

11. AGRICULTURAL MARKETING AND AGRI BUSINESS

1. Introduction

Agriculture sector needs well functioning markets to drive growth, employment and economic prosperity in rural areas. Due to increased accent on globalization, liberalization and privatization of the economy, agricultural marketing has become the key driver of the agricultural sector. Though our farmers have succeeded in the production front, they have not achieved appreciably in terms of price realization for their produce owing to their inaccessibility to efficient and scientific marketing system. An efficient and organized marketing system would ensure maximum price realization to the farmers, which will induce them to produce more and market their produce in an increasing proportion. In this context, Department of Agricultural Marketing and Agri Business is taking various technological interventions like,

1. **Promoting commodity group formation** and market linkages for direct purchase of farm produce from farmers.
2. **Creating and strengthening of market** as well as post harvest management infrastructure facilities.
3. Facilitating the farmers to utilize various marketing avenues like regulated markets, farmers markets, specialized market complexes to realize remunerative price for their produce.
4. **Minimizing the post harvest losses** and equipping the farmers to manage their marketable surplus by utilizing modern godowns, cold storages and drying yards.

5. **Encouraging private sector participation** in the creation of value addition and processing infrastructure facilities under PPP mode.
6. **Disseminating price and arrival information** on agricultural commodities marketed in Regulated markets and Farmers' markets through web portal on daily basis.
7. **Promoting the food processing** activities throughout the state by implementing National Mission on Food Processing.
8. Transforming production oriented agriculture to market driven agriculture by rendering crop advisory, market information and intelligence, **market led extension services** through **Agro Marketing Intelligence and Business Promotion Center**.
9. Sensitizing the farmers on the techniques of post harvest management, processing, packaging, value addition, grading etc., by providing **massive training programmes**.

2. Agri Marketing Activities

2.1. Market Committees and Regulated markets

In Tamil Nadu, 21 Market committees are functioning to enforce the provisions of Tamil Nadu Agricultural Produce Marketing (Regulation) Act 1987, Rules 1991 and by-laws in the notified area. Under these, 21 Market Committees, 277 Regulated Markets are functioning for better regulation of buying and selling of agricultural produce. Regulated Markets act as a common forum to farmers and traders on equal footing for marketing of agricultural produce without middlemen. No fee is collected from farmers for the services rendered. One per cent of the sale value of the produce is collected as market fee from Traders. Besides, license fee is also collected from traders and weighmen. Through Regulated Markets, about 16.71 lakh MT of agricultural

produce were sold by farmers and ₹79.60 crore have been collected as market fee from traders in 2012-13.

2.1.1 Facilities provided in the Regulated Markets

- Godown, Transaction shed
- Drying yard
- Farmers rest room
- Market Complex with cold storage
- Rural Business Hub, Input shop
- Automatic weighing and bagging machine
- Weigh bridge, weighing balance
- Display of daily price information, free medical aid

2.2. Modern Godowns and Cold Storages in Regulated Markets

To protect the agricultural goods from loss or damage due to heat, dust, wind, moisture and from rodents, modern godowns with durable scientific equipments like weigh bridge, weighing machine, moisture meter etc., are essential. Farmers can store their agricultural produce in the godowns and get credit facilities in the form of pledge loan. In order to strengthen the Regulated markets, construction of 88 Nos. of godowns with capacities of 2,000 MT (75 Nos), 5,000 MT (8 Nos) and 10,000 MT (5 Nos) with 95% financial assistance from NABARD under RIDF Scheme and 5% from Market Committee at a total cost of ₹127.60 crore is under progress.

Further, to reduce the post harvest losses and to extend the shelf-life of fruits and vegetables, construction of 70 Nos. of cold storages with 25 MT capacity in Regulated Markets with 95% financial assistance from NABARD under RIDF Scheme and 5% from Market Committee at a total cost of ₹22.26 crore is under progress.

2.3. Strengthening of Regulated Markets

A marketing system backed by strong and adequate infrastructure is at the core of agricultural marketing. The agriculture markets have the potential to act as powerful tool for improving the economic viability of agriculture, for reducing the rural poverty and for achieving sustainable agriculture development. During 2012-13, Regulated Markets are being strengthened with 10 transaction sheds, 3 solar copra dryers, 25 traders' shops and 30 drying yards at a total cost of ₹777.50 lakhs under NADP.

2.4. Rural Business Hubs (RBH) in Regulated Markets

Rural Business Hubs aim to achieve higher income for farmers by aggregating their products enabling large buyers and processors to make direct purchase from farmers. For this purpose, RBHs were established at 10 Regulated Markets at a cost of ₹150.00 lakhs under NADP. These hubs are having infrastructure facilities such as input shops, storage shed, packing facilities and services like trade facilitation, market information and intelligence, farm advisory, extension and training facilities. So far, 141 commodity groups have been formed and 925 farmers are benefitted from 10 RBHs.

2.5. Construction of building for Regulated Markets

In order to get better price to farmers' produce and more revenue to the Market Committees by inviting more farmers and attracting more arrivals, it is necessary to construct building with adequate infrastructure facilities. At present, 97 Regulated Markets out of 277 are functioning in rented building. During 2012-13, construction of building for Vazhapadi (Salem District), Paramathivelur (Namakkal

District) and Palacode (Dharmapuri District) Regulated Markets at a total cost of ₹375 lakhs is under progress under NADP.

2.6. Pledge Loan

Farmers can avail pledge loan to avoid distress sale during glut seasons by storing their farm produce in the godowns of Regulated Markets for a maximum period of 6 months. Pledge loan help the farmers preparing for next cropping season and also to meet their immediate money requirement.

Small and marginal farmers can avail pledge loan upto 75% of the value of the produce and other farmers can avail 50% of the value of produce or upto the maximum of ₹2 lakhs. No interest is charged for first 15 days of loan period. Interest at the rate of 5% is being charged beyond 15 days. During 2012-13, 2251 farmers availed pledge loan to the tune of ₹2563.73 lakhs.

Traders can avail pledge loan upto 50% of value of the produce limited to the maximum of ₹ one lakh with 9% rate of interest upto 3 months period. During 2012-13, 201 traders have availed pledge loan of ₹198.72 lakhs.

2.7. Dissemination of Market price information

Empowering the farmers with Market price information and market intelligence, i.e., information on commodity prices prevailing in various markets is made available to the farmers, it would be able to get better price by moving their produce to the market which pays higher price.

Under Marketing Research and Information Network Scheme (MRIN), 210 computers were provided to 21 Market Committees and 189 regulated markets. These regulated

markets upload the prevailing agricultural produce price and commodity arrival information to web portal www.agmarknet.nic.in on daily basis. In addition, 80 ticker boards are functioning in Regulated markets to disseminate spot prices of agricultural commodities marketed in Regulated markets. Similarly, 179 Farmers' markets are also disseminating the prevailing prices of fruits and vegetables in the web portal www.tnsamb.gov.in.

2.8. Drying yards at villages

The post production losses of farm produce is substantial in Indian Agriculture and it accounts for 10-15% in total cereals and pulses production. Post harvest losses occur throughout the supply chain from farm to market. Drying yards at village level or farm gate level are essential to help the farmers to handle their agricultural produce immediately after harvest for drying, cleaning, winnowing, etc. So far, 1329 village level drying yards at a total cost of ₹2625 lakhs were constructed and are being utilized by the farmers.

2.9. Market Complex for Paddy

At Mattuthavani, in Madurai district, a Paddy Market Complex has been established in an area of 9.85 acres at a total cost of ₹1706 lakhs with facilities such as 314 shops for traders of paddy, flowers and agricultural inputs. In this complex, regulated market office, rural godown, auction shed, canteen, bank, post office and fire fighting equipments are also available.

During 2012-13, arrivals of agricultural produce in paddy market complex accounted for 75387 MT and ₹84.60 lakhs revenue have been obtained as market fee.

2.10. Agmark grading

Agmark grading scheme is being implemented in Tamil Nadu as per Agricultural Produce (Grading and Marking) Act 1937. To provide unadulterated food products to the consumers and to ensure quality, 30 state Agmark grading laboratories and one Principal Agmark grading laboratory at Chennai are functioning in Tamil Nadu. Most of the Agricultural, Horticultural, Forest Products and Animal Husbandry by-products are covered under Agmark grading scheme. Agmark grading is done for centralized and decentralized commodities. In Tamil Nadu, rice, pulses, edible vegetable oils, ghee, honey, ground spices, whole spices, wheat products, sago, desiccated coconut powder, tamarind, compounded asafoetida etc., are being graded under Agmark. During 2012-13, 15.52 lakh quintals of food products have been graded by Agmark grading laboratories.

2.11. Farmers' markets

179 Farmers' markets were established in Tamil Nadu, with an objective to sell their fruits and vegetables directly to the consumers. Cold storages with 2 MT capacity were installed in 27 farmers' markets.

2.12. Agricultural Produce Mega Market

A mega market for fruits and vegetables has been established in Odanchatram, Dindigul district at a cost of ₹308 lakhs with 50 shops, 216 Floor Space Shops, Grading Hall and Transaction Shed.

2.13. Flower Auction Centre

A Flower Auction Centre at Kavalkinaru in Tirunelveli district has been established for the benefit of flower growers at a cost of ₹163.40 lakhs.

3. Agri Business Activities

To fetch remunerative price to farmers, reduction in post harvest losses and value addition of agricultural produce are vital. To reduce post harvest losses and avoid distress sales during glut season, infrastructure facilities like grading and sorting hall, godowns, pack houses, drying yards, pre-cooling room, cold storage etc., are essential. In this context, more specialized commodity markets have been developed with above facilities.

3.1. Market Complex with Cold Storage facilities for Mango

For the welfare of small and marginal farmers in Krishnagiri District, a Market complex with cold storage facility has been established at a cost of ₹100.00 lakhs for Mango at Krishnagiri Regulated Market under Tamil Nadu State Agricultural Marketing Board and State Government funds.

3.2. Market Complex with Cold Storage facilities for Tomato

To facilitate tomato growers, a Market complex with cold storage facility has been established at a cost of ₹100 lakhs at Palacode Regulated Market in Dharmapuri District under Tamil Nadu State Agricultural Marketing Board and State Government funds. So far, 1280 MT of tomato has been transacted and 6.53 MT has been stored in the cold storage. A cold storage unit with 100 MT capacity has been established at Mecheri in Salem district at a cost of ₹100 lakhs under NADP. So far, 74 MT of agriculture produce have been stored in the cold storage.

3.3. Market Complex with Cold Storage facilities for Grapes

For the welfare of small and marginal grapes growing farmers, a Market complex with cold storage facility has been established at a cost of ₹100 lakhs for Grapes at Odaipatti in Theni District under Tamil Nadu State Agricultural Marketing Board and State Government funds. Grapes commodity groups are being formed for effective utilization of the market complex.

3.4. Market Complex with Cold Storage facilities for Onion

Market complex with cold storage facility for onion at a project cost of ₹100.00 lakhs at Pongalur in Tiruppur District has been established for the welfare of small and marginal farmers under Tamil Nadu state Agricultural Marketing Board and State Government funds.

3.5. Market Complex for Coconut

In order to facilitate coconut growers of Thanjavur district to get better price, a Coconut Market Complex has been created at Ponnavaarayankottai, Ukkadai village at a cost of ₹400 lakhs under Thanjavur Market Committee and State Government funds. This Market complex is provided with rural godown, transaction sheds, godowns, drying yards and solar drier for copra, grading and sorting hall, input shops, traders shops, coconut de-shelling hall, electronic weighing balances and coconut oil mill unit with automatic oil packing facility for the benefit of coconut growers. So far, 1223 coconut growers transacted 2070 MT and stored 437 MT of copra in the godown. In Tiruppur District at Pethappampatti, a coconut market complex has been established at a cost of ₹100 lakhs. So far, 67 coconut growers transacted 528 MT and stored 53 MT of copra in the godown.

3.6. Storage facilities for Onion and Cold storage for other vegetables

To increase the shelf life of onion and other vegetables, establishment of storage facility and cold storage units is under construction under NADP at a cost of ₹114.90 lakhs at Chekkikulam village in Perambalur District.

3.7. Market Complex with cold storage for Hill vegetables

To facilitate hill vegetable growers in and around Coimbatore District, a Market Complex with Cold Storage for hill vegetables at Karamadai Regulated Market has been created at a cost of ₹100 lakhs under NADP. So far, 15 hill vegetable commodity groups are formed and 18.37 MT of vegetables transacted and 5.55 MT has been stored in cold storage.

3.8. Cold storage for Chillies

In Ramanathapuram district, establishment of cold storage unit with a capacity of 100 MT for Chillies at Paramakudi Regulated Market at a cost of ₹99.50 lakhs under NADP is in progress.

3.9. Banana Ripening Chamber

Banana is mainly consumed as fresh fruit and requires high degree of post harvest management as 30-40 per cent of the produce is lost before it consumed, mainly due to lack of proper storage techniques. Banana, after cleaning, packing and quality checking, need to be ripened uniformly before purchased by the consumers. Hence ripening chamber has been established at Trichy, Srivaikundam, Chinnamanur and Mohanur at a total cost of ₹200 lakhs under NADP. During 2012-13, 10 banana commodity groups each at Trichy, Srivaikundam and

Mohanur and 17 banana commodity groups in Chinnamanur have been formed for better utilization of these infrastructure facilities and for better price realization.

3.10. Additional Market Infrastructures and Cold Storages

During 2012-13, the following infrastructure facilities at a total cost of ₹1750 lakhs under NADP are being established.

- 500 MT cold storage for vegetables and fruits in Kinathukadavu, Coimbatore District.
- Market Complex with 500 MT capacity cold storage for vegetables and fruits in Mettupalayam, Coimbatore District
- 500 MT cold storage unit for chillies in Sankarankoil Regulated Market, Tirunelveli district
- 25 MT cold storage unit in Jolarpet, Vellore district.
- Market complex with 100 MT cold storage for grapes in Cumbum Regulated Market, Theni District.
- Buildings for 9 Agmark laboratories.
- Market complex with cold storage for vegetables and fruits in Thuraiyur, Trichy district
- Market complex for vegetables in 'The Nigiris' district.

3.11. Establishment of Terminal Market Complexes

To reduce the post harvest losses in perishables like fruits, vegetables and other agricultural commodities, Terminal Market Complexes (TMC) are being developed for the benefit of farmers and traders under Public Private Partnership (PPP) mode near metropolitan areas of Chennai, Madurai and Coimbatore as per the revised guidelines of the Government of India.

The TMC will act as a 'Hub and Spoke' Model. In the 'Hub' common infrastructure facilities like the State-of-Art modernized Grading and Packing facilities, Cold storage, Ripening chamber, Quality control lab, Electronic auction centre etc., will be developed. 'Spoke' means Collection centers - which are located at various places in the production area with modern infrastructure facilities. A minimum of 20 collection centers have to be developed in the catchment area of each TMC. The Industrial and Technical Consultancy Organization of Tamil Nadu Ltd., (ITCOT) has been appointed as consultant for the above projects.

For Coimbatore Terminal Market Complex, 47.9 acres of land has been selected at SIPCOT Industrial Growth Centre in Perundurai, Erode District. The total project cost is ₹120.63 crores. M/s.SPAC Tapioca Products (India) Ltd has been selected for establishment of Terminal Market Complex with a subsidy of ₹28.99 crores sanctioned by the Government of India. The master plan and Detailed Project Report were approved and now construction of core infrastructure is under progress.

For Chennai Terminal Market Complex, 35 acres of land has been selected at Navalur Village of Sriperumpthur Taluk in Kancheepuram District. Total project cost is ₹113.85 crores. The subsidy amount of ₹48 crores quoted by M/s.URC Construction Private Ltd., is accepted by Tender Acceptance Authority. Now, preparation of format for seeking approval of National Horticulture Mission is under progress.

Similarly for Madurai Terminal Market Complex, 50 acres of land has been selected at Mukkampatti (35 acres) and Thiruvathavur (15 acres). Total project cost is

₹105.05 crores. The subsidy amount of ₹46.25 crores quoted by M/s.RR Industries Ltd., is accepted by Tender Acceptance Authority. Now, preparation of format for seeking approval of National Horticulture Mission is under progress.

3.12. Agri Export Zones

Export zones facilitate value addition for agriculture products and minimize post harvest losses thereby it ensures steady and better price realization to the farming community as well as availability of commodities in processed form to the consumer throughout the year. Four Agri Export Zones have been established by private anchor promoters with the modern infrastructure facilities like cold storage, grading and sorting yard, pack house, processing units and reefer vans for the direct export of value added agricultural produce, at the production centres.

An Agri Export Zone for cut-flowers has been established at Hosur in Krishnagiri district by a joint venture company of Tamil Nadu Industrial Development Corporation Limited (TIDCO) and a private promoter M/s.TANFLORA at a cost of ₹24.85 crores. An Agri Export Zone for flowers at Ooty in the Nilgiris district has been established with the participation by M/s.Nilflora – a private promoter at a project cost of ₹15.89 crores. An Agri Export Zone for Mango at Nilakkotai in Dindigul District has been established by an anchor promoter M/s.Maagrita Export Ltd., at a cost of ₹21 crores. Similarly, an Agri Export Zone for cashew at Panruti in Cuddalore district has been established by M/s.Sattva Agro Export Pvt. Ltd., at a project cost of ₹16.54 crores.

The anchor promoters of these Agri Export Zones have created modern processing and storage infrastructures in their respective zones and started commercial production.

During 2012-13, the firm M/s.Tanflora has done a turnover of ₹105 Lakhs worth of cut-flowers, M/s.Nilflora has done a turnover of ₹85 Lakhs worth of flowers, the firm M/s. Maagrita Export Ltd. has done a turnover of ₹90 Lakhs worth of mango and mango pulp and M/s.Sattva Agro Export Pvt. Ltd., has done a turnover of ₹21 lakhs worth of cashew.

3.13. Food Processing Industries

Department of Agricultural Marketing and Agri Business is the State Nodal Agency for the Ministry of Food Processing Industries, Government of India. To ensure steady and better price to the farming community as well as availability of commodities in processed form to the consumers throughout the year, food processing is promoted which reduces the wastage of agricultural produce to a great extent.

Being a State Nodal Agency, different project proposals under Entrepreneurship development programmes, contract farming, food processing training centre, Seminars and Exhibition on food processing, infrastructure development, setting up of Food testing laboratory and Food park etc., were received, scrutinized and forwarded to the Ministry of Food Processing Industries, Government of India.

From 01.04.2012 onwards, Government of India had implemented 'National Mission on Food Processing' whereby the programmes of Ministry of Food Processing Industries will be executed through State Government.

3.13.1. National Mission on Food Processing (NMFP)

A new Centrally Sponsored Scheme (CSS) – National Mission on Food Processing (NMFP) has been

launched by Ministry of Food Processing Industries (MFPI), during 12th Five Year Plan. The basic objective of NMFP is decentralization of implementation of Ministry's schemes, which will lead to substantial participation of State Governments. The new NMFP contemplates establishment of a National Mission as well as corresponding Missions in the State and District level. The NMFP is likely to improve significantly to the Ministry's outreach in terms of planning, supervision and monitoring of assistance. This scheme is being implemented as a new centrally sponsored scheme in the ratio of 75:25 by Government of India and State Government.

Objectives of NMFP:

- I. To emphasize the significance of food processing for enhancing farm productivity and farmers' income in the country.
- II. To assist the State Governments in creating requisite synergy between their agricultural plans and development of food processing sector.
- III. To assist the State Governments in addressing both institutional and infrastructural gaps along the value chains and thus create efficient supply chain for farm produce.
- IV. To promote initiatives for skill development, training and entrepreneurship which would meet needs of both post-harvest management and food processing industry.
- V. To assist food processing industry to meet requisite standards in terms of food safety laws and market demand, both domestic and international.

The National Mission on Food Processing has a three tier structure comprising of National, State and District level committees.

Major Programmes / Schemes covered under NMFP

1. Scheme for Technology Up-gradation / Setting up / Modernization / Expansion of Food Processing Industries.
2. Scheme for supporting cold chain facilities and Reefer vehicles for other than Horticultural Products.
3. Scheme for Human Resource Development (HRD)
 - a) Creation of Infrastructure Facilities for Running Degree / Diploma / Certificate Courses in Food Processing technology.
 - b) Entrepreneurship Development Programme (EDP)
 - c) Food Processing Training Centre (FPTC)
4. Scheme for Promotional Activities
 - a) Organizing Seminar /Workshops
 - b) Conducting Studies / Surveys
 - c) Support to Exhibitions / Fairs
 - d) Advertisement & Publicity.

The Commissioner / Director of the Department of Agricultural Marketing and Agri business has been authorized as Mission Director for the State Nodal Agency to implement the National Mission on Food Processing schemes in Tamil Nadu from 2012-13. The following Committees have been formed to implement the scheme.

- I. Constitution of General Body
- II. State Level Empowered Committee (SLEC)
- III. Project Scrutiny Committee(PSC)/Technical Committee
- IV. Project Approval Committee (PAC)
- V. District Food Processing Mission Committee (DFPMC)

The District Food Processing Mission Committees (DFPMC) have been formed in 31 districts under the chairpersonship of the concern District Collectors.

Applications received under NMFP are under scrutiny by these committees.

3.14. Agro Processing Units with farmers' participation

“Agro Processing Units with farmers and private participation are being established at 5 places” viz., Pulses in Pudukottai District, Tomato in Dharmapuri District, Banana in Theni District, Copra in Coimbatore District and Groundnut in Villupuram District at a total cost of ₹2000 lakhs. On behalf of farmers, 25% of the share capital contribution will be borne by the Government through the Department of Agricultural Marketing and Agri Business and the remaining 75% of the share will be borne by the private entrepreneurs. Selection of entrepreneurs is under progress.

3.15. Tamil Nadu Irrigated Agriculture Modernization and Water Bodies Restoration and Management (TN-IAMWARM Project)

Supporting the sub-basin farmers in strengthening their market orientation is the main objective of Agri Marketing component of World Bank assisted TN-IAMWARM Project. The farmers are being sensitized with the concept to achieve more income per drop of water. The Project is being implemented in 61 sub basins of Tamil Nadu in phased manner over a period of 6 years at a total re-allocated estimate of ₹5614 lakhs. An amount of ₹2837 lakhs has been utilized for 4 phases of sub basins up to 2012-13.

Recognizing the institutional void for linking farmers with markets, IAMWARM project has developed the concept of creating Agri-Business Centers (ABCs) in addition to the construction of drying yards and storage sheds with a view

to create market opportunities for farmers through value chain linkages. The ABC operates on a Hub-and-Spokes format wherein the ABC (the Hub) is linked to a number of Commodity Groups (the spokes) in the region. So far, 23 such Agri Business Centers, 102-storage sheds, 189-drying yards, 19-collection centers, one pack house and 4 additional infrastructure were created under TN-IAMWARM Project. The supporting equipments for value addition such as 72-moisture meters, 140-electronic weighing scales, 691-tarpaulins, 2378-dunnages, 21-computers with internet connection, 1040-plastic crates, 8-goods auto and one mini lorry for logistics were provided and are being utilized by Commodity group farmers.

3.15.1 Functions of Commodity groups in increasing the farm income

Formation of commodity groups and signing Memorandum of Understanding (MoU) between farmers and traders are the major activities for the realization of additional income by farmers. Interface workshop is considered to be a platform for linking the farmers directly to the traders with face to face market orientation. The main objective of promoting the farmers commodity groups at the village / block level is to create a mechanism to empower them for their own problem solving. This would also help in providing techno-economic support to the groups, improve access to resources, improve performance, promote infrastructure utilization, enhance scale of operation, technology and markets, capacity building of farmers, bank credit facility and ultimately improve the economy of the farmers.

So far 2,171 commodity groups covering 14 major commodities have been formed and 1,473 MoU have been made between farmers and traders. Under Information,

Education, Communication and Capacity Building (IEC&CB) activities 873 trainings were conducted viz., 320-technical trainings, 236-interface workshops, 206 exposure visits inside the state and 101-exposure visits outside the state and 10-awareness campaigns. By utilizing the infrastructure facilities and capacity building activities, 83,950 commodity group farmers earned an additional income of ₹2,295 lakhs with the Commodity transaction of 2,00,374 MT.

The project has been extended by the World Bank up to 30.09.2014, hence during 2013-14, a sum of ₹3203 lakhs has been proposed for the implementation of Commodity Group value addition, Detailed Project Report Activity, timely follow-up and upgradation of Commodity Groups in the sub basin.

3.16. Tamil Nadu Small Farmers Agri-business Consortium (TNSFAC)

Making formal / informal market arrangements besides linking Small farmers to technologies as well as to markets by providing both forward and backward linkages through assured purchase at reasonable price for their produce are the objectives of Small Farmers Agri-business Consortium. TNSFAC is functioning in association with Government, Private, Cooperatives, Nationalized Banks and Service Sectors to fulfill the above objectives.

Eligibility criteria for funding:

- Value addition projects should be in agriculture or allied sectors like Horticulture, Agriculture, Medicinal and Aromatic Plants, Spices, Cashew nut, Coconut and Pisciculture etc., excluding Poultry and Dairy projects.

- Project should provide assured market to farmers/producer groups.
- Projects must encourage farmers to diversify into high value crops, to increase farm income.
- Project should be accepted by Banks for grant of term loan.

Agri Business development in Tamil Nadu is achieved by sanctioning Venture Capital Assistance and providing project development facilities. So far, Venture Capital Assistance of ₹1616.47 Lakhs for 45 Agri-Business projects has been sanctioned by Tamil Nadu Small Farmers Agri-business Consortium.

3.17. Establishment of Agro Marketing Intelligence and Business Promotion Center at Trichy

The farmers are to be empowered with knowledge on price forecasting, period of high price, best price market, quality parameters, pre and post harvest technologies for different agricultural commodities and export opportunities to protect them from the onslaught of fluctuating agricultural commodity prices and to ensure economic viability of farming in the current scenario. In this context, as a new initiative, an institutional mechanism entitled '**Agro Marketing Intelligence and Business Promotion Centre (AMI&BPC)**' is being established in Trichy and interlinked with Regulated markets and Market committees at a cost of ₹116.50 lakhs. Through this centre, Crop and Market Advisory services will be rendered as "one stop shop service" through SMS to the staff of the Departments and registered farmers and other stakeholders.

Further, to transform the production oriented agriculture to market driven agriculture, there is a necessity to promote commodity groups, farmers' federation, farmers'

association for directly marketing their produce both as value added as well as raw and ensure maximum of what consumers pay. Hence, the Agro Marketing Intelligence and Business Promotion Centre, Trichy is being strengthened in a broader spectrum comprising a) e-resource, b) market extension promotion and c) market linkage units in order to build the capacity of all the stakeholders in Agriculture upto the extent that the producers could not only maximize the production rather doubling the production, but also be successful in realizing the due price to enable tripling a net income.

3.18. Infrastructure facilities proposed for the year 2013-14.

Under National Agriculture Development programme, TN-IAMWARM and Part-II, the following infrastructure facilities are proposed to be created in 2013-14.

Establishment of market complexes with cold storage facilities to improve the marketability and enhance the shelf-life of perishables like banana, tender coconut, strengthening of Regulated Markets by constructing godowns, traders' shops, transaction sheds and building, strengthening of Agmark laboratories by providing scientific equipments, value addition facilities for commodity group farmers, setting up of solar photovoltaic power generation system in Regulated markets.