

Farmers Participatory Approach towards Role of the HOPCOMS Development of Agribusiness Management in Karnataka

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ABSTRACT

The HOPCOMS so far has opened 324 retail outlets in its area of operation. Bangalore, being the major consuming area, has got 285 retail outlets accounting for 88% of total outlets which provide fresh supplies to the consumers in the city. For the opening of retail outlets, the sites have been provided by the respective corporations/municipalities/ development authorities on lease basis at nominal charges. The retail outlets are being managed by the salesmen who are the employees of HOPCOMS. As incentives, they are allowed to absorb driage and damage to the extent of 3.7 per cent of the value besides wages. Every day, the salesmen remit the sales proceeds of the previous day and collect the materials required for the day's sales next day morning. The supplies to retail outlets are being made through the 19 own and 40 hired vehicles. Mobile sales of fruits and vegetables are also being arranged through society's vehicles at the place where HOPCOMS does not have its retail outlets. The society has set up a processing unit for preparing fresh fruit juices out of fruits like Bangalore blue grapes, mango, and oranges at selected places. It is selling the same to the general public at a reasonable price of Rs. 10 per 200 ml bottles through its retail outlets and through dispensers located at important places. The most important benefit to farmers is that HOPCOMS purchases the produce directly from the farmers. This paper highlights the Role of the HOPCOMS development in Agribusiness in Karnataka and Farmers awareness on HOPCOMS in Mysore District

Keywords: HOPCOMS, Retail Outlets, Farmers, Processing.

INTRODUCTION

This eliminates the middleman, and the commission payment to the agent. Consequently, a remunerative price is paid to the farmers, usually 10-15 per cent higher than the open market prices. Further, during periods when there is excess supply of certain produce in the market, the open market price drops. HOPCOMS, however, assures a minimum support price for the produce at the time of distress sales. Another major benefit is that cash is paid to farmers on the day of the transaction; there is no delay in payments. The discussion with private commission agents revealed that they extend advances to the buyer-merchants and to the seller-merchants. This system of extending credit is prevalent in the private businesses. HOPCOMS does all its transactions in cash, thereby eliminating the need for such credit.

HOPCOMS has weigh-bridges at each procurement centre and hence the farmers are

assured of correct weighing. HOPCOMS also has infrastructural facilities like the cold storage to reduce losses due to wastage of perishable fruits and vegetables and godowns to store the produce. The procurement centers are located where the farmers can keep their products and sell directly to consumers.

This facility is provided for sale of watermelons, for example. As farmers come to procurement centers to sell their produce, HOPCOMS also provides agricultural inputs such as manures, fertilizers, plant protection chemicals, garden implements and seeds at its fruits and vegetables procurement centers at subsidized rates in order to help the farmer-members.

They also sell plastic crates to transport the produce at subsidized rates. And as farmers travel long distances with large quantities of produce, HOPCOMS has provided lodging and boarding facilities. Farmers have found this very useful and have taken advantage of these facilities.

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For consumers, HOPCOMS assures good quality produce, both to the individual as well as bulk consumers like the hostels, hospitals, and public sector units (PSUs) at competitive prices. Moreover, vegetables and fruits are available at reasonable rates, which are normally less than the prevailing market rates. They also avail the following benefits, namely, correct weighment, quality fruits and vegetables at reasonable prices, retail outlets in extensions, mobile sales, supplies to marriages and other functions, capital supplies to institutions, organizations, hostels, hospitals and others, seasonal fruit drinks at reasonable prices, and conducting seasonal fruit fairs at discount prices

IMPORTANCE OF THE STUDY

The proposed study has importance over to the farmers by eliminating the middleman & commission payment to the agents and also them purchases the produce directly from the farmers and the cash is paid on the day of transaction without any delay and also amount is paid in the form of cash but not cheque.

OBJECTIVE OF THE STUDY

- To analyze the role of HOPCOMS in the development of agribusiness in the study area.
- To study the various facilities provided by HOPCOMS to the farmers in the study area.

RESEARCH METHODOLOGY

Primary data is collected by administering the questionnaires from the producers of HOPCOMS of the study area, secondary data is collected from the members of HOPCOMS, SPSS package and simple tabular analysis further random sampling method will be adopted to collect primary data.

Limitations of the Study

The study will be confined to organization and the results are based on the primary and secondary information gathered from the producers of study area and members of HOPCOMS.

Farmer's Awareness on HOPCOMS

The purpose of this chapter is to present the producers perspectives on the HOPCOMS operations in the select district of my study; the discussion in the chapter is about the farmers' perspectives on horticultural production and particularly fruits and vegetables for marketing through the HOPCOMS. The discussion in this sections are in great detail, as gleaned from the simple frequency and percentage analysis of the questionnaire survey data from the producers. The 125 producers interviewed for the survey have been chosen from the district of the study area: Mysore Rural, Hunsur and Priyapatna taluks. Thus the farmers have been chosen, randomly, from each of the taluks and the results of the study are hopefully representative of the study area as a whole

RESULTS AND DISCUSSIONS

The study 33 per cent were illiterates and 44.80 per cent of them have attained primary to higher secondary education (Class 1 to 10), 19.2 per cent of them have attained pre-university (Classes 11 and 12) and a very smaller proportion of 3.22 per cent have Obtained certificates in graduation from well known universities thus, the producers are reasonably educated and are in the knowledge of agriculture and horticulture, both by practice and experience.

Educational status	Number of respondents	Per cent
Primary and Secondary	56	44.8
Pre university	24	19.2
Graduation	4	3.22
Illiterates	41	33
Occupation	Number of respondents	Per cent
Farmer	82	65.6
Working in private services	28	22.4
Working in public services	6	4.8
Business	9	7.2
Land holding	Number of respondents	Per cent
0-2acers	12	9.6
2-4acers	28	22.4
5-8acers	71	56.8
More than 8	14	11.2

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Crops produced	Number of respondents	Per cent
Food grains	28	22.4
Flower crops	17	13.6
Commercial crops	7	5.6
Fruit crops & vegetable crops	73	58.4
Income	Number of respondents	Per cent
50000-100000	31	24.8
100000-200000	41	32.8
200000-300000	34	27.2
300000 – 500000	19	15.2
Selling fruits & vegetables to HOPCOMS	Number of respondents	Per cent
Daily	32	25.6
Weekly	49	39.2
Twice a week	28	22.4
Monthly once	16	12.8
Reasons to sell	Number of respondents	Per cent
Better price	66	52.8
Better service	59	47.2
Mode of transportation	Number of respondents	Per cent
Own vehicle	42	33.6
Hired vehicles	66	52.8
Vehicle provided by HOPCOMS	11	8.8
Lorry	6	4.8
Losses during transportation	Number of respondents	Per cent
Lack of road facility	34	27.2
High haul cost	55	44.0
Inefficient transport	36	28.8
Price satisfaction	Number of respondents	Per cent
Yes	40	32
No	85	68
Price satisfaction to wards Input Services	Number of respondents	Per cent
Yes	52	41.6
No	73	58.4
Rating on services	Number of respondents	Per cent
Poor	27	21.6
Good	58	46.4
Very good	26	20.8
Excellent	14	11.2
Problems of farmers	Number of respondents	Per cent
Transportation	48	38.4
Storage	34	27.2
Grading	43	34.4
Suggestion given by farmers	Number of respondents	Per cent
Transportation	48	38.4
Storage	34	27.2
Grading	43	34.4

Source: Primary Survey - 2018

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The 65.6 per cent of the producers are in farming while 22.40per cent of them are employed in private and 4.80per cent are in public sector undertakings and institutions and 7.2per cent of them are in business. It means that sizeable proportions of producers are also in private and public services and carry on businesses as supplementary occupations.

The study 4.3 shows that 45.60 per cent of the farmer's household had 4-6members, with 29.60per cent have less than 4 members where as, 24.80 per cent has above 6 members in a family.

The study also shows that 9.6 per cent of them own landholdings of 0-2 acres (small holdings), 22.4 per cent own 2- 4 acres (medium holdings), 56.8 per cent own landholdings of 5-8acres (large holdings) and 11.2 per cent more than 8acres (very large holdings). Thus nearly more than half of the farmers are large farmers.

The 22.40per cent of farmers have grown food grains and 13.6per cent of them grown flower crops5.6per cent of them chosen flower crops during required season and about58.4per cent of them have grown fruits and vegetables. The cropping pattern followed by farmers is alternate cropping system. 4.6. Crops grown by the respondent in a year

The study highlights that 23.2per cent of farmers produce 2 horticulture crops, 36.8per cent of them produce 3 crops, 29.60 per cent of them for 4 crops whereas, 10.4per cent of them produce 5 crops which are purely horticulture crops.

Table shows that 35.2per cent of the farmers produce between 1 to 2 tones/ha, 32.8per cent of the farmers produce between 2 to 3 tones/ha, 16.8 per cent have reported yields of 3 to 4 tones / ha each and 15.2 per cent of them 4-5 tones/ha each, and the rest of them.

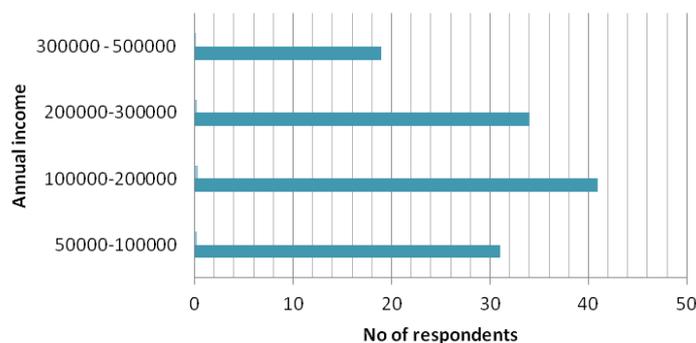


Fig1. Annual income of the producers

Table and figure shows that 24.8 per cent of the producer-households have shown Rs.50000-100000lakhs each as their income 32.8 per cent of them Rs100000-200000 each, 27.2 per cent of them Rs.200000-300000 each 15.2 per cent of them Rs.300000-500000 each. It appears that most producers of fruits and vegetables in the district of our study in make their ends meet well enough with the agricultural, horticultural

and other incomes. The study also shows that, commercial banks accounts to 34.4 per cent and the moneylenders 36 per cent top the list of the farmers taking credit from them. Local businesses12.80 per cent also fund to the horticultural farmers because of the high value crops of fruits and vegetables. And 16.8 per cent of the farmers have sought credit from the co-operatives.

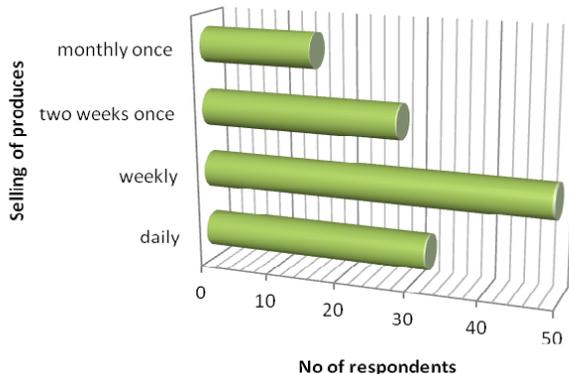


Fig2

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The 25.60 per cent of them indicated that they visited daily while 39.20 per cent of them on a weekly basis and 22.4per cent of them twice a week and 12.8 per cent of them visit monthly once to sell their produce to HOCOMS. The shows that 52.8 per cent of the farmers quoted for better price and better services by slightly

lower percentages of the farmer's by 47.2per cent. The 65.6 per cent of the farmers are paid with cash and through cheque is by 34.4 per cent. All the farmers were affirmative on the query as to whether they receive fair prices for their fruits and vegetables sold to HOPCOMS.

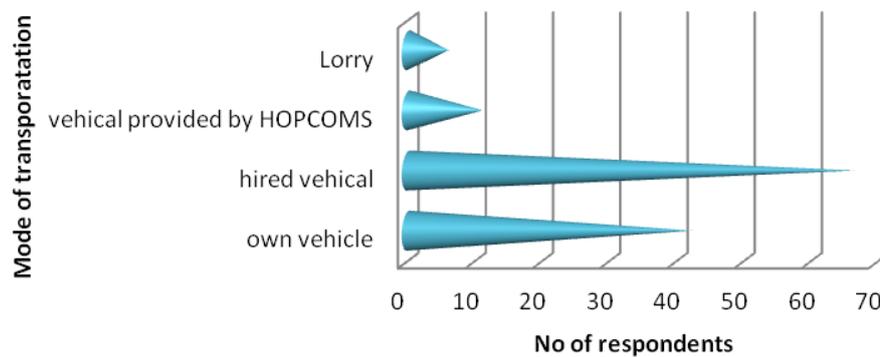


Fig3. Mode of Transportation

Table and figure shows that 52.8 per cent of farmers takes their fruits and vegetables by hired vehicle and 33.6per cent of them by own vehicles and 8.8 per cent transported by the vehicles provided by HOPCOMS and 4.8 per cent is by means of lorry. The study also shows that 27.20 per cent of the farmers faces transportation losses due to lack of road facilities while high haul cost worried for 44 per cent and due to lack of inefficient transport

facility by 28.8 per cent, were the most important problems of transportation causing loss of income to the farmers. The 32percent of farmers is satisfied with the price where as 68per cent of farmers are not satisfied with the price provided by the HOPCOMS. Table and figure shows that 41.6per cent of them are satisfied with the input services provided by HOPCOMS whereas 58.4per cent of them are not satisfied.

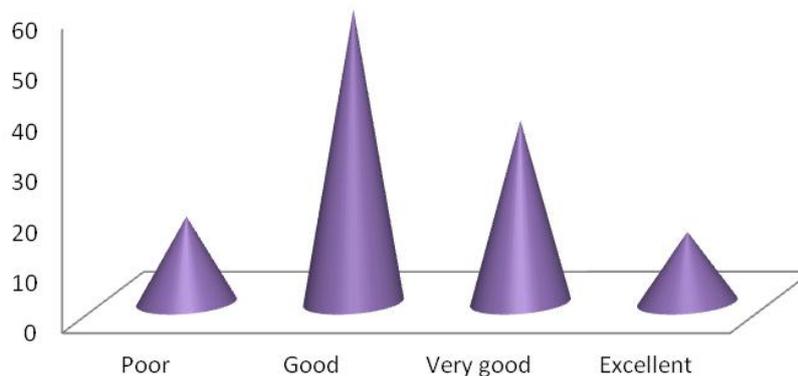


Fig4. Rating for the services provided by HOPCOMS

Table and figure shows that 13.6per cent has rated poor and 46.4per cent of them has rated as good, 28.80per cent has rated very good and 11.2per cent of farmers has rated excellent on services provided by HOPCOMS.

The shows that 38.4per cent of farmers were facing transportation problem and 27.2per cent of farmers facing storage problem and 34.4per cent of farmers facing grading problems.

The respondents opined that 34.4per cent of farmers were suggesting improving transport

facilities and 27.2per cent farmers were suggested to improve storage and 34.4per cent have suggested improving grading facilities of fruits and vegetables to HOPCOMS.

FINDINGS OF THE STUDY

- The procurement of fruits and vegetables from the year 2002 to 2015 i.e 16099.5tonnes in 2002-2003 to 9,498.81tonnes in 2014-15. There is a slight rise and fall in the tonnage and also in the value of procured vegetables and even in the fruits.

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- HOPCOMS is not only procuring fruits and vegetables in other hand there is also a sales of ice cream, fruit juices, jam& jellies, and also fertilizers to the farmers and their sales in value of money from 2002 to 2015 is 432 million to 885.24million for fruits and vegetables and ice cream value is from Rs. 2.83 million to Rs. 4.2 million, fertilizers is from Rs. 22.46million to Rs. 121.48 million.
- There has been a steep drop in the farmers' arrivals at the HOPCOMS or the procurement centers over the 13-year period may be because in the intervening period the demand for the products has gone up and there has been a need to procure fruits and vegetables from the markets to meet the rising demand.
- 33 percent of farmers are illiterates whereas 44.80 per cent of them have attained primary to higher secondary education (Class 1 to 10), 19.2 per cent of them have attained pre-university (Classes 11 and 12) and a very smaller proportion of 3.22 per cent have Obtained certificates in graduation from well known universities Thus, the producers are reasonably educated and are in the knowledge of agriculture and horticulture, both by practice and experience.
- As for their occupations, a large majority of 65.6 per cent of the farmers are in farming while 22.40per cent of them are employed in private and 4.80percent are in public sector undertakings and institutions and 7.2per cent of them are in business. It means that sizeable proportions of farmer-producers is also in private and public services and carry on businesses as supplementary occupations. Alternative livelihoods are a must for a certain number of farmer-producers such that a good number of them is in private and public sector employment which fetches regular income for their households and an equally good number of them is in businesses which fetch handsome returns for the family.
- The farmers grow 1 fruit crops and 3 vegetable crops in a year, depending on the seasons in which the 1 fruit crops and 4 vegetable crops flourish. While the cropping of these crops is intensive, they are grown both simultaneously and in rotation. The crops grown are different and vary according to the climate and soil characteristics, but the farmers exercise their choices on the basis of their economic and market value. About 23.2percent of farmers grow 2 horticulture crops, 36.8percent of them go 3 crops,29.60 percent of them for 4 crops whereas, 10.4percent of them grow 5 crops which are purely horticulture crops.
- 9.6 per cent of the farmers having 0-2 acres (small holdings), 22.4 per cent own 2- 4 acres (medium holdings), 56.8 per cent own 5-8acres (large holdings) and 11.2 per cent more than 8acres (very large holdings). Thus nearly more than half of the farmers are large farmers.
- A large majority of 65.6 percent of the farmers are in farming while 22.40per cent of them are employed in private and 4.80percent are in public sector undertakings and institutions and 7.2per cent of them are in business. It means that sizeable proportions of producers is also in private and public services and carry on businesses as supplementary occupations.
- The farmer's are depending on credit for their production and marketing. Among the sources of credit, commercial banks accounts to 34.4 percent and the moneylenders 36 per cent top the list of the farmers taking credit from them. Local businesses12.80 per cent also fund to the horticultural farmers because of the high value crops of fruits and vegetables. And 16.8 per cent of the farmers have sought credit from the co-operatives.
- As such that when asked how often they visit the HOPCOMS for the sale of their produce, 25.60 per cent of them indicated that they visited daily while 39.20 per cent of them on a weekly basis and 22.4per cent of them twice a week and 12.8 percent of them visit monthly once.
- There are two good reasons for the farmers to sell their products to HOPCOMS: Better prices have been quoted as the top main reason by 52.8 per cent of the farmers and better services by slightly lower percentages of the farmer's by 47.2percent.
- The HOPCOMS paid the farmers immediately after the sale of their produce. The mode of payment was cash for 65.6 per cent and through cheque is 34.4 per cent. All the farmers were affirmative on the query as to whether they receive fair prices for their fruits and vegetables sold to HOPCOMS.
- Most farmers used their own transport to haul their produce to HOPCOMS, on occasions; however, the farmers either hired their transport or used the transport provided

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by the HOPCOMS. As much as 52.8 per cent of them hired vehicle to transport their produce while 33.6 per cent of their own vehicle and 8.8 per cent transported by the vehicles provided by HOPCOMS and 4.8 percent is by means of lorry. It appears that the type of vehicles hired depended on the quantity of products transported. Only a small proportion of the farmers thus required lorry to transport their produce to the HOPCOMS.

- Main problems that farmers facing with production and also with HOPCOMS, about 38.4 percent of farmers were facing transportation problem and 27.2 percent of farmers facing storage problem and 34.4 percent of farmers facing grading problems.

SUGGESTIONS

- To open HOPCOM procurement centers in taluk levels to reduce the transportation losses while taking to the HOPCOM centers.
- To provide credit facility by the cooperative that will reduce to take credit from the moneylenders with high interest rate.
- To provide a proper storage and grading to fruits and vegetables this can keep them perishable and brings good price to them.
- To give a proper advertisement about the organization that will make the farmers to know about service given to them.
- It is suggested to open a modern processing unit that will reduce the surplus fruits and vegetables
- To supply inputs in the organization along with fertilizers makes farmers to visit and also reduce their time to spent before Horticulture offices.
- Price forecasting information systems should be available at village
- Levels so that farmers can directly contact the concerned in the market regarding the price.

CONCLUSION

A majority of them have also In order to derive the best possible advantage in marketing of

Horticultural produce, the farmer should be provided with certain basic facilities. These include proper facilities for storage, holding capacity, in the sense, that farmer should be able to wait for times when he could get better prices for his produce and not dispose of his stocks immediately after the harvest when the prices are very low. The number of intermediaries should be as small as possible, so that the middleman's profits are reduced, which in turn increases the returns to the farmers. This has discussed the perspectives of the farmers who produce fruits and vegetables for the market, particularly for HOPCOMS, which sell the products of the farmers from the district of Karnataka, particularly district of our study.

Overall, the impression is that the HOPCOMS has been, and is, doing yeoman services to the farmers but, as always there is always a need to do better, in the service of the farmers producing fruits and vegetables. In the opinions the farmer, there is a lot to do with regard to quality, prices, transport, storage, grading, been appreciative of the HOPCOMS services.

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