CHAPTER - 1

INTRODUCTION

The co-operative is a form of business where individuals belonging to the same class join their hands for the promotion of their common goals. These are generally formed by way of a system voluntarily to meet some common economic, social and cultural needs through a jointly-owned and democratically controlled enterprise. Section 4 of the Indian Co-operative Societies Act, 1912 defines a co-operative “as a society which has its objective the promotion of economic interest of its members in accordance with co-operative principles”. According to Calvert, “A co-operative denotes a form of organization wherein the persons voluntarily associate together as human beings on the basis of equality for the promotion of economic interests of themselves” (Calvert, 1959). According to Paul Lumbert, “A co-operative society is an enterprise formed and directed by an association of users, applying within itself the rule of democracy and directly intended to serve both its own members and community as a whole” (Lambert, 1963). Shri V.L. Mehta, a veteran in the field of co-operation in India believed that, “co-operation is only one aspect of a vast movement which promotes voluntary associations of individuals having common needs who combine towards the achievement of common economic needs” (Bedi, 2001). So, a co-operative society is, basically, a voluntary association started with the objective of service of its members.

Thus, co-operatives are generally owned and democratically controlled by their members and the members elect their board of directors. These are voluntary associations of individuals having common interest who join as members. The members are entitled to receive surplus revenues proportionately. The co-operatives are not actuated by the motive of profit in conduct of their business activities, but the main object of the co-operatives is to render services to the members and the community. Thus, a co-operative is an autonomous
association of persons who voluntarily come together for their common, social, economic, and cultural benefit. Realizing the importance of co-operatives United Nations recognized 2012 as the International Year of Co-operatives. Thus, the co-operatives are the social enterprises formed by the members, for the members, for the good. So, co-operatives are different from other enterprises.

The co-operatives around the world are based on certain core principles, values, rules of action or conduct. These principles are essential for the establishment of the co-operative enterprises. The roots of these principles emerged from the first modern co-operative founded in Rochdale, England in 1844. The principles were officially adopted by the International Co-operative Alliance (ICA) in 1937 as the Rochdale Principles of Co-operation, and have been revised and updated in 1966 as the Co-operative principles and in 1995 as part of the Statement on the Co-operative Identity. The principles have been revised from time to time, but are still accepted today as the foundations upon which co-operatives operate. The co-operative principles are voluntary and open membership, democratic member control, economic participation by members, autonomy and independence, education, training and information, co-operation among co-operatives and concern for community.

The first principle ‘Voluntary and Open Membership’ states that any person who feels the need of joining a co-operative society and enjoying its benefits can become its member and may also quit membership on his own accord. The second principle ‘Democratic Member Control’ explains co-operatives as democratic organizations controlled by their members who buy the goods or use the services of the co-operative and actively participate in setting policies and making decisions. The third principle ‘Economic Participation by Members’ implies that the members contribute equally and democratically control the capital of the co-operative and are benefited in proportion to the business they conduct/level of participation in the co-operative rather than on the capital invested. The fourth principle ‘Autonomy
and Independence’ explains co-operatives as an autonomous, self-help organizations controlled by their members. The fifth principle ‘Education, Training and Information’ states that the co-operatives must provide education, training and information to their members, managers and employees so that they can contribute effectively to the development of their co-operative and also inform the public particularly young people and opinion leaders about the nature and benefits of co-operation. The sixth principle ‘Cooperation among Cooperatives’ means that the co-operatives should cooperate with each other by working together through local, national, regional and international organizations. The seventh principle ‘Concern for Community’ states that co-operative societies must have concern for their communities. While focusing on the needs of members, co-operatives must also work for the sustainable development of communities through policies and programmes accepted by the members.

**Co-operative Movement in India**

The history of co-operative movement in India is more than a hundred years old. However, for the purpose of this study, the co-operative movement in India has been divided into two periods i.e. Pre-independence period and Post-independence period.

**Pre-independence Period**

In India, the co-operative movement owes its origin to agriculture and allied sectors. The problems of rural indebtedness and the consequent conditions of farmers, during the latter part of the 19th century created an environment of co-operative societies. The farmers, generally, found the co-operatives as an attractive apparatus for pooling their meagre resources for solving common problems relating to credit, inputs and marketing of agricultural produce. The experience gained in the working of co-operatives led to the enactment of Co-operative Credit Societies Act, 1904. This act was restricted to credit co-operatives and provided for the constitution of societies. Subsequently, a more comprehensive legislation called the Co-
operative Societies Act, 1912 was enacted. The Act provided for organizing co-operative for providing non-credit services to members and for federations of co-operatives. Non-credit activities like purchase and sale unions, marketing societies, non-agricultural sector, handloom weavers and other artisans were cooperatively organized. In 1914, a committee on cooperation under the chairmanship of Sir Edward Maclagen was appointed to study the state of, and make recommendations for future of co-operatives in the country. The committee recommended for building a strong three-tier structure in every province with primaries at the base level, the central co-operative banks at the middle and provincial co-operative banks at the apex level to provide short-term and medium-term finance. The committee emphasized on ensuring co-operative character of these institutions, education of members and training of members, registrar and his staff. The suggestions of the committee were basically related to credit co-operatives.

Further, in 1919, under the Montague-Chelmsford Reforms, the cooperation became a provincial subject; and the provinces were authorised to make their own co-operative laws. The first provincial act, the Bombay Co-operative Societies Act 1925 introduced the principle of one-man one-vote. During 1928 to 1934, numerous committees were also set up to provide stimulus to the growth of co-operative marketing. These include Royal Commission on Agriculture (1928) which favoured the need for group marketing than individual marketing, The Central Banking Enquiry Committee (1931) stressed on the need for organized marketing, and The XI Conference of Registrar of Co-operative Societies (1934) also emphasized the importance of co-operative marketing. Later on, in order to cover co-operative societies with membership from more than one province, the Government of India enacted the Multi-Unit Co-operative Societies Act, 1942 which dealt with incorporation and winding up of co-operative societies having jurisdiction in more than one province. Since then, various other committees were set up to look into the
problems of co-operatives and made suggestions for them to play an important role in rural and agricultural development.

**Post-independence Period**

After India attained independence in 1947, co-operatives assumed a great significance and were given a vital role in the various plans formulated by the Planning Commission and in various committees set up to revitalize co-operatives.

The First Five Year Plan (1951-56) emphasized on adoption of the co-operative method of organization to cover all aspects of community development. Major development during this period was setting of Gorewala Committee popularly known as All India Rural Credit Survey Committee in 1951 which in its report recommended government participation in the share capital of co-operatives, importance of training, creation of State Bank of India, establishment of apex co-operative marketing federations, district and primary marketing societies, linking credit with marketing, etc. The Second Five Year Plan (1956-61) favoured building co-operative sector as a part of scheme of planned development in national policy, linking credit and non-credit societies, membership in co-operatives from each family, etc. In 1958, the National Agricultural Cooperative Marketing Federation (NAFED) was set up as an apex body of co-operative marketing. The Third Five Year Plan (1961-69) focused on making co-operatives as a form of organization in various fields of economic life like agriculture, small industries and processing, marketing, housing, transport, etc. Various national institutes were set up during the plan period like National Cooperative Development Corporation (NCDC) in 1963 which boosted the growth of co-operative marketing and processing societies, National Dairy Development Board (NDDB) in 1965 for growth of Indian dairy co-operative movement, reorganization of National Cooperative Union of India (NCUI) in 1961 to promote co-operative movement in India, etc. Committees set up during the plan period like The Mirdha Committee in 1965, recommended that all the membership of the agricultural co-operative marketing societies should be restricted only to the
agriculturists; and M. L. Dantwala Committee in its interim report in 1966 gave major recommendations regarding two-tier structure of marketing societies, viz. apex societies at the state level and primary societies at the mandi level, use of co-operatives as the principal agents for procurement, etc. The Fourth Five Year Plan (1969-74) focussed on making short-term and medium structure viable through re-organization of co-operatives and to make policies favouring small cultivators. The All India Rural Credit Review Committee, 1969 set up during the period recommended the strengthening of co-operative marketing. The Fifth Five Year Plan (1974-79) recommended formulation of farmers’ service co-operatives and need for professional management of co-operatives. The Sixth Five Year Plan (1979-85) emphasized on improving the economic conditions of the rural poor though co-operatives, re-organizing of primary agricultural credit societies, strengthening linkages between consumer and marketing co-operatives, development of fishery, dairy and minor irrigation co-operatives, etc. National Bank for Agriculture and Rural Development (NABARD) was also set up in 1982 to provide re-finance to co-operative banks to enhance credit flow to the agriculture and rural sector. The Multi-State Cooperative Act Societies (MSCS) of 1984 was also enacted during the Sixth Five Year Plan to facilitate the organization and functioning of multi-state societies thereby revoking the earlier Multi-Unit Co-operative Societies Act of 1942. The Seventh Five Year Plan (1985-90) suggested development of primary agricultural credit societies, special plan for north-eastern region, promoting professional management, developing consumer co-operatives in urban as well as rural areas, etc. The Eight Five Year Plan (1992-97) emphasized on giving more autonomy and democratizing co-operative movement by making co-operatives as self-managed, self-regulated and self-reliant institutions. From the Ninth Five Year Plan (1997-2002), there was no specific mention of co-operatives as a part of plan. The Multi-State Cooperative Societies Act 1984 was modified and replaced by The MSCS Act, 2002. In 2002, the Government formulated a national co-operative policy for the all-round development of co-operatives and also formed a ministerial task force to formulate a plan of action for
implementation of national co-operative policy. The task force suggested a single law instead of parallel laws in states and also in order to depoliticize co-operatives members of parliament or members of legislative assemblies should not be allowed to hold office of any co-operative society. During the Tenth Five Year Plan (2002-2007), states were recommended to take follow up action on The Multi State co-operatives Act, 2002 for functional and financial autonomy of co-operatives. In 2004, the Government of India set up a task force under the chairmanship of Prof. A. Vaidyanathan to suggest action plan for reviving rural co-operative credit institutions and necessary legal measures for facilitating this process. In 2004, co-operative movement in India completed 100 years of its existence. The Eleventh Five Year Plan (2007-12) focused on adopting the recommendations of the Vaidyanathan Committee. The government formulated a revival package for restructuring and strengthening of the rural co-operative credit institutions.

Thus, various steps have been taken to revitalize co-operatives in India through five year plans and by implementing recommendations of expert committees.

**Progress of Co-operatives in India**

A review of the progress of co-operatives in India as shown in Table 1.1 reveals that the number of co-operative societies has increased from 3.16 lac in 1984-85 to 6.11 lac in 2009-10. The membership of these societies also increased at a higher pace from 1421 lac in 1984-85 to 2636 lac in 2009-10. This indicates a tremendous growth in the Indian co-operative movement.

<table>
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</thead>
<tbody>
<tr>
<td>Number of Societies (lac)</td>
<td>3.16</td>
<td>3.19</td>
<td>4.11</td>
<td>5.28</td>
<td>5.84</td>
<td>6.11</td>
</tr>
<tr>
<td>Membership (lac)</td>
<td>1421</td>
<td>1480</td>
<td>1978</td>
<td>2287</td>
<td>2420</td>
<td>2636</td>
</tr>
</tbody>
</table>

*Source: Indian Cooperative Movement - A Statistical Profile 2012, Developed by National Resource Centre of NCUI, National Cooperative Union of India, p.33*
The details of co-operatives in India during the year 2009-10 given in Table 1.2 reflect that the number of all level co-operatives was 6,10,020 including 1,47,991 Primary Agricultural and Credit Co-operatives and 4,58,068 Primary Non-Credit Co-operatives. The membership of Primary Agricultural/Credit Co-operatives was 181.150 million and that of Primary Non-Credit Co-operatives was 68.216 million during the year 2009-10. Most of the villages in India, i.e., 98 per cent were covered by the co-operatives in 2009-10. The number of state and district level co-operative federations were 390 and 3,571 respectively during the period of study. There were 19 co-operative federations at the national level.

**Table 1.2**

**Indian Co-operative Movement at a Glance: 2009-10**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Cooperatives (All Level)</td>
<td>6,10,020</td>
</tr>
<tr>
<td>• Primary Agricultural and Credit Co-operatives</td>
<td>1,47,991</td>
</tr>
<tr>
<td>• Primary Non-Credit Co-operatives (All Types)</td>
<td>458068</td>
</tr>
<tr>
<td>Membership of Co-operatives (Grass roots)</td>
<td>249.367 Million</td>
</tr>
<tr>
<td>• Membership of Primary Agricultural/Credit Co-operatives</td>
<td>181.150 Million</td>
</tr>
<tr>
<td>• Membership Primary Non-Credit Co-operatives</td>
<td>68.216 Million</td>
</tr>
<tr>
<td>Share Capital (All Level &amp; All Types)</td>
<td>Rs. 3,83,284.50</td>
</tr>
<tr>
<td>• Share Capital of Primary Credit Co-operatives</td>
<td>Rs. 1,92,680.60</td>
</tr>
<tr>
<td>• Share Capital of Primary Non-Credit Co-operatives</td>
<td>Rs. 74,752.80</td>
</tr>
<tr>
<td>• Govt. Participation in Primary Credit Co-operatives</td>
<td>4.34%</td>
</tr>
<tr>
<td>Working Capital (Credit + Non-Credit)</td>
<td>Rs. 72,95,765.70</td>
</tr>
<tr>
<td>Reserves</td>
<td>Rs. 7,48,934.10</td>
</tr>
<tr>
<td>Deposits</td>
<td>Rs. 47,40,588.6</td>
</tr>
<tr>
<td>Villages Covered by Co-operatives</td>
<td>98%</td>
</tr>
<tr>
<td>National Level Co-operative Federations</td>
<td>19+2(defunct)</td>
</tr>
<tr>
<td>State Level Co-operative Federations</td>
<td>390</td>
</tr>
<tr>
<td>District Level Co-operative Federations</td>
<td>3,571</td>
</tr>
</tbody>
</table>

**Source:** Indian Cooperative Movement - A Statistical Profile 2012, Developed by National Resource Centre of NCUI, National Cooperative Union of India, p.32.
Today, co-operative movement in India is the largest in the world. The movement has permeated in all walks of life. The co-operatives have been playing a distinct and significant role in the country’s socio-economic development. The co-operatives have been operating in diverse areas of the economy such as credit, production, processing, marketing, input distribution, housing, dairying, textiles etc. Various development activities in agriculture, small industry marketing and processing, distribution and supplies are now carried on through co-operatives. As the co-operatives in our country have made an all-round progress and their role and contribution to agricultural progress has particularly been significant. A network of co-operatives at the local, state, and national levels assists in agricultural marketing in India.

**Agriculture Marketing and Co-operatives**

Agriculture plays a significant role in the overall socio-economic growth of the country. Agriculture and allied sectors accounted for 14.5 per cent of the GDP in 2010-11 (Economic Survey 2012-13, Agriculture and Food Management). Agricultural marketing occupies an important place in the perspective of agricultural development in India. Marketing of agricultural produce is considered as an integral part of agriculture. According to Royal Commission on agriculture in 1928, “Problem of agricultural growth cannot be fully solved unless agricultural marketing is improved” (Jain et al., 2006-07). Agricultural marketing covers the services involved in moving an agricultural product from the farm to the consumer. Agricultural marketing includes numerous interconnected activities like production planning, growing and harvesting, grading, packing, transport, storage, processing, distribution and advertising. The National Commission on Agriculture defined agricultural marketing as “a process which starts with a decision to produce a saleable farm commodity and it involves all aspects of market structure of system, both functional and institutional, based on technical and economic considerations and
includes pre and post-harvest operations, assembling, grading, storage, transportation and distribution, etc.” (Soni and Singh, 2013). Thus, agricultural marketing, basically, involves the process of supply and distribution of agricultural inputs and outputs.

The co-operative agricultural marketing system plays a major role in agricultural marketing through co-operative marketing societies. These societies are formed by the farmers on the basis of mutual trust for sale of their produce and purchase of various inputs. Co-operative marketing, is basically, an extension of the principle of co-operation in the field of marketing. It is a process of marketing through a co-operative association formed voluntarily by its members to perform one or more marketing functions in respect of their produce. Co-operative marketing is marketing ‘for the farmers’ and ‘by the farmers’ with the objective of eliminating the chain of functionaries operating between the farmers and the ultimate consumers thereby securing maximum price for the farmers’ produce. A co-operative marketing society is a society of agricultural producers joining together with the aim of selling their own produce. According to the Reserve Bank of India, “A cooperative marketing society is an association of cultivators formed primarily for the purpose of helping the members to market their produce more profitably than possible through the private trade” (Soni and Singh, 2013). Thus, co-operative societies are formed by the farmers on the basis of mutual trust for sale of their produce and purchase of various inputs. These societies enable the growers to market their produce at better prices, securing better marketing services and ultimately contributing to the improvement in the standard of living of members.

The co-operative marketing societies perform variety of functions like they market the produce of the members at fair price, make arrangements for the scientific storage of the members’ produce, provide market information, strengthen the bargaining capacity of the cultivator, act as an agent of the government for the procurement and implementation of price support policy, provide grading and
transportation facility, act as a distributive centre for agricultural inputs like seeds, fertilizers, pesticides etc., arrange for the export of the produce of the members so that they may get better returns, undertake interstate trade in agricultural commodities, make credit facilities available to the members against the security of the produce brought for sale, etc.

The co-operative marketing societies are, generally, classified into three categories on the basis of commodities dealt with, these are single commodity co-operative marketing societies which deal in the marketing of only one agricultural commodity like sugarcane cooperative marketing society, cotton co-operative marketing society etc.; multi-commodity co-operative marketing societies which cover in marketing of large number of commodities produced by the members such as foodgrains, oilseeds and cotton; and multi-purpose, multi-commodity co-operative marketing societies which market a large number of commodities and perform other functions like providing credit to members, arranging of the inputs required by them and meeting their requirements of essential domestic consumption.

**Structure of Co-operative Marketing in India**

The National Agricultural Cooperative Marketing Federation of India (NAFED) was established in 1958 as an apex body of the state marketing federations, and handles much of the domestic and most of the export marketing for its member organizations. At the state level, there are apex (State) co-operative marketing federations which serve the state as a whole. Their members are both the primary co-operative marketing societies and the central co-operative unions of the state. The main function of these is to coordinate the activities of the affiliated societies and conduct such activities as inter and intra-state trade, procurement, distribution of inputs and essential consumer goods, dissemination of market information and rendering expert advice on the marketing of agricultural produce. At the district level, there are central co-operative marketing unions. Their main job is to market the produce brought for sale by the primary co-operative
marketing societies that are members of these unions in addition to the individual farmer members. At the base level, there are primary co-operative marketing societies which market the produce of the farmer members in that area. Thus, a network of co-operatives at the local, state, and national level assists in agricultural marketing in India. The structure of co-operative marketing in India is diagrammatically presented in Figure 1.1.

**Figure 1.1**

**Structure of Co-operative Marketing**

In India, the co-operative marketing societies have both two-tier and three-tier structure. A two-tier pattern includes primary marketing societies at taluka level and state marketing federation as an apex body at the state level; and a three-tier system along with primary marketing societies and state marketing federation at respective levels includes district marketing society in the middle. In the states of Assam, Bihar, Kerala, Madhya Pradesh, Karnataka,
Orissa, Rajasthan and West Bengal, there is a two-tier pattern with primary marketing societies at taluka level and state marketing federation as an apex body at the state level. In other states, there is a three-tier system with district marketing society in the middle. The co-operative marketing network of the country includes 29 State Level Commodity Marketing Federations, 28 State Apex General Purpose Federations, 378 District/Central Level Federations, 11880 Primary Marketing Cooperatives (7202 marketing and 4678 specialised/commodities societies) besides NAFED and NCDC at the national level (Indian Cooperative Movement - A Statistical Profile, 2012, pp. 50-51).

**Co-operatives in the Punjab and Haryana States**

There is a large network of co-operative societies operating in the states of Punjab and Haryana. These societies operate in diverse areas such as agriculture, credit, production, processing, marketing, input distribution, housing, dairying, etc. The data showing the year-wise growth of co-operative societies operating in the states of Punjab and Haryana in terms of number of societies and membership over a period of 12 years in Table 1.3 reveals that the total number of co-operative societies in Punjab decreased from 21740 in 2000-01 to 21212 in 2002-03, then increased to 21230 in 2004-05. Their number, again, declined to 19262 in 2009-10, and were 19003 in 2011-12. The number of members of co-operative societies in Punjab increased from 44.02 lac in 2000-01 to 48.81 lac in 2008-09, then declined next year to 46.48 lac and were 50.19 lac in 2011-12. Further, the total number of co-operative societies in Haryana declined from 22555 in 2000-01 to 18122 in 2003-04, then increased to 36592 in 2010-11, and were 35305 in 2011-12. The number of members of the co-operative societies in Haryana increased from 47.06 lac in 2000-01 to 54.48 lac in 2006-07, remained stable during the next year, declined further to 54.47 lac in 2008-09, then increased to 57.53 lac in 2010-11, and were 50.63 lac in 2011-12.
Thus, there are different types of co-operative societies in Punjab and Haryana, viz. apex societies, agricultural credit societies including banks, non-agricultural credit societies, marketing societies, milk supply societies, women societies, etc. These co-operative societies operate at the local, state, and national levels in India. Various development activities in agriculture, small industry marketing and processing, distribution and supplies are now carried on through co-operative societies.

In states of Punjab and Haryana, Punjab State Cooperative Supply and Marketing Federation (MARKFED) and Haryana State Cooperative Supply and Marketing Federation (HAFED) are playing important role in co-operative agricultural remunerative marketing in the respective states.
NEED FOR THE STUDY

Most of the earlier research work is concerned with overall co-operative sector, consumer co-operative societies, credit co-operative societies, co-operative banks, primary co-operative societies, etc. But only a limited number of studies are available on co-operative supply and marketing federations; and most of them covered the period of 1980s and 1990s; and no comparative study could be found covering diverse activities being performed by these co-operative federations. These federations play an important role in building up an integrated structure for remunerating marketing and storing of agricultural produce. Further, in states of Punjab and Haryana, agriculture is an important activity. The MARKFED and HAFED are playing important role in marketing of agricultural produce and consumer products, both edible and non-edible products. The MARKFED and HAFED were set up in their respective states in 1954 and 1966 respectively. The main objectives of these institutes have been to make arrangements for procuring, marketing/trading, processing/manufacturing of agricultural products to its affiliated members, to provide financial assistance to members, to make arrangements for distributing of agricultural inputs to members and non-members, and to undertake trade of agricultural produce, farm equipment and consumer goods, and to do all things incidental and conducive thereto. Thus, they undertake various activities ranging from supply of agricultural inputs to the farmers, storage and procurement of foodgrains, processing, marketing of variety of products, etc. Hence, it becomes significant to review their performance from different perspectives like growth, supply, procurement, marketing and issues relating to finance. It is with these considerations in view that the present study has been undertaken.
OBJECTIVES OF THE STUDY

The objectives of the proposed study are as hereunder:

1. To study the growth of co-operatives in Punjab and Haryana with special reference to supply and marketing co-operatives.
2. To study the supply and procurement activities of MARKFED and HAFED.
3. To compare the marketing practices of MARKFED and HAFED.
4. To undertake financial analysis of MARKFED and HAFED.
5. To assess the perception of farmers regarding working of the selected institutions.
6. To analyze the opinion of employees regarding functioning of MARKFED and HAFED.
7. To make suggestions based on findings of the study.

CHAPTER SCHEME

The study has been divided into following nine chapters:

Chapter-1 is introductory in nature. It discusses the concept, historical aspects, and co-operative marketing aspects with special reference to Punjab and Haryana. Further, it explains briefly the need for the present study, its objectives and the chapter scheme.

Chapter-2 reviews the existing literature on the subject. In this chapter important studies by independent researchers covering the various aspects of co-operative marketing and co-operative marketing federations/societies have been discussed.

Chapter-3 explains the research methodology used for the present study. It includes scope of the study, sample and sampling design, data collection, data analysis and limitations of the study.

Chapter-4 examines the growth of MARKFED and HAFED, the organizations under study, in terms of the indicators like members, sales turnover, own funds, investments, long-term loans and total assets.
Chapter-5 is devoted to the study of the supply, procurement and warehousing activities of MARKFED and HAFED. The supply activities of MARKFED include the purchase procedure of inputs and sale of fertilizers by the federation, while those of HAFED include its purchase procedure, sale of pesticides, certified seeds and fertilizers. The procurement activities of MARKFED examine the procurement, sale and profit related to foodgrains like wheat, paddy and cotton, whereas in the case of HAFED procurement of wheat, paddy, bajra and mustard seeds has been analyzed. The warehousing activities of the two federations have been studied on the basis of their own storage capacity including hired storage capacity and open capacity.

Chapter-6 evaluates and compares the marketing practices and the processing activities of MARKFED and HAFED. The marketing practices of MARKFED and HAFED have been studied in terms of various P's of marketing mix, viz. product, price, place, promotion, people, process and physical evidence, and other activities performed by the respective federations. Further, the processing activities of the two federations have also been examined by analyzing the production, sale and profits of their plants.

Chapter-7 analyses the financial performance of MARKFED and HAFED in terms of their liquidity, solvency, turnover and profitability, and overall financial health.

Chapter-8 provides the background information about the farmers and the employees surveyed, and also studies their perception with regard to the working and functioning of MARKFED and HAFED.

Chapter-9 highlights the findings and conclusions that emerge from the study. Various suggestions to improve the performance of MARKFED and HAFED have also been made.
REFERENCES


Economic Survey 2012-13, Agriculture and Food Management.


