

Growth and Working of Co-Operative Industries in Rajasthan

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Abstract

Nature has been very kind to Rajasthan to provide with rich resources in different forms like vast available land, extensive mineral wealth, abundant forest products and sizable animal population. There is extensive scope for utilisation of the local resources, which could provide local population with meaningful employment opportunities - Rajasthanis are known for their hard work and skilful abilities to pursue variety of occupations. They have an enviable Cultural and occupational heritage. Shortage of water resources and scanty energy facilities have no doubt hampered the industrial development of Rajasthan. Enough efforts have been done to overcome this handicap.

Keywords: Industrial Cooperative, Investment, Employment, Entrepreneurship, Regional Imbalances.

Introduction

In Rajasthan over the years co-operativisation of the Agro-processing as well as small-scale and cottage industries has been done. But for many reasons the experiment has not been quite successful. It is a matter of great surprise as to how this has happened, since co-operative industries elsewhere in India and abroad have a rosy and successful record of operation. A Dismal position of the movement in Rajasthan and the promise it holds for the mass population of the State, prompted me to take up the challenge of analysing the movement with the intention of diagnosis and suggestion for the future course of action. The present research work is a result of this perception and determination against various odds encountered at different stages.

Present study tries to explain the growth and working of co-operative industries in Rajasthan.

Review of Literature

A lot of descriptive material is available dealing with the history, functions and growth of the co-operative sector in India. But Industrial Co-operatives is one of the most neglected area for which limited material is available. Late Shri Vaikunth L. Mehta through his article in Indian Co-operative Review as early as in 1946 point out that Industrial Co-operatives in Chinese lines should be organised and the majority of the cottage and small scale industries be co-operativised. Shri Champa Lal (1950) retired Superintending Engineer (PWD) Punjab experimented with Industrial and construction co-operatives. In his opinion such co-operatives are of immense value for weaker sections and poor masses to provide them with gainful employment on one hand and a substantial financial savings to the exchequer - on the other hand. The Bombay Province (now Maharashtra) Industrial Cooperative Organising Committee (1943) was of this view that a number of industrial co-operative societies for farmers, smiths, carpenters, potters etc. should be developed in rural areas particularly for down trodden.

Prof. D.G. Karve (1955) while chairing the village and small scale Industrial Committee recommended proper utilisation of plant allotments for industrial co-operatives and formation of All India Boards for them. Shri R. G. Saraiya (1945) as Chairman of Co-operative Planning Committee was of this view that Regional Promotional Agencies should be established in each province, which would survey, plan and establish industrial societies in their areas.

Shri J.C. Ryan (1958) as chairman of the First Working Group on Industrial cooperations made extensive recommendations to stabilize the development of the movement to rectify its weakness and to remove the obstacles - Co-operative processing is an indispensable part of co-

operative marking and occupy important position. For their smooth development, a committee was appointed in the chairmanship of R.G. Saraiya (1961). The Committee felt that linking of credit : with processing was vital and if it is adequately developed can help farmers to reap remunerative prices for cash crops. Further it recommended the processing industry in co-operative sector to be run on sound business lines

The Second Group on Industrial Co-operatives (1963) in its report submitted 10 Government of India under the chairmanship of Shri B. P. Patel made recommendation as to setting up of new and revitalising of existing co operatives, extension of credit facilities to them and the formation of their federations. The + 9Ashok Mehta Committee (1968) gone through the working of rural industrial co-operatives and made many useful recommendations to the government to provide them facilities like financial aids for administrative expenses, subsidies for products, technical assistance and cheaper loans. A symposium on Industrial Co-operation (1960) was held in Surat. The proceedings published by the same provide useful information regarding the trends in industrial co-operation to that date. It has outlined the industrial co operative movement and indicated that large scope existed for the movement to expand in various directions.

National Federation of Industrial Co-operatives is assisting industrial co operative societies by making studies of their problems and formulating and implementing programmes relating to their developments. A working group of the RBI held this view that Industrial Co-operative Banks established so far can fill the gap created by central Co-operative Banks by not catering for the financial needs of the industries in the co-operative sector.

Comparative analysis of soybean processing and Employment generation by private and cooperative units – a study of Kota district of Rajasthan in Rishikesh burak SS does Gautam department of Agricultural economics and management RCM PUC journal of agriculture research year 2013 volume 49 issue 6 print and 036 7-8 245 online IAS 097 6-0 58 X the study revealed the need for more investments in both private and cooperative processing sectors to augment purchasing and processing capacity is and generate more employment

Role of cooperatives in improving livelihood of farmers on Sustainable basis by Virendra Kumar' k G Vankhadee , DC Jana American journal of educational research 2015, volume 3 e number 10125 8-1 266 cooperatives are present in all countries and in almost all the sectors number of successful cooperatives in India Life IFFCO and Amul ect.

An analysis of factors affecting to entrepreneur development in Rajasthan by Dr Naresh and Dadich Manish, International Journal of Management and Engineering ,Year 2015 volume 5 issue 12 ISC 2249 – 0558 ,paper emphasizes on factor affecting to entrepreneur development in

Rajasthan with associated variables like infrastructure investment and spirit of entrepreneur

Objective of the Study

1. To explain the growth of cooperative industries in Rajasthan.
2. To describe the working of cooperatives industries in Rajasthan.

Result of Discussion

Growth of Co-operative Industries

The inflationary and scarcity conditions brought by the war encouraged the growth of all types of industrial co-operatives and the advent of independence accelerated this process. Industrial co-operatives have made a phenomenal growth in the country after the independence and particularly during the various plans. Establishment of agencies at All India level like KVIC, Coir Board, Silk Board, Handloom Board, Handicrafts Board etc. has paved way for a large scale development of village and cottage industries as well as small-scale industries particularly under co-operative fold - Now a day's co-operative industrial entrepreneurship in India are not confined to the traditional fields of agro-based or hand-skill based small-scale industries. They are being operated progressively and successfully in a wide range-viz chemicals and fertilizers, cotton and textiles, Sugar, Ceramics, Dairy Products, Leather goods, oils and vegetable products s son on- Some of the well known co operative industrial organisations are - AMUL & SUGAR (Dairy Products), IFFCO & KRIBCO (Fertilizers), PETROFILLS (synthetic Yarn), COPTEx (Cotton Textiles), MARFED-HAFED-RAJFED (Marketing Federations for various processed food items).

Emergence of National Co-operative Development Corporation (NCDC) on the horizon of Indian co-operative World has been a landmark in the development of co-operative sector. NCDC is greatly instrumental in promoting, financing and revitalizing co-operative industries e It has a liberalized scheme of assistance for various co-operative ventures. The NCDC, set up in March, 1963, has the responsibility of planning and promoting country-wide programmes through co-operative societies for production, processing, marketing food-stuffs, poultry feed minor forest products and notified commodities. It formulates specific programme of activities every year in order to carry out the objective of promotion and development of 'co- operative ventures. NCDC's financial assistance is additive and supplemental to the efforts of the State Governments in implementing various programmes of co-operative development. The corporation ensures that projects are formulated in accordance with the accepted co-operative principles. There has been increasing emphasis on the programmes for weaker sections of the society and the patterns of assistance applicable to such schemes are also comparatively liberal.

Co-operative Industries in Rajasthan A Brief Resume

Development of Co-operative Industries in Rajasthan, whether small scale or large-scale is by and large not satisfactory. Dairy co-operatives in Gujarat. Sugar Co-operative Units in Maharashtra,

Bidi and coir products co-operatives of Karnataka and Kerala. Handloom cooperative societies in Tamilnadu and Andhra Pradesh. Silk Producers Co-operatives of Eastern border States are some of the examples of flourishing co-operative entrepreneurships in our country. Rajasthan can draw enough of expertise and encouragement from them and make use of co-operative entrepreneurship in those fields as well as other areas too. A modest start has already been made in this state and some co-operative ventures with their successful record are attracting all India interests. In Rajasthan, The Co-operative Cotton Spinning Mill, Gulabpura and Co-operative Oil Mill, Fatehnagar, are some of the successful co-operative ventures.

In the large-scale and medium-scale category of industries, co-operative units are of recent growth. 1965 is the year when two large-scale co-operative units came up - Cotton Spinning Mill, Gulabpura (Bhilwara District) and Sugar Factory, Keshoraipatan (Bundi District) - In 1976 Cotton seed processing and oil extraction plant was established at Gajsinghpur (Ganganagar District) - Recently developed co-operative large-scale units are - Cotton Spinning Mills at Hanumangarh (Ganganagar District) and Gangapur (Bhilwara District) - New" coming up units in near future are Cotton spinning Mills at Asind and Shahpura (Bhilwara District) and Fatehnagar (Udaipur District), and Cotton Complex, Ganganagar and Soyabean oil Complex, Kota.

In medium-scale category a number of units are working mostly in agriculture products processing sector. Isabgol Husk Unit at Abu Road (District Sirohi), Pickle Unit, Jaipur and cattle feed units - Ajmer & Jaipur and Rajified Ground-nut processing unit. Fatehnagar are the units being operated for the last four years. Dal Mills are working at Chaksu (District Jaipur) Kekri (District Ajmer), Anta (District Kota), Suratgarh (District Ganganagar) - Two new Dal mills are coming up at Kumher (District Bharatpur) and Anoopgarh (District Ganganagar). Rice Mills are working at Hanumanagar. Barans Kota. Bundi and Keshoraipatan - Udaipur and Banswara units are lying closed and efforts are being made to bring them on lines. Oil Mills are being operated at Gangapur, Fatehnagar, Chaksu, Nadibai and Sunerpur. New units are coming up at Nagaur, Jhunjhunu, Sawai-Madhopur, and Jalore. One Vanaspati unit is being established at Mandalgarh (District Bhilwara). Cotton ginning and pressing units are working at Gajsinghpur, Karanpur, Sadulshahar, Ganganagar, Raisinghnagar, Padampur and Pilibanga (all in District Ganganagar) - Bagrodila (District Banswara) unit is lying closed. New units are coming up at Anoopgarh and Gharsana (District Ganganagar) and Gangapur (District Bhilwara).

In the small-scale industrial sector the development and working of co-operative units is not encouraging. In 1961 in all 941 primary weavers' societies were registered in Rajasthan, out of them 396 were dormant, by 1985 the number has come down to 507, out of these 430 are dormant. As far as other Primary Industrial Co-operative Societies are concerned - in 1961 in all 2461 societies were

registered out of them 890 were dormant. By 1985 their number has come down to 1308, of which 1058 are dormant. It is evident that in Rajasthan the number of societies closing down or becoming inactive is increasing. As such a factual analysis is most urgently required to take suitable remedial measures to put them on line.

There are Regional Disparities in the Growth of Industrial Co-operatives

Development of co-operative industry in Rajasthan has not been balanced. It has lot of disparities areas-wise as well as industry-group-wise. Growth of various types of industries and their geographical distribution has been thoroughly discussed in chapter III of this study. The facts reveal that there are wide fluctuations in the development of all types of industries is e o Large Medium and Small-scale Co-operative units. Districts like - Barmer, Jaisalmer, Sirohi, Dungarpur, Churu, Dholpur. Jhalawar having either zero development or negligible development of any type of cooperative industrial units. Although they have sufficient resources for developing agro-based small-scale units in co-operative sector. There are districts like - Bikaner, Sikar, Chittorgarh, Tonk, Sawai Madhopur, Jhunjhunu, Bhilwara etc. which have comparatively less development of co-operative sector industries.

Ajmer, Alwar, Bharatpur, Jaipur, Pali, Nagaur, Jodhpur, Bundi, Kota, Udaipur are the districts, where most of the cooperative industries are located. Jaipur district is the single most significant and densely developed area from the point of variety and concentration of maximum number of co-operative industrial units. Region-wise Eastern Rajasthan comprising of Ajmer, Jaipur, Alwar, Bharatpur, Dholpur, Tonk, Sawai Madhopur, Sikar and Jhunjhunu is the most developed area in the field of industrial co-operatives. South Eastern Rajasthan comprising of Kota, Bundi, Jhalwara, Udaipur, Bhilwara,

Chittorgarh, Banswara and Dungarpur - is a moderately developed area. But rest of Rajasthan i.e. North-West Rajasthan which is arid, comprising of Bikaner, Churu, Ganganagar, Jaisalmer, Barmer, Pali, Jalore, Sirohi, Nagaur and Jodhpur, covering a vast area i.e. 2/3 of the State is the poorest and most undeveloped region from the point of view of industrial co-operatives.

Therefore, the hypothesis in the light of the - discussions and facts and figures presented in Chapter III get proved and confirm, this contention that there exist. Vast regional imbalances in the development of all types of co-operative industrial units.

The possible reasons are - geographical constraints but otherwise absence of strong political as well as administrative will can also be the factors responsible for poor growth. Restoration of regional balances deserves urgent attention at all levels and quarters. Neglected areas of Rajasthan have necessary infra-structure and resources for developing all types of co-operative industrial units.

Suggestions and Recommendations

Industrial co-operative movement in Rajasthan is in the grip of bad health and deserves a

comprehensive diagnosis, and needs remedial treatment. The following set of suggestions and recommendations are expected to be fruitful to improve its health and help raise the level of its efficiency.

1. Revitalisation of Promotional/Developmental Agencies
2. Revamping of the organisational set up
3. Professionalisation of the management
4. Effectiveness and adequacy of Finances
5. Development of Specialised Cadres
6. Improvement in Operational efficiency
7. Democratisation of the management and Administration
8. Education and Orientation of the participants
9. Improvement in Marketing Efficiency
10. Removal of regional imbalances
11. Co-operativisation of identified resources
12. Adoption of successful models

A special cell at the State level be established to formulate, examine and monitor all projects. This arrangement will provide a nucleus for coordinating and planning of all the schemes. It will serve as a pool of experts who will help achieve growth and development of industrial cooperative units.

Organisational set up of the units needs revamping. Professionals and representatives of various participants should be inducted to make them effective.

People committed to the movement and having experience and expertise of the industrial co-operative sector be given due place in the Boards/Committees of the societies.

Modern business has been highly competitive and needs to be managed by the people who have competence and expertise to run it. Co-operative industrial units are also integral part of the total industrial sector and exposed to competitiveness. Therefore, non-professional managers of co-operative units fail to lead and look after them efficiently. As such professional manager having expertise be inducted in management after proper orientation.

Finance is the life blood of any business enterprise. It should be readily available in sufficient quantity at the right time. NABARD is assuming the pivotal role in this directions Under its direction and fold specialised agencies like Industrial Co-operative Banks at State and District level be developed and directed to function to discharge the responsibilities.

Running of industrial co-operative units require services of such people who have dedication, commitment and orientation in co-operative system. Therefore, development of specialised cadres for manning positions in the co operative units will improve their efficiency. Snags in the operation of such units will get removed with introduction of the specialised cadres.

Improvement in operational efficiency is a requirement of the present days. In a highly competitive society viability and competence are the essential ingredients for existence and growth. Poor

operational working of the cooperative units of Rajasthan is result of some adverse factors. Such constrains need to be urgently removed, otherwise the units will continue to suffer and ultimately forced to them to die out.

Co-ordination, maintenance of discipline, faith in each other and esprit de-corpse are the essential requirements of a business enterprise to get going smoothly. As such democratic working and orientation of the management and administration of industrial units is being advocated by the experts. Co operative units of Rajasthan need this democratisation of Management Administration of their set up. It is humming with non-professionals, politicians and bureaucrats who are mostly loggerheads in their working.

Training and orientation in cooperative system have a beneficial effect on the people who participate in the campaign. It develop mutual trust and understanding, which is a must for running any cooperative enterprise. In the absence of the same the participants may develop habits which will prove harmful to the smooth working. Training and orientation will provide the participants with necessary education to understand the requirements of the system. It will activate them and improve their confidence in the system.

Marketing efficiency of the co-operative units of Rajasthan can be improved with induction of professional to the system. Activising of the eederations at District, State and National level will go a long way to improve marketing efforts. A well thought out, properly implemented and monitored marketing plan under the guidance of experts will help the units to push their sales.

There are regional imbalances in the development of co-operative units. Efforts should be made to develop local resources and co-operativise them. This will help remove local grudge and make the movement more balanced. There are many successful co-operatives in other states, their operational method and system can be adopted to be introduced in Rajasthan as well.

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