

CUSTOMER SATISFATION TOWARDS TO THE BAPUJI URBAN CO-OPERATIVE BANK LTD, DAVANAGERE

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Abstract:

The heritage co-operation is as old as human evolution. In antique era peoples are cultured to cooperate and work together to find their success in source of revenue hunting, fishing, gathering foods, building shelter, and meeting other individual and group needs. Historians have found authenticated proof, evidence of co-operation among peoples in early Europe and other part of the world and in Asia also, among Native American and African tribes, and between many other groups

Aged farming was not achievable exclusive of mutual aid among farmers. They depend one on another to nurture their land, harvest crops, erect barns and luggage compartment buildings, and to contribute to equipment. These examples of informal cooperation - of working together - were the precursors to the cooperative form of business¹.

The most primitive cooperatives appeared in Europe in the late 200 years back, for the period of the Industrial Revolution. In numerous modern world countries, cooperatives such as credit unions & agricultural originations have been very successful in helping people to provide for themselves where private and other corporate capitals do not see high profitability.

Introduction:

Even before formal cooperative structures came into being through the passing of a law, the practice of the concept of cooperation and cooperative activities were prevalent in several parts of India. Village communities collectively creating permanent assets like village tanks or village forests called Devarai or Vanarai was fairly common. Similarly, instances of pooling of resources by groups, like foodgrains after harvest to lend to needy members of the group before the next harvest, or collecting small contributions in cash at regular intervals to lend to members of the group viz., Chit Funds, in the erstwhile Madras Presidency, “Kuries” in Travancore, “Bhishies” in Kolhapur etc. were to be found. The “Phads” of Kolhapur where farmers impounded water by putting up bunds and agreed to ensure equitable distribution of water, as well as harvesting and transporting of produce of members to the market, and the “Lanas” which were yearly partnerships of peasants to cultivate jointly, and distribute the harvested produce in proportion to the labour and bullock power contributed by their partners, were similar instances of cooperation.

The agricultural conditions and absence of institutional arrangements to provide finance to agriculturists during the latter part of the nineteenth century led to mounting distress and discontent. The Famine Commission of 1880 and 20 years later, the Famine Commission 1901 both highlighted the deep indebtedness of the Indian farmer, resulting in many cases in his land passing into the possession of the money lending classes. The Deccan Riots and the prevailing environment of discontent resulted in the government taking various initiatives but the legislative measures did not substantially improve the situation.

The proposal for agricultural banks was first mooted in 1858 and again in 1881 by Mr. William Wedderburn the District Judge of Ahmednagar, in consultation with Justice M.G. Ranade, but was not accepted. In March 1892, Mr. Frederick Nicholson was placed by the Governor of Madras Presidency (for enquiring into the possibility) of introducing in this Presidency, a system of agricultural or other land banks and submitted his report in two volumes in 1895 and 1897.

In 1901 the Famine Commission recommended the establishment of Rural Agricultural Banks through the establishment of Mutual Credit Associations, and such steps as were taken by the Government of North Western provinces and Oudh. The underlying idea of a number of persons combining together was the voluntary creation of a new and valuable security. A strong

association competent to offer guarantees and advantages of lending to groups instead of individuals were major advantages. The Commission also suggested the principles underlying Agricultural Banks.

Movement during the British era, Lord Curzon thought to solve the farmers' problem in Dakkan (Madhya Pradesh) and he was appointed an officer called Fredrick Nicholson a British Officer in India and in his research he suggested to introduce Raiffisen model of German agricultural credit Cooperatives in India. As a follow-up of that recommendation, the first Cooperative Societies Act of 1904 was enacted to enable formation of "agricultural credit cooperatives" in villages in India under Government sponsorship. With the enactment of 1904 Act, Cooperatives were to get a direct legal identity as every agricultural Cooperative was to be registered under that Act only. The 1904 Cooperative Societies Act was replaced by 1912 Cooperative Societies Act which provided formation of Cooperative societies other than credit. Under 1919 Administrative Reforms Act, Cooperatives were made a provincial subject making each province responsible for Cooperative development. In 1942, the British Government enacted the Multi-Unit Cooperative Societies Act, 1942 with an object to cover societies whose operations are extended to more than one state. The impulses of the Indian freedom movement gave birth to many initiatives and institutions in the post independence era in India and armed with an experience of 42 years in the working of Multi Unit Cooperative Societies and the Multi-Unit Cooperative Societies Act, 1942, the Central Government enacted a comprehensive Act known as Multi State Cooperative Societies Act, 1984.

Globalization:- The term globalization is often associated with international business. It is a process of development of the world into a single integrated economic unit

In India, globalization refers to the opening of the gates of the economy for mutual global co-operation by way of reducing control and bureaucratic delays and steering the economy towards better market orientation.

Co-operative movement in India was started to eradicate the misery and poverty primarily of the rural agricultural masses. So British Government has given importance to the organization of agricultural credit societies, while explaining the provisions of co-operative societies Act of 1904. The colonial Government of India said that "The present legislation is especially designed to assist agriculture credit which presents a far more important and difficult problem than that of industrial credit, though it is recognized that societies may start in towns also by non-

agriculturists and it is even possible that in some places, the establishment of town banks may usefully precede and even assist the starting of purely agricultural societies⁴”

In semi developed country like India, agriculture plays vital role in economic development. 72.2% of the total population in India lives in rural areas and 72% is dependent on agriculture. Agriculture contributes more than 38% to our net national product and about 35% to the country's export value. Despite the vital role of agriculture, 50% of the rural population is born in debt, lives in debt and dies in debt. In the present days, the agricultural sector should become modernization; mechanization and innovation in the agricultural sector need more investment. Moreover, forced sale of agricultural produce in villages during harvesting seasons and increasing prices of agricultural inputs and the consumer goods make the farmers fall in the vicious circle of poverty.

Co-operation is much older than mankind. Formation of social groups is the outcome of reflexive co-operation, while the life of ants, bees, wasp, lion etc, provides the best example of instinctive co-operation'. The practice of instinctive co-operation has contributed to the development of human race more than any other factor. Right from the hunting age up-to the present day the progress and development of human beings, in all spheres, social, economic, religious and political is marked by a sense of thinking, working and living together. According to biologist co-operation has acted more powerfully towards the development of man than the better competitive struggle for existence". In India, throughout the ages, the people and communities worked together on an informal co-operate basis with regard to their religious, social reforms and cultural life. Co-operative movement is not aimed at reforms merely the economic organization, it has a wider basis, indeed has socio-political and even ethical bearings. Around the world modern cooperatives have developed for over 200 years.

Cooperative institutions exist all over the world providing essential services. This would otherwise be unattainable. In many Third World countries, cooperatives such as credit unions and agricultural organizations have been very successful in helping people to provide for themselves where private and other corporate capitals do not see high profitability. In 97 countries of the world, over 800 million individuals are members of cooperative institutions. Globally, cooperatives have been able to elevate its position as a powerful economic model. In some countries they are a sizeable force within the national economy. Co-operatives form the backbone of rural credit system in the country. They remain the prime institutional agency for dispensation of credit for agricultural and rural development both short-term and long-term. Co-operative

movement in India and Karnataka is almost a century old. It was introduced in India as a defensive mechanism for dealing with the problem of rural indebtedness".

The Indian cooperative movement, like its counterparts in other countries of the world has been essentially a child of distress. The Cooperative Societies Act of 1912 recognized the formation of non-credit societies and the central co-operative patronage to the cooperative movement continued even after 1947, the year in which India attained freedom. The independent India accepted the concept of planned economy and cooperative organizations were assigned an important role.

The policy of the Government towards the cooperative movement was guided by the recommendations of the Saraiya Committee, which stated that, the cooperative society has an important role to play as the most suitable medium for the democratization of economic planning. Various expert committees, which examined the problem of rural credit subsequently, have come to the same conclusion, without exception, that in the Indian context, there is no alternative from the point of view of structural appropriateness, to cooperatives at the village level.

Today, India can claim to have the largest network of cooperatives in the world numbering more than half a million, with a membership of nearly 200 million (at 2013-14 (190906000)). of the primary (village) level cooperatives, around 31 percent with 141 million membership are agriculture cooperatives, dealing directly or indirectly with agricultural sector. The cooperative network in the country is rather strong covering all the villages in the country and more than 67 percent of households have been brought under the cooperative hold.

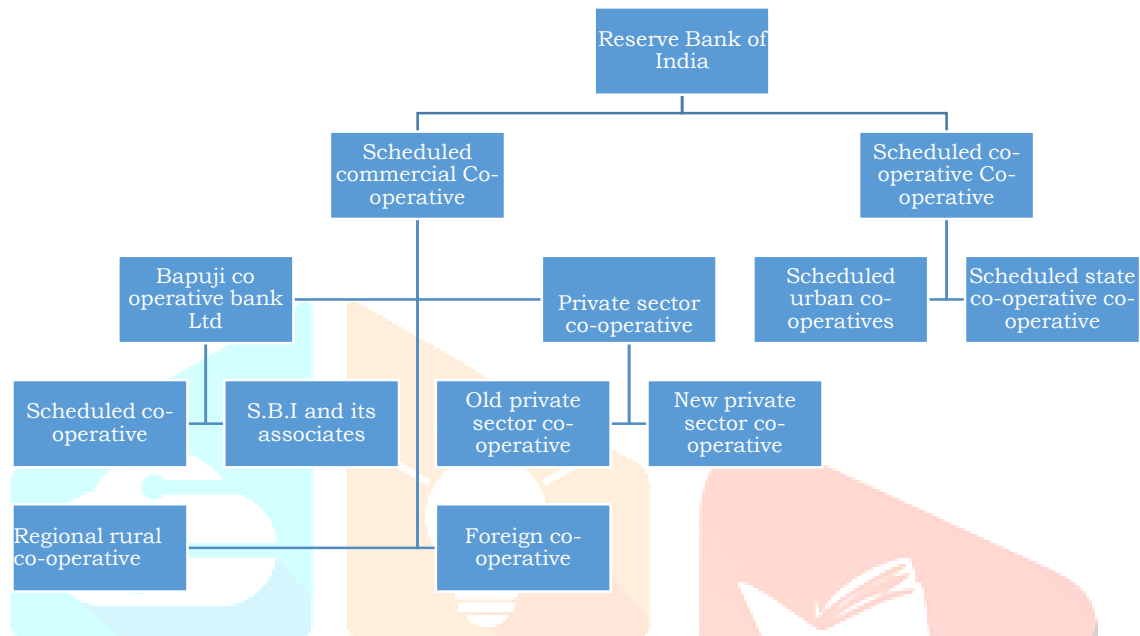
Cooperatives supply about 46percent of the total rural credit (including agricultural credit), account for 36 percent of the total distribution of fertilizers. Produce about 55 percent of the total sugar and constitute for 28 percent of the rural fair shops and 65

STRUCTURE OF INDIAN CO-OPERATIVE BANKING:

The Reserve bank of India is the regulatory body for the Indian Co-operative banking industry. It is a mixture of co-operative sector and private sector, corporate co-operative and foreign co-

operative. The private sector co-operative are further split into old co-operative and new co-operative.

Chart no: 1.1



ROLE OF CO-OPERATIVE BANKS IN 21ST CENTURY

Co-operative are not confined to local Co-operative banking. They are fast changing into global Co-operative banking i.e. understanding the global customer satisfaction, using latest information technology, competing in the open market with high technology system, changing from domestic Co-operative banking to investment Co-operative banking etc.

In addition to the above mentioned role of co-operative, they also perform the following functions:

- Providing lone for finished goods like rice, wheat, etc.
- Financing for infrastructure.
- Taking over big giant industries and financing and keep monitoring their operations.
- Keep tight security control policy in deposits and securities.

- They even sponsor big events to promote the countries tourism.

INTRODUCTION OF THE SAMPLE UNIT

1. History of Co-operative Banking in India

Co-operative movement in India was started primarily for dealing with the problems of rural credits. This history of Indian Co-operative Banking started with the passing of Co-operative Societies Act in 1904. The objective of this Act was to establish credit societies “to encourage thrift, self-help and co-operation among agriculturists, artisans and persons of limited means’. Many co-operative credit societies were set up under this Act. The co-operative societies Act 1912 recognized the need for establishment of new organizations for supervision, auditing and supply of co-operative credit. These organizations were.

- ❖ A union, consisting of primary societies.
- ❖ The central Banks.
- ❖ Provincial Banks.

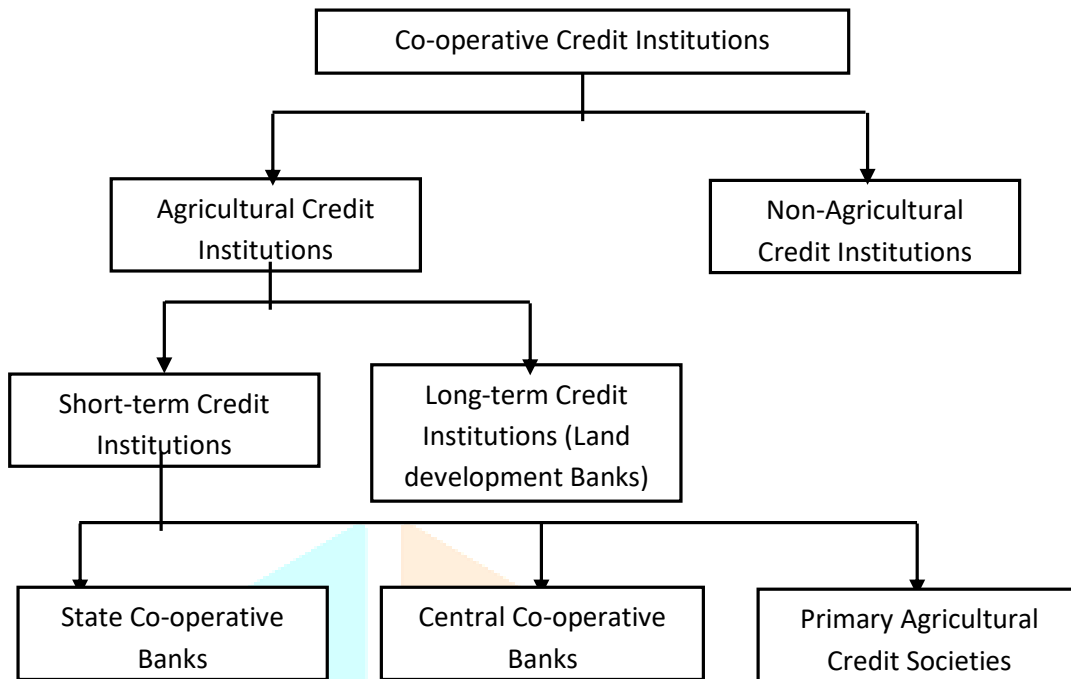
Although beginning has been made in the direction of establishing co-operative societies and extending co-operative credits, the progress remained unsatisfactory in the pre-independence period.

2. Structure of the Co-operative Banking:

There are different types of co-operative credit institutions working in India. These institutions can be classified into two broad categories.

- ❖ Agricultural credit institutions
- ❖ Non-agricultural credit institutions

The whole structure of loop credit institution is shown in the chart given:



Agricultural Credit Institution:

Agricultural Credit Institutions are Co-operative Societies that are formed to provide credit at cheaper rates to the agriculturists in rural areas. These are classified into short term and long term.

The short term financial needs of the agriculturists have three tier federal structures.

- a) At the apex, there is the state co-operative Bank in each state.
- b) At the district level, there are central co-operative Banks.
- c) At the village level, there are primary agricultural credit societies.

Long term agricultural credit is provided by the land development banks.

A) State Co-operative Bank/Apex Bank:

A state co-operative Bank is the Bank at the apex / at the top of the short-term co-operative credit structure. It is, generally located at the state capital. It controls, co-ordinates and finances all the central co-operative Banks in the state. The member of a state co-operative Bank may be only central co-operative or co-operative Bank as well as individuals.

B) Central co-operative Banks:

Central co-operative Bank is a federation of primary credit societies operating in a specified area, usually a district. All types of primary credit societies, rural, and urban are affiliated to it. Some central co-operative banks have even individual members, besides the affiliated primary credit societies. It is located at district headquarters / in some prominent town in the district.

C) Primary Agriculture Credit Societies (PACS's)

It forms the base in the three-tier co-operative structure. It is a village level institution, which directly deals with the rural people. It encourages savings among agriculturists, accepts deposits from them, gives loans to the needy borrowers and collects repayments. It serves as the last link between the ultimate borrowers, i.e. the rural people on one hand, and the RBI, on the other.

Land Development Banks (LDB's)

Besides short-term credit, the agriculturists also need long-term credit for making permanent improvements in land, for repaying old debts, for purchasing agricultural machinery and other implements. Traditionally, the long-term requirements of agriculturists were mainly met by money lenders and some other agencies. But this source of credit was found defective and has been responsible for the exploitation of farmers. Co-operative Banks and commercial Banks by their very nature are not in a position to provide long term loans because their deposits are mainly on demand deposits. Thus, there was a great need for a specialized institution for supplying long term credit to agriculturist. The establishment of land development Banks is an effort in this direct.

Non agricultural Credit Societies:

It refers to credit societies formed in cities to provide short-term credit to artisans, craftsman, small traders and middle income groups, such as officer/employees. Non-agricultural credit societies are mainly of two types:

- 1) Urban Banks
- 2) Salary Earners Societies/Employee's Credit Societies.

BAPUJI CO-OPERATIVE BANK LIMITED, DAVANGERE

COMPANY PROFILE

Bapuji Co-operative Bank Ltd., came into existence in 1970-71 under Karnataka Co-operative Society Act 1949 with more than 92 members and share capital of about 69,175/-, deposits of 14,75,281/- and loans and advances of about 5,97,875/-. It had a working capital of 15,48,001/-. It earned a net profit of 2,832/- and dividend of about 6.25%.

The Banking Regulation Act, 1949 (as applicable to co-operative societies) which had come into force from 1st March 1966, has vested the RBI with various statutory powers to control and supervision over the co-operative Banks. The powers in regard to incorporation, management etc., of these banks, however, continue to vest in the Registrars of Co-operative Societies of the States concerned. Further the provision of the B.R. Act, 1949 shall be addition to and not save as expressly provided in the Act, in derogation of any other law for the time being in force. This means that the co-operative Banks are required not only to comply with the provision of the B.R. Act, but also other laws applicable to them.

Bapuji Co-Op Bank Ltd., has come up, since it started its services to customer, customer satisfaction, implementation of new technologies, advancing its operation. In 1999-2000, it has 6,433 members and share capital of 1,88,99,875/-. It earned net profit of 5,20,94,919/- and a dividend of 15%. Now in 2007-2008, it has 8,536 members and share capital of Rs.4,26,64,000.00/- & Bank has earned net profit of Rs.2,87,17,370.24/- and a dividend of 18%.

Area of Operation:

Bapuji Co-operative Bank Ltd., operation is restricted to Davangere district only. If the Bank extends its area of operation, it has to take the license from the officer of the co-operative society. It should also get the permission of operation from RBI.

Head Office:

The head office is in Hardekar Manjappa Road, Davangere. If any charges in operation of the Banking take place in this branch, this information, within 14 days will be notified to RBI and co-operative society. Advertisement will be given in the local newspaper and will also be put on the notice board of the Bank.

Head Office Operation:

- ✘ Share accounting
- ✘ Investments
- ✘ Inter-branch reconciliation
- ✘ Payroll.
- ✘ Loans & advance
- ✘ Administration

Shares:

The share holders are classified as

- ✘ Regular
- ✘ Associate
- ✘ Nominal

Branches:

Initially, it had only one branch and now it has come up with 7 branches along with head office. It has its branches in all the areas, in Davangere.

Branch Area:

1. P.J.Extension branch
2. JJMMC branch
3. H.M. Road branch
4. K.R. Market branch
5. B.I.E.T. branch
6. R.M.C. branch
7. Hadadi Road branch

Branch Operation:

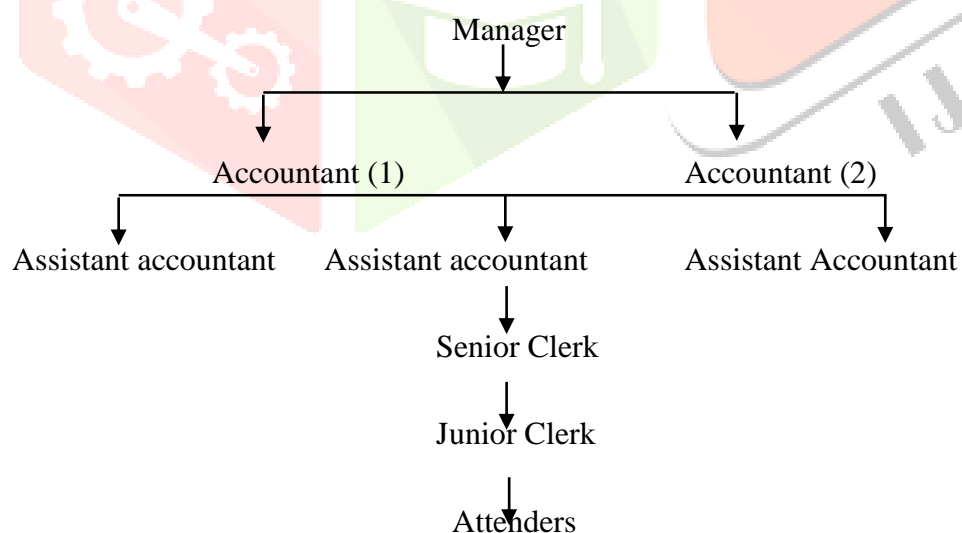
1. Cash
2. Clearing
3. Deposits
4. SB/CA
5. CC/OD
6. Loans & Advance
7. Remittance
8. Guarantees
9. Lockers

☒ Projects

Bapuji Co-operative Bank Ltd. has preferred the following projects.

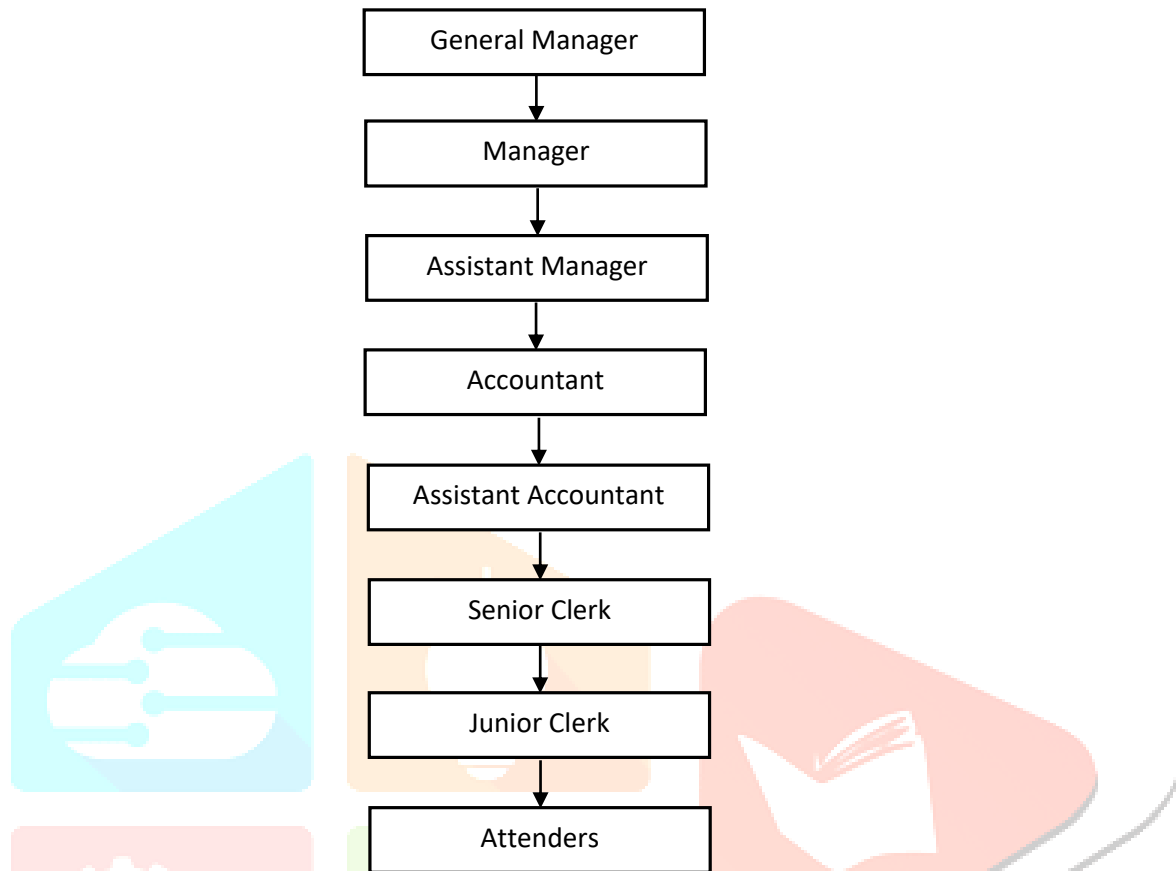
☒ Construction of cancer hospital.

☒ Construction of Samudaya Bhavana.

Branch structure

ORGANISATION STRUCTURE

Head Office



Bapuji Co-operative Bank Ltd., Davangere Board of Directors, Consists of:

Bapuji Co-Operative Bank Ltd., Board of Directors, consists of:

1. President
2. Vice-President
3. Managing Director
4. Directors

ANNUAL GENERAL BODY MEETINGS

Annual General Body Meeting:

As per the Karnataka co-operative Bank rules formed in 1959 final decision is of general body.

Two types:

- a) Annual General Body Meeting
- b) Special Annual General Body Meeting

As per the co-op. sector rule No.27. General Body meeting to be called with in the September 30th or with in as per the Permission the date of General Body meeting can be fixed.

General Body Meeting Notice:

Notice of General Body meetings or special General Body meeting to be sent to each member 15 days earlier to the date of meeting. This notice should include the date, day, venue and agenda of the meeting. Notice to be sent by registered post. This should be notified in the notice board in the Bank premises and also in local and state newspapers. Meeting cannot be cancelled on the basis of having not received the notice. The notice has to be signed by either the president or chairman of the Bank.

General Body Meeting Duties is as follows:

- a) To inspect the annual report submitted by executive board.
- b) Annual loss, profit and audit report and also reply given by the administrative committee.
- c) To disburse the profit.
- d) To scrutinize and accept the annual budget and expend extra than the estimated budget.
- e) Proposed activities for the coming year.
- f) To plan the disbursement of money for the coming year activities.
- g) To scrutinize the list of new members and also outside members.
- h) Any other subjects with the permission of the chair.

General Body Meeting should be attended by either 1/5 of the total membership of 50 members, and then only it forms the chair. General Body Meeting and Executive Body Meeting to be held in Bank premises. The venue can be changed if there is no sufficient accommodation to hold the meeting.

Objectives:

Some of the important objectives of the bank are as follows:

- ✘ To promote co-operation and self-help to ordinary members and depositors of the Bank.
- ✘ To organize the Banking Systems as per the Banking Rules formed in 1949.
- ✘ To collect deposits or to lend the amount.
- ✘ To improve the financial condition of the backward class and those who are financially backward.
- ✘ To help the co-operative to buy the vehicles or machineries on hire purchase or on hypothecation scheme.
- ✘ To purchase or to construct the building for the purpose of the functioning of the Bank.
- ✘ To open the branches and form its rules, regulations with the permission of Reserve Bank of India.
- ✘ To have deposits, promissory notes, DD, warrants, Shares and pigmy deposits for the benefit of general co-operatives.
- ✘ To provide in the educational account, educational help to the children of the members of the Bank.
- ✘ To promote or to help the unemployed persons by providing loans or technical help.
- ✘ To give advances and loans and also to issue travelers cheques to customers.
- ✘ To help the persons to start small-scale industries.
- ✘ To receive deposits from general co-operatives, various association and religion society.
- ✘ To provide safety lockers and other services to Bank customers.
- ✘ With the permission of RBI to purchase or sell foreign currencies.
- ✘ To support the members to start business or industries on their own.
- ✘ To do all the necessary acts to improve or to support the Bank.

Service taken into account for the study:**1. Bank employee behaviour :**

The bank employee behaviour plays an important role. If the customer are satisfied with the behaviour of the clerical staff they will continue to transact with the bank.

2. Computerization service:

It will improve the working condition of the branch & also it will be easy to provide quick service to the customers.

3. Transaction time;

Today world is busy that no one have time to wait. This branch begins its transaction from 10.00 A.M to 2.00 P.M & from 2.30 P.M to 5.30 P.M. So, it is considered an important factor.

4. Clearance of cheque:

It is necessary to know the opinion of the customer regarding clearance of cheque. How much time it takes to clear the cheque & the customer are satisfied with this also important to be known.

5. Pass book entry:

This branch the pass book entry is made by using computer. Computerization made the pass book entry service easy & quick & also saves the time of customer.

6. Commission:

It is charged on some service s. the rate of commission should be reasonable so customer satisfied with such rate.

7. Locker facility;

Locker facility is provided in the bank. The customer can safe guard their ornaments. For this service bank will charge some rates.

8. A.T.M Facility:

Automated teller machine facility provided by this bank. It provides 24 hrs services.

INDIAN BANKING SYSTEM

1. Origin and growth of Banking:

The origin of commercial Banking can be traceable in early times of human history. In the ancient Rome and Greece, the practice of storing metals and coins at safe places and looking out money for co-operative and private purpose on interest was prevalent.

In England, Banking had its origin with the London goldsmiths who in the 17th century began to accept deposits from merchants and others for safe-keeping of money and valuables.

As co-operative enterprises, Banking made its first appearance in Italy in 1157, when the Bank of Venice was founded.

Banking during the Vedic period largely meant money lending and the complicated mechanism of modern Banking was not known.

This is true not only in case of India, but also of other countries and although the Banking business is as old as authentic history, Banking institutions have developed from a few simple operations involving the satisfaction of the whole community by securing speedy application of capital. Slowly seeking employment and thus providing the very life blood of commerce.

Bank:

A bank is an institution, which deals with money and credit. It accepts deposits from the co-operative make the funds available to those who need them and helps in the remittances of money from one place to another.

Banking:

Banking means accepting, for the purpose of lending/investment of deposits of money from, the co-operative, payable or repayable on demand/otherwise, and withdrawal by cheque, draft, order/otherwise.

Banking includes not only the above mentioned important activities, but also several other activities, such as the collection of Cheques, drafts, and bills, remittance of funds, acceptance of safe custody, deposits etc., which are generally, referred to as subsidiary services.

2. Business of Banking:

Bank is engaged in one/ more of the following forms of business viz., collection of Cheques and bills, remittance of funds, foreign exchange, undertaking the administration of estates as executors and trustees, acting as agents, accepting articles for safe custody, letting of safe deposit

lockers etc. These and many other functions are set out in detail on sec. 6 of the Banking Regulation Act, 1949. A Banking co., is not permitted to engage in any form of business other than those referred to in the Act.

3. Functions of Banks:

In the modern world, Banks perform such a variety of functions that it is not possible to make an all-inclusive list of their functions and services. However, some basic functions performed by the Banks are as below:

1. Accepting Deposits :

- ✘ Fixed Deposits
- ✘ Current Deposit Account
- ✘ Savings Bank Account
- ✘ CTD
- ✘ Home Safe Account

2. Advancing of loans :

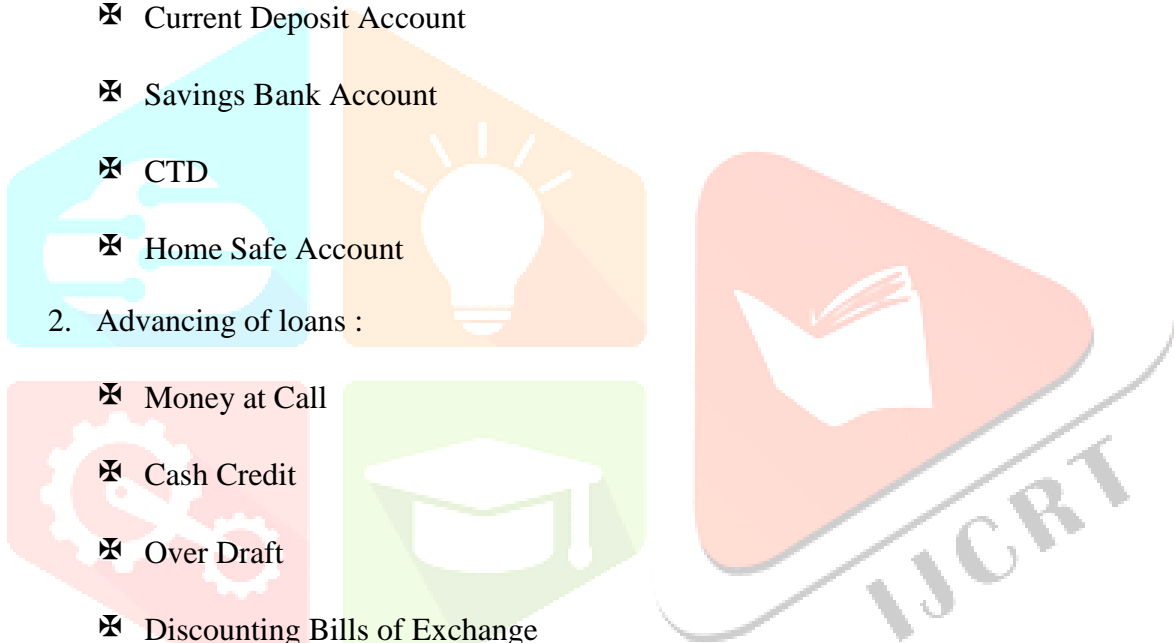
- ✘ Money at Call
- ✘ Cash Credit
- ✘ Over Draft
- ✘ Discounting Bills of Exchange
- ✘ Term Loan

3. Credit Creation

4. Promoting Cheques System

5. Agency functions

- ✘ Remittance of Funds
- ✘ Collection and Payment of credit instruments
- ✘ Execution of standing order
- ✘ Purchasing and sale of securities
- ✘ IT consultancy



6. General Utility Function :

- ✘ Locker Facility
- ✘ Travelers Cheque
- ✘ Letter of Credit
- ✘ Collection of Statistics
- ✘ Under writing Securities
- ✘ Gift Cheques
- ✘ Acting Referee
- ✘ Foreign Exchange Business

Functions of Commercial Bank or Modern Banks:

In the modern World, Bank performs such a variety of functions that it is not possible to make an all-inclusive list of their functions and services. However, some basic functions performed by the Banks are discussed below.

a. Accepting Deposits:

The first important function of a Bank is to accept deposits from those who can save but cannot profitably utilize this saving them. People consider it more rational to deposit their savings in a Bank because by doing so they, on the one hand, earn interest, and on the other, avoid the danger of theft. To attract savings from all sorts of individuals, the banks maintain different types of accounts:

i) Fixed Deposit Account:

Money in these accounts is deposited for a fixed period of time (say one, two or five years) and cannot be withdrawn before the expiry of that period. The rate of interest on this account is higher than that on the other types of deposits. The longer the period, the higher will be the rate of interest. Fixed deposits are also called time deposits or time liabilities.

ii) Current Deposited Accounts:

These accounts are generally maintained by the traders and the businessmen who have to make a number of payments everyday. Money from these accounts can be withdrawn in as many times and in as much amount as desired by the depositors. Normally, no interest is paid on these

accounts. Rather, the depositors have to pay certain incidental charges to the Bank for the services rendered by it. Current deposits are also called demand deposits or demand liabilities.

iii) Saving Deposit Account:

The aim of these accounts is to encourage and mobilize small savings of the co-operative. Certain restrictions are imposed on the depositors regarding the number of withdrawals and the amount to be withdrawn in a given period. Cheque facility is provided to the depositors. Rate of interest paid on these deposits is low as compared to that on fixed deposits.

iv) Recurring Deposit Account:

The purpose of these accounts is to encourage regular savings by the co-operative, particularly by the fixed income group. Generally, money in these accounts is deposited in monthly installments for a fixed period and is repaid to the depositors along with interest on maturity. The rate of interest on these deposits is nearly the same as on fixed deposits.

v) Home Safe Account:

Home safe account is another scheme aiming at promoting saving habits among the people. Under this scheme a safe is supplied to the depositor to keep it at home and to put his small savings in it. Periodically, the safe is taken to the Bank where the amount of safe is credited to his account.

b) Advancing of Loans:

The second important function of a Bank is advancing of loans to the co-operative. After keeping certain cash reserves, the Bank lend the deposits to the needy borrowers. Before advancing loans, Banks satisfy themselves about the credit worthiness of the borrowers.

NEED FOR THE PRESENT STUDY

At the time of nationalization the socio-economic objectives were explicitly laid down and the co-operative were asked to contribute to the maximum possible extend towards economic and social development of the country. It was realized that the traditional Co-operative banking ethics were not compatible with the needs of economic development and that balanced development was not possible without strengthening the hold of co-operative in the backward and neglected areas. Various developments taking place in Indian economy are influencing Indian Co-operative banking in a major way.

The major contributors towards the economic development is Co-operative banking sector by way of financing major projects like construction of building, laying down roads, etc. as well as major projects like providing finance to small scale industries.

OBJECTIVES OF THE STUDY

1. To study the various measures adopted by Bapuji Co-Op Bank Ltd., for the customer satisfaction.
2. To analyze the impact of these measures on the beneficiaries in particular.
3. To assess the overall situation of industrial development and customer satisfaction of DAVANAGERE district.
4. To study resources position available in the district for further growth of the region.
5. To offer suggestions in the light of findings.

Conclusions

In other words mobilization of surplus resources with the people and their channelisation towards economic growth is the main task of banks. No wonder that management of funds has emerged as an area of vital importance for Central Cooperative Banks. The efforts of the central co-operative banks, till early 90s was confined to rural finance only now with the diversification in the loan portfolio these banks have got the opportunity to earn higher incomes. The funds management of cooperative banks needs to be studied with their impact on solvency, profitability and productivity. With these perspectives in mind, the present study intends to study the Mobilization and Utilization of financial resources of District Central Cooperative Banks in Karnataka with special reference to District Central Coop

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