

# Growth and Performance of Primary Cooperative Agricultural and Rural Development Banks in District Patiala

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## **Abstract**

Cooperative banking or cooperative credit societies have a very important role to play in the Indian financial system and especially in the sphere of rural finance. The first LDB was started at Jhang in Punjab in 1920. The Punjab State Co-operative agricultural and rural development bank is an Apex Bank and Primary Co-operative agricultural and rural development banks are playing a key role in meeting credit requirement of rural population at Taluka level as its member Banks. There are 89 beside two others Primary Co-operative agricultural and rural development banks in Punjab as on 31<sup>st</sup> march 2013. The present study make an attempt to evaluate the growth and performance of primary co-operative agricultural and rural development banks in District Patiala on the basis of Share Capital, Loans and Advances, Borrowings, Owned Funds and profits/ losses, Non Performing Assets and membership by applying Statistical tools Mean, Standard Deviation, Coefficient of Variation and Compounded Annual Growth Rate over the period of eight years (2005-2006 to 2012-2013). The study revealed that although overall performance of the Bank during the study period is good, but advancement of loans and advancement be improved and heed must be given to profits because growth rate of net profit is less.

## **Introduction**

Cooperative banking is a modern phenomenon that was witnessed in Germany. Cooperative banking or in other terms cooperative credit societies have a very important role to play in the Indian financial system and especially in the sphere of rural finance. Co-operate banks in India have come a long way since the enactment of the Agricultural Credit Co-operative Societies Act in 1904. The co-operative banking structure in India comprises urban co-operative banks and rural co-operative credit institutions. The long-term rural co-operative structure has two tiers, viz., State co-operative agriculture and rural development banks (SCARDBs) at the State level and primary co-operative agriculture and rural development banks (PCARDBs) at the *Taluka / Tehsil* level. However, some States have a unitary structure with the State level banks operating through their own branches; three States have a mixed structure incorporating both unitary and federal systems.

The long term structure in the Punjab state, as such, is a federal structure having State Cooperative Agricultural Development Bank as an apex institution with Primary Cooperative Agricultural Development Banks as its members. As on 31st March, 2013, there were 89 PADBs. The Punjab State Cooperative Agricultural Development Bank Limited was established on 26/02/1958 under the provisions of Punjab Cooperative Land Mortgage Banks Act, 1957. The basic objective of the bank was

to eliminate exploitations of the farmers by the money-lenders, by providing the farmers long-term loans at cheaper rates of interest, repayable in easy installments for redemption of mortgages.

The management of Primary Co-operative Agricultural Development Banks in Punjab is vested in the elected Managing committee consisting of eight members, out of which six directors out of individuals and representatives of the society members by the general body, one nominee of SADB and one nominee of the registrar. The election of the Committee shall be conducted in the manner laid down in the Act, Rules and the instructions issued by the Registrar, Cooperative Societies in this behalf from time to time. The board of directors lay down the policy guidelines regarding the working of the bank. The present study is to evaluate the Growth and performance of primary co-operative agricultural and rural development banks in District Patiala. In Patiala District there are eight primary co-operative agricultural and rural development banks namely Patiala, Derabassi, Devigarh, Ghanour, Nabha, Rajpura, Patran and Samana.

### **Objectives**

The main objectives of study are to evaluate Growth and performance of Primary co-operative agricultural development Banks in District Patiala through Average and Compounded Growth rate of Share Capital, Loans and Advances, Borrowings, Non Performing Assets, Owned Funds, Profits/ Losses and Membership of eight banks namely Patiala, Derabassi, Devigarh, Ghanour, Nabha, Rajpura, Patran, Samana and Patiala District as a whole.

### **Scope and Methodology**

The study covers a period of eight co-operative years 2005-2006 to 2012-13, data has been collected through secondary sources as annual reports of the Bank Bye-laws of the bank, Official records, Statistical Statements published by NABARD and personal discussion with the official of the bank. The analysis is made with mean value, Compounded Growth rate of Share Capital, Loans and Advances, Borrowings, Non Performing Assets, Owned Funds, Profits/ Losses and Membership to evaluate Growth and performance of each variable for eight years.

### **Share Capital**

The authorized capital of PSADB is 10, 00,000 shares of Rs.1000 each as on 31st march 2013. PADBS and State Govt. subscribe share capital of the bank. It is essential for the bank to have sufficient paid up capital to attract and serve as a guarantee for the PADBS, Depositors, NABARD and other creditors. Table 1 shows that the share capital of PADB Patiala decreased from Rs. 279.29 lacs in 2005-06 to Rs. 274.27 lacs in 2012-2013 on an average level of Rs. 277.31 lacs and registered a negative growth rate of 0.26 per cent during the period. Table 1 shows that the share capital of PADB Dera Bassi increased from Rs.140.81 lacs in 2005-06 to Rs. 275.14 lacs in 2012-2013 on an average level of Rs. 209.291 lacs and registered a growth rate of 10.04 per cent during the period. The share capital of PADB Devigarh increased from Rs. 171.37 lacs in 2005-06 to Rs. 199.60 lacs in 2012-2013 on an average level of Rs. 179.19 lacs and registered a growth rate of 2.20 per cent during the period. The share capital of PADB Ghanour increased from Rs. 115.48 lacs in 2005-06 to Rs. 139.03 lacs in 2012-2013 on an average level of Rs. 125.20 lacs and registered a growth rate of 2.69 per cent during the period. The share capital of PADB Nabha increased from Rs. 259.31 lacs in 2005-06 to Rs. 262.95 lacs in 2012-2013 on an average level of Rs. 260.92 lacs and registered a growth rate of 0.20 per cent during the period. The share capital

of PADB Rajpura decreased from Rs. 250.33 lacs in 2005-06 to Rs. 239.24 lacs in 2012-2013 on an average level of Rs. 246.39 lacs and registered a negative growth rate of 0.65 per cent during the period.

**TABLE-1**

**SHARE CAPITAL**

*Rs. in Lacs*

Year	Patiala	Dera Bassi	Devigarh	Ghanour	Nabha	Rajpura	Patran	Samana	Total
2005-06	279.29	140.81	171.37	115.48	259.31	250.33	202.19	185.56	1604.34
2006-07	279.29	149.27	172.00	116.65	259.82	253.83	202.34	186.51	1619.71
2007-08	279.14	169.01	171.71	118.28	260.02	242.16	171.09	186.51	1597.92
2008-09	278.79	199.30	171.87	119.06	260.18	243.88	202.65	186.34	1662.07
2009-10	279.14	232.31	172.64	128.00	260.44	239.05	202.68	187.15	1701.41
2010-11	274.26	246.78	179.17	133.14	262.27	248.07	202.64	191.66	1737.99
2011-12	274.26	261.67	195.18	131.95	262.36	254.53	198.97	193.39	1772.31
2012-13	274.27	275.14	199.60	139.03	262.95	239.24	196.27	180.42	1766.92
Mean	277.31	209.29	179.19	125.20	260.92	246.39	197.35	187.19	1682.83
CAGR	-0.26%	10.04%	2.20%	2.69%	0.20%	-0.65%	-0.42%	-0.40%	1.39%

Source: Annual report of Punjab State Cooperative Agricultural Development Bank limited, Chandigarh (2005-06 to 2012-13).

The share capital of PADB Patran decreased from Rs. 202.19 lacs in 2005-06 to Rs. 196.27 lacs in 2012-2013 on an average level of Rs. 197.35 lacs and registered a negative growth rate of 0.42 per cent during the period. The share capital of PADB Samana decreased from Rs. 185.56 lacs in 2005-06 to Rs. 180.42 lacs in 2012-2013 on an average level of Rs. 187.19 lacs and registered a negative growth rate of 0.26 per cent during the period. The share capital of Patiala district in total increased from Rs. 1604.34 lacs in 2005-06 to Rs. 1766.92 lacs in 2012-2013 on an average level of Rs. 1682.83 lacs and registered a growth rate of 1.39 per cent during the period.

**Loans and Advances**

Credit is the cornerstones of the banking business. The Bank provides long-term loans to the borrower members i.e. to PADBS, staff and outside borrowers. Therefore, loans and advances play an important role in gross earning of the bank. Credits are the loans and advances granted by the bank. In other words, it is the amount lent by the bank to a person or an organization, which is recovered of later on. Interest is charges from the borrower.

Table 2 shows that the loans and advances of PADB Patiala decreased from Rs. 3810.47 lacs in 2005-06 to Rs. 3662.47 lacs in 2012-2013 on an average level of Rs. 3387.90 lacs and registered a negative growth rate of 0.56 per cent during the period. The loans and advances of PADB Dera Bassi increased from Rs. 2456.22 lacs in 2005-06 to Rs. 5551.75 lacs in 2012-2013 on an average level of Rs. 4129.07 lacs and registered a growth rate of 12.36 per cent during the period. The loans and advances of PADB

Devigarh decreased from Rs. 2956.36 lacs in 2005-06 to Rs. 2447.43 lacs in 2012-2013 on an average level of Rs. 2504.20 lacs and registered a negative growth rate of 2.66 per cent during the period.

**TABLE-2**

**LOANS AND ADVANCES**

*Rs. in Lacs*

Year	Patiala	Dearbassi	Devigarh	Ghanour	Nabha	Rajpura	Patran	Samana	Total
2005-06	3810.47	2456.22	2956.36	2125.30	2998.17	5517.79	3262.62	3056.58	26183.51
2006-07	3726.47	2775.38	2763.64	2254.70	2853.18	5503.43	3128.22	3038.94	26043.96
2007-08	3382.16	3431.63	2473.85	2127.12	2763.00	5051.39	2775.74	2851.23	24856.12
2008-09	3181.06	4203.75	2402.62	2333.77	2833.03	4934.36	2538.85	2786.32	25213.76
2009-10	2911.06	4464.68	2171.15	2548.12	2897.30	4800.07	2094.95	2488.31	24375.64
2010-11	3125.36	4859.84	2171.15	2655.40	3250.86	5155.32	2006.18	2626.29	25850.40
2011-12	3384.12	5289.30	2647.36	2567.61	3766.23	5595.76	1989.71	3051.01	28291.10
2012-13	3662.47	5551.75	2447.45	2633.98	4262.38	5049.41	1806.89	3276.89	28691.22
Mean	3397.90	4129.07	2504.20	2405.75	3203.02	5200.94	2450.40	2896.95	26188.21
CAGR	-0.56%	12.36%	-2.66%	3.11%	5.15%	-1.26%	-8.10%	0.99%	01.32%

Source: Annual report of Punjab State Cooperative Agricultural Development Bank limited, Chandigarh (2005-06 to 2012-13).

The loans and advances of PADB Ghanour increased from Rs. 2125.30 lacs in 2005-06 to Rs. 2633.98 lacs in 2012-2013 on an average level of Rs. 2405.75 lacs and registered a growth rate of 3.11 per cent during the period. The loans and advances of PADB Nabha increased from Rs. 2998.17 lacs in 2005-06 to Rs. 4262.38 lacs in 2012-2013 on an average level of Rs. 3203.02 lacs and registered a growth rate of 5.15 per cent during the period. The loans and advances of PADB Rajpura decreased from Rs. 5377.79 lacs in 2005-06 to Rs. 5049.41 lacs in 2012-2013 on an average level of Rs. 5200.94 lacs and registered a negative growth rate of 1.26 per cent during the period. The loans and advances of PADB Patran decreased from Rs. 3262.62 lacs in 2005-06 to Rs. 1806.89 lacs in 2012-2013 on an average level of Rs. 2450.40 lacs and registered a negative growth rate of 8.10 per cent during the period. The loans and advances of PADB Samana increased from Rs. 3056.58 lacs in 2005-06 to Rs. 3276.89 lacs in 2012-2013 on an average level of Rs. 2896.95 lacs and registered a negative growth rate of 0.99 per cent during the period. The loans and advances of Patiala district in total increased from Rs. 26183.51 lacs in 2005-06 to Rs. 28691.22 lacs in 2012-2013 on an average level of Rs. 26188.21 lacs and registered a growth rate of 1.32 per cent during the period.

**Borrowings**

The main source of raising funds with PSCAD is by way of floatation of debentures like ordinary debentures, special debentures, NFS debentures and Un-adjusted debentures. The bank is advancing loans under the re-finance facilities of NABARD. The PADB advances loans to its members against the security of simple mortgage deeds of unencumbered agricultural land. The loans so advanced by the PADB were reimbursed by the PSCAD bank against the security of these mortgage deeds. The PSCADB in turn floats debentures/loans against these deeds.

**TABLE-3**

**BORROWINGS**

*Rs. in Lacs*

Year	Patiala	Dera bassi	Devigar h	Ghanour	Nabha	Rajpura	Patran	Samana	Total
2005-06	3693.14	2343.77	2774.10	2157.22	2192.96	5448.07	2770.20	2697.28	24076.74
2006-07	3703.62	2394.49	2509.66	2163.56	1665.25	5267.97	2546.92	2583.10	22834.57
2007-08	3362.76	3452.50	2330.33	2102.07	1706.71	5036.91	2290.27	2524.77	22806.32
2008-09	3171.06	3958.86	2292.68	2345.98	1747.20	4732.90	1917.14	2381.62	22547.44
2009-10	3097.03	4447.56	2124.15	2574.15	1963.61	4491.04	1618.37	2262.06	22577.97
2010-11	3148.79	5036.28	2127.50	2640.88	2101.36	5101.80	1522.84	1770.94	23450.39
2011-12	3438.67	5305.54	2386.03	2555.27	2865.48	5486.65	1632.98	2316.61	25987.23
2012-13	3591.03	5910.18	2155.90	2694.69	3263.89	5219.32	1570.22	2716.18	27121.41
Mean	3400.76	4106.15	2337.54	2404.23	2188.31	5098.08	1983.62	2406.57	23925.26
CAGR	-0.40%	14.13%	-3.54%	3.23%	5.85%	-0.61%	-7.79%	0.10%	1.72%

Source: Annual report of Punjab State Cooperative Agricultural Development Bank limited, Chandigarh (2005-06 to 2012-13).

Table 3 shows that the borrowings of PADB Patiala decreased from Rs. 3693.14 lacs in 2005-06 to Rs. 3591.03 lacs in 2012-2013 on an average level of Rs. 3400.76 lacs and registered a negative growth rate of 0.40 per cent during the period. The borrowings of PADB Dera Bassi increased from Rs.2343.77 lacs in 2005-06 to Rs. 5910.18 lacs in 2012-2013 on an average level of Rs. 4106.15 lacs and registered a growth rate of 14.13 per cent during the period. The borrowings of PADB Devigarh decreased from Rs. 2774.10 lacs in 2005-06 to Rs. 2155.90 lacs in 2012-2013 on an average level of Rs. 2337.54 lacs and registered a negative growth rate of 3.54 per cent during the period. The borrowings of PADB Ghanour increased from Rs. 2157.22 lacs in 2005-06 to Rs. 2694.69 lacs in 2012-2013 on an average level of Rs. 2404.23 lacs and registered a growth rate of 3.23 per cent during the period. The borrowings of PADB Nabha increased from Rs. 2192.96 lacs in 2005-06 to Rs. 3263.89 lacs in 2012-2013 on an average level of Rs. 2188.31 lacs and registered a growth rate of 5.85 per cent during the period. The borrowings of PADB Rajpura decreased from Rs. 5448.07 lacs in 2005-06 to Rs. 5219.32 lacs in 2012-2013 on an average level of Rs. 5098.08 lacs and registered a negative growth rate of 0.61 per cent during the period. The borrowings of PADB Patran decreased from Rs. 2770.20 lacs in 2005-06 to Rs. 1570.22 lacs in 2012-2013 on an average level of Rs. 1983.62 lacs and registered a negative growth rate of 7.79 per cent during the period. The borrowings of PADB Samana increased from Rs. 2697.28 lacs in 2005-06 to Rs. 2716.18 lacs in 2012-2013 on an average level of Rs. 2406.57 lacs and registered growth rate of 0.10 per cent during the period. The borrowings of Patiala district in total increased from Rs. 24076.74 lacs in 2005-06 to Rs. 27121.41 lacs in 2012-2013 on an average level of Rs. 23925.26 lacs and registered a growth rate of 1.72 per cent during the period.



**Owned Funds**

Owned funds constitute one of the sources of funds for the PADBs. Owned funds consist of share capital, reserves & surpluses and undistributed profits. The primary role of bank’s capital is to act as a buffer. It provides a cushion to absorb possible losses so that depositors may be fully protected at all times.

**TABLE-4**

**OWNED FUNDS**

*Rs. in Lacs*

Year	Patiala	Dearbassi	Devigarh	Ghanour	Nabha	Rajpura	Patran	Samana	Total
2005-06	599.03	647.90	451.26	401.58	1589.12	770.05	895.79	875.10	6229.83
2006-07	623.37	723.94	491.92	438.40	1753.41	865.88	944.65	907.74	6749.31
2007-08	661.11	826.28	540.00	472.40	1869.07	925.33	971.85	963.27	7229.31
2008-09	661.64	883.20	635.20	515.46	1989.76	1017.22	1022.80	852.09	7577.37
2009-10	772.85	970.25	634.93	537.15	2168.53	1193.76	1221.94	985.14	8484.55
2010-11	755.73	1043.33	666.58	608.54	2349.76	1283.90	1273.40	1087.80	9069.04
2011-12	737.01	1156.79	634.03	612.25	2580.81	1229.95	1325.18	1170.23	9446.25
2012-13	842.97	1265.47	653.83	680.49	2846.47	1282.85	1389.61	1138.57	10100.26
Mean	706.71	939.65	588.47	533.28	2143.37	1071.12	1130.65	997.49	8110.74
CAGR	5.00%	10.04%	5.44%	7.83%	8.685	7.56%	6.47%	3.83%	7.15%

Source: Annual report of Punjab State Cooperative Agricultural Development Bank limited, Chandigarh (2005-06 to 2012-13).

Table 4 shows that the owned funds of PADB Patiala increased from Rs. 599.03 lacs in 2005-06 to Rs. 842.97 lacs in 2012-2013 on an average level of Rs. 706.71 lacs and registered a growth rate of 5 per cent during the period. The owned funds of PADB Dera Bassi increased from Rs.647.90 lacs in 2005-06 to Rs. 1265.47 lacs in 2012-2013 on an average level of Rs. 939.65 lacs and registered a growth rate of 10.04 per cent during the period. The owned funds of PADB Devigarh increased from Rs. 451.26 lacs in 2005-06 to Rs. 653.83 lacs in 2012-2013 on an average level of Rs. 588.47 lacs and registered a growth rate of 5.44 per cent during the period. The owned funds of PADB Ghanour increased from Rs. 401.58 lacs in 2005-06 to Rs. 680.49 lacs in 2012-2013 on an average level of Rs. 533.28 lacs and registered a growth rate of 7.83 per cent during the period. The owned funds of PADB Nabha increased from Rs. 1589.12 lacs in 2005-06 to Rs. 2849.47 lacs in 2012-2013 on an average level of Rs. 2143.37 lacs and registered a growth rate of 8.7 per cent during the period. The owned funds of PADB Rajpura increased from Rs. 770.05 lacs in 2005-06 to Rs. 1282.85 lacs in 2012-2013 on an average level of Rs. 1071.12 lacs and registered a growth rate of 7.56 per cent during the period. The owned funds of PADB Patran decreased from Rs. 895.79 lacs in 2005-06 to Rs. 1389.61 lacs in 2012-2013 on an average level of Rs. 1130.65 lacs and registered a growth rate of 6.47 per cent during the period. The owned funds of PADB Samana decreased from Rs. 875.10 lacs in 2005-06 to Rs. 1138.57 lacs in 2012-2013 on an average level of Rs. 957.49 lacs and registered a growth rate of 3.83 per cent during the period. The owned funds of Patiala district in total increased from Rs. 6229.83 lacs in 2005-06 to Rs. 10100.26 lacs in 2012-2013 on an average level of Rs. 8110.74 lacs and registered a growth rate of 7.15 per cent during the period.

**Profits/Losses**

To see the overall financial position of the bank we give first look to its net profit and every bank wants to earn more profits so that they declare good divided to its member and for them their growth also. An

Year	Patiala	Dearbassi	Devigarh	Ghanour	Nabha	Rajpura	Patran	Samana	Total
2005-06	2.33	37.34	-22.50	35.53	138.73	43.85	10.75	75.15	321.18
2006-07	-156.70	15.68	-58.84	24.56	115.65	-114.97	-147.76	-94.98	-417.36
2007-08	-71.57	101.63	-49.66	11.91	109.76	66.49	-64.55	-30.27	73.74
2008-09	-2.97	31.19	-204.60	22.52	77.34	35.10	11.50	9.16	-20.76
2009-10	110.56	38.49	14.54	26.52	131.09	44.44	198.94	129.84	694.42
2010-11	141.19	48.76	54.59	-109.41	168.12	25.94	50.19	36.52	415.9
2011-12	105.77	98.18	4.49	5.79	215.24	47.78	56.23	69.53	603.01
2012-13	109.75	98.92	99.46	76.30	252.89	54.08	330.32	111.28	1133
Mean	29.80	58.77	-20.32	11.72	151.10	25.34	55.70	38.28	350.39
CAGR	-12.40%	-10.15%	-223.65%	11.54%	8.96%	3.04%	63.12%	5.77%	39.36%

analysis has been made to focus on the growth rate of profit earned during the study period.

**TABLE-5**

**PROFITS/LOSSES**

*Rs. in Lacs*

Source: Annual report of Punjab State Cooperative Agricultural Development Bank limited, Chandigarh (2005-06 to 2012-13)

Table 6 shows that the net profit of PADB Patiala increased from Rs. 2.33 lacs in 2005-06 to Rs. 109.75 lacs in 2012-2013 on an average level of Rs. 29.80 lacs and registered a negative growth rate of 12.40 per cent during the period. The net profit of PADB Dera Bassi increased from Rs. 37.34 lacs in 2005-06 to Rs. 98.92 lacs in 2012-2013 on an average level of Rs. 58.77 lacs and registered a negative growth rate of 12.40 per cent during the period. The net loss in PADB Devigarh was Rs. 22.50 lacs in 2005-06 and net profit in the year 2012-2013 was Rs. 99.46 lacs. On an average level the net loss of PADB Davigarh was Rs. 20.32 lacs and registered a negative growth rate of 223.65 per cent during the period. The net profit of PADB Ghanour increased from Rs. 35.53 lacs in 2005-06 to Rs. 76.30 lacs in 2012-2013 on an average level of Rs. 11.72 lacs and registered a growth rate of 11.54 per cent during the period. The net profit of PADB Nabha increased from Rs. 138.73 lacs in 2005-06 to Rs. 252.89 lacs in 2012-2013 on an average level of Rs. 151.10 lacs and registered a growth rate of 8.96 per cent during the period. The net profit of PADB Rajpura increased from Rs. 43.85 lacs in 2005-06 to Rs. 54.08 lacs in 2012-2013 on an average level of Rs. 25.34 lacs and registered a negative growth rate of 3.04 per cent during the period. The net profit of PADB Patran decreased from Rs. 10.75 lacs in 2005-06 to Rs. 330.32 lacs in 2012-2013 on an average level of Rs. 55.70 lacs and registered a negative growth rate of 63.12 per cent during the period. The net profit of PADB Samana increased from Rs. 75.15 lacs in 2005-06 to Rs. 111.28 lacs in 2012-2013 on an average level of Rs. 38.28 lacs and registered a growth rate of 5.77 per cent during the period. The net profit of Patiala district in total increased from Rs. 321.18 lacs in 2005-06 to Rs. 1133 lacs in 2012-2013 on an average level of Rs. 1350.39 lacs and registered a growth rate of 39.36 per cent during the period.

**Non Performing Assets**

Non-performing assets are those which can not be converted into cash or we can say these are bad debts for the bank. An asset is called non-performing when it ceases to generate income for the bank. The growth of non-performing assets in Primary Co-operative agricultural development Banks is inevitable because they give long-term loans. The success of the Bank depends upon the management of NPAs. A credit facility becomes ‘Past Due’ when it remain outstanding for 30 days after the due date, such may be treated as NPAs if interest/ installment of principal remains past due for two crop seasons in agricultural loans and two quarters or more in non agricultural loans and under federal structure.

**TABLE-6**

**NON PERFORMING ASSETS**

*Rs. in Lacs*

Year	Patiala	Dera bassi	Devigarh	Ghanour	Nabha	Rajpura	Patran	Samana	Total
2005-06	2.38	17.54	66.16	6.54	5.63	35.53	83.62	4.89	222.29
2006-07	58.79	51.53	39.28	7.69	4.27	92.10	54.86	37.42	345.94
2007-08	50.91	0.00	56.36	26.73	4.13	11.63	75.58	97.55	322.89
2008-09	0.02	59.10	94.57	8.69	18.20	49.40	6.87	0.96	237.81
2009-10	0.00	27.14	0.00	5.44	1.05	124.22	0.00	17.33	175.18
2010-11	0.00	0.00	0.00	35.33	0.00	41.03	0.00	0.00	76.36
2011-12	0.00	0.00	15.92	5.12	0.00	0.00	0.00	11.15	32.19
2012-13	0.00	0.00	34.48	5.12	0.00	34.64	0.00	0.00	74.24
Mean	14.01	19.41	38.35	12.58	4.16	48.57	27.62	21.16	185.86
CAGR	-79.67%	11.53%	-8.89%	-3.44%	-34.28%	-0.36%	-56.53%	14.73%	-14.50%

Source: Annual report of Punjab State Cooperative Agricultural Development Bank limited, Chandigarh (2005-06 to 2012-13).

The non performing assets of PADB Patiala decreased from Rs. 2.38 lacs in 2005-06 to nil in 2012-2013 on an average level of Rs. 14.01 lacs and registered a negative growth rate of 79.67 per cent during the period. The non performing assets of PADB Dera Bassi decreased from Rs. 17.54 lacs in 2005-06 to nil in 2012-2013 on an average level of Rs. 19.41 lacs and registered a growth rate of 11.53 per cent during the period. The non performing assets of PADB Devigarh decreased from Rs. 66.16 lacs in 2005-06 to Rs. 34.48 lacs in 2012-2013 on an average level of Rs. 38.35 lacs and registered a negative growth rate of 8.89 per cent during the period. The non performing assets of PADB Ghanour decreased from Rs. 6.54 lacs in 2005-06 to Rs. 5.12 lacs in 2012-2013 on an average level of Rs. 12.58 lacs and registered a negative growth rate of 3.44 per cent during the period. The non performing assets of PADB Nabha decreased from Rs. 5.63 lacs in 2005-06 to nil in 2012-2013 on an average level of Rs. 4.16 lacs and registered a negative growth rate 34.28 per cent during the period. The non performing assets of PADB Rajpura decreased from Rs. 35.53 lacs in 2005-06 to Rs. 34.64 lacs in 2012-2013 on an average level of Rs. 48.57 lacs and registered a negative growth rate of 0.36 per cent during the period. The non performing assets of PADB Patran decreased from Rs. 83.62 lacs in 2005-06 to nil in 2012-2013 on an average level of Rs. 27.62 lacs and registered a negative growth rate of 56.53 per cent during the period.



The non performing assets of PADB Samana decreased from Rs. 4.89 lacs in 2005-06 to Rs. nil in 2012-2013 on an average level of Rs. 21.16 lacs and registered a growth rate of 14.73 per cent during the period. The non performing assets of Patiala district in total increased from Rs. 222.29 lacs in 2005-06 to Rs. 74.24 lacs in 2012-2013 on an average level of Rs. 185.86 lacs and registered a negative growth rate of 14.50 per cent during the period.

**Membership**

Individual who ordinarily resides in the area of operation of Primary Cooperative Agricultural Development Bank, over 18 years of age, of sound mind and owner of a cultivator of agricultural land or landless agricultural labour within the area of operation of the Primary Cooperative Agricultural Development Bank can become member of Primary Bank . There are two types of members of PADBs in Punjab; borrowing members and non-borrowing members.

**TABLE-7**

**MEMBERSHIP**

*In Numbers*

Year	Patiala	Dearbassi	Devigarh	Ghanour	Nabha	Rajpura	Patran	Samana	Total
2005-06	15117	6617	7931	4493	14275	9616	8661	8561	75271
2006-07	15167	6745	8023	4590	14332	9771	8727	8620	75975
2007-08	14579	6910	8066	4675	14364	9786	8750	8709	75839
2008-09	14661	7110	8116	4777	14381	9908	8805	8777	76535
2009-10	14642	7250	8167	4894	14428	9971	8824	8796	76972
2010-11	14770	7384	8257	4963	14489	10007	8400	8879	77149
2011-12	14862	7384	8369	4999	14588	10067	8470	8961	77700
Mean	14828	7057	8133	4770	14408	9875	8662	8758	76492
CAGR	-0.28%	1.58%	0.90%	1.79%	0.36%	0.77%	-0.37%	0.76%	0.53%

Source: Annual report of Punjab State Cooperative Agricultural Development Bank limited, Chandigarh (2005-06 to 2012-13).

The total membership of PADB Patiala decreased from 15117 in 2005-06 to 14862 in 2011-2012 on an average level of 14828 and registered a negative growth rate of 0.28 per cent during the period. The total membership of PADB Dera Bassi increased from 6617 in 2005-06 to 7384 in 2011-2012 on an average level of 7057 and registered a growth rate of 1.58 per cent during the period. The total membership of PADB Devigarh increased from 7931 in 2005-06 to 8369 in 2011-2012 on an average level of 8133 and registered a growth rate of 0.90 per cent during the period. The total membership of PADB Ghanour increased from 4493 in 2005-06 to 4999 in 2011-2012 on an average level of 4770 and registered a growth rate of 1.79 per cent during the period. The total membership of PADB Nabha increased from 14275 in 2005-06 to 14588 in 2011-2012 on an average level of 14408 and registered a growth rate of 0.36 per cent during the period. The total membership of PADB Rajpura increased from 9616 in 2005-06 to 10067 in 2011-2012 on an average level of 9875 and registered a negative growth rate of 0.77 per cent during the period. The total membership of PADB Patran decreased from 8661 in 2005-06 to 8470 in 2011-2012 on an average level of 8662.43 and registered a negative growth rate of 0.37 per cent during the period. The total membership of PADB Samana increased from 8561 in 2005-06 to 8961 in 2011-2012 on an average level of 8758 and registered a growth rate of 0.76 per cent during the period.

The total membership of Patiala district in total increased from 73271 in 2005-06 to 77700 in 2011-2012 on an average level of 76492 and registered a growth rate of 0.53 per cent during the period.

### Conclusion

From the above study, it was analysed that the growth and performance of primary co-operative agricultural and rural development banks in District Patiala during the study period has improved manifold. The growth and performance of primary co-operative agricultural and rural development banks in district Patiala based on Share Capital, Loans and Advances, Borrowings, Owned Funds, profit has increased, and Non Performing Assets has reduced. Membership in Patiala District has also increased during the study period. The study revealed that although overall performance of the Bank during the study period is good, but advancement of loans and advancement be improved and heed must be given to profits because growth rate of net profit is less.

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