

CHAPTER VI

SUGGESTIONS AND CONCLUSION

Activities of the Market Committee are mainly to provide necessary facilities for the sale and purchase of agricultural produce within the market. Accordingly, several facilities are made available by the market committee in Kadiri market yard. But it is unfortunate that many transactions are conducted outside the market yard and the market fees on the transactions held outside are paid to the market committee. Thus facilities provided in the market yard by making huge expenditure, remain unutilised. For instance, three godowns with a storage capacity of 300 metric tonnes each, were constructed but these godowns are not used to their maximum capacity. Almost two godowns out of three remain empty through out the year. Similarly, building constructed for canteen is not used for the intended purpose. Empty platforms greet anyone who visits the yard during the working hours.

Particulars of transactions made for groundnut pods and groundnut kernels in Kadiri market yard and outside the market yard are shown in the Table 6.1.

Table 6.1

TRANSACTIONS OF GROUNDNUT PODS AND GROUNDNUT KERNELS IN MARKET
YARD AND OUTSIDE THE MARKET YARD

S.No.	Year	Transactions within the market yard		Transactions out- side the market yard	
		G.N. Pods (qtls.)	G.N.Kernels (qtls.)	G.N.Pods (qtls.)	G.N.Kernels (qtls.)
1.	1984-85	15,947	250	55,455	39,129
2.	1985-86	20,928	Nil	1,23,079	35,165
3.	1986-87	15,402	4	98,345	51,189

SOURCE: Annual Administration Reports, Agricultural
Market Committee, Kadiri.

The above table indicates that in 1984-85, 15,947 qtls. of groundnut pods and 250 qtls. of groundnut kernels were transacted in the market yard, while 55,455 qtls. of groundnut pods and 39,129 qtls. of groundnut kernels were transacted outside the market yard. In 1985-86, 20,928 qtls. of groundnut pods arrived to the market yard, while the quantity of groundnut pods and groundnut kernels outside the market yard accounted for 1,23,079 qtls. and 35,165 qtls. respectively. There were no arrivals of groundnut kernels to the market yard in 1985-86. In 1986-87, the arrivals of groundnut pods and groundnut kernels to the market yard were 15,402 qtls. and 4 qtls. respectively, where as outside the market yard, the

transactions for groundnut pods and groundnut kernels were 98,345 qtls. and 51,189 qtls. respectively.

Restriction of Sale and Purchase of Notified Agricultural Produce within the Market Yard:

When notified agricultural commodities are permitted to be transacted outside the market yard, the purpose for which setting up of a regulated market is defeated to a large extent as many transactions are conducted outside the market yard. Hence it is desirable for restricting the sale and purchase of notified agricultural produce within the market yard alone. If it is not done, office of the market committee remains only for the collection of market fees on notified agricultural commodities. When dealings in the notified agricultural produce are permitted only in the market yard, farmers would bring all their surplus produce to the market yard for sale and transactions that are conducted, can be supervised by the market committee officials. Any market functionary who is found to be indulging in malpractice may be suitably punished.

Establishing more Regulated Markets:

More number of regulated markets need be established in rural areas so as to enable the farmers to market their agricultural produce near the place of production. This would reduce the cost of transportation and provides easy

access to the market. Being near the market area, the farmers will be informed of the prices that would prevail in the market from time to time. When distance to the regulated market is shortened, village sales may also be reduced considerably. For instance, out of 10 sample farmers who sold groundnut in Kadiri Market, 6 farmers belong to villages lying within a radius of 5 kms. distance to the market, where as 4 farmers belong to villages of above 5 kms. distance. In order to be useful to the farming community, amenities for smooth conduct of business transactions have to be provided in the market yards. It is heartening to note that the Andhra Pradesh State Government has decided to establish a market yard in every Mandal Headquarters in the State. A measure such as this would indeed help the farmers in reducing the problems of marketing of their agricultural produce.

Assurance of Minimum Support Price:

It is desirable that the Government should fix a minimum price which should enable the farmers to cover their costs of production and earn a fair margin of profit. For the implementation of minimum support price, the market committees may be authorised to pay subsidy to farmers from a fund specially set up for this purpose or purchase the agricultural produce at the minimum support price if the buyers do not come forward. Measures such as these would

act as incentive to the farmers for bringing their produce to the market yard for sale.

Elimination of Middlemen:

The existence of middlemen is mainly responsible for the increased costs of marketing. While some people suggest that the market committee should act as an intermediary between the farmer and the buyer so that the farmers can save commission and other charges payable to the middlemen, some others want the middlemen to be abolished forthwith from the field of agricultural marketing. Middlemen may go but their functions like serving the credit needs of the farmers and providing marketing and auxiliary services will remain to be performed by other agencies. Thus at present, the services of these middlemen are indispensable. However, elimination of the middlemen is not impossible if the market committee extends credit and other facilities to the farmers.

Improvement of Rural Transport:

Some villages in Kadiri Mandal do not have good roads which connect them with the regulated market. Bad roads stand as a hurdle for easy transport of agricultural produce to the market. This might also be one of the reasons for increased village sales. There is an immense need for construction of all-weather roads which facilitate easy movement of agricultural produce to the market yard.

Supply of Seeds and Fertilizers:

In order to attract the farmers to bring their produce to the market yard, the market committee may undertake the activity of supply of seeds, fertilizers and agricultural implements to the farmers. The market committee may get them in large quantities from the wholesalers or manufacturers economically and distribute them among the farmers. This would enable the farmers to get better quality seeds, fertilizers, etc., at a lower rate.

Encouragement of Competition among Buyers:

As pointed out in previous chapter that oil mill owners were said to be preventing the price of groundnut to move up in Kadiri market yard because of an agreement among them as to the price at which the groundnut should be purchased and who among them should buy it. The farmers are thus deprived of a reasonable price for their produce owing to lack of competition among the buyers (millers). Such practices should be curbed for safeguarding the interests of the farmers. Buyers from other areas must be encouraged to buy groundnut in this market so that the competition among the buyers makes the price go up. Unless this is done, farmers will not be assured of reasonable price for their produce in the market yard.

Supervision by Officials of the Market Committee:

Many farmers lose faith in regulated market when market committee officials do not supervise the transactions in the yard, effectively. It is essential that the committee officials should take keen interest in the transactions so as to create faith and confidence among the farmers. If any market functionary is found to be resorting to prohibitive practices, suitable disciplinary action should be taken against him. Some farmers complain that the committee officials are more favourable to the traders disregarding their own interests. Responsibility lies with the officials to dispel such feelings among the farmers by the development of impartial attitude.

Publicity About Benefits of Sale in Regulated Market:

Some farmers are not aware of the existence of a regulated market and even those who know, are ignorant of benefits of sale through the regulated market. Market Committee Officials should give wide publicity about usefulness of the regulated market in villages of their jurisdiction. The officials of market committee may arrange some film shows with the help of the Directorate of Marketing in villages as well as in the market yard. As television is becoming popular in villages also now-a-days, programmes on the marketing of agricultural produce through regulated markets must find place in the television. This will have an

educative value among the farmers. For giving wide publicity on various advantages of regulated markets, propogandaassis-
tants may be appointed and trained in communication methods.

Assurance of Immediate Cash Payment to the Farmers

According to some farmers, the market committee officials do not insist on the licenced traders to make immediate cash payment and thus much delay is caused in makingpayment to them. Market Committee Officials should arrange for immediate cash payment by the licenced traders. In this regard, it may be suggested that the traders who operate in the market yard shall be required to deposit a certain sum (approximately 90 per cent of the cost of transaction involved) with the market committee before bid slips are issued to them. After the transaction is settled, the amount so collected as deposit shall be paid to the farmers by the committee officials. This will avoid undue delay in making payment to the farmers.

Market Information:

An effective pricing mechanism is dependent on well informed buyers and sellers. Farmers are to be informed about prevailing prices in different markets for securing proper value for their produce. Radio broadcasts on prices of agricultural commodities serve as a powerful media of information because of illiteracy in rural areas. Radio programmes intended for the farmers give information of

prices of various agricultural commodities in important marketing centres. Several news papers and magazines give market information, enabling the farmers to know the price trend in different markets. Some magazines are published periodically for serving the interests of the farmers, namely "Andhra Pradesh Marketla Samachaaram", "Annadaatha" in Telugu language. Market information through different media would help in reducing the distressed sales in villages and thus the marketing information system should be further improved and strengthened for the benefit of the farming community.

Surprise Checking of the Market Yard by Higher Officials:

Complaints are made by some farmers that Kadiri Market Yard is not properly functioning. The farmers seem to lack confidence in the market committee officials and suspect that the officials colluded with oil mill owners and the traders. The market committee officials should not give scope for criticism by developing impartial attitude in their dealings with the farmers and the traders. Surprise checks by the superior officials of the Department of Marketing will set right the malfunctioning of the market yard.

Officials of the market committee should try to create faith and confidence among the farmers by rendering useful services to them.

Success of the regulated market depends upon the extent to which the private trade is eliminated. Transactions in the market yard should be made more attractive for the farmers to bring their produce for sale. Fair dealings must be ensured so as to enable the farmers to secure a reasonable price for their produce. The market committee should make its existence justified by the fulfillment of aims for which it is constituted.