

Marketing Tribulations to Farmers: A Study of Himachal Pradesh**Manoj sharma¹****¹ Assistant Professor, Department of Humanities and Social sciences,****National Institute of Technology Hamirpur [HP] INDIA.****1. INTRODUCTION:**

Agriculture is the main occupation of the people of Himachal Pradesh and has an important place in the economy of the State. The state of Himachal Pradesh is the only state in the country whose 89.96 percent as per 2011 census of population lives in rural areas. Therefore dependency on Agriculture/ Horticulture is vital as it provides direct employment to about 70 percent of total workers of the State. The economy has shown a shift from agriculture sector to industries and services as the percentage contribution of agriculture and allied sectors in total State Domestic Product has declined from 57.9 percent in 1950-51 to 55.5 percent in 1967-68, 26.5 percent in 1990-91 and to 14.25 percent in 2013-14.

Agriculture in Himachal Pradesh is in the phase of transformation. The traditional cereal crops based farming system is giving way to high value cash crops. This process will further intensify as the process of commercialization of agriculture will spread to those areas where presently infrastructural facilities are lacking.

The hurdles to the farmers are categorized as production problems, marketing problems, financial problems and institutional problems. The marketing problems is the one of the main problem faced by the farmer in Himachal Pradesh, which include lack of proper grading, packing, lack of transportation facilities or high cost of transportation due to production in tough terrain areas, lack of marketing intelligence, improper weighing of the product, high market fees and commissions, are major one. Although Government of Himachal Pradesh has taken up numerous policy measures to solve these problems of the farmers, but still some area is untouched. The present paper is an attempt to know the marketing problems faced by the farmers in the selected districts of Himachal Pradesh.

2. RESEARCH METHODOLOGY:

The present work is based upon the primary data collected to know the marketing problems faced by the farmers in the state of Himachal Pradesh. For the collection of primary data, a well prepared schedule has been administered to the respondents selected through random sampling.

Sampling procedure

In the present study multi-stage random sampling has been adopted. At the first stage four districts were selected by adopting ranking system. There are 12 districts in the state. Out of these 12 districts, the selection of four districts was made after ranking all the districts on the basis of total output in the year 2005-06.

Table 1

Ranking of districts on the basis of output of Selected crops/crop group

	Bilas pur	Chamba	Hamirpur	Kangra	Kinnaur	Kullu	L.-Spiti	Mandi	Shimla	Sirmour	Solan	Una
Rice												
O	1937	4585	3253	50934	31	1449	0	29167	1966	7223	8283	3311
R	9	5	7	1	11	10	12	2	8	4	3	6
P	4	8	6	12	2	3	1	11	5	9	10	7
Wheat												
O	13983	15818	28037	101867	527	39810	77	63460	17969	19373	37691	27273
R	10	9	5	1	11	3	12	2	8	7	4	6
P	3	4	8	12	2	10	1	11	5	6	9	7
Barley												
O	236	2370	87	3834	1098	6431	707	6103	5139	2411	945	0
R	10	6	11	4	7	1	9	2	3	5	8	12

P	3	7	2	9	6	12	4	11	10	8	5	1
Maize												
O	379 00	347 04	514 14	8005 8	590	4296 2	156	1146 92	3241 5	612 79	364 02	504 89
R	7	9	4	2	11	6	12	1	10	3	8	5
P	6	4	9	11	2	7	1	12	3	10	5	8
Total pulses												
O	121	715	17	1458	109 3	1781	867 0	1996	1548	108 3	960	206
R	11	9	12	5	6	3	1	2	4	7	8	10
P	2	4	1	8	7	10	12	11	9	6	5	3
Potato												
O	69	489 1	20	4053	107 7	6535	135 79	1823 2	3175 8	822 0	638	682 8
R	11	7	12	8	9	6	3	2	1	4	10	5
P	2	6	1	5	4	7	10	11	12	9	3	8
Non-food crops												
O	122 0	155	41	3327	0	294	93	1311	1268	103 65	305 9	410
R	6	9	11	2	12	8	10	4	5	1	3	7
P	7	4	2	11	1	5	3	9	8	12	10	6
Apple												
O	0	103 67	0	650	411 01	1406 33	193	3642 1	3102 52	680	59	0
R	10	5	10	7	3	2	8	4	1	6	9	10
P	2	8	2	6	10	11	5	9	12	7	4	2

TP	29	45	31	74	34	65	37	85	64	67	51	42
RR	12	7	11	2	10	4	9	1	5	3	6	8

Sources: Output (2005-06) see Annexure II to Annexure X.

Note: i) O = Output ; R = Ranking; P = Point; TP = Total Points and RR = Re-ranking.

ii) The points were given as 12 to 1st rank, 11 to 2nd rank, 10 to 3rd rank and so on.

All the 12 districts were given ranks from 1 to 12. Rank 1 was given to the highest percentage and thus in descending order 12 to the lowest percentage. The ranks and points range from 1 to 12. A maximum point of 12 was assigned to first rank, 11 to second rank and so on. Individual points were added to get the total points with respect to each district separately (see Table 1). Therefore, final ranking (re-ranking) of the district was made. Four districts, which attained first, second, third, and fourth rank, were selected. These districts were Kangra, Mandi, Sirmaur and Kullu.

At the second stage, 8 blocks, 2 from each selected districts, have been selected. The selection of blocks has been made purposively by taking into consideration the output of various crops, fruits and vegetables in these blocks.

At the third stage, a total of 160 respondents, 20 from each selected blocks, have been selected.

3. RESULT AND DISCUSSION

Efficient marketing of crops is as important as production for the farmers, to get the remunerative prices for their produce. Lack of markets and improper marketing practices lead towards a complicated nature of marketing of the agriculture produce in the hills. The various marketing problems and constrains faced by the vegetable producers need to be tackled in order to accelerate the pace of growth of area under crops cultivation. Keeping this in view, the opinion of farmers regarding the marketing problems was also sought, and the multiple responses have been presented in Table 2.

3.1 Grading

Grading is the basic and most required marketing activities to be done by the farmers to get the remunerative prices for their produce. At present in the state, grading is done manually. Majority of the growers face the problem of non-availability of grading centre and they also feel that grading by hand is costly. In sample 85.63 per cent of respondents admitted that grading is done manually, while 82.50

percent of respondents reported that grading centers are not near to their place. Further 61.25 percent of sample farmers have the opinion that manual grading is time consuming. It seems that it is for this reason that all the sampled farmers felt the need for mechanical grading.

3.2 Packing

Proper packing is required especially in case of fruits and vegetables in order to protect the produce for breakage during the transportation. In case of packing it was found that in 33.13 per cent of cases the packing materials were costly whereas in 66.87 per cent of cases these materials were not costly. Further, 11.25 per cent of respondents reported that the quality of material was not up to the mark, means the quality of material was poor. Regarding the timely availability of packing material, it was found that in 52.51 per cent of cases farmers got these materials in time whereas in 47.49 per cent of cases (that is, 16.87 per cent sometime and 30.62 per cent never) farmers did not get packing materials in time.

Table 2: Marketing Problems faced by the farmers

Sr. No.	Questions as per Schedule supplied to farmers	Responses	Percentage (%)
1.1	What is the procedure of grading?	Manually	85.63
		By grading centres	14.37
1.2	Whether the grading centres are available near to your place?	Yes	17.5
		No	82.5
1.3	Do you think manual grading is time consuming?	Yes	38.75
		No	61.25
2.1	At what price packing material is available to you?	High prices	33.13
		Fair prices	66.87
2.2	What is the quality of packing material?	Good	88.75

		Poor	11.25
2.3	What is the status of availability of packing material?	Well in time	52.51
		Sometime in time	16.87
		Never in time	30.62
3.1	Whether your place is connected with motor vehicle able road?	Yes	81.88
		No	18.12
3.2	Are the transport facilities available well in time?	Yes	73.13
		No	26.87
3.3	What is the cost of transportation?	High	78.75
		Fair	21.25
4.1	Do you get marketing information well in time?	Always	64.37
		Sometimes	22.5
		Never in time	13.13
4.2	Whether the information source is reliable?	Always	86.25
		Sometimes	5.623
		Never	8.12
5.1	Do you think that your product is weighted accurately?	Yes	33.75
		No	66.25
6.1	Whether government fixes Minimum Support Price for your crop?	Yes	18.13
		No	81.87
6.2	If, yes for Sr. no. 6.1 then, whether the procurement of your crop is done at MSP by the government?	Yes	89.66
		No	10.34
6.3	If, yes for Sr. no. 6.1 then, What is your opinion regarding the support price fixed by the government?	Fair	27.59
		Not fair	72.41

6.4	Do you get reasonable price for your crop during the peak season?	Yes	23.13
		No	76.87
7.1	Whether the commission deducted in market at the time of sale of your product is fair?	Yes	18.13
		No	81.87
7.2	Whether the market charges are fair?	Yes	48.75
		No	51.25

3.3 Transportation

An analysis of grower's transportation problems revealed that 26.87 percent of respondents admitted that they do not get transportation facilities; this was due to lack of road connectivity in some of the areas. While 78.75 percent of sample farmers confessed that transportation charges were high.

Further sampled growers were also concerned about the lack of all weather/metallic roads. A few of them felt the need for increased link roads in the producing area. The growers suggested that in order to reduce the marketing cost government should make provision for the transportation, so that the farmers could easily reach the market well in time.

3.4 Marketing Intelligence

An efficient market information network can greatly help the farmers in reading the pulse of the market; hence in taking appropriate measures to best harness the market advantage. Out of total sample respondents, 13.13 percent of respondents admitted that they never got market information in time, while 22.5 percent of respondents reported that sometime they got market information. Similarly, 8.12 percent of selected farmers from the sample respondents reported that the source of information was not reliable and 5.63 admitted that sometime sources are reliable, whereas in 86.25 per cent of cases the source of market information was found to be reliable one. The lack of timely market information and market education was considered to be the main reason for improper working of the markets in the state. A small proportion of these growers also felt that the market information that they got was not so reliable. Efficiency of market information network can be improved by increasing the frequency of market news bulletin, newspaper insertion and television programmes etc.

3.5 Weighing

Weighing of produce is an important aspect in getting prices equal to the quantity of the produce. Data collected in this regard (which has been shown in Table 2 Sr. No. 5.1) reveals that about two third of the total respondents (that is, 66.25 per cent) reported that the weighing of their products was not done accurately which lowered down their income. Further, farmers reported that the traders used improper scale in weighing the produce.

3.6 Market Prices

Minimum support price provide security against the discriminatory prices of the market. It is fixed by the government, so that the farmer could be benefitted. In this regard out of total respondents, 81.87 percent of sample respondents reported that government did not fix Minimum Support Price for their crop. Those who reported that government fixes MSP for their crop, out of them, 10.34 percent admitted that government did not purchase their crop at MSP, while 72.41 percent of them answered that MSP fixed by the government was not fair.

Further, 76.87 percent of sample responded that they do not get reasonable price for their crop during the peak season. All the sampled farmers were in favour of support prices and introduction of the insurance of the selected vegetable in order to protect the interest of growers. They felt that this would check the tendency of artificial lowering of the prices by the traders. Strict adherence of the market regulations may help the growers in getting the better prices, it is also suggested that the growers should try to farm co-operatives for marketing of their produce in order to receive desirable prices from the markets.

3.7 Market Malpractices

A considerably high proportion (81.87 percent) of the sample respondents reported that in addition to use the improper scale for weighing of produce, traders or agents charge were not fair. It was found that in 51.25 per cent of cases the market charges were high. In order to address these problems it is suggested that the provision of regulated market act be strictly implemented in the markets. Further there is also a need for proper regulation of the markets.

CONCLUSION

On the basis of above discussion it can be concluded that the lack of timely market information and market education was considered to be the main reason for improper working of the markets in the state. Further 61.25 percent of sample farmers have the opinion that manual grading is time consuming. While 78.75 percent of sample farmers confessed that transportation charges were high. Study also reveals that about two third of the total respondents (that is, 66.25 per cent) reported that the weighing of their products was not done accurately which lowered down their income. Further, 76.87 percent of sample responded that they do not get reasonable price for their crop during the peak season. All the sampled farmers were in favour of support prices and introduction of the insurance of the selected vegetable in order to protect the interest of growers. It was found that in 51.25 per cent of cases the market charges were high. In order to address these problems it is suggested that the provision of regulated market act be strictly implemented in the markets. Among the marketing problem; lack of proper grading, packing, lack of transportation facilities or high cost of transportation due to production in tough terrain areas, lack of marketing intelligence, improper weighing of the product, high market fees and commissions, are major one. Although government has initiated many scheme for the farmers but there is always a need for improvement.

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