Preface and Acknowledgement

There are three main systems which are operating within the social and political framework in order to bring about economic and social changes in the society. One powerful system is capitalism. At any rate, capitalism emphasizes survival of the fittest. Competition is the major strategy of capitalism. The second system is communism. As an ideal, it is wonderful. But as an operative mechanism, it is no better. The third one is the co-operative system which is an economic institution based on moral values. The major characteristics of a co-operative organization are (i) open membership (ii) pooling & sharing, and (iii) democratic decision making.

In a country, like ours, where there is dissension and rivalry, cooperative movement is only system which can promote mutual interest, develop fellow feeling and improve human character to serve social interest.

So the cooperative movement has been acknowledged as an instrument towards achieving the social-economic transformation of Indian economy, focusing mainly on the rural people living in remote villages. In the changing scenario which emerged after implementation of the new economic policy, there is an urgent need to strengthen the grass-root level co-operation for improving the standard of living of rural people. Majority of the co-operatives, especially at the grass-root level, are still in nascent stage and are not able to achieve the attributes of co-operatives in true sense. Thus the need of the hour is to identify the various underlying factors
which inhibit the growth and development of these organizations mainly PACS (Primary Agricultural Credit Society) and take necessary corrective measures.

However, in the above perspective, a study is to be undertaken to critically review the activities of the PACS (Primary agricultural Co-operative Societies) in and around Kalna Sub-division (Block-I & II) – an empirical in-depth study – for a period of 1987-88 to 1994-95 with emphasis on the financial as well as managerial aspect of the same.

This work is done into nine chapters. The first chapter is introductory in character. This will help to understand the back drop of the co-operative movement in India. Chapter two deals with the methodology of work and objective of the study. Chapter three has been prepared for the review of literature and lessons from abroad through the reports of the International Co-operative Alliance. Chapter four gives us the history of selected PACS and socio-economic condition of the villages covered by the PACS. Chapter five outlines the financing pattern and disbursement of loan pattern of the PACS. Chapter six reveals the comparative study of the societies. Chapter seven deals with the analytical study of different types of loans disbursed to the beneficiaries vis-à-vis factors attributing to outstanding loan. Chapter eight has been prepared to know the relevancy as well as sustainability of the societies in the present economic scenario. Chapter nine deals with the suggestions and conclusion. In the appendices the researcher provides the bibliography, list of the tables, and questionnaire.
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The researcher