

Co-operative Societies at Banks

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Abstract: *A group of people who are living in a particular place will have necessary organization in order to fulfill their economic necessity. This type of organization is called Co-operative Society. According to the rules and regulations of this scheme the society prescribed certain rules in order to become members in this scheme. They are given as follows. A weaver who is associated with the society continuously for a year alone can become a member in this scheme. Another qualification prescribed by the society that the weaver should deposit minimum Rs.100/- when he joins as a member in the society.*

Key Words: *Co-operative Societies, Handloom, Weavers, Government, Kanyakumari*

Introduction

The traditional handloom industry in India today is facing a lot of complex problems in view of its socio-economic importance. Even though it was the biggest sector in India, at present only 15-20% of population in Tamil Nadu belongs to this sector. Next to agriculture it provides highest employment to population. One in sixty is engaged in this sector in India can be heard in almost every village. Weaving is the basic process among the various manufacturing stages of handloom clothes. It is defined as a frame for weaving equipped with some wooden devices. The sound of the handloom is the music of rural home. Even though many traditional people belongs this industry their living condition is not in a satisfactory level.

Objective of the Study

The present study is based on the following aspects. They are,

1. To find out the qualities of the handloom in Kanyakumari district.
2. To find out the position of handloom weavers in Kanyakumari district
3. To know about the co-operative societies in the handloom field.
4. To find out the activities of government towards handloom in Kanyakumari district.

Area of Study

The proposed project brings in the migration settlement weaving activities production of fabrics, supply of fabrics the sufferings of the weavers and the support of government through the formations handloom societies, Cooperative banks and attitude of the customers. In the process of the study the social, economic, political and religious conditions of the weavers is analysed. The presentation expedites the present position of weaving group also.

Period of Study

Since this study aims to conduct research on the history it focuses on the period of the temples which starts from the 5th century AD and covers up to today.

Methodology

The research methodology is based on scientific historical method, analytical historical method and discussion.

Sources of Information

This study is largely based on primary and secondary sources. Much information is collected through the personal interviews including certain prominent persons in Kanyakumari district. This information supplied by oral interviews is more authentic, because they are closely associated with handloom.

Beneficial Schemes of Weaver's Co-Operative Societies

One of the major objects of this scheme is to create an interest among the weavers to save money for the use of future life. According to this scheme the society collects a small amount of money. Thus in their name a large amount is accumulated in the society, which is given to the concerned weavers at the age of 65.

According to the rules and regulations of this scheme the society prescribed certain rules in order to become members in this scheme. They are given as follows. A weaver who is associated with the society continuously for a year alone can become a member in this scheme. Another qualification prescribed by the society that the weaver should deposit minimum Rs.100/- when he joins as a member in the society. Yet another norm prescribed by the society to join as a member is that he should have paid the deposit continuously for six months without fail.

The weavers are expected to remit 8 paise per one rupee as their share to the society. So that the Central and State Governments shall pay 4 paise per rupee to the share holder of this scheme. Further the State Government shall pay 7 percent interest very financial year to the shareholder. If any member who happens to die before sixty five years of age, his or her nominee is liable to get Rs.50,000/- and an additional amount of 10,000/- Thus the nominee receives a total sum of Rs.60,000/- The members of this scheme who retires after 60 years of old shall get their share along with the benefits given by the State and Central Governments.

The members of this scheme are along eligible to get advance money for the purpose of purchasing medicine and conducting marriages. Housing loan is also given to the members of this scheme. At present free medical aid is also provided to the members of the society. Those who have completed 60 years of age are eligible to become a member in the Family Pension Scheme and accordingly they are eligible to get a minimum pension of Rs.400/- per month throughout their life. Now the pension amount is increased.

One of the major schemes of the Weavers Co-operative Society is the family pension scheme. This scheme is highly useful and the beneficiaries of this scheme are many members of the weaver's family. The scheme was established to help the old age people who will usually suffer after their retirement. In order to help such people this scheme was started by the Weavers Co-operative Societies. To become a member in this scheme, certain rules have been prescribed by the society. They are elaborately dealt as under.

According to the norms of this scheme the member should at least have two years of experience as a weaver in the weaver's society. A member of the savings scheme along is eligible to become a member in this scheme. Those who have completed sixty five years of age along shall become a member in this scheme. One of the conditions to become a member in this scheme is that the member shall not have fallen into any arrear continuously for six months in his monthly subscription. Though this scheme was highly useful to all the members of the weaver's society, the pensioners are much benefited by this scheme. Whenever a death occurs to a pensioner, his nominee is eligible to get a monthly family pension.

Thus the 38 WCS attached to central cooperative bank at Nagercoil in Kanyakumari district has been advancing loan for the weaving community in general to purchase handlooms thread and other amenities for weaving. These societies get money from the banks and the weavers are directed to weave the cloth and return the woven cloth to the societies. The society sell the cloth to the private persons or to the handloom depot and money is again deposited in bank the weavers get their wages. Government also sells the cloth with 30% commission to the public during Deepavali and Pongal handloom exhibitions are conducted and the weavers of these communities encouraged. Though these steps were taken through the bakes the introduction of the mill cloth has highly affected the weaving community. Hence the weavers of these four communities gradually try to seek other employment.

Loans and Advances

Loans may be sanctioned by the Board to the members of the society up to a maximum of Rs.2000.00 for urgent purposes like (a) marriage; (b) confinement expenses (c) funeral (d) house repairs on surety basis. The member stands for surety shall not be the overdue member. The loan sanctioned for the above purpose shall be recovered within 10 months from the date of issue.

Loans shall be given only to Weaver member but no member can claim a loan as a matter of right. All applications for loans shall be made to the Secretary in the form if any prescribed for the purpose who shall place them before the Board. Should the Board be of opinion that a loan granted by the society has been misapplied it shall at once take steps to recover the loan with interest without waiting for the expiry of the period for which it has been granted.

No weaver member shall at any time be indebted to the society by way of principal to the extent not exceeding Five times his paid up share capital.

The interest on loans charged by the society to its members shall be 12% per annum. If however the Central Bank requires the society to enhance the rate at any time the society shall do so and the enhanced rate shall come in force from the date specified by the Bank and the interest shall be calculated on daily balance and principal and interest on all loans shall be paid every months. Loans shall be secured on the joint and several responsibility of the borrower and one or two other weaver members standing sureties for him provided that the total amount for which a member can stand surety does not exceed Five times his paid up share capital whichever is less.

All loans shall be paid in the order of their sanction. The amount borrowed shall be recovered in 10 monthly installments within the period fixed for the loan. Interest after each payment is calculated on the balance of principal due, provided that no repayment shall be appropriated towards the installment of principal and interest due in each month. If a borrower is in arrears for any installments of principal or interest the whole outstanding loan become recoverable and the Board shall at once close be accounts. On overdue installment of principal interest at the rate of one paise per rupee per month shall be levied.

The advance of raw materials or appliances to a member of the society shall not exceed five times the paid up share capital of such member. The society shall take one or two sureties for such advance. When the finished goods are returned by a member a sum equal to the materials will be credited to his account. The materials and wages shall be returned by a member in the form of finished goods within the period as specified by the Board. In the case of default, recovery shall be effected at the market rate prevailing at the time of issue or at the rate prevailing at the time of default whichever is higher. "A fine of 3 paise per rupee per month shall be levied for the delayed receipt of the finished products subject to the maximum of 25% of the cost of raw materials."

Festival advance may be issued to the members as per the limits fixed by the Director of Handlooms & Textiles from time to time once in a year recoverable in 10 months. No advance shall be issued to a member if already a festival advance is in due. Advances for weaving appliances shall be issued to the members as per the Government order or instruction of the Director of Handlooms & Textiles from time to time and as per the terms and conditions from therein.

Conclusion

The Handloom cooperative societies and production centers, which have played pivotal role in the development and growth of handloom industries in, the state, are currently passing through operational, administrative and financial crisis. In the light of growing composing caused by the modern textile industries and spinning mills, it is imperative to suitably restructure and rehabilitate the ailing societies and production centers through provision of liberal package of measures, aids and facilities.

The services of the cooperative societies and production centers have not been effective in delivery of necessary training and guidance, facilitating modernization and up gradation of technology and providing marketing support to the weaver beneficiaries. The major weakness of the societies and centers mainly pertain to their irregularity in supplying raw materials, in efficient administration, irregular and low wage payment, lack of professional approach in marketing and operational management. It is therefore, essential to remove these impediments so as to enable these organizations to function efficiently and smoothly.

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