SUMMARY
SUMMARY OF THE STUDY

INTRODUCTION

To remove the farmers from the clutches of unorganized commodity markets in the name of the maundys[^1] co-operative marketing societies at the taluk level have been organized throughout the country.

Though there are co-operative marketing societies at the taluk level for marketing of agricultural commodities there are also regulated markets for marketing of agricultural commodities at the district level promoted by the state Governments. Both the co-operative marketing societies and regulated markets are not competitive but complementary to each other.

STATEMENT OF THE PROBLEM

A farmer has to weigh the pros and cons of marketing his products through co-operative marketing societies as well as through Regulated Markets. In this context it will be interesting to examine whether these two kinds of organized marketing systems are complementary or competitive to facilitate the growers of agricultural commodities.

SIGNIFICANCE OF THE STUDY

This study is important to know how for these two marketing systems ie co-operative marketing societies and regulated market to provide a fair deal to the agricultural commodities.

OBJECTIVES OF THE STUDY

The specific objectives of the study are as follows.
1. To examine the system of marketing of agricultural commodities through a co-operative society and through a regulated market, as both are available in a place.

2. To examine the functioning of the two markets with a view to find out whether they are complementary or competitive.

3. To analyze the performance of the two marketing systems.

4. To bring out suggestions over the functioning of the marketing systems with a view to being more benefits to farmer.

LIMITATIONS OF THE STUDY

The study is confined to Tiruchengode Agricultural Producer Co-operative Marketing Society and Tiruchengode Regulated Market for a period of 5 years from 1997-98 to 2001-2002. The study is based upon the information provided by the authorities in two markets.

RESEARCH METHODOLOGY

The research methodology of historical research is adopted by taking the Tiruchengode Agricultural Producers Co-operative Marketing Society Ltd and Tiruchengode Regulated Market as cases. Institutions based has study of analyzing the past secondary data is adopted.
REVIEW OF LITERATURE

The existing literature over the need for co-operative marketing and regulated markets have been reviewed only a handful of scholars have examined the functioning of marketing societies and regulated markets to find out the benefits to the farmers.

CO-OPERATIVE MARKETING IN INDIA

Agricultural produce is mostly sold through the traders. In the markets, we find a number of instances of false weights and measures, undue deductions including those for religious and charitable purpose, large samples taken by whole sale bargaining under cover of cloth through the brokers etc., sometimes traders go to the villages and purchase stocks from the cultivators at unfavorable rates. Apart from this, various methods such as speculation and with holding of stocks are used for creating scarcity and boosting the prices at the time of sale.

CO-OPERATIVE MARKETING

The word Co-operative stands for the idea of living together and working together to achieve common goals through united and joint efforts. The International Labour office defines Co-operative organization as "an means, who have voluntarily joined together to achieve a common economic and through the formation of a democratically controlled business organization, making equitable contribution to the capital required and accepting a fair share of risks and benefits of the undertaking".

HISTORY OF CO-OPERATIVE MARKETING

The royal commission of agriculture (1928) stressed the need for group marketing, instead of individual marketing. The central Banking Enquiry
Committee (1931) also underlined the need for organized marketing. The XI conference of Registers of Co-operative societies (1934) emphasized the importance of co-operative marketing.

**OBJECTIVES AND FUNCTIONS**

The main objects are,

1. To market members produce to their best advantage.
2. To provide credit facilities to members on the security of their produce.
3. To arrange for the storage of member's produced.
4. To provide the facility of grading of produce which would result in better prices for goods.
5. To introduced system of pooling so as to require a better bargaining powers and equals gains for members.
6. To export member's produce so as to brings in still better returns for the producer.
7. To act as agents of Government for procurement and implementation of price support policy.
8. To arrange supply of farm inputs as a measure is increase produce and improve its quality.
9. To arrange for the transport of produce etc.,
10. To arrange the supply of essential consumer articles to rural population.

**REGULATED MARKET**

Regulated market is a wholesale market where dealing or buying and selling are regulated or controlled by the state government through a market committee which consists of representatives of producers, traders, agents,
local bodies, co-operative societies and government. A Regulated market is one which aims at the elimination of the unhealthy and unscrupulous practices reducing marketing charges and providing facilities to producer seller in the market.

**REGULATED MARKET IN INDIA**

The first regulated karanjia within market was established as early as in 1886 under the Hyderbad Residency order. The first attempt was the cotton and grains market law enacted in Barer in 1897.

In 1917, The Indian cotton committee was set up. It recommended the regulation of cotton market on the lines of bearer markets. The next act was in 1927 is the Bombay cotton markets Act. This was first law in the country which attempted to regulate markets with a view to evolving fair market practices.

In 1935 Government of India established the office of the Agricultural marketing advisor under the ministry of food and Agriculture to look into the problems of the marketing of rural produce.

**IMPORTANT FEATURES OF REGULATED MARKET**

The following aspects are to be considered for marketing of the regulated market more useful.

1. major crops for all should be declared as notified commodities.
2. Only open did or closed tender system should be followed.
3. Co-operative marketing societies should be given adequate representative on the market committee.
4. Market fees should be fixed on the basis of the weight of the produce.
5. Market committees must be given more legal powers to punish the mistakes of traders/members
THE ADVANTAGES OF REGULATED MARKET

1. Reduction in village sales
2. Correct weighment
3. Market News
4. Marketing Facilities
5. Reduction Market Charges
6. Fair Prices
7. Marketing Services
8. The regulated markets play a vital role in removing, majority of the defects and malpractice

TIRUCHENGODE AGRICULTURAL PRODUCERS CO-OPERATIVE MARKETING SOCIETY LIMITED

In order to eliminate the monopoly roles and to control the middlemen and cut-throating competitors between the line of production and sales, the Tiruchengode Agricultural Producers Co-operative Marketing Society Limited Tiruchengode was started on 30.4.1930 at the foot hill of Lord Arthanareeswara having registered on 16.04.1930 to give upliftment to the farmers and the other agricultural members.

BRANCHES

The society is having two branches; one at konganapuram which was started on 5.12.1936 and the other is at Mallasamudram which was started on 16.7.1975.
MEMBERSHIP AND SHARE CAPITAL

The total number of members as on 30-06-2002 was 56460 with a paid-up share capital of Rs.37.55.162.00 of the total members. 44376 were members and 12084 were associate members.

BORROWINGS AND DEPOSITS

The maximum borrowing power of the society is 8 times the paid up share capital plus Reserve Fund. The amount outstanding towards Government loans, deposits and staff security Deposit as on 30-06-2002 were to the tune of Rs.2.10 Lakhs, Rs.40.98 lakhs and Rs.3.00 lakhs respectively.

IMPORTANT ACTIVITIES

1. Marketing
2. Distribution of agricultural inputs, implements and others
3. Storage facilities
4. Linking of credit with marketing
5. Loans to members
6. Processing activities
7. Village shop programme and pds
8. Self service section

OTHER ACTIVITIES

1. Supplying L.P.G
2. Lorries and tractors
3. Dairy scheme
4. Medical stores
5. Stationery & electrical goods sales
6. Iron, steel and cement sales
7. Sevakendra sales
TIRUCHENGODE REGULATED MARKET- A PROFILE

Marketing committees are formed in TamilNadu for regulating the purchase and sales of Agricultural produce for creating markets, and for their proper administration.

The area of operation of the Salem market committee includes the Salem and Namakkal districts.

The members were appointed to the Salem marketing committee as per the Government order.516 (Agricultural) dated 13.12.1999, from this year, the committee has been functioning well.

In 2000-2001 during and before harvest extensive publicity was carried out by broadcast, loud speakers, bit notices, wall posters and by using the market committee’s vehicle.

As per Government order 146 (Agriculture) dated 4-9-2000, about 10.38 acres of land belonging to Arulmigu Periya Mariyamman temple at Uththama cholapuram village, Salem, were purchased for Rs. 20,76,000. The foundation work for construction of buildings on this land started on 21.12.2000.

For produce worth Rs.100 a market fee of Rs.1 is collected. Accordingly Rs.2,28,47,470 was collected as markets charges.

During the current financial year, no new regulated markets, subsidiaries markets and check posts were opened. As per Government Order dated 19.01.2001, the Velur, Pallipalayam, Kumarapalayam, Thoppur, Thalaivasal check posts were closed.
SPECIAL PLANS

A. Uzhavar markets
B. Drying yards
C. Constructions
D. Farmer's welfare scheme
E. Free medical scheme
F. Cold-storage facility

MORTGAGE LOAN ON AGRICULTURAL PRODUCE

Pledge loans have been issued to farmers in Salem, Namagiripet, Rasipuram, Cangaavli, Attur, Karumandurai, Mecheri, Thammampatti, Namakkal, Konganapuram, Sankagiri and Tiruehengode. The Government has given order to sanction pledge loan with Rupees one lakh to the merchants.

LANDABLE SERVICES OF THE CHAIRMAN

Due to the guidance and advice given by the chairman to the employees of the marketing yard, the arrival of agricultural produce for sale was 52,396 tones and the income was Rs. 438,72 lakhs for the reporting year.

LANDABLE SERVICES OF THE SECRETARY

We are happy to inform that the secretary of our marketing society has been instrumental in the growth and progress of our society. It is due to his himself advice and guidance to the employees of the society that we are able to achieve his progress.
MARKETING SYSTEMS IN A CO-OPERATIVE MARKETING SOCIETY AND IN A REGULATED MARKET

The regulated market is regularly conducted with reference to bye laws as prescribed in the Act. Market committee takes charges of the product from the time enters the regulated market. Generally payment to the sellers (farmers) by the buyers (merchants) are made at the end of the day. The regulated market receives goods both during the day and night time.

The produce of each farmer is arranged by separate lots and each lot should be identified with a separate identity number. The farmer presents his produce for sales in one or more lots according to the varied quality. The merchants are provided with small slips and they note the lot number and prices for goods the offer. Several merchants note the price in this manner and the highest price is accepted by the committee.

The regulated market receives 1% services fees from the merchants at the value produces bought from the market. The godown facilities are free for the merchants, up to certain period. Services fees received from the merchants are only revenue to the regulated market. Salary to the staff of regulated market are paid by state government.

TIRUCHENGODE AGRICULTURAL PRODUCERS CO-OPERATIVE MARKETING SOCIETY LIMITED

Only the members are allowed for buying and selling activities in the co-operative marketing societies. Buying and selling activities are done on the basis of commission 2% on the sales proceeds is taken over by the society as commission from the farmer. There is no direct conduct with the farmer and the merchants. The produce of the each farmer is arranged by separate lot and identity.
number should be given by every lot separately in quantity and grade basis. "open tender system can be used only on cotton, "closed tender system" can be followed by all other produces put up for sale to the farmers.

The farmer can produce for sales in co-operative marketing society the merchants ie only associate members of the society can go to examining the each lot put up for sales. They are note the lot number and prices for goods they offer in a small bid slips. Several merchants note the price in this manner and the highest bid is accepted by the society.

Co-operative marketing societies provide free godown facilities and insurance facilities to farmers. For the unsold stock the co-operative society were providing 60% loans to the farmer. The society were collecting 2 for every 1000 rupees as insurance charges from merchants for storing stock in gonown. For the unpaid by merchants the society were charge 18% as interest.

Performance appraisal of triuchengode agricultural producers co-operative marketing society limited and tiruchengode regulated market