

FIELD STUDY PROJECT

on



**MULKANOOR CO-OPERATIVE
Credit & Marketing Society Ltd**

A CASE STUDY



Submitted by

BA II Year Students

Under the guidance of

Dr. G. Shyamu, Dr. B. Nainadevi, Smt. V. Rama

DEPARTMENT OF ECONOMICS

KAKATIYA GOVERNMENT COLLEGE HANUMAKONDA

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MULKANOOR COOPERATIVE RURAL BANK AND MARKETING SOCIETY LTD - A CASE STUDY

09.11.2022

The Department of Economics Organized a Field Trip to Mulkanoor Cooperative Rural Bank and Marketing Society Ltd, Mulkanoor Women's Cooperative Dairy and Cotton Ginning Factory on 09.11.2022. The main objective of the programme is to enable the students to know the success of cooperative rural banking system and Women empowerment through income generating activities.

The in charge of the department Dr. G. Shyamu, faculty members Dr. B. Nainadevi, V. Rama and the students of BA Sections participated in the Programme.



*Field Trip to Mulkanoor village started at 10.00 AM from Kakatiya Government
College on 09.11.2022*



Student's gathering at Mulkanoor Cooperative Rural Bank and Marketing Society Ltd in Mulkanoor village



The Assistant Manager *Sri. Venu Madhav* explaining the origin and objectives of the rural bank

The Assistant Manager of Mulkanoor Cooperative Rural bank and Marketing Society Ltd Sri. Venu Madhav explained that, with the initiation of Late Sri. A.K. Vishwanatha Reddy this rural bank was established in 1956 at Mulkanoor Village of Karimnagar

District. After District bifurcation the village is in Warangal District. This Cooperative Rural bank covers 14 villages of Warangal district. The villages are

1. Mulkanoor
2. Mutharam
3. Bheemadevarapally
4. Gatla Singapur
5. Kothapally
6. Errabelly
7. Gopalpur
8. Jeelugula
9. Koppur
10. Vangara (Birth Place of former Prime Minister Dr. P.V. Narasimha Rao)
11. Ratnagir
12. Mallaram
13. Kothakonda
14. Musthafapur



The students watching the Short film of Mulakanoor Cooperative Rural Bank Success story

<https://youtu.be/6cA5lgAGJJ0>

Organization Structure of the Rural Bank

The Assistant manager Venu Madhav also explained the Organization structure of the rural bank to the students. Mentioned that the Rural bank was

- Registered under Hyderabad Cooperative Societies Act, 1952 in the year 1956
- Automatically deemed into AP Cooperative Societies Act 1964 after its enactment
- Converted to AP Mutually Aided Cooperative Societies Act 1995 in the year 1995
- General Body consists of all active members, to be convened once in a year
- Managing Committee consists of 15 elected members including president meets at least once in a month
- Ceded to DCCB till 1969 now with SBI

Services of the Rural Bank



Student interacting with the Assistant Manager and knowing the services offered by the bank

The student while interacting with the Manager and bank officials understood the services of rural bank. The following points explain the financial services offered by the bank. The bank encourages the customer to save money for future purposes and lend money for their need. The financial services are in nutshell as follows

- ✓ **Share capital:** Member initial share is Rs 100
- ✓ **Thrift Deposits:** Society is collecting Self imposed deposit on transaction basis from members
- ✓ **Other Deposits:** Fixed deposits, saving deposits and current deposits are accepted by the society from members only
- ✓ **Crop loan:** For various crops Rs 28,000 per acre up to 10 acres interest @7% per annum
- ✓ **Medium term loans:** for the purpose of digging wells, installation of pump sets, laying of pipe lines, sprinklers, drip irrigation, Poultry, Dairy, Sheep rearing, Sericulture, Horticulture, Power tiller, Maize Sheller, Tractor trailer, renovator, Solar lantern, Toilets and LPG gas etc repayment in 3 years /6 seasonal installments
- ✓ **Long term loans:** For the purchase of tractors, paddy plantation machines, harvesters and orchards, repayment in 7 years/14 seasonal installments.
- ✓ **Normal Crop loan:** Additional crop loan is disbursed against shares and thrift deposits held by the members



Students asking their queries regarding the financial services of the bank

After interaction with the Manager, Students were able to understand the banking structure and deposits & loan structure of the bank. Then they interacted with the bank officials and customers to know the complete structure of the bank.



Students visiting the Bank and interacting with the bank officials and customers
(Farmers)



The bank officials explain the other services such as Input supply services and Agric extension services to the students

Input Supply Services

While interacting with the farmers and bank officials, students came to know the input supply services and agriculture extension services provided by the Society. The following services are provided by the society to empower their members. They are

1. Sale of Fertilizers, Pesticides, Seeds at village godown
2. Sale of electrical pump sets and its accessories, sprayers and pipe lines
3. Sale of Petrol, diesel and lubricating oils

The students also visited the training centre for farmers and observed the agriculture and extension services of the society. Agriculture is the main source of livelihood and families in this area grows crops Paddy, Maize and cotton etc. Further villagers herd cows, poultry and goats for additional income. The students observed the following services in the village provided by the society. They are

- Soil testing lab facility
- Advice on crop management & pest control
- Awareness meeting to farmers by eminent scientists
- Conducting farmers field visits for better crop practices



Interacting with the farmer at Farmer's Training centre

Value Addition & Marketing Services

Apart from the financial and agriculture extension services, the society is also providing value addition and marketing services to the farmers. The students also visited the Paraboiled rice mill, 10 seed processing units and Ginning machines & bale pressing units. The society is also providing credit with marketing of member produce. The society also opened rice retail outlets in nearby town.



Students observing the Cotton Ginning Mill as a part of field visit



Cotton transported to the Ginning Mill by the farmers



Welfare Services

The Cooperative society provides welfare services to the members.

- On regular basis the society organizes Health camps/ eye camps and free cataract eye operations for members and animal health camps for animals.
- It also provides merit scholarships for the students of the members.
- Funeral expenses to members/spouses
- Welfare deposit amount (50,000) will be paid to the legal heir of the deceased member



Interacting with the villagers



Special thank to Sai Vardhan Yadav BA II year and his family members for their hospitality and consistent support during the programme

Reasons for Success

After understanding the structure and services of the cooperative society, students observed the reasons for success. They analyzed the failures of other cooperative societies in India. They compared the activities of the Mulkanoor Cooperative Rural Bank and Marketing Society Ltd with other cooperative societies and concluded the following points for the success of the society

1. Transparency in the mechanism
2. Linking credit with marketing
3. No Political and outsider influences in the transactions
4. Small in Size and confined to 14 Villages
5. Active participation of the members
6. Service motive of employees
7. Regular and Strict Repayment
8. Financial discipline
9. Regular meetings/seminars/workshops and agriculture extension activities
10. Support from Government and NGOs

Conclusion:

The entire village visit was done with a purpose to understand concept of “Gram Swaraj” with a holistic perspective. Although initial focus was mainly given to understand the success of Mulkanoor Cooperative Rural Bank and Marketing Society limited. During the entire expedition new things, interaction with the villagers, transit walk and success story of the village inspired every one.

Acknowledgement

We would like to extend our heartfelt gratitude to the Assistant Manager Sri Venu Madhav, Bank officials, Farmers, Cotton Ginning and Paraboiled rice mill staff members for their support and cooperation. We also thank the hospitality of the villagers. Special thank to Sai Vardhan BA II Year and his family for their hospitality and cooperation during the entire programme.



Founder Late Sri A. K. Vishwanatha Reddy Statue



