

REGULATED MARKETS IN MAHARASHTRA: AN OVERVIEW

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ABSTRACT

Regulated market is wholesale market where buying and selling is regulated and controlled by the state government through the market committee. It aims at the elimination of unhealthy and unscrupulous practices reducing marketing charges and providing facilities to producers and sellers in the market. The prevalence of various malpractices such as short-weights, excessive market charges, unauthorized deduction, adulteration of produce and the absence of machinery to settle disputes between sellers and buyers were recognized as the main hindrances in agricultural marketing. These defects and malpractices can be recovered by the establishment of regulated markets in country may be regulated either by local bodies or under state legislation. The establishment of regulated markets helped in creating orderly and transparent marketing conditions. This paper focuses on main features, division wise break-up and classification of regulated markets in Maharashtra.

KEYWORDS: Regulated Markets, Agriculture Produce, Agriculture Marketing, Principal & Sub-Markets.

Introduction

Indian economy mainly revolves around agriculture, animal husbandry, village and cottage industries. Among these, agriculture is the most important of economy growth and development. This seems out of the fact that India is an agricultural economy and it contributes to a large share of national income. At present nearly seventy percent of people earn their livelihood through agricultural and allied activities. The rapid development in agricultural research and technology has led to a substantial increase in the production of agricultural products. Due to this main challenges faced by the Indian farmers are marketing their produce. In general middlemen rather than farmers control the agricultural marketing. Hence, an assurance of remunerative price to the farmers is a prerequisite and it can be given to the farmers by offering them an efficient marketing system. The guiding agricultural marketing system has many defects such as lack of organization among farmers, big chain of middlemen, forced sales, malpractices in the market and inadequate facilities for storing, grading and standardization, multiple charges, lack of market information. In case of small and marginal farmers, these problems form the main bottleneck due to their poor with holding capacity.

The Government of India has made various organizational set up for agricultural marketing such as Directorate of Marketing and Inspections State and Central Warehousing Corporations and regulated markets for the protection of farmers from the hands of traders and need for the provision of better marketing facilities and basic infrastructure. In India first attempt towards the establishment of regulated market took place in the year 1897. During that year textile mills at Manchester were badly in need of pure cotton at reasonable price. But regular supply of cotton was affected by dumping and smuggling. In order to make sufficient supply of cotton, the Hyderabad Government passed the "Bearer cotton and grain marketing law in 1987" for the Hyderabad assigned districts. This is considered to be the first step towards establishing regulated market in India. In spite of a few major defects, this Act proved very helpful to the growers of cotton. Thus the Bearer markets speeded the idea of regulated markets throughout the country.

Main Features of Regulated Markets are as Follows

Ñ Market Committee

Market committee comprises representatives from different sectors of society that is farmers, traders, government local bodies and co-operatives. In general, a market committee consists of 15 members, 10 from farmers 3 from traders and 1 each from the government and local bodies.

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Ñ **Area of Operation**

The concerned state government notifies that its intention to regulate trade practices in specified area such an area of operation is laid down either as a municipal limit or district or even it may be a region.

Ñ **Methods of Sales**

The sale of agricultural produce is undertaken either by open auction or by close tender method. These sales methods ensure a fair and remunerative price for the produce and prevent the cheating of farmers by market functionaries. By these methods, the sale is carried out under the supervision of an official of the market committee.

Ñ **Licensing of Market Functionaries**

The market functionaries of the regulated market have to obtain license from the market committee to carry on their business. The licensed traders have to keep proper record and maintain accounts in accordance with the by law of the market committee.

Ñ **Market Levies or Fees**

Farmers and traders have to pay market fees which are calculated on the basis of value of volume of a commodity brought and sold in the markets. Sometimes it may be based on cartload or truckload.

Development of Regulated Markets in Maharashtra

Regulation of agricultural produce market is of prime importance in Maharashtra so far as it ensures proper returns to the farmer for his produce. Besides safe guarding the farmers from possible malpractices and exploitation, it provides better prices for the produce. Under the Bombay Agricultural Produce Market Act of 1939 and subsequent amendment by Government of Maharashtra in 1963, sale and purchase of the regulated commodities are controlled by the respective market committees.

APMC Acts run on two principles, firstly ensure that intermediaries do not compel farmers to sell their produce at the farm gate extremely low price so that farmers are not exploited. Secondly all food produce should first be brought to the market yard and then be sold through auction. Prior to regulation of markets the buyers and their commission agents used to make numerous deductions from the sale proceeds on account of a multiplicity of market charges. These charges are prohibited by this Act.

Every market committee in a Maharashtra is corporate body and is responsible for the effective supervision and management of the respective markets and sub markets. It can acquire purchase or sale property and premises. It is composed of members elected from among the constituencies of farmers, traders and government nominated members. The nominated members comprise the Assistant Registrar of Co-operative societies and a representative of local self-government bodies. There is a majority of elected members in the committee. It shall be duty of the market committee to implement the provisions of the Maharashtra Agricultural Produce Marketing (Regulation) Act 1963, the rules and bye-laws made there under in the market area to provide such facilities for marketing of Agricultural produce therein as the director may from time to time, direct do such other Acts as may be required in relation to the superintendence, direction and control of markets or for relating marketing of Agricultural produce in any place in the market area and for purpose connected with the matters aforesaid and for that purpose may exercise such powers and perform such duties and discharge such function as may be provided under this Act. The Act provides for establishment of market committees in the state. These market committees are engaged in development of market yards for the benefit of agriculturists and the buyers. Various agricultural produce commodities are regulated under the Act. As on 31st March 2015 there are 306 APMCs with the principle markets and 598 submarkets in Maharashtra.

Table 1: Division wise Break-up of APMCs in Maharashtra

Sr.No.	Division	Principal Market	Sub market	Total
1	Konkan	20	42	62
2	Nasik	53	116	169
3	Pune	23	67	90
4	Aurangabad	36	65	101
5	Latur	49	80	129
6	Amravati	55	91	146
7	Nagpur	49	77	126
8	Kolhapur	21	60	81
	Total	306	598	904

Source –Maharashtra State Agricultural Marketing Board Report – 2016/17

Table 1 shows division wise break up of APMCs in Maharashtra. 169 APMCs in Nashik Division which is highest as compare to other divisions. 146 APMCs are in Amaravati division. 129 APMCs are working in Latur division, where as 129 APMCs are working in Nagapur division. 101 APMCs are working in Aurangabad division. 90 APMCs are in Pune division, 81 APMCs are in Kolhapur division and 62 APMCs are working in Kokan division, which are less as compare to other divisions in Maharashtra. From the above analysis and interpretation, it can be concluded that Pune and Kolhapur regions are developed than other regions but there is less number of APMCs working as compare to other divisions of Maharashtra.

Classification of APMCs in Maharashtra on the basis of Income-

The regulated markets are classified as 'A' 'B' 'C' and 'D' class markets according to their income from market fee. In Maharashtra regulated markets having annual income of Rs. one crores and above from market fee are categorized as 'A' class, those having income between Rs. 50 lakh to Rs. 1 crore as 'B' class, income of above Rs. 25 lakh but less than Rs.50 lakh as 'C' class and those having income of less than Rs. 25 lakh per annum as 'D' Class markets.

Table 2: Classification of APMCs in Maharashtra according to their income

Sr. No.	APMCs class	No. of APMCs	Percentage
1	'A' Class	142	46
2	'B' Class	69	23
3	'C' Class	43	14
4	'D' Class	52	17
	Total	306	100

Source – Maharashtra State Agricultural Marketing Board Report- 2016/17

Note- percentage figures have been rounded off.

Table 2 reveals that 46 percent APMCs are in 'A' Class whose income from license fees are more than Rs. 1 crore. It shows that nearly half of APMCs are running and functioning in well in Maharashtra. 23 percent APMCs income between Rs. 50 lakh to Rs 1 crore which are classified in 'B' Class. 14 percent APMCs classified 'C' Class of having an income between Rs. 25 to 50 lakh. Only 17 percent APMCs classified in 'D' Class having an income less than Rs. 25 lakh. From the above analysis an interpretation, it can be concluded that 70 percent APMCs are in Maharashtra working as efficiently as compared to other states.

Conclusion

APMCs are in Maharashtra are an integral part of economic structure not only state but also all over country. One of the most important work done by MSAMB is the development of planned and systematic market yards for the marketing of agriculture products. Most of regulated markets in Maharashtra provides marketing facilities at one place. All regulated markets have facility of MARKNET. MARKNET is network of computerized all APMCs in the Maharashtra state. Under this scheme all APMCs have computer facility and connected through internet to exchange and disseminate market arrivals and prices of agricultural commodities for the benefits of farmers and consumers.

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