

# 48<sup>th</sup> Annual Report

## 2022-23



Sahavikasa/CDF

### **Cooperative Development Foundation**

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## Board of Trustees as on 31.03.2023

1. **Smt K Jayaprada** President;  
President  
Narsampet Association of Women's Thrift Cooperatives
2. **Smt A Revathi** President;  
Treasurer  
Kothakonda Association of Women's Thrift Cooperatives
3. **Smt K Dharmavathi** Former President;  
Mandapalli Association of Women's Thrift Cooperatives
4. **Smt V Bhagyamma** President;  
Bollikunta Association of Women's Thrift Cooperatives
5. **Smt J Devika** Former President;  
Uduthagudem Women's Thrift Cooperative
6. **Smt G Aruna** Former President;  
Husnabad Association of Women's Thrift Cooperatives
7. **Smt A Ramadevi** Former President;  
Shankarapatnam Association of Women's Thrift Cooperatives
8. **Smt P Aruna** Former President;  
Huzurabad Association of Women's Thrift Cooperatives
9. **Smt M Uma** Former President;  
Elkathurthy Association of Women's Thrift Cooperatives
10. **Smt G Vimala** President;  
Rajagopalpet Association of Women's Thrift Cooperatives
11. **Smt R Rani** President;  
Madikonda Association of Women's Thrift Cooperatives
12. **Smt E Vijaya Lakshmi** Executive Officer;  
Sangam Laxmibai Vidyapeet

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# Cooperative Development Foundation

Hanamkonda, Telangana

## 48<sup>th</sup> Annual Report: 2022-23

(1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023)

In 1975, some volunteers, with an intention to strengthen the cooperative movement, formed Cooperative Development Foundation, (CDF) for the development of cooperative societies. CDF is popularly known as Sahavikasa. This has been registered under Andhra Pradesh Societies Registration Act 2001. Sahavikasa believes that cooperative societies are good instruments for the integrated development, i.e. Social and Economical development, of villages. A team of volunteers, not more than twelve, runs the Sahavikasa. It is a non-profit organisation.

### **Aim**

Sahavikasa works for the promotion of an environment in which cooperatives flourish as decentralised, democratic, self-help and mutual aid associations, effectively harnessing and fostering local resources - in consonance with the Statement of Cooperative Identity, as formulated by the International Cooperative Alliance (ICA) in 1995, affirmed by the United Nations (UN) in 2001 and the International Labour Organisation (ILO) in 2002.

### **Sahavikasa-Cooperative Act**

The concept of cooperation is an integral part of undivided families and traditional rural organisations in India. However, it gained official recognition in India after the introduction of Credit Cooperatives Act 1904 by the then earst while British Government.

Andhra Pradesh Cooperative Societies Act 1964 (APCS Act 1964) was introduced in united Andhra Pradesh. Prior to that, there were two cooperative laws in existence in the state which were introduced one by British Government and the other by the Nizam, prior to independence of India, as some part of the state was under Madras presidency and other part under Nizam's rule. Sahavikasa

was strongly determined to bring in a conducive external and internal environment for the cooperatives to flourish in. With a view to encourage self reliance, self governance and democracy in cooperatives, it requested the government to introduce changes in APCS Act 1964 as to reflect accountability in the Act. Sahavikasa drafted a Model Cooperative Bill on the request of Planning Commission of India. This became a basis for discussion by the BrahmaPrakash Committee. AP Government introduced a Bill on the basis of the reports of the BrahmaPrakash Committee (1991) and the Ramakrishnaiah Committee (1994). This Bill came into existence as Andhra Pradesh Mutually Aided Cooperative Societies Act 1995 (APMACS Act 1995). This Act can also be termed as a liberal or parallel law. The uniqueness of this Act is it is the first parallel law on the subject of cooperation in the whole of the world and the credit goes to Andhra Pradesh for its Promulgation. This act is also considered to promote practice of cooperative philosophy in its truest sense, to a large extent. CDF played a significant role in the drafting of this MACS Act.

Sahavikasa also encouraged those states in Indian Union, which were desirous of introducing a parallel cooperative law in their respective states, basing APMACS Act 1995 as a Model. For such states, Sahavikasa drafted Referential Bill 2001.

## **Sahavikasa - Cooperatives:**

In the view of Cooperative principles, the purpose of establishing cooperative organisations is the upliftment of their members' living standards - both economic and social, and provide equal opportunities to all, through these organisations. Women in rural areas, by nature are thrifty and have the habit of savings. Sahavikasa ushered the process of formation of thrift cooperatives and associations for women, so that they could come forward and take up the reins. Likewise, Sahavikasa promoted men's thrift cooperatives- in all 561 cooperatives have been promoted in around 300 villages. All These cooperatives are commonly known as Swakrushi Cooperatives.

## **Sahavikasa's activities in fulfilment of its aim during 2022-23:**

- Promoted and encouraged Swakrushi cooperatives under MACS Act in its field work area in Telangana.
- Provided training to the representatives of other organisations belonging from the non-field work area - people those who came to study the Swakrushi Cooperative concept and methodology.

Briefly presented in this report are the activities carried out by different divisions in Sahavikasa and the performance of Swakrushi Cooperatives associated with Sahavikasa.

### **1. Thrift Cooperatives**

Women and men in rural areas in Warangal Urban & Rural, Karimnagar, Janagama, Siddipet districts have formed Thrift Cooperatives (TCs) with the help of Thrift Cooperatives Network Division (TCND) in Sahavikasa. TCND extends appropriate guidance and training to the TCs. The main intents of the TCs are as follows:

- To provide an opportunity in rural areas to make compulsory thrift, recurring deposit, fixed deposit and savings account.
- To obtain loans against compulsory thrift, recurring deposit and fixed deposit for financial needs.
- To lead an independent life in old age without support of others by saving one day's earnings in a month.

The financial year of the thrift cooperatives (TCs) and association of thrift cooperatives (ATCs) starts on 1 January and ends on 31 December. As on 31 December 2022, there were total of 561 thrift cooperatives (TCs) comprising 329 women's thrift cooperatives (WTCs) and 232 men's thrift cooperatives (MTCs). There was a total membership of 2,61,476 consisting of 1,52,398 women and 1,09,078 men. These TCs by having formed into 50 associations of thrift cooperatives comprising 29 associations of women's thrift cooperatives (AWTCs)

and 21 associations of men's thrift cooperatives (AMTCs), they are extending services to their respective members.

## **Ordinary General Meetings (OGMs) in ATCs**

Board members of the respective ATCs shall conduct OGMs of ATCs by 30 November in accordance with the byelaws. As such all the ATCs out of 50 have not conducted their OGMs.

## **Annual General Meetings (AGMs) in TCs**

As on 31 December 2022 there were 561 TCs in 50 ATCs. In accordance with the byelaw TCs have to conduct their AGMs within 3 months after completion of financial year. As on 31 March 2023, 554 TCs have conducted their AGMs. Remaining 7 TCs could not conduct their AGMs due to the following reasons:

1. No transactions were held in TCs.
2. Not discharged duties by the board members of TCs.
3. Not completed final accounts by the accountants of TCs.

Representatives from Sahavikasa participated in as much as 45 AGMs consisting that of 33 WTCs and 12 MTCs. They brought important points to the notice of members in annual reports submitted by the board members in TCs and ATCs. They explained about the methods of swakrushi thrift movement, defaulters and self-fostering of insurance schemes.

## **Annual General Meetings (AGMs) in ATCs**

50 ATCs were conducted their AGMs by the end of 31 March 2023. Representatives from Sahavikasa participated in these AGMs. Elections for the vacancy for President were held by secret ballot in 8 AWTCs, 5 AMTCs total of 13 ATCs where there were more than 1 contestant. Like wise, elections for the vacancy for Vice-President were held by secret ballot in 3 ATCs consisting of 3 AMTCs where there were more than 1 contestant.

## **Elections in TCs**

Elections for vacancies for Board of Directors were held by secret ballot in 67 TCs consisting of 15 WTCs and 52 MTCs where there were more than 4

contestants as against 4 vacancies in accordance with the byelaws on rotational basis. In the same way, elections for the vacancy for President were held by secret ballot in 35 WTCs and 48 MTCs total of 83 TCs where there were more than 1 contestant. Likewise, elections for the vacancy for Vice-President were held by secret ballot in 27 TCs consisting of 5 WTCs and 22 MTCs where there were more than 1 contestant.

Representatives from ATCs and representatives from Sahavikasa acted as election-officers in the elections of TCs and ATCs respectively by conducting the election process in a democratic way.

### **Interest Received from Members on Loans, Bonus Paid to Members by TCs**

From the inception of TCs, members are gradually decreasing the rate of interest to be paid on loans on the basis of the own funds of the TCs. Likewise, bonus to be paid to members is also changing every year.

### **Table showing the rate of interest on loan collected from members and percentage of bonus given to members in 2021 and 2022:**

Rate of interest on loan	2021							2022						
	No of TCs	Members	Percentage of Bonus					No of TCs	Members	Percentage of Bonus				
			0	1-5	6-8	9-11	12-14			0	1-5	6-8	9-11	12-14
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
18%	29	7,512	6	13	9	0	1	24	6,299	6	9	8	1	0
12%	441	2,00,951	24	164	158	89	6	410	1,80,398	15	159	162	69	5
9%	86	49,470	0	29	53	4	0	127	74,779	1	43	68	15	0
<b>Total</b>	<b>556</b>	<b>2,57,933</b>	<b>30</b>	<b>206</b>	<b>220</b>	<b>93</b>	<b>7</b>	<b>561</b>	<b>2,61,476</b>	<b>22</b>	<b>211</b>	<b>238</b>	<b>85</b>	<b>5</b>

- In 2021, 5% of TCs collected 18% interest on loan whereas it was decreased to 4% of TCs in 2022.
- In 2021, 79% of TCs collected 12% interest on loan whereas it was decreased to 73% of TCs in 2022.
- In 2021, 15% of TCs collected 9% interest on loan whereas it was increased to 23% of TCs in 2022.

## Table showing the percentage of Interest on Compulsory Thrift given by ATCs to its respective TCs in 2021 and 2022:

Rate of Interest on Loan	2021						2022					
	Total ATCs	No of ATCs	Percentage of Interest				Total ATCs	No of ATCs	Percentage of Interest			
			2-3	4-6	7-9	10-12			2-3	4-6	7-9	10-12
1	2	3	4	5	6	7	8	9	10	11	12	13
11%	49	49	18	12	12	7	50	50	30	12	6	2

- In 2021, 49 ATCs out of 49 ATCs paid Interest to its respective TCs.
- In 2022, 50 ATCs out of 50 ATCs paid Interest to its respective TCs.
- ATCs are collecting 11% of interest on loan when TCs take loans. Whereas in 2022, 2 ATCs were able to give interest on compulsory thrift to its member TCs more than 10%. The reasons for this were:
  1. Utilised the funds in giving loans.
  2. Invested the unutilised funds in Banks as fixed deposits.

## Trainings

Methods are formulated to solve the problems faced in cooperatives. These methods are termed as 'Swakrushi Methods'. Trainings are useful in developing the understanding on these methods. Keeping in view of this, Sahavikasa is extending trainings to the representatives of TCs and ATCs. Sahavikasa gave trainings to the representatives of swakrushi TCs and ATCs on computerisation of cooperatives' accounts, etc. This year 59 training programmes were conducted in 94 days at training centre. The participants were of the opinion that it would become easier to manage the cooperatives with the knowledge on implementation of swakrushi methods by these trainings.

## Insurance Schemes:

As the members funds in swakrushi cooperatives are rising, the eligibility on loan is also increasing. ATCs are running Abhayanidhi Scheme and Group



Fund Scheme to protect family members of the deceased member, guarantors and cooperatives from loss in cases where a member obtains loan and passes away before he/she fully repays the loan amount. These schemes are beneficial in recovering loan when a member dies.

## **Computerisation**

As on 31 December 2022 a total of 40 ATCs comprising 23 AWTCs and 17AMTCs got their accounts computerised. In these associations, there were total of 458 TCs consisting of 269 WTCs and 189 MTCs. Among these, total of 441 TCs consisting of 263 WTCs and 178 MTCs got their accounts computerised. A total of 402 TCs consisting of 237 WTCs and 165 MTCs purchased computers and got their accounts computerised and of the 39 TCs comprising 26 WTCs and 13 MTCs got their accounts computerised through their respective association's computers. And the remaining 17 TCs consisting of 6 WTCs and 11 MTCs accounts could not computerised.

To improve the transparency in the accounts of the computerized cooperatives, 40 ATCs comprising 23 AWTCs and 17 AMTCs were introduced computerized receipt printers. Among these, a total of 404 TCs consisting of 239 WTCs and 165 MTCs are issuing computerized receipts to the members on their transaction along with the dues payable. With this facility, members can know loan outstanding balances of their accounts and this also helps to control the forged loans.

## **New Software**

As on 31 December 2022 a total of 230 TCs consisting at 125 WTCs and 105 MTCs got their accounts computerised with New Software.

Accounts can be correctly and timely maintained if the accounts are computerised in TCs and ATCs. Apart from this, progress of the cooperatives can easily be evaluated. With this evaluation, planning can be designed to run the cooperatives substantially.

## 2. Training Programmes

Training programmes are being conducted at Sahavikasa for representatives of cooperatives under Sahavikasa's field work area and visitors from Sahavikasa's non-field work area who come to study swakrushi cooperatives. During the year 2022-23, the training programmes, workshops and study visits were as follows:

<b>Division</b>	<b>Participants</b>	<b>Programmes</b>
1. Thrift Cooperatives	2,899	79
2. Administration & Finance	121	7

Latest training equipment is being provided for convenience for those who conduct training programmes. During the year 2022-23 on an average of 7 programmes were conducted per month and it was occupied for 7 days per month with 35 participants each.

## 3. Administrative Activities

During the year 2022-23, the Board of Trustees met 4 times, wherein the trustees gave advice and guidelines on Sahavikasa activities and took decisions. Manager met with Development Officers every month and shared activities of their respective divisions, discussed the remedial measures taken and gave advice and guidelines for carrying out Sahavikasa's activities meaningfully and expeditiously.

Sahavikasa conducted 'Annual Conventions of Swakrushi Cooperators' with all the presidents of thrift cooperatives under Sahavikasa's field work area. In these conventions, the cooperators shared their experiences in carrying out the cooperatives.

## 4. Financial Activities

During the year 2022-23 of the total expenses of Sahavikasa met from its own activities.

Sahavikasa's expenditure during the year was Rs 102 lakhs was used for Sahavikasa's activities. During the year, Sahavikasa's income was Rs 123 lakhs and excess of income over expenditure was Rs 21 lakhs.

Monthly internal audit was done under supervision of Sahavikasa's Board of Trustee for ensuring transparency in accounting and in order to serve as a check for detecting errors. The annual statutory audit was done by CA Raju Koyyala, Chartered Accountant, Warangal. Financial returns were filed with the Department of Income Tax.

### Cooperative Development Foundation, Hanamkonda Concise Balance Sheet as on 31-03-2023

2021-22	Liabilities	2022-23	2021-22	Assets	2022-23
1	2	3	4	5	6
10,46,87,331	1. Capital Fund	11,94,73,406	2,14,84,665	1. Fixed Assets	2,14,78,665
1,61,85,404	2. Cooperative Revolving Fund	1,61,85,404	15,38,83,446	2. Investments & Deposits in Banks	16,73,33,446
1,68,00,000	3. Cooperative Education Fund	1,68,00,000	60,95,005	3. Other Receivables	89,93,620
			46,14,534	4. Cash & Bank balances	44,27,795
3,92,74,189	4. Other Funds	3,97,03,234			
4,51,205	5. Payables	5,42,650			
63,01,646	6. Loans	51,50,957			
23,77,875	7. Corpus Fund	43,77,875			
<b>18,60,77,650</b>	<b>Total</b>	<b>20,22,33,526</b>	<b>18,60,77,650</b>	<b>Total</b>	<b>20,22,33,526</b>

**Concise Income & Expenditure Statement: 2022-23**  
(From 01.04.2022 to 31.03.2023)

2021-22	Expenditure	2022-23	2021-22	Income	2022-23
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
73,00,798	1. Fieldwork, Training etc.	84,99,634	51,125	1. Contributions from visitors	10,600
19,40,669	2. Administration	13,23,901	67,28,084	2. Interest from Banks	77,35,585
4,94,921	3. Depreciation	4,29,045	43,53,930	3. Miscellaneous Income	45,98,556
13,96,751	4. Excess of Income over expenditure	20,92,161			
<b>1,11,33,139</b>	<b>Total</b>	<b>1,23,44,741</b>	<b>1,11,33,139</b>	<b>Total</b>	<b>1,23,44,741</b>

**Note:** Audited, detailed statements of Receipts & Payments, Income & Expenditure and Balance Sheet will be made available immediately on request.

# Sahavikasa Staff

(as on 31.03.2023)

## Thrift Cooperatives Network Division

1. K Lakshman, Manager
2. G Rajasree, Development Officer
3. Ch Sumalatha, Development Officer
4. Ch Ravinder, Development Officer
5. P Naveen, Development Officer
6. P Kavitha, Development Officer
7. S Vijay Kumar, Computer Officer
8. G Swapna, Desk Officer
9. Ch Mohan Rao, Development Assistant
10. D Eshwar, Development Assistant
11. M Manjula, Development Assistant
12. U Bhaskar, Development Assistant
13. A Jyothi, Development Assistant
14. L Sravanthi, Development Assistant
15. K Rajasri, Development Assistant
16. Ch Srinivas, Computer Assistant
17. D Thirupathi, Computer Assistant
18. K Sridhar, Computer Assistant

## **Administration & Finance**

19. B Sumalatha, Accounts Officer
20. P Shobha Rani, Office Attendant
21. I Murali, Office Driver
22. T Swarupa, Office Attendant
23. M Lalitha, Office Attendant

## Statement on the Cooperative Identity

### Definition

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

### Values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

### Principles

The cooperative principles are guidelines by which cooperatives put their values into practice.

**1<sup>st</sup> Principle: Voluntary and Open Membership:** Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

**2<sup>nd</sup> Principle: Democratic Member Control:** Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote), and cooperatives at other levels are also organised in a democratic manner.

**3<sup>rd</sup> Principle: Member Economic Participation:** Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

**4<sup>th</sup> Principle: Autonomy and Independence:** Cooperatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

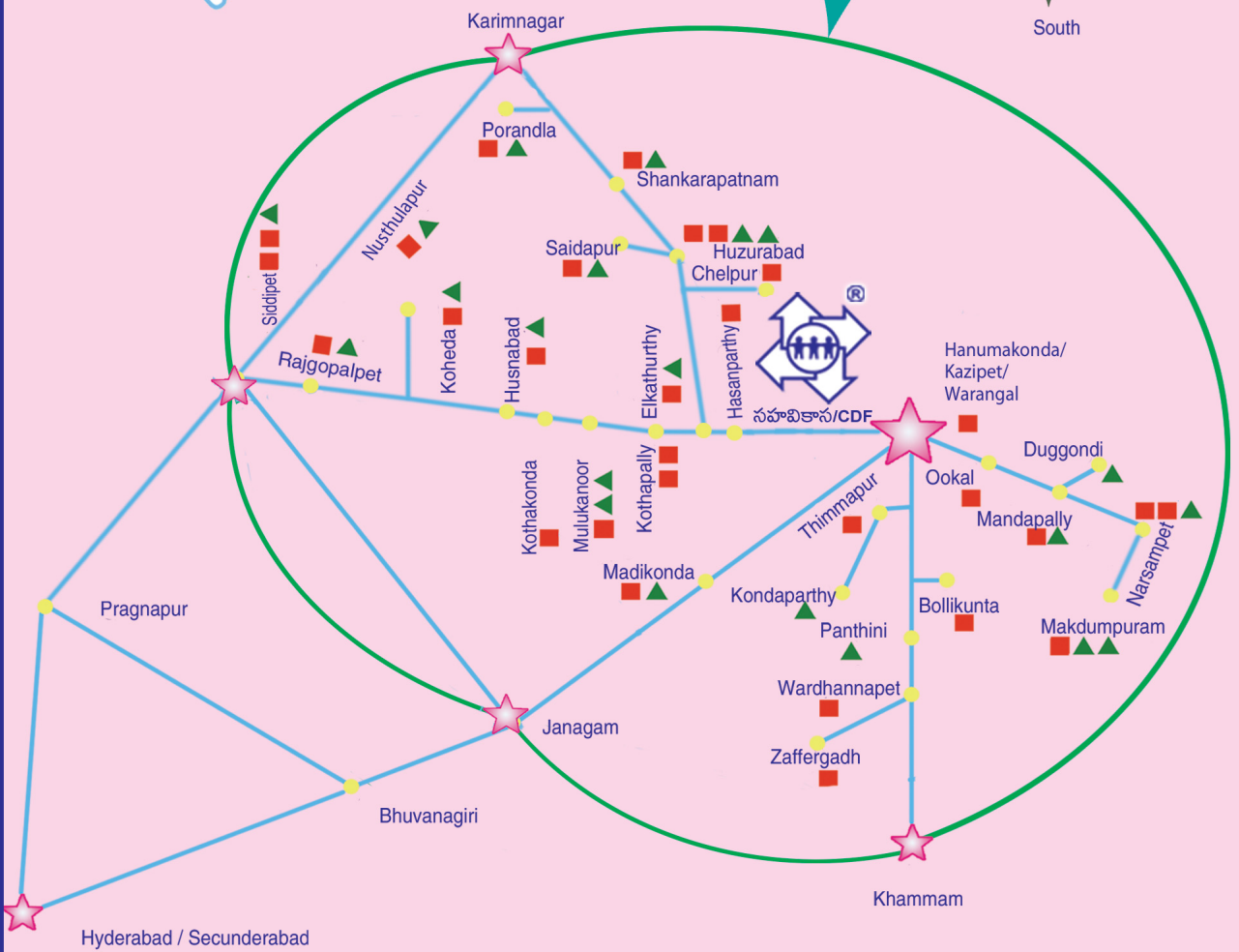
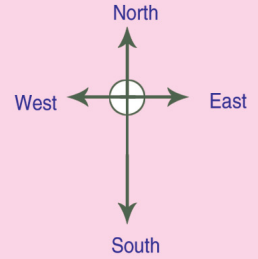
**5<sup>th</sup> Principle: Education, Training and Information:** Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public – particularly young people and opinion leaders - about the nature and benefits of cooperation.

**6<sup>th</sup> Principle: Cooperation among Cooperatives:** Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

**7<sup>th</sup> Principle: Concern for Community:** Cooperatives work for the sustainable development of their communities through policies approved by their members.

*[Approved by the 31<sup>st</sup> International Cooperative Congress and by the General Assembly of the International Cooperative Alliance, held at Manchester, England, on 20-23 September 1995]*

# Field work area of Swakrushi Cooperative Movement



- Association of Women's Thrift Cooperatives - 29
- ▲ Association of Men's Thrift Cooperatives - 21