

# **CHAPTER -IV**

***MARKETING METHODS,***

***MARKETING***

***ORGANISATION***

***&***

***ROLE OF APMC IN***

***LONAND MARKET***

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#### 4.1. INTRODUCTION

In Lonand market, co-operative marketing is an important system of marketing for agricultural produce. That's why it is very essential to study the working of this system. For the purpose of present study, in addition to onion grower's and marketing co-operatives consumers, contractors, wholesale dealers and commission agents, in onion marketing also constitutes as a major source of reference. so they are tried to contact and discussions were held with them in field survey of the market.

A) Brief History of the Lonand Market: The first general meeting of farmer s co-operative federation was held on 11 th of August 1961 at the office of Khandala Taluka Supervising union. This meeting was presided by Mr. Dadasaheb Jagtap and this federation came into existence.

The basic function of the federation is to help farmers to make available the market for their produce ands get better prices for their produce. Shivral was not suitable place for the office of the federation. Shirval though falls on the pune bangalore highway. Lonand is situated on the pune miraj railway line. Growers from Khandala Phaltan man Dahiwadi Purandar are bringing their produce in Lonand Market.

The Khandala Taluka co-operative marketing federation has started its actual functioning from 9 th Nov 1961.

In the onion production maharashtra is leading state , Government has also offered the guarantee price for onions taking into account the expenditure made on the produce. Unfortunately this scheme is not properly implemented . If this scheme is implemented properly the economical condition of the onion growers will be bettered.

This purpose was served when Lonand Agricultural Produce market committee was established under Bombay Agriculturteal Produce Market Act 1939 R.N. 29 477.

The Agro produce markets has been controlled by Govt. as per Agro Produce Market Act 1949. The Implementation of this act was extended to Phaltan and Khandala tehsils in 1951. From the begging upto 1958, the agro produces like jaawar, Bajara, wheat controlled in market but from 1960 onwards cotton, wool petrice, animal marketing were also controlled.

B) Market Yard: For the Lonand market yard 12.35 hectors of land worth Rs. 54,10,375/-near railway station S.N. No. 427 and 428 was acquired by Govt. Pune Pandharpur highway was passing by . This place is convenient as far as the transport facility is concern . A lay out plan was drawn for an ideal market yard. Now office, farmers rest house, checkpost, water tank, pipeline, protective wall etc. facilities have been provided.

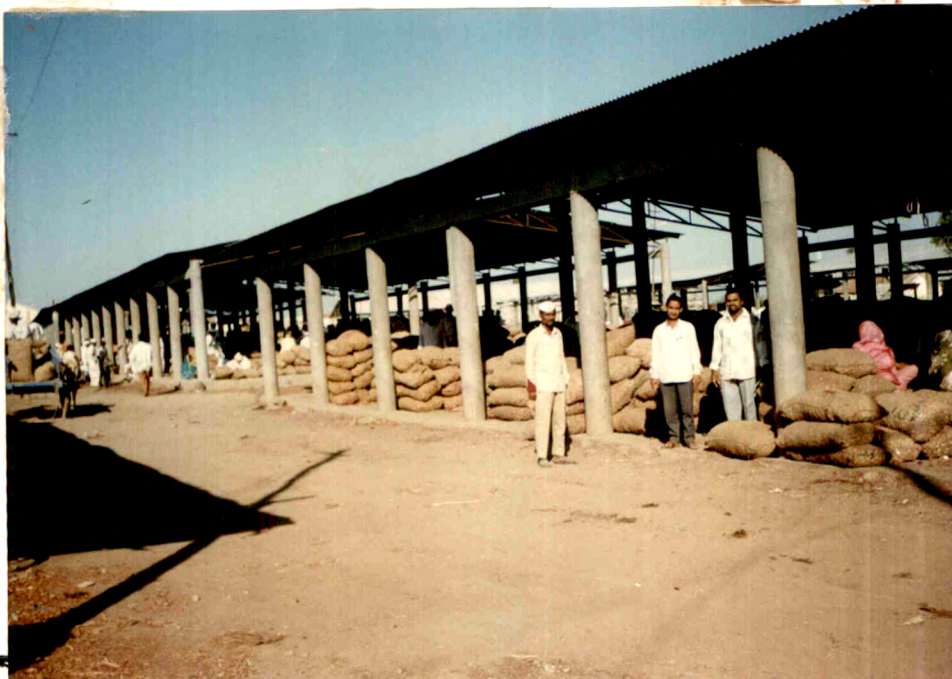
Now the activities of Lonand market committee have increased to such as extent that the present market yard is



← View of Market yard



Farmer's waiting their  
turn →



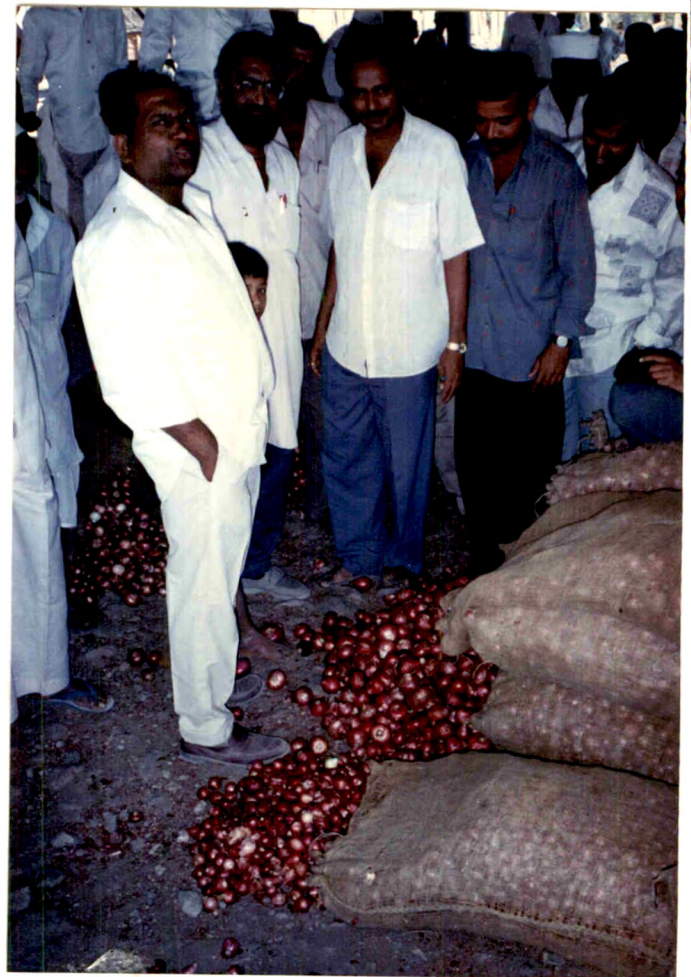
← APMC provided  
Sale Halls.





← Storage facilities are not adequate.

Onion should be graded according to size & colour →



← Representative of APMC bonded at the time of auction.



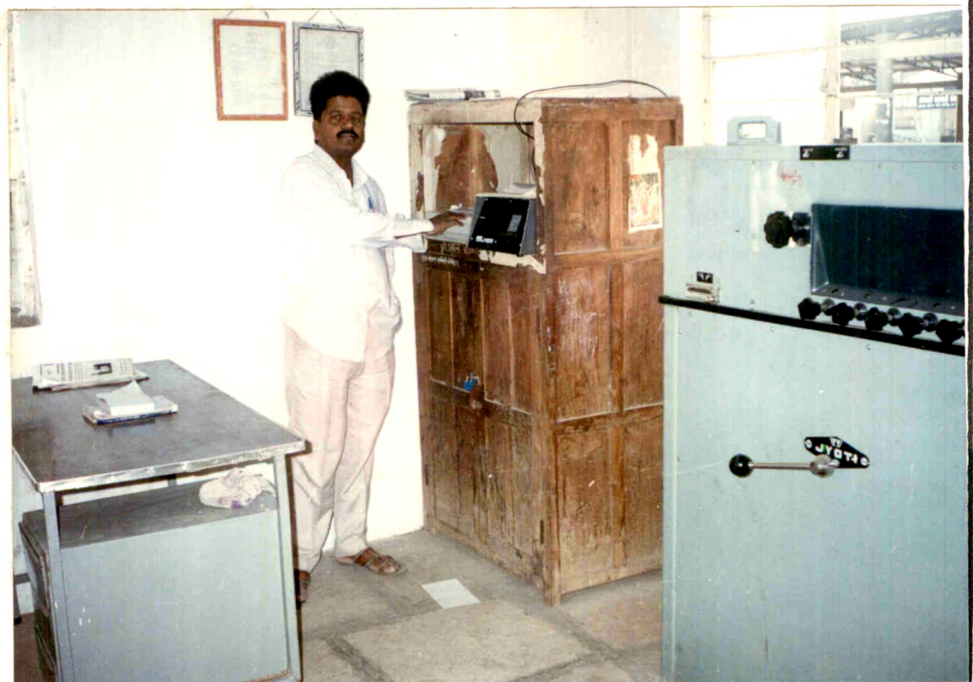


Weightment on

Weightbridge

Weighing is one of the important process  
in marketing of onion.

Trained personnel →



not sufficient so the committee has purchased additional two acres of land in 1989.

C) Sub Market: Lonand Market yard is the main market yard in this area but it is not convenient for the farmer from Shivral and Khandala. In 1971 Sub . market yards were formed for farmers at Khandala, shirval, Phaltan, tradgaon, ahire, dighi. Thursday is 'Bazaar day' at Lonand. Domestic animals and hay are brought and marketed on the following days

1. Onions:- Thursday
2. Cotton:- Tuesday and Saturday
3. Wool:- Saturday
4. General:- Thursday
5. Jaggery:- Monday to Saturday.

#### **4.2.MARKETING METHODS EXISTING IN LONAND MARKET**

I have observed three distinct methods of marketing of onions in Lonand market.

##### **Method - I**

Direct sale to consumer:- Onion growers are directly selling onions to the consumers in various villages. Generally small farmers adopt this method of course it is on retail basis.



## Method - II

Sale to co-operative:- Many growers selling directly to co-operative marketing federation . In large onion market one co-operative unit is working . In Lonand market ' Khanadal Taluka Kharedi Vikri Sangh' is taking part in Purchasing onions.

## Method III

### Sale through commission agents

Onion growers selling onions directly in wholesale market through commission agents. Here onion grower selling the onion to commission agents in the wholesale market . Commission agents are dealing on wholesale basis . I have orally interviewed about 50 farmers and got the following information.

Distribution of onion growers  
(According to system of sale)

Sr. No	Name of the Channel	No of growers	% of total of growers
1.	Direct sale to consumer	5	10
2.	Sales through co-operatives	8	15
3.	Sales through commission Agents	35	70
4.	Sales through pre-harvest contract	2	5
Total		50	100

According to this sample study it is clearly indicates that majority of growers(70 %) sales onion through commission agents. So we can say that onion market is dominated by the commission agents . While sale through co-operatives is low(15 %) It indicates failure of co-operatives movement to the certain extent in Lonand market. Direct sale to consumers is not also significant (10%) . Sales through pre-harvest contracts channels is very negligible ( 5 %).

#### **4.3. MARKETING ORGANIZATION**

Lonand market is registered onion market and it is administrated by a market committee which comprises members representing various interest involved in sale and purchase of agro produce. The marketing Regulation Act 1963 provides for establishment of regulated markets which are to be controlled and managed by market committee in which interests of both the traders and produces are represented.

Lonand market committee consists of (18) members (during the year 1995-96). The committee has been established according to the provision of Sec II of Maharashtra agro produce marketing(Regulations) Act 1963. The composition of the market committee is as follows.

a) Agriculturists residing in the market area	10
b) Members elected by the traders and commission agents holding licenses	3
c) The chairman of processing / marketing agricultural produce society in the market are	1
d) The chairman of Panchayat Samiti Lonand	1
e) The president of the Market	1
f) The deputy Registrar of co-operative society of Pune	1
g) The district agricultural office	1

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Total 18

The period of appointment of chairmen and vice chairmen is of one year, where as the tenure of committee is of five year's as provided in the bye-laws. Composition of market committee's in different state can be seen from the following table

Composition of market committee in Different states

Representatives	Rajasthan	Tamil Nadu	Gujrat	Orissa	Punjab	
					10 members	17 me
1. Farmers	7	9	8	7	5	9
2. Traders	2	4	4	4	2	5
3. co-op orgs	2	-	2	2	-	-
4. Local Bodies	2	-	2	2	-	-
5. Govt Nominee	2	5	2	-	1	1
6. Weigh Man	-	-	-	-	1	1
7. laborer	-	-	-	-	1	1
Total	15	18	17	15	10	17

(Source:- Agricultural marketing in India by Prof. S.S.Acharya and Prof. N.L. Agarwal Page No. 241.)



It is observed from the table that major representation to farmers on market committee is given by different states. Farmers are given near about 50 % seats on market committee. Other members representing various interests in sale and purchase of agricultural produce can also be seen from the table.

#### **4.4.ROLE OF APMC (Power and Functions)**

It is foremost duty of the agro produce market committee to implement properly the provisions of the act, the rules and bye-laws made there under in the market area. (The market area is the whole of Khandala tehsil)

The market committee has to provide such facilities for marketing as may be required to the superintendence; direction and control of market operations.

To discharge the duties , the market committee has the following powers.

- A) To regulate the entry of the person and the vehicle traffic into the market.
- B) To Supervise the behaviour of those who enters the market for transacting business.
- C) To grant , renew, refuse, suspend to business licenses.
- D) To provide for settling disputes arising out of any kind of

transaction connected with the marketing of agricultural produce.

E) To prosecute persons for violating the provisions of the act. , the rules and the bye-laws made under there.

F) To issue badges to regulate payments made to Hamals, Weighman's and delivery to be given

G) To acquire hold or dispose off any property of market.

H) To collect or to maintain, dissements and supply information in respect of production, sale, storage, processing, prices and movement of agricultural produce as may be required by the directors. ( Generally weekly and monthly information is collected)

I) To enforce provision of the act and rules, bye-laws and conditions of licenses granted under the act.

J) To arrange for purchase of such agricultural goods as notified by the government and

K) To perform such other duties as may be prescribed and essential for smooth running of the diffrene activities in the market.

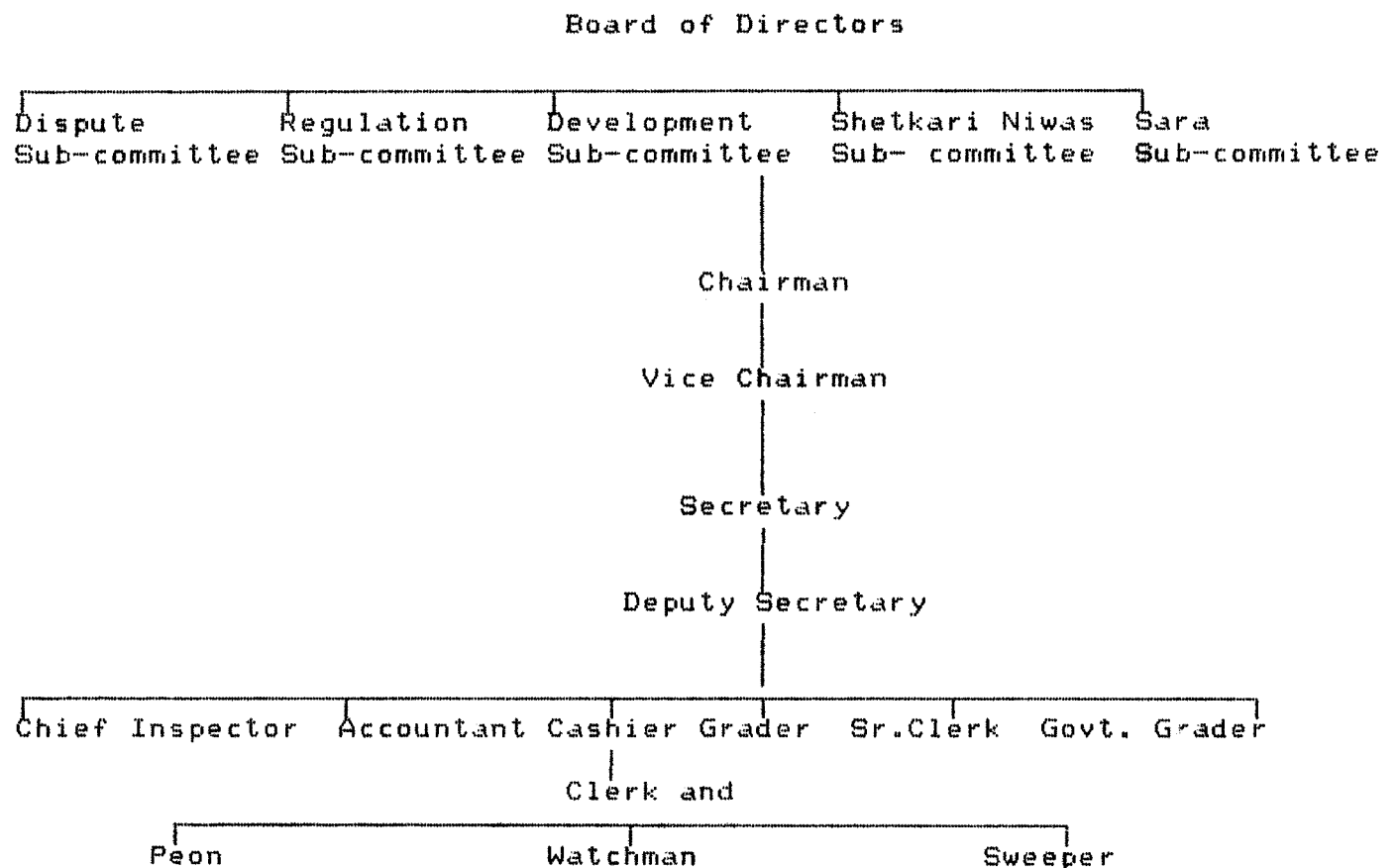
The market committee may appoint one or more sub committee's and delegate power's and duties as it may think fit. Accordingly the following sub committee are appointed by market committee in this market area ,

- 1) Settlement of disputes sub-committee.
- 2) Market yard developmentcommittee.
- 3) Implementation of regulations Sub-committee.
- 4) Shetkare Niwas and Canteen subcommittee.
- 5) Sara sub committee.

The following chart shows the hirerachical structure of organization and administration.

#### Organization Chart

##### Lonand Agro-produce market committee





#### 4.5.SOURCES OF INCOMES OF APMC

Personal interview with the chairman of market committee Mr. Ad. Subhashrao Ghadge and Secretary Mr. Kachare the following sources of incomes were reported .

Market fees and Licenses fees are found the main sources of incomes to the Lonand market committee.

Besides this, the market has income from the following sources also.

- i. Rent of Plots
- ii. Gate pass fees
- iii. Bank Interest
- iv. Misc. Sales etc.
- v. Assistance from state and central Govt.

#### 4.6. ITEMS OF EXPENDITURE

In particular the committee has to shoulder the responsibilities of :-

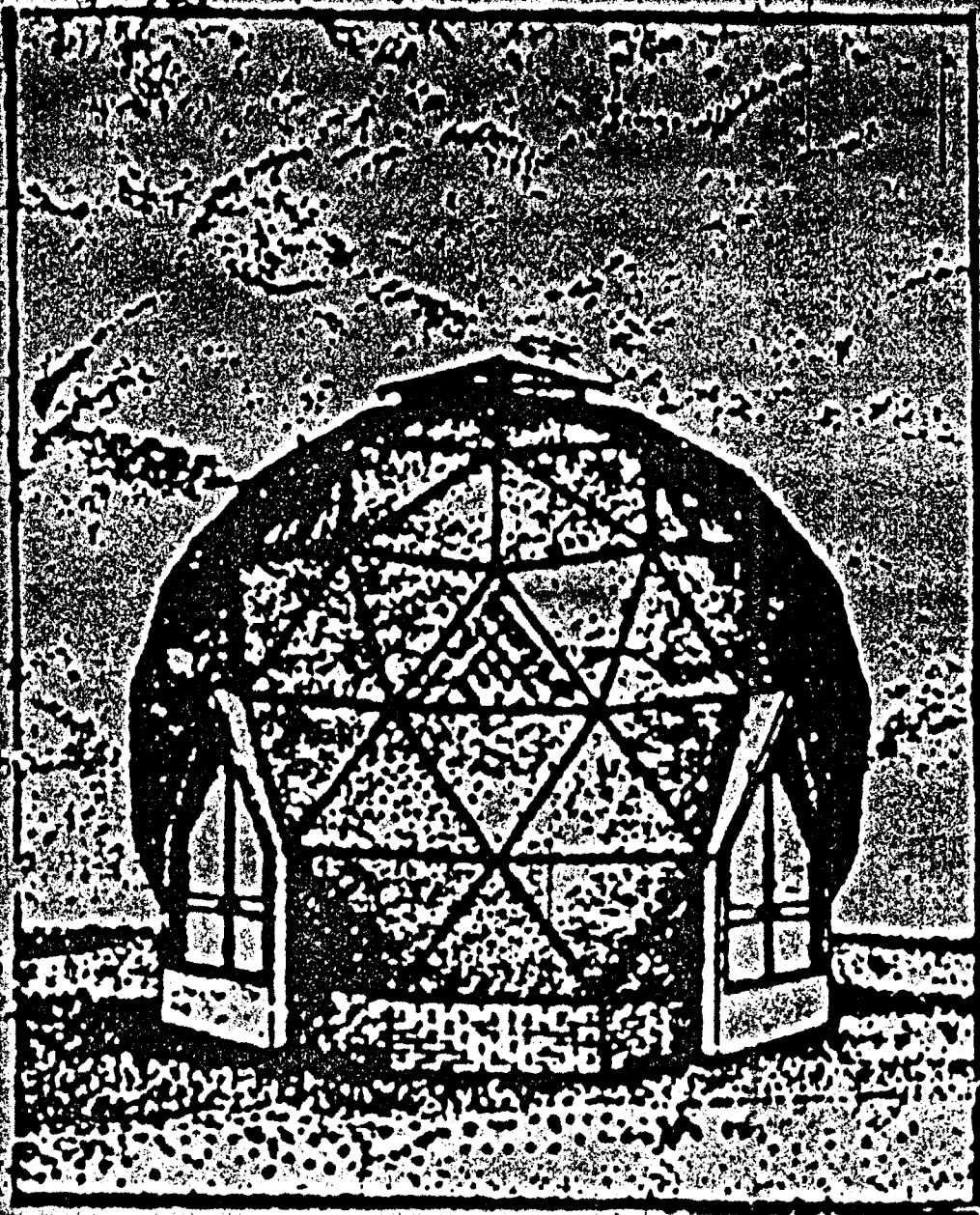
- i) Maintenance and Management of the Market
- ii) Organization of the market intelligence services
- iii) Provision of grading, weighing and Standardisation

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- iv) Prevention of adulteration in the market area.
- v) Provision of various services in the market yard such as water, light, auction hall, shetkari niwas etc.
- vi) Enforcement of the regulatory provisions of marketing legislation in the market area.
- vii) Interest on loans, publicity and propaganda for development and modernization of agricultural methods etc.

#### **4.7. FACILITIES PROVIDED BY MARKET COMMITTEE**

- i) Canteen and Boarding facilities for the farmers
- ii) Drinking water
- iii) Shetkari Nowas
- iv) Banking facilities( A Branch of Satara District central co-op Bank)
- v) Godowns
- vi) Telephone
- vii) Post Office
- viii) Sasnitary Unit
- ix) Inside roads and Lighting



कांदा साठवणुकीसाठी पुण्यात गुलटेकडी  
येथे उभारल्या जाणाऱ्या घुमटाकार  
गोदामाची प्रतिकृती.



x) Cattle shed

xi) Sale Hall

xii) Parking place for trucks, tractors, bullock carts etc.

Market committee has provided all important facilities required by the trader's and agriculturists etc. Following facilities also to be considered which are lacking inside the market yard.

1. Branches of Commercial and other co-operative banks

2. Notice Boards to communicate market information

3. Television or/ and Radio sets

4. Water Cooler etc.

#### **4.8. MARKETING PROCEDURE(SALES) OF ONIONS IN LONAND MARKET**

The farmer having lands surrounding to the Lonand city, brings their onions themselves to the Lonand market-yard. As the area of Lonand market yard comes under the grampanchayat Lonand, the farmer's have to pay octroi on onions charged by grampanchyat.

The farmers bring their onion in jute bags in approximately 40 to 50 Kgs. They put their onion bags on plot allowed for auction sale.

On the market day auction starts exactly at 11.00 a.m.. The representatives of various onion merchants like JMC, BBR, NAFED etc.) gathered in the market yard. NAFED (the Govt. Organization) purchases the onions through the Khandala Taluka Kharedi Vikri Sangh.

In the auction the prices of the onions generally depends upon the quality and size of the onions. The merchant who strikes the highest price, bags of onions are sold to him.

After auction is completed the commission agent takes the exact weight of onion bags. After having signature of the purchaser on weight slip agents signs it himself and weight slip, called Kata Patti' given to the farmer and payment is made to the farmer within 24 hr. of selling onions.

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