Chapter-8

Problems and Suggestions
CHAPTER-VIII

PROBLEMS AND SUGGESTIONS

In the district, potato growers have developed a big agribusiness commodity system. However, they face a number of problems which mostly centre around the input supply, storage and marketing of potato along with wide price fluctuations. The problems faced by the sample farmers in potato production and its marketing were investigated by conducting an opinion survey. For this purpose 72 potato growers (20 percent of the total farmers) were selected randomly irrespective of their size of holdings. The opinions of the farmers have been presented in table, and discussed as below:

Inadequate irrigation facilities:

Irrigation of potato was found to be more difficult and costly in the study area. About 70 percent sample farmers reported that irrigation water was not available in time and in required quantity. Canals and tube wells were the main source of irrigation. But there was no regular supply of water from canal and even tube wells fail to provide timely irrigation facilities due to lack of electric power supply in the villages. The use of diesel operated pump sets for irrigating potato crop was not possible due to low water table and comparatively high cost of irrigation. Whatever facilities were available, they irrigated the limited area.
Potato crop requires a number of timely irrigations during its production period so, it needs assured irrigation facilities. The canals should be made regular in supply of irrigation water and electric power supply should be available in day time to irrigate potato, for more duration, so that the farmers may use their motor pump and tube wells for more time to economies the cost of irrigation. Moreover, majority of the marginal and small farmers, who do not have pumping sets or tube wells depend on large farmers for irrigation of their crop on cash payment. There is need for regularizing the water market, so that the interests of the poor farmers are safeguarded.

Problems in getting quality seeds and fertilizers:

It was found that getting quality seeds and fertilizers in required quantity was the main problem of the sample farmers. About 70 percent farmers reported this problem. Good quality seed was very costly and marginal and small farmers were unable to afford it. The farmers generally used home produced seeds. In case of fertilizers too, it was not available in time. Hence, the government or cooperatives should intervene in the seed production and its marketing, along with supply of fertilizers, to ensure the availability of quality seeds and fertilizers, at reasonable prices.
Fluctuation in Prices:

Uncertainty and high fluctuations in potato prices was one of the major problem experienced by the farmers of the district. Almost all farmers expressed this problem. On account of inelastic demand and heavy supply of potatoes during peak harvesting period from February to April, slump in prices invariably occurs, often causing a serious loss to potato growers, since farmers have to sell off their produce as quickly as possible because of the oncoming hot season. And because of marketing inadequacies, the consumers have to pay high prices in offseason, from May to December. Thus, farmers by and large get very low prices, the consumers pay high prices in offseason and the traders reap good dividends.

The price fluctuations are a matter of grave concern both for producers as well as for consumers. Improvement in market intelligence, start of forward markets, contract farming and diversification in use of potatoes may play an important role in stabilizing the potato prices. Government should announce support price of potato in advance, so that the farmers may plan to allot the area under potato, to avoid glut situations.

High Cost of Cultivation:

Potato cultivation has become a costly enterprise which requires very high investment. About 76 percent of farmers felt that cultivation of
potato has become very costly due to high input prices. The findings show that more than Rs. 60,000 of total cost is incurred to cultivate one hectare of potato, which is a very high amount particularly for marginal and small farmers. Thus, there is need to develop low cost technology for potato cultivation and control over input prices. Cooperatives may be very helpful in this direction.

**Transportation bottlenecks:**

Transportation is essential to uniformly distribute/regulate the production among the consumers living in different places. A large number of farmers 77% reported that transport facilities were inadequate and costly. Non-availability of all weather roads, insufficient road network and quick mode of transport etc were some of the major problems faced by the potato growers of the area, which lead to increase in marketing cost.

Potato being a perishable commodity requires quick transport facilities because it cannot withstand high temperature of plains after the crop is harvested. So, transportation facilities at reasonable rates should be made available to the producers. Government should control over transports and railways to provide transport facilities at cheaper rates during peak seasons.
Problem in Storage:

Potato is a seasonal crop. About 90 percent of potatoes are produced in winter season but their demand is spread over the entire year. It necessitates cold storing for regulating market supply around the year.

In the district, the cold storage facilities are inadequate, and cold stores are running with corrupt practices. Majority of the farmers (75 percent) reported that they were unable to get cold storage facilities, as more than 80 percent of the space was enjoyed by traders or big farmers. Further, the cold stores are concentrated in the urban areas and the small farmers in village side could not avail off the cold storage facilities because of poor and high cost of transportation. The cold storage industry is in grip of foul practices, like charging high storage rates, fictitious booking of space etc. The lack of sufficient storage facilities cause violent price fluctuations. Particularly small farmers surfer a lot, as they are forced to sell off their produce at lower prices owing to financial compulsions.

A continuous increase in area and productivity has also created the problem of storage in the district. Due to lack of storage facilities there is glut in the market during harvesting season, resulting in low prices causing great losses to the producers. So the development of cold storage industry should be linked with the increase in potato production.
in the district. There is need to expand installed capacity of the cold storage and electric supply guaranteed. There is also need for expansion of cold storage facilities in cooperative sector to end the malpractice of private sector and their monopoly over cold storage industry. The modernization or technical upgradation of conventional cold storage is also required, for which government must provide the needed technical and policy support.

**High Marketing Cost:**

In marketing of potatoes producers have to pay high marketing cost. Further, various intermediaries like village trader, commission agents, wholesalers and retailers are involved, which create various utilities for the satisfaction of consumer's demand. They charge high margin of profit for their services, resulting in high total marketing cost and lower producer's share in consumer's price. A large number of farmers (70 percent) gave their opinion for high marketing cost in the disposal of produce from producer to consumers. A higher marketing cost is neither beneficial to producer nor to consumers. In such condition the consumer has to pay more for the produce, and the producer receives low share for his produce in the price paid by the consumer.

In the marketing of potato a large number of market charges like commission, brokerage, weighment, hamali, Karda (Impurity charges,
dholta (excessive moisture changes) muddat (charge for making cash payments) dharmada (charity for goshala, water hut etc.) are paid. Some of these charges have no relationship with the farmers. The producer/seller should be asked to pay only for the activities undertaken, prior to marketing of the produce i.e. for transportation and hamali only. This will result in some saving for the producers. Further, the market charges such as commission, brokerage, hamali and weighing charges should be specified in proportion to the extent of the service rendered by the middlemen. It also needs licensing of the market functionaries. Another way for reducing marketing costs may be increasing quantity of produce to be handled at a time, the use of fast transportation means, development of cold storage facilities etc. Marketing margins may be reduced by improving market news services, grading and standardization etc.

Lacking Market News Service:

Market information helps in improving the decision-making power of the farmer. A farmer is required to decide when, where and through whom he should sell his produce and buy his inputs. Arrival and price information helps him to take these decisions. This problem was reported by 80 percent of the sample farmers.

The availability of market news in time and with speed is of the inmost value. Although there are a number of sources disseminating market information like personal contacts, post and telephone.
newspaper, price bulletins radio etc. but they are either not reachable to the farmers or are not in time. Market information must be made in time. Late dissemination of market information is of no use. The prices announced by the AIR should be in local language and should cover more local markets rather than secondary and terminal markets. The frequency of and time allotted for the announcement should be increased so that formers may get advantage from the information. Arrangements for the display of prices and arrivals of the potato, should be made on notice board of the markets, block headquarters or Panchayatghar. Market news should be as fresh as possible.

**OPINION SURVEY**

**Table VIII-I**: Farmers opinions in respect of Problems faced in production and marketing of Potato Crop.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Problems</th>
<th>Number of Farmers (N=72)</th>
<th>Percentage of farmers to total (N= 72)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Inadequate irrigation facilities</td>
<td>50</td>
<td>70</td>
</tr>
<tr>
<td>2.</td>
<td>Problems in getting quality sees and fertilizers</td>
<td>50</td>
<td>70</td>
</tr>
<tr>
<td>3.</td>
<td>High cost of potato cultivation</td>
<td>55</td>
<td>76</td>
</tr>
<tr>
<td>4.</td>
<td>Uncertainty and high fluctuations in market prices.</td>
<td>72</td>
<td>100</td>
</tr>
<tr>
<td>5.</td>
<td>Problems in storage of Potato (Cold Storage)</td>
<td>54</td>
<td>72</td>
</tr>
<tr>
<td>6.</td>
<td>Transportation bottlenecks</td>
<td>56</td>
<td>77</td>
</tr>
<tr>
<td>7.</td>
<td>High Marketing Cost</td>
<td>50</td>
<td>70</td>
</tr>
<tr>
<td>8.</td>
<td>Lacking Market informations</td>
<td>58</td>
<td>80</td>
</tr>
</tbody>
</table>
Thus, from the opinion survey, it concludes that uncertainty and high fluctuations in potato prices, lack of market information regarding price and arrivals of potatoes, transport bottlenecks, high cost of potato cultivation due to high input prices, problems in cold storage facilities, inadequate irrigation facilities and non availability of quality seeds and balanced fertilizers in time were the major problems faced by the farmer in production and marketing of potato crop.