

Direct Agricultural Marketing: A Study on Uzhavar Santhai in Kanchipuram District, Tamil Nadu

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ABSTRACT: The long chain of middlemen is a major challenge faced by Indian agricultural marketing system. The objective of the marketing should be that the producer gets a fair share of consumers' price. This may be possible, only if the produce is sold through direct marketing. Direct Marketing will ensure a fair price for farmers and high level of satisfaction among consumers. Here comes the importance of Uzhavar Santhais otherwise called Farmer's Market. This concept was first originated in Russia. In Tamil Nadu, this idea was implemented at Madurai in the year 1999 by the DMK Government. To a certain extent with well-planned organisation and suitable administrative, marketing and infrastructure facilities, it ensures convenient marketing. These "Uzhavar Santhai's" also plays a great role in the elimination of middle men and commission agents who charge high commission fees from the farmers.

KEY WORDS: Direct Marketing, Farmers, Middlemen, Uzhavar Santhai

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I. INTRODUCTION

One of the major sectors that play a crucial role in the Indian Economy is agricultural sector. In India, 70 per cent of the population directly or indirectly depends upon agriculture for their livelihood. India is the largest producer of fruits and the second largest producer of vegetables among the world countries. Agricultural markets play an important role in providing the means of livelihood to millions of small and marginal farmers. At present, the agriculture sector in India is in a transformation phase. Agriculture, the backbone of Indian economy, has taken a setback due to inefficient government policies in the last two decades. An organized agricultural market can be viewed as one, which contains better space and place for farmers to sell their goods. This market should also provide transport facility to move the goods from the farmers' gate to the market. Mostly, the rural markets are characterized by large intermediaries and the market chain is highly unorganized with gains not forthcoming to the primary stakeholders. These third parties make profit out of the loss imposed upon poor farmers by manipulating the demand-supply conditions.

Uzhavar Santhai is originated from the concept of KalGhoj in Russia. The first Uzhavar Santhai in Tamil Nadu was started at Madurai by the DMK Government in the year 1999. Its unique system of marketing enables the farmers to get desirable prices for their produce.

STATEMENT OF THE PROBLEM

The challenges raised by the middlemen in the field of agricultural sector are huge. By incorporating farmers the Central and State Governments always try to find necessary solutions to solve this problem. Uzhavar Santhai is such an attempt. It is important to know how far the farmers make use of such markets and what extent they prevent the middlemen. Therefore this research topic is relevant in view of the below context.

- What is the role of Uzhavar Santhai in kanchipuram district in the marketing of agricultural products?
- To what extent the service of the Uzhavar Santhai are utilized by the farmers?

OBJECTIVES OF THE STUDY

- To study the Socio-economic profile of the farmers in the Uzhavar Santhai in Kanchipuram District.
- To find out the factors influencing farmers and consumers to select Uzhavar Santhai.
- To evaluate the difficulties and the problem encountered by the sellers of Uzhavar Santhai.

RELEVANCE OF THE STUDY

The marketing of fruits and vegetables is more complicated as compared to other field crops because of its special characters like extremely perishable nature, seasonality and bulkiness which need special care and immediate disposal. In India, the role of middlemen in the marketing of agricultural produce is very large. They exploit the farmers and consumers through various malpractices in weighing, handling, storage and payments

etc. Here comes the importance of “Direct Marketing”. The role of middlemen between farmers’ and consumers are eliminated under this system. Direct Marketing of agricultural produce can be also considered as an economic way to satisfy the producers as well as consumers. The progressing nature of this type of marketing like Uzhavar Santhai necessitates a study in this area.

II. METHODOLOGY OF THE STUDY

In order to evaluate the objectives of the study, data was collected from both primary and secondary sources. Primary data was collected from the farmers carrying out regular business in Uzhavar Santhai and from the regular consumers who come there usually. Apart from them, information was also collected from the officials of Uzhavar Santhai like the supervisors and estate officers with the help of a structured questionnaire. Informal interactions with the farmers were also carried out to understand the situation in depth. Secondary sources like the government publications, journals etc. were also used.

Sample Selection:

The process of selection of sample was sequential. Firstly, samples from Uzhavar Santhai were collected based on convenience. Then, a particular number of farmers from eight Uzhavar Santhai like Kanchipuram, Pallavaram, Chengalpetu, Chrompet, Medavakam, Nanganallur, Guduvanchery and Padappai were selected.

Sample size: For collecting primary data a sample of ninety six people who participated in the market activities were selected through convenience sampling method.

Sampling Technique: For this research, survey method, personal interview, discussion with the respondents was carried out.

Analytical tools employed: For achieving the stated objectives, analytical procedures like the tabular analysis, graphical method, cumulative methods, cross tabulations, and percentages were used.

III. REVIEW OF LITERATURE

A.Vadivelu and **B.R. Kiran** describes about the various kinds of agricultural products produced in India and states that the marketing of all these farm products generally tend to be a complex process. Agricultural marketing involves many operations and processes through which the food and raw materials move from the cultivated farm to the final consumers. They also suggest the necessity of a suitable marketing system in order to give proper reward to the efforts of the tillers of soil.

Elangovan A., Yazhini S. studied “Direct Agricultural marketing - A study of Uzhavar Santhai (Farmers’ Market) in Salem District”. This study has explained Uzhavar Santhai (Farmer’s Market) was introduced with a view to eliminate the middleman and arrange facilities for the farmers to sell their produce directly to the consumers at reasonable rates fixed every day. According to him, the scheme benefits both the farmers and the consumers.

Krishnan S. has done a research on “Role of Uzhavar Santhai (Farmers’ Market) in Agricultural Marketing - A Study”. In this he examines the functions and impact of the farmer’s market, farmer’s conditions, the quantum of vegetables and fruits sold in the market and other amenities available in the market. He also suggested that the direct marketing of agricultural produce helps in complete elimination of middlemen and commission agents who charge high level of commission fee from the farmers.

IV. ANALYSIS AND DATA INTERPRETATION

Uzhavar Santhai (Farmers’ Market):

The idea of setting up of market places which directly link producers and consumers and exclude traders and middlemen in Tamil Nadu called as ‘Uzhavar Santhai’ (Farmers’ Markets), started in 1999. It is popularly known as Farmers’ Market. It is a unique Farmers’ Market model where ‘informed consumers’ buy the products of poor, small and marginal farmers at fair prices that induce the producers to stay in farming. The Uzhavar Santhai revolves around the farmer and raises the position of farmers-to-farmer seller. ‘Uzhavar Santhai’ has received tremendous support from the people of Tamil Nadu, where farmers and consumers are directly benefited. The main reasons behind starting this market system were to facilitate farmers to sell fresh fruits and vegetables directly to the consumers at remunerative prices without the intervention of middlemen and traders.

Salient features of Uzhavar Santhais:

- Farmers growing vegetables, fruits and crops from villages are being identified and identity cards with photographs are issued to those farmers by the Department of Horticulture.
- Uzhavar Santhai starts its functioning from early morning.
- Special vehicles have been arranged for the farmers to bring their produce into Uzhavar Santhais at free of cost.

- Farmers produce are weighed and recorded.
- Shops in Uzhavar Santhais are allotted to the farmers on first come first basis.
- Free electronic weighing balances have been provided to the farmers on priority basis.
- Daily price for each produce has been fixed by the team of officials including Agricultural officers and representatives from farmers group. The rate fixed will be 20 per cent more than that of prevailing wholesale market price.
- Consumers are benefited by getting 15 per cent less than that of prevailing retail price.
- Price list of the produce are provided in black boards in front of every shop.
- Drinking water, sanitary facilities, telephone connection and parking facilities are provided in all the Uzhavar Santhais.
- Cold storages with 2 MT capacities have been constructed to prevent decaying of fruits and vegetables in top performing 27 Uzhavar Santhais, where sale of fruits and vegetables exceed 15 MT per day.
- Supervision by the authorities for the prevention of malpractices.

Key Stakeholders of Uzhavar Santhai and their Duties:

- Agricultural Marketing Department, Government of Tamil Nadu: It oversees the implementation of the entire direct marketing concept.
- Joint Collectors: Joint Collectors are responsible for the effective functioning of Uzhavar Santhai in their respective districts. They are responsible for all appointments of concerned officials and to ensure proper coordination of Agriculture Officers, Horticulture Consultants, Estate Officers and relevant local bodies for the smooth functioning of Uzhavar Santhai.
- Estate Officers: The estate officers are responsible for the upkeep and maintenance of Uzhavar Santhai. They allot shops, fix prices and ensure its proper day-to-day functioning.
- Horticulture Consultants: They are responsible for motivating, identifying and ensuring regular attendance of farmers so that the latter are able to make use of the services that Uzhavar Santhais provides. They provide pre- and post-harvest consultancy to farmers.
- Agriculture Officers: The Agriculture Officers coordinate and assist Estate Officers and Horticulture Consultants.
- Farmers: They sell their produce at Uzhavar Santhai (self-help groups).
- Department of Women and Children in Rural Areas (DWCRA) SHGs: They sell products as a group in the Uzhavar Santhai.

Socio - Economic Profile of the Farmers

Description of demographic variables of the respondent:

This shows the distribution of the respondents observed over the variables such as Age, Gender, Educational status, Nature of family, Size of family, Monthly Income etc.

1. Gender

<i>Gender</i>	<i>Frequency</i>	<i>Percentage</i>
<i>Male</i>	<i>39</i>	<i>40.62</i>
<i>Female</i>	<i>57</i>	<i>59.37</i>
<i>Total</i>	<i>96</i>	<i>100</i>

Table: 1

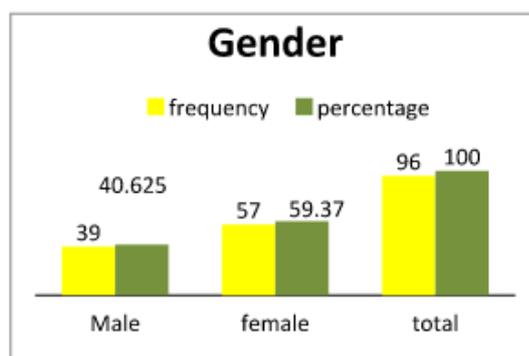


Figure: 1

The above distribution shows that about 40.62 per cent among the total respondents were Male and 59.37 per cent were female. Thus, it can be interpreted that women constitute most among the respondents.

2. Age of the Selected Farmers

The following table shows the distribution of age of the respondents.

Age	Frequency	Percentage
30-40	32	33.33
41-50	42	43.75
51-60	16	16.67
61-70	6	6.25
Total	96	100

Table: 2

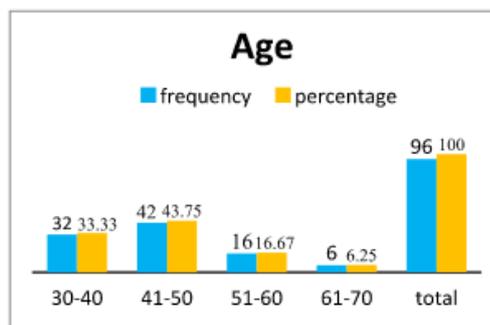


Figure: 2

From the above graph it is clear that about 44 per cent of the respondents belong to the age group 41 - 50 years while 33 per cent of them belong to 30-40 years. Around 17 per cent of them belong to the age group of 50-60 years and only around 6.25 per cent comes under 60-70 years. So it is well clear that most of the farmers who comes and sells their products here are those who have their age in between 40 -50 i.e. they are middle aged people.

3. Educational status

In earlier days most of the people who turned to agriculture for their livelihood were poor and illiterate. But currently the scenario has changed. The table below shows it more clearly:

Educational status	Frequency	Percentage
Illiterate	0	0
School level	74	77.08
College level	22	22.91
Total	96	100

Table: 3

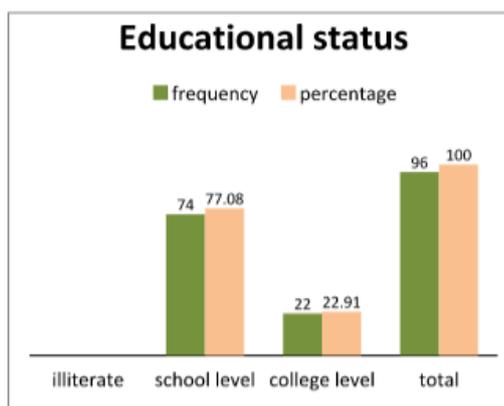


Figure: 3

From the above data we can clearly understand that there were no illiterate people among the respondents who are engaged in market activities. Most of them, i.e. about 77% of them had received basic education. While 23% of the respondents had received College level Education.

4. Category of Sellers

The different group of sellers who operates in this Uzhavar Santhai includes farmers, people from self-help groups and cooperative societies. The below data shows the distribution of sellers among these different categories:

Category	Frequency	Percentage
SHG	64	66.67
Farmers	21	21.87
Cooperative Society	11	11.45
Total	96	100

Table: 4

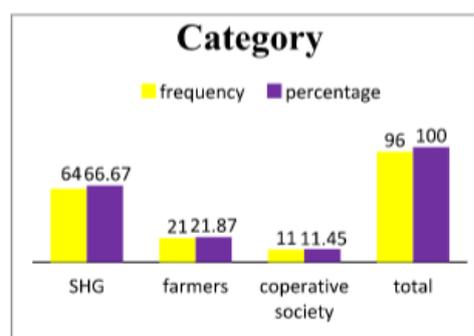


Figure: .4

From this we can understand that almost 67% of the respondents belong to Self-help groups. Individual farmers constitute around 22% while people from cooperative societies constitute around 11%. So it is clear that majority of the sellers are from self-help groups which is followed by farmers and sellers from cooperative societies respectively.

5. Monthly Income

The table below shows that about 45.83% of the respondents are receiving an income below Rs.10000. About 33.33% of the respondents fall between Rs.10000-15000. Among the remaining 17.7% comes between Rs.15,000 - 20,000 and 3.12% comes above Rs.20,000. From this we can understand that those who receive remunerative prices above Rs.20000 are very low and those who receive remunerative prices below Rs.10000 are very large.

Total Monthly Income	Frequency	Percentage
Up to Rs 10000	44	45.83
Rs. 10000-15000	32	33.33
Rs. 15000-20000	17	17.7
Above Rs 20000	3	3.13
total	96	100

Table: 5

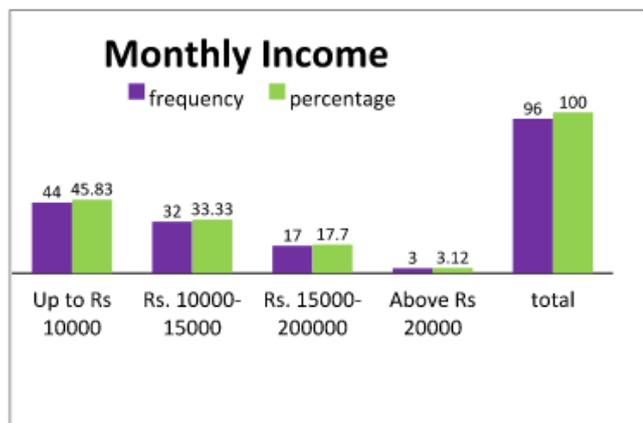


Figure:5

6. Years of Operation

The data below clearly shows the distribution of the number of years each respondent spent in the market.

Number Of Years In The Market	Frequency	Percentage
Less than 1 year	33	34.37
1-3 years	26	27.08
3-5 years	20	20.83
More than 5 years	17	17.7
Total	96	100

Table: 6

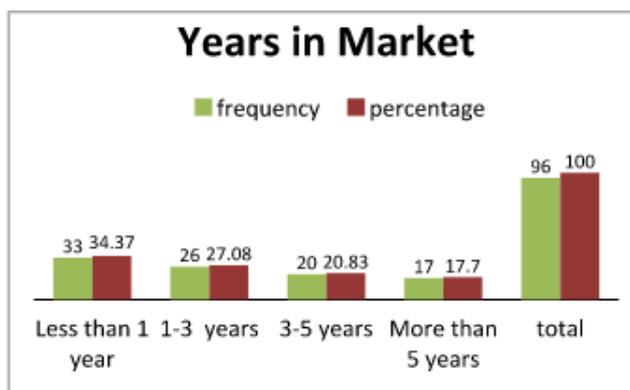


Figure: 6

Among the total, about 33 respondents i.e. around 35% were selling products in the market for less than one year. About 27.08% and around 20.83% of the total respondents carries out the market activities for a period of 1-3 years and 3-5 years respectively. Those who sell agricultural products in the Uzhavar Santhai for a period of more than five years are very less i.e. only around 17%. Most of the respondents who carries out operations in this market didn't stay there for a longer period.

7. Types of Agricultural Products

Products sold	Frequency	Percentage
Vegetables	52	55
Fruits	16	16.67
Flowers	11	12.45
Others	17	17.708
Total	96	100

Table: 7

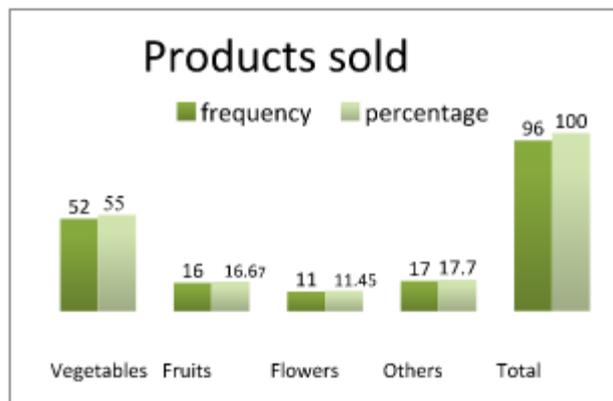


Figure: 7

Among the different types of agricultural products vegetables are the most sold one. Fruits and Flowers together constitute around 27% of the total which is almost half of the total number of vegetables sold in the market. About 17.7% of the respondents are engaged in the selling of agricultural products other than vegetables, fruits and flowers.

8. Disposal of Unsold Products

Usually, a small portion of the total agricultural products that are brought to the market remains unsold. The two options that are available to the sellers in Uzhavar Santhai are either to store it and sell it later, otherwise to depend upon open market. The following table gives us a narrow image of how they are disposing these unsold products:

Unsold products	Frequency	Percentage
Stored	67	69.79
Sale in open market	29	30.21
Total	96	100

Table:8

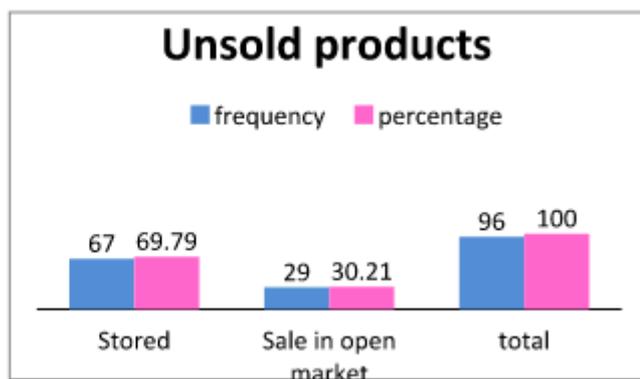


Figure:8

From the above data we can clearly understand that around 70% of the total respondents store the unsold products and the remaining 30% depends directly on open market for the disposal of unsold products. It is clear that, most of the farmers try to store it properly and sell it later when the conditions are favourable.

Analysis of Various Facilities Available in the Market

Administrative Facilities

The proper function of Uzhavar Santhai is facilitated through efficient organisation. From identifying the location of the market, several other services such as price fixation, supervision for malpractices, fixation of working hours, Allotment of Stalls etc. were carried out with special care. One of the major challenges faced by agricultural farmers in the process of marketing is the intervention of middlemen. When market is fully controlled by intermediaries, the benefits supposed to be enjoyed by the farmers are taken by the intermediaries. Removing the intermediaries from the existing distribution channel certainly brings a better future to the farmers. This will give them an opportunity to get reasonable price for his produce which ultimately helps him to improve his standard of living. Uzhavar Santhai which helps the farmers to establish a direct relationship with the consumers is considered as a successful model of direct marketing because it helps to prevent the excessive role of middlemen. The table below shows the reaction of respondents towards different types of administrative facilities available for the functioning of the market:

Sl. No	Factors	Highly	Moderately	Neutral	Moderately	Highly
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		Satisfied	Satisfied		Dissatisfied	Dissatisfied
1	Location of Market	38	13	24	18	3
2	Working Hours	64	32	0	0	0
3	Cost Of Transport	24	47	17	0	8
4	Price Fixation	52	39	0	5	0
5	Current Earning	41	12	43	0	0
6	Remuneration	78	0	11	4	3
7	Immediate Cash	82	14	0	0	0
8	Standard of Living	7	79	10	0	0
9	Supervision Service	77	6	13	0	0
10	Allotment of Stalls	17	41	23	14	1
11	Stall Space	36	55	2	3	0
12	Transaction Time	84	9	3	0	0
13	Supervision for Malpractices	89	7	0	0	0
14	Weighting Scale	75	12	9	0	0

Table: 9

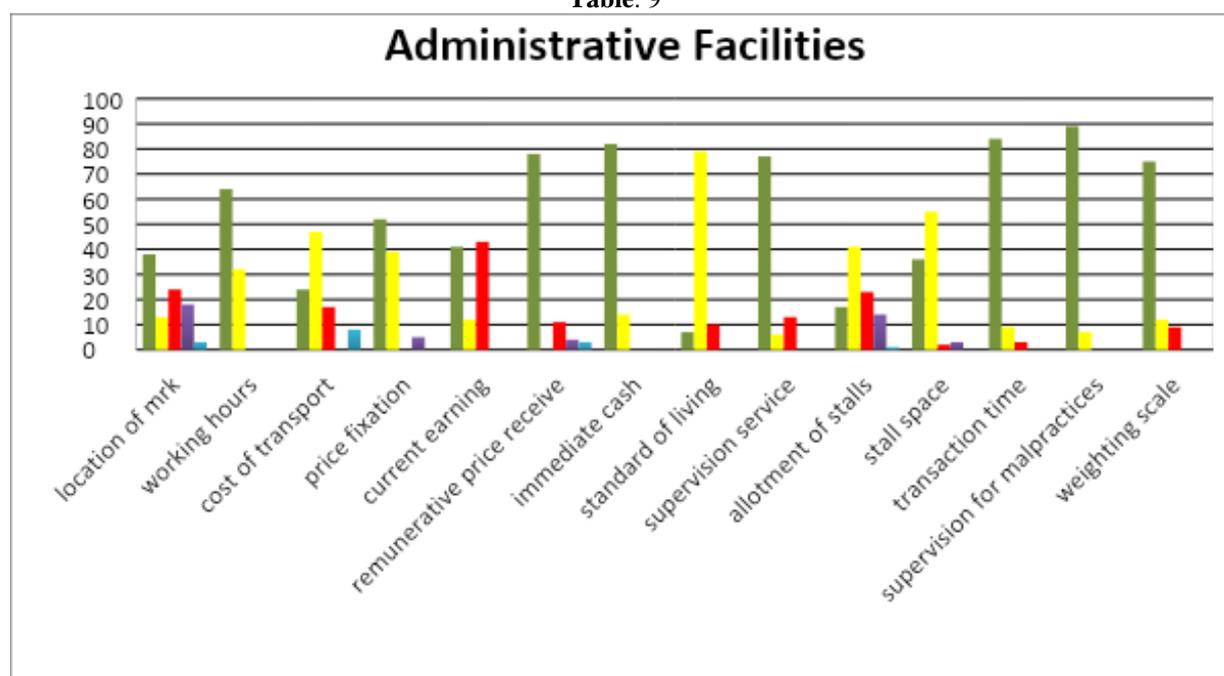


Figure: 9

The above data clearly shows that among different types of administrative facilities, most of the respondents are highly satisfied with the supervision for malpractices. So we can say that to a certain extent this Uzhavar Santhai is helpful for preventing intermediaries between farmers and consumers. In addition to that, it is highly notable that majority of them are highly satisfied with the price that they are getting for their agricultural products. This shows that the actions such as price fixation, current earning, allotment of stalls, weighing scale etc. were also carried out in a free and fair manner in this market.

2. Marketing Facilities

Farmers' Market establishes direct contact between farmers and consumers. It helps to maintain stability in the prices of fresh vegetables and fruits, it increases coordination between the agriculture and the horticulture departments, and also acts as information centres for the marketing of fresh vegetables and fruits. It promotes awareness and provides training in relation to the preservation and packaging of perishable fresh vegetables and fruits. There are several facilities available for the farmers to transport products as well as for their storage. The following data shows the satisfaction level of respondents towards different market facilities available to them.

Sl. No	Marketing Facilities	Highly Satisfied	Moderately Satisfied	Neutral	Moderately Dissatisfied	Highly Dissatisfied
1	Transportation System	22	18	45	0	11
2	Storage Facilities	1	2	28	65	0
3	Convenience in Marketing	69	24	3	0	0

Table: 10

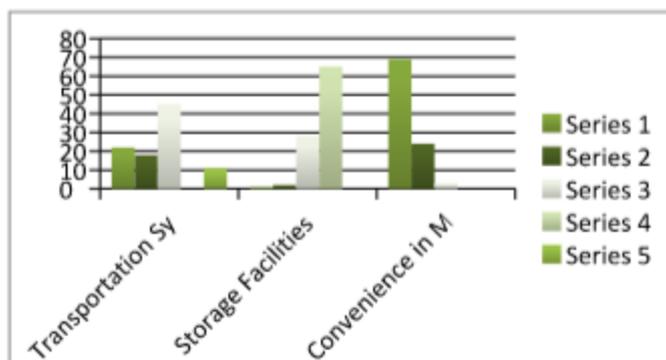


Figure: 10

3. Infrastructure Facilities

The health and hygiene of the surrounding environment also plays a vital role in the efficient functioning of the market. Several provisions are made for the development of infrastructure. The facilities such as power supply, toilet, drinking water, canteen etc. are available. The following table enables us to analyse whether this is sufficient or not.

Sl. No	Infrastructure Facilities	Highly Satisfied	Moderately Satisfied	Neutral	Moderately Dissatisfied	Highly Dissatisfied
1	Power Supply (PS)	72	13	11	0	0
2	Bathroom & Toilet(B&T)	87	9	0	0	0
3	Parking(PK)	0	3	18	51	24
4	Canteen(CT)	0	0	4	90	2
5	Drinking Water(DW)	79	12	4	0	1
6	Sweeping(SW)	78	13	5	0	0
7	Sanitary Arrangement(SA)	75	14	7	0	0

Table: 11

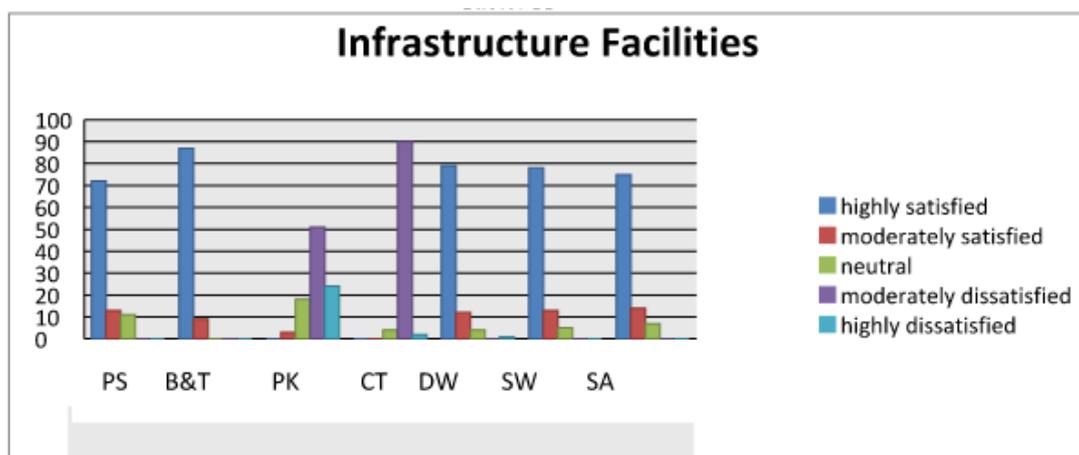


Figure:11

Most of the respondents are highly satisfied with the infrastructure facilities available in the market. From the above data it can be concluded that majority of the respondents have accessibility towards facilities such as power supply, drinking water, toilet etc. But a huge number of them are dissatisfied with the parking and canteen facilities. They suggest that necessary actions should be taken for the improvement of these facilities.

V. CONCLUSION

The state government of Tamil Nadu decided on working towards the creation of a market, called Uzhavar Santhai with the principal objective of helping farmers to bring and sell their produce without the involvement of any middleman or marketing intermediary. As like the two sides of a coin, Uzhavar Santhai gets itself with its own pros and cons for the farmers operating in it. The benefits from this market such as direct sale, higher prices for the produce, convenience in marketing etc. are highly valued by the farmers. The various facilities offered at the Uzhavar Santhai have attracted large number of farmers to this place. The support given

by the authorities in relation to transport, administrative, marketing as well as infrastructure are highly remarkable. The ID system, weighing facilities, supervision for malpractices etc., have ensured the continuous operation of the Uzhavar Santhai at the highest level of satisfaction from the view point of farmers. This also helped to prevent the unnecessary roles played by the middlemen. In order for the efficient working of the market more focused actions with strict restrictions and monitoring is quite desirable. It is better to fix price on the basis of quality rather than quantity.

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