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CHAPTER - I

INTRODUCTION

1.1 IMPORTANCE OF THE STUDY :

At present the steps would be taken to accelerate the growth of consumer co-operatives in the seventh plan period to enable them to play effectively, the role assigned to them in the consumer co-operative system. The study of such an consumer co-operatives in the Sangli and to identify the needs to societies; people of the weaker & needy section of the urban areas. We were propelled into this subject the area and the society i.e. Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli under study. The consumer co-operatives parts are most important in view to raising living standard of the low-income section of the urban population.

The Govt. of India has drawn-up a centrally sponsored scheme in 1962 with the objective of equitable distribution of consumer goods at fair-prices to consumers particularly in urban areas. The 7th plan emphasised the consumer co-operative movement in rural & urban areas be strengthened so that it can play a vital role in the public distribution system. The programme of co-operative training and educational

deserves further attention to meet the growing requirements of co-operative personal in the rapidly expanding co-operative movement.

A few studies and reports attempted on State Federations of Consumer Co-Operatives and do not make an indepth study with regards to purchases, sales, structure and nature of the primary consumer co-operatives. All the more there is no study worth, mentioning covering the case study and the aspects regarding individual consumer co-opratives. Hence there is need for an indepth study. The present study attempts to fill up this gap in so far as the Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli concerned.

Besides this we were choosing Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli as the area of research interest. As Sangli has been my residence for almost three decades of my childhood life, I can claim to have a better knowledge of Sangli district. It was on this background and various questions has always been raised in my mind. Following questions assume analytical interest.

1. What is the nature of consumer society under study.
2. What is the present position of the consumer society under study with regard to the limited aspects, i.e. purchase and sales management of the consumer society.

To answer these and other related aspects it was decided to conduct a survey of the Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli.

1.2. OBJECTIVES OF THE STUDY

The main objectives of the study are

1. To study the composition, number and performance of consumer co-operatives under study.
 - a. An attempt specially is made to study the Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli.
 - b. To find out the nature, progress and achievement of such society.
 - c. To study the information about general aspects of the society under study.
2. To examine the brief review of theoretical background of the consumer co-operatives.

3. To study the measures and promotional activities taken by the Government to develop the consumer co-operatives in general and the society under study in particular and make recommendations.

1.3. METHODOLOGY OF THE STUDY

There are twenty-five multipurpose consumer co-operatives in Sangli. Four of them are consumer bazars and remaining are wholesale or multiconsumer co-operatives. The Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli has been selected for our study because such society is leading society and multipurpose society in the Sangli. As case study method is adopted for the purpose of study.

In order to collect the information and data the following schedule/questionnaire, tools are adopted.

The questionnaire for co-operative society under study, executives of the co-operative society (General Manager/Officer) is designed to collect the information regarding organisation, structure, quantum of purchases, quantum of sales, financial position, services provided; cost benefit analysis and nature of management etc.

For the purpose of analysis simple average, percentages, comparison methods yearwise, data analysis and trends, and their interpretation are used.

The study covers a period of five years i.e. from 1989-90 to 1993-94. There were no freely access to all the records, documents, audit reports as a secondary data; which mostly were valuable for study, however, made through persuasion, repeated visits and familiarity to collect useful materials. The study has been divided into six chapters.

Chapter I, introduction which deals with the profile of the study area, importance of the study, objectives and methodology of the study.

Chapter II, theoretical aspects of consumer co-operatives which were helpful to analyse the study.

Chapter III, deals with the need of federations (consumer co-op.) and their progress.

Chapter IV, which are included of Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli with the history, general management, composition of consumer co-operatives in the Sangli, and nature of purchase and sales management of the Ganapati Zilla Consumers Co-operatives.

Chapter V, deals with the various aspects of price policy and performance of the Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli. This chapter also includes the total turnover of the society, commercial profit, net profit and price policy adopted by the society. This reflects the performance of the society.

Chapter VI, conclusions and suggestions dwells upon the conclusion of different aspects.

1.4. PROFILE OF THE CONSUMER COOPERATIVES

The problem of consumer exploitation is not peculiarly to region only. It exists in every part of the country. The consumer today has in a way, no power to order what he desires. At present the consumer has widen choice with too many intermediaries. The solution to the problem of exploitation as "to become your own merchants and your own manufacturers to be able to supply yourself with goods of best quality and at the lowest prices".¹ Prof.S.B.Rao defined " the consumer co-operative society as a voluntary economic association of consumer managed democratically by the consumers for providing themselves with goods and services for their own household consumption".²

From the above definitions it is clear that a consumer co-operatives is a voluntary organisation or association of consumers formed to procure the goods and services required by them on more economical terms.

The main object of the consumer stores is to serve its members of consumers with goods required by them for household consumptions. It is expected to provide goods at a reasonable price and to protected the interest of the members.

The co-operative movement as is understood today the world over has taken its roots with the establishment of a consumers co-operative society in England by Roc(dale Pioneers in 1844. The Indian Co-operative Movement which has started in the beginning of this century. The Triplicane Urban Co-operative Society at Madras was probably the first consumer co-operatives set-up by that time. During the planning period recognised the role of consumer co-operatives in the wholesale and retail trade and also emphasised the consumer co-operative movement in the rural and urban areas be strengthened so that it can play a vital role in the public distribution system.

1.5. PROFILE OF THE STUDY AREA :

The study is concerned with the consumer co-operatives. Shri Ganapati Zilla Krishi Audhyogik Sarva Seva Sahakari Society Ltd., Sangli has one of the important section of the consumer co-operative including co-operative cotton, co-operative garments, co-operative medical shop, co-operative grain shop, co-operative gas agency etc.

Sangli is the district place in southern Maharashtra. It is on 60-17⁰ north situated on the bank of river Krishna. It forms a bordering place with Karnataka. It is famous for turmeric market and trading of other agriculture products. It is famous for the temple of Ganapati and historical fort and museum.

The co-operative movement is very strong in Sangli district. Sangli is the pioneer city in co-operative movement of Maharashtra. Many co-operative societies and industries are well established and developed in this city. "Vasantodada Patil Co-operative Sugar Factory" is biggest co-operative sugar factory in the district.

There are 25 consumer co-operatives who are engaged in wholesale and primary co-operative societies in the Sangli city.

In 1926 Shrimant His Highness Chintamanrao Patwardhan had decided to establish a sales shop, Ganpati Sales shop with the objectives of serve the society under the Act of Bombay Co-operative Act 1925. It was functioning as a co-operative shop and proposes to follow the general system of working in marketing societies and consumer societies elsewhere. At that time the society also grants the advances to member for crop purposes and sales purposes. At present the object of Shri Ganapati Zilla Krishi Audhogik Sarva Seva Sahakari Society Ltd., Sangli are to make bulk procurement of consumer goods and for sale and supply to needy persons and to undertake also retail business.

1.6. LIMITATIONS :

This study has certain limitations, which are listed below :

1. This is being a case-study of a localized consumer co-operative activity belonging to co-operative sector, findings may not be applicable on a generalised place to different types of co-op. society.
2. There was no freely access to all the records/reports which though mostly confidential were valuable for study.

3. At the time of study Audit reports are not completed for the year 1994-95.
4. In the primary objectives of Shri Ganapati Zilla Krishi Audhyogik Sarva Seva Sahakari Society Ltd., Sangli is to supply goods to consumers, branch stores, study was confined to these aspects only.
5. In this study, we have not gone into the various Audited account aspect and personnel management due to the limitation of time and scope to the study.

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1. Ranganathan K.V., "Consumer Co-op. Movements", The Journal of Indian Institute of Banks, 1976, p.187.
2. Rao S.B., "Indian Co-op. Review", 1969, p.80.