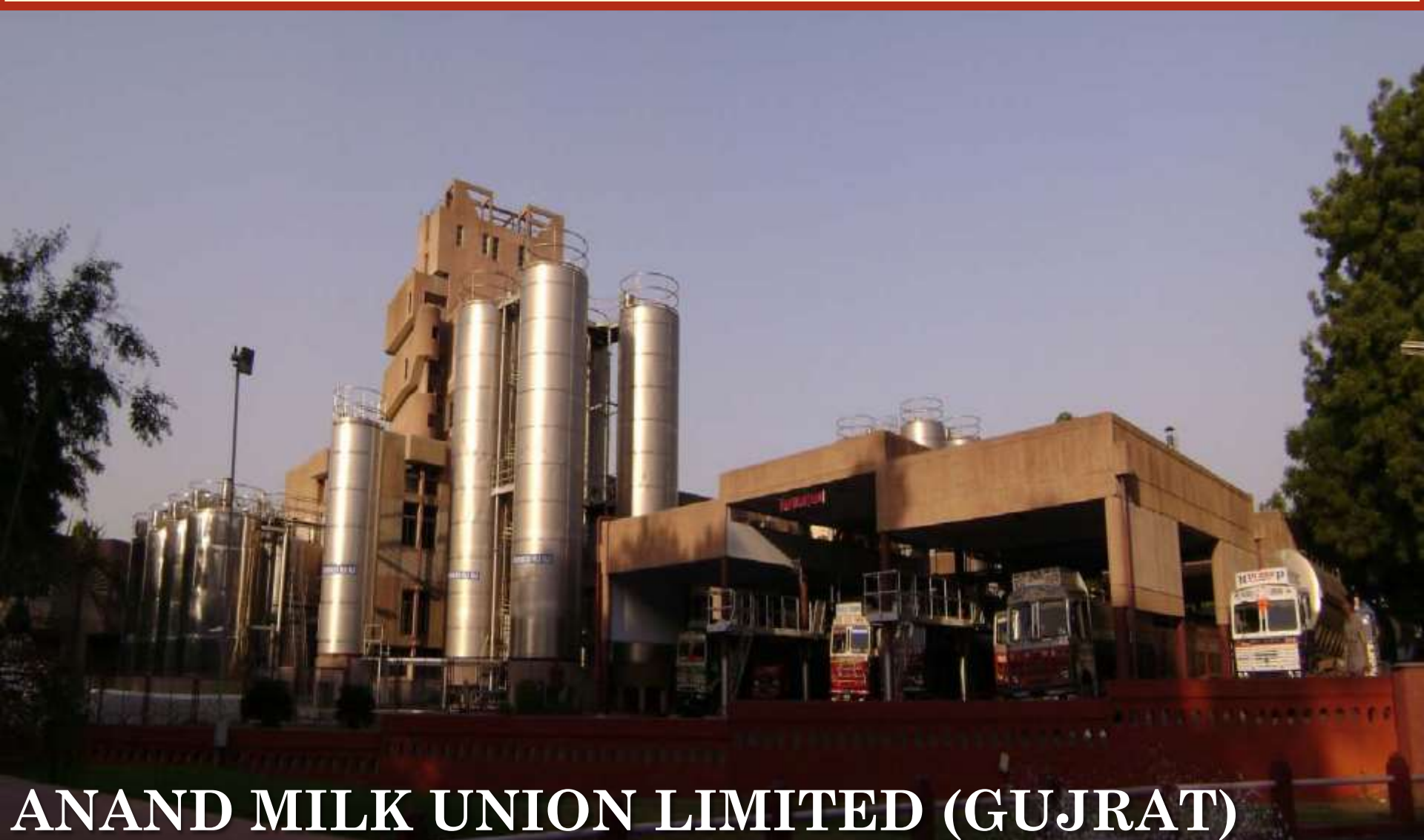


# **ROLE OF CO-OPERATIVES UNDER EMERGING ECONOMIC SCENARIO OF INDIA**



**ANAND MILK UNION LIMITED (GUJRAT)**

A photograph of a sunset over a body of water. The sun is a bright yellow-orange circle on the horizon, with its light reflecting on the water's surface. The sky is a gradient of orange and yellow, and the water is dark with small ripples.

# *INTRODUCTION*

- Co-operation existed even before the existence of man. Co-operatives work for the sustainable development of the overall economy through various policies.
- The first time co-operative came into existence during 18<sup>th</sup> century in Europe. **“The Shore Porters Society”** claims to be one of the world's first cooperatives, being established in Aberdeen (UK) in 1498. “Sir Robert Owen” is known as the father of co-operative movement in the world.



- ❖ The term Co-operation is derived from a Latin word “co-operari”, means **“working together with another or others for a common purpose”** or an association of persons who unite to do some work together in order to achieve some purpose.
- ❖ Basic principle of co-operation is **“EACH FOR ALL AND ALL FOR EACH” & “SELF HELP AND MUTUAL HELP”**
- ❖ The word Co-operation have several meanings and its difficult to convey the exact meaning in its technical sense. Generally speaking ***“Co-operation” means, “living, thinking and working together”.***



- Co-operation is a joint or collective action of people directed towards some specific goal in which there is common interest or hope of getting some reward. Such cooperation may be voluntary or involuntary, direct or indirect, formal and informal but there always is a combination of efforts towards a specific end in which all the participants have a real stake.
- The Primitive concept of Co-operation was related more to cultural, religious and social aspects. Co-operation was a way of life and it was inherent in the Society itself. The Modern concept of Co-operation is altogether different from the primitive one. *“It denotes a special method of doing business”* - T.N. Hajeela *“The word Co-operation literally means Working Together or Act Together.”*



# ROLE OF CO-OPERATIVES

- Cooperatives play a major self-help role in rural areas, particularly where private businesses hesitate to go and public authorities do not provide basic services.
- Create opportunity for employment, income generation, and increase the availability of goods and services, all of which also contribute to economic growth. Stimulate performance and competitiveness, as their members are also the beneficiaries.
- They are strongly rooted in their community, and are thus more likely to positively influence it. Are guided by a set of underlying values and ethics and are schools of social dialogue and democracy.

- Balance the need for profitability with the broader economic and social development needs of their members and the larger community, because members are both producers and beneficiaries.
- Are particularly valuable for women as they compensate for their often limited resources, mobility and “voice.”
- Associations in many forms (Self-Help Groups, savings and credit associations, even farmer or fisher associations) already have a strong presence in rural areas. They provide convenient and flexible access for members in light of few or no alternatives.

# TYPES OF CO-OPERATIVES IN INDIA

1.

• **Consumers' Co-operative Societies**

2.

• **Producers' Co-operative Societies**

3.

• **Marketing Co-operatives**

4.

• **Housing Co-operatives**

5.

• **Co-operative Credit Societies**

6.

• **Co-operative Farming Societies**



# CONSUMERS' CO-OPERATIVE SOCIETIES

- The first consumer co-operative was set up in 1903 in Madras province. Currently there are around 9,000 consumer co-operatives in the country.
- There are Primary societies at the local level, Central or wholesale societies at the district level, State Consumer Co-operative Federation at the State level and National Co-operative Consumer Federation at the National level.



**Sainik Consumer Co-operative Society Ltd (Goa)**

# PRODUCERS' CO-OPERATIVE SOCIETIES

- They are formed by small producers who plan to obtain inputs (raw materials, components, tools and equipment) and to sell their output (finished goods) by direct distribution and without any involvement of middlemen.
- **They are also called as industrial co-operatives.** Goods are produced to meet the requirements of members. Goods can also be sold to outsiders at a profit. Certain portion of the profits earned is spent for the welfare of the community and the balance is distributed among members.



Women milk producer co-operative society (kareng)  
Assam

# MARKETING CO-OPERATIVES

- Marketing Co-operatives are especially suitable for marketing of agricultural products. They seek to protect producers from being exploited by the middlemen.
- The output of the members is pooled together, the products are processed (e.g. crushing of oil seeds, ginning and pressing of cotton etc.) graded and sold at the best possible price. The sale proceeds are distributed among the members according to their contribution to the pool. They also provide credit, storage facilities, information about market price, demand and supply etc.



**Pala Marketing Co-operative Society (Kerala)**

# HOUSING CO-OPERATIVES

- Housing co-operatives are formed by those who are interested in acquiring residential property. They undertake activities relating to purchase of land, obtaining governmental approvals, development of the site, construction of houses or flats and allotment of houses/flats to its members.
- First housing co-operative came into existence in 1914 in Madras.



**Kanungo co-operative  
group housing society  
(New Delhi)**

# CO-OPERATIVE CREDIT SOCIETIES

- The objective of forming cooperative credit societies is to provide loans to members at reasonable rates of interest and to develop the habit of thrift among members. They accept deposits from members and provide loans to members at reasonable rates of interest. The co-operative credit societies are of two types. They are:
  - Agricultural credit societies (Formed in the villages)
  - Non agricultural credit societies (Formed in the urban areas)



# CO-OPERATIVE FARMING SOCIETIES

- They are formed by small farmers with the objective of maximizing agricultural output. It is especially suitable for developing countries like India where land is highly fragmented.
- The benefits of **collective farming** such as lower cost of inputs, implementation of modern methods of cultivation etc leads to higher productivity and profits which is shared by all the members.



# SUCCESSFUL CO-OPERATIVES IN INDIA



AMUL  
Mother dairy  
NAFED  
AAVIN  
IFFCO  
Nestle  
Britannia  
Bhuttico

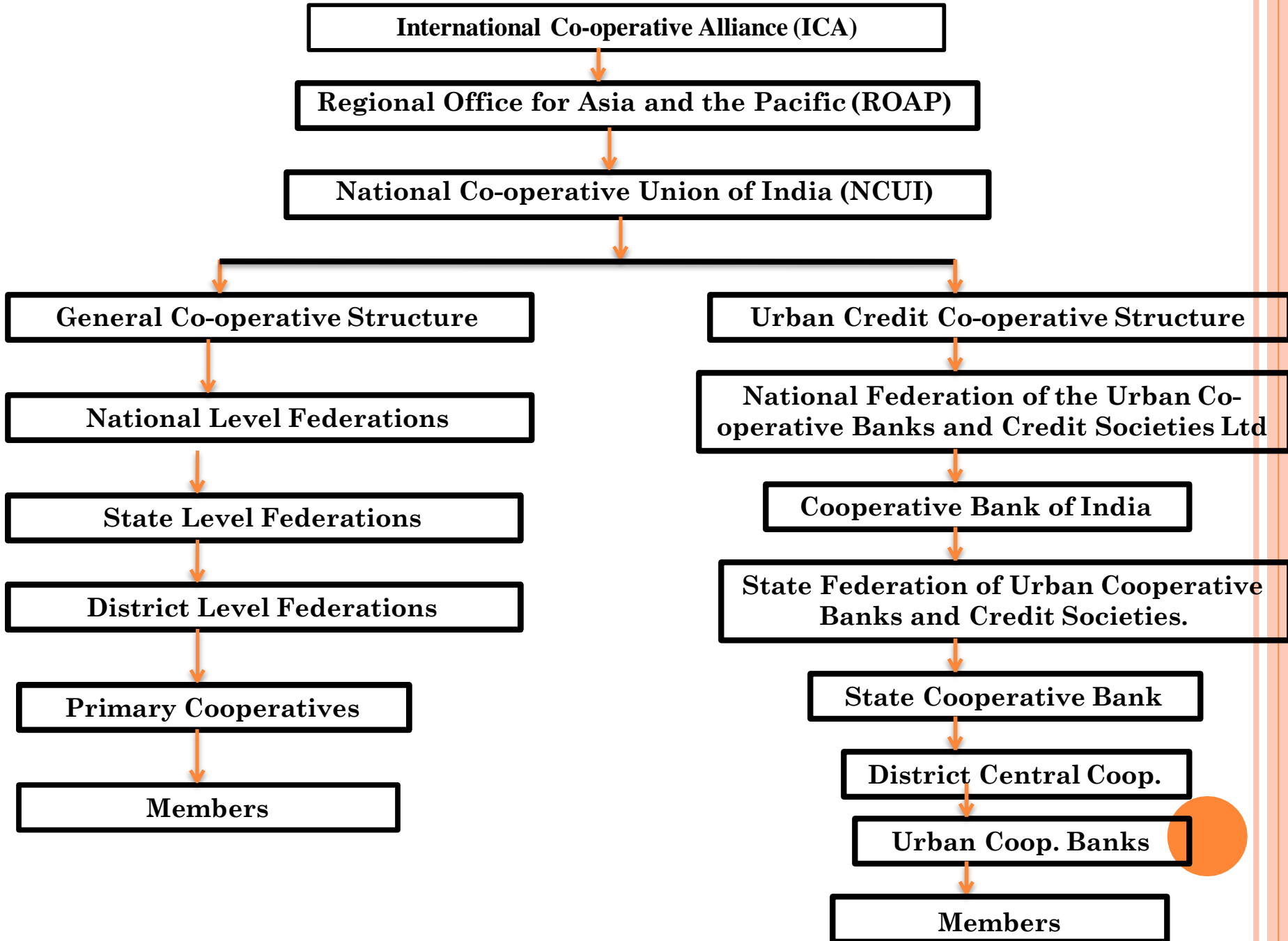


**Bhuttico**



In this endeavor, the presented study has been design with the following objectives

# ORGANISATIONAL STRUCTURE OF CO-OPERATIVES IN INDIA







**STORY**

# Amul



It's about loving your butter

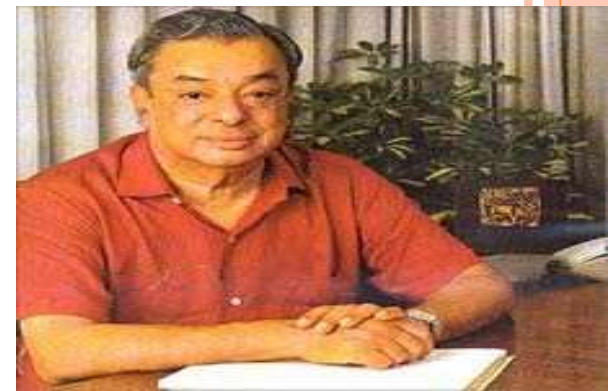
A cartoon illustration of a diverse group of people, including children and adults, gathered around a table. They are all smiling and holding pieces of bread and butter, suggesting a shared meal or a family gathering. The scene is set against a dark blue background.

*Kabhi bread  
Kabhi bun*

**Amul**

# INTRODUCTION

- AMUL is an Indian dairy cooperative, based at Anand in the state of Gujarat, India. The word *AMUL* is derived from the Sanskrit word “*Amulya*” (अमूल्य), meaning “**invaluable**”.
- Formed in December 1, 1946, it is a brand managed by a cooperative body, the Gujarat Co-operative Milk Marketing Federation Limited. (GCMMF), which today is jointly owned by 03 Million milk producers in Gujarat.
- AMUL spurred India's White Revolution which made the country the world's largest producer of milk and milk products. In the process Amul became the largest food brand in India and has also ventured into markets overseas.
- Dr. Verghese Kurien, is the founder-chairman of the GCMMF for more than 30 years (1973-2006), is credited with the success of AMUL.



- AMUL became the largest exporter of dairy products in the country. AMUL is available today in over 40 countries of the world. It has nearly 50 sales offices spread all over the country, more than 5000 wholesale dealers and more than 7,00000 retailers.

- **Achievements of GCMMF**

- ❧ Around 3 million milk producer
  - ❧ 15 district unions
  - ❧ 15,760 village societies
  - ❧ 9.4 million liters of milk procured per day
  - ❧ Annual turnover is 53 billion
  - ❧ The Govt. of India has honored Amul with the “Best of all categories Rajiv Gandhi National Quality Award”.
  - ❧ Largest milk handling capacity in Asia
  - ❧ Largest cold chain network
  - ❧ Export to 37 countries worth 150 crores
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