

CHAPTER - VIIFINDINGS AND SUGGESTIONS

Rural development has become a need of the times. Development of rural area is closely associated with agriculture and allied activities. The prosperity of agriculture depends on number of factors such as climatic conditions, quality of the soil, irrigation facilities infrastructural facilities and finance etc. When all these inputs are available rural development through agricultural development can be achieved. In the present work working of PACCS in some selected villages in Baramati Taluka has been studied the financial or the credit requirements of the farmers are channelised through the PACCS. The success of PACCS depend on their disbursement of loans, recovery of loans etc. It is believed that PACCS in irrigated and geographically favourable regions enjoy a sound financial position compared to PACCS in unfavourable regions. Attempt is made to examine this.

The researcher made use of primary data collected from the reports supplied by the PACCS under study and Government publications furnishing information about Co-operative Movement in India. Maharashtra and area under they study. Besides books, journal have been used.

In the first chapter objectives of the study and methodology adopted for the study has been dealt besides this, the need of agricultural credit through institutional credit is emphasised because it is pointed out that. In India credit in use per head of agricultural population is 0.6 only compared to Japanis 28.2, it is pointed out that the best form of institutions appears to be co operative credit. The reasons for this preference have been mentioned.

Second chapter reviews briefly, the history and growth of cooperative movement in India. Break down of joint family system, mounting debts, exploitation by village moneylenders deriorated the conditions of farmer. In such situation co-operative credit societies act 1904 was paned. There were number of acts. However, cooperative movement did not grow healthily due to number of defects mentioned. In post independentt period rural credit survey committee (1954) report pointed out the defects and strened the importance of co-operative credit and suggested structural, functional, and financial improvement. In post independence period, number of committees have been set up. A Three tier credit structure was justified for supplying short and medium term credit, which would ensure a rationalised flow of resources from methopolitan centres to the villages at low costs of operations. The number of societies slightly

declined from 1.15 lakhs in 1950 51 to 0.92 lakh in 1983 84, membership rose from 51.44 lakhs to 667.70 lakhs during the same period. The coverage of village by agricultural credit societies trend of program to 97.0% and 62% of population was covered during the same period. It can be said that these societies made considerable progress.

In chapter third it has been pointed out that cooperative movement in Maharashtra has been pointed out that cooperative movement in Maharashtra touched at most all the areas of economic activities such as agricultural credit, farming marketing processing, storing spinning sugar dairies, hotel etc. The factors responsible for this wide spread was the leadership of some eminent persons like Vaikunthbhai Mehta, D.R.Gadgil etc. Primary Agricultural Credit Societies rose in Maharashtra. However, in respect of societies in loss, there was some rise and amount of loss involved was also high.

Chapter Four has given a profile of Baramati Taluka. This taluka has historical background in the sense that it was a part of Swarajya of Shivaji Maharaj and the residence of Shri. Babuji Naik who had provided loans to the peshvas, besides it is famous as the birth place of Shridharswami. Its trade and agricultural development is note worthy. The factors responsible for this development are geographical and climatic. Irrigation facilities

have benefited some regions, as a result of this various industries have come up.

The growth of PACC in Baramati Taluka is more satisfactory in respect of membership, share capital reserve funds, working capital etc. compared to societies in Pune District.

Majority of<sup>0</sup> the PACCS in irrigated area are classified as 'A' class, contrary to PACCS in non irrigated areas. Cooperative credit movement got momentum after independence due to Governments policies.

In Chapter Five, an analysis of capital structure of PACCS in Baramati Taluka has been made, in respect of membership, turnover total aspects, share capital, owned capital, working capital. For study purposes two societies from irrigated and two societies from dry regions have been selected, Analysis is made on the basis of information published in the reports of the concerned societies.

12.5% of PACCS in Pune District are found in Baramati Taluka. Average membership shows fluctuation rate during the period under study.

In respect of total turnover, in 1982-83 it was more than Rs. 49940 thousands, it came down to Rs. 46281 thousands in 1983-84. Again in 1985 86 it was more than Rs. 60900 Thousands

and came down to less than Rs. 60900, thousands during 1986-87 and 1987-88.

Share capital is important indicator of financial strength of cooperative organisations. The average share capital per society was Rs. 144 thousand in 1980-81. It rose to Rs. 297 thousand in 1987-88.

The average share capital per society went on increasing during the period of eight years (1980-81 to 1987-88) under study.

The Government ~~constant~~ contribution <sup>is</sup> total share capital ranges between 0.76 to 1.34% from 1980-81 to 1983-84, it rises between 3.27% to 3.94% from 1984-85 to 1987-88. Average share capital per member ranges between Rs. 0.53 to 0.64 thousands.

From 1980-81 to 1982-83 and between Rs. 0.71 to Rs. 0.91 thousands from 1983-84 to 1987-88. The primary agricultural Credit societies in Baramati Taluka could not repay the Government share capital, which is a permanent liability on the part of PACCS. The constant amount of the primary agricultural credit societies.

The owned capital shows increasing trend under study except the year 1987-88.

Working capital is important indicator of the financial management of the society. There has been an increasing trend of working capital throughout 1980-81 to 1987-88. The average working capital per society shows an increasing trend during

the period under study. The average working capital per society was Rs. 477 thousand in 1980-81 to Rs. 1057 thousand in 1987-88.

The sources of the working capital however, are not adequate while considering the development needs of the area, the PACCS should supply agricultural credit and also mobilise financial resources by attracting more deposits and reserve funds. But PACCS in Baramati Taluka supply credit only. It can be suggested that deposit mobilisation should be raised.

In Chapter Six, study of credit structure of some PACCS in irrigated and dry area has been made. The consolidated view of PACCS in irrigated area show that Shri Kashivishweshwar PACCS is better. The per capita share capital of this society was Rs. 1685, 75 in 1987-88. As against this in Shri. Jogeshwari PACCS in dry area the per capita share capital was Rs. 426.

A study is made of the loans taken by the members having lands in different category of hect. Generally members having large sized holdings viz. 4 hect. have taken larger amount of loans from irrigated areas. Recently in dry areas, however, loans have been taken for horticulture development. In irrigated areas large number of small farmers have taken advantage of short term agricultural credit. In dry areas large number of big farmers have taken advantage of these loans during period under study. Analysis of medium term loans also has been made. Societies in

Irrigated areas show satisfactory position in respect of recovery unlike those in dry areas.

It can be said that capital is ~~a~~ necessary but not adequate condition for the successful working PACCS other factors ~~also~~ are important.