
CHAPTER THREE

MARKET MANAGEMENT SYSTEMS IN SHREE SHAHU MARKET YARD, KOLHAPUR

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CHAPTER THREE

**MARKET MANAGEMENT SYSTEMS IN
SHREE SHAHU MARKET YARD,
KOLHAPUR**

3.1 Introduction.

Kolhapur district is well known for its sugarcane production, and especially for its production of quality jaggery. Kolhapur Gur (jaggery) is famous all over India. The production of quality jaggery is a result of the favourable climatic and geographical conditions. Kolhapur jaggery is especially famous for its taste, colour and longer storage life. The jaggery production centres are called 'Gurhals'.

Prior to 1895, there was no jaggery market at Kolhapur. The late Chhatrapati Shree Shahu Maharaj, the ruler of the erstwhile Kolhapur State, established a jaggery market at Kolhapur in the year 1895 by inviting the jaggery merchants from Gujarat, Madhya Pradesh, Konkan and Karnataka and by offering them all the facilities for successful conduct of their business.

For this purpose, the erstwhile State passed the Kolhapur Agricultural Produce Market Act in 1945 to safeguard the interests of the agriculturists. The Princely State was merged in the Bombay State in the year 1949; and the Market Yard established under an Act of the erstwhile State came under the purview of the Bombay Agricultural Produce Market Act of 1939. At present, the Maharashtra Agricultural Produce Marketing (Regulation) Act of 1963 is applicable to this market. The Kolhapur Agricultural Produce Market Committee celebrated its Silver Jubilee in the year 1971. Shree Shahu Market Yard is famous for its

jaggery all over India.

Besides jaggery, groundnut, onion, potato, fruits and vegetables are also sold in this market.

This market was established in the year 1945 and since then, it has worked for the welfare and the prosperity of the farmers in the area as well as of the society as a whole. Its role in the development of the economy of the surrounding area is as precious as that of a pinch of salt in a food preparation.

Kolhapur district comprises of 12 talukas. The jurisdictional area of the Kolhapur Agricultural Produce Market Committee is 6½ talukas. There are three other market committees operating in the district, viz. Vadgaon (for Hatkanangale taluka), Jaysingpur (for Shirol taluka) and Gadhinglaj (for Gadhinglaj, Chandgad and Ajra talukas). Compared to these three markets, Shree Shahu Market Yard is larger than them.

Total Regulated Markets in Kolhapur District

Sr. No.	Principal Market	Notified Area	Regulated Commodities	Sub Markets	Class
1.	Shree Shahu Market	6½ talukas	Jaggery, ground nut, grains, cattle, fruits & vegetables.	9	Super Class
2.	Wadgaon (Hatkanangale taluka)	1	Groundnuts, grains, jaggery cattles.	3	A Class
3.	Jaysingpur (Shirol taluka)	1	Groundnut, jaggery, chillies, cotton, paddy.	1	A Class
4.	Gadhinglaj	3½ talukas	Jaggery, ground-nut, paddy, chillies.	3	A Class
TOTAL:				16	

Since 25th May 1967, the Maharashtra Agricultural Produce Marketing (Regulation) Act of 1963 (hereinafter called 'the Market Act') and the rules framed thereunder have been made applicable to this market. The market is named as 'Shree Shahu Market Yard in honour and in the memory of the late Chhatrapati Shree Shahu Maharaj of Kolhapur State and its affairs are managed by the Kolhapur Agricultural Produce Market Committee, which has a statutory standing under the relevant governing statutes. Hence, in the succeeding paragraphs of this Dissertation, both the terms 'Shree Shahu Market Yard' and 'Kolhapur Agricultural Produce Market Committee' (market committee, for short) have been used synonymous to each other.

3.2 Composition and Constitution of the Market Committee:

The market committee consists of the following members, 16 of which have been elected to it from different constituencies as per the provisions of the Market Act. The composition of these members is as shown below:

TABLE NO.3.1
Constituency-wise Composition of the Market Committee Members.

Sr. No.	Name of the Constituency	No. of Members
1.	Agriculturists' Constituency:	
	a) Co-operative Societies' Constituency	7
	b) Gram Panchayat Constituency	<u>3</u> 10
2.	Traders Constituency	3
3.	Co-operative Marketing Societies Constituency	1
4.	Local Authority Constituency	
	a) Taluka Panchayat Samiti Representative	1
	b) Kolhapur Municipal Corporation Representative	<u>1</u> 2
5.	Government Nominees	
	a) Dist. Agri. Officer, Z.P., Kolhapur	1
	b) Dist. Dy. Registrar of Co-op. Socys. Kolhapur	<u>1</u> <u>2</u>
	Total:	18

Source: Short Note published by Market Committee, p.5.

The break-up of the representation given in Table no.3.1 shows that the market committee consists of 18 members selected/nominated from different constituencies/Government departments as per the bye-laws of the market committee.

This composition in the light of a percentage-wise break-up can be viewed as under:-

1.	Agricultural Cultivators	:	10	(55.56%)
2.	Traders	:	3	(16.67%)
3.	Co-operative Marketing Socys.	:	1	(5.55%)
4.	Local Authority	:	2	(11.11%)
5.	Government Nominees	:	<u>2</u>	<u>(11.11%)</u>
			18	(100.00%)

3.3 Sub-Committees:

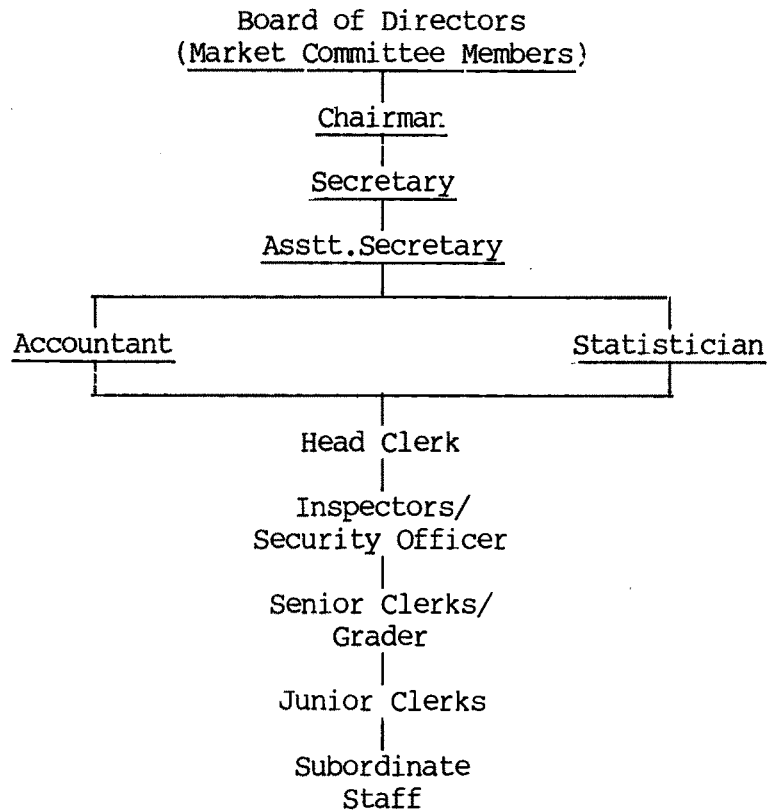
For distribution of responsibility and division of work, the market committee has appointed the following sub-committees, which aid in quick decision-making and time completion of work:

- | | |
|--------------------------|-------------------------------|
| 1) Licence Sub-Committee | 2) Auction Sub-Committee |
| 3) Grading Sub-Committee | 4) Weighment Sub-Committee |
| 5) Dispute Sub-Committee | 6) Construction Sub-Committee |
| 7) Staff Sub-Committee | 8) Regulation Sub-Committee |

3.4 Organization of the Market Committee.

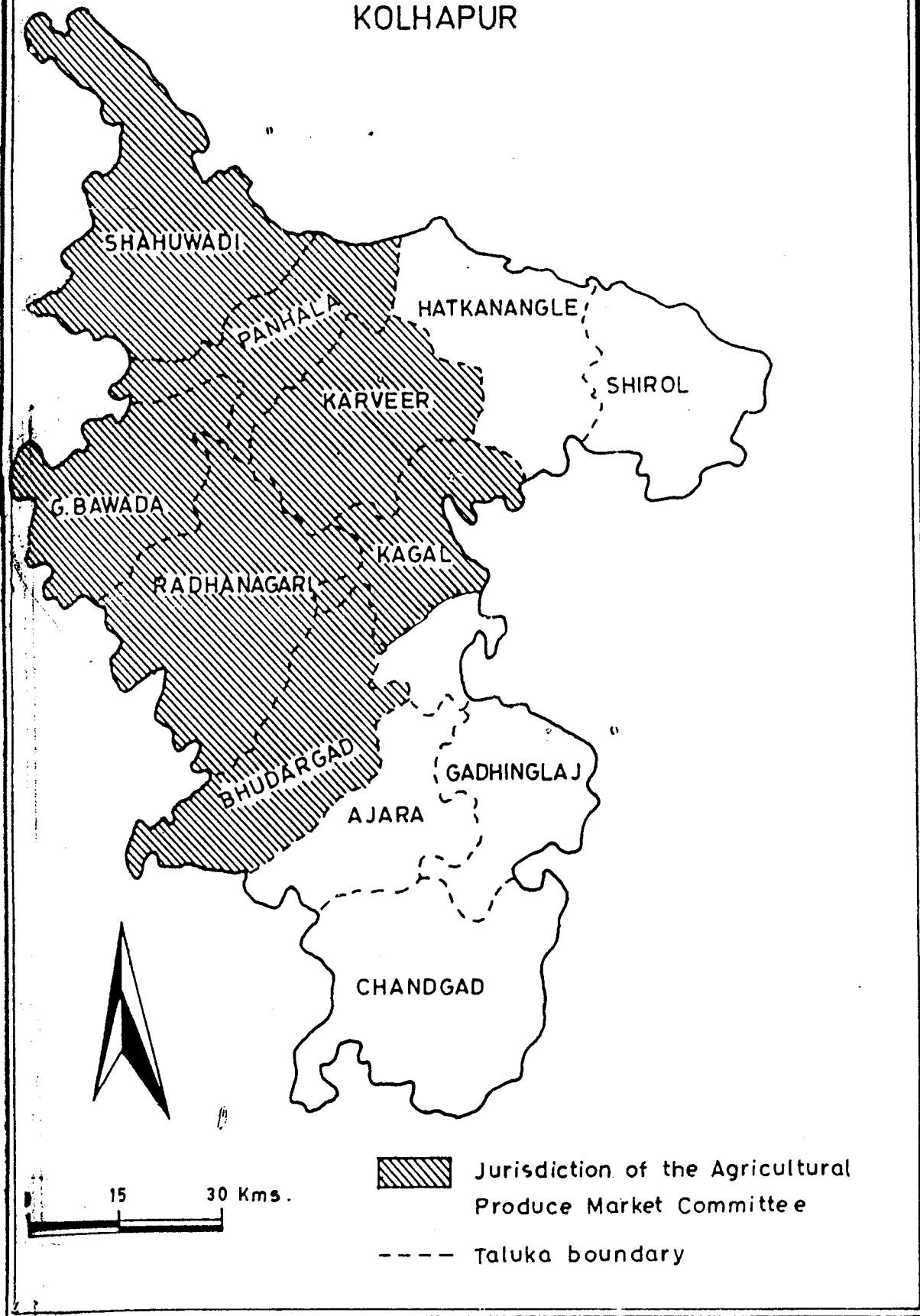
The following chart (on the next page) shows the administrative organization structure of the market committee:

Chart No.3.1



After studying the organization structure of the market committee as given in Chart no.3.1, it is seen that the 18 elected/nominated members of the market committee constitute the Board of Directors, which is headed by a Chairman elected from among themselves. One level below is the Secretary who looks after the day to day working of the market committee and implements the plans and policies and gives feedback on them to the Board of Directors through the Chairman. The Secretary is the head of the administrative staff. He is the real authority and wields the many statutory powers given him by the Market Act. After the Secretary, the administrative hierarchy continues downwards to the Asstt. Secretary (the post is presently unfilled) reporting to whom are the Accountant and the Statistician, both working as officers. The Secretary and these three officers are helped in the execution of their work by the inspectors, security officer, senior and junior clerks, grader and other sub-ordinate staff.

JURISDICTION OF THE AGRICULTURAL PRODUCE MARKET COMMITTEE KOLHAPUR



3.5 Jurisdiction of Shree Shahu Market Yard.

The jurisdiction of Shree Shahu Market Yard covers 726 villages in 6½ talukas, whose population is about 13,61,484, of Kolhapur district.

3.6 Notified Market Area of Shree Shahu Market Yard.

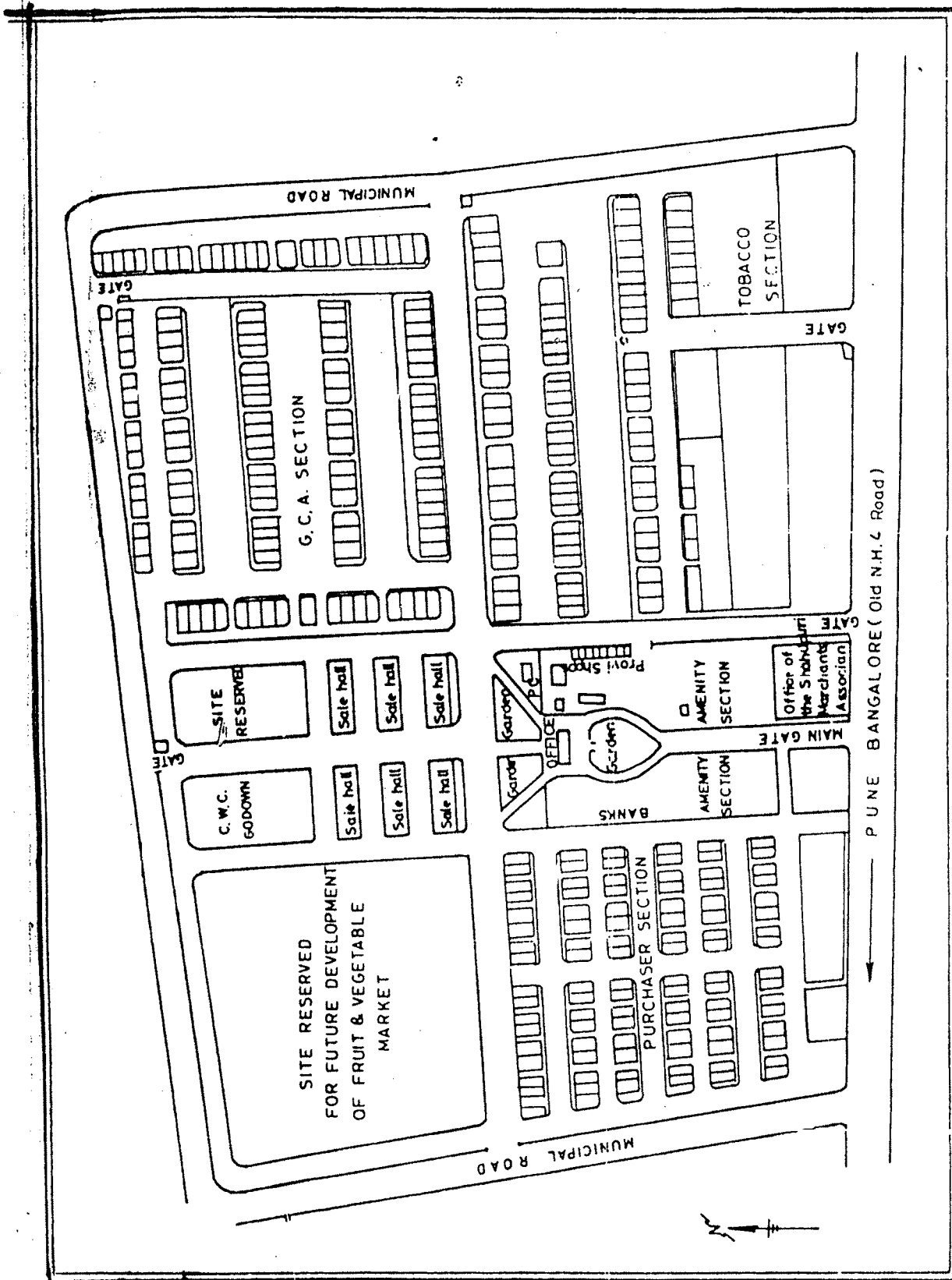
There are 12 talukas in Kolhapur district, out of which the jurisdiction of Shree Shahu Market Yard covers the following 6½ talukas:

- | | |
|-------------------|-----------------|
| 1. Karveer | 2. Radhanagari |
| 3. Bhudargad, | 4. Panhala |
| 5. Shahuwadi | 6. Gagan Bawada |
| 7. 43 villages of | Kagal Taluka. |

3.7 Principal Market:

Shree Shahu Market Yard is spread over an area of 48 hectares on the eastern outskirts of Kolhapur city. The market has been laid out and constructed in such manner so as to make it an ideal market in India. All the necessary facilities and amenities are being provided by the market committee to the farmers. Following is a list of the amenities provided at the market yard by the market committee from its own funds:

- | | |
|-------------------------------|-------------------------------|
| 1. Main Office Building | 2. Multipurpose Building |
| 3. Store Building | 4. Tobacco Godowns (10 units) |
| 5. Resthouse for labours | 6. Canteens (2 units) |
| 7. Watchman Chowkis (5 units) | 8. Police Chowki (1 unit) |
| 9. Bank Building | 10. Post Office Building |
| 11. Provision Shops (2 units) | 12. Compound wall (masonry) |



LAYOUT PLAN OF SHREE SHAHU MARKET YARD, KOLHAPUR.

- | | |
|----------------------------------|-------------------------------|
| 13. Manned Entrance Gates (6) | 14. Sanitary Blocks |
| 15. Cattle Shed | 16. Cattle trough |
| 17. Water Well | 18. Drinking water pipelines. |
| 19. Elevated Water tanks | 20. Roads (metal & asphalt) |
| 21. Garden | 22. Tree Plantation |
| 23. Shree Shahu Cultural Centre. | |

The other special amenities available at the market yard are as follows:

1. Special Railway Siding,
2. City Bus Service,
3. Petrol Pump,
4. Banking Facility,
5. Central Warehousing Corpn. (5 units)
6. Electricity
7. Block Development Seeds Godowns
8. Car Parking,
9. Telephone.

3.8 Sub-Market Yards.

The following Table shows the details of the sub-market yards established in the notified area by the market committee.

TABLE NO.3.2
Sub-Market Yards established by the Market Committee
in its notified area of 6½ talukas.

Sr. No.	Names of Sub-Markets	Date of Commencement of Functioning
1.	Malkapur Sub-Market, Malkapur, Tal.Shahuwadi	1.9.1960
2.	Laxmipuri, Shahupuri and Pharshi Grain Markets Kolhapur City.	19.9.1969
3.	Kagal Sub-Market (Cattle, Sheep & Goats) Kagal.	19.8.1977.
4.	Mahalaxmi Sub-Market (Vegetables) Kolhapur City	3.11.1978
5.	Laxmipuri Sub-Market (Fruits) Kolhapur City	3.11.1978
6.	Udyamnagar Sub-Market (Grass & Fodder) Kolhapur	30.11.1978
7.	Vashinaka Sub-Market (Grass & Fodder) Kolhapur City	30.11.1978
8.	Subhashnagar Sub-Market (Hides and Skins) Kolhapur City	30.11.1978
9.	Temblaiwadi Sub Market (Cattle, Sheep & Goat) Kolhapur City	-

Source: Short Note published by Market Committee, p.7.

Table no.3.3 shows that the market committee has established nine sub-markets; a majority (7) of which are located in the various parts of Kolhapur city itself, whereas only two sub-markets are located at Malkapur and Kagal. As the sub-markets are concentrated in the city area of Kolhapur, it is evident that there is a large scope for the establishment of sub-markets at many other convenient points in the notified area, particularly at the taluka headquarters.

3.9 Regulated Commodities.

The following Table lists the agricultural commodities presently regulated by the market committee.

TABLE NO.3.3
Commodities presently regulated by
the Market Committee.

Names of Commodities regulated	Date of Regulation
1. Jaggery, 2. Groundnuts (shelled & unshelled)	6.10.1945
1. Jowar, 2. Paddy (husked and unhusked), 3. Bajari, 4) Wheat]	
5. Tobacco, 6. Cotton (ginned and ungined), 7. Chillies,]	
8. Turmeric, 9. Gram, 10. Gram-dal, 11. Tur, 12. Tur-dal,]	13.6.1968
13. Udid, 14. Udid-dal, 15. Moog, 16. Moog-dal, 17. Masur,]	12.4.1982
18. Masur-dal, 19. Onion, 20. Peas, 21. Val, 22. Chola,]	
23. Kulthi, 24. Cattle, 25. Sheep and Goats.	
1. Fruits & Vegetables, 2. Grass & Fodder, 3. Hides & Skins.]	2.3.1978
Additional Fruits & Spices : Corriander, garlic, ginger and]	26.6.1980
Betal leaves.	

Source: Short Note published by Market Committee, p.6.

Table no.3.3 shows the commodities so far regulated in the market area. Mainly, the agricultural produce cultivated in the notified area of the market are brought under regulation. So far, this market has brought about 32 commodities within the ambit of regulation since its inception in 1945.

3.10 Annual Arrivals and Turnover.

Table no.3.4 (on the following page) shows the yearly arrivals of various commodities and its sub-section shows the arrivals of the same commodities through the co-operative societies. It also shows

TABLE NO.3.4

Total Arrivals and turnover of various commodities
at the Market Yard during 1987-88.

Sr. No.	Name of Commodity	Total Arrivals		Common Price Rs./quin.	Arrivals through Co-op. Societies	
		Quantity Quintals	Amount Rs.		Quantity Quintals	Amount Rs.
1.	Jaggery	5,97,380	25,26,90,630	400	1,55,054	6,55,47,040
2.	Groundnuts	19,393	1,48,86,560	770	7,167	55,00,965
3.	Tobacco	153	2,02,725	1,325	474	6,28,050
4.	Onion	2,56,210	4,75,48,280	190	-	-
5.	Potato	1,28,979	3,18,64,630	250	-	-
6.	Cattles (in nos)	60,604	2,86,18,949	4,000	-	-
7.	Sheep & Goats (in nos.)	27,386	22,44,685	400	-	-
8.	Fruits	41,305	1,22,58,048	-	-	-
9.	Vegetables	86,364	1,57,39,118	-	-	-
10.	Betal Leaves	12,563	46,20,278	-	-	-

Source: Records of Market Committee.

the ruling prices of these commodities and their annual turnover at Shree Shahu Market Yard. Jaggery, groundnut, onion and potato are the main commodities arriving at the market, the other commodities registering arrivals in minor quantities only. During the year 1987-88, the collective arrivals of all the commodities were 12 lakh quintals and the turnover was nearly Rs.43.0 crores. Arrivals of jaggery ranked at the top, followed by onion and potato at the second place; and fruits and vegetables and groundnuts sharing the third place.

3.11 Historical Review of Market Prices, Market Arrivals of Jaggery and Groundnuts in Shree Shahu Market Yard since 1952-53 to 1987-88.

Table no.3.5 indicates the overall picture of the historical review of prices and arrivals of jaggery and groundnut, the two main commodities, from the year 1952-53 to 1987-88.

TABLE NO.3.5
Historical Review of Market Prices and Market Arrivals of
Jaggery and Groundnuts since 1952-53 to 1987-88.

Year	Price of Jaggery (Rs./Quin)	Arrivals of Jaggery (Quintals)	Price of Groundnut (Rs./Quin)	Arrivals of Groundnut (Quintals)
1.	2.	3.	4.	5.
1952-53	17.50	16,26,837	NA	NA
1953-54	20.00	14,24,596	NA	2,51,121
1954-55	17.00	24,80,223	NA	2,58,466
1955-56	14.00	26,73,782	14.80	2,67,779
1956-57	15.13	24,68,553	14.60	2,83,162
1957-58	17.55	31,12,153	16.35	2,62,210
1958-59	23.30	20,10,699	18.30	1,70,585
1959-60	27.40	22,34,975	19.50	1,79,614
1960-61	27.40	22,34,975	19.50	1,79,614
1961-62	60.00	9,62,182	54.50	1,01,885
1962-63	74.45	10,23,163	53.15	1,15,771
1963-64	114.00	12,18,339	68.10	1,28,633
1964-65	112.60	13,00,935	83.05	1,05,710

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1.	2.	3.	4.	5.
1965-66	91.90	11,16,374	125.00	52,349
1966-67	154.84	10,53,978	149.15	67,002
1967-68	248.00	11,44,403	107.00	62,989
1968-69	182.00	16,34,257	124.00	84,386
1969-70	120.00	12,40,338	152.50	54,462
1970-71	142.00	12,41,954	152.60	59,791
1971-72	178.00	12,54,660	151.05	72,913
1972-73	217.00	10,53,533	233.95	72,113
1973-74	224.50	8,64,341	221.05	38,080
1974-75	228.50	10,96,607	246.50	62,070
1975-76	256.00	9,56,470	182.50	45,970
1976-77	235.00	9,58,258	289.00	47,961
1977-78	174.00	10,66,350	239.55	22,922
1978-79	215.00	8,93,275	255.97	37,321
1979-80	406.00	8,35,130	307.00	27,361
1980-81	315.50	8,58,862	378.50	21,819
1981-82	328.00	8,04,113	370.00	28,026
1982-83	340.50	6,95,162	461.00	32,972
1983-84	400.50	5,94,295	448.00	31,997
1984-85	438.00	7,51,463	555.00	29,286
1985-86	477.00	5,47,245	525.00	37,357
1986-87	422.00	5,59,729	790.00	24,766
1987-88	527.50	5,97,380	700.00	19,193

Source: Annual Reports of the Market Committee
for the relevant years.

It is seen from the above Table that the arrivals of these commodities have decreased but the prices and consequently, the turnover have increased year after year.

3.12 Arrivals of Jaggery and Groundnut and their Annual Turnover for the last ten years.

Table no.3.6 illustrates the arrivals and the turnover of the major commodities, i.e. jaggery and groundnut, at the market year for the last ten years.

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TABLE NO.3.6

Arrivals of Jaggery and Groundnuts and their
respective Annual Turnover for last ten years.

Sr. No.	Year	Jaggery		Groundnuts		Total Turnover		
		Arrivals (Lumps)	Weight (Quintals)	Arrivals (Lumps)	Weight (Quintals)			
1.	2.	3.	4.	5.	6.	7.	8.	9.
1.	1978-79	29,77,593	8,93,275	11,11,54,730	82,942	37,321	88,39,097	11,99,93,827
2.	1979-80	27,83,777	6,35,130	22,07,36,969	60,811	27,369	87,19,749	22,94,56,718
3.	1980-81	28,62,875	8,58,862	29,35,94,255	48,492	21,819	88,21,202	30,24,15,457
4.	1981-82	26,80,385	8,04,113	20,89,53,920	28,026	12,611	54,34,876	21,43,88,796
5.	1982-83	23,17,215	6,95,162	16,26,94,077	32,972	14,837	64,63,183	16,91,57,260
6.	1983-84	19,81,004	5,94,295	20,88,60,060	31,977	14,389	71,71,640	21,60,31,700
7.	1984-85	25,04,877	7,51,463	25,91,93,215	66,286	29,286	1,55,29,888	17,46,62,803
8.	1985-86	18,24,154	5,47,245	21,30,08,644	83,863	37,357	2,00,61,010	23,30,69,654
9.	1986-87	18,65,763	5,59,729	23,08,31,758	61,912	24,766	1,68,54,453	24,76,86,211
10.	1987-88	19,91,266	5,97,380	25,26,90,630	48,483	19,193	1,48,86,560	26,75,77,190

Source: Annual Report 1987-88 of Market Committee.

An examination of Table no.3.6 reveals that the arrivals of these two commodities, i.e.jaggery and groundnut, are decreasing year by year.

3.13 Market Functionaries.

The following table indicates the rates of licence fees for various functionaries and the total number of the licensed functionaries during the period from 1983-84 to 1987-88. These functionaries are required to take licences from the market committee by paying yearly fees and the licences have to be renewed annually.

TABLE NO.3.7
Market Functionaries working in Shree Shahu Market Yard

Sr. No.	Type of Functionary	Licence Fee Rs./year	Numbers				
			1983-84	1984-85	1985-86	1986-87	1987-88
1.	Commission Agents	100	767	887	986	532	911
2.	'A' Class Traders	100	131	138	138	129	192
3.	'B' Class Traders	50	5	24	11	13	12
	Cattle Traders	25	133	139	9	173	125
	Sheep/Goat Traders	10	17	53	57	62	41
4.	'C' Class Traders	15	25	167	367	317	111
5.	Cattle Brokers	25	-	-	155	-	-
6.	Processors	100	22	23	27	26	27
7.	Warehousemen	15	1	1	1	1	1
8.	Carting & Clearing Agents	25	73	73	74	34	20
9.	Weightmen	10	70	63	69	64	75
10.	Assistants	5	185	226	251	211	221
11.	Bullock Cart Drivers	4	33	60	67	67	45
12.	Coolies (Hamals)	3	382	503	587	582	428

Source: Annual Reports of Market Committee for relevant years.

The above Table shows the rates of functionary-wise licence fees and the number of functionaries from 1983-84 to 1987-88. The

maximum licence fee is Rs.100.00 and the minimum Rs.3.00. The licence fee is charged at the rate of Rs.100.00 to the commission agents, 'A' class traders and processors; Rs.50.00 to 'B' class traders, Rs.25.00 to the broker-traders of cattle and carting and clearing agents, Rs.15.00 for 'C' class traders and warehousemen, Rs.10.00 to traders and sheep and goat brokers and weightmen, Rs.5.00 to the assistants of the traders and commission agents, Rs.4.00 to the bullock cart drivers and Rs.3.00 to the coolies (Hamals); working in the market area.

3.14 Rates of Market Fees.

Market fee is not a tax but is charged by the market committee in consideration of the services rendered by it. The following table shows the rates of the market fee.

TABLE NO.3.8
Rates of Market Fees at Shree Shahu Market Yard

Sr. No.	Commodities	Basis of Market Fee	Rate
1.	Jaggery, Groundnut, Onion, Tobacco, Foodgrains.	Per Rs.100.00 Worth Produce	Re.0.75
2.	Cattle and Sheep & Goats	-do-	Re.1.00
3.	Fruits, Vegetables, Grass and Fodder, Hides and Skins	-do-	Re.0.50

Source: Records of the Market Committee.

Table no.3.8 illustrates that the market fee is not the same for all produce. As per bye-laws, the rate of market fee is maximum Re.1.00 and minimum Re.0.50. The rate of market fee in other States of Union is upto Rs.3.00.

3.15 Yearly Collection of Market Fees.

Collection of market fee is the main source of income for the market committee. A substantial part of the amount collected by way of market fees is used for further development of the market. Its collection is dependent upon the market arrivals and the rate of the market fee on individual commodities. The following Table shows the amounts collected by the market committee during the period from 1983-84 to 1987-88.

TABLE NO.3.9
Yearly Collection of the Market Fees
at Shree Shahu Market Yard.

Sr.No.	Year	Amount	Percent Increase
1.	1983-84	16,10,763.00	(Base=100)
2.	1984-85	18,116,167.00	113
3.	1985-86	16,76,337.00	104
4.	1986-87	22,14,168.00	137
5.	1987-88	31,11,152.00	193

Source: Annual Reports of the Market Committee for the relevant years.

Table no.3.9 shows that the collection of the market fee increased from year to year, except in 1985-86. The collection has nearly doubled in 1987-88 as compared to 1983-84, because of increase in the rate of the market fees. It clearly shows that there is a good improvement in the income of the market committee.

3.16 Market Charges.

The market committee has prescribed only the minimum market charges and thus has reduced the cost of marketing. The market committee does not charge the farmers directly, but the farmers pay these charges to the commission agents and other functionaries. The following

table indicates the market charges paid by the farmers for availing the services being rendered by the functionaries as per the rules and regulations under the Market Act.

TABLE 3.10
Market Charges paid by the Farmers in
Shree Shahu Market Yard, Kolhapur

Sr. No.	Name of Commodity	Commission Charges	Weighment Charges	Hamali Charges
1.	Jaggery	Rs.2.50/ Rs.100.00	19 Paise/lump (30 kgs)	30 Paise/lump (30 kgs)
2.	Groundnut	Rs.2.50/ Rs.100.00	26 Paise/bag (40 kgs)	40 Paise/bag (40 kgs)
3.	Grains and Pulses	Rs.2.00/ Rs.100.00	55 Paise/quintal	80 Paise/quintal
4.	Onion	Rs.3.50/ Rs.100.00	55 Paise/quintal	80 Paise/quintal
5.	Potato, Garlic, Ginger, Bananas, Sweet Potatoes, Betal Leaves.	Rs.5.00/ Rs.100.00	55 Paise/quintal	80 Paise/quintal
6.	Fruits and other Vegetables	Rs.6.00/ Rs.100.00	50 Paise/quintal	80 Paise/quintal
7.	Grass and Fodder	Rs.2.00/ Rs.100.00	50 Paise/1000 nos.	30 Paise/1000 nos.
8.	Hides and Skins	Rs.2.00/	5 Paise/piece	25 Paise/piece

Source: Records of the Market Committee.

3.17 Units of Measurements of Commodities.

Different commodities have different units of measurements as these commodities differ from each other in their nature, quality, physical size and price. Hence, for the purpose of quantification, each commodity has to have a distinct unit of measurement acceptable to common consensus. The following Table (on the next page) shows the different units of measurement used for the various commodities at Shree Shahu Market Yard, Kolhapur.

TABLE NO.3.11
Units of Measurements for Various Commodities
at Shree Shahu Market Yard, Kolhapur.

Sr. No.	Names of Commodities	Units of Measurement
1.	Jaggery, Groundnuts, Bajra, Wheat, Gram, etc.	Quintal
2.	Onion, Potato, Sweet Potato, Ginger, Garlic.	10 kgs.
3.	Cattle, Sheep and Goats	Numbers.
4.	Fruits, Tomatoes	Dozen, 1 kg.
5.	Vegetables.	1 Rupee, 1 kg.
6.	Grass Fodder	100 Bundles.
7.	Hides and Skins	1 kg.
8.	Betal leaves	1 Dag.

Source: Records of the Market Committee.

Table No.3.11 shows different units of measurement used by the market committee for different commodities. Jaggery, groundnut, jowar and wheat are measured in quintals (100 kgs.), onion and potatoes in 10 kgs., fruits in dozens and numbers, vegetables in per Rupee or in kilograms. Uniformity in measuring a specific commodity and an authorisation for the use of that particular unit are necessary for the smooth conduct of business and for arriving at the mutually acceptable financial consideration. The use of the units of measurement as stated in Table no. 3.9 has been authorised by the market committee.

3.18 System of Sale.

In Shree Shahu Market Yard, all the commodities are sold and bought in an open auction, as it is mandatory under the Market Act. The open auction sale system offers a highest price for his goods to the producer-farmer, as there is no question of cheating. Open auction

sale are held at the market yard throughout the week, except on Sunday, between 8.30 AM to 1.00 PM.

3.19 Weighment System.

'Correct weighment' is the prime principle adopted under the Market Act. In Shree Shahu Market Yard, metric system of weights and measures are used for all the regulated commodities since 1967. All weightments are carried out in the precincts of the market yard at the commission agents' shops. There are 60 licensed weightmen working in Shree Shahu Market Yard.

3.20 Grading System.

The Government of Maharashtra has established a grading unit for various commodities in the market yard in the year 1962-63. Grading is done by a trained and qualified grader from the office of the District Deputy Registrar of Co-operative Societies, Kolhapur, who is attached to the market committee office. There are two benefits of the grading system, viz. quick sale and fair prices.

3.21 Payment for Goods Sold.

The Market Act stipulates that the payment for the goods sold at a regulated market should be made within 24 hours after weighment. This stipulation, however, is difficult to adhere to in practice. It is observed that the commission agents make the payment for the goods sold within about 15 days. The market committee has found a solution to the problem of delay in payment and has started a 'clearing house scheme' with the help of the Merchants' Association. Under this scheme, the purchaser of goods gives a bank cheque made out to the commi-

ssion agent from whom the goods have been purchased to a specially set up clearing house, against which the commission agent receives a cheque from the clearing house, and, in turn, releases the payment to the producer-seller. This scheme has reduced the delay in payment for the goods sold by the producer-seller.

3.22 Market Intelligence System.

Market intelligence system has assumed a great importance with the advancement of marketing and economics, and has become indispensable in the sphere of trade and commerce. Its importance in the market cannot be underrated as it keeps the parties involved aware of the necessary information. Without adequate and proper information, no marketing system is of any use. The Government of India has introduced an integrated scheme of market intelligence since 1957. Under this scheme, Shree Shahu Market Yard has been selected for daily reporting of arrivals and prices of various commodities by express telegrams to a central information processing cell at New Delhi, so that such information could be broadcast over Delhi and Bombay Stations of All India Radio. The market committee also furnishes weekly, fortnightly and monthly statistical returns to the various concerned offices of the State and Central Government. Under reciprocal arrangements, daily and weekly market news reports are displayed on the notice boards in the market yard and also sent to the local and regional newspapers for publication. Occasionally, pamphlets are published by the market committee to propagandise the benefits of regulated markets and imploring the farmers to bring dry, clean and unadulterated agricultural produce to the market.

3.23 Storage Accomodation.

Good and adequate storage accomodation is a prime necessity of a market yard to protect the arrived commodities from the varagies of nature and pilferage. The following Table shows the number, size and capacity of the godowns owned by various parties in the market yard premises.

TABLE NO.3.12
Storage Accomodation available at
Shree Shahu Market Yard, Kolhapur.

Sr. No.	Name of Godown-owner	No. of Godowns	Size	Capacity in M.tons.
1.	Kolhapur Agricultural Produce Market Committe.	10	31 x 65 ft.	2,500
		10	30 x 40 ft.	1,500
2.	Central Warehousing Corporation	3	65 x192 ft.	7,500
		2	70 x210 ft.	6,000
3.	Private Traders	175	30 x 70 ft.	51,084
			34 x 90 ft.	
			40 x 70 ft.	
			50 x 70 ft.	
4.	Co-operatives	50	65 x192 ft.	18,613
			34 x 90 ft.	
			40 x 50 ft.	
			105 x120 ft.	
			60 x120 ft.	
Total:		250		87,197

Table 3.12 shows that the number of godowns owned by the private parties are far in excess of those held by the market committee, Central Warehousing Corporation and the co-operative societies combined. Godowns are also held by different co-operative societies through their Adat (commission agency) sections functioning in the market yard premises. The market committee provides storage facilities in its own godowns to the farmers and traders. Godown registration is also compulsory for commission agents and traders and has to be renewed from year to year.

3.24 Role of Co-operative Marketing Societies.

There are 24 co-operative marketing societies operating in the market yard premises. These function mainly as commission agents and not as traders. Their performance in this field is satisfactory, as can be seen from the from the following Table.

TABLE NO.3.13

Arrivals of Jaggery and Groundnuts through
Co-operative Marketing Societies

Sr. No.	Year	Arrivals		Estimated Value of Arrivals	%age to Total Turnover
		in Lumps	in Quintals		
Rs.					
Jaggery.					
1.	1983-84	6,62,260	1,99,033	6,90,41,007	34.43
2.	1984-85	8,22,113	2,46,634	8,56,64,625	32.83
3.	1985-86	5,83,738	1,75,039	6,77,43,890	31.98
4.	1986-87	5,47,066	1,64,119	6,78,38,297	29.32
5.	1987-88	5,21,926	1,56,578	6,64,53,410	26.21
Groundnuts.					
1.	1983-84	2,501	1,126	5,66,088	7.82
2.	1984-85	7,222	3,245	15,77,803	10.87
3.	1985-86	12,141	5,416	29,73,570	14.50
4.	1986-87	15,894	6,318	43,62,585	25.67
5.	1987-88	17,993	7,197	55,47,325	37.11

Source: Records of the Market Committee.

Table no.3.13 indicates the percentages of the quantities of jaggery and groundnut handled by the co-operative societies during last five years. Out of the total turnover of Shree Shahu Market Yard, Kolhapur. It is seen that whereas there was about 8% reduction in the market arrivals of jaggery during the period from 1983-84 to 1987-88 (down from 34.41% to 26.21%), there has been an increase of about 30% in the market arrivals of groundnuts during the same period (up from 7.82% to 37.11%).

3.25 Government Subsidies.

The market committee had received certain subsidies from the Government for the establishment of its (3) three sub-market yards as shown in the following Table.

TABLE NO.3.14
Subsidies received from the Government.

Sr. No.	Name of the Market	Scheme under which subsidy is granted.	Amount
			Rs.in Lakhs
1.	Malkapur Sub-Market Yard, Malkapur.	Small Farmers Development Assistance.	1.00
2.	Kagal Sub-Market Yard, Kagal.	Development of Rural Markets.	1.50
3.	New Fruits & Vegetable Market, Kolhapur.	Development of Fruits & Vegetables Market.	15.00

Table no.3.14 gives the details of the amounts of government subsidies received by the market committee for the developmental work, i.e. establishment of new sub-markets. Out of the total subsidy of Rs.17.50 Lakhs received, an amount of Rs.15.00 lakhs was expended on the Fruits and Vegetables Market at Kolhapur; and the amounts of Rs.1.50 lakhs and Rs.1.0 lakh on the development of Kagal and Malkapur sub-markets, respectively.

3.26 Administrative Staff.

The necessary staff for the satisfactory and smooth running of the activities of the Market Yard is appointed by the Market Committee, as per the staff recruitment rules approved by the Directorate of Marketing, Maharashtra State, Pune. The present staff strength of the market committee is 87 (eightyseven).

3.27 Departmental Set-up.

In Maharashtra, the Market Committees are attached to the Department of Co-operation of the State Government. The Director of Marketing, Maharashtra State, Pune, is the Departmental Head, while the District-head is the District Deputy Registrar of Co-operative Societies. Recently, a State Marketing Board has been constituted by the Government of Maharashtra.

3.28 Supervision Costs.

According to the rules framed by the State Government, the market committee recovers an amount of 5 paise per every Rs.100/- purchase value as supervision costs from the purchasers and pays the amount so recovered to the State Government.

3.29 Banking and Credit Facilities.

Banking and credit facilities are regarded as the blood-veins of commerce and trade. In Kolhapur city, there are about 40 Banks, helping in the development of trade and commerce. In Shree Shahu Market Yard, 8 Banks, including the State Bank of India, provide both short-term and long-term agricultural credits. In the villages, co-operative societies provide crop loans to the agriculturists. The agriculturists also borrow money from the commission agents against the lien of the produce to be brought to the market for sale. The Banks situated in the market premises provide credit facilities to the commission agents and traders also.

3.30 Transport.

Kolhapur city is situated on National Highway no.4,

connecting Poona and Bangalore; and also is connected by a network of roads and a railway line to distant commercial centres. There is a special goods railhead adjacent to Shree Shahu Market Yard. Jaggery lumps are regularly despatched from this railhead to various places in Gujarat, Saurashtra, etc. Jaggery lumps and other commodities are also despatched by motor lorries to Gujarat, eastern Maharashtra, Goa, Konkan and Karnataka. The means of transport used for bringing the produce to the market yard are bullock carts, motor-trucks, tractor-trolleys and light commercial vehicles.

3.31 Government and Bank Loans.

There are no government loans extended to the market committee at present. Previously, however, the market committee had taken a loan of Rs.10.0 lakhs from the State Government in the year 1955-56, which was repaid in the year 1971-72. This loan was availed for the construction of a new Principal Market Yard at Kolhapur.

At present, the market committee has taken a loan of Rs.20.0 lakhs from the Maharashtra State Co-operative Agricultural and Rural Development Bank, Bombay, Branch, Kolhapur, for the construction of a fruit and vegetable market. This market is being constructed in the yard premises itself.

3.32 Cost of Marketing.

The cost of marketing consists of various charges paid by the farmers to the traders on account of commission, Hamali, weighment, etc. Table 3.6 gives the details of the cost of marketing of agricultural commodities. Prior to the establishment of regulated markets, traders resorted to various arbitrary deductions such as Dharmadaya, Goshala, etc.

Such deductions are strictly prohibited since the establishment of the regulated markets.

3.33 Income and Expenditure.

The main sources of income for the market committee are the collection of licence fee, market fee, gate-pass fee, godown fee; other sources of income being building rent, auction of grass growing in the yard premises during monsoon, interest on bank deposits, etc. The main expenditure of the market committee is on developmental work yard, followed by the salaries of the employees.

Table on following page shows the particulars of income and expenditure of the market committee for the last ten years. It is seen that both its income and expenditure have increased in these ten years. As of year 1987-88, the annual income of the market committee was Rs.45.00 lakhs and the expenditure was Rs.29.00 lakhs, leaving a balance of Rs.16.00 lakhs.

3.34 Recovery of Loans of Co-operative Societies.

The Government of Maharashtra has authorised the market committee to recover the village and other co-operative societies' loans from the amounts payable to the producer-sellers to the extent of 40% of the bill amount. The market committee faithfully recovers these loans and sends the money so collected to the respective co-operative societies through the Kolhapur District Central Co-operative Bank Limited. Due to such concerted efforts, the percentage of co-operative loans recovery of Kolhapur district is highest in Maharashtra.

3.35 Shree Shahu Cultural Centre.

In memory of and gratitude to Chh.Shree Shahu Maharaj

TABLE NO.3.15

Income, Expenditure and Balance of Market Committee for last 10 years.

Year	INCOME				EXPENDITURE			BALANCE
	Licence Fee	Market Fee	Other Collection	Total	Establishment	Other Expenses	Total	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1978-79	1,15,583	8,80,684	4,14,563	14,10,830	3,98,447	2,83,630	6,82,077	7,28,754
1979-80	1,35,315	14,85,082	2,78,318	18,98,716	4,69,165	4,06,420	8,75,585	10,23,131
1980-81	1,54,490	20,68,886	3,92,808	26,16,184	5,60,540	4,33,056	9,93,596	16,22,588
1981-82	1,47,116	14,59,814	4,77,630	20,84,560	6,34,513	2,86,366	9,20,878	1,16,368
1982-83	1,41,357	12,97,623	5,00,315	19,39,195	8,05,055	4,13,218	12,18,273	7,21,023
1983-84	1,29,840	16,10,763	5,27,686	22,68,288	8,07,254	4,19,517	12,26,770	10,41,516
1984-85	1,33,591	18,16,167	11,78,982	31,28,741	10,41,648	6,73,972	17,15,620	14,13,121
1985-86	1,19,985	16,76,337	8,11,972	26,08,294	10,63,939	8,12,129	18,76,068	7,32,225
1986-87	1,24,190	22,14,168	14,38,094	37,76,451	11,35,867	10,92,635	22,28,502	15,47,949
1987-88	1,18,174	31,11,152	13,54,064	45,83,390	14,84,057	14,44,290	29,28,347	16,55,044

Source: Annual Reports of the Market Committee for the relevant years.

the visionary ruler of the erstwhile Princely State of Kolhapur, the market committee has erected his statue in the yard premises and also has constructed an imposing and attractive cultural centre building, which accommodates a wrestling arena and a gymnasium with training equipment and other facilities.

3.36 General Conclusions.

After completion of a detailed study of the various aspects of the administrative set-up of the market committee and its financial operations, etc., it can be concluded that the overall working of the Kolhapur Agricultural Produce Market Committee is satisfactory; although certain facilities like cattle-shed, auction-hall, etc. are lacking in the yard premises. These shortcomings can be made good step by step and in due time.

PROBLEMS.

1. Lack of Help from Local Municipal Authority.

Although the Kolhapur Municipal Corporation collects various taxes on the buildings in the yard premises and also charges octroi duty on the agricultural commodities arriving in the yard, it does not provide any facilities to the market yard in return. Every year, the market committee has to spend substantial funds on the construction and maintenance of roads, provision of drinking water and other facilities in the yard premises.

2. Inadequate Loan and Subsidy y Assistance from Government.

The Government had provided a loan of Rs.10.00 lakhs to the market committee in the year 1955-56, which has been repaid along

with interest in the year 1971-72. Since then, however, the Government has not extended any loan assistance to the market committee. The Government had given a subsidy of only Rs.17.50 lakhs to the market committee for the development of the main market yard, which provided to be a very meagre amount. At present, the market committee is unable to undertake any further developmental work without Government's substantial loan and subsidy assistance.

3. Inadequacy of Market Fees.

The government has authorised the market committee to collect the market fees at the rate of Re.1.00 per Rs.100.00 worth of sale. Large markets like Bombay and Pune collect the market fees of upto Re.1.00 per Rs.100.00 worth of sale; and in other States like Uttar Pradesh, the markets are allowed to collect the fees between Rs.2.00-3.00 per Rs.100.00 worth of sale. Considering the overall increase in the operating costs, it has become necessary that the market committee be allowed to collect the market fees on par with other markets, to ensure its better functioning and undertaking of further developmental work.

4. Inadequate Space for Fruit and Vegetable Market.

As the fruits and vegetables are perishable commodities, their wholesale markets should be nearer to the city, to save in transit time and avoid unnecessary handling. The market committee does have plans to develop such a market, but it does not have a suitable plot of land for locating it in or near Kolhapur city. The government can help the market committee in this behalf by allotting suitable space.

5. Recovery of Co-operative Society Loans.

The Government has entrusted the task of recovery of loans of the village co-operative societies to the market committee

since 1975. In fulfilling this assignment, the market committee retains upto 40% of sale proceeds payable to a producer-seller by the purchaser towards co-operative society loans' recovery. This practice, however, sometimes, tempts the farmer to dispose off his produce in some other manner than to bring the same to the market yard; especially when he is hard pressed for liquid cash and knows that the market committee would deduct upto 40% of the sale proceeds if the produce is sold at the market yard. The ultimate victim of the Government's directive, in this case, turns out to be the market committee, as it suffers a direct financial loss whenever a farmer sells his produce otherwise.

6. Inadequacy of Government Warehouses.

The warehouses constructed by the Central Warehousing Corporation in the yard premises are absolutely inadequate to meet the storage requirements of such a large market. Further, these warehouses are mainly used for storing the Government's own goods than those of the farmers.

7. Establishment of new Sub-Market Yards.

There is an urgent need to establish new sub-market yards in the notified area of the market, which is very large and also is spread over 6½ talukas of the district. At present, there are only two sub-market yards, one each at Malkapur and Kagal. Because of long distances and underdeveloped road network in the remote areas, the farmers are not always able to bring their produce to the market yard. Thus, it is very necessary that the Government grant its permission to establish new sub-market yards at suitable places in the notified area of the market.

8. Regulated Commodities.

There is a need to declare all the agricultural commodities produced in the notified area of this market as 'regulated commodities'.

9. Co-operative Marketing Societies.

There is a need to extend every possible assistance to the co-operative marketing societies functioning in the market yard, so that these societies would be able to play a more forceful and dominant role.

10. Purchases by Government.

As usual, during the peak season, there are huge arrivals of various commodities at the market yard. As a result, sometimes, the prices fall below the remunerative level. In such circumstances, it becomes imperative for various Government agencies to step in with measures like bulk government buying, support prices, etc., particularly for jaggery and groundnut, the two main commodities being dealt in, to ensure stable and good prices.