Name of the student: Limbani Savan V. 
Advisor: Prof. Kalpesh Kumar

“BEHAVIOUR OF PRICES AND ARRIVALS OF COTTON, WHEAT AND CORIANDER IN GONDAL AND RAJKOT APMCs”

ABSTRACT

Key words: Trend, growth rate, instability, seasonality, Augmented dickey fuller (ADF), Johansen co-integration, granger causality and satisfaction level

The study on “Behavior of prices and arrivals of cotton, wheat and coriander in Gondal and Rajkot APMCs” was undertaken. The study Agricultural Produce marketing Committee (APMC), price and arrival of cotton, wheat and coriander. Study uses monthly data over the period January 2001 to December 2015.

The present study was an attempt to identify the trends, compound growth rates and examining instability of prices of cotton, wheat and coriander in Gondal and Rajkot market. Prices data for 2001 to 2015 was collected. Trend analysis, compound growth rates and coefficient of variation were done for achieving the objectives. The results revealed that there was inverse relationship between prices and arrivals. Highest growth rate was noticed in coriander crop in both market, parallel trend was noticed in Gondal and Rajkot APMCs. Instability analysis indicated that prices of all the crops in Gondal APMC were more stable than Rajkot APMC.

Seasonality in prices are such changes that occur regularly every year as a result of changes in season. Thus, cotton, wheat and coriander showed two intra-year cycles in Gondal and Rajkot APMCs under study.

By applying Augmented Dickey Fuller Unit Root Test, Johansen Co-integration Test and Granger Causality Test study find that all crop indices were stationary at first difference and long run equilibrium relationship existed among both APMCs. Study uncovers that causality run for Gondal and Rajkot APMCs’ price and
arrival. Johansen’s co-integration test indicated that the model variable had a co-movement among the crops and their market price and arrival series during study period. Granger causality test was employed to know the direction between price and arrival of both market. Granger causality test indicated that there was a unidirectional influence between price and arrival of Rajkot and Gondal markets in cotton, wheat and coriander crops except there was a bidirectional relationship on price of Rajkot and Gondal markets in wheat crop.

The purpose of this study was to determine the satisfaction level of farmers visited the Gondal APMC towards service provided by APMC. Most of farmers aware about food, rest room, rent room and parking services.