



RESEARCH PAPER

Impact of minimum support price on pigeonpea growers

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Abstract : The present study was conducted mainly with the objective to study extent Impact of Minimum Support Price on pigeonpea growers. For the study, Washim district was selected purposively as area of pigeonpea under this district was high as compare to other district of Vidarbha region. Karanja (Lad) talukas viz., Lohara, Shaha, Yewata (Bandhi), Wai, Kherda Bu, Donad, Mungutpur, Sohol, Gaywad, Belmandal, Meha, Manabha, Pangavhan, Rahati (Kajba), Bhamdevi, Sukadi, Umbarda (Bazaar), Hiwara (Lahe), Khanapur, Murambi, Nimba (Jahangir), Poha, Palana and Dhamni were selected randomly and 24 villages from each talukas were selected randomly. From each village 5 respondents who were cultivating pigeonpea crop were randomly selected constituting the sample size 120. Ex-post factor research design was used for the study. Majority of the respondents had medium farm experience, were literate, medium land holding, medium annual income, medium source of information, medium extension contact and possessed medium knowledge. The variables like farm experience, education, annual income, social participation, extension contact, source of information had positive significant relationship with impact of minimum support price on pigeonpea growers. Whereas, land holding could not establish any relationship with impact of minimum support price on pigeonpea growers. Based on the recommendations of the Commission for Agricultural Costs and Prices, the Department of Agriculture and Co-operation, Government of India, declares Minimum Support Prices (MSP) for 22 crops before their sowing seasons. The idea behind MSP is to give guaranteed price and assured market to the farmers and protect them from the price fluctuations and market imperfections. The guaranteed price and assured market are expected to encourage higher investment and in adoption of modern farming practices. Further, with the globalization resulting in freer trade in agricultural commodities, it is very important to protect the farmers and their interest.

Key Words : Minimum support price, Profile, Impact, Constraints

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INTRODUCTION

Minimum Support Price (MSP) is an integral component of Agriculture Price Policy of India. It targets to ensure support price to farmers and affordable price to consumers through public distribution system (PDS)

(Parikh and Singh, 2007). The price support system was conceptualized during pre-green revolution period as an institutional mechanism for incentivizing farmers to adopt new technologies (Planning Commission, 2005 and Deshpande (2008). Later, Agriculture Price Commission

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was established in the year 1965, based on Jha committee recommendations to suggest support prices for crops after considering the cost of cultivation to account (Kadasiddappa *et al.*, 2013). Broad objectives of the commission are to ensure remunerative prices to farmers and reasonable prices to consumers and promote sustainable use of resources towards socially desirable crop mix (Parikh and Singh, 2007).

There have been many concerns off late regarding operation and effectiveness of MSP. Many studies have pointed out that MSP is leading to regional disparity in incomes as it is effective only in few states where it is backed by procurement (Ali *et al.*, 2012; Tripathi 2013 and Schiff *et al.*, 1992). MSP Is also said to have favoured crop specialization in with rice and wheat at the cost of pulses and oil seeds (Chand, 2003; Jha and Srinivasan, 2006; Jha, 2009 and Mittal and Hariharan, 2016). With demand–supply situation undergoing sea change over the last couple of decades or so, the agriculture price policy needs a relook. Treating MSP as a safety net, in this study, we explore the farmers 'awareness of MSP of crops grown by them, across crops and states, with the hypothesis that awareness is the bare minimum requirement for policy interventions to have any impact. We also explore the reasons for the apathy of farmers to sell their produce to procurement agencies. The correlates of awareness about MSP have also been examined. The study also tries to reconnoiter the possible relationship between knowledge of MSP and farmers' choice of crop specialization/diversification. The key objectives of the study are to understand the status of farmers 'awareness of MSP of crops grown by them and its correlates and to explore the nature of the relationship between farmers 'awareness of MSP and decision to diversify the crops.

Objectives of study:

- To study the profile of the pigeonpea farmers.
- To study the Impact of MSP on pigeonpea growers.
- To study the relationship between the profile of pigeonpea growers and impact of MSP scheme.
- To identify the constraints faced by pigeon pea farmers in MSP scheme.

MATERIAL AND METHODS

Location of the study :

The present study was conducted in Washim district

of the Vidarbha region of Maharashtra State as the district has maximum area under pigeonpea in Vidarbha region. Washim is surrounded on the North side by the Akola district, on East by Yavatmal, on west by Buldhana and on the South by Hingoli district.

Method of sampling :

Sampling is the method of selecting a fraction of the population in such a way, that the selected sample represented the population. For selection of sample of study four sampling method namely, selection of district, selection of Tahsils, selection of villages and selection of respondents were followed.

Selection of district :

Washim district of Vidarbha region was purposively selected for the study, as the area under pigeonpea crop was maximum.

Selection of tahsils:

The tahsils namely Karanja (Lad) and from Washim district were selected randomly by lottery method for this study.

Selection of villages :

Twenty-four villages were selected randomly from each selected tehsil. Thus, twenty-four villages from one Tahsils were selected randomly for this study.

Selected of respondents :

From selected 24 villages 120 pigeonpea growers were selected randomly. Thus, total of 120 respondents were selected as sample respondents for this study.

RESULTS AND DISCUSSION

The results obtained from the present investigation as well as relevant discussion have been summarized under following heads :

Personal, socio-economic characteristics of minimum Support Price Scheme

It is observed from the collected data that higher proportion of farmers 56.67 per cent were having middle level of age followed by old level of age 27.50 per cent, while 15.83 per cent of the farmers were having young level of age these finding are similar with findings of Kadam *et al.* (2010) and Chavan (2014).

Table 1 : Distribution of respondents according to profile of respondents				
Sr. No.	Variables	Categories	Frequency	Percentage
1.	Age (years)	Young (upto 35 years)	28	23.33
		Middle (36 to 50 years)	38	31.66
		Old (Above 51 years)	54	45.00
2.	Education	Illiterate	5	4.16
		Primary school (1 st to 4 th)	13	10.83
		Middle school (5 th to 7 th)	13	10.83
		Secondary school (8 th to 10 th)	28	23.33
		Higher secondary (11 th to 12 th)	62	51.66
3.	Annual income	Very low (Upto 50,000)	55	45.83
		Low (50,000 to 1,00,000)	29	24.16
		Medium (1,00,000 to 1,50,000)	6	5.00
		Medium high (1,50,000 to 2,00,000)	14	11.66
		High (Above 2,00,000)	16	13.33
4.	Farming experience	Low (upto 10 years)	24	20.00
		Medium (11 to 20 years)	33	27.50
		High (Above 2,00,000)	63	52.50
5.	Land holding	Marginal farmers (upto 1 ha)	19	15.83
		small farmers (1.1 to 2 ha)	40	33.33
		Semi medium farmers (2.1 to 4 ha)	35	29.16
		Medium farmers (4.1 to 10 ha)	26	21.66
6.	Area under pigeon pea	Low (upto 1.87)	40	33.33
		Medium (1.87 to 4.07)	47	39.16
		High (Above 4.07)	34	28.33
7.	Extension contact	Low (upto 10)	40	33.33
		Medium (11 to 13)	62	51.66
		High (14 to 15)	18	15.00
8.	Source of information	Low (upto 10)	75	62.50
		Medium (11 to 14)	40	33.33
		High (15 to 20)	5	04.16
9.	Social participation	Low (0 to 2)	95	79.16
		Medium (3 to 4)	23	19.16
		High (Above 5)	2	1.6

Impact :

The results from Table 2 showed that majority (70.00%) of the respondents had medium impact, 15.83 per cent of them had low impact and 14.16 per cent of the respondents had high impact regarding improved package of practices of pigeonpea.

Relational analysis :

It is evident from Table 3 that amongst the personal, socio-economic communication and psychological characteristics of respondents pigeonpea farmers such

as education, social participation were significantly correlated with impact of minimum support price on pigeonpea growers at 0.01 level of probability. Whereas the characteristics land holding and area under pigeonpea cultivation had significant relationship with knowledge about improved cultivation practices of pigeonpea at 0.05 level of probability. The age and farming experience were negatively significant at 0.01 level of probability while extension contact was also negatively significant at 0.05 level of probability. These findings are similar with the findings of Kumar (2012), Pruthvi (2011), Attar (2012),

Sr. No.	Impact	Frequency	Per cent
1.	Low (Upto 25)	19	15.83
2.	Medium (26 to 30)	84	70.00
3.	High (Above 31)	17	14.16
	Total	120	100.00

Sr. No.	Independent variables	Correlation co-efficient 'r'
1.	Age	-0.0176**
2.	Education	-0.1321**
3.	Land holding.	0.0816*
4.	Area under pigeonpea	0.0796*
5.	Farming experience	-0.0358**
6.	Annual income	-0.0920 NS
7.	Social participation	0.0542**
8.	Extension contact	0.1738*
9.	Sources of information	-0.0007*

* and ** indicate significance of values at P=0.05 and 0.01, respectively

NS= Non-significant

Chahande (2012), Kumar (2012), Reddy (2013) and Raviya (2017).

Constraints faced by the farmers after selling of pigeonpea under MSP scheme :

The meaning of the term constraints according to Oxford English dictionary is confinement, restriction of liberty or compulsion of circumstances or compulsion put up on the behaviour. The major constraints faced by the sample respondents in availability MSP were farmers receive price lower than MSP in mandi, killing of competition, time lag in payments to the farmers and

less awareness regarding MSP among the farmers. Constraints are, therefore, identified with twelve statements. The responses were recorded on two continuum namely, Yes and No.

Conclusion :

Minimum Support Prices are considered as an important pillar of Indian Agricultural price policy rolled out with an intention of providing price security to farmers. Theoretically, the support prices are to benefit farmers of most of the crops in the entire nation. In this article, we tried to analyze the level of awareness of

Sr. No.	Impact	Frequency	Per cent
1.	Change in annual income	90	75
2.	Change in market guarantee	100	83.33
3.	Material/Market possession	80	66.66
4.	Change in family expenditure	70	58.33
5.	Problems of farmers in online registration	80	66.66
6.	Start the selling of farming commodity	70	58.33
7.	Filtering process in farming commodity	110	91.66
8.	Any relationship between traders and merchants	90	75
9.	After selling of farming commodity the cash return immediately to farmer	0	0
10.	Guarantee price in farming commodity	120	100
11.	Any other charges are incurred by farmers to theirs farming commodity	110	91.66
12.	Direct selling of commodity in APMC	100	83.33

farmers about MSP of crops they grow and its correlating factors using a comprehensive data set of National Sample Survey Office, 70th round. We found that more than 75 per cent of Indian households are not aware of MSP of crops grown by them.

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