

## X. Centres of trade

The extent of the area being small and the British having placed several restrictions from time to time on the movement of goods across the borders, the French establishments were left with little scope for growing into major trade centres. It was seen that till merger these establishments were separated from the rest of the country by a stiff customs barrier. This limitation together with the lack of adequate demand and resources hampered the growth of market centres. The removal of the customs barriers must enable the Territory to envisage a certain measure of improvement in its trading centres. The few market centres that have developed in the territory cater only to local requirements.

Until very recently, no systematic attempts were made either to identify the potential market centres and market places in the Territory or to plan out their development. In 1973 however, the Directorate of Pilot Research Project in Growth Centres carried out a study to identify such centres in Pondicherry region. According to this study, the marketing system in Pondicherry region is 'weak and unorganised'. Market-yards are found to be located in very limited space or on road-sides. Producers suffer loss due to absence of a ready market in nearby places. In the opinion of the Directorate, therefore, there was great scope for launching a market development programme formulated by marketing experts and market management specialists, by making use of the existing and potential market centres and by improving the physical facilities for marketing in the twenty-one market places.<sup>50</sup>

Pondicherry and Karaikal towns serve as market centres for the respective regions. Both Mahe and Yanam have not developed into market centres. While Kakinada and Rajahmundry serve Yanam, the nearby towns of Tellicherry, Kozhikode and Cannanore serve Mahe. The Directorate of Pilot Research Project identified Ariyankuppam, Villianur, Tirukkanur, Muttiyalupettai, Madagadipattu, Tavalakuppam Kariamanikkam and Gandhinagar as market centres in Pondicherry region.\* These centres serve a number of surrounding villages. In addition to house-hold provisions, items such as textiles, agricultural implements, oil, hardware, etc., enjoy a market in these places.

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\*Market centres are defined as places where the rural population purchase their daily necessities and sell their produce throughout the day.

The Directorate further identified 21 market places in the region. They are as follows :

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| 1. Kusappalaiyam           | 12. Ariyur         |
| 2. Laspettai               | 13. Gudappakkam    |
| 3. Ozhukarai (Periapet)    | 14. Bahur          |
| 4. Murungappakkam          | 15. Seliyamedu     |
| 5. Mudaliyarpettai         | 16. Suramangalam   |
| 6. Nellitoppu              | 17. Embalarn       |
| 7. Kommapakkam             | 18. Kalmantapam    |
| 8. Pillaitottam            | 19. Madukkarai     |
| 9. Arumattapuram           | 20. Karkllambakkam |
| 10. Kuppam (Mannadippattu) | 21. Karaiyamputtur |
| 11. Puranasingapalayam     |                    |

In the absence of regulated markets, the Pondicherry Co-operative Processing, Supply and Marketing Society started in 1955 provided marketing facilities for the sale and purchase of ground-nut in Pondicherry town. The Society, however, did not attract many farmers and its transactions were limited. Moreover, the Society was not competent to enforce the normal regulations of the regulated markets. Farmers prefer to take their produce to the regulated markets in South Arcot District like Panruti, etc., which are within convenient travel distance from their villages.<sup>51</sup>

The need for developing marketing centres for the agricultural produce engaged the attention of the Administration for sometime. With that end in view, the Pondicherry Agricultural Produce Markets Act, 1973 (Act No. 3 of 1974) was framed and passed by the legislature. This Act covers only two commodities viz., paddy and ground-nut. In December 1975, an eighteen-member Market Committee was constituted for Pondicherry region under section (4) of the Pondicherry Agricultural Produce Markets Act, 1973.

*Paddy* : Paddy is the main crop of this Territory. The levy portion of the produce is sold to the Food Corporation of India through its authorised agents in the village at prices fixed by the Government. The Pondicherry Co-operative Processing, Supply and Marketing Society also procures levy paddy along with the Food Corporation of India. The Marketing Society carries out procurement through the village co-operatives, besides operating in the Pondicherry *mandi*.



Non-levy paddy sales are mostly unregulated. Traders from Pondicherry town go to places such as Villiyanur, Bahur, Tirukkanur, Kariamannikkam and other large villages immediately after harvest and purchase paddy. In many cases, during the lean season, paddy merchants advance money to the farmers who give an undertaking to sell paddy to the merchants at low cost-harvest prices. Some farmers straightway bring their produce to the Pondicherry *mandi* which is the only regular market for paddy and other cereals in the region.

*Ground-nut* : Ground-nut is marketed through the Co-operative Processing, Supply and Marketing Society in Pondicherry which is slowly developing into a market centre. During 1970-71 ground-nut valued at Rs. 18.36 lakhs was sold in the yard through auction. Farmers contend that the Pondicherry market is not conveniently located and the price offered here is comparatively low. They therefore prefer to take their produce to the regulated markets at Cuddalore, Villupuram and Tindivanam in South Arcot District. A recent survey showed that farmers in 190 villages out of a total of 268 villages in the Villiyanur Block go to the regulated markets in South Arcot. Farmers in Bahur Commune prefer Cuddalore and Villupuram. Those in Ozhukarai, Mannadipattu and Villiyanur go to Villupuram or Tindivanam. The vast majority of the farmers prefer to go to Villupuram. Farmers in villages near Pondicherry region prefer to sell their produce directly to the oil mills in the town.

*Sugar-cane* : The sale of sugar-cane is well organized as the entire produce is taken to Ariyur in Pondicherry region or to Nellikkuppam or Mundianpakkam in South Arcot District for crushing. The price of sugar-cane is fixed from time to time by the Government.

*Cashew-nut* : Cashew-nut produced in the region is entirely sold to private traders who come from Panruti in Tamil Nadu and from Kerala.

*Tapioca* : Tapioca, cultivated in the dry lands in Muttirapalaiyam and Periya Kalapet areas, is taken by farmers to Salem and Athur in Tamil Nadu where it is utilised for industrial purposes i.e. for the manufacture of tapioca flour, sago and vermicelli. The local industries are not yet in a position to absorb the entire output. There are collection centres at Mettupalaiyam, Muttirapalaiyam, Periya Kalapet and Chinna Kalapet.

*Betel leaves :* Betel leaves produced in Villiyanur, Ozhukarai and Ariyankuppam Communes are marketed wholesale at Villiyanur and Pondicherry where it is controlled by commission agents who conduct the auction five days a week except Fridays and Sundays. The superior quality betel leaves known as the Agra variety, harvested between January and May, are sold to merchants from North India.

*Vegetables :* Ariyankuppam is fast developing into an impressive wholesale vegetable market. Such vegetable varieties as brinjal, bendai, cluster beans, green chillies, raddish, plantain, lemon and various gourds, drumstick, coconut, etc., are marketed daily in the early hours of the day. Traders from Pondicherry, Villiyanur, Bahur, Tavalakuppam, Cuddalore and Tindivanam come here to make wholesale purchases. The vegetables are generally sold in basket loads. A study conducted by the Directorate of Pilot Research Project revealed a difference of as much as 50 per cent to 300 per cent between the wholesale prices at Ariyankuppam and the retail prices in Pondicherry town. The Ariyankuppam vegetable market which is located in a small site is found to be congested and without proper amenities. A good proportion of the famous Thengathittu brinjal is exported to Madras.

*Milk :* The need for improving the marketing of milk through co-operative societies by establishing collection and distribution centres was highlighted by the Techno-Economic Survey Team as early as 1965. Since then, the sale and distribution of milk has been well organised under the co-operative sector. Milk from the villages is collected twice daily by the Pondicherry Co-operative Milk Supply Society through its eleven collection centres and sold to the consumers through commission agents.\* A good proportion of the milk is supplied to Pondicherry town and the surplus sold to Neyveli township.

*Fish :* Fish is sold by basket loads to private traders who come to Pondicherry from Cuddalore, Nellikkuppam, Panruti, Villupuram and Tindivanam. Fish from Kalapet and Nallavadu area is brought by women to Pondicherry town in fish vans. Prawns are purchased by traders or their agents from Cochin for export requirements. All fish marketing functions are held by

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\*The commission agency system was abolished and the booth system was introduced with effect from 1 June 1974.



middlemen who are responsible for lowering the income of the producers and increasing the price for consumers. Mahe and Yanam depend mainly on export for disposing bulk of their catches. In 1965, the National Council for Applied Economic Research called for the reorganisation of the Fishermen Co-operative Societies so as to include marketing among its functions. By way of recommendation, the Council also suggested the construction of a modern fish market with 20 stalls.

*Eggs:* Marketing arrangements for eggs were not adequately well developed even as late as 1965.<sup>52</sup> Eggs produced in the region are sold in retail locally. Recently however, as a result of the programmes implemented under the Marginal Farmers Scheme, there is a marketable surplus of eggs. The Poultry Producers Co-operative had made arrangements to collect eggs from its constituent members to sell them through a network of sales centres.

*Cattle:* The Dharmapuri market in Ozhukarai Commune and the Madagadippattu market in Mannadippattu Commune are the two important cattle markets in the Territory.

The Dharmapuri cattle market meets every Friday. The cattle marketed here are only of the non-descript local varieties mostly for slaughtering. A study conducted by the Directorate of Pilot Research in 1973 showed that about 300 heads of cattle are marketed here every week. Animals are brought to this market from forty-two villages in Pondicherry region and thirty-seven villages in South Arcot. Dharmapuri's importance as a cattle market seems to be on the decline.

The Madagadippattu cattle market which meets every Tuesday is the largest and the most popular cattle market in the Territory. Besides Pondicherry region, this market also serves hundreds of villages in and around Villupuram, Tindivanam, Cuddalore, Mailam, Tirukkoyilur, Vanur, Kilianur, Nellikuppam, Panruti, Chidambaram, Valavanur, Vridhachalam, Ulundurpettai in South Arcot District. Cattle also arrive from such far off places as Tiruvannamalai, Kumbakonam, Thanjavur, etc. It is estimated that about 75 per cent of the cattle arrive from Tamil Nadu villages in the areas mentioned above. Apart from Pondicherry, traders arrive from Madras, Salem, Hosur, Bangalore, etc. Such local varieties known as *Vellai*, *Sevalai*, *Kari*, *Vattai*, *Merkathian*, *Therkathian*, *Poorani* and *Manapparai* are brought here for sale. Among these, *Merkathian*,