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CHAPTER 3

THE SIDDHESHWAR MARKET YARD

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CHAPTER 3

THE SIDDHESHWAR MARKET YARD

3.1 Agricultural Regulated Markets in Solapur District

Maharashtra State has four divisions for administrative purposes; they are - Bombay, Pune, Aurangabad and Nagpur. Solapur district is one of the six districts of Pune Division. Solapur district, situated on the south east fringe of the Maharashtra State, lies on the ridge in the Bhima and Sina basins and almost the whole of it is drained by either Bhima river or its tributaries. The district has an area of 15,057 sq. km. The area of Solapur district lies between latitudes 17 degrees to 19 degrees and longitudes 75 degrees to 77 degrees, on the Southern border of Maharashtra. It lies in the centre of a large plain 1,800 feet above mean sea level. It is surrounded by Gulbarga and Bijapur districts of the Karnataka State to the South and from Maharashtra State Sangli district to the South-West, Satara district to the West, Pune district to the North-West, Ahmednagar district to the North and Osmanabad district to the East. The district headquarter, is situated at a Solapur City.

The State government has established one market committee for each taluka. For this purpose North and South Solapur talukas have been treated as one unit so that there exist in all 10 market committees in the district. Except in case of Malshiras and Madha talukas respectively due to their importance as commercial centres. Details regarding the

establishment of these market committees and the sub-markets in each taluka are presented in Table No. 3.1.

Table No. 3.1
Agricultural Regulated Market Committees in Solapur

Sr. No.	Sub-Divisions	Date of establishment	Sub-market location
1	Solapur		
	1) Solapur	12.8.1959	-
	2) Barsi	1.1.1948	Vairag, Yedsi, Talwale
	3) Akkalkot	15.11.1951	Dudhani
2	Pandharpur		
	1) Pandharpur	1.7.1947	-
	2) Malshiras (Akluj)	2.3.1950	Natepute
	3) Sangola	25.7.1960	-
	4) Mangalwedha	19.5.1965	-
3	Madha		
	1) Madha (Kurduwadi)	1.5.1950	Madha, Modnimb, Tembhumi
	2) Karmala	1.1.1948	Jeur
	3) Mohol	29.12.1954	-

Source : Annual Report of the Agricultural Produce Market Committee, Solapur

It can be seen from Table No. 3.1 that in the whole of the district there are in all 9 sub-markets, Barsi and Kurduwadi Market Committees each claiming one-third of the number. It means that Solapur district has not made much head way in decentralizing the marketing activity through creation of market points which can be regularly supervised. Moreover, it seemed that, on the basis of the respective date of establishment of the Market Committee the order of seniority will be : Pandharpur, Barsi, Karmala, Akluj, Kurduwadi, Akkalkot, Mohol, Solapur, Sangola and Mangalwedha. It is to be particularly noted here that though Pandharpur

claims to be the oldest market committee, it lagged behind Barsi in making a headway in the regulation of market activities so that Barsi has come out to be the most developed market committee in the district.

3.2 The Siddheshwar Market Yard

Before the establishment of Siddheshwar Market Yard; Busar market of agricultural commodities was in Jodbhavi Peth and Mith Galli, Fruit and vegetable agricultural commodities market was in Kasturba Mandai and Rani Laxmibai Mandai. Cattle market was in Kanna Chowk. Moreover, Kadaba (fodder) market was in Balives, Bandanves. Agricultural producers were exploited in these markets. Therefore, it was felt to established Agricultural Regulated Market in Solapur City. Consequently Solapur Krushi Utppanna Bazar commonly known as Siddheshwar Market Yard was established in 1967. After that market yard areas had developed and all type of agricultural commodities market migrated in Siddheshwar Market Yard, Solapur. Cattle market was migrated from Khanna Chowk in 1969, Kadaba (fodder) market was shifted from Balives and Bandan Ves, Jodbhavi Peth and Mith Galli in 1972 and Fruit and Vegetable market was shifted from Kasturaba and Laxmi Market in 1987. Buying and selling business of all above regulated agricultural commodities are being conducted in the place of Shri Siddheshwar Market Yard, Solapur.

3.3 Composition of Market Committee

As per provisions of the Maharashtra Act, 1963, the executive body of the APMC consists of 18 representatives drawn from different constituencies as laid down by the Act and the Bye-laws. The details for APMC, Solapur are as in Table No. 3.2.

Table No. 3.2
Composition of the executive body of the APMC, Solapur

Sr. No.	Name of the Constituency	Number
1	Agriculturists	10
	a) Co-operative Societies	7
	b) Gram Panchayat Constituency	3
2	Traders	3
3	Co-operative Marketing Societies	1
4	Local Authority	2
	a) Taluka Panchayat Chairman	1
	b) Solapur Municipal Corporation Representative	2
5	Government nominees	2
	a) District Agricultural Officer, Z. P., Solapur	1
	b) District Deputy Registrar Co-operative Societies, Solapur	1
	Total	18

Source : Annual Report of the Agricultural Produce Market Committee, Solapur

The APMC thus, consists of representatives of agriculturists, traders, co-operative societies, local self-government and the State government. Care has been taken in the Act itself to see that majority of the members of the market committee are agriculturists.

3.3.1 Chairman of the Market Committee

Chairman in the executive head of the market committee. He provides leadership and shapes the development of the market yard. Normally, the persons prominent in public life try to assume this coveted position. Motives may be many. To gain leadership and thereby enhance one's image in public life may be the primary motive. Such people would like to 'hold on' to the position as long as possible, but may not put their head and heart into the development of the market. Continuation of such people for a long time into this high office, thus, causes a setback to the market development work. On the contrary, assuming the office even for one term by a really interested and dynamic personality helps in changing the face of the market of the APMC, Solapur, should be assessed.

3.3.2 Staff Position

Table No. 3.3
Staffing Pattern of the APMC, Solapur

Sr. No.	Category	Number
1	Secretary	1
2	Asstt. Secretary	1
3	Accountant	1
4	Supervisor	1
5	Si. C. Com. Sta. A.	1
6	Clerk	60
7	Grader	4
8	Peons	9
9	Others*	31
	Total Staff	109

* Others includes Watchman, Labourer, Drivers, Servear, Wireman, Mestri, Mali, Naik

Source : As per Table No. 3.2

As the scope and extent of the activities of the market committee widened with lapse of time, it recruited more persons to look after the routine work. Staff position can be seen from Table No. 3.3

With these additions, the APMC, Solapur had 109 persons on its staff looking after the principal yard and sub market yards.

3.4 Jurisdiction of Siddheshwar Market Yard

The APMC, Solapur has a very wide geographical coverage. It covers two talukas out of 11. It covers 9,69,000 population and 1931 Sq. Km. of North Solapur taluka and South Solapur taluka. It covers 1,87,800 hectare areas, out of 1.75,100 hectare cultivable area and 12,700 hectare is non-cultivable area. Irrigated area is 10,316 hectare. Details are given in Table No. 3.4

Table No. 3.4
Jurisdiction of Siddheshwar Market Yard, Solapur

Sr. No.	Particulars	North Solapur Tehsil	South Solapur Tehsil	Total
1	Population (Number)	783000	186000	969000
2	Area (Square K.M.)	736	1195	1931
3	Area(Hectares)	68300	119500	187800
4	Cultivable Area (Hectares)	63500	111600	175100
5	Non-cultivable Area (Hectares)	4800	7900	12700
6	Irrigated Area (Hectares)	3270	7046	10316

Source : Report of Agricultural Produce Market Committee, Solapur

Besides this market committee there are 9 others at Barshi, Akkalkot, Pandharpur, Malshiras, Sangola, Mangalwedha, Madha (Kurduwadi), Marmala, Mohol in Solapur district. But Solapur is the biggest one on the basis of area covered as also the volume of transactions.

3.5 Benefits of the Siddheshwar Market Yard

The objective behind the establishment of a regulated market is to establish orderly conditions in the agricultural markets and thereby create environment congenial to assurance of better returns to the producer-sellers of agricultural commodities. The producer is freed from the exploitation by the traders under free market conditions.

Siddheshwar Market Yard of Solapur has a history of 40 years. Over such a long span of time, the market yard has grown quite well. The APMC, Solapur has been able to provide adequate infrastructural facilities in Siddheshwar Market Yard and volume of transactions of agricultural produce has increased multifold. Hence, by an large, Siddheshwar Market Yard has come out as a well developed market yard. As such, it is worthwhile to take stock of the benefits it has conferred so far on the farmers and traders.

1) Benefits of Farmers

The market yard has provided a free and carefully supervised platform for conducting sale operations by the producers-sellers with their personal involvement in the operations. Various features have contributed to this vital change.

2) Open Auction of the Produce

The traditional system of sales under cover has been totally done away with, open auction system has taken its place. Farmers are present at the time the auction takes place and play their part in deciding whether the highest bid is to be accepted or not. Thus, they have become partners with traders in finalising the sale price of their produce.

It appears that even the traders have become completely used to this practice of open auction and have accordingly changed their methods of operation. They are now concerned on occasions with adoption of different strategies in the auction either independently or in collusion with a few other traders with an intention to get the lots at lower prices. Traders engaged in purchase and sale activity on their own particularly indulge in such activities; commission agents are normally less inclined. It is reported by the APMC authorities that generally in the auctions farmers' interests are well protected and the APMC is always aware of this.

3) Correct Weighment of the Consignment

Prior to market regulation, farmers were losers even in the process of weighing of their consignments as the Diwanjis of the private traders did the weighments and they always saw that the produce was underweighed. With market regulation the Diwanjis have been relieved from this work and it is entrusted to the licensed weighmen. Since the persons are not employed by any trader, no vested interest is developed in them in order to favour the trader at the cost of the farmer. The licensed weighmen, therefore, are careful in doing correct weighments of the

consignments. Moreover, as a check on them, the APMC has appointed inspectors who work as watchdogs. This arrangement has not only relieved the farmers of their losses in weighment but also created a confidence about just weighments under the eye of the representatives of the APMC.

4) Well Trimmed Market Practices

The APMC has streamlined the market practices by fixing the kind and quantum of deductions from the sale proceeds payable to the farmers by the traders. Traditionally prevailing undesirable deductions have been discontinued and thereby the farmers are able to get at least about 10% higher net income. Now, deductions borne by the sellers of the produce are few, moderate and reasonable. As a copy of the sale note is submitted by the trader to the APMC, the latter is able to know whether the norms of deductions are properly observed or not.

5) Prompt Payments

As per earlier practice, the farmer was seldom paid his due amount by the trader immediately. On conclusion of the transaction and delivery of the produce. He had to make frequent trips to the shops and receive the money in instalments. He thereby incurred expenses on bus fare and refreshments which was an inevitable cost he had to bear for collection of his sale proceeds. A relief from this torture has been provided by the APMC's insistence of immediate payment as an obligation on the traders. The APMC also ensures about it and promptly looks into the complaints in this behalf received from the sellers. As the traders also have a realisation about their obligation, they normally see that payments are

done quickly. In case the amount is big, they enter into tacit understanding with the seller regarding the time and instalments of payment for this suitable book entries in account books of the trader are made with mutual consent to comply with the APMC's rule of cash payment.

6) Settlement of Disputes

The APMC has taken all precautions to see that the sale and purchase transactions is carried through smoothly and no room is left for conflict on any account between the seller and the buyer. In spite of this, sometimes differences crop up and dispute arises. It is particularly regarding the quality of the consignment actually received and money payments to the sellers. In the history of Siddheshwar Market Yard, such occasions have not been very frequent. Moreover, whenever differences could not be bridged mutually the matter was taken to the APMC. It has a Disputes Committee established as per provisions of the Rules. The matter was referred to the Committee and its decision was accepted by the parties in conflict. Thus has maintained the confidence of the farmers in the effectiveness of the authority of the APMC in giving protection to them in the market.

7) Storage and Godown Facilities

In the age old system of marketing both the producer and trader suffered in various ways for want of adequate storage facilities. The producers could not wait for an expected price due to non availability in the market of proper storage facility and hence were compelled to sell their produce at the going market price. The traders, on the other hand,

faced the problem of spoilage and deterioration due to stacking of consignments in open space. In the market yard, private traders have provided their own storage accommodation. Besides this, Central Warehousing Corporation, Co-operative Marketing Societies have also established their own godowns. The farmers can make use of the godowns of the Warehousing Corporation particularly for the depositing their produce and get bank loans on the strength of the warehouse receipt till the market position improved.

Before the establishment of the market yard, the traders faced an acute shortage of storage facilities as their own premises were insufficient to store their purchases. Open stacking of goods led to considerable losses. This problem has been solved to a great extent by construction of godowns by the traders in the market yard on the plots provided at cheap rate by the APMC. Besides, godowns by the co-operative marketing societies, APMC, the Central Warehousing Corporation also have provided considerable space for storage. Availability of extensive storage facility has helped the traders to wait for some time and sell their stocks to the up country traders at the most opportune time.

8) Market Intelligence

Till the active functioning of the APMC, lack of market information was the most unsatisfactory feature of the agricultural market in Solapur. Dissemination of market information is an important responsibility of the APMC. It has been fulfilling this task quite satisfactorily details of daily arrivals, sales, stocks and prices of regulated commodities are displayed

in the office of the APMC. Solapur is a major jaggery market in the country. Therefore, daily information about this products arrivals, sales, stocks and prices gradewise is sent to the All India Radio for inclusion in daily broadcast of agricultural prices.

In addition such details for all the regulated commodities are sent regularly to the Deputy Director of Marketing, Government of Maharashtra. Apart from this, these details are published in local dailies too. Weekly trends are also indicated through the daily newspapers of this area. The farmers also have become regular visitors to the market yard and collect necessary market information through personal contacts with traders and officers of the APMC. As a sum total of the various ways in which market details are disseminated, producers of agricultural commodities now do not grope into dark, but are prone to take their decisions regarding the supply and price of their produce. The farmers have become alert, active and enlightened.

Market information also has made the traders better informed than before. Earlier, every trader adopted secrecy about his own purchases, sales, stocks and prices. Now all these facts become well known to all. The traders not only know the market rates and arrivals but also can have a broad scenario of the entire market. Their knowledge of the market now is first hand and broad based and as a result their market decisions are more realistic. They can view the market as an aggregate and make their micro level decisions. This is certainly a significant change in the marketing system itself.

9) Benefits to Traders

Traders also are deriving benefits from the market yard. Though market regulation is aimed primarily at conferring benefits on the producer-seller, it aims also at providing adequate infrastructure required for growth of agricultural marketing activity. Therefore, automatically even the traders also derive certain gains which otherwise were not available to them.

10) Conveniences of Transportation

Siddheshwar Market Yard has been located at a strategic place from transportation point of view. Arrivals of almost all the commodities in the yard are by road mostly. Location of the market yard has a good road link for the purpose as it is situated on the Bombay-Hydrabad National Highway No. 9, which is well served by the district roads and State Highways. Farmers use bullock carts, tractor trolleys and trucks to bring the produce from farm to the yard whereas the produce is sent out to up country places by the traders in truck loads. Therefore, road links to and from market yard play a significant role in carrying on trade and business activities in the yard. The road network closer to the yard has been an asset to the traders and farmers.

11) Incidental Benefits

Banking and insurance facilities are most vital for development of trade and business. Officers of banks and general insurance companies are located within the premise of the market yard. Traders have an easy

access to these institutions in close proximity of their trading premises. Moreover, their existence has helped them to conveniently utilise warehousing facility of the Central Warehouses in the market yard.

3.6 Regulated Agricultural Commodities

Establishment of Siddheshwar Market Yard was planned to provide a regulated market for trade in jawar, rice, wheat, jaggery, the principal agricultural produce of the area. But gradually the market yard facilities were extended to many other products like grains, groundnuts, onions, tobacco, sheep, chilies, vegetables, fruit, cattle, goats, etc. Consequently, with the same establishment in the yard, the traders can undertake business in one or more commodities; they can thus avoid cost multiplication due to separate establishments for different commodities in the absence of a single yard.

Of all the commodities traded in the market yard jaggery, rice, wheat, jawar, etc. are the most important. Among main commodities jaggery occupies major share. It is sent out in different parts of the country. Rail facility is more useful for this purpose. Jaggery and other exportable products, therefore, can be conveniently loaded in wagons and transported to the destinations in the country at the earliest.

Following is the list of agricultural commodities regulated in the market area of this market committee. So long as the Bombay Agricultural Produce Market Act, 1959 was applicable to Siddheshwar Market Yard, only 18 commodities, were regulated as they were the principal agricultural products of the market area. With the implementation of the Maharashtra

Agricultural Produce Market Act, 1964 additional one commodity (Kadaba) was covered for regulation effective from 2nd April 1964. In the 1965 three commodities were regulated. In 1966, seven commodities (cattle) were regulated. Since 1968, six commodities were regulated. Further since 1973 additional 13 commodities were covered for regulation effective from 18th Nov. 1976. In 1983, ten commodities were regulated. In 1986, eight agricultural commodities were regulated and 1992, one (all types of flowers) commodity was regulated.

Table No. 3.5
Regulated Agricultural Commodities

Sr. No.	Names of the Agricultural Commodities	Date of Regulation	No. of Agricultural Commodities
1	Pod, Groundnut, Tur, Karadi, Javas, Moong, Udid, Gram, Jawar, Wheat, Rice, Bajra, Jaggery, Chillie, Cotton, Sali, Jod, Rui	17.4.1961	18
2	Kadaba (Straw)	2.4.1965	1
3	Goat, Sheep, Buffalo, Cow, Ox, Horse	1.4.1966	7
4	Onion, Banana, Leaves	10.12.1965	3
5	Maize, Turmeric, Sezamum, Coriander, Mataki, Karal	1.10.68	6
6	Tomato, Potato, Lemon, Grapes, Sweet Potato, Mango, Guava, Chinch, Garlic, Water melon, Kalingade, Custard Apple, Vegetables and Fruits	18.11.1976	13
7	Varai, Sava, Chavali, Methi, Vatana, Ambadi, Arandi, Mohari, Chinchoka, Sunflower seed	16.10.1983	10
8	Sweet lime, Orange, Chikku, Papaya, Bor, Apple, Pomegranate, Ginger,	2.6.1986	10
9	All types of Flowers	7.5.1992	1
	Total		67

Source : Reports of Agricultural Produce Market Committee, Solapur

Thus, year after year the number of regulated commodities and therefore, administrative workload has increased. For the sake of convenience efficiency in operation the APMC has opened commodity sub-markets in Solapur city. Market complex in the principal market designed by the market planning and Design Centre, Government of India and FAO jointly has been undertaken and the work is in progress. But the development of foodgrains market is a huge task and the same is not undertaken yet.

3.7 Licence Fee/Working Charges/Market Fee and Other Charges

In order to keep effective control over the market activities, the functionaries are required to take licence from the APMC by paying stipulated licence fee for a period of one year; the licence has to be renewed annually. Rates of the licence fee, functionarywise, as were in force in 1998-99 in Siddheshwar Market Yard are specified in Table No. 3.6.

The functionaries have been divided into 15 categories as (1) Commission agents, (2) Traders 'A' Class and so on. Rate of licence fee is maximum Rs. 100 per annum and levied on commission agents, traders 'A' Class, Brokers and Processors. Class 'B' traders and oils traders 'A' Class paid Rs. 50 per annum. Coolies paid only Rs. 2 for female and Rs. 3 for male, the least charge. It is observed that the rates of licence fee on all the market functionaries as they exist today are very moderate and not at all burden some to anybody. The APMC has adhered to the economic principle of 'ability to pay' while levying these charges.

Table No. 3.6
Licence Fee payable by the market functionaries

Sr. No.	Types of Licence	Annual licence fee (Rs.)	Renewal fee (Rs.)
1	Commission Agents	100	90
2	Traders 'A' Class	100	90
3	Traders 'B' Class	50	45
4	Traders 'C' Class	25	20
5	Traders 'D' Class	10	9
6	Oil Traders 'A' Class	50	45
7	Oil Traders 'B' Class	25	20
8	Brokers	100	90
9	Carting and Clearing Agents	25	10
10	Processors	100	90
11	Warehousemen	15	14
12	Weighmen	10	9
13	Coolies (Male)	3	2
14	Coolies (Female)	2	1
15	Assistants	5	4

Source : Reports of Agricultural Produce Market Committee, Solapur

Working Charges

The APMC is authorised to fix the various market charges that need to be paid either by the seller or the buyer for the specific functions performed. The details are laid down in the law 10, Bye-law 23 of the APMC, Solapur. In fact, this is quite an important function of the APMC to serve its objective of creating orderly conditions in agricultural marketing. The APMC not only fixes them and revised at times as per need, but also exerts to see that they are scrupulously adhered to by the functionaries. Such charges are to be paid in the process of carrying on of trade and business and hence they are described as 'working charges'. Details in this

respect as are in force at present are presented in Table No. 3.7. The charges pertain to commission, market fee, entry fee, maintenance cost, weighment, coolie work, which are essential in the sale and purchase activities. They have been listed in respect of all regulated commodities in all their details. There is no ambiguity as to who should bear them. Both the sellers and buyers have full knowledge of their burden.

Table No. 3.7

Working Charges of APMC, Solapur

Sr. No.	Commodities	Rate (Rs.) sale proceeds per Rs. 100	To be recovered from
1	Cotton, Wheat, Rice, Paddy, Jawar, Bajra, Maize, Pigeonpea, Gram, Udid, Moong, Chavali, Pod, Groundnut, Seasum, Sunflower, Gur, Turmeric, Coriander, Fodder (Kadaba) Rui, Jod, Varai, Sava, Chillie, Mataki, Javas, Karadi, Ambadi, Arandi, Karal, Mohari, Methi, Chinchoka,	3.00	One who entrusts the work
2	Onion, Potato, Sweet Potato, Garlic, Chinch	5.00	
3	Tendu leaves, Banana	6.00	
4	Mango, Lemon, Grapes, Tomato, Sweet lime, Kalingade, (All types of fruits, Vegetables & Flowers) Papaya, Water melon, Custurd apple, Pomegranate, Chikku	8.00	

Source : Reports of Agricultural Produce Market Committee, Solapur

Table No. 3.8
Rates on Weighment/Measurement of Commodities

Sr. No.	Commodities	Unit	Rate (Rs.)	To be recovered from
1	Groundnut, Moong, Bajra, Jawar, Rice, Wheat, Tur, Gram, Udid, Maize, Turmeric, Seasm, Cotton, Chavali, Sunflower, Karadi, Sal, Karal, Javas, Matki, Rui, Varai, Methi, Sava, Vatana, Arandi, Chinchoka	Quintal	0.90	One who entrusts the work
2	Pod, Coriander, Chillies, Onion, Potato and Tur	Quintal	0.90	
3	Banana	10 Kg	0.20	
4	Tendu leaves (Measurement)	per 1000 nos.	0.20	
5	Guava, Green Chillie, Gavari, Brinjal, Lady finger, Tomato, Flowers	10 Kg.	0.20	
6	Grapes	per box	0.20	
7	Mango, Apple, Orange, Pomegranate	10 Dozen	0.45	
8	Watermelon	per 100 nos.	0.50	9
9	Flower	per 100 nos.	0.25	
10	All types of Vegetables	per 100 bundle	0.50	

Source : Reports of Agricultural Produce Market Committee, Solapur

Market Fee

As per Bye-laws of the APMC, market fee is fixed ad valorem at 80 paise per Rs. 100/-. For transactions of cattle the rate is Re. 1/- per Rs. 100/- value. For transactions of cotton (ginned/unginned) the rate is 70 paise per Rs. 100/- value. The current levy of market fee is charged by many other market committees in Maharashtra and the neighbouring State of Karnataka.

3.8 Conclusion

Siddheshwar Market Yard, which is the main organ of the APMC, Solapur has been pioneered by the visionary founding fathers who had faith in co-operative action. The personalities that held the key position of Chairman guided the destinies of the market committee in true spirit and saw that a well developed regulated market for agricultural commodities takes shape. The market has taken a good shape no doubt. Siddheshwar Market Yard has now attained the status of a key centre for important agricultural products of the region. The cause of concern, however, is that market arrivals of gur and groundnuts are depressing with time mainly because of new developments on production front. This commodity feature need not, however, depress anybody. Because, the market as a whole has shows sings of healthy development. this should be taken as a merit point.