The above studies, apart from their general nature of stressing the need for establishment of Regulated Markets, also highlighted the shortcomings in their functioning. Further, in most of these studies, the performance of Regulated Markets has been assessed viz. utilization of Regulated Markets by farmers and traders.

However, these studies have been made with reference to different regions, different periods, with varying socio-economic and environmental conditions.

CHAPTER - III

PROFILE OF THE STUDY AREA

3.1 Introduction
3.2 Description of the study area
3.2.1 Location
3.2.2 Population of Virudhunagar district
3.2.3 Division of territories
3.2.4 Physical features
3.2.5 Road and transport
3.2.6 Post and telecommunication
3.2.7 Health
3.2.8 Research organisation and research schemes
3.2.9 Important industries in the district
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3.2.11 Rainfall
3.2.12 Agricultural resources and irrigation
3.2.13 Agriculture and allied activities
3.2.14 Fisheries
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CHAPTER - III

PROFILE OF THE STUDY AREA

3.1 INTRODUCTION

This chapter deals with description of the study area. It covers the details such as location, physical features and resources of the area of the study. The purpose of the study is to understand the functioning of channels in marketing the agricultural produce. The thrust of the study is to highlight the relative advantages of the regulated markets over the private traders. It would be appropriate in this context to gain a basic knowledge about the Virudhunagar district covering the geographical location, division of territories, agricultural and allied activities and the infrastructure available in the chosen district.

3.2 DESCRIPTION OF THE STUDY AREA

The area chosen for the present study is the regulated market area operating in Virudhunagar District. The Virudhunagar Market Committee has established seven regulated markets at important places in the District of Virudhunagar. The market area chosen for the present study is confined only to Virudhunagar District.
3.2.1 LOCATION

The Virudhunagar District is located between 9°07’ and 10°22’ north latitudes and 77°22’ and 79°25’ east longitudes. It has an area of about 4270.3 square kilometers. It is bound on the west by the Western Ghats, on the North by Madurai District, on the North–East by Sivagangai District, on the East and the South-East by Ramanathapuram District and on the South by Thoothukkudi District, on the south west by Tirunelveli District.97

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3.2.2 POPULATION OF VIRUDHUNAGAR DISTRICT

The breakup details of vital statistics of Virudhunagar district is presented below in Table. 3.1.

TABLE 3.1

DEMOGRAPHIC DETAILS OF VIRUDHUNAGAR DISTRICT

<table>
<thead>
<tr>
<th>S.No</th>
<th>Particulars</th>
<th>2001</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Population:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>8,70,376</td>
<td>9,67,437</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>8,80,925</td>
<td>9,75,872</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>17,51,301</td>
<td>19,43,309</td>
</tr>
<tr>
<td>2.</td>
<td>Rate of Growth</td>
<td>11.90</td>
<td>10.96</td>
</tr>
<tr>
<td>3.</td>
<td>Area</td>
<td>4283 Sq.K.m</td>
<td>4283 Sq.K.m</td>
</tr>
<tr>
<td>4.</td>
<td>Density per Square Kilo Meter</td>
<td>409</td>
<td>454</td>
</tr>
<tr>
<td>5.</td>
<td>Percentage of the District Population in the State population.</td>
<td>2.81</td>
<td>2.69</td>
</tr>
<tr>
<td>6.</td>
<td>Gender ratio</td>
<td>1012</td>
<td>1009</td>
</tr>
<tr>
<td>7.</td>
<td>Average Literacy Rate:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>83.96</td>
<td>88.46</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>63.64</td>
<td>73.14</td>
</tr>
</tbody>
</table>

Source: www.censusindia.gov.in

3.2.3. DIVISION OF TERRITORIES

Virudhunagar district comprises of two revenue divisions namely Sivakasi Division and Aruppukottai division. There are seven assembly constituencies in the district – Rajapalayam, Srivilliputtur, Sivakasi, Sattur, Aruppukottai, Virudhunagar and Thiruchuzhi. Virudhunagar district comprises of eight taluks such as Rajapalayam, Srivilliputtur, Sivakasi, Sattur, Virudhunagar, Aruppukottai, Thiruchuzhi and Kariapatti.
For the purpose of local administration the district is divided into 11 blocks. They are, Rajapalayam, Srivilliputtur, Sivakasi, Sattur, Virudhunagar, Aruppukottai, Thiruchuzhi, Kariapatti, Vembakottai, Watrap and Narikudi.

3.2.4 PHYSICAL FEATURES

Virudhunagar District is landlocked on all sides with no direct access to the sea. Geographically it consists of two distinct regions. The eastern slopes of the Western Ghats in Srivilliputtur and Rajapalayam taluks and the black soil plains of Sivakasi, Virudhunagar, Sattur, Aruppukottai, Tiruchuli and Kariapatti. The average height of the hills of the eastern slopes of the Western Ghats is 1500 m, though a few peaks rise to 1700m. The highest peaks are Peyimalai and Kottamalai. The foothills have rich loamy soil with good vegetation cover. The plains with black cotton soil (locally known as karisal) have underlying formations.

Virudhunagar does not have any perennial rivers. The river Vaippar, river Arjuna and the river Gundar constitute the river network of the District. Numerous streams and rivulets, activated by the monsoon, feed these rivers. The stream Mandhiri and the river Girudhamal flow into the river Gundar, which irrigates the northeastern region of the District. The stream Sengundrapuram, the river Kausika and the stream uppodai are the feeder streams of the river Arjuna, which flows through the central portion of the District. The river Kayalkudiyar and the river Nichepa join the river Vaippar, which runs through the southern part of the District. The river Arjuna and the river Vaippar meet at Irukkangudi.

3.2.5 ROAD AND TRANSPORT
ROADS

Three National Highways run through the district.

- **NH 208** - Thenkasi, Rajapalayam, Srivilliputur, Tirumangalam – 49.8kms.

- **NH 45B** - Trichy, Viralimalai, Thuvarankuruchi, Madurai, Aruppukottai, Tuticorin – 32.6 km.

- **NH 7** - Madurai to Kanyakumari – 50.40 km.

In addition to the National highways there are 162.13 km of State Highways, 122.20 kms of major District Roads and 1378.48 kms of other District roads. There are 256 government owned and 175 private stage carriers operating in the district. Buses serve about 4 lakhs people and cover a distance of 61,523 kms per day.

RAILWAYS

Broad Gauge section of the Southern Railway serves Virudhunagar. The newly laid Broad Gauge line links Tuticorin with Chennai. In the District, the Broad Gauge route line covers 168.33 km.

3.2.6 POST AND TELECOMMUNICATION

The Post and Telecommunication network is fairly extensive. There are 4 Head Post Offices, one each at Aruppukottai, Virudhunagar, Sattur and Sivakasi, 72 Sub Post Offices, 9 Extra Departmental Sub Offices and 196 Extra Departmental Branch Offices. There are 74 telecom offices in the District.

3.2.7 HEALTH
The District is fully equipped with Government and Private Hospitals. There are 9 Government hospitals with 772 beds. There are 36 Primary Health Centers and 284 Sub-Centers attached with Primary Health Centers in various blocks of the District.

3.2.8 RESEARCH ORGANISATION AND RESEARCH SCHEMES

The following Research Organizations are functioning in this district:

- **Cotton Research Station, Srivilliputthur**: Engaged in Research on summer Irrigated cotton, Implements the All India Co-ordinated Cotton Improvement Project.

- **Palmyra Research Centre, Thiruvannamalai, near Srivilliputthur**: Conducts Research on the utilization of the whole palm tree right from the palm crown to its roots.

- **Regional Research Station, Aruppukottai**: The centre caters to the needs of the dry land farmers and operates a Research Centre for fruit research. It conducts studies on various fruit crops for assessing their suitability for growing under rainfed conditions, apart from its other objects. It implements the All India Co-ordinated Fruit Improvement Project and certain other schemes started for the welfare of the Dry Land Farmers especially for Adi Dravidas.

3.2.9 IMPORTANT INDUSTRIES IN THE DISTRICT

- Match factories.
- Fire works Industries.
- Printing presses.
- Nib Industry.
- Ginning, Spinning and Weaving Mills.
- Cement and Asbestos Industries.
- Bolts and Nuts.
- Brick kiln

- Granite Stones
- Edible Oil

3.2.10 EXPORTS AND IMPORTS

EXPORT

- Cardamom,
- Crackers,
- Chilli,
- Edible Oil and
- Matches

IMPORT

- Tin Sheet
3.2.11 RAINFALL

The seasonal rainfall in millimeters in the Virudhunagar District during 2009-10 is furnished in Table 3.2.

**TABLE 3.2**

SEASON-WISE RAINFALL IN VIRUDHUNAGAR DISTRICT IN 2009-2010 (in mm.)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Regulated Markets</th>
<th>South-West Monsoon (June-September)</th>
<th>North-East Monsoon (October-December)</th>
<th>Winter (January-February)</th>
<th>Summer (March-May)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Virudhunagar 14.0</td>
<td>163.3</td>
<td>26.2</td>
<td>5.1</td>
<td></td>
<td>208.60</td>
</tr>
<tr>
<td>2.</td>
<td>Rajapalayam 243.5</td>
<td>459.0</td>
<td>124.0</td>
<td>127.0</td>
<td></td>
<td>953.50</td>
</tr>
<tr>
<td>3.</td>
<td>Sattur 398.4</td>
<td>501.5</td>
<td>65.0</td>
<td>215.0</td>
<td></td>
<td>1179.90</td>
</tr>
<tr>
<td>4.</td>
<td>Aruppukottai 352.6</td>
<td>17.0</td>
<td>149.4</td>
<td>64.2</td>
<td></td>
<td>583.2</td>
</tr>
<tr>
<td>5.</td>
<td>Watrap 141.2</td>
<td>735.4</td>
<td>--</td>
<td>176.3</td>
<td></td>
<td>1052.9</td>
</tr>
<tr>
<td>6.</td>
<td>Srivilliputtur 27.0</td>
<td>168.0</td>
<td>--</td>
<td>90.7</td>
<td></td>
<td>285.70</td>
</tr>
<tr>
<td>7.</td>
<td>Vembakottai 237.0</td>
<td>333.0</td>
<td>64.5</td>
<td>69.0</td>
<td></td>
<td>703.50</td>
</tr>
</tbody>
</table>


From the Table 3.2, it is clear that rainfall was high during the north-east monsoon period in the seven regulated market areas with the highest rainfall of 735.4 mm in Watrap and the lowest rainfall of 17.0 mm. in Aruppukottai. The amount of rainfall during south-west monsoon was the highest (398.4 mm.) in Sattur and the
The lowest rainfall of 14.0 mm in Virudhunagar. The rainfall was nil in Watrap and Srivilliputtur during winter. During summer, Sattur recorded a maximum of 215.0 mm rainfall and lowest amount of rainfall was in Virudhunagar (5.1 mm.). The total rainfall during the year 2009-2010 is the highest in Sattur that is 1179.90 mm. followed by Watrap with a rainfall of 1052.9 mm. and the lowest rainfall of 208.6 mm. in Virudhunagar.

3.2.12 AGRICULTURAL RESOURCES AND IRRIGATION

Agriculture is the predominant occupation of the District. Nearly 66.3 per cent of the total population of the study area is dependent on agriculture and its allied occupations.

The District is drought prone. The most striking feature of the District is the absence of dependable irrigation sources like perennial rivers. Assured irrigation is available through wells only for 57 per cent. The remaining area is irrigated by rainfed tanks. The reservoirs namely Periyar and Kovilar at Pilavakkal in Watrap irrigate about 3000 hectares through 40 tanks. There are also a number of irrigation schemes like Anaikuttam, Kullursandai, Vembakottai and Golwarpatti.

More than half of the total geographical area of the District is being utilised for cultivation and net cultivated area amounts to 2,70,800 hectares. About 7.4 per cent of the cultivated area falls under double cropping; 5.82 per cent is covered by forests;
2.8 per cent is not suitable for cultivation. The permanent pasture and other fallow land constitute 15.67 per cent of the total area.98

Paddy, pearl millet, sugarcane, groundnut, cotton, sorghum, maize, ragi, plantain, chilli, greengram, blackgram, horsegram, and sesame are the important crops of the District. Paddy is the most predominant crop and it is cultivated in 47,892 hectares. Cotton is the next important crop grown in 38,859 hectares. Cotton is intensively cultivated in Rajapalayam, Srivilliputtur and Aruppukottai taluks. Teak and other trees are grown in some parts of the Western Ghats. The plains of Sattur taluk have black soil which is locally known as Karisal. This soil is suitable for cotton cultivation.

Another important commercial crop in the District is chilli. Sattur Chilli is very popular in Tamil Nadu. Food crops are cultivated in 46.95 per cent of the total area in the District and in the rest of the cultivable area commercial crops are cultivated. The District is generally hot and dry with a low degree of humidity. Normally the temperature varies from 20°C in December – January to 37°C in April-June. The average annual rainfall is only 386.7 mm. The District receives scanty rainfall. March-July are the hottest months (summer). The South-West monsoon season is from June to September. The North-East monsoon season is from October to December. The District receives the bulk of its rainfall from the North-East monsoon which often sets late besides being irregular and scanty.

However, the upper slope of the Srivilliputtur Hills has the benefit of both the South-West and the North-East monsoons.

3.2.13 AGRICULTURE AND ALLIED ACTIVITIES

The activities related to agriculture assume great significance by virtue of their nature and closeness to agricultural activities as they supplement the income of the farming community and also provide gainful employment during the agricultural off-seasons. The important activities carried out by the cultivators and agricultural labourers are dairying and sheep-rearing. There are milk chilling plants at Virudhunagar and Srivilliputtur. The District offers considerable scope for the development of sheep-rearing. The District has a sizeable sheep population of 1,67,078, but they are often of low genetic potential. Further, they suffer from malnutrition on account of the poor quality of available forage and the excessive pressure on the grazing land. Sheep population is large in Aruppukottai, Sattur and Srivilliputtur taluks. The Regional Agricultural Research Centre at Aruppukottai is doing research to improve the genetic potential of the sheep. The development of poultry farming is not significant in the District owing to hot climate, high mortality rate of birds and high cost of feed. However, Poultry Development Programmes are formulated and implemented in Narikudi block.

3.2.14 FISHERIES

As Virudhunagar is land-locked with no coastline, fishing is restricted to inland water sources. Fish farms have been established at Periyar and Vembakottai dams. Around 8.09 lakh fingerlings were reared in these farms. The fish catch in these reservoirs during 2009-2010 was 3558 tonnes. Fishponds have been developed at the Pilavakkal dam under the drought area development programme.

3.2.15 FOREST RESOURCES

The forest area in the District is negligible. Forests are found in Srivilliputtur and Rajapalayam taluks. The area under forest is 25,634 hectares, which is 5.82 per cent of the total area of the District. The reserved forest in Srivilliputtur taluk contains jungle and deciduous species. Palmyrah trees are found everywhere, especially in Sattur, Aruppukottai and Srivilliputtur taluks. The mountains in Srivilliputtur and Rajapalayam taluks have teak trees and valuable timber of several kinds. Cardamom, Mango, Orange and Lime are also found in Srivilliputtur taluk. Cashew, eucalyptus, sandal and casuarinas trees are the chief forest products of the District.

3.2.16 ANIMAL HUSBANDRY

As per 2001 census, there are 5 veterinary hospitals, 28 veterinary dispensaries, 70 veterinary sub-centres, 70 visiting centres and 11 mobile veterinary dispensaries engaged in rendering service to the livestock. An Intensive Cattle Development Project with 39 artificial insemination centres was launched to improve the quality of the cattle.
3.2.17 MINERAL RESOURCES

The soils of the District are red loam, black soil and red sand. Most of the areas are covered by black loamy soil. The important minerals available in the selected area are lime stones of different grades, gypsum, fire clay and graphite. Lime stone is the most important mineral available in this chosen area. In Sattur area, cement grade lime stone is available in plenty which is the primary raw material for the cement industry. Nearly 12 million tonnes of lime stone deposit have been estimated in Alangulam area. Another reserve of about 2.5 million tonnes of lime stone has been recorded at Kakkivadanpatti. The reserves at Pandalgudi, Chettypatti and Velayuthapuram villages of Aruppukottai taluks are estimated at 12 million tonnes. Similar deposits to the tune of 0.5 million tonnes have been estimated near Virudhunagar.\(^{100}\)

Owing to the great potential of lime stone reserves available in the District, there are already two large scale cement factories, one at Thulukkapatti in the private sector and the other one at Alangulam in the public sector. According to the geographical findings, red clay is available in the District, which is suitable raw material for brick industry. Besides lime stone, there is a small occurrence of gypsum deposit in Thenkarai and Kovinathampatti village of Rajapalayam and Sattur taluks respectively.

\(^{100}\)DIC Action Plan from 2001-02 to 2005-06, P. 18.
3.2.18 TRADE AND COMMERCE

Internal trade of the District is developing on a large scale. Fireworks, matches, polythene products, calendars, posters, diaries and the like are manufactured in Sivakasi. These products are marketed throughout the country. Market Committees are functioning in the District for the purchase and sale of cotton, groundnut, jaggery, chilli and other products. A number of studies have been conducted in the District at various places for helping the rural folk to purchase and sell their products such as food grains, vegetables, groceries, textiles, cattle and the like.

There are two warehouses in this District, one at Virudhunagar and the other at Rajapalayam. The commodities of the chief wholesale trading in the District are pulses, cotton, groundnut and coffee (Virudhunagar block), cotton and groundnut (Rajapalayam block) and chilli (Sattur block).

CHAPTER – IV

REGULATED MARKETS – AN OVERVIEW

4.1 Introduction

4.2 History and Development of Regulated Market

4.3 Government Initiatives and Support Programmes

4.4 The Royal Commission

4.5 Legislation on Market Regulation

4.6 Regulated Markets in India