

**CO - OPERATIVE MOVEMENT
IN KOLHAPUR DISTRICT
A STUDY**

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CO-OPERATIVE MOVEMENT IN KOLHAPUR DISTRICT - A STUDY

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PREFACE

For the preparation of this Thesis, I have relied mainly on the extensive and intensive investigation conducted by me for the purpose. Preliminary work involved in collecting data was started in June 1960 but intensive field work for the specific purpose of the thesis covers a period of three years from 1961 to 1964.

In the course of my field investigation I visited quite a large number of villages in different parts of the district, for the study of the Co-operative Movement in the rural areas. I visited a large number of different types of co-operative institutions, especially Agricultural Co-operatives like Service Co-operatives, Marketing Societies, Co-operative Sugar Factories, Irrigation Societies and Co-operative Farming Societies, to study the progress and performance of Co-operatives under different conditions in the district. I held discussions with the Chairmen and Secretaries of Societies. I visited and collected first hand information from the registers and documents of the societies. I had discussions with a large number of leading co-operators in the district as also with the officials of the co-operative department in the district.

In the course of my field work in the selected villages, I interviewed quite a large number of members of different types of societies, especially members of Service Co-operatives. I had discussions with Sarpanchas, and other prominent members of Village Panchayats and other leaders of the villages.

With a view to get first-hand information of the working and problems of different types of societies operating at different levels I attended Conferences like Field Workers' Conference, Camps of Co-operators, meetings of the Managing Committees and Annual and Special General Body Meetings of Co-operative Institutions as an observer and collected valuable material for the thesis.

I have made full use of available literature and other material on the subject. But by and large, I have relied mainly on the data collected in the course of field investigation, planned and conducted by me personally under the guidance of Dr. D. R. Gadgil, my guide.

I should regard my thesis as original as it is based on first-hand information collected specially for the purpose of the study. To my knowledge, this attempt at studying the working and performance of the co-operative movement with a view to assess its impact on the economic life of the people is the first of its kind to be undertaken

by an individual. This is also one of the main reasons why I should regard my thesis as original. I hope that the thesis contributes materially to the general advancement of research in co-operation. I earnestly hope that the conclusions I have drawn will be helpful in the formulation and execution of the policy for the future development of the Co-operative Movement in our country.

I acknowledge with sincere gratitude my indebtedness to my guide, Dr. D. R. Gadgil, who has all along been a source of encouragement to me. I am thankful to the Officials and other members of the staff in the office of the District Deputy Registrar of Co-operative Societies, Kolhapur, and to all the co-operators in Kolhapur district who were good enough to extend their co-operation and to give me various facilities in the course of my study. I am also indebted to many authors from whose works I have collected valuable material required for this work. In particular, I acknowledge my indebtedness to the Chairmen, Secretaries, members of the Managing Committees and members of numerous Co-operative Societies I visited to collect data for this work. My thanks are also due to Shri N. G. Phadke for his sincere co-operation in typing the thesis neatly and accurately.

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INTRODUCTION

This is an attempt at a study of the Co-operative Movement in Kolhapur District with special reference to Agricultural Co-operation. The Co-operative Movement has been assigned a vital role in the planned economic development of the country. In the re-organisation and development of the rural economy in particular the movement has special significance. Building up of a co-operative rural economy is one of the cherished goals of our national economic policy. The Planning Commission has emphasized the importance and efficacy of the co-operative method for the various developmental schemes under the Five Year Plans, especially in fields such as Agriculture, Marketing, Processing, etc. If the movement is to play its part and become an instrument of democratic planning, as contemplated in the plans, there is a need for a continuous and intensive study of the movement in the various regions of the country.

I have selected Kolhapur District for intensive study and co-mainly for the following reasons :-

Firstly, the Co-operative Movement has made great progress in the district over a sufficiently long period and has greatly

progress can be studied over the years. Secondly, in pursuance of the accepted policy of the Government, Co-operatives have played a vital role in the implementation of various developmental schemes in the district in recent years. Taking full advantage of the special role assigned to it and the financial assistance obtained the movement has expanded considerably in diverse directions and is playing an increasingly important part in the economy of the district. Thirdly, almost all forms of co-operation have been tried in the district; practically all forms of Agricultural Co-operation -- all types of co-operative organisations are available for study. Fourthly, the crop loan system has been in operation in the district for a fairly long time contributing to rapid expansion of agricultural credit provided by co-operatives. Time is ripe for an evaluation of the crop loan system in the district. Fifthly, one of the most important and significant developments in the district in more recent years is the establishment and remarkable progress of co-operative sugar factories. This has made a positive impact not only on the rural economy but also on the co-operative movement in the rural economy. Together with the progress of co-operative credit and co-operative marketing, co-operative processing has greatly facilitated, the progressive expansion of the co-operative sector in the rural economy. These developments offer

scope for assessing the performance of agricultural co-operation as an instrument of agricultural development and promotion of the economic well-being of the people.

Sixthly, the district has a certain diversity about it; geographically and economically, it is not a homogeneous unit. Diversity of conditions regarding soil, climate, rainfall, crops, general level of economic development, etc. prevailing in the district, offer scope for a study of the factors that help or hinder the development of the co-operative movement in the different areas of the district. Such a study can be the basis on which directions in which further efforts need be channelised are indicated.

The object of this study is to examine critically the working, progress and performance of the co-operative movement in the Kolhapur District, especially to indicate and assess the impact of the movement on the economic life of the people, and in the light of empirical data, suggest ways and means for a more comprehensive and rapid progress of the movement so as to fulfil its objectives, social and economic. The economy of the district is predominantly agricultural in character. Agricultural Co-operation has, therefore, special significance to the economy of the district. I have, therefore, studied the

co-operative movement with special reference to agricultural co-operation. Agricultural Co-operation constituted the main core of the field investigation conducted for the study.

The study is based mainly on data collected by personal field investigation conducted for the purpose. This was supplemented by bringing together available material and literature on the subject. This literature being very inadequate, I have relied mainly on first-hand information obtained by personal investigation, which involved extensive touring in the different parts of the district and intensive study of co-operatives selected for detailed study.

QUESTIONNAIRES AND SCHEDULES

The purpose of investigation was broadly twofold. First, study of the progress, working and performance of the co-operative movement in selected villages; secondly, study of different types of co-operative societies in the district. For the purpose of investigations the following schedules were designed for the field survey :

- (1) For the village.
- (2) For the Village Primary Credit Society (Service Co-operative).

- (3) For the agriculturist members of service co-operatives in selected villages.
- (4) For the District Central Co-operative Bank.
- (5) For the District Land Development Bank.
- (6) For the Co-operative Marketing Society.
- (7) For the Co-operative Sugar Factory.

The field work for collection of information under the schedules was started in June 1961 and completed in June 1964. For the study of the movement in rural areas, I visited 20 villages in different parts of the district. Intensive study of the movement in selected villages constituted the main core of the enquiry. Case studies of the development of the movement in general in these villages and of the progress and performance of different types of societies therein throw a good deal of light on conditions that help or hinder the growth of the movement and the circumstances under which particular types of co-operatives thrive to make a positive impact on the socio-economic life of the people.

In the course of my visits to villages, I had discussions with local leaders, veteran co-operators, members of the Managing Committees of the societies, Sarpanchas and other members of the village panchayats, Gramsevaks and members of the co-operative societies. In selecting members of primary societies, the size of

holdings of members was taken into consideration with the object of assessing the impact of the movement on different groups of agriculturists, ranging from large holders to small holders. Members were selected from all principal communities in the villages. I had discussions with non-members also and tried to find out the reasons why they had remained outside the movement. An attitude survey was also attempted to ascertain the popular reactions to the objectives, working and prospects of the movement.

Any enquiry directed to evaluate the progress of the co-operative movement should throw light on the impact of the movement on different classes of people. Since the co-operative movement specially seeks to improve the conditions of the less advantageously placed sections in the community, it should reveal how far the small farmers and other weaker sections have been able to improve their economic condition. With this end in view, the working and performance of the different types of rural societies was studied.

SCOPE OF THE STUDY.

The progress and performance of the Co-operative Movement in any particular region can be broadly assessed on the basis of the contribution of the various co-

operative agencies to the economic development of the region and the improvement in the material well-being of the community. While no definite criteria can be laid down to evaluate the progress of the movement, there are some objective indicators which lead to a broad judgment and help to indicate and assess the success of the movement in increasing the material well-being of the community. Such indicators can be additions to incomes and capital assets of members, agricultural improvements as reflected in better yield and higher production and expressed in better cultivation practices, decline in the role of moneylenders by increasing provision of co-operative credit, etc. The number of societies, the strength and character of their membership, the magnitude of their financial operations, the value of goods marketed through them, their financial strength as reflected in their owned funds, their deposits, recovery of loans, outstandings, etc. are other factors that help to assess the working of societies. With this end in view, the working of different types of co-operative societies was studied. An attempt is also made to indicate and assess the impact of the movement on economic development of the region and economic welfare of the people. The directions in which further efforts need be channel^lsed are indicated.