

Deposits Mobilization of Cooperative Banks - A special Reference in Uttar Kannada District

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Abstract

The Co-operative Banks like any other economic units largely depends on the availability of such resources for its successful functioning. Deposits are repayable on demand or otherwise, are the claims of the customers against the resources of a particular bank. A bank can raise huge amount of public money as deposits through several types of deposit accounts. The analysis and interpretation of the data is used to determine the position and results of operations of four division of Cooperative Bank and the performance appraisal of the banks. Which analyse the profitability position of the Akshay Co-Operative Credit Society banks, Sirsi Urban SouhardhaSahakari Bank Ltd., Kanara Credit Cooperative Society and Bhatalak Cooperative Bank. Types of tools and techniques of analysis are used under the study of Ratio Analysis ,Mean,Standard Deviation, Co-efficient of Variance and Single Factor Analysis of Variance In order to throw light on the operational efficiency in deposit mobilization, the various measures are used.

Key word:Co-Operative Banks, Deposit Mobilization, Analysis and Interpretation

I. INTRODUCTION

Resources are considered the prime movers of any economic activity. The Co-operative Banks like any other economic units largely depends on the availability of such resources for its successful functioning. The effectiveness of the functioning of banks will be judged from its capacity to raise funds. This chapter is focused on the deposit pattern of four banks: Akshya Credit Cooperative Society Ltd., Sirsi Urban SouhardhaSahakari Bank Ltd., Kanara Credit Cooperative Society and Bhatalak Cooperative Bank and the performance appraisal of the banks under study, in the sphere of deposits mobilization. It enables to ascertain whether the Akshya Credit Cooperative Society Ltd., Sirsi Urban SouhardhaSahakari Bank Ltd., Kanara Credit Cooperative Society and Bhatalak

Cooperative Bank has succeeded in building up a strong capital base, and thereby spreading the message of self-help and thrift amongst its members.

A. Meaning

In the ordinary language 'Deposit' means the money deposited in bank account. In the accounting sense, it refers to a 'Liability'. Those who have cash balances want to keep them in safe place i.e. deposit the same with a bank. When the bank accepts deposits from people, it is obliged to repay the money either in part or in full in legal tender money. Thus, deposits are repayable on demand or otherwise, are the claims of the customers against the resources of a particular bank.

B. Definition

According to Oxford Dictionary, the term 'Deposit' refers to "Lay down in a place, anything stored or entrusted for safe keeping, a sum placed in bank, sum required and paid as pledge".

In the words of V. N. Mugali and others, deposit means, "entrusting one's money to a bank on the condition that it may be withdrawn on depositor's demand or after notice of specified days as may be laid down in the rules of the bank. Deposit includes money cheques, drafts and proceeds of similar negotiable instruments placed with the bank for the convenience of the depositors.

C. Importance

A general deposit of money and documents representing monetary claims is treated as nothing but a loan of money by the customer to the bank, payable on demand through honouring of cheques or any other negotiable instruments. Bank is under legal obligation to safekeeping of depositor's money. The importances of the deposits are presented as follows:

- The bank acts as a mediator between lenders and borrowers i.e., the whole banking business stands on the deposits.
- Deposits help the bank to undertake their lending business. The size of the deposits largely decides the lending activity of the bank.
- Different deposit accounts inculcate the habit of thrift and saving among the people of different income level.
- A bank can raise huge amount of public money as deposits through several types of deposit accounts.
- It enables the bank to earn profit out of the difference between the cost of their borrowings and the income from the lending.
- The quantum of deposit determines the strength and efficiency of the bank.
- It helps the bank to lend for overall economic growth.
- It enables the banks to create self-employment opportunities to educated unemployed youth. It promotes efficient utilization of public fund.
- The bank can face any financial difficulty such as over dues problems.

II. ANALYSIS OF THE DIVISION NAME OF THE BANKS CITY

In this research analysis of four division of Cooperative Bank and the performance appraisal of the banks under study, in the sphere of deposits mobilization. They are:

- 1) Karwar Division: Akshay Co-operative Credit Society Bank Ltd, karwar
- 2) Sirsi Division: The SirsiSouhadra Co-operative Bank Ltd, Sirsi
- 3) Kumata Division: Kanara District Credit Co-operative Bank, Kumata
- 4) BhatkalDivision: The Bhatkal Co-operative Bank, Bhatkal

III. TOOLS AND TECHNIQUES OF THE STUDY

The analysis and interpretation of the data is used to determine the position and results of operations as well. In order to analyse and interpret the data. An effort is made to use those devices, which analyse the profitability position of the banks. The following types of tools and techniques of analysis are used under the study:

- 1) Ratio Analysis
- 2) Mean
- 3) Standard Deviation
- 4) Co-efficient of Variance
- 5) 5 Single Factor Analysis of Variance (ANOVA)

A. Analysis And Interpretation Of The Data

The analysis and interpretation of the data is used to determine the position and results of operations of four division of Cooperative Bank and the performance appraisal of the banks. In order to analyse and interpret the data. An effort is made to use those devices, which analyse the profitability position of the Akshay Co-Operative Credit Society banks, Sirsi Urban SouhardhaSahakari Bank Ltd., Kanara Credit Cooperative Society and Bhatkal Cooperative Bank.

B. Akshay Co-Operative Credit Society Bank Ltd, Karwar

1) Analysis Of Deposit Mobilization

Deposits Mobilisation

It is possible to understand the efficiency of a bank through comparison. The effective functioning of the Co-operative Bank can be evaluated by comparing the performance over a selected period under study. In order to throw light on the operational efficiency in deposit mobilization, the various measures are used. The detailed information relating to the deposits of Akshay Co-Operative Credit Society Bank is presented in the table 4.1.

Table 4.1 : Year-wise of Deposits Mobilisation (Rs. in lakhs)

Sl no	year	Deposit Mobilisation
1	2010-11	3271.48
2	2011-12	3650.44
3	2012-13	4444.11
4	2013-14	5365.04
5	2014-15	6447.28

Interpretation

The table 4.1 indicate the deposits of Akshay Co-Operative Credit Society Bank and their growth and annual changes. It is clearly observed from the table that except for 2014-15, the deposit found reduced in remaining years. The maximum decrease in deposits is recorded in 2010-11 (3271.48 lakhs), which is followed by 3650.44 lakhs in 2011-12.

Deposit of Standard Deviation

**Table - 4.2 : Deposit of Standard Deviation
(Rs. in lakhs)**

Sl no	year	Deposit Mobilisation	Standard Deviation
1	2010-11	3271.48	126.8691
2	2011-12	3650.44	267.9652
3	2012-13	4444.11	829.1746
4	2013-14	5365.04	651.1958
5	2014-15	6447.28	765.2592

Interpretation

The table 4.2 indicate the deposits of Akshay Co-Operative Credit Society Bank and their growth and annual changes. It is clearly observed from the table that except for 2013-14, the deposit found reduced years. The maximum decrease in deposits is recorded in 2010-11 126.8691 lakhs.

Deposit of Co-efficient of Variance

**Table - 4.3 : Deposit of Co-efficient of Variance
(Rs. in lakhs)**

Sl no	year	Deposit Mobilisation	Co-efficient of Variance
1	2010-11	3271.48	3.9873
2	2011-12	3650.44	7.7425
3	2012-13	4444.11	20.4872
4	2013-14	5365.04	13.2773
5	2014-15	6447.28	12.9569

Interpretation

The table 4.3 indicate the deposits of Akshay Co-Operative Credit Society Bank and their growth and annual changes. It is clearly observed from the table that except for 2014-15, the deposit found reduced in remaining years. The maximum decrease in deposits is recorded in 2010-11 is 3.9873.

C. The SirsiSouhadra Co-Operative Bank Ltd, Sirsi

Deposits Mobilisation

It is possible to understand the efficiency of a bank through comparison. The effective functioning of the Co-operative Bank can be evaluated by comparing the performance over a selected period under study. In order to throw light on the operational efficiency in deposit mobilization, the various measures are used.

**Table 4.4 : Deposits Mobilisation
(Rs. in lakhs)**

Sl no	year	Deposit Mobilisation
1	2010-11	26674.80
2	2011-12	31879.19
3	2012-13	37356.69
4	2013-14	44917.74
5	2014-15	48725.23

Interpretation

The table 4.4 indicate the total deposits of Sirsi Urban SouhardhaSahakari Bank Ltd. and their growth and annual changes. It is clearly observed from the table that except for 2010-11, the deposit found reduced in remaining years. Then goes on increase year by year.

Deposit of Standard Deviation

Table - 4.5 : Deposit of Standard Deviation

Sl no	year	Deposit Mobilisation	Standard Deviation
1	2010-11	26674.80	1721.833
2	2011-12	31879.19	3680.059
3	2012-13	37356.69	3873.177
4	2013-14	44917.74	5346.47
5	2014-15	48725.23	2692.302

Interpretation

The table 4.4 indicate the total deposits of Sirsi Urban SouhardhaSahakari Bank Ltd. and their growth and annual changes. It is clearly observed from the table that except for 2010-11 is 1721.833, the deposit found increase in remaining years.

Deposit of Co-efficient of Variance

Table - 4.6 : Deposit of Co-efficient of Variance

Sl no	year	Deposit Mobilisation	Co-efficient of Variance
1	2010-11	26674.80	6.7636
2	2011-12	31879.19	12.5697
3	2012-13	37356.69	11.1883
4	2013-14	44917.74	12.9966
5	2014-15	48725.23	5.7501

Interpretation

The table 4.6 indicate the total deposits of Sirsi Urban SouhardhaSahakari Bank Ltd. and their growth and annual changes. It is clearly observed from the table that except for 2010-11 is 6.7636, then in the year 2014-15 it is decline i.e. 5.7501.

IV. KANARA DISTRICT CREDIT CO-OPERATIVE BANK, KUMATA

Deposits Mobilisation

It is possible to understand the efficiency of a bank through comparison. The effective functioning of the Co-operative Bank can be evaluated by comparing the performance over a selected period under study. In order to throw light on the operational efficiency in deposit mobilization, the various measures are used. The detailed information relating to the deposits of Kanara District Credit Co-Operative Bank, KumataBank is presented in the table 4.7.

**Table 4.7 : Deposits Mobilisation
(Rs. in lakhs)**

Sl no	year	Deposit Mobilisation
1	2010-11	65022.33
2	2011-12	77682.28
3	2012-13	92125.98

4	2013-14	109915.27
5	2014-15	134950.22

Interpretation

The table 4.7 indicate the total deposits of Kanara District Credit Co-Operative Bank, KumataBank and their growth and annual changes. It is clearly observed from the table that except for 2010-11, the deposit found reduced in this years. Then it goes on increase year by year.

Standard Deviation of Deposit

Table - 4.8 : Deposit of Standard Deviation

SI no	year	Deposit Mobilisation	Standard Deviation
1	2010-11	65022.33	3337.049
2	2011-12	77682.28	8951.936
3	2012-13	92125.98	10213.24
4	2013-14	109915.27	12578.93
5	2014-15	134950.22	17702.38

Interpretation

The table 4.7 indicate the total deposits of Kanara District Credit Co-Operative Bank, KumataBank and their growth and annual changes. It is clearly observed from the table that except for 2010-11 is 3337.049, the deposit found reduced in this year. Then it goes on increase year by year.

Co-efficient of Variance of Deposit

Table - 4.9 : Deposit of Co-efficient of Variance

SI no	year	Deposit Mobilisation	Co-efficient of Variance
1	2010-11	65022.33	5.3254
2	2011-12	77682.28	12.5461
3	2012-13	92125.98	12.0291
4	2013-14	109915.27	12.4518
5	2014-15	134950.22	14.4588

Interpretation

The table 4.7 indicate the total deposits of Kanara District Credit Co-Operative Bank, KumataBank and their growth and annual changes. It is clearly observed from the table that except for 2010-11 is 5.3254, the deposit found reduced in this year. Then it goes on increase year by year. But in the year 2012-13 it decline is 12.0291.

V. THE BHATKAL CO-OPERATIVE BANK, BHATKAL

Deposits Mobilization

It is possible to understand the efficiency of a bank through comparison. The effective functioning of the Urban Co-operative Bank can be evaluated by comparing the performance over a selected period under study. In order to throw light on the operational efficiency in deposit mobilization, the various measures are used. The detailed information relating to the growth rate in the deposits of The Bhatkal Co-Operative Bank, Bhatkal is presented in the table 4.10.

Table 4.10 : Deposits Mobilization (Rs. in lakhs)

SI no	year	Deposit Mobilisation
1	2010-11	20376.98

2	2011-12	23665.51
3	2012-13	27939.64
4	2013-14	30798.07
5	2014-15	34248.93

Interpretation

The table 4.10 indicate the total deposits of The Bhatkal Co-Operative Bank, Bhatkal and their growth and annual changes. It is clearly observed from the table that except for 2010-11 is 20376.98, the deposit found reduced in this years. Then remaining year it is increase year by year, The maximum increase in deposits is recorded in 2014-15 is 34248.93.

Deposit on Standard Deviation

Table - 4.11 : Deposit of Standard Deviation

Sl no	year	Deposit	Deposit Standard Deviation
1	2010-11	20376.98	655.487986
2	2011-12	23665.51	2325.6742
3	2012-13	27939.64	3022.17438
4	2013-14	30798.07	2020.91118
5	2014-15	34248.93	2440.2255

Interpretation

The table 4.11 indicate the total deposits of The Bhatkal Co-Operative Bank, Bhatkal and their growth and annual changes. It is clearly observed from the table that except for 2010-11 is 5.3254, the deposit found reduced in this year. Then it goes on increase year by year. But in the year 2012-13 it decline is 12.0291.

Co-efficient of Variance on Deposit

Table - 4.12 : Deposit of Co-efficient of Variance

Sl no	year	Deposit	Co-efficient of Variance
1	2010-11	20376.98	3.291
2	2011-12	23665.51	10.560
3	2012-13	27939.64	11.712
4	2013-14	30798.07	6.881
5	2014-15	34248.93	7.502

Interpretation

The table 4.7 indicate the total deposits of The Bhatkal Co-Operative Bank, Bhatkal and their growth and annual changes. It is clearly observed from the table that except for 2010-11 is3.291, the deposit found reduced in this year. Then it goes on increase year by year. But in the year 2013-14 it decline is 6.881.

Deposit of Single Factor Analysis of Variance

A general introduction to ANOVA and a discussion of the general topics in the analysis of variance techniques. The critical values of F at the p = 0.05 level of significance obtain F-ratio. This has (x,y) degrees of freedom associated with it. Go along x columns, and down y rows. The point of intersection is critical F-ratio. If obtained value of F is equal to or larger than this critical F-value, then result is significant at that level of probability.

Table - 4.13 : Loan of Single Factor Analysis of Variance of AkshyaCooperative Bank and SirsiShavardShahakari Cooperative Banks

Source of Variance	Degree of Freedom	Sum of Square	Mean of Square	Variance Ratio
Between Sample	1	73154	73154	1.1571
Within Sample	5	316097	63219.4	

Interpretation:

Above table obtain an F ratio of 6.61 with (1, 5) degrees of freedom. Go along 1 columns and down 5 rows. The critical value of F is 1.1571. Obtained F-ratio is larger than this, and so conclude that obtained F-ratio is likely to occur by chance with a $p < .05$.

Table - 4.14 : Loan of Single Factor Analysis of Variance of Akshya Coerative Bank and KDCC Banks

Source of Variance	Degree of Freedom	Sum of Square	Mean of Square	Variance Ratio
Between Sample	1	41847	41847	0.1000
Within Sample	5	2092290	418458	

Interpretation:

Above table obtain an F ratio of 6.61 with (1, 5) degrees of freedom. Go along 1 columns and down 5 rows. The critical value of F is 0.1000. Obtained F-ratio is larger than this, and so conclude that obtained F-ratio is likely to occur by chance with a $p < .05$.

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