

The Importance of Improving Agricultural Production Through The Agricultural Cooperatives Society In India

¹Abhijeet Kuderiya and ²Ragni Kumari chandravanshi

Introduction

Cooperative society is an organization of group of people with collective responsibilities and thoughts for the development of needy, especially under privileged. “A cooperative is an 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.” It is based on the values of the development of agriculture, forestry, banking, credit, agro-processing, storage, marketing, dairy, fishing and housing and its network covers 85 per cent of rural households. It occupies a key position in agricultural development with support in resource and input use, harvesting of water resources, marketing channels, storage facilities, distribution channels, value addition, market information and a regular monitoring network system.

Role of Agricultural Cooperatives in Rural Development

- Cooperatives help build sustainable communities in rural areas.
- The role of cooperatives in agricultural development is numerous. Cooperated growers enter a bigger market to sell their goods and buy input supplies at lower prices. More opportunities mean better economical development and the rural population’s welfare.
- Rural co-ops support various needs. There are rural cooperatives for education, healthcare, hardware, household and machinery supplies, etc.

Importance of Farm Cooperatives

- Compared to individual farmers, co-op members are more economically protected and face lower risks.
- Cooperated farmers produce goods and render various services being owners and users at the same time. Besides, ag co-ops can sell their products avoiding middlemen fees, which increases farmers’ profits.

¹Abhijeet Kuderiya and ²Ragni Kumari chandravanshi

¹M.Sc Scholar (Agricultural Extension), Department of Transfer Technology, M.G.C.G.V., Chitrakoot, Satna, (M.P.)

²M.Sc Scholar (Agronomy), Department of Natural Resource Management, M.G.C.G.V., Chitrakoot, Satna, (M.P.)

- ➔ The main idea of agricultural co-ops is self-support: all members help each other and share risks. The primary focus of such organizations is member interests.

Functions

The main functions of co-operative marketing societies are:

1. To market the product of the members of the society at fair prices;
2. To safeguard the members for excessive marketing costs and malpractices;
3. To make credit facilities available to the members against the security of the produce brought for sale;
4. To make arrangements for the scientific storage of the members' produce;
5. To provide the facilities of grading and market information which may help them to get a good price for their produce;
6. To introduce the system of pooling so as to acquire a better bargaining power than the individual members having a small quantity of produce for marketing purposes;
7. To act as an agent of the government for the procurement of food grains and for the implementation of the price support policy;

8. To arrange for the export of the produce of the members so that they may get better returns;
9. To make arrangements for the transport of the produce of the members from the villages to the market on collective basis and bring about a reduction in the cost of transportation; and
10. To arrange for the supply of the inputs required by the farmers, such as improved seeds, fertilizers, insecticides and pesticides.

Suggestions for Strengthening of Cooperative Marketing Societies

1. The area of the operations of the societies should be large enough so that they may have sufficient business and become viable. Most of the societies at present are not viable because of the small volume of their business.
2. Co-operative marketing societies should develop sufficient storage facilities in the mandi as well as in the villages.
3. The societies should give adequate representation to the small and marginal farmers in their organizational set-up.
4. The co-operative feeling among members should be inculcated by proper education by organizing

- seminars and by the distribution of literature.
- In the selection of the officials of co-operative marketing societies, weightage should be given to business experience and qualifications. After their selection, the officials should be given proper training so that they may deal efficiently with the business of the society. The efficiency should be rewarded, wherever possible.
 - There is a need for bringing about a proper co-ordination between credit and marketing co-operative societies to facilitate the recovery of loans advanced by credit societies, and make available sufficient finance for marketing societies.
 - The societies should acquire the transport facility to bring the produce of the members from the villages to the mandi in time and at a lower cost.
 - Co-operative marketing societies should diversify their activities. They should sell the produce and inputs, and engage in the construction of storage facilities.
 - Marketing societies, like the private traders, should provide accommodation and the drinking water facility for their members when the latter come to the mandi.
 - The public procurement and public distribution programmes should be implemented through co-operative marketing societies to increase their business; and
 - The cooperatives should be made free from government control.
- ### Challenges of an Agricultural Cooperative
- Alongside the positive sides, the cooperative business model also has some drawbacks to address. Let's consider some of the challenges agricultural cooperatives are facing.
Rising expenses. As the costs of business operations get higher, farmers' inputs increase, too.
 - Poor marketing skills. As a rule, managers of agricultural producers' cooperatives lack the skills to develop a good marketing strategy and promote their goods and services in the market.
 - Conflicts and lack of understanding. At times, small and large members lack communication and compete with each other, especially when it comes to managerial positions.
 - Low financial sustainability. The share capital of co-op members is often insufficient to ensure the constant presence of co-op products and services in the market.

- ▶ Labor shortage. Many present-day agricultural cooperatives are lacking human resources.
- ▶ Low adoption of precision agriculture technologies. While precision agriculture software improves farming efficiency, its implementation in co-op farms is currently very low.

Conclusion

Cooperatives can mobilise their members and help them to organise for their sustainable livelihood. However, cooperatives need additional support to adopt the successful model for ensuring livelihoods of the members. There is also a need to look at the rules and regulations of the cooperative to facilitate flexibility to suit the local requirements and promote various activities required for improving rural livelihoods. Since, the India is one of the largely populated countries, dependent on agriculture for livelihood security and hosting over 25% of the world's poor, therefore; any such successful development initiative by the cooperative in India may instrumental for other developing countries for wider replication. Hence, a successful cooperative movement in India will not only ensure livelihood security in rural India but will also help to enhance rural livelihoods of the other similar countries.