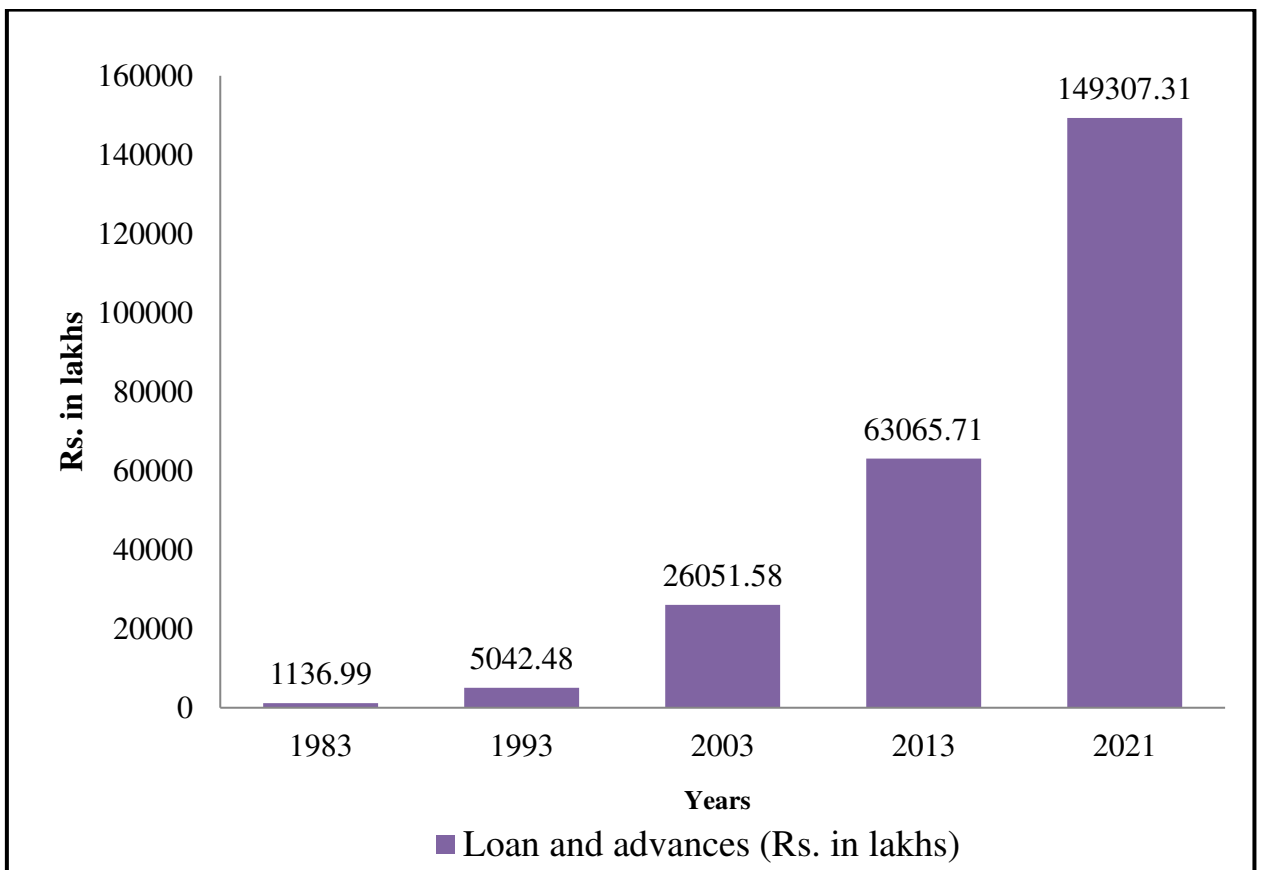


Fig. 5.8 Growth of Total loan and advances of Ratnagiri District Central Co-operative Bank Ltd.

Table 5.16 Decade wise change in total loan and advances

| Year | Total loan and advances (Rs. In lakhs) | Decadal Per cent change | Per cent change over base year |
|------|---|----------------------------|-----------------------------------|
| 1983 | 1136.99 | | |
| 1993 | 5042.48 | 343.40 | 343.40 |
| 2003 | 26051.58 | 416.60 | 2191.27 |
| 2013 | 63065.71 | 142.00 | 5446.72 |
| 2021 | 149307.31 | 136.74 | 13031.81 |

It was resulted from table that, the per cent growth in total bank loans and advances over base year 1983 over the last 39 years was 13031.81 per cent. Loan and advance percentage changes across different decade ranged from 136.74 percent to 343.40 per cent. The largest increase, of 416.60 per cent, was seen in the ten-year period from 1993 to 2003. The per cent progress was observed to diminishing as the overall loans and advances accumulated with the bank. From the data, it was revealed that Ratnagiri District Central Co-operative Bank Ltd. had made significant improvement in terms of total loans and advances.

5.1.8.2 Trend in growth of total loan and advances of the bank

The table 5.17 depicts information regarding Ratnagiri District Central Cooperative Bank's development with regard to loans and advances with the help of both linear and compound annual growth rates.

Table 5.17 Growth trend in loan and advances of Ratnagiri District Central Cooperative Bank Ltd.

| Period | Year | Linear growth rate (Rs. In lakh) | Compound annual growth rate (%) |
|-------------------|--------------|-------------------------------------|------------------------------------|
| Period I | 1983 to 2000 | 854.00 | 20.9** (0.0116) |
| Period II | 2000 to 2021 | 7123.19 | 11.5** (0.0060) |
| Overall period | 1983 to 2021 | 3622.99 | 15.1** (0.0043) |

** = Significant at 5 per cent level

(Figures in parentheses indicates standard error)

According to the table, linear growth rates in respect of Ratnagiri District Central Co-operative Bank indicated progress of Rs. 854.00 lakhs per year during 1983 and 2000 (period I) and compound growth rate registered 20.9 per cent per year. In the year 2000–2021 (period II), the compound annual growth rate was 11.5 per cent per year. The trend in growth for overall study period, from (1983 – 2021), the compound annual growth rate during last 39 years for total loan and advances was 15.1 per cent per year and the linear growth was Rs. 3622.99 lakhs per year. The analysis revealed that total loan and advances of Ratnagiri District Central Co-operative Bank Ltd. were increased substantially.

5.1.9 Investment

5.1.9.1 Decadal progress in total investment of the bank

The information regarding decade wise progress of Ratnagiri district central co-operative bank in case of total investment were estimated as triennium ending average for each decade and presented in table 5.18

Table 5.18 Decade wise change in investment of Ratnagiri District Central Co-operative Bank Ltd.

| Year | Investment (Rs. In lakhs) | Decadal Per cent change | Per cent change over base year |
|------|---------------------------|-------------------------|--------------------------------|
| 1983 | 406.98 | | |
| 1993 | 2821.09 | 593.10 | 593.10 |
| 2003 | 12299.9 | 335.90 | 2922.23 |
| 2013 | 34915.51 | 183.80 | 8479.17 |
| 2021 | 75776.98 | 117.00 | 18519.34 |

It was concluded from table that, the decade wise per cent change in investment was ranging from 117.00 per cent to 593.10 per cent. The maximum change was observed in the decade 1983-1993 (593.10 per cent). The per cent change was found to be decreased, as the quantity of investment of the bank increased. The increase in total investment with the bank over base year 1983 was 18519.34 per cent for overall period (39 years). It was resulted from the table that the Ratnagiri district central co-operative bank Ltd. Have made a substantial progress in term of establishment of total investment.

5.1.9.2 Trend in growth of total investment of the bank

The progress of Ratnagiri District Central Co-operative Bank in terms of investment is shown in the table 5.19 using linear and compound annual growth rates.

Table 5.19 Growth in investment of Ratnagiri District Central Co-operative Bank Ltd.

| Period | Year | Linear growth rate (Rs. In lakh) | Compound annual growth rate (%) |
|-------------------|--------------|-------------------------------------|------------------------------------|
| Period I | 1983 to 2000 | 575.52 | 16.3** (0.0146) |
| Period II | 2000 to 2021 | 3670.77 | 10.5** (0.0051) |
| Overall period | 1983 to 2021 | 2040.93 | 12.8** (0.0039) |

** = Significant at 5 per cent level

(Figures in parentheses indicates standard error)

According to the table, in overall study period (1983 and 2021), the linear growth rate for investments was found to be Rs. 2040.93 per year and the compound growth rate was 12.8 per cent per year. In period II (2000-2021), compound growth rate (21 years) was 10.5 per cent per year. During the year 1983 – 2000 (period I), the linear growth rate during 18 years for total investment of Ratnagiri District Central Co-operative Bank was Rs. 575.52 lakhs per year and Compound growth rate was 16.3 per cent, which were statistically significant at 5 per cent level. The results indicated that Ratnagiri District Central Co-operative Bank Ltd.'s investment was increasing at 12.8 per cent per year.

5.1.10 Total working capital

Working capital is the money needed to keep a business running. Share capital, deposits, borrowings, and reserve and other funds are all important components of working capital in a District central co-operative bank. A bank with a larger working capital base can easily meet its clients' credit needs.

5.1.10.1 Decadal progress in total working capital of the bank

The information regarding decade wise progress of Ratnagiri district central co-operative bank in respect of total working capital were calculated as triennium ending average for each decade and presented in table 5.20

It was resulted from table that, the decade wise per cent change in total working capital was ranging from 126.30 per cent to 376.00 per cent. The maximum change was observed in the decade 1983-1993 (376.00 per cent) and minimum change was observed in decade 2013-2021 (126.30 per cent). The percent change progress was found to decreased as the amount of total working capital acquired with the bank increased. The total percent increase in total working capital with the bank over the previous 39 years was 12808.76 per cent. It was concluded from

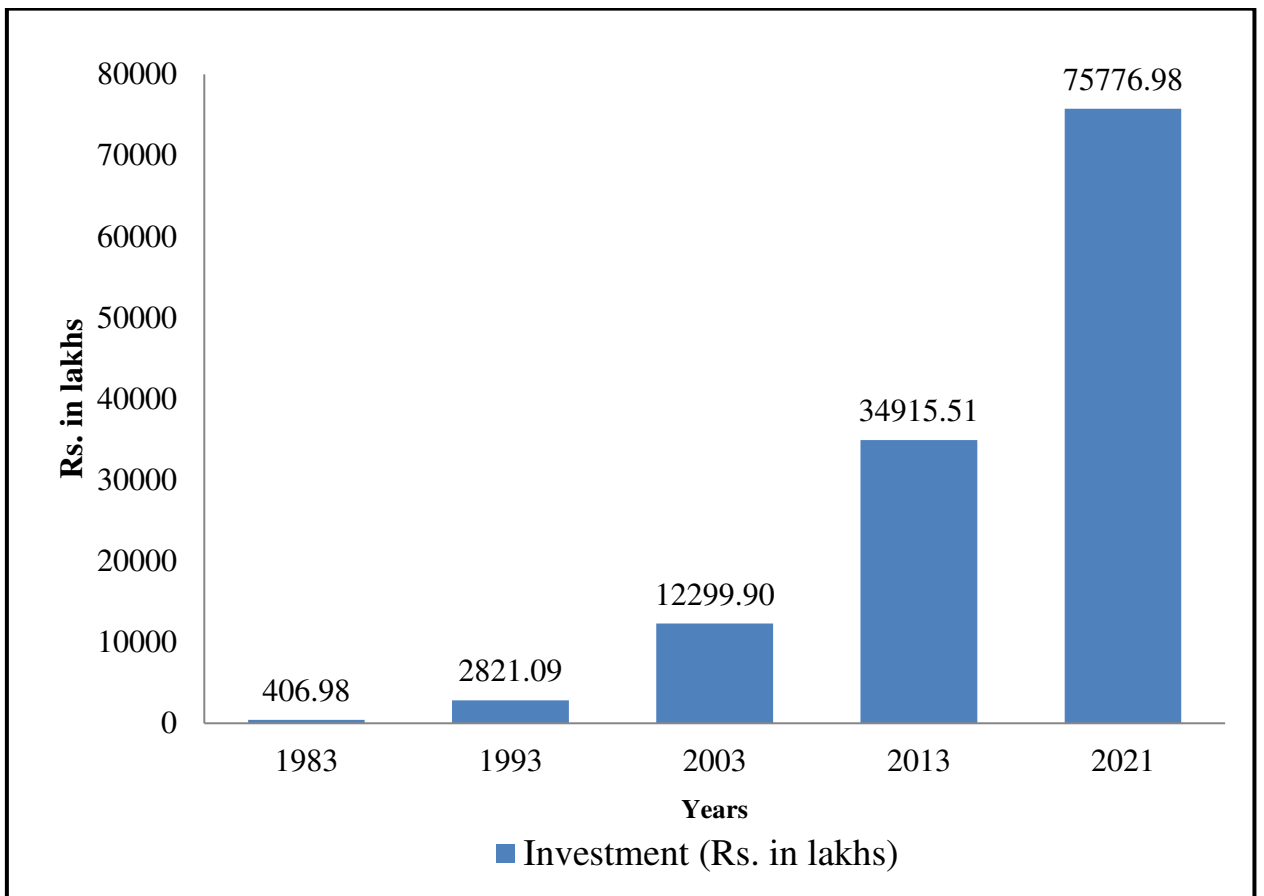


Fig.5.9 Growth of Investment of Ratnagiri District Central Co-operative Bank Ltd.

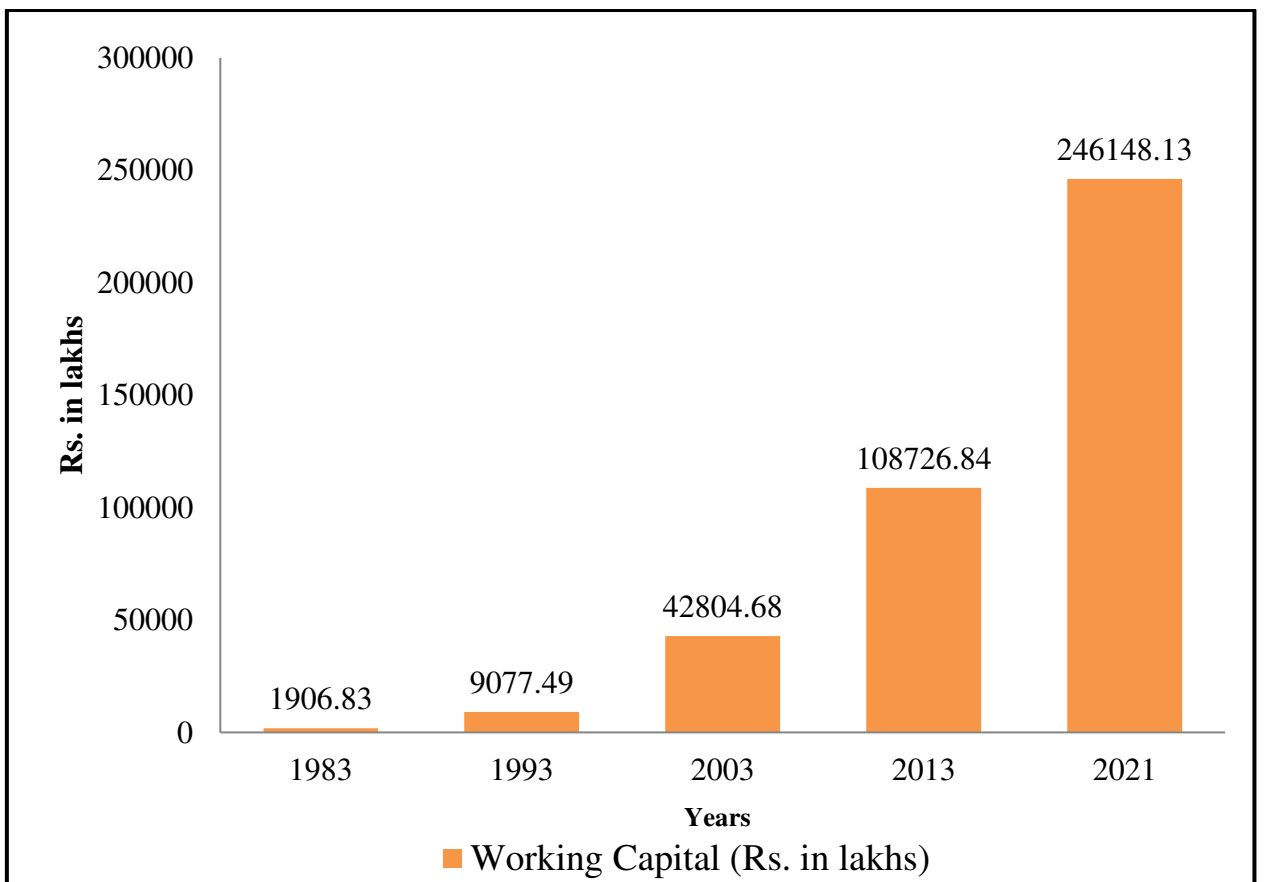


Fig. 5.10 Growth of Total Working Capital of Ratnagiri District Central Co-operative Bank Ltd.

the table that the Ratnagiri district central co-operative bank Ltd. have made a significant progress in term of total working capital.

Table 5.20 Decade wise change in working capital of Ratnagiri district central co-operative bank Ltd.

| Year | Total Working Capital (Rs. In lakhs) | Decadal Per cent change | Per cent change over base year |
|------|---|----------------------------|-----------------------------------|
| 1983 | 1906.83 | | |
| 1993 | 9077.49 | 376.00 | 376.00 |
| 2003 | 42804.68 | 371.50 | 2144.80 |
| 2013 | 108726.84 | 154.00 | 5601.96 |
| 2021 | 246148.13 | 126.30 | 12808.76 |

5.1.10.2 Trend in growth of total working capital of the bank

The table 5.21 shows Ratnagiri District Central Cooperative Bank's growth in terms of working capital using both linear and compound annual growth rates.

Table 5.21 Growth trend in working capital of Ratnagiri District Central Cooperative Bank Ltd.

| Period | Year | Linear growth rate (Rs. In lakh) | Compound annual growth rate (%) |
|-------------------|--------------|-------------------------------------|------------------------------------|
| Period I | 1983 to 2000 | 1606.40 | 17.9** (0.0023) |
| Period II | 2000 to 2021 | 11572.98 | 10.7** (0.0027) |
| Overall period | 1983 to 2021 | 6172.84 | 13.6** (0.0026) |

** = Significant at 5 per cent level
(Figures in parentheses indicates standard error)

According to the table, the Ratnagiri District Central Co-operative Bank experienced a linear growth rate of Rs. 1606.40 lakhs per year between the years 1983 and 2000 (period I) and compound growth rate was 17.9 per cent per year which was statistically significant at the 5 per cent level. In the year 2000–2021 (period II), the linear growth rate was Rs. 11572.98 lakhs per year and the compound annual growth rate was 10.7 per cent per year over the course of 21 years, were statistically significant at the 5% level. In overall study period (1983 – 2021), the compound annual growth rate during last 39 years for total working capital was 13.6 per cent per year and linear growth rate was Rs. 6172.84 lakhs per year, both were statistically significant at 5 per cent level. The study resulted that total working capital of Ratnagiri District Central Co-operative Bank Ltd. is increasing with high pace.

5.1.11 Recovery of loans (per cent)

5.1.11.1 Decadal progress in percent of recovery of loans of the bank

The information regarding decade wise progress of Ratnagiri district central co-operative bank in terms of percentage of recovery of loans were estimated as triennium ending average for each decade and presented in table 5.22

Table 5.22 Decade wise change in percent of recovery of loans

| Year | Percent of recovery (Per cent) | Decadal Per cent change | Per cent change over base year |
|------|-----------------------------------|----------------------------|-----------------------------------|
| 1983 | 63.04 | | |
| 1993 | 74.18 | 17.60 | 17.60 |
| 2003 | 76.12 | 2.60 | 20.74 |
| 2013 | 89.01 | 16.90 | 41.19 |
| 2021 | 96.99 | 8.90 | 53.85 |

It was resulted from the table that the decade wise per cent change in per cent of recovery of loans was ranging from 8.90 per cent to 17.60 per cent. The highest percent of recovery of loans was 96.99 per cent in last decade ending by 2021. In last 39 years the total per cent increase in percent of recovery of loans of the bank over base year 1983 was 53.85 per cent. The maximum change was observed in the decade 1983-1993 (17.60%). It was concluded from the table that the Ratnagiri district central co-operative bank Ltd. have made a remarkable progress in respect of percent of recovery of loans.

5.1.11.2 Trend in growth of per cent of recovery of loans

The progress of Ratnagiri District Central Co-operative Bank in terms of percent of recovery of loans is shown in the table 5.23 using linear and compound annual growth rates.

Table 5.23 Growth in percent of recovery of loans of Ratnagiri District Central Co-operative Bank Ltd.

| Period | Year | Linear growth rate (%) | Compound annual growth rate (%) |
|----------------|--------------|------------------------|------------------------------------|
| Period I | 1983 to 2000 | 1.06 | 1.4** (0.0026) |
| Period II | 2000 to 2021 | 1.75 | 2.1** (0.0034) |
| Overall period | 1983 to 2021 | 0.74 | 0.9** (0.0014) |

** = Significant at 5 per cent level
(Figures in parentheses indicates standard error)

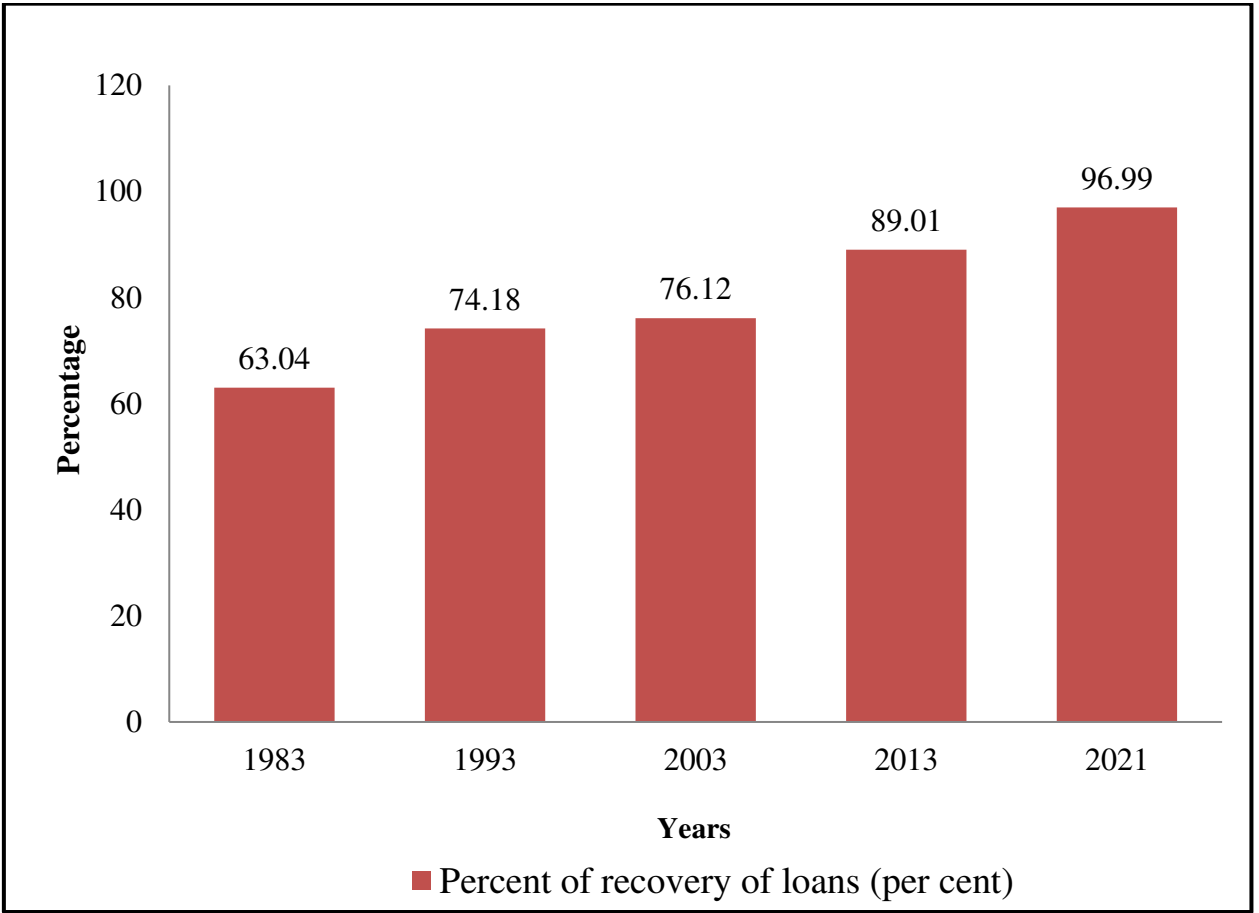


Fig. 5.11 Growth of Percent of recovery of loans of Ratnagiri District Central Co-operative Bank Ltd.

As per table, during overall study period (1983 to 2021), the linear growth rate for per cent of recovery of loans was 0.74 per cent per year, and the compound growth rate was just 0.9 per cent. In period II (2000-2021), compound growth rate was 2.1 per cent per year and linear growth was registered about 1.75 per cent per year. In year 1983 – 2000 (period I), the linear growth rate during 18 years for per cent of recovery of loans of Ratnagiri District Central Co-operative Bank was 1.06 per cent and Compound growth rate was 1.4 per cent per year. The results indicated that the percent of recovery of loans of Ratnagiri District Central Co-operative Bank Ltd. was found to be increasing satisfactory.

5.2 Activities taken up by Ratnagiri District Central Co-operative Bank Ltd. (RDCCB)

5.2.1 Short Term Farm Loan (Kisan Credit card Scheme)

In order to provide timely and adequate credit to the members of the primary agricultural cooperatives, the central government has implemented the Kisan credit card Scheme from the Kharif and Rabi seasons of 1999-2000 through the primary cooperatives and directly for the total loan demand of the members. Under this scheme, the maximum individual loan limit for three years is fixed for the farmers according to the crop type and season wise, taking into account the annual requirement of crop loan as per to the area under cultivation.

During the year (2020-21), under this scheme, 129834 members of 347 primary cooperative societies have been sanctioned short-term agricultural loans of ₹8088.49 lakh for cultivation of paddy crop on 85211 hectares for the Kharif season of 2020-21. Under this scheme short term loan for paddy, vegetables and horticultural crops including 1733 members of 193 primary cooperative societies have been sanctioned crop loans amounting to ₹ 2674.11 lakh at head office level and taluka level. The 1708 members of 190 Primary Agricultural Cooperative Societies have received a loan of ₹ 2628.25 lakh for this sanctioned loan has been given.

5.2.2 Short Term Agriculture / Horticulture Crop Loan in Direct Form

During the year (2020-21), the bank has sanctioned crop loan of ₹ 1617.57 lakh to 664 members under agriculture/horticulture crops at head office level and taluka level under Kisan credit card scheme in direct form. Out of the said sanctioned short term loan, ₹1480.03 lakh loan has been disbursed to 617 members.

5.2.2.1 Central Government order to provide short-term agricultural loans to farmers at 6% rate for Kharif and Rabi seasons of 2020-21

National Agriculture and Rural Development Bank (NABARD) have issued a circular dated 02/06/2020, as per this circular action orders have been issued in connection with the Central Government's scheme for providing short-term crop loans at 6 per cent interest rate. In

accordance with the said policy, the bank has provided short-term agricultural loans to primary agricultural cooperative societies at 4 per cent interest rate. Accordingly primary agricultural cooperatives have provided loans to members at 6 per cent interest rate.

The loan is available at zero percent interest rate due to the three per cent discount under the Punjabrao Deshmukh Interest Subsidy Scheme. Furthermore, the central government will contribute three per cent and the state government will contribute three per cent on loans ranging from Rs. 1.00 lakh to Rs. 3.00 lakh. Loans are available at one per cent interest rate with a two per cent interest subsidy under the Punjabrao Deshmukh Interest Subsidy Scheme.

5.2.3 National Rural Livelihoods Mission (NRLM)

Government of Maharashtra, Rural Development and Water Conservation Department. As per the government circular dated 7th November 2012, Swarnjayanti Gram Swarajgar Yojana has been converted into National Rural Livelihoods Mission (NRLM).

According to this circular, this scheme will be implemented intensively in Ratnagiri district. After the establishment of cooperative groups (3 to 6 months), they will get working capital of ₹10,000/- to ₹15,000/- depending on their first assessment and marks. First financial assistance of ₹50,000/- will be available from banks in the form of loans to the self-help groups after three to six months of second assessment based on the regular loan repayment of the members. Interest amounts equal to seven per cent will be given to self-help groups as interest subsidy. After repayment of the loan taken by the self-help groups, financial assistance will be available from the banks in a phased manner. Under this scheme, the bank has sanctioned and distributed as follows during the cooperative year.

5.2.4 Pradhan Mantri Suraksha Bima Yojana and Pradhan Mantri Jeevan Jyoti Bima Yojana

Letter from NABARD no. NB / MRO / Pune / 9262 / DMIBT 104 / dated 28.04.2015 NABARD has notified all cooperative banks to implement Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY). Accordingly, the account holders from all the branches of the bank are benefiting from the scheme to a large extent.

Brief details of both the above schemes are as follows.

5.2.4.1 Features of Pradhan Mantri Suraksha Bima Yojana (PMSBY) Scheme

The scheme is being implemented through National Insurance Company and is available to all savings account holders in the age group of 18 to 70 years. Aadhaar card of account holder is accepted as KYC. The said insurance is for the annual period from 1st June to 31st May. After that, the benefit of this insurance can be availed by others by paying the full insurance premium

in a year. Renewal is done before 31st May every year. If the saving account holder wants to be insured, he has to pay an annual insurance premium of ₹12/- and the said premium is collected from his savings account and paid to the company. The insurance provides compensation of ₹2.00 lakh for accidental death or loss of both arms or legs and loss of one eye in an accident and ₹1.00 lakh for loss of one arm or leg or one eye. A master policy is issued in the name of the bank. In the year 2020-21, a total of 4772 insurance holders have become members under the said insurance scheme and the bank has renewed the said insurance scheme within the term. However, more and more account holders should take advantage of this scheme.

5.2.4.2 Features of Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) Scheme

The scheme is being implemented through Life Insurance Corporation of India for savings account holders between the age of 18 to 50 and the account holder's Aadhaar card is accepted as KYC. The said insurance is for the period from 1st June to 31st May. In order to participate in the scheme, one has to fill the form in the prescribed format and give it to the bank every year. In case of death due to any reason under the said scheme, the insurance company pays a compensation of ₹2.00 lakh. An insurance premium of ₹ 330/- per account holder per year for the mentioned insurance scheme is collected from their savings account. Every account holder participating in the said insurance scheme has to provide a self-attested certificate that his health is in good condition. The insurance company issues a master policy in the name of the bank and covers all the account holders in that policy. In the year 2020-21, a total of 648 insurance holders have become members under the said insurance scheme and the bank has renewed the said insurance scheme within the term. However, more and more account holders should take advantage of this scheme.

5.2.5 Pradhan Mantri Fasal Bima Yojana (PMFBY)

5.2.5.1 Pradhan Mantri Fasal Bima Yojana (PMFBY) Kharif 2020-21

Government Circular Finance Minister No. PRVIO-2020/P.No.40/11-O/Dt. As on June 29, 2020, the above insurance scheme has been implemented for the paddy borrowers and non-borrower farmers of Ratnagiri district.

5.2.5.2 Pradhan Mantri Fasal Bima Yojana (PMFBY) Rabi 2020 - 21

Government Decision No./Favio 2020/P.No.13/10-O/Dt. As per June 5, 2020, the said insurance scheme has been implemented for banana, cashew and mango crop borrowers and non-borrower farmers in Ratnagiri district.

A group of individual borrower members who have taken loans under the Bank's agricultural and non-agricultural loan policies and under the Bank's property security, auto

insurance, fire insurance, fire theft natural calamity insurance, marine hull insurance, cattle insurance as well as salary pledge, surety pledge and consumer loans. Insurance like accident insurance etc. similarly, a group accident insurance policy for government, semi-government, aided and unaided schools/colleges, employees of Konkan Railway, employees of nominated company establishments and other salaried employees whose salary is deposited in the bank for a sum insured of 100 times their gross salary or a maximum sum insured of ₹30.00 lakh. It is being unloaded through the bank and its entire insurance premium is paid to the insurance company by the bank.

5.2.6 Medium Term Agriculture loan:

The bank provides medium-term loan financing through Primary Agriculture Credit Societies (PACS) for the following purposes

- Purchasing milk cattle, sheep, goats, and poultry.
- Loan for chaff cutter and thresher purchase
- Long-term loan for sprinkler and drip irrigation systems, including electric motors and pipe lines, as well as a Rain Gun.
- Long-term loans for the purchase of a tractor, trailer, and other agricultural equipment.
- Forest Plantation and Horticulture

During the reporting year, the Bank sanctioned the following loan limits under the medium term agriculture type for out-of-district / local jersey cow and munha, Mehsana buffalo purchase, land improvement / construction, tractor purchase, and supplementary business.

5.2.7 Long term agriculture loan

The bank is constantly working hard to develop rural areas so that thousands of farmers can become financially independent. Keeping this practical perspective in mind, the bank has decided to invest in the farmers' overall development. This is our nation's dream as we enter the twenty-first century. To make this dream in to reality, the bank has planned several development projects, all of which will be carried out in order to meet the three basic human needs. The bank introduces customer schemes such as:

- To construct Shetakari Niwas, Krushi Paryatan Niwas, Green House Project
- To purchase land for agricultural purposes, to develop waste land
- To construct Onion Storage Sheds
- To construct Cold Storage & Pre-Cooling Unit
- Agro-Clinics
- Marketing Credit
- Sugarcane Harvesting Machine

5.2.8 Information about Loans disbursed by Bank in year 2020-21

Information regarding agricultural loan disbursed by Ratnagiri District central co-operative Bank Ltd. was presented in table 5.24

Table 5.24 Short term, medium term and long term agricultural loan disbursed by bank to Primary agricultural credit societies (PACS) and individuals in year 2020-21

(Amount Rs. In lakhs)

| Sr. No. | Loan type | Primary agricultural credit society (PACS) | Individual farmers | Total |
|---------|-------------|--|---------------------|----------------------|
| 1 | Short term | 5686.04 (75.72) | 1761.16 (70.01) | 7447.20 (74.29) |
| 2 | Medium term | 1768.90 (23.56) | 497.73 (19.79) | 2266.63 (22.61) |
| 3 | Long term | 53.94 (0.72) | 256.52 (10.20) | 310.46 (3.10) |
| | Total | 7508.88 (100.00) | 2515.41 (100.00) | 10024.29 (100.00) |

(Figures in parentheses indicates percentage to total amount)

The information given in table indicates that the Ratnagiri District Central Co-operative bank disbursed short term, medium term and long term agriculture loan to primary agricultural credit societies (PACS) and to individual farmers. The total loan amount disbursed for short term, medium term and long term loan was Rs. 10024.29 in lakhs, out of that loan disbursed to credit societies and individual farmers were Rs. 7508.88 in lakhs and Rs.2515.41 in lakhs respectively. For short term loan, total amount disbursed was Rs. 7447.20 in lakh (74.29 per cent), from that amount loan disbursed to credit societies and individual farmers were Rs. 5686.04 in lakh and 1761.16 in lakh respectively. The total amount disbursed for medium term loan was Rs. 2266.63 in lakhs (22.61 per cent) and for long term loan was Rs. 310.46 in lakhs (3.10 per cent). It was revealed that the maximum (74.29%) loan was given for short-term agricultural loans, while long-term loans were few in number (3.10 per cent).

5.2.10 Fishermen's Institutions and Direct Credit Supply

During the year (2020-21), fishermen cooperative societies and direct individuals to boats - repair of nets, purchase of nets, construction of non-mechanical / mechanized boats etc.

For reasons short term and medium term non-agricultural fisher loans are sanctioned. Also, the cash credit loan limit of fisher cooperative societies which were previously approved for diesel purchase and sale transaction has been renewed as per the cash credit loan limit.

5.2.11 Loan facility for working capital expenditure to animal husbandry and fishery businessmen under Kisan Credit Card Loan Scheme from National Agriculture and Rural Development Bank (NABARD)

National Agriculture and Rural Development Bank (NABARD) Circular No. 34/Revised Division-08/2019 dated as per February 13, 2019, it has been decided to provide working capital loan under the Kisan Credit Card Loan Scheme for animal husbandry and fishery business and in this regard the bank has received (Ref. No. NB. Ratnagiri /05/cpd/2019-20 /Dated 3.4.2019) letter of information. Loan limit (rate) for working capital expenditure under Kisan Credit Card Loan Scheme for the year 2020-21, determined for the state of Maharashtra. Accordingly Working capital loan limits (rates) for animal husbandry and fisheries have been fixed for Ratnagiri district in the meeting of "District Level Expert Committee". According to the Resolution No. 23 of the Board of Directors meeting, working capital loan policy has been decided for animal husbandry and fishery business and in this regard the scheme has been implemented. Fish seed, chemical and organic fertilizers, lime and other soil improvers, cost of harvesting and marketing of fish, fuel / electricity cost, labour, land or reservoir rent, fuel cost for sea or bay fishing, ice, labor, game for the business" Capital loan as well as working capital loan is given for "poultry, sheep, goat and rabbit rearing, dairy business, feed expenses, veterinary expenses, labour, water, electricity. The said loan is disbursed to individual borrower members or the members of the organization through the bank. The total loan limit of ₹ 1,37.65 lakh has been sanctioned to 89 borrower members for poultry and dairy business and total loan limit of ₹ 5.50 lakh has been sanctioned to five borrower members under "fishery business".

5.2.12 Refinance loan facility through NABARD under Agriculture Infrastructure Fund Scheme of Central Government for construction of agricultural infrastructure

Under the scheme, loan finance will be available to Agricultural Product Distribution Organizations, Primary Agriculture Co-operative Societies, Marketing Co-operative Societies, Joint Liability Groups, Self Help Groups, Farmers in Farmers Commercial Farmers Start up Scheme, State Agencies and Public and Private Partnership Projects. . The said scheme has been implemented by the government for the period from 2020-21 to 2029-30. Under the scheme "Harvest / Post-harvest Management Project" supply chain services including e-marketing, warehouse, silos, pack house, assay unit, sorting and Grading Unit, Cold Chain, Logistic Facility, Primary Processing Center, Ripening Chambers and Integrated Production and Asset Creation Projects" Loans will be made available for projects such as Internal Organic Inputs

Production (Organic Products), Biostimulant Production Units (Biohormone Products), Projects for Potentially Innovative Agricultural Production, Group Projects for Exportable Agricultural Production, Innovative Post-Harvest Agricultural Production Projects from Central / State Governments and Local Self-Governments. And the interest rate for the said loan will be 4 per cent.

5.3 Response of farmers and credit societies towards bank credit

5.3.1 General information

The general information of sample farmers such as age, occupation etc is presented in table no. 5.25

Table 5.25 General information of sample farmers

| Sr. No. | Particulars | No. of farmers (N=60) | Per cent |
|---------|---------------------|-----------------------|----------|
| 1 | Average Age (years) | 57 | |
| 2 | Occupation | | |
| | A) Main | | |
| | Agriculture | 50 | 83.33 |
| | Business | 6 | 10.00 |
| | Other | 4 | 6.67 |
| | Total | 60 | 100.00 |
| | B) Subsidiary | | |
| | Dairy | 24 | 40.00 |
| | Business | 15 | 25.00 |
| | Other | 12 | 20.00 |
| | Non subsidiary | 9 | 15.00 |
| | Total | 60 | 100.00 |

It was observed from the table that, average age of selected farmers was 57 years. The information regarding main occupation and subsidiary occupation was obtained from the sample farmers. In case of main occupation, out of 60 farmers, 83.33 per cent (50) farmers are engaged in agriculture. The 10 percent farmers have business (Jewellery, wood seller etc.) as a main occupation and 6.67 per cent have other occupations such as teacher etc as a main occupation.

Dairy was found to be subsidiary occupation chosen by of 40 per cent (24) farmers. The 25 per cent farmers have business (wood sell, poultry) as a subsidiary occupation and nine farmers have no subsidiary occupation. It was concluded that the agriculture was found to be main occupation of (83.33 per cent) sample respondent and dairy was opted as a subsidiary occupation by maximum 40 per cent sample respondent.

5.3.2 Loan availed by farmers

The information about short term and medium term agricultural loans taken by farmers from the Ratnagiri District Central co-operative Bank Ltd. is given in table 5.26

Table 5.26 Information regarding short term and medium term loan availed by farmers

| Sr. No. | Particular | No. of farmers (N=60) | Average amount of loan (Rs) |
|---------|-------------|-----------------------|-----------------------------|
| 1 | Short term | 54 (90.00) | 191950 (43.26) |
| 2 | Medium term | 6 (10.00) | 251666 (56.73) |
| | Total | 60 (100.00) | 443616 (100.00) |

(Figures in parentheses indicates percentage to total number of farmers)

As indicated in table, out of 60 farmers, 54 farmers (90 %) availed short term loan from the Ratnagiri District Central Co-operative bank Ltd. The per farmer loan amount for short term loans was Rs. 191950 (43.26 per cent). Only six farmers (10%) obtained medium term loan from the bank. The per farmer medium term loan was Rs. 251666 (56.73 per cent) of total average loan amount taken by 60 farmers. It was concluded that majority of farmers (90 %) have availed short term loan indicating the importance of short term loan which may be attributed to small land holding.

5.3.3 Utilization of loan by sample respondent

Per farm utilization of loan by sample respondent was presented in table 5.27

It was observed from table that the, Farmers in study area have utilized loan for various purposes such as crop production, livestock, land development, household expenditure, packaging, purchase of essential commodities, transport, etc. Out of the total farmers (60) the maximum (25 %) farmers have utilized loan for the crop production and live stock followed by crop production and land development (18.33 %) and crop production packaging and transport

Table 5.27 Per farm utilization of loan by sample respondent

| Sr. No. | Particulars | No. of farmers (N=60) | Amount (Rs.) |
|---------|--|--------------------------|--------------------|
| 1 | Crop production + Livestock | 15 (25.00) | 1927000 (20.75) |
| 2 | Crop production + Livestock + Land development | 3 (5.00) | 616000 (6.63) |
| 3 | Crop production + Livestock + Household | 4 (6.66) | 531000 (5.72) |
| 4 | Crop production + Livestock + Packaging and transport | 1 (1.66) | 273000 (2.94) |
| 5 | Crop production + Livestock + Household + packaging and transport | 4 (6.66) | 765500 (8.25) |
| 6 | Crop production + Livestock + Purchase of Essential commodity | 2 (3.33) | 237000 (2.55) |
| 7 | Crop production + Land development | 11 (18.33) | 1393800 (15.01) |
| 8 | Crop production + Land development + packaging and transport | 3 (5.00) | 892000 (9.61) |
| 9 | Crop production + Land development + Household + packaging and transport | 1 (1.66) | 279000 (3.06) |
| 10 | Crop production + Land development + Purchase of essential commodity | 1 (1.66) | 275570 (2.96) |
| 11 | Crop production + household | 4 (6.66) | 570000 (6.14) |
| 12 | Crop production + household + packaging and transport | 2 (3.33) | 243000 (2.61) |
| 13 | Crop production + Packaging and transport | 6 (10.00) | 1091750 (11.76) |
| 14 | Crop production + purchase of essential commodity | 2 (3.33) | 114500 (1.23) |
| 15 | Land development + household + packaging and transport + purchase of essential commodity | 1 (1.66) | 73250 (0.78) |
| | Total | 60 (100.00) | 9282370 (100) |

(Figures in parentheses indicates percentage to total number of farmers)

(10%). Out of total loan availed by these farmers, the maximum (Rs. 1927000) amount was utilized for crop production + livestock purchase Followed by crop production + land development Rs. 1393800 and Rs. 1091750 for crop production + household expenditure plus packaging and transport. It was concluded that crop production activity was benefitted in case of all most all farmer as far as loan utilization is concerned.

5.3.4 Problems faced by farmers

The problems faced by farmers in loan sanction and repayment of loan are given in table 5.28

Table 5.28 Problems faced by farmers in loan sanction and repayment

| Sr. No. | Problems faced by farmers | No. of farmers(N=60) |
|---------|--|----------------------|
| 1 | Loan sanction procedure is not easy | 45 (75.00) |
| 2 | Too much documentation for all banking procedure | 40 (66.66) |
| 3 | Lack of awareness about schemes of the bank | 30 (50.00) |
| 4 | Unfriendly behavior of Employees | 4 (6.66) |
| 5 | Difficulty in repay of loan due to crop Failure | 20 (33.33) |

(Figures in parentheses indicates percentage to total number of farmers)

It could be seen from table that the farmers opined various problems regarding loan procedures. The 75 per cent farmers expressed that loan sanctioning procedure is not easy. The 66.66 per cent farmers opined that too much documentation is required for all banking procedure. The problem of lack of awareness about schemes of the bank was faced by 50 per cent (30) farmers. Other problems noticed were unfriendly behavior of employees and difficulty in repayment of loan due to crop failure. It was concluded that the majority of farmers faced difficulties with the loan sanctioning procedure and it should be addressed by the bank management.

5.3.5 Suggestions by farmers

Suggestions by farmers for improvement in banking procedure was presented in table 5.29

It was observed from the table that, 50 per cent farmers opined that rate of interest should be reduced from 6 per cent to 4 per cent for direct short term loan as per Modified interest subvention scheme (MISS). The 75 per cent farmers suggested that the loan procedure should be easy. The 55 farmers (91.66 per cent) opined that bank should have more emphasis on loan

sanction through kisan credit card scheme so they get more benefit through the scheme. Maximum farmers (93.33 per cent) farmers opined that the detailed information about various schemes should be provided frequently by the bank. Good co-operation from employees was expected by 42 (70 per cent) farmers. It was concluded that the major suggestion given by maximum farmers were supply detailed information about various schemes, loan sanction through the Kisan credit cards and making loan procedure user friendly.

Table 5.29 Suggestions by farmers for improvement in banking procedure

| Sr. No. | Suggestions | No. of farmers (N = 60) |
|---------|---|----------------------------|
| 1 | Rate of interest Should be reduced from 6 per cent to 4 per cent for direct short term loan as per Modified interest subvention scheme (MISS) | 30 (50.00) |
| 2 | loan procedure should be easy | 45 (75.00) |
| 3 | Detailed information about various schemes should be provided frequently | 56 (93.33) |
| 4 | More emphasis on loan sanction through Kisan credit card scheme (KCC) | 55 (91.66) |
| 5 | Good co-operation from employees is expected | 42 (70.00) |

(Figures in parentheses indicates percentage to total number of farmers)

5.3.6 Audit class of primary agricultural credit societies (PACS)

Audit class of total primary agricultural credit societies (PACS) was presented in table 5.30

Table 5.30 Distribution of sample primary agricultural credit societies (PACS) as per audit class

| Sr. No. | Audit Class | No. of Societies (N = 40) |
|---------|-------------|---------------------------|
| 1 | A | 11 (27.50) |
| 2 | B | 27 (67.50) |
| 3 | C | 2 (5.00) |
| | Total | 40 (100) |

(Figures in parentheses indicates percentage to total number of sample societies)

As indicated in table, there are three audit classes A, B and C. Audit classes shows the performance of the society. Out of 40 credit societies, 11 societies (27.50 per cent) achieved A audit class. 27 credit societies (67.50 per cent) were placed in B audit class and only 2 societies ranked with C audit class. It was concluded that, most of societies achieved B audit class indicating overall audit management of credit societies in study area as a moderate level.

5.3.7 Opinion of primary agricultural credit society (PACS)

Opinion of Primary agricultural credit societies about credit supply from Ratnagiri District Central Co-operative Bank Ltd. was presented in the table 5.31

Table 5.31 Opinion of primary agricultural credit society (PACS) regarding credit supply from Ratnagiri District Central Co-operative Bank Ltd. (RDCCB)

| Sr. No. | Particulars | | No. of Societies (N = 40) | Per cent | |
|---------|-------------------------------|----|---------------------------|----------|-------|
| 1 | Extent of fund availability | a) | Adequate | 35 | 87.50 |
| | | b) | Inadequate | 5 | 12.50 |
| 2 | Method of credit distribution | a) | Non satisfactory | 0 | 00.00 |
| | | b) | Moderately satisfactory | 4 | 10.00 |
| | | c) | Satisfactory | 36 | 90.00 |
| 3 | Supply of Finance | a) | Timely | 38 | 95.00 |
| | | b) | Delayed | 2 | 5.00 |
| 4 | Rate of Interest | a) | Low | 0 | 00.00 |
| | | b) | Medium | 35 | 87.50 |
| | | c) | High | 5 | 12.50 |

It was observed from the table that, maximum 87.50 per cent societies (35) opined that the fund availability from Ratnagiri district central co-operative bank was adequate in quantity and only 5 societies (12.50 per cent) opined that there was inadequate availability of funds. About 90 per cent (36) societies opined that the method of credit distribution was satisfactory and there was no non satisfactory opinion about method of credit distribution. Supply of finance from the Ratnagiri district central co-operative bank was timely available to 95 per cent (38) societies

however two societies opined that there was delayed in supply of finance. It was concluded that as per opinion from credit societies about various criteria such as fund availability, credit distribution, timely supply of finance, rate of interest the majority of credit societies indicated a satisfactory opinion about the bank.

5.3.8 Opinion of Primary agricultural credit society (PACS)

Opinion of Primary agricultural credit society about recovery of loans was presented in the table 5.32

Table 5.32 Opinion of Primary agricultural credit society about recovery of loans

| Sr. No. | Particulars | No. of Societies (N=40) |
|---------|------------------------------|----------------------------|
| 1 | Extent of recovery of loan | |
| | Poor (< 30 %) | 0 (00.00) |
| | Moderate (30 to 80 %) | 15 (25.00) |
| | Good (> 80 %) | 25 (62.50) |
| 2 | Problems in recovery of loan | |
| | Non-performing assets (NPA) | 10 (25.00) |
| | Failure of crops | 5 (12.50) |
| | Loan Waiving decision | 5 (12.50) |

(Figures in parentheses indicates percentage to the number of societies)

It was observed from the table that, 62.50 per cent (25) societies credit societies indicated good performance in recovery of loans (> 80 % recover). The moderate level performance in recovery of loans was opined by 15 societies and there was no poor performance was observed in recovery of loans. The credit societies faced various problems in recovery of loans. The main problem in recovery of loan was non-performing assets (NPA), that problem was faced by 25 per cent (10) societies in recovery of loans. However, 12.5 per cent societies faced the problem in recovery of loan due to crop failures of farmers and five societies faced problem in recovery of loans due to loan waiving decisions.

5.3.9 Suggestions by Primary agricultural credit society (PACS)

Suggestions by Primary agricultural credit society (PACS) are presented in table 5.33

Table 5.33 Various Suggestions by Primary agricultural credit society (PACS)

| Sr. No. | Suggestions | No. of Societies(N=40) |
|---------|---|------------------------|
| 1 | More Campaigns should be organized for KCC scheme awareness | 36 (90.00) |
| 2 | Information should be given to each Farmer regarding various activities and schemes of the bank | 28 (70.00) |

(Figures in parentheses indicates percentage to total number of societies)

It was observed from the table that, 90 per cent primary agricultural credit societies (36) suggested that, more campaigns should be organized for kisan credit card scheme (KCC) awareness so farmers get more benefit of the scheme. However, 70 per cent credit societies (28) suggested that the information about various activities and schemes of the bank should be given to each farmer. It was concluded that the awareness about KCC scheme and its implementation is main concern of primary agricultural credit societies.



Plate 1 Visit to Primary Agricultural Credit Society



Plate 2 Researcher interviewing farmer



SUMMARY AND CONCLUSION



CHAPTER VI

SUMMARY AND CONCLUSIONS

Cooperative credit institutes have played an important role in agricultural development in general and rural development in particular areas. District Central Cooperative (DCC) Banks serve as a link between the State Cooperative Bank and the Primary Agricultural Cooperative Societies. An agriculture enterprise needs finance for short, medium, and long-term. Farmers can obtain short and medium-term credit through a three-tiered structure of cooperative institutions.

Ratnagiri District Central Cooperative Bank was founded on July 1, 1983 and it is a registered bank. The Ratnagiri District is consist of nine tehsils (blocks): Mandangad, Dapoli, Khed, Chiplun, Guhagar, Sangmeshwar, Ratnagiri, Lanja, and Rajapur. Employees' Co-operative Credit Societies, Housing Societies, Labor Co-operative Societies, Industrial Co-operative Societies, Self-Help Groups, and other government schemes that aid in poverty eradication are also funded on a large scale by Ratnagiri district Central Co-operative Bank.

Agriculture loans, business loans, vehicle loans, education loans, and mortgage loans are all available from Ratnagiri District Central Co-operative Bank. Farmers can get loans from agricultural loan under various schemes such as *Kharif & Rabbi* Season Argil. loan through PACS under Kisan credit card (K.C.C.) Scheme, Horticulture Crop Loan for Mango, Cashew nut, Coconut, Arecanut etc., under K.C.C. Scheme, and so on.

A present study entitled “Performance of Ratnagiri District Central Co-operative Bank Ltd.” was undertaken with following specific objectives -

Objectives

1. To study the progress of Ratnagiri District Central Cooperative Bank Ltd.
2. To study the different activities taken up by Ratnagiri District Central Cooperative Bank Ltd.
3. To study response of farmers and credit Societies towards bank credit.

The Ratnagiri District Central Co-operative Credit Bank Ltd. (RDCC) was chosen for this study. The annual reports and other secondary information from various reports of bank, statements, etc. were used for assessing performance of the bank. To study the co-operative credit societies, Ratnagiri, Dapoli, Sangmeshwar and Chiplun were chosen as the tehsils have greatest number of credit societies. It was discovered that 363 Primary agricultural credit societies (PACS) were beneficiaries of RDCC. Ten societies were chosen at random from each selected tehsil, for a total of 40 societies studied. 15 farmers were chosen at random from each tehsil and for a total of 60 farmers were selected for the current study.

Secondary data was obtained from secondary sources, namely the Ratnagiri district central co-operative bank Ltd's annual reports. Surveys were used to collect primary data from farmers and credit societies. The information about RDCC bank was gathered from various annual reports (over the last 11 years) and some bank reports and statements. Total data for 39 years, from 1983 to 2021, were collected and divided into two periods, I, II. The period III was considered as an overall period (1983 to 2021).

Findings of the study

Ratnagiri District Central Co-operative Bank Ltd. had 80 branches in 2020-21, with 417 employees. The bank's total profits in 2020-21 were Rs. 2054.25 lakhs. Ratnagiri District Central Co-operative Bank Ltd. recovered 96.33 per cent of its debts, indicating the bank's excellent performance. The credit deposit ratio was 70.07 per cent. Ratnagiri District Central Co-operative Bank Ltd. has achieved an A audit class for the fiscal year 2020-21. The various indicators for the fiscal year 2020-21 indicated that the bank's financial position is good, and it is spread across the district with a large network of 80 branches.

The bank's total number of branches increased by 105.12 per cent over the previous 39 years compared to the base year of 1983. In the overall study period, from 1983 to 2021, the compound annual growth rate for the number of branches was 1.36 percent, which was statistically significant at the 5 per cent level, and the linear trend per year was 0.85 per cent. The analysis revealed that the number of Ratnagiri District Central Co-operative Bank Ltd. branches was increasing and indicated positive growth, with at least one branch opening each year.

The per cent change progress of employment over base year from year 1983 to 2021 was 16.31 per cent. It was revealed that after establishment of bank in initial years, number of employees were increases, However later number of employees were reduced, which indicated just 16.31 per cent increase in the employees. It may be result of computerization and bank policy. In overall study period, from 1983 to 2021, the compound annual growth rate for the number of employees was 0.15 percent, indicated just 0.15 percent increase. The linear growth rate, for overall period in number of employees was also less (0.56).

The decade wise per cent change in share capital was ranging from 78 per cent (year 2021) to 301.75 (year 1993). The maximum change was observed in the decade 1993-2003 (441.52 per cent). In last 39 years the total per cent increase in share capital with the bank over base year 1983 was 9222.91 per cent. In overall period, from 1983 – 2021, the linear growth rate during last 39 years for Share Capital was Rs. 144.32 lakh per year and Compound growth rate was 13.9 per cent per year, which was statistically significant at 5 per cent level.

During the assessment period, the reserve and other money at the bank increased by a total of 12619.83 per cent as compared to the base year 1983. In overall study period, from 1983 – 2021, the Linear growth rate during last 39 years for reserve and other funds was Rs. 378.09 lakhs per year and Compound annual growth rate was 13.7 per cent per year.

The total percentage increase in owned funds with the bank from 1983 to 2021 (39 years) was 11591.65 per cent. The percentage change in owned funds over the four decades ranged from 105.73 per cent to 328.40 per cent. The maximum progress observed between 1983 and 1993 which was about 328.40 per cent. From 1983 to 2021, the overall linear growth rate for owned funds was Rs. 522.42 lakhs per year and the compound growth rate for the same period was estimated to be 13.7 per cent per annum.

Over the four decades, the percentage change in external loans ranged from 123.60 per cent to 3029.90 per cent. The per cent change progress was found to be reduced as the amount of external loans accumulated with the bank increased. External loans have grown at a linear rate of Rs. 264.02 lakhs per year over the study period (39 years). Whereas, the compound growth rate was to the extent of 22.5 per cent.

The per cent change progress was observed to be decreasing as the total deposits collected by the banks increased. During the overall study period, total deposits of the RDCC Bank increased by 14916.25 per cent. In study period (1983 – 2021), the linear growth rate during for total deposits was Rs. 5239.45 lakhs per year and Compound growth rate was 14.0 per cent per year.

The per cent growth in total bank loans and advances over a base year (1983) during study period (39 years) was 13031.81 per cent. The trend in growth for overall study period, from (1983 – 2021), the compound annual growth rate for total loan and advances were 15.1 per cent per year and the linear growth was Rs. 3622.99 lakhs per year.

The per cent change was found to be decreased, as the quantity of investment of the bank increased. The increase in total investment with the bank over base year (1983) was 18519.34 per cent for study period (39 years). Whereas, the linear growth rate for investments for same period was found to be Rs. 2040.93 lakhs per year and the compound growth rate was 12.8 per cent per year.

The total per cent increase in total working capital with the bank over the study period was 12808.76 per cent. The compound annual growth rate of total working capital was 13.6 per cent per year and linear growth rate was Rs. 6172.84 lakhs per year, during overall study period.

The highest percent of recovery of loans was 96.99 per cent which was observed in decade ended 2021. In last 39 years the total per cent increase in percent of recovery of loans of the bank over base year (1983) was 53.85 per cent. During last four decades (1983 to 2021), the

linear growth rate for per cent of recovery of loans was 0.74 per cent per year, and the compound growth rate was just 0.9 per cent.

The primary data collected by farmers revealed that, The average age of selected farmers was 56.58 years. In case of main occupation, out of 60 farmers, 83.33 per cent (50) farmers are engaged in agriculture. Dairy was found to be subsidiary occupation chosen by of 40 per cent (24) farmers. The 25 per cent farmers have business (wood sell, poultry) as a subsidiary occupation and nine farmers have no subsidiary occupation.

Out of total (60) farmers, 54 farmers (90 %) availed short term loan and only six farmers (10%) obtained medium term loan from the bank. Farmers in study area have utilized loan for various purposes such as crop production, livestock, land development, household expenditure, packaging, purchase of essential commodities, transport, etc. Out of the total farmers (60) the maximum (25 %) farmers have utilized loan for the crop production and live stock followed by crop production, land development (18.33 %) and crop production, packaging, transport etc (10%).

The farmers strongly expressed problems regarding loan procedures. The 75 per cent farmers opined that loan sanctioning procedure is not easy. The 66.66 per cent farmers reported that too much documentation is required for all banking procedure. The problem of lack of awareness about schemes of the bank was also faced by 50 per cent (30) farmers.

Regarding suggestions from farmers, the 75 per cent farmers suggested that the loan procedure should be easy. The 55 farmers (91.66 per cent) opined that bank should have more emphasis on loan sanction through kisan credit card scheme so they get more benefit through the scheme. Maximum (93.33%) farmers opined that the detailed information about various schemes should be provided frequently by the bank so they will have awareness about various schemes.

An audit class shows the performance of the society. Out of 40 credit societies, 11 societies (27.50 %) achieved 'A' audit class. The 27 credit societies (67.50 %) were placed in 'B' audit class and only 2 societies ranked with C audit class. Maximum (87.50%) societies opined that the fund availability from Ratnagiri district central co-operative bank was adequate in quantity and only five societies (12.50 %) stated that there was inadequate availability of funds.

The extent of recovery of loans was opined by 15 societies which indicates moderate level of performance and there was no poor performance was observed in recovery of loans. The credit societies faced various problems in recovery of loans. The main problem in recovery of loan was non-performing assets (NPA), which was faced by 25 per cent (10) societies. The 70

per cent credit societies (28) suggested that the information about various activities and schemes of the bank should be given to each farmer.

Conclusions

1. The various indicator of the year 2020-21 indicated that the financial position of bank is presently good and it is spread over the district with wide network of 80 branches.
2. Ratnagiri District Central Co-operative Bank Ltd. has significantly increased in the number of branches and indicated a positive growth (1.36 %) in number of branches, at least one branch is open in a year.
3. After establishment of bank in initial years, number of employees were increases, however later number of employees were reduced, which indicated just 16.31 per cent increase in the employees. It may be result of computerization and bank policy.
4. The Ratnagiri district central co-operative bank Ltd. have made a substantial progress in case of share capital and increasing at significant rate indicated by both linear and compound growth rates. The compound annual growth about 13.9 per cent was observed in study period.
5. The reserve and other funds noticed an increased of Rs. 378.09 lakhs per year and Compound annual growth rate in this parameter was 13.7 per cent per year. Reserve and other funds of Ratnagiri District Central Co-operative Bank Ltd. were growing at a higher rate which indicated a good sign of progress of the bank.
6. Owned funds of Ratnagiri District Central Co-operative Bank Ltd. were found to be increasing at significant rate as compound growth rate of 13.7 per cent per year showed an encouraging figure as far as future of bank is concerned.
7. The per cent increase in disbursement of external loans was about 123.60 per cent in last decade ending by the year 2021. Ratnagiri District Central Co-operative Bank Ltd. has made significant increased progress in terms of external loans.
8. The Ratnagiri District Central Co-operative Bank Ltd.'s total deposits were growing at a higher pace indicated by compound growth rates (14.0 %) per year.
9. The investment of Ratnagiri District Central Co-operative Bank Ltd.'s was increasing at 12.8 per cent per year and made a good progress in terms of total investment.
10. Total working capitals of Ratnagiri District Central Co-operative Bank Ltd. were found to be increasing with high pace and bank have made a significant progress in term of total working capital.
11. The percentage of recovery of loans of Ratnagiri District Central Co-operative Bank Ltd. was found to be increasing satisfactory, made a remarkable progress in respect of percent of recovery of loans.

12. Agriculture was found to be the primary occupation of maximum (83.33%) respondents, while dairy was opted as a secondary occupation by about 40 per cent sample respondent.
13. The majority of farmers (90%) have availed a short-term loan, demonstrating the importance of short-term loans, which may be for a small land holding.
14. In terms of loan utilization, crop production activity was benefited to large number of farmers.
15. The majority of farmers faced difficulty with the loan approval process, which should be addressed by bank management.
16. The majority of farmers suggested providing detailed information about various schemes, loan sanction through Kisan credit cards, and making the loan procedure user friendly.
17. The 27.50 per cent societies achieved 'A' audit class and 67.50 per cent societies got B audit class indicating overall audit management of credit societies in study area as a moderate level.
18. According to credit societies' opinions on various criteria such as fund availability, credit distribution, timely supply of finance, and interest rate, the majority of credit societies have indicated a satisfactory opinion towards the bank.
19. The fundamental aim of primary agricultural credit societies was raising awareness of the KCC plan and its implementation.

Policy implications

- 1) The District Central co-operative banks have a greater role in overall rural development in general and agricultural development in particular through the primary agricultural credit societies. These banks showed well supported by the government and these DCC bank should encourage the farmers by supplying information about various schemes and making loan sanction procedures make user friendly.
- 2) When we move toward a cashless economy, more attention must be paid to expanding loan coverage through Kisan Credit Cards (KCC), which would result in simple and timely credit disbursement to borrowers.



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CHAPTER VII

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APPENDICES



APPENDIX – I

SCHEDULE FOR FARMERS

Title : “Performance of Ratnagiri District Central Co-operative Bank Ltd.”
Information for the year : 2020-21
Name of the student : Mr. Rohan Deepak Bhawe
Reg. No. : ADPM/20/2774

1. General information of the farmer:

- 1) Name :
- 2) Age :
- 3) Education :
- 4) Tehsil :
- 5) Village :
- 6) Occupation :
 - a) Main :
 - b) Subsidiary :

2. Schemes Name: -

- 1)
- 2)
- 3)
- 4)

3. Loan availed during last year:

| Type | Amount taken | Rate of interest | Amount repaid |
|------------------|--------------|------------------|---------------|
| | 2020-21 | 2020-21 | 2020-21 |
| Short Term (ST) | | | |
| Medium Term (MT) | | | |
| Long Term (LT) | | | |

4. Utilization of Loan

| Year | Type | Productive Purpose | | | | Unproductive Purpose | |
|---------|------|--------------------|------------|------------------|-------------------------|----------------------|---------------------------------|
| | | Crop Production | Live stock | Land development | packaging and transport | Household expenses | Purchase of essential commodity |
| 2020-21 | | | | | | | |

5. Problems faced by the borrowers: -

- 1)
- 2)
- 3)
- 4)
- 5)

6. Suggestions: -

- 1)
- 2)
- 3)
- 4)
- 5)

APPENDIX – II

SCHEDULE FOR PACS

Title : **“Performance of Ratnagiri District Central Co-operative Bank Ltd.”**

Information for the year : 2020-21

Name of the student : Mr. Rohan Deepak Bhave

Reg. No. : ADPM/20/2774

Name of the society :

Tehsil :

Year of Establishment :

Audit Class :

Number of members :

A) Opinion of primary agricultural credit society (PACS) regarding credit supply from Ratnagiri District Central Co-operative Bank Ltd. (RDCCB) :

1) What is the present situation of availability of funds for finance with the bank?

Adequate

Inadequate

2) How is the system of method of credit distribution by the DCCBs?

a. Non satisfactory

b. Moderately satisfactory

c. Satisfactory

3) How is the supply of finance by Ratnagiri District Central Cooperative Bank Ltd.?

a. Timely

b. Delayed

4) What is your opinion about rate of interest?

- a) low
- b) medium
- c) high

5) What is the rate of interest charged on the agricultural loans provided to PACS?

- a) On short term loan :-
- b) On medium term loan :-

C) Opinion of Primary agricultural credit society about recovery of loans

1) What is the present situation of extent of recovery of agricultural loans?

- a) Poor
- b) Moderate
- c) Good


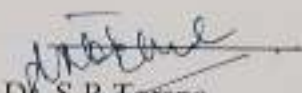
2) What are the main problems in the recovery of agricultural loans?

- a)
- b)
- c)
- d)

D) Suggestions by Primary agricultural credit society (PACS)

- 1)
- 2)
- 3)
- 4)

THESIS ABSTRACT

- a) Title of the thesis : Performance of Ratnagiri District Central Co-operative Bank Ltd.
- b) Full name of the student : Mr. Rohan Deepak Bhawe
- c) Name and address of the major advisor : Dr. S.R.Torane,
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Head of Department of Agricultural Economics,
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- d) Degree to be awarded : M.Sc. (Agri.)
- e) Year of award of degree : 2022
- f) Major subject : Economics
- g) Total number of pages in the thesis : 69 + xiii
- h) Number of words in the abstract : 513
- i) Signature of student : 
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The present investigation, entitled "Performance of Ratnagiri District Central Co-operative Bank Ltd." was conducted to find out the progress or growth of Ratnagiri District Central Co-operative Bank Ltd using various parameters. The Ratnagiri District Central Co-operative Credit Bank Ltd. (RDCCB) was chosen for this study. Ratnagiri, Dapoli, Sangmeshwar and Chiplun were chosen as the tehsils with the greatest number of credit societies. Ten societies were chosen at random from each selected tehsil, for a total of 40 societies studied. 15 farmers were chosen at random from each tehsil, for a total of 60 farmers in the current study.

Secondary data was obtained from secondary sources, namely the Ratnagiri district central co-operative bank Ltd's annual reports. Surveys were used to collect primary data from farmers and credit societies. The information about RDCC bank was gathered from various annual reports (over the last 11 years) and some bank reports and statements. Total data for 39 years, from 1983 to 2021, were collected and divided into three periods, I, II, and III.

The various indicators for the fiscal year 2020-21 indicated that the bank's financial position is good, and it is spread across the district with a large network of 80 branches. In overall study period, from 1983 to 2021, the compound annual growth rate for the number of employees was 0.15 percent, indicated just 0.15 percent increase. The linear growth rate, for overall period in number of employees was just 0.56. The linear growth rate during last 39 years for Share Capital was Rs. 144.32 lakh per year and Compound growth rate was 13.9 per cent per year, which was statistically significant at 5 per cent level.

In overall study period (1983 and 2021), the linear growth rate for investments was found to be Rs. 2040.93 per year and the compound growth rate was 12.8 per cent per year. The highest percent of recovery of loans was 96.99 per cent in last decade ending by 2021. In last 39 years the total per cent increase in percent of recovery of loans of the bank over base year 1983 was 53.85 per cent. The average age of selected farmers was 56.58 years. In case of main occupation, out of 60 farmers, 83.33 per cent (50) farmers are engaged in agriculture. Dairy was found to be subsidiary occupation chosen by of 40 per cent (24) farmers.

Out of 60 farmers, 54 farmers (90 %) availed short term loan and only six farmers (10%) obtained medium term loan from the bank. Farmers in study area have utilized loan for various purposes such as crop production, livestock, land development, household expenditure, packaging, purchase of essential commodities, transport, etc. The farmers opined problems regarding loan procedures. The 75 per cent farmers expressed that loan sanctioning procedure is not easy.

The fundamental aim of primary agricultural credit societies was raising awareness of the KCC plan and its implementation. According to credit societies' opinions on various criteria such as fund availability, credit distribution, timely supply of finance, and interest rate, the majority of credit societies have a favorable opinion of the bank.



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Performance of district central co-operative Bank: An economic appraisal

RD Bhawe, SR Torane, SS Manerikar, DB Malave and PJ Kshirsagar

Abstract

The present study was conducted to find out the progress of Ratnagiri District Central Co-operative Bank Ltd (RDCC) using various parameters. The study was based on Secondary data obtained from the Ratnagiri district central co-operative bank Ltd's annual reports. The information about RDCC bank was gathered from various annual reports (over the last 11 years) and some bank reports and statements. Total data for 39 years, from 1983 to 2021, were collected and divided into three periods, I, II, and III. The various indicators for the fiscal year 2020-21 indicated that the bank's financial position is good, and it is spread across the district with a large network of 80 branches. In overall study period, from 1983 to 2021, the compound annual growth rate for the number of employees was 0.15 percent, indicated just 0.15 percent increase. The linear growth rate, for overall period in number of employees was just 0.56. The linear growth rate during last 39 years for Share Capital was Rs. 144.32 lakh per year and Compound growth rate was 13.9 percent per year, which was statistically significant at 5 percent level. In overall study period (1983 and 2021), the linear growth rate for investments was found to be Rs. 2040.93 per year and the compound growth rate was 12.8 percent per year. The highest percent of recovery of loans was 96.99 percent in last decade ending by 2021. In last 39 years the total percent increase in percent of recovery of loans of the bank over base year 1983 was 53.85 percent. The study concluded that, The Ratnagiri district central co-operative bank Ltd. have made a substantial progress in case of share capital, Reserve and other funds, owned funds, external loans, Deposits, Loan and advances, Investment, Total Working Capital, Percent of recovery of loans.

Keywords: RDCC, financial position, share capital, loan, recovery etc.

Introduction

Agricultural finance is commonly defined as the examination, study, and investigation of the financial aspects of the farm business. Any farmer can obtain agricultural loans to purchase farm or production equipment. Agriculture finance is required for the purchase of digging tube wells, agricultural implements, seeds, marketing of agricultural produce, livestock, fertilizers, affecting permanent improvements on the land, manures, wage payment, and soon.

A District Co-operative Central Bank (DCCB) is a cooperative bank that operates on a district level throughout India. It was founded to provide agricultural banking to the rural hinterland, with branches primarily located in rural and semi-urban areas. The banking model includes a district central bank for each district in each state of India, known as a District Central Co-operative Bank. These banks are represented collectively by a State Apex Central Co-operative Bank for each state, which serves as the ultimate bank and apex body for the DCCBs in that state.

Agriculture necessarily requires short, medium, and long-term credit. There is a three-tier structure of cooperative institutions that provide farmers with short and medium-term credit. District Central Cooperative Banks (DCCB) plays an important role in the short-term cooperative credit structure by acting as a link between the State Cooperative Bank and the Primary Agricultural Cooperative Societies.

The Ratnagiri District Central Cooperative Bank was established on July 1, 1983. Ratnagiri district Central Co-operative Bank also provides large-scale financing to Employees' Co-operative Credit Societies, Housing Societies, Labor Co-operative Societies, Industrial Co-operative Societies, Self-Help Groups, and other government schemes that aid in poverty eradication. Ratnagiri District Central co-operative bank provide various type of loans such as Agriculture loan, business loan, vehicle loan, education loan and mortgage loan.

Methodology

Ratnagiri District Central Co-operative Bank Ltd. (RDCC) was selected purposively for the present study, being one of the district central co-operative bank in the university jurisdiction. Secondary data was obtained from secondary sources i.e. annual reports of the Ratnagiri district central co-operative bank Ltd. The information about RDCC bank was collected through various annual reports, some reports and statements of the bank. The total data for 39 years from 1983 to 2021 were collected and divided in 3 period such as

Period I – 1983-2000

Period II – 2001-2021

Overall period – 1983-2021

The operating status of Ratnagiri District Central Co-operative Banks were studied by analyzing the data regarding various parameters such as number of branches, number of employees, share capital, reserve and other funds, owned funds, external loans, total deposits, loan and advances, investment, total working capital, percent of recovery of loans.

Compound annual growth rate (CAGR)

The study period wise (as mentioned in 3.3) compound annual growth rates for different indicators of RDCC have been estimated using the following type exponential model.

$$Y = AB^t e$$

Where,

Y = Estimated trend value of growth parameter

A = Intercept

B = Trend value or Regression Coefficient

t = time period in year

$$\text{CAGR \%} = ((\text{Antilog of } b) - 1) * 100$$

Results and Discussion

Existing situation of bank

The table 1 shows that the existing situation of the Ratnagiri District Central Co-operative Bank Ltd. (RDCC). In the year 2020-21, the number of branches of Ratnagiri District Central Co-operative Bank Ltd. was 80 and the total numbers of employees of Ratnagiri District Central Co-operative Bank Ltd. were 417. Share capital of Ratnagiri District Central Co-operative Bank Ltd. was Rs. 5268.29 lakhs and reserve and other funds and owned funds were Rs. 18592.69 lakhs and Rs. 23860.98 lakhs, respectively. The amounts of external loans of Ratnagiri District Central Co-operative Bank Ltd. for year 2020–21 were Rs. 4074.23 lakhs. The total deposits of Ratnagiri District Central Co-operative Bank Ltd. found to be Rs. 222364.30 lakhs, and total loans and advances of Ratnagiri District Central Co-operative Bank Ltd. were Rs. 155802.51 lakhs.

Table 1: Existing situation of Ratnagiri District Central Co-operative Bank Ltd. (RDCC) as per various parameters (2020-21)

| Indicators | Units | Amount |
|-------------------------|--------------|-----------|
| Total branches | Number | 80 |
| Total Employees | Number | 417 |
| Share Capital | Rs. In lakhs | 5268.29 |
| Reserve and other funds | Rs. In lakhs | 18592.69 |
| Owned funds | Rs. In lakhs | 23860.98 |
| External loans | Rs. In lakhs | 4074.23 |
| Total Deposits | Rs. In lakhs | 222364.30 |
| Total loan and advances | Rs. In lakhs | 155802.51 |
| Investment | Rs. In lakhs | 81806.16 |
| Total Working Capital | Rs. In lakhs | 257429.53 |
| Profit(+)/Loss (-) | Rs. In lakhs | + 2054.25 |
| Percent of recovery | Percent | 96.33% |
| CD Ratio | Percent | 70.07 |
| Audit Class | | A |

Source: Annual reports of bank

The Ratnagiri District Central Co-operative Bank Ltd. invested Rs. 81806.16 lakhs in various entrepreneurs in year 2020-21. The total working capital of Ratnagiri District Central Co-operative Bank Ltd. (RDCC) was Rs. 257429.53 lakhs. The total profits of bank in year 2020-21 were Rs. 2054.25 lakhs. Ratnagiri District Central Co-operative Bank Ltd. recovered 96.33 percent of its debts indicating good performance of bank. The credit deposit ratio was 70.07 percent. The Ratnagiri District Central Co-operative Bank

Ltd. achieved an A audit class for year 2020-21. The various indicator of the year 2020-21 indicated that the financial position of bank is good and it is spread over the district with wide network of 80 branches.

Progress of Ratnagiri District Central Co-operative Bank Ltd.

The growth trend in various indicators showing the performance of bank is given in Table 2

Table 2: Growth trend in various indicators performance

| Sr. No. | Indicators | Compound annual growth rate (percent) | | |
|---------|------------------------------|---------------------------------------|-------------------------|------------------------------|
| | | Period I (1983 - 2000) | Period II (2000 - 2021) | Overall period (1983 - 2021) |
| 1 | Total branches | 2.97** | 0.66** | 1.36** |
| 2 | Total Employees | 3.67** | -1.9** | 0.15 NS |
| 3 | Share Capital | 18.2** | 8.3** | 13.9** |
| 4 | Reserve and other funds | 18.8** | 10.9** | 13.7** |
| 5 | Owened funds | 18.7** | 10.1** | 13.7** |
| 6 | External loans | 19.7** | 15.8** | 22.5** |
| 7 | Total Deposits | 18.8** | 11.0** | 14.0** |
| 8 | Total loan and advances | 20.9** | 11.5** | 15.1** |
| 9 | Investment | 16.3** | 10.5** | 12.8** |
| 10 | Total Working Capital | 17.9** | 10.7** | 13.6** |
| 11 | Percent of recovery of loans | 1.4** | 2.1** | 0.9** |

In overall study period, from 1983 – 2021, the compound annual growth rate during last 39 years for number of branches was 1.36 percent were increasing and indicated a positive growth. During Period II, 2000-2021, the compound growth rate was -1.9 percent over 21 years, indicated decrease in employment. In overall study period, from 1983 to 2021, the compound annual growth rate for the number of employees was 0.15 percent, indicated just 0.15 percent increase. In overall period, from 1983 – 2021, the compound growth rate was 13.9 percent per year, which was statistically significant at 5 percent level and in period I (1983 – 2000), the compound annual growth rate during 18 years for Share Capital of Ratnagiri District Central Co-operative Bank was 18.2 percent per year. The compound annual growth rate for reserve and other funds was 13.7 percent per year. Ratnagiri District Central Co-operative Bank Ltd.'s reserve and other funds were growing at a significant rate which indicated a good sign of progress in respect of reserve and other funds. Ratnagiri District Central Co-operative Bank Ltd. were found to be increasing at significant rate as compound growth rate of

13.7 percent per year showed an enlarging figure as far as future of bank is concerned.

The compound annual growth rate of external loans for period I, II and overall period was 19.7, 15.8 and 22.5 percent per year respectively. The Ratnagiri District Central Co-operative Bank Ltd.'s total deposits were growing at a substantial rate, with compound growth rates of 14.0 percent per year. The trend in growth for overall study period, from (1983 – 2021), the compound annual growth rate during last 39 years for total loan and advances was 15.1 percent per year. During the year 1983 – 2000 (period I), Compound annual growth rate for investment was 16.3 percent and In period II and overall period, compound annual growth rate were 10.5, 12.8 percent per year respectively. The compound annual growth rate of working capital shows that the total working capital of Ratnagiri District Central Co-operative Bank Ltd. is increasing with high pace. During overall study period (1983 to 2021), the compound growth rate for percentage of recovery of loans was just 0.9 percent per year.

Table 3: Performance of bank as per various indicators

| Sr. No. | Indicators | Year | | Percent change over base year (%) |
|---------|--|---------|-----------|-----------------------------------|
| | | 1983 | 2021 | |
| 1 | Total branches (Number) | 39 | 80 | 105.12 |
| 2 | Total Employees (Number) | 380 | 442 | 16.31 |
| 3 | Share Capital (Rs. in lakhs) | 55.2 | 5146.25 | 9222.91 |
| 4 | Reserve and other funds (Rs. in lakhs) | 127.17 | 16175.81 | 12619.83 |
| 5 | Owened funds (Rs. in lakhs) | 182.37 | 21322.06 | 11591.65 |
| 6 | External loans (Rs. in lakhs) | 6.12 | 9814.41 | 160266.2 |
| 7 | Total Deposits (Rs. in lakhs) | 1387.65 | 208373.06 | 14916.25 |
| 8 | Total loan and advances (Rs. in lakhs) | 1136.99 | 149307.31 | 13031.81 |
| 9 | Investment (Rs. in lakhs) | 406.98 | 75776.98 | 18519.34 |
| 10 | Total Working Capital (Rs. in lakhs) | 1906.83 | 246148.13 | 12808.76 |
| 11 | Percent of recovery of loans (percent) | 63.04 | 96.99 | 53.85 |

It is observed from Table 3 that, during the period of the previous 39 years, the bank's total number of branches increased from 39 to 80 by 105.12 percent over the base year of 1983. The percent change over base year from year 1983 to 2021 was 16.31 percent increase in the number of employees. It may be result of computerization and bank policy. In last 39 years the total percent increase in share capital with the bank over base year 1983 was 9222.91 percent. It resulted substantial progress in case of share capital. Over the course of the previous 39 years, the reserve and other funds at the bank increased from Rs. 127.17 lakhs to Rs. 16175.81 lakhs by a total of 12619.83 percent as compared to the base year 1983. In period of 1983 to 2021 (39 years) the total percent

increase in owned funds with the bank over base year 1983 was 11591.65 percent resulted significant progress. In overall study period, the total percent increase in external loans with the bank was 160266.20 percent. The banks total deposits increased from Rs. 1387.65 lakhs to Rs. 208373.06 lakhs by 14916.25 percent during the overall study period (39 years). The percent growth in total bank loans and advances over base year 1983 over the last 39 years was 13031.81 percent had made significant improvement in terms of total loans and advances. The increase in total investment with the bank over base year 1983 was 18519.34 percent for overall period (39 years). The total percent change in total working capital with the bank over the year 1983 to 2021 was 12808.76 percent. In

overall study period, the total percent increase in percent of recovery of loans of the bank over base year 1983 was 53.85 percent.

Conclusions

Ratnagiri District Central Co-operative Bank Ltd. has significantly increased in the number of branches and indicated a positive growth (1.36%) in number of branches, at least one branch is open in a year. After establishment of bank in initial years, number of employees were increases, However later number of employees were reduced, which indicated just 16.31 percent increase in the employees. It may be result of computerization and bank policy. The various indicator of the year 2020-21 indicated that the financial position of bank is presently good and it is spread over the district with wide network of 80 branches. The Ratnagiri district central co-operative bank Ltd. have made a substantial progress in case of share capital, Reserve and other funds, owned funds, external loans, Deposits, Loan and advances, Investment, Total Working Capital, Percent of recovery of loans.

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PERFORMANCE OF RATNAGIRI DISTRICT CENTRAL CO-OPERATIVE BANK LTD. THESIS Submitted in partial fulfillment of the requirements for the Degree of MASTER OF SCIENCE IN AGRICULTURE (DEPARTMENT OF

AGRICULTURAL ECONOMICS) By Mr. BHAVE ROHAN DEEPAK (ADPM/20/2774) DEPARTMENT OF AGRICULTURAL ECONOMICS COLLEGE OF AGRICULTURE, DAPOLI DR. BALASAHEB SAWANT KONKAN KRISHI VIDYAPEETH, DAPOLI, RATNAGIRI (M.S.) 415712 NOVEMBER, 2022

THESIS ABSTRACT a) Title of the thesis - Performance of Ratnagiri District Central Co-operative Bank Ltd. b) Full name of the student - Mr. Rohan Deepak Bhawe c) Name and address of the major advisor - Dr. S.R.Torane, Deputy director of research, Head of Department of Agricultural Economics, Dr. B. S. K. K. V. Dapoli. d) Degree to be awarded - M.Sc. (Agri.) e) Year of award of degree - 2022 f) Major subject - Economics g) Total number of pages in the thesis - h) Number of words in the abstract - 513 i) Signature of student - _____ j) Signature, Name and address of forwarding authority - Dr. S.R.Torane, Deputy director of research, Head of Department of Agricultural Economics, Dr. B. S. K. K. V. Dapoli. The present investigation, entitled "Performance of Ratnagiri District Central Co-operative Bank Ltd." was conducted to find out the progress or growth of Ratnagiri District Central Co-operative Bank Ltd using various parameters. The Ratnagiri District Central Co-operative Credit Bank Ltd. (RDCCB) was chosen for this study. Ratnagiri, Dapoli, Sangmeshwar and Chiplun were chosen as the tehsils with the greatest number of credit societies. Ten societies were chosen at random from each selected tehsil, for a total of 40 societies studied. 15 farmers were chosen at random from each tehsil, a total of 60 farmers in the current study. Secondary data was obtained from secondary sources, namely the Ratnagiri district central co-operative bank Ltd's annual reports. Surveys were used to collect primary data from farmers and credit societies. The information about RDCC bank was gathered from various annual reports (over the last 11 years) and some bank reports and statements. Total data for 39 years, from 1983 to 2021, were collected and divided into three periods, I, II, and III. The various indicators for the fiscal year 2020-21 indicated that the bank's financial position is good, and it is spread across the district with a large network of 80 branches. In overall study period, from 1983 to 2021, the compound annual growth rate for the number of employees was just 0.56. The linear growth rate, for overall period in number of employees was just 0.15 percent, indicated just 0.15 percent increase. The linear growth rate, for overall period in number of employees was just 0.56. The linear growth rate during last 39 years for Share Capital was Rs. 144.32 lakh per year and Compound growth rate was 13.9 per cent per year, which was statistically significant at 5 per cent level. In overall study period (1983 and 2021), the linear growth rate for investments was found to be Rs. 2040.93 per year and the compound growth rate was 12.8 per cent per year. The highest percent of recovery of loans was 96.99 per cent in last decade ending by 2021. In last 39 years the total per cent increase in percent of recovery of loans of the bank over base year 1983 was 53.85 per cent. The average age of selected farmers was 56.58 years. In case of main occupation, out of 60 farmers, 85.33 per cent (50) farmers are engaged in agriculture. Dairy was found to be subsidiary occupation chosen by of 40 per cent (24) farmers. Out of 60 farmers, 54 farmers (90%) availed short term loan and only six farmers (10%) obtained medium term loan from the bank. Farmers in study area have utilized loan for various purposes such as crop production, livestock, land development, household expenditure, packaging, purchase of essential commodities, transport, etc. The farmers opined problems regarding loan procedures. The 75 per cent farmers expressed that loan sanctioning procedure is not easy. The fundamental aim of primary agricultural credit societies was raising awareness of the KCC plan and its implementation. According to credit societies' opinions on various criteria such as fund availability, credit distribution, timely supply of finance, and interest rate, the majority of credit societies have a favourable opinion of the bank.

CHAPTER I INTRODUCTION 1.1 General The word co-operation is derived from the Latin word 'cooperare' it means 'working together'. Co-operation is a philosophy of life which can cover every aspect of human activity. Co-operation literally means working together and in other words

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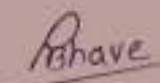
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