

2.3. Agricultural Marketing and Quality Control

The agriculture sector needs well functioning market to drive growth, employment and economic prosperity. The prime objective is to help the farmers in marketing their agricultural produce in a fair manner and to ensure remunerative returns to them. The objective is being achieved by regulating the agricultural produce trade as per the act "Tamil Nadu Agricultural Produce Marketing (Regulation) Act 1987". Since farmers lack appropriate training in post-harvest handling, a significant percentage of the produce is lost by the time they reach the nearest market. The losses in the marketing chain have been estimated at around 10 percent for food grains and in excess of 30 percent for fruits and vegetables.

At present, there are 21 Market Committees with 277 Regulated Markets, 15 Check Posts, 108 Rural Godowns and 108 Grading Centres functioning under the Marketing Committees. 42 important agricultural commodities have been notified so far under the Act. Though there is provision in the Act for notifying fruits and vegetables, cattle, poultry, sheep, pisciculture and apiculture products, these commodities are yet to be notified in Tamil Nadu. In order to grade the agricultural commodities brought to the regulated markets by the farmers according to the stipulated specifications, 96 Commercial grading centres, 11 Kapas grading centres and one Tobacco-grading centre are functioning in the state. In these centres, the agricultural commodities are graded according to the quality specifications. As the grades can be correlated with the prices, the bargaining power of the farmers is strengthened. Apart from this, the produce is also graded at the farm gate itself by the staff of these centres.

Agmark grading is undertaken to protect the consumers from the ill effects of consuming adulterated food commodities and ensure quality food products. 30 Agmark grading laboratories and one Principal Agmark grading laboratory are engaged in grading the notified products.

Strategies Proposed

The following strategies are envisaged for Agricultural Marketing for the year 2009-10.

- Enhancing marketability of Agri commodities by providing necessary infrastructure facilities.
- Developing marketing platforms like periodic markets or rural primary markets by providing facilities like auction platforms, storage structures, grading facilities, traders' shops, weighing and packaging facilities, parking space and common facility centres.
- Preventing wastage through improved post harvest facilities
- Provision of backward and forward linkages through agro processing and contract farming
- Educating the farmers on marketing practices - with a strong extension network
- Revamping Regulated Markets with structural changes in the existing system
- Stepping up export of agri / horti produce - with setting up of Agri-Export Zone (AEZ) and Establishment of Food Parks
- Commercialization of agriculture - market driven approach
- Policy interventions to attract private sector into storage and agro processing industries.
- Integrated approach - from planting to marketing, which includes, choice of crops, grading, packaging, storage and marketing in domestic and international markets.

The Agricultural Marketing and Agri-Business Department is implementing the following programmes:

Uzhavar Sandhaigal

Uzhavar Sandhaigal (Farmers Markets) have been set up in the urban areas in Tamil Nadu for the benefit of farmers as well as the consumers. At present, 104 Uzhavar Sandhais are functioning to ensure that the farmers get a better price for their produce and to enable the consumers to get fresh fruits and vegetables at a cheaper price than in the open market. Everyday, on an average, 1053 MT of vegetables and fruits worth Rs.1.08 crore are being transacted benefiting 7800 farmers and 1.97 lakh consumers. The scheme is being implemented through Agricultural Marketing Board Funds.

Infrastructure Creation for Regulated Markets

Required infrastructures like transaction sheds, input shops, godowns, office cum godowns, payment counters, rest sheds, drinking water facility, sanitary facilities etc are being created in the regulated markets year by year in a phased manner to enhance the facilities to farmers and traders which will ensure better marketability of the agricultural produce. In Tamil Nadu there are about 133 cold storage units with a combined capacity of 1.00 lakh MT.

Market Complex

A Market Complex has been established exclusively for paddy at Madurai at a total cost of Rs.17.06 crore. Another Market Complex for Turmeric at a total cost of Rs.36.32 crore is being established in Nasiyanur and Villarasampatti villages near Erode. For the interest of the small and marginal farmers, action is being taken to establish market complex with storage facilities at Pongalur in Coimbatore District for Onion and at Krishnagiri in Krishnagiri District for Mango at a project cost of Rs.2 crore each.

Cold storage unit at Odaipatti in Theni District is proposed to be established at a cost of Rs.3.75 crore for grapes in order to facilitate grading, packaging and export of grapes, so as to benefit the grape growers. As per the guidelines of the Central Government three Terminal markets with all value addition facilities would be established near metro areas of Chennai, Madurai and Coimbatore for processing, storage and marketing of perishables at a cost of Rs.200 crore. A mega wholesale market complex for fruits and vegetables at a cost of Rs.3.08 crore is being established at Oddanchatram of Dindigul district.

Food Parks

A Food Park in the private sector has been established at a cost of Rs.11.12 crore with a grant of Rs.4.00 crore from the Centre (i.e.) Ministry of Food Processing Industries (MoFPI) at Aruppukottai in Virudhunagar District. Another Food Park at a cost of Rs.13.00 crore has been established by the Tamil Nadu State Agricultural Marketing Board and the State Industries Promotion

Corporation of Tamil Nadu Limited with a grant of Rs.3.25 crore from the MoFPI at Nilakkottai.

Agri-Export Zone

An Agri Export Zone has been established exclusively for cut flowers at Hosur in Dharmapuri District at a project cost of Rs.24.85 crore.

An Agri Export Zone for flowers in The Nilgiris is being established with active participation from a private entrepreneur at a project cost of Rs. 15.89 crore. Another Agri Export Zone exclusively for Mango has been established in Theni district with private sector participation at a project cost of Rs.24.60 crore. It is proposed to establish an Agri Export Zone exclusively for cashew at Cuddalore district with private sector participation at a project cost of Rs. 10.36 crore.

Another Agri Export Zone exclusively for Banana in Thiruchirappalli District with private sector participation at a project cost of Rs. 10.00 crore is proposed to be established.

Irrigated Agriculture Modernisation and Water Bodies Restoration and Management (IAMWARM) Project

IAMWARM is a World Bank assisted project. Under the Marketing component of this project, the following activities like Establishment of Drying yard, Storage sheds, Collection Centre, Pack houses, Agri-Business Centres, Goods Auto, Mini Lorry, Moisture Meter, Weighing scale, Dunages and Tarpalin will be provided to benefit the Water Users Associations. The projected cost for 63 sub basins towards the Marketing component is Rs.24.84 crore. A sum of Rs.8.83 crore for 2007-08 for the 9 sub basins was sanctioned. The scheme would be extended to another 14 sub basins during 2008-09. Commodity groups on different agricultural crops would be organized in clusters and would be tied up with online traders to get a fair price for the commodities. Different training modules like interface workshop, post harvest technology, exposure visit would be conducted for the commodity groups. An amount of Rs.4.10 crore is proposed for 2009-10 under crop husbandry sector.

Plan Outlay for 2009-10

The above programmes of the Agricultural Marketing and Quality Control Sector are being implemented through funds of Marketing Board, GOI and Private participation.