THE

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The organic radio



Sangham Radio, India's first community radio station, began broadcasting on October 15, 2008. The station is supported by the Deccan Development Society (DDS) and located in Machnoor village in Medak District. Broadcast on 90.4 FM, Sangham Radio goes on air every day from 7 to 9 pm.

• The programme addresses agricultural needs of semi-arid regions; education and literacy, both formal and non-formal; public health and hygiene; environmental and ecological issues; biodiversity and food security; gender justice; local/indigenous knowledge systems; and local cultures, with emphasis on the narrative traditions of song and drama.

• Regular features include "Mana Oori Pantalu" (Crops of our Village), "Mana Bhasha" (Our Language), "Chavidi Katta" (Village Chaupal), "Yarandla Muchatlu" (literally, the gossip of the sisters-in-law), "Mee Lettarlu" (literally, your letters, but this actually a request segment).

•The programme also promotes indigenous herbal medicine in "Darwazala Dawakhana" (Medicine at your Doorstep), discusses the participatory development work being taken up by the collectives in a feature called "Sanghalu", and offers a bi-weekly children's feature called "Balanandam".

• The DDS Community Media Trust (CMT), which runs Sangham Radio, is India's only allwoman media collective at the rural level. Its members come from marginal farming families bordering on the poverty line. Most of them are non-literate. In spite of these handicaps the CMT strives to take the images and voices of rural women to the larger world and to create an alternative media ethos that can be accessed and controlled by local communities..

• CMT's focus has been rural people, their food and farming, biodiversity, environmental problems and the women's perspectives that inform all these issues. Its films are now watched all over the world by civil society activists and farmers' groups. They are translated into English, German, French, Spanish, Swahili, Thai and Bahasa Indonesia.

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Crop diversification stressed



Collector G. Vanimohan on Thursday called upon the farmers to switch to crop diversification to make agriculture a sustainable economic activity in the district. Speaking at a meeting of the Scientific Advisory Committee of the Krishi Vignana Kendra (KVK), an arm of the Andhra Pradesh Horticulture University, here the Collector said that monoculture in paddy in the district was leading to glut in the market and price crash.

Ms. Vani requested the agricultural scientist to draft a plan of action to prepare the farmers 'addicted' to paddy cultivation for several years to shift to irrigated dry crops like black gram, green gram and maize as a second crop in the delta reason which was subjected to waterstress conditions for the last few years on account of dwindling levels in the Godavari river.. The research should be area-specific addressing the local problems. For example, paddy cultivation in water-logging conditions raised certain problems like grain shedding and higher moisture levels in the produce which warrants some contribution from the scientists, she said. Pointing out that the scientists were ere experiencing certain gaps in transfer of technology from lab to land, Ms. Vani emphasized the need to rope in the women self-help groups (SHGs) and rytu migra groups (RMGs) in dissemination of knowledge.

Krupa Das, Joint Director, Agriculture, said that his department was promoting farm mechanisation in the district in a big way as an answer to shortage of farm hands.

Farm mechanisation

Efforts were under way for distribution of 450 drum seeders to farmers which would help in direct sowing of sprouted paddy seed without having to raise seedbeds and take up transplantation. The machines would eliminate the involvement of labour at the two stages of raising seedbeds and transplantation, and saving the labour cost to that extent in paddy cultivation, the Joint Director said. N. Veerabhadra Rao, Senior Scientist from KVK (fisheries) highlighted the need for the farmers to shift to polyculture in aqua farming to get better prices for their produce. Roopchand, an exotic fish variety, could be tried along with Indian major carps such as rohu, tatla and mrigala, he said.

Roopachand was in great demand from within and outside the country for its deliciousness and that it could be more profitable to the farmers, he added.

Millet Man



City-bred P.V. Sateesh took to living in a village like a fish takes to water. Pastapur, a village in Medak District around 130 km from Hyderabad, is rain-drenched on this Sunday morning as he walks us through fields planted with millet.

Sateesh is one of the founders of the Deccan Development Society (DDS), a 25-year-old grassroots organisation working in about 75 villages with women's sanghams in Medak. The 5000 women members of the society represent the poorest of the poor in their communities. Most of them are dalits. The vision of the society is to consolidate these village groups into vibrant organs of primary local governance and federate them into a strong pressure lobby for women, the poor and dalits.

Sateesh is also the National Convenor of the Southern Action on Genetic Engineering, a network of over 60 organisations, scientists, farmers' and consumer groups in the four southern states, and of the Millet Network of India, an alliance of over 140 organisations of farmers, scientists, nutritionists, environmentalists and consumers that operates in 17 states.

"What started off with the intention of ensuring the simple sustenance needs of the sangham members has become a tool of empowerment for them to address the larger issues of food security, natural resource enhancement, education, and health needs of the region," says Sateesh. Various activities are integrated to allow women access and control over their own resources. "These activities, alongside ensuring earthcare, are also resulting in human care by giving the women a new-found dignity and profile in their village communities," he clarifies.

In a future of scarce water, Sateesh feels, millet can save the world. "It has been shown that millets can grow in conditions of low rainfall, as little as 300 to 350 mm of rainfall, depending on the type of millet, and in poor and heavily degraded soils, which are the characteristic traits of the arid and semi-arid regions, and of the hilly regions of India."

Millets comprise a range of crops that include sorghum (jowar), pearl millet (bajra), finger millet (ragi), kodo millet (kodon), foxtail millet (kakum), little millet (kutki), proso millet (barri) and barnyard millet (sanwe). Sateesh stresses that millets are not mere crops; they are an entire concept. They are usually cultivated in combination with other millets, pulses, oilseeds, and vegetables, each with different cropping cycles and different uses.

Sateesh's passion for farming makes one ask, 'Are you really urban-bred; not born in a family of farmers?' Sateesh recalls, "I used to run a film viewers club. But when I realised that the club was discussed over lunch and drinks, I dissolved it. I used to watch a lot of World Cinema. Professionally I was in the media too, as a producer for Doordarshan. It is through media that I found this career."

Sateesh's interest in farming and farmers grew when as a producer for Doordarshan he worked on programmes for farmers for direct satellite transmission. "It was a new thing for me and as I worked with the team I realised its importance," he says.

Through DDS, he now works to make the farmers all the more independent, through seed banking, use of home-grown manure and other appropriate technologies. "The method of seed banking makes them independent," he explains. "They are doing something beyond scientific reach in the most indigenous way and this is helping them shape their lives in a very autonomous way. The use of home-grown manure not only saves them money but also ensures the safety of the quality of soil. Once the farmers get used to buying seeds, manure etc. from the market they get into a vicious cycle."

The so-called modernised techniques of farming, he feels, are only commercialisation. Instead, the communities of women with whom he works have developed eco-friendly enterprises. They work with livestock not just for milk and draught but also to produce organic manure. Thousands

of backyard biofertiliser units provide 1200-1500 tonnes of vermicompost per year, improving the productivity of soils and crops and also generating an income of nearly four million rupees for the women. Hundreds of deep composting projects have been initiated. Several bio-pesticide units are entirely owned and managed by non-literate dalit women from low-income families. Millet processing units are helping the women run their own autonomous market for organic produce.

At a glance

Sateesh has introduced a number of eco enterprises into the communities of women with whom he works. The most important ones are:

• Working with livestock not just for milk and draught purposes but also for organic maure they produce

• Thousands of backyard biofertiliser units which together provide 1200-1500 tonnes of vermicompost per year both for improving the productivity of their soils and crops but also bring about nearly four million rupees of income to the women

- · Hundreds of deep composting projects have been initiated
- Several bio pesticide units entirely owned and managed by non literate dalit women from low income families
- Millet processing units
- A completely autonomous women led market for selling ecological produce centred around millets.

A variety of value-added products from coconut

A project of the Coconut Development Board for reviving coconut cultivation was launched at a three-day leadership training programme conducted at the SCMS business school recently.

A group of representatives of the Coconut Producers Societies (CPSs) in Alappuzha participated in the programme.

The project envisages production of a variety of value-added products having demand in the international market and to export them under the auspices of the federation of coconut producers societies, said T.K. Jose, Chairman, Coconut Development Board.

A low-fat cream from tender coconut, virgin coconut oil with medicinal properties, coconut milk powder, sugar from Neera that can be used even by diabetics, activated carbon from coconut shell are some of the value-added products proposed by the board. The Coconut Development Board has sought the help of the SCMS Biotech Research Institute to develop low fat cream from tender coconut.

The leadership training camp was conducted as an initial step to inculcate managerial and leadership skills among the growers with a view to preparing them for higher responsibilities.

The agriculture sector would also require better managerial skills if it had to progress in the globalised world, he said.

"Even when the coconut oil price is low, the growers in Sri Lanka, Thailand and the Philippines are not affected because they depend more on value-added products. It is a model that India can adopt to save the growers," he said.

If the growers take the initiative to form a strong federation to revive the coconut cultivation, the board will extend all support to them, he said.

Agricultural power tools expo

The Department of Agriculture will organise an exhibition, showcasing a range of farm machines, at Sir C.R. Reddy College here on Sunday. The tools used in paddy, groundnut, tobacco, maize, cotton and sugarcane crops will be displayed in the exhibition which is intended to create awareness among farmers on mechanisation in agriculture, according to Krupa Das, Joint Director,

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Hidden agenda to destroy paddy sector alleged

Exclusion of Pathanamthitta district from the government's paddy development programme, Sustainable Development of Rice-based Farming System, would adversely affect the paddy farming sector in the district, said Congress leader K.K. Royson.

In a statement here on Thursday, Mr. Royson, also the former district panchayat president, said the Rs.27-crore scheme was aimed at augmenting rice productivity in the State.

However, the exclusion of Pathanamthitta from its purview by the Agriculture Department was part of a hidden agenda to destroy the paddy sector in the district, Mr. Royson alleged.

Detracting farmers

He alleged that the move by certain quarters attached to the department was aimed at detracting farmers from paddy cultivation in the paddy belt of Thiruvalla, Aranmula, and Pandalam as part of a dubious design to help real estate lobby who were mad after paddy field conversion.

Pragmatic step

Mr. Royson also said the department should take a pragmatic step to protect the paddy sector in Pathanamthitta district.

Farmers pine hopes on north east monsoon



With a substantial deficit in rainfall during the south west monsoon season, Ariyalur district farmers are keeping their fingers crossed awaiting the north east monsoon, P. Senthilkumar, Collector, told presspersons on Tuesday. While taking a media team around the district for seeing the progress of various development activities, he said that against the normal rainfall of 357 mm during the south west monsoon period, the district received only 260 mm. The north east monsoon's normal bounty is 485 mm and "öur hopes depend on it".

He pointed out that while the south west monsoon was very bad last year the north east monsoon was quite beneficial with a bounty of 597 mm, 20 per cent more than normal.

J. Sekar, Joint Director, Agriculture, said of the total cultivable area of 1.10 lakh hectares in the district 32,900 hectares is irrigated using filter points and four channels, including Pullambadi, which is part of the Cauvery system. "However, Pullambadi system would get water if Mettur dam were to have 94 feet of water. (At present, Mettur dam's water level is hovering around 80 ft)."

While 940 hectares of the total kuruvai area of 1,000 hectares could be covered, hardly 10 per cent of the total samba area of 26,000 hectares had been covered so far.

Referring to the major crops of the district, Mr. Sekar said 2,700 hectares of the total 8,500 hectares of the cotton area, 7,000 hectares of the total maize area of 13,000 hectares, 8,628 hectares of the total millet area of 16,000 hectares, 442 hectares of the total pulse area of 4,000

hectares, and 8,600 hectares of the total sugarcane area of 9,000 hectares had been covered so far.

"Except paddy, we are confident of covering rest of the area of all other crops if the district were to receive a few showers," he added. "With regard to paddy it would be ideal to go in for medium term crops," he suggested. Required fertilizers and seeds are available in the district.

Asked about the reported labour shortage for farming operations, while Mr. Sekar admitted that it was a problem, S.S. Kumar, project officer, District Rural Development Agency, said that the State government had issued an order to utilise the services of the labourers who have registered themselves for the works under Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS) for agricultural activities. "Hence, we are trying to identify workers with the help of agriculture and horticulture department so that they could be deployed in the farming operations."

(According to official sources, 93 per cent of the total 1.85 lakh households in the district have been registered for the MNREGS programme and the number of individuals registered is 2.19 lakh)

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Agriculture Award for Nuziveedu Seeds

Nuziveedu Seeds on Thursday said that it was conferred with the Agriculture Leadership Award 2012 for pioneering work in agriculture. Instituted under the chairmanship of eminent agriculture scientist M.S. Swaminathan, the award was received by Nuziveedu Seeds CMD M. Prabhakar Rao. — Special Correspondent

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GM crops a threat: experts

The genetically-modified (GM) crops are a danger to the country's food and nutrition security and claims of GM lobbyists of a yield advantage for GM organisms were unfounded, said international scientists and experts. Crusaders for the cause of conventional crops and cropping patterns here on Thursday preferred statistics that showed that GM seed promoted by five multi-national companies were not the panacea for the population and for farmers.

GM crops were not a solution but a distraction from other conventional options, they said, adding that farmers were increasingly bearing the brunt of increased inputs and energy costs. Other challenges include climate change, increased losses from pests, exploding population and scarce water.

They pointed out that even in a country such as the USA that was seen as a success story with the longest history of GM use, engineered genes in crops such as Bt and herbicide tolerant corn had led to only a three to four per cent increase in yield and genetic engineering contributed to only 14 per cent of the yield increases in maize crop between 1996 and 2008.

The scientists included Hans Herren, member of the United States National Academy of Sciences from Millennium Institute, Washington, Doug Gurian-Sherman, senior scientist, Union of Concerned Scientists, Washington, Walter Goldstein from Biodynamic Association of North America and Jack Heinemann, professor of Molecular Biology and Genetics, School of Biological Sciences, Centre for Integrated Research in Bio-safety, University of Canterbury Christchurch, New Zealand.

Mr. Hans Herren said there was no evidence to show that India's food security needs would be met by transgenic crops. The need of the hour was more diverse and resilient cropping systems that addressed the country's agricultural challenges such as water scarcity, recurring droughts and soil degradation, he said.

Mr. Jack Heinemann said bio-technology choices should allow for food security and nutritious crops that helped the burgeoning population and struggling small farmers. "GM crops were in use only in about a half-a-dozen countries and it is not a technology that is everywhere but only an experiment," he stated.

International meet

Dozens of experts participated in the International Scientific Conference on the theme 'Can GM Crops Meet India's Food Security and Export Markets ?' in New Delhi on September 24 and 25 and here on Thursday.

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Pomegranate farmers served legal notices



Farmers who raised pomegranate orchards with the urging of the Horticulture Department are in dire straits with financial institutions issuing legal notices on default of loans.

The legal notices have come as farmers have not been able to repay loans following failure of pomegranate crops since 2008 due to bacterial blight that has wiped out a large number of plantations in 13 pomegranate growing districts of the State.

"We began cultivating pomegranate in 2004 as the State government encouraged us to do so. However, the government has not responded to our problems now, though several attempts have been made to raise the issue with it and its elected representatives," R. Abdul Nayeem, president, Pomegranate Growers' Association, told *The Hindu*.

No cultivation now

Most of the farmers, who raised loans to finance pomegranate orchards, have now stopped growing the crop, and are unable to repay the loans, he said.

Incidentally, in 2011, the Horticulture Department recommended loan waiver for pomegranate farmers.

According to Mr. Nayeem, legal notices were being issued by financial institutions even as the farmers have been urging the government for the last two years to waive their loans. "If the institutions start impounding our properties, we have nowhere to go," he said and added that about 50,000 pomegranate farmers have been hit across the State.

According to estimates, the department has identified 10,550 hectares (or about 80 per cent) of the 13,100 hectares under pomegranate cultivation in the State, to be blight-affected. While the average output was about 1.38 lakh tonnes a year, the production has dropped to about 80,000 tonnes in the last six years following the blight attack.

With no help from the research institutions to overcome the blight, the Horticulture Department, which in the early part of 2000 promoted the crop, has been requesting farmers not to raise further plantations.

Farmers' woes

Harish Varnekar of Gajendragad in Gadag district is among the very few pomegranate farmers left in the area. He has been asked by his bank to repay Rs. 19 lakh on a loan of Rs. 5 lakh that he availed himself of in 2006 to raise the crop on his 10-acre farm.

"I got a fairly good crop in 2008 after I raised the plantation in 2006. However, the blight attack forced me to remove half the plants," he said and added that even the fruit that he gets now is of poor quality.

Farmers, according to Mr. Varnekar, get a farm gate price of Rs. 250 to Rs. 300 per box of 10 kg of average quality fruits. "But a kilogram of pomegranate in Bangalore at retail stores is upwards of Rs. 120. Farmers are getting a pittance," he said.

Similar tales were expressed by Lokappa Rathod and Shashidhar Hoogar who have also received legal notices from banks. These two farmers have stopped pomegranate cultivation, and are growing traditional crops such as maize and jowar now.

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Tea Trade Centre to be set up in Kochi

KOCHI: The Tea Trade Association of Cochin (TTAC) will set up a <u>tea trade centre</u> in the Willingdon Island with the support of the <u>Tea Board of India</u>. The cost of the project is estimated to be Rs 100 crore, which will be raised through the equity contribution from the stakeholders and the financial assistance from the central government.

TTAC's managing committee has approved the feasibility study for establishing the centre. The proposed centre will be set up in 10 acres of land, which will be provided by the Cochin Port Trust. The centre will have a fully automated warehousing facility with a capacity to store about 10,000 tonnes of tea and processing equipment apart from providing office space for more than 10 corporate houses.

"The Willlingdon Island in Cochin Port is a main tea auction centre in south India. Large number of brokers, buyers and sellers are operating here transacting about 70 million kg of tea every year. However, the operations are scattered and labour-intensive, with blending being done manually. The Port Trust looks forward primarily to a trade promotional entity like the TTAC to create the facilities and manage the operations at international bench marks of finesse, productivity and automation," said Paul Antony, chairman of Cochin Port Trust. "The centre will have the potential to grow as a major tea hub in the world. It is understood that tea from different sources will reach Kochi which will attract overseas buyers especially in the context of the facilities provided by the centre," said V Unnikrishnan, the outgoing chairman of TTAC.

Water resources department releases flood calendar for 2013

PATNA: <u>Water resources department</u> (WRD) released its <u>flood calendar</u> (FC) 2013 on Thursday to streamline the local survey, selection and issuance of work order regarding flood protection measures and anti-erosion work to be taken up next year.

As per the FC 2013, all the mandatory initial works, including local survey and identification of 'critical points' needing urgent attention and work have to be completed by December 28 this year. The survey has already begun, with deadline for completion this month itself.

Accordingly, the work allotment to the agencies concerned would be made by December 31 and the execution of approved schemes would begin on January 1, while they would be completed by May 31.

Moreover, for the supervision and monitoring of the anti-erosion work, the team concerned would be constituted, and it would start making local visits from January 7. The special order for the flood fighting measures would be announced on May 2. After completion of the anti-erosion work taken up for implementation during the period, the final report on the anti-erosion work done would be submitted by May 31. Finally, the tentative date for the constitution of the flood control cell has been fixed as June 3.

WRD minister Vijay Kumar Choudhary and department's principal secretary Afzal Amanullah have approved the calendar so that the schemes are completed before the onset of floods next year.

While the state has 15 endemic flood prone districts, the length of the major embankments is slightly over 3,000km. During FC 2012, around 372 big and small schemes were taken up for execution. Of them, 359 schemes were completed.

The major critical points where flood fighting and anti-erosion measures were taken up during the flood season this year included part of Pipra-Piprasi embankment in Gopalganj district and threat to bank of the river Ganga at Barh in Patna district, as well as the Ismailpur-Bindtoli and Khairpur-Raghopur stretches along the downstream of the river Ganga in north Bhagalpur district.

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Sugar factory gets funds

BELGAUM: The <u>Markandeya Cooperative Sugar Factory</u> at Kakati near Belgaum has got Rs 22.43 crore from the <u>National Cooperative Development Corporation</u> to resume construction work, which had stopped 10 years ago.

NCDC has already released Rs 7.48 crore and has said that an additional Rs 8.49 crore will be raised from capital shareholders. The factory is situated on 112 acres leased forest land. Briefing reporters on Wednesday, chairman Avinash Potadar said "because of sudden increase in the machinery costs we needed additional Rs 22 crore," he said.

If all goes well, sugarcane crushing will begin in March 2013. There are 8,000 shareholders in the factory, in which 30% paid partial share amount of Rs 1,025 and 70% people paid Rs 2,050 against the full share amount of Rs 4,055. Potadar called on all shareholders to pay rest amount, which could help the factory get off its feet.

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Greenpeace installs solar pump set

PATNA: Access to energy for irrigation and other agricultural activities is an important issue for the rural Bihar. Looking at poor irrigation facilities due to non-availability of power and availability of abundant sunshine in the state, <u>Greenpeace</u> on Thursday installed and demonstrated a low-cost solar pumping system at Khalsa village in Bidupur block, barely 8km away from Hajipur, in Vaishali district. These low-cost solar pumping systems have a huge potential to increase agricultural productivity in the state.

This is the third village in Bihar where Greenpeace has installed a solar pumping system. The other two villages are Kalyanbigha in Nalanda district, where such a system was installed in April 2012, and Basaha village in Purnia district (September 24). "The system at Kalyanbigha is

working successfully," said an official. The low-cost solar pumping system will reduce dependency on power supply, said a spokesman of the Greenpeace India.

The system is lightweight and can be manually installed in any open well or borewell. It delivers 1,500-2,000 litres of water per hour for 6-8 hours on a sunny day. For better water management and maximum output, it is recommended that drip irrigation method should be used. The model fits well with <u>Bihar State Micro-Irrigation Project</u> (BSMIP) objective to encourage drip and sprinkler irrigation systems.

It was stated on the occasion that the pumping system runs on power produced by solar panels, without the need of batteries, and costs less than a lakh of rupees. Without any operational cost, it provides a cost-effective alternative to irrigation pump sets which run on grid electricity and diesel.

Manish Ram, campaigner, Greenpeace India, said the demonstration of the solar irrigation pump set at Khalsa village would prove to be a milestone in irrigation for small and middle-level farmers.

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Monsoon retreats from Madhya Pradesh

BHOPAL: After withdrawing from Rajasthan and Gujarat, the southwest monsoon has started retreating from Madhya Pradesh. The moisture in the air, a primary sign of monsoon being active, has been disappearing consistently from skies over some parts of western and northern Madhya Pradesh, including Ratlam, Guna, Gwalior and adjoining areas.

Depending on conditions, withdrawal process would now gradually take place in Indore, Bhopal, Hoshangabad, Jabalpur and remaining divisions of the state, weather office said.

"The southwest monsoon from the <u>Bay of Bengal</u> begins withdrawing from northwest parts of the country that includes, Rajasthan and Gujarat. And subsequently it covers the other states, including <u>Madhya Pradesh</u> and <u>Chhattisgarh</u>," said <u>meteorologist</u> ER Chintalu.

Primarily there are two signs of withdrawal of monsoon. It includes clearing of moisture from air and changed wind direction. While the moisture has already started getting clear, the wind direction that is generally south westerly during monsoon has also changed to northerly in the state. The dry wind during the evening and night is the indication of changed wind directions, the weatherman added.

However, possibility of thundershowers is still not ruled out completely till the monsoon is over and there is no presence of moisture in the atmosphere. The officials of the meteorological department, Bhopal circle, said thundery conditions may develop due to localised conditions.

Monsoon generally withdraws from the entire state by October 15. Whereas, the official date of withdrawal of monsoon from Bhopal is October 1. Last year, the withdrawal of monsoon from the city was declared on September 28 while this year it is expected to withdraw within a week's time, the weathermen added.

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Guj Polls: Cong promises sops for farmers

The Gujarat Congress on Thursday promised that it would double the hours of electricity supply to farmers, provide new connections and remove dark zones from the state if they were voted to power in the Assembly polls to be held later this year.

The slew of announcements related to farmers and electricity supply were part of the Gujarat Pradesh Congress Committee's (GPCC's) election manifesto which the party has been announcing at regular intervals. "We will bring a new Act for providing power connections to more than 10 lakh farmers from Dark zone and non-dark zone talukas for new connections. These talukas have been waiting for over 10 years. By enacting a special legislation, liability of electricity companies will be fixed for release of agricultural power connection to the applicants within six months from their application," GPCC president Arjun Modhwadia said.

It may be mentioned here that this year the Modi government had announced 1 lakh electricity connection in the dark zones areas of the state during the state budget session in March.

Besides power connections to 10 lakh farmers including those in the 55 dark zone talukas, the Congress leader announced 16-hours per day power supply to farmers, upto 90 per cent subsidy in water pumps of 5 HP to 100 HP running on solar and wind power and provision for free solar street lights in 18,000 villages.

Modhwadia alleged that Chief Minister Narendra Modi was misleading the people outside Gujarat by claiming that farmers in the state receive 24 hours power supply. "The farmer is having only 8 hours power supply which include 4 hours power supply during night time," he claimed.

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Cardamom prices to rise on low crop this year



Cardamom prices are set to rise to record levels during the current year due to lower and delayed crop in the country.

Domestic auction prices have gone up 27.7% to Rs 771 per kg in July this year against Rs 604 per kg in the year ago period.

"Drought in major producing regions in Kerala has not only delayed cardamom crop for the year 2012-13, but also lowered it. Extended dry spell and drought have caused wilting of plants and hence productivity has suffered," United Planters' Association of South India (Upasi) said in its latest report.

During 2011-12, cardamom production went up 25% to 12,975 tonne against 10,380 tonne in the previous year.

Kerala accounted for a major share in the total production at 10,222 tonne. Karnataka and Tamil Nadu stood at the second and third positions with 1,911 tonne and 842 tonne respectively.

The turnaround in cardamom prices since 2006-07 continued during 2010-11. The price realised at auctions increased from Rs 878.65 per kg in 2009-10 to Rs 968.34 per kg in 2010-11.

The increasing trend, however, could not sustain during 2011-12, as the prices fell by Rs 323.30 per kg to reach Rs 645.04 per kg. The record export level in 2011-12 has partially helped in arresting the free fall in prices to a certain extent, Upasi said in its latest annual report.

The year 2011-12 witnessed all-time high exports of 4,650 tonne valued at Rs 363.22 crore compared to 1,175 tonne valued at Rs 132.16 crore in the previous year. This helped in the value realisation to increase by Rs 231.06 crore, despite a fall in the unit value realisation by 30.6% at Rs 781.12 per kg.

Export from India was higher since Guatemala has not recovered from the damages that cardamom plantations suffered. Major importers of Indian cardamom were Saudi Arabia, UAE, Kuwait and Egypt.

Cardamom traders expect the prices may touch a new peak of Rs 2,000 per kg this year due to damage of crop in Kerala coupled with high export growth.

"The erratic monsoon this year and drought like conditions have led to drop in production this year in Kerala's Idukki district, which is the main centre for cardamom in India. Lack of rainfall during this season has already damaged cardamom crop by more than 40% till date," a trader at Upasi's 119th annual conference said.

Generally, harvesting of cardamom starts from July every year. Cardamom plant requires summer showers for new offshoots to grow, resulting in new pods of cardamom.

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Nivedita Mookerji: Who's afraid of FDI in retail?

How has the growth of resourced organised retail – whether Indian or foreign – impacted local economies in other developing countries? Have farmers and local suppliers and *kirana* gained? Or have they been wiped out, as some political parties and analysts predict for India? Field studies so far suggest the former.

Take Indonesia. The country was (and is) a major producer and consumer of a wide range of agricultural and fishery products. But, like India, it lacked an efficient cold chain that is so vital for moving perishable products to market. As big retail started setting up shop there in 1980s,

the government took the help of international non-profits – like Washington-based Agricultural Cooperative Development International and Volunteers in Overseas Cooperative Assistance (ACDI/VOCA) – to strengthen the country's weak cold chain infrastructure.

To overcome the great distances that perishables had to travel to get to markets, the US Department of Agriculture made funds available for a cold chain improvement project implemented by ACDI/VOCA and its partners Winrock International and Texas A&M University. The objective was to improve the cold chain-related technical expertise available at Indonesian universities, providing financing to businesses in the cold chain and developing an association of cold chain-related business. ACDI/VOCA provided the association with the tools it needed to maintain viability and long-term financial health.

The upshot, says a 2008 study called "Supermarket Revolution In Developing Countries" by International Food Policy Research Institute's Thomas Reardon and Ashok Gulati, is that farmers and processors were able to gain access to quality-differentiated food markets and raise incomes. In Indonesia, because the sector is still fragmented, foreign chains do not have more than a 20 per cent share of the retail business, a situation similar to that of China.

When farmers enter supermarket channels, the study found, they earned 20 to 50 per cent more in net terms. Among tomato farmers in Indonesia, for example, net profit is 33 to 39 per cent higher among supermarket channel participants than among those in traditional markets.

Why does this happen? According to another IFPRI discussion paper by the same authors, as the number of stores in a given supermarket chain grows, the chain typically shifts from a fragmented, per-store procurement system to a distribution centre serving several stores in a given zone or district and eventually across the whole country. The report cited the China Resources Enterprise, a retailing-to-real estate conglomerate operating in Hong Kong and mainland China, to note that it was saving 40 per cent in distribution costs by combining modern logistics with centralised distribution in its new distribution centres in southern China. Similar figures were available for Costa Rica and Brazil too.

The Philippines, for example, innovated with several programmes after the rush of big retail. In 2006, the Department of Agriculture started the Neighbourhood Food Terminals where farmers could sell directly to consumers, thus, raising margins to farmers and reducing prices to

consumers, according to a discussion paper called "Rise of Supermarkets" by Reardon and Gulati in 2008.

Indeed, the benefits that cold chain infrastructure alone can bring for farmers and, therefore, consumers by reducing wastage are unambiguous. This, incidentally, can also create a virtuous cycle of growth for the cold chain business, a benefit that India could reap as well. According to retail consultancy Technopak Advisors, the Indian cold chain market has the potential to grow to Rs 32,000 crore by 2015 from around Rs 18,500 crore in 2010-11.

The benefit to farmers as a result of organised retail is something some farm group lobbies understand. As Ajay Jakhar, chairman, Bharat Krishak Samaj, says: "We want a higher farmer share of the consumer price. I think it is possible to share the benefits proportionally between farmers, consumers and even traders." And foreign direct investment (FDI) in retail can help here, he argued.

If farmers can gain, so too can small retailers. For example, many cities in China launched wet market-upgrading programmes, similar to those established over the past several decades in Taiwan, Singapore and Hong Kong. This included a range of soft and hard infrastructure improvements such as better lighting and ventilation; fire-fighting equipment and security, and more.

The wet market upgradation would typically involve governments helping small retailers through affirmative action policies to strengthen their competitiveness so they could also participate effectively in the transition to modern retailing. It also meant providing compensation to help them change their lines.

Still, "FDI in retail is no magic lamp," says Gulati, who is chairman of the Commission for Agricultural Costs & Prices (CACP) and a respected agricultural economist. He argues that success lies in how the policy is implemented.

In India, that would mean some concerted action from the states to amend laws that restrict farmers' access to retail markets via state-controlled *mandis* or wholesale markets under Agricultural Produce Marketing Committees (APMC).

These have evolved into exchanges dominated by powerful cliques of middlemen where price discovery is an opaque transaction (conducted by hand signals under a cloth) and little of the premiums consumers pay trickles down to the farmer. Indeed, calls for amendments to the APMC Act have grown louder and more frequent in recent years with the development of organised domestic retail chains.

In fact, the direct benefits of supply chains run by organised retail have been in evidence for some years. In 2011, a CII-Boston Global Consulting report showed that farmers in India earn only 30 per cent of the consumer price compared to 50 to 70 per cent in more developed markets. A significant portion of the mark-up in price is due to a large number of intermediaries.

As far back as 2008, the Indian Council for Research on International Economic Relations (Icrier) focused on cauliflower to make the point that current supply chains tend to raise costs for farmers and promote waste. Farmers who grew cauliflower but did not supply to an organised retailer, the Icrier study said, sowed roughly 18,000 heads of cauliflower per acre of land — a number that far exceeds the ideal count.

Most international studies have focused on food retailing. But what about the *kirana* or small local general shops? The Icrier study of 2008 showed that unorganised retailers in the vicinity of organised retailers experienced a decline in sales and profit in the initial years after organised retailers entered. The adverse impact, however, weakens over time: the study discovered that less than half the stores that down shutters do so due to competition from big retail.

Indeed, there is no better example of how *kirana* stores can reap the benefits of big retail in the much-feared Walmart. IFPRI's paper "Rise of Supermarkets" calls Sam Walton an important example of a *kirana* man who used entrepreneurial spirit in a situation of opportunity. "He started in 1950 with a tiny five-and-dime store in a rural Arkansas village, population 3,000....Walton started by building a chain of kirana stores in the surrounding towns and then states, and by 1962 he had decided to open a small supermarket called Walmart. He hit on an idea to buy directly from suppliers and cut costs by building a distribution center network."

In China, part of the domestic chain response to foreign competition has been first-tier mergers and acquisitions of local chains, the Rise of Supermarkets paper says. In India, Gulati suggests replicating McDonald's franchisee model to integrate mom-and-pop stores into organised retail chains. Making it mandatory condition for large retailers to allocate space to franchisees for standardised quality and formats across India is one way of avoiding a clash of interests.

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Perennial crops in drought-hit states get interest subvention

The Union ministry of agriculture has decided to extend the interest subvention or subsidised crop loan scheme to perennial crops in the drought-affected states of Gujarat, Maharashtra, Karnataka and Rajasthan.

The present provision is only for seasonal crops. Those for perennial crops would be shortly launched as a full-fledged scheme for these states, said official sources.

Under the scheme, a farmer is eligible for the crop loan which is short-term (a year) in nature. In the case of horticultural crops like tomato, banana, pomegranate, etc, a farmer will be eligible for interest subsidised for three years to cover the average growth cycle of such crops or plantations. "Now this subvention scheme where a 13 per cent loan is given at the rate of four per cent will be available for a three-year loan and not only a short-term seasonal crop loan. However, the amount has been capped at Rs 30,000, unless there is a case approved by a bank for more amount, depending on the nature of the crop," said a official.

Earlier this month, the Union cabinet had approved the release of Rs 10,901 crore as interest subvention for 2012-13. Of this, Rs 3,267 crore was a subvention for National Bank for Agriculture and Rural Development (Nabard) for refinance to co-operative banks and regional rural banks (RRBs) and Rs 7,634 crore to public sector banks, RRBs & co-operative banks for subvention on their own funds.



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Gujarat Cong offers sops to farmers

The Gujarat unit of the Congress on Thursday announced a slew of sops for the farmers if the party was elected to power in the Assembly elections in December.

This is the eighth promise being made by the Congress as per its "Gujarat Praja Vikas Darshan - 2012" in the run up to the elections in the state.

The earlier promises made by the Congress include salary hikes for Government staff, low cost housing for urban women, free health services, jobs and laptops for college students.

The promises made by the Congress for the farmers include power supply for as long as 16 hours and easy availability of land record documents at the village level itself.

The Congress also promised 90 per cent subsidy for pumps run on solar and wind power in addition to bearing their maintenance costs.