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### Production and marketing of different products produce by SHGs working in MG-RIPA Sherikhedi, Raipur, Chhattisgarh

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#### Abstract

The MG-RIPA Program was started on 2 Oct 2022 in Chhattisgarh state. In Phase 1, 300 RIPA will be started in year 2022-23. Rs. 600 crore budget has been approved. By launching the scheme, a big leap was taken towards realizing Mahatma Gandhi's dream of rural self-sufficiency and sustainable growth. A major highlight of this occasion was the reveal of the 'Rural Industrial Park Logo (RIPA)', which represents the essence of industrial advancement in rural areas. A self-help group is a financial intermediary committee usually composed of 12 to 25 local women between the ages of 18 and 50. Self Help Groups (SHGs) are small groups of poor people. The members of an SHG face similar problems. They help each other, to solve their problems. SHGs promote small savings among their members. The savings are kept with the bank. This is the common fund in the name of the SHG.

Major production constraints were observed for SHG's Difficulty in procuring raw material, not getting adequate and timely supply of finance, Lack of knowledge about the production method, Non availability of raw material timely. Major marketing constraints were found Lack of marketing channel, Product price demanded by the retailer/consumer is low, Difficult to compete with MNCs product in the market, Lack of market information.

On the basis of findings, it was recommended that they should be provided proper training related to credit, marketing, production etc., They should aware of different media's of advertisement, They should use different ways to increase the grade of the products to attract the consumers towards their product, They should reinforce their marketing and packaging policies.

Major production constraints were observed for SHG's Difficulty in procuring raw material an average score of 84.52 and a Garrett value of 30, not getting adequate and timely supply of finance an average score of 76.32 and a Garrett value of 35, Lack of knowledge about the production method an average score of 72.35 and a Garrett value of 38, Non availability of raw material timely an average score of 48.26 and a Garrett value of 50.

Major marketing constraints were found Lack of marketing channel an average score of 81.52 and a Garrett value of 32, Product price demanded by the retailer/consumer is low an average score of 75.48 and a Garrett value of 36, Difficult to compete with MNCs product in the market an average score of 46.32 and a Garrett value of 51, Lack of market information an average score of 52.36 and a Garrett value of 48.

On the basis of findings, it was recommended that they should be provided proper training related to credit, marketing, production etc. They should aware of different media's of advertisement, They should use different ways to increase the grade of the products to attract the consumers towards their product, They should reinforce their marketing and packaging policies.

**Keywords:** MG-RIPA, SHG, establishment, Garrette value

#### Introduction

The MG-RIPA Program was started on 2 Oct 2022 in Chhattisgarh state. In Phase 1, 300 RIPA will be started in year 2022-23. Rs. 600 crore budget has been approved. In next phase 3000 RIPA will be taken up and rest in next phase about more than 1 lac entrepreneurs will be benefitted. The government departments/bodies/agencies being the largest consumers must ensure that their demand

is thoroughly assessed. A suggestive questionnaire is provided in the table below to determine market demand. This scheme is set to kickstart a new phase of rural progress by setting up 300 rural industrial parks in different districts of the state. By launching the scheme, a big leap was taken towards realizing Mahatma Gandhi's dream of rural self-sufficiency and sustainable growth.

### Features of Mahatma Gandhi Rural Industrial Parks (MGRIP) Scheme

The Mahatma Gandhi Rural Industrial Parks (MGRIP) Scheme stands out as a driver for rural transformation with various innovative features:

- Advanced Infrastructure
- Cluster Approach
- Skill Development
- Sustainability
- Market Access.

### Benefits of Mahatma Gandhi Rural Industrial Parks (MGRIP) Scheme

The Mahatma Gandhi Rural Industrial Parks (MGRIP) Scheme brings forth a multitude of benefits that contribute to the holistic development of rural areas:

- Employment Generation
- Entrepreneurship Promotion
- Inclusive Growth
- Reduced Regional Disparities
- Skill Up gradation
- Environmental Conservation

### Disadvantages of Mahatma Gandhi Rural Industrial Parks (MGRIP) Scheme

While the Mahatma Gandhi Rural Industrial Parks (MGRIP) Scheme presents a promising path to rural development, it is essential to acknowledge potential challenges:

- Land Acquisition
- Infrastructure Costs
- Market Demand
- Environmental Concerns
- Social Impact

### Significance of Mahatma Gandhi Rural Industrial Parks (MGRIP) Scheme

The Mahatma Gandhi Rural Industrial Parks (MGRIP) Scheme is a ground breaking initiative that has the potential to reshape rural India profoundly. It goes beyond being just another development program and carries significant implications for the nation's socio-economic fabric.

## 2. Materials and Methods

The result and discussion are presented in this chapter which were obtained during the work. The chapter discusses the research on the effect of the scheme on the self-help groups from Sherikhedhi, Raipur, Chhattisgarh. Finding were reported under following heading and sub heading:

**Selection of the study area:** Chhattisgarh state is divided into three sub-agro-climatic zones that are Chhattisgarh plains, Northern hills, and Bastar Plateau, out of these three agro climatic zones, Chhattisgarh plains was selected for the present study.

**Selection of district and block:** Raipur district was selected purposively to examine the business performance of the selected SHGs under RIPA because this district has the largest RIPA under more SHGs are working in Chhattisgarh. Sherikhedhi MG-RIPA of dharsiwa block of Raipur district will be selected purposively for the present

study.

**Selection of Respondents:** There are nine SHGs works under RIPA Sherikhedhi Raipur. Out of nine SHGs working under MG-RIPA sherikhedhi, Three SHGs namely (1)Badgai mata self help group (2) Perna self help group (3) Asha self help group were selected purposively.

**Method of Enquiry and Data collection:** In this Data related to Production, Marketing, income, Expenditure, and Constraints was collected from selected self help group (SHG).

The analysis has needed both primary as well as secondary data. Primary was collected through the member of women self help groups on which most of the goals were met. For collecting the primary data personal interview approach was adopted on well designed questionnaire. Secondary data is collected through different sources like Research papers, journal, Internet.

### Tools of Analysis

The methods used for data collection are interview plan, structured questionnaire and secondary sources. The data was evaluated using a 5 point rating scale, weight age frequency average.

### Input - output ratio

It is the ratio of total output to total input. It is calculated as:-

$$\text{Input - Output Ratio} = \frac{\text{Gross Income}}{\text{Total cost}}$$

### Total cost

Value of purchasing raw material, packaging material, labour cost, electricity cost and other miscellaneous cost and the same is expressed in rupees/kg.

### Gross Income

It is defined as total value of main product Gross Income = Physical Production x Price/qt.

### Sampling methodology

The Bagdai mata self help group, Asha self help group, Perna self help group village serikhedhi, district Raipur of Chhattisgarh was selected purposively for the present study.

### Collection of data

In this study, the data related to expenditure, income, marketing pattern, and constraints in production of different products was collected from selected self help group (SHG)

**Primary data:** The primary data was collected through a personal interview method or survey based on a well-structured interview schedule on various aspects which are related to fulfilling the objectives of the study.

**Secondary Data:** The secondary data was also be required for the study obtained from different published sources like the District Statistics, NRLM, SRLM, MG-RIPA, Ministry of Agriculture and other sources.

**Analytical tools**

Suitable statistical analysis was used at the time of analysis looking to the quantity and availability of data.

**1. Cost Related****• Cost of cultivation**

Cost of cultivation = Total Fixed Cost + Total Variable Cost

**(A) Fixed cost**

Fixed Cost are remaining constant and do not varies with level of production. To calculate fixed cost of production, various cost components are taken into consideration.

**(B) Variable cost**

It includes cost of raw materials, water and electricity charge, labour cost, miscellaneous cost.

**• Profitability Concept****(A) Gross Income**

It is defined as total value of main product Gross Income = Physical Production x Price/qt

**(B) Net Income**

It is defined as gross income minus total cost Net Income = Gross Income - Total Cost

**(C) Input – Output Ratio**

Input - Output Ratio = Gross Income/Total Cost

**(D) Benefit – Cost Ratio**

Benefit – Cost Ratio = Net Income/ Total Cost

**2. Concept Related To Marketing****(A) Marketing**

Cost marketing cost includes all the marketing charges from local assembling to reeling in the marketing process.

**3. Analysis of constraints**

Garrett's Ranking technique was used to identify the constraints faced by the SHGs members at the different stage of production and marketing of the different products produce by them. It offers the change of orders of constraints and benefits into numerical rating.

Formula:

Percentage position =  $100 \times (R_{ij} - 0.5) / N_j$

Where,

$R_{ij}$  = rank given for ith constraints by jth individual

$N_j$  = number of constraint ranked by jth individual

**3. Result and Discussion****3.1 Cost of Production of phenyl**

Bagdai mata self help group (SHG) was producing phenyl into the phenyl unit of the RIPA. There was a ratio of water and raw material for making phenyl it is of 1:40 ratio. One kg of raw material is mixed into the 40 liter of water. The cost of raw material for one liter of phenyl was Rs. 1.11. The laour cost for per unit/ liter production of phenyl is Rs. 3.30. Rs. 3.60 is the packaging cost for 1 liter of phenyl. Total cost of Rs. 8.81 was for the production of one liter of phenyl.

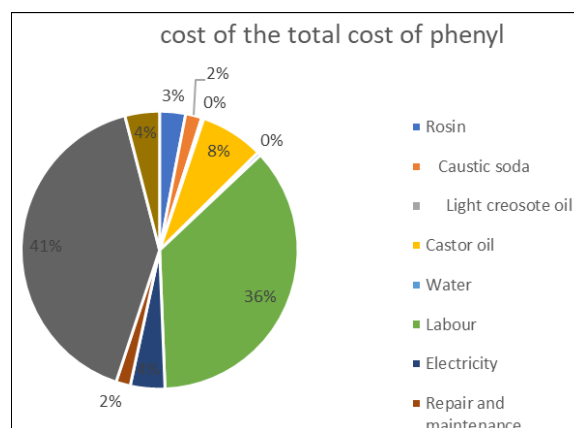
**Table 1:** cost of production of phenyl

S. No.	Cost Component For Phenyl	Quantity (kg)	Total Cost (Rs)	Price (Rs)	Total Cost per unit (Rs/liter)	% cost of total cost
1	Rosin	100	4500	45	0.27	3.03
2	Caustic soda	70	2800	40	0.17	1.89
3	Light Creosote oil	20	400	20	0.02	0.27
4	Castor Oil	220	11000	50	0.65	7.41
	TOTAL	410	18700	155	1.11	12.6
5	Water	16400	600		0.04	0.40
6	Labour		54000	150	3.20	36.37
7	Electricity		6000	200	0.36	4.04
8	Repair and Maintenances		2500		0.15	1.68
9	Packaging	16851	60663.6	3.6	3.60	40.86
10	Land Rent	12	6000	500	0.36	4.04
	TOTAL		1,48,463.6		8.82	100

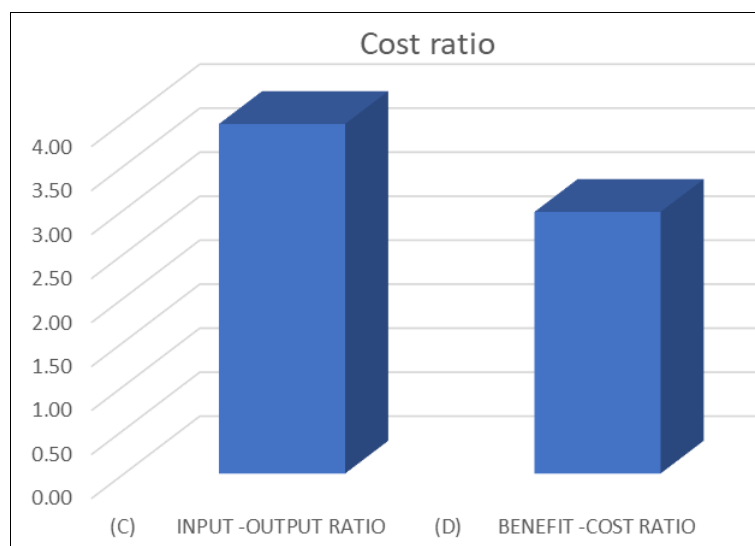
**Business performance of phenyl**

Per Unit Cost (1000 ml)	8.81
Total Production in year(sachets)	16,810 (liter)
Selling price	35
Gross income	5,88,350
Net income	4,25,537
Input -output ratio	3.9
Benefit -cost ratio	2.9

The business performance of phenyl product in Bagdai mata self help group (SHG) Sherikhedi, Raipur were as follows. Total production of 16,910 liter/ year phenyl was done. Net income of Rs. 4,25,537 /year.



**Fig 1:** Cost of phenyl production



**Fig 1:** Different cost ratios of Phenyl

### 3.2 Major constraints in production of different products faced by SHGs

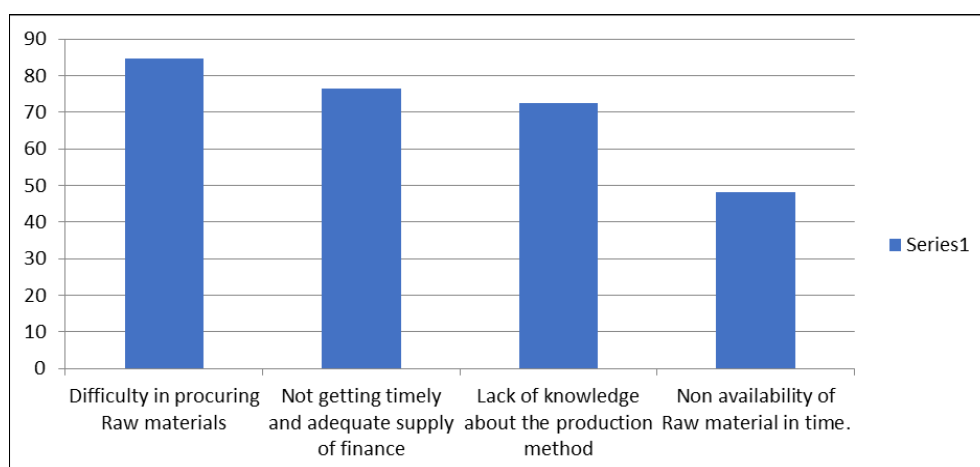
The present segment exactly evaluates the obstacles faced by SHGs in various activities and the remedial measures to overcome these obstacles.

#### 3.2.1 Major constraints faced by SHGs in production.

1. Non availability of raw material timely
2. Not getting adequate and timely supply of finance.
3. Lack of knowledge about the production method.
4. Difficulty in procuring raw material.

**Table 2:** Garrett score for production constraints of selected SHGs

S. No.	Constraints	Mean Score	Garret ranking
1	Difficulty in procuring Raw materials	84.52	I
2	Not getting timely and adequate supply of finance	76.32	II
3	Lack of knowledge about the production method	72.35	III
4	Non availability of Raw material in time.	48.26	IV



**Fig 2:** Garrett scores for production Constraints of selected women SHGs.

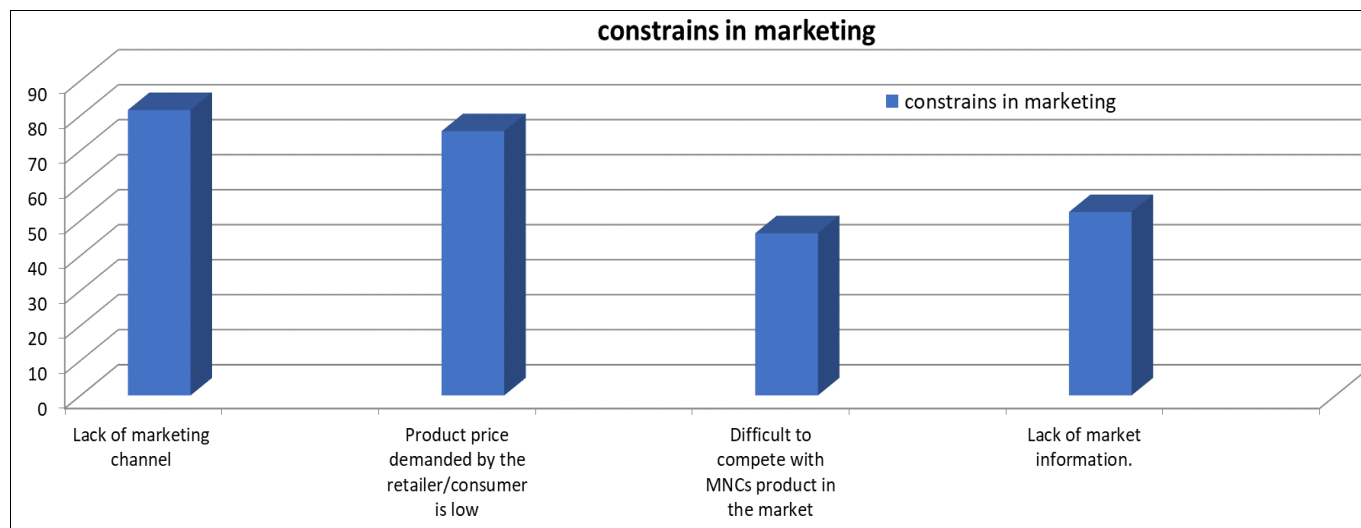
### 3.2.2 Constraints in marketing of different products of SHGs

- Lack of marketing channel

- Product price demanded by the retailer/consumer is low
- Difficult to compete with MNCs product in the market
- Lack of market information.

**Table 3:** Garrett score for production constraints of selected SHGs.

S. No.	Constraints	Mean Score	Garret ranking
1	Lack of marketing channel	81.52	I
2	Product price demanded by the retailer/consumer is low	75.48	II
3	Difficult to compete with MNCs product in the market	46.32	IV
4	Lack of market information.	52.36	III



**Fig 3:** Garrett score for marketing constraints of selected SHGs.

#### 4. Conclusion

- Major constraint in production of products by the SHGs was procurement of raw material.
- Major constraint in marketing of products was lack of marketing channel.

Other constraints were also faced by the SHGs in both in production and marketing of the products produced by the SHGs. All the constraints were given the rank by the garret ranking technique.

#### 4. Some suitable measures to overcome the constraints of marketing

- Increase the knowledge about the markets through proper training.
- Increase the marketing channel
- Proper branding should be given through which they can compete with others product available in the market.

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