CHAPTER IV
WORKING AND MANAGEMENT OF RATNAGIRI DISTRICT CENTRAL CO-OPERATIVE BANK

4.1 Introduction
4.2 Objectives of the RDCC Bank
4.3 Organizational Structure
4.4 Staffing Pattern
4.5 Employer-Employee Relationship
4.6 Conclusion

• References
CHAPTER IV

WORKING AND MANAGEMENT OF RATNAGIRI

DISTRICT CENTRAL CO-OPERATIVE BANK

4.1. INTRODUCTION

For a proper understanding of the working of an institution, it is pertinent to know the history of establishment and environment in which it is designed. The Ratnagiri District Central Co-operative Bank is working in the environment which is elaborated in Chapter III in this report. Here in this Chapter the organizational structure of the Bank is examined.

4.1.1. ESTABLISHMENT

The Ratnagiri District Central Co-operative Bank (RDCCB) was basically established on 24th May 1957. Its area of operation was old Ratnagiri district which comprised today's 'Mandangad Tahsil' northern Tahsil in Ratnagiri district to 'Sawantwadi Tahsil' southern Tahsil in Sindhudurg district. After it by the Ordinance of the State Government of Maharashtra dated 24/2/1983, old 'Ratnagiri District Central Co-operative Bank Ltd., Ratnagiri' was divided into two separate District Central Co-operative Banks viz. 'Ratnagiri District Central Co-operative Bank Ltd., Ratnagiri' for Ratnagiri district and 'Sindhudurg District Central Co-operative Bank Ltd., Sindhudurg' for Sindhudurg district from 1st July 1983. Now, the Bank is called "Ratnagiri District Central Co-operative Bank Ltd." and its registered Head Office is at Sahakar Bhavan, Jawahar Path, Ratnagiri, Taluka- Ratnagiri, District- Ratnagiri.
4.1.2. AREA OF OPERATION

Since this division, now the RDCC Bank is working in Ratnagiri district having its 69 Branches and 7 Extension Counters (2004-05) in 9 Tahsils comprising 1539 villages of the district, from 1st July 1983. Because of this division; RDCC Bank had published its First Annual Report for the period 1st July, 1983 to 30th June, 1984. The Bank continued its Financial Year ‘1st July to 30th June’ for Annual Reports up to 31st March 1992. Then after, the Bank continued its Financial Year as ‘1st April to 31st March’ for Annual Reports.

4.2. OBJECTIVES OF THE RDCC BANK

The objectives of the Bank are as follow:  

(1) To finance co-operative societies in the District affiliated to it and generally to carry on banking business.

(2) To arrange for supervision and inspection of affiliated societies to assess their credits.

(3) To act as a balancing centre for the surplus funds of the societies.

(4) To participate in the share capital of primary and multipurpose or other co-operative societies registered under the Maharashtra co-operative societies Act of 1960 with the approval of the Registrar, Co-operative Societies.

(5) To assume responsibilities for organizing the provisions of agricultural and horticultural credit for credit worthy borrowers in all parts of the area served by the Bank.

(6) To advance loans to agriculturists admitted as ordinary members upon personal security or upon security of movable or immovable property
including crops or product for raising of crops and/or marketing of agricultural produce.

(7) To advance loans to ordinary or nominal members and to co-operative societies or their members upon pledge of gold and silver in ornaments or in bars or the pledge of Government or Trustee securities or Fixed Deposit Receipts of the Bank subject to such rules as may be framed by the Board of Directors from time to time and approved by the Registrar.

(8) To give guarantee of payments or letter or credit on behalf of co-operative societies serving in the District for the purchase of Machinery, implements, fertilizers and/or other requisites required by co-operative societies for agricultural or non-agricultural purposes.

(9) To advance loans to co-operative societies in the District for the purchase of machinery, implements and equipments and/or other requisites required by co-operative societies for agricultural and non-agricultural purposes for a period not exceeding five years. The Bank may also advance long term loans to Agro-Horticultural Co-operative Societies and all agricultural credit societies for plantation of Horticultural crops in orchards, for a period not exceeding twenty years under the terms and conditions and plantation projects duly approved by the Apex Co-operative Bank.

(10) To advance medium term and long term loans not exceeding seven years to Fisheries, Co-operative Societies individual fisherman for direct finance by accepting nominal membership, for purchase of Machinery, equipment and Boat Building purposes.
(11) To finance individual share holders of the Bank subject to the restrictions deemed necessary by the Registrar and generally to carry on banking business with such members subject to the restriction imposed by these bye-laws.

(12) To undertake liquidation work of affiliated societies indebted to the Bank on conditions lay down by the Registrar with a view to facilitating recoveries from the affiliated societies and to assume management of any affiliated society the committee of which is superceded under the Maharashtra Co-operatives Act of 1960 and Rules.

(13) To purchase and sell securities specified in Section 70 of the Maharashtra Co-operative Societies Act 1960 with the permission of Divisional Joint Registrar, Co-operative Societies, Bombay Division, Bombay, whenever necessary and to purchase and sell bounds, scrips or other forms of securities on behalf of constituents of depositors.

(14) To Draw, accept, endorse, buy, sale and negotiate inland bills of exchange and other negotiable instruments which are genuine trade bills only in no case, the Bank will buy, sell or negotiate from an individual person, whether a member or not any bill payable otherwise on demand. In the case of demand bills limits for each party will be fixed by the Board of Directors. The business under this bye-law shall be conducted by the Board for the purpose and approved by the Divisional Joint Registrar, Co-operative Societies, Bombay Division, Bombay.

(15) To establish or to support or to aid in the establishment and support of funds, collected for the benefit of the employees provided rules regarding
the contribution payable both by the Bank and its members are first approve by the Registrar.

(16) To open branches and pay offices in suitable centres for carrying out objects of the Bank and for transacting any specific type of business on behalf of other banks and societies and to frame rules for their conduct and working with the previous approval of the Registrar.

(17) To receive money on current, savings, fixed or other accounts and to raise funds for all or any of these purposes and generally to do all such acts as may be found necessary or suitable to fulfill the aforesaid objects.

(18) To maintain Library of Co-operative Literatures.

(19) To act as Agent for the Maharashtra State Co-operative General Insurance Society Ltd., Bombay and to run to account the monies, securities or effects belonging to it in such a manner and on such terms as may be mutually agreed upon between the Bank and the Maharashtra State Co-operative Central Insurance Society Ltd., Bombay with the sanction of the Divisional Joint Registrar, Co-operative Societies, Bombay.

(20) To do such other work as will be conducive or incidental to the above objects and generally to encourage and promote organization and development of Co-operative societies within the District.

(21) To advance long term loans for a period not exceeding fifteen years to affiliated Agricultural Co-operative Societies for being advance to its members for horticultural development and for construction of godown and office building of the affiliated society. Such long term loans for a period not exceeding fifteen years may also be given to affiliated
Co-operative societies for irrigation schemes, construction of wind-mills and for such other purposes of development of the district.

(22) To advance individual loans to nominal members for a period not exceeding three years for purchase of consumer durables as per guidelines lay down by NABARD.

(23) To advance medium Term and Long Term Loans to Rural Industrial units for procurement of fixed assets and Short Term Loans for working Capital through agricultural credit societies, Farmers service societies and Large Size Multipurpose societies in the district, or directly as nominal members of the Bank as per guidelines issued by NABARD from time to time.

(24) To advance short term and Medium Term loans to non-co-operative institutions and public Trusts of the Ratnagiri district registered under the respective Acts in force and who have become the ordinary members of the Bank.

(25) To advance long term, medium term and short term loans to Handlooms/Power looms, Weavers Co-operative Societies; in the district for purchase of fixed assets like land, building, sheds and for purchase of Hand looms/ Power looms and also to advance Long Term, Medium Term and Short Term loans for purchase of Handlooms/Power looms to their members through the respective type of Weavers Co-operative Societies in the district.

(26) To advance loans to Housing Co-operative Societies in the District to enable them to provide housing facilities to their members according to
the provision in their respective Bye-Laws and to advance direct loans to individual members by accepting nominal membership.

4.3. ORGANIZATIONAL STRUCTURE

Organization is "the grouping of activities necessary to attain objectives, the assignment of each grouping to a manager with authority necessary to supervise it and the provision for co-operation horizontally and vertically in the enterprise structure"³.

The organization of RDCC Bank consists of two wings- deliberative and executive. They are two organically linked parts- one consisting of democratic element responding to the urges of the members, safeguarding the co-operative ideology and generally representing the social component of the organization and the other consisting of the Chief Executive and his supporting staff who have been mobilized to make the organization work and achieve its objectives.

The present (31st March 2005) organizational structure of the Bank is given in Figure 4.1.
4.3.1. DELIBERATIVE WING

The democratic structure of the co-operative organization provides for two sets of organ at the top policy-making level - the General Body and the Board of Directors. The former exercise control over the Board and in turn, the latter exercises control over the management.

The organizational structure of co-operatives is designed to facilitate effective member representation, participation in basic policy decisions and control to ensure that such decisions are faithfully implemented by the management.

4.3.1.1. GENERAL BODY

The General Body constitutes an important part of the co-operative democratic structure. It is generally regarded as the main deliberative organ of co-operative organizations. It is "the ultimate authority in all matters
relating to the policy and administration of the Central Bank”. This control, according to Marvin, “is essentially a way to keep the organization at all times in hands of the member-patrons and to have the organization-oriented continuity to serve its patron-owners” ⁶.

The General Body consists the representatives of the affiliated PACS, Co-operative Marketing-cum-Processing Societies, Fisheries co-operatives; some other miscellaneous societies (e.g. Industrial Co-operative Societies, Consumers Co-operative Stores, Weavers Co-operative Societies). All the members have voting rights, which, according to Ewell Paul Roy, is the most precious possession of a member co-operator ⁷. The voting is based on the principle of ‘one member one vote’, an expression of the co-operative principle of democratic control. This method of voting gives equal voting right to each member irrespective of his investment and thus, prohibits the possibility of any one member or a small group acquiring control by virtue of shareholdings.

(a) Duties of the General Body

The duties and functions of the General Body Meeting are also provided in the Bye-Laws of the Bank are given below⁹:

(1) To receive and consider the annual report and the statement of accounts prepared by the Board of Directors and to review the work of the Bank during the past year and to sanction appropriation and distribution of profits.

(2) To take notice of all subjects which effect on the financial positions of the Bank and to pass resolution with regard to them.
(3) To fix the maximum amount of liability this may be incurred by the Bank during the coming year.

(4) To consider the audit memo of Government Auditor and any business referred to in the meeting by the Registrar.

(5) To declare dividend not exceeding the amount recommended by the Board of Directors.

(b) Meeting of the General Body

The provisions for the meeting of the General Body are made in the Bye-Laws of the Bank as under:

(1) In all General Meeting only such members are admitted to membership on or before the 31st March shall be allowed to take part in the proceedings.

(2) When a share or shares are held jointly by more than one person, the person whose name stands first in the Share Register as one of the Joint holders of any share or shares shall only exercise rights or privileges of a member and shall be entitled to delivery of the certificate relating to such share or shares or to receive notices from the Bank or to attend or vote at general meeting of the Bank and any notice given to such person shall be deemed notice to all the joint holders. No firm shall be a member of the Bank.

(3) The Chairman and in his absence the Vice-Chairman of the Board of Directors shall preside over the General Meeting. In the absence of the both, the members present at the meeting shall select their own Chairman; Presiding authority shall have a casting vote.
(4) General Meeting shall be two kinds, ordinary and extra ordinary. The first General Meetings shall have the same powers as an ordinary General Meetings.

(5) An annual General Meeting shall be convened on or before the 14th Day of August every year.

(6) To transact any other business that may be brought up with the permission of the Chairman excepting amendments to Bye-Laws and expulsion of members.

The meetings of General Body are required to be held at least once in a co-operative year. During the meeting, no one is permitted to delegate his vote to another member. This practice eliminates free voting by proxy, as is common in private organizations. The meeting provides a forum for free and frank discussion. Its purpose is to review the programme and business of the federation for the past year and to plan future activities.

The quorum for the General Body meeting is not less than 1/10 of 'A' class shareholders of the total or 50 members, whichever is less. All questions before the General Body are decided by majority vote. In case of equally of votes, the chairman of the meeting has a casting vote.

Table 4.1 provides a quantitative picture with regard to the percentage of participation of members in the General Body meetings of the RDCC Bank.

A glance at Table 4.1 reveals that during all the years there were regular General Body meetings. It also reveals that there is declining trend in the percentage of participation over all. The percentage of participation fluctuates from 4.89 per cent to 18.64 per cent. Thus, the general tendency of the member societies in participating the General Body meetings is not at all
encouraging. In other words, members did not take keen interest in attending the General Body meetings. This slackness can be due to several reasons namely, lack of management's interest in it, illiteracy, ignorance and apathy on the part of members, untimely meetings and communication gap between the management and members. In this context, Report published (1977) by the U. S. Department of Agriculture, is worth-mentioning. It observes that "a co-operative without active and continuous participation of its members is

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Members Attended</th>
<th>Members on Roll</th>
<th>% of Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1983-84</td>
<td>35</td>
<td>716</td>
<td>4.89</td>
</tr>
<tr>
<td>1984-85</td>
<td>38</td>
<td>742</td>
<td>5.12</td>
</tr>
<tr>
<td>1985-86</td>
<td>60</td>
<td>755</td>
<td>7.95</td>
</tr>
<tr>
<td>1986-87</td>
<td>56</td>
<td>769</td>
<td>7.28</td>
</tr>
<tr>
<td>1987-88</td>
<td>64</td>
<td>786</td>
<td>8.14</td>
</tr>
<tr>
<td>1988-89</td>
<td>70</td>
<td>814</td>
<td>8.60</td>
</tr>
<tr>
<td>1989-90</td>
<td>110</td>
<td>877</td>
<td>12.54</td>
</tr>
<tr>
<td>1990-91</td>
<td>123</td>
<td>915</td>
<td>13.44</td>
</tr>
<tr>
<td>1991-92</td>
<td>152</td>
<td>921</td>
<td>16.50</td>
</tr>
<tr>
<td>1992-93</td>
<td>176</td>
<td>944</td>
<td>18.64</td>
</tr>
<tr>
<td>1993-94</td>
<td>177</td>
<td>978</td>
<td>18.10</td>
</tr>
<tr>
<td>1994-95</td>
<td>183</td>
<td>1155</td>
<td>15.84</td>
</tr>
<tr>
<td>1995-96</td>
<td>159</td>
<td>1186</td>
<td>13.41</td>
</tr>
<tr>
<td>1996-97</td>
<td>150</td>
<td>1197</td>
<td>12.53</td>
</tr>
<tr>
<td>1997-98</td>
<td>140</td>
<td>1235</td>
<td>11.34</td>
</tr>
<tr>
<td>1998-99</td>
<td>113</td>
<td>1254</td>
<td>9.01</td>
</tr>
<tr>
<td>1999-2000</td>
<td>159</td>
<td>1297</td>
<td>12.26</td>
</tr>
<tr>
<td>2000-01</td>
<td>133</td>
<td>1489</td>
<td>8.93</td>
</tr>
<tr>
<td>2001-02</td>
<td>144</td>
<td>1543</td>
<td>9.33</td>
</tr>
<tr>
<td>2002-03</td>
<td>195</td>
<td>1649</td>
<td>11.83</td>
</tr>
<tr>
<td>2003-04</td>
<td>190</td>
<td>1718</td>
<td>11.06</td>
</tr>
</tbody>
</table>

Source: Annual Reports of the Bank
like a mule without its hind legs. It may sound like a mule and look like a mule, but it does not have mule’s kick. Even Eldin, the famous Swedish co-operator has stressed the importance of members’ awareness of their responsibilities. To quote him: “If we have occasion to start our co-operative movement afresh and if we are given the choice between two possibilities—that of starting without capital but with enlightened membership or on contrary, that of starting with large amount of capital and ill-informed members—our experience would incline us to choose the first course.”

4.3.1.2. BOARD OF DIRECTORS

As the General Body is very large, the day-to-day administration of the Central Bank is entrusted to the Board of Directors. The Board acts as a sub-policy making organ and derives its powers from the General Body. According to Kamat, the Board symbolizes aspirations and expectations of the members and provides directions to the executive for promoting and protecting the interests of the members. It means the Board serves as a link between the members of the General Body and the Executive limbs of the Bank.

(a) Composition

The composition of the Board has a great deal to do with efficient and successful operations of the organization. Emphasizing the importance of the plural body at the top of the hierarchy, Peter F. Drucker said that top management work is a work for a team rather than one man ... the larger and more complex business needs a clearly structured top management.

Although there are no hard and fast rules, yet the writers differ on the size of the Board. According to Henry H. Albers: “It should not be too small to
be dominated by a single person, nor too large as to be unwieldy, but large enough to cover the subject-efficient management\textsuperscript{14}. It means, it should become a genuine team.

The composition of the present 'Board of Directors' of the Ratnagiri District Central Co-operative Bank is a curious mixture of both elected and nominated members. It consists of 30 Directors. These Directors of the Board were elected according to provisions made in the Bye-Laws of the Bank. The provisions are as under:\textsuperscript{15} Nine Directors representing the affiliated Co-operative Agricultural Credit, Service Societies. On the basis of one Director for each Taluka of the District (i.e. 9 Talukas shall have one constituency each).

(1) One Director representing all types of affiliated \textbf{Urban Credit Societies} including Urban Co-operative Banks. (One constituency for the entire District.)

(2) One Director representing the affiliated \textbf{Marketing Societies, Agricultural Processing Societies} and \textbf{Consumers Co-operative Societies}. (One constituency for the entire District.)

(3) One Director representing all affiliated \textbf{Co-operative Fisheries Societies}. (One constituency for the entire District.)

(4) One Director representing the affiliated \textbf{Industrial Co-operative Societies}, Weavers Co-operative Societies, Industrial Producers and Processing Societies. (One constituency for the entire District.)

(5) One Director representing the affiliated \textbf{Labour Co-operative Societies}, Transport Co-operative Societies, District and Taluka Supervising
Societies and all other remaining Societies. (One constituency for the entire District.)

(6) One Director representing all ** Individual Members ** including affiliated Educational Societies, Local Development Bodies, Partnership firms and Other Non-co-operative Bodies.

(7) One Director representing the members belonging to the ** Scheduled Castes or Scheduled Tribes ** as per Section 73 (B) of the Maharashtra Co-operative Societies Act 1960.

(8) One Director representing the ** Weaker Section ** as per Section 73 (B) of the Maharashtra Co-operative Societies Act 1960. The Weaker Section means members of such class of members as a State Government may be general or special order time to time declare.

(9) ** Women's Directors ** representing from amongst the members of the Bank as a whole as per section 73 (B) of Maharashtra Co-operative Societies Act 1960.

(10) One Director representing affiliated ** Salary Earners Societies **. (One constituency for the entire District.)

(11) One Director representing affiliated ** Housing Societies **. (One constituency for the entire District.)

(12) One Director representing from affiliated ** District level Federal Societies **. (One constituency for the entire District.)

(13) One Director representing all affiliated ** Co-operative Poultry Societies ** and Goat-Sheep rearing and Piggery and Cattle Breeding Societies. (One constituency for the entire District.)
(14) One Director representing the members belonging to the Other Backward Classes as per Section 73 (B) Sub Section 1-a-1 of the Maharashtra Co-operative Societies Act 1960.

(15) One Director representing the members belonging to the Denotified Tribes (Vimukta Jatis) Nomadic Tribes or Special Backward Classes as per section 1-a-2 of the Maharashtra Co-operative Societies Act 1960.

(16) The remaining Directors shall be nominated by the following institutions:

(a) One Director nominated by the Maharashtra State Co-operative Bank Ltd., Bombay.

(b) One Director nominated by the State Co-operative Land Development Bank Ltd.

(c) One Director i.e. Divisional Joint Registrar nominated by Government of Maharashtra as mentioned below in Bye-Law No. 31 (1.A).

(d) There shall be reservation of seats of employees on the board as under:-

(i) If the number of members of the Board there of is 11 or less one seat; and

(ii) If the number of such members is 12 or more one additional seat for every 10 members, over and above the first 11 members shall be reserved for such employees. The seats so reserved shall be filled by selection made by the recognized Union or Unions, from amongst such employees. If there be no such Union, the members
representing such employees may nominated by the State Government. Any person selected or nominated as a member of the Board to any reserved seat shall not be entitled to be elected as an officer of the Bank or to vote at any election of officers.

(17) In addition to the directors mentioned in this Bye-Laws one Government nominee who shall not be below the rank of Divisional Joint Registrar provided that Government nominee shall have no voting right or power of vote and shall work with a view to render guidance expound Government policies only. He shall however have the right to get this descending views record in the minute book on any particular issues.

Qualifications and Disqualification of Board of Directors

(1) A Director shall be deemed to have vacated his office even before expiry of his normal term if he ceases to be either a member of an affiliated society or fails to hold a required number of shares or resigns by notice in writing or to attend there consecutive meeting of the Board without its permission. The vacancy so caused shall be filled in by election. The person so elected shall hold office for the unexpired period of the Board. In no case shall any vacancy of an elected member remain vacant for more than two months.

(2) No representative of an affiliated society which has been classed "D" at the last audit and/or is in unauthorized arrears of the Bank shall be entitled to become a member of the Board of Directors.

(3) No member in unauthorized arrears in the Bank or in any other affiliated societies operating in the area of the Bank or from whom dues are
recovered by coercive measures shall continue to be the Directors of the Bank.

(4) No paid officer or servant of any co-operative society operating within the area of the Bank shall be eligible for being elected as a Director or as a local Auditor of the Bank.

(5) No individual member shall be eligible for being elected and continued on the Board of Directors-

   (a) If he has not been a member of the Bank for at least one year prior to year preceding the Annual General Meeting.

   (b) If he hold shares of the value of less than Rs. 500/-.

   (c) If he has been convicted of criminal offence or offences involving normal turpitude.

   (d) If he resigns by notice in writing.

(6) No person shall be eligible to be a candidate for Directorship on behalf of affiliated societies unless (1) he is not a defaulter of any co-operative societies, (2) the society on behalf of which he offers himself as a candidate for Directorship is not in unauthorized arrears to the Bank, (3) (i) he is a member of the society he represents for at least one year prior to his date of nomination and (ii) he has worked as a member of the Managing Committee of any society in the constituency he proposes to represent for at least one year, (4) he is a permanent resident of the Ratnagiri District.

(7) The election of the Directors shall be in accordance with election rules in this respect framed by the Board of Directors and approved by the Registrar.
(8) The Chairman and Vice-Chairman shall be elected at the first meeting of the Board of Directors constituted under the provisions of section 144 of Maharashtra Co-operative Societies Act 1960. The tenure of office of the Chairman and Vice-Chairman shall coincide with that of the board of Directors. The Chairman or in his absence the Vice-Chairman shall preside at all meetings of the Bank and the Board. In the absence of both, the other directors shall appoint one of them to preside at such meeting. The presiding Authority shall have a casting Vote.

(9) The Board of Directors shall have the power to elect the Chairman and Vice-Chairman if the offices fall vacant due to resignation, death, disqualification or removal from office.

(10) The Chairman and Vice-Chairman on the expiry of the term of office shall continue to carry out the current routine administrative duties of their offices until such time as new Chairman and Vice-Chairman shall have been appointed and shall have taken over the charge of their duties. Provided where not meeting for the purpose of such appointment of the new Board each year in the ordinary General Meeting the Registrar of the District Deputy Registrar of Co-operative Societies may exercise the power of the Chairman for the purpose of calling such meeting.

(11) All acts done by the Board of Directors or any person acting as a member of the Board shall, notwithstanding that it be afterwards found that there was some defect in the appointment of such a board of person or any of them were disqualified be as valid as if the Board of every such person had been duly appointed and was duly qualified to be a member of the Board.
Present Scenario of Board of Directors of RDCC Bank

The composition of the present ‘Board of Directors’ of the Ratnagiri District Central Co-operative Bank is a curious mixture of both elected and nominated members. It consists of 30 Directors. Of these 28 Directors are elected from the societies affiliated to it and from the remaining two one is nominated by the Registrar to represent the State Government and another is representative of Maharashtra State Co-operative Bank Ltd., Mumbai.

During the period under study, in the begging; Government appointed Honorable Deputy District Registrar as the administrator of the Bank. He remained up to 31st December 1983. Then after Government appointed “Interim Administrative Committee” of 11 members from 1st January 1984 and it remained till 30th December 1985. Immediately on 31st December 1985, the first elected ‘Board of Directors’ was set up with 20 members and it remained in office till 30th December 1990. The second Board of Directors was in office for the period 31st December 1990 to 8th September 1996 and the duration of the third Board of Directors was 9th September 1996 to 30th January 2002. The fourth i.e. the present Board of Directors is in the office from 31st January 2002.

A study of the composition of the present Board reveals that out of 28 members; 15 members of ‘Rashtravadi Congress Party’, 7 members of ‘Indira Congress Party’, 4 members of ‘Bharatiy Janata Party’ and ‘Janata Dal’ and ‘Shiv Sena’ 1 from each party. However, this was not the case with respect to the previous two Boards. They belonged to various political affiliations.
(b) Socio-Economic Status of the Board of Directors


Table 4.2 shows the distribution of Board of Directors by age. From the Table 4.2, it is clear that 39.28 per cent of the Directors are middle-aged representing the young age group of 31 to 50. The old aged constitute 60.72 per cent of the total number of Directors on the Board. This shows that the Board has not attracted young blood to decide the fortunes of the RDCC Bank.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Age in Yrs</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20-30</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>2</td>
<td>31-40</td>
<td>2</td>
<td>7.14</td>
</tr>
<tr>
<td>3</td>
<td>41-50</td>
<td>9</td>
<td>32.14</td>
</tr>
<tr>
<td>4</td>
<td>51 &amp; above</td>
<td>17</td>
<td>60.72</td>
</tr>
<tr>
<td>5</td>
<td>Total</td>
<td>28</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field Survey

Table 4.3 displays the distribution of Board of Directors by caste-categories.
Table 4.3
Distribution of Board of Directors by Caste

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Caste-Category</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Open (Forward Caste)</td>
<td>16</td>
<td>57.14</td>
</tr>
<tr>
<td>2</td>
<td>Other Backward Class</td>
<td>8</td>
<td>28.57</td>
</tr>
<tr>
<td>3</td>
<td>Backward Class</td>
<td>3</td>
<td>10.71</td>
</tr>
<tr>
<td>4</td>
<td>Nomadic Tribes</td>
<td>1</td>
<td>3.57</td>
</tr>
<tr>
<td>5</td>
<td>SC/ST</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>Total</td>
<td>28</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source:* Field Survey

Table 4.3 indicates that the Open Category (Forward Castes) members are in a majority forming about 57.14 per cent of the total number of Directors on the Board. OBC category shares 28.57 per cent; Backward Class shares 10.71 per cent while NT category shares 3.57 per cent. But no one member is there on the Board from the SC/ST category. It is clear that Backward Categories have representation less than 50 per cent. This explains the domination of the Forward Castes in the RDCC Bank. They should try to include the SC members in Board of Directors; as the district profile shows that there is 1.4 per cent (24,515) of SC population in the District.

Table 4.4 explains the categorization of the Board of Directors by education. It is observed from Table 4.4 that there are no illiterates on the Board. Among the all Directors 21.42 per cent have collegiate education, and another 78.58 per cent school education. There is a one Director Mr. Tanajirao Chorge, who is doctorate and awarded D. Lit. There are three Post-graduate Directors and three Graduates from various faculties.
Table 4.4
Distribution of Board of Directors by Education

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Education</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Post-Graduate</td>
<td>3</td>
<td>10.71</td>
</tr>
<tr>
<td>2</td>
<td>Graduate</td>
<td>3</td>
<td>10.71</td>
</tr>
<tr>
<td>3</td>
<td>HSC</td>
<td>1</td>
<td>3.57</td>
</tr>
<tr>
<td>4</td>
<td>SSC</td>
<td>19</td>
<td>67.87</td>
</tr>
<tr>
<td>5</td>
<td>Primary</td>
<td>2</td>
<td>7.14</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>28</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field Survey

Among these six high qualified Directors, three have professional education i.e. L. L. B., B. Ed., D. M. E. respectively.

Table 4.5 gives the division of Board of Directors by occupation.

Table 4.5
Distribution of Board of Directors by Occupation

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Occupation</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agriculture</td>
<td>9</td>
<td>32.14</td>
</tr>
<tr>
<td>2</td>
<td>Professional</td>
<td>1</td>
<td>3.57</td>
</tr>
<tr>
<td>3</td>
<td>Industrialist</td>
<td>2</td>
<td>7.14</td>
</tr>
<tr>
<td>4</td>
<td>Business</td>
<td>10</td>
<td>35.71</td>
</tr>
<tr>
<td>5</td>
<td>Social Work</td>
<td>3</td>
<td>10.71</td>
</tr>
<tr>
<td>6</td>
<td>Service</td>
<td>3</td>
<td>10.71</td>
</tr>
<tr>
<td>7</td>
<td>Total</td>
<td>28</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field Survey
Table 4.5 shows that the majority of Directors of the Board were agriculturists and businessmen. This feature is adjusted with the rural character of the district.

A number of disqualifications are laid down in the bye-laws for election and for continuance on the Board after election. A Director acquires disqualification if his delegation is withdrawn by the society he represents, if the society is superseded, if it becomes defunct, commits default in the payment of dues to the Central Bank for a period not exceeding 3 months or, if the affairs of the society are wind up. A person will cease to be a Director of the Board if he absents from three consecutive meetings of the Board.

The Board is required to meet once in a month or more often if necessary. Every meeting is presided over by the Chairman and in his absence by Vice-Chairman and in the absence of both by a person elected by the Directors present at the meeting.

The bye-laws have left it to the Board to make regulations for the conduct of its business at the meetings. But the RDCC Bank has never framed any such regulations. In the absence of any regulations the businesses at these meetings is conducted on the lines of the agenda and if there are any doubts in regard to the legality of any matter, bye-laws, rules and acts are consulted.

The Board of RDCC Bank generally meets at 11.00 a.m. and occasionally at 2.00 p.m. Though quorum is never a problem, rarely the members come on time. Generally, the meetings commence 20 or 30 minutes after the stipulated time. As there is no problem of quorum, meetings generally not adjourn. This is because of: (1) a majority of the directors are
not active in district politics and their activities are confined to agriculture and
village level politics and (2) they attend the meetings more to establish
contacts with district leaders than to discuss matters of the Bank.

The agenda for the meetings is prepared by the General Manager of
the Bank in consultation with the Chairman. Sometimes, however, the
Directors also give notice asking the General Manager to include certain items
in the agenda. Along with the agenda an explanatory note on each item of
the agenda is also prepared and sent to the Directors. For example,
ratification of the expenditure incurred during the previous month is a routine
item on the agenda. A note on the item-wise and branch-wise expenditure for
the month is sent to the Directors. This enables them to understand various
issues coming for discussion in the next meeting of the Board. But rarely the
Directors come prepared to the Board meetings. This is evident from the fact
that most of the Directors do not bring the agenda circulated to them to the
Board meetings.

Another feature is that almost in every meeting a "Supplementary"
agenda is circulated. It is circulated to the Directors only at the time of the
meeting. The members take objection to this practice on the ground that they
do not have time to study the agenda. The Chairman brushes aside such
objections and says that the main agenda is already supplied to them and this
is only a supplementary one.

Proceedings of the Board meetings take place both in English and
Marathi. Majority of the members can not understand English and for their
convenience either the Chairman or the General Manager gives explanation
in Marathi whenever needed.
At the meetings, except on a few items in which Directors are interested there is hardly any discussion. The Chairman reads the agenda item by item and if it is routine item without allowing any discussion he himself would say 'Confirmed' or 'ratified' and proceed on to the next item. Whenever there is a need for explanation, the Chairman asks the General Manager to explain. Quite often the Chairman himself answers the questions and proceeds further.

Another important feature of the Board meetings is that all relevant files and information are not collected and kept ready for reference in order to answer the questions put by the Directors. For every new or supplementary question, office assistants are called in and asked to bring relevant files. This takes away a great deal of time. Sometimes, since the relevant information is not ready, a few agenda items are adjourned to the next meeting with the instructions to keep the information ready. In a few cases when the Directors are not satisfied, they would ask the General Manager to furnish additional information at the next meeting. Quite often by the next meeting both the officials and the Directors who asked for such information forget about it.

In the absence of the Board of Management, the Government is authorized to appoint District Co-operative Officer as a person-in-charge to exercise the powers of the Board.17

As per the Bye-laws, the Board should meet at least once in a month or often. Table 4.6 gives the frequency of meetings.
Table 4.6
Frequency of Meetings of Board of Directors

<table>
<thead>
<tr>
<th>Board &amp; Duration</th>
<th>Total Stay of Board (Days)</th>
<th>No. of Meetings Held</th>
<th>Average Gap in Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>DDR Administration (1.7.1983 to 31.12.83)</td>
<td>183</td>
<td>3</td>
<td>61</td>
</tr>
<tr>
<td>Interim Administration Committee (1.1.1984 to 30.6.85)</td>
<td>546</td>
<td>8</td>
<td>68</td>
</tr>
<tr>
<td>4th Board (31.1.2002 to 31.3.2005*)</td>
<td>1155</td>
<td>31</td>
<td>37</td>
</tr>
<tr>
<td>Total of Board Period only</td>
<td>7027</td>
<td>255</td>
<td>28</td>
</tr>
<tr>
<td>Over all Total</td>
<td>7756</td>
<td>266</td>
<td>29</td>
</tr>
</tbody>
</table>

Source: Data compiled from the office records.

*Fourth Board has been functioning still now.

Table 4.6 indicates that in all 266 meetings were held during the period from 1st July 1983 to 31st March 2005 i.e. in 7756 days. During this period, in the beginning there was Honorable DDR Ratnagiri’s administration for 183 days and after it there was Interim Administration Committee appointed by the Government for 546 days. During this period of 729 days period there were 11 meetings.

From 31st December 1985 there were four different Boards were constituted which functioned for 7027 days. Comparatively, the Second Board functioned for the highest number of days (2078) and the Fourth Board for the lowest number of days (1155). The data further shows that the
maximum number of meetings i.e. 87 were held during the tenure of the Second Board; thereby reducing the average gap between the two consecutive meetings to just 24 days. This gap, however, increased to 37 days during the tenure of the Fourth Board and other two boards because the number of meetings held during their respective tenures were comparatively less.

Each elected member in the Board of Management is a representative of a group of societies from a particular area. Participation of each member would bring out their respective problems and proposals for general discussion. They would be able to safeguard the interest of the member-societies whom they represent. At the same time, participation of all the members of the Board will make it possible to chalk out plans and policies in a democratic process. Every individual experience would decide the general issues. Absence of members in the meetings of the Board will positively harm the decision-making and functioning of the Bank as this is the vital organ which keeps the Bank running.

Table 4.7 depicts the attendance at the Board Meetings.
### Table 4.7
Attendance of the Board Meetings

<table>
<thead>
<tr>
<th>year</th>
<th>No. of Meetings</th>
<th>Average Attendance</th>
<th>% of Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985-86</td>
<td>4</td>
<td>14</td>
<td>70.00</td>
</tr>
<tr>
<td>1986-87</td>
<td>15</td>
<td>17</td>
<td>85.00</td>
</tr>
<tr>
<td>1987-88</td>
<td>13</td>
<td>16</td>
<td>80.00</td>
</tr>
<tr>
<td>1988-89</td>
<td>12</td>
<td>16</td>
<td>80.00</td>
</tr>
<tr>
<td>1989-90</td>
<td>12</td>
<td>16</td>
<td>80.00</td>
</tr>
<tr>
<td>1990-91</td>
<td>13</td>
<td>17</td>
<td>85.00</td>
</tr>
<tr>
<td>1991-92</td>
<td>12</td>
<td>12</td>
<td>60.00</td>
</tr>
<tr>
<td>1992-93</td>
<td>15</td>
<td>16</td>
<td>69.57</td>
</tr>
<tr>
<td>1993-94</td>
<td>16</td>
<td>18</td>
<td>78.26</td>
</tr>
<tr>
<td>1994-95</td>
<td>21</td>
<td>18</td>
<td>78.26</td>
</tr>
<tr>
<td>1995-96</td>
<td>23</td>
<td>17</td>
<td>73.91</td>
</tr>
<tr>
<td>1996-97</td>
<td>12</td>
<td>18</td>
<td>69.23</td>
</tr>
<tr>
<td>1997-98</td>
<td>13</td>
<td>20</td>
<td>74.07</td>
</tr>
<tr>
<td>1998-99</td>
<td>10</td>
<td>20</td>
<td>74.07</td>
</tr>
<tr>
<td>1999-2000</td>
<td>11</td>
<td>20</td>
<td>74.07</td>
</tr>
<tr>
<td>2000-01</td>
<td>12</td>
<td>22</td>
<td>78.57</td>
</tr>
<tr>
<td>2001-02</td>
<td>12</td>
<td>21</td>
<td>63.64</td>
</tr>
<tr>
<td>2002-03</td>
<td>8</td>
<td>27</td>
<td>81.82</td>
</tr>
<tr>
<td>2003-04</td>
<td>9</td>
<td>25</td>
<td>75.76</td>
</tr>
<tr>
<td>2004-05</td>
<td>12</td>
<td>25</td>
<td>75.76</td>
</tr>
</tbody>
</table>

**Source:** Annual Reports of the Bank.

The bye-laws of the Bank provide that the Board of Management should meet at least once in a quarter. Table 4.7 indicates that in all full co-operative years the number of Board meetings was according to prescribed norms except years during 2002-03, 2003-04.

A close look at the data in Table 4.7 discloses the fact that the percentage of participation of the elected Directors varies in between 60 per cent to 85 per cent which is satisfactory.
(c) Functions and Powers of the Board of Directors

The component functions of the Board include Approval of annual budgets.

(1) Admission of members.
(2) Raising and investment of funds.
(3) Disposing loan applications and deciding the scrutiny to be taken.
(4) Ratification of loans advanced by the Bank.
(5) Granting and renewal of cash credit to the member-societies.
(6) Inspection of affiliated societies to know whether these are working on proper lines.
(7) Opening of branches wherever possible with the approval of the Registrar of Co-operative Societies.

From the functions and activities detailed above, it is very clear that the Board exercises broad supervision and does not go into executing details; sets objectives rather than planning as to how they should be achieved; lays down policies rather than administering them.

4.3.1.3. CHAIRMAN

In all democratic institutions the political executives assume great importance. The success of the co-operatives, which are democratic and voluntary organizations, depends to a large extent on the political executives. The Chairman, the chief among the political elites and the political head of the Central Bank, occupies a very crucial and significant place in the co-operative system at the district level. As a matter of fact, the Chairman of the Central Bank is the focal point around whom the Short-term Co-operative Credit Movement revolves in the district. Therefore, as Nyi has rightly observed
that the deciding factor for success or failure of co-operative movement lies in the quality to leadership given by the people controlling the affairs of this movements.  

In the fifties and early sixties the Central Bank’s activities were limited to the lending of loans on a small scale. Therefore, the political executive neither enjoyed many powers nor were very important with the expansion of the activities of the bank, these political executive began to enjoy more powers and along with it more prestige too. To-day the Chairmanship of the Central Bank is ' politicized' and has become one of the important and prestigious posts to be sought after at the district level. The Maharashtra Co-operative Societies Act 1960 and the rules framed under it are silent about the role of the Chairman. The bye-laws of the Central Bank give wide powers and functions relating to the administration of the Central Bank to the Chairman. He exercises general control and supervision over the affairs of the bank and the work of its officers. He chaired the meetings of the General Body and the Board. The Chairman is elected by the Board of Directors from among its members, but the Directors nominated by the Government are not eligible for election as Chairman. One significant feature of the Co-operative Law, unlike the laws governing other democratic institutions, is the absence of provisions for the removal of the Chairman if he loses the confidence of the Board. However, when he ceases to be a Director of the Board by acquiring disqualification under the provisions of the Act, or the bye-laws he ceases to be the Chairman also.

Before 1959 the Central Banks were headed by the District Collectors. As the Collectors were very busy as the heads of the district administration,
the responsibility for the administration of the Central Bank was shouldered by the Vice-Chairmen and Secretaries who were non-official functionaries. But in 1959, in order to have a uniform institutional pattern in the State, the official Chairmen and non-official Secretaries were replaced by the non-official Chairmen and official Secretaries.

From 1959 onwards the Ratnagiri District Central Co-operative Bank has been electing the non-official Chairmen. During the period of study, from 1st July 1983 to 30th December 1985 there were 'Administrator' and 'Interim Administrative Committee' appointed by the Government. Then after from 31st December 1985 and onward there were four non-official Chairmen. And they were all elected. During 31st December 1985 to 1989-90 the work of the Bank was carried out under the elected Chairmanship of Shri S. L. Paje who was the renowned leader of co-operative movement in the district. From the year 1990-91 to 1992-93 Shri S. G. Arekar was the Chairman of the Bank. The efficient Director Shri Mohanrao Mahadev Indulkar Chaired the Board of Directors for the period 1993-94 to 2000-01. And still today from the year 2001-02 Shri Govindrao Shavaji Nikam Chairing the Board of Directors of the Bank. Thus, all the four Chairmen carried out work of the Bank efficiently.

4.3.2. EXECUTIVE WING

(a) Composition and Role of Managerial Group- a review

The managerial group of a Central Bank consists of one principal officer viz., managing director /general manager, manager and most of them are subordinate executive staff. The appointment and powers of the managing director/general manager, manager are laid down in the bye-laws,
according to which the board of directors shall appoint the managing
director/general manager/manager to act as the chief executive.

In Maharashtra, only five DCC Banks viz., Solapur, Kolhapur, Jalgaon,
Wardha and Chandrapur have prescribed minimum qualification and
experience required for the appointment as chief executive. The minimum
qualification prescribed for the chief executive in these banks is a
Post-Graduate degree in agriculture/economics or Chartered
Accountant/Chartered Accountant in Indian Institute of Banking and Higher
Diploma in Co-operation/Government Diploma in Co-operation and
Accountancy/Diploma in Co-operative Business Management. While it was
seen that appointment of Chief Executive in all the banks is left to the Board
of Directors, the bye-laws of most of the banks proved for the approval of
Registrar of co-operative societies and or/the M. S. C. Bank for the
appointment as well as dismissal of chief-executive. The banks which
received contribution from the State Government to their share capital are
required to seek such approval from the State Government for appointment of
Chief Executive.

It was seen from Annual Reports of DCC Banks that the designation of
a chief executive officer was different in different DCC Banks. According to
the recommendation of Ramkrishna Committee, the chief executive should be
designated as managing director and should be an ex-officio member
secretary of the board. This recommendation was made in order to attract
professional expert in the management of district banks. But it was seen that
even though their recommendations were accepted in Government and even
though the resolution to this effect was made in certain DCC Banks, only
three DCC Banks namely Jalgaon, Ahmadnagar and Sangli have assigned the designation of managing director to their chief executive. The Bombay DCC Bank was the only bank which has designated its chief executive as managing director before the recommendation of Ramakrishna Committee. Other banks have designated their chief executive either as manager or general manager. For example, Raigad, Buldhana, Nanded, Aurangabad DCC Banks have designated its chief executive as general manager while Parbhani, Nashik, Satara, Chandrapur, Jalna, Gadchiroli, Thane, Osmanabad, Solapur, Beed DCC Banks have designated their chief executive officer as Manager. It was also seen that the new DCC Banks established namely Sindhudurg, Jalna, Gadchiroli, etc. have also not designated their chief executive as managing director. In Jalgaon DCC Bank, not only managing director but also three other officers next to managing director, who were designated as general manager, were members of the board of directors. Thus, it can be seen from the above that there is a need for a uniform designation as managing director as rightly recommended by Ramakrishna Committee on staffing pattern (1980-81), which enables him to act as a member secretary of the board. This will also attract professional experts in the management of district bank as stated in Ramakrishna Committee Report.

It was also observed that according to their respective bye-laws, the chief executive officers in all the DCC Banks in the state, were full-time, paid and appointed, not elected or nominated officers or in none of the banks, they were honorary part-time or unpaid in the period of study. This can be said as
a trend in the right direction showing that these banks have also understood the importance of paid professional executive.

(b) General Manager/Manager in the RDCC Bank

According to the provision made in Section IX of the Bye-Laws of the Bank; the Board of Directors appoints the General Manager/Manager and his appointment shall be subject to the approval of the Maharashtra State Co-operative Bank. Appeals in the matter of appointment of General Manage/Manager by or against the Bank shall lie with the Registrar. The decision of the Registrar shall be the final.

(c) Existing Executive Structure of the RDCC Bank

In Ratnagiri DCC Bank, Manager is the chief of the executive wing and consists of a Manager and other supporting staff. As on 31st March 2005; the Existing Executive Structure of Executive Wing of the Ratnagiri DCC Bank is given in Figure 4.2.
4.3.2.1. THE MANAGER

The functions of policy making cannot be the privilege of one person or of the Board of Management for the simple reason that policy cannot be completely separated from administration and vice versa. The rigid dichotomy
that "the governing Boards' major function is to execute policy"\textsuperscript{25}, has been considered to be outdated in the context of new public administration. Paul H. Appleby and other distinguished administrators-cum-scholars have pointed out that policy and administration are inseparable twins. To quote Paul H. Appleby "Administrators also participate in another way in the making of 'policy for the future, they formulate recommendations for legislation and this is a part of the function of policy-making"\textsuperscript{26}. In other words, the perform consists of both functions, i.e., policy making and policy-execution. The Manager is the Chief Executive of the Bank. He assists, advises and guides the Board in the process of policy formulation and as the executive head; he executes the policies as formulated by the Board from time to time. He is bound to act on the basis of circulars from the Reserve Bank of India and the Registrar of Co-operative Societies and has little discretion to exercise his own powers in taking policy decisions. However, he can influence the policies of the Government by representing his views to the Registrar of Co-operative Societies and the Reserve Bank of India. He is expected to play an important role in evaluating the performance of the executive staff.

\textbf{(a) Functions of the Manager}

It is said that if the efficiency of the DCC Banks is to be co-related to any one single factor, it is the caliber of a chief of executive wing. His administrative skill, his ability to lead the staff to accomplish the goals of the organization, his desire to do work in time, his skill to motivate subordinate to work sincerely, technical knowledge of co-operative banking acts and rules related to co-operative philosophy, management and administration and practical problems coming in the way of successful working and his human
qualities also find expression in the day-to-day functioning of these banks, if he is a motivator, possessing, sound knowledge, enthusiasm and diligence, he will lead these banks on the path of progress and prosperity. The powers and duties/functions of the chief executive are generally specified in the bye-laws.

According to Bye-Law-section IX of the RDCC Bank; the functions of the Manager are as follows:

1. To be the custodian of the records, common seal, dead stock and such other property of the bank as may be received by him or be committed to his charge by the board.

2. To issue notices for calling general meeting and meetings of the board of directors and executive committee and any other committee.

3. To attend all meetings of the bank of the board and the executive committee or sub-committee of the board and record their minutes.

4. To conduct official correspondence on behalf of the board.

5. To maintain proper account of all money and other property transactions.

6. To receive and disburse money on behalf of the board.

7. To inspect and to arrange for the inspection and supervision of, and to give advice to affiliated societies, wherever necessary, in accordance with the rules framed for the purpose by board.

8. To keep supervision over the work of subordinates and to report misconduct of serious nature etc. to the board for final orders.

9. To purchase, sell, transfer, endorse, assign, pledge the government and other securities on behalf of the bank and to draw interest thereon.
Subject to the provisions of bye-laws to draw, accept, endorse, negotiate and sell bills of exchange and other negotiable instruments on behalf of the banks.

To maintain accounts and registers prescribe.

To perform such other work as the board may prescribe or assign.

To examine loan applications and place them before the board or the executive committee for their final decision.

Since the beginning year 1983-84 five officers have occupied the post as General Manager/Manager. The tenure of these officers is given in Table 4.8.

Analysis of the Table 4.8 reveals that the tenure of the Executive varies from 1 year to 9 years. Such variations affect formulation and implementation of policy. Maheswari has also expressed a similar type of feelings. To quote him; "They have no permanent stake in the particular organization they work in and being essentially birds of passage, they do not look at the problems in a long range perspective." 

<table>
<thead>
<tr>
<th>Executive</th>
<th>Post</th>
<th>Duration</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Manager</td>
<td>1983-84 To 1986-87</td>
<td>4 years</td>
</tr>
<tr>
<td>II</td>
<td>Manager</td>
<td>1987-88 To 1995-96</td>
<td>9 years</td>
</tr>
<tr>
<td>III</td>
<td>Manager</td>
<td>1996-97 To 1998-99</td>
<td>3 years</td>
</tr>
<tr>
<td>IV</td>
<td>Act. Manager</td>
<td>1999-2000 To 2000-01</td>
<td>1 year</td>
</tr>
<tr>
<td>V</td>
<td>General Manager</td>
<td>2001-02 To 2003-04</td>
<td>3 years</td>
</tr>
<tr>
<td>VI</td>
<td>Manager</td>
<td>2004-05 To onward</td>
<td>1 year</td>
</tr>
</tbody>
</table>

Source: Annual Reports of the Bank

The Manager is assisted in his task by Assistant Managers and other supporting staff. The staffing pattern in the Bank is based on the guidelines
recommended by the Reserve Bank of India and the Registrar of Co-operative Societies. Keeping in view the economic conditions of the Bank and its performance, the strength of the staff under each category has fixed by the Registrar of Co-operative Societies.

4.4. STAFFING PATTERN

In the execution work the Manager is being assisted by five Assistant Managers and 9 supporting staff at the Head Office. Thus, there are 15 officers in the Head Office. Out of these 15 officers, 5 are Assistant Managers, 4 are First Grade Officers and 5 are Third Grade Officers.

There are three Divisional Offices consisting of three talukas in each, i.e. Mandangad, Dapoli and Khed talukas are under Khed Division; Guhagar, Chiplun and Sangameshwar talukas are under Sangameshwar Division and in Ratnagiri Division, there are Ratnagiri, Lanja and Rajapur Talukas. There are also 9 Inspector’s Offices in 9 talukas, one for each taluka. These Inspector’s Offices are for the purpose of inspection and supervision of the branches and societies in the concerned taluka. At present, there are 68 (+1 H.O.) Branches and 7 Extension Counters working all over the District. Details of these are shown in Figure 4.3 and Figure 4.4.
All these branches are classified into four categories as given below:

1. Big branches having deposit and loans business of Rs. 25.00 crores and above are classified as "A" class. There are 6 branches in "A" class.

2. Medium branches having deposits and loans business between Rs. 17.00 crores upto Rs. 25.00 crores are classified as "B" class. There are 7 branches in this class.

3. Small branches having deposits and loans business between Rs. 10.00 crores upto Rs. 17.00 crores are classified as "C" class. There are 8 branches in this class.

4. Smaller and new branches having deposits and loans business below Rs. 10.00 crores are classified as "D" class. The number of such branches is comparatively large i.e. 48.

The strength of the existing staff as on 31st March is shown in Table 4.9 below:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Post/Designation</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Manager</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Assistant Managers</td>
<td>8</td>
</tr>
<tr>
<td>3</td>
<td>First Grade Officers</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>Second Grade Officers</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>Third Grade Officers</td>
<td>8</td>
</tr>
<tr>
<td>6</td>
<td>Junior Officers</td>
<td>105</td>
</tr>
<tr>
<td>7</td>
<td>Clerks</td>
<td>332</td>
</tr>
<tr>
<td>8</td>
<td>Drivers</td>
<td>5</td>
</tr>
<tr>
<td>9</td>
<td>Peons</td>
<td>171</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>634</strong></td>
</tr>
</tbody>
</table>

*Source: Official records.*
Thus, presently the RDCC Bank is carrying its business with 634 staff members and 68 (+1 H.O. Brach) Branches and 7 Extension Counters in 9 talukas of Ratnagiri District.

4.5. EMPLOYER-EMPLOYEE RELATIONSHIP

The Employer-Employee Relationship in the Bank was healthy except few incidences. Since the establishment of the Bank there were no strikes or any agitations. But during the period 6th November 1995 to 15th January 1996 the Ratnagiri Zilla Sahakari Bank’s Karmachari Sangh- the Union went on strike. It was the 71 days strike in the history of RDCC Bank. That was due to low salary-scale, lack of rules regarding recruitment, promotions, etc. The long was ended with an agreement in between the Bank Management and the Union. This strike was settled under the “Bombay Industrial Relation Act 1946. The Bank employees have formed their union from 2nd May 1968, and working properly for safe guard interest of the Bank and the Bank employees.

4.6. CONCLUSION

Ratnagiri is one of the three districts of the Konkan region of Maharashtra State. The district is hilly narrow costal belt having population 169677 in nine talukas/tahsils in which comprises 1539 villages. It is predominantly rural. The district has agriculture-horticulture-fishery-oriented economy. It is considered as one of industrially backward districts in the State.

The organizational structure of RDCC Bank consists of two wings- deliberative and executive. They are two organically linked wings- one providing democratic structure and the other consisting of bureaucratic element. The man-power in the Bank seems adequate.
The democratic structure of the Bank provides for two sets of organs at
the top policy-making level- the General Body and the Board of Directors.
The General Body is “the ultimate authority in all matters relating to the policy
and administration” of the Bank. It consists of the representative of the
affiliated PACS, Co-operative Marketing, Co-operative Fisheries and some
other miscellaneous societies and the State Government and the individuals.
A study of the organizational structure of the Bank reveals that the meetings
of the General Body of the Bank were held more than once in a year
(as against the stipulation of once in a year by the Bye-Laws of the Bank).
However, the percentage of participation was low. In other words, the
members have not taken keen interest in the meetings of the General Body
during the study period.

As the General Body is very large, the day-to-day administration of the
Bank is entrusted to the Board of Directors. It acts as a sub-policy-making
organ, deriving its power from the General Body. It serves as a link between
the members of the General Body and the executive limbs of the Bank. The
Board is a curious mixture of both elected and nominated members. It
consists of 30 Directors of which 28 were elected from the PACS and the two
nominated by the State Government. A study of the composition of the
elected directors of the Board shows that out of 28 members; 15 members
belong to ‘Rashtravadi Congress Party’, 7 members belong to ‘Indira
Congress Party’, 4 members belong to ‘Bharatiy Janata Party’ while ‘Janata
Dal’ and ‘Shiv Sena’ each belongs 1 member.

The socio-economic background of the 28 elected Directors indicates
that 39.28 per cent were middle-aged and old aged constitute 60.72 per cent;
and 57.14 per cent members were from forward caste. It is disappointing to note that not even a single member was found young i.e. from the 20-30 age-group. In a district where SCs and STs constitute 2.6 per cent of the total population of the District, their representation in the Board was zero per cent. There were no illiterates on the Board. This is an encouraging trend. From Table 4.5, it is seen that the majority of Directors of the Board are agriculturists and businessmen. This feature is adjusted with the rural character of the district and the district is the remote part of the State that's why seen business oriented trend. This is in tune with the rural character of the Ratnagiri District. The Board is required to meet once in a month. An examination of the frequency of meetings of the Board says that on an average for every 28 days, a meeting was held during the study period. The participation of the directors in the Board meetings has been satisfactory. The Manager attends the meetings regularly. Though the agenda is sent to the Directors in advance, they rarely come prepared to the Board meetings. Most of them do not bring the agenda circulated to the meetings. At the meetings, except on a few items in which directors are interested, there is hardly any discussion. All the relevant files and records are never kept ready for verification at the Board meetings.

The Chairman of the DCC Bank occupies a very crucial and significant place in the co-operative structure at the district level. He exercises general control and supervision over all the affairs of the Bank and the work of its officers. During the study period, four Chairmen were elected and all of them were educated.
The Executive wing consists of a Manager and other supporting staff. The Manager is the Chief Executive of the Bank, appointed by Board of Directors according to the Bye-Law of the Bank and rules of the State Government. He assists, advises and guides the Board. The tenure of the Manager is varying in between 1 year to 9 years.

There are 68 (+1 H. O. Branch) branches and 7 extension counters of the Bank located at different places in nine talukas/tahsils of the district. The work of the Bank is carrying out its business with 634 staff members. There are 1533 co-operatives under the jurisdiction of the Bank. The RDCC Bank is the King-pin the development of co-operative movement in the district and it has opportunity to develop the economy of the district by its rational policy.
REFERENCES

8. Vide Bye-Law No.28 under section VII.
22. Bye-law No. 7 of Bank.