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Set - II
53938

50

Answer Key Set II

Q. 1 A)

- 1) Eliminates middlemen
- 2) Unlimited interest on capital
- 3) Mixed
- 4) Limited
- 5) To provide marketing assistance
- 6) 1992
- 7) Block
- 8) All the above
- 9) Small
- 10) All of above

B) Clarity of concept to the satisfaction of the examiner

Q.2)

- A. An association of persons, an enterprise, voluntary association, service objective, democratic management, equality, part of socio economic movement, goal of general good of society.
- B. Economic benefits: elimination of middle men, service to poor, control of monopoly, stops unfair trade practices, protects consumers etc); Educational benefits(teaches values in life, rights and responsibilities, democratic principles and practices.
- C. Better distribution, Control of monopoly, discourages labour unrest, mobilization of capital, promotes social welfare, modernization of agriculture, rural prosperity, employment generation etc.

Q. 3)

- A. Inadequate supply of raw materials, price fluctuations, inadequate working capital, lack of trained managerial staff, time lag in installation, Inadequate planning, political interference, not benefiting the weaker sections etc
- B. Supply of essential items, eradication of malpractices, elimination of middlemen, ensuring quality of products, inculcating the habit of saving and economy etc.
- C. Objectives: provide tools, take contact of works, provide regular employment to members, to impart training, promote mutual understanding, to improve bargaining power etc. Problems: Lack of continuity in work, competition from pvt. Contractors, unfavorable attitude of govt. officials, shortage of share capital, lack of expertise, corrupt leadership etc

Q.4)

- A. Provide inputs to members, financial aid, supervise use and recovery of loans, encourage thrift, provide storage facility, act as financial intermediary etc.
- B. Restructure cooperative credit, legal and institutional reforms, make available financial assistance for , make cooperative banks on par with commercial banks, recommendations on RBI's role, recommendation on the role of NABARD etc.
- C. A brief description of the meaning and functions of farmer's Service Societies to the satisfaction of the examiner.

Q. 5)

- A. To finance cooperative credit societies in the district, to act as a clearing house, to provide safe avenues of investment to primary credit societies, to encourage thrift, to

(p 70)

02

23/28

1

collects savings from members, to develop cooperative movement in their respective districts etc.

- B. Provide leadership to co-op movement in state, link co-op institutions with money market, prepare forecasts and reports, regulate central co-op. banks, provide finance to central co-op. banks, help formulate state policy on cooperation etc.
- C. (i) Apex LDB and Primary LDB working at the Village level, (ii) The LDB disbursing loans through its own branches, (iii) Central LDB and its branches disbursing loans through primary LDBs