

MARKETING OF GROUNDNUT IN SOME REGULATED MARKETS IN MAHARASHTRA *

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Introduction

IN the following analysis, attention is given to the study of the influence of various factors affecting the course of marketing of groundnut in three regulated markets in Maharashtra. The selected markets are Barsi (Sholapur District), Dhulia (Dhulia District) and Karad (Satara District) and the period of analysis is of ten years between September 1949 and August 1959.¹ The year considered is the marketing year between September and August.

Before we proceed further, a few words about the importance of the commodity in these markets are in order. All the three selected markets are the main assembling centres for groundnut and are well-connected by rail and road with Bombay, the terminal market in the State. The produce coming to these markets is brought mostly by farmers and largely in the unshelled (i.e. 'pods') form. This is purchased by the local oilmillers and traders among whom the former generally take the largest share. It is estimated that about 50 per cent of the marketed produce in Barsi is purchased by the local oilmillers; their shares in the Dhulia and Karad markets are about 75 per cent and 60 per cent respectively. Groundnut produced near Barsi and Karad has less oil content and is better suited for edible purposes than the Khandesh quality marketed in Dhulia and this explains the low share of oilmillers in Barsi and Karad. The oilmillers purchase groundnut for crushing purposes and sell groundnut oil to the Vanaspati factories as well as wholesalers in oil. Groundnut cake, a by-product of groundnut oil, is sold mainly to farmers who utilize it as manure and cattle-feed. The traders purchase either on their own or on behalf of outside purchasers. When they act on their own, they are the local speculators, purchasing in the peak marketing season and selling when the prices rise.

* Based on a part of the dissertation entitled "The Behaviour of Prices of Groundnut Pods in Some Regulated Markets in Maharashtra" submitted by the author to the University of Poona for the award of Ph.D. degree in Economics in December, 1962.

¹ For Barsi, the data are not available for the entire year 1949-50. The data of daily 'arrivals' also could not be obtained for the period September 1952—December 1952. These two years—1949-50 and 1952-53—are, therefore, not considered for this centre.