CHAPTER - IX

An Overview

Synopsis

General.
Malpractices & weaknesses.
Magnitude of arrivals & sales.
Cattle fairs.
Municipal markets.
Regulated Markets.

General

Since the Vedic Age, India has predominantly been an agricultural country. A vast majority of her people has been used to live in small villages scattered all over the country, depending upon agriculture and pastoral pursuits. Even in 1981, the first population census recorded over 90% of the people as rural. The population in the current mid decade was 621 million of which 487 million (79.4%) was rural living in 575,721 villages, 55% of which had a population of 500 each and 44% of 500 to 5000; there were 4975 villages with 5000 to 7000 each, while 1358 villages had over 10,000 each.1 In our agrarian economy, crop husbandry; animal husbandry; village, cottage and small scale industries have been the major constituents. Insofar as animal husbandry is concerned, India

---

1. Yojana: 16-5-1978, p.2; Community Water Supply and Sanitation in India.
has the largest cattle and buffalo population, being 15.4% of world cattle and 47% of world buffaloes in 1972, and they occupy a pivotal position in our national life. Their contribution to our economy has indeed been very vast. They are not only the main source of draught power in agricultural operations and rural transportation, they provide essential foods of animal origin (like milk and milk products and meat), large quantities of such animal by-products as hides, bones, blood, guts, horns & hooves, and valuable organic manure. Despite the impact of modernization, a large proportion of motive power, rural transportation will be bullock based even in the distant future. The employment generating potentiality of rearing and maintaining cattle and buffaloes has been very high, because it involves intensive use of labour, especially a large portion of female labour force finds scope for fuller utilization in several operations connected with cattle rearing. According to one estimate, about 12% (amounting to ₹3900 crores) of the agricultural component of our gross domestic product is accounted for livestock production in India.

The contribution of livestock towards national income can be increased by having a programme based on such major considerations as (i) to obtain adequate supply of milk, meat and eggs and other useful animals and by-products, (ii) to improve the economy of the producers, particularly those belonging to the weaker section of the rural community, and, (iii) to create additional employment opportunities. However, livestock development suffers from the severe constraints of (i) absence of a significant research break-through comparable to that of seasonal crops, (ii) paucity

---

2. Out of which only 16 to 20 percent are fair representatives of well-defined breeds.
3. Vide p 92 of this work.
of feeds and fodder, (iii) lack of sufficient integration between crop husbandry and livestock production resulting in inadequacy of reinforcing these programmes, (iv) intensive competition for land and water resources between crop production and livestock production. The ill effects of these constraints can be overcome by the process of culling and eliminating less efficient and below-standard animals and providing the cattle-breeders with assistance to rear more and more good quality stock backed with technical advice and economic incentives. But any programme of cattle and buffalo development would not generate interest and enthusiasm amongst the producers unless such a programme is linked with efficient marketing system that ensures attractive returns to the producers without undergoing much hardships in the marketing of their products and without being exploited by the merchant-buyers and the other intermediaries.

The National Commission on Agriculture (1976) has set four major objectives of an efficient marketing system for agricultural produce (i) to enable the primary producers to reap the best possible benefits, (ii) to provide facilities for lifting all produce the farmers are willing to sell at an incentive price, (iii) to make available all products of farm origin to consumers at reasonable price without impairing the quality of the produce, and (iv) to reduce the price spread between the primary producer and ultimate consumer. However, unlike the marketing of other agricultural produce, marketing of cattle and buffaloes have three distinctive features in that (i) cattle and buffaloes are living commodities to be marketed, (ii) the intermediaries possess a predominant position in the

marketing mechanism, and (iii) the cattle-breeder-sellers and agriculturist-cattle-buyers form the main parties in most of the dealings of cattle and buffaloes.

As discussed in earlier chapters V to VIII, cattle and buffaloes have been marketed in Gujarat as also in India either in the villages, at the cattle fairs, at the municipal markets or at the regulated markets or at more than any of the markets. A map of Gujarat showing the locations of the last three types of the markets is exhibited to show their coverage in the State (Vide Map 9.1).

Except regulated markets for cattle, all have been unorganised ones having one or more of such malpractices and/or limitations as (i) the brokers who own the stack yards charge high rents for providing accommodation to the sellers as well as their cattle, (ii) brokers used to charge as high as Rs.0-25 ps. to Rs. 0=50 ps. per bucket of water supplied to the cattle of the agricultural producers, (iii) the brokers used to harass the cattle-breeders as also the farmer-cattle-buyers by demanding large sums of money as brokerage from both parties, (iv) the cattle-holders have to pay 'dharmadas' and other charges for each transaction without getting any benefit or facility, (v) the brokers use to pocket the difference in prices by not disclosing the fact regarding the price settled at the transaction either to the buyer or to the seller as the brokers follow such prohibitive methods of sale as 'sale under cover of cloth', and/or 'moghum or unbhav sale', (vi) the sellers are not sure of getting on the spot payment of their animals and even if they get the amount on the spot, they have to pay cash discount at high rates, and, (vii) there does not exist any machinery for the settlement of marketing disputes arising between the buyers and the sellers, of between buyers and
brokers or commission agents or between sellers and brokers or commission agent, and thus, the cattle-breeder-sellers and the agriculturist-cattle-buyers being the weak links in the dealings are left to their luck.

**Magnitude of arrival & sale**

Apart from the estimated sales of cattle and buffaloes to the tune of 1,64,475 and 91,375 respectively during 1976-77 at the village level, the arrivals and sales of cattle and buffaloes in each category of markets in the same period were as showed in Table 9.1 below.

Table 9.1

<table>
<thead>
<tr>
<th>Market Category</th>
<th>Number of Markets</th>
<th>Arrivals</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Cattle</td>
<td>Buffaloes</td>
</tr>
<tr>
<td>Cattle Fair</td>
<td>11</td>
<td>154423</td>
<td>50</td>
</tr>
<tr>
<td>Municipal Markets</td>
<td>2</td>
<td>38349</td>
<td>12011</td>
</tr>
<tr>
<td>Regulated Markets (in operation)</td>
<td>19</td>
<td>193703</td>
<td>16401</td>
</tr>
</tbody>
</table>

The analysis of the data given in the above table would show that the maximum number of cattle and buffaloes were sold at the village level, followed by their sales in the regulated markets, the cattle fairs and the municipal markets, and that the arrivals and sales of buffaloes at all the categories of markets were negligible as compared to those of village sales. Even one or more
categories of these markets cover the entire area of the State, village sales can be reduced but, there are no possibilities of their total elimination because of inerherents of the village sales system as discussed in chapter V (vide page 177).

Since the organizing authorities of cattle fairs and municipal cattle markets simply provide places for marketing of cattle and buffaloes on specified day/s, these markets continue to function as unorganized markets entailing scope to the market intermediaries for exploitation of the cattle-breeder-sellers and agricultural-cattle-buyers to the fullest extent.

Cattle Fairs

All cattle fairs are being held annually and last for one or more days. Two aspects needed special mention in this regard: (i) fairs as an agency for marketing of cattle has gained popularity as, as against annual cattle fairs of 2 in 1947 in Gujarat, as many as 12 annual fairs are being held at different places in the kankrej breeding tract of North Gujarat, and (ii) though, out of 12 fairs 5 (Varnali, Deodar, Dhabhar-twofairs-, and Radhanpur) are being organised by the concerned MCs, these fairs still continue to be organized cattle markets because the MCs do not enforce the regulatory provisions of their respective bye-laws, the GAPM Act, 1963 and the Rules thereunder. Because of their locational advantages as cattle fairs are gaining popularity among the buyers and the sellers in the breeding tracts, the author visualizes their multiplication in years to come. But these fairs cannot be allowed to function as an unorganized ones, the fairs which are being held by the concerned MCs should function as regulated markets and those fairs which are being held by the local authorities should
be brought either under the orbit of the GAPM Act, 1963 or the organizing authorities should frame necessary rules and regulations for orderly marketing of cattle and buffaloes there.

**Municipal Markets**

Unlike cattle fairs, municipal markets showed a declining trend both in terms of their strength and volume of business transacte. As against 6 cattle markets working in 1956, only two markets one at Ahmedabad and the other at Dhoraji were functioning in 1976-77. Though cattle has been included as one of the notified commodities in the bye-laws of Ahmedabad MC, as far back as 1963, it has been managed by the Ahmedabad Municipal Corporation. It is not understood what comes in the way of establishing this market as a regulated one under the management control of Ahmedabad MC. Insofar as the latter market is concerned, the area has been notified as a regulated market there, and a MC has been constituted it is likely that cattle may be included in the list of notified commodities in course of time. Thus, the last municipal cattle market would disappear from the scene.

**Regulated Market**

As discussed earlier, the forms of regulated market has been an evolutionary consequence for the quest of an institution for establishing orderly marketing for agricultural produce including livestock. With the inclusion of cattle as one of the notified commodities by Patan MC in 1952, the beginning of regulating cattle under the APM Act was made and by September, 1977, as many as 42 MCs have included cattle in the list of their notified commodities. Thus, at the end of September 1977, there were 42 MCs having statutory powers and authorities to enforce regulation of cattle trade in their
respective market areas. But, it is most unfortunate that out of 42 such MCs, only 19 MCs started regulating cattle trade and remaining MCs did not take any action to discharge their statutory obligation even after a lapse of a considerable long period. All the MCs which have been enforcing regulation of the cattle could not be said to have established completely orderly marketing of cattle in their concerned market areas. Of course, MCs of Vadojara, Patan, Kapadvani, Dakor, Morvi and Sonali have been doing appreciable efforts in the field despite the constraints of procedural delays, paucity of resources, opposition of vested interest, inadequacy of land and disinterestedness of some of the members.

Thus, marketing of cattle and buffaloes is at present not fully organized and give adequate impetus both to the cattle-breeders to produce better type of these animals and to the agriculturist cattle buyers to buy his needs from the established markets. Since, there does not exist an alternative to the institution of regulated market in the existing marketing structure for agricultural produce in our country, it is therefore, essential to see that the established cattle and buffalo markets function as orderly markets with strict adherence to the prescribed rules and regulations and provide all the amenities and build up necessary requirements so that the cattle-breeder-sellers and agriculturist-cattle-buyers enter into their dealings in the market yard with absolute confidence and get a fair deal.

One of the constraints that limits the proper and efficient functioning of the MCs enforcing cattle trade is the establishment of single-commodity versus multi-commodities regulated markets. After examining this issue, among other things, Ciebbara Committee (1975-76) appointed by GOG recommended that (i) as far as possible
instead of having MCs exclusively for cattle only, it should be entrusted to the existing MCs as an additional commodity, (ii) in case of MCs established exclusively for cattle, election of the committee may not be possible and in such cases, it should be seen that the representatives of cattle-breeding co-operatives and social workers connected with cattle trade are nominated, (iii) MCs where cattle is regulated as an additional commodity, a special sub-committee consisting of about four to five members from amongst the persons/institutions connected with cattle trade should be formed to look after and advise the cattle problems, (iv) the representatives of the Animal Husbandry Department should invariably be invited in the committee meetings, (v) MC wherein cattle is regulated, a special limit of loan should be laid down.

Thus, though, Odedara Committee did not recommend in favour of establishing multi-commodities-market, it did not rule out the possibility of establishing a regulated market exclusively for cattle. Then single commodity regulated markets have been established in special type of commodities like tobacco and fruits and vegetables, where there have been adequate volume of business, there should be no reason why regulated markets exclusively for cattle be not established at centres like Vadodara, Kapadvanj, Gondal, Dakor and Patan so that the concerned MCs can devote their full time, energy and resources for the development of the cattle market on orderly lines.

One of the serious aspects of regulation of cattle has been noticed is this: that the government, in its anxiety of bringing as many centres as possible, has brought in regulation as many as 42 cattle trade centres but neither the Government, nor the
Director of Agricultural Marketing or the Director of Animal Husbandry took it seriously to see that markets which have been regulated, started functioning in the shortest possible time as 55% of the markets so regulated did not start enforcing regulation of cattle trade. This is rather ridiculous. Before it is too late, the Director of Agricultural Marketing in collaboration with the Director of Animal Husbandry should investigate into the causes/factors responsible for such a state of affairs and see that either they start functioning within a stipulated time limit or they are denotified.

A regulated market for cattle and buffaloes can be said to have reached an ideal stage where it eliminates the trade intermediaries like broker and commission agent by providing technical and other services through its paid personnel, which these intermediaries provide, either to the cattle-breeder-seller or to the agriculturist-cattle-buyer, as in all the regulated cattle markets purchase and sale take place through direct contact between the buyers and the seller. This is positively possible if the MCs take it seriously and implement it with integrity and sincerely, in the best interest of agricultural and cattle-breeder communities.