In India the bulk of business is in the hands of private trade. In time of shortages, scarcities and economics stresses, it has been found that the trade has often pushed up the prices far beyond the levels that would be justifies by relevant economic factors, and has indulged in hoarding and profiteering, causing artificial scarcities and use of other unfair trading practices. Therefore in recent times the government have found it advantageous to place increasing reliance on cooperatives. The idea of involving cooperatives in the present schemes of the various system is to make them the backbone and the bulwark of the men's protection. Thus in the modern competitive world an indispensable role has been assigned to the cooperatives. In India for performing a difficult job of holding the price lines this has necessitated reorientation in the policy and so as to strengthen the management of cooperatives as well.

Unfortunately the growth and the development of the cooperation in Uttar Pradesh has been rather slow. Even upto the period of independence there was not under progress in the state. In 1955 several concessions and facilities were demanded from the state cooperatives by the 26th Uttar Pradesh state cooperative conference. But with the refusal of these recommendations by the state, and even due to the absence of a sound and strong base of cooperatives they continued to receive a set back in the state.

Cooperative movement in India has made rapid progress. The need for its expansion in the country has grow so much now that it has been given a place of pride even in the 20 point programme of India. Cooperative has been accepted as an important measure to combat rural indebtedness and other allied problems since 1904. It has attained a new hight and diversion
with desired diversification specially in the planned economy so as to enable it to establish cooperative common wealth.

These days cooperative societies are playing a prominent role not only in providing credit and non-credit facilities but also in the manufacture of articles in large scale industries like cotton textile and sugar. The growth in the diversion of activities in the cooperative field in recent years has led to the formation of large cooperatives in almost all types of industries and trade.

In view of the role of cooperatives in all round development of the society and of the key role of the management in operation of the cooperative societies the management of cooperatives in Uttar Pradesh has been of great importance so that it will play its due role in the development of the society.