

CO-OPERATIVE MOVEMENT IN DHULIA DISTRICT

**A THESIS
SUBMITTED TO
THE UNIVERSITY OF POONA
FOR THE DEGREE OF
DOCTOR OF PHILOSOPHY
IN ECONOMICS**

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1979

ACKNOWLEDGEMENT

I am extremely grateful to Prof. Dr. S.S. Mutalik-Desai under whose competent guidance this thesis has been completed. I thank the Director and the Librarian of the Gokhale Institute of Politics and Economics, Poona, for permitting me to use the Library of the Institute. My thanks are also due to the officials of the Co-operative Department Dhulia, Secretaries of various credit and non-credit societies in Dhulia district, officials of the Dhulia District Central Co-operative Bank and the Dhulia Land Development Bank for making available to me the published and unpublished reports in their possession for the purpose of my study as also for their discussion with me on various aspects of the Co-operative Movement in Dhulia District.

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INTRODUCTION

Co-operative movement in India has a long history. Initiated in the field of credit, the movement today touches various aspects of social life. The movement tries to bring together the weak and exploited who, through their voluntary association wish to better their economic condition.

The importance of the movement lies in the fact that it combines the merits of democracy and socialism and seeks to transform the capitalistic society into one where exploitation of the weaker sections by the stronger is eliminated. Especially for a backward economy like that of India the movement can be an instrument for the development of the economy and for ushering in a socialistic pattern of society.

But to achieve this objective it is necessary to study the actual working of the movement so as to find out its drawbacks which can be avoided in future and suitable framework can be provided for the development of the movement. With this objective in view, an attempt is made in the thesis to study the co-operative movement in Dhulia district.

Dhulia district is selected for the purpose of study because it is one of the most backward districts in

the Maharashtra State with nearly 38% of its population comprising of Adivasis, who have for long time been victims of exploitation. The district is linked with other parts of the State mainly by roads and partly by rail links. This has put the district to a disadvantageous position which is also one of the reasons as to why the district has practically no big industries. Agriculture is the main occupation in the district which again is in a backward State mainly because of paucity of finance. On this background, the co-operative movement assumes great importance and can prove to be a powerful instrument for developing the economy of the district. It is observed that the movement was initiated in the district in 1907 and thus has a long history. But except in the field of credit and to some extent in the field of milk societies, it has very little impact on other aspects of economic and social life of the district. Study of the movement in the district is undertaken with a view to find out the lacunae in the movement and to provide suitable guidelines for its future growth. This is all the more necessary since the movement alone has, according to the author the potentiality to improve the economic lot of the weaker sections of the community in the district including the tribal population of the district.

The thesis makes a critical study of the development of the movement upto the year 1976-77.

However, the main emphasis of thesis is on the study of co-operative credit movement in the district since the other aspects of the movement as stated earlier have very little impact on the economic and social life of the people in the district. Ample use of the secondary data like the statistical reports, annual administration reports, annual reports of various institutions and notes prepared by official and non-official agencies has been made by the author. However, the conclusions of the study do not rest on the analysis of the secondary data. The author has actually conducted field study and observed the working of several co-operative societies, especially the working of the co-operative credit societies. In the course of field study the author has interviewed several members of co-operative societies belonging to different strata and has tried to assess their views and impressions regarding the working of the societies. Conclusions drawn from the study of five co-operative credit societies have been given in Chapter IV. This field study has substantiated the conclusions drawn at the end of the thesis. The author has held discussions with officials of the co-operative department as well as the co-operators which has greatly helped the author in drawing conclusions. For understanding various aspects of the movement, seminars, symposiums and field workers' conferences were attended. This has further lent authenticity to the conclusions drawn. Thus the study has

been based on the analysis of the secondary data and actual field enquiries, with more emphasis on the latter.

Two points in the opinion of the author are of particular importance in assessing the performance of the movement - (1) the financial strength of the co-operative societies which is indicated by the position of share capital, reserve and other funds, deposits, working capital etc. and (2) the achievement of the objectives for which the society is formed which is reflected by such indicators like credit disbursement especially to small and marginal farmers, value of sale of agricultural produce and requisities, sale of essential commodities to consumers and other benefits to members. These two aspects of the movement are used as a test in evaluating the performance of the movement. The problem of overdues has assumed a special significance in view of its large size. The thesis tries to analyse the factors responsible for overdues as also makes an attempt to find out to what extent the different categories of borrowers can be held responsible for accumulating overdues.

The thesis is divided in ten chapters as under :-

Chapter I - District Economy

In this chapter a brief outline has been given regarding the geographical situation of the district, climate, the place of agriculture in the economy, industrial development etc. This chapter gives a glimpse

of the economy and provides a background on which the structure of the co-operative movement in the district has been built.

Chapter II - Co-operative Movement in Dhulia District -
A brief historical survey

The chapter opens with a short discussion of the different phases through which the co-operative movement in India has passed. On this background history of the co-operative movement in Dhulia district has been traced.

Chapter III - Agricultural Credit Co-operatives in
Dhulia District

The chapter deals with the problems such as the financial resources of the credit societies, credit disbursement by societies, their bias against the weaker sections of society, the problem of overdues, holdingwise and amountwise classification of overdues, evaluation of the crop loan scheme and other services rendered by the multipurpose credit societies etc.

The chapter also briefly traces the history of the Dhulia District Central Co-operative Bank and discusses its financial resources, loaning policy, extension of finance to different kinds of societies etc. Appraisal of the performance of the Bank is also given.

The Dhulia District Co-operative Land Development Bank, now acts as the branch of the State Co-operative Land Development Bank and provides long term finance to the agriculturists. The chapter discusses the financial resources of the Bank, its loaning policy, the problem of overdues etc. Performance of the Bank is evaluated at the end of the chapter.

Chapter IV - Co-operative Credit Movement - Case Study of some Societies

This chapter is the main part of the thesis and analyses the working of the credit societies in five villages i.e. Thalner, Mhasadi, Shahada, Phagne and Ranala. The chapter is the result of intensive field work on which are based the conclusions drawn at the end of the thesis. The chapter analyses the financial resources of the societies, their membership position, credit disbursement to big, small and marginal farmers, the overdue position and the factors responsible for it. An attempt is also made to find out to what extent overdues are held by different categories of borrowers by classifying overdues on the basis of the size of the holdings of the borrowers.

The chapter also reviews the working of the Umran Adivasi Co-operative Society to find out the trends in the working of the Adivasi Co-operative Societies being formed under the tribal sub-plan.

Observations made in the chapter are based on the records of the societies and interviews with the members.

Chapter V - Agricultural non-credit Co-operative Societies

This chapter deals with the performance of the marketing societies in the district, their failure to achieve the linking of credit and marketing, factors responsible for this failure and other defects that are observed in the working of marketing societies. Results of the case study of 'The Dhulia Kharedi Vikri and Prakriya Society' are also given in the chapter.

The chapter also critically analyses the working of the co-operative farming and lift irrigation societies and the major problems faced by them.

Chapter VI - Urban Credit Movement in Dhulia District

In this chapter is given an analysis of the functioning of the Urban Banks and other Urban Credit Societies in the district.

Chapter VII - Industrial, Consumers' and Housing Co-operative Societies

The chapter discusses the working and problems of Industrial Co-operative Societies such as the Weavers' Societies, the Labour Contract Societies and the Forest Labourers' Societies.

The chapter also gives a critical analysis of the problems and working of the Consumers' and Housing Co-operative Societies in the district.

Chapter VIII - Dhule Jilha Dudh Utpadak, Krishipurak Udyog Sahakari Sangh Ltd. Dhulia and Co-operative Sugar Factories

The chapter reviews the working of the Dhulia District Co-operative Milk Producers' Union and tries to make an assessment of its role in the development of the economy of the district. The chapter also gives a brief resume of the two Co-operative Sugar Factories in the district.

Chapter IX - Supervision and education

The chapter discusses the existing machinery for the supervision of Co-operative Societies and for co-operative education.

Chapter X - Co-operative Movement in Dhulia district - Retrospect and Prospects

This is the last chapter and summarises the conclusions of the study and views of the author as to how the co-operative movement can be developed in the district. The chapter also traces the economic and social significance of the co-operative movement.

Bibliography

Looking at the economic conditions of India and various social, political and institutional impediments to the development of the economy, co-operation can prove to be an effective instrument for uplifting the economy of the nation. All that is required is to do away with the administrative lacunae and other social, political and institutional hurdles that stand in the way of the progress of the movement. This requires a detailed and careful study of the condition of the movement in different regions of the country. The thesis tries to meet this requirement in an humble way.