

A STUDY ON ARRIVALS AND PRICES OF MAJOR AGRICULTURAL COMMODITIES AT LARGEST APMC IN VIDARBHA REGION

¹Pratik Moghe, ²Dr. Jyoti Zirmire

¹Student MBA (Agri.), Post Graduate Institute of Agri-Business Management, Latur, India.

²Assistant Professor, College of Agri-Business Management, Loni, Maharashtra-413536, India.

DOI: <https://doi.org/10.51193/IJAER.2023.9207>

Received: 14 Mar. 2023 / Accepted: 23 Mar. 2023 / Published: 14 Apr. 2023

ABSTRACT

The present Research Article, "A Study on Arrivals and Prices of Major Agricultural Commodities at Largest APMC in Vidarbha Region" therefore, is a small attempt in reviewing the performance of the Regulated market by Analysing the trends in Arrivals and Prices and Marketing Channel of Major Commodities at the micro-level. This study, thus by way of evaluates the performance of market regulation through various dimensions.

Chhatrapati Shivaji Market Yard, Hinganghat is on the forefront in business activities and on developmental aspects. The Hinganghat APMC has been ideally outlined on an area of 10.03 ha. The market provides all essential amenities to farmers and trader's viz., auction platform, shop-cum-godown, weighbridge, city bus service terminus. The market has spacious auction platforms, sale halls, parking space. It has built commercial shops. The Hinganghat APMC has 2 sub-markets with all amenities. The APMC is famous for Cotton and Soybean marketing. The main sources of income were market and license fees and the expenditure items were salary and miscellaneous.

Market committee follows sale of produce by open auction method only which is prescribed in the Maharashtra Agricultural Produce Marketing (Regulation) Act, 1963. The declining trend was observed in number of market functionaries over the study period.

It is noticed that although trend of arrivals of some commodities viz., Cotton, Soybean and Gram was increasing but the prices of all the selected commodities showed the significant increasing trend during the period of 10 years i.e., 2012-13 to 2021-22. Further, it is observed that prices were more dependable upon lagged year prices in case of all commodities.

The APMC Hinganghat need at this moment is efficiency and dedication of committee members to protect farmers' interests; suggestions may help to strengthen the organization and to achieve the objective of APMC Hinganghat for which it was brought in existence. Good management practices, honesty, and dedication of members of APMC Hinganghat will definitely help to achieve the pride, which it deserves.

Keywords: Agricultural Produce Market Committees, APMC Hinganghat, Arrivals, Prices, Marketing Channel, Commodities, Vidarbha Region

1. INTRODUCTION

Agricultural Produce Market Committees (APMC) is the statutory bodies established under the provision of the Maharashtra Agricultural Produce Marketing Regulation. Act, 1963 and implemented from 1967 onward. These committees are mainly established to regulate and to avoid exploitation of the farmer. An act to provide for improved regulation in marketing of agricultural produce, development of efficient marketing systems, promotion of agricultural processing and agricultural export and the establishment and proper administration of market for agricultural produce in the state and whereas, it is expedient to put in place an effective infrastructure for marketing of agricultural produce and lay down procedure and system.

The government has set up regulated markets in different areas of the state to manage wholesale trade on agricultural produce. The Maharashtra State Agricultural Marketing Board (MSAMB) has seven divisional offices at Pune, Nashik, Aurangabad, Latur, Amravati, Nagpur, and Ratnagiri for proper co-ordination of the activities of all APMCs in the state. At present, there are 306 main markets and 623 submarkets in Maharashtra (2022).

The APMC, Hinganghat is largest APMC in Vidarbha region, 2nd in Maharashtra. It comes in Nagpur Division. It has got notification on 1963. It includes sub market of Wadner, Kangaon. The major commodities which arise at Hinganghat market are Wheat, Cotton, Soybean, Tur, Gram etc. The APMC, Hinganghat provide more infrastructural facilities like Shetkari Nivas, cotton information centre, projection, CCTV etc. APMC also have E-NAM centre and now in progress to start processing unit.

MARKET PROFILE

1. General Information:-

| | | |
|----|--|--|
| 1. | City: | Hinganghat |
| 2. | Full Postal Address | APMC Hinganghat Kali sadak Hinganghat Dist.Wardha |
| 3. | Email | msamb@vsnl.com |
| 4. | Telephone No. with STD Code | 07153244052 |
| 5. | Year of establishment | 1940 |
| 6. | Population Served | 212613 |
| 7. | Geographical area served by Market (No. of Villages etc.) | 188 |

2. Market Administration:-

| | | |
|----|---|--|
| 1. | Regulated/Unregulated | Regulated |
| 2. | Year of Regulation | 1963 |
| 3. | Name of the Market Legislation | APMC Hinganghat |
| 4. | Whether Elected/Nominated/ Superseded APMC | Elected |
| 5. | Name of Chairman/Administrator | Shri. Adv. Sudhir Daulatchandji Kothari |
| 6. | Name of Secretary | Shri. Tukaram C. Chambhare |
| 7. | If Unregulated, Name of Owner and Management | Shri. Adv. Sudhir Daulatchandji Kothari |
| 8. | Market holidays | Sunday & Government Holidays |
| 9. | Market hours | 18 |

2. RESEARCH OBJECTIVES

1. To study the Trends in arrival and prices of major Commodities in APMC
2. To know the marketing channel of selected commodity.

3. REVIEW OF LITERATURE

Andhalkar et al. (2010) conducted study which was based on the secondary data on arrivals and prices of selected pulses in APMC, Amravati and Achalpur for the period of 15 years i.e. from 1994-95 up to 2008-09. Amongst all selected markets, arrival and price indices were showed increase in case of pigeon pea and chick pea as compared to the base year. In all selected markets monthly seasonal indices of all selected commodities were found highest immediately after harvest in month of March and February to April. Whereas, price indices of all selected commodities were found to be lower during peak arrival month and vice versa. Relationship between arrival and prices were found to be negative in case of pigeon pea and chick pea in Amravati and Achalpur APMC.

Benkeet al. (2016) studied an economic analysis of green gram arrival and price behavior in Akola district of Maharashtra. The data on arrival and prices of green gram crop under the study for the period of 20 years i.e. from 1987-06 were used. They revealed that compound growth rate of production and arrival were found to be positive in period (1987- 96) of study and negatively in period 2(1997-2006) of study for Akola APMC. Despite pronounced seasonality in arrivals there were negligible variations in seasonal prices of green gram. Cyclical fluctuations were found to be more pronounced than seasonal fluctuation in prices. This highlighted that when maximum production is there decrease in price and vice versa.

4. RESEARCH METHODOLOGY

It deals with the source of data, type of data utilized, selection of period and statistical tools used for data analysis to achieve the objectives of the study.

For any scientific study, the appropriate methods and procedures for investigation need to be followed to arrive at a meaningful right conclusion in respect of the study and to accomplish the objectives under study. These appropriate methods and procedures chosen are nothing but the research methodology, need to be framed correctly which allows the research worker to study in right direction and to reach at a useful conclusion. This research methodology also allows other research workers and readers to understand the study.

4.1 Selection of the Commodities

Major Commodities viz. Cotton and Soybean based on maximum arrivals in the selected APMC were selected for present study.

4.2 Source of data

The data required for the investigation was collected from office records of APMC, Hinganghat, Annual reports of APMC, District statistical abstract and handbook of basic statistics of Maharashtra, etc. were utilized.

4.3 Primary data

The primary data related to various marketing practices, mode of payment to producers, market charges, services rendered by market functionaries, warehousing facilities, other facilities, and amenities were collected with the help of specially designed schedules for the traders, retailers, and market committee. The problems faced by functionaries as well as market committee, are identified with the help of time-to-time discussions and personal interviews of officials.

4.4 Interviews and discussions

The clarification regarding administrative setup, financial operations, activities, achievement, and future planning is collected- by personally contacting and interviewing the officials.

4.5 Secondary data

Data regarding arrivals and prices of selected Commodities is collected from records of A.P.M.C. This data is useful in calculating, trends in arrivals and prices. The month wise data in respect of arrival and prices of selected major pulses was collected from the records maintained by APMC, Hinganghat. Based on the availability, the last 10 years data starting from 2012 to 2022 was collected.

5. RESULT AND DISCUSSIONS

This chapter is devoted to express the results obtained from the present study. The discussion regarding trends in the arrivals and prices as well as seasonal indices of cotton and soybean, activities under taken and achievements made so far are briefly discussed in this chapter.

5.1 Trend in Arrivals and Prices of Cotton in Hinganghat. APMC

The trend in arrivals and prices of Cotton in Hinganghat, APMC shows that's the Arrivals of cotton is increasing from the year 2013-14 to 2017-18 with increasing the prices in the same year. The maximum arrivals is in the year 2017-18 i.e. 14,65,780 qtls and minimum in the year 2013-14 i.e. 1,45,760 qtls. The prices of cotton are maximum in the year 2021-22 which is given below in the Table No: 5.1.

Table 5.1: Trend in Arrivals and Prices of Cotton

| Sr. No | Years | Arrivals (in qtls) | Prices (Rs/ qtls) |
|---------------|--------------|-------------------------------|------------------------------|
| 1. | 2012-13 | 5,58,000 | 4325 |
| 2. | 2013-14 | 1,45,760 | 4467 |
| 3. | 2014-15 | 6,13,460 | 4250 |
| 4. | 2015-16 | 8,11,950 | 4300 |
| 5. | 2016-17 | 13,84,750 | 5000 |
| 6. | 2017-18 | 14,65,780 | 5300 |
| 7. | 2018-19 | 11,94,450 | 5500 |
| 8. | 2019-20 | 7,56,080 | 5220 |
| 9. | 2020-21 | 8,09,810 | 5550 |
| 10. | 2021-22 | 8,58,720 | 9020 |

5.1.1 Trend in Arrivals and Prices of Soybean in Hinganghat. APMC

The trend in arrivals and prices of Soybean in Hinganghat, APMC shows that's the Arrivals of soybean is increasing from the year 2013-14 to 2017-18 with fluctuation in the prices in the same years. The maximum arrivals is in the year 2017-18 i.e. 8,21,930 qtls and minimum in the year 2013-14 i.e. 3,04,480 qtls. The prices of Soybean is maximum in the year 2021-22 i.e. 6100 Rs/ qtls which is given below in the table No: 5.2

Table 5.2: Trend in Arrivals and Prices of Soybean

| Sr. No. | Years | Arrivals (in qtls) | Prices (Rs/qtls) |
|----------------|--------------|-------------------------------|-----------------------------|
| 1. | 2012-13 | 5,50,350 | 3320 |
| 2. | 2013-14 | 3,04,660 | 3500 |
| 3. | 2014-15 | 4,14,840 | 3400 |
| 4. | 2015-16 | 5,40,480 | 3500 |
| 5. | 2016-17 | 6,47,740 | 3050 |
| 6. | 2017-18 | 8,21,930 | 3300 |
| 7. | 2018-19 | 7,43,870 | 3200 |
| 8. | 2019-20 | 7,68,260 | 3400 |
| 9. | 2020-21 | 3,85,480 | 3575 |
| 10. | 2021-22 | 7,07,960 | 6100 |

5.1.2. Seasonal Indices of Arrivals and Prices of Selected Agricultural Commodities

Seasonal variation is periodic movement in business activity, which occur regularly every year and origin in the nature of itself. Since, these variations repeat during a period of 12 months they can be predicted fairly accurately. This is useful to understand the seasonal upward and downward swings in the arrivals and prices of selected commodities.

5.1.3. Seasonal Indices of Arrivals and Prices of Cotton and Soybean

Seasonal indices of arrivals and prices of Cotton and Soybean in APMC, Hinganghat were calculated for the year 2021-2022 and presented in Table given below.

Table 5.3: Seasonal Indices of Arrivals and Prices of Cotton and Soybean

| Sr. No. | Months (2021-22) | Cotton | | Soybean | |
|---------|---------------------|--------------------|---------------------|--------------------|---------------------|
| | | Arrivals (qtls) | Prices (Rs/qtls) | Arrivals (qtls) | Prices (Rs/qtls) |
| 1. | April | 50,770 | 5370 | 21,650 | 6200 |
| 2. | May | - | - | 14,090 | 6700 |
| 3. | June | - | - | 17,950 | 6400 |
| 4. | July | - | - | 7,080 | 7700 |
| 5. | August | - | - | 4,070 | 7810 |
| 6. | September | - | - | 8,320 | 7100 |
| 7. | October | 74,920 | 7700 | 19,850 | 4370 |
| 8. | November | 2,13,120 | 8100 | 2,200 | 5700 |
| 9. | December | 1,76,720 | 8000 | 92,510 | 6000 |
| 10. | January | 1,28,280 | 9370 | 77,090 | 5940 |
| 11. | February | 1,11,460 | 9080 | 69,390 | 6370 |
| 12. | March | 1,03,360 | 9020 | 56,740 | 7000 |

1) COTTON:

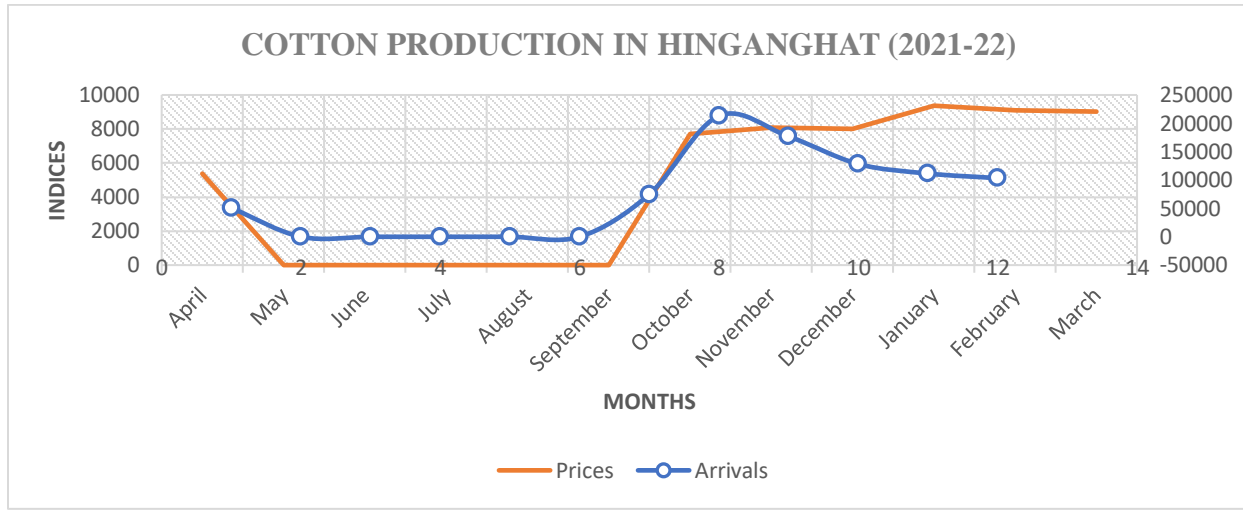


Fig. 1: Seasonal Indices of Arrivals and Prices of Cotton

It is revealed from the table that maximum indices of Cotton arrival was found in the month of November (2,13,120 qtls) and minimum arrivals index was noticed in the month of April (50,770 qtls). The seasonal indices regarding price revealed that the indices for price was fluctuate in very small scale. The highest indices of Cotton price were highest in the month of January (Rs. 9370) and lowest indices were in the month of April (Rs. 5370). The harvesting period of Cotton is generally October to February.

Due to harvesting period there were increase in indices arrival in these month of September and also indices for prices increased simultaneously in the months with little fluctuations. Arrivals of Cotton in the district are large owing to the produce also come from other district of Maharashtra.

2) SOYBEAN:

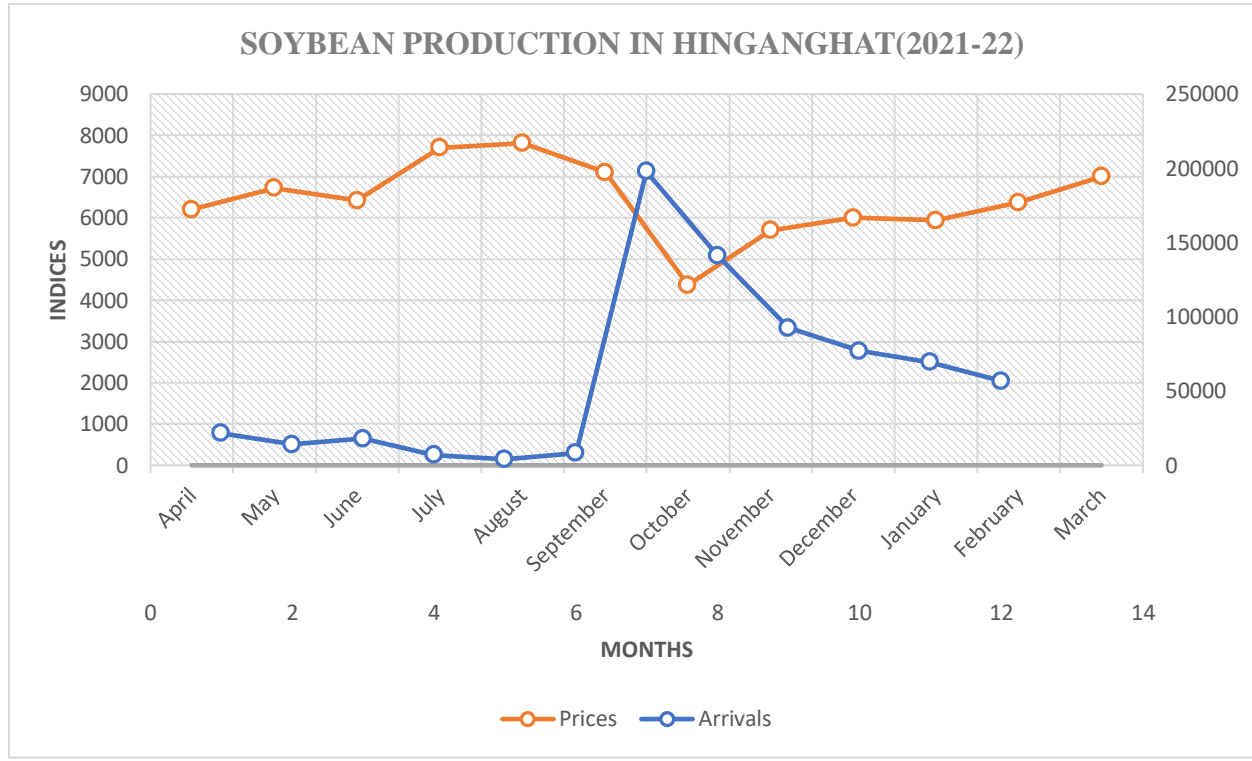


Fig. 2: Seasonal Indices of Arrivals and Prices of Soybean

The highest seasonal indices of Soybean arrivals were observed during the month of December (92,510 qtls) and lowest during the month of November (2,200). In case of prices, maximum price indices were noticed in the month of August (Rs.7810) and it was minimum in the month of October (Rs. 4370).The harvesting period of Soybean is generally in the month of October so there was more arrival and prices in this upcoming month. The seasonal indices of both the arrivals and prices of the moong crop are highest because there is greater demand of soybean in that season.

5.2 Marketing Channel

A market can successfully function only when there sellers to sell the commodity and buyers to buy the same and when they are assisted by a personnel which is required for completing the process of buying and selling. A transaction is said to be complete only when the buyer agrees to sell at price; the commodity, its weight, price and the market charges deducted there from is delivered to the seller and the cash due to seller is paid against the delivery of goods.

Agriculturists (i.e., the seller), though at liberty to sell their produce directly to the buyer (i.e. trader), generally employ an agent to act of sale requires some experience. These middlemen may be sellers or buyers, may be either commission agent i.e. adatyas or brokers i.e. dalals. Their main job is to study the need of buying trade, assemble goods and sort them, and regulate the flow of goods.

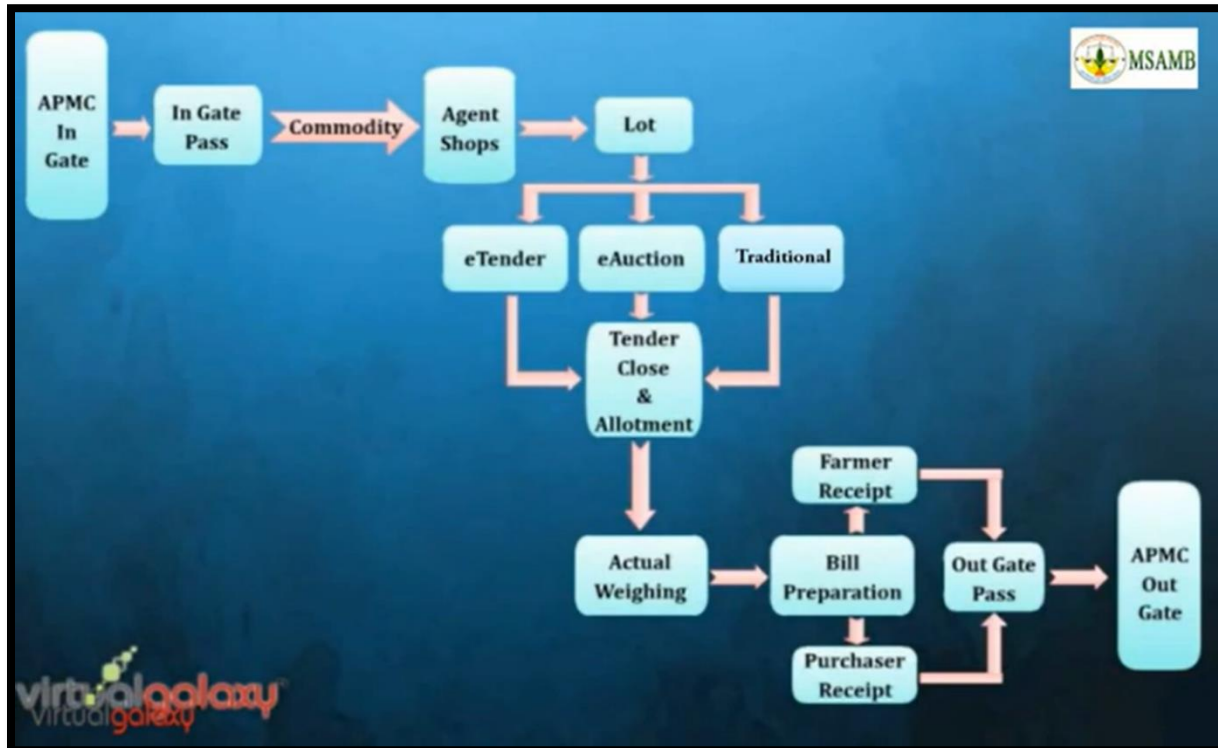


Fig. 3: Marketing Channel Process in APMC, Hinganghat

6. MAJOR FINDINGS

- 1) The commodities like Cotton and Soybean has large market in terms of arrivals also the commodities have reasonable rate. That's make the biggest market for cotton and soybean in the region because of arrivals from the other districts of Maharashtra
- 2) In the arrivals and prices of Cotton in Hinganghat, APMC shows that's the Arrivals of cotton is increasing from the year 2013-14 to 2017-18 with increasing the prices in the same year. The maximum arrivals is in the year 2017-18 i.e. 14,65,780 qtls and minimum in the year 2013-14 i.e. 1,45,760 qtls. The prices of cotton are maximum in the year 2021-22 i.e. Rs. 9200 maximum indices of Cotton arrival was found in the month of November (2,13,120 qtls) and minimum arrivals index was noticed in the month of April (50,770 qtls).

- 3) The trend in arrivals and prices of Soybean in Hinganghat, APMC shows that's the Arrivals of soybean is increasing from the year 2013-14 to 2017-18 with fluctuation in the prices in the same years. The maximum arrivals is in the year 2017-18 i.e. 8,21,930 qtls and minimum in the year 2013-14 i.e. 3,04,480 qtls. The prices of Soybean is maximum in the year 2021-22 i.e. 6100 Rs/ qtls. The highest seasonal indices of Soybean arrivals were observed during the month of December (92,510 qtls) and lowest during the month of November (2,200 qtls). In case of prices, maximum price indices were noticed in the month of August (Rs.7810)
- 4) The large numbers of farmers are benefited through the selling of food grain to NAFED, FCI, and also selling of cotton to CCI through the medium of APMC, Hinganghat. With that there is a successful implementation of Taran Yojana for farmer by APMC
- 5) The large numbers of traders are to found in the APMC market Yard with the large Capacity of Purchasing the food grain as well as large dealer which purchasing power and supply of 1-2 lakh quintals. Which makes the APMC largest in the Vidarbha region.
- 6) Arrivals of Cotton and Soybean in Last 3 Years (COVID Phase)

Table 6.1: Arrivals of Cotton in Last 3 years

| Year | Arrivals (qtl) |
|---|-----------------------|
| 2019-20 (Pre-Covid Phase) | 7,55,980 |
| 2020-21 (Covid Phase) | 9,43,850 |
| 2021-22 (Post-Covid Phase) | 8,58,630 |

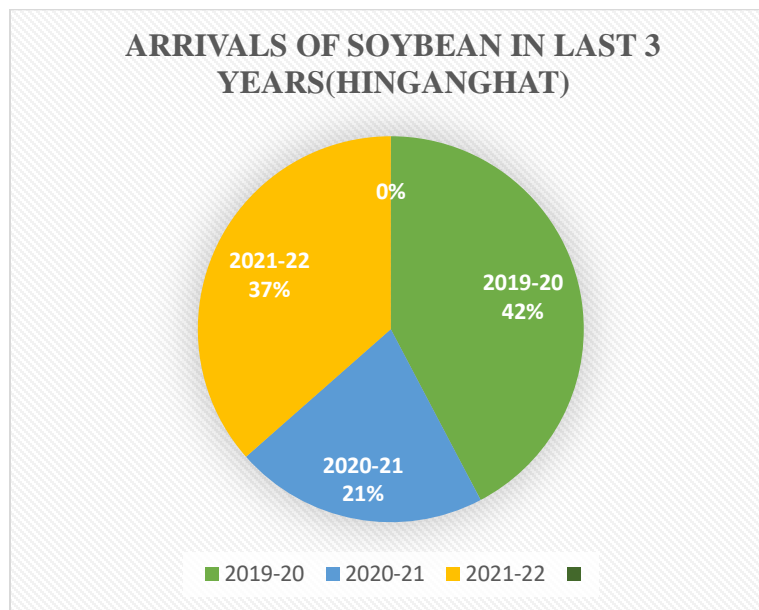


Fig. 4: Arrivals of Soybean in Last 3 years

The Arrivals of Cotton in the COVID Phase (2020-21) is More as compared to the Pre and Post Covid Phase i.e. 2019 & 2021 year respectively and the Arrivals of Soybean in the COVID Phase (2020-21) is less as compared to the Pre and Post Covid Phase i.e. 2019 & 2021 year respectively

7. CONCLUSION

- 1) APMC Hinganghat has increasing trend of arrivals of agri-commodities. This is due to the strategic allocation and importance of Hinganghat market. The market has huge sphere of activities and is efficient to handle huge arrivals of agri- commodities
- 2) The District as well as Tensile has significant area under Cotton, soybean and gram with the arrivals of Cotton and soybean is increasing in APMC Market due to the availability of more Ginning, Dal mills, oil mill owners may collect this produce from farmers in Market Yard .
- 3) The estimated future projections of arrivals for agricultural commodities traded in APMC, Hinganghat showed that there will be increase in arrivals of Cotton, Soybean and Gram. The officials of the APMC, Hinganghat must frame appropriate policies to cope with this increased arrival.
- 4) Also there is availability of e-NAM for the good quality of commodities for the product produce by the farmer i.e. Soybean and wheat e-auctions which gives fair prices to farmers according to testing of Quality standards of the commodities.

- 5) There is opportunities for the Traders, Oil Mills, Ginning's, Firms, Organizations to collect or purchase the food grains for the best quality for the further processing and International Exchange for generating the Income.
- 6) It was envisaged that the regulatory marketing structure would provide physical facilities and an institutional environment to farmers, traders, processors and other market functionaries for conduct of their trading activities and thereby offering best prices to the producer-seller. In this context, the role of APMCs is pivotal in promoting agricultural marketing.

REFERENCES

- [1] Anonymous, 2021. Maharashtra State Agricultural Marketing Board, Pune Annual Report, Year 2021-2022.
- [2] Anonymous, 2021. Ministry of Agriculture and Farmers Welfare, Govt. of India
- [3] Anonymous, 2020. NARP and DSAO, Wardha District report.
- [4] Anonymous (1999). Infrastructural facilities provided by the APMCs and their utilization Government of India.
- [5] Andhalkar, G. K., D.H. Ulemale., N.P. Tayde and S.U. Mokhale. 2010. Arrivals and Prices of major pulses in selected APMC in Amravati District. *International Research Journal of Agricultural Economics and Statistics*, 2(1):126
- [6] Agmarket Portal, Directorate of Marketing & Inspection (DMI), Ministry of Agriculture and Farmers Welfare, Government of India.
- [7] Dhende A.A (2019) Trend Analysis of Arrivals and Prices of selected Agricultural commodities in APMC, Sangli.M.sc Thesis of MPKV, Rahuri
- [8] MSAMB Portal, Pune by State Government of Maharashtra.
- [9] Naidu, G.M., 2014. Behaviour of market arrivals and prices of cotton. *BIOINFOLET - A Quarterly Journal of Life Sciences*, 11(4b): 1143- 1145.
- [10] www.msamb.com
- [11] www.agmarket.gov.in