

Five-Year Plan for Development of Agricultural Produce Market in Assam (2002 – 2007)



**ASSAM STATE AGRICULTURAL MARKETING BOARD
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Five-Year Plan at a glance:

1. *Extension of market areas to entire State of Assam.*
2. *Increase of Principal Market Yards from 19 nos. to 22 nos.; Sub-Market Yards from 19 nos. to 108 nos.*
3. *Shifting of market transaction of Specified Agricultural Produces in 22 nos. of PMY and 19 nos. of SMY.*
4. *Introduction of Auction method of sale in 22 nos. PMY and 19 nos. SMY.*
5. *Development of markets under Central assistance and NEC finance : 10 nos.*
6. *Establishment of Terminal Market : 2 nos.*
7. *Commodity Market Development : 2 nos.*
8. *Establishment of market for direct marketing : 22 nos.*
9. *Establishment of Agricultural Marketing Network.*
10. *Scheme for Grading and Packaging for Fruits and Vegetables.*
11. *Transport subsidy for 23 districts.*
12. *Establishment of Processing units on Horticultural Crops : 5 nos.*
13. *Impart Training to Producers etc. : 560 nos.*
14. *Establishment of Rural Godowns : 100 nos.*
15. *Resource mobilisation of ASAMB of its own : From 27 Crores to 45 Crores.*

The increasing trend of Agricultural Production, specially in case of food grains being the most important component of Indian Agrarian Economy, has drawn the attention level marketing system of marketable surplus at both State and National level. The new challenges as emerged one owing to liberalization and globalization has also prescribed in the need of strengthening the Agricultural Marketing System of the States of the entire country.

The Agricultural Marketing System of Assam is some extent different from other States due deficit production as well as less market arrivals in the markets. Moreover the total marketable surplus is also found not transacted through the markets. About 70% of the commercial crops like Jute, Mesta etc. out of almost 99% of marketable surplus, 40% of Paddy out of almost 40% of marketable surplus, 50% of Pulses etc. out of 60% of marketable surplus are being transacted either at Farm Gate or at Trader's premises directly.

On the other hand, malpractices are found in the Present System or traditional markets in method of sale, weighing, delivery, payment etc. and a wide difference of Producer's rupee and consumer's rupee is also found in the existing system of Agricultural Marketing. All these bottlenecks and constraints are the major factor of non-receiving the better price by the Producers. Hence, after due consideration of all these factors adverting the interest of Producers the Assam Agricultural Produce Market Act, 1972 is enforced in the State of Assam for providing better regulation of buying and selling of Agricultural Produces and establishment of

Regulated Market in Assam. But due to some hindrances the aims and objects of the said Act has not achieved to that extent. The Assam State Agricultural Marketing Board has now therefore reviewed the entire progress of works under the Assam Agricultural Produce Market Act, 1972 and considers the present condition of Agricultural Marketing System in Assam it is decided to develop the marketing system under the Assam Agricultural Produce Market Act, 1972 by formulating a Five-Year Plan and through its execution within the stipulated period.

Accordingly following plans are formulated and included in the Five-Year Plans to be started from the Financial Year 2002-2003 to 2006-2007.

(1) Declaration of market areas covering entire Assam.

So far 21 districts out of 23 are brought under the purview of the Assam Agricultural Produce Market Act, 1972 to provide for better regulation of buying and selling of Agricultural Produce and establishment of Regulated Markets for Agricultural Produce in Assam. The Karbi Anglong and North Cachar Hill districts are yet to bring under this Act. It is now proposed to extend the market area by bringing those 2 districts under the same umbrella after consultation with the respective District councils as laid down under section 4(1) of the said legislation within the first financial year of the proposed Five year plan.

(2) Increase of Principal Market yards and Sub – Market yards

There are at present about 650 nos. of periodical village level

markets popularly known as Hat, 75 nos. of primary whole sale and 30 secondary whole sale markets in the entire state of Assam. As per provision of the AAPM Act, 1972, as amended time to time, there shall be one Principal market yards (PMY) and one or more sub-market yard (SMY) in a declared market area. Accordingly 19 nos. of PMYS and 19 nos. of SMYS are so far functioning in the 21 districts of Assam. 4 nos. of PMYS of the declared market areas are yet to be notified under section (6) of AAPM Act. These market areas are – (1) Sibsagar district (2) Dibrugarh district (3) Karimganj district (4) Cachar district. More over, there are proposal from district Market Committees to declare 89 markets as sub-market yards in addition to existing sub-market yards.

Therefore, it is proposed to increase the numbers of PMY up to 22 (After denotification of one PMY of existing 2 nos. PMY under Jorhat District Regulated Market Committee) and Sub– market yards up to 108 during this financial year of the proposed Five year plan.

(3) Shifting of market transaction from existing traditional markets to regulated market yards.

Though the Assam Agricultural Produce Market Act, 1972 has come in to force since 1977 the object as emphasised on the legislation has not yet succeeded fully. The main hindrance in attaining achievement is the conflict amongst the provisions of Assam Agricultural Produce Market Act., 1972, the Panchayat Act, 1994 and the Municipal Act on the matter of establishment of market. The Assam Agricultural Produce Market Act, 1972 prohibits the local authorities or other persons to

establish, continue or allow to establish, continue any place for purchase and sale of specified commodities except in accordance with this Act. But the transaction of specified commodities contravening the expressed provisions of this Act is still continued in the traditional markets under local authorities. Hence for the successful implementation of Regulated Market scheme it is felt immediate necessity to shift the market transaction from existing traditional markets to the Regulated Market yards where exists. Accordingly, it is proposed to move the Govt. for review the entire matter in presence of the concerned departments during the first part of this financial year. If the Govt. has arrived at a such decision to shift the transaction of specified commodities from traditional market to Regulated Market yards following markets are to be taken for execution of decision during this Five-Year Plan period.

Years	Principal Market yards	Sub-Market yards
2002 – 2003	5 Nos.	5 Nos.
2003 – 2004	5 Nos.	3 Nos.
2004 – 2005	5 Nos.	4 Nos.
2005 – 2006	4 Nos.	4 Nos.
2006 – 2007	3 Nos.	3 Nos.
Total	22 Nos.	19 Nos.

In addition to develop the markets as mentioned above to hold such transaction following markets are also proposed for development by providing required market infrastructures under the specific scheme of Govt. of India and North Eastern Council during this Five-Year Plan period.

A. Under Technology Mission Scheme of Govt. of India.

1. **Uparhali Market** under Guwahati Sub-Divisional Market Committee in Kamrup district.
2. **Gauripur Market** under Gauripur Regulated Market Committee in Dhubri district.
3. **Mandia Market** under Baharihat Regulated Market Committee in Barpeta district.
4. **Hojai Market** under Lanka Regulated Market Committee in Nagaon district.
5. **Dhubri Market** under Gauripur Regulated Market Committee in Dhubri district.

B. Under NEC Scheme of 10th Five-Year Plan.

1. **Singimari market** under Guwahati Sub-Divisional Market Committee in Kamrup district.
2. **Darrangiri market** under Goalpara District Regulated Market Committee in Goalpara district.
3. **Sapekhati market** under Sibsagar District Regulated Market Committee in Sibsagar district.
4. **Gamariguri market** under Golaghat District Regulated Market Committee in Golaghat district.
5. **Nagabat market** under Jorhat District Regulated Market Committee in Jorhat district.

(4) Introduction of Auction method of sale.

The Assam Agricultural Produce Markets (General) Rules, 1975 has provided the provision of selling of Agricultural Produces through open auction. This type of method of sale leads to a competitive

market environment- where producers may be in a position to get better price with participation of large numbers of buyers in the system. The method of sale of Agricultural Produces in the existing traditional markets is of mutual negotiation within limited numbers of buyers.

Therefore, it is proposed to introduce open auction method of sale in the marketing of Agricultural Produces as follows.

2002-2003	=	3 Nos. market
2003-2004	=	10 Nos. market
2004-2005	=	10 Nos. market
2005-2006	=	10 Nos. market
2006-2007	=	8 Nos. market
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Total	=	41 Nos. market

(5) Establishment of Terminal Market at Guwahati and Jorhat.

There is a long standing demand for establishment of Terminal Markets at Guwahati as well as Jorhat. Guwahati, on the bank of Brahmaputra, is not only the capital of Assam but as the Gateway to the N E Region the importance of it in the Trade and Commerce is also noteworthy. Fancy Bazaar, being the nerve centre of it, the inadequacy of land and market infrastructures to accommodate the market arrivals of Agricultural Produces leads to an inefficient marketing system. Such situation is also encouraging malpractices in the existing system of marketing and causing inconvenience to the Producers, Traders and also consumers. Moreover, a large market at Fancy Bazaar, in the heart of the Guwahati City, in an unorganised manner are causing not only an unhygienic environment but the public in general are also facing the traffic congestion in the city. Therefore, to reap out the benefits of an organised

and efficient market under the Assam Agricultural Produce Market Act, 1972 by the Traders, Producers and Consumers in general, it is proposed to establish Terminal Markets both at Guwahati and Jorhat during the Five-Year Plan period for development of Agricultural Market in Assam. While implementing the Scheme the thrust will be given on increasing the investment on market infrastructures on phased manner.

(6) Commodity Market Development.

In the history of Agricultural Marketing in Assam, some commodity markets are playing important role in the rural economy of our state. Two such markets are-

- (i) Dry Fish Market at Jagiroad.
- (ii) Banana Market at Darrangiri.

So far the dry fish market is concerned, the market arrivals are found both from inside and outside of the State and the market cater the needs of entire States of N E Region. It is the only market for the entire States of N E Region of its kind, but the land area of the market is not adequate. Hence, insufficiency of required market infrastructures due to inadequacy of land causes major problem. On the other hand the big Banana market at Darrangiri attracts the buyers (Traders) of different parts of the country for its sizable market arrivals of Malbhog and Chenichampa varieties. The unavailability of required infrastructures specially the Semi Conditioned Godowns, Weigh Bridge etc. suffers the Banana Producers in storing for longer period, getting better price etc.

Therefore, development of such markets are now the need of hour for the National importance. As such the Market Board has proposed

to develop the existing commodity markets i.e. Dry Fish Market, Jagiroad and Banana Market, Darrangiri by providing required market infrastructures within the period of this Five-Year Plan.

(7) Establishment of Market for Direct Marketing (‘AMARHAT’ in the line of Apna Mandi).

It is observed that in the existing system of Agricultural Marketing the middleman takes the major share of Producer’s and Consumer’s rupee. In this system the Farmers having small Produces have to bear a big blow. Hence, for sharing the middleman’s profit by the small producers and consumers, transaction of market arrival should be made directly in between Producers and Consumers. With this object the Assam State Agricultural Marketing Board has proposed to introduce a new Scheme for establishment of market for the Producers and Consumers. This Scheme may be known as ‘AMAR HAT’ as Apni Mandi well known in Punjab. This Scheme will cover the following numbers of Periodical Hats of the State specifically in towns and cities during this Five-Year Plan period.

2002-2003	=	2 Nos.
2003-2004	=	4 Nos.
2004-2005	=	6 Nos.
2005-2006	=	5 Nos.
2006-2007	=	5 Nos.
Total	=	22 Nos.

(8) Agricultural Marketing Network.

To develop the Market Information Network, the Market Board

has proposed to introduce 'AGMARKNET' Scheme all over the State. The execution of this Scheme through the entire Market Yards as well as important Check Gates during this Five Year Plan period will be another major step of the State for linking with the Agricultural Marketing System of the State as well as other States of the country. Moreover, the system will also help in increasing the market efficiencies in disseminating of market information from Farm producers to the consumers. In the mean while D.M.I., Govt. of India has sanctioned 14 sets of Computer Hardware etc. for AGMARKNET connectivity for the following Market Committees and the Market Board :

1. Assam State Agricultural Marketing Board (Head Office).
2. Guwahati Sub-divisional Market Committee.
3. Howly Regulated Market Committee.
4. Baharhat Regulated Market Committee.
5. Gauripur Regulated Market Committee.
6. Office of the Asstt. Secretary, Srirampur Check Gate.
7. Kharupetia Regulated Market Committee.
8. Silapathar Regulated Market Committee.
9. Dhing Regulated Market Committee.
10. Lanka Regulated Market Committee.
11. Jorhat District Regulated Market Committee.
12. Golaghat District Regulated Market Committee.
13. Tinsukia District Regulated Market Committee.
14. Cachar District Regulated Market Committee.

(9) Scheme for Grading and Packaging of Fruits and Vegetables.

Grading and Packaging is the important market activities to be

done by the market functionaries. Proper grading and proper packaging is a precondition for higher return of the produce. So to develop the present system of such activities the Assam State Agricultural Marketing Board has proposed to provide proper grading and packaging devices of Fruits and Vegetables, supply of plastic crates etc. to the market functionaries- Producers as well as Licence holders during this Five-Year Plan period.

(10) Transport subsidy towards Producers.

The lack of proper transportation from farm gates to the Market Yards is one of the major bottleneck in getting the better price of produce. Moreover, the cost of transportation is also unbearable to some producers to carry the Farm Produces to the nearest market yards. Hence, the Assam State Agricultural Marketing Board has proposed to support the producers by providing Transport Subsidy for carrying the Specified Agricultural Produces to the market yard at the subsidised rate of 30% of total standard rate of transportation both for road and river ways. The year wise brake up of coverage of these Schemes to the entire market areas declared under this Act, during this plan period will be as follows-

2002-2003	=	2 districts.
2003-2004	=	5 districts.
2004-2005	=	5 districts.
2005-2006	=	5 districts.
2006-2007	=	6 districts.

Total = 23 districts.

(11) Establishment of Processing Unit of Horticultural Crops.

Due to the perishable nature of horticultural crops the Producers can not retain the Produces for a long period to their satisfaction of getting better price. But the produces can be preserved for a long time in the processed form, which are generally used by the consumers. So to get relief from a distress sale of fruits and vegetables to certain extent, the establishment of Processing Unit of horticultural crops will be one of the measures to be taken. The Assam State Agricultural Marketing Board has already started a Scheme of establishment of community Canning Centre in 4 Nos. of Market Committees for imparting training to the Producers as well as for domestic users. The Market Board is now proposed to establish 5 Nos. of Processing Units of horticultural crops in commercial nature in the following places.

1. Kharupetia in Darrang district for Fruits and Vegetables.
2. Golaghat in Golaghat district for Fruits and Vegetables.
3. in Cachar district for Pineapple.
4. Sarbhog in Barpeta district for Fruits and Vegetables.
5. Sadiya in Tinsukia district for spices like Ginger.

(12) Impart Training to Producers etc.

It is observed that due to lack of education, the Producers are always being deprived of getting remunerative/better prices of their produces. Apart from general education special training on grading, packaging, storage etc of Agricultural Produces and production oriented training for some important crops are needed to meet the challenges of major changes in Agricultural Marketing of the of the country owing to liberalization and globalization. Hence, it is proposed to impart training to the Producers- Market functionaries and marketing personals as

follows-

Producers	Market functionaries	Marketing personnel
2002-2003= 30 Nos.	20	10
2003-2004= 60 Nos.	25	20
2004-2005= 70 Nos.	35	30
2005-2006= 80 Nos.	35	30
2006-2007= 70 Nos.	35	30
Total = 300 Nos.	150	110

(13) Resource mobilization.

The activities of the Marketing Board is very much related to its financial own resources. The resource as provided in Assam Agricultural Produce Market Act is cess and it is dependent on transaction of Specified commodities in the market, i.e. market arrival. The Assam State Agricultural Marketing Board has proposed to give a thrust on detailed study of resources and to mobilise the collection of cess as per resources during this Five Year Plan period as follows-

2002-2003	=	27 Crores.
2003-2004	=	30 Crores.
2004-2005	=	34 Crores.
2005-2006	=	39 Crores.
2006-2007	=	45 Crores.

(14) Rural Godown Scheme.

It is a fact that majority of the farmers specially the small and marginal farmers have not the capacity to retain their Farm Produces for holding the scope of favourable market price. Either due to lack of own

facilities to store the produces or due to compelled situation of financial hardship, farmers have got no alternative than dispose the Produces at a lower price. Hence, the Assam State Agricultural Marketing Board has wants to come forward with the proposal for setting up of Rural Godowns under Gramin Bhandar Yojana of Govt. of India / own scheme of Assam State Agricultural Marketing Board during the Five Year Plan period as follows-

2002-2003	=	10 Nos.
2003-2004	=	15 Nos.
2004-2005	=	25 Nos.
2005-2006	=	25 Nos.
2006-2007	=	25 Nos.
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Total	=	100 Nos.

Financial Resource of Plan.

The financial resource of Assam State Agricultural Marketing Board of its own is not adequate for creation of infrastructures proposed in Five Year Plan Policy. Therefore, it is proposed to move the financial institution for external funding of the plan apart from Central Govt./ State Govt finance.

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