

A Critical Study of APMC's in Gadag District

Prof. Janardhan Kumar.B
Govt First Grade College
Naregal

Dr. M.B.Belavatagi.
Associate Professor

Abstract:

Introduction

The Agriculture sector of India has occupied almost 43 percent of India's geographical area. Agriculture is still the only largest contribution to India's GDP even after a decline in the same in the Agriculture also plays a significant role in the growth of socioeconomic sector in India. In the earlier times, India was largely dependent upon food imports but the successive stories of the Agriculture sector of Indian economy have made it self-sufficient in grain production. The country also has substantial reserves for the same. India has put lot of effort to be self-sufficient in the food production and this endeavor of India has led to the Green Revolution. The Green Revolution came into existence with the aim to improve the Agriculture in India.

The Indian Government also set up ministry of food processing industries to stimulate the agriculture sector of Indian economy and make it more lucrative. India's agriculture sector highly depends upon the monsoon season as heavy rainfall during the time leads to a rich harvest. But the entire years agriculture cannot possibly depend upon only one season taking into account this fact a second Green Revolution is likely to be formed to overcome the restrictions.

An increase in the growth rate and irrigation area, improved water management, improving the soil quality, and diversifying into high value outputs, fruits, vegetables, herbs, flowers, medicinal plants, and biodiesel are also on the list of the services to be taken by the Green Revolution to improve the agriculture in India.

Definitions of the Concepts used for APMC:

1. **Agricultural produce:** Includes anything produced in the course of agricultural operations.
 - a) Live stock or poultry,
 - b) All Produce whether processed or not of agriculture, animal husbandry, horticulture, pisciculture, forest produce and
 - c) Any other produce declared by the state government by notification to be agricultural produce for the purpose of the KAPM® Act.
2. **The Regulation Act:** Refers for Karnataka Agricultural Produce Marketing Act, 1966 (KAPM) implemented throughout Karnataka State Act, 1968, with all the updated Amendments to it.
3. **Producer:** means any person who grows or produces by himself or by hired labour or otherwise any agricultural produce.
4. **Market Functionaries:** A market functionary or functionary included a broker, a commission agent, trader, an exporter, a ginner or any processor of agricultural produce, a stockiest or any such person as may be declared under section 6 (1) of KAPM (P) Act.
5. **History and Development of Agricultural Marketing –**
6. The development of the marketing system of agricultural produce in India equal influence aside the socio-economic that prevail during unlike phase of the nineteenth and twentieth hundred . there get be a rapid change in the blueprint of agrarian production imprint subsistence level to commercial agrarian .
7. This transformation have lead to the emergence of many grocery store center Mandies and Ganjs . Each market center explicate its own craft drill and mode of business ignore wholly the concern of farmer. Different official and mediator involve in the transaction exploited the ignorance and the weak dicker capacity of the agricultural producer while

sell their produce . The emergence of a well plan market system with a network of agrarian produce market in the state cost the direct result of a grate surge inch the marketable excess indium the agrarian sector during the mail independence period . An effective agrarian selling system help and encourage great production .

Regulated Markets

The market be regulate under Market Regulation Act . The spokesperson of government co-operative club , trader and farmer gain an agricultural market society . The club control all the selling business . Middlemen etc . be give license and all the market charge constitute fixate and measured organization of consider exist use . parking Rest theater , drink water adeptness and_so_forth , cost present in such market .

Regulated market be a wholesale market where share or bribe and sell where regulate or controlled by the State government through a ' Market Committee ' , which dwell of congressman of farmer , trader , agent , local body , co-operative club and Government . its be a market where the activity embody to lead plaza under act rule and rule and the malpractice alike Hanagalg weighment , unnecessary deduction embody suppress . Furthermore, the determine marketplace supply for colony of dispute, of any , amongst the seller and buyer.

Need for Regulated Market:

There are so many different reasons for regulating the marketing activities of agricultural commodities. The producers of agriculture products were suffering a lot before the implementation of marketing relation. Some important needs are mentioned below.

- i) To avoid heavy village sale of agricultural commodities.
- ii) To avoid immediate post-harvest sale by farmers.

- iii) To provide institutional marketing infrastructure.
- iv) To avoid institutional marketing infrastructure.
- v) To avoid malpractices in marketing.
- vi) To provide reliable and up to date market information.

These needs have been explained in the following paragraphs.

Review of Related Literature:

Literature related to present study has been reviewed from the available sources and presented in this section. Specific focus was given on marketing of horticulture crop.

1. Harold Hume (1951) comprehensively discusses all aspects of production of horticulture crops in his book entitled 'The cultivation of Horticulture crops' comprising thirty one chapters. In the beginning critical analysis of classifications of horticulture crops is given followed by a detailed description of almost all aspects of production of horticulture crops, from development of root stock to picking. In addition to cultivation, the book also provides technical guidance on different Problems confronted in the production of horticulture crops.

2. Survey Report on the Marketing of Horticultural crops in India (1965,) The filed survey was confined to important horticultural crops viz., mango, citrus, pineapple, guava, papaya, grape, banana and fruits and in case of vegetable only to potato, onion, tomato, peas and beans, cabbage, cauliflower, carrot, turnip and ginger. The data collected have been compiled and presented in a series of 13 reports. One among them is 'Marketing of citrus fruits in India' in which an attempt has made to present essential information regarding area and production and marketing aspects like, preparation for the market, grading and Standardization, assembling and distribution, transportation and cold Storages. This report was published by the Government in 1965. Since Than the Government has not made special surveys and publications regarding citrus fruits in particular and horticultural crops in general in order to enable the farmers, traders, co-operative societies and processing units to utilize them effectively.

3 Mahalambis (1971) in his article entitled Need for more Processing and preservation of food highlighted their have been concluded that there was a loss of fruits and vegetables during storage, movement of produce and package.

4. **Mahalnobis (1972)** studied the price spreads orange in Calcutta market and found that producer's share was only 22.50 per cent of the consumer's rupee. The lower percentage to the producer was mainly due to transportation cost and handling charges etc. The share of middlemen was found 33.90 per cent of the consumer's rupee and the margin of the retailers accounted for 28.75 per cent of the total price spread at different market functionaries' level.

5. **Keddie J. and Cleghorn H.W. (1980)** conducted a study on "technology, employment and basic needs in food processing in developing countries" for the international labor office within the framework of world employments programme. The study focuses on technological choices and transfer opportunities in food processing among developing countries. The report also includes a case study of food processing in Kenya, although the study was not directly related to the research work at hand, it can aid in good understanding of food processing choices and opportunities of transferring technology among developing countries.

6. **UNDP, FAO (1980)** Post-Harvest losses of fruits and vegetable the main objective of the report was reducing post-harvest losses of fruits and vegetables in the countries of this region through effective marketing system. The post-harvest handling operation was categorized into five major stages, namely harvesting, preparation for markets, transportation handling and preservation during distribution and at home. Information regarding specific causes of losses and their relative contribution to total loss were acquired through survey and observational studies. In order to compensate seasonal and annual variations, analyses reveal that overall losses of fresh fruits and vegetables in the regions studied ranges from 15 to 50 percent, which is market unsatisfactory. Specific causes of post harvest losses at different stage of post harvest handling operations with percentage of loss at each stage are critically mentioned in the report.

7. **Subarhamanyam et al. (1981)** "A study of fruit and vegetable-cold storage unit in Bangalore city" horticultural problems like post-harvest losses and its impact on the economy, per capita availability, improved methods to reduce losses, transportation of horticultural crops by rail and roadways and how to avoid wastage in transit, importance of cold storage units.

Need for the Study

The deliver study restrain itself to the “ Appraisal of make of APMC in Karnataka – Case report of Gadag District and Five Talukas viz, Ron, Shirhatti, Mundaragi, Naragunda ”, which consist of seven Main yard twelve Sub marketplace yard . Majority of agrarian grow be be sell in the village itself aside farmer immediately after harvest , due to pressing fiscal need , inadequate repositing facility , ignorance and illiteracy and lack of transportation adeptness , ignorance and illiteracy and lack or enchant adeptness.

Objectives of the Study:

This is primarily a regional study of the overall performance appraisal, where there are adequate opportunities for exploitation by the middlemen. Therefore, the study is undertaken from the point of view of the primary producer and how best he can secure a better price for his produce. The objectives of the study are therefore confined to.

1. Critically Analyzing the existing laws relating to the regulation of markets in Karnataka State.
2. Critical examining the working of regulated markets on their administration and the implementation of the Act and to point out the deficiencies. If any.
3. Analyzing the infrastructure created by the regulated market for better marketing facilities and to assess their effects on the marketing management of primary produce.
4. To study the amenities and facilities at the APMCs covered by the study and to identify inadequacies prevalent in these APMCs, of Gadag district.
5. To study trade practices in the study area regarding the sale and purchase of agricultural commodities.
6. To trace the prevailing problems in the existing marketing practices.
7. To offer suggestions based on findings.

The Objectives declared above be to be examine with the micro-analytical study of the APMCs in Gadag Districts and five taluks of the Karnataka state . Our notice receive go to the conviction that , mere execution of the Act of regulation of the market in the State ; displace act more price to the cause than the profit accrue from its .

The research worker accept, consequently , test the Agricultural Produce Marketing Act, 1966 of Karnataka from the point of see of the manufacturer

Hypotheses:

The hypotheses of the present study are as below

- 1) There is an increasing trend in regulated markets in Karnataka state.
- 2) Malpractices have not been curbed by implementation of KAPM (R) Act, 1966.
- 3) There is no difference in the growth rate of sales values of agricultural produce among different markets during the study period.
- 4) Infrastructure of APMCs has no influence on arrival of Agricultural Produce to APMCs.
- 5) Formers are not satisfied by services provided by Commission agents.
- 6) Formers educational level will not have any influence to bring their agricultural produce to APMCs.
- 7) Land holdings of farmers will not have any influence to bring their produce to APMCs.
- 8) Reasons for sale in local market will not have any impact on arrival of produce to APMCs.

Scope of the Study

The study is restricted to APMC's viz., Gadag, Ron, Shirhatti, Mundargi, Nargund. of Gadag district of North Karnataka. Various aspects of the functioning of the regulated

markets, right from arrivals till sale and final payment for the agriculture produce have been covered by the study. The data collected and the results of the investigation could help the farmers, Commission agents, traders, future researchers, the policy-makers and administrators.

Research Methodology

Since the present study is intended **to probe** in the working of APMCs in Gadag, Ron, shirahatti, Mundaragi, Nargund, of Gadag district of North Karnataka, were selected.

The data were collected with the help of interview schedule. Besides this, the observation method was used extensively for drawing reliable conclusions. The study was based both on primary and secondary data. To study the area, production and yield for different taluks were collected.

To study the impact of prices on area, production and yield of crop in Gadag district, the average farm harvest prices in this district was collected for the period 2017-18 to 2017-18.

The data pertaining to annual and monthly arrivals and prices were collected for the period 2015-16 to 2017-18 in Gadag, Ron, shirahatti, Mundaragi, Nargund, of Gadag district of North Karnataka markets.

For primary data, the farmer respondents as well as market functionaries were selected at randomly depend on the market size. In all, 300 farmers and 150 market functionaries were selected from different markets

The secondary data regarding the turnover, market fees, licence fees and other income sources, expenditures and infrastructure facilities were collected for the period 2012 to 2018. Secondary data were collected by referring the following sources.

1. Joint Director of Agriculture, Gadag.
2. The District Statistical Office Gadag.

3. The District Commissioner Office, Gadag.
4. Office of the Assistant Agriculture Director, Gadag.
5. Agriculture Research Station. Gadag
6. University of Agricultural Science, Dharwad and Bangalore.
7. Karnataka State Agricultural Marketing Committee, Hubli.
8. Centre for Multi-Disciplinary Development Research, Dharwad.
9. M.S. Swaminathan Research Foundation, Madras.
10. Indian Institute of Management, Bangalore.
11. Central Food Technological Research Institute, Mysore.
12. A.P.M.C of All Head Quarters of Gadag District and Taluks

Besides these, an extensive use of libraries, journals, annual reports, bulletins of the regulated markets and other published materials has been collected to draw the conclusion.

In addition to the above sources, intensive discussions were held with the experienced persons and officers in the field like Secretary Manager. Technical Assistants, President of APMC, Ron, Shirhati, Mundaragi, Naaragund, and other places of Gadag District. a certain traders who are in the business for more than 10-15 years and other staff of APMC and market functionaries handling different sections.

This helped the investigator to gain thorough knowledge about the functionaries of the markets of Gadag district in all respects.

Analysis of the Data

Tabular presentation of the compiled data was extensively used. Wherever necessary, ratios and percentages were computed for clear understanding of the situation.

Analysis of variance (ANOVA) techniques was employed to test whether there is any statistical significance in sales in different markets.

Multiple liner regression analysis was employed to know the contributing or causal factors, which determine the proportion of sales of agricultural commodities through APMCs by the farmer respondents.

The regression model employed was of the following form.

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Where,

Y = Percentage of sales through APMC

X₁ = Education level of the farmer respondents

X₂ = Land holding of the farmer respondents in acres.

X₃ = Satisfaction derived from the services rendered by the commission agent by the farmer respondents.

X₄ = Number of reasons for selling the produce in the local market by the farmer respondents.

e = error term,

'a' and 'b' s are the intercept and slopes, respectively.

Limitations of the study:

The study involves various limitations in the collection of data due to the ignorance of the producers and the short memory possessed by them in respect of the prices and other relevant data for the earlier years.

1. The study is confined to a time span of five years only i.e., from 2010 to 2018.
2. The respondents have been selected from the areas covered by only seven APMC's viz., Gadag, Ron, Shirhatti, Naragund, Mundaragi and other villages of the Districts, of North Karantaka.
3. All the farmers frequenting these APMCs were not available at the market yards. As a result selected farmers were interviewed for the purpose of the study.

4. It was not possible to meet all the market functionaries of APMCs. Hence selected few have been interviewed from each market.
5. Some of the important data were kept as confidential by a merchant and formers.
6. In arriving at the marketable surplus, in respect of the food crops, the accuracy of the statement has to be taken with around 20 percent on either side.
7. The bye-laws, marketable commodities and marketing practices differ from one APMC to another and hence this research work cannot be completely comparable to other market.
8. While gathering the information form the respondents, the researcher observed personal bias.
9. The researcher came across considerable resistance in getting the full information form the traders and commission agents on such issues as payment immediately after sales, charges such as godown rent, interest on the advance and any other 'cuts' from the bills to the producers, fearing the involvement under the Karnataka Agriculture Produce Marketing (Regulation) Act, 1966.

In spite of the above limitation, the researcher induced coaxed and used his personal influence as a person belonging to the family of a farmer/businessman and his past experience in conducting.

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