



**ORIGINAL ARTICLE**

**Performance of Mutually Aided Co-operative Societies (MACS): An Analytical Study**

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**ABSTRACT**

*The income generation is more in the field of business and services compared to other activities. Further, the performance of non-agricultural labourers and rural artisans is better in compared to other. The study shows the positive relationship between family income and profits generated from the ventures. Thus, MACS scheme in the rural areas of late acting as a springboard in uplifting rural folk. Therefore, it is need of the hour that government should implement these schemes at the grass root level by involving women particularly from vulnerable sections. The above study is an example and it can be followed in other areas of backward regions in empowering economic status of women.*

**Key words:** Co-operative Society, Mutuality, Analysis

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**INTRODUCTION**

The Union Government in September, 1982, launched Development of Women and Children in Rural Areas (DWCRA) on a policy basis as a sub scheme of the IRDP. Its aim is to empower rural women living below poverty line (BPL) by way of organizing them to create sustainable income generating activities through self employment. Another unique feature of this programme is that it emphasizes group activity. In the long run, women's empowerment depends on the creation of a movement that promotes awareness and self reliance.

Self Help Group movement in India under DWCRA is one of the fastest growing micro-finance programmes for rural women in the world. There are two ways for SHGs to achieve broader economics of scale. Linkages or federations a form of networking. Linkages with commercial banks and other financial institutions have been well documented. Federating is an alternative to a linkage where every tier within the system is owned directly by its members and member groups. A federation is a net work of primary or first tier organizations such as SHGs. Primary organizations may federate to realize economies of scale or to gain strength as an interest group (Nair, 2005). In many cases, SHGs are promoted under a government program or by an NGO to cluster into federations including a number of villages in the same area, typically in a 10-25 km radius. These cluster federations also be registered under the Andhra Pradesh Mutually Aided Co-operative Societies (APMACS) Act, 1995. Members of the SHGs should be individually registered as a member of the federal body, or MACS.

**OBJECTIVES OF THE STUDY AND RESEARCH DESIGN ADOPTED**

The study aims to examine the income generation from the ventures of SHG members under MACS and ii) identify the factors that are responsible for its efficient functioning of ventures. The study is based on the primary data collected through a field survey conducted in Warangal District of Andhra Pradesh. All together 250 beneficiaries are selected from five mandals i.e. Parvathagiri, Narsampet, Thorrur, Rayaparathi and Jangaon. The women belonging to various occupations have been beneficiaries and they selected and started different types of ventures, in the categories of industries, business, finance (money lending), agriculture and allied activities. The ventures are such as flour mill, hand crafts, basket making, beeruva manufacturing, welding shop flower bouquet making, pan shop, coconut shop, medical shop, chicken centre, agriculture, dairy form, money lending etc.

The members of SHGs registered under MACS to uplift the living conditions of women through income generating activities. Hence we have collected the data on their income generations from MACS ventures and influence of socio-economic factors that are responsible to success of the ventures (i.e. generating profits).

The success of any income generating programme lies in its ability to attract young people. The relationship between the age of the respondents and the income earnings from venture is placed in Table - 1.

**Table 1:** Monthly Income from ventures of MACS and Age

Age/ Income	Below -20	20-30	30-40	40-50	50-60	Above- 60	Total
Below-2000	01 (50.0)	04 (7.0)	03 (2.6)	02 (4.6)	02 (6.6)	01 (16.6)	13 (5.2)
2000-4000	--	11 (19.2)	23 (20.5)	12 (27.9)	08 (26.6)	04 (66.6)	58 (23.2)
4000-6000	--	29 (50.8)	47 (41.9)	20 (46.5)	12 (40.0)	01 (16.6)	109 (43.6)
6000-8000	--	10 (17.5)	14 (12.5)	04 (9.3)	06 (20.0)	--	34 (13.6)
8000-10000	--	03 (5.2)	17 (15.1)	04 (9.3)	02 (6.66)	--	26 (10.4)
Above 10000	01 (50.0)	--	08 (7.1)	01 (2.3)	--	--	10 (4.0)
<b>Total</b>	<b>02 (100.0)</b>	<b>57 (100.0)</b>	<b>112 (100.0)</b>	<b>43 (100.0)</b>	<b>30 (100.0)</b>	<b>06 (100.0)</b>	<b>250 (100.0)</b>

Source: Field Study

Note: Figures in parenthesis denote percentages to total.

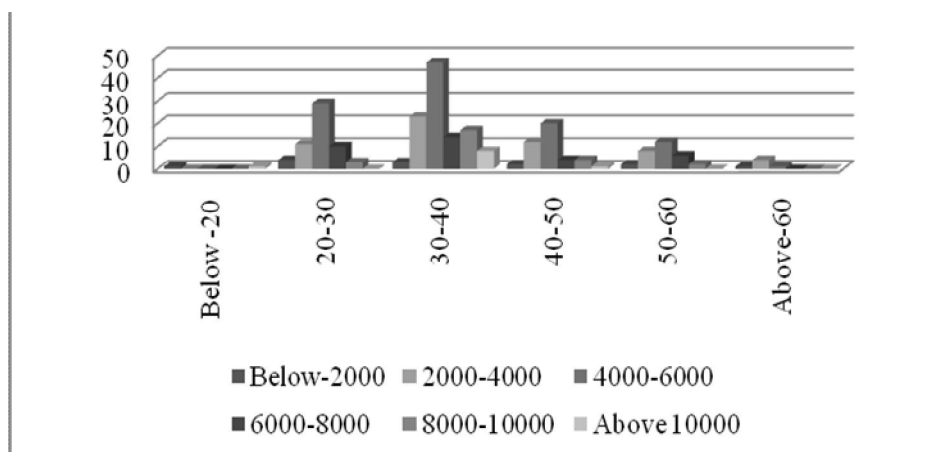
**Fig. 1:** monthly Income from Ventures of MACS and Age

Table 1 indicates that the majority of the respondents are having the Age between 30-40 years followed by 40-50 years. The table also states that the majority of the respondents (i.e.43.6 percent) are earning the income range of Rs.4,000/-, Rs.6,000/- per month from the ventures of MACS followed by the income range of Rs.2,000/- to Rs.4,000/-. Among the entire sample 14.4 percent of the respondents are earning more than, Rs.8,000/- per month. The average monthly income per head from the ventures of MACS is the table also shows the relationship between income generation from MACS is Rs.5,256/- and age of the respondents. The performance is better in the age group of 30-40 years followed by the age group of 40-50 years. Among the age group of 30-40 years 22.2 percent of the respondents are earning more than Rs.8,000/- from ventures. Similarly, among the age group of 40-50 years 11.6 percent the respondents are earning in this income range. Women who having above 60 years are earning less than Rs.6,000/- only. Thus, the study reveals that the middle age women are earning more as they are striving for their families to meet the expenditure of children’s education, health and other necessities. Caste is also one of the important factors which influence the success of venture. Thus, the influence of caste on the income generation from the venture has been presented in Table- 2.

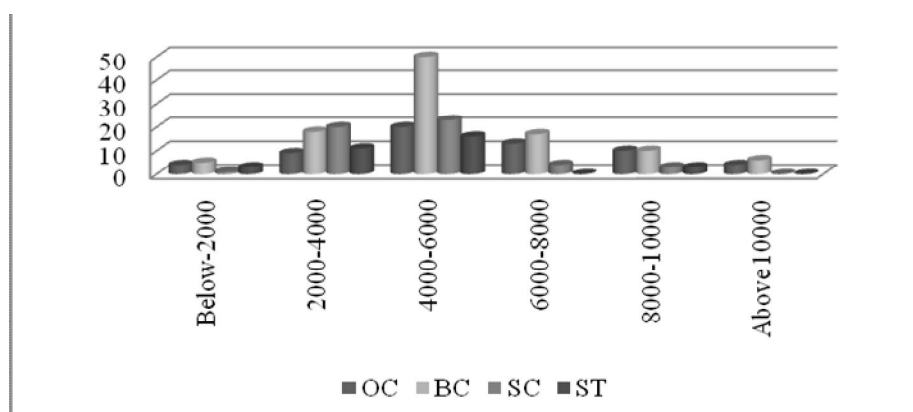
**Table 2:** Monthly Income from ventures of MACS and Caste

Caste/ Income	OC	BC	SC	ST	Total
Below-2000	04 (6.7)	05 (4.7)	01 (1.96)	03 (9.09)	13 (5.2)
2000-4000	09 (15.0)	18 (17.0)	20 (39.2)	11 (33.33)	58 (23.2)
4000-6000	20 (33.3)	50 (47.2)	23 (45.09)	16 (48.48)	109 (43.6)
6000-8000	13 (21.7)	17 (16.0)	04 (7.8)	--	34 (13.6)
8000-10000	10 (16.7)	10 (9.4)	03 (5.9)	03 (9.09)	26 (10.4)
Above 10000	04 (6.7)	06 (5.7)	--	--	10 (4.0)
<b>Total</b>	<b>60 (100.0)</b>	<b>106 (100.0)</b>	<b>51 (100.0)</b>	<b>33 (100.0)</b>	<b>250 (100.0)</b>

Source: Field Study

Note: Figures in parenthesis denote percentages to total.

**Fig. 2:** Monthly Income from Ventures of MACS and Caste



It is evident from Table 2 that there is a positive relationship between income generation from ventures and caste when caste ranking to forward caste to scheduled tribes. Among all the castes (i.e. OCs, BCs, SCs and STs) majority of the women are earning the income range of Rs.4,000/- to Rs.6,000/-. However, 23.4 percent of the women belonging to forward castes are earning more than Rs.8,000/- per annum and 15.1 percent of the women belonging to backward classes are earning in this income range. Thus, the study states that women belonging to Scheduled Castes and Scheduled Tribes communities are poor and also disadvantaged groups in the society and they can't get more profits from the ventures. This indicates that forward caste and backward classes women are able to run the business units in a proper way.

Educational background of the respondents and profits earned by them from MACS ventures are presented in Table 3.

**Table 3:** Monthly Income from ventures of MACS and Education

Primary Occupation/ Income	Illiterate	Primary	Upper Primary	Secondary	Inter	Degree	P.G	Total
Below-2000	07 (7.2)	02 (5.4)	01 (2.3)	01 (2.2)	01 (6.2)	01 (9.0)	--	13 (5.2)
2000-4000	31 (32.2)	11 (29.7)	07 (16.2)	06 (13.6)	02 (12.5)	01 (9.0)	--	58 (23.2)
4000-6000	39 (40.6)	16 (43.2)	24 (55.8)	21 (47.7)	04 (25.0)	04 (36.3)	01 (33.3)	109 (43.6)
6000-8000	08 (8.3)	04 (10.8)	04 (9.3)	13 (29.5)	03 (18.7)	01 (9.0)	01 (33.3)	34 (13.6)
8000-10000	09 (9.3)	03 (8.1)	05 (11.6)	02 (4.5)	04 (25.0)	03 (27.2)	--	26 (10.4)
Above 10000	02 (2.0)	01 (2.7)	02 (4.6)	01 (2.2)	02 (12.5)	01 (9.0)	01 (33.3)	10 (4.0)
<b>Total</b>	<b>96 (100.0)</b>	<b>37 (100.0)</b>	<b>43 (100.0)</b>	<b>44 (100.0)</b>	<b>16 (100.0)</b>	<b>11 (100.0)</b>	<b>03 (100.0)</b>	<b>250 (100.0)</b>

Source: Field Study

Note: Figures in parenthesis denote percentages to total.

**Fig. 3:** Monthly Income from Ventures of MACS and Education

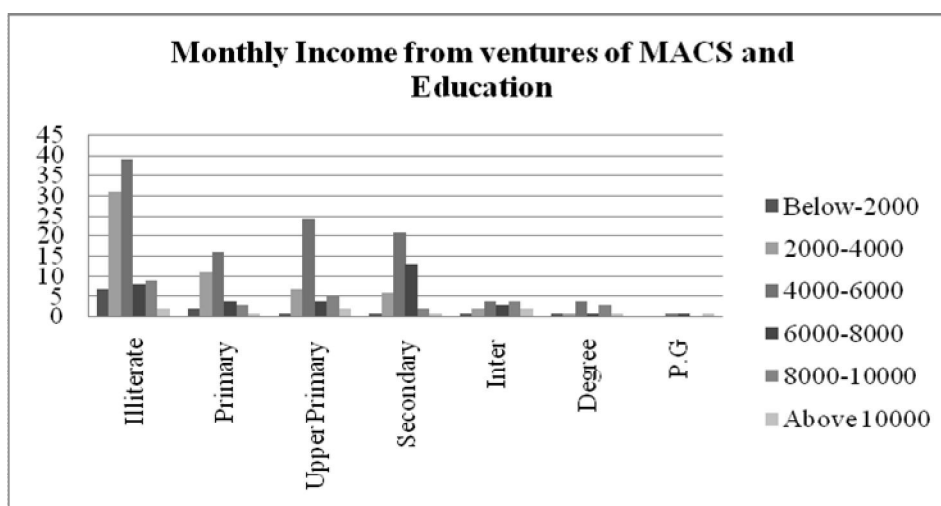


Table 3 indicates that the majority of the sample women are illiterates. Out of the 250 sample who studied intermediate, degree and P.G. level of education are 16, 11 and 3 respectively. Table shows the positive relationship between education and income from MACS ventures of the respondents. Among 16 respondents who have studied up to intermediate, 37.5 percent and among 11 respondents who have studies up to Degree level education 36.2 percent are earning more than Rs.8,000/- per month and 33.3 percent of the respondents who have studied P.G. level education are earning more than Rs.10,000/- per month. The education as a factor, thus, has a positive influence on success of ventures which denotes that the earnings of the respondents, who holding higher education are more as they do posses different skills and knowledge about the functioning of the ventures. Respondents from these categories are able to review the units constantly and adopting the strategies according to the needs of the markets. Marital status of women is also expected to play a role in generating profits from ventures. The information in this aspect can be seen in Table - 4.

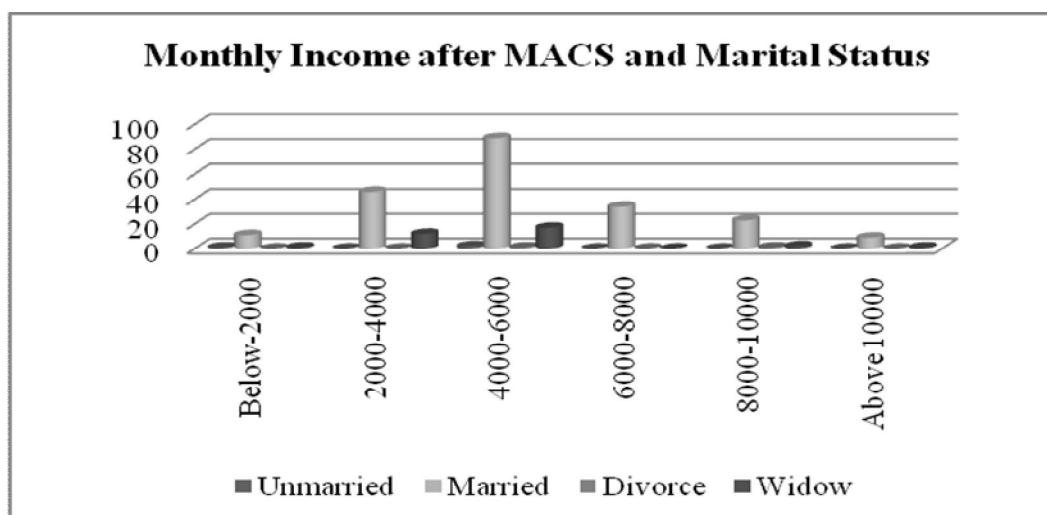
**Table 4: Monthly Income after MACS and Marital Status**

Marital Status/ Income	Unmarried	Married	Divorce	Widow	Total
Below-2000	01 (33.3)	11 (5.1)	--	01 (3.0)	13 (5.2)
2000-4000	--	46 (21.6)	--	12 (36.3)	58 (23.2)
4000-6000	02 (66.6)	89 (41.9)	01 (50.0)	17 (51.5)	109 (43.6)
6000-8000	--	34 (16.0)	--	--	34 (13.6)
8000-10000	--	23 (10.8)	01 (50.0)	02 (6.0)	26 (10.4)
Above 10000	--	09 (4.2)	--	01 (3.0)	10 (4.0)
<b>Total</b>	<b>03 (100.0)</b>	<b>212 (100.0)</b>	<b>02 (100.0)</b>	<b>33 (100.0)</b>	<b>250 (100.0)</b>

Source: Field Study

Note: Figures in parenthesis denote percentages to total.

**Fig. 4: Monthly Income after MACS and Material Status**



It is evident from Table 4 that most of the respondents are married followed by widows. Out of 250 sample 33 women are widows of than 9 percent women are earning more than Rs.8,000/- per month. Divorces are earning more when compared to others. Fifty percent of the divorces are earning in the income range of Rs.8,000/- to Rs.10,000/-. Further, the performance is better among the married women when compared to unmarried women and widow. The study observes that the divorces who have to struggle for their and their children's existence, concentrating their efforts to run the venture effectively. Thus, the necessity of earnings of women particularly divorces played a role in making the venture success and earning more than others.

It is necessary to examine the economic background of the respondents in terms of category, family income, primary occupation and land holdings of the respondent's family. The influence of category on income generation from ventures can be seen in Table 5.

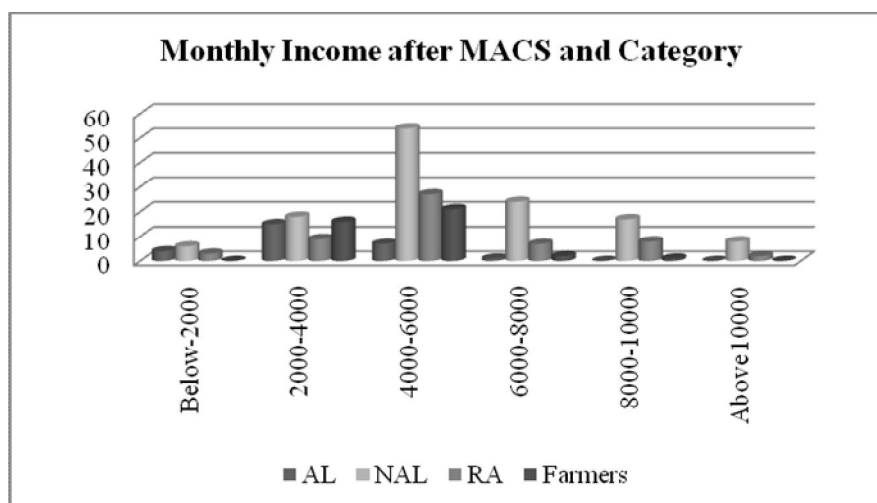
**Table 5: Monthly Income after MACS and Category**

Category/ Income	AL	NAL	RA	Farmers	Total
Below-2000	04 (14.8)	06 (4.7)	03 (5.3)	--	13 (5.2)
2000-4000	15 (55.5)	18 (14.1)	09 (16.0)	16 (40.0)	58 (23.2)
4000-6000	07 (25.9)	54 (42.5)	27 (48.2)	21 (52.5)	109 (43.6)
6000-8000	01 (3.7)	24 (18.8)	07 (12.5)	02 (5.0)	34 (13.6)
8000-10000	--	17 (13.3)	08 (14.2)	01 (2.5)	26 (10.4)
Above 10000	--	08 (6.2)	02 (3.5)	--	10 (4.0)
<b>Total</b>	<b>27 (100.0)</b>	<b>127 (100.0)</b>	<b>56 (100.0)</b>	<b>40 (100.0)</b>	<b>250 (100.0)</b>

Source: Field Study

Note: Figures in parenthesis denote percentages to total.

**Fig. 5: Monthly Income after MACS and Category**



The majority of the respondents in the study are non-agricultural labourers followed by rural artisans. The table also reveals the influence of category on income earning from the

MACS ventures. The performance of non-agricultural labourers and rural artisans is relatively better than other categories. About 20 percent of the respondents in each category of non-agricultural labourers and rural artisans are earning more than Rs.8,000/- per month.

The relationship between family income and generation of profits from ventures has been presented in Table- 6.

**Table 6: Monthly Income after MACS and Family Income**

Family Income / Income	Below-2000	2000-4000	4000-6000	6000-8000	8000-10000	Above 10000	Total
Below-2000	02 (50.0)	04 (28.5)	--	--	03 (6.7)	04 (3.3)	13 (5.2)
2000-4000	01 (25.0)	09 (64.2)	10 (31.3)	21 (61.8)	12 (26.7)	05 (4.1)	58 (23.2)
4000-6000	--	01 (7.1)	16 (50.0)	11 (32.4)	21 (46.7)	60 (49.6)	109 (43.6)
6000-8000	--	--	04 (12.5)	01 (2.9)	04 (8.8)	25 (20.6)	34 (13.6)
8000-10000	01 (25.0)	--	02 (6.2)	--	04 (8.8)	19 (15.7)	26 (10.4)
Above 10000	--	--	--	01 (2.9)	01 (2.2)	08 (6.6)	10 (1.6)
<b>Total</b>	<b>04 (100.0)</b>	<b>14 (100.0)</b>	<b>32 (100.0)</b>	<b>34 (100.0)</b>	<b>45 (100.0)</b>	<b>121 (100.0)</b>	<b>250 (100.0)</b>

Source: Field Study

Note: Figures in parenthesis denote percentages to total.

**Fig. 6: Monthly Income after MACS and Family Income**

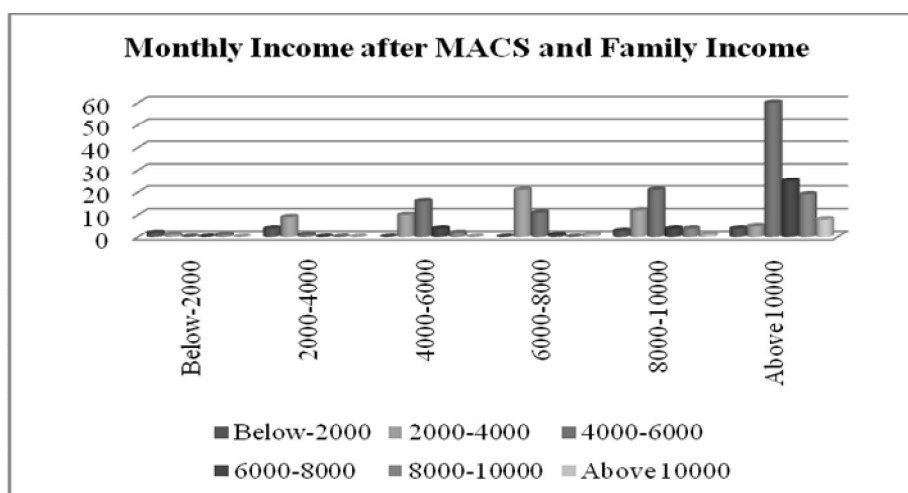


Table 6 shows the family income of the respondents and it also reveals the relationship between success of the venture and per capital income of the family. Nearly half of the respondents' families have earning more money than Rs.10,000/- per month. About 22 percent of the respondents who have the family income of above Rs.10,000/- per month are earning more than Rs.8,000/- per month and 11 percent of the respondents who have the family income range of Rs.8,000/- to Rs.10,000/- per month are earning in the same range. Thus, there is a positive relationship between income of the family and success of the venture. It is well known fact that the families who get low income will have less opportunity to meet various requirements of trade which ultimately low result in the utilization of loan itself.

The size of the landholding possessed by the respondent's family is another important factor which can influence the standard of living and generation of income from ventures of respondents. This can be presented in the Table 7.

**Table 7:** Monthly Income after MACS and Agriculture Land in Acres

Ag.Land/ Income	Nil	Below 2	2-4	4-6	6-8	8-10	10-20	Above- 20	Total
Below-2000	12 (6.9)	01 (2.3)	--	--	--	--	--	--	13 (5.2)
2000-4000	33 (19.0)	13 (30.2)	09 (37.5)	02 (40.0)	01 (33.3)	--	--	--	58 (23.2)
4000-6000	67 (38.7)	26 (60.5)	13 (54.1)	03 (60.0)	--	--	--	--	109 (43.6)
6000-8000	30 (7.3)	02 (4.7)	01 (4.2)	--	01 (33.3)	--	--	--	34 (13.6)
8000-10000	22 (12.7)	01 (2.3)	01 (4.2)	--	01 (33.3)	--	01 (100.0)	--	26 (10.4)
Above 10000	09 (5.2)	--	--	--	--	--	--	01 (100.0)	10 (1.6)
<b>Total</b>	<b>173 (100.0)</b>	<b>43 (100.0)</b>	<b>24 (100.0)</b>	<b>05 (100.0)</b>	<b>03 (100.0)</b>	--	<b>01 (100.0)</b>	<b>01 (100.0)</b>	<b>250 (100.0)</b>

Source: Field Study

Note: Figures in parenthesis denote percentages to total.

**Fig. 7:** Monthly Income after MACS and Agriculture Land in Acres

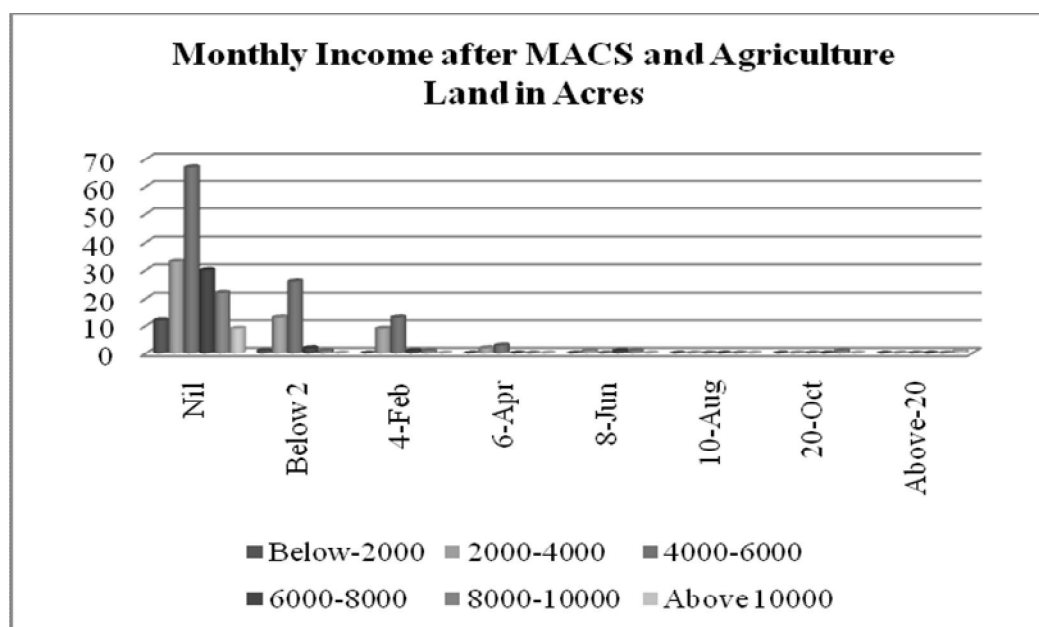


Table 7 indicates that the income levels of the respondents and size of agriculture land owned by them. It is evident from the table that the most of the respondent are not having any agriculture land. Irrespective of size of land, majority of the respondents are fallen under the income range of Rs. 4,000/- to Rs. 6,000/- income per month. Interestingly among 10 respondents, 9 members who are not having any land are able to



generate income per month Rs.8,000/- to Rs.10,000/-. It is due to that fact managing the business as well as agriculture, the members having agriculture land could earn a less amount except one respondent who is having above 20 acres of agriculture land, the land holding have negative association with the income generation from the venture.

The occupational Distribution of the respondents after the selection of the MACS venture has been placed in Table 8.

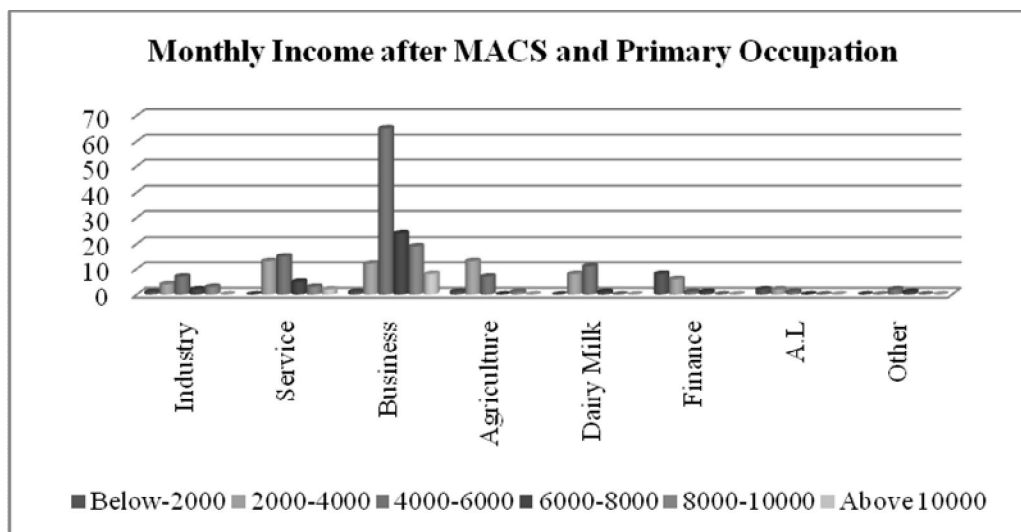
**Table 8:** Monthly Income after MACS and Primary Occupation

Primary occupation / Income	Industry	Service	Business	Agriculture	Dairy Milk	Finance	A.L	Other	Total
Below-2000	01 (5.8)	--	01 (0.7)	01 (4.5)	--	08 (50.0)	02 (40.0)	--	13 (5.2)
2000-4000	04 (23.5)	13 (34.2)	12 (9.3)	13 (59.0)	08 (40.0)	06 (37.5)	02 (40.0)	--	58 (23.2)
4000-6000	07 (41.1)	15 (39.4)	65 (50.3)	07 (31.8)	11 (55.0)	01 (6.25)	01 (20.0)	02 (66.66)	109 (43.6)
6000-8000	02 (11.7)	05 (13.1)	24 (18.6)	--	01 (5.0)	01 (6.25)	--	01 (33.34)	34 (13.6)
8000-10000	03 (17.6)	03 (7.8)	19 (14.7)	01 (4.5)	--	--	--	--	26 (10.4)
Above 10000	--	02 (5.2)	08 (6.2)	--	--	--	--	--	10 (4.0)
<b>Total</b>	<b>17 (100.0)</b>	<b>38 (100.0)</b>	<b>129 (100.0)</b>	<b>22 (100.0)</b>	<b>20 (100.0)</b>	<b>16 (100.0)</b>	<b>05 (100.0)</b>	<b>03 (100.0)</b>	<b>250 (100.0)</b>

Source: Field Study

Note: Figures in parenthesis denote percentages to total.

**Fig. 8:** Monthly Income after MACS and Primary Occupation



It can be seen from the Table 8 that the majority of the respondents are engaged in business activities followed by services. The respondents who have engaged in business activities are earning more followed by industry. The income earnings are less in the occupation of dairy, finance, agriculture labour and other occupations. Nearly 21 percent of the respondents who engaged in business activities and 17.6 percent of the respondents who engaged in industry are earning more than Rs.8,000/- per annum. Thus, the study reveals that the earnings of women are better in business and services compared to other occupations.

## **CONCLUSION**

On the basis of the analysis, the present study observed that income generation due to the financial support of MACS and beneficiaries active involvement in running the ventures. The relationship between income generation from ventures and age of the respondents shows that the performance among middle age group women has been better as they are striving for their family and to meet the expenditure of children's education, health and other necessities. Further the women belong to Forward Caste and Backward Classes are able to run the ventures in a proper way and they earning more compared to Scheduled Caste and Scheduled Tribes. The various reasons for women belongs to Scheduled Caste and Scheduled Tribes found in the study area lack of investment, and matching the products or services according to the market needs and reviewing the problems involved in the units. Thus, they need continues support and advise to run the ventures. Similarly, the earnings of the respondents, who holding higher education are more as they do possess different skills and knowledge about the functioning of ventures. The influence of marital status on income generations states that divorces have to struggle for their existence have concentrated their efforts in running the ventures effectively and are earning more income.

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