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§ INTRODUCTION §

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I : 1 - INTRODUCTION -

India is predominantly an agricultural economy where 66% population depends on agriculture for their livelihood and employment; nearly 50% are living below poverty line and 70% are illiterate. Agriculture is playing an important role which contributes about 50% of the net national income. The development of agricultural sector depends upon a number of factors, namely, institutional, infrastructural, technological, administrative agencies etc. Govt. is paying more and more attention towards development of agriculture in recent years. The sixth plan envisages that public policy measures, which can help to stimulate production as well as consumption, will have to be developed carefully.

Out of a number of governmental agencies engaged in agricultural development, co-operative organizations have been accepted as one of the best means for planned economic development. In India there are nearly 3 lakh co-operative societies of different types with a membership of 11.2 crores. The co-operative movement covered 98% of villages and 50% of rural population. The co-operative sector has provided the employment opportunities to more than 12 lakh people.

Indian co-operative movement, though traditionally an agricultural movement has spread to other sectors of the Indian Economy. Today the cooperatives are the main institutional agencies which undertake the functions of the supply of credit, Marketing, Processing of agricultural commodities and the supply of other inputs. The co-operatives have also played a significant role in carrying science and technology to the farmers by way of organising agro-service centres. The movement has helped the farmer by creating other farmbased activities on the co-operative basis like poultry, fishery, dairy to improve his living standard.

In India an ideal agriculturist is a small producer and bulk of his produce is sold in the village, a fact that gives rise to host of unnecessary middlemen.

He labours under various handicaps in the district of his produce. Prices, weights and measures are manipulated against him and undefined and unjust deductions are made from the prices. This situation can only be removed if the farmers sell their crops collectively through their own marketing co-operatives instead of selling them individually in unorganized markets, because co-operation is a weapon to bring about the correction of abuses of the private marketing system and in this sense the benefits of co-operation are given to all farmers whether or not they become members of co-operatives. Promoting orderly marketing and ensuring reasonable prices for the produce of the farmers are twin objectives of co-operative marketing.

A co-operative marketing society as far as possible should deal with a large number of commodities rather than one agricultural commodity at the primary level, and should be linked with the credit society. Where ever credit facilities do not exist the marketing societies may themselves make advances to their members even before the crop is delivered. The marketing co-operative may be of centralised type covering a wide region with several hundreds of members. The other type of society may attend to processing, storing, and grading. The federations at higher levels may attend the function of marketing. The success of co-operative marketing depends greatly on availability of finance and credit facilities. The producers need finance for their cultivation. The co-operative organisation will have to make arrangement for credit facilities to agriculturists in time and in sufficient quantities. The advances should be made on the undertaking by the growers co-operative organizations there should be proper arrangements for processing and storage. In case the market is not favourable for the growers the marketing society should make provisions for warehousing facilities and give at least 50% of the market price of goods thus stored to the farmers as advances against goods.

The Co-operative organizations as far as Kolhapur district is concerned, are functioning in a well organised manner. There are many economic activities of co-operative concerns in this district. They include co-operative marketing societies, textile industries, weavers societies, agro - based industries, live stock, poultry, fishery, dairy societies housing societies, labour contract societies, district supervising societies etc. At present there are nearly 3,377 co-operative concerns in Kolhapur district as on June, 1983.

Co-operative Marketing particularly is well developed in Kolhapur district and primary co-operative marketing societies are playing a predominant role. At present there are nearly 19 primary co-operative marketing societies in this area. Among them there are two fruits and vegetables societies, two tobacco co-operative marketing societies and fifteen general purpose marketing societies. These general purpose co-operative marketing societies deals with purchasing of goods at reasonable price for the needy consumers. The general purpose co-operative marketing societies include namely, Taluka Kharedi Vikari Sangh one for each Taluka, Shetkari Sahakari Sangh Ltd., Kolhapur, Raiyat Shetimal Utpadit Phulewadi, Wholesale co-operative Society, Kolhapur, Shirol Taluka Tambaka Kharedi Vikri Sangh Ltd., Jashingpur, Kolhapur District Mirchi Kharedi Vikri Sangh Gadinglaj, Mahatma Phule Bhajipala Utpadan Society Ciye, Mahatma Phule Bhajipala Utpadan Society Ltd., Sangav.

The Shetakari Sahakari Sangh Ltd., Kolhapur made a begining on a very small scale by investing capital arround Rs. 4,564, and with number of members arround 230 in the year 1939-40. However it made a rapid progress not only in increase in activities, but also in the field of diversification. So as to reach the level of share capital at about Rs. 43 lakhs working capital Rs. 7.73 lakhs, reserve fund valuing Rs. 68 lakhs and the turnover amounting to arround Rs. 47 crores by the end of the year 1983.

The area of operation of the Sangh covers nearly 1106 villages. It receives different types of agricultural produce like tobacco, Jaggery etc. from nearly 287 villages. Now a days it provides more or less all types of serices to the member formers and other consumers of the sangh.

As Kolhapur is an important centre of co-operation and socie - Economic activities in Maharashtra State, The 'Sangh' was selected for the purpose of present study with a view to study its marketing activity in details.

Kolhapur district covers 12 Taluka's namely Karvir, Kagal, Gadhinglaj, Ajara, Chandgad, Gargoti, Radhanagiri, Gaganbanwada, Sahauwadi, Hatkanangle, Shirol and Panhala. The Shetakari Sahakari Sangh Ltd., Kolhapur is a head quarter at Kolhapur and there are 106 branches and centres and 75 depots and distributing centres scattered all over the district as per 1982 statistics.

The district Kolhapur covers an area of 8,059 square kilometres and population of 24,99,437 as per 1981 census. This district liew between 15° to 17° , north latitude and 73° to 74° in eastlatitude. It is bounded by Sangli District at the north, by Belgaum district at Karnatak State at the south east any by Ratnagiri District at the west.

Co-operative movement made its begining in Bombay, in the year 1904. Then it spread over the remaining areas of Maharashtra. In Kolhapur district the co-operative movement spread very rapidly. All types of co-operative concerns are gaining momentum in this district. Shetakari Sahakari Sangh Ltd., Kolhapur is the leading co-operative marketing concern here. So the study is concentrated on the working of Shetakari Sahakari Sangh Ltd., Kolhapur.

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OBJECTIVES OF THE STUDY

The main objectives of the present study relating to the working of Marketing co-operatives with special reference to The Shetakari Sahakari Sangh Ltd., Kolhapur are as follows.

1. To study the circumstances which led to the establishment of shetakari sahakari sangh Ltd., Kolhapur and its aims and objectives.
2. To study the History, development & present working of Shetakari Sahakari Sangh Ltd., Kolhapur from the point of view of achievement of the prescribed objectives.
3. To study the financial and marketing aspects of the Shetakari Sahakari Sangh Ltd., Kolhapur.
4. To study one of the major activities of Sangh, e.g. the marketing of fertilizer of the sangh with special reference to Granulated Bull Brand fertilizer 15 : 5 : 5.
5. To suggest the ways and means to improve the efficiency of marketing department of the sangh in general and that of fertilizer in special.

1 : 3 Methodology :

The data used in the present study for deriving solutions to the problem are taken from Primary and Secondary Source. The attempt was made to collect primary data through the discussions with the Shetkari Sahakari Sanghs officials, Which includes, managing Directors, Secretary, Sections Manager, accounts officer and workers. To study the practicality of the subject an attempt was also made to under take discussions with the progressive farmers and salesman's who are closely related with various activities and undertakings of the Shetakari Sahakari Sangh Ltd.,

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The Secondary data is mainly collected from the published materials, Viz Annual Reports of the Sangh, books and periodicals, and official records maintained by the sangh.

I : 4 Limitations of the study :

On account of rapid increase in the activities of the sangh as well as the diversification, at present, the sangh is engaged in a large number of activities. In order to understand the working of the sangh it is essential to study all most all these activities from the point of view of identifying the problems and arriving at suitable solutions which can be suggested to improve the efficiency of the organization. However the time and resources at our disposal being limited the only one major activity, i.e. Production and distribution of Bull Brand Granulated Fertilizer has selected for the purpose of present study. If other activities are studied in similar lines it will help to suggest various measures to improve the efficiency of the sangh.

I : 5 Scheme of the Present Study :

The Scheme of the present study includes six topics as given below. The first topic includes the intorductory aspect of the study.

The second chapter deals with the co-operative marketing, its introduction, meaning objectives, need, merits, development, structure and organization, role of the sangh in promoting co-operative marketing.

The third chapter consists of 6. Historical Development of the Sangh, the reasons for its existence, aims and objectives, progress made by the sangh in respect of membership, capital etc.

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The fourth chapter ^{throughs} light on the working of Shetakari Sahakari Sangh Ltd., Kolhapur as an ideal Organization for co-operative marketing. It includes the study of present working of the sangh and its diversified activities. The financial and operational performance of the sangh are mainly studied in this chapter.

The fifth chapter assesses the working of fertilizer section as a whole. It covers the working of granulated fertilizer plant as well as the working of fertilizer sales department of the sangh. In this chapter an attempt is made to study the cost and price structure of the bull brand fertilizer manufactured by the 'Sangh' as one of its important activities, with a view to suggest measures to reduce the cost per unit of fertilizer so as to make this important agricultural input, available to the small farmers at a relatively lower prices and help in improving their standard of living.

Final chapter deals with findings and suggestions. If these suggestions are accepted and implemented by the shetakari sahakari sangh ltd., Kolhapur it may be expected that it will help a lot to increase the efficiency and profitability of the sangh.

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