

Opportunities and Challenges of Agricultural Produces Marketing of Nanded District

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Abstract:

The agricultural marketing is helps to fostering and sustaining development of farmers as such the farmers contribution have increased in rural economy, but there are many problems with using proper marketing tools, channels so that it suffering big amount of problems such as low degree of market integration and connectivity, accessibility of reliable and timely information is required to farmers on various issues in agriculture marketing. Hence, the state government set up state level committee, according to Maharashtra Agricultural Produce Marketing(Development & Regulation) Act, 1963 under section 39 (J) governments interpretation varied in terms of marketing functions will be final i.e., to organise seminars, workshop, exhibitions of agriculture products and maintaining the Agriculture Marketing Development Fund for development of markets infrastructure. To achieve an efficient system of buying and selling of agricultural commodities, most of the state Governments and Union Territories have enacted legislations (APMC Act) to provide for regulation of agricultural produce markets.

Keywords: APMCs Act, Marketing Information System, Opportunities & Challenges.

Introduction:

Agriculture Marketing is simply the means of creating healthy flow of capital in the rural economy and employment opportunities. Agriculture is the main income source of this district which almost 65 percent population inhabitants on farms. Narendra Modi said, Prime Minister of India, on event of 86th Foundation Day, of ICAR "Lab-to-Land" it helps to increase agriculture production in "Less Land Less Time" it concern over the depleting natural resources and the challenge of climate change. As he expressed "Per drop, more crop" statement farmer need to turn adopt new farming techniques to helps raise agriculture production in the country. The APMC acting as middleman between farmers and traders or end user of agriculture produces such as cereals, pulses, and oilseeds other food grains etc. After the observation it conclude that trends and progress of sales in APMC markets is satisfactorily as far Farmers concern as.

In the current scenario about 80 % agriculture produce is marketed through Agriculture

Produce Market Committee (APMCs) in the district. Other sources for agriculture produce marketing present in the district are Rural Haats, Direct Marketing license holders, etc. The present study has outlined to farmers economic conditions through agriculture business and APMCs initiatives for providing fair price and marketing for sell of agricultural produces in the market yard (Mandi).

Objectives:

- 1) To Study the Present Scenario of Marketing in Agricultural Produces.
- 2) To identify the major opportunities and challenges in Agricultural Marketing.

Review of Literature:

Dubey 1 (1996) He noticed in Uttar Pradesh at Varanasi District in his study he shows that agri. Produces market surplus are mainly based on farmers land size holding, like small farmers hadn't marketable surplus as compared to medium or large farmers and they having problem of agriculture marketing activities.

S.P.Kalyankar & V.A.Patil 2 (1979) has studied Marathwada region in Parbhani district, he focused on arrival of Gram in Parbhani market were high during immediate post harvest period near about 80 per cent of the total arrival within four months from February to May after it gradually decreasing till June and July to December is lowest in entire of the year. Prices of produces and arrival are very much close relation, when increasing arrivals prices are goes to down when arrival decreasing prices of produces was high, after that there were seen great fluctuation regarding arrivals and prices in the whole year.

M.S Jairath 3 (2004) Has studied with entitle 'Agricultural Marketing infrastructure facilities in India' in this study he suggested that there is need to expand network of marketing in rural areas, and also to build minimum basic infrastructure facilities for regulated markets which in use.

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In their study they found that, the problems regarding production and marketing of chilies in Andhra Pradesh. They observed that, there was problem with quality seeds and non-availability of credits from government financial institutions apart from that, high fertilizer cost, high labour cost and lack of storage facilities, and non easy accessibility of regulated markets at nearby producing centre.

Research Methodology:

Secondary Data: Researcher was usually investigated by examining secondary data which already existed in written form. In order to achieve the research objectives, the study is based on secondary data.

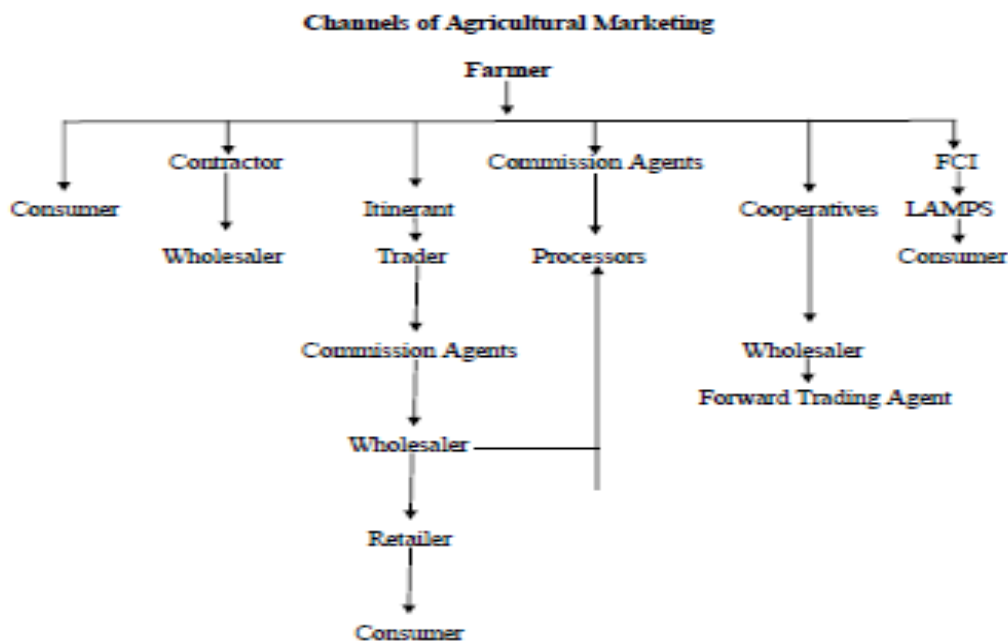
Primary Data: The primary data based on field survey for capture the farmer's perception through questionnaire to identified marketing issues in this region.

Geographical Profile of Nanded District: Nanded is a relatively big district and is the 11th most populous district after Kolhapur

and Aurangabad and is a home to nearly 33, 61, 292 Lakh people spread over 10, 528 square kilometres¹. Administratively, the district is divided into 16 talukas – Nanded, Ardhapur, Deglur, Mukhed, Kinwat, Mahur, Himayatnagar, Hadgaon, Kandhar, Koha, Bokhar, Mudkhed, Biloli, Naigaon (Kh), Dharmabad & Umri. The economy of Nanded is primarily agrarian. Approximately 63% of population is rural and mainly engaged in agriculture and allied sectors. Around 5, 82,200 farmers of Nanded i.e. 79.1% of farmers have small and marginal landholdings.

Current Agricultural Marketing Scenario:

The agriculture marketing scenario in the country has undergone a sea change over from the last few decades when technological revolution happened in the country. India is now a member of WTO along with 148 other countries, however that the role of agricultural marketing in India spread widened. The strategy for development of agricultural sector through development of an agricultural marketing system, centered around the Market Committee constituted under the State Marketing Legislations. Agricultural marketing scenario India has undergone conspicuous changes since last 50 years owing to the increased market surplus, increase in urbanization and increase income levels of farmers in the pattern of demand for marketing services. In agricultural produce marketing if varied from commodity to commodity but it can be categorized into four group's i.e, (a) direct from farmers to consumers (direct marketing) (b) Through public agencies or cooperative organisations (c) Through private wholesalers and retailers (d) Through process (7ps) etc.



The Importance of Agricultural Marketing:

Agricultural marketing is a primary functions in both agriculture and economic development. An efficient marketing system has needed to ensure increase in the agriculture production through that increase in the income and living standard of farmers. Following important facts has affected in economic development;

- 1) It tries to improve the bargaining power of the farmers.
- 2) It helps to eliminate malpractices in weights, measure and middleman.
- 3) To increase holding capacity of farmers.
- 4) It helps improve the knowledge of marketing among the farmers.
- 5) It is helpful in coordination between farmers, traders and end users or consumers.
- 6) It creates employment opportunities in rural areas..
- 7) It is helpful farmers to get right price of right product in right time.
- 8) To provide systematic structure or frame of marketing of produces.

The following organizations are involved in providing market prices and other information:

- ❖ State Agricultural Marketing Boards/Directorates
- ❖ Directorate of Economics and Statistics, Government of India
- ❖ Directorate of Marketing & Inspection, Government of India (AGMARKNET)
- ❖ National Horticulture Board.
- ❖ FMC and National commodities exchanges (Price Ticker Board)

National Informatics Centre (NIC): National Informatics Centre (NIC) is the nodal Science & Technology organization in the Ministry of Communications & Information Technology, for informatics development and networking in government, corporate and cooperative sectors for decision support in collaboration with the Central/State Governments.

Agricultural Information System Network (AGRISNET) : It collaborated with NIC, this proposal recommends: (i) the state-of-the-art IT infrastructure requirements to establish

AGRISNET as the INTRANET over NICNET, (ii) development of databases and information systems for decision support for evaluation, monitoring and policy formulations (iii) multi-media based training and demonstration strengthen farm research development, above all to make Indian Agriculture on-line for INTERNET and INTRANET access through AGRISNET Nodes

Other initiative for dissemination of ICT based Market information

- ❖ DRISHTEE (Drishtee.com)
- ❖ HARIT GYAN
- ❖ IKISAN (Ikisan.com)
- ❖ TATA KISAN KENDRA
- ❖ TARAHAAT
- ❖ N-Logue
- ❖ EID Parry

Kisan Call Centre: Kisan Call Centre started from 21st Jan 2004 with 1551 toll free number, since June 2004 new initiatives has been taken call centre available right from 6.00 AM to 10.00 PM except Sunday and gazette holidays. The kisan call centres currently available all over the country Mumbai is workstation in the Maharashtra are existed, toll free telephone number which can be dialed from anywhere in the country. There has available agriculture graduated seat over there to give solution of any queries related agriculture sector.

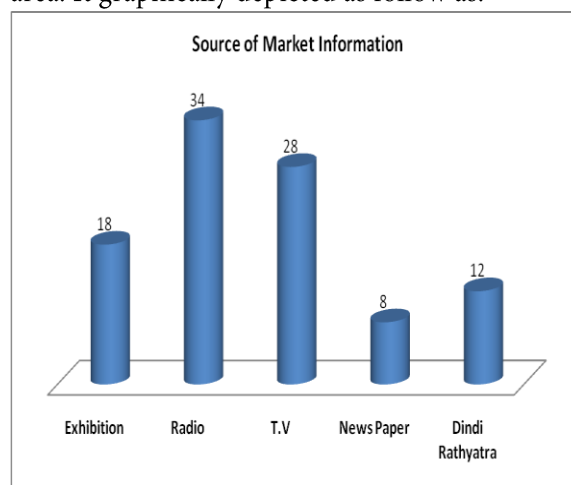
MEANS OF RURAL MARKETING INFORMATION

Sr. No.	Source	Farmers	Percentage
1	Exhibition	18	18
2	Radio	34	34
3	T.V	28	28
4	News Paper	08	08
5	Dindi Rathyatra	12	12
	Total	100	100

(Source: - Field Survey)

Table indicated that, marketing information sources of agriculture produces for the farmers at village level. There were various

conventional methods of marketing in the rural area like mela it was famous events for marketing of rural commodities. Instead of that in 21st century marketing trends and information sources has been changed though it changed but agriculture/ rural marketing were not change that pace comparatively, still 34% of farmers were get update information from radio, 28% farmers were get market update from T.V (Television), 8% of farmers through news papers 18% farmers through exhibition and 12% of farmers were get market information Dindi (Rathyatra) in the rural area. It graphically depicted as follow as.

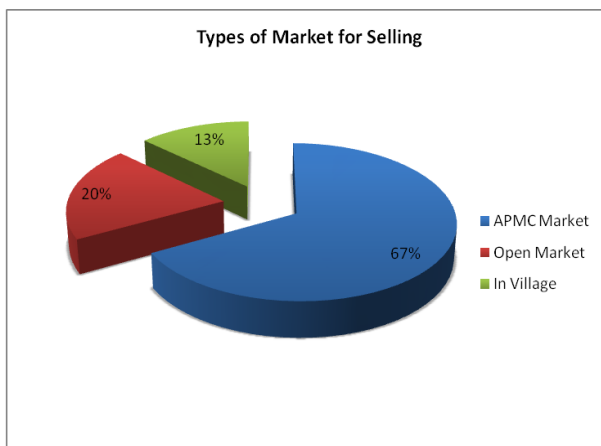


SALES PREFERENCE OF AGRICULTURAL PRODUCES

Sr. No.	Types of Market	Farmers	Percentage
1	APMC Market	67	67
2	Open Market	20	20
3	In Village	13	13
	Total	100	100

(Source: - Field Survey)

Table shows that, the farmers selling preference where they want go for sales of agricultural produces. Out of the 100 samples of farmers 67% percentage of farmer were goes to APMC market yard to sell through auction methods, 20% of farmers were sell in the open market and 13% of farmers were sell at village only.



Opportunities for Agricultural Marketing

Scattered in small transactions: Rural marketing have spread over in small villages so that, there is chance to increase number of labor and cost to involve in farmers market area.

Large Size of Population: India has land diversity more than 65% population lives in rural area. This village population contribute Indian economy by produce agricultural commodities such as food grains, fruit, Vegetables etc. So we can contact 65% of 680 million or 700 million population by simply contacting 150000 villages which shows that huge market potential available in rural area.

Local Traders/Commission Agents: These are small local traders who buy directly from dispersed farmers. Their main function is to assemble local products for subsequent sale to larger traders and processors operating within the region. Traders have limited who drive to production areas in the hope of finding produce for sale. These traders are particularly important for smallholder producers, as they get to remote areas making solid offers to farmers, and they pay for produce as they take it from the farmers.

Huge market size: The rural market in India is vast and scattered and offers a plethora of opportunities in Comparison to the urban sector.

Wholesalers: Wholesalers procure most of their supplies from smaller traders or processors, but some also buy directly from farmers. The main function of wholesalers is to

bulk produce and then supply retailers in towns and cities. Many also supply processors and other large traders, including exporters.

Retailers: Retailers are very diverse in size and operation. For example, supermarket chains are fairly large companies that deal with significant volumes of a wide range of agricultural products can be sell in super markets.

Transport traders: These are typically traders who own a truck and spend their time travelling into remote rural areas to buy farm produce, which they sell to wholesale traders in urban markets. In some cases travelling traders have regular contacts with farmers who sell to them each season, but often travelling traders are opportunities to sell agriculture produces in bulk.

Processors Small Entrepreneurs: Agro-processors are those individuals and firms involved in the transformation of agricultural produces such as rice mills, oil mills, starch factories and animal feed manufacturers. Large or small processors tend to have significant stocks of raw material to ensure continuous processing and enable them to use their equipment during the off-season.

Challenges for Agricultural Marketing

Seasonal Demand: The demand for products in rural market is seasonal. so, the income of the rural consumers depends upon the agricultural output and the agriculture is based upon the monsoon which is uncertain. The Farmers income comes to after harvesting and thus, mostly the demand is high in harvesting season. Demand for agricultural inputs arises during sowing season. So, it can be said that rural demand is seasonal.

Poor Development Infrastructure: The main problem of Agricultural Produces is seasonal. Again agriculture depends on monsoon so buying capacity of rural consumers are varied. In spite of this, many rural areas are not connected by rail transport and Kuccha roads become trouble for marketers for product supply during monsoon.

Poor Roads Construction: Due to their high cost, most communities rely upon Governments to provide basic roads. However, several studies have shown that market access is significantly improved with the construction of even basic unpaved roads that allow farmers to use donkey carts, or small tractors to bring produce to larger roads for sale to traders with pickups or trucks. Enabling year round market access via more robust road networks is critical to regular market access

Communications: The increasing availability of mobile phone networks, Internet and e-mail has had a major impact on the efficiency of marketing systems and for many market actors, the mobile phone is the most effective means of communicating with buyers and sellers. But there challenging to operate this means of communication.

Lack of Adequate warehouses: A storage function is necessary because there is a time gap between production and consumption of Agricultural products is produced seasonally but they are demanded over the year so there is need to store them. But in rural areas, there is lack of public as well as private warehouses.

Inadequate banking and credit facilities: Finance is necessary for goods to move along the marketing system. Farmers need to purchase inputs and hire labour and may want to hold on to their crops after harvest to benefit from higher prices The Farmers and Trades require banking support to enable remittances, to get replenishment of stocks, to facilitate credit transactions in general, and to obtain credit support from the bank.

Grading and Sorting: Harvested produce usually requires some form of sorting to meet the needs of processors, exporters, and consumers. Sorting differentiates produce according to certain in varieties, size, shape, degree of impurity.

Drying: Moisture content influences the perish ability of Agricultural Produces and the efficiency of processing. Therefore, many agricultural produces are dried at some stages

for the marketing chain in order to avoid microbial contamination and lengthen the longevity of the produces life.

Packaging: There is problem of packaging in agricultural produces they may not offer proper packaging system by the farmers. Packaging may help reduce physical deterioration, theft and adulteration of products. It may also ensure product cleanliness and facilitate measurement, labelling, and attachment of sales instructions and product descriptions **Increase Marketing Cost:** The cost of marketing at farmers markets can be relatively high per unit of product sold. Certain requirements for selling at farmers market, such as Hamal fees, Market entry fee for APMCs certifications, might also added in marketing cost.

Findings:

1. It is found that, the 67% of farmers are given preference to through auction methods by only Agricultural Produce Market Committee. Remaining farmers are selling through either commission agents or village level.
2. It is found that, electronic media have strong in rural area like Radio and TV is most useful tool for agricultural marketing.
3. Lack of healthy retailing practice in fresh produce, its lead to a high wastage of agriculture produces in high value perishables commodities like fruits and vegetables.
4. It seen that, there is lack of storage facilities, high demand and supply fluctuations, lack of infrastructure facilities, inadequate Marketing information System.

Suggestions:

1. To create mandatory utilization of Market Committee Development Fund for marketing of agricultural produces in the rural area.
2. To increase Infrastructure of Marketing Information System set TV

projection at Market yard premises and update daily arrivals, prices agriculture information displayed on TV projection system for transparent between farmers & traders.

3. To provide the common transportation facilities to the farmers in harvesting season to bring agriculture produces at APMC market yard and avoid losses of food grains while post-harvest management process.
4. Products should be made available in small packs as the rural consumers are not able to buy high priced products due to lack of much finance.

Conclusion:

In developing country like India agriculture plays a most important role. Therefore the marketing of agricultural produces is become an essential farmers points of view. The marketing helps in raising standard of living of peoples by selling produces at right place. It provides different opportunities and poses different challenges for the marketer which needs to be studied deeply so as to make suitable marketing strategies. So, this study is imperative to understand the present status of rural market and their opportunities and challenges. APMC System, it is concluded that out of the total sample of farmers majority 67% of farmers give preference to the APMC market yards for selling their produces trough only in the APMC market, whereas remaining farmers either go for open market or within villages sell their agricultural produces.

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