



www.eprawisdom.com

Research Paper

PERFORMANCE OF KRISHI UPAJ MANDIES IN RAJASTHAN

Pushpa Choudhary¹

¹Research Scholar, Department of Economics, University of Rajasthan,
Jaipur Rajasthan, India

ABSTRACT

Rajasthan is the biggest state of the India according to area. In comparison of other state like Punjab, Haryana, Uttar Pradesh, the performance of krishi upaj mandies in Rajasthan is not good. There are several challenges that government should be solve .In the early stage there were only nine mandi samitee in the state. The number of such committees has gone up to 130 by now. There are 307 sub yard under the markets yards at present. A wide network of market regulation has been provided all over the state. Efforts are being made to ensure further strengthening of the network so as to provide market facilities to the farmers at short distances preferable within a radius of 15-20 km. The market committees are known as Krishi Upaj Mandi Samities (KUMS). The krishi upaj mandi samities manage the market and regulate the trade.

The study would cover Rajasthan state as a whole and the period covered is for 11 years from 2001-to -2012. This thesis shows the performance of krishi upaj mandies in rajasthan .In this study krashi upaj mandi is divided in 10 divisions .For empirical analysis semi log model and double log model was used in this study.

KEYWORDS:- KUMS ,mandi yards, Agricultural marketing, government policies, market arrival,

INTRODUCTION

Agricultural System in Rajasthan- The north-western state of Rajasthan is the largest Indian state with an area of 3, 42, 239sq .km comprising of the 10.4 percent of the total geographical area of the country. This state has a type of rhomboid shape and stretches lengthwise 869 km. from west to east and 826 km. from north to south.

The state of Rajasthan is unique in many ways. It's not only known for its valour and famous historical places but also for its rich culture, traditions and colour as well as its biodiversity comprising both plants and animals. Nearly 65 percent of its population (56.5 million) is dependent on agriculture. The state is presently divided into 33 administrative districts and has 10 agro-climatic zones. Rajasthan is an agrarian state, where

eighty percent of the total population resides in rural area and largely dependent on agriculture as the source of their livelihood. The economy of state is mostly depended on agriculture. 22.5 percent of state's GDP comes from agriculture. Recognized as the largest state of India, Rajasthan has cultivated area of almost 20 million hectares but due to some unavoidable circumstances only 20 percent of the total cultivated area is irrigated. This really is a tense situation. The weather is arid and hot. Large portion of the terrain is dry. Droughts are common in Rajasthan and state has experienced some severe droughts in last few decades. Due to unstable weather conditions farmers have to depend on both rain fed and ground water agriculture. With the decreasing ground water level the cropping situation is more terrible as the farmers in the state have

to survive mostly on ground water received from Punjab rivers in the north, the Narmada river in the south and the Agra canals from Haryana and Uttar Pradesh are the water providing sources to the dry land. North-western Rajasthan is irrigated by the Indira Gandhi Canal. The use of chemical fertilizers and pesticides has increased the crop productivity and now the state is self sufficient in the production of food grains. The two major crops sown in the region are **Rabi crops** and **Khariff Crops**.

Krishi Upaj Mandies in Rajasthan: The role of agricultural marketing is crucial in post harvest technology of agricultural production. In the absence of remunerative price of the producer, agricultural production gets a setback. In view of this, the state government acknowledged the impotence of regulated markets so as to ensure fair return to the farmers. With this purpose in mind of governments promulgated Rajasthan agricultural produce market act in the year 1961 which came into force in the year 1964.

The mandi samiti are responsible for enforcement of fair grading practices, licensing of market functionaries deduction of unauthorized market charges, introduction of open auction system of sale and enforcement of standard weights and to secure impartial arbitration in cases of disputes between the seller and the buyer. They also maintain market yards, provide facilities for parking carts, rest houses for farmers, canteen, go-downs and sheds for auctioning the proceeds.

To start with there were only nine mandi samitee in the state. The number of such committees has gone up to 130 by now. There are 307 sub yard under the principle markets yards at present. A wide network of market regulation has been provided all over the state. Efforts are being made to ensure further strengthening of the network so as to provide market facilities to the farmers at short distances preferable within a radius of 15-20 km.

The market committees are known as Krishi Upaj Mandi Samities (KUMS). The secretary of the market committees is on deputation from the agricultural marketing department. The krishi upaj mandi samities manage the market and regulate the trade.

They are also responsible for the general development of market yards by way of providing necessary amenities and facility. They are also empowered to issue licenses to the traders for providing all these services. The collected mandi fee from the buyers Rs. 1.60 on every hundred rupees worth of produce sold. The market fee is collected at a single point in the state.

Out of the 130 regulated markets, 15 markets viz. Kota, Jaipur (grain), Jaipur (food and vegetables), Jodhpur (grain), Sriganganagar (grain), Baran, Hanumangarh, Alwar, Bikaner (grain), Bundi, Chomu, Khairthal, Ramganjmandi, Mertacity are under supper class category and 28 mandis are under "A" class category, 17 mandis are in "B" class. 44 are in "C" class and remaining has been classified as "D" class.

OBJECTIVE OF THE STUDY

- To analysis the existing system of agricultural marketing in Rajasthan
- To investigate the role of infrastructure on the performance of krishi upaj mandies for agricultural marketing
- To analysis the role of government policies in krishi upaj mandi
- To measure the performance of krishi upaj mandi and performance of market arrival.

METHODOLOGY

The study would cover Rajasthan state as a whole and the period covered is for 11 years from 2001- to -2012. The whole study will be based basically on secondary data. The trend would be analysed by using the statistical techniques as ratio, percentage, averages, coefficient of variation, coefficient of correlation and regression techniques will be used in relevant section. Further growth rate will be measured by semi log regression model.

The performance of Krishi Upaj Mandies between the financial year 2001-02 to 2011-12. Semi log model in this five kind of market arrivals are taken which are, Cereals market arrivals, Masalas market arrivals, Oil seeds market arrivals, Pulses market arrivals and other commodities market arrivals. All mandis of 33 districts of Rajasthan have been divided into 10 divisions in this Study. Ajmer, Alwar, Bikaner, Jaipur, Hanumangarh, Jodhpur, Kota, Ganganagar, Sikar and Udaipur.

Semi log model has been used for analytical study. Growth model was derived from semi log model. On the basis of P-value we justify that whether the model is significant or not. In this study we analysed that the growth of market arrival for the period 2001-02 to 2011-12 is significant or not.

$$\text{Log } y_i = \Gamma + S + \sim i$$

Where,

- y = mandi arrival
- i = mandi division
- Γ = growth of time
- $\sim i$ = error

If the model is found to be significant then it can be said that the policy and attempts of the government are successful. This significant level of the model is on 10% growth basis.

R^2 depicts that how much variation there in the time of market arrivals. If R^2 is less than 5% then the market has been more stable and vice versa. The model will be as more stable as there are less up-down in market arrivals and statically we called it "significant". If there is much variation in market arrival then the market will be unstable and statically we called it insignificant. For stability of market the government adopts many policies. It is found on analysis of **cereals market arrivals** that the growth is significant in Alwar division, Jaipur division, Kota division because most of the grain is produced in Jaipur, Bharatpur, Kota, Jhalawar. Growth has been seen every year in grain production as it is a necessity and always demanded in daily life.

It has been seen in the analysis of **masala market arrivals** that the growth of masala market arrivals in Ajmer, Alwar, Bikaner, Hanumangarh is negative as coriander, cumin, fenugreek are not produced in Bhilwara, Tonk, Bharatpur, Dholpur, Churu, Hanumangarh etc. and growth of masala market arrivals in Jaipur, Jodhpur, Kota, Ganganagar divisions has been significant as chilli is produced more in Jodhpur and cumin in Jalaur. Coriander and Parsley are produced more in all these divisions. **Oilseeds market arrivals**: It has been observed that in the duration of 11 years of study the growth of oilseed market arrivals has been significant in Ajmer, Alwar, Bikaner, Jaipur, Jodhpur, Sikar, Ganganagar divisions. The reason behind this is that the soybean grows more in Ganganagar, mustard in Bharatpur, groundnuts in Jodhpur, Jaipur, Barmer and Raida in Barmer, Jodhpur, Jalaur districts. The significance level of R^2 is 3%, which shows that there has been continuous growth in arrivals in last 11 years.

Pulses market arrivals: It has been known from study of last 11 years that the growth of pulses arrival in mandi is significant in all divisions of Ajmer, Jaipur, Jodhpur, Kota, Sikar and Udaipur. It means we can say that black lentil, green lentil, red lentil, Chola etc. are produced more in all districts like Bhilwara, Tonk, Dausa, Jalaur, Barmer, Pali, Bundi, Jhalawar, Karauli, Swai Madhopur, Nagaur, Jhunjhunu, Chittor, Rajsamand, Sirohi, Banswara. Here R^2 shows that there has been up and downs in the arrivals in last 11 years, it may be due to draught.

Other commodities market arrivals: It is known from the analysis of arrivals of other commodities in markets of 10 divisions in 11 years that the growth of arrivals is not significant in all markets. It shows that the arrival of Narma, Cotton, Wool, Gur, Sugar, Khand, Wood etc. which are produced in Ajmer, Bhilwara and Tonk, are very less in the state. Like this, the growth level of arrivals here is significant due to production of Cotton, Sugar, Fruits and Vegetables. Wool is produced more in Bikaner division, the growth is significant here as well. The level of R^2 is more than 5%, it is 25%, which shows that there has been more fluctuations in the level of arrivals with time.

CONCLUSION AND SUGGESTION

Hence it can be said that growth of **market arrivals of cereals** is statistically significant. This model indicates that arrival of cereals in each market division has increased every year. The maximum arrival of cereals has increased in Ganganagar and Hanumangarh division. The **market arrival of spices** in Ajmer, Alwar, Bikaner and Hanumangarh during last 11 years have increased negatively because in all these districts Coriander, Cumin and fenugreek seed is produced very less but in Jaipur, Jodhpur and Kota it has increased. The government needs to take necessary steps in production of masala. Rajasthan is the main state in production of **oil seeds**. Mustard is mainly produced in Ganganagar division and Bharatpur district of Alwar division. This model is statistically significant. The government have played an active role in the same. Production of **pulses** is very less in Rajasthan. In this, R^2 indicates that there were much up and downs in arrival of pulses due to draught in Rajasthan during 2006-07. This caused the negative arrival of pulses. But overall this model is successful. The total arrival has increased. The growth rate of arrivals of **other commodities** in the market has been 16% which indicates that it is not significant. Hence in other words the yield of Narma, Cotton, Wool, Sugar and Wood is very less. This model is not successful. The government need to play a significant role and some important schemes should be implemented so that productivity may increase.

Different Tables will be analyzed in this study**Table no.1 Estimation of Growth Rate of Cereals Market Arrivals in Different Division (2001-2012)**

DIVISION	Intercept (P-value)	Slope (P-value)	R ²
AJMER	13.77226(1.85E-10)	0.042143(0.535966)	0.043983
ALWAR	14.38022(6.4E-09)	0.017942(0.864139)	0.003433
BIKANER	12.70311(1.72E-11)	0.02245(0.639)	0.025
HANUMANGARH	14.94277(1.95E-09)	0.02483(794546)	0.007933
JAIPUR	14.43328(4.04E-09)	0.008149(0.0934938)	0.000782
JODHPUR	13.44422(1.95E-14)	0.01051(0.6587)	0.022644
KOTA	15.28069(1.59E-09)	0.01924(0.0839839)	0.0047
SIKAR	13.64874(3.31E-10)	0.017115(0.810395)	0.006737
SRIGANGANAGAR	14.28144(3.51E-09)	0.017003(0.861264)	0.003581
UDAIPUR	13.88344(5.26E-10)	0.060788(0.433971)	0.06935
TOTAL	16.63601(2.98E-10)	0.012683(0.088256)	0.00256

Table no.2 Estimation of Growth Rate of Masala Market Arrivals in Different Division (2001-2012)

Division	Intercept(P-Value)	Slope(P-Value)	R ²
AJMER	11.68949(1.466E-15)	0.02857(0.0625)	0.28686
ALWAR	9.54599(1.53E-08)	0.05626(0.47306)	0.059366
BIKANER	10.39177(2.37E-10)	0.01931(0.71275)	0.015792
HANUMANGARH	9.139440(1.14E-08)	0.40799(0.00229)	7.95E-01
JAIPUR	12.10788(128E-11)	0.015082(0.7321)	0.013666
JODHPUR	11.8748(5.8E-16)	0.00932(0.5157)	4.84E-02
KOTA	14.3424(1.35E-16)	0.034274(0.0382)	0.395384
SIKAR	11.41337(3.58E-12)	0.0428(0.251447)	1.43E-01
SRIGANGANAGAR	7.20135(1.18E-07)	0.02577(0.7256)	0.014362
UDAIPUR	11.1823(7.36E-12)	0.01969(0.60824)	3.04E-02
TOTAL	14.6999(4.27E-17)	0.21466(0.1263)	0.239752

Table no.3 Estimation of Growth Rate of Oil Seeds Market Arrivals in Different Division (2001-2012)

Division	Intercept(P-Value)	Slope(P-Value)	R ²
AJMER	13.92093(5.21E-13)	0.062387(0.102859)	0.268024
ALWAR	14.88098(4.52E-17)	0.047299(0.05384)	0.059576
BIKANER	13.27652(1.4E-14)	0.097504(0.001603)	0.687004
HANUMANGARH	13.6374(3.23E-12)	0.60046(0.99149)	1.36E-05
JAIPUR	14.54064(1.08E-14)	0.013046(0.589905)	0.033625
JODHPUR	13.85088(3E-12)	0.001186(0.0977856)	9.05E-05
KOTA	15.56561(6.59E-14)	0.107555(0.006478)	0.0579753
SIKAR	14.07493(9.51E-15)	0.006425(0.779342)	9.18E-03
SRIGANGANAGAR	14.50573(2.38E-15)	0.033014(-0.01146)	0.23899
UDAIPUR	13.20853(4.21E-14)	0.0106977(0.051226)	6.77E-01
TOTAL	16.71405(1.78E-16)	0.067718(0.03164)	0.03164

Table no.4 Estimation of Growth Rate of Pulses Market Arrivals in Different Division (2001-2012)

Division	Intercept(P-Value)	Slope(P-Value)	R ²
AJMER	12.6546(126E-10)	0.08734(0.16329)	0.20335
ALWAR	11.8032(1.58E-10)	0.04856(0.40164)	0.07927
BIKANER	12.7950(2.53E-12)	0.136063(0.00564)	0.591797
HANUMANGARH	11.3547(3.71E-11)	0.11816(0.0356)	4.06E-01
JAIPUR	12.333(1.65E-12)	0.04130(0.26327)	0.13659
JODHPUR	12.6215(6.96E-12)	0.086408(0.0675)	3.24E-01
KOTA	13.02939(1.08E-10)	0.000472(0.99371)	7.29E-06
SIKAR	13.2998(5.76E-12)	0.06353(0.17289)	1.96E-01
SRIGANGANAGAR	11.3387(1.04E-11)	0.1627(0.00243)	0.658
UDAIPUR	11.3006(1.1E-14)	0.06728(0.0064)	5.80E-01
TOTAL	14.8407(1.21E-13)	0.07321(0.0431)	0.38067

Table no.5 Estimation of Growth Rate of Other Commodities Market Arrivals in Different Division (2001-2012)

Division	Intercept(P-Value)	Slope(P-Value)	R ²
AJMER	14.3464(2.98E-12)	0.0486(0.2876)	0.12427
ALWAR	13.4933(1.41E-09)	0.10054(0.2436)	0.14742
BIKANER	14.5314(1.85E-14)	0.06654(0.0248)	0.4455
HANUMANGARH	13.91783(1.94E-09)	0.09716(0.288.79)	1.24E-01
JAIPUR	15.6204(1.22E-08)	0.07997(0.51867)	0.04773
JODHPUR	14.96218(1.62E-11)	0.049861(0.38130)	8.61E-02
KOTA	13.46813(5.33E-12)	0.09159(0.06242)	0.33431
SIKAR	14.07905(3.63E-10)	0.14343(0.0782)	3.05E-01
SRIGANGANAGAR	14.3591(5.19E-09)	0.06686(0.5179)	0.04789
UDAIPUR	13.3418(8.09E-11)	0.12861(0.0532)	3.55E-01
TOTAL	1653512(8.56E-10)	0.16629(0.40864)	0.26054

REFERENCES

- Achariya, S.S. (2000), "Krishi Vipanana Sammelan Ki Mukhya Sipharishen, aur Nishkarsh", Institute of development studies, Jaipur, page. 62.
- Agodi, R.B. and Aramashivaiah P.P. (2005), "Rural Marketing in India, Rural Marketing (Thrust and Challenges) page no. 1
- Ahluwalia, M. (1996), "New Economic Policy and Agricultural, Some Reflection, Indian" Journal of Agricultural Economics Vol. 5 No. 3, July - September.
- Alagh Yoginder K. (2006), "Problems and Prospects," Yojana, August Vol. 50, Page No. 17
- Dantwal, M.L. (1978), "Future of Institutional Reform and Technological Change in Indian Agricultural Development" Economics and Political Weekly, Vol. 13, No. 13, August
- Himanshu (2006), "Agricultural Business Management Problem and Prospects" Shiv Kumar, Ritu Publication, Jaipur.
- Jairath M.S (2004), "Agricultural marketing facilities in India" National institute of agricultural marketing bambala, new sangar, Jaipur Indian journal agricultural marketing(conf. spl), 18(3)
- Kumar Nirmal (1993), "Krishi Vipanana Samsayan aur Samadhan" Agricultural Marketing, October.
- Meena, babulal, Pnat D.C. and Sharma, J.D. "Practices and channels for marketing of guava in Udaipur of Rajasthan", dept of agril. Econ. MPUAT, Udaipur.
- Pant D.D. and Hada Shyoraj (2004), "Marketing of Maize (zea maysl.) in Rajasthan" Dept. of agril. Econ. And management, MPUAT, Udaipur Rajasthan Indian journal agricultural marketing, 18(1).
- Rao, A.S. and R.S.Mertia (2007), "Rainfall Characteristics and Crop Production in Churu District of Western Rajasthan", Annals of Arid zone, 46(2):151-156.
- Regional monitoring service monthly review of Rajasthan Economy (2010), Centre for monitoring Indian Economy Pvt. Ltd. Jaipur

13. Sagar, and Vidya (2003), "Bajra Gluts and Median Terms of Agricultural Policy for Rajasthan", Institute of Development Studies, Jaipur page no. 1.
14. Shahoo S.K., Panda, J.K. (2005), "The Rural Market and Rural Marketing in India ; Challenges and Strategies" Rural Marketing page. 65.
15. Shrivastavan, Radhamohan, Shukal, Dayashankar (1995). "Viniyami Mandiyon Se Krishkon ki aay mei Badhotari," Agricultural Marketing April - June.
16. Verma, T.R. and Agrawal N.L. (1997) ,"Agricultural Marketing in Rajasthan Performance, Role of Public Policy and Needed Changes", Institute of Development Studies, Jaipur page. No. 40.