AN ANALYTICAL STUDY ON FINANCIAL PERFORMANCE OF SELECTED DISTRICT CO-OPERATIVE BANK IN UTTARAKHAND, INDIA

[1]Hema Adhikari, [2]Dr. Kamal Joshi
[1]Research Scholar, [2]Principal
[1]Commerce Department,
[1]M.B.Govt.P.G.College, Haldwani , India

Abstract : A strong banking sector is important for developing economy. The co-operative immerse nearly all cent percent villages in India. The co-operative form of organization is the ultimate organization for economically weaker sections in the country. At present highly competitive and globalized business environment, there is an urgent need of professional management for the successful controlling and managing the affairs of the co-operative banks. By improving management of deposits, number of employees, loan advances and investment operations the less efficient banks can successfully achieve efficiency in resource utilization. The study employs exploratory research design which relies on secondary data. The performance of banks is analyzed by financial ratio technique which is the most popular. The ratio is an analytical approach to the evaluation of the performance or operational scenario of banks and is a time-tested one. In this paper, an earnest attempt is made to evaluate financial performance of selected District co-operative banks through financial ratio technique. The results also provide valuable insights to policymakers and managers for improving the efficiency and management of the District co-operative banks.

***Keywords*: District co-operative bank ltd., financial performance and ratio analysis**

I. INTRODUCTION

A co-operative bank is a financial institution founded and funded by members of a given professional group or local community and sharing common interests, ideas and convictions of financial independence. All the members bring their individual financial resources into the organisation and form a joint large financial resource base, and these resources are then lent to members within the group. Thus, the owners and customers of the banks are the same people who help start this financial entity, and avail a wide range of banking and financial service activities within the group. Apart from credit related activities, co-operatives have been involved in non-credit activities such as purchase of raw materials, and marketing of products. Thus, their role in the economy is multi-faceted. While cooperatives play a major role in the rural economy of India, their urban counterparts cater to the small business and other enterprises in their respective regions.

Co-operatives are rather old institutions in India. Historically, enactment of the Credit Co-operative Societies Act way back in the year 1904 was instrumental in setting up the required legal and structural framework for the establishment of credit cooperative systems in the rural areas. Thus, these entities constitute a convenient financial mechanism for farmers to access credit and other financial services. After 1947, the expansion of cooperative banks was rapid, due mainly to government policy initiatives. The existence of a solid cooperative banking system is cited as one of the important reasons for the increased agricultural productivity in rural areas as it enabled farmers to access credit and thereby use inputs like modern agricultural implements, HYV seeds and fertilizers. After independence, the credit cooperative sector was identified by the government as a key policy instrument to reach the rural poor and therefore set up a number of committees subsequently to ensure a better and healthier cooperative movement, particularly in rural areas. Thereafter, in consonance with such an approach, financial services and other operations of the cooperatives were strengthened over time through interventions by both state and central governments, aimed at assigning an even greater role to the co-operatives in financial inclusion in the rural areas.

In this context, it is important to mention that though the co-operative institutions did receive considerable attention of the government both at the state as well as at the national level, the financial health of the co-operatives has remained bleak. Owing to this, co-operatives at the grass roots level were unable to serve the poor farmers adequately. In order to bring about reforms of the 2 cooperatives, a committee was constituted in 2004 under the chairmanship of Prof. Vaidyanathan1, which can be considered as a landmark development in this sector. This committee submitted its report in 2005 wherein it suggested an infusion of funds to the co-operatives in order to allow them to be self sustainable in future. Apart from infusion of resources, the committee also suggested a series of reform measures to be undertaken by the cooperative.

II. PRESENT STRUCTURE OF CO-OPERATIVES IN UTTARAKHAND

The structure of the co-operative institutions is divided into two tiers at the rural level. The first type consists of institutions that are involved in granting credit of short term nature, known as the short term co-operative credit societies (STCCS). STCCS consist of three categories of banks, Uttarakhand State Co-operative banks (USCB), District Central Co-operative banks (DCCB) and the Primary Agricultural Co-operative societies (PACS). The second type of co-operative institutions in rural areas is involved in lending on a long term basis. This system consists of two tiers: Uttarakhand state co-operative agriculture and rural development bank (USCARDB) at the state level and the secondary tier Primary CARDB at the block level. Uttarakhand State Co-operative Bank Ltd. (USCB) is authorized to do banking business defined in section 6 of Banking regulation Act 1949.The USCB and DCCB was registered under Co-operative Societies Act 2003 respectively. The Uttarakhand State Co-operative Bank Ltd. is presently doing its business through its 02 branches , 10 DCCBs and 759 PACS affiliated to it.

The Bank was earlier doing the lending business under Agriculture sector after issuance of guidelines from NABARD regarding non-agriculture finance. The Bank started business under non-agriculture sector from the year 2004. Nainital District Co-operative Bank Ltd. were set up in September 1957 and Udham Singh Nagar District Cooperative Bank Ltd. were registered in January 2005, respectively. Nainital District Co-operative Bank Ltd. have 33 branches, 53 PACS and Udham Singh Nagar district co-operative bank 32 branches including the headquarter and 35 PACS working banking services. The main aim of the bank is to develop the rural economy by providing rural credit for the purpose of development of agriculture and allied activities, village industries, and other productive activities in rural area.

III. A BRIEF REVIEW OF LITERATURE

The literature on co-operatives in India is quite expansive and it is not possible to discuss this literature exhaustively. A large number of authors have talked about the role of co-operatives in financial inclusion of the poor (see Lakshmi et al. 2013, Rachana 2011, Rajeev and Vani 2012), emphasizing the importance of co-operatives in reaching out to especially the poor farmers in rural areas. Many of the studies in this area are primarily survey based. For example, the study by Rachana (2011) conducted a survey in villages of Gujarat and finds that primary agricultural credit societies (PACS) comparatively have a better coverage. However, the major problem faced by the co-operatives is concerning their financial health (Rachana 2011, Veerashekharappa, Rajeev and Bhattacharjee 2014). Agarwal et al. (2012) in this context talk about the problems of co-operative banks especially focusing on the non performing assets (NPAs). Similarly focusing on West Bengal cooperatives, Rakshit et al. (2012) examines NPAs of state co-operative banks to understand whether priority sector lending is a cause of bad loans vis-à-vis non priority sector credit. Concentrating on more quantitatively rigorous methods, Bhat and Bhat (2013) applied the concept of technical efficiency to evaluate the performance of cooperative banks. Engaging on the same concept of efficiency, Chander et al. (2011) examine financial performance and efficiency in the functioning of cooperative banks in Haryana. While highlighting the inefficiency of co-operative banks it is also necessary to discuss the causes of poor performance and Mitra’s (2013) paper based on the Hoogly district of West Bengal exactly does so by focusing on causes and effects of nonperforming assets. While most of these papers concentrate on the rural co-operative banks, their urban counterpart is not neglected. Pandian et al. (2013) and a few other authors evaluate the performance of urban co-operative banks. Gnanasekaram (2012) in this context utilizes a time series analysis to forecast performance of urban co-operative banks.

The above review of literature shows that there is limited research on the importance of recent developments such as the event of initiating a revival package for the co-operatives given their poor health conditions (see Veerashekharappa, Rajeev and Bhattacharjee 2011); this work is intended to fill the gap by critically evaluating the performance of such significant programmes for the sector.

OBJECTIVES OF THE STUDY

The following objectives are formed for the purpose of the study;

1.1 To analyze the financial performance of the selected banks.

1.2 To know the progress report of District Co-operative Bank in Nainital and Udham Singh Nagar districts of the state Uttarakhand.

RESEARCH METHODOLOGY

2.1.Tools for data collection

The research article is based upon exploratory research. The secondary data were collected through annual report from District co-operative bank and such as internet, books, and journals.

2.2. Tools Statistical techniques used

The data collected for the study by using statistical tools such as average growth rate, ratios analyzed and presented in the form of tables for better understanding of the data interpretation.

2.3. Period of the study

The study covers a period of 10 years ranging from 2006- 2007 to 2015-2016.

2.4. Area covered by the study

The area covered by the study is confined to two Districts Nainital and Udham singh nagar.

LIMITATIONS OF THE STUDY

The limitations of the study are as follows

3.1 The study is made exclusively with the reference of District Co-operative bank Ltd in Nainital and Udham Singh Nagar districts of the state Uttarakhand.

3.2 The accuracy of the conclusion was limited to the accuracy of the information received from the interviewed and data available in the records.

FINDINGS

Financial Ratio Analysis

Accounting ratios are an important tool of financial statements analysis. A ratio is a mathematical number calculated as a reference to relationship of two or more numbers and can be expressed as a fraction, proportion, percentage and a number of times. When the number is calculated by referring to two accounting numbers derived from the financial statements, it is termed as accounting ratio. Ratio analysis is indispensable part of interpretation of results revealed by the financial statements. It provides users with crucial financial information and points out the areas which require investigation. Ratio analysis is a technique which involves regrouping of data by application of arithmetical relationships, though its interpretation is a complex matter. It requires a fine understanding of the way and the rules used for preparing financial statements.

1.1 Limitations of Financial Ratio Analysis

Since the ratios are derived from the financial statements, any weakness in the original financial statements will also creep in the derived analysis in the form of ratio analysis. Thus, the limitations of financial statements also form the limitations of the ratio analysis. Hence, to interpret the ratios, the user should be aware of the rules followed in the preparation of financial statements and also their nature and limitations. The limitations of ratio analysis which arise primarily from the nature of financial statements are as under

- Limitations of Accounting Data
- Ignores Price-level Changes
- Ignores Qualitative or Non-monetary Aspects
- Variations in Accounting Practices
- Forecasting

Now let us talk about the limitations of the ratios. The various limitations are:

1. Means and not the End: Ratios are means to an end rather than theend by itself.

2. Lack of ability to resolve problems: Their role is essentially indicative and of whistle blowing and not providing a solution to the problem.

3. Lack of standardised definitions: There is a lack of standardized definitions of various concepts used in ratio analysis. For example, there is no standard definition of liquid liabilities. Normally, it includes all current liabilities, but sometimes it refers to current liabilities less bank overdraft.

4. Lack of universally accepted standard levels: There is no universal yardstick which specifies the level of ideal ratios. There is no standard list of the levels universally acceptable, and, in India, the industry averages are also not available.

1.2 Classification of Ratios Financial ratios can be classified under the following four groups:

1. Capital Structural **2.** Liquidity **3.** Profitability **4.** Turnover

Liquidity Group

Liquidity ratios are calculated to measure the short-term solvency of the business, i.e. the firm's ability to meet its current obligations. These are analysed by looking at the amounts of current assets and current liabilities in the balance sheet.

Thus, all of these assets go into the liquidity calculation of a company.

- Current Ratio
- Liquid Ratio
- Absolute Liquid Ratio

I. Current Ratio

It is computed by dividing current assets by current liabilities. This ratio is generally an acceptable measure of short-term solvency as it indicates the extent to which he claims of short term creditors are covered by assets that are likely to be converted into cash in a period corresponding to the maturity of the claims.

Current assets include current investments, inventories, trade receivables (debtors and bills receivables), cash and cash equivalents, short-term loans and advances and other current assets such as prepaid expenses, advance tax and accrued income, etc.

Current liabilities include short-term borrowings, trade payables (creditors and bills payables), other current liabilities and short-term provisions.

Formula:

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Table-1 Current Ratio [Rs. in Lakhs]

Year	NDCB			USNDCB		
	CA	CL	Ratio	CA	CL	Ratio
2006-07	4868.73	334.36	14.56	6329.22	1604.81	3.94
2007-08	8919.66	4049.01	2.20	5691.35	1996.94	2.85
2008-09	11581.08	4598.68	2.52	4770.00	1959.02	2.43
2009-10	13149.94	5466.88	2.40	4414.00	2203.30	2.00
2010-11	14873.17	12728.02	1.17	5792.80	2857.38	2.02
2011-12	13249.14	14125.52	0.94	6552.10	3563.92	1.83
2012-13	13180.52	1773.88	7.43	734.58	4112.14	0.18
2013-14	9928.99	18018.51	0.55	9294.92	4604.73	2.01
2014-15	16107.26	18924.04	0.85	12081.27	4861.49	2.49
2015-16	22885.56	20308.97	1.13	1170.69	5066.36	0.23
Average	128744.05	100327.87	1.28	56830.93	32830.09	1.73

Source: Annual report of District co-operative bank ltd. , financial year 2006-07 to 2015-16

Table 1 shows the current ratio of selected co-operative banks for the study period. The current ratio was higher than the rule thumb of 2:1. A high ratio was observed in Nainital District Co-operative Bank ltd. in the year 2006-07 i.e. 14.56.

II. Quick Ratio:

It is the ratio of quick (or liquid) asset to current liabilities. The quick assets are defined as those assets which are quickly convertible into cash. While calculating quick assets we exclude the inventories at the end and other current assets such as prepaid expenses, advance tax, charges and expenses, etc. from the current assets. Because of exclusion of non-liquid current, assets it is considered better than current ratio as a measure of liquidity position of the business. It is calculated to serve as a supplementary check on liquidity position of the business and is therefore, also known as 'Acid-Test Ratio'.

Quick Ratio = Quick assets

Formula: Current Liabilities

Table-2 Liquid Ratio [Rs. in Lakhs]

Year	NDCB			USNDCB		
	LA	CL	Ratio	LA	CL	Ratio
2006-07	4764.42	334.36	14.25	6244.96	1604.81	3.89
2007-08	8845.7	4049.01	2.18	5613.98	1996.94	2.81
2008-09	11518.7	4598.68	2.50	4698.3	1959.02	2.40
2009-10	13093.56	5466.88	2.40	4344.63	2203.30	1.97
2010-11	14816.00	12728.02	1.16	5728.15	2857.38	2.00
2011-12	13173.82	14125.52	0.93	6473.04	3563.92	1.82
2012-13	13097.31	1773.88	7.38	648.26	4112.14	0.16
2013-14	9683.11	18018.51	0.54	9148.81	4604.73	1.99
2014-15	15840.59	18924.04	0.84	11889.01	4861.49	2.45
2015-16	104833.21	80018.9	1.31	54789.14	27763.73	1.97
Average	209666.42	100327.87	2.09	109578.28	32830.09	3.33

Source: Annual report of District co-operative bank ltd. , financial year 2006-07 to 2015-16

Table 2 shows the liquid ratio of selected district cooperative banks for the study period. The liquid ratio was higher than the rule thumb of 1:1. A high ratio was observed in Nainital District Co-operative Bank ltd. in the year 2006-07.i.e.14.25

IV. Absolute Liquid Ratio

In addition to computing current and quick ratio, some analysts also compute absolute liquid ratio to test the liquidity of the business. Absolute liquid ratio is computed by dividing the absolute liquid assets by current liabilities. Absolute liquid assets are equal to liquid assets minus accounts receivable and bills receivable. These assets usually include cash, cash equivalents, bank balances and marketable securities etc.

Formula:

$$\text{Absolute liquid Ratio} \quad \frac{\text{Absolute liquid assets}}{\text{Current Liabilities}}$$

Table–3 Absolute Liquid Ratio [Rs. in Lakhs]

Year	NDCB			USNDCB		
	ALA	CL	Ratio	ALA	CL	Ratio
2006-07	6331.31	334.36	18.94	2247.74	1604.81	1.40
2007-08	5759.50	4049.01	1.42	1966.65	1996.94	0.98
2008-09	6098.97	4598.68	1.33	2530.13	1959.02	1.29
2009-10	8666.85	5466.88	1.59	2864.80	2203.30	1.30
2010-11	8061.72	12728.02	0.63	3656.99	2857.38	1.28
2011-12	742.29	14125.52	0.05	3924.61	3563.92	1.10
2012-13	8053.16	1773.88	4.54	438.36	4112.14	0.11
2013-14	6939.81	18018.51	0.39	3955.21	4604.73	0.86
2014-15	9086.76	18924.04	0.48	6633.18	4861.49	1.36
2015-16	15260.11	20308.97	0.75	7253.92	5066.36	1.43
Average	75000.48	100327.87	0.75	35471.59	32830.09	1.08

Source: Annual report of District co-operative bank ltd. , financial year 2006-07 to 2015-16

Table 3 shows the absolute liquid ratio of selected district co-operative banks ltd. for the study period. The absolute liquid ratio was higher than the rule thumb of 1:2. A high ratio of observed in Nainital district co-operative bank ltd.

in the year 2006-2007 i.e. 18.94.

IV.Net Working Capital to Current liabilities
This ratio shows the relationship between net working capital and current liabilities. It shows the financing mix that is used for financing the current asset. It also reveals the equity and long-term vice versa current liability financed portion of current assets.

Formula:

$$\text{Net working capital to current liabilities} = \frac{\text{Net working Capital}}{\text{Current Liabilities}}$$

Table-4 Net working Capital to Current liabilities [Rs. in Lakhs]

Year	NDCB			USNDCB		
	NWC	CL	Ratio	NWC	CL	Ratio
2006-07	4534.37	334.36	13.56	4724.41	1604.81	2.94
2007-08	4870.65	4049.01	1.20	3694.41	1996.94	1.85
2008-09	6982.4	4598.68	1.52	2810.98	1959.02	1.43
2009-10	7683.06	5466.88	1.41	2210.7	2203.30	1.00
2010-11	2145.15	12728.02	0.17	2935.42	2857.38	1.03
2011-12	876.38	14125.52	0.06	2988.18	3563.92	0.84
2012-13	11406.64	1773.88	6.43	3377.56	4112.14	0.82
2013-14	8089.52	18018.51	0.45	4690.19	4604.73	1.02
2014-15	2816.78	18924.04	0.14	7219.78	4861.49	1.49
2015-16	2576.59	20308.97	0.13	3895.67	5066.36	0.77
Average	51981.54	100327.87	0.52	38547.3	32830.09	1.17

Source: Annual report of District co-operative bank ltd. , financial year 2006-07 to 2015-16

Table 4 describes the net working capital to current liability of selected District co-operative banks during the study period of 2006-2007 to 2015-2016. The ratio various from 13.56 to 0.13 times in NDCB, 2.94 to 0.77 times in USNDCB. The highest ratio (13.56) was observed in Nainital district co-operative bank in the year 2006-2007.

V.Net Working Capital to Net Worth
The purpose of this ratio is to show the proportion of the proprietor's fund invested in net working capital. The higher the proportion the higher will be the amount of owner's funds invested in net working capital as a cover for long-term debts. The lower proportion will be the amount of owner' funds invested in net working capital.
Formula:

$$\text{Net working capital to Net Worth} = \frac{\text{Net working Capital}}{\text{Net Worth}}$$

Table-5 Net Working Capital to Net Worth [Rs. in Lakhs]

Year	NDCB			USNDCB		
	NWC	NW	Ratio	NWC	NW	Ratio
2006-07	4534.37	8207.86	0.55	4724.41	16606.6	0.28
2007-08	4870.65	8618.17	0.57	3694.41	17475.86	0.21
2008-09	6982.4	8983.48	0.78	2810.98	19003.58	0.15
2009-10	7683.06	8911.88	0.86	2210.7	21194.71	0.10
2010-11	2145.15	12419.69	0.17	2935.42	22556.31	0.13
2011-12	876.38	12449.75	0.07	2988.18	24767.95	0.12
2012-13	11406.64	12594.66	0.91	3377.56	27856.17	0.12
2013-14	8089.52	15557.69	0.52	4690.19	31542.71	0.15
2014-15	2816.78	16690.59	0.17	7219.78	35065.68	0.21
2015-16	2576.59	17339.09	0.15	3895.67	38151.37	0.10

Average	51981.54	121772.86	0.43	38547.3	254220.94	0.15

Source: Annual report of District co-operative bank ltd. , financial year 2006-07 to 2015-16

Table 5 describes the net working capital to net worth of selected District co-operative banks ltd. during the study period of 2006-07 to 2015-2016. The ratio varies from 0.55 to 0.15 times in NDCB, 0.28 to 0.10 times in USNDCB. The highest ratio (0.91) was observed in Nainital district co-operative bank in the year 2012-2013.

VI. Cash Ratio

The cash ratio or cash coverage ratio is a liquidity ratio that measures a firm's ability to pay off its current liabilities with only cash and cash equivalents. The cash ratio is much more restrictive than the or quick ratio because no other current assets can be used to pay off current debt–only cash.

Formula:

$$\text{cash Ratio} = \frac{\text{Cash+ Cash Equivalents}}{\text{Current Liabilities}}$$

1.1 Cash to Current Assets Ratio

This ratio indicates the relationship between cash and current assets. It is said the cash in a well-financed company should not be less than 5% to 10% of current assets. It helps to determine the minimum level of cash in current assets could be caused due to reduction of credit.

Formula:

$$\text{cash Ratio} = \frac{\text{Cash}}{\text{Current Assets}}$$

Table– 6 Cash to Current Assets Ratio [Rs. in Lakhs]

Year	NDCB			USNDCB		
	Cash	CA	Ratio	Cash	CA	Ratio
2006-07	2008.92	4868.73	0.41	2247.74	6329.22	0.36
2007-08	2063.17	8919.66	0.23	1966.65	5691.35	0.35
2008-09	3548.53	11581.08	0.31	2430.20	4770.00	0.51
2009-10	4156.00	13149.94	0.32	2764.88	4414.00	0.63
2010-11	3334.83	14873.17	0.22	3557.07	5792.80	0.61
2011-12	272.22	13249.14	0.021	3824.68	6552.10	0.58
2012-13	3378.68	13180.52	0.26	428.37	734.58	0.58
2013-14	3265.80	9928.99	0.33	3855.29	9294.92	0.41
2014-15	4469.01	16107.26	0.27	6533.26	12081.27	0.54
2015-16	4651.83	22885.56	0.20	7153.99	1170.69	6.11
Average	31148.99	128744.05	0.24	34762.13	56830.93	0.61

Source: Annual report of District co-operative bank ltd. , financial year 2006-07 to 2015-16

Table 6 describes the cash to current asset ratio of selected District co-operative banks ltd. during the study period of 2006-2007 to 2015-2016. The ratio varies from 0.41 to 0.20 times in NDCB, 0.36 to 6.11 times in USNDCB. The highest ratio (6.11) was observed in Udhamsingh nagar District co-operative bank ltd. in the year 2015-2016.

VII. Debtors To Current Assets Ratio

The ratio explains is also one of the portions in the current assets. It says the amount receivables per rupee of current asset investment and its size in current assets. By making a comparison over a period of years, we can know the firms changing policies with regard to the level of receivables in working capital.

Formula:

$$\text{Debtors To Current Assets Ratio} = \frac{\text{Debtors}}{\text{Current Assets}}$$

Table-7 Debtors To Current Assets Ratio [Rs. in Lakhs]

Year	NDCB			USNDCB		
	Debtors	CA	Ratio	Debtors	CA	Ratio
2006-07	134.76	4868.73	0.03	159.61	6329.22	0.025
2007-08	304.19	8919.66	0.034	58.095	5691.35	0.01
2008-09	513.44	11581.08	0.04	419.96	4770.00	0.09
2009-10	1087.40	13149.94	0.08	153.90	4414.00	0.03
2010-11	1426.09	14873.17	0.09	242.09	5792.80	0.04
2011-12	1598.25	13249.14	0.12	616.42	6552.10	0.09
2012-13	1937.65	13180.52	0.15	1222.09	734.58	1.66
2013-14	2031.87	9928.99	0.20	31.53	9294.92	0.003
2014-15	1575.69	16107.26	0.10	143.49	12081.27	0.012
2015-16	1982.50	22885.56	0.087	74.89	1170.69	0.064
Average	12591.84	128744.05	0.10	3122.075	56830.93	0.055

Source: Annual report of District co-operative bank ltd. , financial year 2006-07 to 2015-16

Table 7 describe the deposit to current asset ratio of selected District co-operative banks ltd. during the study period of 2006-2007 to 2015-2016. The ratio varies from 0.03 to 0.087 times in NDCB, 0.025 to 0.064 times in USNDCB. The highest ratio (1.66) was observed in Udhamsingh nagar district co-operative bank ltd. in the year 2012-2013.

CONCLUSION

The current ratio was higher than the rule thumb of 2:1. A high ratio was observed in Nainital district cooperative bank ltd. in the year 2006-07 i.e. 14.56. The liquid ratio was higher than the rule thumb of 1:1. A high ratio was observed in Nainital district co-operative bank ltd. in the year 2006-07.i.e.14.25. The absolute liquid ratio was higher than the rule thumb of 1:2. A high ratio of observed in Nainital district co-operative bank ltd. in the year 2006-2007 i.e. 18.94. The net working capital to current liability ratio various from13.56 to 0.13 times in NDCB, 2.94 to 0.77 times in USNDCB. The highest ratio (13.56) was observed in Nainital district co-operative bank in the year 2006-2007. The net working capital to net worth ratio varies from 0.55 to 0.15 times in NDCB, 0.28 to 0.10 times in USNDCB. The highest ratio (0.91) was observed in Nainital district co-operative bank in the year 2012-2013. The cash to current asset ratio varies from 0.41 to 0.20 times in NDCB, 0.36 to 6.11 times in USNDCB. The highest ratio (6.11) was observed in Udham Singh Nagar District co-operative bank ltd. in the year 2015-2016. The debtors to current asset ratio varies from 0.03 to 0.087 times in NDCB, 0.025 to 0.064 times in USNDCB. The highest ratio (1.66) was observed in Udham Singh Nagar district co-operative bank ltd. in the year 2012-2013.

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