



“An Evaluation Of Performance Of Kolhapur District Central Co-Operative Bank Ltd. Kolhapur, In Respect To Agriculture Finance”

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INTRODUCTION:

The city of Kolhapur has historical and religious significance. Kolhapur is referred to as 'Dakshin Kashi' in the Padma Purana. This city has been known as Karveer Sansthan since Shivaji Maharaj's Snusha Tararanisaheb established a new capital at Panhalgad and started running the state. Kolhapur is also famous for its educational, tourism and industrial businesses. Sugar, foundry, engineering, textile industry, leather industry and silver industry are the main occupations. Kolhapuri jaggery, slippers and silver ornaments are famous all over the world.

Kolhapur district has a large banking business and at present there are 38 nationalized, co-operative and private banks in the district along with the district central co-operative bank. To meet the financial needs of farmers and all co-operative societies in Kolhapur district. Kolhapur District Co-operative Bank was established on 01/10/1938. The membership of the bank is mixed. It has co-operative societies and individual members. However, as per the order of the Government of Maharashtra, no person is made a new member. The bank started with 44 members and by the end of March 2020, the bank has 11582 members and 710 individual members for a total of 12292 members.

The Bank is the apex body of all the co-operative societies in the district. The Bank operates in a three-tier credit structure as a link between rural service organizations and NABARD. The bank is providing services through 184 branches in the district including the central office. The Kolhapur District

Central Cooperative Bank established 1938 and popularly known as KDCC Bank is one of the premier cooperative financial institutions in Kolhapur district. It has been playing a crucial role in the strengthening of village level primary credit cooperatives, thereby further strengthening the economy of Kolhapur district. Kolhapur district is under the Lead Bank Stewardship of Bank of India; the prominent nationalized bank in the country and KDCC has been contributing towards the achievement of rural credit targets set up for the service areas covered under the District Credit Plan (DCP). Through its network of 184 branches, the KDCC Bank provides finance to the PACs. These include short-term, medium-term and long-term advances. From standpoint of the development of rural sector of the district, the KDCC Bank in the past 83 years has been playing the crucial role as central credit delivery mechanism.

CONCEPTUAL FRAMEWORK:

a) Co-Operative Banks:

Cooperatives, in their dual position as economic enterprises and as independent organization, play an important role in improving the socio-economic conditions of their local communities. The co-operative banks in rural areas primarily finance agriculturally based activities as well as farming, cattle, milk, hatchery, personal finance, etc. alongside some small-scale industries and self-employment focused activities.

b) Seven Principles of Co-Operative Banks:

- 1.1) Voluntary and open membership.
- 1.2) Democratic member control.
- 1.3) Member economic participation and limited interest on share capital.
- 1.4) Autonomy and independence.
- 1.5) Provision of Co-operative education, training and information.
- 1.6) Co-operation among co-operatives.
- 1.7) Concern for community.

c) Agricultural Credit:

Like all other producers, the farmers also require credit. Agriculturists cannot carry on his business without outside finance is a fact proved by history

and evidenced by the poverty and indebtedness of the persons engaged in the business of agriculture. The demand for capital in agriculture is a composite demand made up to demands for different types of capital good which vary greatly in the degree of their performance.

STATEMENT OF PROBLEM:

The Kolhapur District Central Co-operative Bank supports the small marginal farmer and agricultural laborers by providing to loans and advances for agricultural. Though their role is important and their number is increasing, presently some of the cooperative's units are in a countdown position, which give rise to new challenges before existing cooperatives. Bearing in this mind the researches think it is essential to study the financial position of the Kolhapur District Central Co-operative Bank. What is the relative performance of KDCC as institutional financing in meeting credit needs in time? To what extent the credit has been granted by KDCC? In view of the foregoing discussions, the statement of the problem for the present study has been defined as "Financial Analysis of Kolhapur District Central Cooperative Bank Ltd. Kolhapur.

OBJECTIVES OF THE STUDY:

1. To study the agricultural finance provided by the Kolhapur District Central Cooperative Bank Ltd. Kolhapur.
2. To know the recent trends in Bank deposits and advances.
3. To provide credit services to agriculturalists and weaker sections of the society at comparatively lower rates.
4. To offer such meaningful suggestions as may be appropriate to improve the performance of the study organization.

HYPOTHESES OF THE STUDY

1. The branch network of the KDCC Bank has helped the agriculturist in Kolhapur District by providing agricultural loans advances to them satisfactorily.
2. The KDCC Bank is providing various banking facilities and service to its customers to their satisfaction.

THE SCOPE OF THE STUDY:

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This study is concerned with Kolhapur district only. The scope of this study is to analyze the macro level performance in the socioeconomic transformation and development of Kolhapur district corresponds with the pattern at the regional level. This study is a comparative analysis.

1. SIGNIFICANCE OF THE STUDY:

The present study is hopefully aimed at bringing the strengths and weaknesses of KDCC, it will be helpful to its management in decision-making. The Bank Customers' opinion survey, one of the components of the study, will hopefully be helpful in strengthening the customer-relationship management. The study is also significant for the lead Bank, District Co-operative Bank Societies Association, the policy framers and academicians. The study would also build the foundation for further research.

RESEARCH METHODOLOGY:

I) Data sources:

i) Primary Data:

This is an in-depth study of the district central co-operative Bank Ltd. Kolhapur in Maharashtra the primary data will be collected through the schedules, Interviews and discussions. And also, data from sample respondents (households),

Secondary Data:

The secondary data will be collected from KDCC Annual survey, government office, District Economic and Statistical Department, Socio Economic survey of Kolhapur and research institutions. The data will be collected from the various articles, journals, books, periodicals, newspapers and the internet etc.

II) Sample Selection:

Sample selection has done on the basis of convenient sampling under the non-probability sampling method. Research found the minimum number of banks is 6 from the Gaganbawada Taluka and selected the 6 out of 1 bank for the study and applied same methodology for remaining all banks. In addition to that

Researcher will identify Bank Account holder beneficiary (12 farmers from each bank) conveniently. So the total number of respondent becomes 396, which is sample size of the current research study.

i) Sample Design:

**Table no. 1: Taluka-wise Branch Network of KDCC Bank
(As on 31.3.2021)**

Sr. No.	Taluka	No. of Banks	No of Banks Selected for study (6:1)	Bank Account holder Beneficiary (12-Farmers Each Bank)
1	veer (kop)	36	6	72
2	kanangale	19	3	36
3	hala	16	3	36
4	ra	10	2	24
5	udargad	13	2	24
6	al	15	3	36
7	ol	16	3	36
8	hingalaj	15	3	36
9	ndgad	12	2	24
10	hanagari	16	3	36
11	huvadi	10	2	24
12	anbawada	6	1	12
	Total	184	33	396

Source: Annual Report KDCC Bank 2020-21

ii) Area of the Study: -

The Kolhapur district includes the 12 tehsils. I have selected the all 12 tehsils for the research study. There will be used simple random sampling method for selection of respondent from tehsil and village, there will be selected tehsil such as Karveer (Kop city), Kagal, Bhudargad, Gaganbawada, Panhala,

Shahuwadi, Chandgad, Radhanagari, Hatkanangale, Shirol, Shahuwadi, Gaganbawda, etc.

iii) Selection of Sample branches from each tehsil: -

For this research 12 tehsil will be selected multistage sample method and 20% Branches will be selected on the basis of convenient sample method from each tehsil.

iv) Selection of households: -

In each Branch 10 agriculture borrowers will be selected on the basis of convenient sample method.

III) Statistical Tools: -

The present research study will use various statistical tools as per the requirement such as range, average percentage method. The processing of data will be carried out by using computer software's such as Excel, SPSS.

LIMITATIONS OF STUDY:

The study is related only to the Kolhapur district and particularly with 12 divisions of the district, hence generalization of findings would be limited mostly to this area. The time frame for the evaluation of the KDCC Bank's financial performance had to be kept limited to ten years (2012-13 to 2021-22)

The present study has following limitations:

- 1) The findings are depending on the ability of respondents.
- 2) Due to limited span of time the selection of sample has been done on random basis.
- 3) The focus of the study is limited only to the working and agricultural credit policy of the KDCC Bank in Kolhapur district.

Though the study relates to only 12 divisions of Kolhapur district, the study is useful to draw some conclusions and make recommendations. On the basis of findings and recommendations, appropriate policies for district central cooperative banks and their development can be made by the concerned authorities.

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