2.0 REVIEW OF LITERATURE

In the last about four decades, the Government and policy makers have made some efforts towards redressing the problems of the farmers in the marketing of agriculture produce, but the amount of work done and accomplished by the economists and researchers implies a relative neglect of this important field in the research programme. Accordingly for the purpose of brevity, the relevant literature has been scanned and presented in the following section under various heads:

- Growth and Development of Agricultural Marketing
- Marketing Problems, Practices,
- Constraints, weaknesses of Marketing in Mandis
- Evaluation Studies

2.1 GROWTH AND DEVELOPMENT OF AGRICULTURAL MARKETING

Mathur (1983) studied the growth and development of organized markets in Rajasthan and observed that the agricultural markets have grown haphazardly. The coordination between the various bodies such as Agricultural Marketing Development Board, Marketing Board, Marketing Committees and the Cooperative marketing was lacking. The study suggested the interlinking of services of Agricultural Marketing board, Market committees and Cooperative Societies for better working and keeping a close eye on the activities of intermediaries.

Lal Ravikesh and Srinivas (1994) examined the inequalities in the growth of wholesale and regulated markets in the country. The study revealed that the disparities have increased over the time for the wholesale and regulated markets of various crops in their respective crop regions. Attempts to reduce variations especially in jowar, rapeseed and mustard crop regions must be made by increasing the number of wholesale markets in these regions. Similarly, the regions showing increasing trends in variation must be taken care of in the respective regions to play increased role in agriculture development in India.

Tomer, B.S., Singh Jai and Suhag, K.S. (1994) studied agriculture market structure, arrivals and production in Haryana. The study revealed that although there
exist a good infrastructure of agricultural marketing in the state, with the passage of
time, it needs to be expanded in terms of number of agriculture wholesale markets in
the state to cope with the increasing quantity of agricultural production and market
arrivals in the state. Since the present study revealed that during the period 1980-92,
there was an increase of only 10 percent in the number of agricultural markets, while
sub yards in these markets increased by about 73 percent to meet the requirement for
increased arrivals of agriculture produce, which too increased by almost the same
percent during the period under study.

Atibudhi, H.N. (1998) in a study in Orissa observed that out of 1250 primary
and 76 whole sale markets in the state, only 30 percent have been brought under
regulation. Only 57 regulated market committees have been established in the state. As
regards the organizational structure at the apex level an Agricultural Marketing Board
has been constituted. As regards the operation of regulated markets in the state, the
infrastructural development was not adequate and the entire state has not been covered
under market regulation scheme as yet, even though the Act to this effect was in force
since 1956-57. Agricultural marketing is one of the unorganized and under-managed
sectors in the state. About 76 percent of the farmers, on an average, have no specific
idea about the regulated market committees and its functions, although almost 100
percent of the farmers were aware of the existence of regulated markets. Only 17
percent of the farmers were aware of some of the regulatory measures, whereas an
overwhelming majority of the farmers have no idea about the regulatory promotional
measures as introduced by the regulated market committee from time to time.

Maheshwar, Asha (1998) Studied the “Regulations of Markets, Production,
Growth and Market Arrivals - A state wise Analysis of Rice” and concluded that
though the regulated markets may be called upon to provide for larger quantities in
some states, they cannot be expected to overtake or subsume in indigenous sector in all
other states. Sole reliance cannot be placed on regulated markets. The non-regulatory or
what we have called the informal sector elsewhere need not be curbed on account of
“Considerations of Administrative Convenience” which may strengthen the view that
the uncontrolled systems is burdensome, unnecessarily untidy and without economic
justification.
Rai, K.N., Singh, S.P., Singh S.N. and Mehta, V.P. (2000) examined the growth and development of regulated markets in Haryana. They studied that in Haryana all the agriculture produce markets and market sub yards have been brought under the umbrella of “The Punjab Agriculture Produce Act 1961”. Over the years, it is not only the number of regulated markets that have increased, but the infrastructural facilities required for orderly marketing of agriculture produce have grown at a much faster rate. It is interesting to observe that all the infrastructural facilities available in regulated market of Hisar fulfill the requirement of the Market Regulation Act, a rare phenomenon.

Singh, V.K., Khatkar, R.K., Karwassa, J.C. and Kharinta, Sushil (2004) conducted a study on “Growth in Marketing and Infrastructure and Related Economic Benefits over the Years in Haryana” and revealed that the number of regulated markets have increased from 88 in 1981-82 to 106 in 2002-03. The decline in number of villages and area covered per regulated market is a good sign for market infrastructure development. The regulated markets have regularized the market fee structure, commission of the arhtias/commission agents, fairness in weighing of produce etc. Still there is a wide scope for further development of market infrastructure to reap the benefits of globalization.

Kumar Sanjay, Rajashepharapa and Sharma Purushotam (2004) conducted a study on “Infrastructure Development in Agricultural Marketing: The case of Regulated Market in Haryana” in six agriculture produce markets from three zones namely Rewari and Kanina (zone-I), Faruk Nagar and Hisar (Zone-II) and Pipli and Samalkha (Zone-III) and observed that with the effect of regulation programme, infrastructure was started in the state. Linear trend equations and compound growth rates of number of regulated markets and related infrastructure in Haryana showed a positive and significant increase. HSAMB made a huge investment for the development of market yards, construction of rural roads, and maintenance of rural and urban roads. Most of the farmers opined that the facilities like storage, canteen and animal shed were not adequate. It is disappointing to observe the absence of fire fighting arrangements in the event of a fire break out.
Sehan, M.K., and Rangi, P.S. (2002) studied the “Marketing infrastructure for the sustainable Development - Role of Punjab Mandi Board” and observed that the Punjab Model of agricultural marketing i.e. levy of marketing fee on the market arrival of farm produce and investment of a part of this fee back for creating necessary market infrastructure facilities for efficient marketing system is unique in the developing countries of the world. Board creates a good net work of regulated markets, sub yards and purchase centres, with the result that the marketing of paddy and wheat became timely and orderly. Punjab Mandi Board successfully achieved all the objectives set at the time of its establishment. Now the priorities should be changed to make Punjab agriculture competitive at the international level.

Shibu, N.S. (2008) concluded in his study that considering the emerging issues and challenges, government support is necessary for the development of agricultural produce. The government may adjust suitable budget allocations to run the infrastructure plans and proper supervision for effective plan implementation. The core areas like transport, communication, roads, credit institutions, crop insurance for better utilization of land at appropriate level need to be developed at priority. This will help to a great extent to develop rural markets, which will definitely develop rural people, increase their income and reduce poverty.

2.2 MARKETING PROBLEMS AND PRACTICES

Chawla (1977) reported that the major expenditure of Punjab Mandi Board is on the link roads, which in percentage terms worked out at 40–45 percent. The expenditure on development on mandis is less, which has resulted in poor market infrastructure like roads within the yards, pucca platforms, covered sheds, water and drainage system and electricity etc.

Singh L.P. (1983) made a comprehensive attempt to overcome the problems of agriculture in India and Bihar in particular. The study revealed that the agricultural marketing system in Bihar is full of defects right from assembling of the produce to the final distribution stage. In order to correct the situation, the author justified the state intervention in the field of agricultural marketing and made out a case of regulated markets so that the agriculturist could be ensured of fair return for their produce.
Talukadar (1986-87) conducted a survey in regulated markets of Assam to examine the performance of regulated markets after the establishment of Assam State agricultural Marketing Board. The researcher observed that in the state, the statutory regulations and other facilities like grading standardization and market intelligence were lagging behind as the composition of the Board was not found to be as per the basic Market Regulation Act.

Narasimhan, M.K., and Rampur, N.B. (1988) concluded in their study conducted in Hubli Market of Karnataka that until a competent alternative agency comes forth to shoulder the responsibilities, the continuance of private commission agents is inevitable. The policy suggested that preferential provisions in the Agricultural Marketing Act can be thought of for the cooperative marketing agencies to discourage the private commission agents.

Singh and Singh (1992) analysed the factors limiting the free flow of arrivals into the regulated market in a case study of Kanpur market in Uttar Pradesh. It was observed that the newly constructed yard has not been fully in operation even after many years of its completion due to unsuitable location and inconvenient points for sale of produce and at the same time purchase for domestic and farm needs. Thus marketing system improvement can be achieved by providing modern physical facilities such as large wholesale markets, storage, processing plants and domestic markets.

Gill, et al. (1984) observed that the poor market infrastructure results in high marketing losses. According to the study conducted in Punjab state, the marketing losses were observed to be 0.59, 0.65, 0.35, 0.21, and 0.68 percent for wheat, paddy, maize, gram and barley respectively.

Kumar, R and Nasir Husain (1998) reported that the farmers faced many problems in the marketing of grams like negligible storage facilities, poor transport infrastructure, absence of strict implementation of Market Regulations Act and involvement of a large number of intermediaries. The producers received a smaller percentage of consumer’s share and a higher proportion of consumer’s price in the marketing cost. The study suggested that to improve the share of the producer, the marketing cost involved in gram must be reduced. This is possible only when the infrastructure is developed.
Rangi and Sidhu (1998) observed that the Punjab model of agricultural marketing i.e. levy of market fee on the market arrival of farm produce and investment of a part of this fee back for creating necessary infrastructure and facilities like link roads in rural areas for still higher production and efficient marketing system is unique in the developing countries of the world.

Rangi and Sidhu (2001) found that each market committee served 139 villages in 1966-67 which fell to 86 in 1998-99. Against this each principal market committee served 257 villages in the country. The average area served per market committee in Punjab in 1966-67 was 572 sq. kms. With the establishment of new market committees, over a period of time, the figures declined to 352 sq. kms. in 1998-99. Against this the area served per principal market in the country was 1424 sq. kms.

Prahalad, C.K.(2008) observed that there is no doubt that in any marketing system there is a motive towards profit involved. At the same time, the marketing is based on certain principles and philosophies such as offering fair and just prices to the farmers, who toil hard to till. Bringing necessary reforms coupled with proper price discovery mechanism through regulated market system will help streamline and strengthen the agricultural marketing system. He further observed that in order to avoid isolation of small scale farmers from the benefits of agricultural produce they need to be integrated and informed with the market knowledge like fluctuations, demand and supply concepts, which are the core of economy. Marketing of agriculture can be made more effective, if it is looked from the view of collective and integrative efforts from various quarters by addressing the farmers, middlemen, researchers and administrators alike.

2.3 CONSTRAINTS, WEAKNESSES, PROBLEMS AND PROSPECTS OF MARKETING IN MANDIS

Singh, L.P. (1983) made a comprehensive attempt to study the Regulted Markets in India with special reference to Bihar and revealed that the agricultural marketing system in Bihar was full of defects right from assembling to the ultimate distribution stage, In order to correct the situation, the author recommended the state
intervention and setting up the regulated markets in the agricultural marketing field so that the farmers could be assured of fair returns of their produce.

Ajjan (1986) in his study, “Regulated markets in Tamil Nadu-A malady remedy Analysis” revealed that despite the existence of regulated markets, farmers and more especially the small farmers preferred to sell their produce in the villages to small traders, because the net prices realized by them were in no way less than the market prices.

Thakur, D.S., et-al (1988) revealed that the farmers are at the mercy of traders, who purchase more than 85 percent of the total market supply of crops. There are various problems faced by the farmers regarding infrastructural facilities and functioning of the system. The study revealed the existence of various marketing problems like the weaknesses and inefficiency of the marketing system.

Pramanik (1992) examined “The Role and Progress of Regulated Markets” in Arunachal Pradesh and observed that the regulated markets have not always worked in a satisfactory manner particularly in certain underdeveloped regions. One of the main reason cited for the limited success is that it is only confined to marketing and does not help to reduce monopolistic hold on credit, transport and trade, processing and storage. Statewise increase in regulated markets has shown that the number of markets does not improve the quality of marketing in the country.

Singhal (1992) studied “The Market Regulation in Four Markets - Agra, Hathras, Lakhimpur and Kanpur in Uttar Pradesh”. The study concluded that almost all the sample farmers interviewed in the selected villages covered by the Lakhimpur market sold their rapeseed-mustard crop to the petty traders and did not carry them to the Lakhimpur market for sale. The most plausible reason for this sort of farmer’s behaviour could be little variation in the prices offered by the petty traders and regulated market Lakhimpur after adjusting the transport and marketing cost, which they would have got had they transported the produce to the market.

Gauraha (1997) studied “The Constraints of Poor Market Arrivals of Agricultural Produce in Two Selected Regulated Markets of Ambikapur and Durg Mandi” and observed that the arrival of the commodities in the mandis was poor or not in proportion to the rapid increase in agricultural production during the last few years,
especially in tribal areas. The main constraint responsible for poor arrival of agricultural produce were location of mandi yard at long distance from the production point, delay in payment and auction and lack of basic infrastructural facilities.

Chikkara, O.P., Kumar, Kuldeep and Singh Himmat (1998) conducted a study on “Problems and Prospects of Agriculture Regulated Markets in Haryana” and observed that faced with inadequate performance from the marketing structure, there is an urgent need to create a market structure, which is flexible enough to handle changing supply and demand for a variety of farm commodities. Policies and actions need to be based on empirical evidences rather than on administrative hunches. The chairman of all agricultural marketing committees should invariably be the representative of growers. Grading and standardisation have to be made compulsory in all transactions relating to agriculture produce and it must cover all the agricultural commodities. Marketing facilities should be made available to the farmers within a radius of 5 kms. Although some steps have already been taken in this direction, the progress is not encouraging.

Misra, J.P., Rawat, S.K. and Tripathi, S.K. (2000) studied the “Role of Rajya Krishi Utpadan Mandi Prishad in development of markets in Uttar Pradesh”. The major problems identified in the study and the proposed solutions were (i) limited staff in large infrastructure of Mandi Parishad affect adversely the smooth functioning of related markets, so the staff could be increased (ii) functions of Directorate of Agricultural Marketing Board may be demarcated and (iii) dispute between government and traders may be settled quickly.

Sukhsanjam, Chahal, S.S., and Toor, M.S. (2000) conducted a study in nine regulated markets of Punjab and observed that the adequacy of various facilities to the farmers were not there. Majority of the farmers were of the view that the time taken for the disposal of produce was not reasonable.

Prahalad, C.K. (2008) reported several challenges in marketing of agriculture produce like, there is limited access to the market information, literacy level among the farmers is low, multiple channels of distribution exist that eat away the pockets of both producers and consumers. The government funding of farmers is still at a nascent stage and most of the small and marginal farmers are dependent upon local money lenders
and Arhtias/ commission agents, who are leeches and charge high rate of interest. There are too many vultures that eat away the benefits that the farmers are supposed to get. Although we say that the technology has improved, but it has not gone to the rural levels and is confined to urban areas. There are several loopholes in the present legislation and there is no organized and regulated marketing system for marketing the agriculture produce. The farmers have to face so many hardships and have to overcome several hurdles to get fair and just price of their sweat.

2.4 EVALUATION STUDIES

Biradar (1986) made an attempt to examine the “Effectiveness of regulated markets-A case study of Shri Sahu Market Yard, Kolhapur (Maharashtra)”. The study revealed that the existing practices prevailed in the market as per the basic market regulation Act.

Haris (1986) conducting a study on regulated markets in the states of Andhra Pradesh, Karnataka and Tamil Nadu and revealed that the regulated markets neither displayed ability to crack monopolies nor ensured better regional and temporal price integration. In other words, wherever infrastructural development was high and village merchants were quick, mobile and competitive, market regulations proved reluctant. In rest of the places it was consequential.

Datta, T.K.(1988) conducting a study in West Bengal revealed that regulated market committee has so far not succeeded in building a substantial network for dissemination of information to the farmers. As regards grower’s attitudes towards Regulated Market Committee, it has been found that as much as 99 percent growers on an average had no specific idea about the RMC and its functions, although almost all the growers were aware of the existence of the Regulated Market at Samsi. On the other hand, on an average only 11 percent growers think that neither the regulated market not the RMC is helpful to the growers.

Raju, V.T.(1988) revealed that in Karnataka, among the selected crops, sorghum and pearlmedlet were produced mainly for home consumption, kind payments and seed purpose. The farmers retained 55 to 65 percent of their production of pigeon pea and chick pea and marketed the left, while over 80 percent of the ground nut was marketed
by the farmers. The study revealed that the selected markets were integrated well for the selected crops and hence they were operating efficiently.

Bharthwal, V.V. (1988) revealed that Krishi Upaj Mandi Samiti, Jaipur has made a good progress during a short period of its establishment and created a very good infrastructural base necessary for successful marketing. Data pertaining to arrival of food grains in this mandi has also shown increasing trend in almost all the mandis of the state and more particularly Jaipur. But owing to certain hurdles, this committee has experienced a set back in its efficient working. Large number of marketing charges, lack of scientific grading and standardization, lack of market intelligence and information system may be a few shortcomings of the Market Committee. Elimination of these problems is a must for ensuring reasonable price to the farmers and also to protect consumer’s interest.

Ali, S.A. (1988) conducting a study on Agricultural Regulated Markets revealed that all the three markets included in the study were perfectly competitive and functioning efficiently and smoothly. All infrastructural facilities were present in Saharanpur market yard, whereas only a few infrastructural facilities were available in Roorkee and Manglaur market.

Madalia, V.K. (1988) reported that in Surat Market in Gujarat, as a result of regulations, the total benefit accrued to the farmers during 1985-86 was of the order of Rs. 1.90 crores and the cumulative profits since 1951 was of the order of Rs. 14.51 crores. In addition to this, the substantial benefits accrued to the farmer’s as market fee were paid by the commission agents and the weighing charges were borne by the buyer. Besides these monetary benefits, there were intangible benefits. The farmers became conscious about the importance of regulations and realization of their rights and responsibilities.

Grover, R.K., Suhag, K.S. and Chauhan R.C.(1997) conducted a study on “Organisational, Management and Performance of Agricultural Commodities Markets in Haryana- A Case Study of Hisar Market”. The study concluded that for orderly and efficient management, the Marketing Board is organized in four cells, namely the administrative cell, enforcement cell, construction cell and accounts cell. The total income of market committees in the state witnessed a tremendous increase during 1969-
70 to 1995-96, which increased from merely 188.28 thousand rupees to 9431.87 thousand rupees. The share of market fee in total income varied between 66.40 to 96.20 percent.

Pant and Bajrolia (1998) evaluated the “Structure of a Primary Regulated Market Kuchaman City of Nagaur District of Rajasthan”. The study revealed that in this market some traders were working only in new market yard (Wholly shifted traders) and some are working in both new as well as old market (Partially shifted traders). The market committee issued licenses to only three categories of market functionaries viz. traders, brokers and retailers. Association of traders exists in the old mandi and new market yard separately to protect the interests of their members. No such association existed in either of the mandis, which could protect and safeguard the interests of producer-sellers. On the basis of arrivals from and dispatches of the commodities to other markets, the forward and backward linkages within and outside the state were ascertained.

Singh and Singh (1997) studied “Agriculture Regulated Market-Krishi Upada Mandi Samittee, Paharia in Varanasi District of Uttar Pradesh”. The study revealed that the objectives of the regulated markets were not fully executed. Instead of adopting auction method to determine the prices of the produce, some times the buyers made collusion and deprived the interest of farmer producers. This was due to the lack of proper supervision of mandi officials. The market charges were charged as prescribed in regulated market. The market functionaries were only allowed to participate in market transactions after depositing the prescribed license fee. There was lack of communication of day to day information of prices. The results revealed that the sample market was not found to be a perfect market. Therefore, it was suggested that the proper supervisory staff should ensure that principles and objectives of regulated markets are completely complied with.

Singh, S.K., et-al (1998 ) reported that in Doharighat Market Committee in Mau District of Uttar Pradesh, the objectives of regulated market were not practiced in the sample market. Grading and standardization were not done as accepted by the officials of the mandi samiti. The farmer’s representation was ignored due to the absence of elected Mandi Samiti Board. Auction method was not adopted and some times
conventional method of sale was used in determining the price of the produce in the sample market, which does not safeguard the interest of farmers. All these shortcomings and malpractices in the functioning of regulated market need to be removed with a view to improving its efficiency. Provision should be made at a higher level to review the Act, Rules and Bye-laws of the Market Committee to meet the need based emerging requirements.

Shiyani, R.L. and Pandya, H.R. (1998) performing the “Evaluation of Selected Regulated Markets in Saurashtra Region” observed that the principal component analysis indicated that there existed four main underlying dimensions in the performance of regulated markets, namely income indicators, development indicators, sundry indicators and market intelligence indicators. These four dimensions explained 74 percent of the total variation in the configuration. The total weightage assigned to the income indicators significantly increased during the period of 16 years. Wide fluctuations in the relative performance indices of Junagarh and Rajkot regulated markets were observed, which suggest that if the vertical and horizontal integration of the markets was made, the interest of both the producers and consumers could be protected.

Jain, Bhag Chandra (1998) in his study on “Market Structure and Performance of Regulated Markets in Madhya Pradesh” has laid the stress on three basic aspects viz. Structure of the regulated market, Physical marketing facilities and Market functionaries. The study revealed that in the regulated market committee, the farmers constituted 56 percent of the total representation and the representatives of the farmers always had the interests of the producers. Most of the farmers were not aware of the functioning of the regulated markets due to the lack of proper propaganda and knowledge. Adequate storage facilities were not available in the selected markets. Marketing efficiency measures in terms of better prices to the producers, lower marketing charges and adequate availability of market amenities/facilities was found to be relatively better in the regulated market. The study suggested the need for imparting training in grading and standardization to the staff of regulated market for efficiently integrating the market functions and functionaries.
Selvaraj, K.N., et al (1998) conducting a study on “Farmer’s Perceptions and Functioning of regulated Markets-An assessment” observed that the notification of commodities was not uniform among the regulated markets of 14 commodities notified in the state, which varied from 4 percent in Keeranur to 56 percent in Aranthangi, Ponnamaravathy and Illuppur regulated markets. The Growth analysis indicated that all the regulated markets witnessed positive growth rate in terms of arrivals and receipts. The study further revealed that most of the farmers were not aware of the functioning of regulated markets. The results of awareness model indicated that the educational status of the farmers was found to be an important factor which influenced the farmer’s awareness about the regulated market.

Sukhsanjam, Chahal, S.S., and Toor, M.S. (2000); studied the “Impact of Market Regulations on Adequacy of Market Infrastructure” in nine regulated markets of Punjab. The study revealed that all the markets have their own yards and buildings except for Phillaur. The area under the yard varied from market to market. It was more in case of big markets as compared to small ones. As such it was 47, 144 and 145 acres for Khanna, Barnala and Kotkapura mandis respectively. Number of godowns also varied from market to market. The cattle shed were seen only in Barnala and Phillaur markets. There was no covered shed in Amloh, Mullanpur, Phillaur, Kotkapura and Baghapurana markets. None of the markets had canteen for the refreshment of farmers, traders or other functionaries. It could be concluded that the regulated markets have become more or less revenue collecting agencies for the state rather than providing facilities to the farm operations. Therefore, it seems that the objectives of regulation of markets are not met satisfactorily.

Kumar Vinod and Singh Rajpal (2002) in an economic evaluation study conducted in “Regulated Markets in Western Uttar Pradesh” revealed that all the four markets studied were having their own newly constructed market yards with various infrastructural facilities like boundary walls and separate gates for entry and exit. Though all the mandis had godowns in the market yards, but the farmers could not avail the benefits of storage due to unawareness about the terms and conditions of storage. The grading and standardization facilities in the mandis too existed, but were rarely used by the farmers.
Amongst different channels of distribution, the bulk of marketable surplus i.e. 52 percent in case of wheat and more than 70 percent in case of paddy passed through the channel having village traders in the marketing system. This channel included Producer → Village Trader → Wholesaler/Commission Agent/Miller (in Paddy) → Retailer → Consumer. The sale of produce in regulated mandis yielded higher share to the producer, because of higher price and lowest market margins in comparison to unregulated mandis.

It is interesting to observe from the study that in spite of higher benefit of share to the producer and higher price per unit of the produce obtained in the regulated markets, the sale of produce was observed to be much lower being about 48 percent in case of wheat and about 30 percent in case of paddy on the sample farms, which could be due to higher transportation cost, small marketable surplus with a large number of small and marginal farmers, forced sale, location of mandis at a large distance, unawareness about the marketing procedures and several other botherations.

The study finally concluded that that though mandis provided necessary infrastructural facilities to the producers/farmers, but they were availed by the traders much more as compared to the producer farmers.

Rangi, P.S., Sidhu, M.S. and Singh Hajeet (2002) in a study conducted in Punjab revealed that the regulation of the markets has solved a few problems of agricultural marketing. The marketing of farm produce has become orderly and efficient, particularly at the assembly point. The manifold increase in the agriculture production might not have been achieved without the successful development of an efficient marketing system. The Punjab model of agricultural marketing i.e. levy of marketing fee on the market arrival of farm produce and investment of a part of this fee back for creating necessary infrastructure and facilities like link roads in the rural area for still higher production and efficient marketing system is unique in the developing countries of the world. The major expenditure of the Punjab Mandi Board is on the link roads accounting for about 40-45 percent of the total expenditure. The expenditure on the development of mandis is less which resulted in poor infrastructure like roads within the yard, pucca platforms, covered sheds, drainage system and, electricity etc. The poor marketing infrastructure results in higher marketing losses.
Kerur, N.M., Banaka, B. S.Vijaya kumar, L. Manjunath and H.Baswaraj (2008) conducted the “Performance Analysis of Regulated Markets in Karnataka. The results revealed that among the market functionaries, the traders accounted for 16.26 per cent followed by hamals (15.41 %) in the state indicating large quantity of market arrivals. Growth of market arrivals of all selected commodities in the state registered a negative growth rate due to low productivity and low prices. Performance of financial indicators for the state as a whole revealed that income (Rs.10971 lakh) is higher than expenditure (Rs.6961 lakh). Income-expenditure ratio remains above unity (1.59) throughout the study period and showed an increasing trend, showing better financial performance. Market fee registered a significant growth and licence fee collection showed a marginal increase, indicated that number of traders and other market functionaries was not increased in accordance with the increase in arrivals, therefore, the absorption of trade was mainly in the hands of few traders and market functionaries. So liberalization of markets may lead to better competition and increase in number of traders and other functionaries., which may result in equilisation of trade among the traders and increase in producersin consumer rupee.

Kerur, N.M., Banaka, B. S.Vijaya kumar, L. Manjunath and H.Baswaraj (2008) presented in his paper on “Document of different Schemes Operated in Regulated Markets in Karnataka” for a period of 1990-91 to 2004-05 and observed that the progress of the various schemes run for the development of agricultural marketing were not impressive as opined by the beneficiaries such as farmers traders and small market functionaries. They were unaware of implementing procedures and benefits of pledge loan scheme and Raitha Sanjeevani Scheme. Hence efforts should be made to popularize the Pledge Loan Scheme and allocate more and more funds. The awareness programme should be conducted for educating the policy changes. The growth of Raitha Sanjeevani Scheme was positive and the growth rate was positive and found to be over 26 percent.

The review of the studies given above leads to conclude that large variations about the success of regulated markets exist. Some are at the stage of formation, while the others are midway. Only in a few states, the regulated markets have achieved their objectives and that too to some extent. The review further revealed that in some
markets, traditional defects of marketing practices like weighing through licensed men, prompt payment without deduction, standardization and grading, open auction system of sale and market information etc. have been abolished though not completely. However some of the markets were still not perfectly competitive in terms of their functioning.

The review further revealed that the infrastructural facilities created in the market yard were inadequate in most of the markets particularly in the states of Bihar, Orissa and the Eastern States. It was further observed that where-ever these facilities existed, these were not utilized fully by the farmers and the various market functionaries. It could be further observed that the market officials played in the hands of dominant traders, sufficient finance was lacking, market information was poor, support of the Government was very little, and the farmers were not aware of the existing market facilities. The facilities of the guest/rest house where-ever existed were not available to the farmers, but was being utilized for the benefits of Board officials, mandi staff or their relatives and other government officials or the elected representatives of the public. Even today the farmers are not fully aware about the regulations, programmes, the rules and bye-laws of the regulated markets. Only a few well educated and affluent farmers had the knowledge and that too to some extent. In most of the regulated market yards grading and standardization facilities did not exist. The market arrivals in some of the markets were low due to the low price of their produce, delay in auction and weighment. Long distance from the market from the place of production was another problem. In many of the markets watch and ward facilities were not available and many of the farmers had to spend the night in the open to look after their produce and to protect that from stray animals and theft etc. Basic facilities like bank, telephone and post office were either not available and if available were rarely used by the farmers.

A little work on the HSAMB has been reported or published as evidenced from the review of literature. In short, the work already accomplished and published is very sketchy and is from different locations of the country, the results of which are not applicable to this part of the country-Haryana.
Thus the present study is an improvement over the earlier studies both in contents and methodology used. It will be needless to say that this study is the first of its type, which has been attempted for Haryana State Agriculture Marketing Board. No doubt that some studies have been conducted in Haryana, but those relate only to some agriculture markets. This study has been especially designed to cover all the three administrative Zones, almost all the prominent crops in different Zones and both small as well as big mandis.