

## IMPACT OF DIVERSIFICATION OF COMMODITIES IN RYTHU BAZAR FOR RURAL FARMERS

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### ABSTRACT:

The Shandy is a rural market in the hilly areas of the Eastern Ghats, involving cash and barter transactions between the tribes' people. Residents of the Sovva village in the agency area of Visakhapatnam grow vegetables without the use of chemical fertilizers and pesticides and trade them in the Shandy. However, they continue to live in poverty due to lack of access to larger markets. Ravi and Devullu facilitated the linkage of these farmers to the Rythu Bazars in the city. This case involves dilemmas of diversification of commodities and scaling up as faced by the farmers of Sovva.

**Key Words:**Rythu Bazaar, Rural Marketing, Diversification, Rural Development

### INTRODUCTION

Travelling to a meeting with the Sovva farmers to Killoguda in the Eastern Ghats, Ravi and Devullu were discussing the permits issued by the Estate Officer of the Rythu Bazaar to sell pulses in the city markets. Sovva farmers thus far have been selling the vegetables grown without the use of chemical fertilizers and pesticides and with preserved old seed, in the Rythu Bazars of Visakhapatnam on three days of the week. On other days they trade their produce in the Shandies of the Agency Area. Vegetables however are perishable, whereas coarse grains, pulses and millets, traditionally sown by these farmers, have a longer shelf life and would be more remunerative. However, transporting diverse products would involve greater overhead costs, would bring down margins for the farmers and push up prices for the end consumers. The predominantly Shandy based economy (Exhibit 1) involving barter system too might be impacted by an increased shifting of the produce to the urban markets. There is also the possibility of an added pressure to produce newer varieties based on requirements of the

urban markets, on an otherwise fragile socio-ecological system, which might lead to a drift towards use of chemical fertilizers and pesticides, thereby wiping off the USP of the Sovva products. On the other hand, tribal farmers would benefit from higher value for their produce and from the social networks they can build and nurture with the urban markets.

### BACKGROUND

Visakhapatnam District in northern Andhra Pradesh has two topographically diverse regions – the plain area with moderate climate extending from the coast to the foothills of the Eastern Ghats and heavily forested hilly areas of the Eastern Ghats with a cold climate. Extending over 11,161 square kilometers, the hilly terrain called the agency area covers 6,289 square kilometers involving an area of 56.4% of the district (Exhibit 2). While the district is divided into the revenue divisions of Visakhapatnam, Narsipatnam and Paderu, the entire agency area is covered by the Paderu division in turn sub-divided into Paderu, Chintapalli and Arakutaluks (Subramanyam& Rama Mohan, 2001).

33 tribes including Bagata, Kotiya, Konda Dora, Nooka Dora, KondaKammara, Kondakapu, Gadaba, Mali, Porja, Khond and Valmiki, inhabit Andhra Pradesh, about 90% of who live in the Eastern Ghats. The tribal economy is based on agro-forestry and is influenced by their traditional knowledge of using the natural resources. The economy is predominantly of subsistence level with market linkages limited to the weekly local market called the Shandy in the hilly area where transactions were based on a system of exchange or the barter (Subramanyam& Rama Mohan, 2001).

#### Farmers of Sovva and Sanjeevini Rural Development Society

The SovvaPanchayat on the Andhra Pradesh-Orissa border is located 21 kilometers away from the nearest approachable road. All 21 villages in this panchayat are inhabited by tribal population of 4,193. The region is has an elevation of about 750-900 meters above sea level, with neither electricity, nor drinking water facilities. Intercropping across relatively small patches of land using traditional practices surrounding their food cycle is the mainstay of these villages, such that crops are assured from June to December. The villagers depend on vegetable cultivation through the shifting or podu cultivation method, extensively done on the slopes of the hills. Unlike the other tribal villages in the area, the Sovva tribes' people have limited forest-based activities (Exhibit 3) owing to a lack of forest cover. While women and children are predominantly involved in grazing cattle, men are responsible for growing vegetables which were carried as head loads to the Shandy to be sold for either barter or for a few coins (Yadama, Pragada&Pragada, 1997). Most

of the time a head load of vegetables fetched about Rs. 100/- in a Shandy. At times, during off season when the farmers were unable to sell their head loads, they would throw away the vegetables only to trek back into the village without the load; the vegetable anyway being a perishable commodity (Interview with Ammaji of Sanjeevini).

The Sovva farmers practiced agriculture following a forest management system of their own. Using traditional wisdom, these tribes' people cultivated without the use of chemical fertilizers and pesticides with seed that they preserved. The seed too, thereby is traditional and non-hybridized. In fact, from 2002 with the onset of globalization and a word wide campaign for hybridization and genetic modification of seed, the Sovva farmers along with tribal farmers from surrounding areas have started to bank their old seed. They started the seed bank called DhimsaSendriyaVithanaParairakshanaSam ithi (DSVPS), an idea floated by Samata and aided by of SanjeeviniRural Development Society in 2002 with 42 varieties of traditional seed, which by 2014 had reached to 289 varieties. Sanjeevini, received a Government of India award in 2013 for its encouragement to conservation of traditional seeds (Exhibit 4).

The RythuBazaar Connect Samata, an NGO working towards the development of the hills people, headed by Ravi Rebbapragada, had come into contact with the vegetable farmers of Sovva through a legal training programme for the ITDA workers at Paderu in 1992. Samata discovered the tribal community practice of traditional, chemical free production of vegetables and coarse grains and initiated the concept of marketing their produce in Vizag in 1993.

Samata along with another NGO called Sanjeevini Rural Development Society, headed by Devullu Pachari, facilitated the formation of a Vegetable Growers' Cooperative. The farmer members contributed Rs. 2.5 lakhs and Integrated Tribal Development Agency (ITDA) supported with a grant of Rs. 9 lakhs for purchase of a truck to transport the produce to direct markets in the city. This group was the first such group of tribal farmers to drive their own truck to the market to trade their produce. The linkage started with the District Collector permitting just about four farmers to sell their produce in the Rythu Bazaars of Visakhapatnam.

The farmers had communication difficulties as they do not speak Telugu, the language of the plains' people of Andhra Pradesh. Neither were the farmers familiar with cash based transactions. Also, weights and measures were an issue as the farmers sold in lots at the Shandy for exchange of other goods and commodities. The system of lots is different from the system of kilograms familiar in the Rythu Bazaars or other markets in the urban areas. The four farmers were trained in the market for about six months.

There were problems with clearances initially. At the check posts erected by the Department of Environment and Forests, the tribal farmers who transported their loads of vegetables were stopped and probed. Some produce, particularly Non Timber Forest Produce like Tamarind is the monopoly of Girijan Co-operative Corporation (GCC) and the tribals cannot sell these products outside the GCC. The farmers were trained to handle these queries.

The number of farmers who were linked to the Rythu Bazaars have gradually increased year-by-year. Currently there are about 518 farmers from Sovva who operate in 13 Rythu Bazaars in Visakhapatnam, with an estimated annual turnover of Rs. 5-6 lakhs per week. The fact that they have survived since 2004 and have increased in numbers is evidence of the benefits of selling produce in the urban direct markets, particularly in terms of generation of profits for their produce, which otherwise was used for sustenance alone or at best as a medium of exchange. Where earlier the farmer could carry a single head load to the Shandy and earn Rs. 100/-, currently for a truck load of vegetables which they bring to the Rythu Bazaar for three days in a week enabled a profit of approximately Rs. 4,000/-.

Sanjeevini and Samata also negotiated with the District Collector for extended facilities to the Sovva farmers vis-à-vis other farmers in the Rythu Bazaar. A per kilogram margin of Two Rupees against One Rupee for the other farmers and a community hall to the Sovva farmers to rest were granted in some Rythu Bazaars.

Customers too over a period of time favored purchase of vegetables from the Sovva farmers as compared to others who sell their produce in the Rythu Bazaars. End consumers seem to have perceived the difference in the taste of vegetables grown without the use of chemicals, which is the unique selling proposition of the Sovva farmers (Sudhakar M.V, 2010).

## Future Course And The Dilemmas

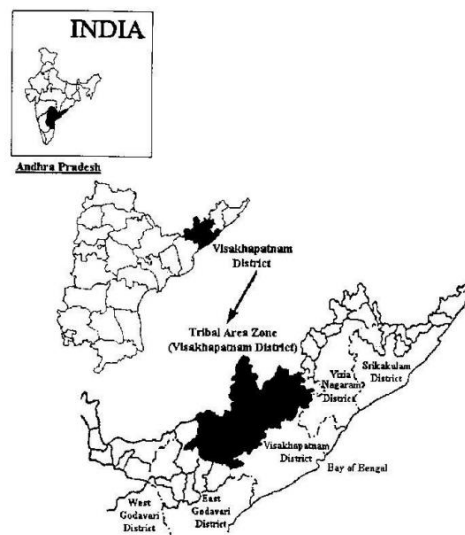
Small farmers are still left in the lurch and continue to sell to the middlemen as they do not have enough produce to make use of the economies of scale. The middlemen tend to exploit the small farmer through a modified

version of contract farming. Ravi and Devullu are contemplating the formation of a Producer Organization as a form of farmers' collective to scale up market linkages to small farmers through a system of pooling. While vegetables are being traded in the Rythu Bazaars, coarse grains and millets which these farmers grow using the traditional method of forest management are not being linked to the urban direct markets. Would linkages for these products further improve livelihood of the tribal farmers? Would diversification fit into the Producer Organization Model being worked out? These are questions which would require extensive debate in the in the forthcoming meeting at Killoguda. Ravi and Devullu also feel a need to factor in the possibility of a consumer driven system of forest management by the tribal farmers, which may disturb the socio-ecological balance of the hills and the tribes' people. Already, there has been an increasing trend of use of chemical fertilizers and pesticides around the areas in Aruku division adjacent to the arterial road, particularly for varieties of produce which have a demand in the urban markets. Increased competition as a consequence of enhanced market linkages might adversely impact farmers in the interior tribal belts. A rush to the urban markets might cause inflationary pressures at the Shandies as well, which are the mainstay of tribal economy in the Eastern Ghats.

Exhibit 1: Shandy at Sunkarametta near Aruku



Exhibit 2 showing the location of the tribal zone in Visakhapatnam District



Source: Yadama, G.N., Pragada, B.R. &Pragada, R.R. (1997). Forest Dependent Survival Strategies of Tribal Women: Implications for Joint Forest Management in Andhra Pradesh, India. Bangkok: Food and Agriculture Organization Regional Office for Asia and the Pacific.

Exhibit 3: Seasonal Calendar of Agriculture and Forest Activities of the Tribes People in the Eastern Ghats

Month	Agricultural Activities	Forest Activities
April		NWFP or Non-Wood Forest Produce collection (flower of <i>Madhuca indica</i> or <i>Mahua</i> ; fruit of <i>Tamarindus indica</i> or <i>Tamarind</i> )
May	Maize & Millet cultivation	NWFP collection (adda leaf – <i>Bauhinia vahlii</i> )
June	Maize, Millet & Rice cultivation	NWFP collection (adda leaf – <i>Bauhinia vahlii</i> )
July	Maize, Millet & Rice cultivation	NWFP collection (adda leaf – <i>Bauhinia vahlii</i> )
August	Maize, Millet & Rice cultivation	NWFP collection (adda leaf – <i>Bauhinia vahlii</i> )
September	Rice & Niger oil seed cultivation	NWFP collection (adda leaf – <i>Bauhinia vahlii</i> )
October	Rice harvesting, Niger oil seed cultivation	NWFP collection (fruit of <i>Strychnos potatorum</i> , or Clearing Nut; fruit of <i>Embllica officinalis</i> or <i>Amla</i> )
November	Chilly & Niger oil seed cultivation	NWFP collection (fruit of <i>Strychnos potatorum</i> , fruit of <i>Embllica officinalis</i> )
December	Niger oil seed cultivation	NWFP collection (fruit of <i>Strychnos potatorum</i> ; fruit of <i>Embllica officinalis</i> ; fruit of <i>Semecarpus anacardium</i> or <i>nalla jeedi</i> )
January	Niger oil seed cultivation	NWFP collection (fruit of <i>Semecarpus anacardium</i> ; <i>Myrobalanus chebula</i> or <i>karaka</i> ; fruit of <i>Strychnos potatorum</i> ; fruit of <i>Embllica officinalis</i> ; fruit of <i>Semecarpus anacardium</i> )
February		NWFP collection (fruit of <i>Myrobalanus chebula</i> ; flower of <i>Madhuca indica</i> ; fruit of <i>Strychnos potatorum</i> ; fruit of <i>Embllica officinalis</i> ; fruit of <i>Semecarpus anacardium</i> )
March		NWFP collection (fruit of <i>Myrobalanus chebula</i> ; flower of <i>Madhuca indica</i> ; fruit of <i>Tamarindus indica</i> ; fruit of <i>Strychnos potatorum</i> ; fruit of <i>Semecarpus anacardium</i> )

Exhibit 4: Seed varieties conserved by the Sovva Farmers with the assistance of Sanjeevini and Samata

Recognized by the Andhra Pradesh Biodiversity Board Certified by National Bureau for Plant Genetic Resources (NBPGR) as “Important for Germ Plasm Conservation of the Nation”

Total Number of Traditional Crops for which seeds were conserved – 219

Paddy	-	20 Varieties
Pulses	-	16 Varieties
Millets	-	5 Varieties
Vegetables & Other forest produce	-	178 Varieties

Source: Yadama, G.N., Pragada, B.R. &Pragada, R.R. (1997). Forest Dependent Survival Strategies of Tribal Women: Implications for Joint Forest Management in Andhra Pradesh, India. Bangkok: Food and Agriculture Organization Regional Office for Asia and the Pacific.

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