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

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Abstract—*A regulated market (RM) or controlled market is a market where the government controls the forces of supply and demand, such as who is allowed to enter the market and/or what prices may be charged. It is common for some markets to be regulated under the claim that they are natural monopolies. It is A medium for the exchange of goods or services over which a government body exerts a level of control. This control may require market participants to comply with environmental standards, product-safety specifications, information disclosure requirements and so on. 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 Namakkal 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—*Demand, Environmental Standards, Natural Monopolies, Supply, Regulated Market.*

INTRODUCTION

A regulated market (RM) or controlled market is a market where the government controls the forces of supply and demand, such as who is allowed to enter the market and/or what prices may be charged. It is common for some markets to be regulated under the claim that they are natural monopolies. It is A medium for the exchange of goods or services over which a government body exerts a level of control. This control may require market participants to comply with environmental standards, product-safety specifications, information disclosure requirements and so on.

REVIEW OF LITERATURE

Shivaraya and Hugar (2002) investigated the market integration of onion and potato in Karnataka State, the results stated that efficient functioning of markets is an essential prerequisite of a sound marketing system to provide remunerative prices of the produce to the farmer-sellers as well as to providing of goods at reasonable prices to the innumerable consumers. The analysis of price movement of the commodity in the corresponding and linked markets helps in judging of the extent of efficiency of the marketing system in the region for the selected crops.

Verma et al (2002) analysed the marketing and export of fresh vegetables affirmed that the price received depends mainly on the produce prices in local markets and any premium the consumer is willing to pay for higher quality or freshness of produce. When selling to a produce dealer at a farmer's market, the price received depends on the price the broker or grower's agent receives. One of the more difficult marketing decisions is to know when to accept a price and when to wait for something better.

Birachi et al (2011) revealed that production losses, land size allocated to bean production, production assets, group membership and type of seed variety planted significantly influence output; while cost of transport, quantity consumed at home, quantity stored for food, market price and storage losses influence marketable supply. To enhance production of beans, the farmers should within their existing land holdings, expand proportion of land under bean production and actively participate in farmer group's activities for easier access to markets.

Govindarajan and Shanmugam (2011) evaluated the efficiency of rural regulated markets could be vastly improved by market efficiency by management of the markets and allocation of factors such as number of employees involved in publicity and propaganda work, number of traders participating in the sales and number of villages covered by the regulated markets.

Begum (2011) analysed the performance of selected vegetable markets revealed that the salient features of these markets, the stalls are equipped with telephone facilities, vehicle parking facility, canteen facilities and facilities for waste disposals. Services of weighing machines have been provided to the farmer sellers free of cost. The present the rate of commission charged in this market is only 6 percent for vegetables and 10 percent for fruits.

Karahocagil and Ozudogru (2011) found that agricultural development cooperatives are important institutions for information delivery to its members on inputs, production, processing, marketing etc., the member farmers get higher value of the product than they get before.

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 Namakkal District.

OBJECTIVES OF THE STUDY

- To investigate quantum of market arrival in the regulated markets with special reference to Namakkal District.
- To examine value of market arrival in the regulated markets with special reference to Namakkal 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 Namakkal 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 METHODLOGY

The research design 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 Namakkal 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 Namakkal District during 2006-07 to 2015-16.

TABLE 1: QUANTUM OF MARKET ARRIVAL IN THE REGULATED MARKETS IN NAMAKKAL 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
Velur	3086	3242	3348	2689	2698	2774	2715	3342	3560	3339	10	30793	3079	332	105	11	1%
Trichengode	4114	3046	2325	2687	3162	5243	5122	6554	6611	4713	10	43577	4358	1547	489	35	2%
Rasipuram	3142	2086	1858	1814	1822	2205	2213	3533	3747	3858	10	26278	2628	843	267	32	2%
Namakkal	4869	4746	3872	3764	4077	4130	4202	4880	5659	3758	10	43957	4396	621	196	14	-3%
Solakkadu						51	90	301	906	469	5	1817	363	347	155	96	74%
Namagiripettai	3970	3684	2977	4419	4865	4950	6357	4778	6514	9571	10	52085	5209	1882	595	36	10%

TABLE 2: VALUE OF MARKET ARRIVAL IN THE REGULATED MARKETS IN NAMAKKAL 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
Velur	102	116	206	258	352	374	432	526	666	769	10	3801	380	224	71	59	25%
Trichengode	276	237	409	758	488	539	1041	1022	1068	1272	10	7109	711	370	117	52	19%
Rasipuram	167	150	98	275	365	328	409	555	681	979	10	4009	401	272	86	68	22%
Namakkal	335	274	293	669	430	452	785	674	737	992	10	5640	564	241	76	43	13%
Solakkadu						13	12	46	170	108	5	350	70	68	31	98	71%
Namagiripettai	4740	654	891	2756	4355	1942	248	2268	2858	6820	10	27532	2753	2058	651	75	4%

The mean value of total arrivals during the period of the study was highest for Namagiripettai regulated market (5209 Metric Tonnes), followed by Namakkal (4396 Metric Tonnes), Trichengode (4358 Metric Tonnes), Velur (3079 Metric Tonnes), Rasipuram (2628 Metric Tonnes), and Solakkadu regulated market (363 Metric Tonnes).

The highest compound annual growth rate percentage was shown by Solakkadu regulated market (74%), followed by Namagiripettai (10%), Rasipuram and Trichengode (2%), and Velur regulated market (1%), while as Namakkal regulated market showed a negative growth rate of -3%.

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 Namagiripettai regulated market (Rs. 2753 Lakhs), followed by Trichengode (Rs. 711 Lakhs), Namakkal (Rs. 564 Lakhs), Rasipuram (Rs. 401 Lakhs), Velur (Rs. 380 Lakhs), and Solakkadu (Rs. 70 Lakhs) regulated markets during the period of the study.

Compound annual growth rate percentage is highest for Solakkadu (71%%), Velur (25%%), Rasipuram (22%), Trichengode (19%), Namakkal (13%), and Namagiripettai (4%%) regulated markets during the period of the study.

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 Namagiripettai regulated market has produced highest total quantity of notified crops, and also earned as overall income from the notified crops in Namakkal District.

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