

# The Odisha Gazette

EXTRAORDINARY  
PUBLISHED BY AUTHORITY

---

---

No. 752 CUTTACK, SATURDAY, MAY 16, 2015/BAISAKHA 26, 1937

---

---

AGRICULTURE DEPARTMENT

NOTIFICATION

The 30th April 2015

Sub:—Implementation of Scheme “State Potato Mission” under the State Plan.

No. 6566—HORT(NHM)-07/2015-Ag.—Potato is one of the major vegetable crops grown in our State and is being cultivated over about 15,000 ha with production of about 2.0-2.5 lakh MTs per annum. The Productivity of potato in Odisha is 16.48 MT/ha, which is much below the all India average of 22.76 MT/ha. Potato is one of the major constituents of daily diet in Odisha and its annual requirement is 10.21 lakh MT as per the latest NSSO survey. Odisha produces only about 20% of its requirement of potato annually. Much of the State’s potato requirement is met by imports from the neighbouring States.

In order to tackle the situation and to achieve self-sufficiency in potato production over the next 3 years, Government in Food Supplies & Consumer Welfare Department, after obtaining orders of Hon’ble Chief Minister Odisha, constituted a Task Force, who submitted its report on the 27th December 2014. The Task Force has made several recommendations for sustainable potato production, storage and distribution over the next 3 years from 2015-16 to 2017-18.

In order to make the State self-sufficient in potato production, action would need to be taken in a focused manner in respect of Area Expansion/Extension & Research, Seed Production and Supply, Potato Storage, Buffer Stock Maintenance, Processing and Contract Farming and Agricultural Credit and Marketing. With a view to have a planned and systematic approach to achieve the desired goals in a mission mode, with fixed outcomes and desired impact, the State Government have decided to implement a new scheme namely, State Potato Mission under the State Plan.

## **2. Objectives of the State Potato Mission :**

The State Potato Mission will serve the following objectives:—

1. Provide a holistic approach to the Potato Programme
2. Increase acreage, production and productivity of potato
3. Ensure steady supply of potato to the market
4. Increase storage capacity and marketing support for the potato crop

5. Ensure seed production in the State
6. Ensure the credit linkage both for cultivation and storage
7. Formation of potato FIG's/Farmer producer Groups.
8. Inter-Departmental co-ordination
9. Research and Development in the potato sector

The State Potato Mission will be placed in the Directorate of Horticulture for co-ordinating all aspects of the programme. It will be the nodal agency in the State responsible for production, storage and distribution of potato in the State.

### **3. Components of the State Potato Mission**

The State Potato Mission under the State Plan shall comprise of the following components :—

**3.1 Establishment of Cold Storage :** Potato is semi-perishable in nature because it contains about 80% of water. Therefore, the post production management of potato is as important as the production management. It is estimated that under tropical and sub-tropical conditions, losses due to poor handling and storage can go upto 40%.

It is of utmost importance to minimize the storage losses. Inadequate number of cold stores in the State is one of the main reasons for less potato production. Out of 111 nos. of Cold Storages having capacity of 2, 92, 925 MT that exist in Odisha, only 24 nos. (6 nos. in co-operative sector & 18 nos. in private sector) having a total storage capacity of 1,17,280 MT are in running condition. In order to achieve the targeted production of 11.25 lakh MT potato in the State over the next 3 years, the storage potential has to be increased manifold from the current storage capacity of 1,17,280,MT to 7,05,000 MT by the end of 2017-18. In this regard, the Task Force on Potato has recommended for establishment of 112 nos. of new cold storage with capacity of 5,000 MT each, in 3 financial years starting from 2015-16. The cold stores will be established by private entrepreneurs/public sector institutions for which capital investment subsidy will be provided. Out of 112 cold stores to be set up, subsidy for 82 nos. are estimated to be funded out of State Plan (25 nos. during 2015-16, 35 nos. during 2016-17 and 22 nos. during 2017-18) and the rest 30nos. are envisaged to be taken up under NHM (National Horticulture Mission). Thus, there will be a requirement of about Rs. 205 crores towards the capital investment subsidy over the next 3 years, out of which Rs. 45.80 crores has been provided for the establishment of cold stores during 2015-16.

**3.2 Tariff subsidy on Electricity :** The Task Force on Potato has recommended for providing electricity tariff subsidy for a period of 6 years to the cold stores (both existing and proposed to be set up by March 2018) for storage of at least 50% of their capacity with the potato procured from inside the State, while the remaining stock could be utilized for other horticultural produces. The electricity tariff subsidy will be provided @ 50% for the first 2 years, 30% for the next 2 years & 20% for the subsequent 2 years. This tariff subsidy will be provided to all existing and running cold stores & cold stores which are made operational before 31st March, 2018. It is estimated that there would be a requirement of Rs. 5358 lakhs for the coming 9 years starting from the financial year 2015-16. This requirement is based on the tariff levels of 2014-15. The amount will go up if the tariff is increased and more nos. of cold stores are set up. A provision of Rs. 200 lakhs has been made for this purpose for the year 2015-16.

**3.3 Mission Management :** The Directorate of Horticulture will be the Nodal Agency for the implementation of the State Potato Mission. The State Potato Mission will be managed by a Project Management Unit (PMU), comprising of experts to be appointed on contractual basis, one each in the field of Management, Technical, Finance, Refrigeration Engineering and IT and 3 support staff. Their all inclusive remuneration (maximum) would be as follows :

PROJECT MANAGEMENT UNIT				
Designation of post	Desired qualification/ field of expertise	Nos.	Remuneration per month (Rs.)	Annual Financial requirement (Lakh Rs.)
(1)	(2)	(3)	(4)	(5)
Management Expert	Degree Engineer with MBA (Marketing)	1	80,000	9.60
Technical Expert	Horticulture Post Graduation	1	75,000	9.00
Financial Expert	Chartered Accountant	1	75,000	9.00
Cold Storage Expert	Refrigeration Engineering	1	75,000	9.00
IT Expert	Degree Engineer in Information Technology/ Computer Science	1	75,000	9.00
Supporting Staff	Data and Fund management	3	75,000	9.00
Total		8	4,55,000	54.60

The engagement of the above staff will be for a period of three years starting from 2015-16 and the expenditure is to be made out of Mission Management component. There shall be GPS based monitoring of potato cultivation and seed production, 3rd party Concurrent Evaluation of the programme will also be taken up. Apart from the above, funds required for Information, Education & Communication, hiring of vehicles and other office expenses for the Mission will also be met out of Mission Management component. There will be requirement of Rs. 847.74 lakhs for 9 years for this component out of which Rs. 219.77 lakhs is being provided during 2015-16.

#### 4. Operational Modalities

- (i) The Director of Horticulture, Odisha shall be the Nodal Officer to monitor the implementation of the scheme and ensure proper utilization of the funds.
- (ii) The State Potato Mission will function in a Mission mode and will function under the aegis of Odisha Horticulture Development Society registered under the Registration of Societies Act XXI of 1860.
- (iii) The Director of Horticulture, Odisha will allocate funds to the Deputy Director of Horticulture/Assistant Directors of Horticulture after assigning the target and assessing the progress made thereof in case of establishment of cold stores and also for disbursement of electricity tariff subsidy for storage of potato in the cold stores. Similarly,

the Mission Management component will be utilized for defraying the expenses at the Directorate level towards the Project Management Unit, IEC, development of IT solutions, 3rd party evaluation, other overhead expenses etc.

- (iv) The cold store proposals will be scrutinized and recommended by the District Level Mission Committee. The proposals will be placed before the State Level Executive Committee (constituted under NHM) by the Director of Horticulture, Odisha for consideration and sanction of Capital Investment Subsidy. The Deputy Directors of Horticulture/Assistant Directors of Horticulture will release the amount to the loan accounts of the cold store beneficiaries maintained in the financing institutions for establishment of cold stores as credit linked back-ended subsidy, basing on the progress made and verification by technical committee constituted by the District Level Mission Committee.
- (v) The Deputy Directors of Horticulture/Assistant Directors of Horticulture will release the funds earmarked for electricity tariff subsidy to the accounts of the beneficiaries i.e. cold store owners based on the duly paid actual electricity bill of the cold stores storing potato stock produced locally and also seed potato to occupy at least 50% of the total installed capacity of the cold store. The initial operational guidelines in this regard are given at Annexure. These guidelines can be modified by the Agriculture Department from time to time to suit the requirement of the scheme.
- (vi) An efficient on line fund management system will be developed for proper monitoring of the fund flow. All transactions will be made through on line system and no cash or cheque payment shall be made.

ORDER—Ordered that the Notification be published in the extra ordinary issue of Odisha Gazette and copy thereof be forwarded to all Departments of Government/all heads of Departments/ Accountant General (A & E), Odisha/all Collectors & District Magistrates.

By order of the Governor  
RAJESH VERMA  
Principal Secretary to Government