



“CO-OPERATIVE MOVEMENT: EMERGING TRENDS AND SCOPE”

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ABSTRACT:

This paper intends to analyse the emerging trends and scope of co-operative sector. The co-operative sector over the years has made significant contribution to various sectors of national economy and has achieved voluminous growth.

The co-operative sector is one of the main partner of economy. The co-operative covers almost cent percent (%) villages. The co-operative credit structure in serving the Indian society Since 1904 and Since then it has seen several ups and downs.

Increasing of primary co-operative and their main role of financing both rural and urban area is increasing day by day. However it has shown weakness in safeguarding the interests of the members and fulfillment of objects for which these institutions were organized. The co-operative movement in India has failed to bring about a transformation of the rural economy.

Since independence, the co-operative movement has recorded substantial progress. The rural co-operatives have played a significant role in areas of credit and agriculture production.

Key words: - 05 keywords minimum

INTRODUCTION:

The co-operative sector in India is the largest in the world and it plays a pivotal role in employment generation, poverty alleviation and food security. Indian economy is still predominated by rural part of the country in general and agriculture in particular. The history movement in India is about a century old of co-operative. The co-operatives which are the life blood of the economy and the mechanism for any development programs.

The co-operative credit structure is serving the Indian society since 1904 and since then it has been several ups and downs. Since Independence the co-operative movement has recorded substantial Progress. The emerging need of the economy in the new competitive and deregulated financial environment, Co-operative institutions have re-oriented their policies by drawing up their perspective mission and strategy so as to make them globally competitive.

In this todays growing word co-operatives do activities for the development of agriculture small industry marketing and processing distribution and supplies.

The co-operative movement was introduced by India by the government to overcome the burden of debt of farmers and they can sell their products easily and can get the maximum profit. The evolution of co-operative in the world can be traced from time immemorial, beginning from the day individual first joined hands for the advancement of common pursuits in life. It is with the concerted and sustained efforts over decades by the co-operatives that they are about 21 crores membership covering 67% of rural householders and 99% of the villagers in our country.

➤ **Origin of principle of co-operation:-**

Co-operation means working together. Therefore, those who want to work to gather with some common economic objective can form

a society, which is termed as “Co-operative Society”

It works on the Principle of self-help as well as mutual help.

➤ **Co-operative principles as under:-**

- 1) Voluntary and open Membership
- 2) Democratic Member Control.
- 3) Member Economic participation.
- 4) Autonomy and Independence.
- 5) Education Training and Information.
- 6) Co-operation among cooperatives.
- 7) Concern for community.

➤ **Cooperative Movement and Five Year Plan:**

After India attained independence in 1947 Co-operative development received a boost, with co-operatives being given a vital role in the Various plans formulated by the planning Commission.

➤ **The First Five Year Plan (1951-56) :-**

The plan emphasized the adoption of the co-operative method of organization to cover all aspects of community development. The plan set for the provisions of cooperative credit. Thus Short term loan Rs. 100 crore, Medium term loans Rs. 25 crore and Long term loan Rs. 5 crore.

➤ **The Second Five Year Plan 1956-1961:-**

The plan recommended the establishment of a National Agricultural Credit Long-term operation Fund. The Industrial policy Resolution of 1956 emphasized the need for the State assistance to enterprises, organized on a co-operative basis for industrial and agricultural purposes.

The second plan about 1900 Primary marketing Societies were set up and State Marketing Federation were established in all the states, a well as the National Cooperative Marketing Federation (NCMF) at the Centre. A Sum of Rs. 52 crore was earmarked in the plan for the implementation of the schemes.

➤ **The Third Five Year plan (1961- 1969)**

The Agricultural Refinance corporation was Set up in 1962 by the GOI to provide long-term loans to co-operatives, through central Land Mortgage Banks. In 1963 an Act of parliament established the National Cooperative Development Corporation (NCDC) as a statutory corporation. The main provision in the plan was to cover all the villages.

The 3rd plan provide Po, 530 crore for short and medium term credit and Rs 150 crore for Long term credit during the plan period. A provision of Rs 80 crore was made for the development of cooperation.

➤ **The Fourth Five Year Plan (1969-1974):-**

It also mode necessary provisions to provide Cooperatives with management Subsidy and Share Capital Contribution, as well as for the rehabilitation of Central Cooperative Banks. It also emphasized the need to orient policies in favour of small Cultivators.

The Mirdha Committee recommendations of the resulted in amendments in the cooperative legislation in most states, which destroyed the autonomous and democratic character of cooperatives.

➤ **The Fifth Five Year Plan (1974-1979):-**

The major objective of the 5th Plan was to build up a stroage and viable cooperative sector with special emphasis on the need of Cultivators Workers and Consumers.

The cooperative development has four specific Objective, viz. 1) To Strengthen the network of agriculture cooperative Credit. 2) Supply. 3)Marketing. 4) Processing to bring about agricultural development.

➤ **The Sixth Five Year Plan (1979-1985):-**

The plan recommended steps to reorganizing Primary Agricultural) Credit Societies into strong and viable multipurpose unit.

The National Bank for Agriculture and Rural Development (NABARD) Act was passed in 1981 and NABARD was set up to provide re-finance

Support to Cooperative Banks and to Supplement the resources of commercial Banks and Regional Rural Bank to enhance credit flow to the agricultural and rural sector.

➤ **The Seventh Five Year Plan (1955-1990):-**

The plan recommended amongst other development of Primary Agriculture Credit societies as multiple viable units, realignment of policies and Procedures to expand flow of Credit and ensure inputs and services particularly to weaker sections. For the Agriculture and rural development, the 7th plan provided Rs 22233 Crore.

➤ **The Eighth Five Year Plan (1992-1997):-**

The Eighth plan laid emphasis on building up the co-operative movement as a self-managed, Self-regulated, and self-reliant institutional Set-up, by giving it more autonomy and democratizing the movement.

It also spoke of enhancing the capability of Cooperatives for improving economic activity and Creating employment Opportunities for small farmers, labourers, artisans, scheduled caste Scheduled tribes and women and emphasized development and training of Cooperative functionaries in professional management.

➤ **The Ninth Five Year Plan (1997-2002):-**

The Ninth plan put a targeted annual growth rate of 4.7% in order to achieve the objective of removing the incidence of poverty and unemployment and ensuring food and nutritional security. The objective of the policy is to facilitate an all-round development of Co-operatives in the country.

➤ **The Tenth Five Year Plan (2002-2007):-**

To achieve high-targeted annual agricultural growth rate and export, massive expansion and up gradation of agricultural marketing, storage and distribution infrastructure are given priority. The GOI in August 2004 Set up a Task Force to suggest an action plan for reviving rural

Cooperative Credit institutions, and Legal measure necessary for facilitating this process.

➤ **The Eleventh Five Year Plan (2007-2012):-**

During the Eleventh Five Year Plan many important schemes especially in cooperative Credit sector, computerization, human resource development and public awareness were formulated and implemented to facilitate the public in general, especially the farmers.

➤ **The Twelfth Five Year Plan (2007-2012):-**

Revitalization of PACS/LAMPS and ensuring their viability and profitability with a view to making them financially strong to provide greater assistance of rural credit to the farmers by increasing their loan business and increasing the resource base through mobilization of rural small savings.

The cooperative credit institutions are required to function as facilitators for linking these small groups and women cooperatives with Credit institutions.

The share of Co-Operatives in the Economy:-

Rural network (Village covered – 100%) refer table at the end.

Emerging Trends:-

Over the last one hundred years (1904-2004) Co-Operatives have made substantial contribution to the country, particularly to the rural poor.

The movement has been acknowledged as an instrument towards achieving the socio-economic transformation of Indian society with special focus on the life of people living in rural areas.

Co-operatives are be set with several issues and confront with challenges in the era of economic reforms which is described as under.

a) WTO of Co-operatives:-

Cooperative relates to WTO Agreement on Agriculture. Co-operatives are closely attached

with Agriculture and agro-based actors in the rural areas.

b) Participation of Women in Cooperatives:-

The need for greater participation of women in cooperatives especially in areas where they have a natural advantage is accepted by all for the uplift of women the Self Help Group (SHGS) is in the tune with co-operatives. Micro finance through SHGS by involving more and more women will be important task in the 21st century.

Central and state Governments are also extending various concessions for promoting education among girls and women.

c) Professionalization of Co-operatives

The Central Government along with its state counterparts has taken initiative to strengthen infrastructure facilities and do develop professional Skills in the cooperatives.

The cooperatives professional may have to redefine their roles in the light of the emerging Knowledge society.

d) Cooperative Law Reforms

NCDC Amendment Bill, 1995 has been passed during 2002 which was pending since 1995. HOW NCDC Shall be financing more activities allied to agriculture. The HCDC would also be able to undertake direct financing o4 co-operatives against reasonable security without State/ Central Government guarantee

e) National policy in co-operatives:-

- The objectives and salient features of the comprehensive National policy on co-operative (April, 2002) announced by Government of India
- While upholding the values and principles of Cooperation, the National policy recognize the Co-operatives as 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.
- Recognize the ole of the Government in ensuring that the benefits of liberalization and

globalisation in the emerging special provision in the co-operative Societies Act with regard to banking, housing, real estate development, processing, manufacture co-operatives, infrastructure, development etc

- Recognizes the support of Cooperative Movement to develop human resources co-operative education and training, appropriate technologies and infrastructural facilities so as to promote professional management in Co-operatives.

Scope of the co-operatives:-

- Indian Cooperative Movement was basically organized against the exploitation of unscrupulous money-lenders to exonerate the farming community from the web of Poverty and indebtedness
- The Government took lot of measure to improve the conditions of the farming sector and as such promoted Co-operative Credit societies in the light of Raiffesian model Credit societies on the basis of recommendation of sir Fredrick Nicholson 1889.
- Now co-operatives and formal Legal entities under a statute have been existence for a hundred years and this is the centenary year for co-operatives.
- It is, therefore, an appropriate time to discuss the pace of its progress and emerging Challenges in the competitive business environment

- To-day co-operative movement in India is one of the largest movement in the world.

CONCLUSION:

- Cooperation occupies an important place in the economy O4 the India (nation), Co-operative movement in India is one of the largest movement in world. Glance on Development of cooperative in India. Main objective was to make farmers free from the clutches of money lenders. Cooperative movement has made tremendous progress in every aspect of the Indian Economy. Initially cooperative movement was started with

agricultural credit only, But now it has entered into all field of economic activities.

- Cooperation has contributed in the Success of economic planning. Government policies are implemented with the help of Cooperative Societies in rural areas. Through the cooperative Societies, government seeks public support and awareness.

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Share of Co-operative in the Economy

Sr. No	Particulars	Percent (%)
1	Agricultured credit Disbursed	46.15%
2	Fertilizer Disbursed	36.22%
3	Fertilizer Production Nutrient	27.65%
4	Sugar Produced	59.0%
5	Wheat Procurement	31.8%
6	Animal Feed Production / Supply	50%
7	Retail Fair Price Shops (Rural + Urban)	22%
8	Milk Procurement To Total Production	7.44%
9	Handlooms In Cooperative	55%
10	Fishermen In Cooperatives	21%
11	Storage Facility (Village Level PACS)	65%
12	Direct Employment Generated	1.07 million
13	Self Employment Generated For Person	14.39 million
14	Salt Manufactured	7.6%
15	Cotton Yarn / Fabrics Production	23%

(Experts :- Profile of Indian Co-Operative Movement - 2002)