



The Study on the Progress of Co-operative Movement in Maharashtra State of India

Mr. Bharat R. Bagul

*Assistant Professor, Dept of Accountancy,
B. K. Birla College (Autonomous), Kalyan
bharatbagil9949@gmail.com*

Abstract:

Maharashtra is the pioneer state in Indian co-operative movement hence co-operative movement in Maharashtra is well known and remarkable in India. The state of Maharashtra is leading in the country in terms of agricultural credit through co-operatives. In Maharashtra, co-operative societies have been established in many fields and contributed successfully in rural development. Maharashtra is one of the states of India having larger number of Co-operative Sugar Factories. The co-operative movement routed significantly since 1976 in the state of Maharashtra. Many social and political leaders in Maharashtra had put in hard efforts for growth and development of co-operative movement. The work of co-operative movement in Maharashtra is the role model for remaining states in India. **This research paper aims to study the concepts of co-operation and co-operative movement, the progress of co-operative movement in Maharashtra state of India.**

Keywords: Co-operation, Co-operatives, Co-operative Movement.

[I] INTRODUCTION :

(1) Co-operation Concept :

The word “Co-operation” is derived from the Latin word “Co-operari”. It includes two words; “Co” which means “with” or “together” and “Operate” which is referred as “to work” It therefore referred as **to work together**. Co-operative society is a voluntary association of persons established to attain their common objectives. The co-operative movement is treated as movement for social and economical development. The basic moto behind Co-operation is “Self Help and Mutual Help” and “Each for all and all for each”.

V. L. Mehta defined co-operation as “It is only one of vast movement which promotes voluntary association having common needs who combine together for the achievement of

common economic ends”. According to **Indian Co-operative Act, 1912**, “A society which has its object the promotion of the economic interests of its members in accordance with co-operative principles .

(2) Co-operative Movement:

Co-operative movement is one of the movements started by the economically, socially and educationally exploited people to fight against exploitation and for social and economic development. This movement has been spread across the world and resulted in formation of various co-operatives. Although, initially it was started by the poor people but now it became common movement for all. India has accepted co-operation as an effective tool for social and economic development especially development of rural areas.

Co-operative movement is not limited to any nation it is world-wide and accepted by many countries for their social and economic development. The co-operative movement emerged from some unfavourable reasons. For example, in England, co-operative movement originated from the clash with capitalism. In Germany, co-operative movement was started to escape the farmers and poor people from the exploitation by money-lenders. The farmers in Denmark adopted co-operation to get reasonable rates to their agricultural produce. Russia has used co-operative sector as an effective tool for social change. In India, co-operative movement was started to reduce the poverty of farmers and their exploitation by money-lenders.

Today, the scope of co-operative sector in various countries across the world grown significantly. It is not limited to agriculture and industrial sectors only, it has covered with multiple sectors such as manufacturing, marketing, trading, banking, housing, credit, transport, insurance, supply of essential goods etc. In short, Co-operative movement is originated from the social and economic struggling.

Principally, the co-operative movement was started in England. After that it was reached in various European countries. Today It has become a global movement.

(3) Objectives of the Study:

1. To understand the concepts of co-operation and co-operative movement.
2. To study the progress of co-operative movement in Maharashtra state of India.

(4) Methodology: This research paper is based on the secondary data collected from Reference Books, Magazines, Published Ph.D Thesis, Research Papers published in National and International Journals, Websites etc. reviewed and analyzed the same.

[III] Co-operative Movement in India:

After independence, the co-operative movement in India has really gained momentum and the co-operative movement in India has just crossed one hundred years. Today, the co-operative sector has proved its success by entering into various sectors of the Indian economy. Five - year plans have been formulated in India since 1951 to bring about planned economic growth of the Indian economy. Each five-year plan has a purposeful focus on the development of the co-operative sector. In India, the co-operative movement has taken the lead in providing credit to the agricultural sector on a co-operative basis and has focused on the development of the agricultural sector in rural areas. Apart from providing credit to the agricultural sector on co-operative basis, emphasis has been laid on strengthening the rural economy by setting up large scale co-operative processing societies in rural areas.

[IV] Co-operative Movement in Maharashtra:

A] Co-operative Administrative Divisions in Maharashtra

S. N.	Division	Districts
1	Mumbai	Mumbai City 1, Mumbai City 2, Mumbai City 3, Mumbai City 4
2	Konkan	Thane, Palghar, Raigad, Ratnagiri, Sindhudurg
3	Pune	Pune, Pune Rural, Solapur
4	Nashik	Nashik, Dhule, Nandurbar, Jalgaon, Ahmednagar
5	Aurangabad	Aurangabad, Jalna, Parbhani, Hongoli
6	Amaravati	Amaravati, Akola, Washim, Buldhana, Yavatmal
7	Nagpur	Nagpur, Wardha, Chandrapur, Bhandara, Gadchiroli, Gondia
8	Latur	Latur, Beed, Osmanabad, Nanded
9	Kolhapur	Kolhapur, Satara, Sangali

Source : Commissioner for Cooperation and Registrar, Cooperative Societies (CC and RCS) Maharashtra State, Pune

B] Co-operative Movement in Maharashtra : Pre-independence Period:

The co-operative movement in Maharashtra has crossed one hundred years. Maharashtra state has achieved the development of rural areas through the co-operative movement. Today, the co-operative movement in Maharashtra has spread across all areas in the form of co-operatives in agriculture, banking, housing, manufacturing, trade etc. sectors of economy. The co-operative movement in Maharashtra is known as a pioneer in Indian co-operative movement. The progress made by the co-operative societies in Maharashtra is a matter of pride. The performance of the co-operative movement in Maharashtra state is an example for other states. Maharashtra state has chosen co-operation as a tool to create a

socialist structure and economic equality. Initially, to provide credit to the farmers was one of the major purposes for developing the co-operative sector in India and was highly focused in Maharashtra.

The co-operative movement began to grow in Maharashtra as useful and effective tool for implementation of various schemes in the field of agriculture. It can be said that the co-operative movement in Maharashtra originated through the efforts of many great personalities. Father of the Nation Mahatma Gandhi presented his views on the ethical side of the co-operative movement at the Provincial Co-operative Conference held in Mumbai in 1917. In the same conference, Mr. Talmaki also presented a dissertation on the social and educational work of co-operative societies. As a result, on 13th July 1918, the "Provincial Co-operative Institute" i.e. "Maharashtra State Co-operative Union" was formed. Before this, "Bombay Central Co-operative Bank" was established on 11 October 1911. Later this bank was transformed into "Maharashtra State Co-operative Bank".

Later this bank was transformed into "Maharashtra State Co-operative Bank". Prior to the establishment of the above co-operatives, an attempt was made to establish societies on co-operative basis in the State of Maharashtra. On 5th February 1889, in the Baroda Sansthan in Mumbai province; with the success of the efforts of Vitthal Laxman Kavthekar and his associates, "Mutual Cooperative Board" was established. Gopal Krishna Gokhale and Justice Ranade also tried to set up a co-operative society at Purandar in Pune district. In the pre-independence period, under the inspiration of Shri. Vaikunthabhai Mehta, in order to get a fair price for the goods produced by farmers, efforts were made in the state of Maharashtra to buy and sell on co-operative basis. At that time Neera Canal Purchase and Sales Co-operative Federation, Baramati; Godavari Pravara Purchase and Sales Co-operative Federation, Kopergaon; Warna Purchase and Sales Co-operative Federation, Islampur have played their due role in the co-operative movement in Maharashtra.

The Hyderabad Co-operative Credit Union Act was enacted in Aurangabad district in 1917 and the co-operative movement started in Aurangabad district. The district was initially divided into two large circles, Aurangabad and Jalna, to enable close monitoring of societies and rapid development of the area. The benefits of co-operatives are mainly aimed at helping the majority of the farming community in the region. Apart from establishing many agricultural credit societies, non-agricultural co-operatives were also given a boost. In the initial stage, the ratio between agricultural and non-agricultural societies was 10:1. Non-agricultural societies consisted of societies of salaried people and industrial co-operatives. Responsibility for the

development of the co-operative movement was entrusted to the Assistant Registrar of Co-operative Societies, assisted by the Board of Inspectors. In the subsequent years, the movement of Krishi Patsanstha gradually gained momentum and as a result a network of rural Krishi Sahakari Patsansthas were formed. These societies were registered on the principle of unlimited liability. Members of the society were encouraged to take loans from the respective societies. Every effort was made to keep them away from the exploitation of moneylenders as well as to establish relations with their village.

Maharashtra is the pioneer state in Indian co-operative movement. Maharashtra state has played a significant role in the economic development of the country through co-operative movement. Co-operative sector has great share in the overall development of Maharashtra. From 1904 to 1912, the National Co-operative Societies Act was enacted. However, in 1919, the British government handed over the co-operative sector to the province and in view of that, in 1925, the then Mumbai government passed the first Provincial Co-operative Act in India. In 1937 the provincial cabinet was formed. In 1944, the provincial cabinet appointed R. G. Saraiya Committee, Gadgil Committee in 1946, Nanavati Committee in 1948 for the development of co-operative sector. The acceptance of the recommendations made by these committees gave impetus to the development of co-operation in Maharashtra.

In the co-operative movement in Maharashtra, Shri Vaikunthabhai Mehta, Dr. Dhananjayrao Gadgil, Shri Vitthaldas Thackeray, Shri. R. G. Saraiya, Shri Vitthalrao Vikhe Patil, Shri Vasant Dada Patil, Shri. D. G. Karve and Mr. Gulabrao Patil have made invaluable contributions. These great personalities have been instrumental in making the co-operative movement popular. Due to their efforts, the first Co-operative Sugar Factory in India was started in 1949 at Pravaranagar (Loni Budruk) in Ahmednagar district of Maharashtra. Today, the co-operative sugar industry in Maharashtra has gained a name not only in the country but also in the world.

C]Co-operative Movement in Maharashtra : Post-independence Period:

In the post-independence period, Maharashtra gained co-operative leadership. Mr. Yashwantrao Chavan, Shri. Vasant Dada Patil, Shri. Bhausahab Hire. Mr. Rajaram Bapu Patil, Shri. Sharad Pawar, Shri Ratnappa Kumbhar, Shri Tatyasaheb Kore etc. put in efforts for development of co-operative movement in Maharashtra. The scope of the Maharashtra co-operative movement was limited to credit co-operative societies. It is extended to many sectors such as sugar industry, marketing sector, consumer sector, agro-based supplementary industries, employees credit societies, processing, dairy business etc.. In Maharashtra, the co-

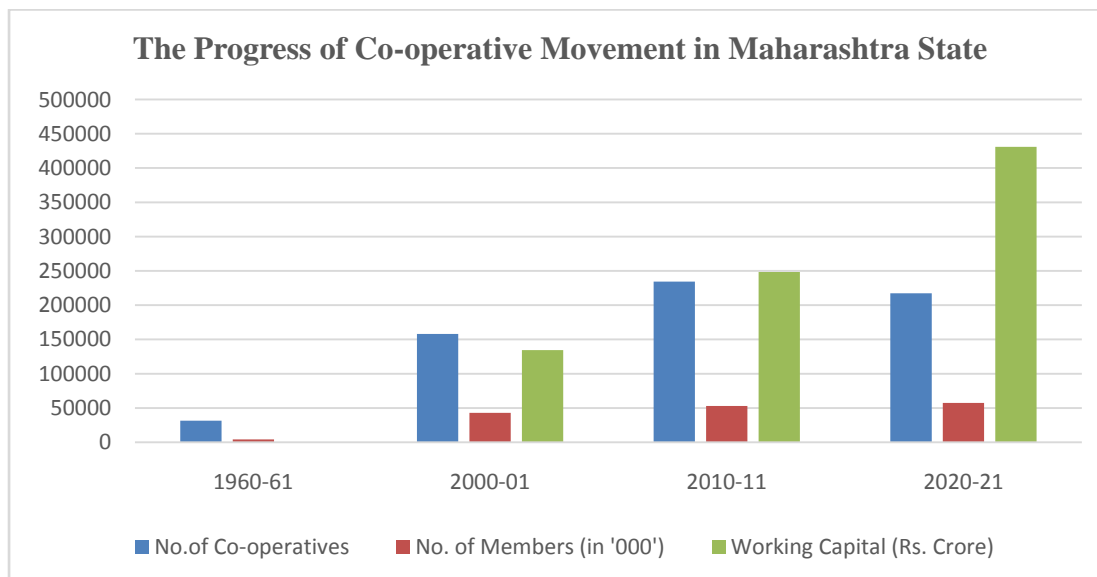
operative movement has made significant strides in the economic as well as social and educational spheres.

In 1960, the first Co-operative Law came into existence in Maharashtra. Due to the Co-operative Act, the co-operative movement in Maharashtra gained momentum. Today, co-operation in many areas has played a role. This movement provided employment to many youth. The co-operative sector has also made a significant contribution to the industrial development of Maharashtra. The contribution of the co-operative movement in the development of rural Maharashtra has been invaluable. Today, co-operative societies have been established in all the villages in rural Maharashtra. Thus, the scope of co-operative movement in Maharashtra is increasing day by day.

The Progress of Co-operative Movement in Maharashtra:

Type of Co-operatives / Year	Apex & Central Non-Agricultural Credit Co-operatives	Primary Credit Co-operatives	Non-agricultural Credit Co-operatives	Marketing Co-operatives	Manufacturing Co-operatives	Consumer Stores, Housing and other Co-operatives etc.	Total
1960-61	39	21438	1631	344	4306	3846	31604
1970-71	31	20453	2966	410	6810	11964	42634
1980-81	31	18605	5477	423	14327	21915	60778
1990-91	31	19565	11294	931	28990	43845	104620
1998-99	32	20354	19864	1055	37872	67464	146641
2099-00	32	20529	21057	1059	38513	71555	152745
2000-01	34	20551	22014	1115	39070	75233	158017
2001-02	34	20674	23555	1140	39521	80865	165789
2002-03	34	20839	25107	1252	40171	85999	173402
2003-04	35	21000	25664	1220	40881	90035	178835
2004-05	35	21089	26137	1314	41699	94106	184380
2005-06	35	21162	26589	1380	42892	101139	193197
2006-07	35	21238	26629	1451	44401	106986	200740
2011-12	34	21443	22877	1768	48529	133317	227968
2015-16	35	21062	22336	1528	39781	153268	238010
2016-17	34	21089	20465	1207	25344	127162	195301
2017-18	34	21102	20668	1221	25634	129593	198252
2018-19	33	20747	20663	1264	25805	137902	206414
2019-20	33	20744	20863	1345	26661	143305	212951
2020-21	33	20897	21049	1384	26436	147556	217355

Source : Compiled by Researcher, Directorate of Finance and Statistics, Planning Department, Government of Maharashtra.



Source : Compiled by Researcher from Maharashtra's Economy in Figures 2020, (Directorate of Economics & Statistics, Govt. of Maharashtra)

The state of Maharashtra is leading in the country in terms of agricultural credit. In the co-operative sector of India, the number of co-operative societies in Maharashtra is about 27.3%, membership is 14.68%, working capital is 26.3%, loan disbursement is 40% and share in total co-operative business is 30%. This shows that the co-operative movement in Maharashtra is developing rapidly. In 1990-91, the number of all types of co-operative societies in the state of Maharashtra was 10,4620. In 2011-12 it reached 2,27,938. In 2015-16 it was 2,38,010. In the year 2016-17 overall number of societies decreased (1,95,301 co-operatives) but only with this exception again since 2017-18 the co-operative movement resumed with significant progress.

From 1990-91 to 2011-12, the number of primary credit cooperative societies in Maharashtra increased from 19565 to 21443. After that it is reduced and in 2020-21 reached at 20,897. Since 1990-91 to 2011-12, the number of non-credit cooperative societies in Maharashtra increased from 11,294 to 22,336. But with gradual reduction, in 2019-20 reached at 20,863 and shown satisfied increase in 2020-21 with 21,049 co-operatives. From 1990-91 to 2011-12, the number of marketing co-operatives increased from 931 to 1,768. But, from 2013 to 2019 the number of marketing co-operatives got reduced but in 2020-21 shown the satisfied increase. In case of co-operative industry-business; from 1990-91 to 2011-12, number of co-operatives increased from 28,954 to 48,529. It was continuously reducing since 2012-13 and 2019-20 reached upto 26,661 co-operatives. About 61% manufacturing co-operatives closed down during this period. During the period from 1990-91 to 2015-16 the number of consumer stores, housing societies and other co-operative societies increased from 43,845 to 1,53,268. From 2016-17 the number of these societies reduced but in the year 2020-21 again increased

with satisfied number (1,47,556). Although there has been a decline in the number of co-operative business entities between 2011-12 and 2016-17, the number of consumer stores, housing societies and other co-operative societies has filled this gap in 2015-16 with 1,53,268 number of co-operatives.

[V] Conclusion:

The movement started through credit in Maharashtra today it has been extended to others sectors like as agro-processing, agro-marketing, sugar factories, yarn mills, oil mills, rice mills, fishing, housing, small scale industries, village industries etc. on a cooperative basis with the aim of transforming the agrarian economy into an agro-industrial system. This shows the transformation of rural life. Co-operative sector is a major contributor to social upliftment. The co-operative movement in Maharashtra has made significant contributions in various fields such as rehabilitation of classified castes, tribes and backward classes, providing employment opportunities to women and the unemployed.

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