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ROLE OF CO-OPERATIVES IN FISHERIES DEVELOPMENT IN MAHARASHTRA STATE

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Aim of the Investigation

The present study has been undertaken with a view to make an objective appraisal of the development of marine fishing industry in Maharashtra during the period of the Five-Year Plans. The main object of this study is to highlight the role of co-operatives at the apex and primary level in the production and marketing of fish trade. To assess the role of co-operatives in the development of fisheries, it is necessary to study the industry in all its economic aspects and hence data on production, exports, employment, etc., has been analysed. The data collected through various sources have been analysed and wherever possible suggestions have been made. The main source of data is the State Fisheries Department, co-operative organizations at the apex, district and primary level. Due to limitation of time, the field study could be confined only to one sale and purchase society.

Review of Resources Available in Maharashtra

Maharashtra is one of the leading States in the promotion of fisheries in India. The State has a coastline of 700 kilometres, aligning the maritime districts of Thana, Greater Bombay, Kolaba and Ratnagiri covering 210 revenue villages. The State has 26 districts, of which only 4 districts are having marine fisheries and rest of them have inland fisheries. The Sahyadri mountain range runs parallel to the coastline, leaving a very narrow strip of land nestling the 210 fishing villages. The coastline is characterized by small sandy bays and bold rocky capels and is indented by a number of rivers, creeks, forming small harbours. Some of the creeks are navigable by small craft up to about 30 miles inland. The continental shelf is nearly 190 kilometres wide in north Maharashtra and 64 kilometres in the south, totalling nearly 32,500 square kilometres. The northern region of Maharashtra maritime is characterized by the fisheries of Bombay duck, shell fish, prawns, shrimps, lobsters, etc. The sea bottom, from the close proximity of the shore extending to the continental shelf margin, consists almost of dark clay and sand, affording good opportunities for trawling operations.

Outlay on State's Five-Year Plans

The fillip to the fisheries development in the State was mainly given from the period of the Five-Year Plans. The allocation made during different Plan periods and the achievements recorded are given below :

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* Views expressed are the personal views of the author.

Plan period	Provision (lakhs of Rs.)	Actual (lakhs of Rs.)
First Five-Year Plan	15.98	15.98
Second Five-Year Plan	105.52	130.90
Third Five-Year Plan	178.32	271.70

The figures given above reveal that the largest allocation during the Third Five-Year Plan was made for fisheries. The allocation made during the Second and Third Five-Year Plans exceeded the original provision because it was inadequate due to intensification of the activities of the Fisheries Department and hence additional provision was made. During the Plan period due emphasis was given to the aspect of fish production and about 80 per cent of the total expenditure was utilized for schemes which directly increase fish production, such as mechanization of fishing craft, stocking of tanks for fish culture, supply of fishery requisites, etc. The second important category of the schemes included those aiming at increasing amenities to the fishing industry such as establishment of ice factories, cold storage plants, service stations, fish curing yards, etc. In addition, a crash programme was launched under which some special schemes such as additional incentive for fish farming operation of fishing boats, establishment of ice factories, cold storage and quick freezing plants, operation of refrigerated vans, establishment of Government fisheries training centres and construction of approved roads were taken up.

ROLE OF CO-OPERATIVES IN THE DEVELOPMENT OF FISHERIES TRADE

The organization of co-operatives on sound lines can help substantially the marine fish trade in Maharashtra. At present the production, marketing and financing are completely controlled by the private entrepreneurs and co-operatives have almost negligible role to play. In what follows an attempt is made to analyse the procedure adopted in the marketing of fish, to describe the role of apex institutions and to assess the role of fisheries co-operatives in the development of fisheries.

(1) *Marketing of Fish in Thana and Greater Bombay and Fisheries Co-operatives*

There are 7 major fish landing centres having an average annual fish catch of nearly 3,000 metric tons and 6 minor landing centres having 500 to 2,500 metric tons of annual fish catch in the Thana district. About 80 per cent of the fresh and dry fish caught in the Thana district is sold in the Bombay wholesale market. The four main landing centres in Bombay, *viz.*, Versova, Madh Island, Worli and Sassoon Dock, have more than 50 per cent of their fish catch traded as dry fish. The marketable fish arrives from landing centres early in the morning and is sold either to a wholesale dealer or his agent under open auction system or sometimes to the agents of the fish processing unit at agreed price. There is an apex society in Maharashtra State, *viz.*, the *Bambai Rajya Machhimar Sahakari Sangh Ltd.*, and the Thana District Federation of the Fisheries Co-operatives which occupy prominent positions in pooling the produce of member-societies and for the marketing of their produce at competitive rates.

The apex society at Bombay has a total membership of 3,210 of which 133 are the affiliated primary fisheries co-operatives and 2,140 individual members. The Thana District Fisheries Co-operative Federation has a membership of 32 primary fisheries co-operatives and about 600 individual members. The District Federation in the Kolaba district has 21 affiliated fisheries co-operatives and about 650 individual members. It is thus seen that from the membership point of view the apex society at Bombay is the largest.

The main objective of this federation is to effect as much sales of their members' produce in the terminal market and other centres as possible, and to obtain a fair price for their members. The federal body charges commission on all sales to make itself financially stable. It was observed that of all the three federal institutions, the Thana *Jilla Machhimar Sahakari Sangh Ltd.* has done commendable work so far as the sale of fresh fish in Crawford market is concerned. During the year 1966-67, the society has marketed Rs. 33 lakhs worth of fish, out of which business worth Rs. 22 lakhs was given by the members of the four affiliated societies. The business handled by the society amounted to the extent of one-fifth of the total sales of fresh fish in the market during the year. The society was successful in linking credit with marketing and was able to recover the outstanding dues to the extent of 99 per cent out of the sale proceeds.

Difficulties Experienced

(*i*) *Inadequate accommodation :* The society did not have sufficient accommodation in the market for storage and hence it had to sell fresh fish within 3 to 4 hours and hence members were compelled by circumstances to sell their produce to other dealers for getting competitive price for their catch.

(*ii*) *Cut-throat competition :* The society has to face cut-throat competition from private traders at the time of heavy arrivals in the market as all the traders combine together and artificially push down the price. Hence, it becomes very difficult for the society to hold the price line under such unfavourable conditions.

(*iii*) *Unhelpful attitude of Government :* The State Government has opened quite a few fish selling centres and supplies to which are made by the private contractors and traders. To encourage the co-operatives, this work should be entrusted to the co-operative institutions. It has been found that there is no co-operative effort in the marketing of dry fish. Some effort has, however, been made in this direction by the co-operatives in the Kolaba district where the pooling of members' produce and its disposal under semi-auction system is being done by the co-operatives. The approximate total sales of dry fish during the last one or two years were about Rs. 1 crore and Rs. 8 crores in Thana and Bombay respectively. It is found that the co-operatives have not covered even 3 per cent of sales. The main reason for the absence of co-operatives in this sphere is the traditional stronghold of the private trade interests. There is immense scope to undertake this business through the co-operatives and the State Government will do well to organize a separate co-operative structure for the dry fish trade.

(2) *Primary Co-operatives*

The apex and federal societies at the State and district level are fed by the primary co-operatives. The District Central Co-operative Bank, Thana is providing production finance to the Federation for its owned funds. The Apex Federation in its turn provides finance to their member-societies at 6¼ per cent. The field study has revealed that co-operative finance is inadequate and the procedure is cumbersome and hence there is keen competition in this field. The private financiers provide finances to fishermen for the purchase of boat, diesel engines, for recurring expenses, etc., and thus ensure definite catch of the boats. Some of the primaries in the Thana district are doing commendable work. For instance, one of the societies, *viz.*, the Sarvodaya Fisheries Co-operative Society, has got its own ice plant for storing the catch of the members whereas another society, *viz.*, Satpati Machhimar Sahakari Society, is helping members in boat-building. The study has revealed that there are 21 primary fisheries co-operative societies in Greater Bombay and 37 in the Thana district. The total membership of the primary fishermen's co-operative societies in Bombay is 2,823 with a share capital of Rs. 1,24,000, out of which a sum of Rs. 9,000 is contributed by Government towards the share capital of the societies whereas in the Thana district there are 37 primary co-operatives and their share capital is Rs. 6,37,000 of which Government contribution to the share capital is Rs. 1,16,000. Rough estimates have revealed that more than 60 per cent of the societies in these two districts have undertaken the pooling of their members' produce and are engaged in the marketing of produce through the apex society/District Federation. It is estimated that nearly 20 boats of different sizes have been built by the society in the boat-building yard. The other activities of the society consist of marketing of dry fish at 6¼ per cent commission, provision of diesel oil and other fishing requisites at 3 per cent commission to its members.

Field Study of Danda Darya Sahakari Kharidi and Bikri Sangh Ltd.

The society was registered in July, 1960 with a membership of 32 which increased to 250 in the year 1967. The main activities of the society are to provide diesel oil, nylon nets, sale of paints, mobile oil, cotton yarn and plastic ropes to its members. For want of funds, the society is not able to provide any production finance to its members. For this, it has to take the help of the private entrepreneurs who charge high rates of commission. The individual members of the society have got 90 boats. At the instance of the State Government, several groups of members (ranging 4 to 7) have been formed within the society so that they may avail of group finance facility from Government. Government finance is available only to groups and not to the society or individual members. It is provided against the mortgage of boat and other assets of the group. It is felt that Government finance is untimely, inadequte and expensive. The members feel that by the time it is made available to them, the season is over. The society is not aware of the existence of the district co-operative bank in Bombay and so has never tried to obtain financial help from the bank. The vested interests are operating in the society and the members of the managing committee advance loans to its members for fish trade. There is domination of financiers on the managing committee of the society. The society is hardly in need of a ice plant as there is no facility for ice freezing. The approximate production of primary fish in village Danda is 15

to 20 tons per day. Four boats of the society are lying idle for want of engines. There appears to be a great need for mass propaganda. The fish industry should be treated as an agricultural industry and given top most priority. There is a great need for advancing off-season interest-free loans to the fishermen against hypothecation of the catches. The financial needs of this industry are for production, processing, marketing and transport. So far, the private moneylenders who are indulged in the wholesale trade are dominating the industry. The extent of private finance is immeasurable. The personal touch in financing the personal needs of the fishing populace and a long standing and well established relations with the leaders of the industry are the main features of the moneylender finance. The State Government has also not tried to study this problem of the fish industry and to curtail the activities of the private moneylenders by passing any legislation. Absence of any alternative sound agency is one of the main reasons for the domination of moneylenders. Government financial assistance has in a limited way covered the production and processing aspects of the industry. Long-term loans for boat-building, mechanization of boats, and installation of ice plants are the main items covered by this sector. Co-operative finance through the apex and district central co-operative banks has so far touched only the fringe of the problem and is limited only partly to such items as provision of fishing requisites, and fuel for boats, marketing and pooling of the members' produce, etc.

CONCLUSION AND SUGGESTIONS

The organizational deficiency is hindering the development of fisheries. There is not enough of finance and credit available to the industry from Government or co-operative bodies which are the only possible sources. The institutional finance for the processing units and transport is not available to the desired extent. The existing primary co-operative societies are only able to supply yarn, diesel oil and other essential materials, that too not always at the subsidized rates. Fishermen have to depend on private financiers for boats and nets who not only charge them exorbitant rates of interest but purchase their catch at a very low price. The study has revealed that most of the fishermen are still poorly organized and live precariously on seasonal work. They do not own even their fishing craft and nets and their catch is limited by the poor equipment that is all they can afford. Revitalization of the existing fisheries co-operatives and their further development and linking up with marketing and processing co-operatives are important tasks and should be done as soon as possible. The sound organization of co-operatives for fishermen is an indispensable means for preventing exploitation by middlemen, removing the indebtedness of fishermen and increasing their production.