



“A STUDY ON CUSTOMER SATISFACTION TOWARDS GOVERNMENT SCHEMES AND SUBSIDIES FOR START-UPS IN COOPERATIVE BANKING SECTORS”

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Abstract

Co-operative banks play vital role in providing banking services to common man in their area of co-operation. A small depositor or a small borrower feels comfortable in dealing with the local staff of cooperative bank than to the staff of nationalized banks and private sector banks. Banking is the life blood of Indian economy. Banking has three types of sectors, which provide finance to different sectors i.e. private sector, public sector and co-operative sector. The co-operative banking sector in India plays an important role in expanding rural economy as well as banking structure and its services to the last man of the society. The co-operative banking structure has developed very fast in India but still it lags in so many things like ideal liquidity position due to NPA of customer as well as staff, modernization of banking structure etc.

Key words: *Customer opinion and satisfaction, Facilities, Services, Depositor.*

Methodology: In this study Descriptive Research design was undertaken to classify the account holders in co-operative banks. The key aspect of the questionnaires to be studied was identified from the preliminary interview with account holders and the questionnaire was redrafted in the light of their comments. Data were collected from two sources of primary and secondary sources. For the research Random Sampling Technique was used to select the respondents. This study period of one year and area covered by Dharmapuri Town at Sample size was restricted to 200 respondents.

Findings: Finding of this study Majority of the respondents have stated that the all facilities are highly satisfied.

Originality: In conclusion, the cooperative banks has to keep in mind the mantra that “ Customer is the King” and banks exist to serve them and should practice range of service that fulfil customers expectations.

Introduction

Co-operative banking is retail and commercial banking organized on a cooperative basis. The Ministry of Cooperation, since its inception on 6th July 2021, has taken many initiatives to strengthen and deepen the cooperative movement at the grassroots level including steps for ease of doing business for various stakeholders of the cooperative sector, such as “Model Bye-Laws for PACS making them multipurpose, multidimensional and transparent entities”, “Establishing New Multipurpose PACS/ Dairy/ Fishery Cooperatives in uncovered Panchayats”, “World’s Largest Decentralized Grain Storage Plan in Cooperative sector”, “Computerization of the offices of Registrar of Cooperative Societies of States/ UTs”, “Computerization of Agriculture and Rural Development Banks (ARDBs)”, “Computerization of functional Primary Agricultural Credit Societies (PACS)”, “National Cooperative Database”, “Amendment of the Multi-State Cooperative Societies (MSCS) Act, 2002”, “Reliefs to Cooperative Societies in the Income Tax Act”, “Initiatives for revival of Cooperative Sugar Mills”,



“Establishment of three new national-level multi-state cooperative societies for seed, organic products and exports”, etc.

Definition Co-operatives Bank

A bank that holds deposits makes loans and provides other financial to cooperatives and member-owned organizations. Also known as Banks for Co-operatives.

Review of Literature

A.H Sequeira (2012): Customer Services in Co-Operative Banks: May 25, 2012 in this research paper, an attempt was made to address the issues related to customer satisfaction and quickness of transactions in co-operative banks. The customer satisfaction was measured through a questionnaire. The customer service was evaluated on both objective and subjective basis. The questionnaire also included investigation of bank employees' attitude and the facilities offered by the banks. It is clear from the survey results that the customer services are reasonably satisfactory.

Dutta and Basak (2008) suggested that Co-operative banks should improve their recovery performance, adopt new system of computerized monitoring of loans, implement proper prudential norms and organize regular workshops to sustain in the competitive banking environment

Statement of the Problem

As there are immense opportunities of the co-operative banking in India. This study is on the issues and challenges in the co-operative banking because of the competition of the varies banks and the customer satisfaction of the services which the banks are providing and at the same time to solve the complaints of the customer and maintaining the sound relationship for the future and by this way to estimate the future growth of the co-operative banking. So, the study also concentrates on customer's opinion towards co-operative banking services and finally offering suggestions to overcome the problems and tapping the potentiality of the co-operative banking service.

Objectives of the Study

1. To Assess The Customer's Opinion Towards Banking Services of Co-Operative Banks In Dharmapuri Town.
2. To Study The Level of Awareness And Satisfaction About The Co-Operative Bank Credits Among The Members of Co-Operative Banks.
3. To Analysis The Factors That Influence The Utilization of The Service of Co-Operative Banks By Its Customers And Also By Those Who Avail Loans.
4. To Ascertain The Opinion of The Members About The Credit Facilities And Repayment of Loan.
5. To Identity The Varies Problem Faced By The Members Involving And Repayment of Loan.
6. To Suggest Measures to improve the services of co-operative banks.

Methodology

The methodology adopted for the study is presented in this chapter. The theoretical perspectives discussed in the first chapter, the reviews of relevant litterateurs, the objectives and hypotheses developed, from the basis for the formulation of the research methodology adopted in this investigation. The major purpose of this investigation is to study on customer's opinion towards co-operative banking services.



Research Design

1. Research design is simply the frame work or plan for the study. Used as a guide in collecting and analyzing data.
2. In this study Descriptive Research design was undertaken to classify the account holders in co-operative banks.

Research Instrument: The key aspect of the questionnaires to be studied was identified from the preliminary interview with account holders and the questionnaire was redrafted in the light of their comments.

Data Collection: Data were collected from two sources namely primary and secondary sources.

1. **Primary Data Collection:** The primary data were collected by means of survey. It was collected from different customers through observation and questionnaire in interview schedule
2. **Secondary Data Collection:** This data were collected from books, banks websites, journals, and magazines.

Sampling Technique: For the research Random Sampling Technique was used to select the respondents.

Period of the Study: The data used for the purpose of analysis of this study were collected for a period of 2025.

Area of the Study: The area covered under the study is in Dharmapuri Town.

Sample Size: Sample size was restricted to **200** respondents.

Sample Method: For this research Simple Random Sampling has been used.

Techniques Used For Analysis

The techniques used. Namely simple percentage method, cumulative percentage, and Chi-Square test, t-Test and Two-Way ANOVA table.

Hypotheses Adopted For the Study

The hypotheses are formulated by considering the objectives of the study, the research's theoretical knowledge, discussion and deliberations with expert's in the field and from other research studies. The following are the null and alternative hypotheses classified based on objectives of the study:

Hypotheses Related To Based On Awareness and Satisfaction Level of Banks Facilities

1. H_0 : There is no significant difference in the respondents 'opinion based on awareness and satisfaction level of banks facilities.
2. H_1 : There is significant difference in the respondents 'opinion based on awareness and satisfaction level of banks facilities.

Hypotheses Related To Overall Opinion on These Banks

- H_0 : There is no significant difference in the respondents 'overall opinion on these banks
 H_1 : There is significant difference in the respondents 'overall opinion on these banks

These hypotheses are subjected to appropriate statistical tests which are elaborated in the analysis chapter.



Limitation of the Study

1. The field survey was conducted only in Dharmapuri Town of Tamil Nadu.
2. The present study is based on the selected 200 sample only. As the size of the sample selected is very small, the limitation of small sample is applicable.

Theoretical Background

The Government of India encourages farmers in taking up projects in select areas by subsidizing a portion of the total project cost. All these projects aim at enhancing capital investment, sustained income flow and employment areas of national importance.

NABARD has been a proud channel partner of the Government in some of these schemes shown in this section. Subsidy as and when received from the concerned Ministry is passed onto the financing banks.

Farm Sector

1. New Agricultural Marketing Infrastructure (AMI) sub scheme of ISAM.
2. Agri Clinics and Agri Business Centres Scheme (ACABC).
3. Scheme for Extending Financial Assistance to Sugar Mills for Enhancement and Augmentation of Ethanol Production Capacity.
4. Interest Subvention Scheme.
5. National Livestock Mission - Entrepreneurship Development & Employment Generation (NLM-EDEG) (Closed/Temporarily Closed).
6. Dairy Entrepreneurship Development Scheme (DEDS) (Closed/Temporarily Closed).
7. Commercial production units of organic inputs - National Project on Organic Farming (NPOF) (Closed/Temporarily Closed).

Off Farm Sector

1. Stand-Up India.
2. Special Credit Linked Capital Subsidy Scheme (SCLCSS) .

Brief of 54 Initiatives Taken By the Ministry of Cooperation

Ministry of Cooperation, since its inception on 6th July 2021, has undertaken several initiatives to realize the vision of “Sahakar-se-Samridhi” and to strengthen & deepen the cooperative movement from Primary to Apex level Cooperatives in the country. The list of initiatives taken and progress made so far are as follows:

A. Making Primary Cooperatives Economically Vibrant and Transparent

1. Model Bye-Laws for PACS making them multipurpose, multidimensional and transparent entities.
2. Strengthening of PACS through Computerization .
3. Establishing New Multipurpose PACS/ Dairy/ Fishery Cooperatives in uncovered Panchayats.
4. World’s Largest Decentralized Grain Storage Plan in the cooperative sector.
5. PACS as Common Service Centers (CSCs) for better access to e-service.
6. Formation of new Farmer Producer Organizations (FPOs) by PACS.
7. PACS given priority for Retail Petrol/ Diesel outlets.
8. PACS given permission to convert bulk consumer petrol pumps into retail outlets.
9. PACS eligible for LPG Distributorship for diversifying its activities.



10. PACS as PM Bharatiya Jan Aushadhi Kendra for improving access to generic medicines at the rural level.
11. PACS as Pradhan Mantri Kisan Samridhhi Kendras (PMKS).
12. Convergence of PM-KUSUM at PACS level.
13. PACS to carry out O&M of rural piped water supply schemes (PWS).
14. Micro-ATMs to Bank Mitra Cooperative Societies for providing doorstep financial services.
15. Rupay Kisan Credit Card to Members of Milk Cooperatives.
16. Formation of Fish Farmer Producer Organization (FFPO).

B. Strengthening the Urban and Rural Cooperative Banks.

C. Relief to Cooperative Societies in the Income Tax Act.

D. Revival of Cooperative Sugar Mills.

E. Three new National Level Multi-State Societies

1. New National Multi-State Cooperative Seed Society for certified seeds.
2. New National Multi-State Cooperative Organic Society for organic farming.
3. New National Multi-State Cooperative Export Society for promoting exports.

F. Capacity Building in Cooperatives

1. Promotion of training and awareness through National Council for Cooperative Training (NCCT).
2. Establishment of a Cooperative University.

G. Use of Information Technology for 'Ease of Doing Business'

1. Computerization of the Central Registrar's Office.
2. Scheme for computerization of office of RCSs in States and Union Territories.
3. Computerization of Agriculture and Rural Development Banks (ARDBs).

H. Other Initiatives

1. New National Cooperative Database for authentic and updated data repository.
2. Formulation of New National Cooperative Policy.
3. Multi-State Co-operative Societies (Amendment) Act, 2023.
4. Inclusion of Cooperatives as 'buyers' on GeM portal.
5. Expansion of National Cooperative Development Corporation (NCDC) to increase its range and depth.
6. Financial assistance by NCDC for Deep Sea Trawlers.
7. Refund to Investors of Sahara Group of Societies.

This was stated by the Minister of Cooperation, Shri Amit Shah in a written reply to a question in the Rajya Sabha.

Findings

1. Majority of the respondent reside in village areas.
2. 42% of the respondents belong to the age group of between 21 to 30years.
3. More than 78% of the respondents are married.
4. 43% of the respondents are working in employees.
5. 28% of the respondents are having annual income of between Rs 10001 to 20000.



6. Majority of the respondents (51%) belong to the accounts maintain of between 1 to 5 years.
7. 47% of the respondents are accounts maintain to become aware of the personal knowledge.
8. 74% of the respondents reason for selecting this bank in better services.
9. 49% of the respondents are maintaining savings accounts.
10. 57.69% of the respondents are having jewel loan. Only 156 respondents are having sum loans remaining 44 respondents are requested not made.
11. 57.69% of the respondents are surety that offered for getting the loans in document.
12. 57.69% of the respondents are used in one lump sum methods.
13. 100% of the respondents are given the statement are no ATM services.
14. 57.69% of the respondent's repayment period maximum 1 year.
15. 43.59% of the respondents are agreed for loan procedures.
16. 97% of the respondents is given statement of loan facilities is more important.
17. 98.72% of the respondent feels confident can get other loans.
18. 54% of the respondent's statement is machinery launched for collecting loans in warning letter.
19. 100% of the respondents are having willingness to recommend this bank in our friends, relatives, and associates.
20. 56% of respondents overall services quality opinion on this bank very good.

Level of Satisfaction on the Facilities Provided In the Banks

1. Majority of the respondents have stated that the all facilities are highly satisfied.
2. 60% of the respondents have stated that the maintenance of suggestion box is highly dissatisfied.
3. Majority of the respondents have stated that the immediate sanction of loan interest on loan and amount of loan is just satisfied.

Respondent Faced By the Problems

1. 94% of the respondent are facing problems while ATM facilities.
2. Majority of the respondents are satisfied about the penalties and unnecessarily charges in this bank.
3. 85% of the respondents are not facing problems while internet banking facilities
4. 89% of the respondents are not facing problems while Biased attitude of the official
5. 89% of the respondents are not facing problems while Want more document for collateral surety.
6. 96% of the respondents are not facing problems while expecting commission.
7. 85% of the respondents are not facing problems while too much dependence of officials towards top authorities.
8. 96.15% of the respondents are not facing any problems while delayed sanction of loans.
9. 96.15% of the respondents are not facing problems while Sanction of loan inappropriate time.
10. 96.15% of the respondents are not facing any problems while in adequate quondam of loan amount. So majority of the respondents are satisfied about the in adequate quondam of loan amount in this bank.

Recommendation of the Study

1. It is suggested that the ATM facilities must.
2. It is suggested that the education loans and provided.



3. It is suggested that sophisticated parking facilities must be made as it will be convenient for customers.
4. It is suggested that the number of workers must be increased to help the customers instantly.
5. It is suggested that the working time adjustment in customer convenient.
6. It is suggested that sophisticated Housing loan facilities and low interest on loans and basis facilities (rest room, water) must be made as it will be convenient for customers.
7. Core banking facilities are must improve.
8. Maintenance suggestion box may be fixed to eradicate the errors found among workers.

Conclusion

In conclusion, the cooperative banks has to keep in mind the mantra that “ Customer is the King” and banks exist to serve them and should practice range of service that fulfil customers expectations. Change is the unchanging nature of the world. It is hoped that this study will give direction to undertake further research to identify the factors influencing Awareness Opinion and Customer Satisfaction in cooperative banking in the content of technological innovation and to identify the correct causes for poor awareness and satisfaction in cooperative banking services.

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