MANAGEMENT OF COOPERATIVES IN JHANSI DISTRICT

GENERAL:

The Geographical area of Uttar Pradesh is 294411 square Km. Which is the 4th largest in India after the states of Madhya Pradesh, Rajasthan and Maharastra. Jhansi city is the Head quarter of Commissionary consisting of Hamirpur, Jalaun, Banda, Lalitpur and Jhansi districts. Hamirpur and Mahoba districts are situated in the east of Jhansi district, Shivpuri and Datia of Madhya Pradesh are in the west of Uttar Pradesh and Jalaun district is in the North.

The attached map of Jhansi district can elaborate the actual picture of its situation.

Data of Jhansi District Comparing to the Uttar Pradesh are as under:

<table>
<thead>
<tr>
<th>Sl.</th>
<th>Unit</th>
<th>Uttar Pradesh</th>
<th>Jhansi Distt.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Area</td>
<td>294411Sq.Km.</td>
<td>51024Sq.Km.</td>
</tr>
<tr>
<td>2.</td>
<td>Population</td>
<td>139112000</td>
<td>1430000</td>
</tr>
<tr>
<td>3.</td>
<td>Literacy</td>
<td>46144000</td>
<td>597000</td>
</tr>
</tbody>
</table>

Source: Office of the District Finance and statistics
As per census of 1991, 78.7% of the total population of Jhansi Division is residing in Rural areas whereas 21.3% is living in urban areas. Similarly 60.34% of the population of Jhansi District is living in rural area whereas 39.66% is living in urban area. During the period of Ten years (1981-1991) the total population of Jhansi District has increased by 20.48%.

In 1981 the population of Jhansi district was 11,87,000 and in 1991 it was 14,30,000.

_Natural Resources:_

Jhansi District can be classified in two parts (1) plain are (2) Hillock Area. The plain area's of Mauranipur, Chirgaon, Gursarain, Moth and Bamaur Blocks are better yielded, whereas the hillock land of Babina, Bangra and Baragaon blocks are less cultivate.

Jhansi District is rich in respect of mineral wealth specially granite, perophilite, Dis pore, sand of the basin of Betwa River is largely used for building construction and is exported to other states. This field of business is centralised in the hands of private contractors and big business houses. It is suprising that no cooperative society could enter in the said fields. There are number of stone crushers in and around Jhansi District because the solam and slabs have good demand in the market, local as well as throughout the country. Big slabs have occupied a very good market in other countries. The tiles of Granite of Jhansi District are very famous all around the world and have got a good market. This business has been monopolised by big business houses because it requires huge investment. The cooperatives could not enter in the above fields only as huge investment is required to operate this business.
WORKING OF COOPERATIVES IN JHANSI DISTRICT:

From the history of cooperatives in Jhansi District it is observed that most of the cooperatives came into existence only by self initiative of the weaker section particularly in the field of fishery and weaver's cooperatives. The Government from time to time encouraged these specific areas and it was observed that in Jhansi District, only those cooperative societies could survive, which were protected by the Government. It is also observed that non-society took initiative in the field of mining and exploring minerals. Government too did not encourage the cooperatives to enter into this business.

WEAVER'S COOPERATIVE SOCIETIES

The actual cooperative movement started in Jhansi District only after independence. The first cooperative society was registered in 1947 in Ranipur area as "Weavers cooperative society." Simultaneously some other cooperative societies got registered in the same field and in the same area. At present in all 119 weavers cooperative societies are registered in Jhansi District. Details of the registered weavers societies are as under:-

The first weavers cooperative society was registered on 20.6.1947 in the name and title as "Khushipura Kargha Cooperative Society Ltd. Ranipur" followed by seven societies which were got registered between 21.6.47 to 24.6.47. On 16.10.52 "Kargha Grah Udyog Sahkari Samiti Kuriyan (Mauranipur) was registered. Between 1954 and 1957 six more societies were got registered. After 1957 no society was registered till 1970, which shows slow awareness of weavers in this field. But after 1981 to 1986 a number of weaver's cooperative societies got registered.
1. Hathkargha Kargha Udyogik Upadand Sahkari Samiti Ltd. Mandir Santoshi Ma Ranipur Jhansi (3.12.80)

2. Navrang Handloom Cooperative Society Ltd. Ranipur, Jhansi (22.12.80)

3. Modern Hathkargha Vastra Audhyogik Upadandan Sahkari Samiti Ltd. Ranipur (4.8.80)

4. Navyuvak Bunkar Audho. Uttar Pradesh Sahkari Samiti Ltd. Ranipur (29.3.79)

5. Raniapura Kargha Cooperative Society Ltd. Ranipur (21.6.47)

6. Madhya Bharat Bunkar Sahkari Samiti Ltd. Tilashankat Mochan Ranipur (20.10.79)

7. Khushipura Kargha Cooperative Society Ltd. Ranipur (20.6.47)

8. Hathkargha Udyogik Sahkari Samiti Ltd. Ganj-Ranipur (9.11.76)

9. Grah Udyog Cooperative Sahkari Samiti Ltd. Lidyanpura. Ranipur (15.10.54)

10. Ranipur Hathkargha Cooperative Society Ltd. Ranipur (21.6.47)

11. New Handloom Cooperative Society Ltd. Ranipur (3.11.61)

12. Ladganj Kargha Cooperative Society Ltd. Ranipur (21.6.47)

13. Hathkargha Udyogic Upadandan Sahkari Samiti Ltd. Khushipura, Ranipur (7.1.78)

14. Hast Kargha Udyogic Upadandan Sahkari Samiti Ltd. New Basti Rainpur (20.4.74)
15. Bundelkhand Handloom Udyogik Utpadandan Sahkari Samiti Ltd. Ladganj (31.3.78)

16. Adarsh Hatkargha Vastra Utpadandan Sahkari Samiti Ltd. Khalepura, Ranipur (20.3.78)

17. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Ganj Avadh Bihari Mandir Ranipur (20.10.78)

18. National Weavers Cooperative Society Ltd. Ranipur (7.1.80)

19. The Corner Handloom Cooperative Society Ltd. Aryapura Ranipur (30.12.80)

20. Gandhi Handloom Utpadandan Sahkari Samiti Ltd. Khatipura (P.) Ranipur (20.1.81)

21. Tara Su. Hathkargha Udyogik Utpadan Sahkari Samiti Ltd. Ladyanpura Ranipur (10.3.81)

22. New Janta Handloom Cooperative Society Ltd. Mandir Sita Navya Ranipur (9.3.81)

23. Bunkar Aur Vastra Utpadandan Sahkari Samiti Ltd. (Ganj) Ranipur (10.3.81)

24. Bundelkhand Kargha Cooperative Society Ltd. Shivji ka Mandir Ranipur (9.3.81)

25. Swadeshi Handloom Aur Utpadandan Sahkari Samiti Ltd. Ranipur (15.7.81)

26. Famous Handloom Aur Utpadandan Sahkari Samiti Ltd. Ranipur (15.7.81)

27. Ajad Hathkargha Sahkari Samiti Ltd. Ranipur (16.10.81)
28. Super Fine Udyogik Utpadandan Sahkari Samiti Ltd. Nanai (15.7.81)

29. Hind Bunkar Udyogik Utpadandan Sahkari Samiti Ltd. Hulkanmeta Ranipur (9.3.81)

30. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Kavir Mandir Ranipur (24.4.82)

31. Super Handloom Utpadandan Sahkari Samiti Ltd. Ladganj Nai Basti Ranipur (24.4.82)

32. Nav Jyoti Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Ranipur (6.9.82)

33. Kasturba Handloom Udyogik Utpadandan Sahkari Samiti Ltd. Ranipur (25.9.82)

34. Sarvodya Handloom Utpadandan Sahkari Samiti Ltd. Sukhnail Ranipur (25.9.82)

35. Diamond Handloom Society Ltd. Ladganj Ranipur (25.9.82)

36. Avon Handloom Cooperative Society Ltd. Devri Singhpura Ranipur (20.12.80)

37. Hathkargha Udyogik Utpadanan Sahkari Samiti Ltd. Lohar gaon Ranipur (9.11.76)

38. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Purvi Bhag Devri Singh Pura (20.3.78)

39. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Lohargaon (Uttar) (3.10.76)

40. Kargha Udyog Sahkari Samiti Ltd. Lohar gaon (30.3.61)

41. Kargha Grah Udyog Sahkari Samiti Ltd. Singhpura (26.6.70)
42. Sanjay Handloom India. Cooperative Society Ltd. (D.) Singhpura (10.3.81)

43. Krishna Handloom Udyogik Society Ltd. Madhya Devri Singhpura (9.3.81)

44. Delux Handloom Udyogik Utpadandan Sahkari Samiti Ltd. Devri Singhpura (16.10.81)

45. The Amar Handloom Udyogik Sahkari Samiti Ltd. Amaipura Ranipur (16.10.81)

46. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Gariapura Katera (16.10.81)

47. Hastkargha Udyogik Utpadandan Sahkari Samiti Ltd. Letpura Katera (29.9.76)

48. Golden Handloom Sahkari Samiti Ltd. Tauriapura Katera (20.12.80)

49. Kargha Grah Udyog Sahkari Samiti Ltd. Katera (29.6.70)

50. Khinnipura Adarsh Kargha Cooperative Society Ltd. Katera (29.6.70)

51. Kargha Cooperative Society Ltd. Palra (21.6.47)

52. Kargha Grah Udyog Sahkari Samiti Ltd. Ratosa (30.4.55)

53. Kabir Handlom Utpadandan Sahkari Samiti Ltd. Silgur 26.11.81)

54. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Mauanipur (Paschim) (9.11.76)

55. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Gopalganj (Dakshin) (13.10.76)
56. Hathkargha Udyogik Sahkari Samiti Ltd. Mauhanipur (Paschim) (19.11.76)

57. Maupurav Dudha Cooperative Society Ltd. Mauhanipur (24.6.47)

58. Bunker Udyogik Utpadandan Sahkari Samiti Ltd. Gopalganj Mauhanipur (13.12.71)

59. Kargha Grah Udyog Sahkari Samiti Ltd. Badi Kuriyat Mauhanipur (16.11.57)

60. Navyuvak Vastra Udyogik Utpadandan Sahkari Samiti Ltd. Gopalganj (11.2.81)

61. Kargha Grah Udyog Sahkari Samiti Ltd. Shivganj Mauhanipur (16.10.57)

62. Naveen Hathkargha Sahkari Samiti Ltd. Purani Belai Mauhanipur (30.4.82)

63. Bundelkhand Handloom Cooperative Society Ltd. Purani Mau Mauhanipur (24.3.83)

64. Primary Kargha Society Ltd. Prathvipur Mauhanipur. (21.6.47)

65. Kargha Grah Udyog Sahkari Samiti Ltd. Prathvipur (D.) Mauhanipur (25.8.70)

66. Kargha Grah Udyog Sahkari Samiti Ltd. Ganj Prathvipur (11.2.56)

67. Kargha Grah Udyog Sahkari Samiti Ltd. Mauhanipur (11.3.56)

68. Bunker Udyogik Utpadandan Sahkari Samiti Ltd. Najarganj Taudi Fatehpur (30.4.74)
69. Hathkargha Grah Udyog Sahkari Samiti Ltd. Katra Mauvanipur (26.6.70)

70. Kargha Grah Udyog Sahkari Samiti Ltd. Taudi Fatehpur (21.5.71)

71. Handloom Cooperative Society Ltd. Mauvanipur (15.8.76)

72. Adarsh Kargha Vastra Udyog Utpadan Sahkari Samiti Ltd. Churara (22.12.80)

73. Kargha Grah Udyog Sahkari Samiti Ltd. Churara (1.3.56)

74. Kargha Grah Udyog Sahkari Samiti Ltd. Revan (17.7.70)

75. Hathkargha Udyogik Utpadan Sahkari Samiti Ltd. Sadar Bazar (Jhansi) (7.1.78)

76. Primary Kargha Cooperative Society Ltd. Nakwara (21.6.47)

77. National Handloom India. Cooperative Society Ltd. Churara (16.10.81)

78. Vastra Udyogik Utpadan Sahkari Samiti Ltd. Ujiyarpara (Jhansi) (30.3.84)

79. Grah Udyog Sahkari Samiti Ltd. Chirgaon Khurd (Jhansi) (19.7.67)

80. Bunkar Sahkari Samiti Ltd. Samthar (Jhansi) (28.11.81)

81. Kabir Hathkargha Udyogik Utpadan Sahkari Samiti Ltd. Madhavpura (Jhansi) (19.5.83)

82. Famous Hathkargha Udyogik Utpandandan Sahkari Samiti Ltd. Makaniya (Jhansi) (20.12.83)

83. Shiv Handloom Vastra Udyogik Utpandandan Sahkari Samiti Ltd. Katera (31.12.83)
84. Samrat Handloom Udyogik Utpadandan Sahkari Samiti Ltd. Kalaipura (D) Ranipur (31.3.84)

85. Super Delux Handloom Cooperative Society Ltd. Nai Basti Ranipur (31.3.84)

86. Kamal Handloom Udyogik Utpadandan Sahkari Samiti Ltd. Nai Basti Ranipur (31.3.84)

87. Goodluck Handloom Kargha Udyogik Utpadan Sahkari Samiti Ltd. Mandir Santoshi Maa Ranipur (31.3.84)

88. Bharat Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Chura (D) (31.3.84)

89. Bajrang Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Churara (Jhansi) (31.3.84)

90. Lakshmi Handloom Udyogik Society Ltd. Ladhanj (Ranipur) (31.3.84)

91. Prakash Handloom Cooperative Society Ltd. Madhya Athardpura. Ranipur (31.3.84)

92. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Devri Singhpura (U) (4.9.84)

93. Hathkargha Udyogik Utpadandan Sahkari Samiti Ltd. Bhanpura Jhansi (11.9.84)

94. Rolexi Hathkargha Sahkari Sam. Ltd. Nai Basti Ranipur (13.9.84)

95. Diamond Vastra Udyogik Utpadandan Sahkari Samiti Ltd. Katera (Jhansi) (12.10.84)

96. Jai Shiv Handloom Udyogik Sahkari Samiti Ltd. Ladganj Ranipur (10.10.84)
97. Bunkar Sahkari Samiti Ltd. Gopal Mandir Muraipur (23.11.84)
98. Janhit Handloom Operative Society Ltd. Khushipur (D.) Ranipur (17.1.85)
100. Hathkargha Udyogik Utpadan Sahkari Samiti Ltd. Kaushal Kishor Ka Mandir Singhpura (7.1.85)
101. Harijan Hath. Cooperative Society Ltd. Athaipura Uttar Ranipur (10.10.84)
102. Handloom Udyogik Utpadanand Saahkari Samiti Ltd. Ladganj Ranipur (7.6.85)
103. Shakti Handloom Cooperative Society Ltd. Khushipur (Gadi) Ranipur (7.6.85)
104. Bunkar Handloom Cooperative Society Ltd. Jhalkari Nagar Ranipur (3.6.85)
105. Bharti Hathkargha Sahkari Samiti Ltd. Ladganj (Purab) Ranipur (3.6.85)
106. Hathkargha Udyogik Utpadan Sahkari Samiti Ltd. Indranagar Ranipur (2.7.85)
107. Handloom Udyogik Utpadan Sahkari Samiti Ltd. Ganj Paschim Ranipur (30.9.85)
108. Amar Hathkargha Udyogik Utpadan Sahkari Samiti Ltd. Gopal Ganj (U.) Muraipur (17.10.85)
109. Hathkargha Udyogik Utpadan Sahkari Samiti Ltd. Nai Colony/Prathvipur (Jhansi) (29.9.85)
110. Janpriya Handloom Cooperative Society Ltd. Devri (U.) Ranipur (29.3.86)

111. Anupam Handloom Cooperative Society Ltd. Chirgaon (Jhansi) (29.3.86)

112. Prakratik Handloom Udyogik Utpadandan Sahkari Samiti Ltd. Ranipur (29.3.86)

113. Akash Handloom Udyogik Utpadan Sahkari Samiti Ltd. Jhandapur Ranipur (31.3.86)

114. Jaihind Handloom Cooperative Society Ltd. Singhpura Ranipur (31.3.86)

115. Rastriya Hath. Udyogik Utpadandan Sahkari Samiti Ladganj Ranipur (20.5.90)

116. Rastriya Bundelkhand Handloom Udyogik Utpadan Sahkari Samiti Ranipur (28.2.79)

117. Grah Udyog Kargha Sahkari Samiti Ltd. Amargarh Jhansi (26.6.70)

118. Grah Udyog Sahkari Samiti Ltd. Chirona (Jhansi) (17.7.57)

119. District Weavers Cooperative Society Maurainpur (5.2.76)

From the above details it is observed that maximum weavers cooperative societies were localised in and around Ranipur area of Jhansi District. Surprisingly from the inception of weaver's cooperative societies in Ranipur in 1947 there was no basic infrastructure for the weavers, especially the required raw materials, power, transport facilities, communication and proximity to the market. It is also observed during survey that the products of weavers cooperative societies of Ranipur became very popular after 1980-81.
Because the tericott of Ranipur got popularity all over India that is why there was a good growth of cooperative weavers societies in Ranipur area, data itself speaks that a good number of weaver cooperative societies-(80) got registered during this period. In 1994-95-8015 families were found engaged is weaving work and 5134 Kargha's were functioning.

It is very unfortunate that most of these societies could survive in real sense for a very short period. In the year 1980 these societies were granted subsidy at the rate of 5% on sale by the state government. The management of these societies took very much interest only in the beginning of their establishment but after five years or so the management stopped taking interest as the subsidy granted to them was stopped. The management did not ask for regular audit of their accounts. The secretaries did not call regular meetings of the societies. Most of the funds of these societies were eaten away. Huge management expenses burdened their future working. The data of 1997 shows that only 08 societies out of 119 were audited. The management did not maintain their account properly. The accounts of the societies were not even presented before the Auditor/Inspector. It is also observed that most of the societies were found defunct. UPICA is the apex body of weavers cooperative. The sale centers were situated at Manik Chowk, Sipri Bazar Jhansi and Ranipur itself.

**FISHERIES COOPERATIVE SOCIETIES**

The fishery cooperatives started in Jhansi District in 1972. The first primary cooperative in this area was registered in August 1972 in the name and title-"Matsya Jeevi Sahkari Samitee Ltd., Dheeverpura, Raksa, Jhansi. After this three more societies got registered in the same year. Between 1972 and 1992 total twelve primary societies were registered in this field. These primary societies did not get any subsidy or grant from the state government but in the recent years two
primary societies were granted loans under World Bank Scheme. All these societies functioning on the basis of small sale. These primary societies are functioning around big Talab (Ponds), dams and reservoir. These are-located at Parichha, Baragaon, Kuangaon, Dheevarpura (Raksa), Barwasagar, Kotra (Mauranipur) Palar, Talpura (Babina) Bhandra, New Churchgate Babina and Siavina buzurg, (Chirgaon).

<table>
<thead>
<tr>
<th>SN</th>
<th>Name of Society</th>
<th>Date of Registration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Matsay Jiviki Sahkari Samiti Ltd. Ujyan</td>
<td>17.12.80</td>
</tr>
<tr>
<td>2.</td>
<td>Parichha, Jalsay Matsay Jivi Sahkari Samiti Ltd. Badagaon</td>
<td>8.8.81</td>
</tr>
<tr>
<td>3.</td>
<td>Kamla Sagar Matsay Jivi Sahkari Samiti Ltd. Syavni Bujurg</td>
<td>21.10.72</td>
</tr>
<tr>
<td>4.</td>
<td>Matsay Jivi Sahkari Samiti Ltd. Dhirapur, Jhansi</td>
<td>8.8.72</td>
</tr>
<tr>
<td>5.</td>
<td>Matsay Jivi Sahkari Samiti Ltd. Baruasagar</td>
<td>9.1.79</td>
</tr>
<tr>
<td>6.</td>
<td>Laxmi Tal Matsay Jivi Sahkari Samiti Dariapura, Jhansi</td>
<td>27.2.81</td>
</tr>
<tr>
<td>7.</td>
<td>Matsay Jivi Sahkari Samiti Ltd. Syavari Kotra</td>
<td>27.7.88</td>
</tr>
<tr>
<td>8.</td>
<td>Matsay Jivi Sahkari Samiti Ltd. Lalpura, Babina</td>
<td>1.5.87</td>
</tr>
<tr>
<td>9.</td>
<td>Bhandra Matsay Jivi Sahkari Samiti Ltd. Bhandra</td>
<td>8.8.72</td>
</tr>
<tr>
<td>10.</td>
<td>Matsay Jivi Sahkari Samiti Ltd. Palar</td>
<td>9.1.79</td>
</tr>
<tr>
<td>11.</td>
<td>Matsay Jivi Sahkari Samiti Ltd. New Church Babina</td>
<td>25.4.90</td>
</tr>
<tr>
<td>12.</td>
<td>Matsay Jivi Sahkari Samiti Ltd. Kadora, Mauranipur</td>
<td>26.6.92</td>
</tr>
</tbody>
</table>
During survey it was found that most of the societies were not working. Their management has almost been defunct. It is also observed that most of the societies registered were centralised in the hands of some particular families only, they did not convene regular meetings of the societies, the proper accounts were not maintained and were produced before the Auditor/Inspectors.

HOUSING COOPERATIVE SOCIETIES

During British Rule Jhansi's population was very small. Most of the civilians used to live within the wall city and the aristocrats were located in the civil lines area of Jhansi. Due to the development of Indian Railways specially work shop and loco yard of Railways, the employees of Railway used to live in Sipri Bazar area, Nagra and Pulia no.9. In Cantonment is most of the public related to the business with Army, started living in Sadar Bazar (Cantt.) Jhansi. Thus residential area of Jhansi was limited only to city, Sadar Bazar, Nagra and Sipri Bazar.

After Independence the population of Jhansi grew rapidly. Madhya Pradesh surrounds Jhansi from three sides; which is economically very weak. Due to poverty, in search of job most of the unemployed youth migrated to Jhansi from Madhya Pradesh as well from nearby places of Jhansi, Banda, Hamirpur and Jalaun of Uttar Pradesh. One important factor is also responsible for the growth of population of Jhansi is the in-security of the rural population. In villages, due to poverty, enmity, murders, decoities etc. which are regular features, the rural people who could afford to purchase a piece of land in Jhansi migrated to Jhansi. Awareness to educate children, rural population migrated to Jhansi because good education facilities were available in Jhansi. Some big projects were introduced in Jhansi such as Matatila Dame Hydro Power Project, B.H.E.L., Parichha Thermal Power Project., Indian Grass and Fodder Research Institute,
spinning Mill, Air Force Base, Medical college, Bundelkhand University, Bundelkhand Engineering college, Polytechnic colleges for Boys and Girls, Diamond Cement Factory and Urea Factory etc. provided new jobs, which attracted new population in Jhansi ultimately creating demand for residence. Now Jhansi is densely populated city. Distant places like city, Sipri Bazar and Sadar Bazar are connected with the houses and buildings. Jhansi has expended upto Kochha Bhalwa on Kanpur Road, upto spinning mill on Gwalior Road, upto B.H.E.L. on Lalitpur road and upto a distant place on Shivpupri road.

Before implementation of Master Plan in Jhansi in the year 1979, there was no problem for the residential land in Jhansi, therefore Jhansi developed in a very unplanned way. But as soon as the master plan came in to existence, land for residential purposes became scare. The reason is that the master plan described the use of land as residential, green land and industrial land. The railways and army occupy a major part of the prime land in Jhansi, scarcity of residential land attracted the cooperative housing societies to come and work in the field of housing. Thus in Jhansi most of the cooperative housing societies came into existence only after 1979. Presently only 11 cooperative housing societies were registered in Jhansi. Unfortunately most of the cooperative housing societies were defunct, only Sri Bajrang housing society is functioning presently, which is maintaining the accounts, calls annual meetings and gets its account audited: It is observed that the reason of failure of the cooperative housing societies is the provisions of master plan of Jhansi. It had declared as residential land that area which was already occupied by the residents. Looking to the need of future, it made no provisions. Around Jhansi, where the new population could get residential land has been declared as green belt or industrial belt. Under such circumstances the cooperative housing societies could not get land for residential purposes and resulting their colleges. Some
societies purchased lands in the Green Land Area with a hope that the administration would allow to convert use of land from agriculture to residential land but unfortunately the administration did not help those societies resulting their failure.

LIST OF THE REGISTERED COOPERATIVE HOUSING SOCIETIES IN JHANSI DISTRICT

1. Ministirial Housing Society, Refugee Coloney, Jhansi.
2. Jai Mahakali Sahkari Awas Samitee, Jhansi.
4. Kumar Sahkari Awas Samiti, Jhansi.
5. Bajrang Sahkari Awas Samitee, Jhansi.
6. Nagar Palika Sahkari Awas Samiti, Jhansi.
7. Madhya Railway Sahkari Awas Samiti, Jhansi.
8. Khailar Sahkari Awas Samiti, Jhansi.
9. Bundelkhand College Sahkari Awas Samiti, Jhansi.
10. Bipin Bihari Mahavidyala Awas Samiti, Jhansi.
11. Nandanpura Sahkari Awas Samiti, Jhansi.
12. BHEL Sahkari Awas Samiti, Jhansi.
13. Karguan Grah Nirman Sahkari Awas Samiti, Jhansi.
14. State Bank of India Staff Housing Cooperative Society, Jhansi

Above-mentioned housing societies are affiliated to Awas Sangh, having branch office at Nandanpura Jhansi.

It was also observed that most of the cooperative housing societies did not call their regular meeting on account of which the member's did not take part in the management resulting their failure. After some time the management was superceded and taken over by the administrators.
DISTRICT COOPERATIVE BANK-JHANSI

District cooperative Bank Jhansi was established in May 1958. State Government alongwith 392 different societies and 5789 nominal members were the members of this Bank. At present in all 18 branches are working in the different areas of Jhansi District. The State participation is of Rs. 74.00000/- (74 Lac). The meetings of the Bank are called at regular intervals but at present the management is superseded and administered by the District Magistrate. The Bank is fully administered and run under the regulations of Reserve Bank of India. The reserve funds and other funds are maintained properly. The loans and grants given by the Bank are properly watched. In some of the previous years it was difficult for the bank to realise the loans but since the administration.

<table>
<thead>
<tr>
<th>Share Capital:</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>State Government</td>
<td>Rs. 74,00,000.00</td>
</tr>
<tr>
<td>Others</td>
<td>Rs. 151,39,800.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Rs. 2,25,39,800.00</strong></td>
</tr>
</tbody>
</table>

Other reserves: (as on 31.3.96)

| Reserve funds             | Rs. 20,54,703.27 |
| Other reserves            | Rs. 27,42,075.15 |
| **Total**                 | **Rs. 47,96,778.42** |

Accumulated loss: Rs. 22,39,948.49
Working capital: Rs. 42,97,74,955.23

Details of loans: 

<table>
<thead>
<tr>
<th>Short Term</th>
<th>Medium Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributed during</td>
<td>21,105,6806.13</td>
</tr>
<tr>
<td>F.Y. 1995-96</td>
<td><strong>Total 21,68,72,105,32</strong></td>
</tr>
</tbody>
</table>

1. Baruasagar, Jhansi, Bangra, Ranipur, Muanipur, Rewan, Gursarain, Bimore, Moth, Chirgaon, ManikChowsk, Mandi Samiti, Nandanpura, Nagra, Garotha, Tehroli, Samthar, Babina took over the charge the percentage of realisation increased simultaneously.
<table>
<thead>
<tr>
<th>Realised Amount</th>
<th>Short Term</th>
<th>Medium Term</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>During F.Y 1995-96</td>
<td>Rs. 190884000.22</td>
<td>Rs. 17571409.16</td>
<td>Rs. 208455416.38</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Unrealized Amount</th>
<th>Short Term</th>
<th>Medium Term</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>as on 31.3.96</td>
<td>Rs. 49345595.42</td>
<td>Rs. 21129889.63</td>
<td>Rs. 97475485.05</td>
</tr>
</tbody>
</table>

**Bank deposits: (as on 31.3.96)**

<table>
<thead>
<tr>
<th></th>
<th>Deposits</th>
<th>Withdraws</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Deposits</td>
<td>254776285.75</td>
<td>2551367650.21</td>
<td>14758783.96</td>
</tr>
<tr>
<td>Saving Bank Deposits</td>
<td>387984098.29</td>
<td>376071990.22</td>
<td>111538824.08</td>
</tr>
<tr>
<td>Fixed Deposits</td>
<td>144863361.13</td>
<td>115317432.16</td>
<td>160657917.98</td>
</tr>
</tbody>
</table>

**Bad and doubtful capital :**

<table>
<thead>
<tr>
<th></th>
<th>Bad Debts</th>
<th>Doubtful Debts</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan</td>
<td>11857761.00</td>
<td>5667990.00</td>
<td>1752751.00</td>
</tr>
<tr>
<td>Interests</td>
<td>1864610.00</td>
<td>2549244.00</td>
<td>4413854.00</td>
</tr>
<tr>
<td>Others</td>
<td>544297.69</td>
<td>209972.00</td>
<td>754269.69</td>
</tr>
</tbody>
</table>

**State Grant :**

- Balance of last year : 600960.00
- Receipt during year : 1212200.00
- Total : 1813160.00
Profit and Loss:

<table>
<thead>
<tr>
<th></th>
<th>1994-95</th>
<th>1995-96</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit (+)</td>
<td>1529036.93</td>
<td>(+) 184005.16</td>
</tr>
<tr>
<td>Accumulated Loss from last year</td>
<td>(-) 2423953.57</td>
<td>(-) 2239948.41</td>
</tr>
</tbody>
</table>

From the above details of the bank it can easily be observed that a huge amount of loan, which was granted and disbursed by the bank remained unrealised. Although several attempts were made but the bank was bound to transfer as bad debts.

The management of the bank seemed proper. The elections of the management were conducted in time. It can be suggested that strict follow up from R.B.I. is still required particularly in case of granting of loans and their realisation. A proper control over management expenses is also required.

CREDIT AND OTHER SOCIETIES

As per our observation and survey conducted it was found that a number of credit societies have been registered which is at present 45 out of which only a few are working at panchayat level. Most of credit societies are defunct and administered by the Administrators and most of them do not prepare their accounts properly. They do not convene their regular meetings, which ultimately shows that the share holders/members do not take interest in the affairs of the societies. It was also found that a huge amount remained unrealised. The members are also not willing to return the loans taken by them.

CONSUMER'S COOPERATIVE SOCIETIES

In Jhansi district only one whole sale central consumer's store is working. In addition to that several primary consumers stores are
registered. The whole sale central store was set up as a matter of state policy after 1962. It was expected that it would provide goods at reasonable price, protect the interests of the consumers, will thus stabilise the price line, and check the exploitation of consumers by the private business. But the wholesale store did not succeed in acting as price setter in the market and has not made any significant contribution in holding the price line. The whole sale store got phillip in the year 62-63 when it got a huge amount under centrally sponsored schemes. With the enactment of rationing in the District the wholesale store flourished its business under public distribution system. The business of whole sale store flourished till 1990 and after wards it declined because of change of government policy, reducing in government funding and administered by Government nominee.

As mentioned above the scheme for the development of the wholesale stores in Uttar Pradesh and Jhansi as well underwent a radical change after the implementation of centrally sponsored scheme in 1962. Upto this period only 9 (nine) wholesale stores were in existence in Uttar Pradesh but with this scheme 16 new wholesale central consumer's stores were be set up. By the end of Third Five-Year Plan 27 such stores were organised in 27 towns of the state, Jhansi was one of them In Jhansi division one whole sale store in Jalaun, 2 at Hamirpur, and 1 in Banda was set up upto 30th June 1969. The following table shows the position of wholesale stores alongwith their members, share capital, reserves and different other working.

<table>
<thead>
<tr>
<th>Jhansi Range</th>
<th>Nos. of wholesale Stores</th>
<th>Nos. of Members</th>
<th>Paid up Share Capital (Rs.)</th>
<th>Working Capital (Rs.)</th>
<th>Annual Turnover (Rs.)</th>
<th>Cost of Management (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jhansi</td>
<td>-</td>
<td>-</td>
<td>197705</td>
<td>382997</td>
<td>1403135</td>
<td>91905</td>
</tr>
<tr>
<td>Jalaun</td>
<td>1</td>
<td>4767</td>
<td>143582</td>
<td>388397</td>
<td>499059</td>
<td>31354</td>
</tr>
<tr>
<td>Hamirpur</td>
<td>2</td>
<td>2122</td>
<td>141506</td>
<td>327563</td>
<td>921507</td>
<td>30406</td>
</tr>
<tr>
<td>Banda</td>
<td>1</td>
<td>1997</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
It is evident from the above table that the membership of the wholesale stores increased till 1980 but after 1980-81 the number of members did not increased. The appointed Secretary ran the management but it is unfortunate that the meetings were not convened at regular intervals. After 1979 the management was superceded many times and the nominee of the Registrar came as a secretary of the store. The wholesale stores flourished its business particularly after the enactment of the control and rationing of the commodities. Infact the whole sale stores did their business particularly in those articles which were supplied by the U.P.S.S. and which were earmarked by the State Government. It was observed that more that 50% of the total turnover was of controlled and rationed commodities.
The concept of super market is very popular in big cities of Uttar Pradesh and India but no efforts have been made in this direction in Jhansi District.

The whole sale stores at present does not have sound position. The business operation has now become very few as compared to previous years. In aggregate terms the sale turnover had increased till 1980-81 mainly due to their greater involvement in public distribution system and retailing activities but in recent years it has gone down. The wholesale stores for improving business should undertake the following:

A. The store should undertake production and processing activities.

B. To stimulate sales stores should introduce home delivery services.

C. The store should make bulk purchases and establish direct contact with reputed manufacturers for securing wholesale agencies.

D. The store should be careful about wastes and accumulation of unsold stock.

E. Stores should be careful in convening their meetings and should try to reduce their management expenses.

In order to prevent losses it is essential that prompt action should be taken to dispose off the old and accumulated stock at the end of each session in respect of non-food items, and food items before their is deterioration of the quality. Further a proper system of inventory control and stock verification will be of great help in the business of wholesale stores. Unfortunately there is hardly any system of inventory control in the whole sale stores. One of the measures for
the effective inventory management is the adoption of a regular system of stock verification with a view to determining leakage in stock, fixation of responsibility for leakage/shortage, deterioration of old, slow moving and obsolete stocks.

Our visit to the whole sale store Jhansi has revealed that the store came to a grief because of the dishonesty of their employees. No prompt action was taken against the employees who even misappropriated the store money. The pilferage has been a common disease in the store. It has been estimated that about 30% to 40% of gross profits of Jhansi wholesale store were eaten away by pilferage.

In order to check and control the dishonesty of the employee the system of result calculation, and monthly management reporting along with monthly stock verification should be adopted. It may also be suggested that to control over pilferage, prompt detection of the extent of shortages, fixing responsibility and quick action of recovery of shortages should be implemented. A proper and healthy system of supervision and checking of stock should also be introduced.¹

A financing base of the wholesale store is weak. It was observed that it depends upon government, cooperative societies and commercial banks too much for securing necessary working capital. It may be observed that only 10% of their working capital were raised from the members and the share of reserves and funds along with

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¹ With View to have audit function fruitful and more powerful, as also to check and prevent malpractice's in the wholesale store the Registrar Cooperative Societies should give proper weight to the audit function of the store. Auditors are required to be more careful about their reports and their complies.
deposits was only about 20% of their total working capital.¹

In order to strengthen the financing base and structure it may be suggested that it should have programme of building up interval resource by raising larger share capital contribution from existing members. It is also revealed that there is ample scope for attracting deposits which will not only strengthen the financial position of the store but will also stimulate larger interest and awareness on the part of the customers. Further, steps should be taken for creation of reserves. The cooperative officials should watch that there is no violation of rules in regard.

A large number of wholesale stores in Uttar Pradesh are still weak, operating in low business turnover to make the expected impact. On the distribution system however in Jhansi Central consumer’s store in aggregate terms the sales turnover was increased in 80’s mainly due to their greater involvement in public distribution system but still sales turnover as compared to other districts is very small.

Originally when the wholesale stores were set up, very little attention was paid towards their better location. It was either faulty or not easily accessible to customers, or away from main shopping centres. The main idea behind their settlement was only to organise store.

In order to improve the situation it may be suggested that the existing wholesale stores, while opening their new branches should first plan to have better location, easily accessible to the customers and better opportunities for shopping’s in the area. In keeping with the above approach economic consideration should not be underweight.

¹ During the course of our study it was revealed through audit and reports of the whole sale stores that no rule for creation and maintenance of reserve was followed.
The wholesale stores in Uttar Pradesh did not initiate and persue to improve and rationalise their business and operational procedures and practices for sound and economic trading practices. Now a day there has been a significant improvement in the retailing techniques. The pre packing of goods and price marking are becoming a common feature or to say it has become mandatory for most of the essential goods. Consumers habit and needs have undergone radical transformation. It is therefore necessary that the stores should also bring about reforms in the whole organisation, layout, equipment's and fixtures etc. Infact the store should be centre of attraction for customers and should be ultra modern in looks.

One of the basic weakness of the wholesale store is the lack of professionalisation of management, which has hampered the growth of business efficiency and managerial competence in the store. It may be observed that while Government officials deputed to look after the store has hardly paid attention to the managerial efficiency and business competence. In the modern competitive world the store will have to develop and maintain the high standards of efficiency to enable it to survive and grow. Therefore a planned approach and action programme for building up cadres of well-trained managerial and supervisory personnel in the whole sale store is urgently suggested. Again sound and effective measures should be taken towards professionalisation of management as discussed in chapter- 'Personnel Management.'

After a detailed discussion of a number of issues and suggestions as referred above, it may be mentioned that the implementation of these measures will go a long way in streamlining the whole sale store and to make it a strong force in the economy. It will also be strong, dynamic and viable enough to survive and sustain competition with the private traders.
PRIMARY STORES

Primary consumers stores came into existence in Jhansi after the enactment of centrally sponsored scheme\(^1\) in 1962 under which financial assistance was granted to the primary stores. It was expected that at the end of two year's operation 20% to 25% of the families living in the areas covered under the scheme should be enrolled as members in these organisations. The sale per primary store should then be to a tune of Rs. two Lac per annum and the sale of per whole sale store per year should amount to approximately Rs. four millions.

So far as the organisation and management was concerned the stores were given the option to chose any of the following structural pattern which satisfy the local needs and conditions.

a. Federal Pattern - (Primary Societies Federated into a whole sale store.)

b. Unitary Pattern- (Whole sale stores operating Branches).

c. Mixed Pattern - (Whole sale store operating branches with affiliated Primary Societies.)

It was the unitary and mixed pattern, which became the most common, one's. In Jhansi District about 20 primary consumer's stores were set up in 1963. Which increased to 62 in 1980 and 76 in the year of 1994-95?

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1. Under the centrally sponsored scheme consumer cooperatives were to be organised in about 250 cities and towns having a population of more then 50,000. The scheme also envisaged the organisation of 200 wholesale central stores with about 4000 member primary stores. The primary store should ultimately have atleast 500 members but in the initial stage it could start with 100 members.
### TABLE

**JHANSI PRIMARY STORES**

*Number of Stores in different years*

<table>
<thead>
<tr>
<th>Years</th>
<th>1963-64</th>
<th>65-66</th>
<th>67-68</th>
<th>75-76</th>
<th>79-80</th>
<th>94-95</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Stores</td>
<td>21</td>
<td>22</td>
<td>23</td>
<td>42</td>
<td>62</td>
<td>76</td>
</tr>
</tbody>
</table>

It is revealed from the above table that primary stores in 1963-64, which were 21 in numbers, were organised as a state policy. The stores could survive on account of public distribution system and also because of enactment of control and rationing and state funding.

The state of Uttar Pradesh at present is divided in 13 regions, each region included a number of cities, or districts within its area and jurisdiction. The largest numbers of stores are in Meerut region. The lowest number has been in Jhansi region. In the beginning of organising the stores, members participation along with other working of the stores was found satisfactory. Regular meetings and proper accounting, auditing and inspection was reported. It was observed that most of the societies were set up in the urban area. The present position of primary consumers stores in Jhansi region is as under.

<table>
<thead>
<tr>
<th></th>
<th>1995-96</th>
<th>1980-81</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Jhansi District</td>
<td>37</td>
<td>27</td>
</tr>
<tr>
<td>2. Jalaun</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>3. Hamirpur</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>4. Banda</td>
<td>34</td>
<td>30</td>
</tr>
<tr>
<td>5. Lalitpur</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>76</strong></td>
<td><strong>62</strong></td>
</tr>
</tbody>
</table>
The above table reveals that the number of primary stores during the period, increase but working and running of stores was found meager. Needless to say that the primary stores are numerically larger in the sector but they constitute the weakest link in the structure in so far as their operations are concerned. During study it was observed that more then 90% of the primary stores were in the state of dormacy. Further it is unfortunate that non-of the primary society initiated for audit of their accounts. As per reports of 1997 only 5 primary cooperative stores are running which were organised under centrally sponsored scheme. In addition to that 8 old type consumer's stores were also reported. All stores are defunct and non-of them are running their business.

The detailed statistical analysis has revealed that the amounts of their paid up capital, working capital, deposits and even membership etc. were shown on papers only. Infact upto 1984 some of the primary stores were doing business but the financial position was detoriating simultaneously. Unfortunately the position of these stores has gone bad to worse.

During the course of our study it was revealed that most of the primary stores did not follow the prescribed rules and bye-aws eg. amount to be transferred to the general reserves, meetings to be held. elections, preparation of accounts etc.

Perhaps the biggest single factor accounting for the checkered career of the primary stores has been the size of the stores, which has been responsible for the manifold debacles in the way of progress of primary stores. Therefore a serious consideration is required to be given to the question of size and economic vaility of a unit.
FINANCE AND ITS MANAGEMENT IN COOPERATIVES

NEED:

Financial requirements of cooperative societies should be assessed in terms of two objectives viz. -

(a) Operational efficiency
(b) Achieving long term growth

A cooperative society must have sufficient capital to operate successfully. The capital is required for fixed and variable costs. Fixed costs include cost of construction of building, hiring of the premises, furnitures fixture etc., while variable costs are expenses on recurring items such as payment of salaries, purchase of stocks, payment of management expenses etc. The ratio of variable to fixed costs in every society is greater as compared to that in other enterprises. The estimate of financial requirements is required to be done through careful budgeting. The amount of capital required for a cooperative society would largely depend upon several management decisions.

The objectives of financial operation are to ensure economic and efficiency in the day-today operations of an enterprise. A cooperative organisation must therefore very well adopt a proper system for the same, under which the needs of the cooperatives are served to the maximum in a most effective manner and content itself with modest profits to keep its working/business going.¹

¹. Finance is the lifeblood of any business concern. The experience shows that a number of stores had to bind up their business due to inadequate finances. See-Report on evaluation of consumer's cooperatives, planning commission, Government of Indian, New Delhi-1966.
The cooperatives, being autonomous organisations all the time need financial help and feasibility. The resources of cooperatives have been specially mentioned in the act, rules and bi-laws. No cooperative operating in the state can overrule, deviate or even can dilute the legal provisions, conventions, or instructions of the department. The cooperatives right from village upto apex level in the state form their capital structure with the help of internal as well as also external resources.¹

The internal resource means and implies the money coming from the persons, physical and legal, acquiring the membership of the society. The form of this capital could be admission fee, share money, reserves and deposits from the members only. Similarly the external resources comprise of loans and borrowings from banks (cooperative and commercial Banks), deposits from general public i.e. non-members, loan, subsidy and grants from government and public corporations.

The procurement of fund involves who supply funds to the enterprise with the hope that they would get adequate returns on their investments. Therefore it is necessary to have a correct estimate of funds, which necessitates or involves forecasting of cash, receipts and disbursement etc. based on sound financial planning. Judged from this point of view the position of consumer cooperative stores in Uttar Pradesh is all together different and they seem to have been indifferent regarding financial planning. This is because of heavy amount of investment from the government for which, nobody seems to be careful or for its proper utilisation. A lion's share of the government's subsidy and participation in cooperative can be seen in different cooperative institutions.

¹ The Natesan Committee in 1960-classified the sources of finance of the stores in to internal and external. Internal resources include share capital, reserves, other funds and deposits from members and external resources include borrowing from financial agencies and trade credits.
SOURCES OF FUNDS

The overall structure of cooperatives in Uttar Pradesh as well as in Jhansi District comprises of primary societies at local level, central societies, wholesale stores, super markets, marketing societies and District cooperative societies and banks at secondary/District level and State Cooperative banks, State Cooperative Agricultural Development Banks, U.P.S.S., State Cooperaative Marketing Federations, State Federations of Fisheries Cooperatives and State Cooperative Dairy Federations etc. at state level which may be called as an apex level organisation of the state.

The structure of financial management differs from business to business but in case of cooperative institutions it is almost the same.

The following chart gives complete idea of the formation of capital structure of the cooperative in Uttar Pradesh :-

(A) External Resources:
   
   a. Government grant and subsidy.
   b. Loan from Government.
   c. Deposits from public.
   d. Donations.
   e. Borrowings.
   f. Guarantee.
   g. Share money from government and others.

(B) Internal Resources:

   a. Entrance/admission fee.
   b. Share money from individuals.
   c. Reserves and funds.
   d. Deposits from members and non-members.
The above chart includes external as well as internal resources. Thus the funds of a cooperative society are derived from the following sources.

(a) Entrance Fee:

This fee is levied on each member of the cooperative society, as per provisions of the bye-laws. The provisions for admission/membership fee differ from society to society. The Uttar Pradesh cooperative societies Act 1965 is silent about the amount of admission fees. The norms of fixing membership fee in the state of Uttar Pradesh are described in the bye-laws of the various levels of the societies. Normally in case of primary societies it is in between 50 paisa to 1 rupee but in case of central societies or District level societies it ranges between Rs. 1 to Rs. 5 only. In some cases this has been enhanced to Rs. 10. The amount of entrance fee is non-refundable and included in the share capital of the society. With the given description, it can be said that it makes a very little share in raising funds, so far as a primary society is concerned. This can be easily estimated in the district.

(b) Share Capital:

The share capital of a primary society/whole sale and Central society forms not only an important part of the working capital but is also an important indicator of its internal strength. No member can purchase more then 1/5th of the total share capital and also he can not transfer his share to such a person who can not be a legal member of the society. The society must have sufficient working capital for creating and conducting an enterprise and also to prevent a cooperative society from becoming dependent upon outside sources for meeting its financial requirements. No exact value of share has
been mentioned under the Uttar Pradesh Cooperative societies Act but it has been left at the discretion of the society concerned.

The share participation by the Government in different primary and Central Societies is not uniform with the enactment of several schemes the participation of the Government has increased simultaneously. In Jhansi District most of the primary societies were given share money at the beginning. The state government has made a huge amount of lion's share in the share capital of the societies.

(c) Reserves and Funds:

According to bye-laws 1/3rd by the current year's profit will be transferred to general reserve. The balance will be distributed amongst members with the prior approval of the Registrar. However in case of whole sale store in Jhansi District and also in case of stores in Uttar Pradesh it can be said that they are following the rules to some extent. In case of primary societies during survey in Jhansi District was observed that most of the societies did not follow the rules. They did not transferred even 25% of their profits to general reserves and even not maintained any fund such as education fund etc. Since 1980 and onwards fishery societies. Weaver's societies and even housing societies did not follow the rules of transferring the amount to reserves. The cooperative stores of Jhansi District most of which are running in loss have keep far away from these rules.

(d) Deposits:

Besides share capital the cooperative societies in Uttar Pradesh as also in Jhansi District raise deposits from members as well as from non-members also. The deposits¹ have their advantages over outside borrowings. They strengthen internal resources of the society and also help in inculcating the habit of thrift amongst its members and so
societies have to pay less interest on these deposits than on outside borrowings.

During our visits to some of the primary societies of Jhansi District it was found that 50% of the primary societies have such type of deposits with them although their percentage as compared to their working capital is very small. Here it will not be out of place to mention those regarding primary Societies if the state hardly 25% of the running societies have furnished their information to the Registrar cooperative societies, Jhansi. Out of the total 190 registered cooperative institutions which are auditable in the record of the cooperative department hardly 25% have got their accounts audited and furnished required information to the Registrar cooperative societies Jhansi. The following annexure shows the total number of registered institutions in Jhansi District as on 30 June 1994.

1. The whole sale stores/central societies as well as primary societies, under the bye-laws can take time deposits, within a limit, fixed and sanctioned by the general body of and the Registrar of cooperative societies Regarding interest on deposits, the Board will fix the rate which will not be more then limit fixed by the Registrar.
### List of Auditable Societies, Jhansi

<table>
<thead>
<tr>
<th>No.</th>
<th>Society Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Futera Baruasagar Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>2.</td>
<td>Katra Baruasagar Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>3.</td>
<td>Koncha Bhavar Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>4.</td>
<td>Palar Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>5.</td>
<td>Bhojla Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>6.</td>
<td>Ambabay Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>7.</td>
<td>Badagaon Chhetriya Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>8.</td>
<td>Hansari Gird Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>9.</td>
<td>Raks Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>10.</td>
<td>Badora Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>11.</td>
<td>Babina Chhavni Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>12.</td>
<td>Babina Rural Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>13.</td>
<td>Khailar Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>14.</td>
<td>Ghisoli Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>15.</td>
<td>Rasoi Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>16.</td>
<td>Rajapur Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>17.</td>
<td>Dhamna Sadhan Sahkari Samiti Ltd.</td>
</tr>
<tr>
<td>18.</td>
<td>Amar Garh Kisan Seva Sahkari Samiti Ltd.</td>
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<tr>
<td>19.</td>
<td>Chirgaon Kisan Seva Sahkari Samiti Ltd.</td>
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<tr>
<td>20.</td>
<td>Semri Kisan Seva Sahkari Samiti Ltd.</td>
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<tr>
<td>21.</td>
<td>Bamnua Kisan Seva Sahkari Samiti Ltd.</td>
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<tr>
<td>22.</td>
<td>Talod Sadhan Sahkari Samiti Ltd.</td>
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<tr>
<td>23.</td>
<td>Taudi Sadhan Sahkari Samiti Ltd.</td>
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<tr>
<td>24.</td>
<td>Sakin Sadhan Sahkari Samiti Ltd.</td>
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<tr>
<td>25.</td>
<td>Pahadpura Sadhan Sahkari Samiti Ltd.</td>
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<tr>
<td>26.</td>
<td>Moth Kisan Seva Sahkari Samiti Ltd.</td>
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<tr>
<td>27.</td>
<td>Poonch Kisan Seva Sahkari Samiti Ltd.</td>
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<tr>
<td>28.</td>
<td>Sakrar Sadhan Sahkari Samiti Ltd.</td>
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<tr>
<td>29.</td>
<td>Khisni Sadhan Sahkari Samiti Ltd.</td>
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30. Laraun Sadhan Sahkari Samiti Ltd.
31. Kuangaon Sadhan Sahkari Samiti Ltd.
32. Nora Sadhan Sahkari Samiti Ltd.
33. Uldan Chhetriya Sahkari Samiti Ltd.
34. Ranipur Kisan Seva Sahkari Samiti Ltd.
35. Mau (P) Sadhan Sahkari Samiti Ltd.
36. Churara Sadhan Sahkari Samiti Ltd.
37. Revan Kisan Seva Sahkari Samiti Ltd.
38. Mauranipur Kisan Seva Sahkari Samiti Ltd.
39. Aksev Kisan Seva Sahkari Samiti Ltd.
40. Bhatpura Kisan Seva Sahkari Samiti Ltd.
41. Bhanda Kisan Seva Sahkari Samiti Ltd.
42. Dhipkai Sadhan Sahkari Samiti Ltd.
43. Pandvaha Sadhan Sahkari Samiti Ltd.
44. Taudi Fatehpur Sadhan Sahkari Samiti Ltd.
45. Bhasnev Sadhan Sahkari Samiti Ltd.
46. Ghuraia Sadhan Sahkari Samiti Ltd.
47. Haiwatpura Sadhan Sahkari Samiti Ltd.
48. Tehroli Sadhan Sahkari Samiti Ltd.
49. Sadar Bazar Gursarain Sadhan Sahkari Samiti Ltd.
50. Markuwan Kisan Seva Sahkari Samiti Ltd.
51. Bhadarwara Sadhan Sahkari Samiti Ltd.
52. Kakarvai Sadhan Sahkari Samiti Ltd.
53. Ghanor Sadhan Sahkari Samiti Ltd.
54. Asta Sadhan Sahkari Samiti Ltd.
55. Narainpura Sadhan Sahkari Samiti Ltd.
56. Bamaur Sadhan Sahkari Samiti Ltd.
57. Khadaini Sadhan Sahkari Samiti Ltd.
58. Karguan Khurd Sadhan Sahkari Samiti Ltd.
59. Iskil Bujurg Sadhan Sahkari Samiti Ltd.
60. Erach Upper Sehar Sadhan Sahkari Samiti Ltd.
61. Babina Sahkari Sangh
62. Raksa Sahkari Sangh
63. Rangua Sahkari Sangh
64. Badagaon Sahkari Sangh
65. Baruasagar Sahkari Sangh
66. Safrar Sahkari Sangh
67. Rora Sahkari Sangh
68. Bhandra Sahkari Sangh
69. Gursarain Sahkari Sangh
70. Markuan Sahkari Sangh
71. Pandwaha Sahkari Sangh
72. Jakhora Sahkari Sangh
73. Iskil Sahkari Sangh
74. Poonch Sahkari Sangh
75. Samthar Sahkari Sangh
76. Sakin Sahkari Sangh
77. Simiria Sahkari Sangh Ltd.
78. Chirgaon Sahkari Sangh Ltd.
79. Bamnua Sahkari Sangh Ltd.
80. Semri Sahkari Sangh Ltd.
81. Laxmi Yatayat Karmchari Sahkari Samiti Ltd.
82. Railway Banders Sahkari Gram Samvida Sahkari Samiti Ltd.
83. Bahar Sainyar Gate Sahkari Gram Samvida Sahkari Samiti Ltd.
84. Jhansi Sagar Gate Sahkari Gram Samvida Sahkari Samiti Ltd.
85. Bundelkhand Sahkari Gram Samvida Sahkari Samiti Ltd.
86. Harijan Sahkari Shram Samvida Ltd. Hansari
87. BHEL Sahkari Awas Samiti Ltd.
88. Karguan Grah Nirman Sahkari Awas Samiti Ltd.
89. State Bank of India Staff Housing Cooperative Society Ltd.
90. Bundelkhand Sahkari Awas Samiti Ltd.
92. Masiha Ganj P. Up. Sahkari Samiti Ltd. Jhansi
94. Ganesh Bazar P. Up. Sahkari Samiti Ltd. Jhansi
95. Badagaon Gate P. Up. Sahkari Samiti Ltd. Jhansi
96. Subhash Ganj P. Up. Sahkari Samiti Ltd. Jhansi
99. Maharani Laxmi Bai Medical College Up. Sahkari Samiti Ltd.
100. Bipin Bihari Degree College Up. Sahkari Samiti Ltd.
101. Audhoyogik Prasikshan Up. Sansthan Sahkari Samiti Ltd.
102. Bundelkhand College Up. Sahkari Samiti Ltd.
103. BHEL Up. Sahkari Samiti Ltd.
104. Ghas Anusandhan Sadhan Up. Sahkari Samiti Ltd.
105. Chirgaon Training Centre Up. Sahkari Samiti Ltd.
106. Polytechnic College Up. Sahkari Samiti Ltd.
107. Laxmi Gate Up. Sahkari Samiti Jhansi
108. Rajkiya Polytechnic Vetan Bhogi Sahkari Samiti Ltd. Jhansi
109. Suti Mil Jhansi Vetan Bhogi Sahkari Samiti Ltd. Jhansi
110. Jhansi Prakhand Nehar Jhansi Vetan Bhogi Sahkari Samiti Ltd.
     Jhansi
111. Sarswati Inter College Sipri Bazar Vetan Bhogi Sahkari Samiti
     Ltd. Jhansi
112. Sikshak High School Jhansi Sahkari Samiti Ltd.
113. Arya Kanya Inter College Jhansi Sahkari Samiti Ltd.
114. Hafij Siddiqui Inter College Jhansi Sahkari Samiti Ltd.
115. Shri Baidyanath Karmchari Gwalior Road Vetan Bhogi Sahkari
     Samiti Ltd.
116. Jeevan Beema Nigam Vetan Bhogi Sahkari Samiti Ltd.
117. Nagar Palika Harijan Jhansi Vetan Bhogi Sahkari Samiti Ltd.
118. Jila Parisad Jhansi Vetan Bhogi Sahkari Samiti Ltd.
119. Upnibandhak Jhansi Vetan Bhogi Sahkari Samiti Ltd
120. Jila Vikas Karyalay Vetan Bhogi Sahkari Samiti Ltd.
121. Collectrate Jhansi Vetan Bhogi Sahkari Samiti Ltd.
122. Railway Office Jhansi Vetan Bhogi Sahkari Samiti Ltd.
123. Jila Sahkari Bank Jhansi Vetan Bhogi Sahkari Samiti Ltd.
124. S.P.I. Inter College Jhansi Vetan Bhogi Sahkari Samiti Ltd.
125. Babina Cantt. Storage Head Quarters Vetan Bhogi Sahkari Samiti Ltd.
126. Babina Cantt. Vetan Bhogi Sahkari Samiti Ltd.
127. Vetan Bhogi Sahkari Samiti Ltd. BHEL Khilar
128. Rajkiya Pasudhan Avam Krishi Prashetra Vetan Bhogi Sahkari Samiti Ltd.
129. M. E.S. Vetan Bhogi Sahkari Samiti Ltd. Babina
130. Khair Inter College Gursarain Vetan Bhogi Sahkari Samiti Ltd.
131. Chirgaon Nagar Palika Vetan Bhogi Sahkari Samiti Chirgaon
132. Krai Vikas Sahkari Samiti Ltd. Mauanipur
133. Krai Vikas Sahkari Samiti Ltd. Gursarain
134. Krai Vikas Sahkari Samiti Ltd. Samthar
135. Krai Vikas Sahkari Samiti Ltd. Chirgaon
137. Amrakh Sahkari Krishi Samiti Ltd.
138. Jaura No.-1 Sahkari Krishi Samiti Ltd.
139. Imilia Sahkari Krishi Samiti Ltd.
140. Jaura No. 3 Sahkari Krishi Samiti Ltd.
141. Mangoosa Sahkari Krishi Samiti Ltd.
142. Saran Sahkari Krishi Samiti Ltd.
143. Mangraura Sahkari Krishi Samiti Ltd.
144. Subhash Sahkari Krishi Samiti Ltd.
145. Janta Sarain Sahkari Krishi Samiti Ltd.
146. Sena Sahkari. Krishi Samiti Ltd.
147. Sarain Sahkari Krishi Samiti Ltd.
148. Shankar Sahkari Krishi Samiti Ltd.
149. Shahjahanpur No. 1 Sahkari Krishi Samiti Ltd.
150. Shajahanpur No. 2 Sahkari Krishi Samiti Ltd.
151. Fatehpur Sahkari Krishi Samiti Ltd.
152. Fatehpur Dhamlora Sahkari Krishi Samiti Ltd.
153. Gopal Sahkari Krishi Samiti Ltd.
154. Jawahar Sahkari Krishi Samiti Ltd.
155. Rev Sahkari Krishi Samiti Ltd.
156. Lacan Sahkari Krishi Samiti Ltd.
157. Jaura No. 2 Sahkari Krishi Samiti Ltd.
158. Bharosa Sahkari Krishi Samiti Ltd.
159. Adarsh Magraura Sahkari Krishi Samiti Ltd.
160. Braham Nagar Sahkari Krishi Samiti Ltd.
161. Keshavpur Sahkari Krishi Samiti Ltd.
162. Ashok Sahkari Krishi Samiti Ltd.
163. Shankargarh Sahkari Krishi Samiti Ltd.
164. Birguan Sahkari Krishi Samiti Ltd.
165. Bamour Sahkari Krishi Samiti Ltd.
166. Nunar Sahkari Krishi Samiti Ltd.
167. Udaina Sahkari Krishi Samiti Ltd.
168. Kendriya Thok Upbhokta Bhandar Ltd. Jhansi
169. P.C.F. Jhansi aur Shakhain
170. U.P.S.S. Jhansi
171. D.S.D.F. Jhansi
187. Bhumi Bikas Bank Ltd. Sakha, Jhansi
188. Bhumi Bikas Bank Ltd. Sakha, Mauranipur
(e) Borrowings:

If the internal resources of a society are found to be inadequate, the societies take resort to borrowings. Normally a limit of borrowings is fixed at five times of the paid up capital plus reserve fund. Usually the borrowings are made from the cooperative Banks. In Uttar Pradesh so in Jhansi also cooperative societies do not get adequate finance from the cooperative Banks. The government, under different schemes from time to time has provided financial assistance to these societies, just to make them viable units of the state. With the implementation of public distribution system the central Government, Ministry of Agriculture; Civil supplies and cooperation, and also through the National Cooperative Development Corporation (N.C.D.C.) to the state government have launched schemes for financial assistance which are discussed elsewhere in the chapter. Since the financing has been a big problem, time and again, it has been reiterated that Government should offer financial assistance to the societies so that their borrowing capacity may increase.

During survey it was recorded that the financial position of the primary and central societies of Jhansi District on an average is very weak. The federations at the state level are therefore required to watch proper functioning of the societies with careful financial management.

(f) Government Grant And Subsidy:

The government has been providing heavy financial assistance to the cooperative institutions in Uttar Pradesh, so as to strengthen them and to take tasks of effective public distribution system-to the advantage of weaker section of the community. The forms of the
assistance given by the government ranges from share capital contribution to reservation of supply, quota and guarantee for working capital loans' etc.¹

Studies of the share of the Government in equity share capital of the cooperative institution form a big share in the total share capital of the institutions.

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¹ The working capital requirements of cooperatives need to be augmented during the plan, having regard to the increased set up in the business activities of consumers cooperatives for enabling the institution to secure larger working capital loans from financial agencies at lower margins, the government guarantee scheme may be continued in the plan -see- Report of the sub-working group on consumer cooperation. medium term plan-Government of India. ministry of commerce.. Civil supplies and Cooperation., New Delhi. (1978-83).
The table attached-presenting the overall financial management of Jhansi District from the year 1992 to 1995.

**TABLE**

Cooperative Institutions in Jhansi District

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Marketing Cooperative Societies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Number of societies</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>(b) Number of members</td>
<td>14365</td>
<td>14365</td>
<td>10956</td>
</tr>
<tr>
<td></td>
<td>(c) Total transaction in the year (in thousands)</td>
<td>Rs.30660</td>
<td>Rs.37767</td>
<td>Rs.19487</td>
</tr>
<tr>
<td>2</td>
<td><strong>Combined Agricultural Societies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Number of societies</td>
<td>32</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>(b) Number of members</td>
<td>679</td>
<td>679</td>
<td>679</td>
</tr>
<tr>
<td></td>
<td>(c) Area under societies</td>
<td>1619</td>
<td>1619</td>
<td>1619</td>
</tr>
<tr>
<td>3</td>
<td><strong>Primary Dairy Cooperative societies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Number of societies</td>
<td>33</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>(b) Number of members</td>
<td>1535</td>
<td>2111</td>
<td>2111</td>
</tr>
<tr>
<td></td>
<td>(c) Working capital (in thousands)</td>
<td>Rs.60</td>
<td>Rs.441</td>
<td>Rs.441</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rs.508</td>
<td>Rs.1167</td>
<td>Rs.1150</td>
</tr>
<tr>
<td>4</td>
<td><strong>Fishery Cooperative Societies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Number of societies</td>
<td>24</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>(b) Number of members</td>
<td>854</td>
<td>854</td>
<td>750</td>
</tr>
<tr>
<td></td>
<td>(c) Working capital (in thousands)</td>
<td>Rs.37252</td>
<td>Rs.37252</td>
<td>Rs.17290</td>
</tr>
<tr>
<td>5.</td>
<td><strong>Weavers Primary-Industrial Cooperative Societies</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>----</td>
<td>--------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Number of societies</td>
<td>142</td>
<td>142</td>
<td>144</td>
<td></td>
</tr>
<tr>
<td>(b) Number of members</td>
<td>2956</td>
<td>2956</td>
<td>3056</td>
<td></td>
</tr>
<tr>
<td>(c) Working capital</td>
<td>Rs. 7502</td>
<td>Rs. 7502</td>
<td>Rs. 7502</td>
<td></td>
</tr>
<tr>
<td>(in thousands)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(d) Cloth product in the year</td>
<td>11300</td>
<td>13600</td>
<td>13600</td>
<td></td>
</tr>
<tr>
<td>(in thousands meters)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(e) Value (in thousands)</td>
<td>Rs. 69500</td>
<td>Rs. 44800</td>
<td>Rs. 44800</td>
<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>6.</th>
<th><strong>Primary Cooperative Industrial Societies</strong></th>
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</thead>
<tbody>
<tr>
<td>(a) Number of societies</td>
<td>54</td>
</tr>
<tr>
<td>(b) Number of members</td>
<td>405</td>
</tr>
<tr>
<td>(c) Working capital</td>
<td>Rs.409</td>
</tr>
<tr>
<td>(in thousands)</td>
<td></td>
</tr>
<tr>
<td>(d) Value of produce</td>
<td>Rs.880</td>
</tr>
<tr>
<td>(in thousands)</td>
<td></td>
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<table>
<thead>
<tr>
<th>7.</th>
<th><strong>Sugar Cane Cooperative Societies</strong></th>
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</thead>
<tbody>
<tr>
<td>(a) Number of societies</td>
<td>-</td>
</tr>
<tr>
<td>(b) Number of members</td>
<td>-</td>
</tr>
<tr>
<td>(c) Working capital</td>
<td>-</td>
</tr>
<tr>
<td>(d) Value of produce</td>
<td>-</td>
</tr>
</tbody>
</table>
Cooperative Bank and Cooperative Agricultural & Rural Development Banks

<table>
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<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>District Cooperative Bank</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>a. No. of Branches</td>
<td>18</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>b. No. of Members</td>
<td>312</td>
<td>312</td>
<td>312</td>
</tr>
<tr>
<td></td>
<td>c. Share Capital</td>
<td>15332</td>
<td>16215</td>
<td>17604</td>
</tr>
<tr>
<td></td>
<td>d. Working Capital</td>
<td>352290</td>
<td>419497</td>
<td>412173</td>
</tr>
<tr>
<td></td>
<td>e. Loan Distribution</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(i) Short Term</td>
<td>82150</td>
<td>84929</td>
<td>94690</td>
</tr>
<tr>
<td></td>
<td>(ii) Medium Term</td>
<td>23655</td>
<td>38885</td>
<td>14699</td>
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<td>2</td>
<td>Cooperative Agricultural &amp; Rural Development Bank</td>
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<tr>
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<td>a. No. of Branches</td>
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<td>4</td>
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<td></td>
<td>b. No. of Members</td>
<td>32290</td>
<td>13750</td>
<td>20904</td>
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<td></td>
<td>c. Share Capital</td>
<td>6458</td>
<td>6700</td>
<td>7250</td>
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<tr>
<td></td>
<td>d. Working Capital</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>e. Loan Distribution</td>
<td>17408</td>
<td>17066</td>
<td>19974</td>
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</tbody>
</table>

(Rs. in Thousands)

It is evident that the government has a dominant role in the financial participation of the cooperative societies in Jhansi District the government have already invested a large sum of money in cooperatives. Infact the government assistance may have to continue for some time. It should aim at withdraw and allow the movement to grow with its own strength.

CRITICAL EVALUATION
In order to carry out their task properly the society must be financially independent, the capital needed for carrying on business, must therefore, as a matter of principle, be provided by the members. A deliberate policy of strengthening the cooperative movement should be made so that the movement would draw help from the central organisations and the state Federations. The government should also stop the practice of nominating on the Board of Directors or nominees on the managing committees of societies and should allow democratic set up to operate.

The success of entire cooperative movement in Uttar Pradesh so in Jhansi will depend upon the condition of the modern science of management both in the area of financial management and personnel management.