



CONTRIBUTION OF COOPERATIVE MOVEMENT IN
DEVELOPMENT OF MAHARASHTRA

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Abstract:

India is an agricultural country and laid the foundation of worlds biggest cooperative movement in the world. Maharashtra is one of the major state of India. The cooperative movement in Maharashtra has played a transformative role in empowering farmers, boosting the state's agricultural outputs and improving rural infrastructure. The cooperative movement in Maharashtra has historical, social, political and cultural heritage. Mostly cooperative spread in western Maharashtra. The main objects of this research study is focused on contribution of cooperative movement in development of Maharashtra. The paper is an attempt to understand the current scenario of cooperative sector in Maharashtra, and the progress of cooperative movement.

Keywords: Cooperative Movement, Contribution, Current Scenario, Progress of Cooperative Societies.

Introduction:

In 1844 the Rochdale Pioneers founded the modern cooperative movement in Lancashire, England, to provide an affordable alternative to poor-quality and adulterated food and provisions using any surplus to benefit the community. Since then, the cooperative movement has flourished extending across the globe and encompassing all sectors of economy. In India cooperation has its origin in the last quarter of 19th Century in attempts to provide relief to the farmers from the clutches of money lenders. The cooperative movement was introduced in India as a state policy and owes its inauguration to the enactment of the Cooperative Societies Act, 1904. In the pre-independence era the movement has passed through various stages of development and has been ups and downs. The dawn of Independence in 1947 and the advent of planned economic development ushered in a new era for cooperatives. Cooperation came to be considered as an instrument of planned economic development. At present the Indian Cooperative is one of the biggest in the whole world. It is one of the strongest pillars on which agriculture and allied sector is flourishing. Cooperatives play a vital role in the economy of India.

The first cooperative sugar factory in Maharashtra was set up in 1950 at Pravaranagar. It was the first cooperative factory not only in India but also in Asia. Maharashtra state Cooperative Societies Act was enacted in 1960 after the formation of Maharashtra state. Pursuant to this, the Maharashtra state Cooperative Societies Rules were enacted in 1961. The contribution of the cooperative sector in the overall development of the State of Maharashtra is significant and the cooperative movement in the state is a matter of pride for the country.

Objectives of the Research Study : The present research study is carried out with the following objectives in view.



1. To present current scenario of cooperative sector in Maharashtra.
2. To study the progress of cooperative movement in Maharashtra.
3. To analyse the contribution of cooperative movement in development of Maharashtra.

Hypothesis of Research study : The hypothesis of present research study is as under :

"The cooperative movement in Maharashtra has played a significant role in the socio economic development of the state, especially in rural areas."

Research Methodology :

while studying the contribution of cooperative movement in development of maharashtra on the basis of secondary research, the researcher has used descriptive analysis method. While studying this research study researcher have conducted information from various types of secondary sources. Researcher use many secondary sources like Research Papers, Articles, Journals, Magazines, Annual Reports and Government Publication Report etc. to go cart crucial information about concerned literature required to support this study.

Conceptual Background :

1. Current scenario of cooperative sector in Maharashtra :

Maharashtra stands an a promient state in India boasting a robust and longstanding comparative movement. The commissioner for cooperation and registrar of cooperative societies, operating under the Department of Cooperation, Marketing and Textiles in Pune, holds a pivotal role in overseeing rural finance, PACS, banking industrial cooperatives and housing societies. Under its jurisdiction, the CC and RCS administers key legislation such as the Maharashtra Cooperatives Societies Act, 1960 and Rules 1961, the Maharashtra Agricultural Produce Marketing Act, 1963, the Bombay Money - Lenders Act, 1946 and the Bombay Warehousing Act, 1959 along with there respective rules. The legal framework outlined in the Maharashtra Cooperative Societies Act, 1960 covers various aspects, showcasing the government commitment to overseeing cooperative activities comprehensively. The overarching vision and mission of, cooperatives in Maharashtra are to strengthen the movement by developing financially sound and economically independent institutions. This includes proactive and prompt administration of cooperatives, both rural and urban, aiding them in efficiently achieving common development goals through enhanced delivery of quality services.

A Network of 28 cooperative sectors with a total of 224160 cooperative societies. Maharashtra boasts an impressive cooperative landscape with 223197 Primary Cooperative Societies, 666 Multi- State Cooperatives, 14 State Federations, 135 District Federation, 67 Taluka / Mandal Federations, 11 Regional Federations and 155 sugar Mill Federations. Currently 217504 Societies are functional while 3233 are nonfunctional and 3444 are under liquidation. There are 80042944 members in cooperatives in the state, with housing cooperation covering the majority at 56.55%, PACS at 9.44%, credit and thrift societies at 9.24% and others at 13.9%. (Data As on January 2025)

2. Progress of cooperative movement in Maharashtra :

Although the cooperative movement originated in western countries, today the cooperative movement In India has become the largest movement in the world Maharashtra is at the forefront of the cooperative movement in the country. Today, the cooperative movement is the greatest contribution given by the state of Maharashtra to the country. Initially the cooperative movement in Maharashtra was confined mainly to the field of agricultural credit but subsequently, it extended

to other sectors such as agro-processing, agro-marketing, sugar cooperatives, fisheries cooperatives societies, cooperative dairy societies, textiles, housing societies consumer stores etc. The cooperative movement in the state of Maharashtra has a history of more than a hundred years. Bombay District Central Co-operative Society was established in the year 1923. Later this bank was transformed into Rajya Shikhar Bank and it is currently functioning as Maharashtra Rajya Sahakari Bank Ltd. Maharashtra has adopted a three-tier structure for cooperative credit provision. Primary Co-operative Credit Institution at the primary level, District Central Cooperative Bank at the district level and State Cooperative Bank at the state level operate. The cooperative movement in Maharashtra is widespread in nature. Many cooperative societies have been established in various fields in the state. In the year 1961, there were 31563 cooperative Societies in Maharashtra. It has steadily increased to 42597 in 1971, 60747 in 1981, 158016 in 2001, 224306 in 2011, 217410 in 2021, and 224847 in 2023. As the number of cooperative societies has increased, there has also been an increase in membership, share capital, loans, deposits of cooperative Societies. The progress of cooperative societies in recent years is shown with the help of the table below.

Table No 1 : Progress of Cooperatives in Maharashtra

Details	Years (As on 31 March)					
	2018	2019	2020	2021	2022	2023
Cooperative Societies (in Number)	198252	206414	212951	217410	222738	224847
Members (in lakh)	550	566	556	581	587	594
Share Capital (in Crore)	21811	23583	22354	26541	27261	27736
Of the Share of State Govt. (in crore)	3887	3954	3931	3648	2965	2580
Working Capital (in crore)	384506	404481	397466	449966	460720	473917
Deposits (in crore)	194667	210923	210404	231768	240051	240582
loans Distributed (in crore)	144268	157385	158717	160129	161445	178813
Societies in profit (in number)	54210	55951	57624	56992	54925	57309
Societies in Loss (in number)	34777	38961	37952	38449	38370	39990

(Source : Economic Survey of - Maharashtra, 2020-21 p.n.155, 2023-24 p.n.162)

3. Contribution of cooperative movement in development of Maharashtra :

The cooperative movement is an effective instrument in the economic development of rural areas and improving the socio-economic condition of people living in rural areas of Maharashtra.



The cooperative movement in Maharashtra has played a vital role in the development of economy and society in the state. Here's a breakdown of its impact and role in contributing to development.

- **Agriculture and Credit:** The movement initially focused on providing affordable credit to farmers, who were often exploited by moneylenders. Cooperative banks, such as district cooperative banks, were set up to provide low-interest loans to farmers, which helped them purchase seeds, fertilizers and equipment.
- **Sugar Cooperatives :** Maharashtra became a leading state in sugar production due to the establishment of sugar cooperatives. These cooperatives managed the sugar mills, giving farmers direct control over the production and marketing of their produce. This system helped ensure fair pricing and profit sharing among the farmers.
- **Empowerment of Farmers :** By organizing into cooperatives, farmers gained a platform to voice their concerns and negotiate better terms with buyers and government entities. The collective bargaining power of cooperatives allowed them to influence agricultural policies and pricing mechanisms.
- **Agricultural Mechanization:** Through cooperatives, farmers could also access modern agricultural techniques and tools, which improved productivity and reduced costs.
- **Rural Development :** Cooperatives facilitate rural development by providing essential services, such as credit, inputs and marketing.
- **Increase in Farmers Income :** The dairy cooperatives, notably through the 'White Revolution', played a significant role in improving milk production and providing a steady income to farmers.
- **Political Influence :** The cooperative movement in Maharashtra has been closely linked with politics. Many political leaders, including prominent figures from the Congress and other regional parties, have had strong ties with the cooperatives sector. This relationship has allowed the cooperative movement to influence state policies and decisions, especially in the agricultural sector.
- **Social Influence :** In terms of social impact, cooperatives have fostered a sense of community and unity, encouraging participation in democratic decision-making and fostering leadership among rural populations.
- **Industrial and Trade Cooperatives :** Beyond agriculture, the cooperative movement in Maharashtra has extended to other sectors like handloom, textiles and fisheries. Cooperative societies in these industries have helped artisans, small-scale producers and traders organize themselves to secure better markets and improve income levels.
- **Employment Generation :** Cooperatives provide employment opportunities in various sectors such as agriculture, dairy, textile and banking.
- **Income Enhancement :** cooperatives help increase income for farmers, artisans and small entrepreneurs through better market access and pricing.
- **Empowerment :** Cooperatives empower marginalized communities, including women, SC/ST's and rural population.
- **Social security :** Cooperatives provide financial security and stability to members through insurance, pension schemes and other benefits.
- **Community Development :** Cooperatives contribute to community development through



education, healthcare and infrastructure initiatives.

- **Development of Infrastructure :** The efforts of cooperative societies have helped in the development of infrastructure such as paved roads, transport facilities, banks, post offices, electricity, health, water supply, education institutions, financial institution, market etc. to every corner of rural Maharashtra.
- **Reduce poverty :** The cooperative movement has played an important role in bringing together the economical weaker sections of the state to reduce their poverty and raise the standard of living.

Conclusion :

Cooperation occupies an important place in the an economy of the nation. Today the cooperative movement has made its presence felt in almost all walks of human life. The above research study we conclude the cooperative movement in Maharashtra was an important contribution to the country. The main aim of cooperative movement in Maharashtra was to help agriculture credit but it helped to develop related sectors. It helped to improve and develop socio-economic conditions of people living in rural areas of Maharashtra. So it is great instrument for economic development and it boosts up concepts like equity, equality, solidarity and democracy.

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