

STUDY OF FACILITIES PROVIDED BY GOVERNMENT FOR AGRICULTURAL MARKETING SYSTEM WITH REFERENCE TO APMC'S OF MAHARASHTRA STATE

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Abstract:

In India, the organized marketing of agricultural commodities has been promoted through a network of regulated markets. Efficient agricultural markets can also be a potent tool for poverty reduction. There is a need to strengthen the marketing system of fruits & vegetables so as to protect the farmer from losses. The entire APMC structure needs to be restructured & make it farmer & consumer oriented.

Key Words: APMC, tool, Efficient.

I. Introduction:

More than three-fifths of India's population draws their livelihood from agriculture that adds just one-fifth to its GDP. There should be obvious serious concerns about efficient functioning of this sector both in terms of its output / productivity and its marketing. While output and productivity are supply side factors, markets provide an intermediate link between producers and final demand by consumers. Efficiently functioning markets add to welfare of producers as well as consumers. Interventions in domestic agricultural markets can affect the efficient allocation of resources negatively thus making domestic agricultural sector less competitive in international markets. This effect can get further magnified through interventions in the border trade policies. Efficient agricultural markets can also be a potent tool for poverty reduction.

In India, the organised marketing of agricultural commodities has been promoted through a network of regulated markets. Most state governments and UT administrations have enacted legislations to provide for the regulation of agricultural produce markets. While by the end of 1950, there were 286 regulated markets in the country, their number as on March 2010 stood at 7157. In addition, India has

22,221 rural periodical markets, about 15 per cent of which function under the ambit of regulation. The advent of regulated markets has helped in mitigating the market handicaps of producers/sellers at the wholesale assembling level.

II. Gaps in Marketing Infrastructure

1. National Horticulture Mission (NHM) only 11 States have taken initiative in establishing 109 cold storages
2. Eight states have established 51 apni mandis, there is virtually no progress in the setting up of wholesale markets except in Kerala
3. Wide gap between rural tele-density (30.18 per cent in November 2010) and urban tele-density (143.95 per cent in November 2010).
4. Only 1637 grading units at the primary level, which include 125 units with cooperatives and 144 units with others
5. Regulated markets, there are only 1368 grading units in a total of 7246 market yards/sub-yards.
6. Only around seven percent of the total quantity sold by farmers is graded before sale
7. Scientific storage capacity is only 30 per cent of the required capacity. Cold storage facility is available for only 10 per cent of fruits and vegetables

III. Research Methodology:

For the sake of convenience and in-depth analysis, this study covers mainly selected districts of the Maharashtra state. The researcher selected six districts for study they are Aurangabad, Jalna, Ahmadnagar, Nashik, Dhule, Latur. District levels APMC were selected for study from the above six districts. A questionnaire has been designed for collecting data from APMC. The questions were both open & close ended. The data collected were analysed & presented in graphical format. The analysis of selected questions is given below.

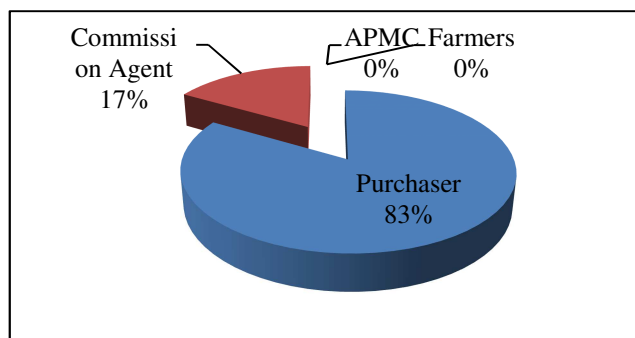
IV. Data Analysis:

Q. Who decides Rates of fruits & vegetables?

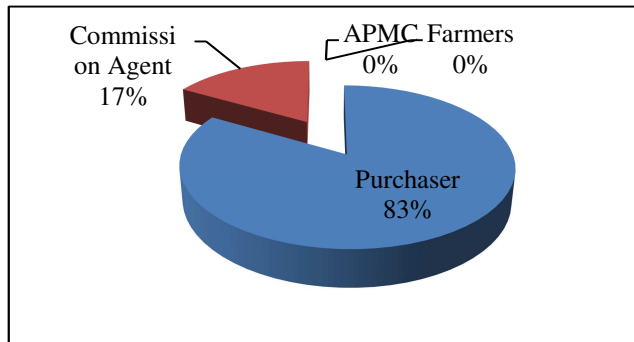
Table No.1. Rate Decider at APMC

Rate Decider	Frequency	Percent
Purchaser	5	83.3
Commission Agent	1	16.7
APMC	0	00

Graph No.1. Rate Decider APMC



Rate Decider	Frequency	Percent
Purchaser	5	83.3
Commission Agent	1	16.7
Farmers	0	00
Total	6	100.0



Interpretation:

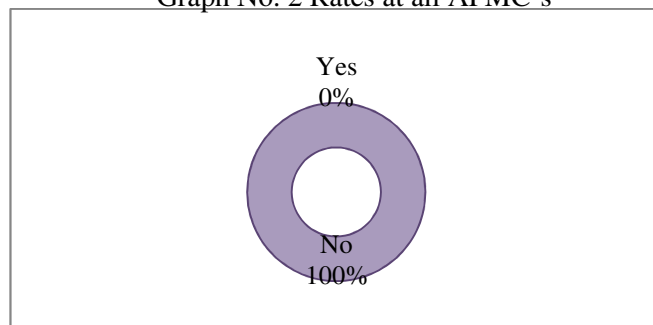
As per above graph 83% APMC's says that purchasers decides the rates of fruits & vegetables, 17% commission agents decides the rates whereas no one says that Farmers or APMC decides the rates of fruits & vegetables. It means purchasers are the stronger player in deciding rates in the trade of pomegranates. Mostly the retailer purchases the fruits & vegetables from farmers & they decide the rates.

Q. Is the Rate uniform in all APMC's?

Table No. 2 Rates at all APMC's

Rate are Equal	Frequency	Percent
No	6	100.0
Yes	00	00
Total	6	100

Graph No. 2 Rates at all APMC's



Interpretation:

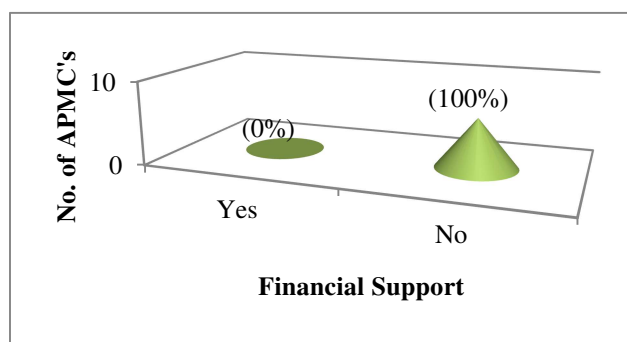
The above graph depicts the fact that according to all i.e. 100% APMC's there were no rates similarity. The rates of the fruits & vegetables vary from APMC to APMC & depend mostly on supply & quality of the fruits & vegetables.

Q. Did the APMC provides any pre-purchase financial support to the farmers for purchase of plants, fertilizers, pesticides etc.?

Table No. 3 Financial Support by APMC's

Graph No. 3 Financial Support by APMC's

Financial Support	Frequency	Percent
No	6	100.0
Yes	00	00
Total	6	100.0



Interpretation:

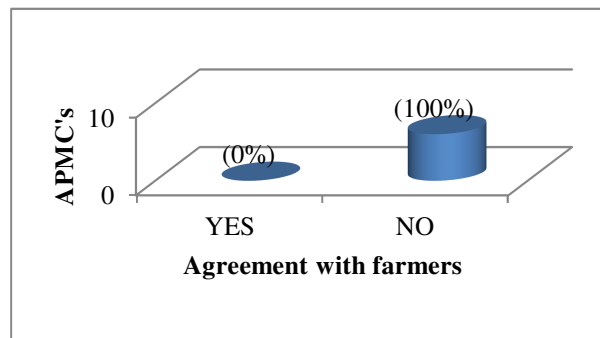
On the basis of above graph it is interpreted that no APMC provides any kind of financial support to the fruits & vegetables producers. As some of the fruits & vegetables are costly crops, they require heavy investment at all stages especially on insecticides. Their fore farmers may require financial help during last stage of harvest & marketing.

Q. Does APMC makes any agreement with the fruits & vegetables Producers?

Table No. 4 Agreement with Farmers

Agreement	Frequency	Percent
Yes	00	00
No	6	100.0
Total	6	100.0

Graph No. 4 Agreement with farmers



Interpretation:

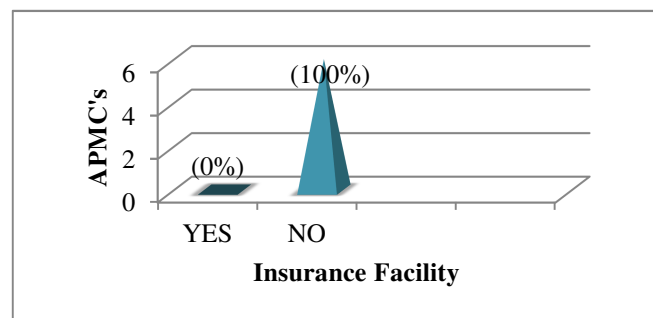
Above graph explains the fact that APMC's are not making any kind of agreement with farmers. It means the farmers are not bound by AMPC's for any fixation. This allows farmers to work differently & not maintain uniqueness in systems. Therefore many farmers don't follow the standard criteria's related to use of fertilizers & pesticides. Also not doing primary processing of fruits before brings them to market.

Q. Does APMC provide some kind of insurance to the fruits & vegetables producers?

Table No.5 Insurance for Farmers

Insurance	Frequency	Percent
Yes	00	00
No	6	100.0
Total	6	100.0

Graph No.5 Insurance for Farmers



Interpretation:

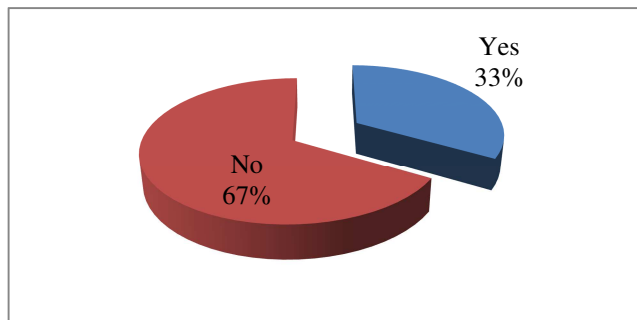
The above graph revealed the fact that all i.e. 100% APMC’s are not provided any kind of insurance to the fruits & vegetables producers. During the marketing phase the unpredicted loss may occurs to the farmers due to natural calamities or excess of supply of fruits & vegetables in the market so insurance is required.

Q. Does APMC has cold storage for fruits & vegetables?

Table No.6 Cold Storage Facility

Cold storage Facility	Frequency	Percent
Yes	2	33.3
No	4	66.7
Total	6	100.0

Graph No. 6 Cold Storage Facility



Interpretation:

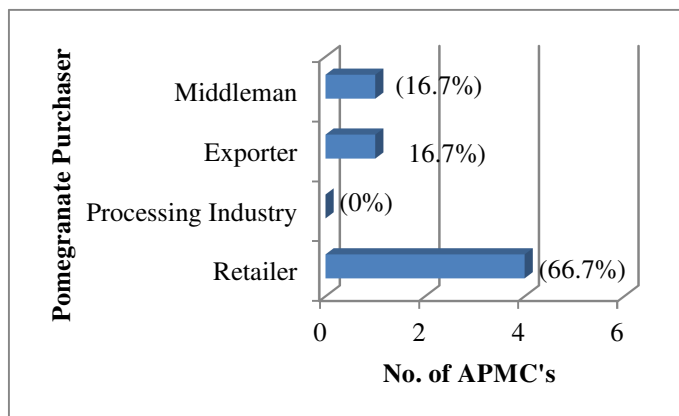
On the basis of above graph it is interpreted that only 33.3% APMC’s provide cold storage facility & 66.7% APMC’s don’t have this facility. Since the market situations are not similar always, in case of excess supply of fruits & vegetables the farmers, commission agents, purchasers need the facility of cold storage for keeping the fruits safe for long duration. The cold storage increases the life of fruits & vegetables for specific duration.

Q. Where does the society sale their fruits & vegetables?

Table No. 7 Purchaser of fruits & vegetables

Pomegranates Purchaser	Frequency	Percent
Retailer	4	66.7
Processing Industry	0	00
Exporter	1	16.7
Middleman	1	16.7
Total	6	100.0

Graph No. 7 Purchaser of fruits & vegetables



Interpretation:

The above graph shows that according to 66.7% APMC’s retail shoppers are the main purchasers of the fruits & vegetables, 16.7% APMC’s each says middleman & exporters are the

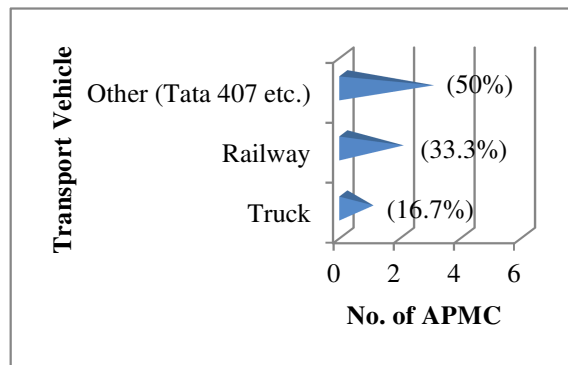
purchasers of the fruits & vegetables. As the retailers are the main sellers of the fruits & vegetables to the consumers.

Q. Which method of transport you prefer?

Table No. 8 Method of Transport Suggest

Method of Transport	Frequency	Percent
Truck	1	16.7
Railway	2	33.3
Other	3	50.0
Total	6	100.0

Graph No. 8 Method of Transport Suggest



Interpretation:

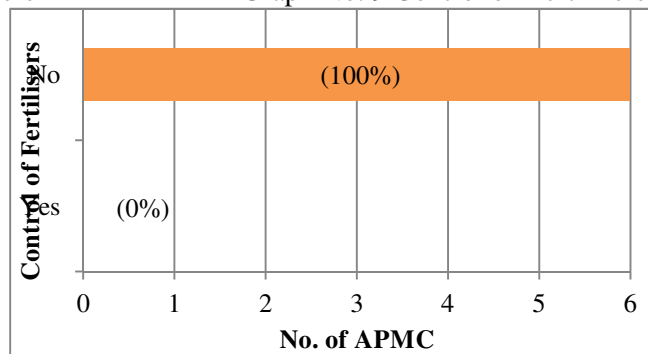
Above graph represent the fact that Maximum i.e. 50% APMC’s suggests the other methods of transport which includes four wheelers especially multi utility vehicles like Tata-407 etc. secondly 33.3% of the APMC’s suggests railways for transportation as it reduces damage or accidents. Thirdly 16.7% of the APMC’s suggests trucks which can carry heavy load & suitable for long distance.

Q. Does APMC Control farmers regarding use of fertilizers?

Table No. 9 Control on Fertilizers used by Farmers

Control on Fertilizers	Frequency	Percent
Yes	0	0
No	6	100
Total	6	100.0

Graph No. 9 Control on Fertilizers



Interpretation:

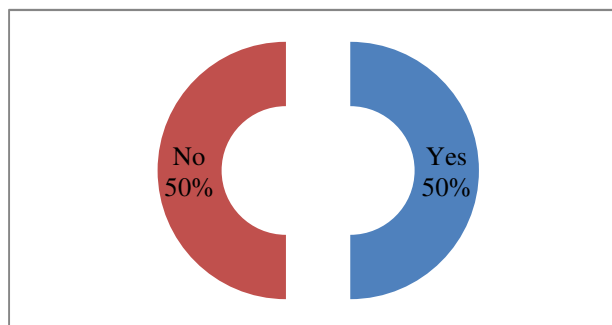
No APMC’s controls farmers for use of fertilizers. Farmer’s uses more fertilizers for increasing yield but it increases the possibility of harm to the end-users & decreases the productivity of land. Although such fruits & vegetables are allowed to sell in the APMC’s & they have no control.

Q. Do you know safe food concept?

Table No. 10 Know the Safe Food Concept

Safe food concept	Frequency	Percent
Yes	3	50.0
No	3	50.0
Total	6	100.0

Graph No. 10 Know the Safe Food Concept



Interpretation:

It is interpreted on the basis of above graph that 50% APMC’s knows the concept of safe food & 50% APMC’s don’t know the concept. There are some pesticides which go inside the plants & affect the fruits. This kind of pesticides can create harm to the consumers. Whereas some pesticides don’t go inside the plant and not harmful, they are suggested for consumer & called as safe food. The study shows that only 50% APMC’s know this concept, this also means they are not using safe foods concept & allowing all types of fruits & vegetables in the market, which may be dangerous for human life.

Q. What are the typical problems faced by APMC’s?

Interpretation: The APMC’s in Maharashtra facing following typical problems in fruits & Vegetable market.

- Farmers don’t know about primary processing like cleaning, grading etc. they mix-up all fruits & vegetables together & bring it to market.
- High supply (all farmers bring fruits & vegetables at one time) sometimes results into less prices. Farmers don’t have proper planning & knowledge of market.
- No Export so prices less during more supply.
- Production cost is more than market price of fruits & vegetables.
- No co-ordination among farmers regarding supply & prices of fruits & vegetables.

V. Suggestions:

1. As per the data analysis the finding are there are no unique rates of fruits at all APMC’s so it is suggested that the APMC’s should work in co-ordination with each other. The rates should be equal at all APMC’s this can be synchronies by internet network. This gives a benefit of decentralization, the farmers can sale fruits & vegetables at their nearer APMC’s & it will reduce transportation cost. It is

also observe that mostly rates are decided by retailers or commission agents this also mean the APMC's don't have any control over rates. The APMC's should decide minimum fruit prices depends on supply & give instructions to the commission agents.

2. It is also observe that the APMC's don't have any control on farmers so it is recommended that the APMC's should provide certain guidelines to the farmers regarding grading, packaging & most important use of fertilizers. The APMC's should use controlling methods for use of chemical pesticides used for fruits. The APMC's should force farmers to establish small groups & societies of fruits & vegetables producers. The training of primary processing should be provided by APMC's to the farmers. The APMC's should force farmers to bring graded fruit only at market.

3. Very few APMC's provide cold storage facilities for agriculture produces reached at market place so it is recommended that all APMC's should build up the cold storage houses or promote private players to build up storage houses nearer to the APMC areas. So that in case of bad weather conditions farmers or commission agents can utilize it. This will protect the fruits from damage & maintain freshness especially during high waiting period. Also promote traders to use them.

4. The APMC's along with government should provide insurance facility to the fruits & vegetables that reached at APMC market. The insurance will be depends on damages of fruits because of bad climatic conditions. This will encourage the farmers as well as commission agents for do fruits & vegetables business at sure outcome rather than nothing.

5. APMC's should prepare separate export zone at market where facility of transportation will be available, it will encourage & attract big traders for export. Even it is suggested that APMC's should promote farmers to do export.

6. As basic facilities are not available at many APMC's so it is suggested that APMC's should provide & upgrade the existing facilities of drinking water, toilet facilities, roads, parking etc. Many farmers are coming from long distances so the APMC's should provide them lodging & canteen facilities at fewer prices. Proper cleanliness should be required at all APMC's. Proper roads are required with space for six wheeler vehicles.

VI. Conclusion:

On the basis of above study it is observed that the government needs to improve the facilities at APMC's. The farmers need support in marketing of fruits & vegetables. There is a need to strengthen the marketing system of fruits & vegetables so as to protect the farmer from losses. The entire APMC structure needs to be restructured & make it farmer & consumer oriented. This will facilitates the relief to the farmers & improve the agriculture sector.

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