THEMAHINDU

Monitoring panel to inspect Periyar dam today



The Supreme Court-appointed three-member Monitoring Committee will inspect the Periyar dam on Monday, and convene a meeting there with officials concerned, sources in the PWD said.

He makes farming look charming



The farmers are encouraged to practise organic and inorganic farming depending upon the soil conditions. Photo: M. Karunakaran

He has influenced 30,000 working professionals to leave cushy jobs and take up farming as a career. S. Jegan Karuppiah, a soft-spoken scientist at M. S. Swaminathan Research Foundation (MSSRF), has played a pivotal role in shaping the 'Attracting and Retaining Youth in Agriculture' (ARYA) programme, MSSRF's nationwide initiative.

As part of this programme, workshops are conducted at the regional level in Tamil Nadu. Professionals with expertise in technology are given hands-on training in agriculture and farming (Veterinary Farming).

"Around 10 per cent of the farmers, who are mostly computer techies, engineers or professionals from various other fields, practise farming, while

they continue with their jobs. They either cultivate crops on their own, or do it along with their friends. The 'farmers' come from both a rural and an urban milieu. A few of them have studied and worked abroad before taking up agriculture-related ventures," says S. Jegan Karuppiah.

These new-age farmers use their areas of expertise to maximise input. "They are trained to think analytically and adapt to the latest technology. Moreover, they are good at climate risk management, monsoon management, climate change adaptation, and mitigation. They are happy to serve the nation," he points out.

The Foundation also gives them a training manual which guides them through land preparation, harvesting crops, market rates, and information-communication technology, where advisory voice and text bulletins on government schemes and subsidies, climate, wind speed and rainfall are issued at regular intervals.

They also have a 24-hour helpline (9677759545, 9677759549).

They encourage these amateur farmers to interact with veteran farmers. We also arrange field visits and give hands-on training.

The farmers are encouraged to practise organic and inorganic farming depending on the soil conditions. "The two-day training programme for the new farmers includes capacity building, technical output and experts discussion. We (MSSRF) create a link between the farmers and markets. We also give guidance on exporting crops and on applying export licences', he says.

Moreover, we encourage the farmers to practise integrated farming (veterinary farming), which will help in producing fertilisers for crops. They are taken on a field-visit to the model integrated farm, where they learn everything about profitable farming.

"Till date, we have conducted training programmes at regional level with the support of the State Agriculture Department, Government of Tamil Nadu. Soon, we are going to conduct district training programmes in Thiruvarur, Nagapattinam, Theni, Dindgul, and Pudhukottai on a pilot basis. The State Agriculture Department has given the permission to conduct the programme in five districts," he says.

Apart from this, the Foundation awards 10 best youth farmers every year for various achievements, including managing maximum yield and and also motivating others to take up agriculture.

The programme is conducted under the leadership of M. S. Swaminathan and Dr. N. Parasuraman, principal scientist, MSSRF.

For details, contact Youth and Development Wing, MSSRF, at 91-44-2254-1229, 2791.

Food processing course

A one-week programme on Ágriculture and food processing' will be conducted at Alanganallur and R. Kalupatti in Dindigul district from September 18 to 23.

Aspirants can apply before September 16. They should have passed standard 10 and must be aged between 18 and 35. Copies of educational qualifications, passport-size photograph and community certificate must be sent to Project Coordinator, VAPS Training Centre, 39 Besant Road, Chokkikulam, Madurai. The project coordinators can also be contacted at 95009 38706 or 98650-31701.

Water level

The water level in Periyar dam stood at 132.90 feet on Sunday with an inflow of 503 cusecs and a discharge of 500 cusecs.

The level in Vaigai dam was 47.93 feet with an inflow of 67 cusecs and a discharge of 960 cusecs. The combined storage in Periyar credit was 6,723 mcft.

Water level at Mettur

The water level in the Mettur Dam stood at 99.88 feet on Sunday against its full level of 120 feet. The inflow was 6,502 cusecs and the discharge, 23,017 cusecs.

Water level

Water level in the Papanasam dam on Sunday stood at 90.80 feet (maximum level is 143 feet). The dam had an inflow of 552.55 cusecs and 1,354.75cusecs of water is discharged from the dam. The level of Manimuthar dam stood at 55.65feet (118 feet). The dam had an inflow of 8 cusecs and no water is discharged.

Discovery at Delft



Parvathy Chandrashekar

Choosing to pursue Bachelor's in Agricultural and Irrigation Engineering was the one of the most difficult decisions I had to make when I finished high school. The subject was relatively unheard of, and, during my engineering counselling, it was apparent that there were not many takers for it. Today, I am pursuing my Master's in Water Resources Management at Delft University of Technology in the Netherlands and have come a long way from being the girl who was convinced that she had made the wrong career choice.

There is a popular saying here — "God created the earth but the Dutch created the Netherlands." This is because a large part of the country is below sea level. Initially, I was terrified when I learnt that Delft, where I live, is six feet below sea level. Horrifying visions of being swallowed by a massive flood were eventually replaced by a sense of admiration and respect when I saw the engineering marvels that the Dutch have in place to keep their nation safe from nature's fury.

Courses at the university are designed to bring out the best in students. There is a lot of studying involved but working as a team is considered very important here, judging by the number of group assignments I have done so far.

Practical work and field trips are a part of almost every course, and it is indeed satisfying to see and experience everything we learned in the classroom, in real life. The professors are extremely passionate about the subject they teach and are kind and understanding as well. Some of them have been to India for research and it has been great to hear all the good things they say about my country.

Pleasant surprise

Contrary to all the warnings about the Dutch being quite blunt in their approach and not being very keen on making friends, I have found them very welcoming and warm. In fact, I met students not just from the Netherlands but from so many other countries that I remember taking up an atlas every time I met someone new, wondering how I could have remained so ignorant all this time.

It was quite difficult, initially, the transition from being my parents' favourite to doing things on my own. The last two years have been quite a learning experience for me both career-wise and personally. For a middle-class girl like me, who couldn't imagine a life beyond the protective shelter of her

parents, it has been an awesome journey, and I can't wait to explore the rest of the world.

Farms to be under pest surveillance

Farmers across the State will soon be armed with technical knowhow for targeted management of pests and crop diseases.

The Pest Surveillance and Crop Advisory project launched by the Department of Agriculture in Kasaragod district last year is to be extended to other parts of the State. An amount of Rs.6 crore has been earmarked for the project in the annual Plan for 2014-15. The project involves establishment of pest surveillance units, plant clinics, farmer field schools and referral laboratories as well as weather data recording and compilation, training, software development and plant health delivery services.

District diagnostic teams will be constituted for pest and disease surveillance. The information collected by the teams is to be correlated with weather data to generate a Monthly Technology Advisory (MTA) for each agro-ecological unit.

Director of Agriculture R. Ajithkumar said the project would cover six crops, namely rice, pepper, banana, coconut and cucurbitaceous and solanaceous vegetables. He said a suitable mechanism would be formulated to share the experience and data from 39 blocks in Kasaragod where the pilot project was taken up.

"The focus is on biocontrol methods," says K.M. Sreekumar, Associate Professor, College of Agriculture, Padannakad, who coordinated the pilot project. "We have identified three major pests and diseases for surveillance in each crop. Nutrient problems like calcium and boron deficiency will also be regularly monitored," he said.

Nutrient-health link

Dr. Sreekumar said the data generated by the project had thrown up interesting observations about the complex correlations between nutrient status and plant health.

"We found that nutrient deficiency is rampant in coconut trees growing in hilly tracts. Field- level data revealed that calcium and boron deficiency results in softer spindle leaves, eventually leading to injury and bud rot. Farmers who treated the affected trees with Bordeaux mixture based on our advisory, later reported a severe infestation of Red Palm Weevil, possibly attracted by the chemicals from the wounds."

Dr. Ajithkumar said retired professionals and students with vocational training would also be hired to support the project.

Loan waiver, free power no solution, says Venkaiah



Editor of monthly magazine, Rythu Nestham, Y. Venkateshwara Rao (right), being felicitated by Union Minister M. Venkaiah Naidu in Hyderabad on Sunday. Former MP Y. Lakshmi Prasad is seen.— PHOTO: NAGARA GOPAL

Loan waiver was not the solution to farmers' problems. What they required was remunerative price for their products, said Union Urban Development Minister M. Venkaiah Naidu.

He expressed himself strongly against what he called the 'latest fashion' of announcing loan waiver by politicians. This was not going to end the misery of farmers. He also faulted the free power promises made by politicians and said initially it would be low power and then no power. Gujarat did not offer free power and the tariff was also high there and yet Narendra Modi won thrice. "What people need is quality and assured power," Mr. Naidu remarked.

He was speaking at the awards function of Rythunestham, a magazine devoted to farmers, on the occasion of its 10{+t}{+h}anniversary celebrations here on Sunday evening.

In a touching address, Mr. Naidu recalled the village ambience, the green fields and cattle and deplored the present trend among people to shift to cities in search of jobs. A doctor wanted his son to become a doctor but a farmer did not want his son to follow suit. This was because agriculture was no longer considered dependable. Productivity levels remained lower in India as compared to other countries, be it in paddy, wheat or maize. "Agriculture is the basic culture of India. We need to go back to our roots," Mr. Naidu said.

He criticised the trend to import everything and said the country needed home grown food security and not imported food security. There was need to create godowns and cold storage facilities in markets. Agriculture was a priority sector but banks advanced only 29 per cent loans forcing farmers to turn to private financiers. Mr. Naidu advocated the one food zone concept so that rice and other such produce could go from one state to another.

The Centre, he said, was keen to provide Soil Health Cards to all farmers in the country.

The Modi government had ended the financial untouchability through the Jan Dhan Yojana. Till now 3 crore bank accounts were opened in the country.

Farmers wait for subsidy on equipment



Agricultural equipment is currently in great demand in Medak district. The farmers across Telangana State have been waiting for announcement by the government on subsidy for farm equipment. As the government has not yet taken decision on the subsidy component to be offered on equipment, the dealers supplying this equipment have been having trouble in answering the guestions being posed from farmers.

The farm activities were intensified with recent rains across Telangan State except in Hyderabad and Ranga Reddy districts where cultivable land was relatively less compared with other districts.

According to sources, about Rs. 125 crore was allotted for the supply of farm equipment for farmers and orders were also reportedly issued.

For instance, Medak district was already allotted Rs. 18 crore, but funds were not released so far due to indecisiveness on subsidy component factor.

Ryots demands

The farmers were demanding supply of three tine cultivators (total cost Rs. 3,500), rotovators (Rs. 1,05,000), Taiwan sprayers (Rs. 21,000), maize harvesters (Rs. 19,60,000 without tractor and Rs. 23,00,000 with tractor), cultivators (Rs. 21,000), small tractors (18.5 HP to 20 HP cost is Rs 2.8 lakh and 20 HP to 24 HP cost is Rs. 4.9 lakh), full cage wheel (Rs. 30,000), half cage wheel (Rs. 18,000) and pneumatic bullock carts with tyres (Rs. 45,000).

The government was not supplying full cage wheels as the agriculture scientists suggested against their use as it would not be beneficial for farming. Still the farmers were demanding their supply as it covers more area comparing with half cage wheels. It was stated that damage of roads due to use of full cage wheels on roads by farmers was also stated as one of the reasons for not supplying them.

Similarly, pneumatic bullock carts with tyres were not being supplied as it was not considered as farm equipment.

The officials wrote to higher authorities for special permission as 1,766 applications were pending with the authorities for the supply of these carts.

"We have not yet received any guidelines on the subsidy component. Once it was received, the equipment will be supplied," said B. Hukya Naik, Joint Director, Agriculture.

"Farmers are coming and returning with disappointment as they were told that subsidy is not yet released. Time is running short for them. They need some equipment urgently and we are in helpless condition," said a dealer on the condition of anonymity.

Red jowar farmers receive their arrears

Minister for Agriculture Pocharam Srinivas Reddy distributed the cheques released by the government towards the arrears to be paid to the red jowar farmers in Degam village in Armoor mandal on Sunday.

Speaking on the occasion, the Minister said that Chief Minister K. Chandrasekhar Rao kept his promise made to red jowar farmers of the area during his visit to Armoor on August 7 and immediately ordered for the release of the arrears pending for the last five years. Due to mishandling and negligence of the previous government the farmers, suffered loss after selling their produce, he said. Presiding over the meeting, MLA Asannagari Jeevan Reddy said that all farmers who had

sold out their produce and were yet to receive amount were identified. Cheques would be given to all the farmers in the days to come, he said.

Weather conditions force farmers to go in for cash crops

Delay in sufficient rainfall has forced paddy farmers in Krishna district to go in for cash crops, largely cotton in the kharif season. A stretch of upland areas in Western Krishna district has been turned into a cotton belt by covering the cotton cultivation in above 59,000 hectares. Until the last kharif season, paddy was one of the significant crops grown upland.

The areas where farmers have shifted from paddy to cotton this year are Jaggayyapeta, Nandigama, Mylavaram and Tiruvuru mandals. However, the extent of land brought under cultivation of black gram and red gram was also significant in the present kharif. "An estimated 9,000 hectares of additional land has been covered under cotton cultivation. The farmers engaged in cultivation of paddy in upland areas had no option, except growing the cotton," Agriculture Department Joint Director V. Narasimhulu told *The Hindu*.

On the other hand, sowing operations of paddy have been completed in nearly two lakh hectares of land across the district. Majority of the paddy sowing operations, not less than 70 per cent, were completed in the last four weeks alone.

The two-month delay in sowing the paddy was expected to lead to delay in harvesting, apart from slight impact on yield per acre due to changes in weather.

According to Krishna district department of agriculture's data, the total extent of land under cultivation of various crops in kharif season is 3.52 lakh hectares, with paddy being the largest preferred crop among the farmers in both deltaic and upland areas.

Impetus for fish farm culture

Through the Fish Farmers' Development Agency it has been proposed to encourage prospective candidates to take to fish farm culture on 100 hectares in Villupuram district this year, according to V. Sampath, Collector. He told the reporters that those interested in the trade would be imparted training on aqua-farming, fish seed production, ornamental fish breeding and brackish water shrimp farming.

Those who were present included Project Officer (DRDA) G. Radha, Personal Assistant to Collector (Agriculture) Arumugham, and Joint Director (Fisheries) Karunakaran.

August inflation eases to nearly 5-year low of 3.74%



Vegetable prices contracted 4.88 per cent, the third continuous month of decline.

Declining prices of vegetable and other food articles pulled down wholesale inflation sharply to 3.74 per cent in August to a nearly five-year low.

The inflation measured on Wholesale Price Index (WPI) was at 5.19 per cent in July and 6.99 per cent in August 2013.

Inflation in the food segment witnessed a significant decline to 5.15 per cent in August as against 8.43 per cent in the previous month, according to official data released in New Delhi on Monday.

The August WPI inflation is the lowest since October 2009 when it stood at 1.8 per cent.

Vegetable prices contracted 4.88 per cent, the third continuous month of decline.

Maintaining a downward trend, the onion prices contracted by 44.7 per cent during the month under review.

However, potato prices were on the rise as inflation in the kitchen essential jumped to 61.61 per cent from 46.41 per cent in July.

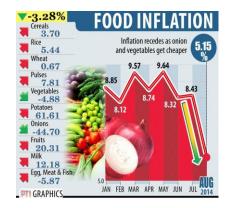
Inflation in the fruits basket eased to 20.31 per cent in August.

While prices of protein rich items like egg, meat and fish contracted during the month, inflation in milk and pulses inched up to 12.18 per cent and 7.81 per cent, respectively, as compared to July.

The August retail inflation too eased to 7.8 per cent compared to 7.96 per cent in July.

INDIAN EXPRESS

August Inflation Eases to Nearly 5-Year Low of 3.74 Per Cent



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The wholesale WPI data further revealed that the price rise in manufactured goods, like sugar and edible oils too eased to 3.45 per cent in August, while it was 3.67 percent in July.

Inflation in the fuel and power segment which include LPG, petrol and diesel declined to 4.54 per cent as compared to price rise of 7.40 per cent seen in July.

Meanwhile, wholesale inflation based on final index for June has been revised upwards to 5.66 per cent from the provisional estimate of 5.43 per cent.

The August WPI data is also provisional, the government said.

It also said the build up inflation rate in the financial year till August is 3 per cent compared to a build up rate of 5.23 per cent in the same period of 2013-14.

More Villages to Supply Vegetables to City

HYDERABAD: The pilot project of Telangana government, "Mana Ooru, Mana Kuragayalu", intended to boost vegetable supply to Hyderabad city, has begun with 20 villages already supplying vegetables to the city. A few more villages are expected to begin their supply in the next two weeks.

"Five clusters have already started sending the produce and within two weeks, the remaining will also start," said Venkata Rami Reddy, executive director of horticulture department.

Considering the current demand, we are expecting every cluster to supply around 3 tonne of vegetables everyday, he added.

Chief Minister K Chandrasekhar Rao launched the project on August 6 when he named the Agriculture University after Prof Jaya Shankar. Under this project, the government provides subsidies and transportation to farmers for bringing their produce to the city. With this system, farmers can avoid middlemen and sell their produce directly to customers. With the elimination of middlemen, farmers can sell vegetables at reasonable prices. Ultimately, the urban population will benefit as vegetable prices will be stable.

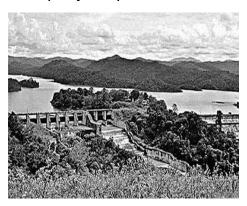
The agriculture marketing department selected 35 villages from Ranga Reddy, Medak and Mahbubnagar districts and divided them into 10 clusters. Every cluster has three to four villages, where select farmers will supply vegetables to Hyderabad with the help of the government. So far, the government selected around 1,900 farmers from three districts. The

marketing department has also set up collection centers in all the 10 clusters to collect vegetables.

The vegetables will be sold at Rythu Bazaars and various markets in the city. Officials have made sure that all the selected villages are less than 50 km to 60 km from the city. "It makes transportation easier and the vegetables will be fresh by the time they reach the market," said Rama Laxmi, project officer, Micro Irrigation, Medak.

The current vegetable supply is unable to meet the demand of the city. According to available data from the agriculture department, the state needs around 110 lakh tonne of vegetables every year. However, only 50 lakh to 60 lakh tonne are available in the market. The State's share is only 3-4 lakh tonne of vegetables every year.

Mullaperiyar Apex Panel Meet Today



KUMILY: The regular meeting of Mullaperiyar apex committee will be held here on Monday, after the embarrassing situation created by Tamil Nadu by walking out of the meeting of the sub-committee on September.

All the three members of the committee would visit the dam in the morning to check the quantity of water seeping through the dam and would take water sample.

The panel would meet in the afternoon at Periyar House to discuss various issues pertaining to the safety of the dam. Tamil Nadu had agreed to provide data on the water seepage through the dam during the last three years. But they have not been able to keep their promise, the sources said.

Tamil Nadu sending substitutes to replace the real members of the subcommittee and those members putting their signature in the minutes book cannot be allowed, the sources said.

The issue of two members of Tamil Nadu boycotting the meeting after the members of the two states differed on some issues is certainly on the top of the agenda for the committee to discuss in its closed door meeting.

The Supreme Court had set up the apex committee to conduct a close monitoring of the safety of the dam which is over a century old built using archaic technology. It is the duty of the apex and the sub committee to carry out the inspections of the dam in a transparent and sincere manner, the sources said.

The apex committee comprising of L A V Nathan, chief engineer (Dam Safety Organisation), central water commission, M Saikumar, principal secretary (public works), Tamil Nadu, V J Kurian, additional chief secretary (water resources) Kerala had visited the dam for the first time on August 19.

Dam Height: TN Pins Hopes on SC Verdict

IDUKKI: After a gap of three-and-a-half decades, Tamil Nadu is looking forward to raising the water level of the dam to 142 ft, armed with the recent verdict of the Supreme Court.

The level in the dam stood at 132.9 feet on Sunday morning even as the Peermade taluk, where the dam is situated, received the highest rainfall of 14 mm in the district even as the district's average rainfall was just 12.6 mm.All other four taluks had received less than one mm of rainfall. The dam level was first reduced to 136 feet from 145 feet during 1980, following the collapse of Machu-II earthen dam in Gujarat on the Morvi river in 1979. Tamil Nadu had been constantly making efforts through legal steps to increase the water level. They finally tasted success when the

Supreme Court gave nod in 2006. But, Kerala managed to escape from implementing the order after passing an act in the state Assembly in 2006.

The SC's recent order trashing the Kerala Government Act on the issue and allowing Tamil Nadu to go ahead with raising the water level to 142 feet has empowered it to take all steps to collect water to the maximum permissible limit and use it during summer for irrigation in five districts of TN.

Commerce Hits a New High as Fruit Prices Plummet

IDUKKI: It is time for the people living in the high range to relish different fruits as they are supposed to be cheapest during this time of the year. With Idukki sharing a common border with Tamil Nadu, the cost of these fruits is cheap due to the cut in the transportation cost. These fruits which are normally unaffordable to the common man are now within the reach of all.

A large number of traders selling apples, pomegranates and grapes are seen in different junctions of the district. The permanent shop owners not only rue over the authorities allowing mobile vendors to carry out business, but also accuse them of selling underweight and poor quality fruits. Apples which were sold above Rs 150 are available as less as Rs 30 to 40 per kg depending upon the quality of them. Apples grown in Idukki are also seen in the market but mainly available in the tourism area of Munnar.

Apples are being mainly supplied from Himachal Pradesh where the state has high production figures and recorded a bumper harvest. Pomegranate which is priced above Rs 200 is being sold in the Rs 50 to 80 range. The main reason for the crash in prices is the excellent harvest witnessed in the country, Reji of Best Fruits in Thodupuzha said. Black grapes grown aplenty in the next door in Tamil Nadu mainly in the Cumbum-Theni belt also calls for attention.



Inflation eases to nearly 5-year low of 3.74 pct in August



Vegetable prices contracted 4.88 per cent, the third continuous month of decline, but potato prices were on the rise in August.

Declining prices of vegetable and other food articles pulled down wholesale inflation sharply to 3.74 per cent in August to a nearly five-year low.

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The August retail inflation too eased to 7.8 per cent compared to 7.96 per cent in July.

The wholesale WPI data further revealed that the price rise in manufactured goods, like sugar and edible oils too eased to 3.45 per cent in August, while it was 3.67 per cent in July.

Inflation in the fuel and power segment which include LPG, petrol and diesel declined to 4.54 per cent as compared to price rise of 7.40 per cent seen in July.

Meanwhile, wholesale inflation based on final index for June has been revised upwards to 5.66 per cent from the provisional estimate of 5.43 per cent.

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The times of india

Kerala receives 9% excess rainfall



THIRUVANANTHAPURAM: Kerala has received nine per cent excess rainfall till September 10, contrary to some earlier weather reports that predicted deficit during this south west monsoon season.

South west monsoon, which marked its entry into the subcontinent in a sluggish manner on June 6, gained momentum in the last one month resulting in copious rains across the state.

According to the data put out by the Meteorological Centre, the state received actual rainfall of 2041.3 mm against the normal rain of 1870.9 mm registering 9 per cent excess.

India meteorological department (IMD) director K Santhosh said that though south west monsoon had set in over the state in a sluggish manner in June, majority of districts received good rain than the normal rate. Ten of the total 14 districts of the state received excess rain. Ernakulam and Idukki districts received excess rainfall during the period — 21 per cent more than the normal rainfall, it said.

Wayanad (- 2 per cent), Alappuzha (- 4 per cent), Kasaragod (- 9 per cent), and Thrissur (- 8 per cent) districts received deficit rainfall, it said.

Pathanamthitta, Kottayam and Malappuram received good rainfall during the season, the data added.

Chronicle

Vegetable prices show seasonal downtrend



Chennai: In what will come as a piece of good news for consumers who have been watching their monthly expenditure on vegetables carefully, given the volatile prices in the past few months, vegetable prices have

been maintaining a downward trend in the past two weeks. Traders say that the prices are likely to remain stable through the month, better rains and good supply being factors in their favour. Fish prices, too, have remained low in the past few weeks.

According to traders at the Koyambedu wholesale market, most of the vegetable prices have come down or remained the same since last week. V.S. Soundaryarajan, trader at Koyambedu wholesale market, says, "Out of a list of 20 vegetables, 15 are at below Rs 15 a kg. We expect the prices to remain so in the coming weeks, but heavy rains in the producing markets may prove to be a hindrance."

He adds, "The price of beans has further come down to Rs 30 from Rs 35 a kg last week. Vegetables like cauliflower, green chillis, brinjal and green plantain, have been below the Rs 25 mark."

Potato prices, however, have been at Rs 30 since last week. Traders say that a failure of crops expected from Karnataka has resulted in the rise in prices. Drumstick prices have come down from Rs 50 to Rs 30 a kg at the Koyambedu wholesale market on Sunday. Tomatoes have been priced at Rs 20, a slight increase as compared to last week.

K Bharathi, president of the South Indian Fishermen's Welfare Association, says, "Less men are venturing into the sea with the weather not being so good. And nor has the catch been so good. The prices have been low."

The pioneer
AUGUST INFLATION EASES TO NEARLY 5-YEAR LOW OF 3.74 PC



wholesale inflation sharply to 3.74 per cent in August to a nearly five-year low. The inflation measured on Wholesale Price Index (WPI) was at 5.19 per cent in July and 6.99 per cent in August 2013.

Inflation in the food segment witnessed a significant decline to 5.15 per cent in August as against 8.43 per cent in the previous month, according to official data released here today.

The August WPI inflation is the lowest since October 2009 when it stood at 1.8 per cent.

Vegetable prices contracted 4.88 per cent, the third continuous month of decline.

Maintaining a downward trend, the onion prices contracted by 44.7 per cent during the month under review.

However, potato prices were on the rise as inflation in the kitchen essential jumped to 61.61 per cent from 46.41 per cent in July.

Inflation in the fruits basket eased to 20.31 per cent in August.

While prices of protein rich items like egg, meat and fish contracted during the month, inflation in milk and pulses inched up to 12.18 per cent and 7.81 per cent, respectively, as compared to July.

The August retail inflation too eased to 7.8 per cent compared to 7.96 per cent in July.

The wholesale WPI data further revealed that the price rise in manufactured goods, like sugar and edible oils too eased to 3.45 per cent in August, while it was 3.67 per cent in July.

Inflation in the fuel and power segment which include LPG, petrol and diesel declined to 4.54 per cent as compared to price rise of 7.40 per cent seen in July.

Meanwhile, wholesale inflation based on final index for June has been revised upwards to 5.66 per cent from the provisional estimate of 5.43 per cent.

The August WPI data is also provisional, the government said.

It also said the build up inflation rate in the financial year till August is 3 per cent compared to a build up rate of 5.23 per cent in the same period of 2013-14.

Business Standard

Cashing in on cows, Milk Mantra style

After gaining market share through innovation, the company plans to increase capacity and scale up business

"While I was looking for ideas to start a venture, the dairy segment stood out," recounts Srikumar Misra, who headed the mergers and acquisitions business of Tata Tea/Tetley, before quitting to set up Milk Mantra Dairy in 2009.

The company produces a range of products such as milk, probiotic and plain dahi (curd), paneer, lassi and buttermilk, sold under the Milky Moo brand. It sells its products in Chhattisgarh, Jharkhand and West Bengal, as well as central and coastal Odisha.

Misra, managing director and chief executive, says, "As a part of TAS (Tata Administrative Services), most of my experience was with Tata Tea and Tetley, for which I was posted in several emerging markets across the globe. I saw there was a lot of opportunity for packaged food and value-added food products in India, where the gap between demand and supply was huge."

"At that time, the dairy products business was a \$40-50 billion market and highly unorganised. Only \$5-7 billion was in the organised space; in eastern India, it was as low as 10 per cent, compared with the national average of 25 per cent. The market was growing at double digits and I could see opportunities here," he adds.

Fidelity Growth Partners India, which recently invested in Milk Mantra, says, "Given the lack of dairy development in eastern India, the region faces a milk deficit. This means there is a significant opportunity for well-run dairies to establish themselves and build a formidable supply chain, as competition is weak."

Packaging innovation

"We realised consumers were concerned about the quality of milk, as well as freshness; also, there were adulteration issues. We saw consumers boil the milk to extend its shelf life, even if it was pasteurised," Misra says. To increase shelf life, Milky Moo pouches use Tripak technology - a three-layered film, with a black layer preventing damage due to exposure to light. This extends the life of the milk by about three days. For paneer, it uses German packaging technology Multivac, which increases the life by 21 days.

"It (Milk Mantra) leveraged product innovation and differentiated branding to rise to a dominant position in eastern India in just three years," Fidelity Growth Partners says.

Funding

Milk Mantra was the first Indian agri-food venture to raise venture capital, says Misra. It had received \$5 million (about Rs 22 crore) in the first round of funding from social venture investor Aavishkaar, as well as 20 angel investors. Half the overall investment was equity; the rest was debt from IDBI Bank.

In mid-2012, the company raised an undisclosed amount in series-B funding from Aavishkaar. In series-C funding, it raised Rs 80 crore. This round was led by Fidelity Growth Partners India. For 2012-13, the company recorded a turnover of Rs 18 crore; this jumped to Rs 45 crore in 2013-14. It hopes to break-even by the end of this financial year.

Ethical sourcing

An aspect close to the company's heart is ethical sourcing of milk. "During my experience in working for several global brands, I saw the concept of ethical sourcing was growing rapidly...across the world, all large companies have ethical sourcing programmes," Misra says.

The company focused on transparency in payment and pricing. It ensured farmers were apprised of the prices of milk and paid on time, doing away with middlemen, who ate into the incomes of farmers earlier. Through tieups with banks and financial institutions, farmers are given money to buy more cows. Cattle feed companies were also roped in to supply the quality feed, which increased productivity.

In its first year of operations, Milk Mantra roped in about 5,000 farmers. Currently, it has a network of about 25,000 farmers, a staff of about 140 and 250 milk collection points. The company has invested intensively in bulk milk coolers. It has 20 such coolers and plans to add another 20 in the next 18 months.

"The ethical sourcing programme is at the core of Milk Manta's conscious-capitalism business model. Our big network has resulted from a fair and transparent payment system. Now, farmers deal directly with Milk Mantra and have high trust in our practices," says Rashima Misra, executive director, Milk Mantra.

The company owns and manages the entire sourcing segment, a departure from the agent-cooperative model followed by Amul.

Road ahead

Milk Mantra plans to set up a plant in western Odisha, with a capacity of 150,000 litres a day, and increase the capacity of its processing unit to 200,000 litres a day. It also aims to scale up business, both in Odisha and neighbouring states. The company is also exploring acquisition opportunities. It plans to launch a milkshake across major markets.

EXPERT TAKE

The name Milk Mantra conveys a message that it is possible to establish a strong link between the consumer and the producer, without compromising on quality, fair price for producers and returns for investors. The company has successfully provided alternative products and, in the process, demonstrated consumers will not hesitate to pay more for quality products.

The company has made inroads into the well-established supply chain through ethical milk sourcing. It can enhance this by sharing information about the flow of funds from the consumer to the producer.

Within a short period of its launch, Milky Moo has become a well-known brand in Odisha's capital city. The company is meticulously leveraging the power of branding and merchandising and is using digital media extensively.

However, there are challenges. The company isn't able to cater to several pockets within the state's capital, as it doesn't have exclusive kiosks. How about some synergy with the vending zones spread across the city? It is time for Milk Mantra to channelise its energy towards the larger issues of low production and less consumption.

Verghese Kurian had said, "Milk is the only commodity that has to be collected twice a day, every day of the year." Therefore, cooperatives are the only logical system for this sector. Hope the company adopts this soon, so that both farmers and consumers become shareholders. Only when Milk Mantra takes up such challenges will it succeed in connecting capitalism with the people.

DV Ramana is professor, Xavier Institute of Management, Bhubaneswar

August WPI inflation falls to 5-year low of 3.74%

Food inflation drops to 5.15% compared to 8.43% in July; likely to raise calls for rate cuts



The wholesale price index (WPI)-based <u>inflation</u> fell substantially to a fiveyear low of 3.74% in August from 5.19% in July as all broad categories showed decline in the rate of price rise over this period.

The inflation rate, which stood at 6.99 per cent in August, 2013, is well below RBI's comfort zone of 5% and will likely trigger calls from industry for a cut in the repo rate.

Data released last week on Friday show that retail inflation, as measured by the Consumer Price Index, also declined marginally to 7.8% in August, and is below the 8% target the central bank has set for January, 2015.

However, the central bank is widely believed to keep its policy rate intact, since the risks to consumer price <u>food inflation</u> still exist due to a weak monsoon.

All the broad categories--primary articles (unprocessed items), fuel and power and manufactured goods--showed a decline in the WPI inflation numbers.

While inflation in primary articles was down 3.89% in August from 6.78% in the previous month, fuel and power inflation fell 4.57% from 7.40%, while manufactured items declined marginally to 3.45% from 3.6%.

Food inflation, the main segment for which the government has been drawing flak, decreased to 5.15% from 8.43% during the period. However, inflation in potatoes was up 61.61 per cent in August from 46.41 per cent a month ago.



Pusa 1509 to drive basmati output to a new high



Gaining aroma The cultivation of 1509 variety has come in handy for farmers in Haryana and Punjab, which are plagued by drought and declining water table.

Bangalore September 14:

Production of basmati rice is set to touch a new high this year with farmers in the key producing States such as Punjab, Haryana and Uttarakhand taking up cultivation of the new high-yielding variety Pusa 1509 in a big way.

Lured by high returns last year, farmers have planted the aromatic rice on a record area of 2.1 million hectares (mh), an increase of 31 per cent over last year's acreage of 1.6 mh. Bulk of this increase is driven by the Pusa 1509 variety.

The All India Rice Exporters Association, based on the latest acreage numbers, has pegged the output at around 8.4 million tonnes (mt) against last year's 6.6 mt, said Rajen Sundaresan, Secretary of the exporters' body. The latest crop survey commissioned by AIREA, estimates the acreage under the popular variety Pusa 1121 at 1.16 mh, almost same as that of last year.

Adoption by farmers

However, the acreage of Pusa 1509, which consumes less water and has more resistance to pest attacks has seen a quantum leap. The acreage under 1509 has touched a little less than half-a-million hectare at 4.92 lakh ha against last year's 5,000 hectares. "Even the traditional variety HBC 19

or Taroari Basmati and CSR 30 that have higher aroma have seen a slight increase in area mainly in Haryana and Punjab," Sundaresan said.

The cultivation of 1509 variety has come in handy for farmers mainly in Haryana, which has faced a drought this year, and parts of Punjab, where declining water table has become a major issue in recent years.

"The adoption has been pretty good this year and next year the acreage will further grow to about 8 lakh hectares," said AK Singh, main breeder of Pusa 1509 at the Indian Agricultural Research Institute.

Yield and prices

Arrivals of early planted crop have already begun in mandis of Haryana and Punjab, and the average yield levels are hovering around 24-25 quintals/acre against an average of 20 quintals/acre for the 1121 variety. Farmers are getting a price of about Rs. 3,200 a quintal and their realisations are around Rs.90,000-1 lakh per acre, Singh added.

Anil Mittal, Chairman of KRBL Ltd, the country's largest exporter, said that the crop is excellent this year and the quality has been better.

"We are expecting a 25-30 per cent increase in production this year," Mittal said adding that prices would come down in days ahead on increase in arrivals.

Exports

Basmati is the largest exported agri-commodity and the shipments last year stood at a record 3.75 million tonnes valued at Rs. 29,299 crore.

Meanwhile, shipments to Iran have been sluggish as the largest buyer of the Indian aromatic rice hiked the import duty to around 40 per cent from the earlier 22 per cent. Last year, Iran accounted for over a third of India's basmati exports in value and about 40 per cent in quantity last year.

Foodgrain to reach North-East via inland waterways

After coal, now foodgrain will be transported through inland waterways. And the first to receive foodgrain through this route will be the North-Eastern States.

"Due to doubling project of railway track in the North-East, transportation of foodgrain through Railway will not be possible from October 1. It has been decided to transport 35,000 tonnes of foodgrain from Kakinada (in Andhra Pradesh) to Karimganj (in Assam) via Bangladesh through inland waterways," a senior Government official told *BusinessLine*.

The foodgrain will be made available to general public through the public distribution system.

Rice consignments

The official said that earlier this year, a pilot project was carried out by ferrying 10,000 tonnes of foodgrain through this route.

Since, the North-East is a key rice consuming region, major part of the consignment would be rice.

Andhra Pradesh and surrounding regions have surplus rice, which is why Kakinada has been chosen as starting point of the journey.

Use of waterways has many benefits – transportation cost is less by almost 20 per cent *vis-a-vis* road and rail. Besides, it has much lower carbon emission and helps in reducing burden on road and rail in terms of freight transportation.

Though inland waterways have been used for transporting various machineries it has only been on a trail basis. It was coal which saw organised development of this means of transportation.

Last year, NTPC started using inland waterways to transport imported coal to its Farakka power station from Haldia in West Bengal.

Coal transport

At least for next seven years, three million tonnes per annum (mtpa) of coal will be transported through the water route. Now work is on for issuance of tender to put in place similar kind of arrangement for another power project in Barh (Bihar). In due course, the plan is to use the same mechanism for power project in Bongaigaon in Assam.

An interesting part of foodgrain transportation through this route is use of India-Bangladesh Protocol.

This will facilitate travel through Ashuganj river port in that country. This port will also be used as disembarkation point for foodgrain after November-December, when water level enroute Karimganj will drop which will stop the movement of barrage, the official explained.

At that time, trucks will be used to transport grains from Ashuganj to other parts of North-Eastern States.