



## Analysis of Problems of Market Functionaries in Gadag APMC of Karnataka State- A Study

### KEYWORDS

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**ABSTRACT** *In India Agricultural Marketing facing problems of improper warehouses, inadequate market information, dominance of middlemen, lack of transport and communication. With faster changes in and through technology, agrarian issues are also becoming pertinent. The present study analyse the problems of market functionaries in Gadag APMC of Karnataka State. The present study is based on both primary as well as secondary data. The primary data were collected from 100 market functionaries by issuing questionnaires. Further, Likert's five point scaling technique has been used to analyse the problems of market functionaries. Lack of Infrastructure facilities, transport facilities, storage facilities and labour wages are the major problems in the Gadag APMC.*

### Introduction

Regulation of markets has become an integral part of agricultural marketing system in India. The regulatory provisions of the Agricultural Markets Acts are implemented through the APMCs. The APMC Act consists of provisions relating to marketing of agricultural commodities and they are directly related to the farmers, traders, and official members. Representative members of the farming community are in the management of APMC, guides in implementing the provisions of the APMC Act. However, the integrity, honesty, and willingness of the market functionaries and employees of market committee are important in the successful functioning of the APMC. The market functionaries are broadly classified in to two categories based on their functions; trading and non-trading functionaries. Trading functionaries are buyers, commission agents, importers, exporters, etc. Non-trading functionaries are weighmen, hamalies, cart men, etc. The competitive conditions in the market influences trading functionaries and non-trading functionaries renders certain important services like, weighing, loading and unloading, cleaning and sewing, etc. The trading functionaries certainly play a vital role as compared to non-trading functionaries and therefore there is a need to study the problems of market functionaries in APMCs.

### Objectives of the Study:

- To study the demographical factors of market functionaries of Gadag APMC
- To analyse the problems of market functionaries in Gadag APMC
- To offer suggestions on lights of findings

### Methodology:

The present study is based on both primary and secondary data. The primary data were collected from the 100 market functionaries of Gadag APMC by issuing well organized questionnaires. Further, the collected data has been analysed by using Likert's five point scaling technique. Secondary data also used to construct theoretical background for the article. Thus, the secondary data were collected from the annual reports, articles, magazines, news paper, textbooks, and internet.

### Hypothesis of the study:

**(Ho);** there are problems in marketing functionaries in different APMCs of Gadag district

**(Ha);** there are no problems in marketing functionaries in different APMCs of Gadag district

**Table 1: Classification of Market Functionaries on the basis of Age**

Age	Gadag	Nargund	Mundargi	Holealur	Laxmeshwar	Total
<b>Below -30</b>	02 (28.6) (10.00)	02 (38.6) (10.00)	02 (28.6) (10.00)	01 (14.3) (05.00)	00	<b>07 (100) (07.00)</b>
<b>30-40</b>	01 (6.7) (05.00)	02 (13.3) (10.00)	02 (13.3) (10.00)	05 (33.3) (25.00)	05 (33.3) (25.00)	<b>15 (100) (15.00)</b>
<b>40-50</b>	05 (16.7) (25.00)	04 (13.3) (20.00)	05 (16.7) (25.00)	07 (23.3) (35.00)	09 (30.0) (45)	<b>30 (100) (30.00)</b>
<b>50-60</b>	06 (22.2) (30.00)	08 (29.6) (40.00)	08 (29.6) (40.00)	01 (3.7) (05.00)	04 (14.8) (20)	<b>27 (100) (27.00)</b>
<b>60-70</b>	06 (30.0) (30.00)	03 (15.0) (15.00)	03 (15.0) (15.00)	06 (30.0) (30.00)	02 (10.0) (10)	<b>20 (100) (20.00)</b>
<b>Above -70</b>	00	01 (100) (05.00)	00	00	00	<b>01 (100) (01.00)</b>
<b>Total</b>	<b>20 (20.0) (100)</b>	<b>20 (20.0) (100)</b>	<b>20 (20.0) (100)</b>	<b>20 (20.0) (100)</b>	<b>20 (20.0) (100)</b>	<b>100 (100) (100)</b>

Source; Primary Data

Figures in the parenthesis indicate percentages to the respective row and column total.

It is clear from table 1 that out of total market functionaries, 30 per cent are in age between 40-50 years, 27 per cent are in age between 50-60 years, 20 per cent are in age between 60-70 years and 7 per cent are age below 30 years. Further, out of total market functionaries of Gadag APMC, 30 per cent are in age between 60-70 years and 25 per cent are in age between 40-50 years. Out of total market functionaries of Nargund APMC, 40 per cent are

in age between 50-60 years and 5 per cent are in above 70 years. Out of total market functionaries of Mundargi APMC, 40 per cent are in age between 50-60 years and 25 per cent are in age group of 40-50 years. Out of total market functionaries of Holealur APMC, 35 per cent are in age between 40-50 years and 25 per cent are in age group of 30-40 years. Out of total market functionaries of Laxmeshwar APMC, 45 per cent are in age between 40-50 years and 25 per cent are in age group of 30-40 years. This indicates that more numbers of market functionaries are in age between 30-40 years.

**Table 2: Classification of Market Functionaries on the basis of Education**

Education	Gadag	Nargund	Mundargi	Holealur	Laxmeshwar	Total
Primary	01 (25.0) (05.00)	00	03 (75.0) (15.00)	00	00	04 (100) (04.00)
SSLC	06 (28.6) (30.00)	02 (9.5) (10.00)	06 (28.6) (30.00)	05 (23.8)(25.00)	02 (9.5) (10.00)	21 (100) (21.00)
PUC	08 (17.0) (40.00)	08 (17.0) (40.00)	09 (19.1) (45.00)	10 (21.3) (50.00)	12 (25.5) (60.00)	47 (100) (47.00)
Degree	05 (18.5) (25.00)	09 (33.3) (45.00)	02 (7.4) (10.00)	05 (18.5) (25.00)	06 (22.2) (30.00)	27 (100) (27.00)
P.G.	00	01 (100) (05.00)	00	00	00	01 (100) (01.00)
<b>Total</b>	<b>20(20.0)</b>	<b>20(20.0)</b>	<b>20 (20.0)</b>	<b>20 (20.0)</b>	<b>20 (20.0)</b>	<b>100 (100)</b>

Source; Primary Data

Figures in the parenthesis indicate percentages to the respective row and column total.

It is clear from table 2 that out of total market functionaries, 47 per cent are PUC, 27 per cent are degree, 21 per cent are SSLC and 4 per cent are primary education. Out of total market functionaries of Gadag APMC, 40 per cent are PUC and 5 per cent are primary. Out of total market functionaries of Nargund APMC, 45 per cent are Degree and 40 per cent are PUC. Out of total market functionaries

of Mundargi APMC, 45 per cent are PUC and 30 per cent are SSLC. Out of total market functionaries of Holealur APMC, 50 per cent are PUC and 25 per cent are SSLC. Out of total market functionaries of Laxmeshwar APMC, 60 per cent are PUC and 30 per cent are Degree. This indicates that more numbers of market functionaries have PUC education.

**Table 3: Classification of Market Functionaries on the basis of Reasons for Choosing Business**

Reasons	Gadag	Nargund	Mundargi	Holealur	Laxmeshwar	Total
Hereditary Occupation	14(28.57)(70.00)	10(20.41) (50.00)	08(16.33) (40.00)	09(18.37) (45.00)	08(16.33) (40.00)	49(100) (49.00)
Unemployment	00	03(42.86) (15.00)	02(28.57) (10.00)	01(14.28) (05.00)	01(14.28) (05.00)	07(100) (07.00)
Attracted by Income	02(15.38) (10.00)	03(23.07) (15.00)	02(15.38) (20.00)	03(23.07) (15.00)	03(23.07) (15.00)	13(100) (13.00)
Induced by Serving under Commission Agents & Traders	04(14.29) (20.00)	03(10.71) (15.00)	07(25.0) (35.00)	07(25.0) (35.00)	07(25.0) (35.00)	28(100) (28.00)
Other	00	01(33.33) (05.00)	01(33.33) (05.00)	00	01(33.34) (05.00)	03(100) (03.00)
<b>Total</b>	<b>20 (20.0)</b>	<b>20 (20.0)</b>	<b>20 (20.0)</b>	<b>20 (20.0)</b>	<b>20 (20.0)</b>	<b>100 (100)</b>

Source; Primary Data

Figures in the parenthesis indicate percentages to the respective row and column total.

It is clear from table 3 that out of total market functionaries, hereditary occupation is the reason for 49 per cent, induced by serving under commission agents and traders is the reason for 28 per cent, attracted by income is the reason for 13 per cent and unemployment is the reason for 7 per cent for choosing business in Gadag district APMCs.

Table 4: Classification of Market Functionaries on the basis of Experience in Business

Experience (in Year)	Gadag	Nargund	Mundargi	Holealur	Laxmeshwar	Total
<b>Below- 5</b>	00	00	04 (66.7) (20.00)	02 (33.3) (10.00)	00	<b>06(100)(06.00)</b>
<b>5-10</b>	05(18.5) (25.00)	06(22.2) (30.00)	05(18.5) (25.00)	04(14.8) (20.00)	07(25.9) (35.00)	<b>27(100) (27.00)</b>
<b>10-20</b>	06(15.8) (30.00)	06(15.8) (30.00)	07(18.4) (35.00)	08(21.1) (40.00)	11(28.9) (55.00)	<b>38(100) (38.00)</b>
<b>20-30</b>	01(11.1) (05.00)	03(33.3) (15.00)	02(22.2) (10.00)	01(11.1) (05.00)	02(22.2) (10.00)	<b>09(100) (09.00)</b>
<b>Above 30</b>	08(40.0) (40.00)	05(25.0) (25.00)	02(10.0) (10.00)	05(25.0) (25.00)	00	<b>20(100) (20.00)</b>
<b>Total</b>	<b>20(20.0)</b>	<b>20(20.0)</b>	<b>20(20.0)</b>	<b>20(20.0)</b>	<b>20(20.0)</b>	<b>100(100)</b>

Source; Primary Data

Figures in the parenthesis indicate percentages to the respective row and column total.

It is evident from table 1 that out of total market functionaries, 38 per cent have 10-20 years, 20 per cent have above 30 years, and 27 per cent have 5-10 years experience in business. Out of total market functionaries of Gadag APMC, 40 per cent have more than 30 years and 30 per cent have 10-20 years experience. Out of total market functionaries of Nargund APMC, 30 per cent have 5-10 years and 10-20 years experience and 25 per cent have more than 30 years experience in business. Out of total market functionaries of Mundargi APMC, 35 per cent have 10-20 years and 25 per cent have 5-10 years experience in business. Out of total market functionaries of Holealur APMC, 40 per cent have 10-20 years and 25 per cent have more than 30 years experience in business. Out of total market functionaries of Laxmeshwar APMC, 55 per cent have 10-20 years and 35 per cent have 5-10 years experience in business. This signifies that more number of market functionaries have 10-20 years experience in business.

Table 5: Level of Problems Faced By Market Functionaries in Gadag APMC

Problems	VH	H	M	VL	L	Mean	Total
Inadequate quantity of arrivals	09	06	03	02	00	<b>3</b>	<b>4.1</b>
Fixation of minimum price by the sellers	04	02	07	06	01	<b>3</b>	<b>3.1</b>
High credit period	06	01	07	05	01	<b>3</b>	<b>3.35</b>
High credit sale	05	03	02	08	02	<b>3</b>	<b>3.05</b>
Demand for consumption	00	01	03	00	16	<b>3</b>	<b>1.55</b>
Working even odd hours	00	05	06	09	00	<b>3</b>	<b>2.8</b>
High cost of labour	16	02	02	00	00	<b>3</b>	<b>4.7</b>
Lack of co-operation of labour	02	08	05	04	01	<b>3</b>	<b>3.3</b>
Frequent disputes with farmers	02	08	06	04	00	<b>3</b>	<b>3.4</b>
Frequent dispute with purchaser, exporter & importers	08	04	04	02	02	<b>3</b>	<b>3.7</b>
High incidental charges of rent, insurance and telephone bill	01	00	09	10	00	<b>3</b>	<b>2.6</b>
Transportation not available readily	09	06	03	02	00	<b>3</b>	<b>4.1</b>
High transportation cost in busy season	11	05	01	03	00	<b>3</b>	<b>4.2</b>
Risk of transportation	05	03	10	01	01	<b>3</b>	<b>3.5</b>
Harassment by police and check post	00	00	02	14	04	<b>3</b>	<b>1.9</b>
No regular supply of produce	09	01	00	10	00	<b>3</b>	<b>3.45</b>
Heavy advance payment	00	00	00	14	06	<b>3</b>	<b>1.7</b>
Inadequate storage facilities	08	08	04	00	00	<b>3</b>	<b>4.2</b>
Lack of transport facilities	03	07	05	05	00	<b>3</b>	<b>3.4</b>
<b>Total</b>	<b>98</b>	<b>70</b>	<b>79</b>	<b>99</b>	<b>34</b>	<b>3</b>	<b>3.27</b>

Source; Primary Data

Note; 20 sample market functionaries were collected from Gadag APMC

VH=Very High, H= High, M=Moderate, VL=Very Low and L=Low

It is revealed from table 5 that the calculated value of mean of inadequate quantity of arrivals, fixation of minimum price by the sellers, high credit period, high credit sale, high cost of labour, lack of co-operation of labour, frequent disputes with farmers, frequent dispute with purchaser, exporter and importers, transportation not available readily, high transportation cost in busy season, risk of transportation, no regular supply of produce, inadequate storage facilities, lack of transport facilities is higher than expected mean (i.e. 4.1, 3.1, 3.35, 3.05, 4.7, 3.3, 3.4, 3.7, 4.1, 4.2, 3.5, 3.45, 4.2 and 3.4), and therefore it can be inferred that most of market functionaries in Gadag APMC are facing high problems in said attributes. However, calculated value of mean of demand for consumption, working even odd hours, high incidental charges of rent, insurance and telephone bill, harassment by police and check post and heavy advance payment is less than expected mean (i.e. 1.55, 2.8, 2.6, 1.9 and 1.7), and therefore it can be inferred that most of the market functionaries in Gadag APMC are facing very low problems in said attributes. Since, the total mean value is greater than the expected mean value (i.e.3.27), the level of problems in market functionaries of Gadag APMC is high.

#### Findings of the study:

- 30 per cent market functionaries are in age group between 40-50 years.
- 47 per cent market functionaries are completed PUC level education.
- Hereditary occupation is the reason for 49 per cent market functionaries to undertake business.
- 38 per cent have 10-20 years business experience,
- Inadequate quantity of arrivals, fixation of minimum price by the sellers, high credit period, high credit sale, high cost of labour, lack of co-operation of labour, frequent disputes with farmers, frequent dispute with purchaser, exporter and importers, transportation not available readily, high transportation cost in busy season, risk of transportation, no regular supply of produce, inadequate storage facilities, lack of transport facilities are the high problems of market functionaries in Gadag APMC.

#### Suggestions:

##### Enhance Infrastructure Facilities in Rural Area:

Infrastructure facilities such as roads, transport, storage, etc, are very much inadequate in rural area. Hence, Proper storage facility should be provided to the farmers, the measures has to be taken to improve the transportation facilities, existing grading facility is inadequate further improvement is need in the grading facility, farmers need financial support through commercial banks and proper information should be provide to the farmers. The state government has to make provision for imposition of

single point levy of market fee on the sale of notified agricultural commodities in any market area. It is emergence to establish infrastructure facilities in the rural area to increase the arrivals of the produce.

#### Efficient Agricultural Marketing:

An efficient agricultural marketing is essential for the development of the agriculture sector as it provides outlets and incentives for increased production, the marketing system contribute greatly to the commercialization of subsistence farmers. The State has to facilitate varying models of ownership of markets to accelerate investment in the area and enable private investment in owning, establishing and operating markets. Working of existing Government regulated markets also need to be professionalized by promoting public private partnership in their management.

#### Appropriate legal framework

Appropriate legal framework is also required to promote direct marketing and contract farming arrangements as alternative marketing mechanism. Therefore, there is a need to formulate a new model law for agricultural market.

#### Introduce Effective E-trading

The traders have to introduce effective E-trading immediately. Because, it helps to ensure competitive price for the farmers' produce, to bring in transparency in the sale transaction, to complete the process of sale in a shorter possible time, to reduce the marketing cost and increase efficiency in the operation of sale procedures and to help quick generation of market reports and timely dissemination of market information.

#### Conclusion

It is said that production, processing and marketing are the three pillars of the agricultural economy in India. In marketing policies, it is necessary to throw some light on the peculiarities of the agricultural produce. Infrastructure facilities such as roads, transport, storage, etc. are very much inadequate in rural areas. An efficient agricultural marketing is essential for the development of the agriculture sector as it provides outlets and incentives for increased production, the marketing system contribute greatly to the commercialization of subsistence farmers. The State has to facilitate varying models of ownership of markets to accelerate investment in the area and enable private investment in owning, establishing and operating markets. Working of existing Government regulated markets also need to be professionalized by promoting public private partnership in their management. Appropriate legal framework is also required to promote direct marketing and contract farming arrangements as alternative marketing mechanism. Therefore, there is a need to formulate a new model law for agricultural market.

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