

CHAPTER I

Introduction

INTRODUCTION

India is developing country. In India there is wide scope for development of co-operative societies. Now a days different type of co-operative societies are working in which “ Consumers Co-operative Societies ” have lion’s share. Consumers Co-operative Societies helps in raising the standard of living of people by providing different commodities at reasonable rates and in required times.

Especially Warana Bazar , Warana Nagar Dist:- Kolhapur plays a very significant role in rendering services to rural communities which are staying in Kolhapur and Sangli district of Maharashtra. The main aim of Warana Bazar is to give maximum satisfaction to the customers.

Consumers Co-operative Society is not only money oriented. The main objective of every consumer society to give best services to their members and non-members at reasonable rates. The progress of each Consumers Co-operative Society is largely depends upon efficiency of providing services.

At present in India especially in the state of Maharashtra Consumers Co-operative Societies are well developed. There is competition amongst the Consumers Co-operative Societies for providing good services to their

customers. Hence with reference to it the study of “ Warana Bazar’s Sales , Finance have become important”

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Consumers Co-operative Societies

History Of Consumer Co-operative

Societies :

Co-operative movement was introduced in the world in the form of consumer’s co-operatives in the year 1844. Since then consumers co-operatives have made a tremendous progress in the western countries and have to come to occupy an eminent position in the national economics of those countries.

In India the first consumer society was organised in 1904 in Madras on the eve of the enactment of co-operative societies act 1904 with the object of supplying necessities of life to it’s members. This society namely in Triplicane Urban Co-operative Society in the country. During the second world war however Consumer Co-operative Movement made a good progress. During the war there was a steep rise in the price of various commodities. In order to check the rise in the prices and ensure equitable distribution of controlled commodities to co-operative stores.

Main Objectives Of Consumer Co-operatives

- 1) To serve it's members and customers with goods required by them for household consumption.
- 2) To protect the interest of the members.
- 3) To try to stabilize the price line and to check the exploitation of consumers private business. In India there is extremely uneven development of consumers co-operatives in different parts of the country.

In India presently prices of consumables are rocketing sky high and the problems like Block , Marketing , Hording etc. are becoming serious day by day. Increased urbantization is also creating a number of difficulties before the consumers.

Problems of adulteration is another actue problem. Wholesalers are other Middlemen always exploit the scarcity situation and there by the comman consumer at a large. So to avoide these all the things is the need of consumer co-operatives.

Development of Consumer Co-operatives

In India , Unlike other Eropian countries the co-operative consumers movement did not begin in 19th century. Only in the first world war period when prices of essentials went up the consumers co-operatives movement began in India. In 1914 , there were 11 co-operatives , but in 1921 the same figure went up to 103. The consumers store movement birthplace is Madras (Chennai.) But including Madras Province immediatly after the end of first war. It was during second war the movement mode again a big comprehensive progress when almost 4000 co-operative consumer societies dealt Rs. 2000/- lakhs business. Similar to first war experience front. The number of consumers stores in (1960-61). All over India membership fell down by 27% in this period. In Jammu-Kashmir and in Mysure; this fall was around 55% i.e. excessive fall was seen in these two states. The total sales declined from Rs. 87 Crores (1950-51) to 44 Crores (1960-61).

Structure Of Consumer Co-operatives

Consumer co-operatives have been organised either on unitary pattern or an federal pattern. Under the unitary pattern a control store with individual membership operates through branches. In federal pattern primary stores with individual members generally form a central or a federal organisation to get them adequate support in the matter of procurement and supplies.

There has been no uniformity in the pattern of the organisation of the consumers stores in India. Some states including Andhra Pradesh , Haryana while some states including Gujrat , Madhya Pradesh , Karnataka , Rajasthan , Uttar Pradesh , West Bengal and Bihar have preferred the federal type. Mixed pattern is found in Tamil Nadu and Maharashtra.

Both the systems have there own advantages and disadvantages. While the federal types of stores ensures autonomy , decentralisation and inculcation of co-operative spirit. Among the members the unitary stores have all advantages of large scale economy. They can work at lower cost. There are greater opportunities to make use of mechanical aid and thereby more efficient services. There is also uniformity in price , policy and staffing pattern etc.

Organisation Structure OF CONSUMER STORES

National Co-operative Consumer Federation



State Co-operative Consumer Federation



Wholesale Stores



Departmental Stores Or Super Bazar



Primary Stores

National Co-operative Consumer Federation

At the all India level there is a National Co-operative Consumer's Federation (NCCF) with Head Quarter in Delhi. It was registered in 1965. It is an apex organisation of all consumer co-operatives in country. All the state federation of consumer co-operatives are affiliated with it. The main functions of NCCF are

- 1) To assist and facilitate the working of consumer societies.
- 2) To establish trade connection with suppliers and manufacturers so as to arrange procurement of consumer goods for co-operative stores.
- 3) To arrange import and export goods.
- 4) To undertake publicity and propaganda for the development of consumers movement.
- 5) To establish and run manufacturing and processing units for consumer goods.
- 6) To hold seminars , conferences and to discuss plans and problems of consumers co-operatives.

The NCCF has also taken up co-operative education and training programmes.

State Co-operative Consumers Federation

The government of India initiated a new stream to start separate state federation for co-ordinating and facilitating the working of wholesale stores and also assist for development of consumers co-operatives in the state.

Functions :-

- 1) To make bulk purchases in the state and from the outside the state.
- 2) To establish and to run manufacturing and processing units for production of consumers goods.
- 3) To supervise the work of wholesalers.
- 4) To hold seminars , conferences and conduct training of consumer co-operative societies.

Wholesale Stores :-

Under the scheme of October 1962 the Central government decided to organise consumer co-operatives in big cities with a population 50,000 and above.

Departmental Stores :-

The first beginning was made in July 1966 at New Delhi. Indian rupee was devalued and to check price rise Government initiated these moves. Its opening was proved to be landmark in the consumers co-operative movement. Due to it's success the movement was spread to big towns also and by end of June 1980 , 200 new departmental stores was setup in India.

Primary Stores :-

The primary stores are the last ladder in the structure of consumer co-operative movement in India. These have been organised either on unitary pattern or federal pattern. The area covered by a primary/branch stores located in city is generally a locality or ward of the city in which a wholesale store operates. These primary stores have been organised primarily to provide rationed commodities or other necessities to member living in the locality.

Current Position Of Consumer Co-operative Societies

The consumer co-operative structure in the country has 4 tiers with the National Co-operative Consumers Federation Of India Ltd. (NCCF) at the national level. 30 State co-operative consumer organisations are affiliated to the NCCF at the central or the wholesale level there are 800 consumer co-operative stores. At primary level there are 25,759 primary stores. In the rural areas there are 44,418 , Village level primary agricultural societies and marketing societies undertaking the distribution of consumer goods along with their normal business. In the Urban and Semi Urban areas the consumer co-operative societies are operating about 37,226 retail outlets to meet the requirements of consumers. The NCCF besides undertaking distribution of consumers articles , also has a consultancy and promotional sales for strengthening consumer co-operative societies engaged in retailing activities. The NCCF with its head office at New Delhi has 32 branches and sub branches located in different parts of the country. The sales turn over achieved by the NCCF during the year 2003-04 was Rs. 626.11 Crores as against the sales turn over of Rs. 674.06 Crores

last year. It has earned the net profit of Rs. 8.30 Crores against the profit of Rs. 4.19 Crores achieved during the previous year. Accumulated losses of the NCCF in 2003-04 was Rs. 16.92 Crores.

The government with the help of NCCF , launched the scheme called Sarvpriya in July 2000. The scheme envisages distribution of 11 selected commodities of daily use to the consumers through the existing retail outlets and the retail outlets of the state consumers co-operatives federation , state civil supplies corporation and the consumer co-operatives societies in the states. The scheme is voluntary involving no subsidy.

Source : National Portal Content

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