CHAPTER VIII
VIII CHAPTER
SUMMARY, FINDINGS, SUGGESTIONS AND
CONCLUSIONS

The Employees Cooperative Thrift and Credit Societies have been proved to be effective and serve as an essential tool for the middle and lower class people in order to strengthen their desires and determination to the thrift minded. Their members mainly form the lower strata of the society. They have developed the practice of banking habit and orientation of bank-mindedness. The Employees Cooperative Thrift and Credit Societies have carved a position for themselves from among the cooperative institutions on account of several factors including that of the free accessibility and the people friendly relationship. India, being a rich resource country and having accepted the planned economy, has accorded importance to the cooperatives. The cooperatives are very closer to the people, since these institutions evolve from among the people, The sense of belonging to such institutions is all the more complete, since the seeds were sown in our soil.

The cooperation is based on the basic philosophy and principle. It aims at rendering social justice to all while attaining growth and new reaches of economy. Democracy is the soul of cooperative movement and it is the implement to strengthen the democratic system in all walks of life. Without a group of dedicated workers having faith in this philosophy and efficient management of the societies, cooperatives cannot sustain in future. The cooperatives have played a dynamic role in bringing together the workers in the different fields. The credit
cooperatives have a significant presence in the field of rural finance. In India, one fourth of the cultivators and borrowers are from the cooperative sector. Credit is an important input for achieving plan targets and therefore, the demand for the credit is likely to increase gradually in the years to come. ECS are subjected to various factors, which if improved upon can go a long way in gearing up the thrift and credit societies, so as to play an effective role in the supply of funds to the rural masses.

The defects of the ECS can be overcome for an effective execution of mechanism. Thereafter, one can find a definite growth of the ECS in the Indian economy. From among the various factors that are responsible for the fluctuation in the growth of ECS, mention may be made of the following:

1. vacancies not being filled by the respective organizations.

2. poor financial condition

3. reduced rate of interest compared to private sectors.

4. attractive offers from the banks.

5. delay in sanctioning loans.

6. receiving loans without surety and so on.

This study has been undertaken to examine the perception relating to the performance of ECS and to examine the perception of members. The aim of instituting a cooperative organization is to see that the members are benefited out of the cooperative schemes to improve their standard of living. To make the study more practical, an individual questionnaire has been prepared for primary and secondary data. With these questionnaires, the members, the officials and the administrators
have been interviewed for the collection of data for all the ECS. A fund of secondary data was mobilized from the leading journals, periodicals and books to analyze the mine of information required for the study. From the foregoing a detailed study made in the several chapters, the summary and major findings and suggestions form part of this thesis.

The First Chapter on Design and Execution of the study consists of the introduction to the beginning of the cooperative movement in India; how the ECS constitute the major cooperative structure catering to the financial needs of the employees; the need for the credit dispensation; the significance of the study; the scope of the study; the objectives of the study; review of literature; tools for data collection and the profile of Salem District.

The Second Chapter on the Evolution and progress of cooperative movement in India begins with the introduction to cooperation and further elaborates the cooperative movement in ancient period followed by the British period, the movement during the pre- Independence period emphasizing the salient features of 1904 Act, its defects, the special features of 1912 Act, the progress of the Act of credit cooperation in the successive years, the movement during the post- independence period, recommendations of the All India Rural Survey Committee, etc. An emphasis has been laid upon to know the steps taken for the growth of cooperative movement in Tamil Nadu. To understand the concept of cooperation, highlights from the definitions of cooperation illustrated by several authors have been furnished. It serves as a guiding factor to understand
the focus on the society, principles of cooperation, the membership features, an autonomous character of the cooperatives, the economic participation, the value of the cooperative education and so on.

In the Third Chapter, the part played by the credit society, its functioning, the rules and regulations, the legal formalities and the working aspect of ECS have been brought out in greater detail. The bye-laws of the ECS serve as an eye-opener to understand the modality of the ECS. How the members derive the benefits of the ECS is given in detail.

The Fourth Chapter is a comprehensive one, which, encompasses the plans needed for the economic growth, the distribution of social equalities and social justice. These plans serve as an economic base to build up the future economy. How cooperation has seen through the ages of the different plan periods are well-nigh perceivable through its implementation and derivation of the benefits.

The cooperative credit structure and performance analyzed in this chapter, serve as a check to know the practices of the private money lenders and the procedures followed to provide loans to the different sections of the society, the fund augmenting bodies and the schemes employed for the benefit of the employees, the steps taken to waive the loans under compelled circumstances and the schemes implemented to help the women folk in distribution.

A wide coverage with empirical analysis of the performance appraisal of the ECS for the two circles Attur and Omalur bringing out the various features through charts and tables has
been attempted in the **Fifth chapter**. A detailed statistical analysis furnished in this chapter will elicit the relationship between the members, the share capital, the deposits and the investments and as well the plans to improve the earnings of the ECS.

In the **Sixth Chapter** we come to know about the modalities, the features and the significance of the thrift and credit as well as the variables that we come across in the circle of Salem and Salem District. We come to know from the statistical analysis furnished in this chapter that the outgoing members are more in number than the incoming members on account of several deficiencies that have been pointed out earlier.

The **Seventh Chapter** contains a detailed account of the perception of the members over the functions of the ECS. Member’s representation in the democratic management is a significant move to understand their participation in the managerial capacity and the enjoyment of opportunities. The part played by the members in the ECS, the interest evidenced by the members in depositing, the financial constraints, the effects of the investment made by them in the societies are described at length. There is transparency as far as ECS is concerned because the savings and shares belong to the members and meant for their utilization. More members have to take part in enrolling themselves in the ECS. This will ultimately help them for the growth of the ECS and thereby the ECS assets also will be improved. For the enhancement of the share capital the contribution from the members will be of great
advantage. The ECS should institute a forum to create awareness among the members and the public.

In the final chapter the features of the ECS, the various remedial measures for the improvement of the ECS, the various suggestions for the upliftment of the society through generous floating of the loans, the launching of the several schemes for the benefit of the various sections of the societies, the guidelines to build up the ECS, so as to augment its income, the rights and privileges of the members have been focused.

To conclude, the study emphasizes the need for expanding the ECS so as to raise the standard of living and to alleviate the sufferings of the poor and for the improvement of the societies. At the end a detailed bibliography has been added covering the primary and secondary sources consulted so far for this study.

The Employees cooperative Thrift and Credit Societies are meant to help the public with wider range of schemes. Such societies can build up their capital base to increase share capital contribution from the members. It was found necessary to the ECS to float various loans to meet the demand of the people. The credit policy has been suitably modified to meet the requirements of the weaker sections. In case there is no limitation in the cooperative sector for mobilizing the share capital by enhancing the members, it will be beneficial to them to borrow more loans from the ECS. There is an urgent necessity to remove the constraints if any, in their efforts to boost their share capital. The ECS should also apply specific standard on par with commercial banks for the better service to the members. The guide lines namely the interest rates,
collection of interest, share linkage, loan facilities will be of
great advantage to the members in the cooperative sector.
Seeking the support of the fellow members by publicizing the
advantage of the societies is a desideratum in the present
context. Viewed against the perspective and the framework of
the ECS, it may not be difficult to introduce the changes in the
set up so as to bring about a congenial scenario affording great
opportunities and facilities to the members. In fact many of the
ECS in the rural areas like Attur and Omalur have provided
enough facilities through the sanction of the loans at easy
installments. The various circles of Salem District so as to
attract more deposits at one stage or the other have introduced a
number of schemes. The women in general have availed the
loans for their profession and livelihood and thereby promoted
the borrowing power of the women.

Women cooperatives need to be promoted for the socio-
economic upliftment of women in India. Such cooperatives
provide credit to further the productive, economic and income
generating activities of the poor and self employed and to
extend technical and management assistance in production,
storage, procuring, designing and sale of goods and services, to
give guidance in marketing their goods, accounting services to
members individually and to women groups to provide facilities
to rescue their jewels from the clutches of money lenders, to
collect daily savings and guide them in banking procedures.

Credit from banks and financial institutions, establishing
marketing linkage providing training in technical skills,
financial management, through relevant institutions is necessary for the promotion and strengthening of women cooperatives.

It is necessary to create awareness among the men and women to properly utilize the ECS so as to reap the fruit out of it. A wide publicity focusing the advantages and the benefits of the ECS should be given top priority. The rural masses should be well educated on the purpose for which the ECS have been instituted and how best they can enroll themselves as members either singly or collectively. It will be worth while, if all the employees in each and every Government, Government aided and private institution, register their names in their respective ECS. This will be a step to promote the societies and in turn to help them to derive so many benefits from the ECS. All the employees should be brought under the cooperative canopy or fold so as to improve their standard of living and to wipe out the financial commitments. The government has to take more steps to create thrift and credit societies at the grass root level so that the rural masses will be benefited.