

## **CHAPTER : 2**

### **Profile of Kolhapur Zilla Magasvargiya Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur**

---

- 2.1 Establishment Of Patsanstha.
- 2.2 Objective of Patsansha
- 2.3 Area of Jurisdiction
- 2.4 Management
- 2.5 Organization Structure
- 2.6 Membership
- 2.7 Share Capital
- 2.8 Deposit of Patsanstha
- 2.9 Bank Credit
- 2.10 Loan Scheme
- 2.11 Recovery Position
- 2.12 Member Welfare Scheme
- 2.13 Audit Grade

## Chapter : II

# PROFILE OF KOLHAPUR ZILLA MAGASVARGIYA VIDUT KARMACHARI SAHAKARI PATSANSTHA MARYADIT KOLHAPUR

### 2.1 Establishment of Patsanstha:

Co-operation is the way of progress. Passing of the Co-operative societies in Act,1960 gave momentum to the Co-operative movement in Maharashtra. The government has actively encouraged in different fields from agriculture to banking. Different types of co-operative the establishment of co-operative societies. This has resulted in the wider spread of co-operatives societies are formed to cater to the credit needs of people belonging to different occupations, castes. Maharashtra State Electricity Board's employees from backward community came together and established "Maharashtra Rajya Magasvargiya Vidut Karmachari Sanghtan- in Nagpur"

This sanghtan has actively encouraged the backward class employees of M.S.E.B. to establish a separate patsanstha in their respective district. Accordingly the co-operative credit societies were established in various districts of Maharashtra for the benefit of backward caste employees of M.S.E.B. This organization strives hard to follow the thoughts of great social reformers such as Dr. Babasaheb Ambedkar, Mahatma Phule, Shahu Maharaj.

In Kolhapur district "The Kolhapur Zilla Magasvargiya Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur" was established on 15<sup>th</sup> February, 1990. The promoters of the patsanstha were as follows :

1. Shri Shashidhar Govindrao Banage.
2. Shri Srajerao Dharma Kamble
3. Shri Ramesh Yashawant Apate
4. Shri Ramchandra Dattatray Shinde
5. Shri Prabhakar Lingappa Dhale
6. Shri Bajrang Dhondiba Bhise
7. Shri Dyanadev Parshuram Mudashingikar
8. Shri Malhari Tatoba Khandekar
9. Shri Shankar Anna Tagare
10. Shri Shivagond Mahadev Kamble
11. Shri Datta Luma Kamble.

## **2.2 Objectives of Patsanstha :**

Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur has an objective of ethical and economical progress of members of the organization.

The major objectives of Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur are as follows...

1. To work for the economic progress of members of Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur.
2. To provide financial support for Education of the children of members of patsanstha.
3. To provide financial support to members of patsanstah for construction / purchase houses property.
4. To spread education among the people belonging to backward class.

To establish hospital for providing medical facility to backward class people.

### **2.3 Area of Jurisdiction :**

The area of operation of Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur is Kolhapur district. There are 18 divisions and sub-divisions of M.S.E.B. in Kolhapur district and backward class employees in these divisions and sub-divisions are entitled to obtain the membership of patsanstha.

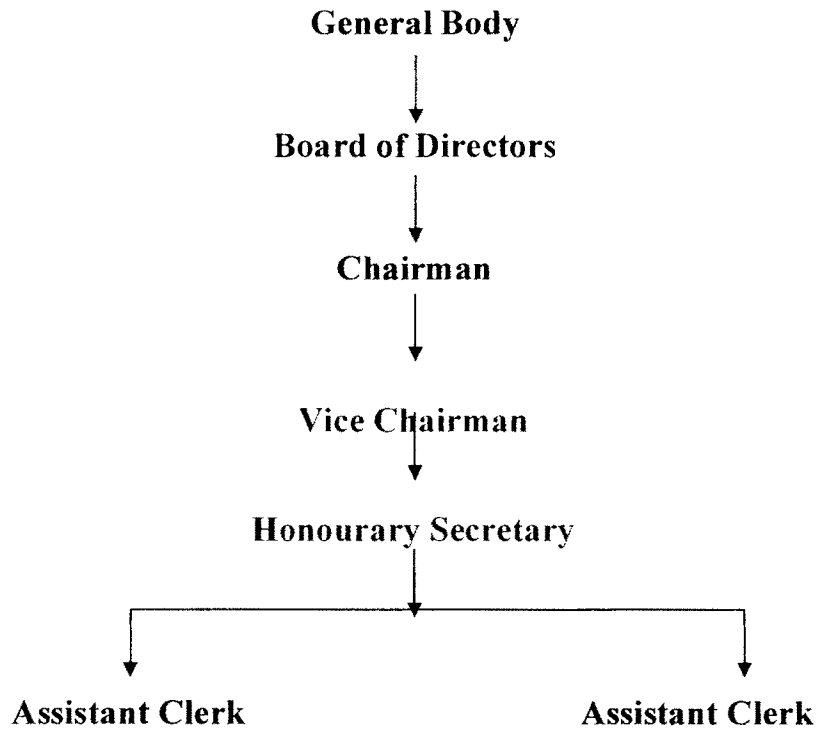
### **2.4 Management :**

The operations of patsanstha are managed by the representatives of its members. These representatives are called as directors and collectively they form the Board of directors. The Board consists of 13 directors which includes 2 female directors. The Board is elected after every five years. Till 2005 the directors were elected unopposed.

The Board is assisted by a honorary secretary and two clerks.

### **2.5 Organizational Structure :**

Chart No. 2.1 showing the organizational structure of *Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur.*



**Chart 2.1** Organizational Structure of Patsanstha

## 2.6 Membership :

. The membership of Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur find is available to the backward category employees of Maharashtra State Electricity Board. (Class I to Class IV). The membership position of the patsanstha during the period of five years of the study is shown in Table number 2.1

**Table 2.1 Membership of Patsansthas**

Year	2000-01	2001-02	2002-03	2003-04	2004-05
No.of Members	860	752	694	789	702

Source : Annual Reports of the Patsanstha

The number of members of patsanstha was 860 in year 2000-2001, reduced in the subsequent two years to 694. It increased to 789 in 2003-2004. But again reduced to 702 in 2004-2005

## 2.7 Share Capital :

The Patsanstha has a strong capital base as seen from Table No.2.1. The paid up capital amounted to Rs.82.95 lakhs in 2000-2001. It crossed the one crore mark in 2003-2004 and increased further to Rs. 119.99 lakh in 2004-2005. The increased paid up capital shows the trust of members of patsanstha. At the time of establishment paid up capital was Rs.10,252 only.

**Table 2.2 Paid up capital during the five years (2000-2001 to 2004-2005 )**

(Rs. In lakhs)

Year	Amount of paid up capital
2000-2001	82.95
2001-2002	84.60
2002-2003	81.80
2003-2004	112.90
2004-2005	119.99

Source : Annual reports of Patsanstha

## 2.8 Deposits of Patsanstha:

The main work of co-operative Patsanstha is to accept deposits and provide loans. The increase in deposits leads to increase in interest at lower rate. Table No. 2.3 Shows the deposits accepted by Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur during the period of the study .

**Table No. 2.3**  
**Deposit position of patsanstha.**

(Rs.in lakhs)

<i>Particulars</i>	<b>2000-01</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>
<b>Deposits</b>	43.55	80.26	94.26	125.16	141.42
<b>Increase</b>	1.06	36.71	14.00	30.89	16.26

*Source : Annual reports of Patsanstha*

Table No.2.3 shows the growth of deposits during the period from 2000-2001 to 2004-2005. In 2000-2001 the total deposits were Rs.43.55 lakhs. The amount of deposit recorded substantial growth every year and reached to Rs. 141.42 lakh. In other words the amount of deposits more than tripled during this period. This shows the fulfillment of one the objectives of patsanstha viz. inculcating the habit of savings among the backward class people. There are seven types of deposit schemes viz. General Deposit, Mudatbandh Deposit, Damduppat Deposit, Permanent Deposit, Monthly Deposit, Building Deposit and Sanghthan Deposit. Of these the building deposit and Sanghthan deposit are non-refundable and are used for the purpose for which they are collected. Patsanstha accepts deposits by offering an attractive rate of interest. Generally the rate of interest on deposit is higher than the market rate. The members and non-members therefore deposit large amount in patsanstha.

## **2.9 Bank Credit :**

The Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur has received financial support from the district central co-operative bank. This has helped the patsanstha to expand its lending activities and grant more loans to the needy members.

Table No. 2.4 shows the amount of loans sanctioned by K.D.C.C. Bank and the amount actually utilized by the patsanstha.

**Table 2.4 Credit facility from K.D.C.C. Bank**

(Rs.in lakhs)

Year	Loan Sanctioned	Loan Utilized
2000-2001	75.00	39.00
2001-2002	75.00	...
2002-2003	50.00	...
2003-2004	40.00	4.89
2004-2005	40.00	...

Source : Annual reports of Patsanstha

The patsanstha had borrowed from K.D.C.C. Bank as and when required. It was sanctioned loan in the year 2001-2002 and 2002-2003 but it did not borrow. Where as in the year 2003-2004 it actually utilized an amount of Rs 4.89 lakhs only as against the sanctioned limit of Rs.40 lakhs. This shows the tendency of Board of directors of patsanstha of depending more on own funds.

## **2.10 Loan Schemes :**

Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsanstha Maryadit Kolhapur is established with the objective of meeting the credit requirements of its members and right from the time of its establishment the patsanstha has been fulfilling the objective in an appropriate manner. Patsantha provides loans to members on different ways viz.1) General loan 2) Emergency loan 3) Mortgage loan.



General loan is provided to build or purchase house property. Emergency loan is available to members for emergency situations e.g. medical treatment etc. Mortgage loan is available to members for purchase of durable goods, furniture and vehicles. The member of the Patsnsta can get a loan upto 35 times of his salary or Rs.2,00,000 whichever is less.

Table No.2.5 position of loans outstanding

(Rs. in crore.)

Year	Outstanding loan
2000-2001	1.48
2001-2002	1.59
2002-2003	1.79
2003-2004	2.40
2004-2005	2.45

Source : Annual Reports of Patsantha

### 2.11 Recovery position :

Recovery of loan is an important aspect of credit society. Patsantha's members are employees of Maharashtra State Electricity Board. They get salary regularly so that the recovery of loan per month is facilitated. The proportion of overdue loans is very less as reported by the Board of Patsantha

### 2.12 Member Welfare Schemes :

Kolhapur Zilla Magasvargiy Vidut Karmchari Sahakari Patsantha Maryadit Kolhapur not only caters to the financial needs of its members but also runs various welfare schemes for the them. After the establishment of patsantha it has started various schemes for the welfare of members and these schemes are implemented effectively.

Following are various welfare schemes provided to the members by the Patsanstha.

**1) Insurance Protection :**

Patsanstha provides insurance protection of one lakh rupees to its members with the help of “The New India Assurance Co.Ltd.”. Under this scheme an amount of rupees one lakh is paid to the nominee of a member in case of his accidental death. In the financial year 2003-2004 this scheme was renewed and amount was doubled with the help of “Oriental Insurance Co. Ltd.”

**2)Financial support for Education to the children of members:**

The financial awards are given to the scholar children of members. This scheme is divided into rural and urban area and the children of members of patsanstha securing maximum marks in the annual examination from 1<sup>st</sup> to 10<sup>th</sup> std. are felicitated by giving financial awards. In the year 2004-2005 49 students were felicitated

**2.13 Audit Grade :**

The Patsanstha has obtained ‘A’ grade from the year 2001-2002 to to date. Audit grade ‘A’ is a symbol of sound financial management of the patsanstha.

\*\*\*\*\*