



Fishery Co-operative Societies in India: Problems and Prospects

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ABSTRACT

The National Co-operative Development Corporation has revised its pattern of assistance to fisheries co-operatives. Poverty in fishing communities in the country necessitates liberalization of norms for fisheries co-operatives and provides support through low interest rates. The present study is tries to study the growth of fishery co-operatives in India and to study the problems faced by co-operative fisheries sector in India. The study shows that there is a positive and stable growth over a period 7 years. Though there is little variation in the growth rate of membership, it is also growing positively. This clearly indicates that the public are interested in these types of societies. There is a need to coordinate the Government of India and state governments to achieve continued growth in the fishery co-operative sector which is so vital to the economy and poor people.

KEYWORDS : Fishermen, Cooperation, Growth and NCUI

Introduction

In India, most of the fishers (people engaged in fisheries for their livelihood) belong to socio-economically backward communities. Co-operatives are the shield of the weak and in India fisher-men are among the weakest sections of the community. Illiteracy, poverty, and lack of knowledge of latest fisheries technology are contributing factors. This vicious circle is further strengthened by lack of institutional support, both in infrastructure and finances. Consequently, fishermen are subjected to exploitation by middlemen, who act as money lenders, traders and contractors. India has vast fishery resources with great potential to develop fisheries and thereby improving the socio-economic condition of fishers. Despite having good potential in fisheries, the fishers could not substantially use it for uplifting their socio-economic status due to lack of institutional support like infrastructure and finance. Hence, it was that fishermen's cooperatives seem to be the most appropriate organization to improve the socio-economic status of fishers in the country.

Fishermen discovered co-operatives could spare them from exploitation and improve their socio-economic conditions. Efforts made in this direction have yielded good results in some areas, but the overall picture of fishery co-operatives is not encouraging. During the last few years tremendous development has taken place in the fishery sector. In the inland fishery sector, fish farmer development agencies have been created and the inland fish production has increased. The introduction of a World Bank Project covering five states has also developed inland fisheries, particularly in the field of seed production. Similarly, the marine fishery put emphasis on deep sea fishery and mechanisation of fisheries including introduction of larger vessels. Landing and berthing facilities were increased and constant efforts are being made to build infrastructure and promote exports.

Cooperative is an independent association of individuals coming together voluntarily and democratically managed to meet their common economic, social, and cultural needs and aspirations. Cooperatives are generally voluntarily formed, democratically operated and managed business organization for the purpose of mutual benefit of its members. Importance of cooperative is well documented for the cause of socioeconomic upliftment of one of the most downtrodden community in India, the fishermen (Olcruz, 1998). The fishery cooperative system in India was organized with a view to providing financial assistance to fishermen. Fisheries cooperative societies are regulated by a separate set of rules to channelize government assistance on the principles of self-help and management. The fisheries cooperative structure in India is broadly three-tiered and it consists of a primary co-operative for a village; a district or regional federation; and a state level cooperative federation (BOBP, 1983).

Though fishery cooperative movement in India started way back in 1913, the progress of the formation of cooperative societies was quite slow in pre-independence era. Establishment of fishery cooperative societies has made impressive progress particularly after introduction of Five Year Plans in 1950-51 (Rao, 1973). There had been tremendous

growth in formation of different levels of cooperative societies in India. Presently, there are one National Level Federation (FISHCOPHEO), 25 state level federations, 132 central level federations and 15526 primary cooperative societies functioning in both in marine and inland fisheries sectors of India. These primary fisheries cooperative societies have a membership of about 2.09 million, which are over 32% of fisher population. Efforts made in formation of large number of societies in fisheries sector have yielded good results in some areas but the overall performance of fishery cooperatives is not encouraging (Prakash, 2000). A limited numbers of cooperative societies are successful and able to meet expectations of their members. Majority of fisheries cooperatives still have organizational, managerial, and operational inadequacies making them unsuccessful or inactive. In general, fisheries cooperatives have not reached to desired level due to poor management, lack of skill enhancement mechanism, discouraging production and productivity trends, lack of infrastructure facilities, problematic financing and finance management, and poor linkages with concerned organizations (Anon, 2002). In this background, the present study is set for the following objectives.

Objective of the study:

1. To study the growth of fishery co-operatives in India.
2. To study the problems faced by co-operative fisheries sector in India.

Methodology

The present study is based on the secondary data published by office of the NCUI. The required data for the study purpose were collected from the number of reference books, Journals and Internet. The study covers 10 years from 2000-01 to 2009-10.

India's Fishery Scenario

India is the seventh largest fishing nation in the world and holds big potential in the fishery sector. The country is endowed with 8,000 kilometres of coastline and 2.02 million square kilometres of perennially clear, mercury free water within the Exclusive Economic Zone (EEZ). The marine resources of the EEZ are comprised of shrimps, lobsters, crabs, tuna, squid, pomfret and most of other varieties of fish. For exploitation of the fishery resources from the sea, the country has a fleet which includes 181,000 country boats, 35,000 mechanised boats, nearly 400 purse seiners and 174 fishing vessels including a few tuna long liners. In the inland sector, the country has more than 27,000 kilometers of rivers, a very wide network of canals which are nearly 145,000 kilometres, reservoirs and lakes covering 2.9 million hectares and fresh water ponds which are nearly 1.5 million hectares. Lately, the country has embarked upon a big programme to develop brackish water fishery. When fully developed, this may also cover an area of about 1 million hectares.

Indian Fishery Co-operative Movement

The fishery co-operative movement in India began in 1913 when the first fishermen's society was organised under the name of 'Karla Machhimar (Fishermen) Co-operative Society' in Maharashtra. The

state of West Bengal was the next to organise co-operative societies in the fishery sector in 1918. In the same year, Tamil Nadu, also organised one co-operative society. The structure continued to grow over years into multi-functional units at the primary level, federations at district/regional, state and national levels.

In some of the states, the fishery co-operative movement is working very effectively and a number of evaluations have confirmed the efficiency of these organisation. One evaluation confirmed that arrangements of marketing made by the fishery co-operatives in the states of Maharashtra save the members from exploitation. A number of fishery co-operatives in the country are helping their members and their family members to the extent of providing complete marketing infrastructure for the sale of the catch at remunerative prices.

National Federation of Fishermen's Co-operatives

National Federation of Fishermen's Co-operatives Ltd., (FISHCOP FED) began in 1982. Its goal is to facilitate the fishing industry in India through co-operatives. Within a short period of its active functioning, FISHCOPFED entered a number of activities, both business and promotional, including organising conferences, supporting training initiatives, facilitating exchanges, demonstrating new technologies, introducing marketing techniques, liaising with member organisations, and providing health care and insurance programs.

Structure of Fishery Cooperatives:

Presently, the cooperative structure differs from state to state. While Kerala has got a two tier structure (primary and apex), Maharashtra has 4 levels viz, village, district, regional and apex. Consensus is gradually emerging to develop three tier structure viz. primaries at the village level, central societies at the district level and state federations at the apex level.

NCDC stated promoting and developing fisheries cooperatives after its Act was amended in 1974 to cover fisheries within its purview. In order to discharge these functions effectively, the Corporation has formulated specific schemes and pattern of assistance for enabling the fishery cooperatives to take-up activities relating to production, processing, storage, marketing etc. Assistance is provided to fishermen cooperatives on liberal terms treating the activity as weaker section programme. Assistance to fishery cooperatives is provided for the following purposes.

- Purchase of operational inputs such as fishing boats, nets and engines.
- Creation of infrastructure facilities for marketing (transport vehicles, cold storages, retail outlets etc.).
- Establishment of processing units including ice plants, cold storages etc.
- Development of inland fisheries, seed farms hatcheries etc.
- Preparations of feasibility reports.
- Appointment of experts under Technical & Promotional Cell Scheme.
- Integrated Fisheries Projects (Marine, Inland & Brackish Water).

The following table shows the Growth of Fisheries Cooperatives in India.

Table 1: Growth of Fisheries Cooperatives in India (2000-01 to 2009-10)

Value Rs in million

Year	No of societies	Total Membership (Million)	Share capital	Govt. share	Working capital
2000-01	13649	1652320	404351	37.8	17478
2001-02	13.884	1862302	350936	29.26	167569
2003-04	13901	1872959	360322	30.02	169591
2006-07	14459	1818309	684970	38.26	248774
2007-08	14652	1823838	687811	18.06	280088
2008-09	15412	2090289	1006990	45.06	288826
2009-10	15516	2091219	1009431	45.07	343397
CGR	67.61	3.31	21.70	3.20	45.63

Source: NCUI, New Delhi

Table 2 shows that the all India level we found the number of fisheries cooperatives societies growth at the rate of 67.61 per cent per annum. This clearly reveals that there is a positive and stable growth over a period 7 years. Though there is little variation in the growth rate of membership, it is also growing positively. This clearly indicates that the public are interested in these types of societies. Coming to the growth of share capital, it is growing at the rate of 21.70 percent. The government share capital is growth at the rate of 3.20 percent during 2000-01 to 2009-10. Interestingly the total working capital has grown at the rate of 45.63 per cent.

Problems and solutions in the Fishery Co-operative Sector

The co-operative fisheries sector in India faces crucial problems.

- Existing co-operative law does not support fisheries co-operative development. Countries like Japan and South Korea have special enactments which guarantee allotment of fishing waters to fisheries co-operatives and ensure membership of genuine active fishermen. The law defines the roles within fisheries co-operatives.
- In most of states special provisions in the Co-operative Societies Act or a separate Act for Co-operative Land Development Banks (now known as Agricultural and Rural Development Banks) exist. In order to promote fisheries, the State Governments should formulate separate provisions for fisheries co-operatives within the Act or enact separate legislation to allot water bodies and avoid overlapping operation, finances, structural linkages among fisheries co-operatives in the state.
- Those states which have not yet organized a federation of fisheries co-operatives should begin one with sufficient equity to take up business and promotional activities for fisheries co-operatives in the state. Existing state level federations must be activated.
- At the regional level, the gap is very wide in these states. In light of the establishment of fish farmer development agencies inland and brackish water fisheries, it is necessary to organise regional/district level fisheries co-operative federations to provide inputs, operational inputs, harvesting and marketing support to the members of primary fisheries co-operatives and fish farmers.
- At the primary level in most states fisheries co-operatives overlap. This results in unhealthy competition between them, particularly for water bodies. State governments should take necessary steps to correct this, and to organise/re-organise the existing primary level fishery co-operatives.
- It should also issue clear-cut instructions to allot water bodies to re organised co-operatives so that they may have necessary fishing water to provide employment to their members.
- In the marine sector, the primary fisheries co-operatives should be strengthened with infrastructure facilities like landing centres, market yards, roads, transport facilities. Fisheries co-operatives should be given necessary support to pull their catch and have access to strong export infrastructure with qualified staff.
- Women play a very important role in fisheries co-operatives. Once the fishermen bring in the catch, their job begins. Co-operative law does not allow membership of both husband and wife, which prevents women from participating in the management of the fisheries co-operatives.
- Women involved in the fishery must participate in the management of fisheries co-operatives. The Ardhanareswaran Committee has recommended joint membership of husband and wife in co-operatives. This may be implemented.
- Co-operative banks and other financial institutions have not helped to develop fisheries co-operatives in most of the states. Financial aid is often not available where it is needed, like payment of lease money, welfare and credit. NABARD should also take immediate steps to encourage co-operative banks to provide credit to fisheries co-operatives where it will be most effective.
- To market fish profitably, ensuring a fair price for both producers and consumers, co-operative marketing in India must be strengthened. For this purpose, marketing infrastructure must be developed. Funding for infrastructure should be provided by central, State and local bodies, then handed over for management to fisheries co-operatives.

Conclusion

The study shows that there is a positive and stable growth over a period 7 years. Though there is little variation in the growth rate of membership, it is also growing positively. This clearly indicates that the public are interested in these types of societies. The National Co-operative Development Corporation has revised its pattern of assistance to fisheries co-operatives. Poverty in fishing communities in the country necessitates liberalization of norms for fisheries co-operatives and provides support through low interest rates. There is a need to coordinate the Government of India and state governments to achieve continued growth in the fishery co-operative sector which is so vital to the economy and poor people.

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