CHAPTER VIII

IDENTIFYING THE MAIN PROBLEMS
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Though Regulated markets were established with a view to provide maximum facilities to the farmers in marketing of this produce, but a large number of farmers do not prefer to market their produce through Regulated Markets for various reasons. The main problems of Regulated marketing may be detailed as below:

1- Location:

The main problem with majority of the farmers was the location of mandi yards at a long distance from their villages. The construction of mandi yards is confined to tehsil or district head quarters which was not accessible to majority of the farmers living in villages of the districts. So the farmers did not prefer to come at the mandi yards or selling their produce from a long distances.

2- Publicity:

Though the farmers were aware of the regulated markets but they were ignorant about the benefits and functions of
Regulated Mandies and its committees. So they used to avoid the botherations associated with the mandies and preferred to sell their produce in village markets. The farmers were also not aware of the information regarding prices and arrivals in mandies.

3- Supervision and vigilance:

The farmers who went to market yard felt that the officials in the market yard were not keen on the transactions in the yard, as a result their faith in Regulated Mandies was not so firm.

4- Market committees:

The opinion revealed that the small and marginal farmers are denied of an opportunity to serve on the committees. Mostly, other than the agriculturists seem to be getting nominated under the cultivators quota. Moreover, in most cases due to political interference, the farmer could not become chairman and vice-chairman. It was also observed that mandi staff did not co-operate with the farmers rather they help middleman and looked the interest of the farmers.
5- **Auction system:**

The farmers were opinion that the lots which are auctioned first get good price the subsequent lots. The farmers were also of the opinion that market yard official auction those lots first in which they are interested. So such happening harassed the farmers.

6- **Transaction:**

The business is confined only to a few fixed hours on working days. So the farmers coming from far places find difficulty in reaching the market yard in time. As most of the farmers are ignorant and illiterate, it was difficult for them to find out the exact dates/day and hours of transactions. That is created problems and discouraged the farmers to bring the produce in the mandies.

7- **Lack of grading and standardization:**

Regulated markets also lack of gradings and standardization facilities. In the absence of proper grades and standards, farmers were forced by the middlemen to sell their produce at lower price. The middlemen also used to take sample from the farmer's bags without certain
limit, which was not considered just in views of producers, resulting in the reduction of producer's share.

8- Lack of storage facilities:

The regulated mandies under study lacked storage facilities. The farmers who failed to sell their produce during the day of their arrival felt insecure of their produce in market yard. They also did not have confidence in keeping the produce in warehouses of the mandies, which was seldom available for all the farmers. These facts kept the farmers away from the Regulated Mandies and farmers did not prefer to sell their produce through regulated mandies.

9- Lack of input centres:

Provision of input centres for farmers benefit was considered as one of the main task in the mandi area under the mandi Act. But it was noted that non of the Regulated Markets could proceed these facilities at mandi yards. The scheme of providing agricultural inputs like high yielding varieties (HYU), pesticides facilities, fertilizers etc. at subsidized rates at one place may have benefited the
farmers coming from distance places. This factor was also responsible for poor sale through regulated markets.

10- Higher marketing cost:

Small and marginal farmers were of the opinion that marketing of the produce through regulated mandies was uneconomical to them because of high transportation cost, on one hand and very low marketable surplus with them on the other. So they preferred to sell their produce in the village markets rather than bringing it to the regulated mandies.

11- Forced sale:

The village money lenders, village merchants and traders use to make advances to the producers/ Farmers for meeting out their financial needs in respect of marriages, purchase of inputs and other necessities, under some definite terms. Under these conditions the producers were bound to sell their produce just after harvest to these agencies from whom they have taken money in advance. The farmers also sell their produce just after harvest in local markets to meet out their day to day requirements.
The forced sale resulted in low prices and low arrivals in regulated mandies.

12- Lack of infrastructural facilities:

Regulated mandies under study also lacked infrastructural facilities like mandi yard, road link with hinterland villages, poor transport facilities and communication. It was also observed that farmers did not enjoy processing facilities like Rice hullers, Oil machines etc. in rural areas. So they were bound to sell their produce as such in local markets, which resulted in the reduction of the producer's share and poor arrivals in mandi yards.

13- Lack of coordination with other agencies:

States agencies like F.C.I., State Food and Civil Supply Corporation, Cooperative Institution, State Civil Supplies Department have very significant role in the field of agricultural marketing. These agencies are engaged in making purchases from the Government. It was observed that the activities of these agencies were not coordinated with market development programmes. These agencies can provide a strong market intervention mechanism, which would save the farmers from exploitation. Therefore, it is
very much essential that the public agencies should operate in the Regulated Market yards.

Suggestions:

To overcome the problems/constraints as mentioned above, the following suggestions might be put forth:

1- Situation:

Various marketing facilities offered by Regulated Market Committee in the principal market yards to the farmers should be extended effectively to cover the farmers residing in the remote villages. It is necessary to open more Regulated Markets and sub/feeder market yards, preferably a yard for every five gram panchayats. The functions of RMC should also extended to sub/feeder markets. There is an urgent need to link the hinterland villages with the Regulated Mandies.

2- Develop marketing information system:

The RMC should take necessary measures for dissemination of marketing news in relation to price and arrival of agricultural commodities trends of inputs and outputs in local as well as terminal markets. It should also
provide news regarding various services available in Regulated Markets and their usefulness to the farmers.

3- Develop direct link between producers and RMC:

In order to develop direct link with farmers. The RMC should arrange for group meeting in the villages and in the market yard to discuss various problems relating to marketing of agri-commodities. Audio-visual technique may be use by way of aids to such meeting. This will help the RMC to offer marketing extension services more effectively.

4- Abolition of commission agents:

To avoid the commission charges paid by the farmers. RMC should get rid of commission agents who still use to share a major portion of farmers income. Besides this, the required number of licenses should be issued to wholesalers, palledars, weighmen for the proper functioning of the mandi.

5- Election for RMC should be conducted an democratic lines and there should not be any nominated member. Due to representation may be given to all categories of farmers in
the committee. Which will induce the farming community to bring their produce to Regulated Mandies.

6- The grading and standardization facilities needed to be improved and strengthened immediately.

7- Storage facilities should be provided to the farmers in the mandi areas and proper security of product is needed.

8- Regulated Markets should function throughout, at least in the busy agricultural harvesting season irrespective of holidays and thereby providing an opportunity for the producers to avail the facilities of Regulated Markets.

9- Regulated Market yards should provide quality services and adequate facilities to the farmers. The management of regulated markets should be more advantageous and sympathetic towards small cultivators. They must commit themselves to the goal of bettering the economic lot of farmers.

10- RMC should develop rural marketing centers for post harvest technologies, so that farmer’s may be increased.
Incentives: The Regulated Market Committee should provide gunny bags, agricultural inputs like yielding variety seeds, pesticides etc. at subsidized rates, to those farmers who market their produce through regulated markets. In nutshell, it can be concluded that success in regulated marketing is possible when the private trade is dominated and the transactions in Regulated Market Yards are made attractive to the farm producers. The public agencies should cooperate with Regulated Mandies so that farmers are attracted towards the mandies.