

Twenty-five Years of Scientific Marketing in Madras State

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A. Introduction : In 1928, the Royal Commission on Agriculture in their report, portrayed vividly the disabilities under which the producer was labouring and the exploitation to which he was exposed to, in an unorganised and uncontrolled system of marketing agricultural produce. Subsequently the Banking Enquiry Committee and the Provincial Economic Conference of 1934 laid stress in their reports the necessity for taking up with immediate effect a programme of intensive development of organised marketing of agricultural produce including livestock products, so as to help the farmer to secure his due share of the price paid by the consumer.

B. Marketing Section : In pursuance of the above recommendations, the Government of India organised in 1934, a Central marketing department headed by the Agricultural Marketing Adviser to the Government of India. At about the same time, the Madras Government also took effective steps and appointed a Provincial Marketing Officer (now called the State Marketing Officer) to work under the Director of Agriculture. The subjects dealt with by the marketing section in Madras State are as follows :

- (i) To conduct market surveys of the various commodities.
- (ii) To organise regulated markets for better buying and selling.
- (iii) To arrange grading of produce.
- (iv) To act as a bureau of market intelligence for furnishing information on various aspects of marketing like the trend of prices, demand, supply etc., to the public and private sectors.
- (v) To explore markets for the produce and suggest export-quotas for surplus commodities like chillies, onion, etc.
- (vi) To help schemes on co-operative marketing, warehousing, weights and measures, forward-marketing, etc.,

C. Work done so far : *Market Survey* : The proof of the pudding is in the eating of it. The producer should be able to readily market his commodity at a fair price and cash his labours. For the marketing section to give proper advise to the ryot a survey of the current marketing practices for each commodity is essential. These market surveys are planned and conducted to spot weak points in the existing marketing systems and secure enough material for building up a foundation for developing a scientific and hence a profitable marketing system. Spot investigations and collection of information by personal enquires were made from producers, traders, intermediaries, manufacturers, consumers and others connected with the marketing. These surveys covered all the important aspects of marketing such as trends in production, utilisation, net available supplies, prices and price spreads, market practices in respects of assembling and distribution, transport, storage, processing, commercial classification, standardisation and grading, financing, markets, market charges and market functionaries and the recommendations for improvement in the marketing practices. Besides furnishing detailed information on the above lines to the Agricultural Marketing Adviser to the Government of India, for publication of the All India survey reports, the marketing section of Madras State has so far brought out survey reports of Madras State for 52 commodities (including both agricultural and livestock products), out of which six were published. As a result of the marketing surveys conducted, the malpractices noticed in the trade were noted and suitable legislative measures like ;

- (i) the control of forward trading ;
- (ii) enforcement of weights and measures ;
- (iii) setting up of licenced warehouses ; and
- (iv) regulation of markets,

were taken up. Recently a special Assistant Marketing Officer for survey has been appointed to revise and bring up-to date the survey reports, with a view to publish them gradually for the benefit of the marketing community.

Regulated Markets : Between the producer and the consumer, goods ordinarily change hands many times. There are a lot of intermediaries like commission agents, brokers and other itinerant dealers in the process of marketing a produce. Various malpractices such as false weights, unauthorised deductions and allowances, absence of any machinery to easily settle disputes between buyers and sellers, and adulteration are prevalent. The innocent producer

from the village is helpless under such conditions of marketing. To afford him proper marketing facilities, regulated markets were established for a few selected crops under the Madras Commercial Crops Markets Act of 1933. This act is to be replaced by the Madras Agricultural Produce Markets Act of 1959, under which the marketing of all the agricultural and livestock commodities is contemplated in the regulated markets. The salient features of a regulated market are as follows :

(a) Provides a meeting place for the producers and consumers to come together.

(b) The market charges are specified and are within reasonable limits.

(c) Weights done by licenced weighmen are correct and are tested periodically.

(d) Amenities to the producer by way of a storage shed, cart park, water-cistern for cattle, lavatory etc., are all provided in the market yards.

(e) Market intelligence regarding the arrivals, sales, prices at the important marketing centres are furnished to the buyers and sellers so that they may know the trend of the market.

(f) Prompt payment by the buyer to the seller is insisted upon.

(g) It serves as a pooling place for affording bulk purchases.

(h) Suitable quality standards and standard contract forms for buying and selling are adopted.

(i) Transactions take place in public and hence the dealings are fair.

(j) Prices paid are the best, due to competition between the buyers.

The following are the Market Committees and the Regulated Markets established under the Madras Commercial Crops Markets Act.

Name of the Market Committee	Commodities notified	Year of Starting	No. of regulated markets opened.
Coimbatore	Cotton, Groundnut, Tobacco	1935	5
South Arcot	Groundnut, Cotton, Gingelly	1939	9
Ramnad	Cotton, Groundnut	1952	—
Tirunelveli	Cotton	1952	—
North Arcot	Groundnut	1953	8
Trichy	Groundnut, Tobacco	1958	4

The six market committees, regulating transactions in cotton, groundnut, tobacco and gingelly having 26 regulated markets in all, have been opened so far. Regulated Markets are likely to be established in South Arcot, Thanjavur and Trichy districts in the near future for paddy under the Madras Commercial Crops Markets Act. By the end of the third five year plan 103 regulated markets in the different districts are expected to be established.

Grading: Grading of produce creates mutual confidence between the buyers and sellers, the consumer gets the quality he desires and the producers a better return. With a view to benefit both the producer and the consumer, the Government of India passed the Agricultural Produce (Grading and Marking) Act, 1937, authorising the Agricultural Marketing Adviser to prescribe grade standards for different types and varieties of agricultural produce including some animal husbandry products based on the analysis of samples and in consultation with the interested parties. Commodities thus graded are called "AGMARK" products. The symbol "AGMARK" is a shortened form for "Agricultural Marketing". These "Agmark" graded products stand assured for purity, freshness and standard quality. Besides a higher turn-over in sales and better prices, the "Agmark" products facilitate easy export, being standardised products. It enables easy quotation of prices.

AGMARK grading is voluntary in the case of commodities consumed in the country. Suitable persons or corporate bodies are authorised by the issue of a certificate of authorisation, to grade their produce under "AGMARK" by the Agricultural Marketing Adviser to the Government of India on the recommendations of the State Marketing Officer. A system of strict quality control is enforced both by the Central and State Governments by drawing check samples at the consuming centres even. Important commodities graded under "Agmark" for consumption within the country are: Ghee, Butter, Gingelly oil, Hen eggs, Rice, Sugarcane Jaggery, Potatoes, Sathukudi Orange and Mangoes. Attempts are being made to grade cocoanut oil, castor oil, honey, duck eggs, pulses and cotton. Besides the articles graded for internal consumption on voluntary basis, commodities like sannhemp, tobacco, wool, bristles and essential oils (Sandalwood and lemongrass oils) are compulsorily graded for export, as per notifications issued under Section 19 of the Sea Customs Act 1878. The Second Five Year Plan provides extension of compulsory grading in respect of export of pepper, ginger, cardamom, vegetable oils, hand picked groundnuts, hides

and skins, tanned leather, kapok and myrobals. The grading for export is supervised directly by the Directorate of Marketing and Inspection.

For analysing and grading ghee and oils, a well equipped chemical laboratory costing about Rs. 12,000 is required. In order to facilitate the smaller ghee and oil merchants to grade their ghee and oils and market the same, Government grading laboratories under the control of the State Marketing Officer, Madras were established in important trading centres like Coimbatore, Dharapuram and Karur. Three more laboratories are being established at Madras, Madurai, and Virudhunagar. In the third five year plan, it is proposed to open five more laboratories, so that a chain of Government laboratories would be available for all the ghee and oil merchants in Madras State, to have their produce tested and graded before marketing. A state grading laboratory at Vellore provides facilities for grading sugarcane jaggery, rice etc.

Grade specifications have already been prescribed by the Agricultural Marketing Adviser to the Government of India for 115 Agricultural products. These specifications are revised whenever necessary, in order to keep them in tune with latest trends in the trade. Specifications for different varieties also have to be fixed, according to their nature. In Madras State for rice alone grade specifications for 41 varieties of rice have been fixed

In Madras State, rice grade was started in 1938-39. Grading of hen eggs, sathukudi oranges, mangoes, jaggery and potatoes was started in 1939-40. Grading of ghee and gingelly oil was taken up in 1948-49. Grading of Groundnut oil was done from 1957 onwards. The quantities graded for the past 5 years in some commodities are given hereunder :

	Rice (St. Maunds)	Ghee (St. Maunds)	Gingelly Oil (St. Maunds)	Groundnut Oil (St. Maunds)	Potatoes (St. Maunds)	Hen Eggs (Nos.)
1955-'56	7254	7206	2940	296828
1956-'57	8896	3609	6087	...	10549	81775
1957-'58	46043	9030	6884	1555	8105	1862207
1958-'59	45363	11840	9283	4442	5885	1644404
1959-'60	55000	16167	4302	3150	3662	2851427

The grading activities have been expanding, though the quantities graded when compared with the total marketable surplus is very negligible. The reasons for the same have to be analysed and set right so as to see that this vital forward measure is implemented in full.

Grading activity would increase automatically with the consumer demand for graded articles. The Government of Madras have ordered that Government controlled institutions like the hospitals, hostels, jails, borstal schools, etc., should set an example to the public by going in for Agmark Products only, even if the price is 5% more than the ungraded goods. An Assistant Marketing Officer with adequate subordinate staff has been sanctioned by the Government of Madras for expanding the grading activities in this State. Due to the propaganda done by the Special staff the number of packers during 1960-'61 who were authorised to grade and who were recommended by the State Marketing Officer for issue of authorisation certificate are as follows, when compared to the figures in the previous years.

	Rice	Ghee	Gingelly Oil	Groundnut Oil	Potatoes	Eggs
1955-'56	1	7	5	8
1956-'57	11	8	4	...	2	7
1957-'58	17	17	7	1	6	9
1958-'59	24	21	8	1	9	16
1959-'60	58	35	8	1	14	21
1960-'61 (upto 143 Sep. end)		83	24	6	52	61

Tangible results achieved in enlisting packers in enough numbers should ensure continuous supply of graded articles to the consuming public. The Agmark Packers' Association has been established in Madras State, perhaps the first of its kind in India and it is expected that this organisation would be able to create in the public mind the confidence that "Agmark" articles are the best choice for all, at reasonable prices. A sister institution to voice forth the views of the consumers called the Agmark Consumers' Association is being arranged to be started shortly and this Association is expected to do wide propaganda door to door, for the "Agmark" products, so that the real live forces in the households, namely the womenfolk, may be convinced of the excellence of Agmarked Products and insist on their getting only such articles.

The consumption of Agmark Products can considerably be increased, by enforcing the Prevention of Food Adulteration Act a little more vigorously, so that the prices may get settled down, without undue competition from the adulterated stuff. A fillip may be given by giving preference to graded articles for booking of

wagons so that the quality of the Agmark Products may be maintained. This would be especially true in the case of perishable articles like the potatoes, eggs, mangoes, sathukudi oranges and limes.

D. Future Programme: Development of Marketing in Madras State is imperative, if only to consolidate the gains accrued as a result of the greater production achieved through the various "grow more food schemes" in this State. Provision has been made in the third five year plan, for the expansion of the marketing section, providing for an Assistant Marketing Officer for each district, so as to be able to study the marketing problems and advocate the scientific marketing principles, for the solution of the same. With more production and better marketing amenities, the ryot in Madras State will have very few problems after the Third Five Year Plan and an era of peace and plenty is visualised.

Fodder Problem in India—a Suggested Solution

by

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A higher standard of living implies and includes a higher standard of nutrition. Improvement in the nutritional level needs an increase in the protein content of the food for which purpose animal proteins are more valuable.

In a predominantly vegetarian country most people will have to depend on milk and milk products as their only source of animal protein, especially for the more vulnerable group - growing children, nursing mothers and pregnant women.

A rapid increase in milk production for both rural and urban areas is not only desirable but imperative. Nutritionists have estimated that at best a 300 per cent increase in total milk production is necessary for India's requirements of milk and milk products.

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