

Perception About Marketing Management of Apmc in Gulbarga Division



COMMERCE

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ABSTRACT

India is such a vast country which derives fifty percent of its national income from agriculture. The marketing methods in agricultural produce different from country to country, state to state and also within state. This gives considerable scope for the study of marketing of agricultural produce in the various states of the country. Agricultural, marketing practices need to be uniform in the interest of developing wider markets for better prices. In keeping with very little of the research the survey is conducted to supplement the evaluation through the primary data. These attempts bring out the basic problems and difficulties, if any in the implementation of the APMCs, Act through state agricultural marketing board. Different types of schedules are used for evaluating the working of the APMC act. The main focus of the study was evaluation of management of agricultural produce marketing committees in Karnataka from the point of farmers therefore, our survey schedule covers the background of farmers and market functionaries such as age, education, religion, family background, source of incomes, land holdings of both farmers and market participant were collected. Some of these aspects have been discussed in the article.

Introduction:

Organized marketing of agricultural commodities has been promoted in the country through a network of regulated markets. Most of the State governments and Union Territories have enacted legislations (APMC Act) to provide for regulation of agricultural produce markets. While by the end of 1950, there were 286 regulated markets in the country, today the number stands at 7,921 (31.3.2014). Besides, the country has 29,191 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. But, the rural periodic markets in general, and the tribal markets in particular, remained out of its developmental ambit. The central government has advised states and union territories to amend their respective APMC laws in order to avail assistance for developing and strengthening agricultural marketing infrastructure.

NEED FOR THE STUDY

The present study is undertaken to analyze the extent to which the inadequacy of marketing of services are encountered by the farmers and other functionaries in the APMC at Gulbarga division as a whole. The research confines itself to the management of APMCs in Karnataka in general and Gulbarga, Bidar, Raichur, Koppal and Bellary district APMCs in particular. The total APMCs consist for the present study is five APMCs from each district of study area.

REVIEW OF LITERATURE

Gopal Rao (1974) has undertaken the study on APMCs and has analyzed their working in detail. The author has confined his study to the four districts of Bombay Karnataka region through a survey of the markets in the region.

Ravi's (1975) work analyses the marketing problems of coconut and copra in Tipatur and Arasikere regulated markets of Karnataka. In this area, coconut marketing is dominated by village sales (66%) followed by sales through commission agents (16%) and through wholesalers (about 11%) and the rest directly by the farmers (about 7%).

Bhogappa (1982) has undertaken the study on "Marketing of agricultural produce in Gulbarga division of Karnataka", which covers only the APMCs of Gulbarga Revenue Division. He has made a special study of the effects of draught and draught prone areas. He has analyzed the special problems of the markets in "Ayacut" areas.

STATEMENT OF THE PROBLEM

the Gulbarga division is highly backward with all the indicators of the backwardness which leaves considerable scope for exploitation by the money lenders cum merchants. These contrasts in the division call for different approaches to marketing management and hence the study reveals interesting results valuable for policy decisions. This study of the division of Gulbarga is of immense benefit for the economic strategy in the marketing of agricultural produce. The study is also aimed at pointing out various malpractices prevailing in the marketing management, lack of infrastructure, storage facilities credit availability and effective central markets, this has resulted lack of innovations in agricultural production and operations.

OBJECTIVES OF THE STUDY

The following are the objectives set for the study.

- 1) To analyze the farmers responses towards regulated markets as well as market participants.
- 2) To offer suggestions to develop an effective marketing system in Gulbarga division.

RESEARCH METHODOLOGY

The study is mainly based on both primary data and secondary data.

Primary data has been collected through questionnaire and secondary data has been collected through website, books, report etc.

SAMPLE DESIGN

A stratified random sampling method was adapted to draw the final sample. The Gulbarga division consist of Bidar, Gulbarga, Raichur, Koppal and Bellary district from each district approximately 50 farmers were selected.

DATA ANALYSIS

The data collected from both primary and secondary was processed and reduced to simple tables in order to present the matter clearly. The suitable financial statement analysis techniques were used to draw the correct conclusion. Ratio analysis, which is most powerful and universally, used technique for the analysis of financial performance of APMCs in Gulbarga division.

Table –1
District Wise Selection of Farmers Sample Size

Name of the District	Frequency	Percentage	Cumulative Percentage
Gulbarga	50	20.0	20.0
Bidar	47	18.8	38.8
Koppal	49	19.6	58.4
Raichur	52	20.8	79.2
Bellary	52	20.8	100.0
Total	250	100.0	-

Source: Field survey

Sources of Incomes

There are different sources of incomes available to farmers such as agriculture income, business, self employment and employment in other organizations. Agriculture income is considered as major source of income to them and other sources of incomes are secondary importance. The details of their sources of incomes along with agriculture incomes is shown in the table below.

Table – 02
Sources of Income of Respondents

Sl. No.	Name of the Market	Source of Income				Total
		Agriculture	Business	Employment	Others	
1.	Gulbarga	40 (80.0)	6 (12.0)	2 (4.0)	2 (4.0)	50 (20.0)
2.	Bidar	38 (80.85)	5 (10.63)	2 (4.25)	2 (4.27)	47 (18.8)
3.	Koppal	39 (79.59)	5 (10.20)	2 (4.08)	3 (6.13)	49 (19.6)
4.	Raichur	42 (80.76)	6 (11.54)	3 (5.76)	1 (1.94)	52 (20.8)
5.	Bellary	42 (80.76)	6 (11.54)	2 (3.85)	2 (3.85)	52 (20.8)
Total		201 (80.40)	28 (11.20)	11 (4.40)	10 (4.0)	250 (100.0)

Source: Field study

Note: Figures in bracket indicates percentage to total

It is evident from the above Table 02 that 80.40 of respondents were having agriculture income and 11.20 percent had business income followed by 4.40 percent and 4.0 percent of respondents from employment and other sources respectively. This will clearly indicates the much dependency of farmer respondents on agriculture for income to meet the cost of livelihood. This fact was same in five districts selected for the study.

Agriculture Land Holdings

The annual gross income of the respondents largely depends on the agriculture land holdings by the farmers, an attempt has been made to collect the details of the agriculture land holding by the farmer respondents. The size of the land holdings and socio economic conditions of the farmers play an important role in farming as well as marketing activities. The size of the land holdings by sample size selected for the present study is shown in the below table.

Table – 03
Total Agriculture Land Holdings

Sl. No.	Name of the Market	Total Agriculture Land Holding				Total
		Below 5 Acres	5 – 10 Acres	11 – 15 Acres	Above 16 Acres	
1.	Gulbarga	3 (6.0)	20 (40.0)	9 (18.0)	18 (36.0)	50 (20.00)
2.	Bidar	3 (6.38)	19 (40.42)	9 (19.15)	16 (34.05)	47 (18.8)
3.	Koppal	3 (06.12)	20 (40.82)	9 (18.37)	17 (35.69)	49 (19.60)
4.	Raichur	4 (7.69)	21 (40.38)	10 (19.23)	17 (32.7)	52 (20.80)
5.	Bellary	4 (7.69)	21 (40.38)	9 (17.30)	18 (34.63)	52 (20.8)
Total		17 (6.8)	101 (40.4)	46 (18.4)	86 (34.40)	250 (100)

Source: Field survey

Note: Figures in bracket indicates percentage to total

The above Table 03 reveals that 40.4 percent of the total respondents are small farmers (i.e., 5 acres or more but less than 10 acres), 34.40 percent of sample groups are large farmers i.e., 16 acres or more than 16 acres and only 6.8 percent of respondents are having less than 5 acres of cultivating land (marginal farmers).

Major Crops Grown

Generally agriculture crops are grown on basis and depending on the agro climatic conditions as well as the socio-economic conditions of the farmers. The study was conducted to know the major crops grown by the farmer respondents selected for the present study.

Table – 04
Annual Crop Grown in Land

Crop	Quantity in Quintals					Total
	1-25	26-50	51-75	76-100	100 and above	
Red gram	10	50	22	06	10	98
Green gram	96	16	04	-	-	116
Black gram	22	38	04	64	-	128
Jawar	99	36	04	02	-	141
Maize	11	33	19	-	02	65
Bajra	07	02	05	07	04	25
Bengal gram	09	35	12	-	36	92
Sugarcane	21	08	04	08	-	41
Others	06	08	12	06	-	32

Source: Field study

The quantity of crop grown by the farmers annually is given in the above Table 04 The data about the different crop grown by the sample size of farmers are shown in quantity along with the percentage of each crop to total crop grown by the sample farmers.

The table reveals that 56.40 percent of the farmers respondents cultivate jowar followed by 46.40 percent farmers ever growing green gram, red gram (39.20%), maize (26%), Black gram (25.60) percent, Bengal gram (36.8%) and sugarcane (16.40%), other crops grown constitute 51.20% to total which included onions, groundnuts, pulses, chillies, wheat and paddy etc.

It can be seen clearly from the same table that red gram, jowar, green gram and black gram are cultivated by the farmer respondents partially for self consumption purpose and partially for selling. It could also be noted from the same those commercial crops like sugarcane, bajra, maize, chillies, sunflower,

paddy and onions find a major portion in the cropping pattern of the farmer respondents. This clearly indicates the higher degree of commercialization of agricultural production by the farmers in the Gulbarga division.

Preference of Sale of Agriculture Produce

Marketing today is becoming more complicated with the advancement of the civilization. The commodity to be marketed must be of value. It shouldn't be a free gift of the nature easily available for mere picking. The farmer wish to have the maximum share in the price of the products and on other side he wish to purchase the inputs at the minimum price. As he is interested to maximize his profits on sale of his agriculture produce, he will always in search for the market place where he can get good price. An attempt has been made in schedule to acquire information about the preference of sale of agriculture produce by the sample respondents is shown in the Table 05.

Sale of Agriculture Produces

Table – 05
Sale of Agriculture Produces

Sl. No.	Name of Market	Sale of Agriculture Produces				Total Sample
		Open Market	APMC	Confirmation	Other	
1.	Gulbarga	21 (20.0)	46 (20.0)	0.80 (20.0)	01 (25.00)	50 (20.00)
2.	Bidar	20 (19.05)	43 (18.70)	0.78 (19.50)	--	47 (18.8)
3.	Koppal	21 (20.0)	45 (19.56)	0.78 (19.50)	01 (25.00)	49 (19.6)
4.	Raichur	22 (20.95)	48 (20.86)	0.83 (20.75)	01 (25.00)	52 (20.8)
5.	Bellary	21 (20.0)	48 (20.88)	0.81 (20.25)	01 (25.00)	52 (20.8)
Total		105 (42.0)	230 (92.0)	04 (1.6)	04 (1.6)	250 (100)

Source: Field survey

Note: Figure in bracket indicates percentage to total

Market Charges

As per the bye laws approved by the chief marketing officer according to the Act, market charges are levied by the market committees. In all selected market committees for the present study in the Gulbarga division, only three types of market charges are levied to the farmers for sale of his agricultural produce in the regulated markets. One commission to commission agent which is fixed at 2% in all the markets but other market charges different from one market to another market depending upon the decisions to this effect by the respective market committees. A part from commission, all APMCs in the sample size charges hamali and weightment charges. In some APMCs cleaning charges are also levied for cleaning the produce which is included in other markets in hamali. Thus, no unauthorized deductions are made now in any of the markets in the division. Few secretaries of the APMCs during the field study opined that the charges are quite nominal and the services rendered are more valuable than the charges and they cannot be quantified.

Table – 06
Market Charges by APMC

Sl. No.	Name of Market	Market Charges				Total Sample
		Very Low	Very High	Fair	Average	
1.	Gulbarga	03 (6.0)	15 (30.0)	10 (20.0)	22 (44.0)	50 (20.0)
2.	Bidar	02 (4.25)	15 (31.91)	11 (23.40)	19 (40.44)	47 (18.8)
3.	Koppal	02 (4.08)	14 (28.57)	11 (22.45)	22 (44.90)	49 (19.6)
4.	Raichur	03 (5.76)	16 (30.76)	10 (19.23)	23 (44.23)	52 (20.8)
5.	Bellary	02 (3.84)	17 (32.69)	10 (19.23)	23 (44.24)	52 (20.8)
Total		12 (4.80)	77 (30.80)	52 (20.80)	109 (43.60)	250 (100)

Source: Field survey

Note: Figures in bracket indicates percentage to total

From the above table it could be seen that 43.60 percent of farmer respondents are of the opinion that APMC is charging average i.e., neither too high nor too low market charges on the sale of agricultural produce by the farmers. On the other hand 30.80 percent of farmer respondents dissatisfied with the market charges by the APMC as they expressed that market charges are very high in APMC yard as compared with open market. Though 4.80 percent of them are fully satisfied and 20.80 percent of respondents were reacted positively about the market charges.

Facilities Provided at APMC

Table – 07
Facility Provided at APMC

Particulars	Districts										Grand Total		
	Gulbarga		Bidar		Koppal		Raichur		Bellary		Yes	No	Total
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No			
Water	26	23	27	24	26	24	27	23	27	23	133 (53.20)	117 (46.80)	250 (100)
Toilet	4	46	4	43	4	45	5	47	5	47	22 (53.20)	228 (91.20)	250 (100)
Canteen	13	37	12	35	12	37	13	39	12	39	62 (24.80)	188 (75.20)	250 (100)
Commission	27	23	26	23	27	22	26	24	27	23	135 (54.00)	115 (46.00)	250 (100)
Shopping property	21	29	20	27	20	29	20	32	20	32	101 (40.40)	149 (59.60)	250 (100)
Market information	28	22	27	20	27	22	29	23	29	23	116 (56.00)	110 (44.00)	250 (100)
Other facilities (if any)	29	21	28	19	28	21	30	22	30	22	145 (58.00)	105 (42.00)	250 (100)

Source: Field study

Note: Figures in bracket indicates percentage to total

Suggestions:

- 1 Farmers should be provided with receipts for the commodities stored by them. Each receipt should be a negotiable instrument to enable them to obtain credit from banks.
- 2 The banks should provide credit to the extent of 90 percent of the value of the stocks stored by the farmers; and the credit should be provided at concessional rates of interest.
- 3 Arrangements for the display of prices on notice boards at

important public places like hospitals, schools, panchayat ghars, etc., should be made.

- 4 There must be proper coordination between market intelligence and policy making departments so that the later may better understand the problem and can make such adjustments in the information as may be called for.

Conclusions:

India is such a vast country which derives fifty percent of its national income from agriculture. The marketing methods in agricultural produce different from country to country, state to state and also within state. This give considerable scope for the study of marketing of agricultural produce in the various states of the country.

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