ABSTRACT


A) Introduction :-

Generally speaking co-operation means living, thinking and working together. The principle of Co-operative is as old as human society. It is truly the basis of the domestic and social life. In India agriculture is an important industry and like other industries it also requires capital. Major share of total credit for agriculture is provided by Primary agricultural credit societies. The researcher, therefore selected the topic "A Critical Assessment of Working of Krishak Seva Sahakari Sansthas in Maharashtra (1980-81 to 1998-99)", for his research study.

Krishak Seva Sahakari Sansthas are nothing but Primary Agricultural Credit Co-operative societies (PACCS). Generally in India District Central Co-operative Bank provide finance to Primary agricultural Credit societies. From 1970 Government of India introduced the scheme of financing the primary agricultural credit Co-operative societies by Commercial Banks, to supplement the financing by weak District Central Co-operative Banks.

In Maharashtra from 1975 the Krishak Seva Sahakari Sansthas (KSSSs) are financed by Commercial Banks, District Central Co-operative Banks and Regional Rural Banks. 27 KSSSs were established and are working in Maharashtra from 1975. The researcher thought it desirable to chose this topic for his study, as this topic remained neglected by other researchers so far.

B) Objective of the Study.

Objective of present study are summarised as follows.

1. To study the credit gap fillup by Commercial Banks.
2. To analyse and examine financial position of the KSSSs.
3. To study the loan disbursement pattern, loan recovery and overdues.
4. To study the growth and future prospects of the KSSSs.
5. To study and understand the working, organisation and Management pattern of KSSSs.
6. To study the finance provided by sponsoring banks, viz. Nationalised, Co-operative and Regional Rural Banks.
7. To study the Multi-purpose services provided by KSSSs in rural area.

C) Hypothesis.

In relation to above objectives the researcher being tested following statement of hypothesis are

1. The Krishak Seva Societies are working on Strictly Co-operative Principles and the members are benefited by societies.
2. Members are satisfied with working and Management of the Krishak Seva Society.
3. To study the scheme of financing by commercial Bank to Krishak Seva Sahakari Sansthas.
4. To find out the extent of Credit gaps filled by sponsoring Banks with respect to requirements of farmers.

D) Methodology

The study is based on Primary and Secondary data.

1) Primary Data.

To collect the required primary data, the following techniques of data collection were used.
1. Selection of Sample.
2. Questionnaires.
3. Field Visits.
4. Interviews.

1. Selection of Sample:
   In Maharashtra out of 27 KSSSs only 16 KSSSs are now in operating position and 50% of it is eight have been randomly selected from 5 Revenue Divisions and 7 Districts of Maharashtra for detailed inquiry, which will represent a fair sample for the state as a whole.

2) Questionnaires:
   Two sets of questionnaires were prepared to collect detailed information for research work, First set was prepared for KSSSs and second set was prepared only for members.

3) Field Visits:
   Field Visits were arranged to know the actual functions and services provided by the sample KSSS.

4) Interviews:
   To collect information from the M.D./Manager of the society the researcher is using the systematic interview techniques.

II) Collection of Secondary Data:
   The Secondary Data for studies are collected by using documentary sources. Societies annual reports and office records are used for information. To collect secondary data the researcher using Library facilities available from Jaikar Granthalaya University of Pune, Vaikunth Mehta National Institute of Co-operative Management Pune, Gokhale Institute of Economics Pune and S.S.C. College, Junnar.

E) List of Sample KSSSs.
I) Pune Division.
   1. Shiroli BK KSSS, Ltd.
   2. Koyana KSSS, Ltd.
      At Post. Malhar Peth, Tal. Patan Dist. Satara.
II) Nashik Division.
   3. Central Godawari KSSS, Ltd.
   4. Goda Union KSSS, Ltd.
      At Post. Naygaon Tal. Sinnar Dist. Nashik.
III) Aurangabad Division.
   5. Union KSSS, Ltd.
   6. Renuka KSSS, Ltd.
IV) Mumbai Division.
   7. Vasishty KSSS, Ltd.
V) Amrawati Division.
   8. Central KSSS, Ltd.

F) Chapter Scheme.
   The present study divided in seven chapter. The contents in each chapter, in brief, are as below.
1) Introduction and Methodology.

Introduction, Choice of topic, Scope of the study, Methodology, Hypothesis, Objectives of Study, Likely Contribution to the existing fund of the knowledge, Analysis and interpretation of data, Limitation of the study, and Chapter Scheme of the study.

2) Review of Co-operative Movement.

Co-operative movement Abroad, Co-operative movement in India, Co-operative legislation in India, Co-operative movement in Maharashtra.

3) Commercial Banks and Co-operative Credit.

Some important meanings and definition, Need for Agricultural Credit, Commercial Banks finance for primary credit Co-operative societies, Co-ordinating the activities of Nationalised and Co-operative Banks, Krishak Seva Sahakari Sansthas, Review of operating and non operating KSSSs, Profile of Sample societies, Main objectives of KSSSs, Multi-purpose services provided by KSSSs.

4) Financial Analysis of Sample Krishak Seva Sahakari Sansthas.

Introduction, Establishment of Sample KSSSs, Members, Management and Sources of funds, Application of funds, Overdues of members loans, Operational Efficiency.

5) Critical Review of Sample KSSSs.


6) Condition of Sample Member Households.

Introduction, Selection of Sample household members, Analysis of Questionnaires, Conclusion.

7) Summary of Findings and Suggestions:

Introduction, Summary of Findings, Suggestions.

**G) Summary of Findings:**

Brief Summary of findings of the present study is given as below.

1) Establishment and Multi-purpose services:

Govt. of Maharashtra Established 27 KSSSs since 1975 in the state and now only 16 KSSSs are working in the operating area. These KSSSs are providing multi-purpose services in operating area.

2) Members:

Total number of members of all sample KSSSs is 26,738 as on 31st March 1999. Koyana, Central Godawari, Union, Renuka and Vasishty KSSSs have a scope to increase their members due to their large operating area. Shiroli, Goda Union and Central KSSSs have limited scope to increase members as their limited areas of operation.

3) Sources of Funds:

These KSSSs are collecting their funds by way of own and Borrowed funds. Own fund position of Shiroli and Koyana is better, Central Godawari, Goda Union, and Central KSSSs is good and Renuka and Vasishty KSSSs own fund position is not sound. Shiroli and Koyana KSSSs are less dependent on sponsoring banks loans and other KSSSs are more dependent on sponsoring Banks for borrowed funds.

4) Application of funds:

These KSSSs are utilised maximum amount of funds for advancing loans. They also invest some amount in fixed assets and investments in co-operative shares.

5) Overdues:

All KSSSs are suffering from overdues problem. In all KSSSs Renuka and Vasishty KSSSs are greatly suffer from overdues.

6) Operating efficiency:

Shiroli, Koyana, Central Godawari, Goda Union, and Union KSSSs earn profit every year, Central KSSSs earns maximum profit in last two years. Renuka and Vasishty KSSSs are greatly suffer from heavy losses. Shiroli, Koyana and Central Godawari KSSSs declared dividend regularly.
7) Working Capital :-

Working Capital amounts indicates that Shiroli, Koyana, Central Godawari, Goda Union, Union and Central KSSSs assets are sufficient for repaying the liabilities as compare to Renuka and Vasishty KSSSs.

8) Profit Ratio:-

It indicates that Shiroli, Koyana, Central Godawari KSSSs return on capital employed performance is better than other, Goda Union, Union and Central KSSSs performance is good and Renuka and Vasishty KSSSs performance is not desirable.

9) Benefits to members :-

Members of all KSSSs are really benefited by the services of KSSSs. Majority of members present for Annual General Meeting but only 11.6% members involved in decision process of Annual General Meetings.

10) Board of Directors :-

Board of Directors of all KSSSs are appointed according to Maharashtra Cooperative Act.

11) Performance :-

As per the financial analysis Shiroli, Koyana and Central Godawari KSSSs, financial performance is better, Goda Union, Union and Central KSSSs performance is good, but Renuka and Vasishty KSSSs financial performance is not sound.

It will be clear from the above finding that all the four statement of hypothesis under study have been proved.

H) Suggestions :-

From this study main suggestions in relation to different components of KSSSs are given as below.

I) Government: -

1. Government should continue this scheme in future because KSSSs financial position is better as compared to PACCS. 
2. Government try to decrease interest rate of commercial Banks, and appoint special recovery Officer for overdues recovery.
3. Government should not adopt loan freezing policy, due to this policy overdues tendency increased.
4. Audit programme of KSSSs should be arranged regularly.

II) Sponsoring Bank.

5. Bank should sanction loans to these KSSSs within a short and proper time.
6. Sponsoring Bank should not provide direct loan to members in operating area and bear some administrative and loan recovery expenses of KSSSs and established proper co-ordination.

III) Management of KSSSs.

7. Management of KSSSs efficiently and honestly try to recovered the overdues.
8. Management should try to minimise the administrative and other expenses for increasing income.
9. Management of KSSSs take care of staff welfare.

IV) Members

10. Members must utilise the loan amount for proper reasons and avoid mis use of loans.
11. Members must repay the loan of KSSSs regularly for avoiding overdues problems.
12. Members should not give response for dissolution of KSSSs.
13. Member should use their Annual General Meeting right.
14. Member should give proper co-ordination to the society for the development.

From the analysis of Present Study the above suggestion are made in relation to four component of KSSSs for their sound Development.

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