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Assessing legal awareness in marketing practices among farm-based agri-input entrepreneurs in central Telangana region

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Abstract

In India, agriculture serves as the primary livelihood for approximately 58% of the population, contributing significantly to the Gross Value Added (GVA) at Rs. 19.48 lakh crore (US\$ 276.37 billion) in FY20, with a share of 20.2%. Despite these impressive figures, the agricultural sector faces persistent challenges, notably farmers' distress and suicides. As the nation aspires to double the income of its farming community, there is a critical need to bridge the income gap. One promising avenue is the promotion of newer income-generating opportunities, particularly through the establishment of farm-based enterprises. Farm-based enterprises, spearheaded by agripreneurs, have the potential to be transformative vehicles for rural India. These enterprises, which encompass a diverse range of activities within agriculture and allied sectors, can contribute significantly to economic growth, employment generation, and overall rural development. (source: Annual report MSME 2020-21). The research investigation focused on the Central Telangana region within Sanga Reddy district, encompassing three revenue divisions: Zahirabad, Narayanakhed, and Sanga Reddy. To ensure representation, nine blocks were purposively selected from each revenue division, totalling 27 blocks. Within these blocks, 7-8 respondents were interviewed, resulting in data collection from a total of 200 farm-based agri-input entrepreneurs. The respondents were chosen through a combination of simple random sampling and the utilization of a specially designed interview schedule. The research design employed for this study was both exploratory and ex post facto in nature. In terms of market awareness, a significant majority of the respondents (89.50%) demonstrated a medium level of awareness regarding marketrelated aspects. A smaller proportion (10.50%) exhibited a high level of awareness concerning market information. Remarkably, none of the respondents reported a low level of awareness. This research design and data collection approach aim to provide comprehensive insights into the awareness levels of farm-based agri-input entrepreneurs in the Central Telangana region. The results may contribute to a better understanding of market dynamics and inform strategies for enhancing awareness among this entrepreneurial community.

Keywords: Legal procedure awareness, farm based agripreneurs, agri-inputs, marketing aspects, farm based enterprises

Introduction

India to maintain its position as a front-runner, a primary focus on the agricultural sector, the backbone of the economy, is imperative. Specializing in agriculture will not only develop agripreneurs with distinct traits and skills but also unlock numerous opportunities within the field. The agricultural sector, being a cornerstone of India's economy, plays a pivotal role in the livelihoods of millions. In the context of the Central Telangana region, farm-based agriinput entrepreneurs contribute significantly to agricultural value chain. These entrepreneurs, involved in the production and supply of agricultural inputs such as seeds, fertilizers, and pesticides, are crucial actors in sustaining and enhancing agricultural productivity. Amidst the dynamic landscape of the agri-input sector, legal awareness regarding marketing practices emerges as a critical factor influencing the operations and sustainability of farm-based enterprises. The intricacies of marketing regulations, compliance requirements, and the evolving legal framework pose challenges that necessitate a comprehensive understanding among agripreneurs.

The agricultural landscape in Central Telangana has witnessed notable transformations over the years. With advancements in technology, changes in consumer preferences, and an evolving regulatory environment, farmbased agri-input entrepreneurs find themselves operating in a dynamic and complex market. The success of these entrepreneurs is not only contingent on their ability to provide quality inputs but also on their adherence to legal norms governing marketing practices. Legal awareness becomes a linchpin, influencing decision-making, risk mitigation, and overall business sustainability.

Need for the Study: While the importance of legal awareness is acknowledged, there exists a gap in understanding the current level of awareness among farmbased agri-input entrepreneurs in the Central Telangana region. This study seeks to address this gap by comprehensively assessing the legal awareness regarding marketing practices. Understanding the legal intricacies will

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not only empower agripreneurs to navigate the regulatory landscape effectively but also contribute to the formulation of targeted interventions, policies, and educational programs aimed at enhancing legal literacy within this vital sector.

Objectives of the Study

- 1. To assess the current level of legal awareness among farm-based agri-input entrepreneurs in the Central Telangana region.
- 2. To identify the key legal challenges faced by these entrepreneurs in their marketing practices.
- To explore the perceived impact of legal compliance on the sustainability and growth of farm-based agri-input enterprises.

Expected Contribution: This study is expected to provide a nuanced understanding of the legal awareness landscape among farm-based agri-input entrepreneurs. The insights gained will not only benefit entrepreneurs directly but also contribute to policy discussions, capacity-building initiatives, and the overall resilience and sustainability of the agri-input sector in the Central Telangana region.

Material and Methods

The study employed an Ex Post Facto research design, chosen due to the nature of the investigated event having already occurred, with no opportunity for the researcher to influence independent variables. In the words of Kerlinger (1968) [13], Ex Post Facto research is a systematic experimental inquiry where researchers lack direct control over impacting (independent) factors. This lack of control is attributed to the fact that these factors have already occurred or are inherently not manipulable. Consequently, impact relationships among factors are explored without direct intervention but through the concurrent examination of independent (influencing) and dependent (consequent)

variables.

The study was conducted in Sangareddy district, situated in the northern region of Telangana, India. The method for selecting taluks and enterprises is outlined along with a description of the study area. Sangareddy district was purposively chosen for the study, benefiting from the researcher's familiarity with the dialect, geography, and local population. Within Sangareddy district, three revenue divisions, namely Narayanakhed, Sanga Reddy, and Zaheerabad, were further sub-divided into 27 mandals. All 27 mandals were included in the study through complete enumeration, resulting in a total of 200 selected respondents. The collected data was manually processed and tabulated.

The operationalization of the awareness level of legal aspects of marketing for farm-based enterprises among agripreneurs involved assessing their conscious understanding of legal procedures in establishing and running such enterprises. This was measured by presenting a list of legal procedures related to marketing aspects to the agripreneurs, and their responses were recorded on a fivepoint continuum scale, ranging from fully aware, partially aware, not aware, to using and not using. Respondents were then classified into low, medium, and high awareness levels based on their total scores, with the mean and standard deviation serving as benchmarks. The relationship between independent variables and the awareness level regarding legal procedures for the marketing aspects of farm-based agri-input enterprises was explored using Multiple Linear Regression analysis.

Result and Discussion

Awareness level of legal procedures for marketing aspects of farm-based enterprises among the respondents

Table 1: Overall awareness level of respondents on documents related to apply for licenses

(n=200)

C No	I amal of a manage	Respoi		
S. No.	Level of awareness	Frequency	Percent	\bar{x} = 68.24
1	Low	18	9	
2	Medium	150	75	σ =4.19
3	High	32	16	U =4.19

Analysis of Table 1 reveals that a significant proportion of the respondents, precisely three-fourths (75.00%), possessed a medium level of awareness regarding the documents required for applying licenses. Following this, respondents with a high awareness level constituted 16.00%, and those with a low awareness level were at 9.00%. The heightened awareness concerning necessary licensing documents can be attributed to robust extension agency contacts, augmented mass media exposure, and increased accessibility to Information and Communication Technology (ICT) tools.

These findings align with parallel studies conducted by Mande *et al.* (2011) [10] reinforcing the positive correlation between effective extension agency contact, extensive mass media exposure, utilization of ICT tools, and an elevated awareness level regarding the essential documents required for licensing applications. This underscores the critical role of communication channels and technological tools in enhancing the knowledge base of agripreneurs in navigating licensing processes.

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Awareness level on market related information

Table 2: Distribution of respondents based on their awareness level on market information

(n=200)

					Awareness level								
S. No.	Market related information statements		vare	e Partially aware		Not aware			Using		Not using		
			%	f	%	F	%	f	%	f	%		
1	National Agricultural Market e-NAM operationalized for online trading of Agricultural commodities all over India	20	10	4	2	176	88	16	8	184	92		
2	Next generation market reforms in the country were made by sharing a model APMC Act	11	5.5	4	2	185	92.5	2	1	198	99		
3	Agricultural produce and livestock marketing act 2007 giving freedom to the farmers to sell their produce to the buyers and place time of their choice wherever they get better prices	3	1.5	4	2	193	96.5	4	2	196	98		
4	Farmers consumers market yard means market yard established under section 11 of APLM Act	5	2.5	0	0	195	97.5	0	0	200	100		
5	Processing unit means processing unit declared as market sub yard under section 12 of APLM Act	1	0.5	0	0	199	99.5	2	1	198	99		
6	Bureau of Indian standards BIS is responsible for the harmonious development of the activities of standardization making quality certificate of goods	5	2.55	0	0	195	97.5	4	2	196	98		
7	Registration scheme for self-declaration of conformity under BIS in this a manufacturer himself makes a declaration that his product conforms to the Indian standard	4	2	0	0	196	98	13	6.5	187	93.5		
8	Small Farmers Agri-business Consortium is promoting 145 Farmer Producer Organizations FPOs for value development of pulses and millets under National Food Security Mission	4	2	2	1	194	97	0	0	200	100		
9	Farmers can join Farmers Producer Organizations by Interested farmers can form a group in a village or cluster of village & apply for a registration of a farmer producer company under relevant companies act		5.5	0	0	189	94.5	0	0	200	100		
10	Farmers can get the price information of their products through AGMARKNET Website or Kisan call center 1800-180-1551	19	9.5	0	0	181	90.5	16	8	184	92		

Table 3: Overall awareness level of respondents on market information (n=200)

S No	Level of awareness	Respo		
S. NO.	Level of awareness	Frequency	Percent	\bar{x} = 10.90
1	Low	0	0	
2	Medium	179	89.5	$\sigma = 2.33$
3	High	21	10.5	U =2.33

Examining Table 3, a noteworthy trend emerges, revealing that the majority of respondents (89.5%) demonstrated a medium level of awareness concerning market-related aspects. In addition, a notable percentage (10.5%) exhibited a high level of awareness specifically regarding market information. Remarkably, none of the respondents reported

a low level of awareness in this context. This heightened awareness can be attributed to increased exposure to mass media and the adept utilization of Information and Communication Technology (ICT) tools by respondents, facilitating a more informed understanding of market dynamics.

These findings are consistent with previous studies conducted by Anitha (2005) [14], reinforcing the positive correlation between increased mass media exposure, ICT tool utilization, and heightened awareness on market-related information. This underscores the role of contemporary communication channels in equipping agripreneurs with the knowledge needed to navigate the intricacies of market dynamics.

Table 4: Distribution of respondents based on their awareness level on forms of business (n=200)

				Awareness level									
S. No.	Forms of business	Aware		Partially aware		Not aware		Using		Not using			
		f	%	f	%	f	%	f	%	f	%		
1	Sole Proprietorship is a business owned and run by one person usually small most common	169	84.5	2	1	29	14.5	120	60	80	40		
2	Partnership is a business owned and run by more than one owner	159	79.5	7	3.5	34	17	52	26	148	74		
3	Limited Partnership a partnership with two kinds of owners: General partners and Limited Partners	18	9	2	1	180	90	34	17	166	83		
4	Limited Liability Company is a limited partnership without a general partner. Owners are referred to as members and have limited liability	14	7	4	2	182	91	38	19	162	81		
5	Corporative is a business organization owned by a group of individuals and is operated for their mutual benefit	31	15.5	21	10.5	148	74	51	25.5	149	74.5		
6	Service Business is a type of business provides intangible products and service type firms Offer professional skill, expertise, advice <i>etc</i>	60	30	29	14.5	111	55.5	78	39	122	61		
7	Merchandizing Business this a type of business buys products wholesale price and sell the same at retail price. They are known as buy and sell businesses	50	25	23	11.5	127	63.5	71	35.5	129	64.5		
8	Manufacturing Business is buys products with the intention of using them as materials in making a new product. A manufacturing business combines raw material, labor and factors overhead in its production process	16	8	8	4	176	88	13	6.5	187	93.5		

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Table 4: Overall awareness level of respondents on forms of business

(n=200)

S No	Level of awareness	Response		
S. 1NO.	Level of awareness	Frequency	Percent	\bar{x} = 13.65
1	Low	31	15.5	
2	Medium	135	67.5	σ =3.21
3	High	34	17	U =3.21

Table 4 reveals that a significant portion of the respondents, approximately two-thirds (67.5%), exhibited a medium level of awareness regarding various forms of business. This was closely followed by respondents with a high awareness level (17.00%), and those with a low awareness level constituted 15.5%. The prevalence of digitization in diverse farm-related activities and enhanced access to productive resources emerged as contributing factors, fostering updated knowledge on different forms of business among the respondents.

These findings align with prior research by Mande *et al.* (2011) ^[10], reinforcing the notion that increased digitization and improved access to resources correlate with heightened awareness levels regarding various forms of business. This underscores the importance of technological integration and resource accessibility in shaping the knowledge landscape of farm-based entrepreneurs.

Conclusion

Study underscores the urgent and compelling need to focus on farm-based agri-input enterprises, given the absolute dependence of farmers on agri-input dealers for essential agricultural resources. The critical role of these enterprises in supporting agricultural development cannot be overstated. To address this imperative, concerted efforts involving government intervention and collaboration with national institutes are essential.

By providing proper guidelines and conducting capacity-building programs, we can sensitize agripreneurs to the legal intricacies surrounding agricultural marketing. This proactive approach is crucial for enhancing legal awareness among farm-based agri-input entrepreneurs in the Central Telangana region. As these entrepreneurs play a pivotal role in the supply chain, their awareness of legal aspects will not only empower them but also contribute significantly to the overall economic agricultural development of the country.

In essence, fostering legal literacy among agripreneurs is a strategic investment in the sustainable growth of the agricultural sector. As we move forward, it is imperative to continue advocating for policies that support the legal awareness and compliance of farm-based agri-input enterprises. Such measures will not only fortify the resilience of these enterprises but also contribute to the prosperity of the agricultural community and, by extension, the nation as a whole.

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