INTERNATIONAL JOURNAL OF RESEARCH IN COMPUTER APPLICATION & MANAGEMENT

IJRCM

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A.,
Open J-Gage, India [link of the same is duly available at Inflibnet of University Grants Commission (U.G.C.)],
Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 3480 Cities in 174 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

http://ijrcm.org.in/

CONTENTS

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography: Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** ***anytime*** in ***M.S. Word format*** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website (***FOR ONLINE SUBMISSION, CLICK HERE***).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____________

THE EDITOR
IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF** .

(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript entitled '____' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

NAME OF CORRESPONDING AUTHOR:
Designation:
Affiliation with full address, contact numbers & Pin Code:
Residential address with Pin Code:
Mobile Number (s):
Landline Number (s):
E-mail Address:
Alternate E-mail Address:

NOTES:
a) The whole manuscript is required to be in ***ONE MS WORD FILE*** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
b) The sender is required to mentionthe following in the **SUBJECT COLUMN** of the mail:
New Manuscript for Review in the area of (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
d) The total size of the file containing the manuscript is required to be below **500 KB**.
e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE**: The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS**: The author (s) **full name**, **designation**, **affiliation** (s), **address**, **mobile/landline numbers**, and **email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT**: Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **KEYWORDS**: Abstract must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.

6. **MANUSCRIPT**: Manuscript must be in ***BRITISH ENGLISH*** prepared on a standard A4 size ***PORTRAIT SETTING PAPER***. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.

7. **HEADINGS**: All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.

8. **SUB-HEADINGS**: All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.

9. **MAIN TEXT**: The main text should follow the following sequence:

   INTRODUCTION

   REVIEW OF LITERATURE

   NEED/IMPORTANCE OF THE STUDY

   STATEMENT OF THE PROBLEM

   OBJECTIVES

   HYPOTHESES

   RESEARCH METHODOLOGY

   RESULTS & DISCUSSION

   FINDINGS

   RECOMMENDATIONS/SUGGESTIONS

   CONCLUSIONS

   SCOPE FOR FURTHER RESEARCH

   ACKNOWLEDGMENTS

   REFERENCES

   APPENDIX/ANNEXURE

   It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed ***5000 WORDS***.

10. **FIGURES &TABLES**: These should be simple, crystal clear, centered, separately numbered &self explained, and **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. It should be ensured that the tables/figures are referred to from the main text.

11. **EQUATIONS**:These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.

12. **REFERENCES**: The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per the following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use (**ed.**) for one editor, and (**ed.s)** for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parentheses.
- The location of endnotes within the text should be indicated by superscript numbers.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

UNPUBLISHED DISSERTATIONS AND THESES

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

A STUDY ON THE WORKING FUND RATIO OF THE DISTRICT CENTRAL COOPERATIVE BANKS IN TIRUNELVELI REGION, TAMILNADU

DR. A. MAHENDRAN
ASST. PROFESSOR
DEPARTMENT OF COOPERATIVES
AMBO UNIVERSITY
AMBO, ETHIOPIA

MOGES TADESSE
RESEARCH SCHOLAR
BHARATHIDASAN UNIVERSITY
TIRUCHIRAPPALLI

ABSTRACT

The banking sector's in India is facing challenging times. With the advent of globalization an, privatization, liberalization in India, the banks are now facing on cost reduction, innovative products and technology. DCCBs occupy a place of significance in the cooperative credit delivery system. They act as a spokesperson of the cooperative movement at district level. Inefficient functioning of cooperatives is due to bad debts, excessive overdue or otherwise investment. Therefore, the financial management occupies an importance place as the functions of these institutions. Hence, the analytical study on the Working Fund Ratio of District Central Cooperative Banks in Tirunelveli Region has been undertaken. The results of the study will help in identifying the lacuna if any in the financial performance of the DCCBs and to frame financial policies and programme to the benefit of the banks and the community.

KEYWORDS
Working fund ratio, co-operative banks.

1.1 INTRODUCTION

Financial Statements' refer to a package of statements such as balance sheets, income statement, funds flow statement, cash flow statement and statement of retained earnings. The balance sheet and income statement are traditional financial statements. Other statements are prepared to supplement them. The following are the main objectives of finance statement analysis.

- To estimate the earning capacity of the concern
- To judge the financial (both liquidity and solvency) position and financial performance of the concern.
- To determine the debt capacity of the concern.
- To decide about the future prospects of the concern.

According to the American Institute of Certified Public Accounts (AICPA), "financial statements reflect a combination of recorded facts, accounting principles and personal judgments." The term recorded facts refers to the data taken out from accounting records. Facts which have not been recorded in the financial books are not depicted in financial, however important they might be. For example, fixed assets are shown at cost irrespective of their market or replacement price since only cost price is recorded in the books. Certain accounting principles, concepts and conventions are followed in the preparation of financial statements. For example, the convention of valuating stock at cost or market price, whichever is less is followed. The principle of valuating assets at cost less depreciation is followed for balance sheet purpose. Personal judgment has an important bearing on the financial statements. For example, the selection of a method for stock valuation depends on the personal judgment of the accountant.

1.2 STATEMENT OF THE PROBLEM

DCCBs occupy a place of significance in the cooperative credit delivery system. They act as a spokesperson of the cooperative movement at district level. The success or otherwise of the cooperatives in a district level largely depends upon the efficiency of the functioning of DCCBs. The founders of the movement envisioned the role of DCCBs beyond the boundaries of mere financing bank. DCCBs are expected to serve as a financing bank for the primaries in a district, guide them in their day to day operations, supply of necessary manpower and technology wherever it is required, voicing on behalf of primaries at policy level etc,. Because of this integrated role, DCCBs are strategically located and integrated with the cooperative system.

Hence, they are not only acting as financing banks but also act as development banks for the cooperatives at district level. To do these multifarious functions DCCBs should have a well-defined management system. In the total management of the DCCBs, financial management occupies a place of importance as the functions of these institutions are also governed by the Banking Regulation Act. Even a minor deviation from banking norms would attract penal actions from the law enforcing authorities. On the one side, DCCBs are expected to act as a financing bank for the primaries, which are in majority of the cases managed by untrained work force. On the other side, DCCBs are expected to follow the banking norms as well as implement the State Governments schemes and programmes for the development of the state. Most DCCBs that fail seem to do so because of problems in their loan portfolio. Non-performing loans grow to such extent that revenues fall off and loan expenses as well as operating costs absorb all the earnings that remain. The bad loan situations usually arise from combination of factors. In this regard, it is pertinent to study how these banks mobilize the resources and deploy them. Hence funds management of the DCCBs is an important issue and their financial performance is to be studied with their impact on working capital ratio in DCCBs. In this context, the questions apt to arise are:

- Whether the financial performances of the banks are in satisfactory manner in terms of working fund ratio?

To find out the answer to these questions, an analytical study had to be undertaken. The results of such studies will help to find out the problem, difficulties, impacts etc., and to frame financial policies by the DCCBs for the benefits of the farmers, the community and other stakeholders.

1.3 REVIEW OF LITERATURE

Several individual researchers had studied a few facets of working fund ratio of selected DCCBs in selected areas. To know how far the ground is already prepared and to identify the gaps therein and to spell out the issues which need further intensive and comprehensive analysis, an attempt is made to review the related literature.

1.3.1 Gowthaman A. and Srinivasan T, (2010) in their article entitled, "Effective Funds Management by the Kumbakonam Central Cooperative Bank" has presented the DCCBs are modal centers of financial institution in the cooperative sector in a district. They have to mobilize the available resources and utilize them in the most efficient and profitable manner. As a consequence of this situation, efficiency in funds management has down considerably and profitability of the DCCBs in Tamilnadu is found decreased. In this paper an attempt is made to analyze the funds management of the bank for the period of 1998-99 to 2007-08.

1.3.2 Surya Rao K, (2007) in his study, "Performance of Cooperative Banking. A study of DCCB - Eluru, Andhra Pradesh", applied ratio such as profitability analysis, productivity analysis, solvency position, and operational efficiency and SWOT analysis. The study revealed through productivity analysis that the rate of deposits per employee has lagged behind that of the loans per employee ratio. Thus there is need on the part of employees to mobilize deposit to meet loans demand in view of disparity in the growth rate in these two ratios. Accordingly the ratio values of deposits per employee, productivity of employees can be improved. The solvency ratios showed that the bank was maintaining an average cash reserve ratio of 11 per cent that is much more than the stipulated ratio of 6 per cent. The operational efficiency ratios concluded the satisfactory performance. Finally SWOT analysis revealed various aspects of the Eluru DCCBs. The study suggested strengthening of the working capital and to increase the deposit from member societies. The bank should utilize the opportunity of expanding their lending operations. Depending on external sources of borrowing such as refinance from apex bodies could be minimized by promoting deposits mobilization.

1.3.3 Fulbag Singh and Balwinder Singh, (2006) in their study "Profitability of the Central Cooperative Banks in Punjab- A decomposition Analysis", they analyzed the profitability position of the Central Cooperative Bank in Punjab. Two different years have been studied with the help of a frame work of Return on Equity (ROE) model. The sample of bank with high business volume and those with low business volume had been tested separately. The study could be concluded that as far as the profitability performance was concerned, the central Cooperative Bank of Punjab had worked well. The miscellaneous income in comparison to the total income has been in lower profile in these banks. The switching over to high yield non-farm sector advances has helped to register a positive trend in financial margin in almost all the banks. The implementation of prudential norms from 1996-97 have helped the banks to generate an awareness on adverse effect of overdue/ non-performing assets in these banks.

1.3.4 Raja. S, (2005) in his study, "Performance Evolution of MDDCB Ltd- an Application of Structural and Growth Analysis", analyzed the pattern of each component of the financial statements such as balance sheet and profit and loss account over a period of time. The study found out that performance of the Madurai District Central Cooperative Bank (MDCCB) using structural and growth analysis. Macro mean has been used to exhibit the strength and weakness of each factor considered. The major result of the study is macro mean which in respect of interest received constitutes 99% of the total income, 97% for interest paid, 21% in the case of operating expenses, 94% for spread and it is at 93% for burden. As regards book profit, it works out to be 7% the revolution of the growth rate analysis are that net loss has recorded the growth at 17%, operating expenses at 18%, spread at 13%, burden 20% advances and aggregate deposits at 6% each and fixed deposits and saving deposits at 9% each. The study concluded that the burden rate should be reduced by effecting cost control measure and spread rate be increased so that profitability can be at higher rate.

1.4 OBJECTIVES OF THE STUDY
The specific objectives of the present study are:
1. To analyze the working fund ratio in the DCCBs, and
2. To offer suitable suggestions for the development of the DCCBs

1.5 METHODOLOGY
Mainly-analytical method has been followed for studying the working fund ratio of Tirunelveli (TIDCCB), Virudhunagar (VIDCCB), Thuthukudi (TUDCCB) and Kanyakumari (KADCCB) District Central Cooperative Banks in Tirunelvel Region, Tamil Nadu. The secondary data were collected from the profit and loss account and balance sheet for the selected DCCBs. The macro level data were collected from the office of the Joint Registrar of Cooperative Audit in Tirunelveli region, Tamilnadu State Apex Cooperative Bank, Tamilnadu State Cooperative Unions, National Federation of State Cooperative Banks, NABARD and RBI.

1.6 SAMPLING
The present study has adopted the purposive sampling method for the selection of sample banks. Among the five cooperative regions (Chennai, Coimbatore, Trichy, Madurai and Tirunelveli) categorized by the Registrar of Cooperative Societies, Tirunelveli region was purposively selected. The considerations kept in mind were that the Tirunelveli region of Tamilnadu is popular for Agriculture, Fisheries, Dairy and Industrial growth. This region also covers plain and coastal areas with different cropping patterns. Four districts of this region were served by the four District Central Cooperative Banks namely Tiruneveli, Viruthunagar, Thoothukudi and Kanyakumari DCCBs. These four banks were selected for the present study.

1.7 SCOPE OF THE STUDY
A strong network of the District Central Cooperative Banks is a prerequisite for the sound performance of the three tier cooperative credit structure. DCCBs not only provided much needed financial assistance to PACBs but also ensured the smooth flow of credit to various sectors in the district. The success of these banks depends on efficient management of funds. The study has mainly focused attention to study the working fund ratio of the four DCCBs in Tirunelveli Region. The results of this study will help in identifying the lacuna if any in the working fund ratio of the DCCBs and to frame financial policies and programme to the benefit of the banks and the community.

1.8 PERIOD COVERED BY THE STUDY
The period of the study has been taken-up from the financial year 1998--99 to 2008-09 (11 years) as complete and comprehensive secondary data both for macro and micro level were available only for these years. The period of eleven years was considered for analysis.

1.9 TOOLS USED FOR DATA COLLECTION
For collecting the required secondary data from the selected DCCBs, a comprehensive schedule was prepared and used. The schedule was pre-tested and finalized.

1.10 FRAME WORK OF ANALYSIS
The data collected were subdued into a digestible account by appropriate coding, computing and tabulations. The basic tools of statistical analysis like average and working fund ratio were employed.

1.11 RESULTS AND DISCUSSION
1.11.1 RATIO ANALYSIS
The relationship between two figures expressed mathematically is called a 'Ratio'. It is a numerical relationship between two numbers which are related in some manner. Ratio analysis is technique of analysis and interpretation of financial statements. It is the process of determination and interpretation of various ratios for helping in decision making. Ratio analysis involves three steps.
1.11.2 WORKING FUND RATIO
'Working fund' concept is used by NABARD for the purpose of financial analysis. It is arrived at by deducting the accumulated losses from the total assets. The working funds of the banks are worked out and presented in the following table.

TABLE-1.1: WORKING FUNDS OF THE BANKS *(Rs. in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	Amount	Trend	Amount	Trend	Amount	Trend	Amount	Trend	Amount	Trend
1998-99	26832	28915	22493	23636	15331	15050	16400	16219	81055	1003819
1999-00	31307	28364	25789	24890	17807	15898	19038	18461	93941	1007613
2000-01	29484	27813	27910	26145	16788	16745	19606	20704	93788	1011406
2001-02	30337	27262	28185	27399	17496	17592	21725	22947	97742	1015200
2002-03	24319	26711	30197	28654	18889	18440	24437	25190	97842	1018994
2003-04	23948	26160	28626	29908	17244	19287	29458	27433	99275	1022788
2004-05	24440	25609	29120	31162	19791	20134	31082	29676	104432	1026582
2005-06	23030	25058	29679	32417	18244	20982	33653	31919	104606	1030376
2006-07	22668	24507	32931	33671	20707	21829	31881	34162	108187	1034170
2007-08	23250	23956	33675	34926	22377	22676	34879	36405	114180	1037963
2008-09	28145	23405	40388	36180	27486	23524	39606	38648	135626	1041757
Avg.	**26160**	**26160**	**29908**	**29908**	**19287**	**19287**	**27433**	**27433**	**102789**	**1022788**
Share of individual bank to total	**25.45**		**29.1**		**18.76**		**26.69**		**100**	

The working fund of the selected banks had increased from Rs. 81055 lakhs in 1998-99 to Rs. 1,35,626 lakhs in 2008-09. The average working fund per bank was worked out as Rs.102798 lakhs per bank. Comparatively, the VIDCCB had highest working fund followed by KADCCB and TIDCCB and the TUDCCB has the lowest working fund. The working fund of the banks in the region may reach Rs. 159696 lakhs in 2025-26 i.e., is after fifteen year. Various ratios in relation to working fund are discussed here under.

1.11.3 RATIO OF FINANCIAL RETURN TO WORKING FUND

Financial return is the sum of interest earned on advances and investments i.e. return generated by the bank deploying its funds in loans and investments. This ratio assesses the percentage of interest earned on working capital.

TABLE-1.2: RATIO OF FINANCIAL RETURN TO WORKING FUNDS *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	FR	R	FR	R	FR	R	FR	R	FR	R
1998-99	2275	8.5	2565	11.4	1025	6.7	1968	12.0	7833	9.7
1999-00	2238	7.1	2612	10.1	1251	7.0	1954	10.3	8055	8.6
2000-01	2341	7.9	2816	10.1	967	5.8	2091	10.7	8216	8.8
2001-02	2574	8.5	3084	10.9	1245	7.1	3255	15.0	10158	10
2002-03	2568	11.0	3194	10.6	1696	9.0	2350	9.6	9808	10
2003-04	2616	11.0	2616	9.1	1405	8.1	3057	10.4	9694	9.8
2004-05	2084	8.5	2084	7.2	1544	7.8	3015	9.7	8726	8.4
2005-06	2121	9.2	2522	8.5	1472	8.1	2811	8.4	8927	8.5
2006-07	1807	8.0	2643	8.0	1660	8.0	3070	9.6	9180	8.5
2007-08	2113	9.1	1812	5.3	873	3.9	3076	8.8	7874	6.9
2008-09	2895	10.0	4153	10.3	2080	7.6	3632	9.2	12760	9.4
Avg.	**2330**	**9.0**	**2736**	**9.2**	**1384**	**7.2**	**2753**	**10**	**9203**	**9.0**

FR= Financial Return
R=Ratio

It is evident from the above table that the financial return to working fund ratio ranges between 6.9 percent and 10 percent; on an average of about 9 percent during the study period. This ratio indicates the caring ability of the banks and concentrate to generate more income on loans and investment. All the selected banks were more or less performed equally and very nearer to the state average of 11.2. Hence it is concluded that financial return to working fund ratio of the banks in this region is satisfactory.

1.11.4 RATIO OF FINANCIAL COST TO WORKING FUND

Financial cost is the sum of Interest paid on Deposits and Borrowings i.e. cost incurred on the resources raised by the bank. This ratio helps to assess the percentage of interest paid on working fund. The optimum ratio is 9.

TABLE -1.3: RATIO OF FINANCIAL COST TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	FC	R(%)	FC	R	FC	R	FC	R	FC	R
1998-99	1840	6.9	2032	9.0	1159	7.6	1583	9.7	6614	8.2
1999-00	1867	6.0	2281	8.8	1607	9.0	1599	8.4	7353	7.8
2000-01	1961	6.7	2443	8.8	1480	8.8	2527	12.9	8410	9.0
2001-02	2119	7.0	2446	8.7	1500	8.6	2699	12.4	8766	9.0
2002-03	2037	8.4	2297	7.6	1421	7.5	1910	7.8	7666	7.8
2003-04	2058	8.6	2058	7.2	1250	7.3	1985	6.7	7352	7.4
2004-05	1721	7.0	1721	5.9	962	4.9	2021	6.5	6425	6.2
2005-06	1688	7.3	1726	5.8	835	4.6	2002	5.9	6250	6.0
2006-07	1439	6.4	1486	4.5	847	4.1	2092	6.6	5864	5.4
2007-08	1758	7.6	1792	5.3	1089	4.9	3718	10.7	8357	7.3
2008-09	2494	8.9	2484	6.2	1869	6.8	3324	8.4	10171	7.5
Avg.	**1908**	**7.3**	**2070**	**7.1**	**1274**	**6.7**	**2315**	**8.7**	**7566**	**7.4**

FC= Financial Cost
R=Ratio

The calculation reveals that the financial cost to working fund ratio of the selected banks had decreased from 8.2 percent in 1998-99 to 7.5 percent in 2008-09; on an average is 7.4 percent per annum during the study period (State average is 8.1). The TIDCCB, VIDCCB and TUDCCB had relatively low ratios (7.3, 7.1 and 6.7 percent). The other bank of KADCCB has a higher financial cost which is to be minimized in the forth coming years so as to earn more profits. However the figure for the whole region shows a normal position.

1.11.5 RATIO OF FINANCIAL MARGIN TO WORKING FUND

Financial Margin is the difference between Financial Return and Financial Cost. The ratio of financial margin to working fund is given below. The optimum level is 2.65 percent.

TABLE- 1.4: RATIO OF FINANCIAL MARGIN TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	FM	R	FM	R	FM	R	FM	R	FM	R
1998-99	435	1.6	532	2.4	-134	-0.9	385	2.4	1219	1.5
1999-00	371	1.2	331	1.3	-355	-2.0	355	1.9	702	0.7
2000-01	381	1.3	374	1.3	-512	-3.1	-436	-2.2	-194	-0.2
2001-02	454	1.5	637	2.3	-255	-1.5	556	2.6	1392	1.4
2002-03	531	2.2	897	3.0	275	1.5	440	1.8	2143	2.2
2003-04	557	2.3	557	1.9	155	0.9	1073	3.6	2342	2.4
2004-05	363	1.5	363	1.3	582	2.9	994	3.2	2301	2.2
2005-06	434	1.9	796	2.7	637	3.5	810	2.4	2676	2.6
2006-07	367	1.6	1157	3.5	813	3.9	979	3.1	3316	3.1
2007-08	355	1.5	20.2	0.1	-216	-1.0	-642	-1.8	-483	-0.4
2008-09	401	1.4	1669	4.1	211	0.8	308	0.8	2589	1.9
Avg.	**423**	**1.6**	**667**	**2.2**	**109**	**0.5**	**438**	**1.6**	**1636**	**1.6**

FM- Financial Margin
R- Ratio

The ratio of financial margin to working fund shows a fluctuating trend. The average 1.6 percent is less than the state average of 2.6. Among the four banks VIDCCB had 2.16 percent higher growth rate than the other banks. The TUDCCB has very low of 0.5 percent during the study period. The negative ratio shows the higher interest paid by the banks and the positive ratio shows the interest earning capacity of the selected banks. The overall picture shows the dissatisfactory performance of the banks in this respect

1.11.6 RATIO OF COST OF MANAGEMENT TO WORKING FUND

Cost of management includes salaries and other allowances. The ratio shows the percentage of cost of management to working fund. The optimum is less than 1.

TABLE-1.5: RATIO OF COST OF MANAGEMENT TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	COM	R	COM	R	COM	R	COM	R	COM	R
1998-99	310	1.2	464	2.1	135	0.9	214	1.3	1123	1.4
1999-00	320	1.0	496	1.9	136	0.8	263	1.4	1215	1.3
2000-01	277	0.9	535	1.9	139	0.8	253	1.3	1204	1.3
2001-02	250	0.8	579	2.1	187	1.1	238	1.1	1254	1.3
2002-03	275	1.1	505	1.7	182	1.0	225	0.9	1187	1.2
2003-04	229	1.0	229	0.8	148	0.9	240	0.8	846	0.9
2004-05	240	1.0	240	0.8	157	0.8	235	0.8	873	0.8
2005-06	221	1.0	529	1.8	119	0.7	228	0.7	1096	1.0
2006-07	204	0.9	402	1.2	133	0.6	192	0.6	931	0.9
2007-08	217	0.9	527	1.6	147	0.7	216	0.6	1108	1.0
2008-09	221	0.8	415	1.0	141	0.5	248	0.6	1025	0.8
Avg.	**251**	**1.0**	**447**	**1.5**	**148**	**0.8**	**232**	**0.9**	**1078**	**1.1**

COM- Cost of Management
R- Ratio

The cost of management to working fund ratio had stood up from 1.4 percent in 1998-99 to 0.8 percent in 2006-07; on an average is about 1.1 percent during the study period. Among the four banks TIDCCB and VIDCCB had spent more i.e., an average of 1.3 percent each. Generally, the banks operate at optimal levels as the ratios slightly differ over the state average of 1.3 percent and the optimum level of less than 1 percent. The performance of the banks under this ratio analysis is satisfactory.

1.11.7 RATIO OF ADMINISTRATIVE COST TO WORKING FUND

Administrative cost includes all other operating expenses like Rent, Rates, Taxes, Depreciation, Postage, Stationery, etc. This ratio is helpful to assess the percentage of administrative cost on working fund. The optimum level is 2.

TABLE-1.6: RATIO OF ADMINISTRATIVE COST TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	AC	R	AC	R	AC	R	AC	R	AC	R
1998-99	206	0.8	99	0.4	61	0.4	214	1.3	580	0.7
1999-00	416	1.3	784	3.0	69	0.4	129	0.7	1398	1.5
2000-01	1298	4.4	458	1.6	71	0.4	527	2.7	2354	2.5
2001-02	711	2.3	1195	4.2	82	0.5	113	0.5	2102	2.2
2002-03	1870	7.7	571	1.9	68	0.4	92	0.4	2601	2.7
2003-04	756	3.2	204	0.7	51	0.3	92	0.3	1103	1.1
2004-05	146	0.6	168	0.6	88	0.4	101	0.3	503	0.5
2005-06	2261	9.8	1246	4.2	146	0.8	105	0.3	3758	3.6
2006-07	1083	4.8	840	2.6	89	0.4	113	0.4	2125	2.0
2007-08	949	4.1	416	1.2	412	1.8	387	1.1	2163	1.9
2008-09	365	1.3	668	1.7	224	0.8	149	0.4	1405	1.0
Avg.	**915**	**3.7**	**605**	**2.0**	**124**	**0.6**	**184**	**0.8**	**1827**	**1.8**

AC- Administrative Cost
R-Ratio.

The administrative cost to working fund ratio ranges between 3.6 percent and 0.5 percent during the study period. The optimum level of this ratio is being 2 percent; the banks comply with this evidencing the satisfactory performance of the banks in the region. However the TIDCCB has to take steps in minimizing this cost (present average 3.7 percent).

1.11.8 RATIO OF TRANSACTION COST TO WORKING FUND

Transaction Cost is the sum of Cost of Management and Administrative Cost. The optimum level is less than1 percent.

TABLE-1.7: RATIO OF TRANSACTION COST TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	TC	R	TC	R	TC	R	TC	R	TC	R
1998-99	516	1.9	563	2.5	196	1.3	427	2.6	1703	2.1
1999-00	736	2.3	1280	5.0	205	1.2	392	2.1	2613	2.8
2000-01	1575	5.3	994	3.6	210	1.3	779	4.0	3558	3.8
2001-02	961	3.2	1774	6.3	269	1.5	351	1.6	3356	3.4
2002-03	2145	8.8	1076	3.6	250	1.3	317	1.3	3788	3.9
2003-04	985	4.1	433	1.5	198	1.2	332	1.1	1949	2.0
2004-05	386	1.6	408	1.4	245	1.2	337	1.1	1376	1.3
2005-06	2482	11.0	1775	6.0	265	1.5	333	1.0	4855	4.6
2006-07	1287	5.7	1243	3.8	222	1.1	305	1.0	3057	2.8
2007-08	1166	5.0	943	2.8	559	2.5	602	1.7	3271	2.9
2008-09	586	2.1	1083	2.7	365	1.3	396	1.0	2430	1.8
Avg.	**1166**	**4.6**	**1052**	**3.5**	**271**	**1.4**	**416**	**1.7**	**2905**	**2.9**

TC- *Transaction* Cost
R-*Ratio.*

The ratio of transaction cost to working fund had decreased from 2.1 percent in 1998-99 to 1.8 percent in 2008-09; on an average it is 2.9 percent during the study period. Comparatively, the TIDCCB and VIDCCB had very high i.e., 4.6 percent and 3.5 percent than the other banks. It is to be noted that the ratio does not match with the state average of 1.1 percent. However the optimum level is 1 percent. Hence it can be concluded that the performance of the banks in this regard is not satisfactory.

1.11.9 RATIO OF OPERATIVE MARGIN TO WORKING FUND

Operative Margin is the difference between Financial Margin and Transaction Cost. This ratio helps to assess the percentage of operative margin to working fund. The optimum level is 2 percent and above.

TABLE-1.8: RATIO OF OPERATIVE MARGIN TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	OM	R	OM	R	OM	R	OM	R	OM	R
1998-99	-81	-0.3	-31	-0.1	-330	-2.2	-42	-0.3	-484	-0.6
1999-00	-364	-1.2	-949	-3.7	142	0.8	-37	-0.2	-1208	-1.3
2000-01	-1194	-4.1	-620	-2.2	-723	-4.3	-216	-1.1	-2752	-2.9
2001-02	-507	-1.7	-1136	-4.0	-525	-3.0	204	0.9	-1963	-2.0
2002-03	-1614	-6.6	-180	-0.6	25	0.1	123	0.5	-1645	-1.7
2003-04	-428	-1.8	124	0.4	-44	-0.3	759	2.6	412	0.4
2004-05	-24	-0.1	-46	-0.2	337	1.7	657	2.1	925	0.9
2005-06	-2048	-8.9	-978	-3.3	372	2.0	477	1.4	-2178	-2.1
2006-07	-920	-4.1	-86	-0.3	591	2.9	674	2.1	259	0.2
2007-08	-812	-3.5	-923	-2.7	-775	-3.5	-1245	-3.6	-3755	-3.3
2008-09	-186	-0.7	587	1.5	-154	-0.6	-88.1	-0.2	159	0.1
Avg.	**-743**	**-3.0**	**-385**	**-1.4**	**-98**	**-0.6**	**115**	**0.4**	**-1112**	**-1.1**

OP- Operative Margin
R- Ratio.

The ratio of operative margin to working fund had moved up from -0.6 percent in 1998-99 to 0.1 percent in 2008-09. The average is -1.1 percent during the period under study. Comparatively, the TIDCCB had very less i.e., -3.0 percent than the other three banks. All the banks under study had showed the negative trend. Hence it is to be concluded that the performance of the banks in this analysis is not satisfactory. However the ratio of selected banks noticed that the banks should take necessary steps to overcome the negative one to positive.

1.11.10 RATIO OF RISK COST TO WORKING FUND

Risk Cost includes provisions made during the year against bad debts, overdue interest and other debts i.e. incremental bad/ doubtful debts which have to be provided in full. This ratio is computed with the Non- performing Assets and total working fund.

TABLE-1.9: RATIO OF RISK COST TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	RC	R	RC	R	RC	R	RC	R	RC	R
1998-99	1374	5.1	2159	8.4	2403	6.9	982	6.0	4777	5.9
1999-00	2203	7.0	2705	9.7	2944	13.5	963	5.1	7728	8.2
2000-01	3306	11.2	2857	10.1	3410	17.5	926	4.7	9881	10.5
2001-02	3946	13.0	3919	13.0	4991	19.5	934	4.3	11147	11.4
2002-03	4727	19.4	4727	16.5	5557	26.4	928	3.8	14565	14.9
2003-04	4838	20.2	3555	12.2	4675	32.2	1530	5.2	16652	16.8
2004-05	4743	19.4	3875	13.1	5589	23.6	1435	4.6	14408	13.8
2005-06	4343	18.9	3826	11.6	5267	30.6	1532	4.6	15339	14.7
2006-07	5275	23.3	4118	12.2	3873	25.4	2172	6.8	16540	15.3
2007-08	5603	24.1	3924	9.7	4832	17.3	1632	4.7	15226	13.3
2008-09	5948	21.1	3366	11.1	4055	17.6	1600	4.0	16304	12.0
Avg.	**4210**	**17**	**3366**	**11**	**4055**	**21**	**1330**	**4.9**	**12961**	**12**

RC-Risk Cost
R- Ratio

The ratio of risk cost to working fund ratio ranges between 5.9 percent and 16.8 percent during the study period. The optimum level of this ratio being 6 percent, the selected banks comply with this evidencing the dissatisfactory performance of the banks in the region. However the TIDCCB, TUDCCB has to take steps to minimize this cost (present average 16.6 and 21percent).

1.11.11 RATIO OF MISCELLANEOUS INCOME TO WORKING FUND

Miscellaneous Income includes income from commission, Brokerage and other receipts i.e. income earned from other than loans and advances and investments. The optimum level is 1 percent. This ratio assesses the percentage of miscellaneous income on working fund.

TABLE-1.10: RATIO OF MISCELLANEOUS INCOME TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	MIS	R	MIS	R	MIS	R	MIS	R	MIS	R
1998-99	37	0.1	78	0.3	370	2.4	72	0.4	558	0.7
1999-00	36	0.1	47	0.2	628	3.5	106	0.6	817	0.9
2000-01	51	0.2	175	0.6	662	3.9	63	0.3	951	1.0
2001-02	60	0.2	118	0.4	518	3.0	123	0.6	819	0.8
2002-03	70	0.3	68	0.2	448	2.4	95	0.4	682	0.7
2003-04	79	0.3	102	0.4	359	2.1	151	0.5	690	0.7
2004-05	58	0.2	1367	4.7	296	1.5	201	0.6	1921	1.8
2005-06	69	0.3	67	0.2	255	1.4	114	0.3	505	0.5
2006-07	50	0.2	103	0.3	274	1.3	499	1.6	926	0.9
2007-08	47	0.2	339	1.0	341	1.5	1868	5.4	2594	2.3
2008-09	61	0.2	95	0.2	430	1.6	108	0.3	694	0.5
Avg.	**56**	**0.2**	**233**	**0.8**	**416**	**2.2**	**309**	**1.0**	**1014**	**1.0**

MIS- Miscellaneous Income
R- Ratio

The miscellaneous income to working fund ratio had increased from Rs. 558 lakhs in 1998-99 to Rs.694 lakhs in 2008-09. The average per bank was Rs. 1014 lakhs during the period under study and the ratio stands at 1.0 percent. The higher ratio indicates higher income earnings by the banks. Among the four banks, the TUDCCB had the highest miscellaneous income. The ratio is at higher levels than the state average of 0.3 percent during second half of the study period which is a good sign of efficiency. It implies that the effort should be taken by the all banks to reach the optimum level of one percent. Hence it is to be concluded that the performance of the banks in this respect is satisfactory.

1.11.12 RATIO OF NET MARGIN TO WORKING FUND

Net Margin is operating Margin (-) Risk Cost (+) Miscellaneous Income. This reflects the ability of the bank to produce a surplus after meeting all costs. This ratio helps to assess the percentage of net margin on working fund. The optimum level is 0.5 percent.

TABLE-1.11: RATIO OF NET MARGIN TO WORKING FUND *(Rs.in lakhs)*

Banks / Years	TIDCCB		VIDCCB		TUDCCB		KADCCB		TOTAL	
	NM	R	NM	R	NM	R	NM	R	NM	R
1998-99	-44	-0.2	47	0.2	8	0.1	30	0.2	41	0.1
1999-00	-328	-1.0	-902	-3.5	-41	-0.2	70	0.4	-1203	-1.3
2000-01	-1143	-3.9	-444	-1.6	-949	-5.7	-152	-0.8	-2689	-2.9
2001-02	-298	-1.0	-320	-1.1	-791	-4.5	55	0.3	-1354	-1.4
2002-03	-1544	-6.4	-111	-0.4	-987	-5.2	93	0.4	-2550	-2.6
2003-04	-348	-1.5	-348	-1.2	-331	-1.9	111	0.4	-917	-0.9
2004-05	953	3.9	1908	6.6	1506	7.6	508	1.6	4876	4.7
2005-06	-1979	-8.6	-497	-1.7	-710	-3.9	-432	-1.3	-3618	-3.5
2006-07	-566	-2.5	6.09	0.1	778	3.8	10	0.0	227	0.2
2007-08	-2065	-8.9	-585	-1.7	-783	-3.5	53	0.2	-3379	-3.0
2008-09	102	0.4	722	1.8	5	0.0	5	0.1	833	0.6
Avg.	**-660**	**-2.7**	**-48**	**-0.2**	**-209**	**-1.2**	**31.8**	**0.1**	**-885**	**-0.9**

NM-Net Margin
R-Ratio.

The net margin of the banks in the region increased from Rs. 41.3 lakhs in 1998-99 to Rs. 833 lakhs in 2008-09 with negative figures for many years in between an average of about Rs. -884 lakhs during the study period. The average ratio stood at -0.9 percent during the period under study. Among the four banks, the KADCCB had no loss during the study period except in the year 2000-01. Any way the performance of all the banks in this respect is not satisfactory. It is evident that the banks have to increase this ratio by minimizing risk cost, the operating margin, extending increased services and more of miscellaneous income to reach the optimum level.

1.12 FINDINGS

The present study, "A study on the working fund ratio of the DCCBs in Tirunelveli Region, Tamilnadu State" is an analytical one. The study was conducted in Tirunelveli Region, Tamilnadu state. Among the five Cooperative Regions in Tamilnadu, Tirunelveli Region covering four DCCBs was selected and secondary data were used for the analysis. A decadal period was covered by this (1998-99 to 2008-09). Statistical tools of statistical like average and ratio were used for analysis. The major findings and conclusion are presented in the following paragraphs.

WORKING FUND RATIOS

Total Working Fund

The average working fund per bank was worked out as Rs.102798 lakhs per bank. Comparatively, the VIDCCB had highest working fund followed by KADCCB and TIDCCB and the TUDCCB has the lowest working fund. The working fund of the banks in the region may reach Rs. 159696 lakhs in 2025-26 i.e., is after fifteen year. Various ratios in relation to working fund are discussed here under.

Financial Return to Working Fund Ratio

This ratio indicates the caring ability of the banks and concentrate to generate more income on loans and investment. All the selected banks were more or less performed equally and very nearer to the state average of 11.2. Hence it is concluded that financial return to working fund ratio of the banks in this region is satisfactory.

Ratio of Financial Cost to working fund

The calculation reveals that the financial cost to working fund ratio of the selected banks had decreased from 8.2 percent in 1998-99 to 7.5 percent in 2008-09; on an average is 7.4 percent per annum during the study period (State average is 8.1). The TIDCCB, VIDCCB and TUDCCB has relatively low ratios (7.3, 7.1 and 6.7 percent) when compared with other banks. The other bank of KADCCB has a higher financial cost which is to be minimized in the fourth coming years so as to earn more profits. However the figure for the whole region shows the poor position.

Ratio of financial margin to working fund

The ratio of financial margin to working fund shows the fluctuating trend. The average 1.6 percent is marginally less than the state average of 2.6. Among the four banks VIDCCB had 2.16 percent higher growth rate than the other banks. The TUDCCB has very low it 0.5 percent during the study period. The negative ratio shows the higher interest paid by the banks and the positive ratio shows the interest earning capacity of the selected banks. The overall picture shows the satisfactory performance of the banks in this respect.

Ratio of Cost of Management to Working fund

The cost of management to working fund ratio had stood up from 1.4 percent in 1998-99 to 0.8 percent in 2006-07; on an average is about 1.1 percent during the study period. Among the four banks TIDCCB and VIDCCB had spent more i.e., an average of 1.3 percent each. Generally, the banks operate at optimal levels as the ratios slightly differ over the state average of 1.3 percent and the optimum level of less than 1 percent. The performance of the banks under this ratio analysis is not satisfactory.

Ratio of Administrative Cost to working fund

The administrative cost to working fund ratio ranges between 3.6 percent and 0.5 percent during the study period. Among the four banks TUDCCB and KADCCB had very low it 0.6 percent and 0.8 percent and TIDCCB and VIDCCB had very higher it 3.7 percent and 2 percent during the study period. The optimum level of this ratio is more than 1 percent and the banks comply with the evidencing the satisfactory performance of the banks in the region respectively.

Ratio of Transaction Cost to Working Fund

The ratio of transaction cost to working fund had increased from 2.1 percent in 1998-99 to 1.8 percent in 2008-09; on an average it is 2.9 percent during the study period. Comparatively, the TIDCCB and VIDCCB had very high i.e., 4.6 percent and 3.5 percent than the other banks. It is to be noted that the ratio is not match with the state average of 1.1 percent. However the optimum level is 1 percent. Hence it can be concluded that the performance of the banks in this regard is not satisfactory.

Ratio of Operative Margin to Working Fund

The ratio of operative margin to working fund had moved up from -0.6 percent in 1998-99 to 0.1 percent in 2008-09. The average is -1.1 percent during the period under study. Comparatively, the TIDCCB had very less i.e., -3.0 percent than the other three banks. All the banks under study is showed the negative trend. Hence it is to be concluded that the performance of the banks in this analysis is not satisfactory. However the ratio of selected banks noticed that the banks should take necessary steps to overcome the negative one to positive.

Ratio of Risk Cost to Working Fund

The total risk cost of the selected banks had decreased from Rs. 693 lakhs in 1998-99 to Rs. 278 lakhs in 2008-09; with the average amount of Rs. 501 lakhs. The yearly average risk cost to working fund was 0.5. Comparatively, the TUDCCB has highest risk cost (2 percent). The VIDCCB has low i.e., 0.4 percent than the other three banks during the study period is not good. Hence it is to be concluded that the performance of the banks is not satisfactory.

Ratio of Miscellaneous Income to Working Fund

The miscellaneous income to working fund ratio had increased from Rs. 558 lakhs in 1998-99 to Rs.694 lakhs in 2008-09. The average per bank was Rs. 1014 lakhs during the period under study and the ratio stands at 1.0 percent. The higher ratio indicates higher income earnings by the banks. Among the four banks, the TUDCCB had the highest miscellaneous income. The ratio is at higher levels than the state average of 0.3 percent during second half of the study period which is a good sign of efficiency. It implies that the effort should be taken by the all banks to reach the optimum level of one percent. Hence it is to be concluded that the performance of the banks in this respect is satisfactory.

Ratio of Net Margin to Working Fund

Ratio of net margin to working fund indicate that the net margin of the banks in the region increased from Rs. 41.3 lakhs in 1998-99 to Rs. 833 lakhs in 2008-09 with negative figures for many years in between an average of about Rs. -884 lakhs during the study period. The average ratio stood at -0.9 percent during the period under study. Among the four banks, the KADCCB had no loss during the study period except in the year 2000-01. Any way the performance of all the banks in this respect is not satisfactory.

TABLE 1.12: WORKING FUND RATIO RESULTS

S. No	Name of the Ratios	TIDCCB		VIDCCB		TUDCCB		KADCCB	
		S	NS	S	NS	S	NS	S	NS
WORKING FUND RATIO									
1	Financial Return to working fund	S	-	S	-	S	-	S	-
2	Financial Cost to Working fund	S	-	S	-	S	-	S	-
3	Financial Margin to Working fund	S	-	S	-	S	-	S	-
4	Cost of management to Working fund	-	NS	-	NS	S	-	S	-
5	Administrative Cost to Working fund	-	NS	S	-	S	-	S	-
6	Transaction Cost to Working fund	-	NS	-	NS	-	NS	-	NS
7	Operative Margin to Working fund	-	NS	-	NS	-	NS	-	NS
8	Risk cost to Working fund	-	NS	-	NS	S	-	S	-
9	Miscellaneous Income to Working fund	-	NS	-	NS	S	-	S	-
10	Net margin to Working fund	-	NS	-	NS	-	NS	-	NS
	Total	3	7	4	6	7	3	7	3

S: Satisfactory

NS: Not Satisfactory

1.13 CONCLUSION

Invariably in all the selected DCCBs of this study conducted in the Trirunelveli Region of the Tamilnadu State TIDCCB and VIDCCB was not satisfactory and TUDCCB AND KADCCB was satisfactory were found especially with reference to position in working fund ratio. The 'KRA's (Key Result Areas) with reference to working fund ratio was not upto the mark.

1.14 SUGGESTIONS

The major income and expenditure portfolio in banking are "interested collected" and "interest paid". On the expenditure side establishment expenses (includes salary bill) contributes a major portion (or) chunk. The experience in banking industry over the last decade is that introduction of technology as reduced the man power requirements and therefore the salary bill of the banks.

REFERENCES

1. Abdul Kuddus K.A &ZakirHussain A.K, (2010), *Cooperative Credit and Banking*, Limra Publications, Janannathan Nagar, Arumbakkam, Chennai-06.
2. Fulbag Singh and Balwinder Singh, (2006) "Profitability of the Central Cooperative Banks in Punjab- A Decomposition Analysis" *Indian Cooperative Review*, Vol. No. July.2006 Pp.41-51
3. Gowthaman A. and Srinivasan T. (2010) "Effective Funds Management by the Kumbakonam Central Cooperative Bank" ", *Indian Cooperative Review,* Vol.47.No.4, April.2010.
4. Kulaindaiswamy. V, (2002), *Text Book of cooperative Management,* Arudra Academy, Coimbatore Pp.220.

5. Pandey I.M, (2006), *Financial Management,* Vikas Publishing House Pvt. Ltd., 576, Masjid Road, Jangpura, New Delh-14.
6. Peer Mohamed s and .ShazuliIbrahim S.A.N (2011), *Financial Management,* Pass Publications, 1129-1/2, Krishna Street, V.O.C. Nagar, Madurai-625 020.
7. Raja.S, (2005) "Performance Evaluation of MDCCB Ltd- An Application of Structural and Growth Analysis",*Indian Cooperative Review*, Vol.42, No.4, April 2005, Pp.356-363.
8. Ramachandran R & Srinivasan R, (2010), *Financial Management*, Sriram publications, 1-G kalyanapurm, Tennur, Trichy-17.
9. Ramachandran R & Srinivasan R, (2012), *Management Accounting,* Sriram publications, 1-G kalyanapurm, Tennur, Trichy-17.
10. Ravichandran K &Nakkiran S, (2009), *Theory and Practice of Cooperation*, Abhijeet Publications, 2/46 Tukhmeerpur Extension, Delhi-110094.
11. Seetharamu K, (2006), *Credit Management in Urban Cooperative Banks*, Shanthi Publications,180,12th 'B' Main Road, 6th Block, Rajajinagar, Bangalore-10.
12. Shashi K Gupta &Neeti Gupta, (2008), *Financial Management,* KalyaniPublisheres, 4779/23, Ansari Road, Daryagnj, New Delhi-02.
13. Surya Rao. K, (2007) "Performance of Cooperative Banking"- A study of DCCB – Eluru, Andhra Pradesh, *Indian Cooperative Review*. Vol.44. No.3, Jan.2007,Pp.209-223.
14. Vyuprakesh Sharma, (2005) *Fundamentals of financial Management,* Pearson Education (Singapore) Pvt. Ltd. Indian Branch- 482, FIE, Patparganj, Delhi 110092. India.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Computer Application & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you tosupply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mail**infoijrcm@gmail.com** for further improvements in the interest of research.

If youhave any queries please feel free to contact us on our E-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-
Co-ordinator

DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, nor its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal is exclusively of the author (s) concerned.

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals