Cooperative Movement in India is one century old and it has been serving the cause of rural development and rural people since time immemorial. Millions of people all over the World have chosen cooperative model of business enterprises to serve their members as well as community goals. Cooperatives provide avenues for gainful employments and jobs for large number of people. They produce and supply safe and quality food and services to their members and the general public. The Cooperatives are based on internationally accepted principles and ethical values. They are socio-economic business organisations. They promote solidarity, tolerance and rights of each individual. Cooperatives are democratic organisations and they stand on the principle of 'Each for all and all for each'.

In the beginning, only Cooperative Credit Societies were organised in India as State Sponsored Organisations and they were engaged for supply of credit for agriculture and agricultural inputs only. Over the years, gradually other type of Cooperative Societies were organised and their business activities have been diversified and extended to different aspects of our economy, such as,
manufacturing and supply of agril machinery, collection and marketing of raw materials, production and distribution of finished products, supply of consumer goods and consumers durables, etc. Today, India is proud to have the largest cooperative network in the World and practically all types of economic activities and services have been covered by one or the other type of Cooperative Societies.

Meghalaya is a tribal State - the Khasis, the Jaintias and the Garos who form the major ethnic groups of the State. Nature has given to Meghalaya a bountiful of natural and forest resources. The State has a good weather, climatic good condition and reasonably good all weather roads. The people of the State are friendly, hospitable and cooperative minded. Large sections of the State’s population are young, energetic and English speaking. The Cooperative Movement in the State has been considerably developed. The Meghalaya Cooperative Apex Bank as leader in the cooperative credit structure in the State has made remarkable progress in all spheres of legitimate activities during the last thirty two years of its service. The workings of the base level Cooperative Societies are also on the whole satisfactory inspite of various constraints and weaknesses inherent in them. The MCAB is now
considered as one of the best Cooperative Banks in the Country and the State of Meghalaya has all the potentials of emerging as a Cooperatively Model State in India.

As an academician as well as a Cooperative Banker in the North East for over three decades, I have been associated with the working of the Cooperative Societies, their progress, growth and spread. The aims and objectives of the Cooperatives are very high and noble; they have immense social values and ideologies. In fact, I have got deeply attached to the Cooperative Movement for their enormous potentialities and the noble services to the downtrodden and economically deprived sections of the people and finally, I have chosen Cooperation and Cooperatives as my service career. During my entire service career, I have been untiringly working for the Cooperatives and their promotion as ‘Change Agent’ for socio-economic development of the people both in the rural and urban areas. I have also seen the trials and tribulations of the Cooperative Institutions and their success and failures.

It is in this context and the background, I have decided to undertake a Comprehensive Study of the Cooperative Movement and the role of Cooperatives in rural development with particular reference to Meghalaya and the North Eastern Region in general.
The objectives of the study are to examine the rural credit delivery system in the Country; role and performances of the Credit Institutions in the credit delivery system and their constraints; performance and promotion roles of the Meghalaya Cooperative Apex bank Ltd. and the Service Cooperative Societies in the economic development of Meghalaya and their potentials to serve as Nucleus of all the rural development activities of the State. I also like to put forward my views and suggestions in the light of my practical experiences in the sector and the conditions prevailing in the N.E. Region and particularly in the State of Meghalaya for strengthening of the rural credit delivery system for the benefit of the people.

The methodology and procedure adopted in the study are collection and assimilation of primary as well as secondary data. Visits to the MCAB Branches and Service Cooperative Societies in different parts of the State at random, State level Cooperative Organisations and Federations, etc. Holding discussions with the Cooperative Leaders and Traditional Leadership, successive RCS and senior officials of the Cooperation Department, District level Functionaries of the State Government, Chairmen, Secretaries and other Office-bearers of Cooperative Societies, reading relevant
materials in the University Library, State Library and MCAB Library. Studying the Reports and publications of the Central and State Governments, RBI, NABARD, NCUI, NCDC, NAFSCOB, IIIBM and MCAB besides Magazines, Journals, Periodicals and available Literatures.

The thesis entitled “Rural Development through Cooperatives in Meghalaya” consists of nine Chapters to facilitate the study.

In Chapter-I, the origin and the historical background of the Cooperatives in Great Britain, Germany, USA, Sweden, Denmark, Russia and India were discussed and deliberated upon.

In Chapter-II, the evolution of rural credit and Cooperative Societies in the Indian context are dealt with.

In Chapter-III, an overview was made in respect of Agriculture and Allied Agricultural Sector with particular reference to their contributions to the Country’s Gross Domestic Product, dependence of the people on agriculture and allied agriculture for their livelihood, Recommendations of All India Survey Committee and various other Committees, Commissions and Tasks Force, etc.

The Chapter-IV deals with the arrangement for cooperative credit in Indian scenario before and after independence, place of Cooperatives in the successive Five Year Plans and their progress.
The Fifth Chapter discusses the position of the North Eastern Region. It deals with the Credit and Banking scenario of Cooperative Banks, Commercial banks and RRBs in the N E Region, status of Cooperative Credit Societies and State level Organisations.

The Sixth Chapter covers the development and role of cooperatives in Meghalaya and it elaborately deals with the cooperative credit structure, their status, position, progress and performances.

The Seventh Chapter deals with Meghalaya Cooperative Apex Bank, its profile, performances and perspectives. In this Chapter, the objectives of the Bank, its management, resource position, lending operation, viability, etc. are examined and core performances parameters and the future perspectives of the Bank are x-rayed.

In the Eighth Chapter, the future roles of the Cooperatives in the Region and Meghalaya are dealt with and an attempt has been made to prepare a blue print suggesting ways and means for effective discharge of assigned functions and responsibilities by the cooperatives in the North East.
The Ninth Chapter is a concluding Chapter and it deals with the Conclusions & Recommendations. Here several suggestions and strategies have been put forward for efficient and viable functioning of the Cooperative Societies, their re-capitalisation assistance and the need for providing active support by RBI, NABARD and the Central and State Governments.

In support of the work, a number of Statistical Tables, Charts, Statements, Annexures Photographs and Pictures have been given and a Bibliography is also appended at the end of this thesis.

In carrying out the research I have been constantly encouraged and inspired by my esteemed guide Prof. Dr. Nagen Ch. Das, Ex. Head & Dean, Faculty of Commerce, Gauhati University and his valuable guidance and suggestions with friendly dealings from time to time have made it possible for me to complete this work. I am immensely grateful to him. I am also grateful to Madam Anjali Das, wife of my Guide for her kind hospitality and affectionate nature.

I am greatly indebted to Dr. S. Sikidar, Head and other Teachers of the Commerce Department, Gauhati University for
their valuable suggestions from time to time in doing my research work.

I acknowledge with deep gratitude the expert opinion; valuable guidance and active support received from the following eminent personalities and distinguished persons in my work:

Shri. G. Myliemngap, Chairman, MCAB; Shri. P C Chakraborty, IAS, Retired Commissioner & Secretary, Cooperation; Prof. Devadas Bhorali; Dr. A.K.Bandyopadhyay, CGM, NABARD; Shri. N B Dutta, Retd. JRCS; Shri. B. Subrahmanayam, MD, NAFSCOB; Shri. K. Ravindran, MD, NCARDB.

I extend my gratitude from the core of my heart to all those Scholars, Writers and Institutions whose Works, Reports, Literatures and Publications are relied upon and utilised by me freely in the research work.

My sincere thanks go to Mr. Kirimanjeshwar Sudhakar, Director, NAFSCOB, Mumbai who spared his valuable time and extended immense help and intellectual support in the work.

I shall be failing in my duty if I do not express my grateful thanks to the Officers and employees of the MCAB particularly Sarvashree S. K. Roy, D. F. War, H.Lyttan and K Basaimoit. I am particularly thankful to Sri A. Choudhury and Shri.
Debajyoti Das of MCAB who lent me active support in my compilation of data and their analysis from time to time.

I wish to thank Mr. Mathew Yohannan, who has put in lot of hard work and pain smilingly in doing the typing work of the thesis neatly.

I must confess that my real source of inspiration of this thesis is my son Dr. Sabyasachi Dutt, who inspite of being a Dental Surgeon has rendered commendable services for carrying out necessary correction of typing work, designing, format making through Computer etc. and helped me immensely for making presentation of this work as neat as possible.

I take this opportunity of expressing my thanks to my affectionate wife, two other sons and daughter-in-laws who did not mind to sacrifice the family comforts and extended their helping hands to enable me to complete the work smoothly.

SHILLONG,

11th July 2005

JIMUT BAHAN DUTTA