Research Paper

Performance of primary agricultural credit co-operative societies in Amravati district

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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

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, reserve fund, total deposits, working capital, loan disbursement, loan overdues were collected. In tabular analysis, percentage change over year regarding various development indicators were computed. To assess the growth of all PACS, compound growth rates were worked out for different performance indicators over the period of 10 years from 2000-01 to 2009-10. The compound growth rates were computed over period I (2000-0 to 2004-05), period II (2005-06 to 2009-10), entire period (2000-01 to 2009-10). The compound growth rates were calculated by fitting the exponential function given below:

$$Y = AB^t$$

where,

Y =   Magnitude of selected indicator (s)