MARKET ACT

INTRODUCTION

The Market Committees have come to be established in the country in the wake of the recommendations made by the Royal Commission on agriculture appointed by the Government of India in 1928. This commission had recommended the establishment of the regulated markets to enable the farmers to get remunerative prices for their produce.

The erstwhile State of Hyderabad was the first State in the country to enact. The Markets Act in 1930 followed by the composite Madras State. While the Hyderabad Agricultural Markets Act was in force till 1967 in Telangana area, the Madras Act was in operation in Andhra area. Both the Acts were repealed consequent on the Government of Andhra Pradesh enacting a comprehensive Act for both the regions in 1966.

OBJECTIVES OF THE MARKETS ACT:

- Creation of Market Areas and Markets with a view to ensuring fair transactions in agricultural and allied commodities.
- Appointment of Market Committee fully representative of Growers, Traders, Local authorities and Government to supervise the working of Regulated Markets.
- Rationalization of Market charges and prohibition of realization of excess charges.
- Regulation of Market practices.
- Licencing of Market functionaries.
- Arrangements of conciliation of dispute regarding quality, weighments, deductions etc.,
- Arrangements for sale by Tender/Open Auction.
- Arrangements for dissemination and display of Market Information.

The sale and purchase outside the Market Yards are prohibited by the Markets Act. The offenders are liable for prosecution. All Market functionaries are licenced. Others cannot participate in the markets. A system of sale is prescribed. Sale is either by auction or by Tender system. Weighment is done under the supervision of the Market Committees. Though there are direct sales in a few Markets here and there, Commission Agents are existing in several markets all over the State.

The main objective of the Department is to regulate the sale and purchase of agricultural produce and to establish common places where the buyers and sellers can directly meet and transact business.

The Department protects the producer from exploitation by middlemen provide machinery for regulation by arranging common platforms with facilities for storage and correct weighment.

The Department also ensures prompt payment of the cost of the produce to the sellers curbing unauthorized deductions and illegal collections by the Traders.

CONSTITUTION OF AGRIL. MARKET COMMITTEES:

So far 292 Market Committees have been constituted in the State, under which 862 Markets are notified as shown below:
<table>
<thead>
<tr>
<th>Region</th>
<th>No of AMCs Constituted</th>
<th>No of Markets Notified</th>
<th>No of MYs Having sites</th>
<th>No of MYs Functioning</th>
<th>No of MYs Having Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>TELANGANA</td>
<td>122</td>
<td>321</td>
<td>212</td>
<td>157</td>
<td>126</td>
</tr>
<tr>
<td>ANDHRA</td>
<td>106</td>
<td>382</td>
<td>211</td>
<td>137</td>
<td>71</td>
</tr>
<tr>
<td>Rayalaseema</td>
<td>64</td>
<td>159</td>
<td>99</td>
<td>67</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>292</td>
<td>862</td>
<td>522</td>
<td>361</td>
<td>237</td>
</tr>
</tbody>
</table>

Out of 292 AMCs so far 246 Market Committees have been reconstituted with nominated bodies replacing the Person-In-Charge; 46 AMCs are still under the management of official Person-In-Charge.

It is obligatory on the part of Market Committees to provide adequate facilities at the notified Market Yards making it easy for the farmers and the traders to transact their business. Accordingly, market committees in the State are taking necessary steps to provide required infrastructure in a large number of Market Yards.

Since the centralization is not taking place at the Market Yards. Agril. Market Committees are setting up checkposts at strategic points in their notified areas and are collecting the Market fee. Though the Market Committees are content with what little revenue that comes by way of Market Fee at the checkposts, this is against the very concept and the philosophy of the Markets Act. This is also acting as a disincentive for the Market Committees to take effective measures for centralisation of trade at the Markets. In the coming years special efforts are required to be made to centralise the trade and discourage the establishment of checkposts.

**ADMINISTRATIVE SET UP OF THE DEPARTMENT:**

At the State level Director of Marketing is the head of the Department and he is assisted by the Addl. Directors of Marketing, Joint Directors of Marketing, Deputy Directors of Marketing, Asst. Directors of Marketing.

There are 5 (five) Regional Offices headed by the Jt. Director of Marketing located at Visakhapatnam, Vijayawada, Cuddapha, Hyderabad and Warangal. There are also 6 Deputy Directors located at Visakhapatnam, Vijayawada, Guntur, Cuddapah, Warangal and Hyderabad. For each District there is one Assistant Director of Marketing. While the Assistant Directors of Marketing are the supervisory officers for the Market Committees where Grade.I, Grade.II and Grade.III Secretaries are working, the Deputy Directors of Marketing are the inspecting officers for the Market Committees where Special Grade Secretaries are working, (Asst. Director of Marketing Cadre). There are also quite a few Market Committees where the Deputy Directors of Marketing level officers are working as Selection Grade Secretaries. These are to be inspected by the Regional Joint Directors of Marketing.

There is also an Engineering wing in the Department headed by a Superintending Engineer located in the Office of the Director of marketing. He is assisted by 7 (Seven) Executive Engineers located at Visakhapatnam, Vijayawada, Guntur, Cuddapah, Warnagal, Agril. Market Committee, Hyderabad and Hyderabad. For every District there is a Deputy Executive Engineer.

**MARKET FEE COLLECTIONS:**

The Market fee collections during 1998-99 have accounted for Rs. 138.41 Cr. as against Rs. 134.12 Cr. during the corresponding period of last year, accounting for an increase of Rs. 4.29 Crores over previous year’s collections despite adverse seasonal conditions.
CENTRAL MARKET FUND

As per Section 16 of the Markets Act, the Agrl. Market Committees are required to contribute 10% of their income to the fund called "Central Market Fund" and administered by the Director of Marketing. The present balance available under Central Market Fund as of now is Rs. 45.76 Cr. as on 30-04-1999.

DEVELOPMENTAL WORKS IN REGULATED MARKETS:

It is obligatory on the part of the Market Committees under the provisions of Markets Act to provide facilities to the producer/Seller and other Market functionaries in the Market Yards owned by the Committees. Due emphasis is laid for acquisition of sites and constructions of Market Yards. Sites at as many as 497 centres have been acquired while steps are being taken to finalise sites in respect of the remaining centres.

Requisite infrastructure in the form of sheds, godowns, platforms, rest houses, canteen etc., have been created as many as 341 Market Centers while at the remaining 156 centres the construction works are in progress. A part from basic amenities, such water, lighting, roads etc., due emphasis is given to keep the Market Yards clean and Green with tree plantation and land seeping.

Development works in Market Yards are taken up with the funds of Market Committees and loans from Central Market Fund. During the Current year 1998-99, a provision of Rs. 63.55 Cr. has been made for execution of developmental works in the Market Yards in the State.

The amount spent on Developmental works in the Market Yards for the last 3 years is furnished below:

YEAR AMOUNT(Rs. In Lakhs)

1. 1700-30
2. 1260-00
3. 2100-00

STORAGE FACILITIES:

The Market Committees have provided storage facilities to the farmers in the Market Yards from their own funds as well as grants obtained from Government of India.

There are 1076 godowns with storage capacity of 5.02 Lakh M.T. So far 389 Market Centres have been provided with godown facilities while work is in progress to create an additional storage space of 0.03 Lakh M.T. by constructing 28 Godowns.

LINK ROADS:

To enable farmers to bring their produce to the Market Yards, a scheme called 'Village Link Roads’ is in operation from 1992-93 onwards. 20% of the Market Fee income of every Market Committee can be spent for link roads every year.

So far 1175 link roads have been formed at a cost of Rs. 31.46 Cr.
The Agrl. Market Committees can take up the link roads worth Rs. 52.50 Cr. during the year 1997-98 and 1998-99 subject to sanction of the Government.

SPECIAL SCHEMES 1. FARMERS TRAINING CENTRES IN THE MARKET YARDS:

Farmers training classes are organised at all market Committees to educate the farmers on the crops to be raised, application of manures and pesticides, the storage problem of foodgrains and other allied subjects with the cooperation of other concerned departments. Viz., Agrl. Department/PAU/Horticulture Department. Agrl. Market Committees level farmer training programmes were conducted in all the Agrl. Market Committees in the State during the year 1997-98 and 1998-99. So far 5 training programmes were conducted and 3,67,735 farmers have been trained and an amount of Rs. 3,21,72,343 spent on these trainings. These programmes are being conducted very frequently to educate the farmers on crop pattern with the help of Agrl. Department to impart training for 300 farmers in the jurisdiction of every market Committee.

It also proposed to impart training to all Chairmen of the Agrl. market Committees in the State. During the year 1998-99 out of 246 Chairmen nominated by the Government 174 Chairmen Market Committees have been trained. Remaining Chairmen will be given training during 1999-2000.

STRENGTHENING OF DEPARTMENTAL TRAINING INSTITUTE:

A strategy is being drawn up to train every employee of the Department of the Agrl. Market Committees, towards this end the existing staff Training Center at Hyderabad, is suitably strengthened. Further a new campus is being developed on modern lines in keeping with the present day requirements.

2. SALE OF SEEDS, PESTICIDES AND FERTILISERS IN THE MARKET YARDS

To make available quality seeds, pesticides and fertilizers to the farmers in the market yards, the Agrl. Market Committees have been permitted to take up the sale of quality seeds, pesticides and fertilizers on ‘no loss no profit’ basis. In the first phase, 200 Agrl. market committees have been covered. The scheme will be extended in course of time to all other centers.

3. COLD STORAGE UNITS IN MARKET YARDS:

Cold storage units are planned to be set up in major market yards in the state. The A.M.Cs have been permitted to lease out land to private entrepreneurs on long lease of 25 years for setting up such cold storage units. Two such units are already set-up one at Hyderabad and another at Guntur. It is planned to set up such units at 75 market centers in the state for which necessary action has already been initiated. Out of 75 centers identified 9 centers have been finalized.

4. WEIGH BRIDGES IN MARKET YARDS:

In order to safeguard the producers from exploitation by trade in the weighing of Agrl. produce, Electronic weigh bridges and weighing machines were introduced at Market yards to have an accurate weight of produce which is gaining wide appreciation. At present they are available at 6 centers. Land is now being leased out in Market yards to private entrepreneurs set-up weigh bridges.

5. SOIL TESTING LABORATORIES IN MARKET YARDS:
Government have approved the proposals for setting up soil testing labs in the market yards.

In the first phase 54 Agrl. Market Committees have been identified for establishment of Soil Testing Labs at a cost of Rs.6.00 crores.

Labs are ready at 50 Agrl. Market Committees and the Agrl. Department is taking steps to open the labs. At the 4 places the Agrl. Dept. is making separate arrangements for setting up of Soil Testing Labs.

6. WATER SHED DEMONSTRATION UNITS:

108 Agrl. Market Committees have been selected for construction of water shed models by the Dist. Rural Development Agencies. They are completed at 77 places.

7. RYTHU BANDHU PATHAKAM:

The Department of Marketing has been taking up several schemes in order to meet the post harvest credit of the farmers through Agrl. Market Committees. This Scheme is in operation where Market Committees are having their godowns. To prevent the farmers from resorting to distress sale whenever there is a fall in prices and to make them wait for better days, a scheme called Rythu Bandhu Pathakam is introduced in the year 1993-94 under which the market committees provide finances to the farmers against the pledge of their produce to the extent of Rs.50,000/- to each farmer or up to 75% of the value of the produce pledged whichever is less.

Agricultural Market Committees are permitted to provide short term advances to farmers in regulated market yards against pledge of stocks of market godowns. 25% of Market Fee revenue is earmarked for this purpose. So far 57.95 Crores have been given as advance covering the farmers of 19,668.

8. RYTHU BAZARS:

To avoid middlemen from the system of sale of commodities in between producers and consumers, the Government decide to establish Rythu Bazars for direct sale by Farmers to the Consumers.

So far 95 Rythu Bazars have been established in the State. The Market Committees have spent an amount of Rs. 1.85 Crores towards erection of Temporary / Semi Permanent sheds, providing facilities and purchase of Weighing scales etc., An amount of Rs. 95/- lakhs has been released from each CMF of the Marketing Department, at a cost of Rs. 1.00 lakh for each Rythu Bazar towards the salaries of Estate Officers. The Cabinet has approved 34 centers in different districts for construction of Pucca Rythu Bazars. The Construction of Pucca Rythu Bazars has been entrusted to APIIC. The funds for construction of Pucca Rythu Bazars are being released from CMF of the Marketing Department. An amount of Rs. 252/- lakhs has so far been released to APIIC towards 30% of estimate as 1st installment. A Pucca Rythu Bazar at Erragadda has been constructed with a total cost of Rs. 63.75 lakhs which was inaugurated by the Hon’ble Chief Minister on 03.05.99.

9. CONSTRUCTION OF ONION GODOWNS:

The Marketing Department has taken up the programme of construction of Onion godowns in the Market Yards at 13 centers, 17000 M.Ts. capacity, at the cost of 850 lakhs and in 2nd phase, 32 godowns of 8000 M.Ts capacity at the cost of Rs. 400 lakhs in 9 centers, in order to facilitate the Civil
Supplies Department to purchase and store the same in godowns for Public Distribution at Reasonable prices.

10. COMPUTERISATION IN MARKETING DEPARTMENT:

The Marketing Department has taken up the computerization of Market Committees in phase wise manner.

Under Phase-I, five big market centers are Computerized


5. Hyderabad (Gudimalkapur) and Commissionerate

Under Phase-II, 12 centers are Computerised.


12. Gaddiannaram (Hyderabad)

Now all the Centers are operational. A.P. Technology Services Limited, Hyderabad is presently attending for modifications in Software as per yard Transactions. Communication NET WORK has to be installed still. After Communication NET WORK, these centers can also be linked to Commissionerate for Data Transfer.

Under Phase-III, 70 Centers were identified. The work is entrusted to Electronics Corporation of India Limited, Hyderabad. Installation of Hardware completed and Software. Loaded in all 70 centers. Training on Software is also completed and the in the department is now receiving daily prices arrivals and important information through computers from about 50 centres in the State.