

CHAPTER - V

---

SUMMARY AND CONCLUSIONS

## CHAPTER - V

### SUMMARY AND CONCLUSIONS

---

Cooperative Movement aims at economic and social upliftment of people of small means, by bringing them together in a cooperative society. Women constitute about half the population of the country. But woman-membership in the cooperatives in India is only about 1 percent of the total membership. This is logically a result of the male-dominated character of our society. The low literacy rate in women their resultant low socio-economic status, the status of women in a given society is now accepted as an indicator of the society's stage of development.

Formation of woman-cooperatives (exclusively with woman-membership) has been another channel developed during the last ten years or so. In the field of urban cooperative banks with only woman-membership, Sangli in the State of Maharashtra, did the pioneering work and the first woman cooperative bank was registered in December 1971 and it was Laxmi Bank at Sangli. There were 33 woman cooperative banks in the country as on 30th June 1989.

#### **Progress of Laxmi Bank:**

An overview of the progress of Laxmi Bank gives us a satisfactory picture. Laxmi Bank has made a good progress

during the last 19 years in respect of deposit mobilization and loans and advances. Its profitability, barring the first three years of its existence, was satisfactory. Good profitability has enabled Laxmi Bank to build up good reserves. The position of its membership was, however, found to be far from satisfactory against the background that the entire Sangli district was its area of operation. Apart from head office, the Bank could have only three offices at Shantiniketan (Sangli), Miraj and Islampur.

As any other urban cooperative bank in the country is governed by the RBI regulations, Laxmi Bank also is subjected to such regulations. It also has to follow the guidelines given by the RBI in respect of Priority Sector Advances. As far as this aspect is concerned, Laxmi Bank has scrupulously followed the RBI regulations and exceeded the minimum of 60 percent of the total advances to be given to the Priority Sector.

**Sample Data:**

One hundred woman-members were selected by Stratified Sample Method. These members were interviewed and the schedules were filled in. Following are the major findings:

1. Out of 100 members, 57 had taken loans for productive purposes and the remaining 43 had taken non-productive loans.

2. Productive loans constituted about 64 percent of the total loans outstanding as on 30th September 1989 and the remaining 36 percent was the loan outstanding amount on non-productive loan accounts as on the same day.
3. Out of the loans taken for productive purposes, 'Agricultural and allied activities' was the purpose with 32 percent of the sample going for it, followed by 'Self-employment' with the 14 percent. The highest percentage of the members in the sample, i.e. 35 percent, had taken a non-productive loan for house-construction.
4. The B.C. plus O.B.C. plus SC/NT/ST members in the sample constituted 20 percent of the total. They really belonged to the weaker section of the society, on the basis of caste/religion. In fact, 93 percent of the respondents could be treated as the persons who needed Bank's help for their economic and social welfare.
5. There were 21 respondents with a monthly income of less than Rs.750 while the next 29 respondents had a monthly income in the range of Rs.751 to 1,500. They are treated as 'very poor' and 'poor' people respectively. That 50 percent of the loanees of Laxmi Bank were either 'very poor' or 'poor' was the obvious conclusion drawn.
6. Out of the 16 respondents in the category of 'above Rs.3001' income per month, 11 members (62.5 percent) had taken loan for 'non-productive purposes'.

7. Laxmi Bank had helped 33 percent of the sample members who were illiterate. Another 41 percent of the sample had only primary education to their credit.
8. Nintysix percent of the respondents have their answer in the affirmative to a question whether Laxmi Bank could help them in their economic and social development.
9. Seventythree percent of the respondents were dependent on the male members in their family for their livelihood.
10. Participation/involvement in any economic/social organization was found to be poor.

**Other activities, actions and programmes undertaken by Laxmi Bank:**

Laxmi Bank officials were found to be indifferent in respect of undertaking certain activities, taking certain actions or carrying out certain programmes that would elevate the economic and social status of women in general and its woman-members in particular. A list of such activities, actions and programmes can be prepared as follows:

1. Arranging lectures, seminars, workshops on various aspects affecting the life of the women, e.g. dowry system, right of the woman in the property, etc.
2. Programmes on cleanliness at home and in the surrounding area.
3. Demonstrations on how to prepare good food for the family with the available resources.

4. Arranging get-togethers of the youth of marriageable age and their parents, so that they may find their appropriate 'match'.
5. Arranging low-cost group-marriages during marriage season.

**Suggestions:**

Two major suggestions emerge and they are:

1. Laxmi Bank officials must understand that theirs is the pioneer institution which must take initiative in the field of undertaking activities, actions, programmes to create an awareness of the potential strength in the woman. This will help the woman in achieving a higher status in the society.
2. Innovative banking is the real challenge for Laxmi Bank. This is so because this is the pioneer institute in the field of urban cooperative banking for women.