

An Introduction of Market Led Extension

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Introduction

During last 50 years emphasis was given on PRODUCTION - LED EXTENSION [PLE]. India becomes self-reliant on food production. But the farmers at individual level are not realizing remunerative price for their produce. They prone to sell their produce “AS IS WHERE” basis. Globalization of the market demanded for paradigm shift i.e., from production to market led production. There are different changes took place at global level which stress the need for opting market -led extension in large scale:

1. Globalization/ Economic liberalization
2. Changed consumer preference
3. Revolution in ICT (information and communication technology)
4. New trade opportunities within and outside the country
5. Export opportunities

Need Of Market Led Extension in India

1. 90% of effort is production oriented
2. Only 10% in marketing /Post harvesting phases
3. Farmer share in consumer price is 20-30%
4. Single intervention that can enhance income by 20 -30%
5. Conversion of P-L-E (private led extension) into M-L-E (market led extension)

To Meet These Challenges

Farmers need to transform themselves from producers-sellers in the domestic market to producers cum sellers in a wider market.

To achieve this, the questions confronting the farmers are

- What to produce?
- When to produce?
- How much to produce?
- When and where to sell?
- At what price to sell?
- In what form to sell?

Evolution Of Concept of Market Led Extension

The transition from Legitim�er-led extension to Market -led extension is quite eventful in the country:

1. Legitim�er-led extension
2. State-Led extension
3. Farmer /Group -led extension
4. Market led-Extension

1. Legitim�er- led extension before independence)

Focused mainly on rural developments some of the attempts include

1. Scheme of rural reconstruction -Daniel Hamilton-1903
2. Sewagram attempt-Mahatma Gandhiji-1920
3. Gurgaon project-F.L. Brayne-1920
4. Shriniketn-Rabindranath Tagore-1920
5. Marathandam project- Spencer Hatch -1920
6. Firka Vikas Yojana -Govt.of madras -1946

2. State -led extension (after independence)

Central and state government took responsibility:

1. Community Development Programme.....1952
2. National Extension Service.....1953
3. Intensive Agriculture Development Programme...1965
4. Intensive Agriculture Area Programme...1965
5. High Yielding Varieties Programme...1967
6. Drought Prone Area Programme...1971
7. Broad Based Extension Programme...1991

3. Farmer /Group Led Extension

Emphasis have been giving in farmers need based technology transfer and group approach:

- Cooperative marketing
- Cooperative farming
- Self-help group
- Farmers club
- Farmer field schools
- ATMA (agriculture technology management agency)

4. Market led-Extension

It was started in Kerala in the year 1993. As an experiment by combining SHGs and market-oriented production. The GOI in collaboration with MANAGE Hyderabad as successfully pilot tested MLE with ATMA in 7 states and 28 districts. Market led-Extension is the market ward orientation of agriculture through extension, includes agriculture & economics is the perfect blend



for reaching at the door steps of farming community with the help of appropriate technology

Objective

- Conversion of agriculture sector into profit-oriented business.
- Strengthening R-E-F (research-extension-farmer) linkages -between various departments at various levels.
- Strengthening market linkages to farmers- IT application in agriculture marketing.
- Wider use of electronic mass media for agriculture extension.

Function of Market Led-Extension

- Market intelligence
- Finance
- Facilitating function
- Grading
- Standardization
- Processing
- Storage of farm produce

Require information to extension system & farmers

1. Suitability of land to various crops/enterprise
2. Crops in demand in near future
3. Market prices of crop
4. Availability of inputs
5. Credit facilities
6. Desire qualities of the products by consumer
7. Market prices differences
8. Present agricultural scenario and land use pattern
9. Usage of inputs
10. Market network of the local area and the price differences in various markets
11. Network of storage and warehouse facilities available
12. Transport facilities
13. Regular updating of market intelligence
14. Contract farming
15. Private modern terminal markets
16. Production technologies like improved varieties, organic farming, usage of bio-fertilizers and bio-pesticides, and right methods of harvesting etc.
17. Post-harvest management like processing, grading, standardization of produce, value addition, packaging, storage, certification, etc. With reference to food grains, fruits and vegetables, eggs, poultry, fish, etc
18. Food safety and quality standard
19. Certification & WTO regulations



Source of marketing information

- Notice boards of APMCs (Agricultural produce market committee)
- News papers
- Magazine
- Periodicals
- Special bulletins
- Post
- Radio
- Television
- Telephone
- Telegram
- fax
- Email
- Websites

Websites for market information

- Agri surf
- NETVET information
- Agri watch
- Commodity India
- Agfind
- Agmark net
- Hort india
- e-CHOUPAL
- Commodity board

Roles of Agricultural Extension considering Market Led Extension

- ❖ SWOT analysis of the market:
- ❖ Organization of Farmers' Interest Groups (FIGs)
- ❖ Supporting and enhancing the capacities of locally established groups under various schemes /programs
- ❖ Enhancing the interactive and communication skills of the farmers
- ❖ Establishing marketing and agro-processing linkages between farmers' groups, markets
Educating the farming community
- ❖ Direct marketing: farmers need to be informed about the benefits of direct
marketing.
- ❖ Capacity building of FIGs in terms of improve production, post-harvest operations, storage, transport, and marketing.
- ❖ Regular usage of internet facility and Production of video films of success stories of commodity specific farmers



Problems

1. Production related

- Seasonality of production: Supply not uniform throughout the year.
- Perishability of produce: Problem of storage.
- Bulkiness of production: Transportation problem.

2. Market related

- Non – availability of MI: Lack of information about the market.
- Existence of many middleman
- Inferior quality of produce.

3. Extension related

- Lack of communication skills.
- Lack of credibility.
- Insufficient information related with market and many more....

Suggestions

1. Training program for extension worker

Module 1

Basic concepts and issues in agriculture markets and marketing (and links with agricultural extension) Collection, processing, and dissemination of market information

Module 2

Helping Farmers access Markets: collective action, business linkages and other (based on needs assessment during mentoring phases).

2. To Introduce Market-oriented Approach into Extension subjects.
3. Development of local market and promoting local consumption.
4. Entrepreneurial training to farmers.
5. Linking farmers to markets.
6. Market reforms
7. Formation of Market-Led Extension Policies and its implementation.
8. Workshop on Market-Led Extension at regional level.

Different models of market led extension in India

Rythu Bazaar in Andhra Pradesh.

Apni Mandi in Punjab.

Uzhavar santhai in Tamilnadu.

Shetkari Bazaar in Maharashtra.

Raithara santhe in Karnataka.

Krushak Bazaar in Orissa.

Institutions for market led extension

Tamil Nādu agriculture university.

Acharya N G Ranga Agriculture university.

National institute of agriculture extension management.

Chaudhary Charan Singh national institute of agriculture marketing.

State agriculture management & extension training institute (SAMETI) Raipur.



State institute of agriculture management.

Indira Gandhi Krishi Vishwavidyalaya.

ICAR (Indian Council of agriculture Research).

NARSs (National Agriculture Research Systems).

KVK (Krishi Vigyan Kendra).

NHB (National Horticulture Board).

APEDA (Agriculture & Processed food product export development authority).

Case Study

Market led-Extension, an experience with rubber board in India

The companies were importing rubber from other countries due to high quality and low price.

Local producers were in trouble.

To tackle this situation

Established Rubber Producer Societies (RPS)

Linking grass root level organization like SHGs to processing factories.

Trained the producers on producing high quality rubber.

Create infrastructure facility

Result

Productivity increased up to 40%

70% of rubber is processing now

20-30% increase in farmer income

Conclusion

The focus of market led functionalities need to be extended beyond production. Farmers should be sensitized on various aspects on quality, consumer's preference, market intelligence, processing and value addition and other marketing information. With globalization of the market, farmers need to transform themselves from producers-sellers in the domestic market to producers cum sellers in a wider market sense to best realize the high returns for the produce, minimize the production costs, and improve the product value and marketability.

