



Problems of Scheduled Caste Co-operative Societies and their Members: A Qualitative Approach

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Author's contribution

The sole author designed, analyzed, interpreted and prepared the manuscript.

Article Information

DOI: 10.9734/AJAEES/2023/v41i31862

Open Peer Review History:

This journal follows the Advanced Open Peer Review policy. Identity of the Reviewers, Editor(s) and additional Reviewers, peer review comments, different versions of the manuscript, comments of the editors, etc are available here: <https://www.sdiarticle5.com/review-history/97322>

Original Research Article

Received: 01/01/2023

Accepted: 04/03/2023

Published: 06/03/2023

ABSTRACT

The study was conducted to identify the problems faced by Scheduled Caste co-operative societies and their members in Thrissur district. Participatory Rural Appraisal method was employed to collect information from the respondents. Five SC co-operative societies were identified from the district and ten individuals from each society, consisting of five members and five directors, were selected for the study, thus making a total of 50 respondents. Major problems faced by the societies and their members were identified. The study highlights the issues faced by the SC community and shows the need to ensure that the benefits reach the actual beneficiaries. Necessary steps should be taken to increase member participation in the societies. Recruitment policies may be framed accordingly for efficient human resources. Future studies can be undertaken to evaluate the performance of these societies and examine the factors influencing member participation.

Keywords: Scheduled caste community; SC co-operative; problems; members.

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1. INTRODUCTION

A well-defined set of ethics and principles, including "respect for community," form the foundation of cooperatives, which are organisations focused on people and values. Cooperatives are the only organisations with this dual (social + economic) nature, making them the best and only means of ensuring fair distribution. They can adapt to any political structure while supporting a country's commitment to justice, democracy, and sound governance. From the primary cooperatives at the village level to their secondary and tertiary federations at the district, State, and national levels, the cooperative sector has an established, institutionalised network. As a result, they can

access the inaccessible. Cooperatives are the only way to legitimately include the weakest parts of society into an organisation and give them access to work and other possibilities.

The Indian cooperative movement has served as a model for other cooperative movements in the Asia and Pacific region. The Government of India established a new Ministry for Co-operation in July 2021 with the goal of strengthening cooperatives at the grassroots level, streamlining procedures for "ease of doing business," and fostering the growth of multi-state cooperatives after realising the importance of cooperatives as a vehicle for equitable economic development [1].

Table 1. The Key Indicators of SC Co-operative Societies in Kerala from 2009-10 to 2018-19 (Amount in 000's)

Year	No. of societies	Membership	Share capital	Deposits	Working capital	Loans advanced	No. of societies on profit
2009-10	713	476108	61849	168965	525711	47759	77
2010-11	714	537533	73710	128371	563278	70388	125
2011-12	718	564329	73710	161886	577516	76616	212
2012-13	724	566433	73780	161899	517724	74904	64
2013-14	732	567471	74732	181954	580877	87756	29
2014-15	734	559680	92090	302431	913733	174330	58
2015-16	736	526902	93306	443509	1032410	229321	17
2016-17	730	439170	85617	439924	1299811	185490	39
2017-18	731	430846	271678	320317	1548802	244082	24
2018-19	727	478821	291904	615873	1832933	421488	19
Mean	725.9	514729.3	119237.6	292512.9	939279.5	161213.4	66.4
CAGR	0.19	0.06	16.79	13.81	13.30	24.33	-13.06

Source: Compiled from Handbook of Co-operation, Government of Kerala

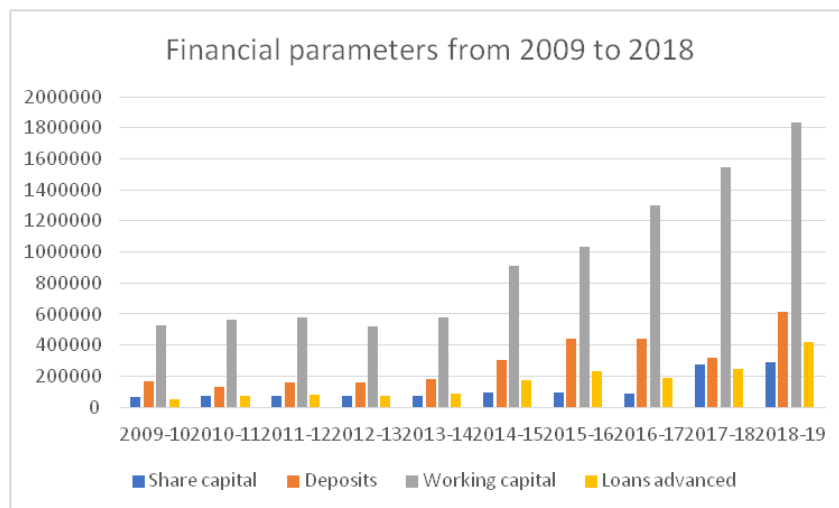


Fig. 1. The Key Indicators of SC Co-operative Societies in Kerala from 2009-10 to 2018-19

Kerala's rural economy has significantly benefited from the cooperative movement. Agricultural credit, the public distribution system, the distribution of agricultural products, health, education, including professional education, housing, agro-processing and development of Schedule Caste and Scheduled Tribe, women's development, and fisheries are just a few of the activities that the State's extensive network of cooperatives engage in.

As of March 31 2022, there were 16,255 co-operative societies registered with the Registrar of Co-operative Societies, spread throughout 70 industries. Among these 16,255 societies, 12,284 are active, 3312 are dormant, and 659 are in the process of being liquidated [2]. Moreover, 7656 cooperative societies were operating under the supervision of functional registrars. These societies are active in the dairy, handloom, fishing, industrial, and coir sectors. In order to promote the socioeconomic advancement of the Scheduled Caste in the State, Scheduled Caste Cooperatives were organised. To improve the living conditions of SC categories' disadvantaged families, the State must promote SC cooperatives. Kerala State Federation of Scheduled Caste and Scheduled Tribe Cooperative Ltd., an apex organisation of primary SC/ST cooperatives, is also working in the State to promote SC/ST communities. State Department of Co-operation implements various projects for supporting the income and livelihood of the families through the cooperatives in the State like share capital assistance, assistance to start training institutes, grants and support for revitalisation [3]. As of March 31, 2021, 371 of the 734 scheduled caste cooperative societies were active. The key indicators of SC co-operative societies from 2009-10 to 2018-19 are given in the Table 1.

The financial indicators like share capital, deposits, working capital and loans advanced of the societies have marked growth from 2009-10 to 2018-19. The number of societies, membership, share capital, deposits, working capital and loans advanced has increased with a cagr of 0.19, 0.06, 16.79, 13.81, 13.30 and 24.33, respectively. The loans advanced shows highest cagr along with the increase in deposits and working capital, and membership shows lowest cagr. From the table, it is inferred that the number of societies on profit (mean=66.4) has declined considerably with cagr of 13.06, which may be pointing towards the lack of awareness

about the professional management of the societies.

2. REVIEW OF LITERATURE

The literature has mainly concentrated on the socioeconomic factors, occupational gap, entrepreneurship and health condition of Scheduled Caste people. There are only few studies related to the SC co-operatives of Kerala to the knowledge of the researcher.

The present system of financing for Scheduled caste entrepreneurship should be strengthened and adequately executed to promote SC entrepreneurship [4].

The ability of these community members to become members of PACS is constrained by financial restrictions. In relation to the SC community, the number of loanees likewise exhibited a significant decrease. The inquiry revealed that the scheduled caste's and tribes' level of empowerment was not adequate [5].

While analysing, It was discovered that scheduled castes in India are exploited economically and socially in every sector after researching their literacy and health status. The numerous measures taken have had significant effects in several areas and have improved the circumstances of this underprivileged population. Nevertheless, individuals have trouble using these services because of their ignorance and occasionally because of social barriers like caste or race. Nonetheless, development groups must continue to investigate various levels of incentives and achieve national social equality in India in order to improve the Scheduled Castes' level of human development [6].

When comparing the occupational gap between SC and Non-SC communities, it was revealed that Compared to non-scheduled castes in the district, scheduled castes have a worse standard of living. Scheduled castes make up a small fraction of the general labour force. They are not benefited from the government's many programmes, despite that. The authors believe that greater attention needs to be placed on improving education, implementing various skill development programmes effectively, governmental regulations, and addressing discrimination in the labour market and wage structure [7].

The authors confirmed that caste distinctions continue to affect significant development outcomes. In rural and urban areas, this underrepresentation in the entrepreneurial sector was pervasive throughout India's major states. The percentage of SC and ST in ownership and job creation has likewise been negligible [8].

When the relationship between caste and access to agricultural finance was investigated, the main conclusion was that banks make distinctions based on caste when offering agricultural credit to different borrowers. Compared to commercial banks, cooperative banks employ more discrimination [9].

The review clearly indicates the lack of studies on SC Co-operative societies. Hence, a humble attempt is made to study the problems of SC co-operatives and SC communities.

2.1 Statement of the Problem

The Scheduled Caste Development Department of the State carries out different programmes for the socioeconomic, cultural and educational development of SC community. Similarly, SC/ST Federation supports the SC co-operatives in the State through various schemes [10]. Though there are 734 Scheduled Caste cooperative societies in the State, only 15% are functioning well. Majority of the societies lack trained people and a permanent secretary. Capacity development through skill development programmes at the individual level and organisational levels is essential. Many societies are unaware of aspects like how to run a society efficiently, how to frame employment generation projects and which are the rules applicable to co-operatives. All those problems identified by the pilot study drove the researcher to conduct a detailed analysis at the ground level. Moreover the number of societies on profit has decreased tremendously as per Table 1 which indicates that there are problems for the societies to meet its enterprise objective. Therefore, the present study is relevant in this context.

2.2 Objectives

The primary objectives of the study are:

1. To identify the problems of SC co-operative societies in Thrissur district.
2. To identify the problems faced by the members of SC co-operative societies in Thrissur district.

3. METHODOLOGY

Exploratory design is used for the study. Participatory Rural Appraisal method was employed to collect information from the respondents. The approach aims to incorporate the knowledge and opinions of people in identifying their problems and suggesting suitable solutions. Five SC co-operative societies were identified from Thrissur district and ten individuals from each society, consisting of five members and five directors, were selected for the study, thus making a total of 50 respondents through simple random sampling.

4. RESULTS AND DISCUSSION

4.1 Description of Respondents

The Table 2 indicates the demographic details of the sample respondents.

Table 2 reveals that out of the total respondents, majority (64%) were females, 56% were from the age group 25-44yrs, most of them (82%) were married, and 36% had an education of plus two. This clearly indicates the relatively higher socioeconomic status of Kerala SC community. More significantly, no one is an illiterate among the respondents selected for the study.

The results of PRA carried out are presented here under the following two sub-headings:

Problems faced by SC Co-operative Societies in Thrissur:

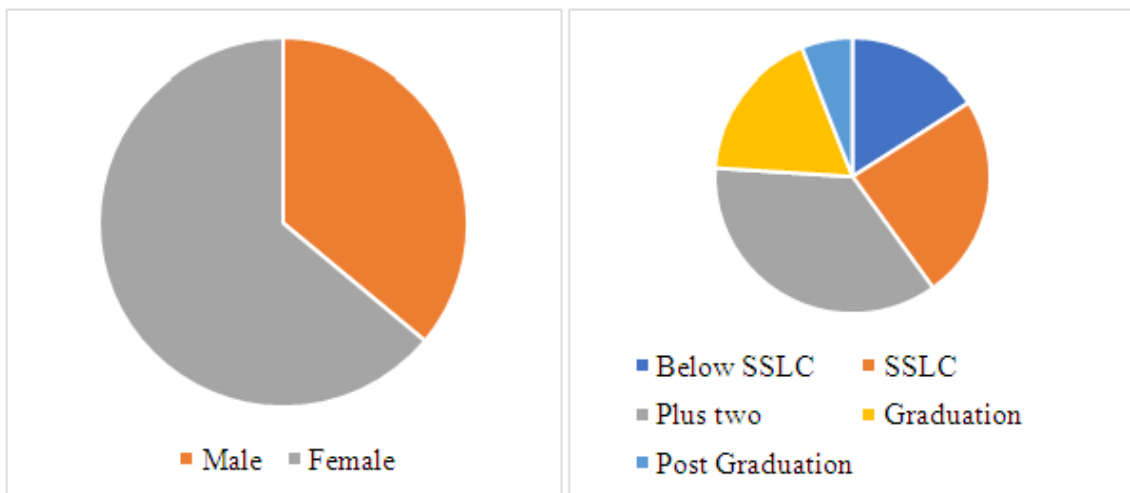
- Lack of working capital was identified as a major problem for the societies. Majority of the SC co-operative societies expressed the need for working capital assistance and various grants in order to meet at least the salary requirements of staff.
- Functional weaknesses were also observed in the co-operatives due to the inefficiency of personnel working in the institution. Some societies were not in a position to appoint their own paid secretary.
- Professionalisation of management was also raised as an issue to be considered, which affects the working of the societies. Selecting a trained person with a sense of dedication will improve the efficiency.
- Lack of awareness regarding co-operative Act, rules and principles was also pointed out by the societies, which causes difficulty in governance and administration.

- Dormant membership was also a problem for the societies as, most of the time, directors find it challenging to run the organisation without the active participation of members in terms of equity contribution, business transactions and democratic process.
- Poor infrastructural facilities like buildings and computers were also another problem faced by the societies.
- Support from the Departmental administration was also poor and the managers faced caste discrimination.
- Inordinate delay in auditing the accounts of co-operative societies was another problem pointed out by one of the societies due to the destruction of records by fire.
- Negligence of non-credit aspects, like conducting awareness and training classes for undertaking income-generating activities, was felt by the societies compared to the support received for credit aspects.
- Absence of a common platform to discuss their problems.

Table 2. Demographic details of sample Respondents

Demographic categories	Frequency N=50	Percentage
Gender		
Male	18	36
Female	32	64
Age		
<25 yrs	13	26
25-34 yrs	2	4
35-44 yrs	13	26
45-54 yrs	12	24
>55 yrs	10	20
Marital Status		
Married	41	82
Unmarried	9	18
Educational Qualification		
Below 10 th std.	8	16
10 th std.	12	24
Plus two	18	36
Graduation	9	18
Post Graduation	3	6

(Compiled from the study)



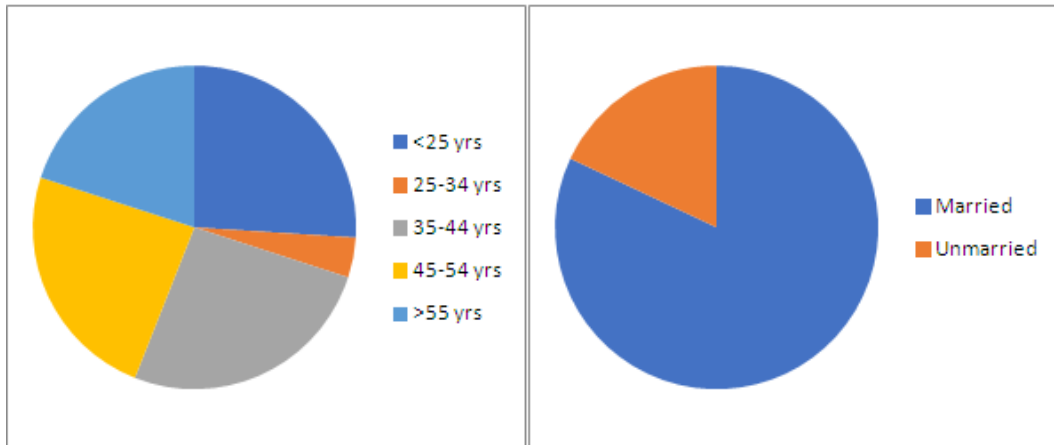


Fig. 2. Demographic details of respondents

Problems faced by the members of SC Co-operative Societies in Thrissur District:

- The lack of orientation programmes for the members on co-operative societies Act, rules and principles was projected as a major problem as it is a pre-requisite for their active participation.
- Lack of employment opportunities for the members of SC co-operative societies to ensure reasonable income.
- The absence of career guidance programmes for the members and their children was another area which required some intervention from the authorities.
- Lack of financial support for productive activities for the members.
- Absence of a platform for members to discuss their problems with departmental officials and find solutions.
- The conflict between Directors with employees affects collective decision making and effective functioning of the organisation.
- No Capacity building programmes are organised and therefore, members lack the skills to identify a business opportunity.
- Low member participation hinders the attainment of the objective of the organisation.
- A feeling of discrimination for the members when they approached certain offices.

5. CONCLUSION

The study was conducted to identify the problems faced by the SC members in general and SC co-operative societies in specific.

Participatory Rural Appraisal was employed to collect information from the respondents. The members explained various discrimination faced by them and their problems. The directors from SC co-operative societies described about the society and its working. Most of them have highlighted the need for establishing a fund for providing salary to the secretary. They also demanded the disbursement of grants, organising an awareness programme on co-operative Act and rules, forming a committee to hear their problems and identifying solutions and job creation. Majority mentioned the inefficient functioning of the departmental administration. Thus the study highlights the issues faced by the SC community and shows that there is a need to ensure that the benefits reach the actual beneficiaries. Majority of the problems pointed out can be rectified by imparting proper knowledge regarding the Act, rules and principles of co-operation to the members and the employees. It will enhance member participation in the societies. The authorities may consider the knowledge, skill and attitude of candidates for recruitment to various positions in the societies. The societies may identify income-generating opportunities for the members, and necessary training can be provided to interested members. They can also organise personality development and career guidance classes for the children of members. The departmental staff may show tolerance in dealing with the members of SC societies. The findings of study provide insights regarding the issues faced and the importance of initiating steps for solving the problems. As service-oriented organisations, co-operative societies must meet the needs of their members for achieving the organisational objective. It will also help in increasing the standard of living of

the scheduled caste members. Future studies can be undertaken to evaluate the performance of these societies and examine the factors influencing member participation

ACKNOWLEDGEMENTS

I am very grateful to God Almighty for helping me to complete the research project on time. I would also like to thank Indian Council of Agricultural Research, who provided the fund for the research project and Kerala Agricultural University for the facilities extended.

COMPETING INTERESTS

Author has declared that no competing interests exist.

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