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Research Article

A COMPARATIVE STUDY OF THE TRENDS IN SELECT FINANCIAL PARAMETERS IN DISTRICT CENTRAL COOPERATIVE BANKS OF INDIA AND TAMILNADU

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ABSTRACT

In India, District Central Co-operative Banks (DCCBs) play a vital role in providing credit for agriculture to the other societies and to the rural people. They are controlled by RBI and NABARD under Sec 35 A of the Banking Regulation Act (As Applicable to Cooperative Societies). According to Vydyanathan's report, the cumulative losses of 12 of the 23 district central cooperative banks in Tamilnadu were more than Rs. 500 crores in March 2006. This study compares the profits and performances of DCCBs in India with that in DCCBs in Tamilnadu for a period of ten years from 2005-06 to 2014-15. JEL Codes: M21 and M41.

Key Words:

Trends in profits in DCCBs of India and Tamilnadu, Trends in total borrowings in DCCBs of India and Tamilnadu, C/D Ratios in DCCBs of India, C/D Ratios in DCCBs of Tamilnadu.

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INTRODUCTION

In India, co-operative banks constitute the second segment of the Indian banking network. Because they accept deposits and provide advances to both Urban and Rural India. They are controlled by the Reserve Bank of India as well as the Registrar of Co-operative Societies of the respective States. They function according to the provisions of the Banking Regulations Act 1949 and Banking Laws (Co-operative Societies) Act, 1965. The Co-operatives in India can be categorized into Urban Credit co-operatives and Rural Credit Co-operatives. The apex or State Co-operative Bank, District Central Co-operative Banks (DCCBs) and the Agricultural and Non-agricultural, Governmental and other Co-operative Societies which are affiliated to DCCBs together form the Short-term Rural Credit Co-operatives. Thus DCCBs are in the middle position and they play a vital role in distributing funds to farmers for developing agriculture and other businesses. They perform all the business of Joint Stock banks. They get loans from State Co-operative Bank and they are eligible to get funds from financial institutions regulated by RBI. Being the leader of the co-operative movement in a district, the central co-operative banks were expected to play an effective role for the all-round growth of the co-operative movement. The weakness of co-operative movement in a state is the weakness of the central co-operative banks. The Registrar of Co-

operative Societies exercises powers under the respective Co-operative Societies Act of the States with regard to incorporation, registration, management, amalgamation, reconstruction or liquidation. Such powers in case of UCBs, that have a multi-state presence, are exercised by the Central Registrar of Co-operative Societies. The banking related functions such as the issue of a license to start new banks/branches, matters relating to interest rates, loan policies, investments and prudential exposure norms are regulated and supervised by the Reserve Bank in accordance with the provisions of the Banking Regulation Act, 1949.

Review of Literature

Deepak Shah (2007), in his Research work titled, "Adequacy of Institutional Credit through Co-operatives in Maharashtra", concluded that the major problems faced by the Co-operative system were high transaction cost, poor repayment performance, increasing NPAs, poor management of credit flow, etc., He suggested that in order to ameliorate the rural credit delivery system, the strategies for improving sustainability and viability, operational efficiency, recovery performance, small farmer coverage should be developed and the focus should be on the balanced sectoral development. Gurcharan Singh and Sukhmani, (2011) in their research work, "An Analytical Study of Productivity and Profitability of

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District Central Cooperative Bank in Punjab,” evaluated the performance of DCCBs in the state of Punjab. They gave their conclusion that although there had been a negative trend in profitability of all the selected DCCBs of Punjab, there was considerable improvement in the productivity of selected DCCBs over the study period of nine years from 1999 to 2009. Jai KishanChandel(2012) in his research paper, “Financial Performance of DCCBs in Haryana - A Comparative Analysis” concluded that all the DCCBs were poor on profitability, liquidity, efficiency and solvency parameters, but somewhat satisfactory on risk parameter. He gave his suggestions that as the DCCBs were poor in management, utilization of resources, investments, capital structure, cash availability, providing innovative products, etc., the DCCBs should make changes in their vision and strategies and should be competitive and dynamic for providing better service to the people.

Jyoti Gupta and Suman Jain (2012) in their Research study, “A study on Co-operative Banks in India with special reference to Lending practices”, found out that 64% of the people taken for study preferred to avail long-term loans which was for more than three years and that they were satisfied with the mode of repayment of instalments. They concluded that the Co-operative Banks had faced severe problems in ensuring smooth flow of credit as well as they suffered from a low level of recovery and high transaction cost. He suggested that the banks should adopt the modern methods of banking like internet banking, credit cards, ATM, etc., and that they should strive for expansion of branches and should improve the customer services to a better extent.

Lakshmanan C. and Dharmendran A, (2009) had their research on, “Financial Performance of District Central Cooperative Banks in Tamilnadu”. They analyzed the growth rate of deposits and loans and advances in DCCBs of Tamil Nadu and concluded that the growth rate was positive in all the banks except in DCCB of Tirunelveli. Also, there was a positive annual growth in loans and advances in DCCBs of Tamilnadu. But the annual growth in total over dues in DCCBs of Nilgiris, Sivagangai, Thanjavur and Virudhunagar Districts was negative.

Mahendran and MogesTadesse (2015), computed current ratio and liquidity ratios of Tirunelveli (TIDCCB), Virudhunagar (VIDCCB), Thuthukudi (TUDCCB) and Kanyakumari (KADCCB) District Central Cooperative Banks in Tirunelveli Region, Tamil Nadu. The research work was published in International Journal of Social Science, Arts, and Humanities, with the title, ‘Liquidity Ratio of the District Central Cooperative Banks In Tirunelveli Region, Tamilnadu’. They concluded that the liquidity ratios of selected banks in Tamilnadu were not satisfactory during the study period of eleven years from 1998-99 to 2008-09.

Ramesh Chander and Jai KishanChandel (2012) in their research work, “A Comparative Evaluation of Financial Performance of District Central Co-operative Banks in Haryana (India)” analyzed the financial viability of five District Central Co-operative Banks in Rohtak Division in Haryana (India) with the tool of Z score and also analyzed the financial performance and efficiency of DCCBs for a period of twelve years from 1997-98 to 2008-09. Their conclusions were that the banks had

the potential to enter into the Bankruptcy zone and that they were suffering from mismanagement and underutilization of resources. ThirupathiKanchu (2012) in his study, “Performance Evaluation of DCCBs in India – A Study” performed trend analysis on the growth in a number of banks, offices, membership, the capital, the reserves, investments, and borrowings of DCCBs in India taking 2001-02 as the base year. He found out that the number of banks and offices and membership had fluctuating growth during the study period of ten years. He also gave the conclusion that the standard deviation of Borrowings was more consistent than the capital and the reserves. The trends on Borrowings were constantly increasing and the trends on Capital and Reserves were fluctuating. He calculated the average C/D Ratio of DCCBs in India for the study period to be 78.17%. He also concluded that with regard to the percentage of Cost of Management to Working Capital, it had been fluctuating and the percentage of growth of investments was gradually increasing from 2001-02 and it was the same for the last two years of the study period.

RESEARCH METHODOLOGY

The research type was analytical. The sampling method was purposive sampling. Tamilnadu DCCB’s financial performance was compared with that of DCCBs in India. The secondary data of District Central Co-operative Banks of India and that of District Central Co-operative Banks of Tamilnadu were collected from NAFSCOB’s publications of “Basic Data on Performance of District Central Co-operative Banks on annual basis from 2005-06 to 2014-15”.

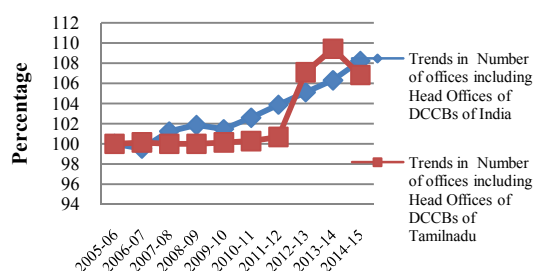
Findings and Suggestions

Regarding trends in the number of offices including Head Offices, DCCBs of India showed as lightly fluctuating trend but growth percentage was on the increase for most of the years. The growth percentage of the number of offices including Head Offices of DCCBs of Tamilnadu was almost stable from 2005-06 to 2011-12. After 2011-12 it showed a sudden level of increase during 2012-13, it reached its highest level during 2013-14 and showed a decreased level during 2014-15 (Table I & Figure I).

Table I Trends in Number of offices including Head offices in DCCBs of India and Tamilnadu

Year	Number of offices including Head Offices of DCCBs in India		Number of offices including Head Offices of DCCBs in Tamilnadu	
	Number	Trend %	Number	Trend %
2005-06	12991	100	732	100
2006-07	12928	99.52	733	100.14
2007-08	13151	101.23	732	100
2008-09	13233	101.86	732	100
2009-10	13181	101.46	733	100.14
2010-11	13327	102.59	734	100.27
2011-12	13495	103.88	737	100.68
2012-13	13655	105.11	784	107.10
2013-14	13811	106.31	801	109.43
2014-15	14060	108.23	782	106.83
Mean	13383	103.02	750	102.46
S.D	366.51	2.82	27.40	3.74
C.V	03%	03%	04%	04%

(Growth in the number of offices including Head offices in the DCCBs of India and Tamilnadu were on the increase except for Tamilnadu DCCBs during 2014-15.)

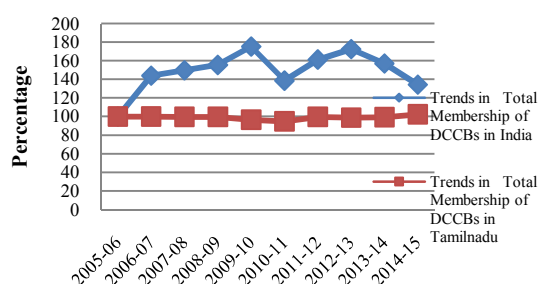
Trends in Number of offices including H.O in DCCBs of India and Tamilnadu**Figure I**

Trends in total membership in DCCBs of India were fluctuating and finally decreased during 2013-14 and 2014-15. But the trends in Total membership in DCCBs of Tamilnadu were almost stable with the S.D and C.V of only 02% for the study period of ten years. So, DCCBs in India should take care to increase the Total membership in them (Table II& Figure II).

Table II Trends in Total Membership in DCCBs of India and Tamilnadu

Year	Total Membership in DCCBs of India		Total Membership in DCCBs of Tamilnadu	
	Number	Trend %	Number	Trend %
2005-06	2267850	100	16301	100
2006-07	3264849	143.96	16325	100.15
2007-08	3396881	149.78	16266	99.79
2008-09	3528802	155.60	16277	99.85
2009-10	3975660	175.31	15749	96.61
2010-11	3146070	138.72	15473	94.92
2011-12	3659385	161.36	16252	99.70
2012-13	3915657	172.66	16118	98.88
2013-14	3563497	157.13	16177	99.24
2014-15	3048765	134.43	16705	102.48
Mean	3376742	148.90	16164	99.16
S.D	493329.33	21.75	336.70	2.07
C.V	15%	15%	02%	02%

(Total membership in DCCBs of India and Tamilnadu were fluctuating but co-efficient of variation for DCCBs in India was 15% while that for DCCBs in India was 2%).

Trends in Total Membership in DCCBs of India and Tamilnadu**Figure II**

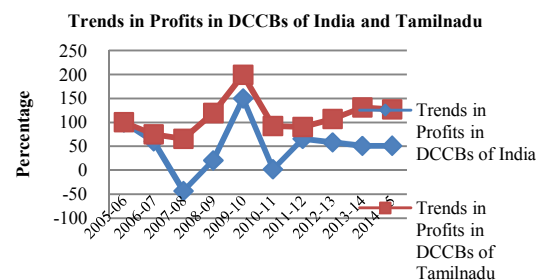
Trends in Profits in DCCBs of India were highly fluctuating during the study period with the C.V of 102% and loss was reported during the year 2007-08. The profits were the lowest during 2010-11 and 2008-09. The trends in profits in Tamilnadu DCCBs were fluctuating with the C.V of 34% but the loss was not reported in DCCBs of Tamilnadu during the

study period. The profits in DCCBs of India and Tamilnadu were the highest during 2009-10 (Table III& Figure III)

Table III Trends in Profits in DCCBs of India and Tamilnadu

Year	Profits in DCCBs of India (in Lakhs)		Profits in DCCBs of Tamilnadu (in Lakhs)	
	Amount	Trend %	Amount	Trend %
2005-06	177306	100	18666	100
2006-07	106734	60.20	13977	74.88
2007-08	-76906	-43.37	12220	65.47
2008-09	36258	20.45	22270	119.31
2009-10	265476	149.73	37176	199.16
2010-11	3752	2.12	17159	91.93
2011-12	116080	65.47	16809	90.05
2012-13	102904	58.04	19922	106.73
2013-14	90192	50.87	24422	130.84
2014-15	90555	51.07	23731	127.13
Mean	91235	51.46	20635	110.55
S.D	92922.01	52.41	7043.14	37.73
C.V	102%	102%	34%	34%

(As the C.V for profits in DCCBs of India was greater than that of profits in DCCBs of Tamilnadu, DCCBs in India shall try to increase its profitability at a fast pace. Trends in profits in DCCBs of Tamilnadu were very much greater than that of DCCBs in India).

**Figure III**

Trends in Total Reserve funds in DCCBs of India were gradually increasing from the year 2005-06 and was the highest during 2014-15. Total reserve funds in DCCBs of Tamilnadu decreased during 2013-14 but for all the other years were gradually increasing. The Co-efficient of variation regarding Total Reserve funds in DCCBs of India was 23% for the study period and that in DCCBs of Tamilnadu was 22% for the study

Table IV Trends in Total Reserve funds in DCCBs of India and Tamilnadu

Year	Total Reserve funds in DCCBs of India (in Lakhs)		Total Reserve funds in DCCBs of Tamilnadu (in Lakhs)	
	Amount	Trend %	Amount	Trend %
2005-06	1408294	100	164407	100
2006-07	1550512	110.10	177131	107.74
2007-08	1643573	116.71	177920	108.22
2008-09	1780801	126.45	194597	118.36
2009-10	2013296	142.96	213721	130.00
2010-11	2069202	146.93	223272	135.26
2011-12	2292034	162.75	241336	146.79
2012-13	2437531	173.08	276089	167.93
2013-14	2569039	182.42	270371	164.45
2014-15	2881242	204.59	310426	188.82
Mean	2064552	146.60	224837	136.76
S.D	479310.79	34.03	48843.01	29.71
C.V	23%	23%	22%	22%

(Total reserve funds in DCCBs of India and Tamilnadu were gradually increasing except during 2013-14 with respect to Tamilnadu DCCBs.)

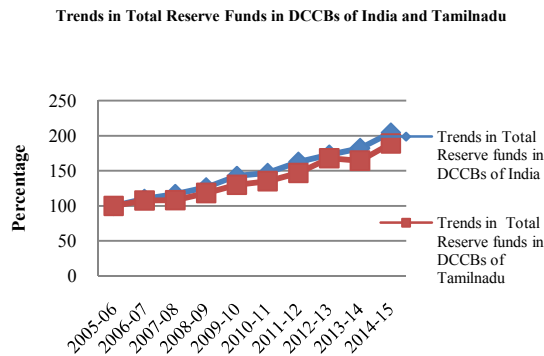


Figure IV

The trend percentages of the total share capital in DCCBs of Tamilnadu were higher and more fluctuating for most of the years during the study period than that in DCCBs of India. But the trend percentage had gone below the level of Total Share Capital of DCCBs of India during 2014-15. So Tamilnadu DCCBs should try to increase their Total Share Capital in the upcoming years. (Table V & Figure V).

Table V Trends in Total share Capital in DCCBs of India and Tamilnadu

Year	Total Share Capital in DCCBs of India (in Lakhs)		Total Share Capital in DCCBs of Tamilnadu (in Lakhs)	
Year	Amount	Trend %	Amount	Trend %
2005-06	451147	100	48983	100
2006-07	509813	113.00	72794	148.61
2007-08	582923	129.21	91366	186.53
2008-09	607141	134.58	113829	232.38
2009-10	777653	172.37	231371	472.35
2010-11	725768	160.87	124990	255.17
2011-12	818892	181.51	130656	266.74
2012-13	891461	197.60	126099	257.43
2013-14	977448	216.66	136236	278.13
2014-15	1340976	297.24	128560	262.46
Mean	768322	170.30	120488	245.98
S.D	262268.68	58.13	48354.54	98.72
C.V	34%	34%	40%	40%

(Trends in Total share capital in DCCBs of India for the study period of ten years were less than that in DCCBs of Tamilnadu except during the year 2014-15. So DCCBs in India shall take steps to raise their total share capital at a faster pace).

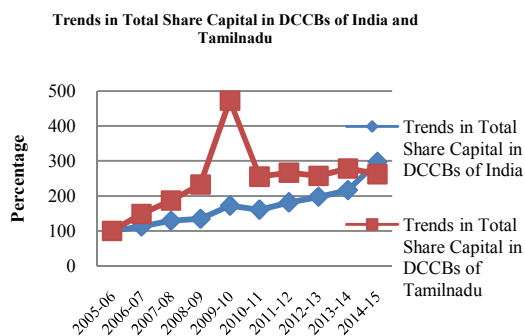


Figure V

Trends in Working Capital in DCCBs of India and Tamilnadu were good and had shown constantly increasing trend during the study period (Table VI & Figure VI).

Table VI Trends in Working Capital in DCCBs of India and Tamilnadu

Year	Working Capital in DCCBs of India(in Lakhs)		Working Capital in DCCBs ofTamilnadu (in Lakhs)	
Year	Amount	Trend %	Amount	Trend %
2005-06	13124185	100	1197942	100
2006-07	14608363	111.31	1247814	104.16
2007-08	16813752	128.11	1266848	105.75
2008-09	18403787	140.23	1537802	128.37
2009-10	20691844	157.66	1830532	152.81
2010-11	23543070	179.39	1940562	161.99
2011-12	25730623	196.06	2353751	196.48
2012-13	28802124	219.46	2751437	229.68
2013-14	31865124	242.80	3138533	261.99
2014-15	37709816	287.33	3473794	289.98
Mean	23129269	176.24	2073902	173.12
S.D	7950482.81	60.58	823001.36	68.70
C.V	34%	34%	40%	40%

(Though trends in working capital in Tamilnadu DCCBs were less than that in DCCBs of India upto 2010-11, from 2011-12the trends were more than that in DCCBs of India).

Trends in Working Capital in DCCBs of India and Tamilnadu

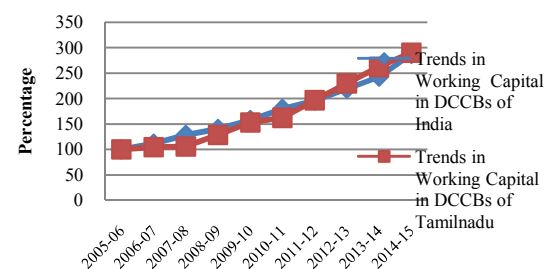


Figure VI

Trend percentages of Deposits in DCCBs of India and Tamilnadu were also good which showed an constantly increasing trend and the trend percentage of Deposits in DCCBs of Tamilnadu had gone above that of DCCBs of India (Table VII & Figure VII).

Table VII Trends in Total Deposits in DCCBs of India and Tamilnadu

Year	Total Deposits in DCCBs of India (in Lakhs)		Total Deposits in DCCBs of Tamilnadu (Rs. In Lakhs)	
Year	Amount	Trend %	Amount	Trend %
2005-06	8665222	100	737673	100
2006-07	9208136	106.27	736407	99.83
2007-08	10599372	122.32	843285	114.32
2008-09	12372182	142.78	942811	127.81
2009-10	14630314	168.84	1137025	154.14
2010-11	16130882	186.16	1219770	165.35
2011-12	17682238	204.06	1478559	200.44
2012-13	19572643	225.88	1790819	242.77
2013-14	21566170	248.88	2091479	283.52
2014-15	25111552	289.80	2266069	307.19
Mean	15553871	179.50	1324390	179.54
S.D	5495001.99	63.41	560712.38	76.01
C.V	35%	35%	42%	42%

(Trend percentages of total deposits in DCCBs of Tamilnadu were greater than that in DCCBs of India from 2012-13 to 2014-15.)

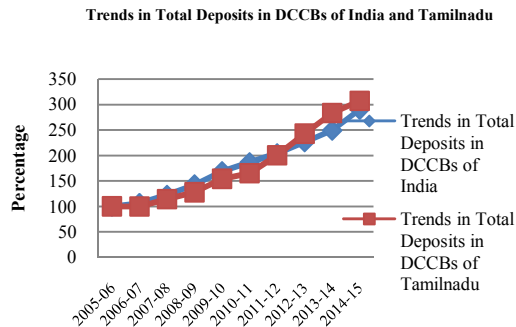


Figure VII

The trend percentages of Total investments in DCCBs of India and Tamilnadu were on the increase during the study period. The trend percentages of Total Investments in Tamilnadu DCCBs were fluctuating during the study period but they gradually increased from the year 2011-12 (Table VIII & Figure VIII).

Table VIII Trends in Total Investments in DCCBs of India and Tamilnadu

Year	Total investments in DCCBs of India (Rs. in Lakhs)		Total investments in DCCBs of Tamilnadu (in Lakhs)	
	Amount	Trend %	Amount	Trend %
2005-06	3712739	100	266357	100
2006-07	4079112	109.87	256889	96.45
2007-08	4824662	129.95	318204	119.47
2008-09	6104124	164.41	255699	96.00
2009-10	7562446	203.69	384130	144.22
2010-11	8297639	223.49	336496	126.33
2011-12	9021081	242.98	437062	164.09
2012-13	9405085	253.32	546273	205.09
2013-14	10911345	293.89	676296	253.91
2014-15	12411878	334.31	757611	284.43
Mean	7633011	205.59	423502	159.00
S.D	2931093.62	78.95	180003.20	67.58
C.V	38%	38%	43%	43%

(Total Investments in DCCBs of India and Tamilnadu were increasing and had shown improvement in the level of Investments).

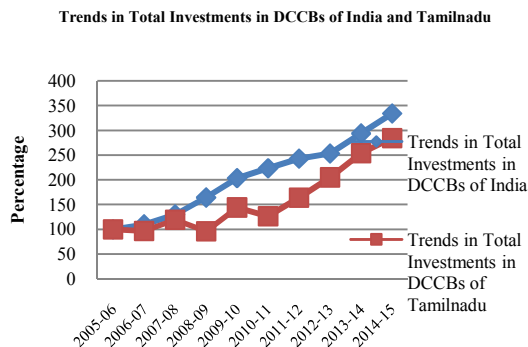


Figure VIII

Growth percentages of Total Borrowings in DCCBs of India were increasing constantly during the study period but the trend percentages of Borrowings in DCCBs of Tamilnadu decreased for the last two years. So, the DCCBs of India shall take efforts to decrease their level of Borrowings and try to function with financial independence (Table IX & Figure IX).

Table IX Trends in Total Borrowings in DCCBs of India and Tamilnadu

Year	Total Borrowings in DCCBs of India (Rs. in Lakhs)		Total Borrowings in DCCBs of Tamilnadu (in Lakhs)	
	Amount	Trend%	Amount	Trend%
2005-06	2320213	100	243514	100
2006-07	2794060	120.42	217517	89.32
2007-08	3053334	131.60	201430	82.72
2008-09	2847764	122.74	194633	79.93
2009-10	3035483	130.83	240313	98.69
2010-11	3910116	168.52	402107	165.13
2011-12	5048131	217.57	556417	228.49
2012-13	6173116	266.06	707195	290.41
2013-14	6722889	289.75	623139	255.89
2014-15	7379366	318.05	559118	229.60
Mean	4328447	186.55	394538	162.02
S.D	1856359.86	80.01	199595.21	81.96
C.V	41%	41%	48%	48%

(Level of Borrowings of DCCBs in India didn't affect the increasing level of working capital during the study period)

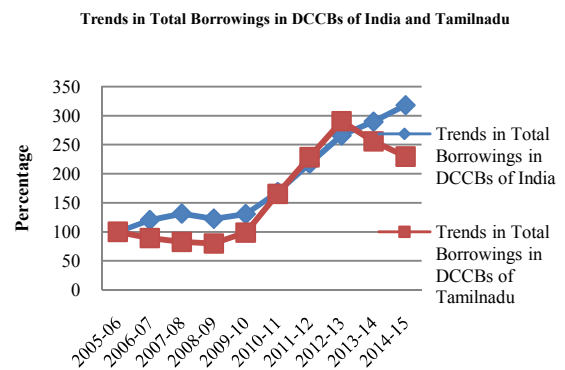


Figure IX

Total loans outstanding in DCCBs of India were less than the total deposits throughout the study period and the total deposits gradually increased from 2005-06 and were the highest in the year 2014-15. Total loans outstanding also gradually increased from 2008-09. But to the contrary, total loans outstanding in Tamilnadu DCCBs were more than the total deposits throughout the study period and were constantly increasing. The loans outstanding reached the highest levels during 2009-10 and 2014-15. C/D Ratios in DCCBs of India ranged from 72% to 93% during 10 years period and C/D Ratios in DCCBs of Tamilnadu ranged from 108% to 219% during the study period. The average C/D Ratio for DCCBs in India was 84% and that for DCCBs in Tamilnadu was 125% for the study period. Also S.D (33%) and C.V (27%) were very much higher in Tamilnadu DCCBs than in the DCCBs of India [S.D (7%)& C.V (8%)]. The Tamilnadu DCCBs should necessarily curtail the growth of loans outstanding in future years and DCCBs of both India and Tamilnadu should try to bring down the C/D Ratio to 70% or lower than 70%. (Tables X & XI & Figure X). Cost of Management (COM) to working capital in DCCBs of India was the lowest in the year 2007-08. It was increasing

from 2007-08 and then the trend percentages were almost constant and slightly raised with the S.D of only 0.17%. In case of Tamilnadu DCCBs, it was highly fluctuating throughout the study period except for the years 2009-10 and 2010-11 with

Table XC/D Ratios in DCCBs of India

Year	Total Deposits in DCCBs of India (Rs. in Lakhs)	Total Loans outstanding in DCCBs of India (Rs. in Lakhs)	C/D Ratio
2005-06	8665222	7673738	0.89
2006-07	9208136	8546075	0.93
2007-08	10599372	9597423	0.91
2008-09	12372182	9720682	0.79
2009-10	14630314	10499715	0.72
2010-11	16130882	12279548	0.76
2011-12	17682238	14476115	0.82
2012-13	19572643	17151279	0.88
2013-14	21566170	18314394	0.85
2014-15	25111552	20720549	0.83
Mean	15553871	12897952	0.84
S.D	5495001.99	4527275.40	0.07
C.V	35%	35%	08%

(The average C/D Ratio in DCCBs of India was 84% for the study period. C/D Ratio should be less than 70%).

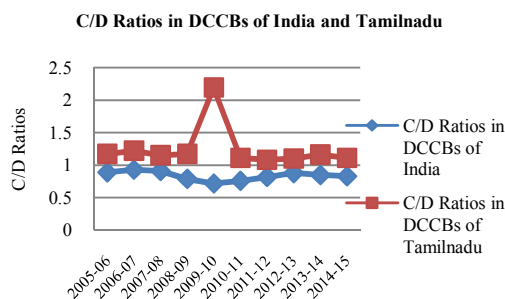


Figure X

the S.D of 0.93%. Like the DCCBs in India, Tamilnadu DCCBs should make the percentage low and stable. (Table XII & Figure XI).

Table XI C/D Ratios in DCCBs of Tamilnadu

Year	Total Deposits in DCCBs of Tamilnadu (Rs. in Lakhs)	Total Loans outstanding in DCCBs of Tamilnadu (Rs. in Lakhs)	C/D Ratio
2005-06	737673	859448	1.17
2006-07	736407	897277	1.22
2007-08	843285	966234	1.15
2008-09	942811	1103274	1.17
2009-10	1137025	2485131	2.19
2010-11	1219770	1358696	1.11
2011-12	1478559	1601784	1.08
2012-13	1790819	1974701	1.10
2013-14	2091479	2418106	1.16
2014-15	2266069	2518590	1.11
Mean	1324390	1618324	1.25
S.D	560712.38	681702.83	0.33
C.V	42%	42%	27%

(The average C/D Ratio in DCCBs of Tamilnadu was 125% for the study period. C/D Ratio should be less than 70%).

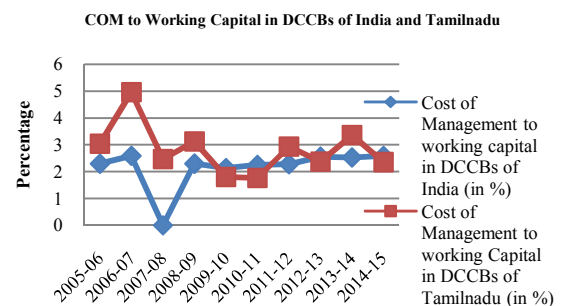
The trend percentages of COM to Working Capital in DCCBs of India were almost constant and slightly raising which was fluctuating in Tamilnadu DCCBs and so they should make the percentage low and stable.

Table XII Cost of Management (COM) to working capital of DCCBs in India and Tamilnadu

Year	Cost of Management (COM) to working capital in DCCBs of India (in %)	Cost of Management (COM) to working Capital in DCCBs of Tamilnadu (in %)
2005-06	2.30	3.05
2006-07	2.59	4.97
2007-08	2.22	2.47
2008-09	2.30	3.13
2009-10	2.14	1.80
2010-11	2.25	1.77
2011-12	2.28	2.94
2012-13	2.56	2.38
2013-14	2.53	3.37
2014-15	2.59	2.36
Mean	2.38	2.82
S.D	0.17	0.93
C.V	07%	33%

Table XIII Trends in Total Number of employees in DCCBs of India and Tamilnadu

Year	Total Number of employees in DCCBs of India	Trend %	Total Number of employees in DCCBs of Tamilnadu (in Lakhs)	Trend %
2005-06	211770	100	4826	100
2006-07	183536	86.67	4597	95.25
2007-08	90035	42.52	4431	91.82
2008-09	89259	42.15	4367	90.49
2009-10	87554	41.34	4049	83.9
2010-11	87928	41.52	4700	97.39
2011-12	85996	40.61	4502	93.29
2012-13	85611	40.43	4243	87.92
2013-14	84497	39.90	4148	85.95
2014-15	83347	39.36	3985	82.57
Mean	108953	51.45	4385	90.86
S.D	47264.40	22.32	279.68	5.80
C.V	43%	43%	06%	06%



FigureXI

Trends in a Total number of employees in DCCBs of India were decreasing with the S.D of 22.32% and the total number of employees was the least during the year 2014-15. In case of Tamilnadu DCCBs, trend percentages of a total number of employees were slightly fluctuating and the total number of employees decreased after the year 2010-11. The DCCBs in India and Tamilnadu shall try not to lessen the number of employees. (Table XIII & Figure XII).

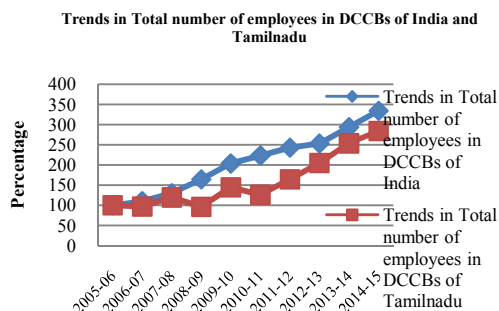


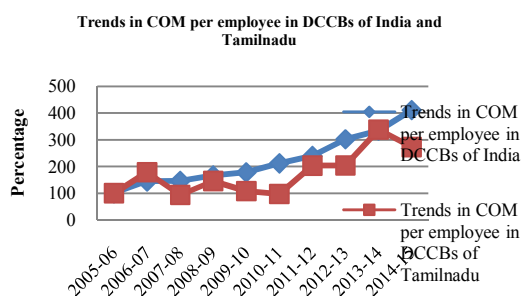
Figure XII

The trend percentages of the cost of management per employee in DCCBs of India were increasing gradually and reached the highest level in the year 2014-15 with the S.D of 98.22%. The trend percentages of Cost of Management per employee in DCCBs of Tamilnadu were highly fluctuating and reached the highest level during 2013-14 with the S.D of 82.54%. The DCCBs in India and Tamilnadu shall try to bring down the cost of management per employee (Table XIV & Figure XIII).

Table XIV Trends in COM per employee in DCCBs of India and Tamilnadu

Year	Cost of Management (COM) per employee in DCCBs of India (in Lakhs)		Cost of Management (COM) per employee in DCCBs of Tamilnadu (in Lakhs)	
	Amount	Trend %	Amount	Trend %
2005-06	2.85	100	7.56	100
2006-07	4.12	144.56	13.48	178.31
2007-08	4.16	145.96	7.08	93.65
2008-09	4.74	166.32	11.01	145.63
2009-10	5.07	177.89	8.15	107.80
2010-11	6.04	211.93	7.32	96.83
2011-12	6.82	239.30	15.36	203.17
2012-13	8.61	302.11	15.41	203.84
2013-14	9.53	334.39	25.52	337.57
2014-15	11.71	410.88	20.61	272.62
Mean	6.37	223.33	13.15	173.94
S.D	2.80	98.22	6.24	82.54
C.V	44%	44%	47%	47%

Figure XIII



Cost of Management per employee in DCCBs of India were constantly increasing and that in Tamilnadu DCCBs were fluctuating. Both the management of DCCBs of India and Tamilnadu shall try to bring down the COM per employee.

CONCLUSION

Growth in the number of offices including Head offices in the DCCBs of India as well as Tamilnadu was good and on the increase except for 2014-15 for Tamilnadu DCCBs during the study period of ten years. DCCBs in India shall increase the Total membership in them. Regarding profits, DCCBs in India shall increase its profitability at a fast pace. Trends in Total Reserve funds in DCCBs of India and Tamilnadu were increasing during the study period and satisfactory. Tamilnadu DCCBs shall try to increase their Total Share Capital in the upcoming years. Trends in Working Capital in DCCBs of India and Tamilnadu were good. Trend percentages of Deposits in DCCBs of India and Tamilnadu were also good. Tamilnadu DCCBs shall try to increase the trend percentages of Total investments in future years to increase their management capability. DCCBs of India shall take efforts to decrease their level of Borrowings and try to function with financial independence. The DCCBs in India and Tamilnadu shall try not to lessen the number of employees. Both the DCCBs in India and Tamilnadu shall try to bring down the cost of management per employee. DCCBs of both India and Tamilnadu should try to bring down the C/D Ratio to 70% or lower than 70%. Like the DCCBs in India, Tamilnadu DCCBs should make the percentage of COM to working capital low and stable.

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