



## ABSTRACT

Agricultural Marketing – Construction of Godowns in 20 Regulated Markets and Construction of Cold Storages in 20 Regulated Markets at a total cost of Rs.30.36 crores under Rural Infrastructure Development Fund XVIII (RIDF-XVIII) – Administrative Sanction – Orders – Issued.

Agriculture (WD2) Department

G.O.Ms.No.251

Dated: 6.11.2012

Read:

1. G.O.Ms.No.199, Agriculture (WD2) Department, dated:11.9.2012.
2. From the Commissioner of Agricultural Marketing and Agri.Business, Letter No.MCS1/31440/ 2011, dated:16.4.2012.
3. From the Deputy General Manager, NABARD Letter No.NB(TN)/SPD/114/RIDF-XVIII/2012-13, dated:25.7.2012.

### ORDER:

In the Government Order first read above Government have accorded sanction for construction of 18 godowns with the capacity of 2000MT and construction of 50 Cold Storages with the capacity of 25 MT in the Regulated Markets at a total cost of Rs.37.50 crores (Rupees thirty seven crores and fifty lakhs only) with NABARD loan assistance under Rural Infrastructure Development Fund – XVII of Rs.3562.50 lakhs being the 95% of the total outlay of Rs.37.50 crores and the balance amount of Rs.187.50 lakhs being the 5% of the total out lay of Rs.37.50 crores which should be borne by the Market Committees concerned.

2. The Hon'ble Minister for Agriculture has made an announcement in the floor of the house while moving the demand for Agriculture for the year 2012-13 for construction of 20 Godowns with the capacity of 2000MT and construction of 20 Cold Storages with the capacity of 25 MT each in the Regulated Markets to enable the farmers to store food grains safely and sell their produce profitably and in order to safe guard the interest of the farmers at a total cost of

Rs. 30.36 crores with financial assistance from NABARD under RIDF XVIII.

3. In the letter second read above, the Commissioner of Agricultural Marketing and Agri. Business has sent a proposal for construction of 20 Godowns and 20 Cold storages in the Regulated Markets and requested to sanction Rs.3036.00 lakhs under RIDF XVIII assisted by NABARD. As regards the proposal of the Commissioner of Agricultural Marketing and Agri. Business has stated that at present 277 Regulated Markets are functioning in Tamil Nadu under the control of 21 Market Committees and Competitive and remunerative prices are ensured for the produce in this regulated markets and no fee is collected from the farmers for the services rendered in the Regulated Markets. The Tamil Nadu, Agricultural Produce marketing Act, 1987 and Rules 1991 have been amended to make better provisions for regulation of levying and selling of agricultural produce and the establishment and proper administration of markets for agricultural produce in the state. The recent Act envisages the organization of market committees in all the districts for the purpose of notifying the commodities, establishing Regulated Markets and assembling centres.

4. He has also stated that the farming community consists mostly of small and marginal farmers. The small farm holdings contribute about 54% of marketable surplus and distress sale by these small farmers account for about 50% of marketable surplus. These farmers often sell their produce to square off their debts soon after harvesting. The solution for this lies in providing access to safe and scientific storage and easy marketing credit. The strategy and thrust is to promote pledge financing and introduction of matter storage system, to assist in realizing better prices for their produce. Accordingly, he has proposed to construct 2000 MT capacity godowns in 20 Regulated Markets for the benefits of farming community in the own land available in the Regulated Markets for construction of godowns as indicated in the annexure II to this order.

5. The Commissioner of Agricultural Marketing and Agri. Business has further stated that Tamil Nadu State has a total number of 201 Cold storage units with the capacity of 2.2 lakhs MT owned by private entrepreneurs. Fruits and vegetables like mango, green chilly, tomato, hilly vegetables, milk and milk products, ready to eat products, meat and meat products, fish and fish products, tamarind, dry chillies, spices etc are being stored in these cold storages. Department of Agricultural Marketing and Agri Business has established small walk-in coolers of 2 MT Capacity has been installed in 22 Uzhavar Sandhais (Farmers Market) for vegetables, fruits and flowers. Apart from these, 2 MT capacity cold rooms are also installed in 5 Uzhavar Sandhais (Farmers Market) by a private agency.



Specialized commodity markets with cold storages and commodity specific cold storages have been created. He has further stated that a small fraction of fruits and vegetables produced in our State is utilized for processing compared to other leading States and Agro processing industries are very much at the nascent stage of development. All these necessitate a need for more developed marketing mechanism that ensures low wastage with improved storage, cold storage and transportation systems and Cold storages are mean to preserve the perishable commodities of food items for a longer period with retention of the original colour, flavour and taste and Cold storages are used for high value items or when prices crash down due to bumper crop or for such items which are grown during the season but there is a demand round the year or for products like vegetables, fruits, meat, fish, milk products which are quickly perishable. Hence, he has proposed to establish cold storages in Regulated Market as indicated in the annexure III to this order to store the perishable, so that the farmers can get assured prices for their produce.

6. The details of Godowns and cold storages to be constructed in Regulated Markets are as follows:-

Sl. No	Details	Capacity	Unit	Total Cost (Rs. in crores)
1	Construction of Godowns of size 50mx24m	2000MT	20	24.00
2	Constructions of cold Storages	25MT	20	6.36
			Total	30.36.

7. The Commissioner of Agricultural Marketing and Agri Business has further stated that the source of fund for construction of 20 godowns with the capacity of 2000 MT and construction of 20 cold storages with the capacity of 25 MT in the Regulated Markets at a total cost of Rs.30.36 crores will be as follows:-

- a) Rs.28.842 crores being the 95% of the total outlay of Rs.30.36 crores will be sanctioned from NABARD assistance under Rural Infrastructure Development Fund - XVIII for the year 2012-13.
- b) Rs.1.518 crores being 5% of the total outlay will be borne by concerned Market Committees from their own fund.

8. The Deputy General Manager, NABARD, Chennai in his letter 3<sup>rd</sup> read above has stated that the NABARD has approved the above proposals and sanctioned the loan amount of Rs. 28.842 Crores to the



Tamil Nadu State Government being the 95% of the total outlay of Rs.30.36 crores for construction of 20 godowns with the capacity of 2000 MT and construction of 20 Cold Storages with the capacity of 25 MT in the Regulated Markets.

9. The Government after careful consideration accept the proposal of Commissioner of Agricultural Marketing and Agri Business and accord administrative sanction for construction of 20 godowns with the capacity of 2000MT and construction of 20 Cold Storages with the capacity of 25 MT in the Regulated Markets at a total cost Rs.30.36 crores (Rupees thirty crores and thirty six lakhs only) with NABARD loan assistance under Rural Infrastructure Development Fund - XVIII of Rs.28.842 crores being the 95% of the total outlay of Rs.30.36 crores and the balance amount of Rs.1.518 crores being the 5% of the total outlay of Rs.30.36 crores which should be borne by the Market Committees concerned as indicated in the Annexure I to this order. It is also ordered that the recurring expenditure in connection with the maintenance of godowns / cold storages should be met out by the concerned Market Committees and the construction work have to be carried out by the Engineering wing of Tamil Nadu State Agricultural Marketing Board.

10. The expenditure for an amount of Rs.28.842 crores being the 95% of the total outlay of Rs.30.36 crores excluding 5% should be borne by Marketing Committee sanctioned in para 9 above shall be debited under the following Head of Account:-

"4435 CAPITAL OUTLAY ON OTHER AGRICULTURAL PROGRAMMES-01 Marketing and Quality Control - 101 Marketing Facilities- Schemes in the Twelfth Five Year Plan - II State Plan -JI -Construction of Godowns at Regulated Markets with NABARD LOAN Assistance - 16 Major Works."  
(DPC 4435 01 101 JI 1604)

11. The Commissioner of Agricultural Marketing and Agri Business is requested to follow the Codal Procedures in force.

12. Necessary funds will be provided in the Revised Estimate / Final Modified Appropriation 2012-2013, Pending provision of such funds, the Commissioner of Agricultural Marketing and Agri Business is authorized to draw the amount and directed to complete the project on a top priority basis by 31<sup>st</sup> March 2013. The Commissioner of Agricultural Marketing and Agri Business is also requested to submit the project completion report in respect of each of the sanctioned projects within one month on the completion. He is also requested to include the expenditure while sending the Revised Estimate / Final Modified Appropriation proposal to Government in Finance Department without fail.

13. This order issues with the concurrence of the Finance Department, vide its U.O.No.59764/Agri/2012, dated: 5.11.2012 and ASL No. 1499 (one thousand four hundred and ninety nine )

/BY ORDER OF THE GOVERNOR/

SANDEEP SAXENA  
Agricultural Production Commissioner  
and Secretary to Government.

To

The Commissioner of Agricultural Marketing and Agri  
Business, Chennai – 32.  
The Commissioner of Agriculture, Chennai – 5.  
The Chief Executive Officer, Tamil Nadu State Agricultural  
Marketing Board, Chennai – 32.  
The Accountant General (A&E), Chennai – 18.  
The Accountant General (Audit), Chennai – 18.  
The Commissioner of Treasuries and Accounts,  
Chennai – 32.  
All Treasury Officers.  
The District Collector of concerned Districts.  
The Pay and Accounts Officer, Chennai – 35.

**Copy to**

The Secretary to Hon' ble Chief Minister, Chennai-9  
The Senior Personal Assistant to Minister for Agriculture, Chennai-9  
The Senior Personal Assistant to Minister for Finance, Chennai-9  
The Private Secretary to Agricultural Production Commissioner and  
Secretary to Government, Chennai-9.  
The Agriculture (AM 2/AM3/B&P/WD1/WD 3) Department, Chennai -9.  
The Finance (Agri/Resources II/BG II) Department, Chennai – 9.  
The Cooperation, Food and Consumer Protection Department,  
Chennai-9  
The Planning Development and Special Initiatives Department,  
Chennai – 9.  
The General Manager, NABARD, Chennai – 34.  
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*V. Santhaleshwari*  
Under Secretary to Government  
Agriculture Department  
Secretariat, Chennai - 600 009



**ANNEXURE - 1**

**CREATION OF GODOWN AND COLD STORAGE IN THE REGULATED  
MARKETS**

**ABSTRACT**

Sl. No.	Details	Unit	Unit Cost (Rs. in Crore)	Amount (Rs in crore)		Total cost (Rs. in Crore)
				under RIDF (95%)	Market Committee Fund (5%)	
1.	Construction of Godowns (2000 MT) of size 50m X 24 m	20	1.20	22.80	1.20	24.00
2	Construction of Cold Storages (25 MT)	20	0.318	6.042	0.318	6.36
	<b>Total</b>			<b>28.842</b>	<b>1.518</b>	<b>30.36</b>

SANDEEP SAXENA  
Agricultural Production Commissioner  
and Secretary to Government.

/True Copy/

*S. Komal*  
Section Officer

**ANNEXURE - II**

**Construction of 20 godowns in the Regulated Markets.**

S.No.	Market Committee	Regulated Market
1	Thiruvannamalai	Chengam
2.	Cuddalore	Virudachalam
3.	Erode	Karumandichellipalayam
4		Veppili
5.	Vellore	Thirupattur
6.		Vaniyambadi
7.	Trichy	Thuvarankurichi
8.	Coimbatore	Pongalur
9.		Palladam
10		Thondamuthur
11.	Villupuram	Kallakurichi
12.	Nagapattinam	Sembanarkoil
13.	Dharmapuri	Arur
14.		Pennagaram
15.	Ramanathapuram	R.S.Mangalam
16.	Tirunelveli	Ambasamudram
17.	Thanjavur	Kumbakonnam
18.	Theni	Bodinayakanur
19.	Dharmapuri	Pochampalli
20	Salem	Attur

SANDEEP SAXENA  
Agricultural Production Commissioner  
and Secretary to Government.

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*S. Kousalya*  
Section Officer

**ANNEXURE - III**

**Construction of 20 Cold Storages in the Regulated Markets**

S.No.	Market Committee	Regulated Market
1.	Coimbatore	Palladam
2.		Pollachi
3.		Vadakipalayam
4.	Salem	Maicheri
5.		Vazhapadi
6.	Dharmapuri	Krishnagiri
7.		Hosur
8.	Thiruvannamalai	Cheyar
9.		Chetpet
10.		Vandavasi
11.		Vettavalam
12.	Erode	Vellakoil
13.		Avalpoonthurai
14.	Thirunelveli	Ambasamudram
15.		Puthur
16.		Sathankulam
17.		Kazhugumalai
18.	Villupuram	Kallakurichi
19.	Trichy	Ariyalur
20.	Cuddalore	Virudachalam

SANDEEP SAXENA  
Agricultural Production Commissioner  
and Secretary to Government.

/True Copy/

*S. Kousalya*  
Section Officer