

Revitalizing Fisheries: The Role of Multipurpose Fishery Cooperative Societies (M-FCS) in Transforming Rural Economies

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SUMMARY

The fisheries sector is a cornerstone of India's rural economy, providing livelihoods, nutritional security, and social empowerment. The evolution of traditional fisheries cooperatives into Multipurpose Fishery Cooperative Societies (M-FCS) represents a transformative strategy to address systemic challenges. This article examines the historical development, challenges, government initiatives, and the critical role of M-FCS in revitalizing fisheries and rural economies. The Recommendations highlight the need for capacity building, innovation, and collaborative efforts to ensure long-term viability.

INTRODUCTION

As per the National Cooperative Database (NCD) portal, India has 25,756 primary fishery societies with nearly 46.73 lakh fishers as members, including exclusive fisherwomen cooperative societies. Telangana leads with 5,003 fishery cooperative societies, followed by Maharashtra with 3,403. The NCD also indicates that 25,061 gram panchayats are covered under fishery cooperatives, and 10,471 cooperatives are affiliated with banks, unions, or federations. The fishery cooperative sector significantly enhances livelihoods, nutritional status, and social security for vulnerable groups, benefiting around 4 million people in India. The Government of India remains committed to supporting this sector through policies, financial aid, and the promotion of sustainable value chains. Fisheries cooperatives have been a cornerstone of community-driven economic activities in India. The establishment of the Karala Fisherman Cooperative Society in 1913 marked the beginning of organized efforts to empower fishing communities. Despite initial success, traditional practices and unsustainable business models rendered many cooperatives non-viable over time. To address these challenges, the evolution of fisheries cooperatives into Multipurpose Fishery Cooperative Societies (M-FCS) has become essential. M-FCS can meet modern demands while ensuring community welfare.

Challenges in Traditional Fisheries Cooperatives Indian fisheries cooperatives initially relied on basic processing techniques such as open sun drying, which proved inadequate over time due to depleting resources, lack of diversification, insufficient infrastructure, and limited credit access. Overfishing and environmental degradation reduced fish stocks, threatening livelihoods. Reliance on a single activity left cooperatives vulnerable to market and environmental shocks. Inadequate storage, processing, and marketing facilities hindered growth, while financial constraints and land tenure issues made securing long-term investments difficult.

Diversification as a Survival Strategy To address these issues, fisheries cooperatives began diversifying into activities such as prawn and crab culture, ice production for fish preservation, and salt processing. However, these efforts were insufficient to stabilize fisheries cooperatives, as systemic challenges like fragmented approaches and inadequate capacity-building persisted.

The Role of Government Initiatives The Pradhan Mantri Matsya Sampada Yojana (PMMSY), launched in 2020-21, brought revolutionary changes by focusing on production enhancement, marketing, and post-harvest management. Recognizing the critical role of cooperatives in rural economies, the government has taken steps to establish M-FCS within the fisheries sector. The Ministry of Cooperation, under the leadership of Prime Minister Shri Narendra Modi and Hon'ble Home & Cooperation Minister Shri Amit Shah, has set ambitious targets to create 2,00,000 PACS, dairy, and fishery cooperatives within five years.

The Concept of M-FCS in Fisheries M-FCS aim to transcend the limitations of traditional cooperatives by integrating multiple functions under a single organizational framework. These societies provide comprehensive services ranging from credit provision to input supply and marketing assistance. They enhance infrastructure by building cold storage, processing units, and transport facilities. M-FCS promote sustainable practices by

encouraging modern aquaculture techniques and resource conservation. They also facilitate export activities by leveraging facilities like Vadhawan Port in Maharashtra to access international markets.

Institutional Support and Convergence Key government schemes such as PMMSY and the Fisheries and Aquaculture Infrastructure Development Fund (FIDF) are integral to the success of M-FCS. Committees at national, state, and district levels ensure effective implementation and monitoring. The National Cooperative Database has mapped existing cooperatives, facilitating better integration with federations and improving access to markets, credit, and services.

Benefits of M-FCS for Rural Economies M-FCS generate employment opportunities, particularly in rural areas, while diversification and improved market access boost incomes for cooperative members. Enhanced infrastructure strengthens supply chains, ensuring efficient production and distribution. Community empowerment is achieved through collective efforts, which strengthen social and economic ties within communities.

Addressing Capacity Gaps Despite these initiatives, many cooperatives lack the capacity to adopt advanced practices. Training programs and technical support are essential to ensure widespread success. VAMNICOM can be forefront in full filling the training needs and technical handholding of stakeholders in M-FCS. Encouraging symbiotic relationships among local cooperatives can optimize resources and foster innovation. The establishment of M-FCS in the fisheries sector represents a critical step toward revitalizing rural economies. By addressing historical challenges, embracing diversification, and leveraging government support, M-FCS can transform fisheries cooperatives into resilient and sustainable entities. The cooperative principle of “cooperation among cooperatives” will be key to ensuring their long-term viability and success.

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