



Chapter ~ X

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

SUMMARY

This chapter proposes to take a stock of : How far the objectives of this study are fulfilled and whether the Hypothesis is initially true or otherwise. Desired objectives and hypothesis are stated in Chapter II, suggestions made are given in chapter Number IX.

Before making conclusions and recommendations the whole study can be summarised chapterwise as under.

1.1. Cotton is a gift of nature, just as agriculture is a boon to mankind. Ever since the use of cotton was discovered, it has clothed people for ages. Cotton become a symbol of comman man during the struggle for independence. It is also regarded as the white gold.

1.2. The bushy plant of cotton produces in season, the fruit called cotton boll which bursts open on maturity, showing the fluffy white fibrous boll. After picking, the seed is separated from the fibre, and the cotton is used for peoduction of cloth. The seed has multiple uses.

1.3. In 1993-94 India ranks first, with 24.08% share in total area under cotton in the world. However in production it ranks fourth with only 12.36% share in the output. Thus of all the noteworthy cotton growing countries, India's productivity stands lowest in the world.

1.4. The reason of low productivity lies in the fact that most of the cotton area of India falls under dry-farming zone, where use of improved farming techniques becomes difficult. Yet with some efforts some additional irrigational facilities can be made available and side by side

some new varieties can be developed to suit the climatic conditions to attain higher yield.

1.5. Maharashtra, Gujarat, Hariyana, Punjab, Karnataka, Madhya Pradesh, Andhra Pradesh, Tamilnadu and Rajasthan are the leading cottongrowing states accounting for 80 to 85% share of the total area under cotton and total production of cotton in the country. While Maharashtra stands out pre-eminently with it's 34% area out of the whole country under cotton with 22% of share in production in 1993-94. Contrarily Punjab has 1/4th of area of Maharashtra, but turns out almost equal quantity of the produce. It may be due to the agro climatic conditions and input. Maharashtra's cotton production seems to be totally dependent on the monsoon, while the higher yielding states have a fair assured irrigational facilities for cotton crop.

1.6. In Maharashtra cotton is almost a way of life, specially in the dry-farming areas of the state, cotton has been one of the principal crops.

1.7. Maharashtra is one of the major cotton growing states in India, inspite of increasing use of manmade fibres, cotton continues to be an important raw material for the textile industry. Though the state is a major producer of cotton, the per hectre yield is low.

1.8. In Maharashtra Vidarbha region alone accounts for over 59% of the state's area under cotton and 62% of production.

1.9. About 22.50 lakh peasants are engaged in growing cotton drawn from 22,150 villages. In fact barring the districts of coastal area and Bhandara in Vidarbha, cotton is grown practically everywhere.

2.1. For the purpose of study both the methods of research were

resorted to namely library work and field survey.

2.2. This study is field work cum case study, frequent visits were made to the Regional and Zonal offices of the MSCCGMF and various matters were discussed with top level personnels. Their views were noted down and necessary information was collected. Field survey was scheduled to ascertain the views of the cottongrowers, for this purpose a comprehensive questionnaire in vernacular was made out. Frank and free discussions with them were made.

2.3. An extensive sample of 150 cottongrowers in total was drawn from Vidarbha, Marathwada and Western Maharashtra regions and on a representattive basis 50 cottongrowers were surveyed from each region.

3.1. The co-operative approach to cotton marketing in India is noticed in Gujarat and Maharashtra.

4.1. A multi-layer operational system involving private traders and middlemen ultimately was evolved to exploit the cotton peasantry.

4.2. Cottongrowers in India had no control over marketing of their cotton. They had to sell their produce at village levels, due to lack of storage and transportation facilities and they were indebted to the landlords.

4.3. The Cotton Control Act, the Cotton Transport Act, The Cotton Ginning and Pressing Factories Act, The Agriculture Produce (Grading and Marketing) Act, Raw Cotton Act etc. were enacted with special aims.

4.4. Constitution of Agriculture Price Commission was aimed at evolving long term agricultural policy and ensuring some minimum price to

the cottongrowers.

4.5. Setting up of the CCI was promoted by the needs of canalising the imported cotton.

4.6. The Agriculture Price Commission and CCI have been important hall-marks of state marching in the direction of effective intervention in the trading of agriculture produce and especially the cotton.

4.7. In April 1970, the then Co-operation Minister Mr. Yashwantrao Mohite presented certain comprehensive proposals popularly known as the "White Paper" on co-operation. It contains an elaborate plan on development of the cotton economy of the state, which presents a co-ordinated plan of cottongrowing, its collection through peasants co-operatives, processing through co-operative mills etc. all under the co-operative fold.

4.8. Incidentally around the same time when the white paper was published the cotton market in Maharashtra witnessed the worst ever depression. Massive agitations were organised, pleading with the Govt. that it must intervene effectively enough to countervail the influence of private trade.

4.9. Monopoly Cotton Procurement Scheme came in existence through the enactment of the Maharashtra Raw Cotton (Procurement, Processing and Marketing) Act 1971.

4.10. Elimination of private middlemen from the cotton trade, declaration of Guaranteed price, controlled processing and marketing of cotton are the main features of the scheme.

4.11. The Maharashtra State Co-operative Marketing Federation

(MSCMF) was appointed as the chief agent of the scheme.

4.12. In essence the cultivators have only one choice of selling the cotton to state govt. or it's principal agent i.e. MSCMF

4.13. The MCP scheme was suspended during 1973-74 and 1977-78 seasons.

4.14. During 1984 the newly formed Maharashtra State Co-operative Cotton Growers Marketing Federation Ltd. was appointed as Chief Agent of the scheme.

The scheme was transferred from MSCMF to MSCCGMF with all the related staff and records. As a result the procedure of work was also transferred alongwith whatever merits and demerits they had.

4.15. Procurement of cotton through procurement centres and collection centres is supervised by the Agricultural Produce Market Committees. Each of these agencies and sub-agents gets a pre-determined percentage of commission for the services rendered by them to the scheme.

4.16. For providing margin money for the continuous and proper operation of the scheme 'Capital Formation Fund has been created. Also in order to meet the difference between guaranteed price and final price, payable to the cotton tenderers, the price fluctuation fund is established (vide section 33 of MRC Act)

4.17. Uncertainty in the continuation of the scheme can not enable the Federation to plan the scheme for long term. Though the scheme has been operating for the past two decades yet it has not attained permanency.

5.1. The relations between the Federation and the State Govt. as well as the relations between Central and State Govt. are very important for the smooth functioning of the scheme.

5.2. The Dept. of co-operation is closely associated with the working of the Federation. It arranges for concurrent and continuous audit.

5.3. Majority of the cases referred to the Dispute Committee goes in favour of the cotton growers, this trend can encourage the tendency of the cotton growers to go in appeal to the Arbitration and Dispute Committees.

5.4. During the decade of 1972-82 the unnecessary trade links of middlemen were eliminated. Educated unemployed have been provided with job opportunities in weighing and grading job.

6.1. Procurement of raw cotton, its grading and processing are some of the major tasks of the federation. How these tasks have been performed is discussed in Chapter VI.

6.2. Price fluctuations have been arrested. The consumers are assured of stable prices and quality of raw cotton.

6.3. MCP scheme is solely responsible for procuring cotton as a single agency, but had no control over the consumer market.

6.4. Recovery of co-operative dues is linked with the scheme.

6.5. During the decade of 1984-94 the scheme has incurred huge amount of losses in two seasons (i.e. 1984-85 and 1985-86).

6.6. Since 1986-87 the scheme has not looked back and was never

seen in a period of loss. Recorded surplus of Rs.316.49 crores was produced during 1993-94 season, which is highest till date.

6.7. During the span of 22 years of the scheme (1972-73 to 1993-94) cumulative losses are amounted to Rs.472.62 crores, while the cumulative profit for the same period are Rs.1570.36 crores, thus the net addition is amounted to Rs.1097.74 crores.

6.8. Self Insurance Scheme can prove to be the best solution for reducing the component of cost of Insurance.

6.9. Annual turnover of the Federation depends upon the level of procurement which varies year to year.

7.1. Yet the scheme has shown some inbuilt deficiencies in weighing, grading and procurement.

7.2. Cottongrowers of nearby border areas of the state generally take advantage of any price differentials that exist between Maharashtra and border states.

7.3. Transportation of cotton from NFC to Ginning and Pressing factories was not well planned and proved to be expensive.

7.4. Huge quantities of cotton were destroyed in incidents of fire. It was recovered through insurance, but such destruction is a national loss.

7.5. Inflow and outflow of cotton to and from the state has been related to the prices prevailing in the adjoining states.

7.6. The causes for abnormal shortages are: inflation in weight at the

time of procurement, delivery of excess weight of seeds, excessive moisture loss, loss of cotton and lint in transit, theft, prolonged storage due to inadequate ginning, pressing capacity.

8.1. At present the grading of cotton is not properly supervised and it suffers from several defects. Allegations about malpractices and corruptions in grading are voiced by majority of the respondents which are not without substance.

8.2. Area under cotton of H-4 and Y-1 varieties has slackened considerably because of an emergence of high yielding varieties and American varieties like NHH-44 and LRA.

8.3. NHH-44 and LRA are the very much popular varieties of cotton among the cottongrowers because these varieties are less risky and high yielding. While H-4 requires perennial water supply and frequent spraying of insecticides while Y-1 is a rainfed crop.

8.4. Majority of the cottongrowers (i.e. 88.66%) preferred to tender their cotton to the MCP scheme, because of assured guaranteed price and surety of payment may be delayed payment, but it is surely to be received.

8.5. MCP scheme has been successful in procuring cotton from the vast majority of the cottongrowers.

8.6. Only 14.67% cottongrowers reported they maintained the record of expenses from cultivation to sale of cotton.

8.7. Of the sample 58% cottongrowers have not availed of the crop loan facility of which 24% cottongrowers are from Marathwada region. It may be due to high % of illiteracy in Marathwada region vide Table

No.8.1

8.8. 84.66% respondents have reported the use of pesticides.

8.9. Only 8% cottongrowers experienced immediate weightment of cotton.

8.10. Almost all the respondents reported that the MCP scheme protect their interest, hence it must be continued, otherwise private traders can exploit them.

8.11. A number of suggestions are made by the cottongrowers, some of them are noteworthy and should be deserve attention.

9.1. Chapter IX deals with problems and suggestions regarding procedures and organisation involved in the operation of cultivation and procurement of cotton, grading and weightment of cotton, processing of cotton, payment for cotton, sale of cotton and cotton seed, Administration and management of the Federation.

CONCLUSIONS

This study has been made with the objectives as stated in chapter-II (2.1) First objective of the study was to review the MCP scheme. Accordingly the scheme is reviewed vide chapter no.VI for which 10 years span from 1984-85 to 1993-94 of the scheme was considered for the study. This review amply demonstrates the following aspects of the scheme.

1. Procurement and processing of cotton.
2. Sales promotion.
3. Export of cotton.
4. Recovery of co-operative dues.
5. Employment implications of the scheme.
6. Financial analysis.

The MCP scheme is also reviewed by taking cognizance of opinions of cottongrowers. (vide chapter No. VIII).

Second objective of the study was to study the existing organisation and management of the agency (MSCCGMF). Accordingly the organisation structure of the Federation and the organisation structure of the scheme alongwith its management, is depicted in Chapter No. V.

The third objective of the study was to know the views and opinions of cottongrowers about the scheme. In order to achieve this objective the cottongrower's survey was undertaken with an extensive sample of 150 cottongrowers in Maharashtra. Accordingly 50 cottongrowers each from every region were interviewed, (i.e. Western Maharashtra, Marathwada and Vidarbha) through a comprehensive questionnaire. A frank discussion with them were made and their views on various

aspects were noted. All these aspects are analysed in Chapter No.VIII.

The fourth objective was to identify the problems for smooth and regular working of the scheme and fifth objective was to make necessary suggestions for the improvement in the present situation. In order to achieve these objectives various deficiencies of the scheme at various stages were analysed. In which weighment, Grading, heaping, transportation, damage due to unseasonal rains and fires, shortage of cotton, Interstate smuggling of cotton, sale of cotton seed etc. were highlighted. (vide Chapter No. VII). Then various problems of the scheme were extracted and demonstrated in chapter no. IX. These problems were related with procurement, Grading and weighment of cotton, Payment for cotton, processing of cotton, Administration and Management, Sale of Cotton and cotton seed etc. In order to remedy these problems proper suggestions were made. Suggestions made by cottongrowers respondents were noted in Chapter No. VIII. In this way all the objectives of the study were covered in the study.

The procurement operations involve reception function, weighing, grading and accounting jobs. The survey of the cottongrowers reveals that the cottongrowers were never happy with the reception arrangements made at the procurement centres. Neither any arrangements were made for shelter, fooding & lodging of human beings nor any provision was made for the fodder for bullocks. In the event of heavy arrivals the cotton tenderers have to queue up their carts or tractors ladden with raw cotton for days together. The delay is caused because of two reasons, one that the employees of the sub-agent societies are slow in handling the arrivals & the second, that the procurement center have a very limited number of weighing bridges. Cotton growers complain that the sub-agents of the federation used to operate with 2 or 3 weighments & also pointed out that there is a partiality in issuing tokens.

False weighing adversely affects economy of the scheme . There is reason to believe that false weightings have a direct link with the occurrence of frequent incident of fire. In addition to this "Disproportionate tendering" is an issue before the Federation. Here the quantity of cotton tendered by a person in excess of quantity that he is capable of producing on the farms owned by him. A person resorts to disproportionate tendering either because he purchases the cotton from other cottongrowers within the state or purchases it from cottongrowers outside the state. Therefore it can be seen that the quantity of cotton procured by the federation does not match with estimate of production of cotton in the state of Maharashtra.

Similarly Grading has been the cronic headache for the cottongrowers. Thousands of disputes are lodge with wandha committee every year. Another important aspect involved at this stage is the payment. Often times it is complained that the cottongrowers have to wait for a week before they get payment. While interviewing the cottongrowers ,majority of them complained that they were getting payment after 10 to 15 days from tendering the Kapas. In this context the federation's officials remarked that , the delay in payment were caused due to late honouring of their bills drawn on the Apex Bank or some time due to lack of funds.

Such lapses did occur due to indirect control of the Federation in the first instance & the lack of proper planning for want of funds in the second.

Unbelievable fire incidents involving cotton of the value of lakhs of Rupees have discernible clues leading to the inefficiency, indifference, negligence, inadequacy of stores supervision & unscrupulous tendencies of people concerned. The discerning people by now have started

attaching motives to all such incidents. They have grown so weary & sceptic about all these things, that any news appears in the press about a fire-incident, & the bright images of vexatious dealings conjure up in the minds, linking malapractices in weighment by recording higher weights for same gratification. There is suspicion that graders declare superior grade for inferior one, mix them in the superior lots & finally so as to hush up the whole thing, the incidents of fire occur. To common people, it has not remained enigma any more. It is true to note in this connection that the incidents of fire is not exclusively due to above reason always, may be either due to short circuit caused by defective wiring, smoking of Bidi, Cigaretts, Crakers etc. These losses could be reimbursed more or less by insurance, but the gravity of this matter should be minimised, since it is a national loss.

Unseasonal & heavy rainfall which occurs at prouement & processing stage may damage federation heavily. Now a days accurate weather-forecast is possible from Insat picture, yet adequate & prompt measures were not taken to protect cotton, cottoseed & bales from the rains. The federation has to gear up the efforts to prevent damage on account of unseasonal rains. While the cottongrowers may suffer damage of kapas if unseasonal rainfall occurs at picking stage.

However it is no justifiable defence of the valuable losses. Impersonal attitudes are also responsible for this. But then it has become a characteristic feature of any public scheme where the management is composed of people's representatives & the executives are the public servants. Efficiency suffers & the discipline is compromised.

Disposal of cotton-seed is the responsibility of the Zonal offices. There have been numerous cases where some malapractices are reported, especially in disposal of cotton-seed. Some officials of the federation are reported to join rigging by the traders. At the time of auction,

the traders decide amongst themselves as to who shall purchase the lot & thus the bidding does not go beyond certain level, much less than the market price. If somehow the rigging is avoided, the bidders of inferior quality of seeds are effected delivery of superior quality & in excess quantity than they are billed for. Hence the hardened attitude of the functionaries is bolstered due to the absence of an inbuilt arrangements & checks against such occurrences.

Because the success of the scheme depends on ability of the federation to maximise returns from sales by keeping a close watch on the demand & supply trends in the market.

Another headache of the scheme is the interstate smuggling of cotton. An out-flow of cotton reduces availability of cotton in Maharashtra. Due to the ginning & pressing factories get less work, employment of Ginning & Pressing units employees may be adversely affected, APMC's also loses income by way of market cess & the recovery of crop loans is reduced.

Cotton trade is itself is unique & special. A certain degree of value orientation is essential. Though it may sound to be more aesthetic & ethical one, the need for some arrangement cannot be denied.

As far as surplus and losses of the scheme are concerned, it appears that its figures were not prominent during 1972-73 to 1983-84, because the cost lingered around the total receipts, barring the exception of 1976-77. The 1985-86 season was the worst season during the entire span of 22 years of the scheme, as it has produced a loss of Rs.310 crores. It was caused due to disproportionate increase in the total cost. But since 1986-87 drastic turn around was witnessed and the scheme has not seen a loss. Highest amount of surplus has been produced by the scheme during 1993-94 season which amounted to Rs.316.49

crores against the total receipts of Rs.1104.98 crores. Nevertheless its share with total receipts accounted to 28.64 % and remaining was the share of total cost i.e. 71.36%. Another notable feature of the season 1993-94 was that the officials of the federation has really shown their efficiency and sincerity towards the quick and simultaneous disposal of the cotton and cotton seed with procurement and processing. It ultimately turned to take full advantage of favourable market conditions. The federation was not required to take much loan from the Maharashtra State Co-operative Bank which resulted in saving of interest of crores of rupees. All these things ultimately turned to gain for the federation. It is pertinent to note that for keeping such surplus position in continuation, the Federation's officials must be keen to show the efficiency and sincerity towards taking the full advantage of market conditions in future.

In the context of nomenclature of the scheme, it was solely responsible to procure cotton as a single agency but has no control over the consumer market. Generally the monopoly is associated with consumer markets. Procurement, Processing and finally competing for sales, chasing the prospective customers has been the role of the scheme in the market. So as to monopolise the consumer market, the state Government in dialogue with the Central Govt. ought to agree to the proposition.

The scheme can run smoothly and efficiently if the State and Central Govt. belongs to the same political party, otherwise it could be very difficult for the State Govt. to operate the scheme without the co-operation of Central Govt. Because Central Govt. is the sanctioning authority of the export quota of cotton and responsible to grant extension to the scheme. Actually in order to safeguard the interest of the cottongrowers, the scheme should be away from politics, unfortunately it does not.

Limited liability and separate entity are features bestowed on Federation by MRC Act and MCS Act. Therefore naturally Co-operative Dept. stakes its claim for control through audit. The control is focussed on Co-operative management aspect like enforcement of bye-laws, rights of members, election of Directors and holding meetings. These controls are exercised through Registrar of Co-operative Societies. Thus Board framework of management is controlled by Govts. Co-operative Dept. Most influential internal control agency is Board of Directors. Top officials are tools in the hands of Board of Directors. Central Govt. is the authority of external control, which controls the scheme by way of extending the scheme from time to time on the basis of its performance, while Board business policies are controlled by the State Govt.

At present under section 81 of the MCS Act, 1961 the Federation is subject to statutory audit on a continuous and concurrent basis by the Joint Registrar of Co-operative Societies.

The ultimate responsibility of management and managerial control rests with the Board of Directors. Powers are vested in the hands of Board as a whole. Hence Board delegates certain powers to MD and sub zonal committees. The MD, Zonal and Sub-zonal Managers play a major part in the affairs of the federation.

The scheme did not venture to evolve its own organisation or own infra structure, instead it, preferred relying on the chief agent (MSCMF, MSCCGMF) and sub agents. Therefore no personnel force has emerged. If in future the scheme is discontinued by the Central Govt. then the federation and state Govt. will have to be self-sufficient in all respects or find out a solution in case of non-continuance of the scheme by the Central Govt.

The MCP scheme has been in operation since 1972-73 season, except for two seasons viz. 1973-74 and 1978-79 when the scheme was suspended. However it can be concluded that the ad-hoc extensions are granted to the scheme from time to time and there is always feeling of uncertainty about its continuance in the minds of the cottongrowers, the field staff, the employees of the MSCCGMF and all other agencies involved in the working of the scheme. Due to this uncertainty there is a growing tendency on the part of personnels associated with the scheme to exploits the situation whenever possible and also trying to take benefits from the scheme for personal gains.

Besides, due to uncertainty of the scheme the MSCCGMF as the chief agent of the Maharashtra Govt. has not been able to undertake any longterm programmes like establishment of ginning and pressing units, construction of godowns. The overall effect of all this is that the scheme has to incur heavy expenses on account of storage of bales due to inadequate storage capacity. To remedy the overall problem Central Govt. should give permanent recognition to the scheme or should give continuance for 10 years at a time. This can ensure loyalty of its employees and can enable the federation to undertake the development of the required infrastructure for procurement, storage, ginning and pressing etc. It can ultimately benefit the scheme substantially.

Inspite of many limitations the MCP scheme has certainly succeeded in achieving the first five objectives of the scheme (as stated in chapter no IV-4.4). But the scheme however has a long way to go in achieving the objective numbers 6, 7 and 8 (objectives of the MCP scheme) For the accomplishment of these objectives some radical changes are necessary e.g. i) in order to acheive the Sixth objective, it is required to strengthen the agencies involved in the operation of procurement and processing timely financial assistance and guidance should be

provided to the APMC, Taluka sale purchase societies, Ginning pressing units etc.

ii) For achieving the objective number seven the responsibility for procurement and processing of raw cotton and the responsibility of marketing the products resulting from such processing, should be placed at the level where cotton is grown.

iii) In order to achieve the objective of ensuring the use of standard weights, (objective no 8) the use of pallikata should be totally stopped. All the procurement centres should have 5 tonne weigh bridge to facilitate the weighting of any vehicles. If financially it is not possible for any APMC to provide such weight bridge facility the federation should install it at its cost and recover the same from APMC from the commission due.

Right from its inception, the scheme has been criticised on a number of counts, but it is more on the execution of the scheme than the core of the scheme. Any scheme has to be implemented by men, with integrity and honesty, which has been becoming more of an exception these days. The most significant feature of the scheme lies in the fact that it gives every cotton grower a promise to take up whatever quality or variety of cotton produced, at a predetermined price. The satisfaction that the entire output is as good as sold at a reasonable price, even before actual sowing, is a great psychological advantage to the cotton growers, in an otherwise uncertain market. This morale booster of MCP scheme gives him the necessary encouragement to produce more cotton. The real impact on the cotton grower is that, it insures the future for his benefit.

By this study it can be concluded that the hypotheses made can't be rejected altogether nor can be accepted in toto. It means the

hypothesis is partially proved. No doubt cottongrowers are benefited by way of remunerative prices, guaranteed sell of whatever variety produced in its entirety, plus share in surplus amount in the form of bonus. The payment of cotton price is also assured one, which could not otherwise be possible in case of tendering cotton to private traders. But for getting these benefits, cottongrowers have to bear the harassment of the Graders, Hamal & Mapari at the respective stages still there are many lacunae in the scheme, particularly in its implementation. Hence one cannot emphatically say thoroughly that the cottongrowers are benefited. That is why the Central Govt. may not be in a mood to grant permanent or longterm continuation of the MCP scheme.

Despite some of the operational deficiencies, cottongrowers are very keen that the scheme should be continued. The scheme earned a net surplus during all the seasons except in 1981-82, 1984-85, 1985-86 and for some varieties in 1982-83 & 1978-79. The total accumulated capital formation fund stood at Rs.221 crores in 1993-94 & has strengthened the financial base of the scheme. Cottongrowers are free from the exploitation of cotton traders & are getting attractive price for their cotton.

RECOMMENDATIONS

1. Federation should provide necessary guidance to cottongrowers for encouraging them to grow more cotton of proper variety for which there is market potentiality.
2. In off seasons the graders are generally free, therefore graders should be asked to make an estimate about varietywise area under cotton in their procurement area. It will increase authenticity of the information.
3. In order to reduce the malpractices of manual grading, laboratories should be installed at Zonal level for grading & quality control of raw cotton, bales & cotton seeds.
4. In order to avoid the rush of cottontenderers at Procurement Centres, specific day should be allotted to particular village & should be strictly adhered to. This specific day of procurement should be indicated in Green Card. The schedule of the days allotted to cottongrowers for the purpose of procurement should be published in local news papers.
5. As the attitude of partiality of APMC in issuing Token to cottongrowers has been observed & reported by the cottongrowers respondents. It is recommended that all APMC should issue the Tokens impartially. And also should go stricly through the information regarding the days allotted for procurement of cotton.
6. In order to reduce the malpractices encountered in unloading of cotton by Hamal & weighment of cotton by Mapari (Weighman); federation should establish proper check in this regard & should take strict action aganist currupt Hamal & Mapari. As per the suggestion of cottongrowers, the Hamal & Mapari should preferably be from the employees of Federation, by which proper control can be established.

7. It is observed that, in spite of the provisions in Green Card the details regarding Crop loan are not filled in while issuing it. This is only with an intention to avoid the recovery of Crop loan. Therefore it is recommended that Green card of different colours should be issued to borrowers & non-borrowers.

8. Grading is a technical matter but unfortunately it is done manually only through visual inspection of cotton, & therefore various malpractices are involved in grading. Hence it is recommended that, for grading of cotton scientific or mechanical device should be introduced, the graders should be trained to operate such scientific device.

9. In order to avoid malpractices involved in upgrading cotton, it is suggested that the number of grades should be reduced to two grades & super grade should be given only to the first & second pickings of cotton.

10. For keeping proper check on grading process Flying squad should pay surprise visits to the procurement centres.

11. The decision of Dispute Committee (Wandha Committee) should necessarily be based on laboratory analysis of the disputed cotton & not on personal judgement of committee members.

12. In order to exercise proper control over the centre in all respects, Grader should be provided with residential accommodation at the centre.

13. The use of pallikata should be stopped, because it is time consuming weigh scale. Therefore it is recommended that weigh bridge should be installed at all the procurement centres. It can help to reduce

the burden of the centre.

14. If financially it is not possible for any APMC to install weigh bridge, the Federation should take an initiative in providing weigh bridge facility & its installation cost should be recovered from commission received.

15. At many centres the cotton is heaped openly on soil & grass, it can caught dust & grass also it can be damaged due to unseasonal rain. Therefore it is recommended that cement concrete platform should be constructed & should be covered by shades as much as possible.

16. The distance between two cotton heaps should be sufficient, by which risk of fire & possibility of mixing two grades can be minimised.

17. For reducing dusting of cotton tarred approach roads for loaded vehicles should be built up at procurement centres.

18. The net weight of cotton sold by the cotton growers should be recorded not only in Form No.1 but also be recorded compulsorily in Green Card, as at many centres only an entry is made only in Form No.1.

19. Scientific shortage percentage of cotton should be determined & if shortages are noticed in excess of this percentage rate, then the centre incharge & the concerned staff of that particular centre should be held responsible. An enquiry should be initiated in deserving cases.

20. If during any particular season the crop position is found unfavourable due to natural calamities & drought then the State Govt. should provide necessary relief in the recovery of crop loan.

21. It is recommended that atleast half of the total amount due should

be necessarily paid immediately on the spot without making any deduction from payment. There by cottongrowers will not be tempted to sell their cotton to traders. Deductions should be made from the remaining portion of the amount. This can definitely result in happiness among the cottongrowers.

22. In order to avoid delay in payment of amount of cotton tendered by cottongrowers, the concerned amount should be otherwise directly credited to the Bank A/c of cottongrowers. It will save the time required for the clearance of cheque.

23. Federation should direct the efforts in converting all the Non Facility Centres in Facility Centre, it can save an extra cost incurred in carrying lint for pressing.

24. In order to reduce the cost of labour at ginning stage and to minimise the wastage of cotton while carrying it to ginning unit manually. It is recommended that pneumatic system should be installed for carrying cotton from the heap to ginning unit. It will definitely improve the quality of lint.

25. Installation of new machines at Ginning Pressing Unit is necessary, because it can speed up the work. Hence the federation should provide financial assistance to such ginning & pressing units which are running with old & out dated machines.

26. At many centres Bondries & Tarpolines are inadequate, which can spoil the cotton, lint due to unseasonal rains. Therefore the MSCCGMF should provide adequate quantities of Tarpolines & Bondries.

27. As pressing operations are carried out in two shifts, and only one press supervisor is appointed to supervise it. It is recommended that one more press supervisor should be appointed.

28. All the 'Acting or Incharge' posts should be regularised & the temporary staff should be made permanent in service, because due to lack of confirmed service, the concerned staff donot have any motivation to work.

29. As there is unnecessary duplication of work at the Zonal & Sub-zonal offices, therefore it is recommended that the sub-zonal offices should be discontinued & the staff should be transfered at the zonal & Head Offices. It will definitely speed up the work.

30. For quick decision-making & for increasing the overall efficiency, computerisation of the entire process should be done.

31. With changing business environment, the MSCCGMF should make necessary arrangement for training of the existing staff.

32. Some mischiefs were noticed in the process of cottonseed auction i.e Forming a ring, Selling superior quality of cottonseed in place of sample shown in auction etc. Therefore MSCCGMF should take strict action against such mischief makers.

33. Federation should direct efforts to capture overseas markets for selling excess stocks of cotton.

34. In order to avoid interstate smuggling of cotton, the gap between the cotton prices in adjoining states & the prices of the scheme should be narrowed down.

35. In order to restrict out flow of cotton from states, Federation sould take street police actions against such tenderers, the cotton alongwith vehicles should be confiscated & auctioned. For preventing inflow of

cotton from adjoining states, Federating should keep proper vigilance on check post & also should purchase the cotton strictly by verifying the entries in the Green Card regarding area under cotton & variety etc.

36. To avoid loss of crores of rupees due to fire accidents, the federation should install proper system of fire fighting devices at the centres.

37. As the premium payment is not justified, the federation should introduce "Self Insurance Scheme" for the long term benefits.

38. The Central Govt. gives ad-noc extension to the MCP scheme, which creates a sort of uncertainty about its continuance among employees cottongrowers & the staff. Therefore it is recommended that the Central Govt. should approve the scheme permanently or atleast should provide 10 years extension at a time. This can also enable the federation to plan for a long term.

39. Despite its weaknesses, the MCP scheme has demonstrated good result & effects, hence it must continue & never be abandoned.

40. The Central Govt. & RBI appear to be somewhat reluctant because of their inability to meet the credit requirements. The Maharashtra Govt. desires that the scheme should be of a permanent nature. The federation should reduce its dependence on the Govt. credit, so that the support of the Centre can be assured & such a scheme could be popular in other cotton growing states.