

# **A STUDY ON QUANTUM AND VALUE OF MARKET ARRIVAL IN THE REGULATED MARKETS WITH SPECIAL REFERENCE TO SALEM DISTRICT**

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**Abstract**—The regulated markets are considered accountable institutions in expulsion all the functions associated with the sale of agricultural produce, keeping in view the overall interest of the farming community and the ultimate consumers. Indian agricultural sector has been continuously shown decrease towards the total contribution in the GDP of the country. It faces serious challenges to improve growth and strengthen the public administration, service delivery, and investment avenues. Although the regulated markets were set up in the country to remove the obstacles from the agricultural marketing in the country and achieved an enviable success but there still exists some discrepancy in the success of these markets. These government controlled markets must attract and gain the interest of general public. The main objectives of the study are to investigate quantum and value of market arrival in the regulated markets in Salem District. The research design of this study is an analytical research. The secondary data has used to this study. The study extended from 2006-07 to 2015-16. Mean, Standard Deviation, Standard Error, Co-efficient of Variation and Compound Annual Growth Rate (CAGR) are used to analyse the secondary data of this study.

**Keywords**—Agricultural Sector, Consumers, GDP, Investment Avenues, Regulated Markets.

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## **INTRODUCTION**

The regulated markets are considered accountable institutions in expulsion all the functions associated with the sale of agricultural produce, keeping in view the overall interest of the farming community and the ultimate consumers. These institutions are intended to regulate unethical trading practices followed in the marketing of agricultural produce. This would help in protecting the interest of both the producers and consumers, thus it contributes towards the growth of organized marketing and price stability through successful cooperation. Government from time to time brought about the regulated legislation and development of market infrastructure. As the economy of India got liberalized and allowed private sector participation in the agriculture trade, in this direction many Indian states are bringing amendments to the agricultural marketing legislation and expansion.

## **REVIEW OF LITERATURE**

Jain (2002) analysed the structural and functional aspects of regulate markets in Damoh District of Madhya Pradesh revealed that due to poor infrastructure of regulated markets the attraction of these regulated markets towards producers was not significant considerable. The study also suggested that special attention need to be given to improve the conditions of these markets like providing better storage, transportation, financing and standardization facilities to all the farmers and traders. Moreover, the functionaries should be made aware of the benefits and advantages of using regulated markets.

Jairath (2002) under the study of institutional reforms-a case study of agricultural markets in India, consummated that there is a wide gap between the consumer price and producer price as there is multiplicity of market fee system, existence of wide variation in the rates of market fee and its burden on the sellers and buyers for different crop produce along with

the imposition of fund/cess for market development and other activities. In the end the study suggested for the free flow of trade with negligible and affordable market charges throughout the country.

Kaur and Kaur (2003) assessed the progress and performance of regulated markets in Punjab with the object of ascertaining the role of regulated markets in the marketing development of the state. The results revealed that over the years it is not only the numbers of regulated markets have increased but the infrastructure facilities required for orderly marketing of agricultural produce have grown at a faster rate with increased arrivals. Income of market committees have also increased significantly which is being flown back for further expansion of infrastructure facilities including development of rural roads and other facilities which were conducive to the interest of primary producers and ultimate consumers.

Kumar et al (2004) investigated the infrastructure of regulated markets in Haryana observed that growth of regulated markets networks seems to be stagnated owing to large spread of growth taken place in the earlier years. The positive growth was mainly due to increased government investment in construction of regulated markets. It is also found that growth rate in sub markets was higher than that of main markets because of the policy of the government to development of market infrastructural facilities nearer to the farmers door steps in order to provide better market access to farmers. Further it was also found that positive and significant growth in annual turnover of the markets in the state. Rate of annual turnover was grown by 9.20 percent, this indicated that greater market arrivals and prices was taken place in the state according to the growth in agricultural production.

Shilpi and Umali-Deininger (2007) stated that the econometric estimation using data from the Indian state of Tamilnadu confirms the theoretical prediction that the probability of selling at the market increases with an increase in the market access index which in turn improves due to an improvement of market facilities or due to a decrease in distance to markets. The regression results indicate that wealthy farmers are able to capture proportionately more benefits from the market facilities in a congested market place. The observed interaction effect also implies that poorer farmers may also be facing stringent credit constraint in accessing cheaper but bulkier modes of transportation.

Nchouji 2008 examined that in a predominately rural economy like of Giwa, market institutions are important nodes of exchange of goods/services and agricultural produce. Most of the periodic markets are located on roads sides or nucleated settlements with a road link. It also showed that the development of markets depended on development of road network. It further showed that the scheduling of periodic market is integrated with their location spacing with a closer relationship between market provision, road network and population density.

## **STATEMENT OF THE PROBLEM**

Indian agricultural sector has been continuously shown decrease towards the total contribution in the GDP of the country. It faces serious challenges to improve growth and strengthen the public administration, service delivery, and investment avenues. Although the regulated markets were set up in the country to remove the obstacles from the agricultural marketing in the country and achieved an enviable success but there still exists some discrepancy in the success of these markets. These government controlled markets must attract and gain the interest of general public. Therefore, the researcher has decided to investigate quantum and value of market arrival in the regulated markets in Salem District.

## **OBJECTIVES OF THE STUDY**

- To analyze quantum of market arrival in the regulated markets with special reference to Salem District.
- To analyze value of market arrival in the regulated markets with special reference to Salem District.

## **SCOPE OF THE STUDY**

Being government controlled markets, it is necessary to bring awareness to the policy makers and government as well as to general public towards the extent these markets are successful or unsuccessful in terms of their working performance. All the efficient performance of the regulated market depends on some diverse variable some of them are market accessibility, information availability, infrastructural facilities, involvement of the market officials, government support etc.

## **LIMITATION OF THE STUDY**

The study is concerted towards Salem District only and does not cover all the regulated markets either in Tamil Nadu or whole India. Furthermore, several secondary data on some parameters could not be collected because of its unavailability from the regulated markets.

## **RESEARCH METHODOLOGY**

The research design of this study is an analytical research. The secondary data has used to this study. The study extended from 2006-07 to 2015-16. Mean, Standard Deviation, Standard Error, Co-efficient of Variation and Compound Annual Growth Rate (CAGR) are used to analyse the secondary data of this study.

## **DATA ANALYSIS AND INTERPRETATION**

The study focuses on the statistical analysis of notified crops only; there are eleven notified crops so far in the regulated markets of Salem district and which are Paddy, Bajra, Ragi, Groundnut, Gingelly, Black Gram, Green Gram, Cotton, Sugarcane, Chilli, and Other Produce. Table 1 represents the arrivals of total quantity of notified crops (in Metric Tonnes) in the respective regulated markets of Salem district during 2006-07 to 2015-16.

The mean value of total arrivals during the period of the study was highest for Vazhapadi regulated market (5225 Metric Tonnes), followed by Salem (4615 Metric Tonnes), Konganapuram (4284 Metric Tonnes), Attur (4046 Metric Tonnes), Kolathur (3745 Metric Tonnes), Gangavalli (3521 Metric Tonnes), Omalur (3202 Metric Tonnes), Mecheri (3015 Metric Tonnes) and Sankari regulated market (2963 Metric Tonnes).

The lowest mean of total arrivals over the period was shown by Karumanturai regulated market (1264 Metric Tonnes), followed by Thalaivasal (2324 Metric Tonnes), Kadayampatti (2368 Metric Tonnes) and Thammampatti regulated markets (2861 Metric Tonnes).

The highest compound annual growth rate percentage was shown by shown by Mecheri and Kadayampatti regulated markets (16%), followed by Omalur and Salem (15%), Vazhapadi (14%), Karumandurai (8%), and Sankari regulated markets (7%).

The lowest compound annual growth rate percentage was shown by Thammampatti and Gengavalli regulated markets (2%), followed by Attur (3%), Thalaivasal and Kolathur regulated market (4%), while as Konganapuram regulated market showed a negative growth rate of -4%.

As data from individual regulated markets were not available for each item separately, so combined data as overall income was used for analysis. The table 2 presents the financial data as total value (in Lakh Rs.) of individual regulated markets from 2006-07 to 2015-16.

The highest mean of value is obtained by Salem regulated market (Rs. 1192 Lakhs), followed by Kolathur (Rs. 747 Lakhs), Attur (Rs. 665 Lakhs), Vazhapadi (Rs. 633 Lakhs), Konganapuram (Rs. 520 Lakhs), and Gengavalli (Rs. 506 Lakhs) regulated market, while the lowest mean of value is obtained by Karumandurai (Rs.140 Lakhs), followed by Kadayampatti (Rs. 224 Lakhs), Sankari (Rs. 302 Lakhs), Omalur (Rs. 336 Lakhs), Thammampatti (Rs. 373 Lakhs), Thalaivasal (Rs. 388 Lakhs), and Mecheri (Rs. 454 Lakhs) regulated markets during the period of the study.

Compound annual growth rate percentage is highest for Mecheri (32%), Kadayampatti (28%), Omalur (27%), Vazhapadi (26%), Thammampatti and Salem (25%), Thalaivasal (24%), and Atturi (23%) regulated markets during the period of the study.

The lowest compound annual growth rate percentage was shown by Kolathur (10%), followed by Konganapuram (13%), Sankari (14%), and Gengavalli (19%) regulated market, while as Karumandurai regulated market showed a negative growth rate of -2%.

**TABLE 1: QUANTUM OF MARKET ARRIVAL IN THE REGULATED MARKETS IN SALEM DISTRICT (IN MT)**

Regulated Market	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Number (N)	Sum	Mean	Standard Deviation	Standard Error	Coefficient of Variation	CAGR
Salem	2401	4963	3306	3868	3091	3897	3715	6007	6260	8640	10	46148	4615	1879	594	41	15%
Vazhapadi	3019	3521	3885	3735	3757	5769	5630	5809	7112	10008	10	52245	5225	2139	676	41	14%
Attur	3742	3307	2964	3110	2805	4637	4166	4966	5737	5030	10	40464	4046	1015	321	25	3%
Thalaivasal	2366	2143	1581	1671	1468	2234	2248	2956	3096	3472	10	23235	2324	673	213	29	4%
Gengavalli	4259	2777	1923	3124	3137	3482	3194	3402	4777	5135	10	35210	3521	958	303	27	2%
Thammampatti	2312	2077	2430	2058	2414	2901	3305	4079	4271	2762	10	28609	2861	791	250	28	2%
Karumandurai	1134	661	704	880	893	1072	1040	2009	1999	2244	10	12636	1264	589	186	47	8%
Sankari	2615	2022	3584	2045	2000	2531	2487	2727	4648	4970	10	29629	2963	1080	342	36	7%
Konganapuram	3330	3404	3431	3641	4035	5773	5825	5614	5569	2213	10	42835	4284	1299	411	30	-4%
Kolathur	2798	2817	2845	2876	3096	4413	3505	5509	5460	4131	10	37450	3745	1078	341	29	4%
Mecheri	1752	1564	1680	2001	2114	2514	2616	3067	6030	6812	10	30150	3015	1863	589	62	16%
Omalur	1780	2031	2198	2900	2256	3317	3469	3901	3701	6464	10	32017	3202	1368	433	43	15%
Kadayampatti	1388	2001	2001	2001	1968	1973	1502	2333	3169	5346	10	23682	2368	1152	364	49	16%

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**TABLE 2: VALUE OF MARKET ARRIVAL IN THE REGULATED MARKETS IN SALEM DISTRICT (RS. IN LAKHS)**

Regulated Market	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Number (N)	Sum	Mean	Standard Deviation	Standard Error	Coefficient of Variation	CAGR
Salem	394	592	654	652	1010	1218	938	1841	1698	2922	10	11919	1192	771	244	65	25%
Vazhapadi	172	186	344	196	480	591	514	959	1552	1337	10	6330	633	491	155	78	26%
Attur	246	196	287	320	259	500	964	1086	1231	1563	10	6653	665	499	158	75	23%
Thalaivasal	113	249	188	161	137	383	518	674	661	802	10	3885	388	257	81	66	24%
Gengavalli	228	173	143	279	530	460	473	800	917	1055	10	5057	506	322	102	64	19%
Thammampatti	117	108	141	181	409	280	308	595	709	881	10	3728	373	271	86	73	25%
Karumandurai	64	33	76	101	194	93	107	288	394	52	10	1404	140	117	37	83	-2%
Sankari	42	70	354	262	157	183	450	473	894	138	10	3023	302	256	81	85	14%
Konganapuram	243	339	305	278	293	478	644	1104	806	713	10	5202	520	287	91	55	13%
Kolathur	430	435	394	534	829	868	824	1052	1062	1046	10	7473	747	274	87	37	10%
Mecheri	108	84	140	159	196	497	868	124	1078	1287	10	4540	454	456	144	100	32%
Omalur	105	112	151	173	175	240	312	584	609	904	10	3364	336	271	86	80	27%
Kadayampatti	83	103	123	124	154	155	136	132	447	781	10	2236	224	221	70	99	28%

## **CONCLUSION**

The financial performance results shown that all the eleven regulated markets have been able to generate sufficient amount of revenue for successful running of the organization over the period of the study, among them Vazhapadi regulated market has produced highest total quantity of notified crops, and Salem regulated market is earned as overall income from the notified crops in Salem District.

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