

SOME SUCCESSFUL COOPERATIVES - CASE STUDIES, 1960

1. The Study

Panchayats and co-operatives were the most important institutions on which the success of the new experiments in democratic decentralization was largely dependent. Keeping in view the role of these institutions in the implementation of development programmes, the PEO decided to undertake detailed examination of a few successful Panchayats/Co-operatives mainly to find out the factors responsible for their success. The result of these case studies were presented in two separate reports. The present report related to study of seven co-operative societies located in different parts of the country. Nine Successful Panchayats were studied, the similar details thereof were presented under P.E.O. Study no. 34.

The institutions were selected on the basis of some broad criteria. These were that they should have been in existence for a reasonably long period, diversified their sphere of activity, raised their volume of business, increased membership among different classes and yet retained the basic characteristics of the co-operative form of organisation.

2. objectives

i) To discover factors responsible for the success of cooperative societies.

ii) To study the relative position of the large and small Cooperative Societies regarding the extent of coverage of families in their area of operation, extent of promotion of thrift in the villages, and of supply of credit to the weaker sections of the people.

3. Sample Size/Criteria for selection of Sample

The study was conducted on seven cooperative societies. Four among the best cooperative societies were selected in consultation with Ministry-of Community Development' and Cooperation. The selection of the first four cooperatives was made in three stages viz., the State, the district and the institution. At every stage the selection was purposive. The additional best cooperatives were selected in consultation with the

district officers of the State Govt. The final selection was confined to the institutions, on the basis of the **data supplied** by the field officers, showed better performance than others. Finally, the seven societies selected for the study were located in six states; 2 in Punjab and one each in Uttar Pradesh, Bombay, Mysore, Madras and Andhra Pradesh.

4. Reference Period

The reference period not indicated in the report.

5. Main Findings

1. All the societies were favourably located and enjoyed good communication facilities such as pucca roads, frequent bus services and in some instances, railway service. Besides, some of them operated in districts and areas where there was a vigorous cooperative movement and or helpful central financial agency.

2. The social environment in which the seven societies were working did not show much uniformity. One society was functioning in a village dominated by a single caste and another in a village where one caste had a * bare majority of the population. The remaining societies were functioning in multi-caste-villages.

3. The membership of most of the societies reflected only broadly the caste and occupational composition of the villages they served.

4. Some of the societies had succeeded in spite of the presence of factions in their villages. This was mainly due to factor. of leadership. The selected societies were fortunate in this respect. Their president, vice presidents and treasurers were known for their honesty and public service. The good leadership had checked the spread of virus of faction.

5. The selected societies owed their success in part to the relative prosperity of the villages and the areas where they were situated., All but one were located in large villages with population exceeding 5,000. Again most of them had been enjoying fairly extensive irrigation facilities which had helped in bringing considerable areas under cash crops.

6. The ultimate test of the success of a co-operative society, in particular as a commercial enterprise,- was found in the growth of its business and

the soundness of its finance. The selected societies satisfied this test fully.

7. Besides distribution of loans **which** was their primary function, most of them had taken up other activities, e.g. distribution of consumer and agricultural goods, simple processing operations etc.

8. The factors finally responsible for the success of the societies had been efficient management, the service of a trained or experienced secretary and the conduct of the members of the managing committee in repaying loans taken by them.