Chapter 4: Research Methodology

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CHAPTER - 4
RESEARCH METHODOLOGY

Agriculture sector needs finance, short term, medium term and long-term loan to get better production both in the terms of quantity and quality. Multipurpose agricultural co-operative societies are set up for financing the short-term needs of the farmers. The basic purpose to encourage co-operatives in agricultural sphere was to get rid of the exploitation of farmers by indigenous bankers or money-lenders who charge high rate of interest and takes various types of charges as well as in kind of land from farmers.

Farmers need finances for purchasing high yield varieties of seeds, fertilizers, pesticides and agricultural implements. These agricultural inputs are also made available through co-operative societies which are functioning level.

Multipurpose agricultural co-operative societies are set up under the co-operative act and rules and their members get the limited finance from these societies in the month of June -July every year so that they are able to purchases the various inputs to be used in agricultural sector.

The multipurpose agricultural co-operative societies provide short-term finance to the farmers. The very back-bone of our economy is agriculture sector which should be developed on strong and sufficient lines.

Multipurpose agricultural co-operative credit societies as economic institution play a very important role at the grass roots level in the development of local areas.

They are not only multipurpose organizations catering to the needs of diverse sectors of society, but they are also multifunctional organizations a host of activities like banking, in out supplies, marketing produce and trading in consumers goods.

Hence effective performance of multipurpose agricultural co-operative credit societies would be crucial for satisfying the needs of members in particular and the needs of the general public in their respective area in general.
4.1 Selection of the Topic

The researcher being interested in the study co-operative movement. The co-operative movement in India has been the most vital factor promoting development in various sectors. The multipurpose agricultural co-operative credit societies work on grass root level. It works for the farmers and laborers and contribute to the development of the rural area. The multipurpose agricultural co-operative credit societies form the core of rural development in India. Indeed they work as the effective instrument through which development can be achieved.

This movement has its roots in the rural area and so it has very natural affiliations with the rural development.

The movement has by now crossed the rural-urban distinction and has emerged as a potent channel of development to expedite and enrich the process of development in the rural area the movement opened up a new collective enterprise named agriculture co-operative credit societies.

4.2 Scope of the Study

The present study covers working and functioning of Multipurpose Agricultural Co-operative Credit Society in Maharashtra is specially the study covers Pune district area of Maharashtra State from the year 2007-08 to 2011-12 i.e. five years for the sake of convenience.

4.3 Methodology

The research study is based on the analysis and interpretation of primary and secondary data:

1) Primary Data

Primary data is first hand data fresh and authentic for the purpose of research study. To collect the required primary data, the following techniques of data collection were used.

a. Selection of sample
b. Questionnaires
c. Field visit
d. Interviews
e. Attending the meetings
f. Data Processing

a. Selection of Sample

In the end of the financial year 2007-08, there were 21240 multipurpose agricultural co-operative credit societies in Maharashtra & 1200 multipurpose agricultural co-operative credit societies in Pune District. Out of those 120 multipurpose agricultural co-operative credit societies are selected as a sample. The sample size is around 10 percent of the total societies from Pune District. These 120 societies have been selected on simple random basis randomly selected from Pune district.

Further a sample of 05 (five) farmers / members and 3 management persons i.e. directors, chairman and secretary from each selected society were chosen for the study.

Respondents interviewed by the researcher are as follows:

<table>
<thead>
<tr>
<th>Nature of Respondents</th>
<th>No. of Societies</th>
<th>No. of Respondents</th>
<th>Total no. of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Farmers / Members</td>
<td>120</td>
<td>05</td>
<td>600</td>
</tr>
<tr>
<td>2. Management Persons i.e. Director, Chairman &amp; Secretary</td>
<td>120</td>
<td>03</td>
<td>360</td>
</tr>
<tr>
<td>Total</td>
<td>--</td>
<td>08</td>
<td>960</td>
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</table>

In order to collect data from each multipurpose agriculturalco-operative credit society’s information was collected from members/farmers, directors including chairman and secretaries/ employees. Five representatives from members / farmers & three representatives from management were collected from the sample society.

b. Questionnaires

Two sets of questionnaires were prepared to collect detailed information for research work. The questionnaires were prepared in Marathi as well as in English language for convenience of members, directors and secretaries. All these
questionnaires will be pre-tested and then finalized of respondents.

**Set 1 – The questionnaire for members of the society**

The first set of questionnaire was prepared for the members of the society for finding out the credit and services supplied by the society.

These questionnaires were personally handed over to the selected members of the societies. This questionnaire contained information regarding name, address, annual income, loan limit, interest rate, benefits received by becoming a member of the society, services rendered by the society to its members, and problems of the society.

**Set 2 – The questionnaire for management of the societies**

The second set was prepared for directors including chairman of the multipurpose co-operative societies.

For collecting the data regarding the working and management of multipurpose co-operative credit societies. These questionnaires were personally handed over to directors & secretary of the Multipurpose co-operative credit societies.

Questionnaires contained information regarding name, date of registration of society, total number of members, capital and reserve funds, dividend, deposit of the society, and management of the society. It also includes working and functioning of the society.

**c. Field visits**

The field survey were conducted from January 2013 to June 2013

The field visits were also arranged to know the actual functions and various services rendered by the sample multipurpose co-operative credit societies.

**d. Interviews**

In order to know the working, functions and problems of Multipurpose Agricultural co-operative credit societies the interview technique was adopted. The executive of Pune District Central Co-operative Banks were interviewed.

The researcher personally visited to the selected Multipurpose Agricultural credit co-operative societies and collected the information by filling the Questionnaire. The researcher observed the office records of these societies to get the additional information which was not covered by the questionnaire.
The researcher has personally talked with the chairman, directors and secretary of the societies, and also the authorities of Pune District Central Co-operative Bank, NABARD and experts in the field of co-operation.

e. Meetings and observations

The researcher attended the meetings of the board of directors of the multipurpose Agricultural credit co-operative societies, annual general meetings of the members of the societies, taluka level meetings of the secretaries and meetings of bank inspectors of Pune District Central Co-operative Banks and observed the proceedings of the meetings.

f. Data processing

The data collected through questionnaires was analyzed by using different statistical tools i.e. percentages and averages. These tools are useful to draw conclusions.

2) Secondary Data

In secondary sources, existing records published and unpublished were used. It includes the following records:

1. Published data by various authors, committees appointed by government and various publications of government departments.
2. Audit reports of multipurpose agricultural credit co-operative societies.
3. Silver Jubilee, Golden Jubilee, periodical special publications of the primary agriculture credit co-operative societies and certain apex bodies.
4. Standard reference books and international, national and state level journals on co-operation, communication, banking, insurance, rural development.
5. Research papers and conference papers in co-operation, communication, information technology, commerce & management.
6. Various articles published in daily newspapers on co-operation, communication, rural development, trade, commerce, industry and management.
7. Published materials such as government periodicals, R.B.I. bulletin, professional journals, magazines, official and statistics published by the bureau of statistics
have been used for the study.

8. Various articles on interest are also reviewed.

To collect secondary data the researcher has used the following library facilities available at B.M.College of Commerce, Pune, Jaikar library university of Pune, Vaikunth Mehta National Institute of Co-operative Management of Pune, Gokhale Institute of Economics Pune, Shri. Shiv Chhatrapati College Junnar, Maharashtra RajyaSahakariSangh Pune and Arts, Commerce & Science College, Narayangaon.

4.4 Analysis and interpretation of data

After the collection of the research data, an analysis of data and interpretation of the result are necessary. Analysis of the data is to be made with reference to the purpose of the study.

An analysis is made with reference to the research problem at hand and with reference to the hypothesis to be tested.

For analysis and interpretation of data the researcher has used the following statistical methods. Tabulation, Classification, Simple average, Graphs, Percentages

4.5 Limitations of the study

The present study has following limitations. The study is related only to Pune District hence generalization of the findings would be limited mostly to this area.

1. The period of study is only from 2007-08 to 2011-12 for generalization of the findings.
2. The sample societies are selected from Pune District only.
3. The findings will be based on the ability of respondents to the inquiries of the researcher. A small number of respondents may not be able to understand the objective of the study and may not respond honestly.

This may lead a marginal statistical error. However due care is taken to keep degree of error within limits.
Chapter 5 : Organization and Management of Multipurpose Agricultural Co-Operative Credit Societies

5.1 Origin and history of Multipurpose agriculture co-operative credit societies

5.2 Meaning and Definitions

5.3 Features of Multipurpose agricultural co-operative credit society

5.4 Objectives of Multipurpose agricultural co-operative credit society

5.5 Functions of Multipurpose agricultural co-operative credit societies

5.6 Organization and management Multipurpose agricultural co-
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