

MARKETS AND FAIRS

(Item No.22)

01. In the Chapter on historical background of growth of local self government, it may be seen that markets, fairs and festivals have been in the domain of village panchayats. In the post independent era, specialised marketing-Commodity marketing, Regulated marketing, and Cooperative marketing, has grown. In this background the role of the Panchayat Raj Institutions is getting restricted to opening and maintenance of village markets. In this part, the connotation of markets and fairs will be explained before dealing with the entrustment of powers to local bodies.

I MARKETS

02. Every village has some sort of a marketing place where vegetables, fruit, groceries, mutton and a number of other articles are sold. Usually the marketing is done once a week but some times it may be held twice a week or even daily. Whatever it is, there are usually limited amenities to the sellers and public. People squat on the floor. They are exposed to sun and rain. The place is often most insanitary. Road margins, street corners and such places are the sites used for these markets. Some villages have seasonal markets for trading livestock and poultry. Such markets take place in open community lands with limited facilities for buyers and sellers.

03. The duty of the Village Panchayat should be to arrange suitable places where vendors can sell their things and villagers can buy the wares in reasonable comfort. Necessary protection from sun, rain and wind in these places and clean condition is necessary. Vendors should pay a fee for the comfort. The advantage is therefore mutual. The Panchayat gets its fees and the vendors some comfort. Panchayats should therefore upgrade and maintain existing markets besides opening markets where the success of the markets is assured.

04. There may be Panchayat villages however, where there may not be any such markets. This does not mean that there is no necessity for a market in the village. It merely shows that people go to a neighbouring market because there is none in the village itself. With the general growth of population and prosperity in villages a market is essential in every Panchayat village. In such villages the duty of the Village Panchayat will be to start new markets. In the beginning it may not be a big success. But in due course it is likely to become quite profitable. There may be a regulated or cooperative market in the village. In such types of cases the Village Panchayat has limited role to play. Village Panchayat becomes facilitating agency to promote specialised marketings. In case of Village Markets, the authority to open markets and maintain them and thus get income from them is essentially that of the Village Panchayat. Panchayat Union should therefore, opening and maintain such markets which will be complementary to Village Panchayat Markets. As on 1.4.1991, there were 1166 village markets in Tamil Nadu, an assessment made by Director of Rural Development in 1992 revealed that 1133 more village markets were needed to meet the rising demands of the people.

Co-Operative Marketing:

05. There are 113 Co-operative Marketing Societies at the primary level affiliated to the Tamil Nadu Co-operative Marketing Federation (TANFED) operating in the whole State except in Thanjavur, Thiruvavur AT Pancerselvam, Nagapattinum Quaid- E - Milleth and Niligries districts. TANFED undertakes procurement of agricultural produce such as cotton, paddy, chillies, sunflower seed, coriander, blackgram, etc. It acts as an agent of National Agricultural Cooperative Marketing Federation of India Limited for undertaking support operation in Tamilnadu. Cooperative Marketing Societies assist the farmers members in marketing their agricultural produce to secure reasonable price. In 1995-96 the value of agricultural produce marketed worked out to Rs.728.98 Crores. One of the roles for the Co-operative Marketing Societies is linking of credit with marketing. These societies also provide pledge loans for the agricultural produce to the farmers members to enable them to get a reasonable price. Rs.698.82 lakhs was issued as loans during 1994-95. Commodity handling in these markets has been going up (38948 MT in 1992-93 which reached 61022 MT in 1994-95).

Agricultural Marketing

06. The Department of Agricultural Marketing is helping the farmers in selling their agricultural produce with licenced traders for getting remunerative prices with correct weighment and immediate payment and thereby relieving them from the clutches of middlemen. For this, Government have enacted the "Tamil Nadu Agricultural Produce Marketing (Regulation) Act 1987 according to which the trading on agricultural produce is regulated by notification of agricultural commodities with area in each market committee. The following schemes are being implemented by the Director of Agricultural Marketing: (1) formation and maintenance of regulated market, (2) 'pledge loan' facilities to the needy farmers, (3) Agmark grading of agricultural and horticultural produce, and (4) Commercial grading Agricultural produce. For the above purpose, there are 14 Market Committees functioning at the district level, controlling 270 regulated markets, 15 sub-regulated markets, 44 check post, 96 commercial grading centres, 11 kapas grading centres, one tobacco grading centre. Arrival in these markets are increasing from the level of 4.68 lakhs M.T. in 1991-92, arrivals have grown to 8.67 lakh M.T. in 1995-96. Market fee at the rate of 1% helps the market committees to improve amenities in the markets.

II. FAIRS AND FESTIVALS

07. Usually, in every Panchayat Village many social and religious fairs and festivals take place. Village Panchayat should regulate the fairs by providing basic facilities like water, sanitary, electricity and medical amenities. Village Panchayats should control the conduct of these fairs and festivals to provide said amenities to the public. Village Panchayats should not disturb the line honoured cultures and traditions followed in the conduct of such fairs and festivals. District Panchayats should document such time honoured traditions and cultures followed in each Panchayat Village fairs and festivals. During these occasions a very large number of people from all places come. A number of merchants come to sell their wares. They open their shops. There will be a number of sweet meat shops, coffee houses and tea stalls. Unless there is some sort of control, all these may result in problems. Merchants open their shops everywhere without any sense of order or reason. People begin to commit nuisance at any available place. At the sweet meat shops and eateries unhealthy stuff may be sold to the public, which may result in conditions becoming dangerous and epidemics may break out. In such a situation disorder and unhealthy conditions may become repugnant to all decent people. The responsibility of Village Panchayat will be to prevent all these, as always prevention is better than cure and to establish some sort of control over all these conditions so that they remain tolerably good and people really enjoy the fairs and festivals.

Legal provision:

08 The Tamilnadu Panchayat Act 1994 has defined the function, powers, responsibility of Panchayat Raj institution with reference to market and fairs. Sections which deals with these subjects are as follows:

(i) Section 111 deals with the opening and maintance of Public markets control of fairs and festivals of village panchayats.

(ii) Section 112 (g) and (j) deal with opening of public markets related to Panchayat Union.

(iii) Section 147(1) and (2) deals with provision of place and yard for use of public markets and collection of Fees.

(iv) Section 148(1), 150, 151 deals with the power pertaining to licence and delcencing for opening of private market.

(v) Section 148(2), (4), and (5). deal with fixing of rent and fees, laying conditions and cancellation of fees for licencing.

(vi) Section 149, deals with Government power on disputes/licence of private markets.

(vii) Section 153(1), (2) deals with right to acquire the land of any person to hold a public market and compensating for such acquisition.

(viii) Section 154 (a), and (b) deal with provision of landing places, cart stand, halting place, etc., and prohibits use of such a place.

(ix) Section 186, and 187 deal with Receipt, Fees.

(x) Section 224 deals with Test the weight and measurement aspects and

(xi) Section 245 deals with Penalties to be levied for breaches.

09. The power proposed to be entrusted to village panchayats, Panchayat Unions, and District Panchayats are given below:-

I. VILLAGE PANCHAYAT

<i>ACTIVITY</i> (1)	<i>ENTRUSTMENT OF POWERS</i> (2)
1. Identification of location and development of market yards and market complex.	1. Identify and notify the location for public markets and fairs. 2. Opening, developing and maintenance of public markets. 3. Promote market complexes, regulated markets and co-operative markets.
2. Control of fairs and festivals.	1. Control of all fairs and festivals other than fairs and festivals specially notified to be controlled by any other authority.
3. Regulation, control, monitoring and collection of fees.	1. Laying condition for issue of licence for shops, markets and fairs and fairs and festivals, right to cancel the licence for breach of condition. 2. Issue of licence for private market, brokers and agents. 3. Fixing and collection of fees to (a) marketing in public places in Panchayat Village, (b) use of shops/stalls and vehicle shed and cart stand, (c) Sales of cattle/animals/poultry/process food. 4. Right to penalise and to collect penalties for breach of law (ie) opening of market without licence, sale goods and animals etc., without permission, and conduct of fairs and festival without permission.

II. PANCHAYAT UNION COUNCIL

<i>ACTIVITY</i> (1)	<i>ENTRUSTMENT OF POWERS</i> (2)
1. Identification of location and development of market yards and market complex.	1. Identify and notify the location for Panchayat Union public markets and fairs in consultation with the concerned Village Panchayat. 2. Opening, developing and maintenance of Panchayat Union Markets.
2. Regulating, Controlling and monitoring.	1. Laying condition for issue of licence for such markets and right to cancel for breach of condition. 2. Issue of licence for private markets, brokers and agents. 3. Fixing of fees for Panchayat Union markets and collection of fees to (a) expose the goods for sale, (b) use of shops/stalls and vehicle shed, (c) sales of cattle/animals. 4. Right to penalise and to collect penalties for breach of law (ie) opening of markets without licence, sale goods and animal without permission. 5. Enforcing the fair trade practice and maintenance of the quality of the commodities.

<i>(1)</i>	<i>(2)</i>
3. Fairs and Festivals.	<ol style="list-style-type: none"> 1. Arrange fairs and festivals of importance in the area. 2. Regulate Panchayat Union managed fairs and festival, fix fees and rates and collect the same. 3. Prescribe regulations and impose penalties and collect the same for breach of conditions.

III. DISTRICT PANCHAYAT

<i>ACTIVITY</i> <i>(1)</i>	<i>ENTRUSTMENT OF POWERS</i> <i>(2)</i>
1. Identification, location and development of market yards, market complex.	<ol style="list-style-type: none"> 1. Review the progress of development of local markets and evolve plans and strategies for their improvement, expansion, and efficient operation - disseminate its findings/suggestions to the Panchayat Unions and Village Panchayats. 2. Develop strategies for inter-face and linking of rural with urban markets in the district directly and through the District Planning Committee. 3. Assist Village Panchayat, Panchayat Union Council in the creation of infrastructure facilities like provision of buildings, drinking water, sewage to the markets. 4. Act as advisory body to Panchayat Union for laying condition for issue of licence. 5. Advise the Government on classification of markets as Village Panchayat markets, Panchayat Union markets. 6. Advise the Government on the opening of new regulated markets and co-operative markets.
2. Fairs and Festivals	<ol style="list-style-type: none"> 1. Advise the Government for notification of festivals and fairs for each Village Panchayat, and Panchayat Union. Indicate fairs which are of State importance to be conducted and managed by District Panchayat.

Administrative / Legal Implications:

10. State Planning Commission Group has not recommended transfer or deputation of any staff from the Government to rural local bodies to discharge their additional functions and responsibilities as indicated therein. Tamil Nadu Panchayat Act 1994 clothes 3 tier panchayats adequately with legal provisions for promotion, development, control, regulation, licensing and de-licensing of public and private markets in their respective jurisdictions. Cancellation of permission and licence and imposition of penalties for breach of any condition of the permission have also been enshrined in Panchayat Act for the panchayats. Therefore in this context there is no need for any amendment of Tamil Nadu Panchayat Act, 1994. However, the Competent authority or the District Panchayat may need to be delegated with the powers by the Government to receive proposals from the District Panchayats (District Panchayats should consult Panchayat Unions and Village Panchayats) for notification of public and private markets exclusively to be regulated and developed by the Village Panchayats and Panchayat Unions.

11. Similarly, the Competent authorities may have to be delegated with the powers to notify fairs and festivals to be conducted by each Village Panchayats and Panchayat Unions. Such notification will also be required to regulate for the effective management of important fairs and festivals to be organised and promoted by the District Panchayats.

12. Village Panchayat President and Panchayat Union Chairman may be made Ex-officio Members in the Executive Committees of the Regulated Markets located within their respective jurisdiction and controlled by Directorate of Agricultural Marketing. Further, Chairman of the District Panchayat may also be made as Ex-Officio Member of the district level market committee. For the above purpose, necessary amendment to the Tamil Nadu Agricultural Producers (Regulation and Marketing) Act may be necessary.

Financial Implications:

13. In order to open new public markets and maintain the existing ones to run fairs and festivals, fees collected by the Panchayat Raj Institutions may not be adequate. With the devolution of financial resources by the Government, these rural local bodies will have improved financial capabilities, but it would be appropriate to improve existing fee structure for markets and fairs to augment additional resources. Another area of accessing capital investment for improvement of Village Panchayat markets and Panchayat Union Markets will be the Market Committees. These Committees have surplus funds which can be properly deployed in improving the existing markets by provision of additional infrastructures and also setting up of new markets. The District Panchayats will play a vital role in organising dialogue between the Panchayat Raj Institutions and District Market Committees for rural market development.