

①

Q.P. Code - 63788

Answer Key Set I

Q. 1 A)

- 1) Maximum profit
- 2) Reducing the standard of living of members
- 3) Mixed
- 4) Limited
- 5) 1904
- 6) Village
- 7) All the above
- 8) District
- 9) Provide long term agricultural loans to members
- 10) Small

B) Clarity of concept to the satisfaction of the examiner

Q. 2)

- A. Voluntary and open membership, Democratic control, limited interest on capital, self help and mutual help, political and economic neutrality, distribution of surplus etc.
- B. Political benefits: Encourages local leadership, education on self govt, democratic decision making, better citizens, develops responsibility. Educational benefits: Teaches values in life, training on democracy, education on rights and responsibilities etc.
- C. Role in economic equality, balanced development, prevents exploitation, democratic planning, removes the weaknesses of market mechanism, incentives to productive forces etc.

Q. 3)

- A. Progress during various plans, important measure by the govt. to develop the sector.
- B. Decentralization of industries, use of by-products, reduces unemployment, lower cost, socio-economic changes etc.
- C. A brief write up on the origin, importance and role played by Dairy Cooperatives in the the country, to the satisfaction of the examiner.

Q. 4)

- A. A brief explanation of relevance, working and problems to the satisfaction of the examiner.
- B. Provide inputs to members, financial aid, supervise use and recovery of loans, encourage thrift, provide storage facility, act as financial intermediary etc.
- C. 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.

Q. 5)

- A. Functions: 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.
- B. Provide credit, clearing house function, safe investment avenues to primary societies, develop banking facilities in the district, encourage thrift, develop cooperative movement on sound lines 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