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(Organ of the Indian Society of Agricultural Economics)

Vol. XII	APRIL—JUNE 1957	No. 2

### CONFERENCE NUMBER

*∀*PROCEEDINGS

of the SEVENTEENTH CONFERENCE held at Cuttack, December 1956

#### SUBJECTS

- 1. PATTERN OF EMPLOYMENT OF HIRED LABOUR IN AGRI-CULTURE IN INDIA.
- 2. EFFECTIVENESS OF PROVISION IN THE TENANCY LEGISLA-TION FOR (i) SECURITY OF TENURE AND (ii) IMPROVE-MENT IN TENURIAL STATUS OF TENANTS.
- 3. TRENDS IN THE OPERATION TECHNIQUES AND ORGA-NISATION OF AGRICULTURAL MARKETING IN INDIA.

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#### PREFACE

The current issue of the Journal contains the Proceedings of the 17th Annual Conference of the Society held in December 1956 at Cuttack. The Conference was attended by nearly 130 members from Central and State Governments, Universities and Research Institutions.

The subjects chosen for discussion at the Conference were :

- 1) Pattern of Employment of Hired Labour in Agriculture in India.
- 2) Effectiveness of Provision in the Tenancy Legislation for (i) Security of Tenure and (ii) Improvement in Tenurial Status of Tenants.
- 3) Trends in the Operation Techniques and Organisation of Agricultural Marketing in India.

An unusually large number of papers were received and read on Subject I, while on the other two subjects also there were select contributions. The level of discussions was maintained at the usual high level.

Unlike the previous Conference, it was not possible to arrange for a taperecorder to record the discussion. Instead, arrangements were made to take down notes of the discussion by stenographers. However, notes have not been taken of the speeches of all the participants in the discussion. Hence, the discussion part on the respective subjects contain only reports which could be made available.

We take this opportunity of thanking the Utkal University under whose auspices the Conference met. We specially record our grateful thanks to Dr. S. Misra, the Local Secretary of the Conference, who had made excellent arrangements and to the Members of the Reception Committee for their generous hospitality.

15th May, 1957

Manilal B. Nanavati President

Crops Market Act, to render the working of the Market Committee appointed thereunder, smooth, effective and less expensive. The Committee will also consider the extension of the Act to all commercial commodities, including food crops, throughout the State.

#### CONCLUSION

To conclude : it is perhaps too soon to assess quantitatively the progress made on the results achieved in the implementation of the Pilot Scheme, though undoubtedly fair progress has been made in the formation of some large-sized societies and the expansion in the activities of the marketing societies. And yet, the goal though clear is difficult to reach except by a long and difficult process of continuous co-operation between the State and the people spread over a long period. The development of the experiment in State trading may eventually be dovetailed with 'the Co-operatives' in the marketing field to ensure increasing progress by a State or national plan for canalising production and marketing to ensure efficiency and justice to all.

# TRENDS IN OPERATION TECHNIQUES AND ORGANISATION OF AGRICULTURAL MARKETING IN INDIA

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and /

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#### INTRODUCTION

To a layman, marketing means buying and selling of agricultural produce. These activities apparently look very simple but when one sets out to inquire into the genesis of buying and selling one comes across a multitude of economic phenomena of human wants and their satisfaction. They in turn bring in a plethora of economic activities which lie in the realm of concentration, equalization and distribution. The latter embody the functions of assembling, physical movement of goods, grading, packing, storing, processing, financing and distributing. Market news is also now included in functions. These functions are carried by functionaries at places known as markets by adopting certain practices, operational techniques.

#### CAUSATIVE FACTORS

Coming to the consideration of trend in operation techniques and organisation it may be said that it presupposes change. Marketing is susceptible to change with the slightest impact of circumstances owing to the fact that it is a crucial

activity which aims at meeting human wants. As long as our agricultural production was of self-sufficing type the vulnerability was low. But during the past 150 years the economy passed through far-reaching upheavals. India which used to export, though in small quantities, finished luxury goods became the supplier of raw agricultural goods to the factories in the West where industrial revolution had taken place and also a consumer of factory-produced goods. This change necessitated the Indian farmer to compete in world markets. Nevertheless, the World Wars I and II which necessitated industrial development in the country itself, brought about a change in the pattern of trade. India started dealing in semi-manufactured or manufactured goods produced from her factories. Exports of wheat and rice completely dried out in recent times. Supply of groundnut and linseed for export decreased, their place being taken by their oils.

Further, in respect of fruits and vegetables too, India started dealing in fruits and vegetable preserves. Imports of fruit and vegetable products have considerably gone down in the post-war (II) period and exports of the same have appreciably increased. Also the production of various fruit and vegetable preserves has greatly increased.

For a long time the economic activity was based on the policy of free competition and non-intervention by Government-laissez faire. In the post-World War I period there was a tendency towards monopoly trade with a biological bias, i.e., survival of fittest. During the pre-World War II period nationalism of the fascist and communist types came into being which aimed at national development behind tariff walls. During the World War II period many trade channels were opened for Indian farm produce but as a result of the expanding economy and restricted pattern of trade, less economic crops were dropped of from cultivation and the production of competing commercial crops like cotton, jute, groundnuts, sugarcane and cigarette tobacco was increased. As a result, the normal marketing machinery went practically out of gear. The period after World War II has been marked by noteworthy changes. End of colonialism is the main change coupled with socialisation of industries for the welfare of the common man achieved through planning. During the last eight years since independence we are heading towards increased industrialisation utilising our own agricultural production. With every change in this sphere the marketing machinery changed to suit the new circumstances. The noteworthy factor in all these stages of change was in respect of the part played by the State.

#### OPERATIONS AND TRENDS

With such changes in the economic field the marketing mechanism for factory goods in India has kept pace with that in advanced countries. We come across all such agencies, operations and institutions equally modern as prevail in Western countries. In the sphere of agricultural marketing, however, lacuna continues, though some changes are discernable.

A few instances at various stages of the travel of agricultural goods from producer to consumer given in the succeeding paras attempt to indicate the trend.

Farmers have now been gradually realising that some of the functions carried out by middle-men if taken over by themselves, they can increase their share in the consumer's rupee. Table No. 1 given below brings out this tendency in so far as linseed and lac, information on which is readily available from the surveys conducted by the Directorate of Marketing and Inspection. In both linseed and lac it is observed that the percentage handled by farmer and by itinerant merchant in the assembling of produce has increased while that by the village merchant has decreased.

# TABLE I—PRODUCER'S SHARE IN THE ASSEMBLING OF CERTAIN COMMODITIES IN THE MARKETS 1

	Agency		Linsee	d	Lac	
				Post-war II	Pre-war II	Post-war II
1.	Producer		20	47	36	40.6
2.	Village merchant	••	40	18	40	16.9
3.	Itinerant merchant		·	27	19	34.8
4.	Others	••	40	8	5	7.7

#### (In percentage of total quantity handled in primary markets)

The deductions made by merchants in respect of quality in the case of linseed, tobacco, potatoes and groundnut are given in Table No. 2 below. They indicate that they are on the decline in the post-war (II) period, compared to those in prewar (II) period. The agriculturists have been taking care to bring good quality after cleaning.

TABLE II—DEDUCTIONS ON ACCOUNT OF 'DHALTA' AND 'KADADA' PER 100 RUPEES COST OF MARKETING  $^2$ 

Commodity	Pre-war II	Post-war II				
Linseed (U.P)	Rs. as. ps. 2-0-6	Rs. as. ps. 0-11-11				
Tobacco (Guntur)	2-4-0	0-4-6				
Potato (Madras)	0-6-0	nil				
Groundnuts (Dhulia-Bombay)	7-4-8	*nil				

\* As a result of influence on the regulation of markets in contiguous areas.

1 Reports on the Marketing of Lac and Linseed in India issued by the Agricultural Marketing Adviser and Spot Investigations carried out by the Directorate of Marketing and Inspection.

2 Reports on the Marketing of these commodities in India—Issued by the Agricultural Marketing Adviser to the Government of India.

In the contract terms between buyers and sellers changes have occured. Standard contract terms on mutual basis incorporating the F. A. Q. standards and providing for allowances for refraction, etc., have been drawn for certain commodities, *viz.*, linseed, groundnut, wheat and castor seed and are adopted by some States. The definition of quality and allowances in respect of refraction, damaged seed, etc., have been standardised in the contract terms as against the practice of following the same loosely by the commercial organisations as will be seen from the data given in Table No. 3.

Quality Factors	Certain Commercial Orga- nisations	All-India Standard Con- tract
<ul><li>(A) Groundnut Kernels</li><li>1. Description of quality</li></ul>	Bold Khandesh, Madras and Karad	Khandesh, peanuts, Ka- thiawar bold or superior bold, Coromandal, red- natal
2. Nuts in shell	Not specified	Nothing free
3. Damaged seed	Over 25% rejection at buyer's option	Over 15% rejection at buyer's option
(B) Linseed Refraction Damaged seed	Free upto 5% Free upto 1%	Free upto 4% Nothing free

 
 TABLE III—DEFINITION OF QUALITY AND LIMITS OF ALLOWANCES SPECIFIED IN THE TERMS OF CONTRACT FOR BUYING AND SELLING

Laying down of standard contract terms and their adoption has brought about a change in the preparation of the goods towards better quality.

In the sphere of physical movement of agricultural goods it is observed that movement by road is getting more popular than by rail. To meet the needs of enormous increase in movement of farm produce from place to place, consequent upon increased production and trade, transport by road has been progressively developing, more so under private enterprise. The number of private motor vehicles plying on Indian roads during 1937 was 86,100 while by 1951 they increased to 123,600.

In the development of road transport the commercial organisations marketing farm produce felt that transport by truck was advantageous because, (a) it was available at all times and at any specified place of marketing; (b) it avoi-

ded heavy package expenditure which otherwise would be necessary according to the type of wagon accommodation made available by the railways; (c) the road transport rates were cheaper than railway freight; (d) it reduced the organisational set up (full time employers known as Station *Dalals* had to be engaged when the entire traffic was by railways, resulting in high administrative expenditure) and (e) it helped in withholding information about the movement of goods from the knowledge of the competing agencies.

As a result, most of the commercial organisations have taken recourse, in many cases, to transport by road and that by rail has considerably decreased as evident from the data given in Table No. 4.

	TABLE I	V—Inter-S	tate Rail a	ND RIVER BORN	e* Trade in In	VDĮA <sup>3</sup>	
	• •••••••			(1	in tons)	1-10-10-10-10-10-10-10-10-10-10-10-10-10	
			Lac	Tobacco	Linseed	Rice	
Pre-war II			35,876	3,231	247,000	1,599,000	
Post-war I	ſ	••	13,198	3,204	49,000	1,011,000	

(\* Riverine movement has been practically negligible).

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As regards sales, consignment basis is being gradually replaced by firm sales. This is the result of improvement in quality of goods standardised for sale. This trend is noticeable especially in the case of tobacco, sann hemp, bristles, wool and lemongrass oil for which grading under A.P. G. M. Act, is being done. The same is true in respect of ghee and oil graded for internal consumption.

In the practices of storing the farm produce for avoiding seasonal gluts in the market enormous changes have since taken place. In the early ages of the present century storage of cereals, pulses and other commodities in the rural and urban areas was resorted to either in earthenware containers and bamboo bins or underground pits lined with such commonly available material like paddy straw, etc. With technological progress, development of stores above the ground has taken place. Now-a-days with a view to facilitating easy movement and hypothecation of produce with banks, establishment of pucca stores above the ground is taking place. Marked changes have taken place in the storage of perishables like fruits, vegetables, eggs, fish, etc. In order to tide over difficulties caused by seasonal gluts, abnormal wastes in storage and consequent unremunerative returns, cold storages have come into being. It may be mentioned that the present cold storage capacity has reached a figure of 208,530 maunds.

--- 3 Rail and River Borne Trade.

As regards dissemination of market news, now-a-days, information on prices is being made available to persons who are interested. With improved means of communication and greater circulation of newspapers the coverage is gradually expanding. This is particularly so because of its inclusion in radio programmes. Regulated markets have also started exhibiting prices.

In the sphere of marketing finance change has taken place from time to time. Change from credit co-operatives to non-credit co-operatives is itself a fundamental change. In some States (Madras), controlled credit through co-operatives has been introduced, thereby the co-operatives which advance production credit compel the borrower to sell their goods through them or to them. As a result of the recent establishment of National Co-operative Development and Warehousing Board it is contemplated to develop institutional credit by co-ordinating warehouses with banks.

Examining the data in respect of marketing costs it is observed that the costs have increased in the post-war (II) period. They vary with different commodities, as will be seen from a couple of instances quoted below :---

					Μ	lark	tetir	ig (	Cost	S			
		Gr	(Rs. per Groundnuts in kernel								seed		
		aı	nd ]	con Bon	at l sume bay) Post	er )	at	bha	nga at	and Cal	l con cutt:	isur a	ner
Ope	erational			_			_	_					~
1. 2.	Handling and cartage to assembling centre . Handling and weighment at the market .	. 0 . 0	0 0	9 2	0 0	4 0	0 5	0 0	1 0	0 6	0 0	•	0 11
3.	Other charges (towards miscella- neous charges and services) at the market		0 Nil	5	0	1 Ni	3 I	-	0 Nil	9	-	3 Nil	
4.	Further handling and movement (by road) to preparing (processing) or despatching centres.	0	0	6	0	2	9	0	0	6	0	2	0
5.	Preparation (as cleaning in case of linseed, decortication in case of groundnuts)		0	9	0	1	6	0	2	3	.0	0	0
6.	Bagging and handling	0	2 6	5	0	7	0 9	0	2 7	6	-	12	
7.	Movement (by rail) to destination		6	9	0	7	9	0	7	8	0		3
8.	Charges and services at destination	0	1	9	0	5	9	0	2	0	1	0	4
Org	anisational	•	•	•	•		•	0	~	10	0	2	2
	Commission and brokerage at seller market fuge			9 0	0 0	4 0	0 4	0 0		10 2	0	3 2	3
Inst	titutional (charges in markets are already included under operations) Tolls and taxes—(seller)		0	-2	0	0	2	0	0	4	0	1.	.4
	Total	0	14	5	2	2	11	1	2	6	3	10	2

TABLE V

It will be seen from the above data that the increase in cost is due to change in operational practices, organisational set up or institutional development. In the former case the increase is because of the fact that either the producers have taken over some functions of the middlemen, improvements have been made in preparation or enhanced rates of labour wages, or a combination of any or all of these factors. In the second case it is because the charges on commission are on *ad valorem* basis. In the last category increase is due to increased cost of establishment of the institutions. It may be observed, in general, that the increase in marketing costs is because of the tendency towards specialised functions and services.

Change is also noticeable in the price-spread, *i.e.*, producer's share in the rupee paid by the consumer. Table No. 6 given below indicates that in the case of cigaretee tobacco, the producer's share has increased by nearly 13.8 per cent over the pre-war (II) period. The percentage increase in the case of potatoes was 15.0, groundnuts 8.2, linseed 8.0 and oranges 8.1. The comparative figures for pre-war (II) and post-war (II) periods are as under :---

				Period	
	Commodity		Pre-war (II) %	Post-war (II) %	Increase over Pre- war (II) %
1.	Tobacco for cigarette (within And	hra			
	Pradesh)	•••	74.9	88.7	13.8
2.	Potatoes (Madras to Calcutta)	••	55.5	70.5	15.0
3.	Groundnuts (Dhulia to Oilmills				
	within Bombay)		88.0	96.2	8.2
4.	Linseed (within U.P.)		67.7	75.7	8.0
5.	Oranges (Nagpur to Howrah)		19.2	27.3	8.1

TABLE VI-PRODUCER'S SHARE IN THE CONSUMER'S RUPEE

#### ORGANISATIONS AND TRENDS

As already mentioned, the various functions and the associated market practices in marketing of agricultural goods are carried out by some agency or functionary or the other. The agency may be an individual producer—landlord—itinerant merchant—commission agent—broker—wholesaler—shroff—retailer or his organisation. The organisations may be of the partnership type or joint stock company type or the co-operative type. Farmers are mostly unorganised. We hardly come across any organisation of the farmers for marketing of any of the above types except that of co-operatives, which are of recent origin. Amongst the functionaries partnership types are greater than of the joint stock company types. Individualistic pattern is common even amongst the functionaries; but when more capital is required, business partnership or joint stock company types are met with—partnership is however greater than joint stock companies.

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When export trade is involved we come across large concerns of joint stock company types like Rallis, Volkarts, Angelo Bros., Jayaswals, Poddars, Majety Aka, etc. Railways, steamship companies, banks are of the joint stock type. No trusts or cartels exist in the sphere of agricultural marketing in our country.

The various commercial organisations in India have sprung up through the process of evolution as changing circumstances demanded. During the pre-World War I period there was concentration of organisational activities resulting in *entrepot* trade as a result of Colonial control of Empire markets. This functional attitude continued for a long period. During the World War II period the organisational set up underwent major changes, suiting to expanding economy and competitive trade. In the post-World War II period and with general economic awakening in the rural as well as urban sector, a tendency towards securing betterment on a collective basis is rising up. The trend is towards marketing co-operatives, their federation at district, regional or State level in so far as farmers are concerned. The co-operative marketing societies of the farmers are of recent origin. By 1954 there were 16 apex marketing societies, 2,125 unions and 9,240 primary marketing societies. They market the producer's goods mostly on commission basis.

Mention may be made of Governments as buyers. During the period of war, Governments bought foodgrains particularly for equitable distribution by rationing. Even now, Government of India makes purchases of foodgrains from farmers if the prices go below the floor price fixed. Recently, State Trading Corporation is established to trade with other countries. It is understood, it will trade in tobacco, cashewnuts and oils which are again agricultural goods. In so far as the farmers are concerned efforts are being made to organise them under the Cooperative Societies Act where the principle of self-help is followed.

#### INSTITUTIONS AND TRENDS

A word about institutional trend will not be out of place. Institutions form part and parcel of the operations and organisations. Such institutions are in the first place the market-primary, secondary and terminal or wholesale and retailperiodical-municipal-cantonment markets and regulated markets. The second and equally important institution is the bank, scheduled banks, co-operative banks and the Reserve Bank of India. The banks have gradually been extending financial accommodation against hypothecation of goods. The Reserve Bank of India through the banks and the apex co-operative marketing organisations advanced money to producers, which improved from Rs. 1.5 lakhs in a pre-war (II) year to Rs. 1251 lakhs in 1951-52 against agricultural goods like cotton, sann hemp, tobacco, wool, etc., against hypothecation. In the Second Five-Year Plan integration of credit with marketing through warehousing is the main aim. Co-operative marketing society is the third and important institution. The progress in this direction is discussed under organisations. It needs to be mentioned that co-operatives of the type of purchase and sales unions which merely function as commission agents and brokers are outdated. They have to be such as would compete with the existing organisations. They must, if necessary, buy the goods, bear risk of price fluctuations, as private concerns do. Mention may be made of commodity exchanges under this category. While discussing the Futures Act the functions of commodity exchanges are outlined.

Change in attitude of Government towards marketing of agricultural produce also deserves mention. Governmental control is on the increase during the last quarter of a century in order to ameliorate the condition of agriculturist. It was observed that the producer in our country possessing small sized holding came with small quantities of agricultural goods for sale. He had neither holding power nor bargaining strength owing to indebtedness. He lacked in the knowledge of marketing, due to illiteracy. Being unorganized he never understood the implications of trade which was based on free competition. In order to help him in realising better returns the Government of India, on the recommendation of the Royal Commission on Agriculture and the Banking Inquiry Committee and after inquiring into the malpractices and weaknesses through her Marketing Organisation suggested to the State Governments to regulate their markets, where agriculturists sold their goods.

As a result, today, the States of Madras, Andhra Pradesh, Mysore, Bombay, Punjab, Orissa and a portion of Madhya Pradesh (the old Madhya Bharat) have enacted suitable legislation and have been taking steps for its enforcement.

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In Madras and Andhra only the commercial crops are tackled while in the rest all agricultural produce, of course, by addition to its schedule. Today, 498 markets are regulated. In these markets the merchants and traders are licensed, the market charges are regulated and standard weights and measures are used.

The cost of marketing agricultural produce has decreased after the markets are regulated. Relevant data given in respect of groundnut and tobacco in Table No. 7 will confirm the same.

		C	Grou	nuts	(Bija	ipu	r)	Tobacco (Guntur)						
		•	ul	latic	2n	ul	atio	n	Bei regu . Rs.	latio	on	Aft ul . Rs.	atio	n
А.	Total payable by seller which includes :	• •	0	6	6	0	4	3	0	15	2	0	9	4
	(i) Charities	••	0	0	3				0	0	6			
	(ii) Quality allowance	•••	0	3	6				0	8	6			
B.	Payable by buyer :	••				0	0	9						
Tot	al market charges	• •	0	б	6	0	5	0	0	15	2	0	9	4

TABLE VIII-MARKET CHARGES (per maund)

Although there is no appreciable decrease in the charges in the regulated markets it will, however, be seen that unwanted charges on account of charities and quality allowance are completely eliminated.

The other important piece of legislation is the Agricultural Produce (Grading and Marking) Act of 1937. It is enacted by the Government of India. Under this Act, the grades and standards for commodities are fixed both for internal consumption as well as for export. The former is voluntary while the latter obligatory. Under the former the commodities graded are cotton, butter, ghee, oils, rice, *atta*, *gur*, eggs, fruits, and under the latter tobacco, sann hemp, wool bristles and lemongrass oil.

The Standard Weights and Measures Act which came into force in 1942 is the third piece of legislation. The States were requested to pass their own Acts accordingly. Today, the States of Bombay, Punjab, and Bihar have enacted and enforced this Act. In Madras, Madhya Pradesh, Andhra Pradesh and Orissa the Acts have been passed but are to be implemented. Recently, Government of India have passed an act changing over from foot-lb. system to Metric system.

In the sphere of forward trading, the Forward Contracts (Regulation) Act was enacted in 1952 and was enforced with effect from 24th August, 1953. The Act applies to all the three types of forward contracts, namely : (1) future contracts; (2) transferable specific delivery contracts; (3) non-transferable delivery contracts. Forward trading is regulated through recognised trade associations which have to incorporate in their by-laws standard contract terms for the sale and purchase of various commodities. So for, forward trading in cotton, and cottonseed, castorseed and turmeric is permitted under the purview of the Act.

Legislation for establishing warehouses has been enacted in the States of Kerala, Bombay, Madhya Pradesh, Hyderabad, Madras and Mysore. With a view to integrating credit with marketing, Government of India passed a Warehouses Act (1956), which gives a further fillip towards ameliorating the conditions of the producer by making loans available on the negotiable warehousing receipt, besides providing adequate and efficient storage.

Fruit Products Order was passed under the Essential Powers (Temporary) Act in the year 1948 and continued uptil now under the Essential Powers Act of 1955. Under the order minimum standards of quality are prescribed and production of quality goods is aimed. The producers are licensed. Defaulters are prosecuted.

The Government has not stopped at these. In the Second-Five Year Plan Governments are advised to participate in the co-operative marketing societies to be organised, by becoming shareholders.

#### CONCLUSION

The foregoing discussion of the trends in the operational technique and organisation of marketing indicates that there has been a tendency towards better preparation of produce, taking over certain marketing functions by producers to

themselves, improving efficiency of middle-men, posting the buyers and sellers with marketing information and State association and assistance, the ultimate aim being "orderly marketing" in order that the producer receives a remunerative price and the consumer gets quality goods at prices suiting his pockets. In "orderly marketing" the flow of goods to markets of required quality is regulated through organisations in order to combat the forces of supply and demand which determine the price. In short, it aims at bringing in a healthy competition towards the establishment of a "perfect market" in order that wide fluctuations in price which are detrimental to sellers as well as buyers are curbed.

In recent years, as has already been mentioned earlier, the trend has moved on to occasional purchases by Governments at fixed prices based on *ad hoc* policy on cost of production and standard of living. In such controlled conditions, it needs to be borne in mind that free flow of various economic forces with the ultimate object of creating a "perfect market" is restricted.

Trends in the operational techniques, organisations and institutions are determined by the basic concept of economic phenomena, its operation and its behaviour. Changes in the latter bring about changes in the former. They are automatic, because they are subservient to the main economic concept. It may be observed that the general acceptance of the principle of a Welfare State and the ways to achieve it have brought about many revolutionary changes in the economic set up. The marketing mechanism had to toe the line. The entire marketing mechanism has thus been undergoing a change. We in India are in a transitory period because we are embarking on the principle of Welfare State only after our independence. We also have defined our method to achieve it by socialism—the co-operative way. The marketing mechanism which constitutes operational techniques, organisations and institutions has got to change to suit the new pattern.

Whichever way we go, the need for building up adequate factual data cannot be belittled. The comparative data presented in this paper relates to certain aspects of certain commodities only. What is needed is a comparative data on all aspects and of all commodities from time to time to enable us to review the position in respect of changes for the country as a whole. The well-being of each and every individual in a Welfare State being the responsibility of the State, the need for such data is great. The State shall have to keep a watch on changes and their impact and repercussions on the society. Changes in every walk of life or in any sector of economy affect the persons engaged in the vocation. Either their numerical strength or their income increases or decreases. Employment and supply of adequate means of livelihood are the main facets of a Welfare State. The necessity of building, therefore, correct and adequate data of the changes need hardly be emphazised. It is essential that such data should be built up by socio-economic homogeneous regions or units for all aspects of marketing and for all commodities to enable the State to plan future action.