

EXECUTIVE SUMMARY OF THE MINOR RESEARCH PROJECT.

TITLE OF THE PROJECT: “SOCIO ECONOMIC DEVELOPMENT OF ERNAKULAM DISTRICT ; ROLE OF ERNAKULAM DISTRICT CO-OPERATIVE BANK.”

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INTRODUCTION

Banks play a major role in the economic development process. The progress of a country’s economy depends upon the efficient functioning of the banking system. The banking scenario is presently undergoing a radical transformation in the wake of liberalization, globalization of economy.

The Ernakulam District Co-operative Bank (EDCB) serves mainly the needs of people in Ernakulam District in the field of agriculture, education, business, industry and so on in rural and urban areas. It is the major agency which provides financial assistance to the rural and urban people in Ernakulam District. It mobilizes savings of the people, and also provide various types of loans to different categories for socio-economic development purposes. The significant catalytic role of credit and institutional loan structure in the process of accelerating the pace of socio-economic development, the District Co-operative Banks constitute the main segment of Indian co-operative movement. The District Co-operative Banks with their wide organizational network are providing required investment support for socio-economic development of a state not only in rural but also in urban areas. The Ernakulam District Co-operative Bank purports a number of developmental schemes for the sustainable development of Ernakulam District. Generally, developmental schemes are grouped into socio development schemes and economic development schemes. The major socio

development schemes provided by the bank are education loan, housing loan, medical ordinary loan and infrastructure development loan. The Ernakulam District Co-operative Bank substantially contributes to the entire people in Ernakulam District by undertaking diversified economic development schemes.

Objectives of the study.

- a) To study the functioning of Ernakulam District co-operative bank.
- b) To assess and analyze the role of District Co-operative Bank in socio-economic development of Ernakulam District through various socio-economic development schemes.
- c) To analyze and interpret the beneficiaries awareness towards socio economic development schemes and the most preferred schemes of beneficiaries.
- d) To suggest measures to improve the role of DCB in the socio-economic development of Ernakulam District .

Research methodology

The investigator selected 10 leading bank branches in total comprising of five urban and five rural branches with the consultation of bank officials. The sample size used for the study was 320 respondents which were chosen from both the rural as well as from the urban areas of Ernakulam District, Kerala. Out of 320 respondents, 160 respondents were selected from rural areas and another 160 selected from urban areas on the basis of random sampling method. The data was collected by administering a questionnaire among these respondents.

For data analysis and interpretation purpose, appropriate statistical tools have been used. Multi sourced data were tabulated and analyzed using statistical tools, such as, growth index, average growth index, Garrett's ranking technique, Mean and Standard Deviation .Moreover master tables, sub-tables, chi-square analysis were also used for analysis of data. Chi-square test is used for testing the hypothesis.

Findings of the study.

Based on the Role of District Co-operative Bank in Socio Economic Development Schemes:

1. Education and Housing loan are the notable socio development schemes. But agriculture and Business loan are the best economic development schemes.
2. Medical Ordinary Loan depicts a high percentage of 72.22 in the year 2010-11 ,but 'Ordinary Loan for Traders' leading in 2011 -2012.
3. The infrastructure development loan shows the biggest in 2010-11 and 'vehicle loan' shows the highest in 2009-2010.
4. On analyzing the overall comparison of economic development schemes 'Business loan' is considered the top position and 'Agriculture loan' occupies the second position. But in socio development schemes, Housing loan is the top and Infrastructure development loan occupies the second.

Based on the Beneficiaries Awareness towards Socio-Economic Development Schemes:

- In this study the rural respondents have more high level awareness (i.e. 53.3%) than the urban respondents (i.e. 46.7%) under socio development schemes.
- It is evident that under economic development schemes, out of 31 beneficiaries with high level awareness, a major portion of 61.3 per cent belongs to urban area.
- In both the socio and economic development schemes, high level of awareness exists to the extent of 58.3 per cent among the urban respondents.
- Regarding age-wise distribution, a major portion of high level awareness respondents' fall in '40 to 50 years' in socio development schemes. In economic development schemes, it is '30 to 50 years'. Under both schemes, it falls in '30 to 40 years'.

- In the sex-wise distribution, the male respondents have more high level awareness than the female.
- The awareness according to education-wise distribution shows that the respondents having 'up to graduation' have a high level of awareness than 'above graduation'.
- Under occupation-wise distribution, the 'government and private employee' accounts high level awareness in socio development schemes. In economic development schemes, it is 'agriculture and business'.
- The awareness among respondents under various income category indicates that the respondents having monthly income between Rs.10,000 and Rs.20,000 have more high level awareness under socio as well as economic development schemes.
- High level awareness, relates to family size of '4 to 6 members' under socio development schemes. But in economic development, 'up to 3 members' category . Under both schemes, it exists '4 to 6 members' category .
- The favorite socio development schemes of beneficiaries with the help of Garrett's ranking technique are – housing loan, infrastructure development loan respectively. But in economic development schemes, it is ranked in 'business loan' and agriculture loan'.

Suggestions

Proper steps should be taken by the DCB, Govt. and policy makers to improve the role of DCB in the Socio Economic development of Ernakulam District. Proper awareness campaign, new socio economic development schemes, enhancement of loan amount, simplify the formalities of loan etc. should be considered by the bank. Govt. should be implemented the following such as, offer subsidies, proper advertisement, no political interference,

moderate interest rate etc. Finally supervision and follow up procedure should be improved for various schemes.

CONCLUSION

The Ernakulam District Co-operative Bank plays a prominent role for the socio-economic development of the Ernakulam District. It is made available for the common man to have an investment in co-operative bank and also assessable to the rural people in Ernakulam District to avail different loans from the District Co-operative Bank. The study made an attempt to evaluate loans provided by the bank, to analyze the role of the bank in the socio economic development of Ernakulam District. Thus it is clear that the performance of Ernakulam District Co-operative Bank makes strengthen further for the socio economic development of Ernakulam district.