

CO-OPERATIVE RICE MILLS IN VIDARBHA*

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PROCESSING of agricultural products on co-operative lines through an organization of producers is comparatively a recent development in India. The importance of co-operative processing has been highlighted by the Planning Commission in these words:—

“ Development of co-operative processing is essential not only for increasing rural incomes and facilitating credit for production but also for building up a co-operative rural economy. Where co-operative processing units have been successfully established, they have proved invaluable as instruments of development in several allied fields.”¹

Following the recommendations of the All India Rural Credit Survey Committee and the Planning Commission, attempts were made to establish co-operative rice processing societies in Vidarbha. Bhandara and Chanda, the two major paddy producing districts of this area, were naturally chosen for this experiment. In 1960, steps were taken to establish three co-operative rice milling societies. Of these two were established in Bhandara district and one in the Chanda district. Since then, the number of co-operative rice mills has increased to 9-7 in Bhandara district and 2 in Chanda district.

A Case Study

This case study of the co-operative rice mills in Vidarbha was undertaken, as such a study would be useful for comparing the working of these rice mills with those operating in the private sector. All those co-operative rice mills which had completed one year of existence in December 1963, were selected for detailed study. The number of such societies was five—four in Bhandara District and one in Chanda District. The data collected from these mills relate to the year 1962-63.

General

Out of five co-operative rice milling units chosen for this study,

* This article is based on a case study of the Co-operative Rice Mills in Vidarbha. This study formed a part of the Doctoral dissertation on “Rice Milling Industry in Vidarbha” approved by the Nagpur University in February 1965.

¹ The Third Five Year Plan, Planning Commission, Government of India (1961), p. 207.