

An Empirical Study on Functioning of Alwal Rythu Bazaar

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Abstract

This study focuses on the overall scenario of functioning of Alwal Rythu Bazaar. This study gives a brief insight into Rythu Bazaar in general and Alwal Rythu Bazaar in particular, role of its officials, the farmers selling there, and suggestions from officials and farmers.

Keywords: Rythu bazaar, farmers, sellers, government,

INTRODUCTION

Rythu Bazaar is a farmer's market in Telangana, India. It is run by the Government of Telangana for all kinds of farmers with various sizes of landholdings. The first Rythu Bazaar was started in January 1999 during the reign of Chandrababu Naidu, then Chief Minister of Andhra Pradesh.

Rythu Bazaars were introduced to eliminate the middlemen. In Rythu Bazaars, farmers could sell their produce directly to the consumers at reasonable rates that were fixed by the government representatives every day. This working model benefits both the farmers and the consumers alike.

For establishing Rythu Bazaar, funds were obtained from National Bank for Agriculture and Rural Development (NABARD) through Rural Infrastructure Development Fund (RIDF) and National Cooperative Development Corporation (NCDC).

Presently, in Telanagana Rythu Bazaars are functioning in Adilabad, Hyderabad (Falaknuma, Mehdipatnam, Erragadda), Karimnagar, Khammam, Mahaboobnagar, Medak, Nalgonda, Nizamabad, Rangareddy (Alwal, Kukatpally, Meerpet, Ramakrishnapuram, Saroornagar, Vanasthalipuram) and Warangal.

With this background, a modest attempt is made in the present study to examine the functioning of Alwal Rythu Bazaar, to identify the benefits received by the farmers, the impact of Rythu Bazaar on consumers and also the problems faced by the farmers and the consumers from the perspective of Rythu Bazaar authorities, farmers and consumers.

THE RESEARCH PROBLEM

It has been observed through various studies that Rythu Bazaar is a place that has eliminated the role of the middlemen and enabled farmers to sell their produce directly to consumers. This allowed the farmers to get better prices and the consumers to get fresh produce at very reasonable prices.

However, there has been a downtrend lately and Rythu Bazaars are steadily losing their consumer base to Weekly Markets that are held in many colonies on different days of the week. Already there was a high percentage of wastage of farmers' produce and this is getting worse. There is inadequate cold storage facility, which is causing this wastage.

This study makes an attempt to find ways to bring back the consumer and to minimise the wastage.

OBJECTIVES OF THE STUDY

1. To understand the overall scenario of functioning of Alwal Rythu Bazaar.
2. To understand the role of Alwal Rythu Bazaar authorities.
3. To get suggestions from Alwal Rythu Bazaar officials to improve the efficacy of Alwal Rythu Bazaar.

METHODOLOGY OF THE STUDY

A personal interview survey method (face-to-face survey) was adopted as a tool to gather a more deeper insight and give suggestions from Rythu Bazaar authorities. "Schedule" has been used as a data collection technique where questions were asked

and statements were made on which opinions were elicited from the Rythu Bazaar officials.

Sources of Data

Apart from review of literature as secondary data to identify specific issues for research for a sample study of this nature, the database has to be primary source. To collect the primary data, field survey was undertaken from 2015 to 2016 and necessary data was collected from the administrators. Data was also obtained through telephonic interview from the estate officer frequently.

Period of the Study

As mentioned earlier, the period of study is from 2015-2016.

Scope of the Study

The scope of the study is limited to Alwal Rythu Bazaar. The study covers the administrators operating from Alwal Rythu Bazaar.

Limitations of the Study

The study is limited only to the officials operating out of Alwal Rythu Bazaar.

REVIEW OF LITERATURE

A study by Veni¹ (2009) titled “Role of Rythu Bazaars in Urbanisation – A case study of Hyderabad”. The objective of this study was to examine remunerative prices to the farmers. Another objective was to examine direct interface between farmers and consumers, eliminating intermediaries. For this study, a structured questionnaire was used to collect the data. The study finds that Rythu Bazaar is monitored by the estate officer with the help of his supervisor. Officials weigh the scales to curb malpractices. They also ensure that there are no disputes among farmers and consumers. Rythu Bazaar was promoted to eliminate middlemen.

An article on “Rythu Bazaars – The Alternative Marketing Channel” by Dey, Subhendu² (2013) emphasised on the genesis of Rythu Bazaar, its functioning, challenges and limitations and the way ahead. The article laid stress on providing farmers an alternative channel for selling their produce directly to the consumers by eliminating middlemen and providing a platform for direct interaction between farmers and consumers.

It is widely alleged that traders enter the farmer’s market without original identity cards, thereby denying a chance to the real farmers to sell their produce. This article points out that 3 out of 4 vendors in Mehdiapatnam are middlemen. These middlemen

sell their produce at a price that is higher than the rates fixed by the Rythu Bazaar authorities. This article also brings out the fact that the Rythu Bazaars are in prime locations of the city and this restricts the future expansion.

Chandak and Leua³ (2014) did their study on “Mechanism of Rythu Bazaar and its Impact on Farmers and Consumers”. The objective of their study was to know the mechanism of Rythu Bazaar and the impact of Rythu Bazaars on farmers and consumers. The methodology used for their study was structured questionnaires separately for farmers and consumers. Their study finds that the majority of the farmers visiting the market are small and illiterate and are highly dissatisfied with the cost incurred in getting the produce to Rythu Bazaar. Also, there is dissatisfaction pertaining to the method of space allocation, provision of weighing scale, drinking water, sanitisation services and storage facility. There is also lack of involvement of farmers in price fixation. Findings pertaining to consumers reveals that most of the buyers are males and utilise these bazaars because of convenient location. The study suggests that the stall should be allocated on first-come-first-serve basis and fixation of prices should be on the basis of quality and grades.

FINDINGS OF THE STUDY

1. A Brief Insight into Rythu Bazaar

Rythu Bazaar was started in the year 1999 during the reign of ex-Chief Minister Chandrababu Naidu in the erstwhile undivided Andhra Pradesh. The Rythu Bazar model was developed to facilitate a direct link between consumers and farmers. Now the Telangana Government is continuing the good efforts of the previous governments. The objectives of the Telangana Government are to ensure remunerative prices to the farmers and provide fresh vegetables to consumers at reasonable rates that fixed everyday, facilitate instant realization of sale proceeds to farmers without deductions, curb malpractices in weightments and eliminating intermediaries in trade⁴.

Telangana Government Policy:

The Telangana Government⁵ is taking the following steps to bring a turnaround in rythu bazaars:

1. Remove temporary structures in Rythu Bazars and replace them with semi-permanent structures to provide sufficient protection against sun/rain to the farmers and consumers.
2. Provide adequate number of sheds for farmers to sell their produce.
3. Make adequate arrangements for supply of drinking water.

4. Improve toilet facilities with proper sanitation.
5. Arrange for proper parking of vehicles.
6. Regular removal of garbage and cleaning of the market by local body.
7. Establish facilities for storage of unsold produce with technologies like Zero Energy Cool chambers.
8. To provide weighing scales to all the farmers with adequate arrangements for issue and collection.

However, as mentioned earlier, an interview was conducted with the Alwal Rythu Bazaar officials. This chapter gives a deep insight into the present scenario of Alwal Rythu Bazaar.

2. Alwal Rythu Bazaar

Alwal Rythu Bazaar was also established in 1999. Presently there are around 300 farmers who sell in this market. Farmers from about 30 villages sell their produce here. Some of the villages from which the farmers come here are Adraspalle, Aliabad, Anantaram, Antaipalle, Bomraspet, Jaggamguda, Jagdeopur, Keshavpur, Kothur, Kowkooor, Mulugu, Medchal, Lakshimapur, Majidpur, Mandaipalle, Nagisetipalle, Narayanpur, Ontimamidi, Ponnal, Pothaipalle, Potharam, Shamirpet, Thumkunta, Turkapally, Uddemarri, etc.

The farmers bring their produce to the Bazaar using State Transport buses, trucks and auto trolleys. Many new RTC routes have been started from remote villages to the city because of demands by Rythu Bazaar farmers. RTC gives concessional rates for their produce by charging 2 to 3 Rs per sack. The farmers who bring their produce through bus or truck use cycle rickshaws to transport their produce from the main road to their stalls.

3. Role of Alwal Rythu Bazaar Officials

The Alwal Rythu Bazaar team consists of one estate officer, a supervisor and his assistant. K.R. Saikumar is the estate officer and P. Sanjay Kumar is the supervisor. This team looks into the overall functioning of this market. They operate from a small office with very little infrastructure and other office facilities. However, they are doing a commendable job despite these limitations.

Criterion to become a seller: If any farmer wants to become a seller at this market, the officials visit their fields to verify that they are farmers and they check the fruits and vegetables produced by them, make a note of it. They also check the field survey number in the government records to verify the farmer's authenticity. The administrative team passes on this information to the Mandal Revenue

Officer/Patwari. MRO verifies the information and issues the photo identity card for the farmer to sell at Rythu Bazaar. Apart from the farmers, there are 30 self-help groups who also sell in this market. There is no discrimination based on land holdings.

Allotment of stalls: The Alwal Rythu Bazaar officials allot stalls to the farmers on first-come-first-served basis. They do not have plans to allot permanent stalls to the farmers. Also, they do not collect any charges from the farmers to allow them to sell in this market. However, self-help groups are given permanent stalls. They are charged in the range of 1100 to 2100 per month (in the year 2016-2017). The charges are based on the produce sold by these self-help groups. The kirana stalls are charged 2150 per month.

Curbing malpractice: Every morning, the weighing scales are checked by the officials for their accuracy before handing it over to the farmers in order to check malpractices. They maintain a list of the farmers to whom the weighing machines are handed over and in the evening they verify it against this list.

Price fixation: Agriculture Marketing Committee fixes rates about 20% less than the retail market and 20% more than the wholesale market. The Rythu Bazaar officials get these prices every morning and these rates are written on the rate boards that are put in front of the various stalls.

Maintaining records: The officials maintain record of number of sellers, their place of cultivation and the produce they are bringing to the market in the files as well as computer. Apart from these, all complaints are registered in the office. If a similar complaint registered 5-6 times, immediate necessary action is taken by the estate officer.

Vehicle entry inside Rythu Bazaar: The farmers bringing produce through buses or trucks, use cycle rickshaws or auto trolleys to bring it to their stall. Bringing the produce is allowed only till 10 in the morning. Anybody bringing their produce after 10, have to use the rear entrance.

Strategies to attract more consumers: In recent days, there is a downtrend in consumers due to the large-scale sprouting of weekly markets in many colonies surrounding Alwal Rythu Bazaar. When the officials were asked about strategies to overcome this problem, they did not have any concrete plan apart from wanting the government to adopt a policy to stop all these unauthorised weekly markets.

Security system: There are six cameras installed at Alwal Rythu Bazaar for monitoring the market, but all of them are not operational. Apart from electronic monitoring, there are two designated security guards who are working in two shifts.

Problems faced by officials: One of the main problems faced by the market authorities with respect to farmers/sellers is that there is no proper storage facility. This leads to a big amount of wastage. This has been a perennial problem. Another issue has been poor cleanliness of the market.

4. Rythu Bazaar Consumers

At Rythu Bazaar, nearly 3000 to 5000 consumers walk in during weekdays and during weekends there are 5000-8000 consumers. Morning time attracts the largest number of consumers on all days. During the rush hour, the aisle space is not sufficient for the consumers to make their purchases in spite of disallowing the vehicles from coming into the market. Rains play havoc and destroy the aisle space making it difficult to walk due to the muddiness. Consumers do not have any seating space or shelter to protect them from the weather.

Most of the consumers visiting the market during weekdays are hoteliers, grocers and other businessmen. However, most of the visitors on Sundays and Saturdays are non-business consumers.

5. Suggestions from Alwal Rythu Bazaar authorities

The following are the suggestions from the Alwal Rythu Bazaar authorities:

1. Storage facilities should be improved with scientific measures to maintain their freshness.
2. Government should initiate the online sale or telephonic order placement for home deliveries. This home delivery should be outsourced to private entities.
3. The unauthorised local markets should be stopped for improving the flow of consumers to Alwal Rythu Bazaar.
4. Cleanliness should be improved by increasing the frequency of the cleaning cycle.
5. They want the office to be upgraded with better facilities.
6. Paving of roads and aisles to mitigate the problems faced during rains.
7. Development of a good drainage system.
8. Value should be added to the vegetables by skinning, cutting and packing them.
9. They wanted better security system at the market to help the women feel safe and increase the number of women consumers who normally go to super markets and weekly markets.
10. Officials want to be made permanent government employees, which would give them more authority to improve the functioning of Alwal Rythu Bazaar.

CONCLUSION

To sum up the overall working condition of Alwal Rythu Bazaar, this is a unique concept where farmers and consumers are benefitted. However, because of changing trends the inflow of consumers has reduced. Government should play a more proactive role to make the Alwal Rythu Bazaar more relevant to the changing times and consumer preferences. Improving the amenities within the market will go a long way to improve the patronage by consumers and improve the lives of the sellers.

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