INTRODUCTION

Genesis: The selection of this subject for intensive research for a doctoral thesis was the result of a perspective that was brewing in me for quite some time. I had an opportunity of serving the Bombay/Gujarat State in the Co-operative Department in various capacities for over a decade until July, 1961, when I resigned from my post of the Marketing Inspector attached to the Registrar of Co-operative Societies and Director of Agricultural Marketing, Gujarat State, Ahmedabad, to take over a teaching assignment here. I thought my first major individual research contribution ought to be in the field of regulated marketing in the State wherein objective and comprehensive fieldwork and analyses were long overdue.

Background information about the region covered: Gujarat, for the purpose of this study, means the territory of the present Gujarat State as was constituted on 1-6-1960. The history of Gujarat is replete with frequent regional redistributions and mergers of areas constituting various political units since the days of British advent in India. These had their impact in the field of agricultural marketing. These changes in the political frontiers and the legislation in force in the field from time to time have been detailed out at appropriate places in the text in order to present a comparable picture over the decades.

Gujarat State is situated on the West coast of India between 20.1 and 24.7 degrees North latitude and 68.4 and 74.4 degrees East longitude. It is bounded by Arabian Sea on West, West
Pakistan in the North-West, Rajasthan in the North-East, Madhya Pradesh in the South-East and Maharashtra in the South. The State has, according to 1961 Census, an area of 7,10,658 square miles and population of 2,06,33,350, representing 6.14% and 4.70% respectively of the area and population of the Indian Union.

The State is divided into 18 districts, the territories of which formerly had constituted three major regions: (a) Kutch—Kutch district, (b) Saurashtra—Jamnagar, Junagadh, Rajkot, Surendranagar, Bhavnagar and Amreli districts and (c) Gujarat—Ahmedabad, Banaskantha, Baroda, Broach, Bulsar, the Tanga, Kaira, Mehsana, the Panch Mahals, Sabarkantha and Surat districts—each district being sub-divided in talukas composed of compact blocks made by the 181 towns and the 19,017 villages situated therein. The frontispiece map of Gujarat State provides the district and the taluka boundaries along with the particulars of coverage of regulated markets as on 30-9-66.

The rainfall in Gujarat ranges from 15 to 100 inches. The soil varies from area to area being goradu, black, alluvial, sandy, etc. The figures of acreages under cultivation for important agricultural commodities in the State for the year

* This district belonged to the Baroda State until April, 1949 and the former Bombay State thereafter.
1963-64 are given below to show the normal crop pattern:

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Acreage (in '00)</th>
<th>Commodity</th>
<th>Acreage (in '00)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A: Foodgrains:</td>
<td></td>
<td>B: Cash Crops:</td>
<td></td>
</tr>
<tr>
<td>a) Cereals</td>
<td></td>
<td>a) Fibres</td>
<td></td>
</tr>
<tr>
<td>Jowar</td>
<td>33240</td>
<td>Cotton</td>
<td>41688</td>
</tr>
<tr>
<td>Bajri</td>
<td>29505</td>
<td>b) Oilseeds</td>
<td>50495</td>
</tr>
<tr>
<td>Rice</td>
<td>12838</td>
<td>Groundnut</td>
<td>45600</td>
</tr>
<tr>
<td>Wheat</td>
<td>10276</td>
<td>Sesamum</td>
<td>2526</td>
</tr>
<tr>
<td>Maize</td>
<td>5511</td>
<td>Castor</td>
<td>1618</td>
</tr>
<tr>
<td>Ragi</td>
<td>1597</td>
<td>Rape and Mustard</td>
<td>751</td>
</tr>
<tr>
<td>Barely</td>
<td>147</td>
<td>c) Narcotics</td>
<td>1879</td>
</tr>
<tr>
<td>Other cereals</td>
<td>3325</td>
<td>Tobacco</td>
<td>1879</td>
</tr>
<tr>
<td>b) Pulses</td>
<td>13290</td>
<td>d) Other crops</td>
<td>1109</td>
</tr>
<tr>
<td>Gram</td>
<td>2519</td>
<td>Sugarcane</td>
<td>548</td>
</tr>
<tr>
<td>Tur</td>
<td>2068</td>
<td>Chillies</td>
<td>458</td>
</tr>
<tr>
<td>Other Pulses</td>
<td>8703</td>
<td>Potatoes</td>
<td>103</td>
</tr>
</tbody>
</table>

Scope and approach: The market year ended 31-8-1964 has been treated as the base year for the collection and presentation of comparable and aggregate data from all the then existing regulated markets. Of course, information and figures since then have also been incorporated in the discussion and as tail pieces as demanded by the new developments to make the former self-contained.

The thesis has been divided in three parts.

Part I: It presents a historical review. The evolution of the

* Directorate of Agriculture, Gujarat State, Ahmedabad; Statistics of Area, Production and Yield per Acre of Principal Crops in Gujarat State for the period 1949-50 to 1963-64.: 1965; p.18.
institution of regulated markets in the country/State has been conceptually and empirically reviewed at length in terms of the economic situation, the legal framework and their growth actual including number and range, area coverage, commodities regulated, market functionaries, financial position and market arrivals.

Chapters I and II are meant to divide the discussion in the pre -- and the post -- Independence years (with further suitable break-up periods within them); for, the transfer of political power from British to Indian hands on 15th August, 1947, was an epoch-making turning point in the history of the nation. (The agricultural situation in India has been described in the beginning of Chapter I knowingly in brief as it is intended to serve as a relevant background only.) Chapter III is inserted to present a continuing overall growth picture -- in narration as well as diagrammatically -- from 1939 to 1964 since the first Market Committee was established in Gujarat on 1-3-1939.

Part II: It contains the analyses of various facets of the organisation and the working of the regulated markets from the management angle. (After all, agricultural marketing institutions, too, have to be 'managed' efficiently and effectively !)

It is divided into four chapters. Chapter IV is on "Foundations and structures : hierarchical pyramiding : functioning links" and is concerned with the study of the mechanics of the organisational framework: Formation, Constitution and Composition of Market Committee and Sub-committee, Chairman, Vice-Chairman, Secretary, Size and Composition of Employment Units, Administrative Hierarchy & Work-allocation, and Internal Communication

Part III: The socio-economic framework in India has, as if, been undergoing a metamorphosis in recent years. Expanding co-operativisation and State intervention in the field of agricultural marketing have been seriously challenging the utility of the institution of regulated markets. Sectional
vested interests seem to have begun jeopardising the overall
good of the community. The riddle has been analysed, up-to-date,
objectively in Chapter VIII in which practical suggestions have
been put forth to provide for a complementary co-functioning
of the regulated markets, the co-operatives and the State trading
institutions to avert the grave impact of extremist tenden-
cies in the field.

Suggestions in regard to the numerous facets/issues dis-
cussed in different Chapters have been made at appropriate
places, where corrective action is necessary.

Methodology: A pilot inquiry showed that there were 96 Market
Committees including 8 which had not commenced work as on
31-8-1964. A questionnaire was issued to all of them for the
collection of basic information and data. First replies had
begun to pour in only in May, 1965. In a vast majority of the
cases they were delayed and incomplete. For more than a year a
series of repeat and supplementary sub-questionnaires had to
be sent and multiple correspondence undertaken to fill up gaps
and reconcile self-contradictions. 68 active Committees had
published their Annual Reports for the year 1963-64 and a few
of them had published them for one or more years in the past.
Some of them were good enough to send them along with their
replies to the questionnaire or during later correspondence.
In the remaining cases they had to be collected personally
from their headquarters or, where a single office copy was
available only for reference, the required extracts had to be
taken there. Personal visits were also made to 21 Market Com-
mittees for field-work pertaining to sample verification of 
data, study of the actual organisation and working of market 
yards, and on-the-spot discussions with the office-bearers. In 
addition to these personal interviews with 73 persons includ-
ing chairmen, vice-chairmen and other members of the Committees, 
92 employees of the Committees, 117 market functionaries, 234 
agriculturist-sellers, 24 prominent workers in the field, and 
69 Government officials at various levels in the administrative 
hierarchy were interviewed by me personally in different parts 
of the State in order to make an objective overall appraisal 
of issues and situations, eliminate possible sectoral biases 
and formulate cross-checked views. I would, however, like to 
say -- with all academic modesty but without any reservation-- 
that the interpretation of the facts, the treatment of the 
subject and the conclusions drawn, as have been done in the 
text, are entirely mine.

I would like to mention that the acute paucity of published 
and unpublished official material on the subject was a great 
hurdle initially. The first separate Annual Administration 
Report on the working of the Bombay Agricultural Produce Mar-
kets Act, 1939, in the Province of Bombay had been published 
in 1950 and this annual publication was discontinued from 1959. 
And, even here only isolated copies of the Reports could be 
traced from different and distant sources after great effort 
and time-lag. Since the formation of Gujarat State on 1-5-1960, 

* Not only did any library or Government Book Depots at Bombay, 
Ahmedabad and Baroda had any copy but also the Directorate of 
Agricultural Marketing, Gujarat State, Ahmedabad, did not have 
them!
only the Annual Administration Report of the Co-operative Depart-
ment for 1962-63, which has been published during the current
year contained details regarding Regulated Markets in Part III.
Two Committees under the chairmanships of Professor M.L. Dantwala
and Dr. T.G. Shirname were appointed by the Government of Bombay
in 1950 and 1954 respectively to review the working of the Re-
gulated Markets in the State. Their reports were published in
1951 and 1956. And, the Agricultural Produce Markets Acts, Rules
and Bye-laws thereunder in force from time to time could fortu-
nately be traced. The other published material was stray and
patchy. The collection of relevant data from the scattered and
incomplete unpublished official material, too, was time-consum-
ing. And, frequently, it proved to be not quite reliable and
primary sources had to be dug out to avoid and rectify discre-
pancies.

I am satisfied that I have been able to locate and draw
upon most of the important unpublished and published material
relevant to the subject of my study, that a 100% sample of the
Market Committees has been covered and that representative
original data on all issues have been collected from an over-
whelming majority of them for collation, tabulation, analyses
and interpretation. The sources have been enumerated in the
Bibliography at the end of the Thesis.

I have been obliged to use a system of codes in the foot-
notes and the Appendices since the supporting references have
been often numerous. These codes have been serialised by Sections
of the Bibliography.

The Lists of (i) abbreviations used and (ii) the non-English words used and their translation/explanation as also the tables of weights & measures and currency follow this.

Wherever, in the text, proper names are put in brackets immediately succeeding other proper names, the former are those of the districts concerned.

Acknowledgements: I have had the privilege of working under the able and inspiring guidance of Professor Manubhai Shah, and have greatly benefitted from his constructive criticism at all stages of the work. To him I owe the deepest debt of gratitude.

It is impossible to acknowledge, individually, my indebtedness to the scores of individuals, Market Committees, Co-operative Societies and other institutions -- chairmen, vice-chairmen, members of the Committees, secretaries and other employees of Committees, market functionaries, agriculturist-sellers, social workers and officials -- whom I contacted. Many of them furnished useful data and information, and discussions with some of them have been very much helpful in making an objective analysis of the various facets of the empirical study. My sincere thanks are due to all of them.

I would, however, like to express my thankfulness to the following authorities and individuals in particular:

To the Registrar, Co-operative Societies and Director of Agricultural Marketing, Gujarat State, Ahmedabad, for his direction (Vide: his circular letter no. D.APM. General 65
dated 1-5-65) (i) to the chairmen of all the Market Committees to supply me with necessary information and data and (ii) to his office/directorate to allow me to use relevant data and information from the unpublished records relating to the Market Committees - for the purpose of this thesis.

To the Deputy Registrar (Marketing), the Assistant Registrar (Marketing) and the Grading Officer in the Directorate of Agricultural Marketing, Ahmedabad, the chairman and the Hon. secretary of the Gujarat Niyanrit Bazar Sangh, Ahmedabad, the secretaries of the APMCs at Ahmedabad, Amreli, Baroda, Bavla, Bodeli, Broach, Derol, Dhandhuka, Kosamba, Mehsana, Nadiad, Patan, Savarkundla, Surat and Unjha.


Vallabh Vidyanagar
December 29, 1966.

V.R. Joshi