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- I. **ABSTRACT** – the Study of performance of rural cooperative credit institutions has become essential. An asset becomes non-performing when not to generate income for a financial institution. A non performing asset does not give any return it incurs a cost by eating into earning made by bank. The main problem of non-performing assets lies in the quality of managing credit risk by the institutions. At present evaluate the non performing asset position in central or rural cooperative bank in panchkula Non-performing Asset are caused as a result of various internal or external factors. What is various preventive measure and appraisal responsibility. Bank should monitor loans to identified and having potential to become not performing. The article aims to identify different streams of thought that could guide future research.

II. **Introduction**

Many banks and financial institution in India face the problem of Non-performing Assets. This issue is becoming more and more uncountable, some steps have taken recently non-performing Asset have a direct impact on banks profitability's many time banks are forced to make certain previous as per the reserve bank of India guidelines and increase in deposits. R.B.I. successfully create excess liquidity through various cuts rates and institutions fail to take the benefit due to non performing Assets. Definition of Non – performing Assets.

Non-Performing Assets is a Assets including a Leased Asset that become non-performing when for the bank Assets is classified as non-performing Asset if dues in the form of principal and interest are not paid by the people of 180 instead of 90 days credit or interest income on non performing Assets

OBJECTIVES OF THE STUDY

Following are the main objectives of the study

- 1) To examine the study of performance of DCCB Panchkula by selective indicators.
- 2) To analysis the capital, deposits, borrowings and reserves of DCCB Panchkula.
- 3) To study the growth of investments of DCCB Panchkula.
- 4) To evaluate the income, expenditure and profits of DCCB Panchkula.
- 5) To analysis the credits and C/D ratios of DCCB Panchkula.
- 6) To understand the financial position of DCCB Panchkula.

REVIEW of LITERATURE - the overview of researches that have already been existing in the field over a period of time. It help the formulating the methodology of study finding out the cause and effect relationship. However. Being made to review some relevant studies on rural co-operative credit.

III. Research Methodology

After the review of Literature it has been found that the above studies has not given much attention to the factors responsible for poor performance of rural cooperative institution. The factors lack of business approach, highly political interference, non-availability of infrastructure, lack of financial resources, inadequate deposits, lack of supervision and inspection, competition with nationalized banks. The various affords has been made the strength and weakness of these bank in term of their capital borrowings, overdue interest, deposits etc.

Objectives of the Study

Following are the main objective of study.

- The study the growth functioning cooperative banks operating in panchkula district.
- To evaluate the Financial position of Rural cooperative credit institutions in panchkula district .
- To evaluate the operational performance in panchkula district.
- To suggest measure for strengthening the role of cooperative credit institution in rural development.

Data Collection

This study is based on secondary data which is collected from the annual financial reports of the panchkula central cooperative bank Ltd. In addition to this various

journals books and information provided by government agencies have been taken to complete the study.

Significance of the Study.

The rural cooperative credit institutions in cooperative credit institutions in panchkula district are providing various benefit to society in the following ways.

Shareholders. With the help of study shareholders can know that the financial soundness of the banks and they can get information how safe and rewarding the proposed investment.

Creditors with the help of these study their principal and interest will be repaid when due or not.

Employee Groups. The study will help them in assessing the abilities of the banks and to pay higher bonus and remunerations.

Government The present study will help government can know whether the rules regulations, instruction, guidelines are followed by these bank.

Public With the help of present study public can know the future plan of these bank towards the society also given some opportunity for employment in these banks.

Helpful for researchers. It will also helpful for the future researchers for futures research.

Limitation of the study. The every possible effort has been made in this study to show on Analytical picture of performance of Rural Cooperative credit institutions in panchkula district the resources of disposal of researches were limited. The Researcher could not hve access to all records and documents needed for the study. The finding of study cannot be generalized for all the rural cooperative credit institution in Haryana. The time of study is also limited because it covers only panchkula district.

1.7) ANALYSIS OF THE DATA

The financial position of the DCCB panchkula can be well assessed by the analysis of the balance sheet of the banks. Balance sheet provides an actual picture of the financial position of the bank. Certain items have been taken to analysis the financial position of DCCB panchkula from the year 2009-10 to 2013-2014.

TABLE-1
POSITION OF CAPITAL, RESERVES & BORROWINGS

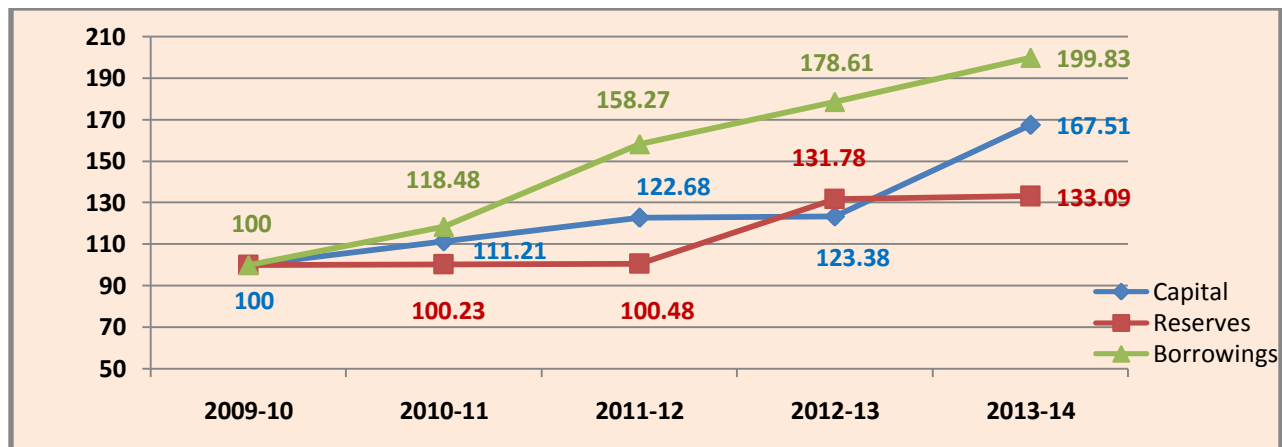
(Rs. IN LAKHS)

Year	Capital	Trend%	Reserves	Trend%	Borrowings	Trend%
2009-10	648.85	100	1421.70	100	5654.85	100
2010-11	721.57	111.21	1425.04	100.23	6700.00	118.48
2011-12	796.01	122.68	1428.47	100.48	8950.00	158.27
2012-13	800.56	123.38	1873.47	131.78	10100.00	178.61
2013-14	1086.86	167.51	1892.11	133.09	11300.00	199.83
Mean.	810.77	124.96	1608.16	113.12	8540.97	151.04
S D	148.81	22.94	224.32	15.78	2094.23	37.04
C V	18.35	18.35	13.95	13.95	24.52	24.52

Base Year: 2009-10

Source: Annual Reports of Central Co-operative Bank Panchkula

GRAPH-1
TREND % OF CAPITAL, RESERVES AND BORROWINGS



INTERPRETATION

The above table-1 depicts the funds of DCCBs and their trends in the forms of capitals, reserves and borrowings. The capital is 648.85 Lakhs in 2009-10 and it has been increased and reached 1086.86 Lakhs in 2013-14 with a growth of 67.51% .In 2009-10, the reserves are 1421.70 lakhs and in 2013-14 these reserves are increased up to 1892.11 with a percentage of 33.09%. The borrowings are 5654.85 lakhs during 2009-10 and in 2013-14 they are recorded 11300lakhs with a percentage of (199.83-100) 99.83%.The banks are collected borrowings because of their medium and short term needs. The average of capital, reserves and borrowings is 810.77, 1608.16, 8540. 97 lakhs.

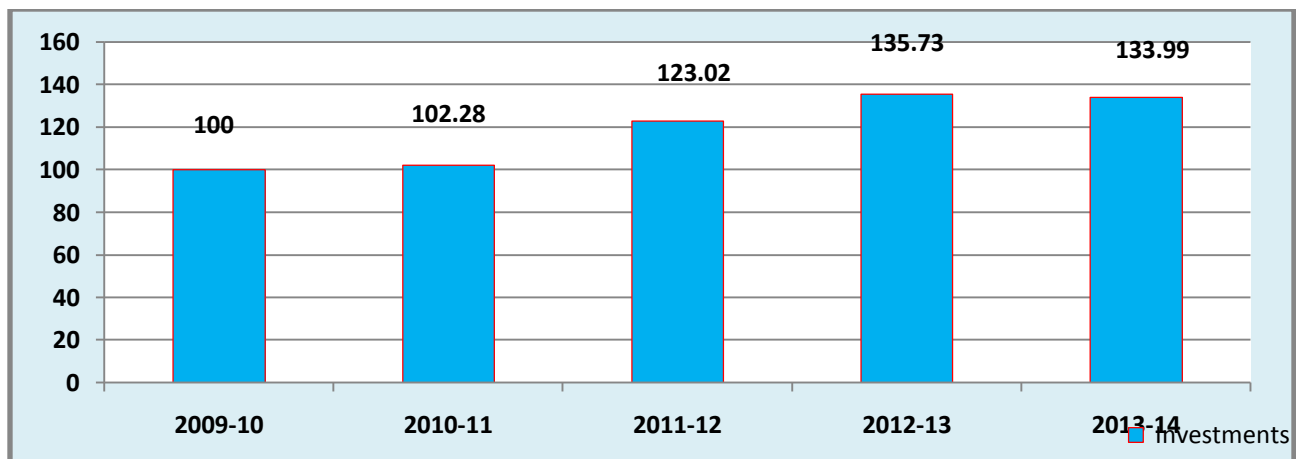
TABLE-2
 GROWTH OF INVESTMENTS

Year	Investments	Trend%
2009-10	504.81	100
2010-11	516.31	102.28
2011-12	621.01	123.02
2012-13	685.16	135.73
2013-14	676.38	133.99
Mean	600.73	119.00
S D	76.93	15.24
C V	12.81	12.81

Base Year: 2009-10

Source: Annual Reports of Central Co-operative Bank Panchkula

GRAPH-2
 INVESTMENTS GROWTH %



INTERPRETATION

The above table-2 depicts the investment by DCCBs and their growth patterns. During the year 2009-10, the investments are 504.81 lakhs and it has been increased gradually and reached 676.38 lakhs with a growth of 33.99%. The average of investments of the bank is 600.73 lakhs during the study period. The S D of the bank is 76.93 lakhs and C.V is 12.81.

Finding & Suggestions

The present study is related to the financial and operational performance of rural cooperative credit institution in . Finding panchkula and suggestion of the study are given below : -

Findings : -

By analyzing data some importance points come out which are given below.

- Total resources in terms of share capital, reserve fund deposits, borrowing of RCCIs in panchkula district show increasing trend. Profit show decreasing trend in 2011-2012 to 2013-2014.
- The Growth rate of paid up share capital of RCCIs in panchkula. Show increasing trend in the year 2010-2011 growth rate of paid up capital 3.80%(103.80-100)
- Growth rate of reserve fund and other reserve show decreasing trend growth rate of agriculture credit stabilization fund of RCCIs in panchkula Showing increasing trend.
- Percentage of borrowing funds to total sources is showing increasing trend.
- The growth rate of deposit of RCCIs in panchkula. showing increasing trend.
- The growth rate of Loan and advances is showing increasing trend.
- The growth rate of income is showing mixed trend.
- The Non-Performing assets (NPA) of RCCIs in panchkula. Is showing decreasing trend.

SUBESTIONS

To solve the problem some suggestions based on finding are given below : -

- Profits of RCCIs in. Show decreasing trend so efforts should be made to increase profit. panchkula
- Percentage of paid up capital to total resources should decreasing trend so corrective measures would be taken to increase it.
- Growth rate of expenditure is very high so measures should be taken to control it.
- The modern techniques of banking including use of ATM should also be extended.
- The process of advancing loans to the people should be made simple.

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