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## Pressurised chamber for reducing wastages, uniform ripening of banana

Staff Reporter



in true colours:R.Krishnan, CEO, Rinac India Limited, explaining the features of Bana Barn, a pressurised banana ripening chamber, in Tiruchi on Saturday.PHOTO: R.M. RAJARATHINAM

Despite being the world's largest banana producer, India is yet to become an efficient producer, according to annual wastage figures. With ripening cycle of just four days, the quality of bananas is greatly affected by environmental conditions and the artificial methods used until now to ripen them, said R.Krishnan, Chief Executive Officer, Rinac India Limited.

The company, which specialises in cold storage solutions, launched on Saturday, Bana Barn, a pressurised Banana Ripening Chamber (BRC) that promises uniform ripening and reduced wastages.

“Indians consume bananas throughout the year, irrespective of their economic status, which means there is a huge domestic demand for the fruit besides the international market. But farmers, traders and consumers alike have been affected by the unregulated ripening process,” said Mr.Krishnan.

Bana Barn, standardised according to specifications set by the government of India, comes in a variety of capacities ranging between 5 metric tonnes to 20 metric tonnes.

Explaining the technology behind the ripening chamber, he said that Bana Barn uses a multi-compressor rack refrigeration model that ensures uniform and energy-efficient ripening.

“The BRC comes as a unit of four chambers that allows the farmer/ trader to regulate the distribution of the produce. Also, they can choose to pause or hasten the ripening process to suit the market demand, thereby ensuring lesser wastage and higher profits,” he said.

Developed as part of the Cold Chain Task Force, a joint initiative by the Ministry of Agriculture and the Confederation of Indian Industries, the BRC supports farm produce at the post-harvest stage to prevent wastage.

“Bananas being ultra sensitive to temperature are ripened at 14 to 16 degree Celsius with a relative humidity of more than 90 per cent.

This ensures lowered ripening costs, better quality and elimination of weight loss due to loss of moisture,” said Mr. Krishnan.

Having entered the market just two years ago, BRCs are yet to catch up amid Indian banana producers, who are used to ripening with industrial grade calcium carbide. “The government has now banned this method because of its negative effects on the nervous system by reducing oxygen supply to the brain,” said Mr. Krishnan, who added that there were other banana ripeners in the market that use the lesser efficient non-pressurised technology which cost lesser.

“The government is still allowing their sale because it is better than using no ripening mechanism at all,” he said. The government has declared a 40 per cent subsidy on the BRC's cost to encourage banana farmers and traders to switch to an efficient production method.

At a seminar organised later in the day, the company met prospective customers from the banana-rich Theni, Coimbatore and Tiruchi belt to answer their queries about the BRC.

**Share**

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KODAIKANAL, February 20, 2012

**Cut flower cultivation, blooming business now**

*It has become a profit-making agricultural venture in Kodaikanal*

Cut flower cultivation has become a profit-making agricultural venture in the hill station, thanks to good yield and decent procurement price the farmers get.

Conducive climate, including right temperature of seven to 24 degree Celsius, relative humidity of 45 to 94 cent and average annual rainfall of 1,450 mm, have encouraged many farmers to take up floriculture.

### **Bird of Paradise**

Besides cultivation of Carnation and Gerbera, farmers have started raising Bird of Paradise (*Strelitzia Reginae*), native to South Africa. Many farmers have been cultivating this flower in open fields and also under poly houses. An attractive subsidy of Rs.35,000 per hectare offered under National Horticulture Mission has attracted many farmers to raise this flower. Many coffee growers have also shifted to floriculture, according to Deputy Director of Horticulture S. Raja Mohamed. "I started getting revenue from my field from the 15th month of planting. Earlier I had cultivated coffee and mandarin orange in one hectare. Yield was good in the lower hills when compared to the upper hills. Total yield from my field was 25 per cent more than the yield taken from fields in the upper hills. My annual income from cut flowers is around Rs. 75,000 a year. Earlier, I had earned just Rs.25,000 from coffee and other crops. Procurement price for cut flowers is Rs.10 to Rs.15 a flower. Demand for cut flowers is very high in Bangalore," said floriculturist R. Ravi who sold his entire produce to Bangalore only.

Deputy Director of Horticulture G. Kandasamy said that 24 hectares were under cut flower cultivation on the hills.

A total of 5,520 acres were under fruit cultivation, 5,290 hectares under vegetables and 753 hectares under spices and plantation crops.

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### **Mettur level**

The water level at the Mettur Dam stood at 82.43 feet on Sunday against its full level of 120 feet. The inflow was 626 cusecs and the discharge 1,800 cusecs.

### **Share**

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PALAKKAD, February 20, 2012

### **Farmers seek more procurement price**

Paddy farmers have demanded Rs.25 a kg as procurement price for the crop considering the high cost of chemical fertilisers and labour. In a statement here on Sunday, Desheeya Karshaka Samajam general secretary Muthalamthode Mani said that if the farmers did not get Rs.25 a kg for paddy procured by the State government they would be forced to drop cultivation, which would affect Kerala's food security.

The forum also demanded Rs.2,000 as monthly pension for farmers aged above 60 years as against the existing Rs.400. It sought pension for all farmers irrespective of the land they were holding. Now, farmers who had more than a hectare of land were not eligible for pension, the statement said.

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HANDIGARH, February 20, 2012

### **Cold damages mustard crop in Haryana**

Mustard crop over 47,000 hectares has been damaged in south Haryana's Mahendergarh district due to severe cold weather and frost in January.

"The cold weather has adversely affected the crops. The loss, especially to mustard and vegetable crops would be assessed during the *girdawari* (revenue survey). As per our reports, mustard has been damaged in 47,000 hectares of area in the district. However, actual loss would be ascertained after the *girdawari*," Mahendergarh Deputy Commissioner Saket Kumar said.

He said that the district administration has sent a report to the State Government regarding the loss due to frost and taking immediate cognisance of this, Chief Minister Bhupinder Singh Hooda had ordered a 'special *girdawari*'.

Mr. Hooda had on Saturday ordered a 'special *girdawari*' in areas of south Haryana to compensate the farmers whose crops have been damaged due to cold weather.

The Chief Minister added that a Central team would also visit the affected areas to assess the loss.

The Deputy Commissioner said for the first time the State Government has ordered to conduct '*girdawari*' to assess loss of crop due to frost in districts Bhiwani, Rewari and Mahendergarh.

“It will be for the first time in the State that compensation would be given for the damage to crops due to cold weather. The *girdawari* would be completed within a week,” he said

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Published: February 19, 2012 02:00 IST | Updated: February 19, 2012 02:01 IST

### **Farm growth will diminish unless ICAR delivers, says Pawar**

Gargi Parsai

In a candid observation, Union Agriculture Minister Sharad Pawar has said on Friday that India's food production growth will diminish unless the Indian Council of Agriculture Research (ICAR) stands up to be counted amongst solution providers for the farming community.

“But for the successful roll-out of the Green Revolution in the 1960s, I am yet to see technological breakthrough that break the productivity barrier in most crops. With such illustrious minds at work and despite huge financial outlays, the answer still eludes the nation,” he said inaugurating the annual conference of Agriculture University Vice-Chancellors and ICAR Directors.

“India has been upgrading its agri-research resources to meet the challenges of food security and rising prices, but the question is how successful such efforts been?” he asked.

Pressing the need to develop synergy between researchers and the end-users, the Minister urged the Vice-Chancellors to promote demand-driven research and judicious use of resources among students.

At the same time, he stressed the need for higher investment in the agriculture sector to sustain the high level of farm output that was required to meet the foodgrains requirements under the proposed National Food Security Bill.

Reiterating that the country's foodgrains production was expected to touch a record 250 million tonnes in the 2011-12 crop year (July-June), he said wheat output could touch an all-time high of 88.31 million tonnes. The yellow rust disease in wheat-producing States of Punjab and Haryana would be controlled, he added.

The Minister, however expressed concern about the lagging domestic production of pulses and said much work was required to be done to bridge the gap between supply and demand.

“Whether it is foodgrains or horticulture produce, we are doing quite well. Only in pulses production, we have to work more,” he told journalists later.

Pulses output this year is expected to reach 16.5 to 17 million tonnes. “But still there is a small gap that will be met through exports,” Mr. Pawar said.

Separately inaugurating a national conference on Horticulture Production and Productivity, Mr. Pawar announced 2012 to be the ‘Year of Horticulture.’

He said the country had achieved a record production of 240 million tonnes of horticulture produce from 22 million hectares of land resulting in higher per capita availability of fruits and vegetables. There has been a substantial increase in export of horticulture produce which has helped the country earn foreign exchange to the tune of Rs. 14,000 crore.

Referring to the gaps in cold chain infrastructure, he said the government had taken a decision recently to set up a National Centre for Cold Chain Development. “While the government will infuse funds to the tune of Rs. 25 crore, much of the investment will have to come from the industry.”

Agriculture Secretary P.K. Basu asked State governments to ensure the availability of quality planting material and seeds to farmers.

On the occasion, Himachal Pradesh, Jharkhand, Haryana, Andhra Pradesh, Chhattisgarh, Tamil Nadu, Orissa, Sikkim and Mizoram were awarded for their good performance in the horticulture sector.

## Weather

Chennai - INDIA

### Today's Weather



Clear

**Monday, Feb 20**

Max Min

32.3° | 21.5°

Rain: 00 mm in 24hrs

Sunrise: 6:35

Humidity: 94%

Sunset: 18:03

Wind: Normal

Barometer: 1013

### Tomorrow's Forecast



Partly Cloudy

**Tuesday, Feb 21**

Max Min

30° | 21°

### Extended Forecast for a week

Wednesday

Thursday

Friday

Saturday

Sunday

Feb 22

Feb 23

Feb 24

Feb 25

Feb 26



28° | 20°

28° | 20°

27° | 19°

27° | 18°

27° | 18°

Cloudy

Cloudy

Cloudy

Cloudy

Cloudy

## Frost damages mustard, vegetables in Haryana

SUNDAY, 19 FEBRUARY 2012 23:47

PTI | CHANDIGARH

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Mustard crop over 47,000 hectares has been damaged in Haryana's Mahendergarh district due to severe cold weather and frost in January.

"The cold weather has adversely affected the crops. The loss, especially to mustard and vegetable crops would be assessed during the revenue survey. As per our reports, mustard has been damaged in 47,000 hectares of area in the district. However, actual loss would be ascertained after the girdawari," said Mahendergarh deputy commissioner Saket Kumar.

He said that the district administration has sent a report to the State Government regarding the loss due to frost and taking immediate cognizance on this, Chief Minister Bhupinder Singh Hooda had ordered a 'special girdawari'.

Hooda on Saturday ordered a special assessment exercise in areas of south Haryana to compensate the farmers whose crops have been damaged due to cold weather. The CM had informed that and a Central team would also visit the affected areas to assess the loss to crop.

The deputy commissioner said for the first time, the State Government has ordered to conduct revenue survey to assess loss of crop due to frost in districts Bhiwani, Rewari and Mahendergarh.

"It will be for the first time in the State that compensation would be given for the damage to crops due to cold weather. The girdawari would be completed within a week," he said.

The State Government had, a day before, sought Rs 125 crore compensation for crop loss due to frost in some areas.

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# Business Standard

Monday, Feb 20, 2012

**India's castor seed output pegged at record 1.61 mn tonnes**

**BS Reporter / Mumbai/ Ahmedabad February 20, 2012, 0:21 IST**

Better price prospects pushed up acreage by 34%, says SEA Castor Crop Survey: 2011-12

The Solvent Extractors' Association of India (SEA) has estimated a record castor seed production of 1.61 million tonnes in India for 2011-12 season (October-September), showing a growth of about 30 per cent over 1.25 million tonnes recorded last year.

In its Castor Crop Survey: 2011-12, conducted by Nielson India, SEA maintained that total area under castor crop for 2011-12 has increased by 34 per cent over last year to 1.15 million hectares.

The sharp increase in castor acreage was attributed to farmers' preference over other crops like cotton, wheat and groundnut mainly due to better returns. However, national average yield is likely to dip by three per cent to 1417 kg per hectares against 1453 kg per hectare. Low rainfall, joined with pest attack in castor growing regions, is believed to have hampered productivity.

The central government's second advanced estimate for castor seed production is put at around 2.34 million tonne, against the targeted 1.39 million tonne of castor seed production in the country.

According to the survey, which was released on Saturday, Gujarat's castor seed production is estimated to swell up by 36 per cent to 1.22 million tonne with a rise in the acreage of about 44 per cent to 697,000 hectares. This is considered as the highest ever production of castor seed in the history of Gujarat.

"In Gujarat, the crop shift was seen mostly in cotton, wheat and jeera. However, the average yield in the state for the season is likely to be lower at around 1760 kg per hectare, against 1863 kg per hectare recorded last year. This is mainly on account of shortage of water, pests attack and late beginning of winter in the key castor growing regions in the state," Naresh Pednekar,

executive director at Nielson said, while releasing the survey. Castor seed production in Rajasthan and Andhra Pradesh is likely to rise by 15 per cent and 11 per cent to 207,000 tonnes and 156,000 tonnes respectively. Other states are likely to produce 30,000 tonnes of castor seed.

Since castor crop has multiple picking rounds, the estimates for total production are likely to be revised accordingly after two picking. The weather condition, in major castor growing regions during past two months, has been fluctuating and is feared to mark a dent in the castor output estimates. "We will revise the estimates (for castor seed production) after two rounds of picking at a later stage," added Pednekar. Meanwhile, robust production estimate is feared to affect prices. During the discussion on the price outlook for castor seed at the forum, experts maintained that prices may remain steady to firm during the first half of the year. But as supplies would start mounting, the prices may soften in the second half.

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## THE HINDU Business Line

### Pepper turns hot on demand amid supply squeeze

G K Nair



Kochi, Feb. 19:

Pepper market continued to remain volatile last week also with bullish sentiments ruling later in the week on genuine buying interest amid limited supply.

Contrary to expectations the supply scene remained squeezed with no fresh pepper arriving at the terminal market even after the peak harvesting season has started. Some in the trade

attribute this phenomenon to buying directly from the primary market by inter-State dealers from Tamil Nadu on cash and carry basis at the terminal market price.

The reason for such buying pointed out by them is that there is no tax levied on pepper in Tamil Nadu. Therefore, by paying two per cent tax here they could take the material out.

Second is that the major growers/primary market dealers, who had fully sold out their old stocks when the prices were hovering around at Rs 350 a kg last year, were holding back their produce/stocks.

The third argument is that the industry both, extraction and green pepper in brine manufacturers had bought light and green berries earlier and that had resulted in a squeeze while some of the growers claimed that the crop, contrary to earlier projections, is around 50 per cent of what was estimated earlier.

Whatever may be the reasons, the arrivals continued to remain thin making availability of the material only on the exchange platform.

At the weekend 2,136 tonnes of pepper marked for delivery when the February contract matured on Friday. Probably, apprehending some default in delivery many of the buyers desired to take early delivery before the maturity of Feb. But, the sellers were said to have not accepted it. All the active deliveries moved up last week. Mar, Apr and May increased by Rs 1,215, Rs 1,280 and Rs 1,445 respectively to close at Rs 31,030, Rs 31,375 and Rs 31,625 a quintal.

Total turn over increased 4,260 tonnes to 21,510 tonnes. Total open interest decreased by 188 tonnes to close at 8,121 tonnes.

### **Spot gains**

Spot prices increased by Rs 1,200 on good buying interest and limited supply to close at Rs 30,800 (ungarbled) and Rs 32,300 (garbled) a quintal.

Indian parity in the international market was at around \$6,700 a tonne (c&f) Europe and about \$7,000 a tonne (c&f) for the US. High fluctuation in the prices has turned the buyers reluctant. Even the domestic buyers are also confused, the trade sources pointed out.

### **Overseas trend**

With a stable VND-Dollar rate, prices have moved up by about \$200-250 a tonne in the last 72 hrs. Indian markets are also firm with shorts trying to cover February positions and the physical market very tight.

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## Oil jumps to 9-month high after Iran cuts supply

PTI

Singapore, Feb 20:

Oil prices jumped to a nine-month high near \$105 a barrel today in Asia after Iran said it halted crude oil exports to the UK and France in an escalation of a dispute over the West Asian country's nuclear programme.

Benchmark crude was up \$1.75 to \$104.99 per barrel at midday Singapore time in electronic trading on the New York Mercantile Exchange.

Earlier in the day, it rose to \$105.21, the highest since May. The contract rose 93 cents to settle at \$103.24 per barrel in New York on Friday.

Brent crude was up \$1.52 at \$121.10 per barrel in London.

Iran's Oil Ministry yesterday said it stopped crude oil shipments to British and French companies in an apparent pre-emptive blow against the European Union after the bloc imposed sanctions on Iran's crucial fuel exports. They included a freeze of the country's central bank assets and an oil embargo set to begin in July.

Iran's Oil Minister, Mr Rostam Qassemi, had warned earlier this month that Tehran could cut off oil exports to "hostile" European nations. The 27-nation EU accounts for about 18 per cent of Iran's oil exports.

The EU sanctions along with other punitive measures imposed by the US are part of Western efforts to derail Iran's disputed nuclear programme, which the West fears is aimed at developing atomic weapons. Iran denies the charges, and says its programme is for peaceful purposes.

Oil prices were also boosted by China's decision to boost money supply in a bid to spur lending and economic growth.

China's central bank said on Saturday it will lower the ratio of funds that banks must hold as reserves, a move that frees tens of billions of dollars.

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## Urad dal, sugar decline

PTI



Chennai, Feb 20:

The prices of urad dal and sugar declined while gram dal moved up and all other commodities remained unchanged in the wholesale foodgrains market here today.

Urad dal dropped by Rs 100 per quintal to Rs 5,200 from its previous rate of Rs 5,300. Similarly, sugar went down by Rs 30 per quintal to Rs 2,850 from its last rate of Rs 2,880.

In contrast, gram dal firmed up by Rs 100 per quintal to Rs 4,300 from its earlier rate of Rs 4,200.

Toor dal, moong dal, wheat, sooji and maida remained unaltered from their previous levels.

The following are the wholesale rates of various agri-commodities today (in Rs per quintal, except where stated otherwise): Toor dal 6,200, urad dal 5,200, moong dal 6,000, gram dal 4,300, sugar 2,850, wheat 1,800, maida (90 kg) 1,550, sooji (90 kg) 1,850.

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## Large-scale commercial farming in Africa

Rana Kapoor



Rana Kapoor, chief executive officer and managing director of Yes Bank Ltd.,  
February 19, 2012:

From the beginning of 2004, Ethiopia has witnessed a flurry of investments from all parts of the world into their farmlands.

Come 2011, land deals are already in place for 5,28,000 hectares, of which according to the Government of Ethiopia, 3,07,000 hectares of land have already been transferred to both foreign and domestic investors.

With the spur in foreign investments both in infrastructure and land banks, and a growing domestic economy, Ethiopia is today amongst one of the fastest growing economies in Africa.

Encouraged by the attractive investment climate, Indian companies have committed investment amounting to \$4.4 billion out of which 40 per cent is for commercial agriculture.

Investors ranging from Karuturi Global to conglomerates such as Emami, Shapoorji Pallonji & Co. etc. have acquired huge fertile tracts of land for initiating large scale commercial farming.

### **Large-scale commercial farming**

Ethiopia is not a one off case. Since the beginning of 2000, there has been a rising global interest in farmlands.

This has been fuelled by the volatility in commodity prices globally, growing human and environmental pressures, and worries about food security due to the rising demand for biofuels.

According to the FAO estimates, the global food demand will increase by 70 per cent in 2050, in order to feed an estimated global population of 9.3 billion.

There is rising interest in large-scale commercial farming opportunities, especially in the developing economies such as India where concerns on food security are further aggravated by stagnating yields and an increasing population.

Compared to an average annual expansion of global agricultural land of less than four million hectares before 2008, approximately 56 million hectares worth of large-scale farmland deals were announced even before the end of 2009.

More than 70 percent of such demands have been in Africa; countries such as Ethiopia, Mozambique, and Sudan have transferred millions of hectares to investors in recent years.

### **Why Africa?**

Africa offers immense opportunity in terms of investment in large-scale commercial farming. The main reasons are:

Availability of huge tracts of contiguous fertile land at modest prices.

Land prices in Africa are much lower than those in India.

For instance, the land lease rate in Punjab's Doaba region is a minimum of Rs. 40,000 for an acre whereas the average land lease rates in Africa (in rupee equivalent terms) comes to around Rs 700/acre.

Due to the large size of the farms, it becomes much easier to go for mechanised farming in such plots, thereby, increasing farm efficiency, and administrative hassles of people management in a foreign land.

Gap in the potential and actual yields in Africa, thereby, providing a huge scope for further interventions (in terms of better seeds and improved farm technology).

Availability of labour at cheaper rates as compared to developing nations, therefore, having a direct implication on cost of production.

According to studies, the cost of agriculture production in Africa is almost half as compared to India. There is a lower requirement for agricultural inputs and labour is cheap, thereby, significantly reducing the cost of production.

Proximity of some of the African nations to West Asia, EU and the US, thereby, reducing freight costs and increasing cost competitiveness.

Africa is perhaps the world's largest importer of rice, wheat, sugar, maize, soyabean and other staples. There is, therefore, a ready domestic market which is available for whatever is produced on these farms.

### **pull factors**

Additionally there are strong “pull” factors for an Indian promoter investing in Africa notably.

Liberalised norms of Governments of most of African nations for allocation of land to Indian investors and limited bureaucratic hurdles; additional incentives such as duty-free imports, zero duty on exports, easy repatriation of profits etc.

Support from the Indian Government in terms of lending financial support through EXIM Bank, double taxation (avoidance) agreements (DTAs) and other bilateral trade agreements.

The land parcels are offered at competitive prices on lease hold which run from a minimum of 20 years to a maximum of up to 99 years.

### **Investment**

A foreign investor needs a minimum capital investment of \$50,000-1,00,000 (varies on a country-to-country basis). On an average, of the total project cost, almost 60 percent is on fixed asset, 30-35 per cent on pre-production (development) and about 6-10 per cent for working capital.

The returns from investments are more strategic from the long term point of view as most of the investment initially goes for asset creation.

These African ventures have a pay-back period of 7-8 years with a projected IRR of about 18-21 per cent and above, over a 10-year time span.

Capital infusion is required initially for a period of first 5-6 years after which the project becomes self sustainable.

Funding up to the extent of 70 per cent of project cost can be availed from different Developmental Banks in Africa.

### **Roadmap**



Ideally to start off an individual (propriety concern) or an organisation needs to scan the different land banks in Africa based on certain criteria such as agro-climatic condition, soil, socio-economic-political situation, trade treaties and benefits etc.

Conduct surveys and studies such as environment impact study, topography, land quality assessment, logistical costs etc.

Take a decision on country-crop mix; risk assessment and risk profiling; preparation of detailed project report; completion of different Government formalities such as discussion of terms of agreement (MoU) etc. and the final implementation on ground.

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### Saffron: Efforts on to recapture Kashmir flavour



Saffron flowers on a Kashmir farm .

Considered to be an important crop cultivated as the source of spice for at least 3,500 years, Saffron has spread out in Mediterranean and west of Asia from 10 west to 80 east degrees of geographical longitude, as well as from 30-50 north degrees of geographical latitude and up to 1,000 meters from sea level.

The name 'saffron' is derived from Arabic "zá-faran" which means 'be yellow' and is commonly used to refer both to the spice and the plant itself. Saffron is used as a key spice, fragrance, dye, medicine, preparation of Kashmiri 'kehwa' and as a sweet dish seasoning Saffron leaves (with producing about 1.5 t dry matter each year) can provide forage for about 1,60,000 heads of cattle. Saffron petal is one of the by-products of fields that the amount of this by-product is more than 10,000 t each year. One stigma of saffron weighs about 2 mg; each flower has three stigmata; 1,50,000 of flowers must be picked one by one in order to produce 1 kg spice.

## **Global Overview**

Saffron is currently being cultivated in Iran, India, Greece, Spain, Italy, Turkey, France, Switzerland, Israel, Pakistan, Azerbaijan, China, Egypt, the United Arab Emirates, Japan, Afghanistan, Iraq and recently Australia (Tasmania). The world's total production of dried saffron is estimated to be around 300 tonnes a year. Iran produces more than 90 per cent of the world's total production of saffron. More than 92 per cent of Iranian saffron is cultivated in Khorasan province. Kashmir produces between 8-10 tonnes mostly dedicated to country's self-consumption. Greek production is 4-6 tonnes a year. Morocco produces between 0.8 and 1 tonne. Saffron production has decreased rapidly in many traditionally producing countries, and is abandoned in England and Germany. Spain used to be the most reputed saffron producer for centuries in areas of La Mancha and Teruel. Nowadays, the production is only about 0.3- 0.5 tonnes. Productions of Italy (Sardinia, Aquila, Cascia) 100 kg; Turkey (Safranbolu) 10 kg; France (Gatinais, Quercy) 4-5 kg; and Switzerland (Mund) 1 kg are nearly insignificant.

In India, saffron is exclusively cultivated in Jammu & Kashmir until now. Some cases of saffron cultivation have been reported recently in Himachal Pradesh and Uttarakhand.

In Jammu & Kashmir, district Pulwama accounts for 78.91 per cent saffron area followed by Budgam (12.27 per cent), Srinagar (7.32 per cent) and Doda (1.5 per cent).

## **Indian Overview**

Area under saffron cultivation has declined from about 5,707 hectares (ha) in 1996 to just 3,715 ha in 2009-2010. Productivity has also declined from 3.13 kg/ha to 2.50 kg/ha.

Trends available from trade estimates show that current domestic production is less than 10 tonnes. And owing to this trend, imports into India stand at approx 5 tonnes, 90 per cent of it from Iran.

Two prominent initiatives are going to become game changers for saffron cultivation and enhancement in Kashmir; and are hopeful that by end of the decade, India will recapture the lost glory in saffron production.

The first initiative is the setting up of "National Mission on Saffron" (a 373-crore project up to 2014) and a "Saffron Park" (an Rs 22-crore project) as an integrated production facility in

Pampore. Under Mission saffron, growers are given a specified amount to meet fertilisers and pesticides requirements, in addition to guidance and monitoring.

In 2011, the Government has already dispensed Rs 10 crore of the Rs 17 crore of incentives covering more than 3,500 growers owning 350 hectares of saffron land.

The one-time incentive will be extended to all the 3,700 hectares in four years. To improve productivity the replanting of the existing saffron area is being done to get 3,715 hectares of land till 2014 with an average productivity level to 5 kg/ha. It is expected that production would, thereby, rise to 18.50 tonnes. A major part of Mission saffron is also the establishment of a saffron park to provide better marketing facilities to the growers. This park will have a world class quality control laboratory, an e-auction centre and provide global best practices of farm-to-fork" chain for saffron.

### **Medicinal, health benefits**

The active components in saffron have many therapeutic applications in many traditional medicines as antiseptic, antidepressant, anti-oxidant, digestive, anti-convulsant.

This novel spice is a good source of minerals such as copper, potassium, calcium, manganese, iron, selenium, zinc and magnesium. Potassium is an important component of cell and body fluids that helps control heart rate and blood pressure. These active components present in saffron have many therapeutic applications in many traditional medicines since long time ago as anti-spasmodic, carminative, diaphoretic. The flower stigma are composed of many essential volatile oils including 'safranal' which gives saffron its distinct hay-like flavour, characteristic golden yellow colour and is an antioxidant showing cytotoxicity towards cancer cells, anticonvulsant and antidepressant properties.

There are important antioxidants that help protect body from oxidant-induced stress, cancer, infections, act as immune modulator and generates heat in body.

### **Business opportunity**

One of the world's most expensive spice by weight, saffron is globally sold in grams. Local brands are largely present in India and there is absence of large international/national brands. Iran is the leading saffron exporter earning revenue of \$51million. Spain and India are the major importers of Iranian saffron.

India's saffron consumption is estimated at 20 tonnes a year, half of which is met by leading producers - Iran, Spain and China.

Kashmir, one of the only four producers of saffron in the world, barely consumes a fraction of what it produces. Most of its output goes to the plains with exports of just about four tonnes. There is an opportunity for developing a nationwide brand of saffron.

Besides, this is a nation where a burgeoning middle class is now craving for a wide range of products with health benefits, which is a big driver for increase in consumption.

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### **Dwindling arrivals push up prices at Kochi tea auction**

Our Bureau

Kochi, Feb. 19:

Arrivals continued to fall at the Kochi tea auction even as prices firmed up. There was 10,20,000 kg of dust tea and 2,06,000 kg leaf tea on offer at the auction.

Good liquoring grades remained firm at the dust CTC dust auction. Tata Global, AVT, Hindustan Unilever and Kerala State Civil Supplies Corporation absorbed bulk of the good liquoring grades along with loose tea traders. Upcountry buyers were active. Exporters confined themselves to medium and plain teas. Primary grades quoted dearer at the orthodox dust tea auction. Other grades remained irregular. Exporters and upcountry buyers lent fair amount of support.

High grown bolder broken and whole leaf grades remained firm to dearer following quality at the orthodox leaf auction. High grown fannings followed a closely similar trend. Medium high grown teas tended to ease while most other grades remained barely steady.

Prices at the bottom of the market remained firm to sometimes moved up in value. Exporters to CIS countries remained subdued. HUL and other exporters remained active. Upcountry demand was also evident. Fannings were absorbed by tea bag manufacturers and other exporters.

There was good demand at the CTC leaf auction. Good liquoring grades remained firm. Other grades were irregular. Plain teas held steady. HUL and exporters were active at the CTC leaf auction.

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## Improved demand at Lanka tea auction

R. K. Radhakrishnan

Colombo, Feb.19:

Last week's two-day auction (Feb 14-15) witnessed improved demand for the 7.4 m million kg (mkg) which was available, compared to the week before when the auction was restricted to one day. The demand spike was attributed to the weakening of the Sri Lankan Rupee against the Dollar.

Ex-estate totalled about 1 mkg and low grown at 3.8 mkg. There was better demand for improved Westerns, which moved up LKR 20-30 a kg, while CTCs too were up LKR 10-20 a kg. There was better demand for low grown too, especially in the leafy/tippy catalogues. CIS, Dubai, Turkey, Libya, Iraq, Saudi Arabia and Kuwait were active

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## 'Subsidies difficult to roll back'

Our Bureau



*Business Line* Policy changes: The Principal Secretary, Agriculture Marketing and Cooperation Department, Government of Andhra Pradesh, Mr I.Y.R. Krishna Rao, delivering the inaugural address of Agri-Vision-2020, partnering and Innovating for Sustainable Agriculture in Hyderabad on Saturday. Also seen are Dr. Gyanendra Shukla, Member, CII National Committee on Agriculture and Director Mahyco Monsanto Biotech Ltd, Mr Anil Kumar V. Epur, past-chairman CII southern region and Chief Executive, ITC Ltd and Mr S. Sivakumar, Agri Business Division.

— Photo: Mohammed Yousuf

Hyderabad, Feb. 19:

A high-ranking bureaucrat in the Andhra Pradesh Government has said that subsidies once introduced are very difficult to reduce or go back.

“There are two subsidies like that – agricultural and food subsidies. Global experience shows that which ever Government that tried to wriggle out of them has paid very heavy price,” Mr I.Y.R. Krishna Rao, Principal Secretary (Agricultural Marketing and Cooperating Department, Government of Andhra Pradesh), has said.

Delivering the inaugural address at the CII conference on AgriVision 2020 – Partnering and innovating for sustainable agriculture here on Saturday, he said politics were intertwined in issues related to agriculture, hindering productivity and sustainability.

“What is required is a visionary policy making environment, which should make it a point to take decisions based not on day to day politics, but keeping the larger interests of the sector as a whole”, he said.

Mr Rao said there was need to focus on contract farming and agricultural processing.

“Over emphasis of remunerative prices of the farmers at the expense of the industry at time led to the provisions of the contract not being enforced properly,” he said.

Mr S. Sivakumar, Chief Executive (ITC Ltd, Agri-business Division), said that there was need to address Agricultural Produce Marketing (APMC), Essential Commodities Act and Forwards Market Regulation reforms.

He also called for customised agricultural extension in the place of the practice of giving generic extension to farmers.

Dr Gyanendra Shukla, Director (Mahyco Monsanto Biotech), said that organic material in the soil was fast depleting because of aggressive farming over a period, throwing challenges to farm community.

The event was organised to collaboratively develop an agriculture vision for 2020 and work out sustainable solutions through farmer education, use of higher-yielding inputs, processing, supply-chain linkages, end-user industries and newer approaches to overcome farming challenges.