



Studies on cost structure and reasons for selling and purchasing of bullocks

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ABSTRACT

In the present investigation the data were collected from Akola, Akot, Chohatta bazaar and Murtizapur Tahsils of the district during 2007 by personal interview of 25 sellers, 25 purchaser and 25 brokers from each market *i.e.* 100 sellers, 100 purchasers and 100 brokers by filling questionnaire. Majority (71 per cent) sellers reported the financial problem. Fodder problem and replacement of costlier by cheaper one were the other important reasons expressed by 60 and 34 per cent sellers, respectively. In all cattle markets of Akola district, majority (64 per cent) purchasers had purchased the bullocks as a need of bullock for farm operation followed by 44 per cent purchasers purchases the bullocks for resale purpose. While 8 per cent purchasers for replacing the old bullocks with young ones.

KEY WORDS : Selling, Purchasing, Fodder, Resale, Farm operation, Bullocks

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INTRODUCTION

The marketing of livestock is of prime importance in rural areas which, requires good organized and independent cattle markets. But, in India mostly it is combined with the general agricultural marketing activities. There are large number of middlemen functioning in such market they charge with exorbitant manner which leads to wide spread of price in marketing of cattle. Therefore, proper organization for marketing of livestock and livestock products is of great importance for the successful development of cattle industry, as it provides necessary incentive to the cultivators to adopt better methods of cattle husbandry.

Cattle markets are mostly under the control of Agriculture Produce Market Committee (APMC). But the facilities provided by them are not sufficient, in respect of middlemen control, other facilities like animal shed, water arrangement, fodder availability etc. hence, the sellers and purchasers have to face too many problems while marketing of cattles.

In India there are 6500 agricultural produce market committees. In Maharashtra there are 285 agricultural produce committees and 593 sub markets, out of which there are 292 livestock markets. In Akola district there are seven agricultural produce market committees controlling the cattle marketing activities. Out of these four cattle market were selected for study. As there are several problems about marketing which are to be faced by sellers and purchasers hence the study was undertaken to suggest suitable recommendations to improve the situation and to solve the problems they are facing.

The present investigation was undertaken with the objectives to study the general trade practices, the cost of bullocks, the constraints in marketing of bullocks and the marketing of crossbred bullocks.

MATERIALS AND METHODS

the present investigation was undertaken by collecting the information from bullock sellers and purchasers in Akola district of Maharashtra state in 2007. Data were collected from Akola, Akot, Chohatta bazaar and Murtizapur Tahsils of the district by personal interview of 25 sellers, 25 purchasers and 25 brokers from each market *i.e.* 100 sellers, 100 purchasers and 100 brokers and by filling the questionnaire.

The information was collected by survey method from each market on the market day of four markets in the month

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of February and March 2007, thrice for each market to get the information about, sellers and purchasers and to get meaningful result of marketing practices and cost. The information was collected on breed of animal, age of animal, period of survey, price of bullock, method of selling, preparation of animals for marketing, information about sellers, purchasers, and brokers.

RESULTS AND DISCUSSION

The present status is confined to the marketing of bullocks in Akola district and for the purpose, 25 farmers engaged in selling and purchasing of bullocks in each market were selected.

Annual income of bullock sellers and purchasers:

Bullock sellers and purchasers were grouped according to their annual income in selected market which are presented in Table 1.

From Table 1, it is observed that most of the bullock seller farmers were from Rs. 50,001 to Rs. 1,00,000 income groups (41 per cent). While 24, 18 and 17 per cent farmers were from Rs.1,00,001 to Rs.1,50,000 group, upto Rs. 50,000 and above Rs. 1,50,000, respectively in selected market. However, majority of above Rs. 1,50,001 income group sellers were observed in Akot (24 per cent). Similarly 48 per cent farmers from Rs.50,001 to Rs.1,00,000 income group sold bullocks in Chohatta bazaar while 12 per cent sellers from upto Rs.50,000 income group sold in Chohatta bazaar and Murtizapur markets. In Akot, 24 per cent of sellers were from above Rs. 1,50,001 income group. Over

all situation of Akola district indicated that Rs. 50,001 to Rs. 1,00,000 income group farmers were more involved in the transaction of bullock selling. However, above Rs. 1,50,001 income group farmers were less in number.

Data presented in Table 2 showed that majority of bullock purchasers were observed from above Rs.1,50,000 income group (37 per cent) while farmers upto Rs. 50,000 income group (14 per cent) involved less in bullock purchasing in selected market. Majority of bullock purchasers were found from above 1,50,001 income group in Akot (48 per cent) followed 40, 36 and 24 per cent from Murtizapur, Chohatta Bazaar and Akola market, respectively.

It was observed that 8 per cent purchasers from Chohatta bazaar and Murtizapur market were from Rs. 50,000 income group which was very less among all markets. The trend showed that above Rs. 1,50,001 income group farmers might be purchasing the bullocks for farm operations.

Reasons for sale and purchase of bullocks :

The data on the various reasons for sale of bullock is presented in Table 3.

The data from Table 3 showed that 71 and 60 per cent farmers sold their bullocks due to financial problem and fodder problem, respectively. These were the major reasons observed for selling of bullocks. Whereas 34 per cent farmers replaced costlier bullocks by cheaper one and reselling was carried out by 22 per cent farmers, 7 per cent farmers sold bullocks due to defects and 10 per cent were having no need of bullocks.

Table 1 : Distribution of bullock sellers according to their annual income in selected

Sr. No.	Annual income (Rs.)	Markets				Total
		Akola	Akot	Chohatta bazaar	Murtizapur	
1.	Upto 50,000	8 (32.00)	4 (16.00)	3 (12.00)	3 (12.00)	18 (18.00)
2.	50,001 – 1,00,000	9 (36.00)	9 (36.00)	12 (48.00)	11 (44.00)	41 (41.00)
3.	1,00,001 to 1,50,000	5 (20.00)	6 (24.00)	7 (28.00)	6 (24.00)	24 (24.00)
4.	1,50,001 and above	3 (12.00)	6 (24.00)	3 (12.00)	5 (20.00)	17 (17.00)
	Total	25 (100)	25 (100)	25 (100)	25 (100)	100

(Figures in parentheses indicate percentage)

Table 2: Distribution of bullock purchasers according to their annual income in selected markets

Sr. No.	Annual income (Rs.)	Markets				Total
		Akola	Akot	Chohatta bazaar	Murtizapur	
1.	Upto (50,000)	7 (28.0)	3 (12.00)	2 (8.00)	2 (8.00)	14 (14.00)
2.	50,001 – 1,00,000	4 (16.00)	6 (24.00)	5 (20.00)	6 (24.00)	21 (21.00)
3.	1,00,001 to 1,50,000	8 (32.00)	4 (16.00)	9 (36.00)	7 (28.00)	28 (28.00)
4.	1,50,001 and above	6 (24.00)	12 (48.00)	9 (36.00)	10 (40.00)	37 (37.00)
	Total	25 (100)	25 (100)	25 (100)	25 (100)	100

(Figures in parentheses indicates percentage)

Table 3 : Distribution of bullock sellers according to the reason for sale

Sr.No.	Reason for sale of bullocks	Markets				Total
		Akola	Akot	Chohatta bazaar	Murtizapur	
1.	Financial problem	18 (72.00)	16 (64.00)	17 (68.00)	20 (80.00)	71 (71.00)
2.	Fodder problem	16 (64.00)	12 (48.00)	15 (60.00)	17 (68.00)	60 (60.00)
3.	Replace costlier by cheaper one	12 (48.00)	10 (40.00)	8 (32.00)	4 (16.00)	34 (34.00)
4.	Replace cheaper by costlier	5 (20.00)	6 (24.00)	3 (12.00)	2 (8.00)	16 (16.00)
5.	No need of bullocks	4 (16.00)	2 (8.00)	1 (4.00)	3 (12.00)	10 (10.00)
6.	Due to defect	2 (8.00)	2 (8.00)	2 (8.00)	1 (4.00)	7 (7.00)
7.	Due to old age	3 (12.00)	3 (12.00)	3 (12.00)	4 (16.00)	13 (13.00)
8.	For resale	7 (28.00)	2 (8.00)	7 (28.00)	6 (24.00)	22 (22.00)

(Figures in parentheses indicates percentage)

It indicates that the farmers replaced their old age bullocks by young bullocks for farm operations while young fetch good price are reared by farmers to get more income. The exchange of bullocks is the practice adopted by the majority of farmers in all the markets. It seems that there is specific reason for sale of bullocks and vary from farmers to farmers.

The opinion of purchasers about various reasons for buying of bullock is presented in Table 4.

According to Table 4, it is observed that in all the markets need of bullock for farm operation was the major reason of bullock purchasing. In Chohatta bazaar only 4 per cent farmers purchased bullocks for resale, while 24 per cent farmers in Akola market purchased bullocks for resale. 17 per cent farmers purchased bullocks for replacing costlier by cheaper one and 8 per cent purchasers wanted to replace their old bullocks with young bullock.

From Table 4, it can be explained that the need of bullock for farm operation was the major reason in all four selected markets. In Akot and Chohatta bazaar, maximum purchaser, thought about replacing costlier bullocks by cheaper one in that specific group of reason. In all the selected markets many buyers gave opinion of replacing cheaper by costlier one.

Cost structure of bullocks :

In selected markets of Akola district, groups were formed according to the cost of bullock pairs, Rs. 15,000/- was considered as minimum cost of bullock pair. Whereas, medium cost was ranging in between Rs. 15001 to Rs. 25000 and higher cost was above Rs. 25,000.

It is observed from Table 5, that selling price of bullock pairs in Akola district was Rs. 11525 in upto Rs. 15000 price group. It is seen that there was variation in prices

Table 4 : Distribution of bullock purchasers according to the reason for purchase of bullocks in selected markets

Sr. No.	Reason for buying of bullocks	Markets				Total
		Akola	Akot	Chohatta bazaar	Murtizapur	
1.	Need of bullock	14 (56.00)	16 (64.00)	16 (64.00)	18 (72.00)	64 (64.00)
2.	Replace costlier by cheaper	3 (12.00)	6 (24.00)	6 (24.00)	2 (8.00)	17 (17.00)
3.	Replace old by young	2 (8.00)	1 (4.00)	2 (8.00)	3 (12.00)	8 (8.00)
4.	For resale	6 (24.00)	2 (8.00)	1 (4.00)	2 (8.00)	11 (11.00)

(Figures in parentheses indicate percentage)

Table 5 : Net price of bullock pair obtained by sellers

Sr. No.	Cost (Rs.)	Particulars	Markets				Average cost (Rs.)
			Akola	Akot	Chohatta	Murtizapur	
1.	Upto 15,000	Bullock price (Rs.)	11150	11120	12330	11500	11525
		Marketing cost (Rs.)	259 (2.32)	350 (3.14)	367 (2.97)	406 (3.5)	345.5 (2.99)
		Net price (Rs.)	10891 (97.68)	10770 (96.86)	11963 (97.03)	11094 (96.50)	11179.5 (97.01)
2.	15001- 25000	Bullock price (Rs.)	21445	20888	21470	20950	21188
		Marketing cost (Rs.)	329 (1.53)	450 (2.15)	406 (1.89)	435 (2.07)	405 (1.92)
		Net price (Rs.)	21116 (98.47)	20438 (97.85)	21064 (98.11)	20515 (97.93)	20783 (98.09)
3.	Above 25,000	Bullock price (Rs.)	33567	33700	30140	31800	32301.75
		Marketing cost (Rs.)	443 (1.31)	490 (1.45)	434 (1.43)	644 (2.02)	495.25 (1.53)
		Net price (Rs.)	33124 (98.69)	32210 (98.55)	29706 (98.57)	31156 (97.98)	31806.5 (98.47)

(Figures in parentheses indicates percentage)

which were due to market fees, feed charges, bullock decorating charges, traveling charges, meal expenses and bullock condition, on an average marketing cost of bullock pair was 2.99 per cent and thus the sellers got 97.01 per cent cost of actual selling cost, which was Rs. 11179.50 per pair.

On the other hand, the selling cost of bullock pair in second group having the range of Rs. 15001 to Rs.25000 over all selling price was Rs. 21188 and marketing cost was Rs.405 (1.92 per cent) and hence net price obtained was Rs. 20783 (98.09 per cent).

In case of bullock pair sold in 3rd group with cost above Rs. 25000 an average price of bullock pair was Rs. 32301.75 and marketing cost was Rs. 495.25 (1.53 per cent) in this group and net price of bullock pair was 31806 (98.47 per cent).

It was further observed that marketing cost of Murtizapur market was higher than all others markets because the middle man's fee was more in this market. Due to this, net price received was less as compared to other markets, while Akola cattle market has less marketing cost due to which net price was higher than other markets. Chako (1978) and Rathod (1978) had also conducted some what similar type of work in the past.

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