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Dadgari Market, Hatisar: A Case Study of Cross Border Community Governance in Assam's Chirang District

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Abstract

This study examines the Dadgari weekly market in Hatisar village, located in Assam's Chirang district, as a site of informal cross-border governance along the Indo-Bhutan border. Drawing on fieldwork, vendor and consumer interviews, and market-committee records, the study describes the market's spatial organization, its community of buyers and sellers, and the largely self-regulating system that sustains it. It analyzes the market's economic significance for local Bodo, Rajbongshi, Nepali, and Adivasi communities, as well as for Bhutanese consumers from the southern foothills who make up most of its customers. The study highlights the market's near-total dependence on this Bhutanese customer base and it's distinctive dual-currency operation where both Indian rupees and Bhutanese ngultrum are accepted in daily transactions.This article argues that Dadgari functions as a form of unofficial, community-managed cross-border governance operating largely outside formal state structures, yet remains vulnerable to disruptions originating in national-level political and economic events on either side of the border. The article concludes with recommendations for infrastructural and institutional support for the same.

Keywords:

Dagari, Border market, Indo-Bhutan trade, informal economy, dual-currency,

Introduction

Border markets have a distinct and yet consistent role in the regions where they exist. These markets are located between two countries but are shaped more by local traditions and community practices than by official agreements. The India-Bhutan border is a notable example of this dynamic. This border runs through the duar tracts, which have historically facilitated trade between the Assam plains and Bhutan hills. The duars functioned as Bhutan's gateway to the Indian plains until the British annexation of Assam in 1826 brought the company territory into direct contact with the Bhutanese frontier for the first time. Bhutanese failure to sustain tribute payments precipitated the Anglo-Bhutan war of 1864-65, after which the Guma, Ripu, Chirang, Sidli, and Bijni duars were annexed and reconstituted as the Eastern Duars, later folded into the Goalpara district in 1866. It is the same tract of formerly Bhutanese administered borderland, now part of the Chirang district in the Bodoland Territorial Region, that hosts the subject of this study.

Even before the 1949 Treaty of Friendship and Cooperation and the 1972 Agreement, people across the Bhutan-Assam border regularly traded goods. Through mountain passes and duars, Bhutanese hill communities and Assamese markets stayed connected. During colonial times, this trade was quite significant. Records suggest that it was worth nearly two lakh rupees each year. Assam sent out items like lac, muga and endi silk, dried fish, and rice, while in return it received woolen cloth, gold dust, horses, rock salt, musk, ponies, and Chinese silk.

This study examines a specific location, which is the Dadgari market in Hatisar village, located in the northern part of the Chirang district. It is about 1.7 km south of the Gelephu international border gate. The market is held every Thursday and has expanded significantly since 2006, becoming one of the largest border markets for Bhutanese customers in the area. Its importance is not due to any formal agreement between India and Bhutan but rather its natural growth as a self-managed commercial hub. It is run by a local market committee with minimal government involvement, but is still influenced by the broader political relationship between India and Bhutan.

This article discusses Dadgari as an example of cross-border governance in an informal way. It describes a collection of rules, norms, and practical arrangements concerning currency usage, vendor space distribution, market-day planning, security collaboration, and dispute resolution. These were developed through negotiations between the market committee and the DC of Gelephu, rather than through a formal interstate agreement specific to the market.

Study Area

Dadgari is situated in Hatisar village, in the northern part of the Chirang district within the Bodoland Territorial Region (BTR), Assam. The district shares its northern boundary with Bhutan. The market is positioned approximately 1.7 km south of the Gelephu international border gate and about 38.5 km north of National Highway 27. It is accessible via the Bongaigaon-Gelephu Road (NH127C), which connects the market to the highway.

The present market site, occupied since around 2006, is a large open ground spanning 17 Bigha and 85 Lessa. Before this, stalls were set up along the roadside leading to the international Gelephu border gate, which became crowded due to cross-border traffic on market days. The current market layout is organized into three concentric rings: the outermost ring has talls with tarpaulin roofs and a few tin-roofed ones; the middle ring consists of fully tin roofed stalls; and the innermost core features permanent concrete structures. This arrangement reflects a progression from local farmer vendors to established external traders.

The surrounding population is ethnically mixed, comprising Bodo, Adivasi, Nepali, and Rajbongshi communities. Many of these people rely heavily on the market for their income. On the Bhutanese side, the market mainly serves to those people living in the southern foothills, where Dadgari is considered a more convenient and reportedly less expensive option compared to Bhutan’s Gelephu town market.

Objectives

1. To describe the structure and functioning of Dadgari market.
2. To assess the economic and social significance of the market for both local and Bhutanese consumers.

Methodology

This study employs a descriptive, qualitative case study approach, combining primary fieldwork with secondary sources such as historical records and documents. Fieldwork was conducted at the Dadgari market on multiple market days between January 2025 and April 2026. The study’s analysis covers the period from 2006, when the market was relocated to its present site, to 2026.

Primary Sources

Primary data was gathered through semi-structured interviews with selected stakeholders. These included the former president and present secretary of the Dadgari Market Committee, local and outside vendors (such as those selling tarpaulin, bags, and food stall operators), a Bhutanese taxi driver who has been visiting the market since 2006, a regular Bhutanese customer, and a resident and tea-stall owner at the market. The Interviews covered the market's origins, day-to-day functioning, rent structures, seasonal variation, cross-border restrictions, and challenges. Direct field observations supplemented these interviews, particularly regarding spatial organization, gender distribution of vendors, transaction practices, and infrastructure conditions.

Secondary Sources

Secondary sources included published historical accounts of Assam-Bhutan trade relations notably the work of Smriti Das on Assam-Bhutan trade relations between 1865 and 1949, Sailen Debnath's history of the Duars, W.W. Hunter's statistical account of Assam, and Francois Hamilton's early nineteen-century account of the region. Institutional websites and news sources were also used to confirm contextual and chronological details.

Limitations

The absence of any documented institutional history of the Dadgari market meant that much of the reconstruction of its origins relied on oral testimony, chiefly from the market committee president and long-serving vendors, and is accordingly subject to the limitations of memory-based recall. Estimates of customer numbers and vendor income were drawn from interviews rather than verified records.

Findings: Origins and Spatial Evolution

According to oral accounts, the market's origins can be traced back to informal trading practices that existed before its current structure was established. It is said that Indian vendors used to transport goods across the border to sell them directly at Bhutan's Gelephu market. They would cross the border in the morning and return in the evening after selling their goods. However, in 2004, due to security concerns, Indian vendors were prohibited from entering Bhutanese territory, leading to the emergence of roadside trading along the border as an alternative to the traditional markets. Before 2006, the market was situated closer to the border gate, but frequent traffic jams or congestion led to its relocation. In the second half of 2006, the market was moved to its present site, which at the time was a vast, uncleared jungle. Gradually, this jungle was cleared by the vendors and the market committee. The new site provided large designated parking areas for both vendors and Bhutanese vehicles. Through discussions between the market committee and DC of Gelephu, it was agreed to hold the market every Thursday.

Since the market moved to its new location, it has consistently grown. This progress has been largely due to the market committee's own efforts to attract customers, and the support from the Bhutan-India Friendship Association (BIFA), which has helped bring in more shoppers from within Bhutan.

Governance Structure

The market is supervised by a local market committee. This committee is in charge of allocating vendor spaces, setting different rent rates, and managing infrastructure and welfare expenses. The Indian and Bhutanese governments have little direct involvement in the day-to-day regulations of commerce. Security is collaboratively managed by the market committee and Police, which work informally with Bhutanese border security. This setup acts as an informal governance system. The rules concerning spaces, currency, and behavior are not entirely informal or state imposed. Instead, they are negotiated and enforced by a combination of community leaders, security forces, and cross-border civil society connections.

Vendor and Consumer Profile

On a typical market day at Dadgari, around 540 vendors gather to sell their products. These sellers come not only from Hatisar and nearby villages but also from places such as Bongaigaon, Basugaon, Barpeta, Howly, Serfanguri, Kokrajhar, Siliguri, and Jaigaon in West Bengal. Vendors from outside the local area usually leave home between 2 and 3 a.m. to arrive at the market by dawn, often sharing rented vehicles to save on costs, while vendors from nearer districts leave by 5 or 6 a.m. Trading runs long, from roughly six to seven in the morning until eight or nine at night, giving the market an unusually extended working day for a rural haat.

Local women are key players in the food stall business. They run the food stalls encircling the market, earning between Rs12,000 and 14,000 during the busy winter months. Some of their husbands assist by fetching water from borewells for cooking and cleaning, as there are only three borewells in the entire market due to water scarcity in the region. Men in the community often work in small trades or in cutting meat and fish for sale. Young men find employment collecting parking fees from the many Bhutanese vehicles, driving public transport vehicles to move goods and customers between the market and Gelephu gate, and working as porters to help Bhutanese shoppers carry bulk purchases to their vehicles. Some local vendors depend entirely on the market for their income because the region's soil is not suitable for paddy cultivation. Meanwhile, others engage in dryland farming. The lack of sufficient water for wet rice cultivation has shifted local agriculture towards dryland crops like betelnut, mustard seed, turmeric, sesame, and ginger.

The market heavily relies on Bhutanese buyers, who are estimated to constitute around 80 percent of the total visitors. The rest come from nearby villages. Market committee estimates suggest that during the winter season, the number of Bhutanese visitors ranges between 8,000 and 9,000, drawn from six districts of southern Bhutan. According to a Bhutanese customer interviewed for this study, prices at Dadgari are roughly one-third of what they would pay for the same goods in Gelephu town. Interestingly, there are no Bhutanese vendors in this market. Goods only move one way, from Indian sellers to Bhutanese buyers. Some of these customers buy in large quantities to resell in Bhutan, often arriving by private cars or Bhutanese taxis.

Goods, Currency, and Transaction Practices

The market offers a wide and largely unsegregated range of goods. Local vendors sell fresh vegetables, fish, meat, and rice, while traders from outside sell clothing for men, women, and children; footwear, bedding, bags, plastic chairs and containers, tarpaulin sheeting, electronics, kitchenware, spices, lentils, fruits, sweets, traditional medicines, imitation jewelry, secondhand clothing, cheap replica branded items, and even distinctive items of demand such as traditional Bhutanese garments and printed pictures of the Bhutanese royal family. Among Bhutanese buyers, rice and secondhand clothing are the most bought items.

A notable aspect of the market is its use of two currencies, where transactions can be made using either the Indian Rupee or the Bhutanese Ngultrum. People living near the border use both currencies every day, so they do not need to exchange money. Vendors from Jaigaon also do not need to exchange currency because the Bhutanese Ngultrum is widely accepted in their town, which is adjacent to Bhutan. However, vendors coming from other regions must exchange their Bhutanese Ngultrum through intermediaries who often trade across the border. The rent charged depends on the vendors' origin and the size of their stalls. Vendors from other areas who need larger spaces, like those selling electronics, clothing, utensils, pay Rs 30, while local vendors pay Rs 10. The lower rate for locals helps sustain small-scale community vendors, while the higher fee charged to outsiders compensates for the extra space they occupy.

Community Welfare Functions

The revenue collected by the market committee is directed toward several forms of village welfare. A portion supports Hatisar Dadgari High School, a private institution offering classes 9 and 10 in Assamese and Bodo medium. Beyond this, funds are used for festivals, communal occasions, and the construction and maintenance of toilets, as well as the provision of safe drinking water facilities for vendors and shoppers. This aspect of the market's function, where it contributes to public amenities for the community, highlights its role as a governance hub, rather than merely a commercial venue. Dadgari serves as a crucial support for the southern Bhutanese living near the border. It offers an alternative to the long journey to Bongaigaon or Kokrajhar or the expensive town of Gelephu town on the Bhutan border. This informal economic hub has been vital for the region, operating independently from official trade agreements.

Vulnerabilities and Disruptions

Fieldwork has revealed several recurring disruptions. One major issue is the fluctuating number of shoppers owing to seasonal changes. The period between November and March marks the peak season when the market is crowded with Bhutanese consumers. In contrast, during the summer, the number of customers drops by about half. This happens for two main reasons. First, the heavy, subtropical monsoons cause landslides and road blockages, and the extreme humid heat in Assam makes it difficult to travel. Second, and more importantly, this is the time when Bhutanese farmers get busy in their fields. Therefore, they focus on their agricultural work during this season and get occupied.

Adding to this, the lack of proper pavement results in puddles forming during the rains, making the space muddy and unpleasant. Many vendors reportedly shift to other weekly markets during this period. However, local vendors who rely exclusively on this market face difficulties during the summer. Their summer earnings are less than half of their winter income, yet they must keep their stalls open, as it is their sole occupation. They have to manage their households with the limited income they earn from the market.

Political and public health disruptions have had more severe effects. In India, demonetization, the temporary closure of the India-Bhutan border by Bhutanese authorities in December 2019 due to unrest related to the Citizenship Amendment Bill, and the COVID-19 pandemic all led to prolonged halts in market activities. The pandemic related closure lasted about two and a half years until the Gelephu gate reopened in September 2022. Vendors who mainly serve Bhutanese customers were heavily affected by these closures.

Besides these difficulties, the market faces another problem, which is that some items cannot be bought by Bhutanese people. Items like meat, fish, and green vegetables, are restricted, with inspections at the border gate enforcing these rules. This acts as an external limit on the market's trading range. Only licensed traders are permitted to trade these restricted items. Meanwhile, other items such as rice, electronics, and clothes can still be bought freely.

Discussion

The Dadgari case shows a type of cross-border governance that works mainly outside formal regulations but is not without rules or entirely spontaneous. A market committee, recognized locally, governs areas such as space allocation, rent, currency practices, and resolving disputes. They decide on matters like setting the market days through continuous discussions with Bhutanese stakeholders ensuring mutual agreement rather than imposing external preferences. This places Dadgari among a wider pattern of border market dynamics, in which daily trade is shaped less by formal agreements and far more by a localized network of trust, mutual reciprocity and informal ties with security personnel.

From an economic perspective, the market is more than just a place for trading goods. For local Bodo, Adivasi, Rajbongshi and Nepali families, especially women who run food stalls, it is a vital source of income. For Bhutanese buyers in the southern foothills, the market offers a cheaper way to get supplies, with products priced much lower than in Bhutan's own market. The money earned from the market is used to support local public services, such as the Hatisar Dadgari High School, making the market an important part of the community's social structure. This shows that its importance goes beyond just the amount of trade happening there. At the same time, the market's heavy reliance on Bhutanese demand, with reportedly no Bhutanese vendors and about 80 percent of customers coming from across the border creates structural asymmetry. This heavy reliance leads to major disruptions when the border is closed. Unlike markets with diverse customers, the Dadgari economy is directly tied to the political and administrative conditions of the border. The 2019 closure and the extended COVID-19 shutdown show that a market managed informally at the local level is completely vulnerable to decisions made by national governments, over which local stakeholders have no control.

Bhutan's restriction on importing items like meat and green vegetables shows that both countries maintain some control even in informal trade zone. This control is applied at the border checkpoint rather than inside the market. This dual nature of local governance in the market and state regulations at the entry point is likely the best way to describe Dadgari's role in the wider cross-border governance context.

Conclusion and Recommendations

The Dadgari market in Hatisar is a key example of community driven cross-border trade between India and Bhutan in the Chirang District. It operates based on local agreements, a market committee, informal security, and a dual currency system. These factors have helped it become a major border market for southern Bhutan, while also creating jobs and benefits for the local community in Assam. However, its informal nature makes it vulnerable to external disruptions like border closures, pandemics, and import rules.

Based on the study's findings, the following recommendations are proposed:

Infrastructure Investment: replacement of tarpaulin stalls with more durable tin or concrete structures to withstand monsoon conditions.

Water and Sanitation: Reliable funding for the maintenance of hand-pump borewells and restoration of non-functional toilet facilities, possibly by partnering with the district administration instead of relying only on committee funds.

Institutional Recognition: Formal recognition and minimal support from the Government of Assam and the Bodoland Territorial Region administration, designed to maintain the market's low-regulation nature while offering infrastructure support.

In a broader sense, the Dadgari case highlights the importance of recognizing the economic and social contributions of informal, community-driven trade systems in border areas. Instead of focusing solely on security or regulation, policies should support these local systems. This approach can better address the needs of border communities and promote stable, cooperative relations between India and Bhutan.

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