



AgEcon SEARCH

RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

*No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.*

Vol XLV  
No. 3

ISSN 0019-5014

CONFERENCE  
NUMBER

JULY-  
SEPTEMBER  
1990

# INDIAN JOURNAL OF AGRICULTURAL ECONOMICS



INDIAN SOCIETY OF  
AGRICULTURAL ECONOMICS,  
BOMBAY

---

## **Gambhira Co-operative Farming Society: A Successful Experiment in Collective Efforts**

**B.L. Kumar\***

The main justification for co-operative farming in developing countries like India rests on the contribution it makes to promote viable and efficient farming on the pooled land of small cultivators. Co-operative farming combines the incentive of the ownership of land with the economics of large-scale farming by enlarging the basic unit of cultivation and helping to secure better and fuller utilisation of the pooled resources and reduction in the cost of production. Thus in a collective co-operative farming after pooling individual holdings it should logically yield a surplus far in excess to what an individual holder is able to get on his tiny plot. But in reality the number of co-operative societies which have achieved this objective is insignificantly low. This is mainly due to the failure of co-operative farming societies to evolve a mechanism for converting abundant labour into economic surplus. That this can be achieved is convincingly proved by the example of Gambhira Co-operative Farming Society of Kheda district in Gujarat State.

The Gambhira Co-operative Farming Society is uninterruptedly and successfully functioning since 1953. In the functioning of this society, the most advanced principles of group dynamics and collective action are put to practice in a successful way. During its working for the last 36 years the society has been able to rehabilitate the 291 destitute small and marginal farmers and landless labourers. Before the inception of the society those members were living on the verge of starvation. Now they have got a respectable source of income and all of them are above poverty line.

An empirical study of this society done by the same author in 1978-79 reveals that both in social and economic dynamics the position of the member households was relatively better than the non-member households of the same disadvantaged group of rural society. The society has been successful in developing a systematic group farming method. The method evolved by the society is very simple and has equally wide applicability. It is necessary, therefore, that the details of this experiment are known to the wide public, particularly to those who are interested in farming or assisting similar efforts in any part of the country. A comprehensive account of the genesis, growth and functioning of this unique experiment in collective endeavour by the disadvantaged groups of rural society is presented below.

### GENESIS OF THE SOCIETY

The following is the history behind the formation of the society.

The four villages, viz., Gambhira, Kothiakhad, Nani-Serdi and Bilpad are situated on the banks of river Mahi in Borsad taluka of Kheda district in Gujarat. The heavy floods in the river Mahi in the years 1941 and 1949 inundated the fertile *bhatha* land owned by some small cultivators. As a result of deposit of deep layers of sand on the soil, the cultivators lost their land - the only source of their livelihood and joined the ranks of agricultural labourers.

In 1951, with a view to helping these distressed cultivators, the Government granted 274 acres of land to 176 cultivators from the four villages. These cultivators cultivated Government granted lands, individually, in small plots of an acre or so. This system helped them

---

\*The Gujarat Institute of Area Planning, Ahmedabad.

very little since most of the cultivators were poor and resourceless and had to take water for their crops from the owners of the privately owned pumping sets on half share basis. Also some of these lands were saltish and yielded nothing.

The Government efforts to rehabilitate those farmers by giving them land, therefore, failed. Thereupon, a social worker of Gambhira village, Shri Chhaganbhai M. Patel (due to whose devoted efforts this society owes its genesis) suggested to the Government to organise these flood affected distressed cultivators into a collective co-operative farming society. The suggestion was accepted by the Government and this society was formed and registered in October 1953.

#### ORGANISATION AND MANAGEMENT

The society has now 291 members cultivating 461 acres of land. The most important feature of this society is its method of work and distribution of farm produce and profits.

With a view to ensure efficient utilisation of land and to increase production as well as to facilitate proper distribution and supervision over day-to-day farm work, the members are divided into 28 homogeneous groups of 8 to 16 individuals mostly coming from the same village and the same kinship groups. The per capita land available to these groups varied from 1.35 acre to 1.69 acre. The variation is due to the adjustment that has been made for the difference in the soil productivity of blocks allotted to different groups.

Each group cultivates the plots of land given to it with the labour of its members and resources owned by them (mainly bullocks and minor agricultural implements). The method of work is simple but systematic. Each group elects its own leader from amongst the members with special consideration to qualities like integrity of character, experience in farming and ability to command. The group leader prepares the crop plan in consultation with the chairman of the society, and the crop plan is executed by his group. The group leader distributes the work among the members. He is supposed to see that all the field operations are carried out efficiently and in time because in agricultural operations time factor is an important one affecting the production of the group.

In order to avoid laborious accounting within the group, the labour schedule is so devised that every member of the group puts approximately an equal amount of labour. The main criterion in forming these groups was to maximise mutual co-operation among members for efficient land management and encourage healthy competition between groups.

#### DISTRIBUTION OF PRODUCE AND PROFITS

The device now perfected by the society for distribution of farm produce and profits is very simple. The members of the society do not work on daily wage basis as is generally observed in other collective farming societies. Instead, in this society a unique method is followed. As stated earlier, the members of each group jointly cultivate the plots of land allotted to them with their family labour, bullock power and other implements. The society supplies necessary (but costly) inputs such as seeds, manures/fertilisers, irrigation and tractor services for ploughing and threshing. Against this, the members give one-half of their farm produce to the society and retain the other half for themselves as remuneration for their resources - mainly labour - deployed in production. The by-product of food crops is, however, not pooled but distributed by each group among the members, equally.

Out of the half share received by the society, the society pays for all production costs including land tax to the Government, costs of seeds/seedlings, manures, fertilisers, irrigation, etc. The balance is used in building up the resources of the society. After allowing

for contribution to the reserve fund, depreciation and other statutory deductions, as specified in the bye-laws of the society, the rest of the amount is equally distributed among the members as bonus. With this the share of the members comes to around 65 to 70 per cent in the total farm produce. Besides reserves and other surpluses, the society has built up a social development fund which is spent on the welfare activities of common interest.

Besides group leaders, there are farm supervisors on the muster of the society who guide the group leaders in their work and prepare daily reports of the activities of the groups and submit them to the chairman and manager of the society.

#### PROGRESS OF THE SOCIETY

By the end of the agricultural year 1988-89, the society has uninterruptedly completed the 36 years of its successful working. During the 36 years of its working, the society had grown farm produce worth Rs. 32.53 million on its land, out of which Rs. 21.90 million was received by the members as their share and the rest was used for meeting the cost of cultivation and building the reserves and other assets of the society.

Some key statistics presented in Table I distinctly reveal the progress made by the society during the last 36 years as also for the last three agricultural years in respect of important items like land use, agricultural production, financial position of the society and the economics of collective endeavour.

TABLE I. SOME KEY STATISTICS SHOWING PROGRESS OF GAMBHIRA CO-OPERATIVE FARMING SOCIETY, 1953-54 AND 1986-87 TO 1988-1989

Sr. No.	Item	1953-54	1986-87	1987-88	1988-89
(1)	(2)	(3)	(4)	(5)	(6)
1.	Membership (Nos.)	176	291	291	291
2.	Share capital (Rs.)	1,760	2,910	2,910	2,910
3.	Area owned by the society (acres)	274	461	461	461
4.	Area sown more than once (acres)	71	240	240	260
5.	Gross cropped area (acres)	345	720	807	766
6.	Area irrigated (acres)	71	240	240	260
7.	Per member area sown (acres)	1.96	2.47	2.77	2.63
8.	Gross values of farm produce (Rs. thousand)				
	(a) Foodgrains	51	606	730	587
	(b) Tobacco	40	2,267	1,795	3,577
	(c) Total	91	2,871	2,525	4,164
9.	Funds (Rs. thousand)				
	(a) Reserve funds	4	1,132	1,260	1,280
	(b) Other funds	3	128	205	193
	(c) Depreciation fund	-	687	729	807
10.	Net profit (Rs. thousand)	20	638	242	780
11.	Assets (Rs. thousand)				
	(a) Fixed assets	7	817	909	986
	(b) Liquid assets	2	1,784	1,537	2,140
	(c) Other assets	26	95	114	74
	(d) Total assets	35	2,696	2,560	3,200
12.	Per acre of gross value of farm produce (Rs.)	263	3,987	3,129	5,436
13.	Per acre farm expenses (Rs.)	82	775	1,012	974
14.	Per acre net farm income (Rs.)	181	3,212	2,117	4,462
15.	Per member income (Rs.)				
	(a) As crop share	257	5,897	4,605	9,200
	(b) As bonus	52	1,196	511	1,462
	(c) Total income	309	7,093	5,116	10,662

The data presented in Table I shows that the progress made by the society is steady and spectacular. The society could improve its land base by reclaiming khar land, with the help of Khar Land Board. The availability of net sown area per meter remained almost the same because in 1972-73, 115 more members were enrolled to the society. However, there has been an impressive increase in the gross cropped area by 122 per cent from 345 acres in 1953-54 to 766 acres in 1988-89. This shows that the society has cultivated its land more intensively. On an average, an acre of land is cropped more than one and a half times. There are two main reasons for this; firstly, as the society is situated on the banks of the river, it has a very fertile *bhatha* land in the river bed and secondly, better irrigation facilities are developed by the society. The society has four tubewells with electric motors and pumping sets. It has also laid down pipelines in the fields for irrigation and also owns a tractor with a trolley and a thresher.

As a result of large investments made in developing irrigation facilities and machinery and equipments, the society did succeed in achieving a spectacular increase in the agricultural output. It is now in a position to raise 4 to 5 million rupees worth of agricultural production annually on its land. Both food and non-food crops are grown on the lands of the society. The soil of the society's land is more suitable for the growing of tobacco, a lucrative cash crop in this area, hence crop plans are so judiciously made that about half of the area available to the society is devoted to tobacco crop which contributed about 70 to 80 per cent of the farm income to the society.

The reserves, other surpluses and assets of the society also showed a faster growth because of the judicious crop planning and its unique method of work and distribution of profits and produce. The society is self-reliant. Its financial position is so sound that it manages its financial requirements out of its own resources. It did not take any loan from the bank. The capacity to earn income of around Rs. 10,000 a year by a member of the society further indicates about the sound capital base of the society.

On the whole, the society exhibited remarkable achievements in improving its land base, raising agricultural output and capital formation, ensuring economic and financial stability of the members as well as of the society. During the 36 years of its working, the society took active interest in developing other welfare activities of general interest also. Out of its social development fund, about Rs. 4 lakhs were spent in building social overheads like water supply scheme, school building, *dharamshala* and *bundhas* to stop wearing village sites, etc., in the four villages under its jurisdiction.

#### FACTORS OF SUCCESS

The following socio-economic factors are responsible for the striking success of this unique experiment in co-operative farming.

1. Enlightened leadership provided by a local constructive worker, who has been living among the members of the society for the last 60 years.
2. Homogeneous group of members belonging to almost equal socio-economic status helped in preserving the spirit of group efforts and harmony among the members.
3. Systematic method of work and remuneration with incentive to work hard and social justice in distribution.
4. Efficient management with multi-stage supervision to ensure completion of all agricultural operations on time and efficiently.
5. A sound productive resource base built by the society out of its financial sources helped it in harvesting better yield and larger production per member despite a low land-man ratio.

6. Last but not the least, the society has a very fertile *bhatha* land, suitable for cultivation of tobacco which is a very lucrative cash crop, contributing 70 to 80 per cent to its current annual income.

#### CONCLUDING REMARKS

The Gambhira Co-operative Farming Society is a successful experiment in group farming. It is working uninterruptedly and with steady progress for the last 36 years of its inception in 1953. The society has been successful in rehabilitating 291 destitute (whose lands were washed away in heavy floods of river Mahi) small and marginal farmers and landless labourers of four villages, by providing them a stable and respectable source of income, who were living on the verge of starvation before joining the society. Despite a low land-man ratio, now every member of the society is above poverty line.

The incentive oriented group farming method developed and adopted by the society has helped much in enlisting the active participation of its members. This novel method solves the problems of co-operative farming societies where individual incentive to work is apt to be crushed and members are likely to be reduced to mere wage earners.

The steady increase in per acre and per member net income from collective cultivation (despite a low land-man ratio) on the society's farm proved to be a successful experiment in promoting the viability of agriculture on co-operative lines.

On the whole, the working of the society is found to be quite satisfactory and upto the mark. It comes out with prominence from all acid tests of co-operative farms, as visualised in its crucial functional roles of a social organisation, an economic organisation and a development agency. The replication of this model, specially its structural and operational aspects can be of great utility in reviving the stagnant co-operative farming movement in the country. Also the modus operandi devised by this society can serve the purpose of setting up the norms for method of work and remuneration in the field of co-operative farms at large. This experiment can also serve as a lighthouse for settling the 'new farmers' and oustees of the major irrigation projects like Narmada and Sardar Sarovar.