



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

**Five-Year Plan at a glance**

1. Bringing the entire state under the Regulated Market Scheme.
2. Increase the number of Principal Market Yards and Sub-Market Yards, providing more infrastructural facilities.
3. Development of Agriculture Produce Markets with own resources and availing assistance from other sources- service to Growers/Traders of Agricultural Produce.
4. Establishment of Terminal Markets.
5. Development of Single Commodity Market.
6. Attempts for full utilisation of Market Yards and facilities provided, by the users.
7. Introduction of Auction as a method of sale in the Regulated Markets.
8. Establishment of Agricultural Marketing Information Network.
9. Formation of Growers Society and Scheme for rendering service to Growers.
10. Encouraging contract farming.
11. Scheme for Cleaning, Grading and Packaging/Processing for Fruits and Vegetables.
12. Establishment of Processing units and Cold Storage for Horticultural and other Crops.
13. Setting up of Rural Godowns.
14. Impart Training to Producers.
15. Resource mobilisation of the Board and of the Regulated Market Committees there under for rendering a better service.

### Introduction :

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 of marketing system of marketable surplus at both State and National level. The new challenges as emerged out owing to liberalization and globalization has also necessitated the strengthening of the agricultural marketing system of the States of the entire country.

The agricultural marketing system of Assam is to some extent different from other states due to deficit production as well as less arrival of produce in the market. Moreover, the entire marketable surplus is also found not transacted through the markets. About 70% of the marketable surplus of the commercial crops like jute, mesta etc., 40% in case of Paddy, 50% in case of Pulses etc. are normally transacted through markets and remaining are transacted either at farm gate or at trader's premises directly.

The marketing of agricultural produce is mainly centered round the traditional Haat system in Assam. As shown above sometimes the farmers sell their produce at their doorsteps to the itinerant traders coming from outside. The agricultural produce is mainly stored in their own traditional store-houses known as Bharal. The developed stage of storing in Warehouses has not yet been reached in this part of the country.

The Regulated Market Scheme of agricultural produce- a mechanism to control the prices of agricultural produce so that the farmers can get their actual dues in a market set up under the scheme with a provision for open auction and storage coupled with the facilities of cleaning, grading, standardisation and packing/processing prevalent in other parts of the country since before independence was introduced in the state very late. Only in 1972 the Assam Agricultural Produce Market Act was passed by the State Legislative Assembly and from 1976 the Regulated Market Scheme was introduced in the state with the formation of Assam State Agricultural Marketing Board and the Regulated Market Committees under it at different places in the state.

At present there are 22 nos. of Regulated Market Committees all over the state except the sixth scheduled areas. There are Principal Market Yards and Sub-Market Yards under a Regulated Market Committee. Even though, there are facilities for auction, selling, weighing and storage in some of those yards, the shifting of markets from the traditional places to those organised markets has not been effected fully due to various reasons. Hence, the Regulated Market Scheme has, hitherto, attained a very limited success.

The Assam State Agricultural Marketing Board has therefore, reviewed the working of the Assam Agricultural Produce Market Act, 1972. Considering the present condition of

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agricultural marketing system in Assam, it has been decided to chalk out a Five-Year Plan for all round development of the entire gamut of agricultural marketing system with an effective and time bound programme for implementation of the provisions of the afore said Act in letter and the spirit.

Accordingly, the following plan is formulated, which will be effective from the Financial Year 2002-2003 and will continue to the end of the Financial Year 2006-2007.

### **(1) Bringing the entire state under the Regulated Market Scheme.**

So far 21 districts out of 23 have been brought under the purview of the Assam Agricultural Produce Market Act, 1972 to provide for better regulation of buying and selling and establishment of Regulated Markets for Agricultural Produce in Assam. The Karbi Anglong and North Cachar Hill districts are yet to be brought under this system. The State Government will be requested to bring those 2 Hill districts under the same umbrella in due consultation with the respective Autonomous Councils the provisions for which exists under Section 4(1) of the said legislation. For this purpose the Assam State Agricultural Marketing Board will conduct a survey and undertake a study on the feasibility aspect of the matter and will submit a concrete proposal to the state government during the current financial year.

### **(2) Increase the number of Principal Market yards and Sub – Market yards, providing more infrastructural facilities.**

There are at present about 650 nos. of periodical village level markets popularly known as Haats, 75 nos. of primary whole sale and 30 secondary whole sale markets of agricultural produce in the entire state of Assam. As per the provisions of the AAPM Act, 1972, as amended from time to time, there shall be one Principal Market Yard (PMY) and one or more Sub-Market Yard or Yards (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. These are PMY for (1) Sibsagar District Regulated Market Committee (2) Dibrugarh District Regulated Market Committee (3) Karimganj District Regulated Market Committee (4) Cachar District Regulated Market Committee. More over, there are proposals for declaring 89 nos. of markets as Sub-Market Yards in addition to present 19 nos. of Sub-Market Yards in the state.

Therefore, the plan includes the proposal for increasing the number of PMYs from present 19 nos. to 22 nos. which will require readjustment of one existing PMY to the level of SMY under Jorhat District Regulated Market Committee and increasing the number of Sub Market Yards up to 108 nos. from the present 19 nos. The number of Sub Market Yards may be increase further during this plan period as it is a continuous process.

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A comprehensive plan is being formulated after a careful study and survey for submission to the government for approval of above during the current financial year.

A detail plan for infrastructural facilities like market yard, selling complex, auction platform, weighing machine, cleaning and grading yard, packaging house, processing unit, godown, cold storage, scheme for sanitation and development of roads leading to the markets that may be provided in the PMYs and SMYs are being drawn up in the manner as indicated below.

### (3) **Development of Agriculture Produce Markets with own resources and availing assistance from the other sources- service to Growers/Traders of Agricultural Produce.**

Under the scheme of things as provided under the provisions of the Assam Agricultural Produce Market Act, 1972 the following work-plan has been drawn up for development of PMYs and SMYs in the state. The infrastructure those may be provided will be need based and as per the requirement of the growers/traders of the area. An illustrative list of infrastructure will definitely include, construction of Market Yard, Selling Complex, Auction Platform, Godown, Cleaning, Grading and Drying Yard, Cold Storage where ever found feasible, facilities for Weighing and the like. In case of PMY, the above facilities are available more or less, in some of the PMYs. Hence, the PMYs where no facility exists have been taken into consideration. Similar is the case with SMYs also.

<b>Years</b>	<b>Principal Market yards</b>	<b>Sub-Market yards</b>
2002 – 2003	2 Nos.	8 Nos.
2003 – 2004	2 Nos.	10 Nos.
2004 – 2005	3 Nos.	10 Nos.
2005 – 2006	4 Nos.	12 Nos.
2006 – 2007	4 Nos.	12 Nos.
<b>Total</b>	<b>15 Nos.</b>	<b>52 Nos.</b>

In addition to develop the markets as mentioned above the following markets have already been proposed for development by providing required market infrastructure under the specific scheme of Govt. of India and North Eastern Council during this Five-Year Plan period.

#### **A. (i) Under Technology Mission for Development of Horticulture in North Eastern States sponsored by the Govt. of India. (For the year 2001-2002).**

1. **Uparhali Market** under Guwahati Sub-Divisional Market Committee in Kamrup district.
2. **Gauripur Market** under Gauripur Regulated Market Committee in Dhubri district.

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3. **Dhubri Market** under Gauripur Regulated Market Committee in Dhubri district.
4. **Hojai Market** under Lanka Regulated Market Committee in Nagaon district.
5. **Mandia Market** under Baharihat Regulated Market Committee in Barpeta district.

The Board or the concerned Regulated Market Committee will bear 50% of the cost and the remaining 50% of the expenditure will be borne by the government of India.

### (ii) For the year 2002-2003-

1. **Titabor Market** under Jorhat District Regulated Marketu Committee in Jorhat district.
2. **Alengmora Market** under Jorhat District Regulated Market Committe in Jorhat district.
3. **Borhola Market** under Jorhat District Regulated Market Committe in Jorhat district.
4. **Maloibari Market** under Guwahati Sub-Divisional Market Committee in Kamrup district.
5. **Sonabarighat Market** under Cachar District Regulated Market Committee in Cachar district.
6. **Silapathar Market** under Silapathar Regulated Market Committee in Dhemaji district.

### B. Under the 10<sup>th</sup> Five-Year Plan Schemes of NEC.

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.

In order to provide the services as referred above the Board of the concerned Regulated Market Committee may also avail the financial assistance provided by the financial

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institutions like the Nationalised Banks, NABARD and the institutions like the National Horticulture Board.

### **(4) Establishment of Terminal Market at Guwahati and Jorhat.**

There is a long standing demand for establishment of Terminal Markets at Guwahati as well as at Jorhat. Guwahati, on the bank of the Brahmaputra, is not only the capital of Assam but is the gateway to the N. E. India, the importance of it as such in the trade and commerce is not negligible. In Fancy Bazar of Guwahati, the inadequacy of land and market infrastructure to accommodate the market arrivals of Agricultural Produce lead to an inefficient marketing system. Moreover, the market at Fancy Bazar, in the heart of the Guwahati City, in an unorganised manner is not only causing an unhygienic environment but also the traffic congestion in the city. Therefore, to reap out the benefit 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 a Terminal Market at Guwahati during the Five-Year Plan period. The same is the position in respect of Jorhat also and the development of Terminal Market there is felt highly essential.

The Board therefore has drawn up a plan for development of Terminal Markets in those two places with the loan assistance from any financial institution during the period of coming five years.

### **(5) Development of Single Commodity Market.**

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

- (i) Jute Market at Gauripur.
- (ii) Banana Market at Darrangiri.
- (iii) Dry Fish Market at Jagiroad.
- (iv) Gur Market at Karikhana in Lanka.

Development of such markets are the crying need of the hour. Those can be developed as markets of national importance. As such the Market Board has proposed to develop the above existing commodity markets by providing the required infrastructure in consultation with the growers/traders there within the period of next five years.

### **(6) Attempts for full utilisation of Market Yards and facilities provided, by the users.**

Though the Assam Agricultural Produce Market Act, 1972 came into force in 1976, the object as emphasised on the legislation has not yet been achieved fully. The main

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hindrance in attaining achievement is the conflict between the provisions of the Assam Agricultural Produce Market Act., 1972 and the Assam Panchayat Act, 1994 and also with the provisions of the Assam Municipal Act, 1959 in respect of the matter of establishment of market. The Assam Agricultural Produce Market Act, 1972 prohibits any other authority or person to establish, continue or allow to establish, continue any place for purchase and sale of specified agricultural produce except in accordance with the provisions of the said Act. But the transaction of specified agricultural produce in total contravention of the provisions of this Act is still continuing in the traditional markets under the control of local authorities. Hence, for the successful implementation of Regulated Market Scheme it is felt of immediate necessity to shift the market transaction from existing traditional markets to the Regulated Market Yards where ever exists. Accordingly, it is proposed to move the Govt. for review of the entire matter in presence of the concerned departments during the current financial year.

The Board has drawn up a definite plan to study the matter in depth so that such shifting is effected in all places during the coming five years.

### **(7) Introduction of Auction as a method of sale in the Regulated Markets.**

The Assam Agricultural Produce Markets (General) Rules, 1975 has provided the provision of selling of Agricultural Produce through open auction. This 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 Produce 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 all the markets of Agricultural Produce under the control of the Board and the Regulated Market Committees within the period of coming five years.

### **(8) Establishment Agricultural Marketing Information Network.**

To develop the Market Information Network, the Market Board has proposed to extend 'AGMARKNET' Scheme launched by Govt. of India, through out the state. The implementation of this Scheme in all the Market Yards as well as in important Check Gates during this Five-Year Plan period will be a major step for linking not only the different parts of the state with one another so far as the Agricultural Marketing System, communication of day to day prices commodity-wise and dissemination of other information relating to agricultural produce market are concerned but also with other parts of the country. In the

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mean while D.M.I., Govt. of India has sanctioned 14 sets of Computer Hardware/Software for AGMARKNET connectivity for the following Regulated 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. Baharihat 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.

The entire connectivity with the efforts of the Board will be augmented further and will achieve its full objective by the end of the five-year plan drawn up for this purpose.

### **(9) Formation of Growers Society and Scheme for rendering service to Growers.**

The formation of Growers Society in all parts of the state, commodity-wise or otherwise is an urgent need of the system of Agricultural Marketing. In Assam it is extremely in an unorganised manner which needs a streamlining. Therefore, the Board has drawn up a policy to be implemented during the course of five years for organising those Societies in a proper manner, patronising those by way of recognising and encouraging the growth of such Societies. The registration part will be done by the Board even though without the backing of any statute. The Board will provide all sorts of supports to such Societies and will treat those as channel of Agricultural Marketing in the state. The following is an illustrative plan for such support.

The lack of proper transportation from farm gates to the Market Yards is one of the major bottlenecks in getting the better price of produce. Moreover, the cost of transportation is also unbearable to some producers to carry the Farm Produce to the nearest market yard. Hence, the Assam State Agricultural Marketing Board has proposed to support the producers

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by providing Transport Subsidy for carrying the Specified Agricultural Produce 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 break up of coverage of this Scheme to the entire declared market areas under the AAPM Act, 1972 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.
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<b>Total</b>	=	<b>23 districts.</b>

The benefits of this Scheme will be available to a Growers Society formed and registered under the auspices of the Board.

### **(10) Encouraging contract farming.**

The Board has taken up an ambitious plan for encouraging the growth of contract farming in the state during next five years. The matter will be studied in depth during the current financial year and a proposal to that effect will be submitted to the government for approval and if need arises for an amendment of the Assam Agricultural Produce Market Act, 1972 to achieve this objective.

### **(11) Scheme for Cleaning, Grading and Packaging/Processing of Fruits and Vegetables.**

Cleaning, Grading and Packaging/Processing are important market activities to be undertaken by the market functionaries. Cleaning, grading and proper packaging are prerequisites 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 cleaning, grading and packaging devices of Fruits and Vegetables, arrangement for supply of plastic crates etc. in collaboration with the National Horticulture Board to the market functionaries- Producers as well as Licencee Traders during this Five-Year Plan period.

With this aim in view the Board will organise a free demonstration of Plastic Crates- a better packaging device at the following places during the current financial year in collaboration with the National Horticulture Board to popularise the introduction of such an improved packaging device-

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1. Singimari in Kamrup district.
2. Barpeta Road in Barpeta district.
3. Hojai in Nagaon district.
4. Nagabat in Jorhat district.
5. Besimari in Darrang district.

### **(12) Establishment of Processing Units and Cold Storage for Horticultural and other Crops.**

Due to the perishable nature of Horticultural crops the Producers can not retain the Produce for a long period to their satisfaction for getting a better price. But the produce can be preserved for a long time in the processed form, which is generally used by the consumers. So to get relief from a distress sale of fruits and vegetables to a certain extent, the establishment of Processing Units of Horticultural and other crops is of prime importance. The Assam State Agricultural Marketing Board has already started a Scheme of establishment of Community Canning Centre in 4 Nos. of Regulated Market Committees for imparting training to the Producers as well as for domestic users. The Market Board has now proposed to establish 4 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. Gauripur in Dhubri district for Pine Apple.
4. Barpeta Road in Barpeta district for Tomato.

During the current financial year the Board has drawn up a plan for commissioning the Cold Storage which is being constructed at Byrnihat in collaboration with Spices Board. This Cold Storage is essentially meant for Spices. This will be leased out to private investors on its completion during the current financial year.

### **(13) Rural Godown Schemes.**

It is a fact that majority of the farmers specially the small and marginal farmers have not the capacity to retain their Farm Produce for a longer period waiting for a better price in the market, due to lack of own facilities to store the produce or due to compelling financial hardship. The farmers have no alternative than to dispose the produce at a lower price. Hence, the Assam State Agricultural Marketing Board has decided to come forward with the proposal for setting up of Rural Godowns under Gramin Bhandar Yojana of Govt. of India during the Five-Year Plan period with the following schedule.

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2002-2003	=	10 Nos.
2003-2004	=	15 Nos.
2004-2005	=	25 Nos.
2005-2006	=	25 Nos.
2006-2007	=	25 Nos.
<b>Total</b>	=	<b>100 Nos.</b>

#### (14) Imparting Training to Producers etc.

It is observed that due to lack of knowledge, the Producers are always deprived of getting remunerative/better prices of their produce. Apart from general education special training on grading, packaging, storage etc of agricultural produce 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 personnel as follows-

<b>Year</b>	<b>Producers</b>	<b>Market functionaries</b>	<b>Marketing personnel</b>
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
<b>Total</b>	<b>300 Nos.</b>	<b>150</b>	<b>120</b>

With this end in view the Board has decided to convert a portion of the Bongaigaon District Regulated Market Committee's office at Tulungia to be a training institute for imparting such training with effect from the current financial year. The training will be imparted by the experts of the State/Central Agriculture Department, Agricultural University, ICAR and by the Progressive Farmers.

#### (15) Resource mobilization of the Board and of the Regulated Market Committees there under for rendering a better service.

The activities of the Marketing Board are very much related to its own financial resources. The resource as provided in Assam Agricultural Produce Market Act is cess and it is dependent on transaction of Specified Agricultural Produce in the market, i.e. market arrival. The Assam State Agricultural Marketing Board has proposed to give a thrust on detail

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study of this aspect and to streamline the process of collection of cess, accordingly during this Five-Year Plan period the following financial position is expected to be attained.

2002-2003	=	25 Crores.
2003-2004	=	32 Crores.
2004-2005	=	38 Crores.
2005-2006	=	43 Crores.
2006-2007	=	50 Crores.

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