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# MANAGE Bulletin

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Market-Led Extension: A New Dimension in Agricultural Development

Dr. M.N.Reddy and Dr. P.Chandrashekara



Hon'ble Agriculture Minister of Andhra Pradesh Sri. Vadde Shobhanadreswara Rao addressing in the valedictory session of the workshop. (From L to R) Dr. M.N. Reddy, Director, Shri A.K. Goel, IAS, Director General, MANAGE, Shri V.V.Sadamate, Additional Commissioner, Ministry of Agriculture and Dr.G.S. Dhankar, Deputy Agricultural Marketing Advisor, Govt. of India are also seen.

With globalization of the market, farmers need to transform themselves from mere producers-sellers in the domestic market to producers cum sellers in a wider market sense to best realize the returns on their investments, risks and efforts. In order for this to be achieved, farmers need to know answers to questions like what to produce, when to produce, how much to produce, when and where to sell, at what price and in

what form to sell their produce. Farmers have received most of the production technologies from the extension system. The extension system now needs to be oriented with knowledge and skills related to the market.

Keeping this in view, MANAGE started working on the concept of 'Market-Led Extension' and a beginning was made through a three day national workshop on Market-Led Extension at MANAGE during 18<sup>th</sup>-20<sup>th</sup> December, 2001. Thirty nine senior officials representing 14 states participated in the workshop which was conducted with the following objectives:

1. To identify possible areas of intervention of extension in agricultural marketing;

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- 2. To identify effective extension methodologies, providing needed support to farming community in marketing of their produce;
- 3. To explore the possible linkages among Research-Extension-Farmer and Marketing for meeting the emerging challenges;
- 4. To discuss successful market- led extension case studies:
- 5. To identify innovations for adoption; and
- 6. To develop action plans for extension support for marketing at different levels.

During the workshop, eminent resource persons in the field focussed on areas including - Opportunities and Challenges in Market-Led Extension, Private-Public Partnership for Market-led Extension, Agri-trade issues for liberalized economy, Market-Led Extension - Experiences of Agri-business companies (Mahindra & Mahindra – Krishi Vihar), Market-Led Extension - NGO Experiences (Ramakrishna Mission – Ranchi), IT support for Market-Led Extension, Rythu Bazaars in Andhra Pradesh, focus on Marketing in New Extension Policy and Government support for Agri-marketing.

The workshop was inaugurated by Dr. M.V.Rao, Former Vice-Chancellor of Acharya N.G. Ranga Agricultural University (ANGRAU). During his key-note address, Dr. Rao appreciated the efforts of MANAGE in highlighting the marketing issues in the present context of WTO regime by organizing a workshop on Market-Led Extension. He also reinforced the importance of reorganizing and reorienting

extension and research by marketing intervention, in addressing the diversified needs of the farmers for improving their income.

Shri A.K.Goel, Director General, MANAGE stressed the need for improving the entrepreneurial abilities of the farmer which he emphasized, would convert agriculture into agri-business at the farmer level.

Participating officers worked out Back-at-work plans for their respective states and presented these at the workshop.

The valedictory session was addressed by the Hon'ble Agriculture Minister of Andhra Pradesh Shri V. Sobhanadreeswara Rao. He appreciated the role of MANAGE in launching this new concept and stressed the need for state governments in the country to formulate Market-led extension policies.

## Future thrust in Market-Led Extension

- Orientation on the concept of Market-Led Extension through regional level workshops;
- \* Documentation of case studies in Market-Led Extension;
- Exploring linkages for strengthening Market-Led Extension;
- \* Market-Led Extension Policies.



Padmashri Dr. M.V.Rao, Former Vice-Chancellor, Acharya N.G.Ranga Agricultural University delivering the keynote address. Shri. A.K. Goel, IAS, Director General, MANAGE, Dr. M.N. Reddy, Director and Dr. P. Chandra Shekara, Deputy Director, MANAGE are seen in the picture.

### Paradigm shift from Production-led Extension to Market-led Extension

Aspects	Production-led extension	Market-led extension
Purpose/objective	Transfer of production technologies	Enabling farmers to get optimum returns out of the enterprise
Expected end results	Delivery of messages Adoption of package of practices by most of the farmers	High returns
Farmers seen as	Progressive farmer High producer	Farmer as an entrepreneur "Agripreneur"
Focus	Production / yields "Seed to seed"	Whole process as an enterprise / High returns "Money to money"
Technology	Fixed package recommended for an agro-climatic zone covering very huge area irrespective of different farming situations	Diverse baskets of package of practices suitable to local situations/ farming systems
Extensionists' interactions	Messages Training Motivating Recommendations	Joint analysis of the issues Varied choices for adoption Consultation
Linkages/ liaison	Research-Extension-Farmer	Research-Extension-Farmer extended by market linkages
Extensionists' role	Limited to delivery mode and feedback to research system function	Enriched with market intelligence besides the TOT Establishment of marketing and agro-processing linkages between farmer groups, markets and processors
Contact with farmers	Individual	Farmers' Interest Groups Focused groups/SHGs
Maintenance of Records	Not much importance as the focus was on production	Very important as agriculture viewed as an enterprise to understand the cost benefit ratio and the profits generated
Information Technology support	Emphasis on production technologies	Market intelligence including likely price trends, demand position, current prices, market practices, communi cation network etc besides production technologies

#### National Conference

#### Agribusiness and Extension Management: Status, Issues and Strategies

The focus of agriculture is increasingly shifting from increasing production to market orientation and value addition. The pace of commercialisation of agriculture in India has increased. The recently drafted National Agricultural Policy has accorded priority for promoting agribusiness activities at different levels. In the above context extension system has to reorient itself to meet the demand of farmers.

A National Conference on "Agribusiness and Extension Management: Status, Issues and Strategies" organised during December 7 and 8, 2001 at MANAGE, Hyderabad. Experiences with agribusiness reveal that it has succeeded only in selected pockets. It remains an untapped potential in most of the areas.

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#### Shri A.K. Goel,

Director General,
National Institute of
Agricultural Extension Management
(MANAGE)
(An Organisation of Ministry of
Agriculture, Government of India),
Rajendranagar,
Hyderabad - 500 030.
Andhra Pradesh. INDIA.
Tel.: + 90 (040) 4016702 to 706
Fax: 040-4015388
Email:dqmanage@manage.gov.in

website:www.manage.gov.in

Editor-in-Chief:
Shri A.K. Goel

Editor: Lakshmi Murthy

Press Assistant : T. Nagaraju

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#### **Objectives**

The National conference was aimed at addressing the following issues related to agribusiness.

- identify the potential of agribusiness and it's relevance to improve farming situation;
- 2. effective transfer of knowledge based inputs to agribusiness at various levels;
- establishing and promoting agribusiness extension activities and services at village level;
- 4. promoting activities related to value addition; and
- 5. effective utilisation of information technologies for agribusiness activities.

In his keynote address, Shri A.K. Goel, Director General, MANAGE indicated the several success stories we have gained across the nation such as the forecast of weather for fisheries villages of Pondicherry facilitated by MS Swaminathan Research Foundation, land-line connectivity, video conferencing, internet etc. Gujarat's success in broadcasting with the help of ISRO, AP's success in using private TV channel for rural and agricultural communication and others. He spoke about Rural Godown Grid where farmers can pledge their produce and avert gamble with market. He also stressed the need for market-led extension and groupled extension. He cited the success of 'Mahagrapes" of Maharastra State and how such coming together of farmers may be considered as social capital. He opined that private extension is coming in a big way in some areas, but yet it cannot replace Public Extension and a collaboration is necessary for betterment of farming community.

Dr. A.G. Sawant, Chairman, IEF and member, ASRB suggested partnership between public and private extension. Dr. Panjab Singh, Secretary, DARE and D.G., ICAR in his inaugural address, outlined the various features of New Agricultural Policy, Vision 2020
Document, spread of Green
Revolution to Non-Green
Revolution areas breaking yield
barriers through Genetic
Engineering, Hybridisation
techniques, conduct of research in
frontier areas, HRD, Agribusiness,
value addition, profit sharing
extension, including Extension
Management and several such
crucial issues.

During the valedictory, the proceedings and major recommendations were presented for suitable modifications and approval of the house.

Shri. A.K. Goel, Director General, MANAGE in his valedictory address emphasized the importance of numeracy vs literacy of rural people and strategies for communication. He said that it was time to organise such conferences on Agribusiness today. He stressed on the use of group approach rather than individual approach, as there was immense potential in Self Help Groups (SHGs).

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#### **Information Resource Center**

Strategic Research and Extension Plan of Aurangabad District SREP Series 17, Hyderabad, MANAGE, 2001.

Strategic Research and Extension Plan of Madhubani District SREP Series 18, Hyderabad, MANAGE, 2001.

#### MANAGE-ODI Natural Resource Perspective Series

Number 73, January 2002. Biodiversity Management and Local Livelihoods: Rio Plus 10 by *Robin Grimble and Martyn Laidlaw* 

Number 75, February 2002. From Supervising `Subjects' to supporting `citizens': Recent Developments in Community Forestry in Asia and Africa by *David Brown, Yam Malla, Kate Schreckenberg and Oliver Springate-Baginski*