

INTRODUCTION

This is an economic study of the Consumers' Co-operative Societies in Poona. The co-operative movement has been assigned a vital role in the planned economic development of the country. India's Five Year Plans have aimed at creating a socialist pattern of society through a democratic process of change. In this context, the Second Five Year Plan rightly pointed out that co-operative organisations have the merit of combining the advantages of individual initiative and small-scale pattern with those of large-scale organisations and management and are a vital factor both for social stability and economic growth.

It is, therefore, necessary that co-operation should secure its rightful place in every sphere of economy. The co-operative movement has made some progress during the last few years in India. However, it cannot be said to have touched even the fringe of the problem, particularly in the sphere of consumers' co-operation. It has yet to infuse real co-operative spirit among its members which can inspire them to participate intelligently in the working of their societies.

The objective in undertaking the study of consumers' co-operative societies in Poona was to attempt a first-hand study of the actual working of the consumers'

co-operative societies and verify the hypothesis that the consumers' co-operative societies constitute an insignificant part in the total economic pattern of Poona and they have made no impact on the economic life of the people. The failure of the consumers' co-operative societies had been due to lack of honest, enthusiastic and dedicated workers, as well as, due to the lack of efficient management of the societies. Broadly our hypothesis has been confirmed by our empirical investigation.

The consumers' co-operative movement in India, inspite of all the aid and assistance it has received from the Government, has not been much of a success. And although the main causes responsible for the failure of co-operative movement in general and consumers' co-operative movement in particular have been generally known, any attempt to put the movement on sound footing would have to take into account the specific and significant factors operating in different localities and regions. It was with this end in view that a study of the working of the consumers' co-operative societies in Poona was undertaken. Poona has been a home of great co-operators like the Late Prof. D. R. Gadgil and the Late Prof D. G. Karve. Indeed the Late Prof D. R. Gadgil actively blessed the efforts of people to start consumers' co-operative societies in Poona. Inspite of the blessings from philosophers of

co-operation, the consumers' co-operative movement did not strike deep roots in Poona. It was, therefore, thought worthwhile to analyse the causes of the failure of the consumers' co-operative societies in Poona.

Although the office of the Registrar of the Co-operative Societies Maharashtra had sixty consumers' co-operative societies on its role, as many as thirty-four were found to be defunct. In addition, eight societies were under liquidation. I, therefore, proceeded to study the working of the remaining eighteen societies. However, I could not get any information from six societies because they refused to give me any access to the records for the purposes of the study. Ultimately, therefore, the number of societies under study came down to twelve. As the number of societies was small, I decided to study intensively the organisation and working, the policies and programmes of all these twelve consumers' co-operative societies. The questionnaire, a copy of which has been included under Appendix 'B' was administered to all these societies. The officers of the co-operative societies were requested to give the information relating to the questions included in the questionnaire. In addition, I had had the benefit of discussions with managers, members of the Board of Directors, ordinary members of the co-operative societies which enabled me to attempt a realistic appraisal of the

working of the societies by going beyond the cold statistical data and other information collected from questionnaire as well as from the balance sheets and annual reports of the consumers' co-operative societies under study.

The study is divided into nine chapters. The first chapter gives a brief historical account of the attempts to develop consumers' co-operative societies in Poona. It also includes discussion on the idea and philosophy of co-operation, a brief historical account and development of the consumers' co-operative movement abroad and in India.

The second chapter deals with the organizational structure. It deals with co-operative principles with reference to membership, democratic administration, co-operative education and co-operation among co-operators.

The third chapter deals with the aspects of financial structure. It summarises information relating to the financial viability, sources of funds, fixed assets, working capital, deployment of funds etc.

The fourth chapter deals with aspects of purchase and sales management. It examines the working of purchase department and sales department, analyses the policies followed by them and also examines the defects in their working.

The fifth chapter examines the nature of the aid

given by the Government to the consumers' co-operative societies. The growth of every type of co-operative movement in our country had depended upon Government assistance and consumers' co-operation has been no exception to this general rule. An attempt has, therefore, been made in this chapter to examine the nature of the assistance given by the Government to the consumers' co-operative societies and its impact on their development.

The sixth chapter summarizes the achievement of the consumers' co-operative societies in the light of our study. It gives a detailed account of the performance and progress of the societies.

The seventh chapter tries to throw some light on the weaknesses of the actual working of the consumers' co-operative societies. It is common knowledge that consumers' co-operation with all the governmental assistance it had received has not been^a success that it was expected to be. The analysis of the causes responsible for the inefficient working of the consumers' co-operative societies is of vital importance in any programme of rehabilitating and revitalising consumers' co-operative movement. An attempt, therefore, has been made to analyze the causes of the weaknesses in details.

The eighth chapter suggests the ways in which attempts

can be made to strengthen the consumers' co-operative societies.

The final chapter is intended to sum briefly the developments which came about in the Consumers' Co-operative Movement in Poona while I was completing the thesis. A brief discussion of those developments would not only update the thesis but also make it more useful to the students and workers in the co-operative field. It was with this end in view that a brief study of these developments has been presented in this chapter.