INTRODUCTION

In India, the PACS has widest network that has covered almost every corner of the country even where the other financial institutions could not be reached. These societies at village level are meant for the basic needs of farmers regarding provision of requisite production and investment credit, supply of agricultural inputs, daily required commodities viz., kerosene, jowar, wheat, sugar, edible oil, etc. agricultural implements and tools, warehousing facilities, marketing of agricultural produce and disbursement of consumption credit. Thus, the PACS are playing multifarious role in upliftment of agricultural sector in general and agrarian community in particular (Reddy et al., 2004). The present study was undertaken to evaluate the performance of PACS in Amravati district. It will provide useful information relating to the growth and performance of PACS. It will also help to evaluate the economic viability of PACS for formulating the policies for their better performance in the future.

MATERIALS AND METHODS

For present study Amravati district was selected purposively. Out of 14 Tahsils of Amravati district, the highest number of societies were in Daryapur Tahsil i.e. 79 followed by Warud Tahsil i.e. 63. Therefore, Daryapur Tahsil was selected for the present study. The list of Primary Agricultural Credit Co-operative Societies (PACSs) in this Tahsil was obtained from the Office of the Assistant Registrars and Dekharekh Sanghs (Co-operative Society). All the PACS from Daryapur Tahsil were selected purposively. The secondary data pertaining to the period of 10 years from 2000-01 to 2009-10 on different performance indicators such as number of members, share capital, deposit, etc. were collected. The study showed an overall significant growth in total number of members, share capital, deposits, working capital and reserve fund. The total working capital was tremendously, decreased by 35.07 per cent over the base year. The rise in working capital was not been sound and had striking due to fluctuation of borrowing and some contribution made by reserve funds. The total overdues were decreased by 55.69 per cent. The compound growth rate in total overdues were negative and significant at 14.64 per cent over the entire period.

ABSTRACT

The study was conducted in Daryapur Tahsil of Amravati district considering highest number of PACS in this Tahsil i.e. 79. The present study was based on secondary data, covering the period of 10 years from 2000-01 to 2009-10. The secondary data were collected on different performance indicators such as number of members, share capital, deposit, etc. The per annum compound growth rates (CGRs) were computed for each aforesaid indicator. The study showed an overall significant growth in total number of members, share capital, deposits, working capital and reserve fund. The total working capital was tremendously, decreased by 35.07 per cent over the base year. The rise in working capital was not been sound and had striking due to fluctuation of borrowing and some contribution made by reserve funds. The total overdues were decreased by 55.69 per cent. The compound growth rate in total overdues were negative and significant at 14.64 per cent over the entire period.
A.Y. WADAR, G.N. KARPE, U.S. SHINGANE and V.S. WAGH

The annual Compound Growth Rate (CGR) was obtained by the following formula:

\[ r = \text{Antilog} (b-1) \times 100 \]

The present changes in selected indicators over the base year (2000-01) to terminal year (2009-10) were estimated with a view to assess the growth in quantitative terms in selected performance indicators such as membership, share capital etc.

RESULTS AND DATA ANALYSIS

Performance of PACS in selected Tahsil of Amravati district are presented in Table 1. It is revealed from the table that the total members in all PACS had steadily increased during the study period. The number of members has increased in Daryapur Tahsil which rose from 31494 in 2000–01 to 35474 during 2009–10. The per cent increase in Daryapur Tahsil was observed 12.64 per cent. Analysis of compound growth rate for membership in the Daryapur Tahsil shows that during period I it was 1.05 per cent which was positively significant at one per cent level of significance. During the period II, the compound growth rate was 1.94 per cent and statistically positively significant at five per cent level. The magnitude of compound growth rate for membership has increased in the period II as compared to period I. The membership has shown significant increase at 1.08 per cent level of significance. The membership of PACS in Daryapur Tahsil has grown at slower rate during period II compared to period I. The membership shows significant growth in study period and these findings are in agreement with Reddy Ramchandra (1995).

There was an increase in share capital from Rs. 198.55 lakhs in the year 2000–01 to Rs 312.96 lakhs during 2009–10 with an increase of 57.62 per cent over the base year. All the societies had indicated significant positive increment in share capital with highest magnitude of 6.75 per cent over the period II. During period I compound growth rate was 4.33 which was positively significant at five per cent level. During period II share capital has increased with compared to period I. Share capital has shown significant increase at 4.25 per cent over entire period at one per cent level of significance. The similar results were obtained by Goyal et al. (2006), that growth in share capital was significant throughout the study period.

The examination of the results in table clearly indicated that there was increment in loans disbursed by PACS in Daryapur Tahsil from Rs. 545.73 lakhs to Rs. 730.53 lakhs during base to terminal year with an increase of 33.86 per cent over base year. The compound growth rate during period I was 52.88 which was negatively non-significant at ten per cent level of significance. During period II compound growth rate was 12.18 which was negatively significant at ten per cent level. The working capital showed 6.21 per cent compound growth rate which was negatively significant at one per cent level of significance.

The results depicted in Table 1 showed that the
PACS in Daryapur Tahsil had total loan recovery of Rs. 304.27 lakhs to Rs. 659.72 lakhs during base year to terminal year with 116.83 per cent change over the base year. The highest positive and non-significant per annum growth in loan repayment was 32.89 per cent registered in period II. During period I was 17.52 per cent which was negative and non-significant growth. Entire period had showed 4.03 per cent magnitude of compound growth rate which was positively non-significant.

It is noted from the table that the loan outstanding was decreased from Rs. 1208.79 lakhs to Rs. 831.63 lakhs during year 2000 – 01 to 2009 – 10. The per cent decrease was 31.20 per cent over the base year. In case of total loan outstanding the PACS in Daryapur Tahsil registered negative and significant growth rate of 5.15 per cent at one per cent level of significance per annum during entire period of study. During period I per annum growth rate was 5.57 per cent which was negative and non-significant also. Period II registered negative and non-significant growth rate at 4.22 per cent. Period II showed increase in per annum growth rate compared to period I.

The growth in total loan demand as was negatively and non-significant decrease at 11.16, 6.81 and 8.47 per cent per annum in Daryapur Tahsil was observed during period I, II and entire period, respectively. The total overdues were tremendously decreased from Rs. 502.48 lakhs in 2000 – 01 to Rs. 222.66 lakhs during 2009-10 with the decrease of 55.69 per cent over the base year. The growth in total overdues was negative and significant at 14.64 per cent for entire period. Period I showed positive and non-significant annum growth rate of 12.52 per cent magnitude while period II showed negative and non-significant growth rate of 23.87 per cent in a Daryapur Tahsil.

Conclusion:
A significant growth was observed in the important economic indicators of the PACS such as share capital, deposits, working capital and reserve fund. The lower amount of reserve fund in the societies in signals their poor net profit and higher amount of overdues in the earlier years as compared to last year of the study. The rises in the working capital of these societies were not been sound and had striking during the study period. It is much due to fluctuations of borrowing as well as some contribution made by reserve funds. The amount of deposit and reserve fund were relatively much lower in comparison to working capital. In respect of credit disbursement, the amount of short term and medium term credit disbursement to member was not adequate also. Loan disbursement showed negative and non-significant growth during the entire period of study. It was concluded that all the societies showed poor performance in respect of loan repayment throughout the study period. The amount of overdues of the PACS in Daryapur Tahsil was found higher due to defaults by the borrowers and low amount of loan repayment.

Authors’ affiliations:

A.Y. WADAR AND G.N. KARPE, Department of Agricultural Economics and Statistics, Shri Shivaji Agriculture College, AMRAVATI (M.S.) INDIA.

V.S. WAGH, Department of Extension Education, Shri Shivaji Agriculture College, AMRAVATI (M.S.) INDIA.

**LITERATURE CITED**

