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**CHAPTER - I**

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**INTRODUCTION**

**1) Importance of Agricultural Marketing,**

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INTRODUCTION.

1) Importance :-

An underdeveloped economy is characterised among other things, by the existence of primary production. A large portion of the population depends on agriculture for its livings. Agriculture is the mainstay of the economy. Traditional methods of cultivation, dependance of agriculture on the vagaries of Nature lack of sufficient irrigation facilities, low productivity per man as well as per hectare, traditional system of marketing of agricultural produce etc. describes further the deficiencies met with the primary producing economy.

Consequently, the cultivator remains a poor creature generation after generation.

When the undeveloped economy begins a March on the path of economic development, the process of a structural change in the economy is set rolling. The economy's dependence on agriculture is to be reduced in order to make it rely more on industry and commerce. A shift of population from agriculture to secondary and tertiary sectors has to be brought about. But at the same time efficiency of agricultural sector also has to be increased. In addition, it has to be seen that those who continue to live on land, are made better off. If the cultivator producer is to better his position, a number of aids to cultivation as also marketing of his produce have to be provided for. Supply of inputs may help the cultivator in getting good harvests, but, if he is left to follow the traditional channels for marketing of his produce, he is bound to derive benefits less than due. Hence creation of healthy marketing conditions has an important place in the process of transformation of an under developed economy. Establishment of regulated markets in agricultural commodities is a course generally recommended and widely accepted for creation of better marketing conditions.

ii) In India regulation of agricultural marketing has been aimed at increasing the incomes of farmers and to promote the economic development of country. The agriculture is produced by a large number of farmers who are having a small size of holdings.

The agricultural produce was mainly produced for selfconsumption. The marketable surplus has been very low, whatever the little surplus was marketed by the farmers had been at a disadvantage of producer. The agricultural markets were dominated by the traders and arthings who adopted a large number of malpractices such as defective weights and measures and just deductions unreasonably high rates of commission and other market charges etc which took away a considerable part of the price paid by the buyers. This placed the producer seller at a disadvantage as against the relatively stronger members of trading class. Therefore there was a need to develop regulated markets in order to improve the marketing conditions. So that it will lead to fair competitive conditions and towards stronger bargaining power of the farmets. The main object of the regulated markets is "to regulate sale and purchase of agricultural produce and create conditions for a fair competition", with a view to ensure to a fair deal to the farmer in marketing his produce.

The Royal commission on agriculture for India (1928) expressed the view that "the prosperity of agriculturists and the success of any policy of general agrucultural improvements epe depend to a very large degree on the facilities which disposal for marketing to the best advantage".

In India the first province to set up the regulated market in 1930 was the Bombay Provinces'. The other governments followed it. The growth of regulated markets in India has been observed to be lower compared to that after the indepeendence.

During the year 1950-51 there prevailed 265 markets. The number increased rapidly. So that by March, 1980 this number has reached to 4452. At present government policy is to correct all the markets in the country into regulated markets.

The sixth five years plan stressed the rapid development of regulated markets in India. It proposes to establish the regulated markets in the areas, where commercial crops like cotton, jute, tobacco and important nontraditional crops are produced and sold in the weekly markets. The co-operative marketing and distribution and banking will be linked with the regulated markets. These markets will cover all the Major Crops. Separate market yards has also been proposed and the sixth plan for the livestock, fish, fruits and vegetables.

The main aim of the sixth plan regarding development of regulated market will be -

- a) further expansions of regulated market - in terms of more markets and more commodities.
- b) Strengthening and streamlining the inspection to ensure a regulated system of open auctions. grading practices etc.
- c) Development of rural market in areas where such facilities are not available.

During the period of sixth plan, it has been proposed to bring under regulated market system at least 1/4th of present primary markets estimated at 22,000 all over India.

Establishment of regulated market is relating new phenomenon which has failed to receive the attention at the hands of research scholars and economists.

Taking into consideration the importance given to the development of regulated market in India. The present study aims at studying the market working of a regulated market at Gadhinglaj in Kolhapur District. The market yard at Gadhinglaj had been selected because it is a leading Taluka of Kolhapur District, while Kolhapur District owns a place of pride in the field of several economic activities among the other Districts of Maharashtra State. Hence Kolhapur District and Gadhinglaj Taluka was selected for the purpose of present study. This dissertation on the topic ' a study of regulated market at Gadhinglaj Taluka ' has been divided in to Six Chapters.

The Chapter first deals with the importance and the development of regulated markets in India.

The second chapter deals with the agricultural marketing, primary market, need for Government intervention, regulated marketing, market committee, and benefits of a regulated market.

The third chapter deals with the history of regulated markets and the need of regulation.

The practical aspect of the Dissertation starts with Chapter Fourth. This chapter deals with the history of the Gadhinglaj Market, the meeting conditions of the market yard and financial operations of the market committee.

The fifth chapter deals with the working and impact of regulation.

The six chapter deals with the findings and recommendations from the study.

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