

# A Study on Satisfaction Level of Farmers towards Agricultural Produce Marketing Committee of (Dhamtari District)

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**Abstract:** *Indian economy is primarily an agricultural economy. The very existence of economic activities of the entire people is related to the state and health of this sector. India ranks second worldwide in farm output. Agriculture and allied sectors like forestry, logging and fishing accounted for 14.0% of the GDP in 2011-12, employed 58.00% of the total workforce. Hence the level of efficiency and productivity in agriculture more or less determines the efficiency of Indian economy. Marketing of agricultural produce is considered as an integral part of agriculture. Indian farmers are facing some problems in marketing and selling of their agricultural produces because of the long and complicated channel of distribution and malpractices present in markets. For solving the problems of farmers, to support them and to safeguard the interest of the farmers, APMC (Agricultural produce marketing committees) were constituted. Agricultural Produce Market Committees constituted as per APMC Act manages the markets. with a view to regulate the marketing of agricultural produce in market area The Chhattisgarh Agricultural Marketing Act of agricultural produce is regulated and infrastructure is developed under Krishi Upaj Mandi Adhiniyam 1972 (Act No. 24 of 1973).Amendments were made on notification no./krishi/mandi/D/2006/15/14-3 dated on 16-12-2000. Since year 2000 APMCs are working in Chhattisgarh. This paper talks about the financial performance of APMCs of Dhamtari district, farmers views and satisfaction level towards the facilities provided by these APMCs*

**Keywords:** Agricultural produce marketing committee, APMCs of Dhamtari district, financial performance of the APMCs, facilities provided by APMCs, satisfaction level of farmers

## 1. Introduction

The vast majority of this country's population depends on agriculture for its livelihood. During the last few decades, there have been significant developments in this crucial sector resulting in higher food production. Green Revolution, coupled with other developmental programmes, has transformed the face of rural India along with the production of oilseeds, jute, cotton, sugarcane, etc. India is the second largest producer of fruits and vegetables in the world. The country is not only self-sufficient in food grains, but has surplus stocks for export. In spite of impressive record on agricultural front, clear signs are emerging that it may not be possible to sustain the growth unless growers are assured of fair returns on their capital investment and hard labour. The Government is already aware of this fact and has taken several measures to deal with the problems which are looming large. The development of the industrial and the service sectors has not been competent enough to provide employment to the increasing additions to the working population. Agriculture is the main source of raw materials to the industries. The value of agricultural raw materials is about 20.5 percent of the industrial production in India. The importance of agriculture can also be measured by its contribution to the GDP. The share of agriculture in the national income was estimated at 18.5 percent in 2006 -07. The Tenth Plan estimated that the agricultural commodities and allied products would contribute 14.7 percent of foreign exchange earnings. The rural sector in India accounts for about 72 percent of the population and contributes nearly half to the country's GDP. The vast size of the sector makes it attractive to the country as a potential market for goods and services to boost their sales and profitability.

Agriculture is the backbone of the Indian economy. Despite the rapid strides of progress made on industrial front, agriculture continues to play a predominant role in accelerating the economic development. The two basic elements of agriculture are production and marketing of agriculture produce. Marketing of agriculture produce is as important as production itself. Agricultural marketing involves the movement of food and raw materials from the farmers to the consumers. For this, it requires a marketing system, which, in turn, depends upon the organization of market, its structure and conduct. The market structure, conduct and performance are causal and sequential phenomenon of interaction on the market. The market structure refers to the characteristics of a market which affects the traders' behaviour and, in turn, their performance. The marketing of agricultural produce is generally transacted in one of the following way Under cover or the Hatta System, Open auction system, Dara system, Moghum sale, Private agreement, Government purchase, Marketing agencies and through Agricultural produce marketing committee. The APMCs were established by the state government for regulating the marketing of different kinds of agriculture and pisciculture produce for the same market area or any part thereof. Agricultural Markets in most parts of the Country are established and regulated under the State APMC Acts. The whole geographical area in the State is divided and declared as a market area wherein the markets are managed by the Market Committees constituted by the State Governments. Once a particular area is declared a market area and falls under the jurisdiction of a Market Committee, no person or agency is allowed freely to carry on wholesale marketing activities. The monopoly of Government regulated wholesale markets has prevented

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development of a competitive marketing system in the country, providing no help to farmers in direct marketing, organizing retailing, a smooth raw material supply to agro-processing industries and adoption of innovative marketing system and technologies. It is the duty of the Market Committee to implement the provisions of the Agricultural Produce Marketing (Regulation) Act. The Act provides for establishment of Market Committees in the State. These Market Committees are engaged in development of market yards for the benefit of agriculturists and the buyers.

## 2. Chhattisgarh APMC

Chhattisgarh State is having a large percentage of geographical area used as agricultural land. In the year 2002 out of the entire land area of 13787000 hec. The net irrigated region of C.G. was around 1072000 hec, it was near about

77.7% of land area. Out of 137.00 lakh hectares geographical area of Chhattisgarh, 43 % area comes under cultivation. As per the census 2001, 83 % of the population of the state is engaged in Agriculture & allied sector. This indicated the extensive contribution of agriculture towards the economy of C.G. The Chhattisgarh Agricultural Produce Marketing (Regulation) was passed in the year 1972 with a view to regulate the marketing of agricultural produce in market area. Some important changes have been made in this Act on 23/12/ 2000 according to the verification no. - /D/2000/13/14-3. Chhattisgarh state is having total 73 mandis and 111 upmandis. 12 mandis are of grade A, 17 mandis are of grade B, 30 mandis are having grade C, and 14 mandis are of grade D. There are three APMCs in Dhamtari district. Principle crops of Dhamtari district are

**Details of Income, Expenditure, and total arrival of agricultural produce of Dhamtari District**

District	Establishment year	Name of APMC	Grade of APMC	Year	Total income	Increase or decrease	Total expenses	Increase or decrease	Total arrival	Increase or decrease
Dhamtari	1972	Dhamtari	A	2009-10	395.62		634.47034		2283833	
				2010-11	403.07	2.99	501.40312	-26.54	2023292	-11.41
				2011-12	423.89	3.85	551.78845	9.13	1866868	-7.73
				2012-13	669.61	61.07	737.59857	25.19	2364632	26.66
				2013-14	496.37	-30.61	502.40345	-46.81	2456050	3.87
	1965	Kurud	A	2009-10	472.35		623.13784		3184985	
				2010-11	715.35	51.61	708.94400	12.10	3428335	7.64
				2011-12	856.58	18.58	839.91892	15.59	3917561	14.27
				2012-13	873.36	2.99	769.08509	-9.21	3824089	-2.39
				2013-14	1070.86	9.15	1011.32335	23.95	4158680	8.75
	1969	Nagri	B	2009-10	108.86		130.42961		684314	
				2010-11	134.59	39.75	164.17924	20.56	742627	8.52
				2011-12	189.03	38.63	167.70560	2.10	833618	12.25
				2012-13	161.47	-16.73	159.22004	-5.33	893394	7.17
				2013-14	230.98	29.88	210.87439	24.50	1142017	27.83

## 3. Review of Literature

(Gandhi, 2006) concluded that studies from India have shown that improvement in market facility increases volume of trade at the market. Similarly, improvement in transport infrastructure is found to result in change in cropping pattern and agricultural productivity. In the emerging scenario, the core concern has to shift from food security to productivity and diversification. In this ( Ramkishen, 2004) argued that because of the lack of food processing and storage, the grower is deprived of a good price for his produce during the peak marketing season while the consumer needlessly pay a higher price during lean season. (Pathak, 2009) stated that the contribution of agriculture in growth of a nation is constituted by the growth of the products within the sector itself as well as the agricultural development permits the other sectors to develop by the goods produced in the domestic and international market. (Karahocagil and Ozudogru, 2011) studied about the agricultural development cooperatives in Turkey; the results revealed that the member farmers and traders were satisfied with the agricultural cooperatives, as the cooperatives help the members by disseminating information on various issues like production, input gathering, marketing, processing etc. (Ifeyani-Obi, 2008) stated that improving sales promotion of Agro-products is an indirect way of improving or encourages more production in farm products. It is therefore recommended

that Agro-industries should employ promotional activities in order to boost their sales thereby increasing demand of farm products. Also suggestions on how to improve sales promotion given by the respondents should be applied in conducting sales promotion in order to have successful and profitable sales promotion. It is crucial to the farmers to make informed decisions about what to grow, when to harvest, to which market produce should be sent and whether or not to store it. Improved information should enable traders to move produce profitably from a surplus to a deficit market and to make decisions about the viability of carrying out storage where technically possible (Amrutha, 2009). Vaswani, et.al. (2003) stated that agriculture in any country goes through a cycle of development process which can be termed as 'commoditization to commercialization'. Despite the cost effectiveness of the production system at the commoditization stage, the agriculture transition towards commercialization is natural though its pace may be influenced by external factors like agricultural policy framework, extent of market imperfections, overall standards of living of majority population, etc. Dev, et.al., (2010) stated that food availability is a necessary condition for food security. India is more or less self sufficient in cereals but deficit in pulses and oil seeds. Due to changes in consumption patterns, demand for fruits, vegetables, dairy, meat, poultry, and fishery products has been increasing.

There is a need to increase crop diversification and improve allied activities.

Objective of the study:

- 1) To evaluate the market facilities to the farmers of agricultural produce in Dhamtari district.
- 2) To examine the marketing infrastructure for the selected agricultural produce in Dhamtari district.
- 3) To evaluate the role of the market intermediaries (APMCs) in marketing the agricultural produce in Dhamtari district.
- 4) To submit such meaningful suggestions, as may be appropriate.

#### 4. Methodology

With the idea of understanding the perception, satisfaction and problems faced by farmers and towards Agricultural produce marketing committee. A descriptive type of research design is followed to carry out the research. The population of the study consists of all the farmers of Dhamtari district. Dhamtari district is having 3 APMCs (Dhamtari, Kurud and Nagri). 40 farmers from each APMC were selected as samples. Total numbers of samples collected were 120. Data was collected through convenience

sampling method, as total number of farmers in Dhamtari district was unknown. Structured questionnaire has been used for collecting the views of farmers. Under this schedule both close and open ended questions were asked. Both personal and subject related questions were used for interview of farmers. Convenience sampling method was used for data collection. As a pre test 10 copies of questionnaire were given to farmers. Their queries and suggestions were welcomed for modification. Mean score and percentage methods were implemented for processing of data. For secondary data Chhattisgarh government reports, different magazines, news papers, information available in internet, journals, departmental publications, were used. After collection of data proper tabulation was done. And as per the findings of different statistical tools used possible conclusions and suggestions were given. The secondary sources of data were annual reports of the regulated markets, formal discussion with the regulated market officials, various trade reports, journals and books. Personal interview method has been used for this study. Self structured questionnaire was used for primary data collection.

#### 5. Results and Discussion

##### Demographic Profile of Farmers

Variables	Response- Frequency(Percentage)			
Age (in years)	Up to 25 years (12) 10%	25 – 50 years (78) 65%	Above 50 years (30) 25%	
Gender	Male 85%		Female 15%	
Educational Qualification	Illiterate (39) 32.5%	Below S Sc- (45 ) 37.5%	Intermediate- (27) 22.5%	Degree and above- (09) 7.5%
Marital Status	Married (96) 80%		Unmarried (24) 20%	
Main Occupation	Agriculture (96) 80%	Employee (08) 6.66%	Business (14) 11.67%	Others (02 ) 1.67%
Annual income (Million Rs)	Up to 10000 (13) 10.83%	10000 – 50000 (78) 65%	50000 – 100000 (19) 15.83%	100000 and above (10) 8.34%
Size of land	0 – 2.5 acre (42) 35%	2.5 – 5 acre (66) 55%	5 acre and above (12) 10%	

##### Table of mean scores

Facilities provided by APMC	Mean score
Bidding system	2.4
price awareness system	4.24
conflict handling system	4.53
training system	2.30
weighing system	3.60
payment system	4.47
proper handling charges	4.35
proper accessibility of market	4.67
Information availability	4.32
Good interpersonal relationship	4.54
Processing time taken	2.43
Storage go downs	3.23
Proper shed facility	4.28
Canteen and refreshment	4.67
Restroom and washroom facilities	4.19
parking facilities	4.26
Display board and notice	3.79
Proper drinking water facility	4.55

#### 6. Findings

- 1) Out of our total sample (85%) were male farmers and (15%) were female farmers.
- 2) Most of the farmers (55%) are having 2.5 to 5 acre agricultural land.
- 3) Most of the respondents (80%) were married.
- 4) Most of the farmers are of age group between 25-50 years (about 65%).
- 5) Most of the farmers (80%) are having agriculture as their main source of income.
- 6) Most of the farmers (37.5%) are having education below ssc and only 7.5% farmers are having any degree.
- 7) Out of our total sample (65%) farmers are having annual income between Rs. 10000 to 50000 .
- 8) Farmers are not satisfied with the training and guidance facilities provided by APMCs as the mean score is very low (2.30).
- 9) Farmers are not satisfied with the processing time taken here as the mean score is only(2.43)
- 10) Farmers are not satisfied with the bidding system followed by APMCs. They want a fix and fair amount to be fixed for starting the bidding.

- 11) Farmers are satisfied enough with the price awareness, Proper drinking water facility, conflict handling system, weighing system, payment system, proper accessibility of market, Information availability, Good interpersonal relationship, Proper shed facility, Canteen and refreshment, Restroom and washroom facilities, parking facilities, Display board and notice.
  - 12) Farmers want some more arrangements related to storage go downs.
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## 7. Suggestions and Conclusion

About 80 percent of the population in the Chhattisgarh state is engaged in agriculture and 43 percent of the entire land is under cultivation. In Dhamtari district farmers sell a large portion of their agricultural produce through APMCs, because farmers get fair pricing , security of crops, payment on time, guidance from employees, security from malpractices, proper weighing system and other essential facilities they opt to sell their agricultural products through APMCs . Most of the responses of farmers about APMCs of Dhamtari district were positive. Farmers of Dhamtari district want some more and frequent training and awareness programs. And they want lesser processing time. Farmers want that crops other than paddy should also be given equal importance. And just like the scheme of Minimum support price a fair minimum price should be fixed for the crops so that farmers are going to get at least that fair minimum price for their crops. APMCs of Dhamtari district should observe APMCs of other states and according to that they should provide facilities and provision of modern amenities there. The government should also examine its policies and regulations with view to strength the marketing network. Indian agriculture needs further improvement as agriculture continuously remains as a source of livelihood to majority of the population here. Being a public platform to remove the malpractices of agricultural trade and for the benefit of farmers and traders in the country, these governments institutions need more backup from the government side to attract and secure the interests of both the sellers and buyers in the market.

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