



MAHARASHTRA ON THE FOREFRONT OF CO-OPERATIVE MOVEMENT

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INTRODUCTION:

It has so far not been possible to define co-operation precisely because the movement was born out of adversity. The circumstances which gave rise to adversity have, however, been different in different countries. It assumed, there for, diverse shapes in different countries according to the environments and circumstances prevailing there which gave birth to the movement.

Definition:

“Co-operation, therefore is an organization where a person voluntarily associates together with others on a basis of equality for the promotion of their economic interest by honest means”.

Before independence co-operative movement in India was one of the instruments of economic policies adopted by the British Government to solve the rural economic problems. Co-operative credit societies Act 1904. A real beginning of the co-operative credit societies Act 1904, the act provided for the registration of co-operative societies.

After independence people welfare became the guiding principle of all activities of government planning was accepted on the basis to regulate and promote economic progress so as to augment production, increase employment potential and lay the foundations of the balanced economy. The first five year plan came into operation in 1950-51, in which “Co-operation” was recognized as an instrument of planned economic action in democracy combining initiative, mutual benefit and social purpose.

OBJECTIVES:

1. To undertake a general survey of the Maharashtra on the forefront of co-operative movement.
2. To study socio- economic development schemes.
3. To examine the progress of co-operative movement in Maharashtra from the year 1961-62 to 2010-11.
4. To study the co-operative banking structure in Maharashtra.
5. To examine operational efficiency of co-operative societies in Maharashtra from the year 1961-62 to 2010-11.

METHODOLOGY:

For to this purpose of paper secondary data have used from co-operative movement at a glance in Maharashtra of bank record and government statements. The reference year have decided of 7 years from 1961-62 to 2010-11. This paper is evaluating the progress of co-operative movement in Maharashtra in the terms of deposits, loan advanced, working capital, paid up share capital and in many other indicators.

MAHARASHTRA ON THE FOREFRONT OF CO-OPERATIVE MOVEMENT:

Co-operation in Maharashtra has been pioneering sector of the co-operative movement in the country; it has remained in the forefront since its inception. In Maharashtra these were dynamic leadership attained by the great man like G. K. Ghokhale, Vitthaladas Thakarchi, N.C. Kelkar, G. K. Deodhar, Chunilal Mehata, Vaikunthbhai Mehata, D. G. Karvey, Dr. Dhanjayrao Gadgil Padmshri, Dr. Vittalrao Vikhe Patil, Vasantadada Patil, Rajarambapu Patil, Shankarao Mohite Patil, Tatyasaheb Kore, Ratnappa Kumbhar etc. These all Men have made hard efforts for success of co-operative movement in various parts in Maharashtra.

Plenty of literature is available on the historical growth of the movement and a number of expert committees have from time to time critically examined its shortcoming and failures and suggested programmes of concrete action to overcome these. The co-operative movement in Maharashtra has followed a sequential evolutionary pattern. Beginning with the German Raiffeisen type of co-operative societies primarily meant for meeting the credit needs of the agriculturists the co-operatives in the state have over the last seventy years come to cover a wide range of activities in different sectors of the studies economy.

In 1953 the All India Rural Credit Survey Committees Report was published. It contained a comprehensive study of various aspects and problems of rural credit and outlined measures for the future development of co-operatives in India. It would appear that the rapid progress made by the co-operative movement in Maharashtra persuaded the committee to base some of its important recommendations on the policies evolved in Maharashtra.

Below table number 1 seems that the number of all types of co-operative societies was increasing from the year 1961 to 2010. The co-operative in Maharashtra are attracting more money in form of deposits, which increased from 76 crores of rupees in 1961 to 128579 crores in 2010. It was clearly seen from the above table No. 1 that the rate of increase of the working capital of all types of societies was greater than that of the number of societies and membership in Maharashtra. The working capital increased from rupees 326

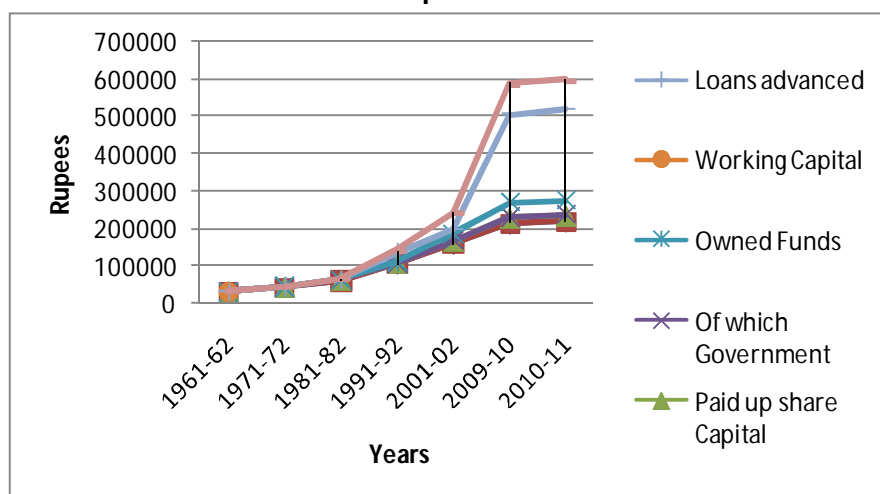
crores to rupees 246162 crores during the year from 1961 to 2010. Whereas the total members increased from 42 lakhs to 542 lakhs in the year from 1961 to 2010.

Table No. 1: Progress of Co-operative Movement in Maharashtra
(Members in Lakh and Rs. in crore)

Sr. No.	Item	1961-62	1971-62	1981-82	1991-92	2001-02	2009-10	2010-11
1	Total Societies	31565	42603	60747	104620	158016	212344	218320
2	Total members	42	86	148	270	430	517	542
3	Paid up Share Capital	53	238	600	1957	7560	14969	15015
4	Of which Government	8	39	105	385	1150	2178	2004
5	Owned Funds	73	345	1207	3935	17770	38758	37249
6	Deposits	76	315	1939	11048	74462	118024	128579
7	Working Capital	326	1490	5210	24713	13441	236401	246162
8	Loans Advanced (net)	95	348	116	6300	43392	82556	78190

Source: 1) District Deputy Registrar. 2) Co-operative Movement at a Glance in Maharashtra-2010.

Graph No. 1



It should be clearly seen from the above graph that there were increasing trend in the total societies total members and pad up share capital. The graph shows government share and owned funds were increased from the year 1961-62 to 2009-10. But after this year it was decreased in the year 2010-11. Working capital and loan advanced shows fluctuating trend under this study.

In Maharashtra for Judging the progress of the co-operative movement the qualitative assessment the basics of audit classified into three types as follows.

1. A Grade Societies: -These societies are which comes in A grade societies are the model societies. The Management of these societies are very perfect And also working on ginning principles of co-operation, inculcate a habit of thrift and spirit of co-operation, maintain account and are self reliant. They have no overdoes as a result of their found management.

2. B Grade Societies: These societies which are working satisfactorily but fall somewhat short of the 'A' standard due to some of the problem. They are potentially good societies. They may have a few defaulters.

3. C Grade societies: These are the societies which are mediocre, weak, where majority of borrowers are defaulters. They have the problem of overdoes, but any how they manage to pull on with their problems.

Table No. 2: The Audit Classification of Co-operative societies in Maharashtra (1961 to 2010)

Years	1961-62	1971-72	1981-82	1991-92	2001-02	2009-10	2010-11
Audit Classification of Societies							
A	3110	3600	3671	4966	N.A	4475	5185
B	10921	12343	11670	13581	N.A	13721	12741
C	7515	16122	18854	17058	N.A	14949	12386

Source: 1).District Deputy Registrar.2). Co-operative At a Glance in Maharashtra-2010. N.A – Not available.

It may be observed from the above table number 2 the numbers of societies which are including in 'A' grade classification were increasing. From 3110 to 5185 during the period from 1961 to 2010. In 'B' grade classification the numbers of societies were increasing from 10921 to 12343 in the year from 1961 to 1971. But it seems that the numbers of societies decrease in 1981 up to 11670. After that its started to increasing from the year 1991 to 2009 from 13581 upto 13721. All in 2010 the numbers of societies has decreased up to 12741.

It was clearly seen from the above table that the number of societies which are in duding in 'C' grade classification are increasing from 7515 to 18854 luring the year from 1961 to 1981. But there were tremendous decreasing the numbers of societies from 17058 to 12386 during the year from 1991 to 2001.

From this table its clearly seems that very numbers of societies are including in 'A' grade classification of societies than 'B' grade and 'C' grade.

It was also remarkable to note that the owned funds also shows increasing trend. Moreover, there were tremendous growth in Share Capital and loans advanced. Thus the Maharashtra is one of the co-operatively developed state in India.

THE PATTERN OF CO-OPERATIVE IN MAHARASHTRA:

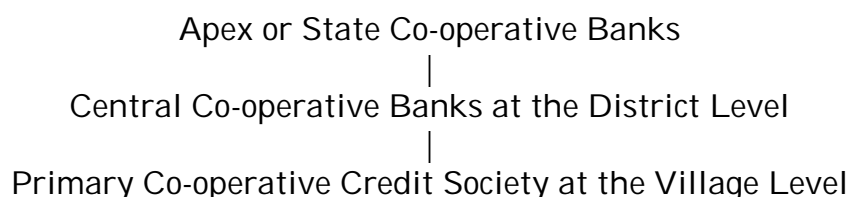
A state co-operative banks is the federation of central co-operative banks in a state. It is the pivot around which all economic activities of the co-operative movement rotate. It is the vertex of the pyramidal structure in a state for the provision of short and medium term credit to agriculturists on co-operative basis. It is the “Keystone of the co-operative movement in the state; it links the movement not only with the commercial money market but also with the Reserve Banks of India as a potential Source of Credit for seasonal and emergent needs”. It derives physical support from the primary credit societies.

Since 1958, their formation was discouraged and following the Nagpur Congress Resolution, the primary credit societies were turned into ‘Service’ Societies providing services such as supply of improved seeds fertilizers over and above the supply of credit in the currently existing three-tire system for supply of co-operative credit, the primary societies at the lowest level have now turned into a form of multi-purpose societies although their major function continues to be the supply of credit to the agriculturist.

In the evolution of the crop loan scheme in Maharashtra the state co-operative Bank has played a leading rate. The state government also extended liberal loan facilities. Since 1968, a policy of extensively involving co-operative credit institutions in financing co-operative lift – irrigation schemes has been adopted and state assistance to them has virtually been stopped under the new policy the District central co-operative Banks provide medium-term loans, the state land mortgage Bank is to advance long-term loans to cover the entire capital expenditure, and half of the 5 percent of the share capital to be contributed by the members is to be shared by the Zilla Parishads.

Since 1966, the state government has been giving loans and outright grants to farming co-operatives for improvement of land construction of warehouse and stables and for administrative expenses. Government also participates in their share capital. The state also provides the necessary in their share capital. The state also provides the necessary technical assistance to farming co-operatives through a specially appointed team of 26 extension officers under the supervision of a Deputy Director of Agriculture Building levelling, terracing, etc. of land owned by the co-operatives is initially done through the Department of Agriculture and the expenses are borne by the Government.

Co-operative Banking Structure in Maharashtra



The financial aid given to the co-operative organizations at all these levels by the state. The central banks are the links which can develop this co-operative relation between the societies. Which they finance. The apex bank in its turn establishes co-operation between the central banks, and the central organisations of the co-operative societies have the same objective of developing co-operative organisation under them. It means the apex or state co-operative. Banks finance to the central co operative bank at district level. And the central co-operative banks finance to the primary co-operative credit society at the village level. Thus the achievement of financial viability in the development of the spirit of goodwill, mutual help and co-operation between the members and organisations at all levels of the co-operative structure.

CONCLUSION

The Finding of the study showed that the state co-op bank plays a strategic role in the process of economic development of a country. In Maharashtra on the apex level state co-operative banks is working for the development our state and development our India. This bank finance to the central co-operative banks at the district level. And the central co-operative credit societies to the village level. A study revealed that the government share was less in the progress of co-operative societies in Maharashtra. The performances of co-operative societies in Maharashtra were not satisfied during the period under study. The Audit classification of co-operative societies in Maharashtra shows that the most of societies were included in 'C' grade societies due to having the problem of over dues. Finally, the study concluded that most of the societies which are mediocre, weak where majority of borrowers the defaulters during the period under study.

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