

Together, We Grow

Cooperative Movement in the country is now more than hundred years old but unlike Germany, Britain and other western countries where the Cooperatives have flourished, the Cooperative Movement in our country has not grown itself but the initiative has come from the above and the Movement has been thrust on the people. It was on the initiative of the Government when a senior Government servant namely Nicholson was deputed to Germany to study the Cooperative Movement there and accordingly propose a solution to the problems faced by the farmers in the rural areas of the country. Mr. Nicholson came with the suggestion/recommendation that the Cooperative Movement is required to be introduced in the country which can offer a solution to the problem of rural populace and eliminating the role of middlemen and moneylenders. In his report, he has reported "Find Raiffison; by this, he was referring to great Co-operator Mr. Raiffison of Germany.

Cooperative Credit Societies Act 1904 came into being which attempted to solve to some extent the problems of rural credit. The said Act was enacted to promote self-help groups, Thrift and Credit Cooperatives comprising of agriculturists and artisans and such persons of the society who had very small landholdings. However, over a period of years, improvements came to be made in the Cooperative Movement when in 1912, the Cooperative Societies Act 1912 came into being. Various sections of the said Act related to the position of Cooperative Societies and the powers of Registrar. The said Act revolved round two axis; Societies and Registrar.

However, considerable work on Cooperatives in popularizing the Movement in the country, was due to Mr. Logan who had worked as Registrar Cooperatives of undivided Punjab for about a decade in the pre-independence period. Over a period of time, it was felt that improvements are required to be made in the system. In the J&K State, the Cooperative Societies Act 1960 followed by Cooperative Societies Act 1989 came into being and the latter is still in operation. Despite the fact that the Choudhary Brahm Prakash Committee has recommended for removal of Government control from the Cooperatives and giving full autonomy to the Cooperatives. Some State in the country like Andhra Pradesh, Rajasthan and Himachal Pradesh came up with the liberalized piece of legislation and in our State also the J&K Self Reliant Cooperatives Act 1999 was passed by the State legislature and was enacted thereafter and the Act is still in force. Presently two Acts, viz. J&K Cooperative Societies Act, 1989 and J&K Self Reliant Cooperatives Act, 1999, are concurrently in force in the State and over a period of time, it could be observed that the two Acts moving in different directions; as such, it has been felt that there is need for a new Model Act which could accommodate broad concepts of both the Acts so that there is no confusion in carrying forward the Cooperative Movement.

While making a comparative study of the Cooperative Movement of various States of the country, it can be felt that that the Cooperative Movement is not so strong in our State as it is in the southern States of the country. We need to strengthen the Cooperative Movement in the State for which the Government is already committed. Cooperatives in the J&K State have the advantage of having presence in every Block of the State and village clusters. There are two basic ingredients for success of Cooperative Movement; (1) Maintaining the democratic

character through conducting of elections; (2) conducting of Audit of Cooperative Societies, so that there is democratic spirit and transparency in their functioning which can attract the youth of the State.

Few decades back, Cooperative institutions were very popular in the State and would cater to the requirement of the people besides providing a helping hand. But, the Cooperatives have suffered due to liberalized policy of the Government and with such decision, our markets are flooded with foreign goods at local level and consequently, Cooperatives could not withstand the competition. Cooperatives cannot claim now for a preferential treatment but they should explore innovative activities which have to be area-specific. It was on the initiatives of the Government that the Cooperatives have done very good work in two sectors; (1) Dairy Sector; and (2) Poultry Sector. In Dairy sector, the umbrella Organization, J&K Milk producers Cooperative Ltd. is working under technical collaboration of AMUL and is collecting, processing and supplying milk and milk products under the brand name SNOWCAP through its Cheshmashahi (Srinagar) and Satwari (Jammu) Milk Plants. Both the Milk Plants have installed capacity of 80,000 ltrs per day with a target of one lakh ltrs. Per day. Presently the two Milk Plants are processing 36,000 Ltrs per day and the target of 50,000 is shortly being achieved. JKMPCL has plans to cover more and more districts for its activities. Similarly, Under Poultry Sector, 48 Poultry Cooperative Societies have been sanctioned in 2nd phase and are under various stages of implementation. Under the scheme, an amount of Rs. 1560.86 lakh as financial support (loan, subsidy, share capital) have been provided to the sanctioned projects. The funded Poultry Societies have a capacity of about 5.85 lakh broiler birds annually.

Cooperative Societies have a lot of assets which are not utilized upto an optimum level and are prone to encroachments and illegal occupation. For safeguarding these assets, there is need for providing financial assistance to the Cooperative Societies so that these assets are secured from encroachments. Moreover, a sizable number of Cooperative Societies have turned defunct because of lack of working capital. In case the Government can provide working capital to such Societies as one time exception, the defunct Cooperative Societies can also start business activities. It will be a step forward in the rejuvenating and strengthening the Cooperative Movement in the State.

The Department is determined to excel in its activities with a focus on providing right guidance to the Cooperative Societies so that these emerge as vibrant, business-oriented member-driven entities.

Cooperatives Movement in J&K State:

The Cooperative Movement in Jammu and Kashmir was first institutionalized in 1913. The legal framework further updated in 1936, 1960, 1989, 1999. In tune with the National Policy, the State Govt. has introduced reforms both legal and structural in the Cooperative Movement from time to time. To encourage the Cooperative Movement is a promise under the Constitution of the State.

The Cooperative Movement in the State has received due attention of the successive Govts. In view of the efficacy of the Cooperative Movement as an effective agency for socio economic transformation of the Society, the Cooperative Institutions have been termed as the institutions of economic emancipations while panchayats as the institutions for political independence. Despite of the peculiar topography of the State, difficult terrain and hostile climatic conditions , the Cooperative Movement has played a yeomen's role in the service of their members in particular and the people in general.

The State of J&K is one of the front line states to enact the liberalized piece of Legislation on Cooperatives based on the recommendations of Choudhary Bhrm Prakash Committee. The Act known as J&K Self Reliant Cooperative Act of 1999, conceives of a Self Reliant , Democratic , Vibrant Cooperative Movement in the State. The present State Govt. has initiated pragmatic steps to revive the Cooperative Movement , besides, diversifying the business port folio of the Cooperative Institutions. The silver lining has definitely made us optimistic that in the days to come Cooperative Movement shall be playing a vital role in the economy of the State, besides offering greater employment avenues. The principles of Cooperatives are the Beacon Light and differ it from other economic systems. The principles have universal application and in view of this fact Cooperative system of working is termed as **Morality Applied to Business**. The Principles are:

PRINCIPLES OF COOPERATION

1. Voluntary and Open Membership
2. Democratic Member Control
3. Education, Training & Information
4. Member Economic Participation
5. Autonomy and Independence
6. Cooperation Among Cooperatives
7. Concern for Community