

A STUDY ON THE ANALYSIS OF LOANS AND DEPOSIT SCHEMES IN KAVASSERY AGRICULTURAL IMPROVEMENT CO-OPERATIVE SOCIETY

*JINIMOL.P
GUEST FACULTY
DEPARTMENT OF COMMERCE
SREE NARAYANA COLLEGE, ALATHUR
PALAKKAD DISTRICT

Abstract

Co-operatives occupy a place of eminence in the economic activities of the country. They have been acting as a catalyst for the social economic development in the rural areas. Perhaps next to government co-operative provides the large avenue of employment. The movement now covers about 99% of the village and 65% of the total rural population. The present study throws light on the different types of loans and deposit schemes provided by the Kavassery agricultural improvement co-operative society and various types of activities conducted by Kavassery agricultural improvement co-operative society.

Key words: Loans, Deposits, Co-operative Society

Introduction

The co-operative movement was started in England by Owen in 18th century. It was formally introduced in India by the enactment of the co-operative credit society's act of 1904. Government was the prime mover of the co-operative movement in India. A new act called co-operative societies act of 1912 was passed to overcome the limits of previous act. It provided further scope offer the expansion and development of the movement.

Co-operative movement which initially started with the limited spectrum of activities on dispensation of rural credit has now entered all fields of economic activity. There are more the 3 lakh co-operative societies of various types in India with a total membership of more than 20 crores. The co-operative credit institution now meets as much as sixty percent of the total agricultural credit requirements of the farmers in the country.

Co-operative society is defined by law as an organization which has object "the promotion of the economic interest of members "or the promotion of thrift, self-help and mutual aid among agriculture and other persons with the common economic needs so as to bring about better living better business and methods of production"

Statement of the Problem

A significant problem observed recently in Kerala is the low deployment of funds mobilized by agricultural improvement cooperative society compared to the volume of deposit. Thus in sharp contrast with the agricultural improvement cooperative society of other states, where come down considerably and consequently the profitability of the agricultural improvement cooperative society in Kerala is found decreasing.

Objectives of the study

1. To know the various loans and deposit schemes provided by the Kavassery agricultural improvement co-operative society.
2. To know the various activities of Kavassery agriculture improvement co-operative society
3. To give suggestion based on the findings of the study.

Review of Literature

The review of earlier literature relevant to the present study and elsewhere are included here.

1. Suryawansi (1978) in his paper "credit requirements availability and its gap observed that big farmers received a large share of loan advanced by different financial agencies. and the share of co-operative was the maximum . It was also observed that private money lenders were, still playing an important role in supplying rural credit and the proportion of borrowings from this sources was higher in case of small farmers
2. Kulkarni (1979) in his study titled "Development Responsibility and Profitability of Banks" stressed upon social responsibility of the banking sector. He was of the view that looking for profit maximization only was not true profitability of banks as social benefit arising out of bank operations cannot be ignored. He observed that while fulfilling the social responsibility, banks should try to make the basic banking business as successful as possible, reduce cost, improve banking system and increase the overall profitability
3. Markand (1979) in his book titled," social priority index of public sector Banks" evaluated the performance of public sector banks. with the help of performance index consisting six quantitative

indicators, such as branch expansion, priority sector credit and wage cost, he concluded that the priority sector financing was essential for better performance in this sector, he suggested that lending power should be delegated to the branch Managers.

4. Sigh (1980) in his unpublished Ph.D thesis titled "the role of cooperation in agriculture finance in up" assessed the financial requirement for different purposes and studied the existing facilities for 68 the same. He found that co-operative credit played an important role in increasing the productivity of agriculture by providing financial assistances to the agriculturists. He found that the agriculturists needed creditor both agriculture non-agriculture purposes
5. Muhammad and shah (1981) in their study Agricultural production credit requirement in D.I khan District "concluded that the system of disbursed statement of loans of credit institution was not based on the actual needs of the farmers. He further stated that the structure of the society was such that resourceful farmers succeeded in securing loan more their requirements while non-influential farmers failed to fulfil even their requirements.
6. Devi.(1982) in her up published PHD thesis " Bank financing of Agriculture in Andrapradesh " found that Andhra bank emerged as the biggest of the private sector bank after the Nationalization of the 14 major banks in 1969 which has fast moved towards rural banking as demonstrated by its performance in 1969 which has fast moved towards rural banking as demonstrated by its performance in the rural branch expansion she found that the bank as doing well in terms of disbursing credit to the agriculture and allied activities under various schemes.
7. Kurulkar (1983) in his published work on the topic of agriculture finance in backward region reported glaring defects in the step of co-operative credit system. He pointed that out of the ten sample owners who obtained long term credit. Lack of short term on production credit to the famers who availed long term credit resulted in lower output per acre, there by resulting in over dues.
8. Khan (1986) in his paper titled, "strategy for farm planning and Agricultural credit for rural development anise analyzed the credit needs for agro-based industries to genera rate rural employment which are particularly important for small farmers and women. It was suggested that the crops and livestock insurance policies should be introduced in order to reduce the risk of borrowers and lenders.

Results and Discussion

Table-1

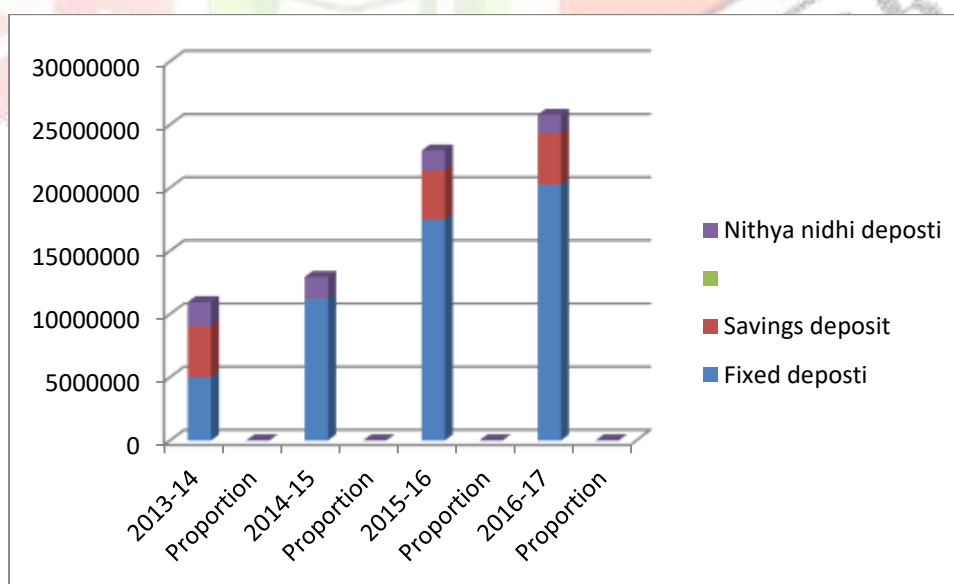
Total deposit and proportion of each deposit to total Deposit

Deposit	2013-14	Proportion	2014-15	Proportion	2015-16	Proportion	2016-17	Proportion
Fixed deposit	5022550	45.93	11252271	69.41	17507400	76.31	20258526	78.65
Savings deposit	4042360	36.97	3314768.85	20.44	3853201.85	16.79	4068720.63	15.79
Nithya nidhi deposit	1868613	17.09	1643923	10.14	1579513	6.88	1429953	5.55
Total Deposit	10933523	100	16210962.85	100	22940114.85	100	25757199.63	100

Source: Primary data

Table-1

Total deposit and proportion of each deposit to total Deposit



Total deposit of the society is showing an upward trend. These deposit increased from Rs.10933523 in 2013-14 to Rs. 25757199.63 in 2016-17 Among various deposits fixed deposit, savings deposit, Nithya Didhi deposti shows a remarkable increase. Proportion of the fixed depost increased from 45.93 in 2013-14 to 78.65 in 2016-

17. Savings deposit increased from 36.97 in 2013-14 to 15.79 in 2016-17. The proportion of Nithya Nidhi deposit increased from 17.09 in 2013-14 to 5.55 in 2016-17

Table-2

Total loan and proportion of each loan to total loan

Deposit	2013-14	Proportion	2014-15	Proportion	2015-16	Proportion	2016-17	Proportion
Short term and medium term	2824143	60.08	6575047	69.35	9089538	6713	13627653	69.65
Gold Loan	1876226	39.91	2905062	30.64	4450147	32.86	5937296	30.34
Total Loan	4700369	100	9480109	100	13539685	100	19564949	100

Source: Primary data

The total loans of the society are showing an upward trend. These loans increased from Rs.4700369 in 2013-14 to Rs.19564949 in 2016-17. Among various loans, short term, medium term loans, and gold loans. The proportion of the gold loan decreased from 39.91 in 2013-14 to 30.34. Short term and medium term loans increased from 60.08 in 2013-14 to 69.65 in 2016-17.

Table: 3

Fixed deposit

Year	Fixed Deposit	Trend Ratio	Annual increment
2013-14	5022550	100	
2014-15	11252271	224.03	124.03
2015-16	17507400	348.57	124.54
2016-17	20258526	403.35	54.78

Source: Primary data

The fixed deposits of the society are increasing from 5022550 in 2013-14 to 20258526 in 2016-17. The trend percentage of fixed deposit shows an increasing trend. As there is 124.03 as the annual increment in 2014-15, 124.54 in 2015-16, 54.78 in 2016-17 as the annual increment of the fixed deposit of the society.

Table 4**Savings deposits**

Year	Savings Deposit	Trend Ratio	Annual increment
2013-14	4042360	100	
2014-15	3314768.85	82	18
2015-16	3853201.85	95.32	12.32
2016-17	4068720.63	100.65	5.33

Source: Primary data

The trend of the savings deposit showed decreasing trend except in 2016-17. The annual increment 18 in 2014 - 15, 13.32 in 2015-16, 5.33 in 2016-17. Savings deposit of the society increased from 4042360 in 2012 -13 to 4068720.63 in 2015-16.

Table 6**Gold loan**

Year	Savings Deposit	Trend Ratio	Annual increment
2013-14	1876226	100	
2014-15	290506	154.83	54.83
2015-16	4450147	237.186	82.35
2016-17	5937296	316	133

Source: Primary data

The above analysis indicates that gold loan of the society increasing trend. Gold loan increase from 1876226 in 2013-14 to 5937296 in 2016-17. The annual increment of the gold loan is increasing also increasing the trend ration.

Findings

The major findings of the study are:

- 1.The total deposit of the Kavassery Agriculture improvement Cooperative Society during the period of study is satisfactory.
- 2.The fixed deposit of the society is showing an increasing trend. During the period of four years the proportion of fixed deposit is increasing.
- 3.The analysis of saving deposits showed a decreasing trend during the period 4 years. The proposition of the saving deposit to total deposits shows a decreasing trend.

- 4.The total loans of the Kavassary agriculture improvement co-operative society is also quite satisfactory.
- 5.The short term and medium term loan given by the society also showed an increasing trend.
- 6.To analysis of gold loan also shows an increasing trend.

Suggestions

1. The day to day operation of the society should be modernized by adopting computerization facilities.
- 2.The area of operation of the society should develop. The opening of a few more branches will ensure efficient functioning of the society.
- 3.Introducing innovative and attractive deposit schemes by the society which suits to the needs and preferences of the people and educating them about the benefit of these schemes.
- 4.By improving customer service, the society should able to attract more deposits.
- 5.Procedural delays may avoid in sanctioning loans.
- 6.Ensure that the use of loan is for the social services.
- 7.Establishment expenses should be controlled
- 8.Ensure proper service to the customers.

Conclusion

The agriculture improvement cooperative society would be helpful in the promotion and development of agriculture cooperative institution. There are various loans are provided by these society for the development of the agriculture improvement. The societies mobilize various deposits from the members as well as non-members. The main sources of this agriculture improvement co-operative society is to provide shares, loans and deposits, donation, special subscriptions, reserve and other funds etc and deposits, donation, special subscriptions, reserve and other funds etc, and also provide various types of deposits like fixed deposits, saving deposit, Nidhi deposit, etc.

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