

- :: CHAPTER - III ::-

WARANA BAZAR - GROWTH PROFILE.

- 3.1 BRIEF HISTORY OF WARANA BAZAR.
- 3.2 NEED OF THE STORE.
- 3.3 OBJECTIVES OF SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL LTD., WARANANAGAR.
- 3.4 AREA OF OPERATION LOCATION OF SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL LTD., WARANANAGAR.
- 3.5 CUSTOMERS OF THE STORE.
- 3.6 ORGANISATIONAL STRUCTURE AND WORKING OF THE STORE.
- 3.7 GROWTH PROFILE - WORKING RESULTS.

.....

## CHAPTER-III

### WARANA BAZAR : GROWTH PROFILE

#### 3.1 BRIEF HISTORY OF WARANA BAZAR :

'Warana Bazar' the first co-operative departmental store in rural part of India, matching perfectly to the tradition of success of Warana Complex.

Warananagar is regarded as the best example of co-operative movement in India. It has an ideal world - a famous sugar factory, co-operative poultries, co-operative dairy, a Lijjat Papad centre and a special things that is Childrens Orchestra. And with all these ideal societies there is also a new one society, which has been established just before twelve years named 'Warana Bazar.'<sup>1</sup>

A long felt need of this developing region was a comprehensive shopping centre nearby. Every now and then, people had to rush to Kolhapur or to Sangli, even for their everyday needs. This meant a waste of time, energy and money. In addition there was not surity of the reasonable price also. Tatyasaheb was therefore for sometime pondering over the idea of starting a departmental store at Warananagar, which would make available to the people all the necessary commodities at reasonable rates and under one roof.

It was fortunate coincidence that C and P cell of N.C.C.F. of India Ltd, New Delhi and ILO experts were at this very time in search of a proper location, where they could materialize the Central Govt. scheme of starting a departmental store in some rural parts of India. Warananagar is the place where they found an ideal location and eager, able enterprisers. Thus, a seed of this departmental store was sown on a very proper piece of land like Warananagar by C and P Cell of the N.C.C.F, Ltd. New Delhi with the technical assistance from International Labour Organisation and Swedish International Development authority. (ILO and SIDA). Proper ecological conditions for good growth of this seedling was suggested by well known experts like Mr. Deorksen, Mr. Gulati, Talika and all others. Really, experts advice help this seedling as rich manures or fertilizers and now this seedling surely develops into a very strong and fruitful tree, having so many branches spread here and there.

The CPC was more than happy to assist Warananagar Co-operative because its recognised conditions, present here were conductive. Human financial and physical resources were sufficient for the task in hand. On the human side, Warananagar has tradition of outstanding co-operative leadership for financial funding, a three pronged attack was made. The sugar mill offered every assistance. Government policy of share-capital investment in

co-operative developments provided further funding and an extensive and vigorous campaign for member share capital was made and it met with great success.

To house the store Warana Sugar Factory constructed a special building according to the plan and specifications of the N.C.C.F. of India Ltd., architect and provided it on rent to the bazar. The steel racks used in the bazar to display the merchandise are designed by ILO experts and manufactured by Warana Bazar. They have also greatly helped in the appropriate and artistic display of the merchandise which is a science by itself.

Several innovative features of the store operation were agreed upon. The outlet was to be based on the department store concept perhaps the most important innovation was to follow the set of manuals produced by CPC project. A new accounting and reporting system therein is useful to provide accurate monthly operational information to the Board and Management.

A series of meetings and seminars were organized during which the new methods of operation were introduced by the CPC to all levels of the organization. Board of members, managers, salespeople were all thoroughly oriented to make the system effective. Thus, The Divisional Joint Registrar, Co-operative Societies, Poona registered the new

society. "Shree Warana Vibhag Sahakari Grahak Mandal Limited, Warananagar" on 7th August, 1976. / The Name of Mr. N.K.Naik was unanimously agreed for the key post of a chairman as he is a well ~~well~~ known, popular and experienced Managing Director of Warana Sugar Factory and was proved to be an able administrator. A well reputed co-operative organisation Shetkari Sahakari Sangh Ltd., Kolhapur helped significantly by deputing two persons of managerial capacity for the period of one year. Thus, 'Warana Bazar' a first departmental store in rural India started functioning from 2nd April, 1978. Opening was made at the auspicious hands of Honourable Shri. Mohan Dharra, the Minister of Commerce Civil supplies and Co-operation, Central Govt, New Delhi and under the presidentship of Honourable Vasant Rao Dada Patil, the former Chief Minister of Maharashtra.<sup>2</sup>

### 3.2 NEED OF THE STORE :

Before the establishment of 'Warana Bazar', Warananagar has also a co-operative retail outlet for some years, but it was very small to fulfill all the requirements of the consumers. It was founded as an industrial co-operative, with membership limited to the sugar mill employees. It's board of directors was semi integrated with sugar mill management. Although it could boast of some success, it

could only meet a fraction of its members' consumer needs. But what about other people living in this area ? Hence, there was a strong need of a comprehensive shopping centre.<sup>3</sup>

The need of the store arose because of the following points.:

1. There was no market in the near vicinity. (So residents of Warananagar were expected to meet requirements from Warana Bazar).
2. 500 farmer members of the factory and other cane suppliers regularly visit the factory, through<sup>out</sup> the year. An amount of Rs. 5 crores was annually distributed to these members in 2/3 instalments. The members have pressed the office-bearers of the factory to open a co-operative consumers stores so that they can purchase required goods and commodities at factory site, after collecting their sugarcane bills.
3. In order to meet day to day requirements of the people, store was essential.

Thus, the economic progress achieved by the rural population, would serve the end, only if it could help to improve the standards of living. In this direction 'Warana Bazar a first departmental store in rural part of India, came into existence.<sup>4</sup>

### 3.3 OBJECTIVES OF "SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL LTD.,WARANANAGAR":

The objectives of the Grahak Mandal are :

1. To procure in wholesale and to store consumers goods for supply on wholesale or retail basis to consumer members and to other consumers and their organisations.
2. To encourage marketing, processing and industrial co-operatives by obtaining supplies from them.
3. To undertake processing and manufacturing activities as and when possible without adversely affecting the interests of the other co-operative societies.
4. To undertake import of consumers goods and to undertake functions for distribution of controlled commodities.
5. To enter into partnership with two or more co-operative societies for carrying out any specific business or business as per provisions of section 20 of the Maharashtra Co-operative Societies Act.
6. To provide necessary facilities to consumers.
7. To recommend loan applications of affiliated primary consumers stores to financing agencies.
8. To supervise working of primary stores and advise them on management and business techniques.
9. To constitute local advisory bodies for branches.

10. To encourage self-help, thrift and mutual aid among members and help to the members to build up trade deposits against which consumers goods could be supplied.
11. To undertake and implement schemes of distribution of essential commodities as per policy of state and Central Government in the interest of consumers' and Grahak Mandal.
12. To do such other things as are incidental or conducive to the attainment of all or any of the object.<sup>5</sup>

#### **3.4 AREA OF OPERATION-LOCATION OF "SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL LTD., WARANANAGAR":**

##### LOCATION :

Warananagar is situated at the foot the fort of Panhala, nearly sixteen kilometers away and on the Southern bank of the river Warana. The location of this ~~is nearly sixteen kilometers away from~~ <sup>Vathar situated on</sup> high-way. The buses run to Warananagar from Vathar.

Warana Bazar is situated in Warananagar, which is a part of Kodoli Grampanchayat 30 Kms away from Kolhapur.

This place is surrounded by nearly 80 villages.<sup>6</sup> The area of operation of 'Shree Warana Vibhag Sahakari Grahak Mandal Ltd., Warananagar, is nearly the same as that of the



Sugar Factory. The area of operation consists of 78 villages of the Warana Sugar Factory area of Kolhapur and Sangli Districts. It covers approximately 3.5 to 4.00 lakhs population.<sup>7</sup>

Following villages are included in the area of ~~population~~ operation of the Grahak Mandal.

A) KOLHAPUR DISTRICT

I) PANHALA TALUKA :

1) Sawarde (2) Satave (3) Arale (4) Mohare (5) Kakhe (6) Bcrpadale (7) Sahapur (8) Male (9) Kekhale (10) Pokhale (11) Jakhale (12) Bahirewadi (13) Kodoli (14) Amatewadi (15) Dewale (16) Kushire (17) Porle (18) Pohale.

II) HATKANGALE TALUKA :

19) Padali (20) Manpadale (21) Ambap (22) Pargaon (23) Talsande (24) Chavare (25) Ghunki (26) Kini (27) Vathar (28) Vadgaon (29) Bhadole (30) Minche (31) Sawarde (32) Tasgaon (33) Satawade (34) Bhendawade (35) Vathar Udgaon (36) Pargaon (37) Top (38) Phochi (39) Nilwadi (40) Nava Pargaon (41) Ambapwadi (42) Kasarwadi (43) Sambhapur (44) Kapurwadi.

III) KARVEER TALUKA :

45) Shiye (46) Bhuye (47) Kerli (48) Jatharwadi (49) Bhuyewadi.

B) SANGLI DISTRICT :

I) SHIRALA TALUKA :

50) Sagaon (51) Kande (52) Chikhali (53) Natoli (54)  
Mangale (55) Deowadi.

II) WALVA TALUKA :

56) Thanapude (57) Chikurde (58) Devarde (59) Aitwade  
Budruk (60) Karve (61)Karanjawade (62) Ladegaon (63) Vashi  
(64) Kurlap (65) Yelur (66) Kundalwadi (67) Aitawade Khurd  
(68) Tandulwadi (69) Kanegaon (70) Malewadi (71)  
Bahadurwadi (72) Koregaon (73) Shigaon (74) Dongarwadi (75)  
Shekharwadi (76) Dhagewadi (77) Pharnewadi (78)  
Bharatwadi.<sup>8</sup>

The operation area of Warana Bazar is shown in the  
Map. No. 3.1.

Warana Bazar is surrounded by a number of housing  
colonies, students hostels, hotels and restaurants. It is  
easily approachable by bus routes from all villages  
falling within the area of operation.

The total carpet selling area of the store is 8,000  
sq.ft. and the area that is available for godown is about  
6,200 sq.ft, and 800 sq.ft. for office space. Thus total  
area is 12,400 sq.ft.<sup>9</sup>

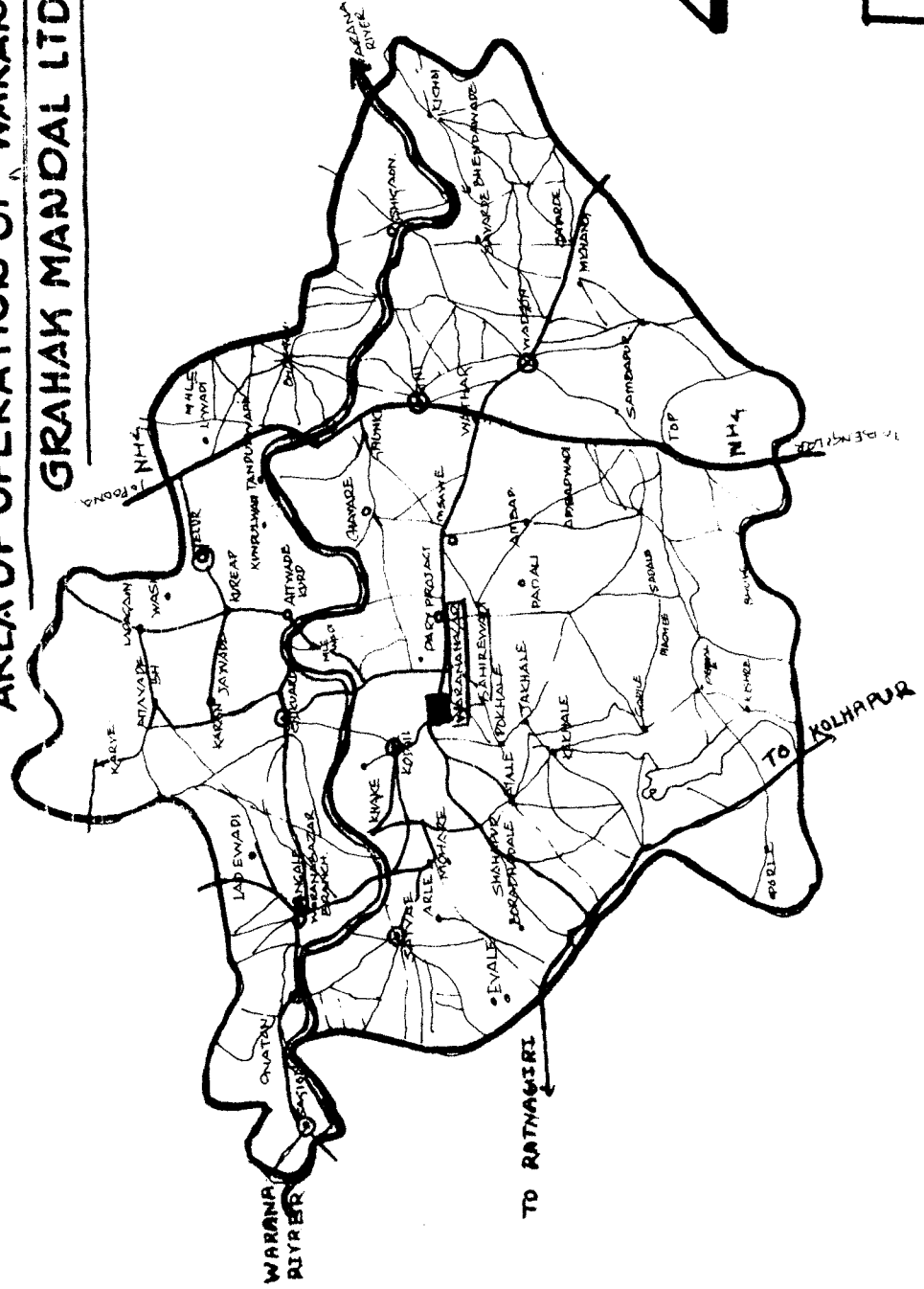
#### 3.4.1 SECTIONS OF THE STORE :

The store consists of eighteen sections, namely  
Shirting-suiting, controlled cloth, towel-bed sheets,

MAP NO-1

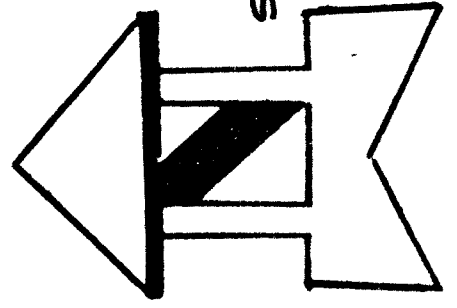
SHREE

AREA OF OPERATION OF WARANA VIBHAG SAHAKARI -  
GRAHAM MANDAL LTD. WARANANAGAR.



INDEX MAP.

AREA OF OPERATION OF.  
WARANA BAZAR.



SCALE: 1" = 1 MILE.

sarees readymade-garments, cosmetics, sugar, loose -grocery, footwear, medicine household goods, books and stationery, agro service and spair parts bicycle and electrical appliances godown, petrol pump, cold drinks-ice cream and self service.<sup>10</sup>

Self service section is a major attraction of the customers. This is the most favourite section to all customers. All the daily needed goods are kept in this section. They are specially cleaned, weighted, packed, labelled and very decently kept on racks. So here display itself does sales-men's work. It is not possible to make hand bills. So three cash registers are kept in this section. This system gives a great satisfaction to the customers as they themselves can do the selection of the things. The principle of 'Not only sale but also introduction of product, is followed by this section. Customers prefer 'self service' pattern for shopping. By this method they can actually handle the product, they can test the quality of the product and have an ample scope for selection. So this system is a boon to department store. Therefore, household, textile, footwear etc. sections are kept semi-self service type. Now even illiterate ladies in this area, take delight in making their purchases from self service section.<sup>11</sup>

Now-a-days kerosene section has started by Warana Bazar by making special efforts. This store has provided

modern facility in delivering it through a kerosene dispensing pump. 'Warana Bazar' is Govt. Nominee for controlled cement distribution, and also runs a petrol pump. Thus 'Warana Bazar' has become the first rural distribution Centre in Maharashtra for Asbestor Cement Sheets for Everest Company.<sup>12</sup>

### 3.5 THE CUSTOMERS OF STORES :

Considering the proposed location and the area of the operation of the 'Grahak Mandal' the daily customers are coming from nearby villages from the area of operation of 'Shree Warana Sahakari Karkhana Ltd.' as well as 'Shree Warana Sahakari Dudh Utpadak Prakriya Sangh Ltd.'

The customers of the 'Grahak Mandal' are somewhat different from other stores. Because, 'Warana Bazar' is a first departmental store in rural part of India, and therefore, majority of the customers are from rural area.

The customers served by Warana Bazar, is somewhat following types.

1. The residents of Warananagar
2. Factory members of the sugar factory and other cane suppliers of factory.
3. The sugar factory employees, seasonal workers etc.
4. The rural people around the factory area.

Thus, 'Warana Bazar' is situated in Kolhapur premises. Sugar canegrowers, contractors, majdoors coming to Warananagar,

visit 'Warana Bazar' for their requirements. Hence, the store gets very good response.<sup>13</sup>

It is difficult to find out the exact number of customers visiting to Warana Bazar. Roughly the daily customers number is about 5,000. Many of them come from nearby villages. Stores success depends upon entirely on its efficiency to satisfy its customers. So maximum efforts are being made accordingly, Now-a-days there is tremendous increase in the number of customers. This shows increasing faith and belief of customers in 'Warana Bazar'.<sup>14</sup>

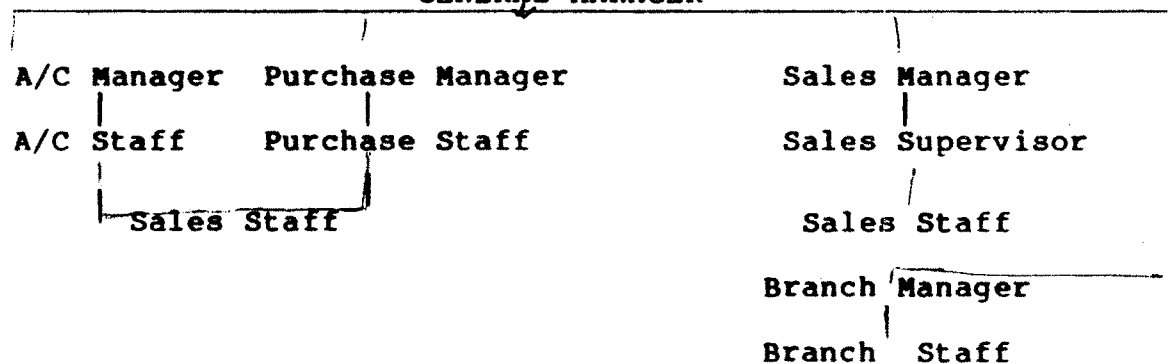
### 3.6 ORGANISATIONAL STRUCTURE AND WORKING OF THE STORE :

#### 3.6.1 ORGANISATIONAL STRUCTURE :

The Board of Directors is elected from share-holders. The Chairman and Vice-Chairman are elected from the Board of Directors and ~~The~~ General Manager is appointed under the guidance of Chairman and Board of Directors.

Following is the organisational chart of the store.

**Organisational Structure Of "Shree Warana Vibhag Sahakari  
Grahak Mandal Ltd., Warananagar."  
GENERAL MANAGER**



Initially (1978-1979) the number of Board of Directors was of 9 members. But due to the increase in membership of the store, the number of members in the Board of Directors increased. At present (1989-1990) the number of Board of Directors is 17, which consists of seven members from Women members.

### 3.6.2 WORKING OF THE STORES :

From the beginning itself, the management of the store has been taking advantage of every assistance extended by C and P cell, N.C.C.F. Ltd., New Delhi. Management Accounting system, Purchase pilot system as introduced by N.C.C.F. Ltd. have been successfully implemented by the store. Operation reports are regularly prepared and sent to C and P Cell for their persual. The observations received, are carefully studied and guidelines if any are followed.<sup>16</sup>

Monthly balance sheet , quarterly reports monthly sales reports compared with sales budgets etc. are placed before the Board of Directors at the time of monthly meetings to enable them to give further guidelines.<sup>17</sup>

### 3.7 GROWTH PROFILE -WORKING RESULTS :

#### A) MEMBERSHIP :

Increase in membership is the most important criteria of consumers co-operatives. Substantial increase in the membership indicates spread of the spirit of co-operation among people.

**TABLE 3.1**  
**GROWTH OF INDIVIDUAL MEMBERSHIP OF "SHREE WARANA VIBHAG**  
**SAHAKARI GRAHAK MANDAL LTD., WARANANAGAR"**

Sr. No.	Years	Individual Members		Total	% of women to Total	Growth rate (%)
		Male	Female			
1.	1978-79	1144	219	1363	16.07	-
2.	1979-80	1176	295	1471	20.05	34.71
3.	1980-81	1215	407	1622	25.09	37.96
4.	1981-82	1279	577	1856	31.08	41.77
5.	1982-83	1322	1498	2820	53.12	159.62
6.	1983-84	1332	1620	2952	54.87	8.14
7.	1984-85	1338	1730	3068	56.38	6.79
8.	1985-86	1345	1989	3334	59.66	14.97
9.	1986-87	1357	2050	3407	60.17	3.06
10.	1987-88	1361	2114	3475	60.83	3.12
11*	1988-89	1411	2609	4020	64.91	23.42
12**	1989-90	1444	2887	4331	66.66	10.65

SOURCE : Annual Reports of 'Shree Warana Vibhag Sahakari Grahak Mandal Ltd. Warananagar'.

Note : \* (On account of the change in the accounting year the figures are for 9 months only.)

\*\* (Year 1989-90 indicates provisional figures)



The table 3.1 shows that, there is continuous increase in the membership of the store. But comparatively it is observed that the number of women membership is rapid than that of male members.

In the initial stage (1978-79) total members of the store were 1363, (1444 male and 219 women). This shows that the participation of women in the membership was negligible. But at present there is continuous increase in women membership. In 1989-90 total membership of the store is 4331. Out of them 2887 are women and 1444 are men. At present total number of women membership is almost double, compared to male membership. Initially the percentage of women members to total members, was only 16.07 where as at present, its percentage is almost 70.

In the year 1982-83 the growth rate of women membership was too high (159.62%). It is because of opening a new departmental store at Peth Vadgaon. In the year 1986-87 this growth rate became too low (3.06%). It is because of covering of almost operation limit. As a result there was limitations to open new branches and hence, the membership also became steady. But after 1986-87, there is gradual increase in women members growth rate. In the year 1987-88 19 new villages added in its area of operation (59+19). Therefore, since 1987 there is gradual increase in rate of women membership. At present the average growth

rate of women membership is 31.29%.

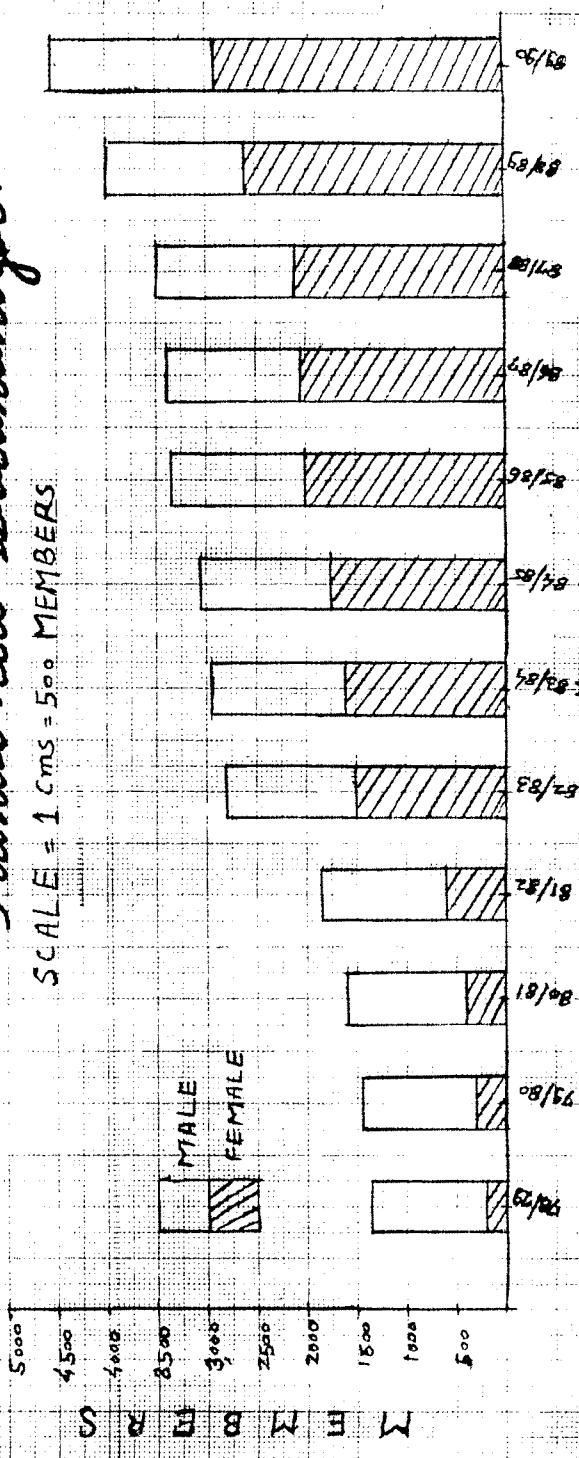
Women membership is continuously increasing because of the managerial policy of Warana Bazar. The management is very keen in enrolling women members, because major part of the stores deals with household commodities. Similarly, Women members as consumers are keen in purchasing domestic commodities. Hence, co-operative consumer stores should have more women members. This policy is adopted by the management of 'Warana Bazar'.

Growth of individual membership of the store is shown in Graph No. 3.1

B) GROWTH IN SHARE CAPITAL : OF SHREE WARANA VIBHAG SAHAKARI  
GRAHAK MANDAL LTD., WARANANAGAR.

Sound financial position is the necessary condition to run any business activity successfully. Share capital means the owned funds of the consumers cooperatives. These owned funds ultimately give these societies financial self sufficiency. While studying the performance of the store, the position of its share-capital has to be taken into consideration.

Graph No. 3.1  
 Growth of Individual Membership of  
 Shree Lalamba Vibhag Sahakari Grahak  
 Mandal Ltd. Warananagar.



(Source - Annual Reports of Shree Lalamba Vibhag Sahakari Grahak Mandal Ltd., Warananagar)

IN  
**TABLE 3.2**  
**GROWTH/SHARE CAPITAL OF "SHREE WARANA VIBHAG SAHAKARI**  
**GRAHAK MANDAL LTD., WARANANAGAR."**

Sr.No.	Year	Paid up share capital (RS.)	Growth rate (%)
1.	1978-79	6,28,500	-
2.	1979-80	6,42,125	2.17
3.	1980-81	7,02,125	9.34
4.	1981-82	7,60,750	8.35
5.	1982-83	11,45,675	50.59
6.	1983-84	14,73,900	28.65
7	1984-85	17,98,225	22.04
8.	1985-86	21,76,250	21.02
9.	1986-87	21,86,375	0.46
10	1987-88	21,85,775	- 0.03
11	1988-89	23,03,050	5.36
12.	1989-90	23,75,925	3.16

SOURCE: Annual Reports of 'shree Warana Vibhag Sahakari  
 Grahak Mandal, Ltd. Warananagar.'

In the initial stage (1978-79) the store raised the necessary funds in the form of share capital. The authorised share capital of the store was 25 lakhs, ~~Rs. 25 lakhs~~ (The face value of the share capital was Rs. 25). At the present, (1989-90) as a result in the increase of membership of the store, the store raised its authorised share capital upto <sup>Rs.</sup> 50 lakhs. The face value of each share is Rs. 25.

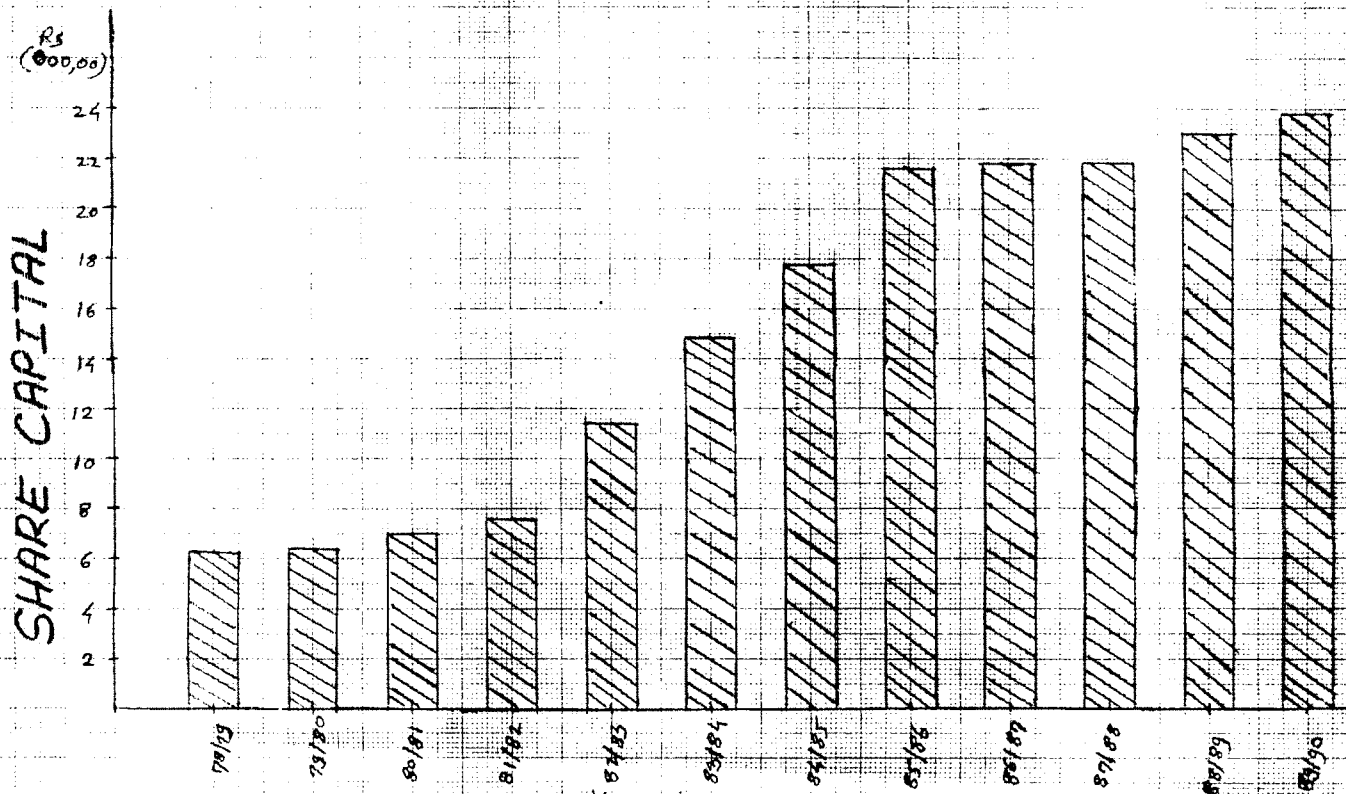
From the table 3.2 it is clear that, initially (1978-79) the paid up share capital of the store was Rs. 6,28,500/- At present it is Rs. 23,75,925/-. This shows the substantial increase in share capital. In the year 1982-1983 the growth rate of the paid up share capital was highest (50.59%). But during the year 1986-87 this growth rate declined upto 0.46% and the next year 1987-88 it became almost negative. This is because some shares of the government were repaid. Since 1988-89 again there is gradual increase in growth rate of the share capital, because of increase in membership. The average growth rate of share capital is 13.74%.

The growth in share capital is shown in the graph 3.2

## Graph No. 3.2

Growth of Share Capital of Shree  
Wazana Vibhag Sahakari Grahak Mandal  
Ltd., Warananagar.

Scale - 1 cms = 2 lakhs



(Source - Annual Reports of Shree Wazana Vibhag Sahakari Grahak Mandal Ltd., Warananagar.)

C) RESERVE AND OTHER FUNDS OF 'SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL LTD.,WARANANAGAR'.

Financial stability of any consumer cooperative depends upon reserve and other funds, which can be used as a safeguard against unforeseen risks. It is opined that the strength of the business can be measured in terms of reserve and other funds maintained by the cooperatives concerned dealing in marketing activities.

This store maintains the following type of funds out of its surplus.

1. Reserve fund.
2. Share capital Redumption Fund.
3. *Benevolent* Fund.
4. Price Fluctuation Fund.
5. Depreciation fund etc.

**TABLE 3.3**  
**GROWTH OF RESERVE AND OTHER FUNDS OF "SHREE WARANA VIBHAG**  
**SAHAKARI GRAHAK MANDAL LTD., WARANANAGAR"**

Sr.No.	Year	Reserve and Other Funds (RS)	Growth rate (%)
1.	1978-79	45999	-
2.	1979-80	18,4695	301.52
3.	1980-81	50,7396	174.72
4.	1981-82	70,9532	39.84
5.	1982-83	97,9340	38.03
6.	1983-84	118,8234	21.33
7.	1984-85	137,1546	15.43
8.	1985-86	160,6546	17.13
9.	1986-87	194,6307	21.15
10.	1987-88	253,0665	30.03
11.	1988-89	288,2598	13.91
12.	1989-90	324,4923	12.57

SOURCE: Annual reports of 'Shree Warana Vibhag Sahakari  
Grahak Mandal, Ltd., Warananagar.

Table 3.3 indicates that, in the year 1978-79 the reserve and other funds of the store were Rs. 45999, but at present (1989-90) it goes up to Rs. 3244923. This shows there is substantial increase in reserve and other funds of the store within 12 years.



Eventhough, there is continuous increase in Reserve and other funds of the store, there is not continuous increase in the growth rate. In 1979-80 the growth rate of reserved and other funds was the highest (301.52%). It is because of highest growth rate of gross profit (70.54%). In 1988-89 it comes down upto 13.91%, as it is account of nine months only. At present growth rate is 12.57% as it is provisional. The average growth rate of reserve and other funds is 62.33%. The growth of reserve and other funds is shown in the graph No. 3.3

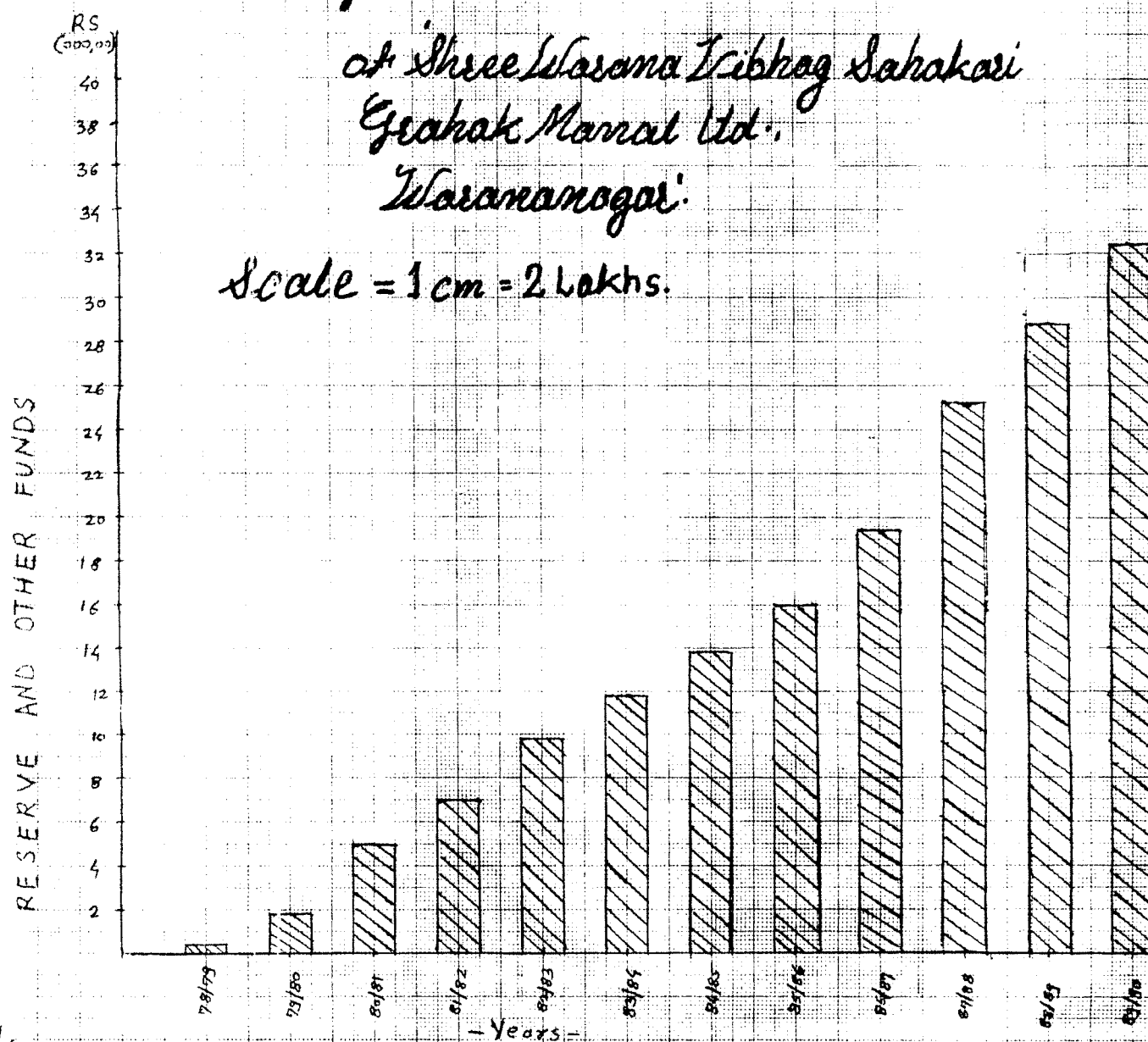
D) TOTAL PURCHASES OF 'SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL, LTD., WARANANAGAR'

Increase in purchase is also one of the criteria of the development of consumers co-operatives. The store made 75% purchases directly from the manufactures, from the place of production and only 25% of total purchases are made from the open market due to small requirements.

Graph No. 3.3.

Growth of Reserve and other funds  
of Shree Warama Vibhag Sahakari  
Grahak Mandal Ltd.,  
Warananogari.

Scale = 1 cm = 2 Lakhs.



(Source - Annual Reports of Shree Warama Vibhag Sahakari Grahak Mandal Ltd., Warananogari.)

**TABLE 3.4**  
**GROWTH OF PURCHASE OF SHREE WARANA VIBHAG SAHAKARI**  
**GRAHAK MANDAL LTD., WARANANAGAR.**

Sr.No.	Year	Total Purchases (Rs.)	Growth Rate (%)
1.	1978-79	80,66,995	—
2.	1979-80	1,38,94,423	72.24
3.	1980-81	1,57,57,003	13.41
4.	1981-82	2,18,26,917	38.52
5.	1982-83	2,99,50,029	37.22
6.	1983-84	3,65,48,913	22.02
7.	1984-85	4,42,67,263	21.12
8.	1985-86	4,92,38,912	11.23
9.	1986-87	6,60,26,256	34.09
10.	1987-88	7,43,67,833	12.63
11.	1988-89	6,62,57,026	- 10.91
12.	1989-90	9,89,59,646	49.36

SOURCE: Annual Reports of 'Shree Warana Vibhag Sahakari Grahak Mandal Ltd., Warananagar.'

Table 3.4 shows that, there is continuous increase in purchases of the store. In 1979-80 the growth rate of the purchases was the highest. It is because of purchasing some new items i.e. P.V.C. Pipes, Manures etc. and opening <sup>of</sup> some new sections, while in the year 1988-89 the

purchases declined compare to previous years, as it was nine months account. At present the growth rate of purchases is 49.36%, while average growth rate of the purchases is 27.36%.

E) TCTAL SALES OF SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL LTD.,WARANANAGAR.

Annual turnover of the business unit is a basic factor determining the volume of its gross profit. Increase in total sales shows the progress of consumers co-operatives.

**TABLE 3.5**

**GROWTH OF SALES OF "SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL LTD., WARANANAGAR"**

Sr.No.	Year	Total Sales (Rs.)	Growth Rate (%)
1.	1978-89	81,65,178	-
2.	1979-80	1,47,37,230	80.48
3.	1980-81	1,63,14,792	10.70
4.	1981-82	2,30,61,628	41.35
5.	1982-83	3,07,87,079	33.49
6.	1983-84	3,72,50,193	20.99
7.	1984-85	4,70,74,902	26.37
8.	1985-86	5,21,91,460	10.87
9.	1986-87	6,88,37,283	31.89
10.	1987-88	7,86,43,941	14.25
11.	1988-89	6,80,44,085	- 13.47
12.	1989-90	10,65,86,654	56.64

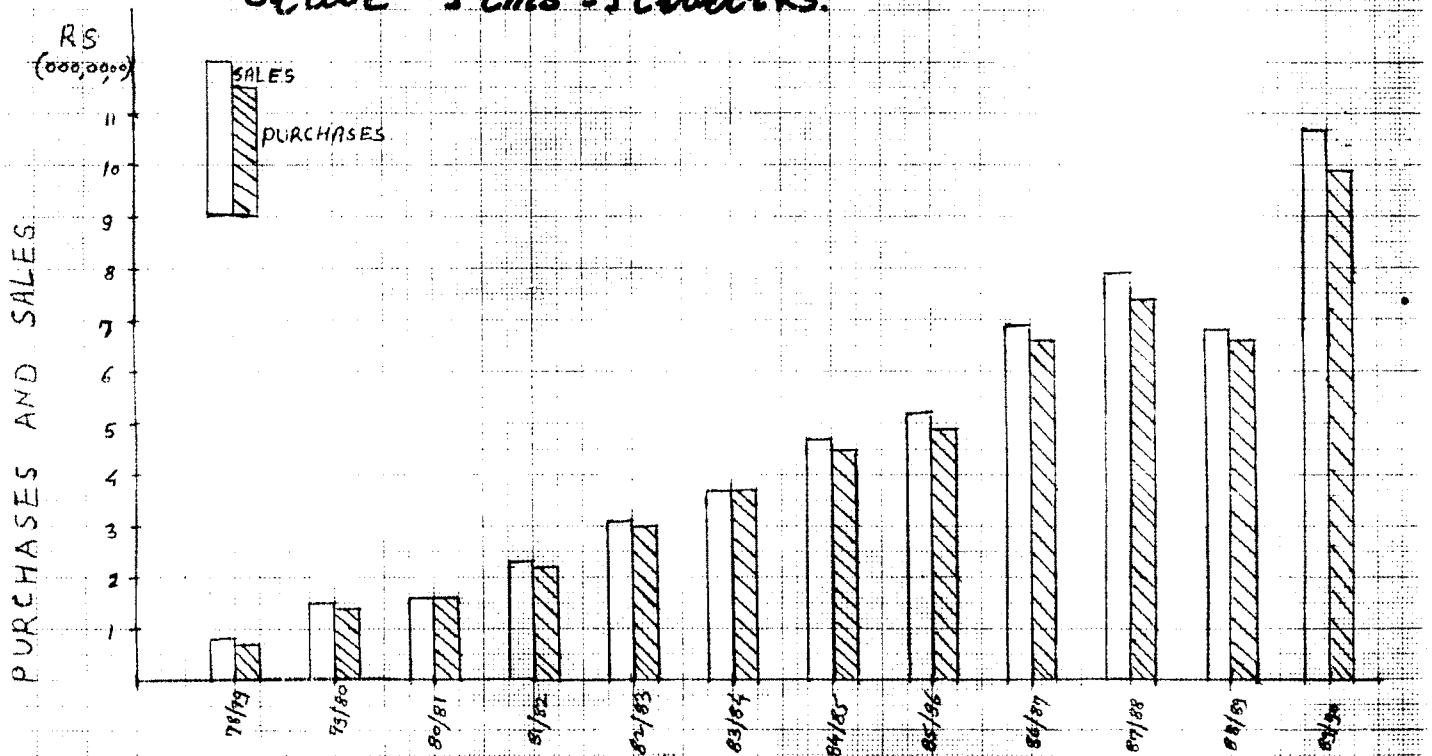
SOURCE : Annual Reports of 'Shree Warana Vibhag Sahakari Grahak Mandal, Ltd., Warananagar'.

Table 3.5 shows, that there is tremendous increase in the total sales of the store. The total sales moved from Rs. 81,65,178 in 1978-79 to Rs. 10,65,86,654 in 1989-90. In 1979-80 the growth rate of total sales was highest because of opening of new sections. In 1988-89 it becomes negative compared to previous years as it was nine months account. At present (1989-90) the growth rate is 56.64% while average growth rate of the sales is 28.51%. Growth of total purchases and sales is shown in the graph 3.4

GROWTH OF  
F) / TOTAL EARNINGS OF SHREE WARANA VIBHAG SAHAKARI  
GRAHAK MANDAL LTD., WARANANAGAR.

Co-operative enterprise like any other enterprise obtains profits when its total earnings exceeds the total expenditure. Maximization of profit is not the ultimate objective of co-operative enterprises. However, profits permit expansion of their activities.

**Graph No. 3.4**  
**Growth of purchases and Sales at**  
**'Shree Warana Vibhag Sahakar Grohak**  
**Mandal Ltd., Warananagar'**  
**Scale - 1 cms = 1 Crores Rs.**



Source - Annual Reports of 'Shree Warana Vibhag Sahakar Grohak Mandal Ltd., Warananagar'

**TABLE 3.6**  
**GROWTH OF TOTAL EARNINGS OF SHREE WARANA VIBHAG SAHAKARI**  
**GRAHAK MANDAL LTD., WARANANAGAR**

Sr.No.	Year	Total Earnings (Rs.)	Growth Rate (%)
1.	1978-79	44,0,534	-
2.	1979-80	7,43,686	68.82
3.	1980-81	9,03,639	21.51
4.	1981-82	11,36,852	25.81
5.	1982-83	14,37,398	26.44
6.	1983-84	17,71,867	23.27
7.	1984-85	22,58,421	27.46
8.	1985-86	27,67,018	22.52
9.	1986-87	33,72,151	21.87
10.	1987-88	41,48,061	23.09
11.	1988-89	33,45,743	- 19.34
12.	1989-90	59,13,852	76.76

Sahakari

SOURCE : Annual Reports of 'Shree Warana Vibhag/GrahaK Mandal Ltd. Warananagar.'

Table 3.6 shows, that there is continuous increase in the total earnings of the store. In the year 1978-79 the total earnings was Rs. 44,05,34 but at present (1989-90) it is Rs. 59,13,852. In the year 1979-80 the growth rate of the total earnings was highest (68.82%) because there was

increase in total purchases and total sales. In the year 1988-89 the growth rate of total earnings became negative as it was 9 months account. At present the growth rate is highest (76.76%). It is because of prevalence of two departmental stores and eleven retail outlets. The average growth rate of total earnings is 28.93%.

G) GROWTH OF TOTAL EXPENDITURE OF SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL, LTD., WARANANAGAR.

The economic viability of the store is to be studied in the light of income and expenditure pattern. Here we are explaining the total expenditure of the store.

**TABLE 3.7**  
**GROWTH OF EXPENDITURE OF SHREE WARANA VIBHAG SAHAKARI**  
**GRAHAK MANDAL LTD., WARANANAGAR**

Sr.No.	Year	Total expenditure (Rs.)	Growth Rate (%)
1	1973-79	4,15,396	-
2.	1979-80	7,02,858	69.21
3.	1980-81	8,48,130	20.67
4.	1981-82	10,68,562	25.99
5.	1982-83	13,65,989	27.84
6.	1983-84	16,98,513	24.34
7.	1984-85	22,00,227	29.54
8.	1985-86	26,97,436	22.59
9	1986-87	32,89,508	21.95
10.	1987-88	40,57,468	23.35
11.	1988-89	33,16,301	-18.27
12	1989-90	52,53,600	58.42

SOURCE : Annual Reports of 'Shree Warana Vibhag Sahakari Grahak Mandal Ltd., Warananagar'



Table 3.7 gives us the picture of total expenditure of the store. It is clearly seen that, total expenditure of the store is continuously increasing. In the year 1978-79 total expenditure was Rs. 415396, but at present (1989-90) it is 5253600. In 1979-80 the growth rate of the total expenditure was highest (69.21%) while it became negative during the year 1988-89, as it was 9 months account. At present the growth rate of the total expenditure is 58.42% and average growth rate of the total expenditure over the study period is 27.78%.

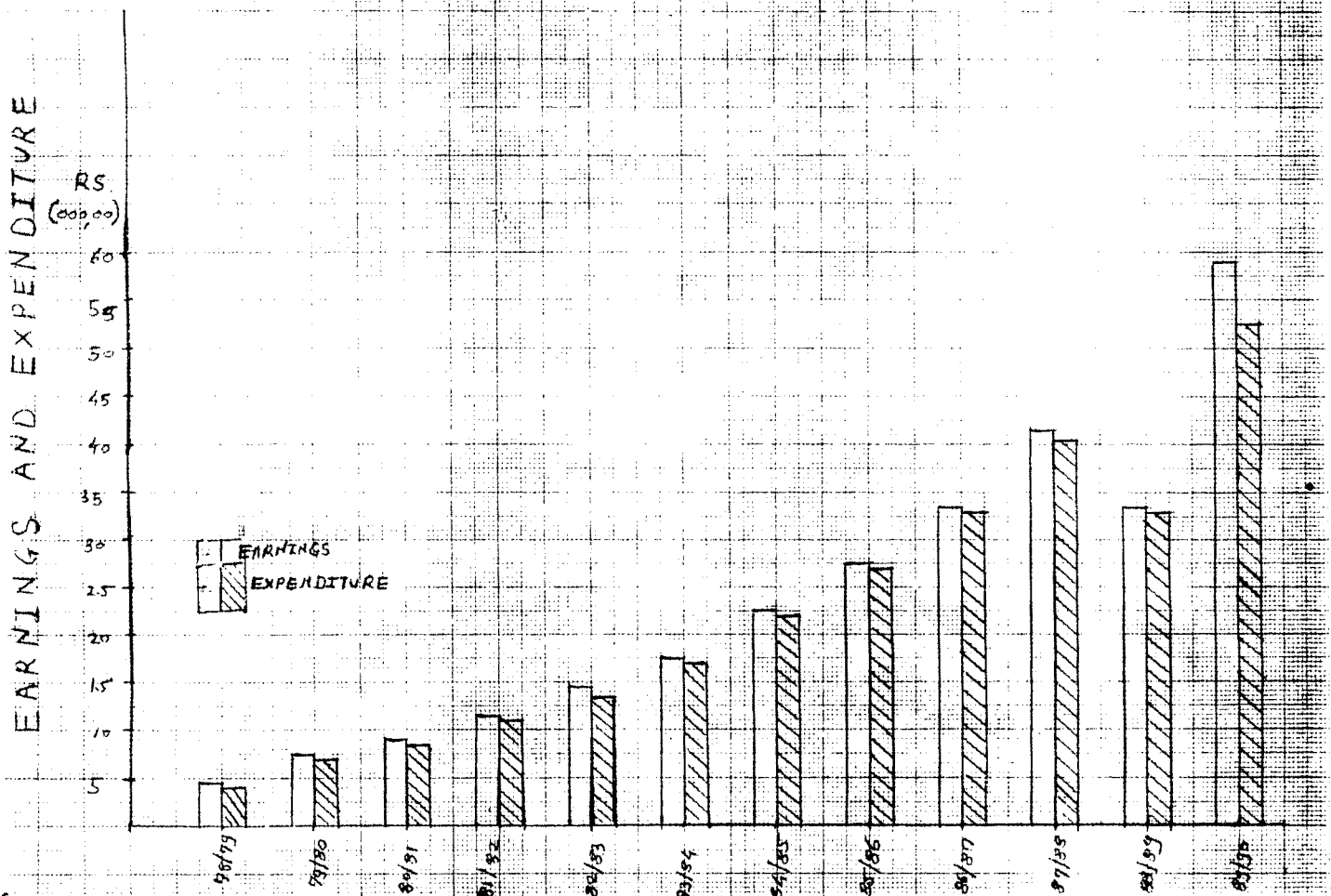
Growth of total Income and Expenditure is shown in the graph 3.5

H) GROSS AND NET PROFIT OF 'SHREE WARANA VIBHAG SAHAKARI GRAHAK MANDAL LTD., WARANANAGAR'

The success of the consumer co-operative store depends upon its gross and net profit. Gross profit means commercial profit and net profit is what remains after deducting all expenses of the store.

GRAPH NO. 3.5

GROWTH OF TOTAL EARNINGS AND TOTAL EXPENDITURE OF 'SHREE WARANAN VIBHAG SAHAKARI GRAHAK MANDAL LTD, WARANANAGAR'.  
Scale - 1cm = 5 Lakhs.



(Source - Annual Reports of Shree Warana Vibhag Sahakari Grahak Mandal Ltd, Warananagar)

**TABLE 3.8**  
**GROWTH OF GROSS AND NET PROFIT OF SHREE WARANA VIBHAG**  
**SAHAKARI GRAHAK MANDAL LTD., WARANANAGAR.**

Sr.No.	Year	Gross Profit (RS.)	Growth Rate (%)	Net Profit	Growth Rate (%)
1.	1978-79	434690	-	25138	-
2.	1979-80	741332	70.54	40828	62.42
3.	1980-81	840276	13.35	55509	35.96
4.	1981-82	1025756	22.07	68290	23.03
5.	1982-83	1371086	33.66	71490	4.57
6.	1983-84	1689108	23.19	73354	26.67
7.	1984-85	2209349	30.79	58194	19.57
8.	1985-86	2680228	21.32	69582	18.77
9.	1986-87	3331079	24.28	82643	9.62
10.	1987-88	3976820	19.38	90592	- 67.50
11.	1988-89	3244858	- 18.41	29442	17.72
12.	1989-90	5481486	68.93	80000	-

SOURCE : Annual Reports of Shree Warana Vibhag Sahakari Grahak Mandal Ltd., Warananagar.

Table 3.8 shows that the Gross and Net Profit of the store is continuously increasing. In the year 1978-79 the gross profit of the store was Rs. 434690 and Net Profit was Rs. 25138. At present Gross Profit is Rs. 5481486 and Net Profit is nearly Rs. 80000. In the year 1979-80 the growth

rate of gross profit was highest (70.54%). It is because of opening of some new sections. Automatically there was growth in total income and so also the growth rate of gross and net profit was highest. In 1988-89 the growth rate of gross and net profit became negative as it was 9 months account. At present (1989-90) the growth rate of gross and net profit is 68.93% and 171.72% respectively. It is because of increase in sales. The average growth rate of gross and net profit is 28.1% and 25.71% respectively.<sup>18</sup>

Growth of gross and net profit is shown in the graph 3.6 and 3.7.

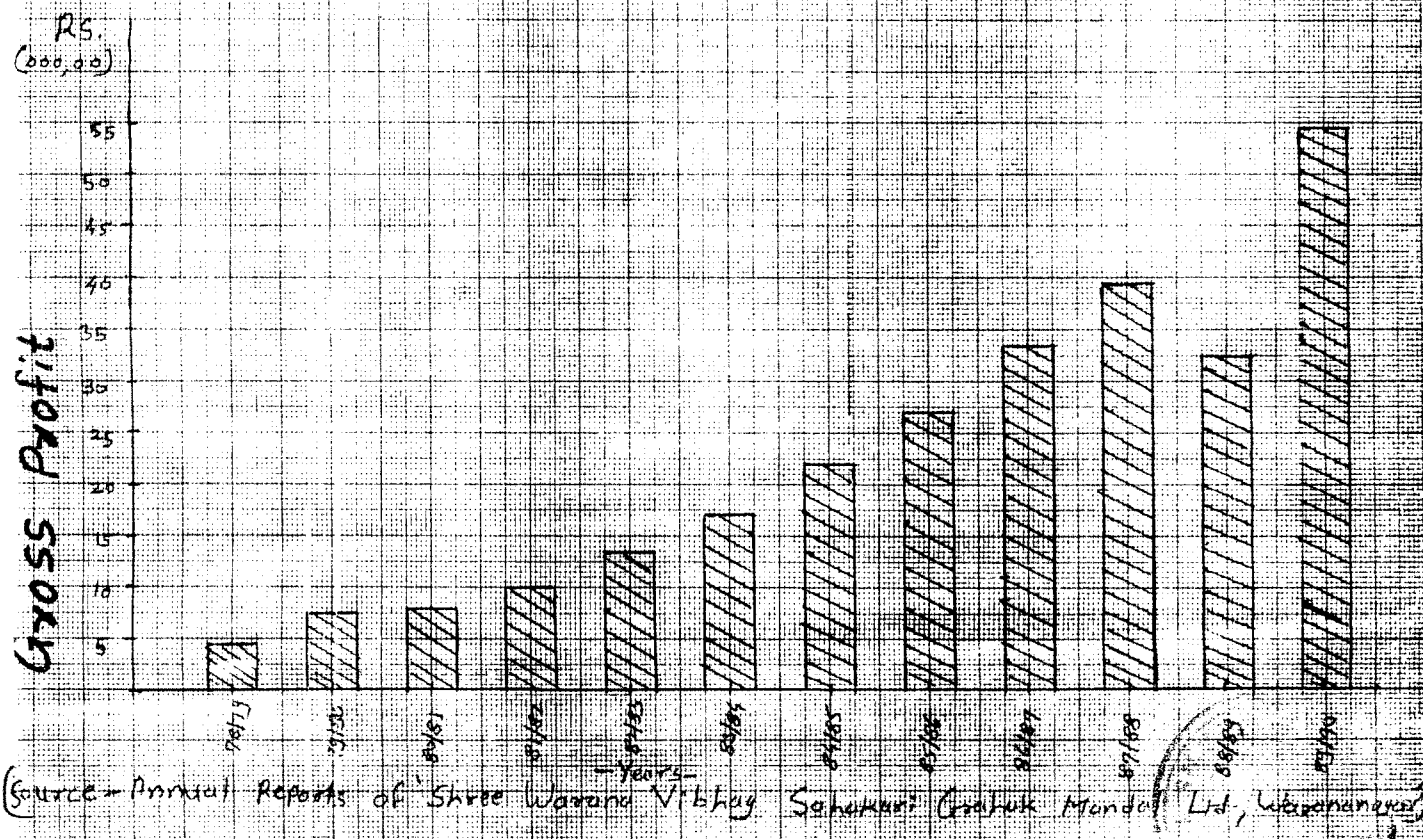
#### I) BRANCH EXPANSION :

Opening of branches is one of the indicators of the growth of the stores. Since its establishment the store has expanded its activity by opening new branches in its jurisdiction.

The operation area of the store consists of 78 villages. Some of the villages are more than 15 miles away from the store. So the store has opened eleven branches. (Kini, Mangale, Satave, Bahadurwadi, Aitawade-Khurd, Chikurde, Kodoli, Yellur, Sagaon, Nagaon and Kurlap). The store has expanded a new full fledged branch (Departmental Store) at Peth Vadgaon on the auspicious occasion of Depavali, on 20th April 1984. Thus at present there are

Graph - No 3.6

Growth of Gross profit of Shree Wazana Vibhag  
Sahakari Grahak Mandal Ltd. Wazananagar.  
Scale = 1cm = 5 Lakhs.

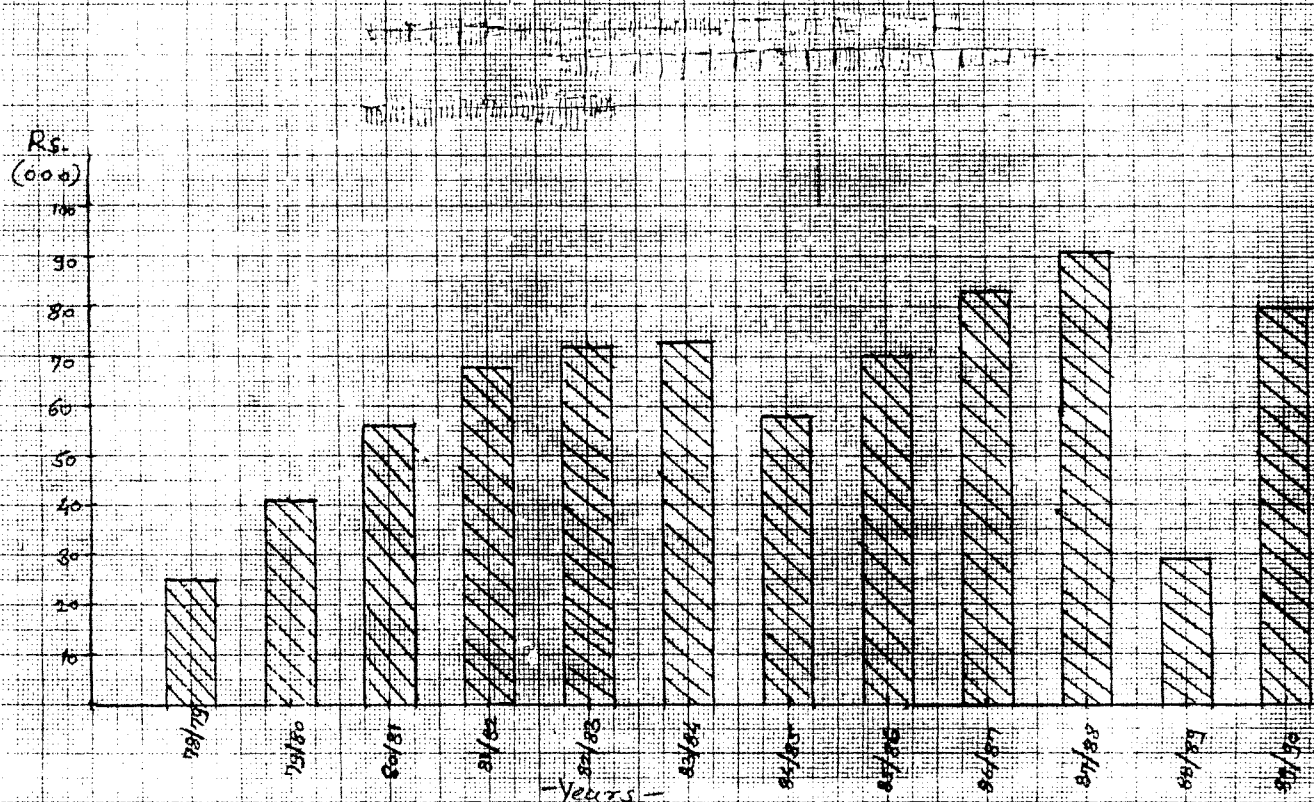


Graph No. 3.7.

Growth of net Profit of Shree Warana  
Vibhag Sahakari Grahak Mandal Ltd.

Warananagar.

Scale = 1 cm = 10,000 Rs.



Source - Annual Reports of Shree Warana Vibhag Sahakari Grahak Mandal Ltd., Warananagar.

eleven retail outlets and two big departmental stores of Warana Bazar.

The store has tried to provide the essential consumer goods through its mobile unit to those consumers, who are residing far away from the warana Bazar. /At present three mobile vans of the stores are in practice.<sup>19</sup>

J) AUDIT CLASS :

Audit is the mirror of any store in which the picture of its financial position can be depicted. In the beginning, 1978-79, the store, completed its audit and it got audit class "B". Generally in the beginning any society has not given audit class. But this store received audit class "B" This is a thing of pride. In the year 1980-81 the store has been given audit class "A" because of its efficiency in working. Recently the store has maintained audit class "A".

**CONCLUSION :**

The above observation and discussion clearly shows that, during the short span of 12 years the store has made a remarkable and creditable progress. It is mainly because of proper application of the principles of cooperation and scientific management of the store.

**R E F E R E N C E S**

1. "Warana Bazar" A note prepared for NCCF.Ltd. New Delhi for exhibition Sept. 1980, P. 2.
2. Pamphlet of Warana Bazar (unpublished) P. 2 to 4.
3. Dr. L.M. Deorksen : <sup>A note on</sup> An Indian success Story' Co-operative Consumer Canada, 29th Jan. 1980 P.1
4. <sup>Report</sup> Project of SWVSGM Ltd. Warananagar, 1977, P..89.
5. Bye-laws of SWVSGM Ltd. Warananagar 1976, P.2.
6. Vijay S. Kesarkar : A note on Warana Bazar Success Story (Unpublished) 1984, P.5.
7. Project Report Op.Cit. P. 8.
8. Bye-laws Op.Cit. P. 12.
9. Project Report Op.Cit. P. 12.
10. Pamphlet of Warana Bazar Op.Cit. P. 5.
11. Vijay S.Kesarkar Op.Cit. P. 5.
12. Pamphlet of Warana Bazar Op.Cit. P. 5.
13. Project Report Op.Cit. P.9.
14. Vijay S.Kesarkar Op.Cit. P. 5 to 8.
15. Vijay S.Kesarkar Op.Cit. P. 19.
16. A note on Salient Fetures of Warana Bazar 1984 P.1.
17. Vijay S.Kesarkar Op.Cit. P. 11,12.
18. Annual Reports of Shree Warana Vibhag Sahakari Grahak Mandal Ltd. Warananagar from 1978-79 to 1988-1989.
19. Pamohlet of Warana Bazar Op.Cit. P. 5
20. Annual Reports of Warana Bazar. Op.Cit.