

## Performances of Regulated Markets in Tiruvannamalai District of Tamilnadu

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### Abstract

This research paper analyses the importance and functioning of regulated markets in selected districts of Tamil Nadu. Agriculture plays an important role in the GDP and economic development. That's why the government introduced the regulated markets to safeguard the farmers. The simple random sampling was used to collect the samples of 101 respondents in the Tiruvannamalai district. The Chi-square test and one-way ANOVA helped to analyze the collected data. The findings of this research paper reveal that age has significantly influenced the facilities and functioning of regulated markets in Tamil Nadu.

### I. INTRODUCTION

Indian rural people important primary activity is agriculture. Agriculture has always been the backbone of the Indian economy 18% of India's (GDP) Gross Domestic Product depends upon agriculture (**Census 2011**). Currently above 69% of Indian people live in rural villages their main source of income is agriculture (Sandhu et al.). Efficient cultivation not only increases the farmer's income. They must know how to market their agricultural produce with high profit (). The agricultural marketing has more connected activities like grading, packaging, transportation, storage, distribution, advertising, etc. (**Sorokhaibam.R et al., 2011**). The farmers, middlemen, and traders are involved in these kinds of marketing activities (**Kapya et al., 2018**). The private marketers charge high commissions and fix low-level selling prices for the farmer's agricultural products. It affects the farmer's per capita income and production capacity (**Yogi et al., 2021**). So, the government introduced the APMC (Agricultural Produce Marketing Committee) to safeguard the farmers and give an easy method of selling platform (**Vivek et al.,**

2021). It is a spot market in which farmers can easily sell their products to sellers based on an open auction system (Nabirasool et al., 2020). These markets also produce storage facilities, cold storage, quick selling, proper grading, weighing, and high selling prices (Kathayat . B 2020). According to the Tamil Nadu government nowadays these regulated markets do not charge any commission to the farmers. The traders also paid a minimum amount of marketing charges. Currently, India has 7556 regulated markets. In Tamilnadu 292 regulated markets functioned efficiently (Shakeel-ul-Rehman 2013).

### **Review of literature**

**Shakeel-ul-Rehman (2015)** analyzed the performances of regulated markets in Salem district. The stratified random sampling was used to select the six regulated markets in Salem. Dichotomous type of 120 questionnaire was issued to the farmers who sell their agricultural products to the regulated markets. Correlation and regression analysis was used to find the results. He founded that the market functions like payment method, Auction system, Warehouse, Pledge loans are positively helping the farmers in the study area. Over all the farmers are satisfied with the performance of Salem market.

**Christian Elleby et al., (2020)** has conducted a study on “Impacts of the Covid-19 Pandemic on the Global Agricultural Markets”. The researchers used the global (International Monetary Fund) IMF Economic Forecast 2020 – 2021 as the secondary data. Global Agricultural Model was used to analyze how the covid-19 affect the regulated markets in the world. They concluded that the covid-19 reduce the international dairy products prices up to 7%, meat prices 18%. It decreases the regulated market prices and also affects the distribution chain in national and international level. They concluded that the pandemic highly creates the scarcity in all type of agricultural products.

**P. Lakshmanan and B. Muniyandi (2021)** has done a study on the “performances of regulated markets in Coimbatore”. The secondary data for this study taken from statistical handbook of Coimbatore, Regulated markets hand book and Census report 2011. 2005 to 2015 ten years data were taken for this study. Simple percentage analysis, frequencies and tables are the statistical tools used. They founded that the infrastructure facilities, Godown facilities, drying yards, Toilet facilities etc. to improve efficiency of the regulated markets. In the Coimbatore district the regulated markets provide many facilities to the farmers but most of the farmers are not properly educated so they didn't know how to use the facilities. Creating education and awareness to the farmers will helps to increase the effective functioning of the markets.

**Gurpreet Singh and Mini Goyal (2020)** has done a research paper on “Mandi Labour in Agricultural Markets in Punjab”. The main aim of this research paper was to analyze the market efficiency and labour work force in the Barnala and Mansa districts from Punjab. Purposive random sampling was used to select the 120 mandi labour from two regulated markets. They founded that the all the respondents were male and their age was maximum 36 years only. Simple percentage analysis reveals that the labour are facing lack of toilet facility, drinking water facility, canteen facilities and resting facilities in the markets. Improving the basic facilities to the mandi labours were increase the overall efficiency of the market.

**Rakesh Kumar Gupta et.al (2020)** have conducted the study on “Impact of Minimum Support Price on Agricultural Production in Western India”. The main objective of the research is to analyse the productivity, paddy yield and production affected by the minimum support price. Multistage random sampling was used to select the 170 medium productivity farmers from Midnapore district in west Bengal. Heckman test descriptive statistics and multinominal logit model were used to analyze the collected questionnaire. They found that the educational level, age, paddy yield and gender are significantly influencing the paddy marketing. Because the government continuously increasing the minimum support price so the production of a paddy will increase. After the farmer doubling income 2020 the productivity also increased by adoption of new farming technology and hybrid varieties of paddy. They suggest that the market information must be given in an efficient manner.

### **Objectives**

1. To analyze the profile of beneficiaries in Tiruvannamalai district.
2. To understand the functioning of the regulated markets in the study area.
3. To identify the factors which induce the farmers to sell their agricultural produces in the regulated markets.

### **Methodology**

It is a descriptive research study. The present study was done in Tiruvannamalai market committee. Under this committee 16 regulated markets namely Arani, Tiruvannamalai, Polur, Chetpet, Vettavalam, Pudupalayam, Peramallur, Mangal mamandoor, Kilpennathur, Cheyyar, Vandavasi, Dhusi, Desur, Tellar, Chengam, Vanapuram markets were success fully runned. These markers help the farmers of Tiruvannamalai to make quick selling of their agricultural produces. The researcher used Convenient Sampling method to choose the Tiruvannamalai regulated market. A well-defined questionnaire was used to collect the responses from the farmers. Through the interview method 120 data were collected and 19 were found to incomplete so the final sample size is 101. The collected responses

were analyzed through SPSS software and Percentage analysis, One-way Anova, Chi-square tests were used to find the results.

### Statement of the problem

Now a days farmers are increased their cultivation through new method of cultivation, using high quality seeds and fertilizers. But they face more difficulty in selling their agricultural produces. Some of the farmers who are willing to do agriculture they didn't have sufficient sources of input. In older days they depend the money lenders, Brokers, Commission agents for pre cultivation cost. They give money in huge interest and some of them compel to sell their agricultural products to them only. But when the regulated markets started by the government it secures the farmers and help them in various ways like Pre cultivation loans, Quick selling platform, Warehouse facility, Pledge loan facility, Seed cleaning facility, Price related timely information etc... This paper analyses the operational efficiency of Tiruvannamalai regulated market. And what are the problems and inconveniences faced by the farmers in regulated markets.

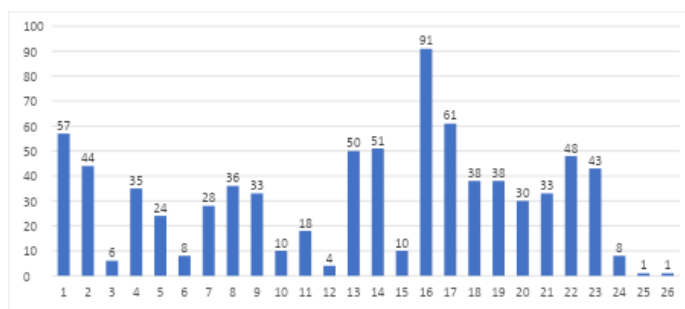
### Limitations:

1. The study was carried out by Tiruvannamalai market farmers only so the results of this study will not applicable to other districts.
2. Due to time and cost the sample size is restricted to 101 farmers only.

### Analysis and Interpretation

Table 1

The below chart represents the demographic variables of the respondents.



### Interpretation

It is observed that 35 of the respondents (34.7%) are in the age group of 26 – 35 years. 28% of the respondents belongs to above 55 years and only 8% of the respondents are in the age group of less than 46 - 55 years (Minigoyal 2020). 90.5% of the are respondents are married. As for the occupation of the respondents, 53% of the respondents are doing agriculture and engaged in allied activities, and

48% of the respondents are doing agriculture as the major occupation. It was observed that the farmers who selling their agricultural produce to the regulated markets are mostly in the lower middle class or poor income strata. 47.5% of the respondents were earning up to Rs.1,00,000 per year. 42.6% are earning only Rs. 1,00,000 to Rs.2,00,000 as annual income. The educational status of the respondents shows a similar observation with a 35.6 percentage of the respondents are placed in the uneducated categories (32.7% of the respondents having less than 10<sup>th</sup> std). Among the 101 respondents (61.6%) are living in nuclear families and (39%) are living in joint families. Half of the respondents 57 (56.4) are male and 44% of the females are actively participated in the regulated markets.

From the above chart and analysis it can very well be observed that small and medium level farmers are mostly participated in the Tiruvannamalai regulated markets. And they have a lower socio-economic status as can be seen from their education, occupational status and their level of income.

**Null Hypothesis 1:**

Age of the farmers did not significantly influence either the Auction system in the regulated market, facilities offered by the markets or Administration system.

The results of the one way ANOVA test carried out is presented below

| Factors            | Respondents Age |           |           |           |              | F value | P value |
|--------------------|-----------------|-----------|-----------|-----------|--------------|---------|---------|
|                    | Below 25yrs     | 26-35 yrs | 36-45 yrs | 46-55 yrs | Above 55 yrs |         |         |
| Auction system     | 38.00           | 39.5714   | 39.5714   | 35.3750   | 37.5714      | 2.476   | .049    |
| Facilities offered | 32.500          | 34.2286   | 33.8750   | 29.00     | 31.4286      | 2.964   | .023**  |
| RM Administration  | 39.833          | 44.2286   | 41.5833   | 35.6250   | 39.4286      | 5.264   | .001**  |

Source: Primary Data

**Result**

Age of the respondents was found to influence the regulated markets facilities and overall administration. Auction system have no relationship because the regulated markets auction system always done in a proper manner.

**II. CONCLUSION**

From the above analysis, it is clear that the farmers participating in the regulated markets are mostly small and medium level farmers who belong to economically weaker sections. Their income levels are low, and a considerable number of them have limited education, which reflects their overall socio-economic condition. Even though agriculture remains their primary occupation, the earnings are not very high, indicating the need for better support systems in agricultural marketing.

The study also shows that age plays an important role in shaping the opinions of farmers regarding the facilities and administration of regulated markets. Farmers of different age groups seem to experience and evaluate these aspects differently. However, the auction system is viewed as fair and consistent by all age groups, which suggests that it is functioning effectively without much bias or variation.

Overall, the regulated markets are serving as an important platform for farmers to sell their produce, but there is still scope for improvement, especially in terms of facilities and administrative support. Strengthening these aspects can help in improving the satisfaction level of farmers and enhance their economic condition. More focus should also be given to educating farmers and improving their awareness so that they can make better use of the available market opportunities.

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