



ORIGINAL RESEARCH PAPER

Economics

THE FINANCIAL PERFORMANCE OF WMPCS IN MYSURU DISTRICT – AN EVALUATION

KEY WORDS: Women, growth, performance, WMPCs and average annual growth

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ABSTRACT

The cooperative sector in India is playing an important role in the socio-economic transformation and development of the country. These are efficacious units for ameliorating the conditions of weaker sections, especially of women. Women's participation in cooperatives ensures women's empowerment through socio-economic wellbeing. Mysuru is a well-known district in Karnataka state for the cooperative movement. The Princely State of Mysuru had the privilege of starting economically viable cooperatives. To know about the financial performance of WMPCs, this study has made an attempt to examine the growth and financial performance of WMPCs in the Mysuru district with the help of secondary data collected from the WMPCs annual report from 2008-09 to 2017-18. The exponential growth model used to measure the financial performance and the results reveal that there is a significant increase in the growth of the selected variables. Finally, it may conclude that they need to be empowered in a systematic way of approach, transformation is needed for more development in this sector.

INTRODUCTION

The cooperative sector in India is playing an important role in the socio-economic transformation and development of the country. These are efficacious units for ameliorating the conditions of weaker sections, especially of women. Being a people's voluntary organization a co-operative society aims at providing services and resources to its members for organizing economic activities individually or jointly under the society. The co-operative principle of open and voluntary membership empowers women to become members of any type of society in accordance with their needs and interest. Women's participation in the co-operative movement gets an impetus during the post-independence period especially in the sixties, with the diversification of co-operative activities and growing awareness about their conditions a large number of women have volunteered to become members of a co-operative institution so as to improve their socio-economic conditions.

Over the past several decades there has been a growing awareness of discriminatory practices that affect women and prevent them from realizing their full potential as an equal members of society. Although during all these years the co-operative movement has spread far in the ancient soil of our country, which was in any case never, a stranger to the philosophy of co-operation even from the days of the Vedic age has yet to attract increased involvement of the women during the recent years it has expanded manifold and in the fields of the socio-economic activities, it is one of the largest movement in the world with all types of co-operatives.

Further, the need and importance of women's involvement in the co-operative movement have realized for a long. The co-operative planning committee under the chairmanship of Saraiya in 1945, while reviewing the progress of the co-operative movement had observed that one important reason for the low progress of this movement in the country was virtually the absence of women participation. Therefore, the committee strongly felt the need for women's participation in the co-operative movement especially in the field of consumer co-operative, credit co-operative, small and cottage industries, co-operative, dairies, and voluntary health co-operative.

Women's participation in credit co-operative societies is of two types, i.e., they participate in the urban and village credit societies. A considerable member of women employees has joined urban cooperative credit societies in their offices along with men. But a very small number is joining village

service and credit societies. Now they have also established their own bank with exclusive membership and women's, management. With this backdrop, the present paper makes a modest attempt to analyze the growth and financial performance of the WMPCs of the Mysuru district.

OBJECTIVES

Objectives Of The Present Study Are:

- To study the growth of WMPCs in the Mysuru District.
- To examine the financial performance of WMPCs of the Mysuru district.

Hypothesis

- The financial performance of the WMPCs has increased positively in Mysuru district.

METHODOLOGY

The study is both descriptive and analytical in nature and it is prepared by using secondary data. The data are collected from the Annual Reports of Women Multipurpose Co-operative Society (WMCS) in the Selected Districts, Department of co-operation Government of Karnataka for the year from 2007-08 to 2017-18. The Exponential growth model is used to analyse the data and test the hypothesis.

The exponential growth rate is obtained with the help of estimated regression coefficient, subtracting 1 from it and multiplying the difference by 100, as under.

$$Y_t = \beta_0 + \beta_1 t + U_t \text{ ----- (1)}$$

$$Gre = (A.L. \beta_1 - 1) \times 100 \text{ ----- (2)}$$

Where Gre is exponential growth, A. L is anti-log, β_1 is an estimate for all the significance of growth rates and is tested by applying appropriate regression analysis.

Growth And Financial Performance Of Women Multiple Cooperative Societies In Mysuru District

Mysuru is a well-known district in Karnataka state for the cooperative movement. The Princely State of Mysuru had the privilege of starting economically viable cooperatives under the dynamic leadership of Wodeyars. In the decade of 1950s and 60s cooperatives were promoted by the rulers as important sources of credit service to the rural people in the post-independence era. Consumer Cooperatives, Dairy Cooperatives, Urban Cooperatives, Multipurpose Women Cooperatives were established in the district owing to the initiative taken by the founders of the cooperative movement in the district In the decades 1980 and 1990 women

cooperatives, Multipurpose Women Cooperatives, Women Cooperative Banks and other cooperatives were established in order to provide financial support for the economic empowerment of women in the district.

The cooperative movement in the Mysuru district has practically embraced all spheres of human life and the entire district. The cooperatives have become very active and useful sources of credit service in urban and rural areas of the district. The Women Multi-Purpose Cooperative Societies (WMPCS) were developed in the Mysuru district on a priority basis by the administrators.

Table -1: Growth Of Women Multiple Cooperative Societies In Mysuru District

Year	Membership	Share Capital	Working Capital	Deposits	Loans and Advances	Net Profit
2008-09	7000	166.53	14165.75	11791.02	8602.51	65.32
2009-10	7645	181.21	14991.09	12246.74	9008.85	67.30
2010-11	8997	191.94	15149.7	12866.79	9217.58	75.24
2011-12	9703	196.56	15843.77	13075.76	9577.74	89.64
2012-13	10973	208.6	16215.96	13361.13	9835.76	98.05
2013-14	12433	120.8	17201.18	13875.02	10031.94	105.44
2014-15	16092	231.03	17707.03	14072.32	10237.27	116.72
2015-16	16875	241.56	19092.01	14494.28	6474.25	124.36
2016-17	18360	251.87	19659.86	15420.9	11448.1	139.85
2017-18	20390	264.89	20076.13	16083.84	12650.26	154.31
Total	128468	2054.99	170102.5	137287.8	97084.26	1036.23

Source: Office of the Joint Registrar of Co-operatives, Mysuru and Taluk Co-operative Office.

Table 1 clearly represents the growth and performance of WMPCs in terms of members, share capital, working capital, deposits, and net profits during the reference period 2008-09 to 2017-18. As mentioned in the table, there were about 7000 members in souharda and non-souharda women cooperatives in 2008-09 which has increased to 20390 in the year 2017-18. Whereas, the share capital of WMPCs in 2008-09 was 166.53 lakh which has increased to 264.89 lakh during 2017-18. Similarly, the working capital was 14165.75 lakh which has increased drastically to 20076.13 lakh in the year 2017-18. Like-wise there were 11791.02 deposits in the year 2008-09 which has risen to 16083.84 in 2017-18. The loans and advances are concerned, in 2008-09 8602.51 lakh loans and advances which has reached to 12650.26 lakh in the year 2017-18. Finally, the growth of net profit also very significant during the reference period, the net profit was 65.32 lakh in 2008-09 which has increased significantly to 154.31 lakh in the year 2017-18.

On the whole, there is a significant growth in WMPCs in terms of membership, share capital, working capital, deposits, loans, and advance, and the net profit during the reference period.

The Financial Performance Of The WMPCs Of Mysuru District

The financial performance of WMPCs is measured with the help of secondary data of WMPCs. The major variable like share capital, loans, and advances, and net profit of the

WMPCs are selected to analyze the financial performance of the WMPCs. Here the study has used the exponential growth model to measure the performance and the same procedure is carried out to test the hypothesis of the present study in detail. The main reason for selecting the above three indicators to measure the financial performance is they are considered as the main and important indicators which determine the turnover and the financial status of the WMPCs more clearly. The analysis regarding the financial performance of WMPCs is discussed below.

Table -2: Results Of The Average Annual Growth

Model Summary and Parameter Estimates							
Dependent Variable: Share Capital							
Equation	Model Summary					Parameter Estimates	
	R Square	F	df1	df2	Sig.	Constant	b1
Exponential	.556	4.397	1	8	.069**	156.054	.046
	Dependent Variable: Working Capital						
	.986	573.681	1	8	.000*	1.357E4	.040
Dependent Variable: Net Profit							
	.991	839.825	1	8	.000*	57.973	.098

*denotes 1 percent level, ** denotes 10 percent level of alpha

The results of the exponential growth model are presented in table 2. As indicated in the table, the average annual growth of share capital of WMPCs of Mysuru district is 4.6 which is statistically significant at 10 percent level with the R square value of 0.556. The F value of the model is 4.397. Whereas, the average annual growth of working capital is 4 which is statistically significant at 1 percent level with the R squared value of 0.986. The F value of the model is 573.681. Similarly, the average annual growth of net profit of the WMPCs of Mysuru district is 9.8 which is statistically significant at a 1 percent level with the R squared value of 0.991. The F value of the model is 839.825.

It is revealed from the above analysis that the average annual growth of share capital, working capital, and the net profit of WMPCs of Mysuru district is very significantly increased. Therefore the hypothesis, i.e., the financial performance of the WMPCs has increased positively in the Mysuru district is accepted and the null hypothesis is rejected.

Summary

Women co-operative societies are the unique co-operatives which are established in for targeting specific goals. Nearly 62% of the people in India as well as in Karnataka are living in rural areas and the movements like co-operatives are very less concentrated in these areas. The women in rural areas have been most disadvantaged because of the male-dominated society. They have all the potentials but lack the support and a movement of their own. The women's co-operative societies are promising strategies to empower women in all the spheres of life. The role of women in co-operative is not apparent that of men. However, these souharda and non-souharda women cooperatives of the Mysuru district are playing a tremendous role in improving the wellbeing of their members as well as the economy of the district. To know the performance of souharda and non-souharda societies in the Mysuru district, the study makes a modest attempt to examine the performance of both women cooperatives comparatively with the help of the exponential growth model. The results of the model reveal that the growth and financial performance of WMPCs are significant in terms of membership, deposits, working capital, loans and advance, and the net profit. The financial performance is concerned especially; the average annual growth is very significant. However, the growth and performance of WMPCs in the Mysuru district are really massive, and such women's cooperative societies have been contributing to the economy in a big manner. Hence, they need to be strengthened in a way of structural renovation to boost the rural economy, so that the empowerment of women is accomplished.

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