

ROLE OF CO-OPERATIVE SOCIETIES ON RURAL DEVELOPMENT IN ANDHRA PRADESH, INDIA

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Abstract: Government of Andhra Pradesh had played a profound role in the past 45 years of Andhra Pradesh Statehood, in shaping the functioning of the Cooperative Societies in the State, though the Cooperatives are autonomous institutions with legal status. In the emerging environment, the policy of the Government has been to regulate and not to control and direct the Cooperative Societies through the enactment of Legislation. However even this Act has been substantially amended in the year 2001, duly aiming at promoting the cooperatives in accordance with the principles of cooperation and at reducing the Government control to some extent. The Department also recognizes the rights of the Cooperatives as such for services spelled in the Acts for their efficient functioning in the process of realizing their goals. The Department of Cooperation regulates and monitors the activities of Cooperative Societies to ensure their democratic functioning and to protect the interests of the members of Cooperatives. Cooperative Societies are voluntary bodies and work as independent economic enterprises.

INTRODUCTION:

Government of Andhra Pradesh had played a profound role in the past 45 years of Andhra Pradesh Statehood, in shaping the functioning of the Cooperative Societies in the State, though the Cooperatives are autonomous institutions with legal status. In the emerging environment, the policy of the Government has been to regulate and not to control and direct the Cooperative Societies through the enactment of Legislation. However even this Act has been substantially amended in the year 2001, duly aiming at promoting the cooperatives in accordance with the principles of cooperation and at reducing the Government control to some extent. The Department also recognizes the rights of the Cooperatives as such for services spelled in the Acts for their efficient functioning in the process of realizing their goals. The Department of Cooperation regulates and monitors the activities of Cooperative Societies to ensure their democratic functioning and to protect the interests of the members of Cooperatives. Cooperative Societies are voluntary bodies and work as independent economic enterprises.

Cooperative

Societies in terms of the cooperative laws, perform certain promotional and developmental functions related to Cooperative Societies.

A BOON TO VILLAGERS:

Co-operative credit institution is a boon to the rural people. Of late, commercial banks are directed to close their unviable and loss making rural branches. If the rural branches of the commercial banks are closed, co-

COOPERATIVE PRINCIPLES:

- Voluntary and open membership
- Democratic member control
- Member economic participation
- Autonomy and independence
- Education and training of members
- Cooperation among cooperatives
- Concern for community

COOPERATIVE VALUES:

- Self- help
- Self - responsibility
- Democracy
- Equity
- Solidarity
- Honesty

The Department of Cooperation, besides supervising, monitoring & regulating the functioning of the

operative credit institution is the only available agency for rural credit. While commercial banks withdraw their operations in rural areas, it is the opportunity to the co-operative credit institution to expand their operations and grow further in the rural areas and their contribution for the cause of rural development will become a significant share in the development of the country. Agriculture is the predominant occupation in the rural areas. The prospects of the Indian economy depend up on the growth and development of the agriculture sector.

Once the agriculture sector is developed, it paves the way for development of the rural areas and agriculture development becomes the foundation for rural development. Many questions arise: How to develop the agriculture sector? What are the inputs required for the development of the agriculture sector? What are the agencies which come forward to assist in procuring the necessary agricultural inputs at the right time?

EXTENDING A HELPING HAND:

Land preparation, quality seeds, irrigation, fertilizers and pesticides are the essential inputs of agriculture. Indian farmers are not financially sound and a majority of them are living below the poverty line. Can they afford to procure all the essential agricultural inputs at the right time? Indian agriculture becomes modernized and changes from about-intensive to capital-intensive. To meet the demands of modernisation, farmers need adequate finance. In this scenario, co-operative institutions extend their helping hand to the farmers by providing the required financial assistance and providing necessary inputs (irrigation facilities, fertilizers, pesticides, etc) at reasonable prices and in right time. By doing this, co-operative institutions become the accelerator for agriculture development which paves the way for rural development.

FINANCIAL FOR AGRICULTURE:

Co-operative institutions, State governments, scheduled commercial banks and regional rural banks (RRBs) provide direct financial assistance for agriculture and allied activities. Among the various institutions providing financial assistance for agriculture and allied activities, the share of co-operative institutions is higher than that of the other institutions. It shows the extensive involvement of the cooperative institutions in providing direct financial assistance to agriculture and allied activities and it could be presumed that the contribution of the co-operative institutions is highly significant for the cause of rural development.

PUBLIC DISTRIBUTION SYSTEM:

The role of co-operatives is remarkable in the public distribution system (PDS). In rural areas, the essential commodities are supplied through co-operative societies. Instead of establishing a separate fair price shop, the services of the existing co-operative societies is utilized for distributing essential commodities. The public distribution systems a poverty alleviation programmer and contributes social welfare to the backward and down-trodden people. In Tamil Nadu, 90 per cent of the fair price shops are managed by the co-operatives. It shows the extensive and purpose full involvement of the co-operatives and their viability in implementing anti-poverty and social welfare programmers' which pave the way for the uplift of the rural areas .Small-scale

industries: Co-operatives provide financial assistance for setting up of small-scale industries and encourage rural artisans to develop their craft man ship. Co-operatives provide Rs. 500 as loan to women to start Small business, inculcate entrepreneurial culture among the rural people in order to utilize the resources available locally and help to create assets to weavers, fishermen, artisans, etc. Financial assistance extended by the co-operatives raise assets with the beneficiaries which provide long term benefits to them directly. Farmers are given green card for speedy disbursement of short-term credit through Primary Agriculture Credit Societies.

Co-Operative Week:

Co-operative societies celebrate 'Co-operative Week' every year (September 14-20) in order to propagate the services of the co-operative institutions and create awareness about the co-operative movement. The themes on the seven days are: co-operative day, agriculture and rural development day, co-operative sales and consumer's day, co-operative housing day, environment and technology day, rehabilitation of women and down trodden people day and co-operative management day. Celebration of the co-operative week makes the people understand the services of the co-operative societies in developing the socio-economic status of the people, particularly to those below the poverty line in rural areas. This makes them become members of the co-operative societies and creates co-operative spirit among them. In Tamil Nadu, steps have been taken to involve SCS/SIS in co-operative movement. It misaimed that at least one member of the family who belongs to SC/ST should be a member in the co-operative societies.

CONCLUSION:

To sum up, co-operatives are the viable agencies for rural credit and rural development. Members should be motivated and guided in a proper way not only to utilize the benefits of the Co-operative societies but also to make the societies financially viable by repaying the loan in time. If member repays loan within the time schedule, that will be helpful to extend another loan leading to development. Mem-bers share the profits (after statutory allocations) of the co-operative societies. If they come forward to contribute to the financial sound-nests of the society, automatically the profit goes to them. In this mutual process, Co-operative institutions are developed and members are benefited. Unless the beneficiaries join hands and support the co-operatives for the cause of rural development, the efforts taken by the co-operatives will not yield the desired results.

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