

RESEARCH PAPER

Organizational structure and seasonal indices in arrivals and prices of agricultural commodities in Kolhapur APMC market

■ H.P. THAKARE, K.S. DAUNDKAR, U.S. BONDAR AND SUPRIYA D. KASHID

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ABSTRACT

The study revealed that, organizational structure and composition was established well according to the Maharashtra Agricultural Produce Marketing (Regulation) Act 1963. The open auction method was strictly followed in the market, the overall conduct and law and administrative promptness was seen satisfactory. This study was suggested that the wheat growers should bring wheat for sell in the APMC, Kolhapur during the month of December to March. The paddy growers shall bring paddy for the sell in the APMC, Kolhapur during the month of August to December. In case of the onion growers shall bring onion for sell in APMC, Kolhapur during September to December. Potato can be brought for sell in APMC, Kolhapur during the month of September to December and the groundnut during April and September to January and in case jaggery for sell in APMC, Kolhapur during August and October to December in order to get good prices for their produce.

KEY WORDS : Seasonal indices, Arrivals, Prices, APMC

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The Agricultural Produce Market Committee's were established by state government for regulating the marketing of different kinds of agricultural produce. The market information relating to market prices and arrivals over a period of time helps the farmers to take decision about the future production pattern and sale of agricultural commodities in the market during specific period. The Act provides for establishment

of market committees in the state. These market committees are engaged in development of market yards for the benefit of agriculturists and the buyers. Various agricultural produce commodities are regulated under the Act. At present there are 300 APMCs with main

Table A : Divisionwise break-up of APMCs in Maharashtra (2011-12)

Sr. No.	Division	Main market	Sub market
1.	Konkan	20	52
2.	Nasik	51	94
3.	Pune	44	122
4.	Aurangabad	35	72
5.	Latur	49	91
6.	Amravati	55	101
7.	Nagpur	46	77
	Total	300	609

MEMBERS OF THE RESEARCH FORUM

Correspondence to:

K.S. DAUNDKAR, Mahatma Phule Krishi Vidyapeeth, Rahuri, AHMEDNAGAR (M.S.) INDIA

Authors' affiliations:

H.P. THAKARE, U.S. BONDAR AND SUPRIYA D. KASHID, Mahatma Phule Krishi Vidyapeeth, Rahuri, AHMEDNAGAR (M.S.) INDIA

markets and 609 sub markets.

Under the provisions of the Maharashtra Agricultural Produce Market (Regulation) Act 1963, the state government gives notice of its intention to bring a particular area under regulation by notifying the market area, market yard, main assembling market and sub market yard, if any, under the principle regulated market. Method of sale in regulated market either by open auction or by the close tender method to ensure fair price for the produce. The sale is carried out under the supervision of an officials of the market committee and signature of buyer is taken as soon as auction is over. The business hours are fixed and generally different commodities are traded at different times of the day. Bidding is open for all authorized traders and highest bidder is given to the produce. The farmer may refuse to accept the sale even at the highest bid, if he desires. Weighment of produce is done by a licensed weighman with standard weights and a platform scale some markets may install weighbridges. Grading is generally expected prior to sale in regulated market.

Objectives :

- To study the organizational structure of APMC, Kolhapur.
- To study the seasonal indices in arrivals and prices of selected agricultural commodities.

METHODOLOGY

Location of study :

The Agricultural Produce Market Committee, Kolhapur which is popularly known as Shahu Market Yard, Kolhapur is selected for the present study. The APMC, Kolhapur is purposely selected for the study, which contributes major share in the production of cereals, oilseeds, vegetables and commercial crops to the state.

Commodities :

The following commodities selected on the basis on area under crops. The major agricultural commodities traded in the APMC, Kolhapur for selected group were:

- Cereals = Paddy, wheat
- Oilseeds = Groundnut
- Vegetables = Onion, potato
- Product = Jaggery.

The organizational structure of APMC Kolhapur :

This information was collected from APMC,

Kolhapur by personal interview with officials of APMC, Kolhapur and the available records / reports of APMC, Kolhapur. Market committees recorded the monthly arrivals and average price of selected commodities and the same were used for the study.

Seasonal indices in arrivals and prices of selected agricultural commodities :

The seasonal indices of arrivals and prices of selected agricultural commodities was worked out by using simple average method.

$$SI = \frac{\text{Monthly average of given month}}{\text{Averages of monthly average}} \times 100$$

ANALYSIS AND DISCUSSION

The findings of the present study as well as relevant discussion have been summarized under the following heads :

Organizational structure :

The Board of directors constitutes the organizational structure of APMC, Kolhapur. This board of directors has an executive body that consists of the committees of elected members which is headed by the chairman. The chairman and the vice-chairman are the supervising authorities of market committee and are assisted by the heads of sub committees. Though, the chairman is a controlling authority, secretary of the market committee is the administrative head and looks after the day today working of committee and is responsible for implementing the plans and the policies and gives feedback on them to board of directors through the chairman. The board of directors also has an administrative staff body which comprises of staff appointed for official work and functioning of the market. The staff on this body is appointed as per the 'staffing pattern' given by Maharashtra State Agricultural Marketing Board, Pune (MSAMB, Pune). The tree diagram of organizational structure and administrative hierarchy existing in APMC, Kolhapur.

Composition of market committee and its management :

APMC, Kolhapur is managed by an autonomous and representative managing committee comprising 23 members. The representatives should be of age above 21 years. The present composition and constitution of

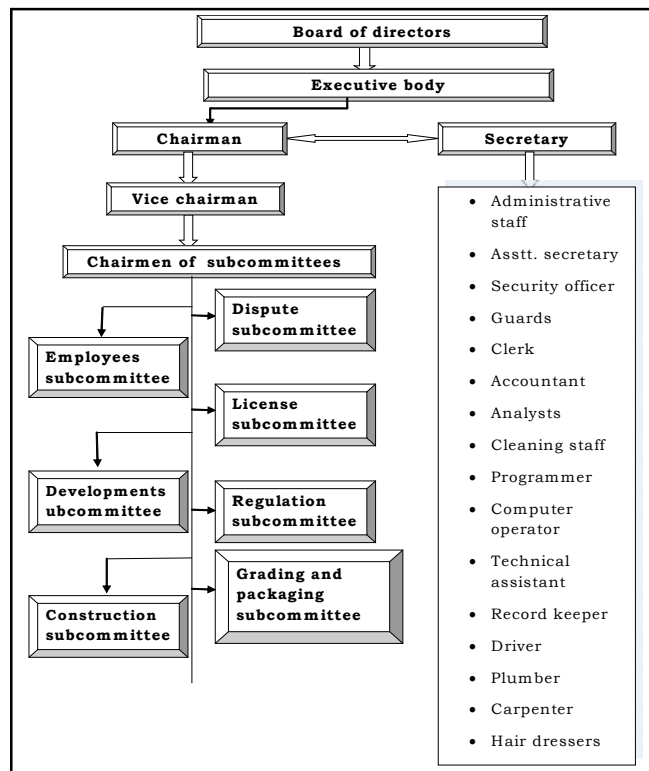


Fig. 1 : Organizational structure of APMC, Kolhapur

APMC, Kolhapur it is observed that out of 23 committee members, eleven are from agriculturist, three from revenue divisions in Maharashtra state, one member from traders, one from mapadi, mathadi and others and two from ladies and economically backward class as per the nomination of state government.

Administration :

The constitution of APMC, Kolhapur is as per the provision in Maharashtra Agricultural Produce Marketing (Regulation) Act, 1963 13(IA). As per the provision in the above act, the Market committee should call the meeting one in a month and there will not be a gap of more than 60 days in two consecutive meetings. In case of subcommittees, the secretary should be submitted by more than 50 per cent of the members to the chairman. The funds for election are reserved which are about 5 per cent of annual income, as per the law by 14A. If chairman or vice-chairman is absent, the responsibility can be taken up by any member chosen by other committee members. The market committee deserves following rights information of by laws.

– Inspection and preservation of samples of

Table 1 : Present composition and constitution of APMC Kolhapur

Sr. No.	Representation group	Number of members
1.	Agriculturist	15
2.	Panchayat Samitti Sansta	1
3.	Corporator	1
4.	Secretary of APMC	1
5.	District dep1uty registrar	1
6.	Traders	2
7.	Mapadi, Mathadi and others	1
8.	Processors	1
	Total	23

Table 2 : Subcommittees in APMC, Kolhapur

Sr. No.	Name of the subcommittee	No. of members	Role in management
1.	Executive subcommittee	19	Carry out day to day functions and supervision
2.	Regulation subcommittee	11	Supervision of the marketing functions as per the code and conduct suggested in Act of 1963.
3.	Construction subcommittee	11	Constructions of buildings in market yard
4.	Employees subcommittee	11	Involved in welfare of the employees of market committee
5.	Dispute subcommittee	11	Resolves disputes arising in market during trade.
6.	Grading and sampling subcommittee	11	Though grading is not done in the APMC, Vashi, the role of this committee is confined to only dissemination of knowledge about grading and sampling to farmers. Most of the farmers grade their produce by themselves before arriving in the market yards.

commodity.

- Standardization of types of commodities and prevention of adulteration.
- Promotion of graded and Agmark graded commodities.
- Method of sale and weighing equipments.
- Space utilization and formation of laws, acts regarding market yards.
- Laws regarding eligibility and duties to be performed by the various market intermediaries.

Market charges in APMC, Kolhapur :

The market charges in APMC, Kolhapur varies according to the agricultural produce. It is at the rate of Rs. 3 per hundred rupees for food grains and jaggery while incase of fruit and vegetables is about 6 per cent and for onion and potato is about 6.50 per cent.

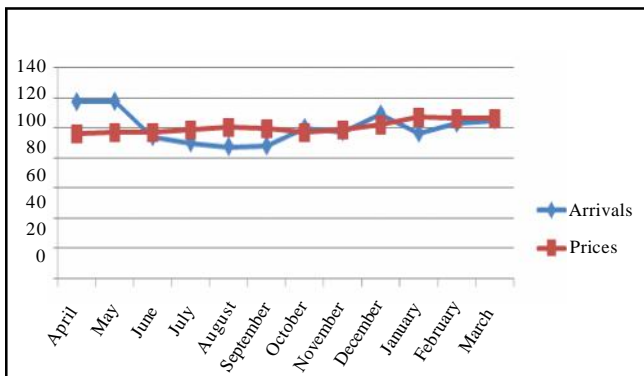


Fig. 2 : Seasonal indices graph of wheat

Seasonal indices of arrivals and prices of wheat and paddy in APMC, Kolhapur :

The seasonal indices of arrivals and prices of wheat and paddy in APMC, Kolhapur were estimated for eleven years from 2001-02 to 2011-12.

Seasonal indices of arrivals and prices of wheat and paddy wheat :

In case of wheat, it was seen that the seasonal indices of arrivals were more during the month of April (116.91), May (117.19) followed by December (108.77), while it was lowest during the month of August (86.99). In case of prices the maximum seasonal indices were noticed in the month of January (106.76) and minimum in the month of October (96.34).

APMC, Kolhapur is a consumer market it is not producer market for wheat. This crop comes to harvesting during October-November. In the month of

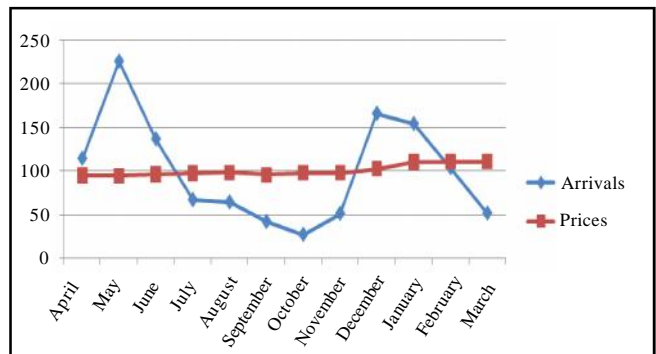


Fig. 3 : Seasonal indices graph of paddy

Table 3 : Market charges in APMC, Kolhapur

Sr. No.	Particular	Rate
1.	Commission	
	Jaggery	3 %
	Fruit and vegetables	6 %
	Food grains	3 %
	Onion-potato	6.5 %
	Vegetables	6 %
2.	Market fee (Rs.)	1.05
3.	Weighment (Rs.)	0.50
4.	Brokerage	-
5.	Charity	-
6.	Trade allowance	-
7.	Octroi	-
8.	Sales tax	-

December arrivals and prices increases rapidly due to the farmers rushed their produce immediately after harvest for sale. The periods from December to May has accounted maximum arrivals and periods from December to March has accounted maximum prices in APMC, Kolhapur.

Paddy :

The maximum arrivals of paddy were found in the month of May (233.01) and minimum price index was noticed in the month of January (92.41). The seasonal indices regarding prices revealed that the price index for the month of April (115.61) was the highest followed by August (100.30) to December (107.38). It was lowest in the month of January (92.41).

Arrivals and prices increases in the month of April to June *i.e.* summer paddy comes from Karnataka for processing and consumption purpose and prices

continuously increases and arrivals decreases in the month of August to December *i.e.* *Kharif* paddy comes from Kokan region for processing. In the Karveer taluka there 14 rice processing units are in operation.

The seasonal indices of arrivals and prices of onion and potato in APMC, Kolhapur were estimated for eleven years from 2001-02 to 2011-12 and presented in Table 4.

Seasonal indices of arrivals and prices of the onion and potato :

Onion :

The highest seasonal indices of arrivals of onion were observed during the month of March (156.42) followed by May (134.42) and lowest during the month of July (64.22). In case of prices, maximum price indices were noticed in the month of December (169.23) and it was minimum in the month of April (60.41). APMC,

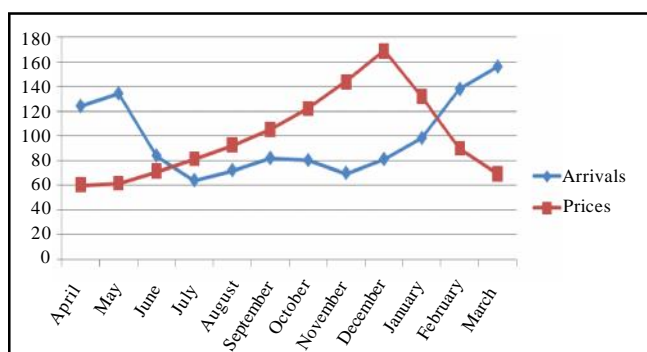


Fig. 4 : Seasonal indices graph of onion

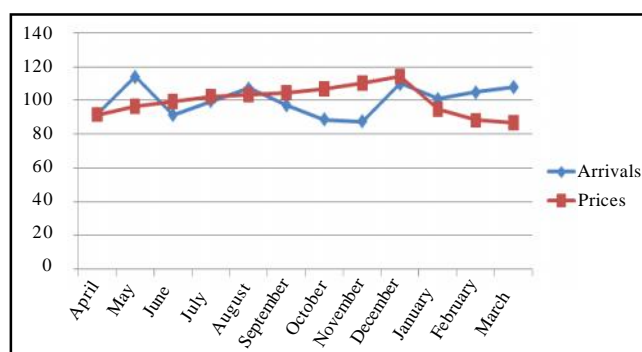


Fig. 5 : Seasonal indices graph of potato

Table 4 : Seasonal indices of arrivals and prices of the onion and potato in APMC, Kolhapur

Months	Onion		Potato	
	Arrivals	Prices	Arrivals	Prices
April	124.29	60.42	91.87	89.77
May	134.42	61.68	112.99	96.71
June	84.07	71.49	99.12	101.23
July	64.22	81.44	107.86	104.04
August	72.32	92.63	113.09	104.19
September	82.12	105.33	96.06	108.32
October	80.34	122.34	85.57	110.27
November	70.07	144.01	89.07	109.02
December	81.23	169.23	107.25	113.15
January	98.43	132.02	100.39	92.93
February	138.11	89.96	96.90	85.92
March	156.43	69.44	99.83	84.44

Kolhapur is a consumer market for onion. Onion is price sensitive crop. Arrivals comes from Satara, Pune, Solapur, Nashik districts. Arrivals were decreases and prices increases in June to January. Arrivals were increases and prices decreases from February to May. APMC, Kolhapur witnessed maximum arrivals of onion during February to May corresponds to the arrival of *Rabi* onion in market. The market showed the increased price indices in the months of June to December which may be due to the increased demand for the onion with low arrivals of onion in market. Reason could be storage of the produce by the big farmers and traders in the area in anticipation of a higher price in the later period.

Potato :

In case of potato, the maximum arrivals were found in the month of August (113.09) and minimum in the month of October (85.56). While prices in the month of December (113.15) was maximum and minimum in the

month of March (84.44). The markets showed the increased arrivals indices in the months of May, July, August, September and December which may be due to the increased demand for the potato. There was no much variation in the price indices of potato in whole year. The reason might be due to flow of the produce into the market all through the year, prices of one season being followed by the prices of the second season of the same year.

The seasonal indices of arrivals and prices of groundnut and jaggery in APMC, Kolhapur were estimated for eleven years from 2001-02 to 2011-12.

Seasonal indices of arrivals and prices of the groundnut and jaggery :

Groundnut :

The maximum arrivals were found in October (468.62) and the minimum in February (14.25). It was observed that there is less arrival in the month of February. In case of prices it was maximum during the

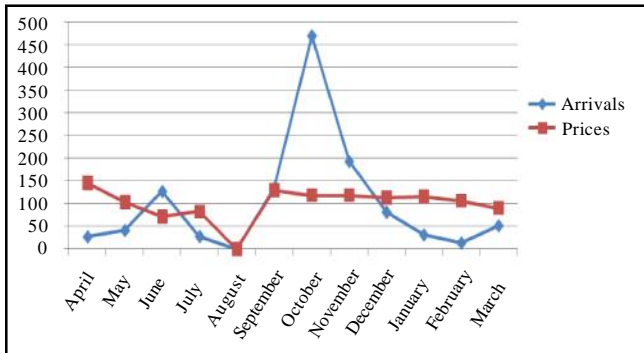


Fig. 6 : Seasonal indices graph of groundnut

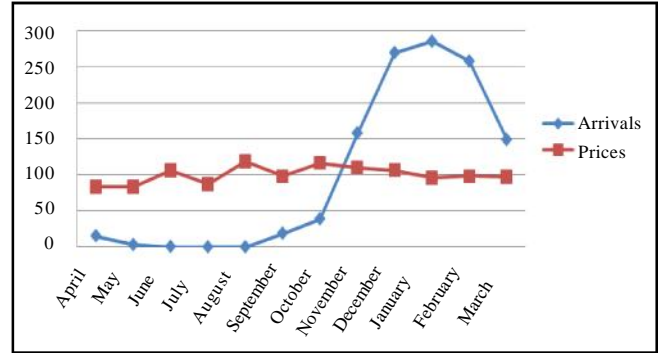


Fig. 7 : Seasonal indices graph of jaggery

Table 5 : Seasonal indices of arrivals and prices of the groundnut and Jaggery in APMC, Kolhapur

Months	Groundnut		Jaggery	
	Arrivals	Prices	Arrivals	Prices
April	27.49	145.88	15.79	83.77
May	41.75	103.65	3.51	83.24
June	127.08	72.50	0.88	105.9
July	28.25	83.20	0.38	87.01
August	--	--	0.42	118.52
September	134.41	129.75	19.26	97.82
October	468.62	118.67	39.33	116.4
November	192.79	118.57	158.17	110.25
December	81.60	113.81	269.69	106.3
January	31.77	116.3	285.48	95.77
February	14.25	106.81	257.92	97.92
March	51.93	90.85	149.10	97.47

month of April (145.88) and minimum prices in June (72.50). This crop comes to harvesting during July-August *i.e.* summer groundnut. That the periods from September to November has accounted maximum arrivals in the APMC, Kolhapur. The markets showed the increased prices indices in the months of September, October and November which may be due to the increased demand for the groundnut.

Jaggery :

The maximum arrivals were found in the month of January (285.78) and the minimum in July (0.38). In case of price indices it was maximum during the month of August (118.52) followed by October (116.40) and minimum prices in the May (83.24). APMC, Kolhapur is a producer market for jaggery. That the periods from November to February has accounted maximum arrivals and prices in the APMC, Kolhapur. The markets showed the increased arrivals in November, December, January and February which may be due to jaggery production season starts in November.

Conclusion :

On the basis of the study results, it can be suggested that the wheat growers should bring wheat for sell in the APMC, Kolhapur during the month of December to March.

The paddy growers shall bring paddy for the sell in the APMC, Kolhapur during the month of August to December.

In case of the onion growers shall bring onion for sell in APMC, Kolhapur during September to December.

Potato can be brought for sell in APMC, Kolhapur during the month of September to December.

In case of groundnut growers brought during in the month of April and September to January.

In case jaggery for sell in APMC, Kolhapur during August and October to December. in order to get good prices for their produce.

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