



## ANALYSIS OF PROFITABILITY OF THE URBAN CO-OPERATIVE BANKS IN THANJAVUR DISTRICT

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### **Abstract**

*Urban Co-Operative banks have always been the major vehicle for nation's economic development. The optimum utilization of financial resource refers to maximization of financial return and minimization of cost and this shall be the major essence of financial management and better utilization of funds in UCBs. The present study is limited to the Urban Co-Operative banks in Thanjavur district. The researcher has mainly focused attention to study the fund management of Urban Co-Operative banks in Thanjavur district. All the banks' performance in the case of operating profit is not satisfactory performance. All the banks have heavy fluctuations during the study period.*

**Key Words:** *Urban Cooperative Bank, Profitability, Financial Performance.*

### **Introduction**

Urban Co-Operative banks have always been the major vehicle for nation's economic development. Co-Operative banks which have been in existence for a century in India are found in both rural and urban areas. No wonder that financial performance has emerged as an area of vital importance for banks. The UCBs are facing heavy competition and therefore reduced market power; they have not modernized their operation which leads to poor financial management and risk assessment techniques. This has adversely affected their profitability and viability. (Ramesh Chander and Jai Kishan Chandel 2011),

The optimum utilization of financial resource refers to maximization of financial return and minimization of cost and this shall be the major essence of financial management and better utilization of funds in UCBs (Mavaluri *et al.*, 2006), . In this paper an attempt has been made to analyze the financial efficiency of the selected Urban Co-Operative banks in Thanjavur district to improve their financial performance. The parameters such as capital adequacy, solvency, liquidity and earning quality have been used to assess the financial performance of the selected urban banks.

### **Need and Importance of the Study**

Co-Operative banks have limited control over their Co-Operative capital, although over many decades this has typically been rather stable. The lack of diversification at small Co-Operatives and the high degree of overlap between their member and clients also means that in times of difficulties many members may not be in a position to provide significant amounts of fresh capital. (Rajni and Navikiranjit Kaur Dhaliwal, 2015)

Failing banks frequently have expense control problems. Management may invest the banks money in lavish offices and enjoy handsome fringe benefits that the banks earnings simply cannot support (Mukul G. Asher ,2007). The above problem invites greater attention today especially because of the growth of competitive banking and the liberalized economic policies which are likely to affect the working of UCBs.

### **Statement of the Problem of the Study**

The urban Co-Operative banks are distinct form of organizations and they cannot be matched with any other banks either private or public. The recent changes as a part of economic reforms introduced by the Government of India, have indeed extended an ample opportunities for all the sectors of the economy and the urban Co-Operative banking sector is no exception. In contrast, it has been very often heard that the performance of Co-Operatives has been by and large not satisfactory and they are not financially viable. The liberalized new economic policies have posed threat to the survival and growth of Co-Operatives. In this context, the urban Co-Operative banking as one of the most significant segments of cooperatives attracts an immediate attention. (Padmaja, B *et al.*, 2013),

The present study is limited to the Urban Co-Operative banks in Thanjavur district. The researcher has mainly focused attention to study the fund management of Urban Co-Operative banks in Thanjavur district. The findings of the study may be of immense use both to the policy makers for the urban Co-Operative banks and to the general public to learn about the working of urban Co-Operative banks in Thanjavur district. This study also enables the banks to know its actual fund management of the study period. This study will also be helpful to draw up future policies on related fields and also be used as a secondary data for further research.

### **Objectives of the Study**

1. To analyse the profitability of the Urban Co-Operative banks in Thanjavur district
2. To forecast the profitability of the banks



### Research Methodology

This is an empirical survey, based on secondary data. For this study, Thanjavur district is selected as the geographical area and selected Urban Co-Operative banks are taken for the research study. The period of the study has been taken-up from the financial year 2006-07 upto 2015-16. The financial year starts from 1st day of April of a year and ends on 31st day of March of next year.

### Framework of Analysis

The analysis was conducted by using secondary data of five Scheduled Urban Co-Operative banks in Thanjavur with their financial data for a period of years from 2002-2003 to 2011-2012. The Analysis of data is made by using certain tools and techniques such as Ratio Analysis, Averages and Standard Deviation etc.

### Universe and Selection of Banks for the Research

There are five Urban Co-Operative Banks functioning in Thanjavur district viz., 1. The Nicholson Co-Operative Town Bank Ltd., 2. The Karunthattankudi Dravidian Co-Operative Urban Bank Ltd., 3. Papanasam Co-Operative Urban Bank Ltd., 4. Pattukottai Co-Operative Urban Bank Ltd. and 5. Kumbakonam Co-Operative Urban bank. Two banks namely The Nicholson Co-Operative Town Bank Ltd., and The Karanthatangudi Dravidian Co-Operative Urban Bank Ltd., are functioning in Thanjavur town. The remaining banks are running in rural areas of Thanjavur district. Keeping in view the problem and the scope of the study, the researcher has decided to include Urban Co-Operative banks functioning in Thanjavur. The researcher selected all the urban Co-Operative banks of the Thanjavur district.

### Data and Sources

Secondary data such as balance sheets with schedule and profit and loss account of banks were collected for the period 2006-07 to 2015-16. They were collected from the records of the selected banks.

### Discussion and Findings

#### Profitability of Study Banks

Profitability is one of the few vital parameters to rate a bank and so, there has been a mounting pressure on the profitability of banks. It has been considered as an index of financial health and hence much attention is being focused on profitability of public sector banks. It measures the overall efficiency of banking, finance and administration.

**Table 1: Operating profit of Urban Co-Operative Banks in Thanjavur District**

(Rs. in lakhs)

Year	Operating profit									
	NTCOB	Trend (%)	KDCUB	Trend (%)	PAPCUB	Trend (%)	PATCUB	Trend (%)	KCUB	Trend %
2006-07	22.57	100.00	1.56	100.00	16.48	100.00	18.82	100.00	34.48	100.00
2007-08	34.01	150.69	1.29	82.69	22.18	134.59	20.12	106.91	33.53	97.24
2008-09	26.54	78.04	3.78	293.02	18.77	84.63	26.82	133.30	34.77	103.70
2009-10	34.06	128.33	18.25	482.80	17.72	94.41	14.28	53.24	34.56	99.40
2010-11	31.89	93.63	11.26	61.70	20.96	118.28	07.74	54.20	35.55	102.86
2011-12	41.60	130.45	7.26	64.48	10.14	48.38	19.37	250.26	30.62	86.13
2012-13	30.26	72.74	17.25	237.60	25.92	255.62	25.05	129.32	22.76	74.33
2013-14	30.98	102.38	21.98	127.42	32.92	127.01	54.64	218.12	24.33	106.90
2014-15	31.58	101.94	16.35	74.39	30.97	94.08	52.53	96.14	21.85	89.81
2015-16	44.20	139.96	22.35	136.70	34.29	110.72	44.25	84.24	26.36	120.64
<b>Maximum</b>	44.20		22.35		34.29		54.64		35.55	
<b>Minimum</b>	22.57		1.29		10.14		07.74		21.85	
<b>Mean</b>	32.76		12.13		23.03		28.36		29.88	
<b>S.D</b>	6.38		8.20		7.86		16.34		5.49	
<b>C.V</b>	19.48		67.60		34.13		57.61		18.37	

Source: Calculated from Annual Reports of the Urban Co-Operative Banks

In the case of operating profit, the NTCOB's performance is subject to fluctuations. Its operating profit was Rs. 22.57 lakhs in 2006-07. It reached Rs.44.20 lakhs in the 2015-16. The operating profit has varied many times between the two extreme ends. The mean of the profit of the NTCOB is Rs. 32.76 lakhs. The fluctuations show that the bank financial performance is not so good.



The KDUCB has earned the operating profit of Rs. 1.56 lakhs in the first year. Then it reduced to Rs.1.29 lakhs in the next year. The profit has increased as Rs.3.78 lakhs in the next year. Thus, the operating profit has met ups and downs in the study period. The mean of the profit of the KDUCB is Rs.12.13 lakhs. The bank did not perform well in the case of profitability.

The PAPCUB earned the operating profit of Rs. 16.48 lakhs in the first year. It increased to Rs.22.18 in the next year. But, the profit met decline in the next two year. In 2010-11, the bank earned Rs.20.96 lakhs and it showed as increase. But, in the next year itself, the bank met a decline in the profit. From 2012-13, the bank has achieved its profit by means of increase every year. The mean of the profit of the PAPCUB is Rs.34.13 lakhs.

The PATCUB has earned Rs.18.82 as the profit in the first year. It increased as Rs.20.12 lakhs and Rs.26.82 lakhs in the next two years. But, in 2005-06, it reduced to Rs.14.28. In the 2010-11, the profitability position became worse because it was Rs.1.74 lakhs only and it was the lowest amount of profit during the study period. But, from 2011-12, the profit increased continuously upto 2015-16. The mean of the profit of the PATCUB is Rs.57.61 lakhs. The bank did not perform well in the case of profitability.

In the case of KCUB also, the position is the same as all other banks. It earned Rs.34.48 lakhs in the first year and it has met ups and downs during the study period. The maximum amount of profit that the bank earned is Rs.35.55 lakhs and the minimum is Rs.21.85. The mean of the profit of the KCUB is Rs.18.37 lakhs.

In the case of operating profit, no satisfactory performance is seen. All the banks have heavy fluctuations during the study period. But, while comparing the CV of the profitability of the banks, The KCUB has the lowest CV (Rs.18.37 lakhs) so that it implies that the bank has done well in operating profit. On the other hand, the higher the value of CV of Rs.67.60 lakhs belongs to the PAPCUB. So, it is clear that the PAPCUB has more variability and less Consistent in the case of profitability.

**Table 2: Forecast Analysis for Operating Profit of Urban Co-Operative Banks in Thanjavur District**  
(Rs. in lakhs)

Model		2016-17	2017-18	2018-19	2019-20	2020-21
NTCOB-Model_1	Forecast	34.55	34.55	34.55	34.55	34.55
	UCL	49.81	50.11	50.41	50.70	50.99
	LCL	19.29	18.99	18.69	18.39	18.11
KDCUB-Model_2	Forecast	20.47	20.47	20.47	20.47	20.47
	UCL	36.02	38.81	41.22	43.38	45.35
	LCL	4.92	2.14	-0.27	-2.43	-4.40
PAPCUB-Model_3	Forecast	32.98	32.98	32.98	32.98	32.98
	UCL	48.78	51.96	54.68	57.10	59.29
	LCL	17.19	14.00	11.28	8.87	6.67
PATCUB-Model_4	Forecast	44.25	44.25	44.25	44.25	44.25
	UCL	72.09	83.62	92.46	99.92	106.49
	LCL	16.41	4.88	-3.96	-11.42	-17.99
KCUB-Model_5	Forecast	25.20	25.20	25.20	25.20	25.20
	UCL	181.32	213.11	240.25	264.33	286.19
	LCL	-130.91	-162.70	-189.84	-213.92	-235.78

Source: Output generated from SPSS 20

In the case of forecast on operating profit is concerned, the PATCUB has the highest estimate (Rs. 44.25 lakhs). Its upper limits go to the maximum expected level of Rs. 106.49 lakhs and decline to minimum extent of Rs. 17.99 lakhs. The bank can earn the profit within these boundaries in the forthcoming years.

Forecast on operating profit of the NTCOB has the estimate of Rs. 34.55 Its upper limits go to the maximum expected level of Rs. 50.99 lakhs and declines to minimum extent of Rs. 18.11 lakhs. The bank can earn the profit within these boundaries in the forthcoming years.

The PAPCUB has estimate on operating profit of Rs. 32.98. Its upper limits go to the maximum expected level of Rs. 59.29 lakhs and declines to minimum extent of Rs. 6.67 lakhs. The bank can earn the profit within these boundaries in the forthcoming years.

The KDCUB has estimate on operating profit of Rs. 20.47. Its upper limits go the maximum expected level of Rs. 45.35lakhs and declines to minimum extent of Rs. lakhs. The bank can earn the profit within these boundaries in the forthcoming years.



The PATCUB has estimate on operating profit of Rs. 44.25. Its maximum limits go the maximum expected level of Rs. 4.40 lakhs and decline to minimum extent of Rs. 104.2 lakhs. The bank can earn the profit within these boundaries in the forthcoming years.

From the analysis, it is clear that the estimate on operating profit the PACUB has the highest estimate (Rs. 44.25 lakhs). Forecast on operating profit of the NTCOB has the estimate of Rs. 34.55. The PACUB has estimate on operating profit of Rs. 32.98. The KCUB has estimate on operating profit of Rs. 25.20. The KATCUB has estimate on operating profit of Rs. 44.25.

### Net Profit

Basically profit is a simple equation i.e., income minus expenses. Increase in income and decrease in expenses will result in higher profit. Therefore, exploring avenues of income generation and keeping control on cost become the objective for augmenting profit level in the banks.

**Table 3: Net profit of Urban Co-Operative Banks in Thanjavur District**

(Rs. in lakhs)

Year	Net profit									
	NTCOB	Trend (%)	KDCUB	Trend (%)	PAPCUB	Trend (%)	PATCUB	Trend (%)	KCUB	Trend %
2006-07	20.85	100.00	1.25	100.00	14.62	100.00	16.94	100.00	30.98	100.00
2007-08	22.30	106.95	0.94	75.20	15.94	109.03	14.88	87.84	31.13	100.48
2008-09	23.35	104.71	3.04	323.40	16.29	102.20	24.28	163.17	31.34	100.67
2009-10	28.75	123.13	17.08	561.84	13.22	81.15	11.22	46.21	31.46	100.38
2010-11	29.60	102.96	9.39	54.98	15.37	116.26	5.87	52.32	22.61	71.87
2011-12	22.01	74.36	6.65	70.82	8.72	56.73	15.58	265.42	20.64	91.29
2012-13	31.00	140.85	15.23	229.02	17.35	198.97	14.06	90.24	18.37	89.00
2013-14	32.79	105.77	19.97	131.12	20.95	120.75	39.09	278.02	18.49	100.65
2014-15	36.65	111.77	14.48	72.51	21.70	103.58	41.36	105.81	18.63	100.76
2015-16	40.36	110.12	20.26	139.92	24.26	111.80	43.35	104.81	19.36	103.92
Maximum	40.36		20.26		24.26		43.35		31.46	
Minimum	20.85		0.94		8.72		5.87		18.37	
Mean	28.76		10.82		16.84		22.66		24.30	
S.D	6.64		7.55		4.51		13.66		6.09	
C.V	23.09		69.78		26.78		60.28		25.06	

Source: Calculated from Annual Reports of the Urban Co-Operative Banks

In respect of the net profit, the NTCOB has earned Rs.20.85 lakhs in 2006-07. It rose in the next four years upto Rs.29.60 lakhs. But, in 2007-08 it reduced to Rs.22.01 lakhs. From 2012-13, the net profit of the bank increased upto 2012-13. The bank earned Rs.40.36 lakhs (2016-17) and minimum Rs. 20.85 lakhs (2006-07.). So, the bank has fluctuations to some extent towards the net profit. The arithmetic mean of the net profit of the bank is Rs.23.09 lakhs.

The KDCUB has earned Rs.1.25 lakhs in 2006-07. It declined in the next year to Rs.0.94 lakhs and then it increased to Rs.3.04 lakhs in the 2008-09. However, the bank has met decline in the next year as Rs.6.65 lakhs. The bank again met fluctuations during the study period. The fluctuations of the bank in respect of the net profit show that the KDCUB's performance is not satisfactory.

The PAPCUB's net profit has increased from Rs. 14.62 lakhs every year upto 2004-05. In 2009-10, and 2011-12 the net profit has met decline. In other years, the banks have increased trend of net profit. The arithmetic mean of the net profit of the bank is Rs.26.78 lakhs.

The PATCUB earned the net profit of Rs.19.64 lakhs and it met many fluctuations during the study period. Its maximum net profit is Rs.43.35 lakhs and minimum net profit is Rs.5.87 lakhs. The bank's performance in respect of the net profit is subject to fluctuations so that the bank's performance is not commendable one.

The KCUB earned Rs.30.98 lakhs and it has increased tendency upto 2009-10. In the next year, the net profit declined to Rs.22.61 lakhs. In the subsequent years, the net profit declined to some extent. The arithmetic mean of the net profit of the bank is Rs.13.66 lakhs. The bank's performance is not satisfactory one.



In the case of the KCUB, the net profit was Rs.30.98 lakhs in 2006-07. Its net profit has met fluctuations but the fluctuations are minimum extent. The arithmetic mean of the net profit of the bank is Rs. 22.66 lakhs.

In respect of the net profit, the NTCOB, the KDCUB, the PAPCUB and the PATCUB have more fluctuations. The performance the KCUB is better than the other banks. The KCUB's CV is lesser (6.09 lakhs) than the other banks.

**Table 4: Forecast Analysis for Net Profit of Urban Co-Operative Banks in Thanjavur District**  
(Rs. in lakhs)

Model		2016-17	2017-18	2018-19	2019-20	2020-21
NTCOB-Model_1	Forecast	39.82	39.82	39.82	39.82	39.82
	UCL	50.48	53.97	56.76	59.14	61.27
	LCL	29.15	25.66	22.88	20.49	18.37
KDCUB-Model_2	Forecast	18.31	18.31	18.31	18.31	18.31
	UCL	32.95	35.34	37.44	39.32	41.06
	LCL	3.67	1.28	-0.82	-2.71	-4.44
PAPCUB-Model_3	Forecast	23.52	23.52	23.52	23.52	23.52
	UCL	32.59	34.90	36.82	38.49	39.99
	LCL	14.45	12.14	10.23	8.56	7.05
PATCUB-Model_4	Forecast	43.14	43.14	43.14	43.14	43.14
	UCL	67.14	75.61	82.28	87.97	93.01
	LCL	19.13	10.67	3.99	-1.70	-6.74
KCUB-Model_5	Forecast	19.36	19.36	19.36	19.36	19.36
	UCL	26.43	29.36	31.61	33.51	35.18
	LCL	12.29	9.36	7.11	5.21	3.54

Source: Output generated from SPSS 20

In the case of forecast on net profit, the PATCUB has the highest estimate (Rs. 43.14 lakhs). Its upper limits go to the maximum expected level of Rs. 93.01 lakhs and decline to the minimum extent of Rs. 7.05 lakhs. The bank can earn the net profit within these boundaries in the forthcoming years.

The NTCOB has the estimate (Rs. 39.82 lakhs). Its upper limits go to the maximum expected level of Rs. 61.27 lakhs and decline to minimum extent of Rs. 18.37 lakhs. The bank can earn the net profit within these boundaries in the forthcoming years.

As far as the forecast on net profit is concerned, the PAPCUB has the estimate (Rs. 32.95 lakhs). Its upper limits go to the maximum expected level of Rs. 39.99 lakhs and decline to minimum extent of Rs. 7.05 lakhs. The bank can earn the net profit within these boundaries in future years.

The KCUB has the estimate (Rs. 19.36 lakhs). Its upper limits go to the maximum expected level of Rs. 35.18 lakhs and declines to minimum extent of Rs. 3.54 lakhs. The bank can earn the net profit within these limits in the forthcoming years.

The KDCUB has the estimate (Rs. 18.31 lakhs). Its upper limits seem to be the maximum expected level of Rs. 41.06 lakhs and declines to minimum extent of Rs. 4.44 lakhs. The bank can earn the net profit within these boundaries in the forthcoming years.

From the analysis, it is clear that the estimate on net profit the PATCUB has the highest amount (Rs. 43.14 lakhs). The NTCOB follows with Rs. 39.82 lakhs; the PAPCUB comes with estimate of Rs.32.95 lakhs. The KCUB has the estimate of Rs.19.36 lakhs. The KDCUB is in the last place and it has Rs.18.31 lakhs.

**Table 5: Return on Capital Employed of Urban Co-Operative Banks in Thanjavur District**  
(Rs. in lakhs)

Year	Return on Capital Employed									
	NTCOB	Trend (%)	KDCUB	Trend (%)	PAPCUB	Trend (%)	PATCUB	Trend (%)	KCUB	Trend %
2006-07	0.54	100.46	0.34	143.58	01.02	100.47	01.22	100.00	01.36	166.37
2007-08	0.55	118.39	0.56	187.56	01.45	187.38	01.36	94.38	01.46	109.47
2008-09	0.56	103.65	0.55	156.32	01.06	155.47	01.62	154.98	01.59	104.87



2009-10	0.66	169.38	0.78	119.47	0.88	167.38	0.86	177.29	01.63	99.88
2010-11	0.62	98.57	08.67	173.59	0.90	187.39	0.39	155.38	01.18	127.38
2011-12	0.40	183.09	07.45	109.46	0.43	190.38	0.89	148.39	01.03	167.40
2012-13	0.44	117.38	0.67	94.38	0.68	96.47	0.64	150.29	0.81	155.09
2013-14	0.39	167.09	0.45	117.38	0.69	112.37	01.74	177.38	0.74	170.38
2014-15	0.42	155.83	0.37	128.57	0.61	108.48	02.02	199.39	0.72	155.39
2015-16	0.45	154.78	08.56	156.48	0.67	118.30	04.43	188.38	0.46	148.02
<b>Maximum</b>	0.66		8.67		1.45		4.43		1.63	
<b>Minimum</b>	0.39		0.34		0.43		0.39		0.46	
<b>Mean</b>	0.50		2.84		0.83		1.51.		1.09	
<b>S.D</b>	0.09		3.73		0.28		1.14		0.40	
<b>C.V</b>	18		131.34		33.73		75.50		39.70	

Source: Calculated from Annual Reports of Urban Co-operative Banks

In the case of return of capital employed, the NTCOB had Rs.0.54 lakhs in 2006-07. It was Rs.045 lakhs in the 2015-16. The arithmetic mean of the bank in respect of the return of capital employed was Rs0.50. lakhs.

With respect to return of capital employed, the KDCUB had Rs.0.34 lakhs as return of capital employed in 2006-07. It was Rs.8.56 lakhs in the 2015-13. Meantime, it increased and decreased. The arithmetic mean of the bank in respect of the return of capital employed was Rs.2.84 lakhs.

As far as the return of capital employed is concerned with, the PAPCUB had Rs. 1.12 lakhs in 2002-03. It was Rs.0.67 lakhs in the 2015-16. The arithmetic mean of the bank in respect of the return of capital employed was Rs.0.83 lakhs.

In the case of PATCUB towards return of capital employed, it was Rs.1.22 lakhs employed in 2006-07. It was Rs.4.43 lakhs in the 2015-16. The arithmetic mean of the bank in respect of the return of capital employed was Rs1.51 lakhs.

The KCUB had Rs. 1.36 lakhs in 2006-07 in the matter of return of capital employed. It was Rs.0.46 lakhs in the 2015-16. The arithmetic mean of the bank in respect of the return of capital employed was Rs1.09 lakhs.

From the analysis, it is clear that the KDCUB is efficient in return of capital employed very much. While comparing the return of capital employed of the five study banks with the help of CV, the NTCOB, has the lowest value i.e., Rs.18 lakhs. So, return of capital employed of the bank is more Consistent, symmetric and less variability. It confirms that the NTCOB has maintained its return of capital employed properly during the ten year period.

**Table 7: Forecast Analysis for Return on Capital Employed of Urban Co-Operative Banks in Thanjavur District**  
*(Rs. in lakhs)*

Model		2016-17	2017-18	2018-19	2019-20	2020-21
NTCOB-Model_1	Forecast	.45	.45	.45	.45	.45
	UCL	.64	.70	.75	.79	.83
	LCL	.25	.19	.14	.10	.06
KDCUB-Model_2	Forecast	3.39	3.39	3.39	3.39	3.39
	UCL	12.48	12.60	12.71	12.82	12.93
	LCL	-5.70	-5.82	-5.93	-6.04	-6.15
PAPCUB-Model_3	Forecast	.66	.66	.66	.66	.66
	UCL	1.22	1.32	1.40	1.48	1.55
	LCL	.09	-.01	-.09	-.17	-.24
PATCUB-Model_4	Forecast	4.43	4.43	4.43	4.43	4.43
	UCL	6.60	7.50	8.19	8.77	9.29
	LCL	2.26	1.36	.67	.09	-.43
KCUB-Model_5	Forecast	.46	.46	.46	.46	.46
	UCL	1.55	2.00	2.34	2.64	2.89
	LCL	-.63	-1.08	-1.42	-1.72	-1.97

Source: Output generated from SPSS 20

In respect of the estimated of the return of capital employed, the NTCOB can get upto Rs.0.45 and it can go to Rs.0.83 in the 2016-17. At the same time there is no possibility to decline upto Rs.0.6. The bank may move within these two limits.



In the case of KDCUB, it can earn the return of capital employed Rs.3.39 in the next five year period. At the same time, it is also possible to increase it as Rs.12.93 in due course. The minimum limit is Rs. 5.73. This means that the bank can play within the two boundaries.

The PAPCUB is expected to get Rs.0.66 as its return of capital employed. The bank may attain its maximum possible return as Rs.1.55 in 2020-21. The minimum extent is Rs. 0.1 only.

The PATCUB is expected to extend higher (Rs.4.43) than all other banks. The KCUB may reach Rs.0.46 as its expected return and its maximum and minimum limits of the income are Rs.2.89 and Rs.0.63 respectively. It means that the bank may attain these limits if all other conditions remain the same in the near future.

### **Conclusion**

All the banks' performance in the case of operating profit is not satisfactory performance. All the banks have heavy fluctuations during the study period. But, while comparing the CV of the profitability of the banks, The KCUB has the lowest CV (Rs.18.37 lakhs) so that it implies that the bank has done in operating profit. On the other hand, the higher the value of the CV of Rs.67.60 lakhs belongs to the PAPCUB. So, it is clear that the PAPCUB has more variability and less Consistent in the case of profitability. The estimate on operating profit the PACUB has the highest estimate (Rs. 44.25 lakhs). Estimate on operating profit of the NTCOB has the estimate of Rs. 34.55. The PAPCUB has estimate on operating profit of Rs. 32.98. The KCUB has estimate on operating profit of Rs. 25.20. The KATCUB has estimate on operating profit of Rs. 44.25.

In respect of the net profit, the NTCOB, the KDCUB, the PAPCUB and the PATCUB have more fluctuations. The performance the KCUB is better than the other banks. This is proved by means of the CV. The KCUB's CV is lesser (6.09 lakhs) than the other banks. From the analysis, it is clear that the estimate on net profit the PATCUB has the highest estimate (Rs. 43.14 lakhs). The NTCOB follows with Rs. 39.82 lakhs, the PAPCUB comes with estimate of Rs. 32.95 lakhs. The KCUB has the estimate of Rs. 19.36 lakhs. The KDCUB is in the last place and it has Rs.18.31 lakhs.

The ratio of total advances to total deposits all the study banks have wider fluctuations during the study period. While comparing the CV of the banks in respect of the ratio of total advances to total deposits, the KDCUB has the lowest CV (6.70) and it confirms that the KDCUB has less variability and more Consistent in the ratio. It indicates that the parity between the total advances and total deposits has existed during the study period. On the other hand, the KCUB has the highest CV (19.82) and it points out that the bank did not maintain balance it the two aspects.

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