The importance of co-operative housing originates in three rudimentary factors. Firstly, it is the most important institutional mechanism based on self-help, for securing a dwelling. Secondly, the co-operative form of organization is the most flexible form, which can adapt itself to any kind of functional, financial and administrative arrangements. Finally, it is one of the most important instruments, trusted by the Government for bringing about housing development.

The two-tier system, represented by the apex housing finance system at the State level and the affiliated primary housing societies, is the conduit through which the institutional long-term housing finance flows, to the advantage of the ultimate beneficiaries, desiring to have a co-operative dwelling. This two-tier system is being progressively adopted in all the States, according to the decision taken by the Government of India. The study of this potentially the most ubiquitous methodology, therefore, becomes important.

The State of Maharashtra, which is in the vanguard of the co-operative movement in our country, has the primacy in this field also. The apex finance society, i.e., The
Maharashtra Co-operative Housing Finance Society Ltd., has considerable experience, in administering long-term housing credit. Along with the Gujarat Finance Society, it accounts for almost 80% of such finance made available, in the country. The Maharashtra and the Gujarat Co-operative Housing Finance Societies have almost a common methodology for advancing such mortgage loans. For these reasons, the methodology of the two-tier system of co-operative housing finance in Maharashtra has relevance for all the States in the country. It was for this reason that it was selected for the present research work.

Scope Of Enquiry:

The work has been divided into four different parts, containing twenty-five chapters.

The first part relates to the discussion of the housing situation; the limitations and the merits of co-operative housing; the two-tier apex-primary structure; and the Maharashtra Pattern of the two-tier structure.

The second part relates to the discussion of various methods both available and potential - of raising funds for the Housing Finance Society. A special study of the time-lags involved in raising finance from the Life Insurance Corporation of India has been conducted. This has relevance from the national point of view, because the Corporation has the common methodology of making funds available to the different apex societies in the country. The vulnerability of the system, of having almost an exclusive dependence, on only one source
of finance, i.e., Life Insurance Corporation, as also the need to have an arrangement for interim finance, for the apex societies, before the long-term funds from Life Insurance Corporation are received, have also been examined in this part.

The third part relates to the examination of the various components of the procedure, which the primary housing societies have to follow, while raising loans from the Housing Finance Society. Some functional case-studies, relating to a specific component of procedure, have been incorporated in this part. Similarly, the conditions of loans of the Gujarat Co-operative Housing Finance Society and the procedure for grant of loan by the Madras Central Co-operative House Mortgage Society Ltd. have been studied and compared, with those of the Maharashtra Finance Society. Finally, the need for interim finance for the primary societies until long-term loans are received from the Housing Finance Society has been examined.

The fourth part is devoted to the study of housing finance systems in Sweden, the United States of America and the United Kingdom. The relevance of these systems for India has also been examined. There is a complete longitudinal study of a borrowing society (from the stage of its registration to the time of visit to it) in the Chapter "Case Study Of A Borrowing Society". Two surveys of the income categories of 633 members, belonging to 228 primary societies, are
also conducted, to ascertain, as to who were the beneficiaries of co-operative housing finance. In addition to this, an exhaustive survey of 55 borrowing societies was conducted, relating to 12 important aspects or stages of their working, ranging from the purchase of land to the possession of the tenement to the individual members. This survey also includes a detailed study of the time lags between these different stages. The penultimate chapter is devoted to the suggested systems of Housing Finance and delineates the different steps which need to be initiated at different levels in the Housing Administration in the country. The last chapter is devoted to 'Summary and Conclusions'. The entire work dealing with the intensive study of a specific methodology of co-operative housing finance in this country, covers many areas where research has not been made in the past.

The Methodology:

The present study made it necessary for me to visit and study the working of Finance Society, the Life Insurance Corporation, the primary societies, the offices of the District Deputy Registrars, the Divisional Joint Registrars, Commissioner for Co-operation and Registrar of Co-operative Societies, the builders/promoters, the Maharashtra State Co-operative Land Development Bank, the District Central Co-operative Banks etc. for the purpose of the collection of data, statistics, discussions and interviews.
A large amount of data had to be collected from several hundred files in the office of the Finance Society. An exhaustive survey-sheet was prepared to elicit the required information on important items, from 55 borrowing societies representing a 5% sample. Most of the data had to be collected from these societies by actual visits. This data had to be processed, analysed and compiled under 12 different categories.

Another 'Opinionnaire' was also framed, to seek the esteemed views of the scholars, academicians, co-operators, officials, builders, professional promoters, executives etc. on important points of enquiry. In about fifty per cent of the cases the views had to be gathered, at the time of personal interviews granted by them. The case-study of a borrowing society is based on the record in the offices of the District Deputy Registrar Co-operative Societies, Poona; the Finance Society and the concerned primary society. The information relating to the survey of the incomes of the beneficiaries of housing finance had to be collected from the 218 files of the respective societies in the Finance Society. In addition many technical items as well as components for the methodology had to be discussed with the officers and staff of the Finance Society, as also the Solicitors, Advocates and the Architects appointed on its panel. In order not to disclose the names of the societies covered by the survey/functional case-study code numbers have been devised and used in the thesis. However,
the concerned appendices generally described their names.

**Limitations And Difficulties:**

Collection of data, from the 55 primary societies, was a very difficult job, basically because there was no initial response from them. Although, survey sheets were sent to a large number of societies, none of them returned them duly filled up in all respects. All the societies had, therefore, to be personally visited. Further, in some cases, where the scheme had been completed, but the office-bearers associated with the promotion of and acquainted with the housing scheme had been changed, the collection of data naturally became more difficult and laborious. Finally the collection of data on items like the profits made in the land deal; the type and extent of interest of the professional promoters in the land deal, construction of buildings as also the flats; the extent of sub-letting and leave-licence (not according to rules); the rent/compensations received under such arrangements; and the collection of the 'off-the-record' amounts touched a very sensitive domain of the co-operative housing sector. The collection of data on these aspects added a new dimension to the methodology followed, because it involved, an additional task of creating a confidence in the minds of the office-bearers of the primary societies.

In a few cases, after drafting and typing had been completed the conditions of loan etc. of the Finance Society
have underwent a little change. These could not be dealt with. However, wherever possible, the statistics etc. have been brought up-to-date as far as possible.

Acknowledgements:

The enquiry of the present magnitude, it is humbly felt, is really beyond the scope of individual research. The work had to be done by me single-handedly without any institutional support. However, in spite of these difficulties, the work could be completed because of the goodwill and help from well-wishers and friends. But for the timely and able guidance from Research Guide, Dr. P.C. Shejwalkar, M.Com., Ph.D., Professor in charge of the University Department of Commerce and Chairman of the Board of Studies in Commerce, University of Poona, the work could not have seen the light of the day. Similarly, the help, guidance and encouragement given by Shri. D.A. Ambekar, Manager of the Finance Society and Shri. D.D. Naik, Deputy Manager, brought within reach, rich material for enquiry. I am extremely grateful to them for their kindness. Special thanks are due to friends like Mr. Kumar Sathe, Mr. Bapat, Mr. Bharwani, M.A., Dr. Bharat Bhatia, M.Com., LL.M., Ph.D., Mr. R.B. Deshpande, M.Com., Mr. S.N. Trivedi, M.Com., LL.B., Mr. D.T. Patil, G.D. Arch., A.I.I.M., A.R.I.B.A., and many others who materially helped me. Thanks are also due to the officers and the staff of the Finance Society, to those who kindly
responded to the questionnaire and to the office bearers of primary societies who disclosed important information by taking me into confidence, thus helping the noble cause of research.

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