

Marketing of Agricultural Produce: A Study of Bargarh and Balangir Districts of Odisha

PINTU MAJHI^{*1}, SEEMARANI MEHER², MD KAMRUL ISLAM³ and SAMAR DAS⁴

^{1,4} Department of Economics, Tripura University (A Central University), Agartala - 799 022, Tripura, India

² P. G. Department of Economics, Sambalpur University, Burla - 768 019, Odisha, India

³ Department of Economics, Tripura University, Suryamaninagar, Tripura (W) - 799 022, Tripura, India

Received: 14 Aug 2023; Revised accepted: 10 Dec 2023; Published online: 30 Dec 2023

Abstract

Agricultural marketing plays a pivotal role in shaping the production and productivity of the agriculture sector. An optimally functioning agricultural marketing system employs innovative marketing strategies that result in heightened agricultural productivity and output. The current study aims to assess the performance of the current agricultural marketing system and the role of intermediaries in selected districts of Odisha. Additionally, the present study also investigated the determinant of the method of agricultural product disposal, as well as the challenges and potential opportunities agricultural farmers face. The research revealed that the farmers were exploited by intermediaries and private traders, resulting in their inability to receive a fair and profitable price for their agricultural output. Farmers in Odisha faced the challenge of inadequate marketing facilities, resulting in the sale of their produce to village traders at a low price. There has been a lot of discussion in the government about the massive increase in the prices of agricultural product but the farmers share in consumer's rupee is very less. It is a fact that higher consumer prices do not guarantee that farmers will also get higher prices. Farmers buy a lot of food. So, it's not just the consumers suffering but also the farmers. Who is responsible for these farmers?

Key words: Agriculture marketing, Farmer problems, Role of intermediaries

The substantial and sustainable expansion of the agricultural sector in India has garnered significant interest from researchers and policymakers in recent decades due to two crucial perspectives. Agriculture plays a pivotal role in India's economy, contributing a substantial portion to the Gross Domestic Product (GDP). Ensuring the sector's growth directly influences the overall economic development of the country. The agricultural sector's diminishing share in the gross domestic product (GDP) is accompanied by a continued reliance of rural households on agriculture as their primary Source of sustenance. The farm sector in the rural economy directly contributes to the generation of large-scale employment. Furthermore, the correlation between continuous agricultural expansion and poverty alleviation in India is significant [1]. The Royal Commission on Agriculture in India (1928) astutely observed that the agricultural community must recognize the importance of mastering the art of selling their produce individually or through collaborative efforts with other producers. Failure to do so will inevitably result in their disadvantage when faced with formidable opponents possessing specialized knowledge and significantly greater resources in purchasing agricultural goods. The Commission on Agriculture initially acknowledged the recognition of the significance of an efficient marketing system through its report in 1928. An optimized marketing system facilitates farmers' transition from subsistence or semi-subsistence practices to

consistent production for commercial purposes. Over time, marketing has evolved to offer farmers a compelling motivation to cultivate agricultural goods, specifically to export them.

Marketing agricultural products begins with the strategic decision to grow a profitable crop. This method involves integrated processes to supply customer items efficiently. Agrarian marketing includes the services and activities needed to transport agricultural goods from producer to consumer efficiently. Packaging, storage, weighing, advertisement, channel management, and transportation are all included in agricultural economics. An effective agricultural marketing network ensures farmers receive fair prices for their crops, motivating them to produce. Prices establish incentives and send positive signals to producers and customers, determining marketing efficiency [2]. Establishing a network of physical marketplaces fosters fair supply-and-demand dynamics to help farmers earn fair rewards. Regulating market processes ensures transparency in operations. Many Indian farmers sell their crops to private agencies at rates below the Minimum Support Price. However, fewer farmers sell their products to government agencies to earn MSP [3]. The number of agricultural supply chain intermediaries inversely affects the producer's net price. What factors determine agricultural product disposal methods in agricultural economics? The probe concerns farmers' reasons for selling their agricultural goods to private agencies at rates below the Minimum Support Price (MSP) and their

***Correspondence to:** Pintu Majhi, E-mail: pintumajhi892@gmail.com; Tel: +91 7382044805

unwillingness to sell to government agencies at the Minimum Support Price.

Money lenders and commission agents are major players in the credit and product industries. These agents keep farmers in debt. Commission agents charge more interest, which farmers reluctantly accept in desperation. Farmers are currently bound to commission agents for crop sales, financial requirements, supply farms and household goods on loan from their own or associated businesses [4]. Commission agents dominated credit and product markets, which were interconnected. Farmers needed non-institutional finance, especially from commission agents, because institutional sources were insufficient. Commission agents charge more interest, which farmers reluctantly accept in desperation. Commission agents must buy goods from farmers at a high price [5].

The current study examines farmers' marketing methods to determine their marketing issues. It also tries to discover the elements influencing agricultural produce disposal techniques and the reasons for an inefficient marketing system in rural Odisha. In rural India, many people depend on agriculture for food and money. Agricultural economics must recognize agricultural growth. Establishing an efficient marketing system is essential for the agricultural sector's long-term existence. An inadequate agricultural marketing system may cause leaks that slow agricultural growth. Understanding India's agriculture marketing ecosystem is crucial.

Inefficiency, a price gap between consumers and farmers/producers, poor infrastructure, regulatory distortions, and fragmented marketing channels are these issues. These difficulties are major obstacles to India's agriculture market. Due to agricultural inefficiencies and intermediate malpractices, improvements are needed [6]. Inadequate processing and storage facilities negatively affect farmers' peak selling season prices. Additionally, this circumstance raises consumer expenditures during the season [7]. Odisha farmers earned 66.5% and 71.11% of consumers' rupees in marketplaces with four and two intermediaries, respectively [6]. In unmanaged markets, producers take 67.81% of consumer prices [8]. Cotton growers in Kalahandi used village traders, commission brokers, and direct transactions with procurement agencies or mills to market their output [9]. The study revealed three agricultural cotton marketing routes. Direct sales secured 86% of mill pricing for cotton growers, while procurement agencies secured 83%. Farmers earned 80% of mill pricing if they sold cotton through village dealers and commission brokers. As subsidized formal credit was extended, money lenders in Gokilapuram village, Tamil Nadu's Theni district, became more important [10]. The share of money lenders' advance burden rose from 27.2% in 1977 to 41.9% in 1999. The economic research shows that agricultural banking intermediaries charge 60% interest. The Pennsylvania economy relies on agriculture.

The rising importance of intermediaries may be seen in credit interest, commission as a facilitating entity, and pre-harvest sales reducing agricultural production and prices. This situation may reduce agricultural investment, productivity, and long-term growth. Commission agents' presence in credit and goods marketplaces symbiotically linked them. Since institutional channels were scarce, farmers turned to commission agents for financial assistance. Commission agents charge higher interest rates, which farmers unwillingly pay in economic suffering. Farmers must sell their crops to commission agents at a premium. Odisha farmers disliked controlled marketplaces and e-Nam. Price is heavily constrained. The spread of e-Nam requires strong

infrastructure. The goal of agricultural economics is to collect primary and secondary data. Primary data comes from five marketplaces in five districts. Price and arrival data for various agricultural commodities have been collected. The trend was analyzed using linear regression [11]. Karnataka's regulated marketplaces. The investigation begins with cotton, groundnut, and jawar, coupled with a 15-year dataset of market arrival and functional information from KSAMB, DES, and others. The mean and compounded growth rates of controlled agricultural markets were calculated. The empirical data showed that 16.26% of State market authorities traded and 15.41% provided hamal services. This suggests a large market inflow. Suboptimal productivity and price dynamics cause negative market arrival growth for some commodities. Statewide financial data show a favorable trend in agriculture economics, with income of Rs. 10,971 lakhs exceeding expenditure of Rs. 6,961 lakhs. This signifies good financial conditions, indicating agriculture sector development and stability. The income-expenditure ratio remained above unity (1.59) and increased throughout the period, indicating financial success. Tiruvannamalai's restricted market from an agricultural economics perspective. The research shows that controlled marketplaces reduce harmful trade behaviours, marketing costs, and farmer compensation. The research used secondary data to evaluate agricultural economic issues. The Tiruvannamalai Agricultural Produce Market Committee (APMC) provided significant data from agricultural producers. The agricultural market committee supervises farmers' legal agricultural products [12].

India's economy is mainly based on agriculture. The primary sector employs 41.49% of the total workforce in India. Following this, the service sector employs 32.33% of the workforce, while the industrial sector employs 26.18% [13]. However, it is essential to note that a significant portion of the land, specifically 96.4 million hectares, which accounts for approximately 29.32 per cent of the total land area, faces the risk of degradation in various forms [14]. In the long run, it can lead to various negative costs, such as food insecurity, environmental degradation, migration, and poverty. In this particular situation, giving more attention to enhancing the primary sector is important. This is because India holds the position of being the second-largest producer of food grains globally. It contributes to about 25% of the total global production, with China being the only country ahead of it [15]. Approximately 40% of the food that is produced in India goes to waste each year. This wastage happens before the food reaches the consumer [16].

Because of these worries, there are a lot of questions about how the processes after harvest, storage facilities, food grain distribution system, and especially agricultural marketing in India work. However, in the 1960s and 1970s, the government started many significant changes to improve agricultural marketing and give farmers and customers more power. With the Agricultural Produce Marketing Committee (APMC) Act, 2003 [17], the old system of traders taking advantage of farmers has been changed. These rules ensured that farmers got fair prices for their crops and that buyers could get food at affordable prices. But the Act couldn't do what it was supposed to, so over time, it has been changed in different ways. Later, the Government of India launched the electronic National Agriculture Market (e-NAM) system in 2016 to improve the efficiency of agricultural marketing. This was based on the idea of "One Nation, One Market". The objectives of the study are as:

1. To study the status of agricultural marketing system in Odisha.

2. To evaluate the opinions of the farmers on the existing marketing facilities and method in the study areas.
3. To identify the major constraints faced by the farmers in marketing of agricultural produce.

MATERIALS AND METHODS

The collection of primary data was conducted in order to achieve the study's purpose. The data-gathering methods utilized in this study were field surveys and personal interviews. The data was obtained from a sample of marketing societies and farmers that were specifically chosen for the study. I and my colleagues spoke with stakeholders such as farmers and village traders to ascertain and deliberate on the challenges they are now encountering. Primary data was gathered by conducting stakeholder meetings in each chosen district, where stakeholders engaged in discussions. The process of selecting the research location and sampling method was undertaken in accordance with established academic protocols. The initial selection of the Bargarh and Balangir districts in the Odisha state for the second phase was conducted using the purposive sampling approach. In the second step, a purposive sample strategy was employed to choose two villages from each district. The villages engaged in the cultivation of paddy, groundnut, and cotton are Grindolmal and Telipukhapani in the Bargarh district, as well as Dangbahal and Fatamunda in the Balangir district. A total of 100 participants were included in the study, with 25 individuals recruited from each of the specified villages in Bargarh and Bolangir districts. The sampling approach employed was proportionate stratified random sampling.

RESULTS AND DISCUSSION

Agriculture in Odisha

Odisha has a long-standing history of being an agrarian economy, meaning that the majority of its economic activities are centered around agriculture. The agriculture sector holds significant importance in the overall progress and growth of the state. The state has a good climate for agriculture and plenty of water bodies. In fact, it has more than 11% of the country's total water resources, which are spread across 11 river basins. The state also possesses a coastline that stretches for a distance of 485 kilometres along the Bay of Bengal. The document titled "Odisha Economic Survey 2021" provides an overview of the economic situation in the state of Odisha. The crop intensity in the state during the year 2019-20 was measured to be 156%, which is considerably greater than the crop intensity of the entire country, which stood at 136%. The Economic Survey of India for the year 2021 analyses and evaluates the country's economic performance. It offers insights into various aspects of the Indian economy, including growth rate, inflation, employment, fiscal deficit, and sectoral performance.

The survey state has various natural resources that are well-suited for cultivating different crops. These crops include wheat, sugarcane, paddy, pulses, oilseeds, jute, coconut, and turmeric. Paddy is a significant crop that is cultivated in approximately 46.28% of the total agricultural land. Paddy production has experienced a significant increase of 60.71% between 2018-19 and 2019-20. More specifically, paddy production has risen from 77.34 Lakh Metric Tonnes (M.T.) in 2018-19 to 96.37 Lakh MT in 2019-20. The topic I would like to discuss is the agricultural statistics of Odisha from 1970 to 2020. According to the Odisha Economic Survey 2021, the primary sector contributes 21.27% to Odisha's Gross State Domestic Product (GSDP). This percentage is lower than the

industrial sector, which contributes 32.26%, and the service sector, which contributes 42.47%. Even though Odisha has the lowest Gross State Domestic Product (GSDP), a significant number of workers in the state, specifically 48.8 per cent, are employed in the primary sector. Additionally, 17.3 per cent of workers find livelihood opportunities in the construction sector, while 11.8 per cent are engaged in various other services such as finance, education, health, and more.

However, the reason behind the low productivity of the agriculture sector in Odisha is the lack of sufficient investment. Farmers have been facing a lot of challenges that have prevented them from making more money. One of the main problems is that they still rely on old-fashioned farming techniques. Additionally, the size of their land holdings is not big enough to be profitable. Another issue is that the supply chains are not well connected, which makes it difficult for farmers to get their products to market. Furthermore, there is a lack of proper marketing infrastructure, which means that farmers don't have the necessary facilities to promote and sell their products. Lastly, there are poor marketing linkages, which mean that farmers struggle to establish connections with potential buyers. All of these factors combined have resulted in missed opportunities for farmers to increase their income. The agriculture sector's growth in the state is crucial for the state's overall development. It contributes to the development by supplying raw materials to agro-based industries, ensuring that the poor have enough food, and creating more job opportunities in the state [18].

Agricultural marketing system in Odisha

The successful operation of the agricultural marketing system is essential for the overall development of the agriculture sector in Odisha. The market regulation scheme in Odisha was implemented with the introduction of the Orissa Agricultural Produce Markets (OAPMC) Act, 1956. The OAPMC Act 1956 has set up Regulated Market Committees (RMCs) in Odisha. These committees are responsible for overseeing the marketing process of agricultural commodities in the state. Currently, there are a total of 428 mandis operating in the state. These mandis are managed by 67 RMCs (Regional Marketing Committees) and are spread across 30 different districts within the state [11]. The Odisha State Agricultural Marketing Board (OSAMB) was established in 1991 to make it easier to oversee regulated market operations. This was done under the Agricultural Produce Markets (Amendment) Act 1984. However, as time went on, the enforcement of the Act did not fully achieve its goals as effectively as desired. As a result, different private individuals and associations started to become involved in owning and managing the market. Regrettably, when private players participate in the market, it often results in distorted and inefficient trade. Additionally, it hinders farmers from easily accessing markets to sell their produce. In 2016, the Government of Odisha changed the OAPMC Act to make it easier to establish e-NAM in the state. This allowed the existing APMCs to connect with the national e-NAM platform. However, there has been a lack of extensive research conducted to evaluate the effectiveness of agricultural marketing in the state. It aims to investigate the challenges that farmers encounter and provide recommendations for improving the functioning of agricultural marketing.

Agricultural marketing in Bargarh and Balangir districts

The modernization of the agricultural sector necessitates the advancement of agricultural marketing. The significance of agricultural marketing is widely acknowledged within agricultural development. An efficient agricultural marketing

system is a prerequisite for the development and success of the agricultural sector. Nevertheless, the expansion of agricultural marketing has encountered inefficiencies as a result of various impediments. It is imperative to ascertain the prevailing issue within the agricultural marketing system to foster the advancement of the agricultural sector.

The factor responsible for the selection of market intermediaries or village traders

The farmers' profit margin is determined by their farming costs and the selling price of their product. The selling price of a product is influenced by various factors, including time, location, intermediaries, quality, and quantity. Farmers often

choose to engage with local village traders or intermediaries due to various constraints they encounter. Farmers often sell their products in nearby markets or directly to village traders, eliminating the need for them to travel long distances to sell their produce. The village traders provided marketing support for agricultural produce. Farmers preferred not to deal with the complex marketing system in regional marketing centres (RMCs). Farmers directly sold their products to village traders and received immediate payment. The majority of farmers have borrowed money from local traders, which is why they sell their agricultural products to these traders. The price offered by village traders is considered fair by farmers due to the various amenities provided by these traders.

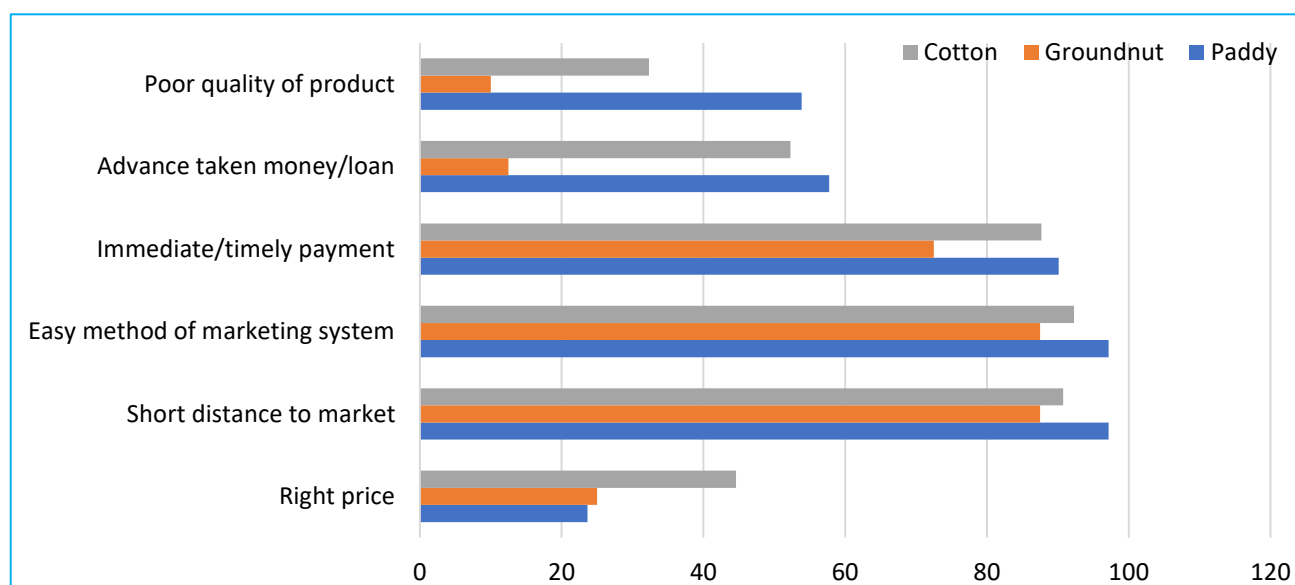


Fig 1 Factor responsible for the selection of market intermediaries or local private trader (in percentage)

The (Fig 1) illustrates that farmers primarily choose to engage with intermediaries due to the limitations they encounter. During the initial stage, key factors were identified through preliminary discussions. Additionally, to ascertain the majority's perspectives, farmers were surveyed to determine the primary factors that lead them to engage with intermediaries when selling their agricultural products. The above figure analyses the percentage of farmers who sold their products to village traders due to specific factors. Based on the analysis, it is evident that the main factors influencing farmers to sell their products to village traders do not include receiving a fair price.

Private traders provided market facilities at either exorbitant or discounted prices for the produce. The price given to farmers for their produce is deemed unreasonable. Additionally, they cannot afford the transaction costs of disposing of their produce at Rice Milling Centers (RMCs).

The factor responsible for the selection of government market / RMCs

In most cases, it has been observed that many of the farmers select to sell their agricultural produce in RMCs. There are some crucial reasons for the selection of RMCs.

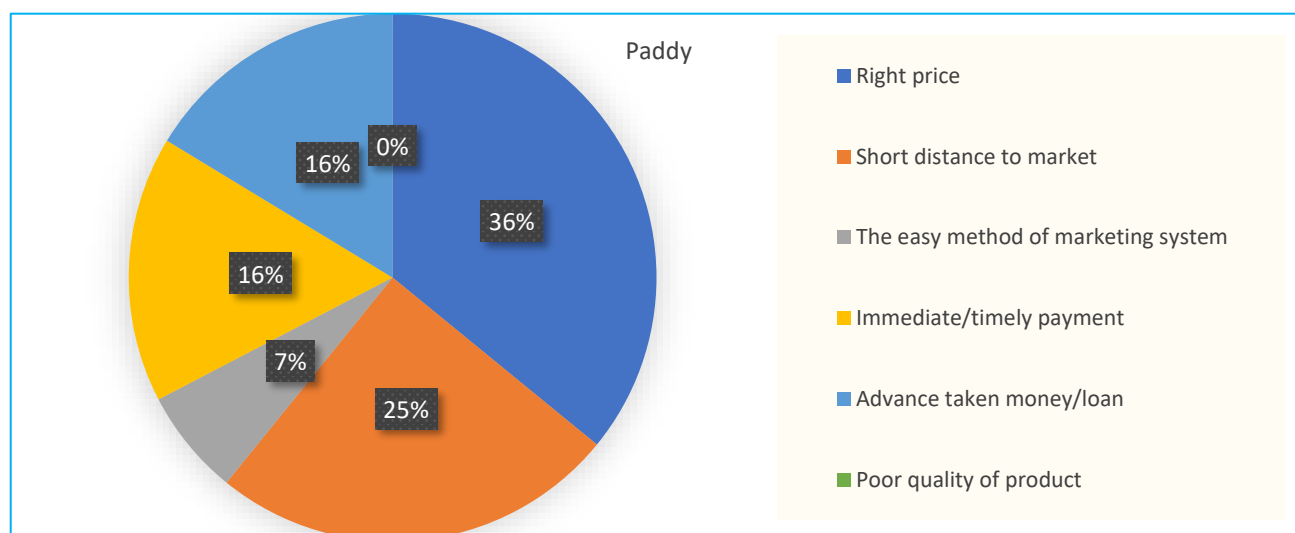


Fig 2 Factor responsible for the selection of government market / RMCs (in percentage)

The (Fig 2) shows the main factors influencing the choice of government market or RMCs platform. These factors include the right price (endorsed by 91.66 of farmers), short distance to market (supported by 63.63 of farmers), easy marketing system (endorsed by 16.66% of farmers), immediate payment (endorsed by 41.66 of farmers), advance taken money/loan (supported by 41.66% of farmers), and poor product quality (supported by 0% of farmers). The majority of farmers prefer to engage with Resource Management Companies (RMCs) due to the competitive pricing they offer.

Factor responsible / Reasons for not utilizing the services at RMCs

In most of the cases, it has been observed that farmers and traders are not utilizing the RMCs of Odisha for trading

purposes. Accordingly, farmers were asked why they were not utilizing the Rural Marketing Centres (RMCs) platform. The list of reasons and number of farmers endorsing those reasons are presented in (Fig 3).

The reasons mentioned above contribute to the underutilization of services at RMCs, except for the benefit of receiving a better price than the Minimum Support Price (MSP). The agricultural marketing system is considered efficient in terms of price competitiveness, so only a few farmers choose to sell their products at Regional Marketing Centres (RMCs). The primary reasons for not using services at Rural Marketing Centres (RMCs) are the complex marketing system, time loss, delayed payment, and high transaction costs. The lack of nearby markets for cotton and groundnut is a significant factor in the underutilization of Rural Marketing Centres (RMCs).

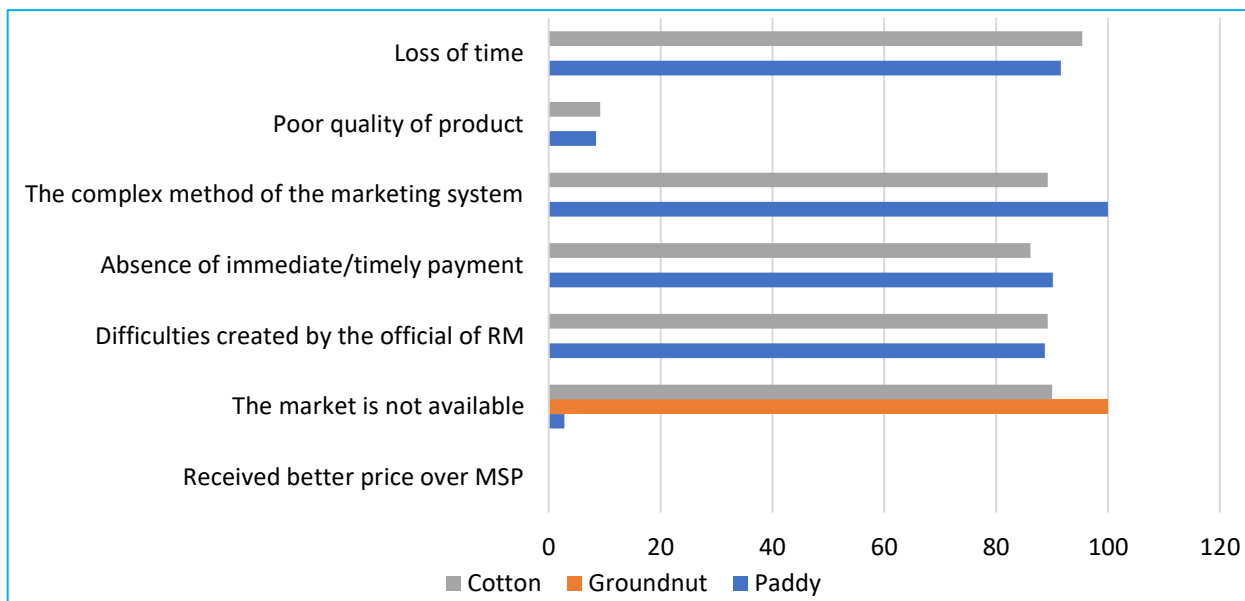


Fig 3 Factor responsible / reasons for not utilizing the services at RMCs

Reasons for not utilizing the services of intermediaries or private traders

In most cases, it has been observed that farmers are not utilizing Odisha's intermediaries /private traders for trading purposes. Accordingly, farmers were asked why they were not utilizing the platform of private traders. The list of reasons and number of farmers endorsing those reasons are presented in (Fig 4). The (Fig 4) shows that farmers do not use intermediaries or private trader platforms mainly because they receive a better

price than trader prices, as reported by 83.33% of farmers. The market is not accessible to any farmers, and this is supported by 0% of them. 8.33% of farmers endorse the difficulties caused by traders and the absence of prompt payment. Additionally, the complex marketing system, poor product quality, and time loss are not supported by any farmers. The primary reason for not utilizing the services of private traders is the availability of better prices compared to those offered by village traders. The private trader is offering an exorbitant price for the produce.

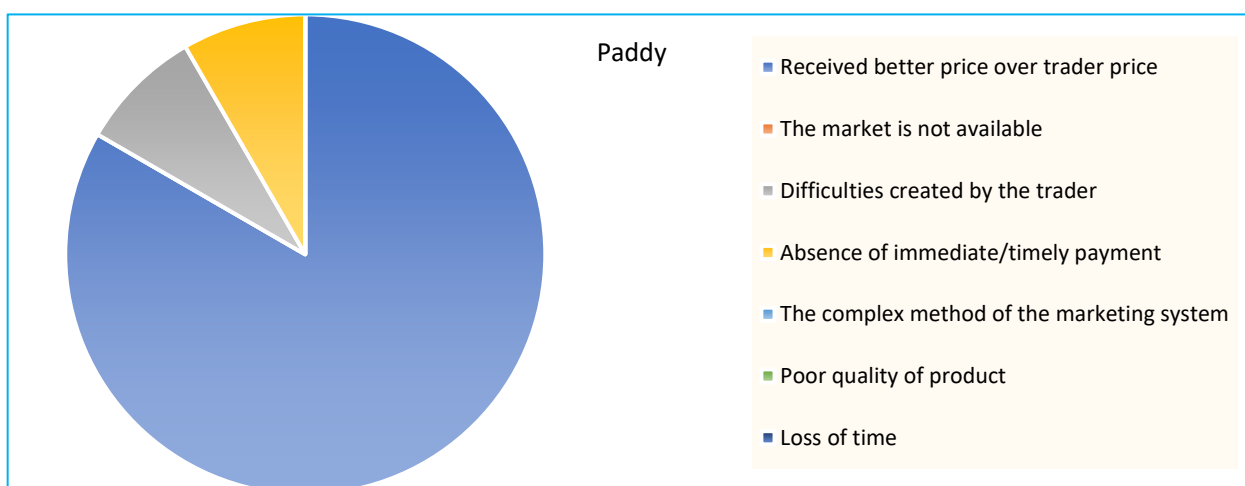


Fig 4 Reasons for not utilizing the services at intermediaries or private traders (in percentage)

Table 1 Opinion of respondents on the available marketing methods and facilities in village market (in percentage)

Particular	Crop	Highly satisfied	Satisfied	Neither satisfied nor dis satisfied	Dissatisfied	Highly dissatisfied	Total percentage
Procedure for weighing of produce	Paddy	7.04	73.23	9.85	9.85	0	100
	Groundnut	5	75	10	10	0	100
	Cotton	12.30	64.16	15.38	7.69	0	100
Packaging facilities	Paddy	1.40	52.11	16.90	29.57	0	100
	Groundnut	5	52.5	17.5	25	0	100
	Cotton	1.53	60	16.92	20	1.53	100
Storage facilities	Paddy	1.40	56.33	26.76	15.49	0	100
	Groundnut	0	42.5	27.5	30	0	100
	Cotton	3.07	67.69	18.46	10.76	0	100
Price paid for produce	Paddy	5.63	25.35	18.30	43.66	7.04	100
	Groundnut	2.5	22.5	12.5	57.5	5	100
	Cotton	10.76	40	15.38	30.76	3.07	100
Payment system (times take)	Paddy	21.12	57.74	11.26	9.85	0	100
	Groundnut	17.5	57.5	15	10	0	100
	Cotton	12.30	63.07	18.46	4.61	1.53	100
Procedure for grading of produce	Paddy	8.45	42.25	29.57	19.71	0	100
	Groundnut	7.5	40	37.5	15	0	100
	Cotton	6.15	43.07	33.84	16.92	0	100
Transportation facilities and road connectivity	Paddy	36.61	54.92	2.81	5.63	0	100
	Groundnut	40	50	5	5	0	100
	Cotton	30.76	61.53	4.61	3.07	0	100

It has been observed from the above table that majority numbers of farmers were satisfied and less numbers of farmers were dissatisfied on Procedure for weighing of produce, packaging facilities, storage facilities, Payment system (times take), Procedure for grading of produce, Transportation facilities and road connectivity of the produce in village market level but majority number farmers were dissatisfied on price paid for the produce. So, the village market is less efficient in providing the reasonable price of his produce. It has been observed from the above table that majority numbers of farmers were dissatisfied on procedure for weighing of produce, packaging facilities, storage facilities, Payment system (times

take), Procedure for grading of produce of the produce in village market level but the Majority of the farmers satisfied with transportation facilities and road connectivity and price paid for produce. The agricultural marketing system is inefficient because farmers are not satisfied on the existing system of agricultural marketing. They sold their product at Rural Marketing Centres (RMCs) only because of higher price. Addressing these issues requires a comprehensive approach, including improving infrastructure, enhancing access to market information, reforming regulatory frameworks, providing financial support, and leveraging technology to create more efficient and transparent agricultural marketing systems.

Table 2 Opinion of respondents on the available marketing methods in RMCs (in percentage)

Particular	Crop	Highly satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Highly dissatisfied	Total percentage
Procedure for weighing of produce	Paddy	8.33	33.33	16.66	41.66	0	100
Packaging facilities	Paddy	0	8.33	33.33	58.33	0	100
Storage facilities	Paddy	0	41.66	16.66	41.66	0	100
Price paid for produce	Paddy	0	41.66	33.33	16.66	8.33	100
Payment system (times take)	Paddy	0	33.33	41.66	25	0	100
Procedure for grading of produce	Paddy	8.33	25	25	41.66	0	100
Transportation facilities / road connectivity	Paddy	16.66	41.66	25	16.66	0	100

Agricultural marketing information system Market information and intelligence

Market information is very important facilitating function for farmers in the agricultural marketing system. This helps in making decision about production, marketing. The availability and dissemination of correct and relevant marketing information is important for long run sustainability of agriculture sector. The RMCs, as per provisions of OAPM Rules, 1958 and RMC Bye-Laws, are supposed to provide agricultural market information to the farmers. Market committees provide information through notice board of the RMC at main market yard only and few RMCs are uploading price information in AGMARKNET also. Market information is a crucial facilitating function for farmers in the agricultural

marketing system, playing a vital role in production and marketing decisions. The availability and dissemination of correct and relevant marketing information are essential for the long-run sustainability of the agriculture sector [19].

From the above (Fig 5) it has been observed that majority of farmers have got more information on price in local market and price in other market and price in regulated market. But the question is where they were getting information on agricultural marketing is most important. By addressing the sources and improving the channels through which farmers receive agricultural marketing information, policymakers and stakeholders can enhance the decision-making process for farmers, leading to better market outcomes and increased sustainability in the agricultural sector [20].

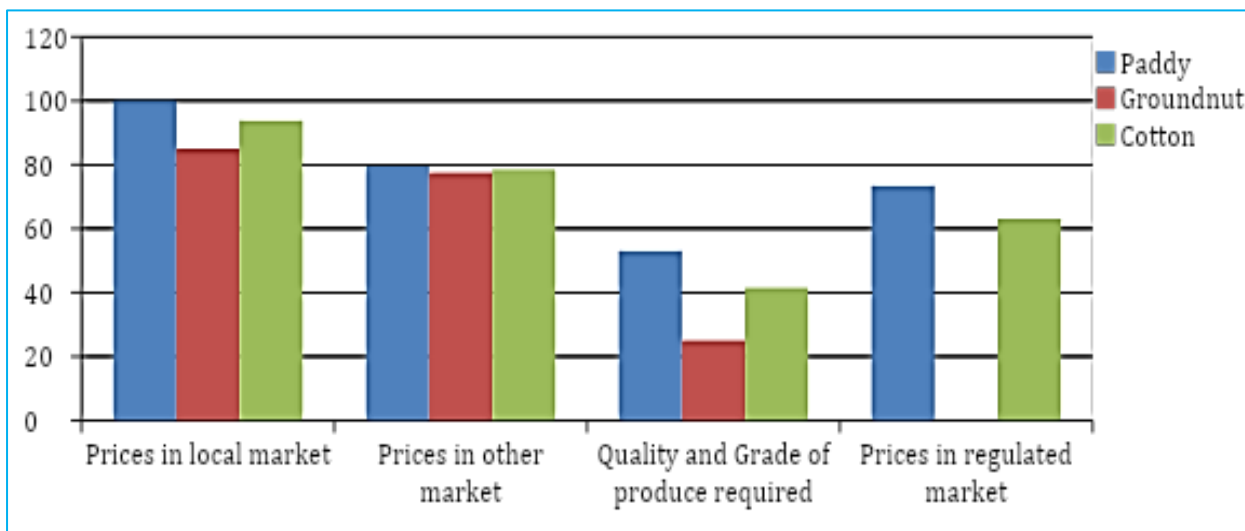


Fig 5 Types of market information of the produce (in percentage)

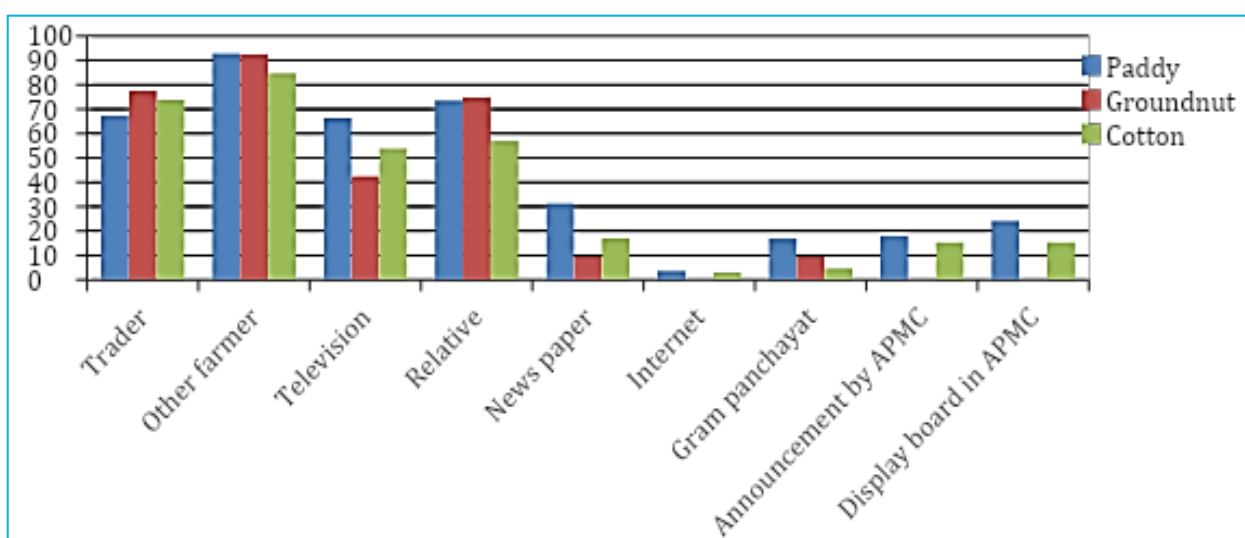


Fig 6 Source of market information of the produce (in percentage)

Unorganized sector (village traders, farmers, relative etc) is more active than organized sector (APMC, RMCs, gram panchayat) in providing agricultural market information in village level. Most of the farmers were got market information from unorganized institution.

Summing up: The growth and development of agricultural marketing in district has been checked due to some serious obstacles. It calls for an advanced and adequate facilities for certain market services such as warehousing, transport, reasonable price, finance, packaging, grading and standardisation etc. our study noticed certain disturbing features like unorganised market structure, late payment, inadequate infrastructural facilities, inadequate storage facilities, unreasonable price, lack of uniform grading system, ineffective marketing information. Unless these problems are checked, efficient marketing system is not possible.

The study revealed that the unorganised sector was more active than the organized ones in the providing the required market facilities at the cost of lowering the price of the produce. This calls for an effective approach to tighten the linkages of agricultural marketing committee. These committees need to be assigned newer roles for providing effective marketing facilities.

It was found that inadequate storage facilities forced the peasants to sell their output immediately without waiting for a

higher price in future. It was observed that the prevailing marketing methods and facilities were not advantageous. The study underlines the need for organising the farmers so as to enhance their bargaining power. There has been an urgent need for revising the market price for the produce. The study highlights the need for a multi-pronged strategy for tackling the different problems of marketing. It is, therefore, very important to provide well developed marketing infrastructure to optimise the incomes of the farmers. The study calls for the development of primary rural and wholesale markets in backward areas for protecting and helping the small and marginal farmers who depend on the nearest rural markets for the sale of their marketable surplus. Agricultural marketing is a continual growth process. The development of agriculture and the wellbeing of farmers hinge on a proper working of agricultural markets in this region.

Major problems faced by the farmer

Problems faced by farmers include unorganized marketing institutions and infrastructure, lack of daily wholesale markets, lack of access to market information, lack of storage space, lack of knowledge on proper marketing of produce, lack of availability of institutional credit, not receiving immediate payment of sold produce, low price realization, etc. Farmers face major other problems [21]. By addressing these challenges through comprehensive and targeted interventions,

the agricultural sector can become more efficient, sustainable, and beneficial for farmers.

- There is a greater reliance on village traders for credit needs, and consequently, farmers are compelled to sell their produce to these agents at lower prices.
- The nearby village lacks access to a local market for groundnut and cotton.
- Farmers are compelled to sell their produce at an unfair price.
- The lack of suitable packaging material.
- The significant challenges are the lack of market information, insufficient storage facilities, and inadequate grading facilities.
- The payment system is inadequate. The payment for the produce was made late. The infrastructure of RMC is inadequate.
- There is a lack of awareness regarding the process at RMCs.

It was also said that because there aren't enough institutional credit facilities available at the right time, they have to borrow money from moneylenders or middlemen at ridiculously high-interest rates, even against the mortgage of their land and crop, and forced to sell their crop output at lower prices to the local traders (money lenders). Due to the non-availability of storage godown, poor transportation facilities, and lack of government support for marketing, farmers were forced to dispose of their produce even at the lowest price paid by local traders-cum-moneylenders. The non-availability of updated market information also hinders them from getting better prices, and they are forced to sell at lower prices decided by the local traders.

Ironically, the government talks about doubling farmers' income by 2022 and increasing agricultural exports to \$60 billion by 2022. For this, it wants to increase the export of horticulture products and processed agricultural products with more potential. But at the ground level, farmers are still stuck in the mandi system, where traders and agents control prices. In the last two decades, despite the emergence of new stakeholders in the Indian food market, there has been no reform in the Agricultural Produce Market Committee system nor at the policy level for these changes. Because of the government's bias towards consumers, prices are not balanced, and there are structural problems in the agricultural market. It is a fact that higher consumer prices do not guarantee that farmers will also get higher prices. Farmers buy a lot of food. So, it's not just the consumers who are suffering but also the farmers. Who is responsible for these farmers?

CONCLUSION

So, it can be concluded from the above analysis that, the agricultural marketing system in selected village of Bargarh and Balangir district is inefficient because the farmers are not able to access the marketing facilities provided by the RMCs, so the middleman/ intermediaries are taking advantage of that by purchasing their produce at lowest/unreasonable price. The farmer's point of view the Regulated market is giving reasonable price of their produce whereas the village traders giving unreasonable price. The facilities given by the RMCs for

the marketing of agricultural produce is not accessible and dissatisfied by majority of the farmers whereas village market facilities are accessible and satisfied by majority of the farmers, but the village market price much less than MSP, that means village market facilities is given by the village traders at the cost of lowest/ unreasonable price of the produce. So, the government has to create such a type of market (efficient agricultural market) where the farmers can able to access the market facilities and get remunerative price of his produce and not exploited by the village traders. The unorganized institutions are much more active than organized institution in providing of agricultural marketing information. Efficient agricultural marketing information system is needed for the farmers to know the existing marketing situation and able to identify about what to produce, how to produce, where to sell. It can thus be inferred that a farmer at the grass root level needs mass media to know the prevailing information on marketing situation. Marketing agricultural produce has always been a significant problem, particularly for small and marginal farmers. A lot of farmers do not know how the agricultural marketing system works. The Government should establish training centres at the block level. These centres will provide information and education to farmers about the provision of better infrastructure facilities at mandis, which is crucial. This includes improving the grading and weighing infrastructure and installing cold storage facilities at the village level. These measures need to be taken up urgently and with great determination. For online trading to run smoothly and without any issues, it is necessary to recruit a sufficient number of computers and well-trained technical staff at the mandis. To prevent the physical damage of produce caused by natural wear and tear, it is important to encourage the timely allotment of tokens to farmers. This will ensure that farmers receive their tokens promptly, reducing the risk of damage to their produce. This will assist farmers in achieving the highest possible returns on their agricultural products. Sufficient transportation facilities can help farmers in rural areas overcome the challenges they face when transporting their goods to the market yards. Significant obstacles have hindered agricultural marketing progress in two Odisha districts. One of the main obstacles we have encountered is the lack of sufficient data or literature on the performance of regulated markets and agricultural marketing in our state. The Government should prioritize research and development activities. Advanced and adequate facilities are required for market services such as warehousing, transport, pricing, finance, packaging, grading, and standardization. Our study identified several concerning aspects, including an unorganized market structure, delayed payment, insufficient infrastructure and storage facilities, unreasonable pricing, the absence of a standardized grading system, and ineffective marketing information. Efficient marketing systems require the resolution of these problems. Farmers face the issue of selling their products at unreasonable prices due to inefficient marketing facilities/systems. This study emphasizes the need for a comprehensive approach to address various marketing challenges. Providing a well-developed marketing infrastructure is crucial for optimizing farmers' incomes. The Government needs to establish a marketing system that allows farmers to access market facilities, which will enable them to receive fair prices for their produce and promote growth in the agricultural sector.

LITERATURE CITED

1. Rehman A, Jingdong L, Khatoon R, Iqbal MS, Hussain I. 2019. Effect of agricultural growth on poverty reduction, its importance and suggestions. *Transylvanian Review* 7(5): 449-454.

2. Jasdanwalla ZY. 1977. Efficient agricultural marketing. *Economic and Political Weekly* 12(53): A133+A135-A140.
3. Singh S, Bhogal S. 2015. Commission agent system: Significance in contemporary agricultural economy of Punjab. *Economic and Political Weekly* 50(45): 52-62.
4. Singh S, Dhaliwal TK. 2011. The status of commission agent system in Punjab agriculture. *Indian Journal of Agricultural Economics* 66(4): 662-675.
5. Srivastava SK. 2017. Marketing efficiency and marketing channels for paddy crop in the Eastern Region of Uttar Pradesh. *Economic Affairs* 62(2): 289.
6. Chand R. 2020. National Centre for Agricultural Economics and Policy Research, New Delhi
7. Ramkishan Y. 2004. New Perspectives in Rural and Agricultural marketing. 2nd Edition., Jaico Publications, Mumbai, India.
8. Mallick SC. 1987. *Marketing of Rice in Orissa*. Research Publications, Bhubaneswar.
9. Panigrahi HS. 2008. Production and marketing of cotton in Kalahandi district of Orissa. *M. Sc. Agricultural Economics Thesis* (Unpublished), Submitted to OUAT, Bhubaneswar.
10. Ramachandran VK, Swaminathan M. 2001. Does informal credit provide security? Rural Banking Policy in India. International Labour Organisation, Geneva, Switzerland.
11. Kathayat B. 2019. Performance of regulated markets in Odisha under new agricultural marketing reforms regime. *Economic Affairs* 64(2): 291-295.
12. Murugan K, Palanichamy AP. 2019. Performance of Regulated Market in Tiruvannamalai District in Tamil Nadu.
13. Neill A. 2021. Distribution of the Workforce across Economic Sectors in India 2020. Statista, <https://www.statista.com/statistics/271320/distribution-of-the-workforce-across-economic-sectors-in-india/>.
14. Kumar V. 2019. *Reversing Land Degradation in India*. TERI, <https://www.teriin.org/article/reversing-land-degradation-India>.
15. Bisen J, Kumar R. 2018. Agricultural marketing reforms and e-national agricultural market (e-NAM) in India: A review. *Agricultural Economics Research Review* 31: 167-176. <https://doi.org/10.5958/0974-0279.2018.00032.0>.
16. Zacharias T. 2021. India has a food wastage problem; here's how individuals can make a difference. *Indian Express*, 7 April, <https://indianexpress.com/article/opinion/columns/food-waste-index-report-india-coronavirus-hunder-index-7261909/>.
17. Kathayat B. 2019. Performance of regulated markets in Odisha under new agricultural marketing reforms regime. *Economic Affairs* 64(2): 291-295.
18. Kumar M, Sahu AP, Sahoo N, Sahoo BC, Patra AK, Sahu I, Chakradhari K. 2022. Agriculture in Odisha: Problems and challenges. *The Pharma Innovation Journal* SP-11(7): 2415-2421.
19. Kathayat B. 2019. Performance of regulated markets in Odisha under new agricultural marketing reforms regime. *Economic Affairs* 64(2): 291-295.
20. Nugroho AD. 2021. Agricultural market information in developing countries: A literature review. *Agricultural Economics – (Czech)* 67(11): 468-477.
21. Magesa MM, Michael K, Ko J. 2014. Access to agricultural market information by rural farmers in Tanzania. *International Journal of Information and Communication Technology Research* 4(7): 264-273.