

Problems and Prospects of Cuddalore Primary Agricultural Producers Cooperative Marketing Society Limited – An Overview

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Abstract

This paper is attempted to study the Problems and Prospects of Cuddalore Primary Agricultural Producers Cooperative Marketing Society Ltd. (PAPCMS). In the Indian economy, one-third of the population depends upon the agriculture and agriculture allied activities directly and indirectly. In villages most of the farmers do not know how to sell the product and where to sell the product, this gives the chance to play the middle man interference in the market and thus farmers are not getting the fair price to their products. Cooperative play a vital role in safeguarding interests of the vulnerable and unorganized people engaged in various economic and social activities. The cooperative movement has helped in preventing exploitation of people from money lenders and in raising economic status especially small farmers, village artisans, and landless labourers. It has created many centres in the rural areas creating new employment opportunities and enhancing productive capacity and competitive ability of people of the weaker sections of the society. Primary Agricultural Producers Cooperative Marketing Society (PAPCMS) is the non-credit institution to help the members of the Society by way of selling their products and get the fair price in the market. But some of the problems that occurred in the Primary Agricultural Cooperative Marketing Societies are Lack of Member participation, Marketing Problems, Infrastructure Problems, and Middle man interference.

Key words: *cooperative marketing society, member participation, infrastructure facilities, role of middle man, farmer members.*

Introduction

In the Indian economy, one-third of the population depends upon agriculture directly and indirectly. In villages most of the farmers are illiterate so, they don't know how to sell the product and where to sell the product, this gives the chance to play the middle man interference in the market and farmers are not getting the fair price to their products. Marketing is meant by not only the production and sale of the product it is also involved in the activities of creation of time, place, form, possession, and utility. In a broader sense, agricultural marketing is concerned with the marketing of farm products produced by farmers, with the marketing of farm inputs used by farmers in the production of farm products. Cooperative play a vital role in safeguarding the interests of the vulnerable and unorganized people engaged in various economic and

social activities. The cooperative movement has helped in preventing exploitation of people from money lenders and in raising economic status especially of small farmers, village artisans, and landless labourers. It has created many centres in the rural areas creating new employment opportunities and enhancing productive capacity and competitive ability of people of the weaker sections of the society. Cooperative Marketing is a Cooperative Organization founded primarily to help members sell their goods more profitably than is possible through private marketing. Cooperative Marketing is a System through which a group of farmers joins together to carry on some or all the processes involved in bringing goods to the consumer. Primary Agricultural Producers Cooperative Marketing Society (PAPCMS) is the non-credit institution to help the members of the Society by way of selling their

products and get the fair price in the market. But some problems occurred in the CuddalorePAPCMS and given some strategies to reduce the problems which we will discuss in this paper.

Profile of the Society

E.1433 The Cuddalore Agriculture Producers Cooperative Marketing Society Ltd., Registered in the date of 17.04.1941 and started functioning in the year of 26.10.1941. Its area of operation is Cuddalore and Kurinjipadi block. The main objective of the society is to issue of Produce Pledge loan and Jewel loan and from outright purchase and sales (like Paddy, Black gram, Dhalls.etc) and from Amma Medical and Cooperative Medical and E-Commerce centre. The Rice Mill (Custom Hulling) of the Society has been converted to produce pledge loan godown at capacity up 300 mt during the period of 2004-2005. The Society earned in Rice Mill not more than 1.08 lakhs but after convert into Godown the society has to earn more than of Rs. 2.55 lakhs per year simultaneously.

Need and Importance of Co-Operative Marketing:

Primary Cooperative Marketing Societies are base-level organizations functioning at mandi/secondary marketing centers. The major objectives and functions of these primary societies are to arrange for the sale of agricultural produce of the members, to encourage the members to grow improved varieties of agricultural commodities, to advance loans to members on the pledge of their produce, to rent or own godowns to facilitate storage, processing, and sale of goods, to produce and supply fertilizers, seeds, agricultural implements, to act as an agent of the government for the procurement of agricultural produce, etc. Generally, primary marketing societies are confined their operations to the marketing of agricultural produce brought by the farmers. The membership of these societies is open to both agricultural credit societies and individual cultivators in the concerned areas.

- Abolition of Middlemen

- To sell the members product directly in the best market and in a state that attracts the best price
- Storage facilities – for members.
- Standardization and grading.
- Higher prices of members
- Supplying inputs and consumer goods.
- The Facility of correct weighting, Relief from illegal deductions.
- Linking credit, processing, and & farming.

Objectives of PAPCMS

The following Objectives are as follows:

- 1) To analyse the Problems of CuddalorePrimary Agricultural Producers Cooperative Marketing Society
- 2) To Evaluate the Prospects of CuddalorePrimary Agricultural Producers Cooperative Marketing Society
- 3) To summarize the findings and Offer suggestion for improvement the CuddalorePrimary Agricultural Producers Cooperative Marketing Society.

Research Methodology

The present study is based on both primary and secondary data. Secondarydata are collected from various magazines, journals, newspapers, books, reports, and monographs with relevance to the Primary Agricultural Producers Cooperative Marketing Society. Regarding the collection of primary data, the researcher has approached the Farmer members by adopted the Simple Random Sampling Method. There was a random sampling of 30 respondents who are the members of Cuddalore Primary Agricultural Producers Cooperative Marketing Society Ltd. A survey was conducted on the major problems facing in marketing and other related activities for their produced goods in PAPCMS in Cuddalore and kurinjipadi block.

The following are the some of the problems in Cuddalore PAPCMS discussed below:

I. Lack of Members Participation

Participation of Members is very important for the successful functioning of a cooperative society that is also essential to the achievement of its target. That the involvement of the members in cooperative activities both in terms of quantity and quality will improve the perception and control of the cooperative results by members.

Table 1.1 Participation of Members in the Cuddalore PAPCMS Year wise

Year	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
No.of Members	9472	7845	7845	7845	8630	8630	8630	8630	8630	630

Source: Audit report of The Cuddalore Primary Agricultural Cooperative Marketing Society Ltd.,

The Table 1.1 shows that the year wise Member participation in the Cuddalore Cooperative Marketing Society. According to the table in the year 2008-09 total number of members participated in the society 9,472 but in the year 2009-10 it decreased as 7,845 again it was gradually increased from the year 2012-13 as 8,630 and also no change in the member participation over the six years from 2012-13 to 2017-18.

General Body Meeting

General Body Meeting is a meeting of Members of the society and being the most powerful body of the Society, the General Body Meeting takes all the decisions related to the working of the society. These meetings are held annually; therefore the meeting is also called as Annual General Meeting (AGM) of a Cooperative Society.

Table 1.2 Member Participation in General body Meeting

Sl. No.	Member participation in General body Meeting	No. of Members	Per cent
1	Yes	9	30
2	No	21	70
	Total	30	100

Source: Primary data collected for Farmer members of Cuddalore PAPCMS

The Table 1.2 gives the information about the Member Participation in the General body meeting. From the table, it is found that 70 per cent of members do not attended the general body meeting. Only 30 per cent of members attended the meeting. This shows their low level of involvement in the affairs of the Cooperative Marketing Society. They presumed that there is no benefit in attending the meeting. It is really an unfortunate matter.

Gender Classification

Table 1.3 Gender wise classification of Member

Sl. No.	Gender	No. of Members	Per cent
1	Male	27	90
2	Female	3	10
	Total	30	100

Source: Primary data collected for Farmer members of Cuddalore PAPCMS

Table 1.3 depicts the information about Gender wise member participation in the Cooperative Marketing Society. The table shows that Male members highly participate in the Cooperative Marketing Society When compared to the Female members.

Educational Qualification

Table 1.4

Educational Qualification of Members

Sl. No	Educational Qualification	No. of Members	Per cent
1	Illiterate	4	13
2	Up to SSLC	5	17
3	Higher Secondary	11	37
4	Graduate	6	20
5	Post Graduate	4	13
	Total	30	100

Source: Primary data collected for Farmer members of Cuddalore PAPCMS

Table 1.4 depicts that nearly 70 per cent of the members are educated up to higher secondary level. Members with higher educational qualifications (graduates and postgraduates) are not interested in trading with the Cooperative Marketing Societies, which shows the non-interest of the graduates in the field of Agriculture. The government must also enhance the professional status to the Agriculturist so that more graduates can take up farming, modern means of farming can be implemented and thus we can get maximum output.

II.Role of Middle Man

Some of the worst problems faced by farmers are selling their goods, for which most farmers struggle to receive remunerative prices and force their goods to be disposed of at a very low price, thereby enabling intermediaries to take advantage of the opportunity to reap unfair benefits. It does not dispute the fact that the current scenario of agricultural marketing in India is quite undesirable and unfavourable, due mainly to the major constraint that farmers do not typically have knowledge about the prevailing commodity market prices.

Table 2.1 Selling the Products through PAPCMS

Sl. No	Sell the products through PAPCMS	No. of Members	Per cent
1.	Yes	9	30
2.	No	21	70
	Total	30	100

Source: Primary data collected for Farmer members of Cuddalore PAPCMS

Table 2.1 gives the information about the produced products selling by the Farmer members through the Cuddalore Cooperative Marketing Society. The table shows that only 30 per cent of the members sell their

produced products through the cooperative marketing Society and another 70 per cent members sell the products through the Agents. Cooperative Apex federation society has to take necessary steps to sell the produced goods of the farmers by PAPCMS, thus the agriculturist can get their maximum price for the Goods produced.

III. Infrastructural Problems

It is widely known that over-supply goods can be processed and later sold as demand increases. Many of the farm crops are ideal for short-term storage, just for a few days. Usually, storage is costly, and it spoils freshness and consistency. Once the product is taken out of the store in most cases, it has to compete with newly arrived produce. Farmers will eventually get less profit, and they will have to pay for the storage costs. A few crops are ideal for long-term storage. Space in industrial areas is often inefficient, as storage facilities are under-used for much of the year and are uneconomic.

Table 3.1 Members Satisfaction level of Infrastructure Facilities

Sl. No.	Infrastructural Facility	Highly Satisfied		Satisfied		Not Satisfied		Total	
1.	Transport Facility	4	13 %	5	17 %	21	70 %	30	100 %
2.	Marketing Facility	2	7 %	7	23 %	21	70 %	30	100 %
3.	Warehousing	5	17 %	9	30 %	16	53 %	30	100 %
4.	Drying Yard	3	10 %	5	17 %	22	73 %	30	100 %
5.	Grading/ Standardisation	6	20 %	3	10 %	21	70 %	30	100 %

Source: Primary data collected for Farmer members of Cuddalore PAPCMS

Table 3.1 provides the satisfaction level about the Infrastructure facilities of the members in the Cooperative Marketing Societies. The table shows that 30 per cent of members satisfied with the Transport, Marketing, drying yard, Grading/standardization facility. Out of which 13 per cent of members are in the Transport facility, 7 per cent in Marketing, 10 per cent in drying yard and 20 per cent of members are covered under the highly satisfied category.

Nearly, 70 per cent of members are not satisfied with the Transport, Marketing, Drying yard, and Grading/Standardisation. Moreover, 47 per cent of members are satisfied with the Warehousing out of which 5

per cent are highly satisfied and 53 per cent members are not satisfied.

Findings and Suggestions

- In general body meeting, minimum members only attend the meeting and also there is very limited contact between the members and the cooperative management committee and happens when there are only economic activities. This has made it impossible to understand their issues and concerns. The record has shown that cooperative success is only because of cordial Relationship and smooth functioning between the Board members and member participation, thus built up over the years through successful marketing support, service support, and exchange process transparency.
- The younger generations are not drawn to this career because there is neither income assurance nor adequate institutions to provide jobs. Only a few crops earn a government guarantee for a Minimum Support Price (MSP). It created a negative feedback loop. Growing season, farmers grow the same crops to support their livelihoods. The time has come to break this cycle and look beyond the underdeveloped vision. The government must also ensure MSP for other crops. It would inspire youngsters to take up farming without having to deal with market risks.
- Marketing is important to agriculture. Agricultural marketing in India is rather inappropriate and unfavourable, mainly because farmers do not typically know the prevailing commodity market prices. These deficiencies help the intermediaries play a dominant role in collecting the produce from the producers than they pay in return.
- Attractive lending schemes will go a long way to improve the farmers economically. Farmers around the nation have suffered significant losses because they were forced to sell their produce at a low price.
- In Cuddalore, PAPCMS has not enough space to store the Produce products of the farmer members. If additional Produce pledge loan Godown facility admitted to the Society it will earn more Profit. It also
- increasing member participation and marketing their produce products through society.

Conclusion

The service sector's rate of growth has been quite impressive but the agricultural sector has been lagging. Market forces do not release growth forces and they continue to produce low-income activities horizontally at the most. Farmers often have to face a well-organized mass of clever intermediaries because of ignorance and illiteracy. In the field of agricultural marketing, the role of the cooperatives has progressively expanded. Besides, numerous cooperative agro-processing units are promising extraordinary potential to boost the Indian economy. Agricultural marketing and agri-business co-operatives, therefore, occupy an important place in India's overall agricultural development strategy. The marketing cooperative societies are therefore indispensable for the growth of the agricultural community and the government must take all the required measures to revive them from their dormancy and thus allow the farmers to obtain the maximum prices possible.

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