



ROLE OF CO-OPERATIVES IN AGRICULTURAL DEVELOPMENT OF INDIA

Dr. Ratnadip L. Gaikwad
Head Dept. Of Commerce, Shankarrao Mohite Mahavidyalaya, Akluj.
Tal- Malshiras, Dist-Solapur. (M.S.)

ABSTRACT :

In India more than seventy per cent population live in rural areas. Agriculturists and agricultural laborers constitute about seventy per cent of the country's working population. The progress of the country hinges on the performance and prosperity of agricultural sector, therefore, agriculture tends to receive the most attention in any programme of rural development. Development of agriculture in India, as in other developing countries, depends upon many factors like agrarian reforms, supply of fertilizers, seeds and provision of credit.

KEYWORDS : *Agriculturists and agricultural labourers , developing countries.*

INTRODUCTION :

Many institutional agencies are providing credit to agriculture sector. Co-operatives play an important role in providing credit to agricultural sector. Co-operatives are one of the essential institutional infrastructures underpinning and contributing to the development and modernization of Indian Agriculture.

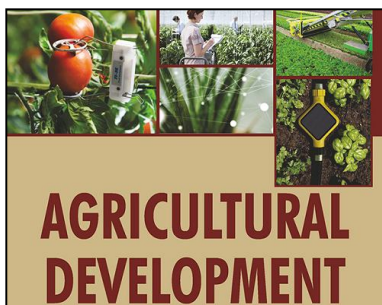
OBJECTIVES

Following are the objectives of research paper

- i. To know the meaning of co-operation
- ii. To study the characteristics of co-operatives
- iii. To study the role of co-operatives in agricultural development
- iv. To suggest the remedies to overcome challenges

METHODOLOGY

In this paper an attempt has been made to study the role of co-operatives institutions in agricultural development of India. The present study is based on secondary data which is collected from various books publications and various reports of the committees.



MEANING AND DEFINITION OF CO-OPERATION

Co-operation is a joint action of people directed towards some specified goal in which there is common interest or hope of getting some reward. Such co-operation may be voluntary or involuntary, direct or indirect, formal or informal, but always there is a combination of efforts toward a specific end in which all the participants have a state, real or imagined.

According to C. R. Fay, 'A Co-operative Society is an association for the purpose of joint trading, organizing among the weak and conducted always in an unselfish spirit, on such term that all who are prepared to assume the duties of membership may share in its rewards, in proportion to the degree in which they make use of their association.'

CHARACTERISTICS OF CO-OPERATION

Following are the characteristics of co-operation

- i. The main characteristic of co-operation is that, it is an association of people.
- ii. It is a voluntary organization. No one is concerned to join a society against his will.
- iii. A co-operative organization is governed on the basis of democratic principles.
- iv. The motive of co-operative society is to give the service to public and not to earn profit.
- v. The base of co-operative movement is equality.

ROLE OF CO-OPERATIVES IN AGRICULTURAL DEVELOPMENT

Rural development has been recognized as an important strategy for expediting the process of development in developing countries. Because of the predominant agricultural nature of these countries, the process of rural development is inextricably linked with agricultural development. The credit provided by the private agencies has unproductive, as its main object is not to increase agricultural production but to bring the farmers in the grip of perpetual indebtedness. The history of agricultural development in all advanced countries shows that an integrated system of institutional credit laid the foundation of agricultural prosperity. The objective of institutional credit is to make a breakthrough in the vicious circle of poverty, rack renting, usury and debt and to stimulate the farmer to boost agricultural productivity.

The progress of the country hinges on the performance and prosperity of agricultural sector, therefore, agriculture tends to receive the most attention in any programme of rural development. Development of agriculture in India, as in other developing countries, depends upon many factors like agrarian reforms, supply of fertilizers, seeds and provision of credit.

Many institutional agencies are providing credit to agriculture sector. Co-operatives play an important role in providing credit to agricultural sector. Co-operatives are one of the essential institutional infrastructures underpinning and contributing to the development and modernization of Indian Agriculture. Since co-operation has received a lot of attention and experimentation all over the world, it is necessary to understand the term properly to study its silent features.

The importance of cooperative societies in the rural areas is mainly due to the fact that, they provide sustainable development to the agriculturists. This is done through developing infrastructure and support facilities. Farming cooperatives help farmers to develop their land and increase in productivity. Agricultural processing cooperatives provide support towards foods, fruits and oil processing and so on. The farmers, gain through value addition to their produce. Agricultural marketing societies enable farmers to benefit from increased bargaining strength. By removing intermediaries they help farmers to have a direct interaction with the consumer.

Cooperatives have played an important role in the agricultural sector of India. They have been important in farm supply, providing fertilizer and other inputs, and product marketing including transport, storage and processing. Different cooperatives are playing vital roles around the globe.

CHALLENGES

Co-operative institutes faces many problems, these are

- i) A basis challenge of the co-operative movement is lack of capital. It was that the members themselves should save and deposit their savings and thus contribute a large share to the working capital of the institutions.

- ii) From the very beginning, the co-operative movement with competition from powerful vested interest. In villages, the money-lenders and traders worked for the failure of the co-operative institutions. In urban areas consumer societies faced bitter opposition and hostility of traders and speculators.
- iii) The co-operative credit societies did not help the farmers in meeting their all credit needs. They gave loans only for agricultural operations. But the farmers required loans to meet their other requirement also. For these purpose, the farmers had depend upon the money-lenders or traders.
- iv) In India, people have been largely illiterate, ignorant and extremely conservative. For one thing, most of them did not understand the real meaning and objectives of co-operation. Co-operation cannot succeed unless there is willing and complete co-operation from the people.
- v) Defective management is the basic challenge before co-operative movement in India. The village economy is dominated by the landlords. This landlord did not care much about success of co-operation. The work of co-operative institutions suffers from nepotism, favoritism and partiality.

SUGGESTIONS

- i. Special efforts should be made to enhance the share capital of co-operative institutions to strengthening their own fund.
- ii. Steps should be taken for effective supervision, inspection and regular audit of co-operative institutions.
- iii. The augment the operational efficiency of the co-operative institutions properly trained and full time paid officials should be appointed.
- iv. The co-operative institution should made linkages with other institution so that they can increase their efficiency.
- v. In order to enhance their operational efficiency co-operative organizations should be given proper training to their staff.
- vi. The central government along with state government should frame a suitable policy for co-operative sector.
- vii. There should not be any political incursion and administrative encroachment in the working of co-operative institutions.

CONCLUSION

Agriculture occupies a key position in the Indian economy. It supplies food to our teeming millions, provides raw material to Industry and earns considerable foreign exchange. The adoption of new technology and modern inputs such as seeds; fertilizers and pesticides in farm operation have increased the demand for agricultural credit which is considered to be the life blood of agricultural development. Cooperatives have played an important role in the development of agricultural sector of India. They have been important in farm supply, providing fertilizer and other inputs, and product marketing including transport, storage and processing. Different cooperatives are playing vital roles around the globe. There are many challenges before co-operative movement in India such as lack of capital, competition of private sectors, illiteracy of members, defective management etc. Though there are many challenges it is must to develop co-operative movement in India.

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