

Bihar State Agricultural Marketing Board

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Abstract

In order to make Market function and Practices assemble to control and protect the interests of the farmers in the Markets, the Government of Bihar enacted the Bihar Agricultural Produce Market Act (1960) and the rural there under were formed in the year 1962 for Regulation of Market. The Government of Bihar constituted the Bihar State Agricultural Marketing Board in July 1972, to supervise and control over the functioning of the Agricultural produce Market Committees. Subsequently the International Development Association sanctioned a project for the development of 50 Agricultural Markets in the State at an estimated cost of \$14 Million.

To make effective the functioning of regulated markets, the government of Bihar approached the international development association (IDA) for the financial assistance for the development and construction of wholesale agricultural markets. As such the IDA which is a subsidiary unit of the world bank, sanctioned a project for construction of 50 Market yards in the state of Bihar at an estimated cost of Rs. 16.95 crore in 1972. But one of the important pre-conditions of the arrangement with the IDA was the establishment of the Bihar state Agricultural Marketing Board. The Government of Bihar amended Bihar Agricultural Products Markets Act (1960) and inserted chapter IV A into the Act for the establishment of marketing board in 1972. Accordingly the government of Bihar constituted the Bihar state Agricultural Marketing Board in July 1972. Accordingly The Government Of Bihar constituted the Bihar State Agricultural Marketing Board in July 1972, to supervise and control over the functioning of Market Committees. Subsequently, the IDA sanctioned a project for the development of 50 Agricultural Markets in the State at an estimated cost of \$ 14 million agreement that the evolution studies of the performance of developed Agricultural Markets will be taken up by the A.N Sinha Institute of Social Studies Patna.

Objectives

The formation of the Bihar State Agricultural Marketing Board seems to have set of stage for the all round development of regulated Markets with the following objectives:

1. Regulation of Marketing practices of Agricultural produces;
2. Development of Markets yards, sub-market yards and their hinterland;
3. To provide relief to producers, consumers and tea traders from the exploitation of the middlemen;
4. Elimination of evil practices and unauthorized deduction in the name of various non-customary charges.
5. Control and supervision of working of the agricultural produce Markets Committees

These objectives are, in fact, reflection of the targets to secure to the producer-sellers better prices, fair weighment add freedoms from illegal deductions. A fair deal for their produce is supposed to create a good incentive for the agriculturist to adopt improved agricultural programme. The preamble of the Bihar Agricultural produce Markets Act 1960 clearly says: “To provide for better regulation of buying and selling of agricultural produce and the establishment of Market for Agricultural produce in the state of Bihar and matter connected therewith”

Power and Function of the Board

The preamble of the Bihar Agricultural produce Market Act (1960) and the subsequent amendments made there in clearly envisaged to achieved the goals of regulation of markets through the effective role of the Bihar State Agricultural Marketing Board. The launching of the World Bank aided market development programme added further importance to the board for its effective role in excuting the programmes in right direction. It needed a definite guide lines of proper control and supervisions over the market organization and marketing committees. As such the Bihar Agricultural produce Market Act (1960) was amended exhaustively by an ordinance in January 1984.

Following the amendment the board was expowered to fully supervise and control over the functioning of the market committees and to do such things as may be necessary or expedient for carrying out efficient functioning of market committees. The important power and functions of the board may be enumerated as follows;

1. Superintendence and control over the working of the market committees and other affairs there of including programme under taken by such markets committees for the development of market and market areas;
2. Giving direction to market committees in general or any market committee in particular with a view to ensure efficiency thereof ;
3. Any other function especially entrusted to it by the Act;

4. Such other functions of like nature as may be entrusted to the board by the state Government.

Accordingly, in the light of the afor said power and functions, the board has been empowered.

- a) To approved proposals for selection of new sites by the market committees for development of market;
- b) To supervise and guide the market committee in the preparations of plans and estimates or construction programme undertaking by the market committee;
- c) To excute all works chargeable to the board's fund;
- d) To maintains accounts in such forms as may be prescribed and get the some audited in such manner as may be laid down on the such regulation of the board;
- e) To publish annually at the close of the year, its progress report, balance sheet and statement of assets and liabilities and send copies thereof to each member of the board;
- f) To make necessary arrangements for propaganda and publicity on matters related to the regulation of marketing of agricultural produce;
- g) To provide facilities for the training of officers and servants of the market committees;
- h) To prepare and adopt budget for the ensuing year;
- i) To do such other things which may be of general interest to market committees or considered necessary for the efficient functioning of the board.

Thus, the Board is a statutory autonomous body acting as the apex institution of the market committees. The board also provides necessary control, guidance and supervisions over financial, administrative and development function of the market committees.

Organisation

The Bihar State Agricultural Marketing Board consists of a board of director for its overall policy decisions with the following persons-

1. Chairman of the board (an officer of the state Government not below the rank of the collector to be appointed by the state Government)
2. Director of Agriculture, Government of Bihar, Patna.
3. An officer of the finance department, Government of Bihar, Patna.
4. Land reforms commissioner, Government of Bihar, Patna.
5. Chief Engineer, Rural Engineering Organization, Government of Bihar, Patna.
6. Chief Town Planner, Government of Bihar, Patna.
7. Managing Director, State Bank of India or his nominees
8. A Nominee (Officer) of the Ministry of Rural Development, Government of India.
9. Director (Marketing), Bihar State Agricultural Marketing Board.
10. Director of Agriculture, Ranchi.
11. Four Members to be nominated from amongst the members of the market committees.

12. Managing Director, Bihar State Agricultural Marketing Board, who function as the member secretary of the board.

The Managing Director is the Chief Executive of the organization. The entire work of the board is executed under his control, directions, supervisions and guidance. To assist him, the director (Marketing), secretary, chief, Engineer, Executive Engineer, Associate Planner, Comptroller of Accounts, Director(Planning and Research), Election Officers and special Land Acquisition Officer are posted in the headquarters who discharge their respective functions. These officers are further supported by their subordinate Officers posted in their concerned cells. As such, to draw out and execute the Agricultural Marketing Development Programmes, The Director (Marketing) and the Director(Planning And Research) are assisted at the headquarters level by the Deputy Director (Planning And Research), Agricultural expert, Chief of Market Intelligence, Training Centre, Chief of Grading and Standardisation, Regulation Officer, Market Specialist and Publicity Officer. At the range level, the regional Director and Assistant Director of the Agricultural Marketing and at Market Committee level the Market secretaries work under the Board. The Organisational Charts of the Board Headquarters as well as its field units is placed at Appendix.

All activities related to the improvement of Agricultural Marketing are performed under the control and supervision of the Bihar State Agricultural Marketing Board. These activities mainly consist regulation of marketing of Agricultural produce in the Marketing, Development of Market Yards and Submarket Yards Rural Markets, Rural Godowns, Link Roads and other facilities for better Marketing. Apart from these, other main activities are related to grading of Agricultural products training of Market personal and supervision of the working of the Agricultural produce Market Committees in the state.

All these development activities are being maintained by various cells of the Board at its headquarters. The different cells working in the board are as follows:-

1. **Market Regulation Cell:** This Cell has been created in the Board to enforce the market regulation activities effectively the market level. The head of the Cell is designated as Director, Marketing who supervises and controls all the works of regulatory measures. Its main function is to notify more viable market committee. In this process the hinterland of affected old Market Committee is delinked and is tagged with new notified Market Committee.
2. **Engineering Cell:** The Engineering Cell of the Board is headed by Chief Engineer. Its main function is to execute the development work of market yards, sub-market yards, hats/ bazars and rural godown. Function is also related to the construction work of link roads and approach roads in different areas. The Chief Engineer has also the supervisory role over the construction of market yards. Be. Sides, the Board has a tender Sub-committee whose convenor is Chief Engineer and the Managing Director presides over the meeting.

3. **Town Planning Cell:** The Board maintains its own town planning under the charge of Associate planner. The responsibility of this cell to select suitable sites market yard development on the basis of pre liminary socio-economic study of the existing mandi town. It therefore takes up contour survey work including plane table survey of different market, sub-markets, hats/Bazars. it also prepares lay-out plan for the proposed market yard. The socio economic wing of the Cell is mainly engaged in soico-economic survey. such data collection from different sources and its analysis. Finally. it prepares different kinds of reports like site selection report, viability report and master plan or the Market towns/Mandis
4. **Land Acquisition Cell:** The land acquisition cell is headed by special land acquisition officer of Bihar civil service cadre. Land acquisition plan of different market yards is being approved by their respective district site selection committee and this approved land acquisition plan is later on sent to land acquisition cell of the Board. Accordingly, it does the acquisition work of the area marked on the plan. It also makes payment of compensation to the concerned tenants.
5. **Planning and Research Cell:** The Board is having a Market Planning and Research Cell under the control of Director, Planning and Research. The cell is primarily concerned with the preparation of annual plans for market development and various research activities particularly related to market regulation. This cell has also the responsibility of preparing feasibility/ project reports for market development activities. The feasibility reports prepared by the cell are being sent to concerned financial institutions for the appraisal of the viability of institutional finance to the concerned market committee. These reports are also being submitted to the Agricultural Marketing Advisor, Govt. of India for sanction of central assistance
6. **Vigilance Cell:** The vigilance cell is headed by Director, vigilance for keeping watch over the functioning of the Market Committees. For the smooth functioning of the Cell a Flying Squad consisting of a Deputy Magistrate and one section of Armed Forces is attached to this cell. The services of arms constabulary have been requisitioned from the State Police Department and the Board pays the charges as fixed by the State Government. The Flying squad assists the Market Committees in conducting surprise check of trader shops and their stock premises. Apart from this, it also looks into complaints of corruption against Market Committee Staff.
7. **Market Intelligence Cell:** The Market Intelligence Cell of the Board is headed by Chief of Marketing and Intelligence Officer. It is keenly engaged in reporting the prices and arrivals of different important agricultural commodities. The increase or decrease in prices of arrivals are compiled in different kinds of daily, weekly and monthly bulletins which are regularly published and sent to different Departments of Central and the State Government and other State Marketing Board and Institutions too. The total number of sanctioned reporting centre is 150 but only 105 price centres are functioning effectively.
8. **Grading Cell:** Grading and standardisation are some of the important services which are supposed to be provided to the farmers in the market yards. Thus, for proper cleaning and

grading or the produce, their quick and correct weighments and for protecting the agricultrist and other market functionaries from the monoeuvring and malpractices in trade, the Board has created a grading cell which is headed by the Chief of Grading Officer.

9. **Election Cell:** In order to involve the people in development programme, democratisation of Market Committee administration has been deemed to be necessary. Keeping this in view, the Board has been deemed to be necessary. Keeping this in view, the Board has set up an election cell at the headquarter to look after the election of the members of the Market Committees. The cell has a full time election officer and sub-election officer. The cell monitors the election activities of the Market Committee.
10. **Audit and Account Cell:** This cell functions under the control of comptroller of accounts. It maintains accounts of different cells and market committees. An accountant is posted in different cells and market committee. This accountant is of Audit and Account Cell. This cell also makes provision for audit work of different Market Committees and Cells, which is conducted by auditor of Finance Department, Government of Bihar or A. G. Office, Govt. of India. Besides, Board has also nominated some chartered accountants for conducting audit and preparing balance sheet of Market Committees.
11. **Administration Cell:** The Chief Executive Officer of the Board is the Managing Director who looks after all the works of the Board. In day-to-day administration he is assisted by the number of Bihar Civil Services and other cadre officers and staffs.

Activities of the Board

The objectives of the regulation of Market are indeed commendable both from the farmer's point of view and the consumer as well. In order to achieve this objectives a number of strategies where initiated to streamline the functioning of Agricultural Marketing System.

One of the important schemes, as indicated earlier, was the establishment of the agricultural produce market committees (Krishi Utpad Bazar Sammittee). Consequently, 122 Agricultural Produce Market Committees were set up in Bihar bringing the entire state under the fold of market regulations. These Committees, popularly known as "Bazar Sammittees" are entitled to 1% of selling price as Mareket Fee from the buyers. The Market Fees so realized are used in creating and eveloping of market infrastructural facilities in the Hinterland of the concerned Market Committees. The Development of Market infrastructural facilities got further boost up with the launching of the scheme of the Market Construction Project. Till today not only the construction of these 50 Market yards are completed but also 12 additional Markets yards are constructed with the help of NABARD and other financial institutions.

Another important market development activity was taken up buy construction of rural godowns for which the central government provided the financial assistance of the board. Recently, the board has launched the pledge financing scheme in a few markets with the hope

that it will proved as boon to the farmer particularly small and marginal farmers preventing them from the distress sale. On the other hand; it was also expected that this would go a long way in eliminating dependency of farmers on intermediaries for credit needs. Besides the construction of rural road, culverts, etc., were also taken up important development activities along with creating civic amenities in the periphery of urban markets centres. The construction of cold storage in a few markets was also taken up for projecting the perishable and semi-perishable agricultural commodities.

Performance

In view of the supervision and Control of the Board over Market Committees and Various assumption and assertions under lying the Regulation Act and Substantial Investment on Market Development activities there in, it is beyond doubt that the development strategies in improving Agricultural Marketing System in Bihar are considerable. The part experiences of the development strategies indicate sufficient change in the structure and performance of Agricultural market, particularly after the launching of the Market Construction Project.

The World Bank experts had diagnosed element more than three decades ago, and the World Bank Assisted Market structure was initiated in the last century, and is still in progress. Modern Market yards have been created certain areas and some improvement has taken place as a result of creation of Bihar State Agricultural Marketing Board. Had the board been autonomous and dynamic, matters would have been considerably improved by now. But as it happen with Government Corporation, it is too much involved in bureaucratic and has failed tom provide needed dynamic trust in Marketing of Agricultural Produce. Market Yards created by the Board have hardly any interface with farmers and it has not helped farmers toward any qualitative change in the Agricultural Economy of Bihar. A Modern Market structure must replaced the Traditional structure at the earliest to give boost to Agricultural Development to these State.

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