CHAPTER-7
SUMMARY AND CONCLUSION

In this chapter a brief summary and conclusion of the study has been presented. Gram is the main pulse crop and mustard is the main oilseed crop in our country. The production and area under these crops is shrinking continuously. The area under mustard was 708,000 hectares in 2005-06 and in the next year (2006-07) it shrunk to 598,000 hectares and total area under gram was 129.8 thousand hectares in 2005-06 and in the next year (2006-07) it shrunk to 107.7 thousand hectares\(^1\). The one way to encourage the production of these crops is that a sound agricultural policy must be established for these crops. This can be done easily if we have accurate knowledge about the marketable and marketed surplus of these crops, marketing pattern of these crops and marketing problems faced by the growers of these crops.

In the light of the above discussion, the present study is performed to meet the following objectives:

i) To examine the production, consumption, marketable and marketed surplus of gram and mustard on different size-groups in Haryana.

ii) To examine the pattern of marketing of gram and mustard on different size-groups in Haryana.

iii) To examine the marketing cost and cost components in the marketing of gram and mustard in Haryana.

iv) To examine the marketing problems faced by the farmers in disposing of their produce in the regulated markets.

This study is mainly based on the data collected from the selected farmers of different size-groups for the marketing year 2007-08 but in support of certain facts secondary data has also been used. Three-stage random sampling technique was used for sample selection. First of all, Bhiwani and Hisar districts were purposively selected as these districts ranked 1\(^{st}\) and 2\(^{nd}\) in the production of gram and ranked 1\(^{st}\)

\(^1\) Statistical Abstract of Haryana, 2007-08.
and 5th in the production of rapeseed/ mustard, respectively\(^2\). Then three villages at different locations from the regulated market were randomly selected from each district however it was tried to select those villages, which were more suitable for the production of gram and mustard. Thus, total six villages from the two districts were selected. Then 50 farmers who produced gram and mustard were selected from each village by proportionate random sampling technique out of four farm size-groups- marginal farmers (up to 2.5 acres), small farmers (from 2.6 to 5.0 acres), medium farmers (from 5.1 to 10 acres) and large farmers (above 10 acres). Thus, a total sample of 300 farmers was selected from the six villages, which comprised 116 marginal farmers, 69 small farmers, 61 medium farmers and 54 large farmers.

Tabular analysis from the cross-sectional data has been done in order to examine the production, consumption, marketable and marketed surplus of gram and mustard among different size-groups. For calculating the marketable surplus, family consumption (consumption at home, seed consumption, feed consumption, charity or donation, etc.) was deducted from the total production. Similarly, the pattern of marketing of gram and mustard has also been examined. Marketing pattern of gram and mustard was examined with respect to time of sale, place of sale and agency of sale. Marketing cost incurred when selling the production and problems faced by the farmers when disposing of their produce in the regulated markets have also been examined by the tabular analysis from the cross-sectional data obtained from the selected farmers of different size-groups for the marketing year 2007-08.

**Findings of the Study**

Gram and mustard are both highly commercial crops as more that 85 percent of gram and more than 95 percent of mustard is produced for market. The sale in percentage of the total production is almost same on different farm categories in case of both the crops. The farmers consumed about one percent of the total production of gram and about 0.50 percent of the total production of mustard at home. About 0.50 percent of the total production of mustard and about 7 percent of the total production of gram was retained by the farmers for seed consumption.

It was found that the marketing pattern of gram and mustard was almost same in both the districts. The percentage of sale within village increased with the decrease in farm size in case of both the crops. Marginal farmers sold about 52.00 percent of their produce (gram and mustard) within village and large farmers sold about 20.00 percent of their produce (gram and mustard) within village. The average price fetched per quintal of gram within village was almost 45 Rs. lower than the average price fetched per quintal of gram outside the village. The average price fetched per quintal of mustard within village was almost 90 Rs. lower than the average price fetched per quintal of mustard outside the village. In case of both the crops, the average price fetched within village as well as outside the village increased with the increase in farm size. The main reasons for which gram and mustard growers of different size groups sold their produce within village to the local traders were almost same. Timely payment and loan facilities provided by the local traders were the main reasons for the sale in village.

Marketing pattern with respect to period of sale of gram and mustard is almost same in the two districts. About 75 percent of the total marketed surplus of gram and about 69 percent of the total marketed surplus of mustard was sold in peak-marketing period. The peak-period sale increased with decrease in farm size. No marginal farmer sold any quantity of gram and mustard in lean marketing period. The main reasons of the peak-period sale of these crops were almost same in the two districts. These were- needs for cash and storage problem. More than 80 percent of gram and mustard growers reported that they sold their produce in the peak-marketing period because they were in need for cash. This reason was comparatively more significant on marginal and small farm categories than medium and large farm categories. About 52 percent of gram and mustard growers in Hisar district and about 60 percent of gram and mustard growers in Bhiwani district reported that they sold their produce in the peak-marketing period because they faced problems in storing their produce till the mid or lean marketing periods. Lack of sufficient higher prices in future was comparatively more significant reason of peak-period sale on mustard growers than gram growers.

The marketing pattern with respect to agency of sale of gram and mustard in the two districts was almost same. The selected farmers in Hisar district sold about
30 percent of the total marketed surplus of gram to the commission agents/wholesalers in the regulated market while the selected farmers in Bhiwani district sold about 39 percent of the total marketed surplus of gram in the regulated market. On the other hand, about 48 percent and 45 percent of the total marketed surplus of mustard was sold to wholesalers/commission agents in the regulated market by the farmers in Hisar district and Bhiwani district, respectively. In case of both the crops, the percentage of sale to the commission agents/wholesalers increased with the increase in farm size. The farmers in the two districts sold no quantity of gram and mustard through cooperatives. A very minimum quantity of gram was sold to ground millers only by some medium and large farmers. About one percent of the total marketed surplus of gram was sold direct to consumers and about 0.5 percent of the total marketed surplus of mustard was sold direct to consumers by the farmers in the two districts.

The main reasons for which the gram and mustard growers selected the agency of sale were almost same in the two districts. These were- sufficient higher prices given by the agency, timely payment and loan facilities provided by the agency. In Hisar district, 66.30 percent, 83.70 percent and 73.91 percent of the gram growers reported about these reasons, respectively. 60 percent, 80 percent and 67 percent of the gram growers in Bhiwani district reported about these reasons, respectively. 78 percent, 68 percent and 62 percent of the mustard growers in Hisar district and 62.80 percent, 89.52 percent and 70.40 percent of the mustard growers in Bhiwani district reported about these reasons, respectively.

As the marketing costs of gram and mustard for both marketing places are compared, it is clear that average per qt. marketing cost outside the village is more than within the village for overall as well as different size farmers in both the districts and this is decreasing with the increase in holding size at both the marketing places. The average per quintal marketing cost of gram within village was Rs.26.61 and Rs. 25.88 for overall farmers in Hisar and Bhiwani districts, respectively, while the average per quintal marketing cost of gram outside the village was Rs.48.21 and Rs. 47.56 for overall farmers in these districts, respectively. The average per quintal marketing cost of mustard within village was Rs.25.86 and Rs. 25.33 for overall farmers in Hisar and Bhiwani districts, respectively, while the average per quintal
marketing cost of mustard outside the village was Rs.38.01 and Rs. 38.00 for overall farmers in these districts, respectively. In case of cost components it is found that transportation cost is the largest cost component in marketing of both the crops at both the marketing places. Agent charges are negligible within village while the farmers have to pay a small amount for these charges outside the village.

The significant problems faced by the gram growers and mustard growers while disposing of their produce in the regulated market were almost same in the two districts. These were- high transportation cost incurred while taking the produce in the regulated market, lack of knowledge about prices prevailed in different regulated markets, lack of storage facilities available in the regulated market, delay in auction, and delay in payment for the produce in regulated market and improper grading & standardization of the produce in the regulated market. More than 60 percent of the gram and mustard growers reported that it was costly to transport the produce from the field to the regulated market. About 60 percent of the gram and mustard growers reported that there was delay in auction in the regulated market. About 80 percent of the farmers reported that payment for their produce was not made timely in the regulated market. About 60 percent of the gram and mustard growers reported that their produce was not properly graded & standardized in the regulated market and they got the same price for good as well as bad qualities of the produce. More than 50 percent of the gram and mustard growers reported that they were not provided storage facilities in the regulated market. The problems-high transportation cost, lack of knowledge about prices, delay in auction, and delay in payment were comparatively more significant on marginal and small farm categories than medium and large farm categories.
Implications

This study highlights the following implications in the marketing of gram and mustard:

1) The producers sell most of their production of gram and mustard in the peak marketing period. This causes glut in the regulated markets in this marketing period which generates various marketing deficiencies.

2) There is lack of storage facilities with the farmers and for this reason they find themselves unable to store their produce and sell it later though it may be beneficial for them.

3) Most of the farmers who sold their produce in the peak marketing period (especially marginal and small farmers) reported that they were in need for cash and that is why they sold their produce just after harvest.

4) Most of the farmers who sold their produce to the local traders within village reported that timely payment made by the local traders and the loan facilities provided by them were the main reasons of sale to them.

5) Transportation cost is the largest cost component in the marketing of both the crops within village as well as outside the village.

6) The main reasons which discourage the farmers to take their produce in the regulated markets are: high transportation cost, lack of information about the prices prevailed in the regulated markets, delay in payment, delay in auction and lack of grading & standardization in the regulated markets.

Suggestions

From the study it is clear that the marketing of gram and mustard should be made as efficient as possible if we want to encourage the production of these crops in our country. Here are some suggestions supported to improve the marketing of these crops and, thereby, encourage the production of these crops:

1. To restrict the glut in the regulated markets in the peak-period, the govt. should provide more loan facilities and storage facilities at low prices to the gram and mustard growers especially to the marginal and small farmers because
need for cash and storage problems are comparatively more significant reasons of peak-period sale on these farm-categories.

2. The main reasons for which most of the farmers sold their produce within village at lower prices are- timely payment and loan facilities provided by the local traders within village. So, if the farmers, especially marginal and small farmers, are provided loan facilities at low interest rate and payment for their produce is made timely in the regulated markets, they can be induced to bring their produce in the regulated markets.

3. The government should reduce the cost of transporting the produce from farms to the regulated markets. This can be reduced by two ways- i) More regulated markets can be established in the rural areas (ii) The govt. can avail means of transportation at lower prices for transporting the produce from farms to the regulated markets.

4. Information about prices prevailed in different regulated markets should be availed to the farmers at larger scale. For this govt. can use television, radio, newspapers, etc. There are many farmers, especially marginal and small farmers, who can’t purchase these means of information on their own expenses. So, govt. can open public libraries in the villages and T.V. & Radio can be availed in the common halls in rural areas. From these means of information the farmers can easily get the information about the prices prevailed in different regulated markets.

5. More storage facilities should be provided at lower prices in the regulated markets so that the farmers, who want to sell their produce later, can easily store their produce in the market.

6. Auction should be made timely so that the farmers should not face any problem due to delay in auction.

7. High prices for better qualities and lower prices for poor qualities should be given in the regulated markets. In other words, the produce should be graded and standardized properly in the regulated markets. This will induce the farmers to produce the better qualities of gram and mustard.
BIBLIOGRAPHY


