Chapter - I

Introduction

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Chapter -1

Introduction

Introduction:

India is a large continent spread over from the Himalayas in the North to the Indian Ocean at the South, and from the Arbian Sea in the West to the Bay of Bengal in the East. The primary occupation of the people of India is agriculture. It is also traditional occupation in this country. The livelihood of majority of the masses comes from the profession of agriculture. The ancient Indians are the first in human civilization to discover the science of agriculture.

People in ancient India were agriculturist. References to agriculture are found in the Vedas. It includes hymns and prayers for good crop, cattle and rain. In Rig-veda & also in Yajur-veda there are references to agriculture.1

The Arthashastra of Kautilya2, describes in detail how agriculture is the basic source of revenue for the state and what were the duties of the state for development of agriculture. He made a provision for the special officer at the state level called ‘Superintendent of Agriculture’, ‘Revenue Collector’ and a ‘Superintendent of Agriculture Warehouses’ to look after the industry of agriculture. Indian agricultural produces like cotton, jute, sugar, goor (jaggery), etc. were exported to the western countries via the Silk Route through Constantinopal.

1
India obtained freedom in 1947. The dawn of freedom not only brought in its train new horizons of hopes but also a number of problems such as the problem of poverty, of un-employment, of population, of nutrition, of schooling, of habitations, of standard of living, and so on. These problems made it necessary to take immediate steps through the process of planning and development. All these problems were associated with the issues of growth and development in areas both economic and non-economic. Agriculture being the primary occupation of the masses all these problems were also directly and indirectly related with agriculture. Mahatma Gandhi had rightly observed that the real India lives in villages. Thus the process of socio-economic growth and development relied to great extent on agricultural growth and development.

The process of economic growth is complex and creates problems of adjustment in all sectors of the economy but especially so in agriculture. Agriculture is usually the oldest sector in the economy, characterized by a distinctive pattern of life and organization; life in attachment to land; in small units combining property, management and labour; engaging all or most of the family members in agricultural pursuits; and relatively isolated from the urban face of modern economic growth. All these characteristics make for obstacles to an easy transfer of properly trained and educated labour to other growth in employment sectors; to an adjustment of production to changing demand; to changes in scale and structure of farm units and to movement of capital out of
agriculture. At the same time, unlike many obsolescent older sectors, agriculture has benefited from vigorous technological innovations, particularly in the developed countries since World War-II. There is thus a distinctive contrast between the technologically feasible agricultural production processes and the persistent pattern of production and life among large groups of small-scale farmers responding but slowly to pressure of low incomes.

Improvement in agricultural productivity in India is of paramount importance today, not merely because it provides food and other wage-goods to the rising population, but also because it ensures a strong base for the future development of the industrial sector. It has been very rightly pointed out that country is not poor because it is agricultural in nature. Infact, it is so because its agriculture is backward. The Indian agriculture, as is well known, has been starved of capital investment, firstly, because of the poverty or low levels of income of the farming community, and secondly, because agriculture has traditionally been considered ‘a way of life’ and not ‘a business proposition’.

As India has celebrated 60 years of our Republic, it is necessary to travel back in history and see how issues of rural development have evolved over the years, and how some issues continue to be relevant even today.

Efforts to bring greater power to the Gram Panchayats were led by Dr. S. K. Dey, India’s first Community Development Minister. This was the year in which the Government of India launched the first community development project.
The Balvant Rai Mehta Committee recommended the formation of a three-tier, Panchayati Raj system of rural local self-government, with the Gram Panchayat, Panchayat Samiti and Zilla Parishad as its components at the village, block and district levels respectively. The aim was to decentralize the process of decision making. The 73rd amendment of the Constitution has carried the process of devolution further, and today we see many panchayats in the country participating actively and very constructively in the development process. While it is true that the effects of empowerment have not reached every corner of the country uniformly, and many regions are still to stand firmly on their feet, there is no doubt about the fact that participatory development has established itself firmly in the Indian context at the different components of the rural economy, agriculture remains the mainstay of the rural sector. The compound growth rate in agricultural production has been 2.7 per cent per annum since independence. Since the first green revolution in the 1960's the food grain production has increased significantly from 82 million tonnes in 1960-61 to 129 million tonnes in 1980-81 and 233 million tonnes in 2008-09. However, the share of agriculture in the country's GDP has declined from 48.7 in 1950 to 24.4 per cent in 1996-97 and further down 18.7 per cent in 2007. Further, our agricultural productivity continues to be low at 1.7 tons/ha, as against the world's average of 2.6 tons/ha, leave alone the world's best of 4 to 5 tons/ha. This is a matter of concern, and scientists and planners are now advocating the launch of a second Green
Revolution which will increase the yield of our crops substantially. If we could do it the first time, we certainly can do it once again.\textsuperscript{6}

Another area of concern is the fact that economic growth has not generated the desired number of jobs in the rural areas. One of the most ambitious projects on rural development, National Rural Employment Guarantee Scheme (NREGS) launched in February 2006 hopes to provide employment to millions of people in the rural areas thereby fueling economic growth, as well.

1.1 History & Geography of Nanded District:

This section gives the historical and geographical profile of the area under study i.e. Nanded district.

1.1.1 Historical Profile of Nanded District:

The district has an ancient and historical background and the same dates back to Satvahan, Chalukya and Rashtrakula dynasty. The bank of the Godavari river, where Nandi- the Vahan of Lord Shiva is said to have performed penance, came to be called the Nandi-Tat, which later changed into Nanded. It is also said the Nine Rishis known as Nand, performed penance on the bank of the Godavari river and hence the name Nand Tat. It also formed the boundary of the Nine Nanda rulers of the Magadha Empire.

The district had been under the Nizam rule and formed part of Nizam Rule up to 1948, and the Marathwada Region of Which Nanded is one of the
The Nanded district lies in the South Eastern part of Marathwada region of Maharashtra State. The name Nanded is derived from its Sanskrit name Nanditat. In ancient period the district was included in Vidarbha region along with modern district of Amravati, Akola, Buldhana, Yeotmal and Parbhani. From the excavations in the neighbouring district of Ahmadnagar it is suggested that Nanded region was also inhabited in the early stone age with subsequent migrations, the region went through different rules formed by the rulers of ancient period such as Satvahans, Chalukyas of Badami, Rashtrakuta and Yadvas of Deogiri. Medieval period (like Bahamanis, Nizamshahi, the Moghals and Marathas) and modern period such as Nizam of Hyderabad and Britishers.

Under the Moghals reign Nanded district was roughly compounded of. In 1724 the district was passed under Nizams sovereignty. More than one third district was jahagir area under the Nizams regions. The Nizam's own estate was called ‘Sarf-e-Khas’ which along with the other jahagir were merged with the government area in 1949 under Hyderabad district and formed part of Hyderabad state. Consequent up on the integration of sarf-e-khas and jahagir area the boundaries of all the talukas were reconstituted in the year 1950. Two new Mahals were created one at Mukhed and other at Bhokar. In 1956 the district of Nanded was transferred from Hyderabad state to Bombay state. The district forms a part of Maharashtra state since 1st May, 1960.
There are large number of religious places in the district of which important places are Huzur Saheb Gurudwara at Nanded. Lord Khandoba at Malegaon in Loha Taluka.

1.1.2 Geographical Profile of Nanded District:

Location: The district lies between 18.15 to 19.55 North latitude and 77.7 to 78.18 East longitude. It is the Eastern district of Marathwada Region of Maharashtra State and surrounded on the North by Yeotmal district of Vidarbha Region, on the west by Parbhani, Latur and Osmanabad districts, on the south by Bidar district of Karnataka State and on the East by Nizamabad and Adilabad districts of Andhra Pradesh.

Area and Topography: The district has geographical area of 10528 sq. kms. Which is 3.41% of the total geographical area, urban area is 211.1 sq. kms. (2.81%) and, rest is rural area of 18370.9 sq. kms. (97.19%)

There are total 1580 urban/semi urban / Rural Centers, out of which Nell, residency. Total Grampanchayats in the district are 1307, of which 1125 Grampanchayats are independent and 182 are group Grampanchayats. There are 13 Urban/ semi-urban centers; of which Nanded city has corporation and rest of 12 centers are having Municipal councils.

The district has 14 Agriculture produce market Committees of which in Nanded, Bhokar and Degloor Tehsils have two AGRICULTURE PRODUCE
Exbt. No. 1.1

Nanded District Map
Exbt. No. 1.2

Major Rivers in Nanded District

Nanded District
Major Rivers

Index:
- River
- Lake / Reservoir

0 10 20 Kilometres
Marketing Committees each, Biloli Tehsils has three and Hadgaon, Kinwat, Mukhed, Kandhar and Loha Tehsils have one each.

Nanded city is the district Headquarters of the district having various State and Central Government offices and Headquarters of The Swami Ramanand Teerth Marathwada University, (SRTMU) since 1994, for the four districts namely Nanded, Parbhani, Latur and Hingoli.

Soil: The district has black cotton soil which is highly fertile. All the Tehsils of the district have black soil, having high contents of Calcium, Magnesium and Carbonates. However the soil lacks contents of Nitrogen, Phosphates Potash & also humus. The Soil has capacity of retaining high humidity and percolation.

On the banks of river Godavari, its tributaries and also on the banks of rivers Manjra and Manyad in Biloli Tehsil the quality of soil is high. The soil at the botton of the hills is of poor quality in Kinwat Tehsil, Degloor Tehsil has high quality of black soil and in half parts, low quality soil. The 75% soil of Hadgaon Tehsil, Particularly on the banks of Penganga river, is highly fertile. In rest of the Tehsil i.e. Bhokar and Kinwat (except soil near the hills) the soil is black and superior. Due to reduction in rainfall during last few years, the water table has gone down and it ranges between 18 feet to 309 feet.

River: The important rivers of the district are Godavari, Manjara, Manyad, Saraswati, Penganga, Sita and Lendi. The river Godavari, which is the major river of the district, enters from western part of the district, and flows
from middle part of the district towards Eastern part and finally centers in Nizamabad district of the Andhra Pradesh.

The major tributary of river Godavari is “Manjra” river, and it flows in the district from West to North and crosses the border of the district. the river Manyad flows in Kandhar Tehsil from West to East and makes natural border of Mukhed and Degloor blocks with Biloli block. The river “Saraswati” flows North West to Eastern part of the district and finally meets to river “Godavari” at village Malkautha. The river “Asna” flowing to Eastern side meets to “Godavari” river at 5 kms. From Nanded city, on the left bank. The “Lendi” river flows through Degloor Tehsil from West to East and finally meets to river “Manjra” by changing route in the Tehsil.

The Penganga river makes North border of the district and, flows from eastern side and finally meets river, “Wardha” in Yeotmal district.

**Climate and Rainfall :** As per climate of the district, the year is devided in three parts. There is rainfall from June to September with warm winds. From October to February there is dry air and climate is cold. During October, the days are hot but from evening, the climate is warm. From November to January, there are intermittent rains and also cold waves. The climate gets hotter up from middle of March to May with Dryness.

The temperature and rainfall barometer has been installed at the center at Nanded and during 2001-2002 minimum temperature recorded is 13.9° C
with average temperature recorded being 41.6° C. The major occupation in the district is rainfall Agriculture, Maximum rainfall of 12.67 mm has been recorded in Mahur block & Minimum of 6.61 mm in Himayatnagar block.

**Forests**: The Total forest area of the district is 86.338 hectares, which comes to 8.38% of the total geographical area, and quite lower than 17.56% forest area of Maharashtra State. It is therefore necessary to increase forest area, which is being done by Forest and Social Forestry departments. The highest forest area is in Kinwat Tehsil which is 66.48 % in Bhokar Tehsil is 15.38% in Hadgaon Tehsil 7.53%, Nanded Tehsil 3.28%, Kandhar Tesil 1.85%, Biloli Tehsil 1.62%, Degloor 8.93% and Loha Tehsil 8.35%. The forest in the district, gives reasonable income to the State Government by auction sale of Teak Wood.

**Hill Ranges**: In Nanded district the main trend of the hills in form north west to south east in parallel ranges. The first of ranges from north is known as Satmala range which enter in the district after the gap out by the Penganga just west of Mahur. The hill range which forms the water divide between the Penganga and the Godavari enters the district from a north-westerly direction to the south of the Satmala range are the Nirmala range running parallel to Satmala range. The hills to the south of the Godavari are generally of lower elevation.⁸
Population: As per the census 2001 the population of Nanded district is 28,68,158 comprising of 14,76,301 male and 13,91,857 females. In 1991 census total population of the district was 23,30,374 persons comprising of 14,76,301 male and 11,32,498 females. Rural population of the district 18,24,234 persons. Comparing 9,33,311 males and 8,90,923 females. Urban population is 5,06,140 person (2,64,565 males and 2,41,575 females). Census wise growth of population in district is as under.

Table 1.1

Population Growth in Nanded district
(from 1951 – 2011)

(figures in 000)

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Census Year</th>
<th>Total</th>
<th>Rural</th>
<th>Urban</th>
<th>Sex ratio/1000</th>
<th>Density/ Sq. Km.</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>1951</td>
<td>864</td>
<td>745</td>
<td>138</td>
<td>980</td>
<td>86</td>
</tr>
<tr>
<td>02</td>
<td>1961</td>
<td>1080</td>
<td>924</td>
<td>156</td>
<td>971</td>
<td>104</td>
</tr>
<tr>
<td>03</td>
<td>1971</td>
<td>1398</td>
<td>1171</td>
<td>228</td>
<td>955</td>
<td>132</td>
</tr>
<tr>
<td>04</td>
<td>1981</td>
<td>1749</td>
<td>1421</td>
<td>328</td>
<td>964</td>
<td>107</td>
</tr>
<tr>
<td>05</td>
<td>1991</td>
<td>2330</td>
<td>1824</td>
<td>506</td>
<td>945</td>
<td>222</td>
</tr>
<tr>
<td>06</td>
<td>2001</td>
<td>2868</td>
<td>2179</td>
<td>6887</td>
<td>943</td>
<td>NA</td>
</tr>
<tr>
<td>07</td>
<td>2011</td>
<td>3356*</td>
<td>2442</td>
<td>913</td>
<td>937</td>
<td>NA</td>
</tr>
</tbody>
</table>

Source: District Socio-Economic Statistics Survey 20011.
Above table reveals that the total population was increased to 28.68 increased from 7.45 lacks to 21.79 lacks in 2001. The sex ratio i.e. number of females per 1000 males shows reducing nature from 980 to 943.

**Wild Animals**: The wild animals also help to maintain the proper environment. It is wealth of the nation. It is interesting to note that though not having deep forest to support the wild faung shelter is provided by ravines of Degloor, Kandhar, Biloli and Nanded talukas. Panthers, deer, foxes, wild boars are commonly found in the Kinwat taluka. Besides this, as much as 16.30 lacks animals including plough animals, dairy animals, cows and buffaloes, goats, pigs, poultry birds etc. are common live stock also found in the district they play a positive role in the economic development in the district.

1.2 **Trade, Industry and Marketing in Nanded District**:

This section provides in a summarised form the details of trade, industry and marketing in Nanded district.

**Industries**:

In the district, in the year 2003 out of 339 registered industries 84 industries are closed. In the remaining 286 industries the labourers were 13990. The major industries are Sawmills, Oil industries, Handlooms, Pharmaceuticals and Sugar factories.
The MIDC, Nanded has 815 Acres of land out of which 238 plots have been allocated. There are co-operative industrial estates at Nanded, Loha, Dharmabad and Degloor. In 1998-99, the MIDC has acquired about 500 Acres of land at Krushnoor, Tq. Biloli, for developing five star industrial estates. The infrastructure development by MIDC, commenced in 1999, in Krushnoor MIDC area is now completed. The Industries in the district & taluka are shown in the following Table No. 1.2.
Table No. 1.2
Industries in Nanded Taluka & District
(No. of units)

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>District Total</th>
<th>Nanded No</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sugar Mills</td>
<td>4</td>
<td>1</td>
<td>25</td>
</tr>
<tr>
<td>2</td>
<td>No. of Large Scale Ind.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Registered</td>
<td>1374</td>
<td>782</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td>Permanent</td>
<td>789</td>
<td>591</td>
<td>75</td>
</tr>
<tr>
<td>3</td>
<td>Units Reg. Under Fac. Act.</td>
<td>118</td>
<td>75</td>
<td>64</td>
</tr>
<tr>
<td>4</td>
<td>No. of Employees in Industrial Sect.</td>
<td>22944</td>
<td>4025</td>
<td>18</td>
</tr>
<tr>
<td>5</td>
<td>Cottage/Village/H. Hold Ind.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Village Oil Ghanis</td>
<td>19</td>
<td>3</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Shoe Making Units</td>
<td>4160</td>
<td>425</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>No. of Carpentry Units</td>
<td>2645</td>
<td>250</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Ropemaking Units</td>
<td>1805</td>
<td>300</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Village Pottery Units</td>
<td>2247</td>
<td>410</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>H. Hold Processing Units</td>
<td>265</td>
<td>150</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td>Gur Making Units</td>
<td>6</td>
<td>1</td>
<td>17</td>
</tr>
</tbody>
</table>

It can be observed from the above table that,

There are 4 sugar mills in Nanded district, out of which 1 is in Nanded taluka, which represents 25% of the district.

There are 1374 Registered large-scale industry in Nanded district, out of which 782 are in Nanded taluka which represents 57% of the district.

There are 789 Permanent large-scale industries in Nanded district, out of which 591 are in Nanded taluka which represents 75% of the district.

There are 118 Units Reg. Under Fac. Act in Nanded district, out of which 75 are in Nanded taluka, which represents 64% of the district.

There are 22944 No. of employees in Industrial Sector. in Nanded district, out of which 4025 are in Nanded taluka which represents 18% of the district.

There are 4160 Shoe Making Units in Nanded district, out of which 425 are in Nanded taluka which represents 10% of the district.

There are 2645 No. of Carpentry Units in Nanded district, out of which 250 are in Nanded taluka which represents 9% of the district.

There are 1805 Ropemaking Units in Nanded district, out of which 300 are in Nanded taluka which represents 17% of the district.

There are 2247 Village Pottery Units in Nanded district, out of which 410 are in Nanded taluka which represents 18% of the district.

There are 265 H. Hold Processing Units in Nanded district, out of which 150 are in Nanded taluka which represents 57% of the district.
There are 6 Gur Making Units in Nanded district, out of which 1 is in Nanded taluka which represents 17% of the district.

It is to be noted though the above table shows a No. of industrial unit as per record of lead bank yet the industrial picture in Nanded district is not very happy. Of the sugar mills only 1 i.e. Bhaurao Chavan is running. The old textile mill is sick, Texcom is closed. SIPTA is not running. There are few small scale industries in the area.

Banking in Nanded District:

Bank is an important institution that provides finance to all sectors. Banks are increasingly catering to the needs of industrial and agricultural sectors. The lead bank of a district is actively engaged in. Opening bank offices in all the important localities, providing maximum credit facilities for development in the district; and mobilizing the savings of the people in the district. The details of Banks in the Nanded district and taluka are shown in the following Table No. 1.3
### Table No. 1.3

**Banks in Nanded Taluka & District**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>District Total</th>
<th>Nanded No</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>State Bank Group</td>
<td>38</td>
<td>10</td>
<td>26</td>
</tr>
<tr>
<td>2</td>
<td>Other Public Sector Banks</td>
<td>35</td>
<td>21</td>
<td>60</td>
</tr>
<tr>
<td>3</td>
<td>Regional Rural Banks</td>
<td>58</td>
<td>11</td>
<td>19</td>
</tr>
<tr>
<td>4</td>
<td>Agri Dev. Branch</td>
<td>4</td>
<td>1</td>
<td>25</td>
</tr>
<tr>
<td>5</td>
<td>D.C.C. Bank Ltd.</td>
<td>172</td>
<td>35</td>
<td>20</td>
</tr>
<tr>
<td>6</td>
<td>MSCARDC Bank Ltd.</td>
<td>9</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>7</td>
<td>Urban Co-op. Bank</td>
<td>8</td>
<td>6</td>
<td>75</td>
</tr>
</tbody>
</table>

*Source: Socio-economic survey, Lead Bank Profile 2011.*

It can be observed from the above table that....

There are 38 State Bank Group branches in Nanded district, out of which 10 are in Nanded taluka which represents 26 % of the district.

There are 35 other Public Sector Banks branches in Nanded district, out of which 21 are in Nanded taluka which represents 60 % of the district.

There are 58 Regional Rural Banks branches in Nanded district, out of which 11 are Nanded taluka which represents 19 % of the district.

There are 4 Agri Dev. Bank branches in Nanded district, out of which 1 is
in Nanded taluka which represents 25% of the district.

There are 172 D.C.C. Bank Ltd. branches in Nanded district, out of which 35 are in Nanded taluka which represents 20% of the district.

There are 9 MSCARDC Bank branches in Nanded district, out of which 1 is in Nanded taluka which represents 11% of the district.

There are 8 Urban Co-op. Bank branches in Nanded district, out of which 6 are in Nanded taluka which represents 75% of the district.

**Tourism:** Nanded is one of the eight districts of Marathwada region in eastern part of Maharashtra and considered historic district. Nanded city is situated on the banks of Godavari. Nanded town is famous for the Sikh Gurudwara, which is next to Gurudwara at Amritsar. It is said that Sant Guru Gobind Singhji resided at Nanded and his pious memory this Gurudwara was built up. He was the last priest of Khalsa.

**Mines:** The district has no potential source of any important mineral deposits. The minerals available are of poor quality. Lime-stone and clay used for tiles is found in Kinwat block. Feldspar used in ceramics is found in the Biloli block.

**Electricity And Supply:** There is no electricity project in the district. However Maharashtra State Electricity Board is supplier of electricity in the district. All the urban/semi-urban centers, as also all the villages in the district
Exbt. No. 1.4

Nanded District

Major Roads & Railways
have been electrified. There increasing demand for electricity for agriculture and up to the end of March 2004. 72,313 electric motor pumpsets have been installed. The electricity is supplied to pumpsets as per waiting list.

Roads and Communication : Railway

There is broadguage line of South Central Railway in the district. The railway lines passing through the district are Kachiguda-Manmad and Mudkhed to Adilabad, with total railway line admeasuring 208 kms. The S.C. Railway have converted into broad-guage line and hence the district has. The details of communications network of roads in the Nanded district and taluka are shown in the following Table No. 1.4
### Table No. 1.4
#### Road & Communications in Nanded Taluka & District

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars (Road Kms.)</th>
<th>District Total</th>
<th>Nanded No</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Metallic</td>
<td>2834</td>
<td>302</td>
<td>11</td>
</tr>
<tr>
<td>2</td>
<td>Non-Metallic</td>
<td>1009</td>
<td>184</td>
<td>18</td>
</tr>
<tr>
<td>3</td>
<td>Length of Kutcha Roads</td>
<td>436</td>
<td>47</td>
<td>11</td>
</tr>
<tr>
<td>4</td>
<td>Villages/Towns Connected</td>
<td>152</td>
<td>116</td>
<td>76.8</td>
</tr>
<tr>
<td>5</td>
<td>Length of Railway Lines</td>
<td>208</td>
<td>43</td>
<td>21</td>
</tr>
<tr>
<td>6</td>
<td>No of Post Offices</td>
<td>447</td>
<td>52</td>
<td>12</td>
</tr>
<tr>
<td>7</td>
<td>No of Telegraph Offices</td>
<td>22</td>
<td>5</td>
<td>23</td>
</tr>
<tr>
<td>8</td>
<td>No of Villages Covered</td>
<td>255</td>
<td>22</td>
<td>9</td>
</tr>
</tbody>
</table>


It can be observed from the above table that....

There are 2834 km Metallic roads in Nanded district, out of which 302 km are in Nanded taluka which represents 11 % of the district.

There are 1009 km. Non-Metallic roads in Nanded district, out of which 184 km are in Nanded taluka, which represents 18 % of the district.

There are 436 km. Length of Kutcha Roads roads in Nanded district, out of which 41 km are in Nanded taluka, which represents 11 % of the district.
There are 152 km. Villages/Towns Connected roads in Nanded district, out of which 116 km are in Nanded taluka which represents 76.8 % of the district.

There are 208km. Length of Railway Lines in Nanded district, out of which 43 km are in Nanded taluka which represent 21 % of the district.

There are 447 No of Post Offices in Nanded district, out of which 52 are in Nanded taluka which represents 12 % of the district.

There are 22 No of Telegraph Offices in Nanded district, out of which 5 are in Nanded taluka which represents 23 % of the district.

There are 255 No of Villages covered in Nanded district, out of which 22 are in Nanded taluka which represents 9 % of the district.

1.3 Agriculture in Nanded District:

A short profile of agriculture in Nanded district is presented in this section with reference to some important aspects.

Land Utilization: Out of total geographical area of 18.39 lacs hectares, 8.6388 lacs hectares is forest area which is 8.38% of the total area. The non cultivable area is 849 lacs hectares. The cultivable land is 758 lacs hectares, which is considered sufficient. Due to inconsistency of rains during last few years, the area under irrigation is less and hence, land under double cultivation is less. If rains are favorable, even non-irrigated lands can be brought
under double cultivation. State Govt./Z.P. have undertaken projects in respect of existing water tanks to reding and increase catchments area. Water conservation projects are being implemented.

Land utilization and agricultural production are interrelated. Total land area in a district is divided into various categories like Cultivated Area, Non Cultivated Area, Non Cultivable Area, Forest, Grass Land etc. The researcher has studied the land utilization of the Nanded district with reference to sample talukas. The results are shown in the following table.

Table No. 1.5

<table>
<thead>
<tr>
<th>Land Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Area in thousand hect)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cultivated Area</td>
<td>712</td>
<td>68.93%</td>
</tr>
<tr>
<td>2</td>
<td>Non Cultivated Area</td>
<td>94</td>
<td>9.10%</td>
</tr>
<tr>
<td>3</td>
<td>Non Cultivable Area</td>
<td>57</td>
<td>5.52%</td>
</tr>
<tr>
<td>4</td>
<td>Forest</td>
<td>92</td>
<td>8.91%</td>
</tr>
<tr>
<td>5</td>
<td>Grass Land</td>
<td>78</td>
<td>7.55%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1033</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source : socio-Economic Analysis of Nanded District.

It can be observed from the above table that, in Nanded district the total agricultural land available is 1033 thousand hect. Out of which 712 thousand
hect. (68.93%) is cultivated area. Whereas 94 thousand (9.10%) is non-cultivated area, 57 thousand hect. (5.52%) is non-cultivable area, 92 thousand hect. (8.91%) is forest area and 78 thousand hect (7.55%) is grass land.

Thus, major part of the land is cultivated land of Nanded district.

General Crop Pattern :

In the district, both Kharif and Rabi crops are taken by the Agriculturists. In Kharif season the major crops taken are Hybrid Jowar, Bajra, Tur, Mung, Udid, Cotton and Groundnut, In Rabbi season, the major crops taken are Wheat, Kardi, and Chana. The long term crops taken are, Sugarcane and Banana. In irrigated areas, the crops taken are summer Groundnut, Wheat, Sunflower, as also vegetables, and fruits throughout the year. The average percentage of cultivation of various crops as per studies is as below: 30.15% Wheat : 2.01%, Paddy : 4.76%, Bajara : 0.08%, Cotton : 37.46%. Due to closure of sugar factories the area under sugarcane is shifting in favor of soyabean in a very large scale. A number of varieties have been released by seed companies in respect of genetically modified cotton (bollguard). In 2004-05 a large number of farmers to sowed this seed. Per hectare production of major crops is as under Wheat-1298 Kg., Jowar 1163 Kg. Tur 764 Kg., Cotton 114 Kg., Udid 282 Kg., Mung 291 Kg., Sugarcane 6300 desk cane. The Z.P. has distributed Fertilizer of 260195 m tones during 2002-03. There is growth in
use of improved varieties as well as organic and chemical fertilizers in the district.

Crop pattern and agricultural production are also related. Crop composition includes different crops taken by farmers in a year. Major crops in Nanded are cereals, Gram, spices, fruits, vegetables, staple crops, oil seeds etc. The researcher has studied the general crop pattern of the Nanded district with reference to sample talukas. The results are shown in the following table.

Table No. 1.6

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cereals</td>
<td>285200</td>
<td>34.40%</td>
</tr>
<tr>
<td>2</td>
<td>Gram</td>
<td>164800</td>
<td>19.88%</td>
</tr>
<tr>
<td>3</td>
<td>Spices</td>
<td>7900</td>
<td>0.95%</td>
</tr>
<tr>
<td>4</td>
<td>Fruit &amp; Vegetables</td>
<td>10900</td>
<td>1.31%</td>
</tr>
<tr>
<td>5</td>
<td>Staple Crops</td>
<td>280086</td>
<td>33.78%</td>
</tr>
<tr>
<td>6</td>
<td>Oil Seeds</td>
<td>64514</td>
<td>7.78%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>829100</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Source: socio-Economic Analysis of Nanded District.

It can be observed from the above table that,
Out of the total area of 829100 hect. cultivated in Nanded district the area under cereals is 285200 hect. (34.40%), whereas the area under Gram is 164800 hect. (19.88%), that of spices is 7900 hect. (0.95%), that of Fruit & Vegetables is 10900 hect. (1.31%), that of Staple Crops (Cotton) is 280086 hectares. (33.78%), that of Oil Seeds is 64514 hect. (7.78%).

Thus, major area is under the plantation of cereals and cotton of Nanded district.

Land Holdings and Land Owners: There are a total of 3,79,505 land owners and total land owned by the land owners is 8,03,607 hectares. The land owners up to land holdings of one hectares are 1,00,489 with their total land holdings of 61,275 hectares. The land owners between 1 to 2 hectares are 1,32,988 with total land holding of 1,95,186 hectares which indicates that there are total land-holding to the extent of 2,56,461 hectares. The percentage of Small and Marginal farmers to total landowners, is 61.52% and the total land owned by the Small/marginal farmers is 31.91% of the total land holdings of the landowners of the district. The landowners with land holdings between 5 to 10 hectares are 6.24% and land owned by these landholders is 19.26% of the total land holding.

The land holding between 10 to 20 hectares is owned by 8.66% of the total landowners with percentage of land holding being 3.84%
Exbt. No. 1.5

Cropping Pattern in Nanded District

NANDED DISTRICT

MAJOR CROPS

Index

- Jowar
- Cotton
- Rice
- Wheat
- Gram
- Sugarcane
- Banana
- Sunflower

Kilometres

0 10 20

0

1

2

3

N

M

L

K

J

I

H

G

F

E

D

C

B

A

Nanded

Mukhed

Bhokar

Umri

Hadagao

Himayatnagar

Mahur

Kinwat

Kandhar

Loha

Mudkhed

Nanded

Dharanbad

Degur

Bjalok

Naigaon
There are only 128 landowners having land holding above 20 hectares with their percentage being 8.83 and their land holding percentage being 8.43 to total land holding of the district.

**Irrigation**: In the district, the big irrigation projects like Purna project irrigates 28,000 hectares, Manyad project irrigates 23,318 hectares and lower Godavari (Vishnupuri project) irrigates 23,348 hectares of area. Apart from these, there are medium projects of which 8 projects have been completed. There are 395 small projects in the district and 6258 water reservoirs for irrigating the Agriculture lands. The average irrigated area in the district by all the sources is 74,392 hectares, which is 8.25% of the cultivable area. The Agriland to the extent of 7,245 hectares is getting irrigation from projects and rest of the area is irrigated by the dug wells.

Table No. 1.7

**Irrigation Area in Nanded District**

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Surface Irrigation</td>
<td>22700</td>
<td>2.74%</td>
</tr>
<tr>
<td>2</td>
<td>Well Irrigation</td>
<td>44516</td>
<td>5.37%</td>
</tr>
<tr>
<td>3</td>
<td>Total Irrigated Land</td>
<td>67216</td>
<td>8.11%</td>
</tr>
<tr>
<td></td>
<td>Total Cultivable Land</td>
<td>829100</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: socio-Economic Analysis of Nanded District.*
It can be observed from the above table that,

Out of the total cultivable land of 829100 hect. only 22700 hect. i.e. 2.74% is under surface irrigation. Whereas 44516 hect (5.37%) is under well irrigation.

Thus total irrigated land is only 67216 hect representing only 8.11% of the total cultivable area.

Table No. 1.8
Means of Irrigation

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Number of Dug Well</td>
<td>23496</td>
</tr>
<tr>
<td>2</td>
<td>Diesel Pump on above</td>
<td>819</td>
</tr>
<tr>
<td>3</td>
<td>Electric Pump on Above</td>
<td>23880</td>
</tr>
<tr>
<td>4</td>
<td>Number of Tube Well</td>
<td>6569</td>
</tr>
<tr>
<td>5</td>
<td>Number of Hand Pump</td>
<td>6086</td>
</tr>
<tr>
<td>6</td>
<td>Electric Pump on Tube Well</td>
<td>483</td>
</tr>
</tbody>
</table>

Source: socio-Economic Analysis of Nanded District.

It can be observed from the above table that, there are 23496 dugwells in Nanded district. Out of which 819 are having diesel pump on the same and 23880 are having electric pump on the same. Whereas there are 6569 tube
wells out of which 6086 are hand pump and 483 are having electric pump on tubewell.

**Animal Husbandry**: Thy "Dairy" is the main support business of the Agriculturists in the district. There are a total 382 dairy societies in the district no milk is supplied by these societies to the Government Dairy at Nanded. The average milk supply to the Government Dairy is 1,04,01,000 liters per year, Some part of milk produced is used for their household and some milk is sold to the private household vendors, hotels etc. there are 24 registered slaughter houses in the district and large number of unproductive animals Goats and sheeps are slaughtered are 86044.86. In each Taluka there is veterinary hospital of one or the other kind, total being. There are 154 Artificial insemination centers in the district, highest being in Kinwat (29) and lowest in Degloor (7). If we see the Animal Census (1997) figure we find that milk producing cows/Buffaloes population is highest (123785) in Kinwat & lowest in Degloor (36120). Second & third in serial order Billoli (101324)] Hadgaon (99314)]] Nanded (99304). This leads some clues in cattle financing.

The poultry keeping is not on large scale in the district due to erratic seasonality. At "Ardhapur" there is Government poultry Farm, where training regarding poultry is imparted. The eggs requirement of the Nanded city is met from Hyderabad of Andhra Pradesh.
Fisheries: In the district, the fish seeds of varieties Katala, Singada, Maral and Syphris are distributed, as also nylon-nets are distributed for catching the fish. The fish production is made in flowing and sweet water, as also in large and medium irrigation projects. The fish catching in flowing water is for limited period in the year as except Godavari, no river flows for the entire 12 months. The river Godavari also gets dry at some places. The fish seed production projects are at Barul, Loni and Karadkhed.
**Other Information:**

Some of the other information regarding infrastructure of Nanded district is shown in the following Table No.1.9

**Table No. 1.9**

**Other Information of Operational Significance of Sample Area**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>District Total</th>
<th>Nanded No</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ground Water Potential</td>
<td>1424</td>
<td>185</td>
<td>13</td>
</tr>
<tr>
<td>2</td>
<td>Milk Routes/Dairy Schemes</td>
<td>33</td>
<td>15</td>
<td>45</td>
</tr>
<tr>
<td>3</td>
<td>Co-op. Societies Reg.</td>
<td>956</td>
<td>123</td>
<td>13</td>
</tr>
<tr>
<td>4</td>
<td>Veterinary Facilities</td>
<td>132</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>5</td>
<td>Mandis or Markets</td>
<td>17</td>
<td>3</td>
<td>18</td>
</tr>
<tr>
<td>6</td>
<td>Rural Industries</td>
<td>35</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>7</td>
<td>Police Stations</td>
<td>33</td>
<td>8</td>
<td>24</td>
</tr>
<tr>
<td>8</td>
<td>Health Centres</td>
<td>58</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>9</td>
<td>Schools</td>
<td>2068</td>
<td>387</td>
<td>19</td>
</tr>
<tr>
<td>10</td>
<td>Telephone Exchanges</td>
<td>53</td>
<td>6</td>
<td>11</td>
</tr>
</tbody>
</table>

**Source:** Socio-economic survey, Lead Bank Profile 2011.

It can be observed from the above table that....

There are 1424 ground water potential center in Nanded district, out of
which 185 are in Nanded taluka which represents 13 % of the district.

There are 33 Milk Routes/Dairy Schemes in Nanded district, out of which 15 are in Nanded taluka which represents 45 % of the district.

There are 956 Co-op. Societies Reg. in Nanded district, out of which 123 are in Nanded taluka which represents 15 % of the district.

There are 132 Veterinary Facilities in Nanded district, out of which 13 are in Nanded taluka which represents 10 % of the district.

There are 17 Mandis or Markets in Nanded district, out of which 3 are in Nanded taluka which represents 18 % of the district.

There are 35 Rural Industries in Nanded district, out of which 4 are in Nanded taluka which represents 11 % of the district.

There are 33 Police Stations in Nanded district, out of which 8 are in Nanded taluka which represents 24 % of the district.

There are 58 Health Centres in Nanded district, out of which 10 are in Nanded taluka which represents 17 % of the district.

There are 2068 Schools in Nanded district, out of which 385 are in Nanded taluka which represents 19 % of the district.

There are 53 Telephone Exchanges in Nanded district, out of which 6 are in Nanded taluka which represents 11 % of the district.
Agricultural Marketing in Nanded District:

In this section, the researcher has presented a general profile of agricultural marketing in Nanded district.

Markets:

Economically interpreted, the term market refers, not to a place but to a commodity or commodities and buyers and sellers are in free intercourse with one another. Market includes both place and region in which buyers and sellers are in free intercourse with one another. The details of markets in the Nanded district and taluka are shown in the following Table No. 1.10

Table No. 1.10

Markets of Sample Area

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>Nanded Dist. Total</th>
<th>Nanded Tal No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regulated Markets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No. of Regu. Markets</td>
<td>12</td>
<td>2</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>No of Villages Covered</td>
<td>1324</td>
<td>181</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Markets Arrivals (in. Qtis.)</td>
<td>596601</td>
<td>255929</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td>No. of Co-op Mkt Societies</td>
<td>11</td>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td>2</td>
<td>No. of Un-regulated Market</td>
<td>40</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>No. of Villages Weekly Mkt.</td>
<td>37</td>
<td>3</td>
<td>8</td>
</tr>
</tbody>
</table>

It can be observed from the above table that....

There are 12 Regulated Markets in Nanded district, out of which 2 are in Nanded taluka which represents 17% of the district.

There are 1324 No. of villages in Nanded district, out of which 181 are in Nanded taluka which represents 14% of the district.

There are 5.96 lakh Qt. Markets Arrivals in Nanded district, out of which 2.56 lakh Qt. are in Nanded taluka which represents 43% of the district.

There are 11 No. of Co-op Mkt Societies in Nanded district, out of which 2 are in Nanded taluka Which represents 18% of the district.

There are 40 No. of Un-regulated Markets in Nanded district, out of which 4 are in Nanded taluka which represents 10% of the district.

There are 37 No. of Villages Weekly Mkt in Nanded district, out of which 3 are is in Nanded taluka which represents 18% of the district.

Defects of Agricultural Marketing:

The more important defects in the system of agricultural marketing in India are as follows:

1. **Forced Sales**: The first major cause of defective agricultural marketing is the farmer’s inability to wait for long after harvesting the crop, largely because of the fact that he has to honour his debt obligations. The debt might have been contracted for a number of purposes. The farmers,
specially the small ones, are hard pressed for cash in order to settle their debts, so much so that they have to sell a part of their output even if they do not possess any surplus for marketing. More often than not, these sales are distress sales either in the village primary market or to the local moneylenders who lend against the standing crop, so that they have the first right to the purchase of crops. No wonders, the farmer under debt gets only un-remunerative prices.

2. **Inadequate Storage Capacity**: where the farmers could manage on the finance front to hold back the produce from the market till such time as they could get better prices, they find it unprofitable to do so primarily because of the form of pits or kutcha storehouses, koth, khatties, etc.

3. **Expensive Means of Transportation**: Distress sales are further facilitated by the fact that means of transportation available to the farmers are inadequate and far from satisfactory. His bullock-cart though fitted with inflated types now, continues top be the chief source of traction.

4. **Superfluous Middleman and Malpractices**: A large army of middleman functioning in agricultural markets get fat at the expense of the poor farmer. These middlemen function at various stages in the process of assembling and distribution of agricultural produce. The existence of a long chain of middleman reduces the share of the consumer's price received by the actual cultivator.
4. **Unauthorized Deductions and Multiplicity of Charges**: The marketing charges payable by the producers are numerous and varied. The charges vary from market to market and there is no common practice as to the charges that are to be borne by seller and those that are to be borne by the buyer. To make things worse, many of the market charges are taken in kind and in taking their share, the persons concerned are liable to be generous to themselves.

5. **Absence of Grading and Standardization**: Another factor that makes things difficult for the farmer is the absence of proper grading and standardization of agricultural produce.

6. **Lack of Market Intelligence**: An average farmer in India is poorly placed in as much as he deals in a commercial system without having any adequate knowledge of the market situation.

The existing role of Agricultural Marketing Co-operative Societies were laid down in the early sixties in a situation of scarcity syndrome, i.e. when marketed surplus available with the farmers was low due to poor production and low productivity. Domestic markets for most of the world market, Government intervention in the trade was pervasive. Marketing infrastructures were not developed and there was need to create then. There was no developed marketing system for carrying trade.
All these situations have changed. Agricultural Marketing Co-operative Societies need to shift emphasis from the existing role of creation of infrastructure facilities to the following:

- Creation of grading facilities in the market.
- Creation of goodwill of the product of their area in distant markets.
- To encourage the farmers to promote brands of their products and market branded products Patel grapes in Azadpur Market Delhi.
- Regular surveillance on the price environment for the important products of the area.
- Help in purchase to the nodal agencies or purchase the commodities at MSP in the event of fall in prices.
- Change of the concept of Agricultural Marketing Co-operative Societies from profit motive to service motive.
- Involve Agricultural Marketing Co-operative Societies in the market interaction programme initiated by the Government on primary level.
- Allowing Agricultural Marketing Co-operative Societies to spend a part of their budget on creation of marketing services.
- Involving, NGOs, and SHGs actively in the marketing activities would make the marketing system farmer friendly. Developing rural haat bazaars to benefit the small farmers or farmers of rural areas as more than 50 percent farmers still market their produce in these markets. The rural
markets are devoid of the infrastructure facilities necessary for the
conduct of trade efficiency.

♦ Introduction of patent system for varied plan estates produced in the
country the safeguard the farmers of the country. The MNCs are
increasingly taking interest in having the patents for Indian products.

Developing an intelligent marketing machinery at the national level to
guide the Government. This machinery should have a research and
extension wing for advising the policy planners and farmers on a continuous
basis.

An efficient marketing system has to:

1. To ensure Proper Availability of Consumer Products.
2. To Ensure Proper Price Spread.
3. Ensure Adequate Marketable Surplus.

Pre-Requisite for Efficient Agricultural Marketing can be listed as follows:

1. Adequate Storage Facilities.
2. Adequate Capacity of Hoard
3. Adequate Transportation Facilities
4. Adequate Information
5. Less Intermediaries
6. Good Quality of Produce
7. Staying Power
In this situation the role of Agriculture Produce Marketing Federation becomes very important.

1.5 Maharashtra Co-Operative Society’s Act 1960:

The Registration and working of Agricultural Marketing Federations is governed by the provisions of Maharashtra State Co-operative Societies Act 1960. The Act has been amended from time to time. The main provisions of the Act are summarised in this section. A Cooperative Society means a Society registered or deemed to be registered under any law relating to co-operative societies for the time being in force in any State equivalent to block level and above primarily engaged in Marketing/processing of agricultural produce and related activities.11

The researcher has on the basis of Act and bye-laws of marketing co-operatives summarised the main provisions of the organization and management of the societies in this section.

Organisation, Sources of Capital and Method of Payment of Co-operative Marketing Societies

Under the system of co-operative marketing the whole responsibility of marketing of agricultural produce is undertaken by the farmers themselves,
organised on Co-operative basis. The area may be different according to the type of producers to be dealt with. Whereas a marketing society dealing with commercial crops like cotton, Jute or sugarcane may extend to a whole district or a whole area growing the crops.

The source of capital are usually shares, deposits, loans from central financing agencies upto 8 to 10 times. Reserve Bank of India or Governments grant or sub-sidy from Government for construction of godowns, issue of debentures, borrowings from the state Bank of India against security of warehouse receipt or pledge of goods in the society is godown and reserves created out of profit.

The marketing society require -

1. **Short Term Capital** is needed for financing, advances for production, advances against pledge of produce and for meeting. It is repayable within a year.

2. **Medium Term Capital** is demanded for purchasing motor trucks. If produce is to be delivered to a distant market or members produce is to be collected.

3. **Long Term Capital** is needed for machinery, construction of building especially where a society proceeds to alter the produce or process it in
anyway, e.g. crush oil seeds.

Methods of Payment for Produce

Three alternative methods of paying for products are followed by co-operative societies:

i) Paying the farmer cash on delivery of his product

ii) Paying the farmer the net pool price after the products in the pool to which his products were added are sold.

iii) Paying the farmer what his individual products are actually sold for after deducting the charges may by co-operative societies, and the advantage of the first method is that it satisfy the need of farmer's need for immediate cash and falls in with the usual market practice, its disadvantage on the other hand that, the society assumes additional risk of price fluctuations need a large working capital and higher paid off.

The second method facilitate orderly marketing, and helps as society operating on a large scale, to play an important part in fixing and stabilising prices, but may encourage speculation and requires a highly paid manager.

The third method has the advantage of obtaining for the farmer the price which the quality of product commands in the market and of the society being able to work with a smaller capital. But it suffers from disadvantages of the cost of the service to the farmer and the labour of book keeping is increased.\textsuperscript{12}
Objectives of Co-operative Marketing Societies

The main objectives of co-operative marketing societies are -

1. To sell the member's product directly in the best market and in a state in which attract the best price.

2. The marketing co-operatives can generate the necessary holding power with the farmer by providing easy and cheap credit to them.

3. To aid the member's to produce the best produce and those that are most in demand.

4. Co-operative, can help to reduce the price spree.

5. To give fair weight.

6. To handle the crop cleanly without damage or wastage in a way that will increase, not decrease its values.

7. Co-operative as an organised unit, can strik better bargain and got better terms from the organised traders.

8. To grade the produce in such a way that best price is obtained for all qualities to the advantages of the grower.

9. By advances on fair terms, to help the managers to finance himself while he is waiting for his crop to ripen.

10. To give the farmer a better understanding of all stages in marketing process.
11. Co-operative marketing may have a healthy impact on the market trends and will help in the stabilization of prices.13

Functions of Marketing Co-operative Societies

In marketing co-operatives mainly the functions included are:

i) Arrangement of selling agricultural produce

ii) Purchase and the supply of ancillary products

iii) Purchase and supply of essential commodities

Indian traditional system of selling has many drawbacks like lack of proper storage facilities for procurement of agriculture produce, lack of transportation facilities, defective weights and measurements, malpractices adopted by agents, due to all this the cultivators are unable to get reasonable price in order to remove all these drawbacks co-operative marketing societies are set up.

In simple words in order to protect the interest of the members to perform all the ancillary functions and processes related in marketing their produce and enables them to get resonable prices for agricultural produce, the voluntary association which formed on the basis of principle of co-operation called marketing co-operatives.14

Assuming that a marketing co-operative has raised the necessary capital, elected a committee, has appointed the necessary staff and has put the necessary buildings and other equipment, the next question is what it does, or
how it proceeds further. The answer to this question depends a good deal upon the kind of crop it handles. If it is grain, it may be brought to the society by the farmer or it may be collected by the co-operative itself. Very often, the grain received is passed on to the market or the co-operative may sell the same direct to mills or it may simply pass it on to a regional federation of which it is a member. If there is no regional co-operative and the crop goes to a distinct export market, the marketing co-operative may have to contact private bookers or adatyaas or wholesalers or exporters of the particular commodity. Sometimes there may be a marketing Board which fixes prices and the quantities of the product to be exported. The newly started co-operative would certainly derive considerable assistance in working under the guidance of such a Board. The member delivering the crop to a marketing co-operative expects to be paid some thing on delivery, though he is prepared to wait for final payment until the crop is sold. In order to meet such demands, the marketing co-operatives must put itself in possession of fairly large sums of money. This it can do by borrowing from central financing agency, or it can ask the member to go to a central co-operative bank with its receipt for the commodity delivered on the security of which he can obtain money which keeps him going till the co-operative has sold all the produce so as to begin paying its members.15
The Aim of Marketing Co-Operatives:

In the words of Miss Margaret and Gretton, "The aim of every Marketing Co-operative is to sell the member's product directly in the best market and in the state in which attracts the best price. It gives the same service to large growers and small: it helps the members to produce the best products and those most in demand. It gives fair weight. It grades in such a way that the best price is obtained for all qualities to the advantage of the grower. It aims at handling the crop cleanly, without damage or waste, in a way that will increase, not decrease its value. It stands for fair trading practices and uses with influences against rings and the manipulation of prices. By advances on fair terms. It helps the member's to finance himself while he is waiting for his crop to ripen. It does what it can do even out the difference between good and bad years. It divides its surplus among all members in proportion to the contribution they have made to true business of the co-operative. It gives farmers a better understanding of all stages in the marketing process.

What a co-operative cannot do is to ensure that the world price of any commodity is always high or even always steady. Crop failures and gluts, the import and export policies of the Governments, are all beyond its control, and the consumer has the last word.
What a co-operative can do is to control the expense of marketing agricultural produce in a manner that both the farmer and the ultimate purchaser feel to be satisfactory.\textsuperscript{16}

Membership of a Marketing Co-operatives:

Membership of Primary Marketing Co-operative Societies should consist of -

1. Individual agricultural producers;
2. Large-sized credit societies or small credit societies
3. Multipurpose societies working in its area.

Traders should only be admitted as 'B' class members (Nominal members) without right to vote or participate in the management and profits of the society, and that to only in such cases where they have dealing with the marketing societies. The object is that in case of dispute, it should be possible for the marketing co-operatives to proceed against them under arbitration rules. It is urged by some people that more prominence should be given to co-operatives and individuals should be admitted only as nominal members. But this would being about an important change in the composition of a marketing co-operative which is a complicated type of organization. In view of the need for individuals participating in the management and contributing to the share capital, so as to give to it the much needed stability, the existing practice of having...
individual agriculturists and societies as members need not be interfered with.

The membership of primary marketing societies should consist of agricultural producers, including agricultural credit societies. A trader, even if he is an agriculturist, but who deals in the same line of commodities in which the marketing society deals, should not be allowed to become a member.

Dr. Warbasse, the president of the co-operative league of USA once remarked, “Agricultural Marketing Unions are organizations of farmers to get higher prices for their produce. In Denmark these organizations are so successfull that they have produced a nation of small capitalists. These farmers organizations aim to get a monopoly.”

“The Rural Progress through co-operatives”, a United Nations Publication has the following observations - “The best basis for success in co-operative marketing is a membership which realy understands what the society is trying to do and which is prepared to be loyal to it.”

Membership of the marketing society is open to individual agriculturists, large sized credit societies, service co-operative or other rural credit co-operative societies and multipurpose societies. Traders normally do not take as members except where the marketing societies may have dealing with them, even so cases their members is very small and they have generally no right to participate in the management of society and share in profit.
1.6 Research Methodology:

The present research work is a study of the performance of Co-operative Marketing Federation (Kharedi - Vikri Sangha) of Nanded district. The study is also related to the contribution of the co-operative movement to marketing activities related with agriculture in Nanded district. The study also attempts to measure the government policies regarding marketing of agricultural produce on agro-economic development in Nanded district. The study is related to a period of 5 years from 2007 to 2011. This is an imperical, descriptive, analytic study based upon historical data. The research model selected is that which is suitable for such type of study. The research methodology is as follows:

A) Primary Data: Primary data is the foundation of the present study. This study is based upon primary data. The researcher has collected primary data with the help of personal visits and structured questionnaires. Following two questionnaires were prepared.

1. Questionnaires for Farmers.

2. Questionnaires for Marketing Co-operatives

The data was collected, classified, tabulated and presented in graphic form. It was subjected to analysis & interpretation techniques by use of statistical methods.

B) Secondary Data: This study is also based upon secondary data. The
researcher has collected secondary data from the published sources. The researcher has used following sources.

1. Performance data from Co-operative Marketing Federations and Marketing Departments.


3. Various journals, periodicals, newspapers and magazines.

The secondary data was also analyzed and interpreted for assessing the performance of Co-operative Marketing Federation.

C) Statistical Methods Used:

The study has used various statistical tools such as Collection, Classification, Tabulation, Graphic presentation etc. It also uses techniques of percentages, averages, etc. wherever necessary analytic and synthetic logic is used. The test of significance wherever necessary is also used.

D) Size of Sample:

This study is historical and empirical study. It is based upon survey. The researcher has used random convenience sample. The following method has been used.

There are 16 talukas in Nanded district. The researcher has selected 25% sample of the taluka. Thus 4 talukas of Nanded district are selected. Further the researcher has selected 50 farmers from each taluka. Thus, a total sample
of 200 farmers is selected. The sample consists of 50% small & marginal farmers and 25% each of medium and large farmers.

Further, as far as the Co-operative Marketing Federations are concerned the researcher has selected one Marketing Federation from each taluka of Nanded district. Thus 4 Marketing Federations are selected as sample. The researcher has also selected a sample of 5 office bearers from the management body & staff from each marketing federation making a total of 20 respondents with a view to analyse the various problems from managerial point of view.

Objectives of Study

The objectives of the present study are as follows:

1. To present a agricultural profile of Nanded District.

2. To present an overview of the organization and working of Agricultural Marketing Co-operative Societies.

3. To study the legal provisions of the Co-operative Society's Act 1960 with special reference to Agricultural Marketing Co-operative Societies.

4. To present an overview of the development of Agricultural Marketing Co-operative Societies in Maharashtra.
5. To Study the performance of Agricultural Marketing Co-operative Societies with special reference to Nanded district.

6. To study the problems of Agricultural Marketing Co-operative Societies in the light of farmers perspectives as well as the perspective of office bearers of the society.

7. To present conclusions, findings and recommendations.

Limitations of Study

Limitations of the study are as follows:

1. The study is geographically limited to Nanded district.

2. The study has a time limit of period of 5 years i.e. from 2006-07 to 2010-11.

These are the limitations of the study.

Hypothesis of Study

Hypothesis of the study are as follows:

1. The performance of Agricultural Marketing Co-operative Societies in Nanded district is very limited.

2. The performance of Agricultural Marketing Co-operative Societies is declining year by year as an impact of the policy of Privatization, Liberalization and Globalization under the New Economic Policy.
3. The farmers are facing various problems with reference to Agricultural Marketing Co-operative Societies.

4. The Agricultural Marketing Co-operative Societies have to change their approach of working to face the changing circumstances.

1.7 Review of Literature:

The researcher has reviewed some important works on agricultural marketing studies.

Forster & Leager (1950) have presented some issues in marketing problem, of farm product. The authors observed that the products on their journey from the farm to the final consumer as through many types of markets and are handled by many kinds of middlemen. It will not be possible to visit all the markets nor to meet all the middlemen found in them.

Chaturvedi (1964) has also studied the role of transportation in marketing of oranges from orchard to nearby market. At prevailing rate was 73 paise to Rs. 1.10 by bullock cart and 62 paise per mile by rocks. If cultivation of oranges has been sufficiently on large scale. Motor trucks would have long back replaced carting or Ganges by bullock cart.

Dandekar (1964) has conducted a study of the price, production and marketed surplus of food grains. The study was based on the data col-
lected from farm management studies carried out in Akola and Amravati districts during the year 1955-57. The farmers in respect of wheat, jowar and cereals whose holding were large enough to satisfy wholly the requirements for food grains constituted only 10 percent of the total farmers.

**Mandal and Ghosh (1968)**\(^\text{22}\): has carried out the study of marketed surplus of paddy in four selected villages of which two were comparatively advanced in West Bengal and two were comparatively backward in Orissa. The data was collected in the year 1960 under the scheme of continuous survey.

**Desai A.R. (1969)**\(^\text{23}\): in his book 'Rural Sociology in India' has presented a valuable study that highlights various fundamentals of rural India that have a great bearing upon the rural marketing concepts and approaches.

**Faruqi (1969)**\(^\text{24}\): have shown that development of transport and communication affect marketing and marketing channels at the assembling stage. It may reduce the distance to nearby markets and bring more orchards with economic reach of market.

**Singh and George (1969)**\(^\text{25}\): have presented the study on production and marketed surplus of paddy in Amritsar and Karnal districts of Punjab. The data obtained from 220 farmers for the years 1966-67 and secondary data from statistical district abstract for the period 1950-51 to 1964-65. The study revealed that 91 percent showed a significant increase, while production and
arrivals not increased significantly.

Sathal (1970)\textsuperscript{26}: has estimated that, between one third and half of all fruits and vegetables harvested in India is lost because of poor handling and marketing.

Agarwal (1970)\textsuperscript{27}: has in his study on marketed agricultural surplus, collected the data from households by survey method in villages of Etowah district of Uttar Pradesh in the year 1965-66. The term agricultural surplus, used for agricultural produce actually sold in the market.

Thakur (1971)\textsuperscript{28}: has concluded that storage and transportation facilities are not adequate for apple. Storage is done in ordinary storage structures and residential buildings are being used for grading and packaging of fruits.

Srivastava (1971)\textsuperscript{29}: has stressed the quicker and properly arranged transport facility. He has further explained that the fruit like grape which is highly perishable in nature should be stored in such a way that it will not loose their quality even for a distant market.

Singh and Sidhu (1972)\textsuperscript{30}: have also studied the pattern of market arrivals and prices of food grains in Punjab observed that, the large markets received about 62 percent of the total arrivals of wheat against 17.28 and 20.39
percent of arrivals in medium and small markets, respectively.

Ramana (1974)\textsuperscript{31} has estimated marketed surplus of food grains in Bangalorre District in 1969-70. The study concluded that, the marketed surplus of food grains increased with increase in the size of farms.

Agrawal (1975)\textsuperscript{32} has also studied marketing problems and practices of small farmers in Rajasthan with the data obtained from 58 small farmers during the year 1970-71. The study revealed that, 65 to 92 percent of small farmers had marketed surplus of wheat and forced to sell the major portion immediately after harvest to meet their cash and debt obligation.

Parthsarthy and Kamlakar (1975)\textsuperscript{33} have carried out the study on marketable and marketed surplus of paddy and groundnut on small farms in Nellore District of Andhra Pradesh. The data was collected from 96 cultivators of four villages during 1971-72. the study revealed that the marketed surplus showed direct relationship with the farm size in groundnut.

Laskar (1976)\textsuperscript{34} has reported that one of the major marketing problems, the small farmers faced was that, they received considerably lower price for their produce as compare to medium and bigger ones. They sold their produce to village traders and money lenders due to the necessity of urgent money.
Subramanyam and Mruthyunjaya (1976) have studied on marketing of fruits and vegetables around Bangalore city. Subba Rao (1978) has studied rice marketing system and compulsory levy with the help of cross-sectional data from five villages in the West Godavari District during 1968-69. He concluded that, lower prices were received by small farmers for paddy in the same market at the same point of time as compared to large and medium farmers. Economies of scale in sale and indebtedness were the main reason for lower prices.

Tomer (1978) has also estimated crop productivity and marketable surplus in Paonta Valley of Himachal Pradesh with the help of cross-sectional data collected in 1975-76. Study revealed that, marketable surplus of maize had positive relationship with the size of farm.

Gopal (1978) has conducted a study on analysis of problems of marketing of few vegetables in Bangalore city. Study covered two wholesale and six retail markets and aimed to discover defects in the existing marketing structure for tomato, ladies finger and carrot, share in the costs of marketing between commission agents and retailer were worked out for all these vegetables.

Shirazi (1979) has also studied problems of agricultural product marketing in Pakistan. The study revealed that there were considerable difficulties in the marketing as compared to channel system and variety of marketing
margins which ultimately reduces the share of producer.

Nadkarni (1980)⁴⁰: has estimated marketable surplus and market dependence of jowar and bajra in Ahmednagar district of Maharashtra. The data of 143 households is obtained from Farm Management scheme for 1969-70 to 1971-72. The study revealed that the marketable surplus was negative for jowar and bajra in smallest size groups.

Singh (1980)⁴¹: has conducted a study on the temporal flow of marketed surplus of wheat in Amritsar district of Punjab. The study revealed that the percentage of annual market arrivals received during post harvest period varied in the range of 49.59 percent in 1964-65 to 94.70 percent in 1972-73.

Agarwal (1981)⁴²: has worked on problems of agricultural marketing in India. He reported that there were many defects in the present system of agricultural marketing. Because of these defects the farmers do not get fair and reasonable price for their produce.

Ramaiah (1981)⁴³: has studied the problems confronting the tribal economy and found that the tribal cultivators had very small surplus for sale specially to food grains. He concluded that the nature of economy was purely a subsistence economy.
Ojha (1982)\textsuperscript{44} has conducted a study in Feta village. He obtained from 60 respondents of Telangana region of Andhra Pradesh to analyze the role of middlemen in agricultural marketing. The study revealed that in spite of number of inherent defects, the farmers sold their produce through traditional channels of commission agents.

Hugar and Hiremath (1984)\textsuperscript{45}: have studied the costs and margin in marketing of brinjal in Belgaon City. The study showed that the margins of two intermediaries viz. commission agents and retailers and their profits were more when brinjal were sold through channel "Producer seller-commission agent-retailer—consumer.

Raut and Pawer (1984)\textsuperscript{46}: have studied the price spread in marketing of vegetables grown in the vicinity of Pune. This study is related to the share received by the vegetables producers and intermediaries in the consumers price based on the data collected from the sample of 120 vegetable producers in the years 1981-92. The study revealed that the producer could get only 43 to 59 percent at consumer’s price.

Raghunandan (1992)\textsuperscript{47}: has stated that the transport and packaging costs are prohibitively high to make Indian goods competitive in the world market. For example, in the cost to mango pulp in cans, the raw material cost
works out to 55 percent, packaging material 29 percent and transportation 11 percent.

**Abulkhaver (1993)**\(^{48}\): has conducted a study of some aspects of agricultural price policy in India. He has studied the effects of govt. intervention on production and profitability of the producers: This is a case study of rice and wheat in India in the period 1965-78.

**Suryawanshi (1995)**\(^{49}\): has carried out the study on the marketable surplus and marketing cost of oilseed and pulses in Western Maharashtra for the year 1992-93. The data was collected from 312 holdings in seven districts of the scarcity zone of Western Maharashtra. Retention of oilseed and pulses for own consumption accounted for 10-15 percent of total production. The bulk of production was sold in nearby regulated market.

**Dubey (1996)**\(^{50}\): has studied the disposal pattern of wheat in Varanasi district of Uttar Pradesh. Data was collected for the year 1990-91 from 135 farmers in 15 villages. The study revealed that, the marketable and marketed surplus were positively related to size of holding. Small farmers were constricted by low volumes of marketable surplus, poor storage capacity, lack of supportive income source and inadequate knowledge of marketing practices.

**Lal (1996)**\(^{51}\): has also studied the factors affecting marketed surplus on principal food grains in Himachal pradesh, India. The data was collected

Chamberlain (1997)\(^52\) has studied the dissemination of information in agriculture. His study discussed developments in technology, transfer and dissemination of information in U.K. agriculture in response to the loss of government funded extension services and the growth of producer funded R and D.

Pawar (1997)\(^53\) has also studied the marketed surplus and price spread of green gram in Parbhani District of Maharashtra state. Data was collected by personally interviewing of selected farmers. The study revealed that out of the total production of moong 16.73 percent was retained and 83.27 percent was found to be marketable surplus.

Thakur (1997)\(^54\) has analyzed the advances in agricultural marketing, marketed surplus and possibilities of increasing marketed surplus and income of farmers in hills. Data was collected from 100 cultivators through survey method after every cropping season in Himachal Pradesh.

M.S. Jairath (2004)\(^55\) has conducted a study of 'Agricultural Marketing Infrastructure Facilities in India': The study suggests that there is a strong need for creation of necessary infrastructure facilities in all the regulated markets of the country and to develop the periodic/rural markets with minimum necessary infrastructure facilities.
Thus, in this chapter the researcher has presented an overview of the problem under study and discussed its significance. The background study of the area under study i.e. Nanded district has been presented. The major provisions of NAFED Act are given. The researcher has presented the objectives, limitations, hypothesis and methodology of research along with a brief review of past studies.

Notes & References:


8. Government of Maharashtra, Ibid.


23. Desai A.R. (1969): Rural sociology in Indian through not a work on rural marketing is valuable study that highlights various fundamentals of rural Indian that have a great bearing upon the rural marketing concepts and approaches.


