

CHAPTER - III

WORKING OF PACCS IN KOREGAON

TALUKA



WORKING OF PACCS IN KOREGAON TALUKA

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WORKING OF PACCS IN KOREGAON TALUKA

In this chapter is presented the working of PACCS in Koregaon taluka of Satara district. As stated earlier in Chapter I, there are 80 PACCS in Koregaon taluka. The general working of these societies is described, with particular reference to the objects of PACCS.

3.1 Objects of Primary Agricultural Co-operative Credit Societies :

Eighty Primary Agricultural Co-operative Credit Societies are working in Koregaon taluka of Satara district. The objects of these PACCS are as follows :-

- 1) To raise adequate funds from members or otherwise to be utilised for granting loans to members for useful agricultural purposes.
- 2) To make joint purchases of the agricultural, domestic and other requirements of its members and make joint sale of their produce.
- 3) To purchase an own implements, machinery or animals for hire to its members.
- 4) To disseminate knowledge of the latest improvements in agricultural, handicrafts and weaving and encourage its members to adopt them.
- 5) Generally to encourage thrift, self-help and co-operation among the members.

Thus the Primary Agricultural Co-operative Credit Societies have been established to help their members (who are mainly agriculturists) by providing the members with adequate and timely inputs (including finance) required by the members for carrying on their farm operations. These societies expect themselves to be able to

provide the members with the latest technology required not only in their farming operations but also in the allied activities like poultry, dairy, weaving, etc. The societies also undertake to supply necessary provision and other articles required by the members for their domestic use. Sale of agricultural produce of the members is also to be done by these societies. The societies also aim at encouraging thrift, self-help and co-operation among their members.

How these objects have been being pursued by the PACCS in Koregaon taluka of Satara district is described in the paragraphs to follow. General condition obtaining in case of all the PACCS in Koregaon taluka is described first (followed by the details of the sample PACCS in the next chapter). The necessary details have been given in Annexure 3.1.

3.2 Overall Position :

The overall position of the PACCS in Koregaon taluka is given in Table 3.1. (page No. 35)

The table reveals that :-

- i) The average number of employees per society in Koregaon taluka is 106 and 87 in 1982-83 and 1983-84 respectively.
- ii) The average number of members per society works out at 294 for both 1982-83 and 1983-84.
- iii) The average loan advanced per society during 1982-83 comes to Rs.1,15,000/- and to Rs.1,28,000/- in 1983-84.
- iv) Recovery of the loan demanded from the members shows are improvement in 1983-84 when compared with the position in 1982-83.

- v) As a consequence of the above (iv) probably the profit making PACCS in 1983-84 (54 or 67.50% of the total of 80) are more by 16 than those in 1982-83 (38 or 47.50% of the total of 80).
- vi) Audit class - The 1983-84 data only are available. Out of 80 societies, 18 societies (22.50%) have been given "B" class, 51 societies (or 63.75%) have been given "C" class, 2 societies (2.50%) have been given "D" class and 9 societies (11.25%) were not given any audit classification as their audit was not completed in time.
- vii) Government contribution of Rs.19,000/- (in both the years) towards share capital of three societies is negligible.
- viii) Deposits from members amounted to Rs.20,000/- in 1982-83 and Rs.18,000/- in 1983-84. This forms a negligible portion of the total capital of the PACCS.
- ix) In 1982-83, the PACCS had Rs.53.89 lakhs of owned capital and Rs.133.92 lakhs of borrowed capital. Total capital of all the PACCS in Koregaon taluka amounted to Rs.187.81 lakhs. The owned capital and borrowed capital form 28.69% and 71.31% respectively of the total capital.

In 1983-84, the PACCS had Rs.60.27 lakhs of owned capital and Rs.210.99 lakhs of borrowed capital, thus making a total of Rs.271.26 lakhs. The owned capital forms 22.22% and the borrowed capital forms 77.78% of the total capital.

The available total funds have increased by Rs.33.18 lakhs (or about 18%) in 1983-84 as compared to the funds in 1982-83.

- x) Loans advanced were Rs.92.18 lakhs in 1982-83 and Rs.102.59

Table 3.1 : Statement showing the overall position of the Primary Agricultural Co-operative Credit Societies (PACCS) in Koregaon taluka.

Particulars	1982-83	1983-84
Number of societies	80	80
Number of members	23,548	23,518
Number of employees with the PACCS	106	87
<u>Owned Capital</u>		
Member's capital	Rs. 44.23 lakhs	Rs. 50.17 lakhs
Government share		
Capital (three societies only)	Rs. 00.19 "	Rs. 00.19 "
Statutory reserve	Rs. 06.08 "	Rs. 06.43 "
Other reserves	Rs. 03.39 "	Rs. 03.48 "
Total owned capital (A)	Rs. 53.89 lakhs	Rs. 60.27 lakhs
<u>Borrowed Capital</u>		
Satara DCC Bank	Rs.133.72 lakhs	Rs.210.81 lakhs
Deposits from members	Rs.000.20 "	Rs.000.18 "
Total borrowed capital (B)	Rs.133.92 lakhs	Rs.210.99 lakhs
Total Capital (A+B)(C)	Rs.187.81 lakhs	Rs.271.26 lakhs
Number of members to whom loan advance	Not Available	Rs.7,909

Conti...

Particular	1982-83	1983-84
Loan advanced during the year		
Short-term	Rs. 64.36 lakhs (10%)	Rs. 89.62 lakhs (73%)
Medium-term	Rs. 27.82 " (30%)	Rs. 32.97 " (27%)
Total loans	Rs. 92.18 lakhs (100%)	Rs.122.59 lakhs (100%)
Average loan per Society	Rs. 1.15 lakhs	Rs. 1.28 lakhs
Average number of members per society	294	294

Recovery effected during the year (percent of loan demanded from the members)		
Interest	39.90%	58.10%
Principal	56.50%	62.30%

Profit making PACCS	38 (47.50%)	54 (67.50%)
Loss incurring PACCS	42 (52.50%)	26 (32.50%)

Total PACCS	80 (100%)	80 (100%)

Audit Classification of the PACCS		
A Class	Not available	None
B Class	" "	18 (22.50%)
C Class	" "	51 (53.75%)
D Class	" "	2 (02.50%)
Not classified	" "	9 (11.25%)

Total PACCS		80 (100%)

SOURCE : Records of the Assistant Registrar, Co-operative Societies, Koregaon taluka, Koregaon.

Note : Figures in brackets indicate percentage.

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lakhs in 1983-84. This works out to about 49.10% of the total capital in 1982-83 and 37.80% of the total capital in 1983-84.

3.3 Working with reference to the objects :

In the discussion to follow an attempt will be made to describe working of the PACCS in Koregaon taluka with reference to the objects stated at the beginning of the chapter. This is done under the following five sub-heads.

- 1) Raising of adequate funds, and providing loans to the members for agricultural purposes (including utilisation and recovery of loans).
- 2) Supply of domestic and agricultural goods/inputs and arranging sale of the produce of the members.
- 3) Purchasing machineries, implements and animals to be given on hire basis to the members.
- 4) Disseminating knowledge of technological improvements.
- 5) Encouraging thrift, self-help and co-operation among the members.

3.4 Raising of Adequate Funds :

As mentioned earlier the details of the societies in Koregaon taluka of Satara district for the year 1983-84 have been given in Annexure 3.1. Following tables, prepared from this Annexure provide details regarding funds raised by these societies.

Table 3.2 : Statement showing classification of societies on the basis of the owned capital.

Owned capital Rs.	No. of societies	Percentage
10,000 to 50,000	28	35.00
50,000 to 1,00,000	35	43.80
1,00,000 to 1,50,000	10	12.50
1,50,000 to 2,00,000	05	06.30
2,00,000 to 2,50,000	01	01.20
2,50,000 to 3,00,000	01	01.20

Total	80	100.00

From the above table it is found that most of the societies (78.80% of the total) have the owned capital below Rs.1,00,000.

Table 3.3 : Statement showing the classification of societies on the basis of Borrowed Capital.

Borrowed capital Rs.	No. of societies	Percentage
10,000 to 1,00,000	27	33.80
1,00,000 to 2,00,000	20	25.00
2,00,000 to 3,00,000	13	16.30
3,00,000 to 4,00,000	08	10.00
4,00,000 to 5,00,000	05	06.30
5,00,000 to 6,00,000	02	02.50
6,00,000 to 7,00,000	03	03.70
7,00,000 to 8,00,000	01	01.20
8,00,000 to 9,00,000	01	01.20

Total	80	



It is clear from the above table that most of the societies (58.80%) had borrowed upto Rs.2,00,000/- only. Only 13 societies (16.30%) borrowed between Rs.2,00,000/- to Rs.3,00,000/- and 8 societies (10%) borrowed between Rs.3,00,000/- to Rs.4,00,000/-. Only 13 societies had borrowed more than Rs.4,00,000/-.

Table 3.4 : Statement showing classification of societies on the basis of percentage of borrowing capital to total capital.

% class	No. of societies	Percentage
5 to 15	02	02.50
15 to 25	31	38.70
25 to 35	20	25.00
35 to 45	17	21.30
45 to 55	03	03.70
55 to 65	04	05.00
65 to 75	03	03.80
Total	80	100.00

The above table reveals that 31 societies (38.70%) fall in the class of 15 to 25%, 20 societies (25%) fall in the class of 25 to 35% and 17 societies (21.30%) fall in the class of 35 to 45%, thus in all 68 societies (85.00%) fall in the above three classes,

i.e. their borrowings are between 15 to 45% of their total capital. In case of 10 remaining societies (15%), borrowings are between 45% to 75% of the total capital.

Comments on Funds raised :

An analysis of Annexure 3.1 and Tables 3.1 to 3.4 reveals the following position.

- (1) The PACCS in Koregaon taluka in general have not raised adequate funds necessary for carrying out their operations effectively. The objective of inculcating habit of thrift among members of the PACCS has not, in most of the cases, been fulfilled. This is clear from the figure of other liabilities (which include savings of the members in the form of deposits). Other liabilities of these societies form a very small percentage of their total funds.
- (2) As indicated earlier in this chapter, 78.80% of the societies (68 societies) have their owned capital below Rs.100,000/- Only 10 societies (or 12.50% of the total societies) have their owned capital ranging between Rs.100,001 to Rs.150,000. Thus 91.30% of the societies have their owned capital below Rs.150,000.
- (3) In case of borrowed funds, it may be noted that 58.80% of the societies (or 47 societies) have the borrowings upto Rs.200,000. Borrowings between Rs.200,001 and Rs.300,000 is made only by 13 societies (or 16.30% of the total societies). These borrowings are mainly from the Satara District Central Co-operative Bank Ltd., Satara.

- (4) The PACCS can borrow upto 10 times their owned capital as per the provisions contained in Rule No.35(i) of the Maharashtra Co-operative Societies Rules, 1961. Owned capital here means the total of share capital, reserve fund and building fund, deducting there from accumulated losses, if any. That means a PACCS having owned capital of Rs.100,000/- can borrow upto an amount of Rs.10,00,000/-, making the total of its funds of Rs.11,00,000/-. Thus the borrowed capital can go to the extent of 90.90% of the total capital. As can be observed from Table 3.4, all the PACCS in Koregaon taluka have their borrowings upto 75% of the total capital. The PACCS have, thus, not utilised their borrowing capacity to the fullest possible extent.
- (5) Out of the total capital raised, the PACCS could advance only 49.10% funds to their members as loans in 1982-83. This proportion further decreased to 37.80% in 1983-84.

3.5 Loans to Members :

Providing loans to the members is another important function a PACCS performs. It can provide loans to the members for agricultural loans out of the funds available with it. Short-term loans, or crop loans, are advanced normally for a period of upto 12 months and these loans are production loans. Medium-term loans also can be advanced by a PACCS for the purpose of installation of pump-sets, purchase of milch cattle, sheep rearing, gober-gas plant, etc.

Medium term loan may be repaid within a period of upto five years, the actual repayment period depending mainly upon the repaying capacity of the borrower.

The following table shows the loans advanced by the PACCS in Koregaon taluka during 1982-83 and 1983-84.

Table 3.5 : Statement showing the loans advanced by the PACCS in Koregaon taluka during 1982-83 and 1983-84.

Year	Short-term Loans	Medium-term Loans	Total Loans
1982-83	Rs.64,35,534 (69.82%)	Rs.27,82,302 (30.18%)	Rs.92,17,836 (100%)
1983-84	Rs.89,61,713 (73.10%)	Rs.32,96,545 (26.90%)	Rs.1,22,58,258 (100%)

SOURCE : Record of the Assistant Registrar Co-operative Societies, Koregaon Taluka.

Note : Figures in brackets indicate percentage.

Short-term loans are advanced in two ways (i) cash component and (ii) kind component which consists of fertilisers, pesticides, seeds, etc. In 1982-83, the cash component was Rs.30,41,275 (47%) and the kind component was Rs.33,94,259 (53%). In 1983-84, the cash component and the kind component were Rs.34,82,115 (39%) and Rs.54,79,598 (61%).

Following Table shows the details of Medium-term loans.

Table 3.6 : Statement showing M.T. Loans advanced by the PACCS in Koregaon taluka during 1982-83 and 1983-84.

(Rs. in lakhs)

Year	Total M.T. Loans advanced	Lift Irrigation and pump-sets	Milch Cattle	Others
1982-83	Rs.27.82 (100%)	Rs.11.51 (41%)	Rs.9.62 (35%)	Rs.6.69 (24%)
1983-84	Rs.32.97 (100%)	Rs. 6.11 (19%)	Rs.22.78 (69%)	Rs.4.08 (12%)

SOURCE : Record of the Assistant Registrar Co-operative Societies, Koregaon Taluka.

Note : Figures in brackets indicate percentage.

Average loan (S.T. & M.T. taken together) advanced per society works out to Rs.1,15,223 in 1982-83 and Rs.1,53,228 in 1983-84. Average loan made available to an individual borrowing member was Rs.1,550/- in 1983-84 (1982-83 data are not available).

Interest charged on S.T.loans by the PACCS to the members is 12% p.a. On M.T.loans, except the M.T.loans for purchase of shares, also the PACCS charge 12% interest p.a. M.T.loans for shares attract a higher interest rate at 13.50%. The PACCS get funds from the District Central Co-operative Bank at 9% p.a. for S.T. and M.T. loans, other than for shares. M.T.loans for shares are financed by the District Central Co-operative Bank at 10.50% p.a. Thus the PACCS get a margin of 3% on the loans advanced.

The following table shows the classification of societies on the basis of loan-taking members.

Table 3.7 : Statement showing the classification of PACCS on the basis of percentage of loan-taking members to the total members.

Percentage of Members taking loans	Number of Societies	Percentage of PACCS to total Societies
0% to 10%	3	03.75%
10% to 20%	9	11.25%
20% to 30%	16	20.00%
30% to 40%	21	26.25%
40% to 50%	14	17.50%
50% to 60%	8	10.00%
60% to 70%	7	08.75%
70% to 80%	1	01.25%
80% to 90%	1	01.25%
Total	80	100.00%

SOURCE : Compiled from Annexure 3.1.

It is clear from the above table that 49 PACCS or 52.50% of the total PACCS have upto 40% of their members who have taken loan. 63 PACCS or 78.75% of the PACCS have upto 50% of their members who have taken loan. Thus in majority of the PACCS loan-taking members

are upto 50% of the total members. In case of most of the PACCS majority of the members do not avail of the loans from the Societies.

Following table shows the classification of societies on the basis of percentage of management expenses to loan outstanding as on 30th June 1984 and on the basis of their status as profit making and loss incurring.

Table 3.8 : Statement showing classification of societies on the basis of percentage of management expenses to loans outstanding as on 30th June 1984 and on the basis of their status profit making and loss incurring during the year ending 30th June 1984.

% of management expenses to loans outstanding as on 30/6/1984	Number of Societies	Profit making Societies	Loss incurring Societies
0 - 3	31 (38.75%)	23 (28.75%)	8 (10.00%)
3 - 6	33 (41.25%)	24 (30.00%)	9 (11.25%)
6 - 9	10 (12.50%)	04 (05.00%)	6 (07.50%)
9 - 12	02 (02.50%)	-	2 (02.50%)
12 - 15	02 (02.50%)	01 (01.25%)	1 (01.25%)
15 - 18	01 (01.25%)	01 (01.25%)	-
18 & Above	01 (01.25%)	01 (01.25%)	-
Total	80 (100%)	54 (67.50%)	26 (32.50%)

SOURCE : Compiled from Annexure 3.1.

Note : Figures in brackets indicates percentage.

It is interesting to note that 8 PACCS (or 10% of the total PACCS) having their management expenses below 3% of the loan-outstanding, incur losses. Further, the three PACCS with more than 12% of the management expenses to loans outstanding run their business in profit.

3.6 Utilisation and Recovery of Loans :

Utilisation :

One of the objects of the PACCS is to advance farm credit to the needy farmer-members and recover it from them in due course of time. An intermediate step of keeping an eye on utilisation of loan must be taken so that the loans given are smoothly recovered. "Supervised Credit" was advocated by All India Rural Credit Survey in 1954. It is found that this important intermediate step is totally neglected by the PACCS in Koregaon Taluka. There is no supervision over the loans advanced and therefore, no record of their utilisation.

The author discussed this issue with some of the Secretaries and the Chairmen of the PACCS. Their comments may be summarised thus :

- i) There is no staff to look after this aspect of utilisation of loans.
- ii) There is a tendency on the part of some of the borrowers to misutilise the cash component. Some borrowers go to the extent of misutilising the kind component of the loan by setting the fertilisers.

Recovery :

Annexure 3.2 details the position of recovery of loans for the year ending 30th June, 1984. The following Tables show overall recovery position of the PACCS in Koregaon Taluka during 1982-83 + 1983-84.

Table 3.9 : Statement showing position of recovery of S.T.Loans by the PACCS in Koregaon Taluka as on 30th June, 1983.

Particulars	Demand	Recovery	%	Overdues
Interest	Rs. 38,35,271	Rs.15,30,618	39.90	Rs.23,04,653
Principal	Rs.142,42,423	Rs.80,49,629	56.50	Rs.61,92,794

Total	Rs.180,75,694	Rs.95,80,247	53.00	Rs.84,97,447

Table 3.10 : Statement showing position of recovery of S.T.Loans by the PACCS in Koregaon Taluka as on 30th June, 1984.

Particulars	Demand	Recovery	%	Overdues
Interest	Rs. 38,43,386	Rs. 22,36,865	62.30	Rs.16,06,521
Principal	Rs.146,11,398	Rs. 91,02,608	58.20	Rs.55,08,790

Total	Rs.184,54,784	Rs.113,39,473	61.40	Rs.71,15,311

SOURCE : Records of the Assistant Registrar's of Co-operative Societies, Koregao Taluka.

The overall recovery percentage comes to 61.40% of the loans demanded as on 30th June, 1984, and it shows an improvement over the previous year's percentage of 53.

The following Table shows the classification of societies on the basis of recovery percentage.

Table 3.11 : Statement showing classification of PACCS on the basis of percentage of recovery of S.T.Loans as on 30th June, 1984.

Class of Recovery percentages	Number of Societies	Percentage of Societies to total PACCS
00 - 10	1	1.25
10 - 20	1	1.25
20 - 30	1	1.25
30 - 40	6	7.50
40 - 50	12	15.00
50 - 60	16	20.00
60 - 70	17	21.25
70 - 80	17	21.25
80 - 90	9	11.25
90 -100	1	1.25
Total	80	100.00

SOURCE : Compiled from Annexure 3.2.

46.25% of the societies (or 37 of the 80 PACCS) have recovery below 60%.

The exact position of the demand, recovery and overdues of M.T.Loans could not be obtained. However, as a general observation, it may be stated that M.T.Loan-recovery was less than the S.T.Loan-recovery.

3.7 Purchase of Agricultural, Domestic and Other requirements of its members :

One of the objects of the PACCS is to make joint purchases of the agricultural, domestic and other requirements of its members for the purpose of satisfying the member's needs. Only three PACCS, out of 80 in Koregaon taluka, were found pursuing this object. These societies were i) Taragaon ii) Deur and iii) Karanjkhop, and they were engaged in purchasing and selling, seeds and fertilizers to their members.

As regards purchase and sale of domestic and other requirements of the members it is found that six societies were engaged in such activities. Table 3.12 gives details of such activities during 1982-83 and 1983-84.

3.8 Arranging sale of the produce of the members :

Sale of the members produce jointly is one of the objects of PACCS in Koregaon taluka. Information received from office of the Assistant Registrar of Co-operatives, Koregaon taluka, Koregaon

that members are not selling their agricultural products jointly. Every member is selling his agricultural products independently. Agriculturist are selling their produce in their own ways.

Godown facility :

The following eight societies were found to have godown (200 M.Ton each) facility.

- | | |
|-------------------|----------------|
| i) Koregaon Bhag | v) Deur |
| ii) Wathar-Kiroli | vi) Nagazari |
| iii) Taragaon | vii) Wagholi |
| iv) Karanjkhop | viii) Apshinge |

3.9 Purchasing Implements, Machinery and Animals :

To purchase an own implements, machinery or animals for hire to its members is one of the objects before the PACCS. The PACCS accordingly purchased ploughs and other agricultural own implements for cultivating the farmer members land. Some of these agricultural implements are in good condition with some societies in Koregaon taluka. But most of the societies have no good conditioned agricultural implements and these implements are laying down in PACCS office.

No machinery for agriculture purpose was purchased by PACCS in Koregaon taluka and no animals for hire to its members is available in PACCS according to the information received from the office of the Assistant Registrar of Co-operative Societies, Koregaon taluka, Koregaon.

Table 3.12 : Statement showing purchase and sale of domestic goods by the PACCS in Koregaon taluka during 1982-83 and 1983-84.

Sr. No.	Society	Year	Consumer goods purchased		Sale of foodgrains		Sale of other commodities		Total sales
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	Triputi	1982-83	96,527	49,227	47,388	96,615			
		1983-84	90,338	30,565	62,736	93,301			
2	Bhose	1982-83	1,08,447	62,154	50,122	1,12,276			
		1983-84	1,08,445	62,153	48,382	1,10,535			
3	Kumathe	1982-83	1,40,252	1,14,445	25,877	1,40,322			
		1983-84	2,74,691	1,64,870	1,18,435	2,83,305			
4	Arvi	1982-83	1,40,252	1,14,445	25,877	1,40,322			
		1983-84	2,33,591	70,309	1,64,148	2,34,457			
5	Taragaon	1983-84	63,747	31,994	1,06,414	1,38,408			
6	Ambavade Sammat Koregaon	1983-84	1,14,816	53,146	62,487	1,15,633			

SOURCE : Records of the Assistant Registrar of Co-operatives Koregaon Taluka, Koregaon.

3.10 Disseminating knowledge of the latest improvements in Agricultural, Handicrafts and Weaving :

To disseminate knowledge of the latest improvements in agricultural, handicrafts and weaving and encourage its members to adopt them. This is one of the objects of PACCS. Such type of knowledge is given now in villages by Governments, Agricultural Department and by other Government sponsored programmes. Some PACCS like Taragaon, Kumathe, Wathar-Kiroli, Sonake, etc. are trying to adopt such type of programme for its members. The efforts, however, are found to be quite inadequate.

3.11 Encouraging Thrift and Self-help :

PACCS in Koregaon taluka are expected to encourage thrift among the members and non-members and raise funds for operating the PACCS efficiently.

Table 3.13 shows the deposits of PACCS in Koregaon taluka during the year 1982-83 and 1983 respectively.

Table 3.13 : Statement showing deposits of PACCS in the Koregaon taluka in 1982-83 and 1983-84.

Year	No. of PACCS	Deposits		Total Deposits Rs.	Total capital Rs.	% age of total deposit to total share capital
		Members Rs.	Non-Members Rs.			
1982.83	80	19,405	680	20,085	44,41,799	0.5
1983.84	80	16,875	646	17,521	50,35,475	0.3

SOURCE : Records of the Assistant Registrar of Co-operatives, Koregaon taluka, Koregaon.

From the above table it is seen that deposits form a very small percentage of the total capital of the PACCS. Hence, it is concluded that the PACCS could not do well on this front.

3.12 Information Collected Through Interviews :

Unstructured interviews were conducted of (i) 8 Secretaries of the sample PACCS, (ii) 4 Chairman of the four sample PACCS , (iii) 12 Members of various sample societies, (iv) Branch Manager and Recovery Officer of Koregaon Branch of Satara District Central Co-operative Bank and (v) Assistant Registrar, Co-operative Societies, Koregaon Taluka, Koregaon.

Following are the points in brief made at the time of interview.

i) Interviews with the Secretaries

All members do not demand the loan required in time.

Favourable rains and favourable crop conditions are helpful in recovery of loans.

It is always difficult to recover the loans, particularly from the big farmers.

Salary paid to the Secretaries is not as per with the salary of Government employees.

ii) Interviews with Chairmen

Secretaries should pay more attention to recovery of loans.

Secretaries do not credit the amounts recovered in time in the Bank.

iii) Interviews with Bank Officers

The PACCS, particularly the Secretaries and the Managing Committee Members, should pay more attention to supervision over loan-utilisation and recovery of loans.

iv) Interview with the Assistant Registrar

As in iii) above.

v) Interviews with Members

- Loan should be given in time.
- Interest on loan should be lower.
- Concessions in case of loan repayments should be given when there are scarcity conditions.
- There is more security in depositing money with Banks than with the Society.

3.13 Conclusions :

Following conclusions may be drawn from the above discussion.

- 1) The PACCS in Koregaon taluka seem to be concerned only about loan disbursement. They do not seem to be aware of the fact that they have to supervise the utilisation of the loans advanced and recover the loans in time. Most of the PACCS are affected badly by low recoveries they have been able to effect. Most of the PACCS have not done anything in respect of carrying on non-credit activities. They have not been effective in motivating the members in respect of inculcating the habit of thrift.
- 2) There seems to be a wide gap in communication between the Bank employees and the Chairmen and Secretaries of the PACCS. Surprisingly the Chairmen feel that the Secretaries do not work properly.

- 3) The PACCS and the DCC Bank, taken together, seem to have not been able to create sufficient confidence in the minds of farmer-members about the S.T. & M.T. credit structure and sufficient awareness of its usefulness to them.
- 4) Rainfall and crop condition still play a dominant role as far as performance of loan recoveries of the PACCS is concerned. This is a reflection of the low percentage (6.15%) of the irrigated area.