



GROWTH AND PROGRESS OF CO-OPERATIVE FACTION IN MAHARASHTRA

DARADE S.S.*

Department of History, Art, Commerce and Science College, Sonai- 414 105, MS, India.

*Corresponding Author: Email- sambhajidarade333@gmail.com

Received: January 23, 2015; Revised: February 24, 2015; Accepted: March 06, 2015

Abstract- As per the lines of the Essential Administration, Maharashtra Administration has also identified the importance of the co-operative faction as the best source through which to apply it for rustic progress, people's empowerment and poverty alleviation programme. The basic nature of the co-operative societies is to encourage the 'values of self-help, democracy, equality, and solidarity. Co-operative members believe in the ethical values of honesty, openness, and social duty and caring for others. The faction was welcomed with great enthusiasm, the faction teaches the ordinary farmers, downtrodden society and landless laborers to live with prestige and self-confidence. Co-operative faction helps in all round progress of the rustic areas, which can possible through unity, trustworthiness and consistency of association. The administration hopes that the revival is successful co-operative societies could well become the biggest employer in the country and will create new employment opportunities for the people, especially, in rustic areas.

Keywords- Empowerment, societies, duty

Citation: Darade S.S. (2015) Growth and Progress of Co-Operative Faction in Maharashtra. Journal of Arts and Culture, ISSN: 0976-9862 & E-ISSN : 0976-9870, Volume 4, Issue 1, pp.-133-135.

Copyright: Copyright©2015 Darade S.S. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution and reproduction in any medium, provided the original author and source are credited.

Introduction

In India, out of total population 70 per cent of the population lives in rustic areas. Majority of the population depends on farming. Hence progress of agriculture, agro-based industries, employment generating activities, infraorganization facilities like roads, drinking water, water for irrigating the crops, electricity, telephones, markets, etc. form part of the rustic progress. After the independence, national policy of India reaffirmed their faith in the co-operative faction as a vital instrument for economic progress and as a vehicle of social change and social justice. Agriculture is the main dealing of the farmers in state of Maharashtra. But farmers have been facing a number of socio-economic problems. Such as- lack of credit availability for small farmers, persecution by moneylenders, inability to repay debts following crop loss, high interest rate charged by the moneylenders, rising cost of the fostering. However, the agriculture sector has been witnessing low growth and productivity, non-remunerative prices for the produce, input and output marketing constraints, institutional credit, insurance, infraorganization and investment. These have resulted in poor performance of the sector in spite of healthy overall economic growth.

As per the lines of the Essential Administration, Maharashtra Administration has also identified the importance of the co-operative faction as the best source through which to apply it for rustic progress, people's empowerment and poverty alleviation programme. The basic nature of the co-operative societies is to encourage the 'values of self-help, democracy, equality, and solidarity. Co-

operative members believe in the ethical values of honesty, openness, and social duty and caring for others. The faction was welcomed with great enthusiasm, the faction teaches the ordinary farmers, downtrodden society and landless laborers to live with prestige and self-confidence. Co-operative faction helps in all round progress of the rustic areas, which can possible through unity, trustworthiness and consistency of association. The administration hopes that the revival is successful co-operative societies could well become the biggest employer in the country and will create new employment opportunities for the people, especially, in rustic areas.

Organization of Co-Operatives in Maharashtra

India is a union of States. Co-operation is a State subject, i.e. falling within the scope of State legislation. Each State has its Co-operative Societies' Act, as Maharashtra State Co-operative Societies Act, 1961, regulating the working of the co-operative faction in Maharashtra.

Co-operative credit organization has vital institutional arrangement for the progress of agriculture and allied sectors in Maharashtra State financial system, especially in rustic. Co-operative credit organization in Maharashtra is a three tier organization. Co-operative credit is divided in two type's short and medium term and long term credit. Short and medium term credit organization consists with three tiers- at the apex level there is State co-operative bank, at the district level there is Essential co-operative bank, and at the village or gross root level there is Primary Farming Credit Societies.

Table 1- Progress of the Co-operative Faction in Maharashtra

Items	1961	1971	1981	1991	2001	2005	2006	2007
No. of Societies	31565	126029 (34.96)	60747 (42.69)	101620 (72.22)	158016 (54.04)	181390 (16.69)	192797 (4.56)	200710 (4.12)
No. of Members	42	86 (104.76)	148 (72.09)	270 (82.43)	430 (59.26)	458 (6.51)	464 (1.31)	476 (2.58)
Share Capital of which Govt.	53	238 (349.05)	600 (152.10)	1957 (226.16)	7560 (286.30)	11186 (47.96)	12329 (10.22)	12565 (1.91)
	8	39 (387.50)	105 (169.23)	385 (266.66)	1150 (198.70)	1646 (43.13)	2367 (13.80)	2435 (2.87)
Own Funds	73	345 (372.60)	1207 (249.85)	3935 (226.01)	17770 (351.58)	31626 (77.97)	34665 (9.61)	36366 (4.90)
Deposits	76	315 (314.47)	1939 (515.55)	11048 (469.78)	74462 (573.98)	110943 (48.99)	109635 (-1.17)	99792 (-8.97)
Working Capital	326	1190 (357.05)	5210 (249.66)	24713 (374.34)	134441 (444.01)	179502 (33.52)	200265 (11.56)	202207 (0.97)
Loans Advanced	95	348 (266.31)	1116 (220.68)	6300 (464.51)	43392 (588.76)	62592 (41.24)	61186 (-2.24)	82450 (34.75)
Audit Classification								
A	3110	3600	3671	4966	NA.	6068	6420	5457
B	10921	12343	11670	13581	NA.	15437	14251	12884
C	7515	16122	18854	17058	NA.	12746	15269	13777
D	3088	3886	3477	862	NA.	3654	4129	3739
Not Classified	291	865	774	4006	N.A.	1185	912	833
Not Audited	6640	5787	22301	67747	NA.	104619	104400	111710
Not due of Audit	-	-	-	-	NA.	2199	4744	3542

(Association in Lack & Rs. in Crore)

[Table-1] gives the statistical information about the growth of co-operative faction in Maharashtra for last four and half decades. Number of co-operative societies has increased more than six times by 2007 compare as to 1961; growth rate was unpredictable but positive. As well as the members of these societies increased more than ten times 42 lacks to 476 lacks during the same period even expansion rate trend was declining. Share capital increased from Rs.53 crore to Rs.12565 crore during 1961 to 2007, which was participated by administration as Rs.8 crore in 1961 increased up to Rs.2435 crore in 2007, therefore, growth rate shown a declining trend over the period. Working capital which stood on Rs.326 crore in 1961 increased by Rs.20227 crore in 2007. Owned funds increased from Rs.73 crore to Rs.36366 crore during 1961 to 2007 and advances have also amplified, while the loans advanced have amplified to a large extent as Rs.95 lacks in 1961 to Rs.82450 lacks in 2007. Therefore, growth rate trend over the period concern to own funds, deposits, working capital and loans advanced showed fluctuations. Audit classification shows the monetary health of the co-operatives that a large number of co-operatives appear in 'B' and 'C' category shows financial average condition, co-operatives under 'D' category shows bad financial health of the co-operatives. Even, not classified and not audited co-operative are also in large number. Therefore, number of societies in A and B category showed increasing trend.

Farming Co-Operative Credit Societies

The co-operative faction mainly developed as far as to provide farming finance which was extremely important for the rustic sustainability. Farming finance consists with two parts; one is dealing with short and medium term credit and the other in long-term credit. The former is based on a three-tier system. Primary farming co-operative societies at the village level form the base at grass root

level, which federate into essential co-operative banks at district level, which in turn federate into an apex bank serving the entire State. As well as for long-term credit, there is a essential land mortgage bank for each State at the apex level and primary land mortgage banks at taluka or district level.

Maharashtra State Co-operative Bank (Apex Bank)

The State Co-operative Bank, which is at the top of the credit organization, is also called as the Apex bank. Its functions are to coordinate and to guide the working of the Essential Co-operative Banks and to arrange re-finance facilities for them. The Maharashtra State Co-operative Bank thus acts like a supervisory body at the top of the organization and create an atmosphere to spread the co-operative faction on large.

District Essential Co-operative Banks

There are 31 District Essential Co-op. Banks in Maharashtra working with primary object to provide credit requirements to Primary Credit societies. The first such secondary level co-operative was registered in Mumbai in 1911 under the Administration of India Act, 1904. Since then these Essential Banks have laid the firm financial in fraorganization for the co-operative faction in Maharashtra. District Essential Co-operative Banks operates as the intermediate between State Co-operative Bank and Primary Farming Co-operative Societies.

Primary Farming Credit Societies (PACS)

At the grass-root level there are Primary Farming Co-operative Credit Societies are working for the uplift of the rustic poor people. PACS play a prominent role in disbursement of short term farming credits mainly for seasonal farming operations. These institutions gives strengthen to the various farming operations through neces-

sary input instruments like credit for seeds, pesticides, fertilizers, etc. The co-operative institutions are the backbone of the Indian rustic society.

Maharashtra State Co-operative Farming and Rustic Progress Bank (MASCARD)

The MASCARD Bank floats debentures for making provision of long term loans to the member Banks. These debentures are purchased mainly by the State Administration; however it is necessary for it to create a strong asset base so that it can secure the loans raised by it.

Non-Farming Co-Operative Credit Societies

Urban Co-operative Banks in Maharashtra

Co-operative faction spread not only in rustic areas but also in urban areas too. It provides loans to the small traders, artisans, self-employment, etc. The following table shows the progress of the Primary Co-operative Banks in Maharashtra.

Marketing Co-Operatives

Marketing co-operatives deals with the marketing of farming production such as food grains and commercial crops. Marketing, co-operative are also helps to meet the requirements of the farmers. Co-operative marketing societies are organized by the farmers themselves and the profits are distributed among the members based on the quantity of the produce marketed by them.

Conclusion

Co-operative faction basically an activities with a common goal, co-operation refers to the formation of non-profit economic enterprises for the benefit of there members. Indian administration launched the faction with the enactment of the co-operative societies Act 1904. According to the Act of 1904, the co-operative societies were to be established in every district and were required to be managed by members on democratic lines. The supreme authority was vested in the general meeting, which consisted of all the members. All decisions as to liabilities, loans, investments, interests, etc. were to be adopted at the general meeting. During the early years of the faction , the societies were financed either by loans from administration or from private persons and deposits made by members. The administration loan up to a certain sum was normally interest free. The village-based farming credit societies started giving loans to deserving members.

Conflicts of Interest: None declared.

References

- [1] Hajela T.N. (1994) *Principles problems and practice of co-operation*, Kononk Publishers, Delhi.
- [2] Tyagi R.B.(1968) *Recent Trend in the co-operative movement in India*, Asia Publishing House, Madras.
- [3] Mathur B.S. (1977) *Co-operation in India*, Sahitya Bhavan, Agra.
- [4] Mamoria C.B. & Saksena R.D. (1973) *Co-operation in India*, Allahabad Kitab Mahal
- [5] Deshmukh P.G. (1994) *Working of Co-operative Banks in India*, Kanishka Publising Co. Ltd., New Delhi.
- [6] Abdul K.A. & Husain A.K. (2007) *Co-operative credit and bank-*

ing, Limra publication Chennai.

- [7] Kulkarni P.R. (2009) *Co-operative Banking*, Macmillan Publication India.
- [8] Kulkarni S.K. (1996) *Urban Co-operative Banks*, Anmol Publications Private Limited, New Delhi.
- [9] Walking W.P. (2000) *Co-operative principles today and tomorrow*, Published by Holyoake Books Manchester.
- [10] Sabale R.J. (2010) *The Maharashtra co-operative quarterly*, Banking Sector: Inclusion growth of India