A STUDY OF MULTIPURPOSE AGRICULTURAL
COOPERATIVE CREDIT SOCIETIES

ABSTRACT

Introduction

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.

In this research study recommendations are made on the basis of detailed examinations of the working of multipurpose agriculture co-operative credit societies in order to improve the efficiency of the societies for benefit of farmers/members and the society as a whole and giving loan and various services to farmers like veterinary services, rationing facilities, farm implements, seeds, fertilizers, manures, pesticides, services of storage, services of transport, library facilities, information regarding prices of farm products, training facilities etc.

The study is base on the primary as well as secondary data. For collecting primary data questioners are prepared for farmer member and for management e.g. for directors and secretaries and conclusions are made.

The amount of crop loan supplied by multipurpose agriculture co-operative credit societies is insufficient to meet the production cost. It should be increased. The crops loan given to the members should be given on the basis of production cost. Try to minimize the unnecessary expenditure that is expenditure on social obligators, festivals, marriages etc. The farmers may minimize expenditures by doing a “Group Marriages”.Loans are recovered in the usual manner. As a result, percentage of arrears / over dues is very high. In order to recover the loans more efficiently, the societies should make special efforts and give priority to the recovery
of loans. In the study area there is a lacuna in linking credit to marketing. It is expected to check and control the likely misutilisations of credit which is being advanced. There is a need of linking credit with marketing. The societies should undertake the marketing of agricultural produce. The agricultural produce cultivated by the farmers is not marketed through the societies. The farmers have to depend on the dealers for the marketing of their produce. But if the societies themselves undertake the marketing or arrange the sale of agricultural produce, farmers will be able to get a better price for their produce. Besides, the most important advantage is that the societies can make an immediate recovery or the loans given from this sale proceeds. The major reason for loan arrears is that the loans are not utilized for the purpose for which they are taken.

So, there should be a proper supervision on the utilization of crop loans. The supervision by the staff of district central co-operative bank and the multipurpose agriculture co-operative credit societies should see and ensure for the crop loan is utilized for the purpose for which it is sanctioned.

The secretaries of the primary agricultural credit societies should keep constant personal contact with the borrower member. They should also give them guidance regarding the repayment of their loans. A written notice in advance should be sent to the members. Also, they should send reminders to the members periodically. Members should also be told how it is beneficial if the repayment of the loan is made in time. As a result of the establishment of personal contacts with the member and proper guidance recovery position will improve.

All societies should accept deposits on a large scale from the members as well as from the public. This will help the members to develop the savings habit and to meet the need of funds. Also, the societies will not have to depend on the district central co-operative bank. To achieve this objective, the societies should give a reasonable rate of interest on the deposits and try to attract deposits through different saving schemes. Multipurpose agriculture co-operative credit societies should collect the deposits from members and public for increasing funds for sound financial position.
# Chapter 1: Introduction: Co-Operatives in India and Abroad

1.1 Origin of Co-operation

1.2 Meaning and definition of co-operation

1.3 A - B - C - D of co-operatives

1.4 Characteristics of co-operatives

1.5 Objectives of co-operation

1.6 Co-operation - philosophy

1.7 The core values /ideals of co-operation

1.8 Five good reasons for co-operatives

1.9 Principles of co-operation

1.10 Nature of co-operation

1.11 Need / Necessity of co-operation

1.12 Dimensions and contribution of co-operatives

1.13 Co-operative movement- a global perspective

1.14 Co-operative movement abroad

1.15 Co-operative movement in India

1.16 Co-operative legislation in India

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1.18 Co-operative thinkers in Maharashtra

1.19 Co-operative administration at central, State and local levels