

## Introduction

The banking system occupies a very important place in the process of Economic growth. An efficient banking system collects savings and diverts them in to productive channels for the attainment of the desired economic growth. In the past the banks were working as only depositories and loan vendors. But in the modern age its structure and concept have been changed. A developing economy requires a continuous process of investment and the investment facilities are provided by the banks. Economic development is based on the process of banking development and so banks are known as the life blood of the country. The commercial banks industrial banks and co-operative banks are all working today with a view to promoting economic development. More significant is the role played by the co-operative banks since they have emerged from and for the weaker section of society.

The activities of the co-operative banks in India are growing in volume and dimension to suit the changing circumstances and the need of the customers. The urban co-operative banks are also adapting themselves to the <sup>h</sup>changed circumstances. However, the development of Mahila Co-operative Banks is of fairly recent origin. The Mahila co-operative banks, being specific of their type, have altogether different problems. It would be in the fitness of things, to attempt to study the problems, growth and performance of Mahila Co-operative Banks. The best method to study any banking system is to attempt a microscopic analysis of the same. Shri Laxmi Mahila

Co-operative Bank was, therefore, selected to undertake a study of the system of women co-operative banks.

The Maharashtra State has played a pioneering role in the co-operative movement in India. The first co-operative sugar mill in the country was established in Maharashtra by Padmashri Vikhe Patil. The ideological base of co-operative movement was provided by Shri Dhananjayrao Gadgil. The western Maharashtra, consisting of the district of Kolhapur, Sangli and Satara proved to be the most fertile soil where the seeds of co-operative movement got developed. These districts not only provided the foundation for the quantitative growth of the movement, but they also geared up the qualitative development of the movement. The diversification of activities through a number of various activities has thus been a result of the quantitative development of the movement.

One of the most important section of the weaker block of our society has been women. The liberation of women from their exploitation in the traditional form is and should be entirely dependent upon the economic freedom of women. The co-operative organisations of women in general and the women co-operative banks in particular, can therefore become a strong instrument to ensure economic support and foundation to the women folk in any society.

In Maharashtra at present there are 14 women co-operative banks and Shri Laxmi Mahila Sahakari Bank, the one <sup>under</sup>~~under~~ study is the first one to be established among them. It was

thought therefore, that a systematic study of the same would shed some more light on the problems as well as solution sought for them. The success and failure of the institutions which will lead to some such conclusion as would be of some help to all concerns with such activities.

#### Objective of the Study :

The present study was primarily undertaken with a view to understanding the role played by the Laxmi Mahila Bank, its promoting economic activities among women and its catering to their credit needs. As such the objectives of the study are :

- 1) To review the working of Shri Laxmi Mahila Sahakari, Bank.
- 2) To provide the quantitative analysis of the loans extended to weaker sections of women.
- 3) To identify the factors responsible for the growth of the bank over the years.
- 4) To identify the problems faced by the bank, its performance and functions.
- 5) To suggest the steps needed to be taken for improving the working of the Bank, and mitigating the problem.

#### Methodology of the Study :

As has been mentioned above, the present study provides a historical sketch as well as the analysis of the

financing activities of the Bank. As a prelude to the study the theoretical framework of banking and economic development has also been elaborated upon.

The library source in the form of various books, journals and reports provided for theoretical gist.

The impact of financing for the women member and their problems have also been attempted. For this the sample survey method was followed. A structural questionnaire was personally administered to the selected sample women members. The sample design is given in a detailed manner in the chapter relating to the result of the final study.

The problems faced by the Bank in its policy matter as well as day to day functioning were also to be identified, for which an unstructural<sup>red</sup> interviews of the members of the Board of Directors were conducted.

Thus the methodology of the present study consists of both the library method in part and survey method for the rest.

### Chapter Scheme :

So far as the plan of the study is concerned, it is divided in to five chapters.

In the first chapter different definitions of co-operation are discussed. This chapter also explains the importance and role of co-operation in economic development.

The second chapter reviews the co-operative credit movement in India. The various aspects examined here include the structure growth, achievement and the problems faced by the co-operative movement.

The third chapter relates to the review of the women co-operatives and discusses the new reform and development in women co-operative banks in Maharashtra and Sangli.

In the fourth chapter, there is a detailed study of Shri Laxmi Mahila Sahakari Bank and this study includes the establishment, aims, objectives, progress and working of this bank.

The fifth i.e. the last chapter provides findings of the study and here few suggestions are made for the Bank.