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# THE HINDU

## Oilmeal exports sharply down



Exports of oilmeal declined sharply by 86 per cent to 18,410 tonnes in July 2015 from 1.32 lakh tonnes in the same period of the previous year. The decline was mainly due to a record fall in shipment of soyameal, according to industry body Solvent Extractors' Association. High prices of soyabean resulted in a sharp drop in crushing of oilseeds by mills. Also, South Asian countries reduced their purchases. Exports of soybean meal stood at 18,017 tonnes in April; 14,046 tonnes in May; 2,098 tonnes in June; and just 928 tonnes in July 2015.

“The capacity utilisation is at the lowest, and many plants are closing down due to disparity in crushing and exports,” the association said.

During April-July, exports of oilmeals declined by 35 per cent to 4.92 lakh tonnes from 7.58 lakh tonnes in the corresponding period last year. South Korea is a major importer of Indian oilmeals. During April-July 2015, South Korea imported 3.06 lakh tonnes of oilmeals, Thailand 13,558 tonnes, Vietnam 95,972 tonnes and Taiwan 19,671 tonnes. Iran imported 9,050 tonnes of oilmeals during April-July 2015, a decline of 92 per cent, as compared to 1.12 lakh tonnes last year. Exports of rapeseed meal fell 90 per cent to 8,645 tonnes. Soymeal shipments dropped 86 per cent to a record low of 928 tonnes, the association said.

### **‘Drought conditions prevail in 22 mandals’**

Minister Kimidi Mrunalini has said that drought conditions prevailed in Bobbili, Sitanagaram, Balijipeta, Komarada, Pachipenta and Salur mandals in which the rainfall recorded so far has been far less than the minimum and did not rule out similar conditions in 16 more mandals, if no rains were received by August 15.

### **Short-duration crops**

At a review meeting on drought conditions with irrigation and agriculture officials on Monday, the Minister instructed them to prepare plan for short-duration crops and arrange to supply seed at 50 per cent subsidy to the farmers.

She asked farm officials to create awareness among farmers on integrated dry crops. She said that barring Peddagedda reservoir, all other reservoirs in the district lacked adequate water for irrigation.

As a result, paddy nurseries are withering even assured ayacut area.

She said that a report on the drought conditions would be submitted to the government, if rains were not received by August 15. However, she added that there was no problem for drinking water as the ground water table was encouraging and directed Collector M.M. Naik to repair all defunct borewells on a war-footing.

She patted Municipal Chairperson P. Ramakrishna for achieving 58<sup>th</sup> rank at the national level in the implementation of ‘Swachh Bharat’. MLAs, MLCs and officials were present at the meeting.

### **Farmers told to take up dry crops**

Superintending Engineer of Irrigation J. Chandrasekhar Reddy and Joint Director of Agriculture D. Tagore Naik on Monday jointly appealed to the farming community to give up wet crops and only raise dry crops in Kurnool district, in view of limited availability of irrigation water and 64 per cent deficiency in rainfall.

The storage in Tungabhadra dam was only 68.12 tmc now as against 96.05 tmc on this day last year, Mr. Chandrasekhar Reddy told a media conference here. Kurnool district would only get 7.08 tmc on a prorata basis for use in both rabi and kharif seasons and hence priority was being accorded to meet the drinking water needs, he said.

Tungabhadra dam was getting 400 cusecs of water daily from July 25 onwards and tanks and ponds were being filled to meet drinking water needs, the SE said. The Tungabhadra Board estimated allocation of 145 tmc to Andhra Pradesh, but the storage was far less. Tungabhadra dam was filled to the full reservoir level by this time last year, but there was a shortfall of 32 tmc now, he said. As Tungabhadra Low-Level Canal was the only available source, drinking water was accorded priority, he added.

Under KC Canal, 1,700 cusecs was being let in and Kurnool district would get 150 cusecs. As the level of Sunkesula barrage was 0.61 tmc, 104 cusecs were being let out to meet drinking water needs of Kurnool city, the SE explained. Discussions were held with farmers and they agreed to not to go ahead with paddy seedbeds laid in 132.09 acres if it did not rain in a fortnight, Irrigation Executive Engineer Bhaskar Reddy said.

He suggested onion, maize, jowar, pulses and cereals. Committees were constituted to sensitise farmers of the severe drought, deficient rainfall and little water availability.

### **Tomato price plunges in Bengaluru**

A surge in supply from Kolar and neighbouring Andhra Pradesh has led to a steep fall in the prices of tomatoes in the city. A kilo is now being offered at Rs 6 in Hopcoms outlets.

Hopcoms sources said that the price is expected to fall further to Rs 3 within a day or two. A week ago, the vegetable was trading at Rs 12.

Growers in Kolar usually export the product. The regular supply to the city is from Hoskote, Chennapattana, Devanahalli and other places in the outskirts.

“This time, there is a good yield in Kolar. But the export market is crowded with tomatoes from Nasik and Andhra Pradesh, which led to a fall in demand. So, Kolar growers sent their produce to the Bengaluru market, which resulted in the price plunging,” said S.H. Keshav, general manager, Marketing, Hopcoms.

### **Bio-diesel being sold at select pumps**

Minister of State for Petroleum and Natural Gas Dharmendra Pradhan launching the bio fuel blended diesel in New Delhi on Monday.— PHOTO: PTI

The Ministry of Petroleum and Natural Gas celebrated ‘World Bio Fuel Day’ on Monday with Minister Dharmendra Pradhan announcing the availability of high-speed diesel (HSD) blended with bio-diesel at select outlets around the country.



This is the first time in India that biofuel-blended diesel will be sold in retail outlets.

“Diesel was first used 122 years ago in 1893, and today we are announcing that bio-diesel will be available in the market,” Mr. Pradhan said at the event in Delhi.

Earlier in the day, he launched the sale of bio-diesel blended HSD at one of HPCL’s outlets in Delhi. During the event, Mr. Pradhan did the same for three other PSU outlets — one each in Vishakhapatnam, Vijayawada and Haldia.

“This will spread to other centres as well. The plan is to increase the quantity that will be made available,” Mr. Pradhan said. However, he also added that, currently, the supply of bio-diesel fell far short of the requirement.

“If, at the moment, we blend each litre of diesel with 5 per cent of bio-diesel, then we would need 3.5 million tonnes of bio-diesel per year. The current capacity is of 1 million tonnes,” he said.

Recently, the Ministry had permitted the sale of bio-diesel to bulk consumers such as the Railways, shipping and road transport corporations. “Bio-diesel can be made through a lot of biomass material. Currently, most of this material is considered waste by farmers,” Mr. Pradhan said.

The great advantage of using bio-diesel is that it not only reduces carbon emissions, but also provides farmers with an additional source of income by making their waste biomass into something marketable. “This has the potential to be a game-changer for farmers and for the supply of bio-diesel in the country,” he said.

Mr. Pradhan said there was no decision yet on whether bio-diesel would be included in the proposed Goods and Services Tax. “But we are in talks with States to come up with a uniform tax regime on bio-diesel, a single band in which all States tax the fuel,” he said. He also added that the Ministry had given tenders to companies for the supply of bio-diesel.

## **Promoting organic farming**

*Awareness campaigns planned to motivate farmers*

At a time when pesticide residues in agricultural produces are becoming a matter of concern, a group of 300 farmers in the district have come together with a novel initiative of promoting organic farming through a consortium approach.

To carry the movement forward, the farmers have now constituted a company named ‘Aathma Organic Producers Company’ not just for promoting cultivation using organic farming methods but also to market their produces under a common brand both as raw product and value-added items.

“We are in the final stages of registering the company under the Company’s Act with farmers from places like Koduvai, Udumalpet, Gudimangalam, Kandiankoil, Pollikalipalayam, Pongalur, Muthanampalayam and Ramegoundenpalayam already been part of the project. More farmers are expected to join in the due course of time”, K. Shanmugam, a member farmer of the consortium and Chief Executive Officer of the Aathma Organic Producers Company, told *The Hindu* .

As part of the initiative, the member farmers will not only be adopting organic cultivation methods to grow various agricultural produces in their land holdings but also plans to carry out awareness campaigns to enthuse more farmers to take up organic farming.

### **Farmers await water release from dam**

Farmers from Kangayam and Vellakoil blocks, involved in cultivation of agricultural crops over 18,000 acres, are eagerly awaiting release of water from Bhavanisagar Dam at the earliest.

C. Nallasami, president of Lower Bhavani Farmers Welfare Association, said announcement of dates for water release need to be done in advance for enabling the farmers to carry out the preparatory works needed before sowing paddy.

Standing crops:

Similarly, the standing crops of coconut, banana and turmeric would also benefit by the water release, he added.

### **Residents say no to coir pith unit in midst of agricultural fields**

Residents of several hamlets in Avudayarparai panchayat made a representation to the district administration opposing start of a coir pith unit in the midst of their village.

The residents of Nagamanayakanpalayam, Vaikal Thottam, Murugan Nagar Harijan Colony, Venkamedu, and Selvapuram Harijan Colony in Kondumudi Taluk who are all labourers, cattle-grazers, and small farmers will lose their livelihood if the coir pith unit is permitted to start operations in an agricultural field in the Kalingarayan ayacut area, G. Jeyalakshmi of Venkamedu said.

In a petition they submitted to the district administration on Monday, the residents apprehended that the unit was being started without permission of the regulatory agencies.

About 100 acres of cultivable land in the surroundings of the location where the unit was coming up would turn barren if seepage from the stocked coir soaked in water enters into the ground. During the rainy season, the ground water will turn alkaline destroying the crops, they said.

The villagers said they were presenting the petition after studying the impact of similar coir pith units functioning at Murungaitthozhuvu and Azhagugoundenvalasu villages.

*They say that the land would turn barren if seepage from the stocked coir soaked in water enters the ground*

#### **‘Display details of government schemes’**

Officers at taluk levels should display the details of government schemes on notice boards as well as procedures to ensure that all eligible beneficiaries get the benefits, Taluk Panchayat Executive Officer S.L. Prabhudev has said.

Speaking at a taluk panchayat general body meeting held here on Monday, he lamented that a majority of the farmers in rural areas of the taluk are deprived of the benefits of these schemes owing to lack of awareness.

Agriculture Department officer Umesh informed the meeting that taluk has received considerably good rainfall in the last one week and the condition of the maize crop had improved. Irked by this, taluk panchayat members said that officers concerned are trying to misguide the meeting by giving wrong information as the taluk had not received ample rainfall

## **Koppal told to gear up to tackle drought**

*District registered 80 per cent deficient rainfall in July*



T.K. Anilkumar, Secretary, Urban Development, and district in-charge, at a review on drought condition in Koppal on Monday.

T.K. Anilkumar, Secretary, Department of Urban Development and Koppal district in-charge, directed the district administration to gear up to tackle the drought-like situation prevailing in the district due to lack of rainfall.

Presiding over a meeting here on Monday to review the impact of scanty rainfall, Mr. Anilkumar said the Department of Agriculture should initiate all the steps necessary to advise farmers on taking up cultivation of alternative crops, besides arranging for seeds and fertilisers.

Mr. Ramadas, Joint Director of Agriculture, said the district had recorded 80 per cent deficient in rainfall during July. As against the target of 2.52 lakh hectares (ha), sowing had been completed only in about 1.30 lakh ha (52 per cent). Crops in around 0.98 lakh ha — dependent on rain and in various stages of growth — had begun to wither due to severe moisture stress. He said the department had already been suggesting alternative crops in the event of rain this month.

Dr. Bhaskar Naik, Deputy Director of Animal Husbandry, said around 13 hoblis were identified as likely to face fodder shortage, and steps had been initiated to persuade farmers with irrigation facilities to cultivate fodder, for which seed kits were being distributed free of cost. Stating that ‘goshalas’ (cow shelters) need to be opened for a minimum period of 90 days, he said a proposal of Rs. 51.21 lakh had been prepared to establish goshalas wherever necessary.



## **Drinking water crisis**

Manohar Vadder, Executive Engineer, Rural Drinking Water Supply, said around 143 villages were likely to face drinking water crisis. An action plan of Rs. 8.07 crore had been prepared to tackle the possible drinking water crisis in the district. Mr. Anilkumar instructed the officials concerned to initiate steps, including getting power connections where non-payment of bills had warranted a disconnection, without any delay.

To prevent migration, Krishna Udupudi, zilla panchayat Chief Executive Officer, said a Rs. 56 crore action plan was ready to provide employment under the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) and the work of clearing silt from tanks in various taluks.

## **Poland offers mining expertise to Telangana**

*Other areas of interest include renewable energy and biotechnology*



Polish Ambassador, Tomasz Lukaszuk and FICCI co-chairman, Telangana and Andhra Pradesh, Devendra Surana, at a roadshow in Hyderabad on Monday.- Photo: Mohammed Yousuf

One of the leading coal producers globally, Poland is ready to share with Telangana its expertise in mining, more specifically, deep-mining, which is undertaken in challenging conditions.

This apart, Poland and Telangana can strike synergies in a number of areas. These include renewable energy, biotechnology, agriculture and food processing besides defence equipment and spare parts, said Zbigniew Magdziarz, Counsellor (Trade and Investment Promotion Section) in the Polish Embassy in New Delhi.

He was making a presentation on Poland, from a perspective of enhanced engagement with India, at a roadshow in Hyderabad on Monday for the 2<sup>nd</sup> India-Central Europe Business Forum (ICEBF). Industry body FICCI with the Ministry of External Affairs is organising the Forum in Bengaluru, on October 5 and 6.

Known as a ‘green island’ in Europe for its positive GDP growth even during the recession of the last decade, Poland sees Telangana as a natural partner. For investors, it can serve as a gateway to the European Union, he said, adding that Poland was a major producer and exporter of agri products, apples, milk and dairy products.

It can “provide assistance in all upstream and downstream segments of the agro food value chain... transfer technology and know-how, supply equipment... not only to large enterprises but also to small and medium firms,” he said.

The Polish Ambassador, Tomasz Lukaszuk, told the meeting that Poland was keen on developing a relationship with India as well as individual States. Bilateral trade was heavily in India’s favour with exports to Poland pegged at 1,282 million euros while imports from Poland were to the tune of 413 million euros.

The Ambassador, who met Telangana Industries Minister Jupally Krishna Rao earlier, said he was briefed about the State’s industrial policy, something he would convey back home for the benefit of Polish companies.

Later, addressing members of the Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Mr. Lukaszuk said Poland was looking for “very strategic relations and business partnerships” from investors in Andhra Pradesh and Telangana.

### **Tree climbing made easy**

Ebin, son of Thomas of Pulikkayathu, near Kalpetta, in Wayanad demonstrating the newly developed Elbin Chachoo’s multi-tree escalator at his farm.



Thomas of Pulikkayathu, a progressive farmer here, has come up with an innovative apparatus for easy tree-climbing. This apparatus, christened Elbin Chachoo's multi-tree escalator, could be operated by any one to ascend and descend a tree, irrespective of its girth and height, Mr. Thomas said. The dearth in skilled workers for pruning and shade regulation of huge trees in his coffee plantation led him to develop the machine, Mr. Thomas said. Though the machine looked similar to the coconut climber that had been developed by the Kerala Agricultural University recently, the operation of the latter was restricted only on coconut and arecanut palms, P. Rajendran, Associate Director of Research, Regional Agriculture Research Station, Ambalavayal, said.

The multi-tree escalator could be used on any type of tree irrespective of its size and height, Mr. Rajendran said.

The machine has two parts; an upper part with a cycle seat and a lower part with a pedal.

Separate adjustable cables are used and it can adjust as per the girth of a tree. Moreover, lower and upper parts can be fasten and detach separately. The 4.5 kg machine is lighter, quicker, and easy to operate and much more comfortable. Mr. Thomas and his son Ebin took nearly one-year to develop the machine. It cost them nearly Rs.1 lakh. The Kerala State Council for Science Technology and Environment had honoured the farmer at its Rural Innovators' Meet held at Peechi recently.

“I have applied for patent for this machine and I am planning to market the product at Rs.4,000 a unit, Mr. Thomas said.

### **State aims for total organic farming status by 2016**

The government is working out strategies to convert Kerala into a total organic farming State by the end of 2016, Minister for Agriculture and Animal Husbandry K.P. Mohanan has said.

The Minister was laying the foundation stone for a modern veterinary hospital at Konni here on Monday. He said it was of prime importance that the State produced the food and fodder it needed.

Mr. Mohanan said producing pesticide-free vegetables was the need of the hour to check the growing cases of cancer in the State. Kerala could very well produce the vegetables and fruits required for it if the people cultivated the same in their courtyards. Those who did not have courtyards might use the terrace of their residence for cultivation.

### **Training centre**

The Minister said Rs.28 lakh would be allocated for constructing a full-fledged training centre for farmers, attached to the veterinary hospital. Fund for completion of work on the hospital building would be released soon.

Mr. Mohanan said a 24-hour veterinary hospital would be set up in each block panchayat and the proposed hospital at Konni would be one among them.

### **Growth in farm sector**

He said the State could achieve excellent growth in agriculture and diary farming sectors. The cattle population in Kerala had increased by not less than a lakh leading to an additional production of two lakh litres of milk a day.

He said the State was planning to increase the cattle population by two lakh in the next two years and to enhance milk production by not less than 20 lakh litres. He stressed the need for extending fodder grass cultivation to more areas.

Elizabeth Abu, Konni block panchayat president, presided.

S. Chandrankutty, director, Animal Husbandry Department, addressed the function.

*24-hour vet hospital to be set up in each block panchayat*

### **Production of organic vegetables on the rise**



Production of organically grown vegetables is showing an appreciable increase in the State, Agriculture Minister K.P. Mohanan has said.

“This was the result of the awareness campaign against the consumption of vegetables with high pesticide residue coming from neighbouring States,” he said while addressing a gathering after inaugurating an organic vegetables retail outlet at the district panchayat complex here on Monday.

He inaugurated the sale by handing over a basket of 4 kg of eight varieties of organically grown vegetables to P.K. Gurudasan, MLA.

Mr. Mohanan said that political parties also joining the movement to grow organic vegetables in the State was a positive sign. This intervention is part of the responsibility of political parties to work for the progress of the agricultural sector.

### **Shortage of outlets**

“But a big problem which vegetable farmers face is the shortage of outlets for selling their produce at fair prices,” he said.

The Minister said that the State government was taking all efforts to resolve this issue and outlets for such vegetables were being opened in 800 panchayats in the State.

The Minister said that if confidence was instilled in the farmers that they could sell the vegetables they grew at prices that were fair enough, the organic vegetable production in the State would increase further since more farmers would be attracted to it.

### **A model**

The Minister said that on the agricultural front the Kollam district panchayat was a model.

“I often ask the other district panchayats to follow the model of Kollam district panchayat when it comes to farming,” he said.

The Minister said the State government would extend all support to the activities of the Kollam district panchayat in the farm sector.

Mr. Gurudasan presided over the function. District panchayat president S. Jayamohan welcomed the gathering. District panchayat secretary K. Anil Kumar presented the report and development standing committee chairman Biju K. Mathew proposed the vote of thanks.

*A big problem which vegetable farmers face is the shortage of outlets for selling their produce at fair prices.*

### **Focus on addressing problems of farmers, officials told**

Sanjiv Kumar, Principal Secretary, Department of Rural Development and Panchayat Raj, has directed the officials to focus on attending and solving the issues related to agriculture and provide the much needed succour to farmers in distress.

Mr. Kumar, who is also the in-charge Secretary of Mandya district, was chairing a meeting of the officials of various departments here on Monday to review the progress of several State and Union government-sponsored schemes, a release from the Department of Information and Public Relations said here on Monday.

He directed the officials not to go on leave as the farming community was facing several problems.

The officials should utilise the funds available under Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS) to provide jobs to the people. Officials should utilise the grants allocated to departments of agriculture, horticulture and sericulture, as they could solve the ongoing crisis in the farming sector to a great extent.

According to the release, Mr. Kumar directed the officials to ask the Chamundeshwari Electricity Supply Corporation (CESC) to supply power for projects related to drinking water supply.

### **Water supply**

The officials were told to supply water through tankers to parched villages, the release stated. Deputy Commissioner M.N. Ajay Nagabhushan, Superintendent of Police Bhushan Gulabrao Borase, Additional Deputy Commissioner B.R. Poornima, Assistant Commissioner Arul Kumar, Deputy Directors (Agriculture) Chandrashekar and K. Rudresh (Horticulture) and others were present.

### **‘Govt. doing everything to prevent farmers from committing suicide’**

Speaker of Legislative Assembly Kagodu Thimmappa and Minister of State for Primary and Secondary Education Kimmane Ratnakar on Monday visited the house of Kereyappa, a farmer who committed suicide recently, at Bolanakatte, a village in Sagar taluk, and consoled his family members.

Mr. Ratnakar said, the government had taken necessary measures to prevent the farmers from committing suicide. Nationalised and cooperative banks had been instructed not to issue notices to farmers for recovery of agricultural loans.

## **Crackdown launched**

The Department of Police had launched a crackdown on persons engaged in unauthorised moneylending and exploiting farmers by collecting exorbitant rates of interest from them, he said.

Both the Union and State governments had launched schemes for the benefit of farmers. It was essential to create awareness among farmers on these schemes.

The farmers should go for multi-cropping, take up animal husbandry and poultry farming to enhance their income, he said.

## **Counselling**

Mr. Thimmappa stressed the need to counsel farmers in financial distress and instil confidence among them to face the challenges with courage.

President of Zilla Panchayat Kalagodu Rathnakar, president of Sagar Taluk Panchayat Jyothi Muralidhar and Tahshildar Dharmoji Rao were present.

## **Spread of groundnut crop dipping**

*Farmers continue giving up its cultivation in Anantapur*

If the scale of groundnut seed distribution is anything to go by, farmers in Anantapur district continue giving up the trade at an alarming rate of over 20 per cent, year on year.

Of the 10 lakh hectares of farm land in the district, farmers in over seven lakh hectares had gone for groundnut, a major crop in the district. In fact, Anantapur has been the largest groundnut producing district in the country. More than 6.5 lakh farmers are involved in the cultivation of the crop.

However, since 2010, there has been a slide in the number of farmers taking to groundnut cultivation.

In fact, more than 4 lakh farmers have left farming altogether, going by the number of beneficiaries availing groundnut seed distribution by the government in the district.



In 2009, more than 6 lakh farmers availed the offer, while it has come down to 1.30 lakh in the current year, a fall of around 80 per cent.

While the total beneficiaries of the seed distribution by the government increased by almost 72 percent percent to around 2.4 lakh beneficiaries from the meagre 1.39 lakh beneficiaries in 2014, the net sown area of the crop decreased by 20,000 acres to just 1.6 lakh hectares in 2015 from around 1.8 lakh hectares in 2014.

According to Agriculture Department officials, the initial growth in the number of beneficiaries was probably owing to the early and decent spell of rain. But, the poor rainfall later in the district resulted in even fewer farmers taking to groundnut cultivation.

It is a fact that farmers are turning to alternate crops such as cotton.

“Several lakh hectares are expected to be left fallow this year owing to lack of rain, institutional credit, ground water and willingness to experiment with agriculture,” says Malla Reddy of AF Ecology Centre.

#### **Agri-roadmap to pilot rainbow revolution in Bihar: Nitish**



*Rainbow revolution is an integral development programme of agriculture, horticulture, forestry, sugarcane, fishery, poultry and animal husbandry.*

Bihar Chief Minister Nitish Kumar on Monday said his government has launched an agri-roadmap to pilot a rainbow revolution to give a fillip to the agriculture and allied sectors in the state.

Rainbow revolution is an integral development programme of agriculture, horticulture, forestry, sugarcane, fishery, poultry and animal husbandry.

“I am of the opinion that economic growth of Bihar as well as of the country is not possible without development of the agriculture sector,” Mr. Kumar said at a function in Purnia district after inaugurating new buildings of the Bhola Paswan Shastri Agriculture College.

Keeping in mind the objective of ushering in a rainbow revolution in Bihar, the state government has launched an agriculture roadmap under which habitats with population of 250 people would be connected with concrete roads to help farmers bring their produce to the markets, Kumar said.

Among other agendas of the roadmap, it has been decided to enhance storage capacity of farm produce for which new godowns were being constructed, the Chief Minister said adding, steps have been taken to boost up the food processing industry so that farmers get better price of their crop.

Expressing concerns over climate change and global warming which might have an adverse effect on the farm sector, Mr. Kumar said to address the problem and contribute to the ongoing efforts of maintaining the ecological balance, the state government has set out on a green mission to increase the forest cover from nine to 15 per cent over the next five years.

As per data available, forest cover in Bihar has increased to 13 per cent, he said.

Mr. Kumar emphasised on the need for advanced farm techniques for development of the farm sector for which more research was required by the agro scientists and said the state government has set up its second agriculture university as well as three new agriculture colleges — one each at Saharsa, Purnia and Kishanganj.

Stating that the new agriculture university and colleges have been set up with a focus on research, the Chief Minister called upon the parents to encourage their wards to take up studies in this field for which the state government would give monthly scholarship of Rs. 2,500 to each student, besides an annual grant of Rs. 6,000 for purchase of books.

Referring to the spectre of drought looming over Bihar, Mr. Kumar said steps have been taken to mitigate farmers' woes by enhancing diesel subsidy by Rs. 5 to Rs. 30 per litre for irrigation purpose.

State agriculture minister Vijay Kumar Chaudhary also spoke on the occasion exhorting farmers of north-eastern districts of Bihar to augment farm production.

### **Move to beef up agricultural market infrastructure**

In order to create an integrated agricultural market at national level, the Government has formulated a Central Sector Scheme for "Promotion of National Agriculture Market through Agri-Tech Infrastructure Fund (ATIF)" to be implemented with a budgetary outlay of Rs.200 crore during 2015-16 to 2017-18.

Under the scheme, an appropriate common e-market platform would be deployed in 585 selected regulated wholesale markets in States across the country.

Department of Agriculture and Co-operation (DAC) will meet expenses on software and its customisation for the States, and, in addition, will also give grant as a one-time fixed cost subject to a ceiling of Rs.30 lakh per mandi for related hardware, including equipment/infrastructure.

### **A new approach to rice cultivation**

*Farmers use friendly insects to boost profit*

A small group of farmers in Kuruvai village, near Vadakkencherry, in Kerala's Palakkad district has demonstrated that rice can be cultivated without chemical pesticides and see the yield and profit rise substantially.

“Seeing is believing”, says K. V. Usha, Director, Agricultural Technology Management Agency (ATMA), Department of Agriculture, about the Kuruvai experiment, which involved nearly a hundred families with holdings ranging between 0.4 and 1.5 acres.



They cultivated paddy as their survival crop for long, using traditional knowledge. But cultivation often failed. Some were forced to switch to cash crops and the others to tapioca and banana, which saw acreage under paddy shrink from 33 hectares to 18 hectares in a decade.

A spell of hope came as paddy procurement price was raised to Rs. 19 a kg by Kerala government. But labour cost rose. Pest attacks forced farmers to use heavy doses of chemical pesticides, which led to pest resurgence, a condition in which more and more pesticides are used with decreasing effect.

But during the second crop season (Mundakan), starting October 2015, the farmers, under the guidance of ATMA, adopted pest surveillance and agro-ecology-based plant health management, a concept being promoted now by the National Institute of Plant Health Management, Hyderabad.

Decisions on crop management were taken after weekly evaluations of the presence of pests and defenders, health of plants, soil condition and climatic factors. The farmers, on weekly

field visits, meticulously recorded everything from the weather condition to presence of live rodent burrows in the fields.

The average yield rose to 5,500 kgs per hectare, an increase of 30 per cent over the previous level of 4,250 kgs. The farmers spent Rs. 47,785 per hectare from which the yields were 5,500 kgs of paddy and 3,000 kgs of straw. They earned a profit of Rs. 74,715 per hectare. Besides, Department of Agriculture pays a subsidy of Rs. 11,500 per ha.

Added to the profits is the fact that the new pest management method helped avoid four to five rounds of pesticide sprays, which cost them between Rs 4,000 to 5,000 per hectare.

The farmers also overcame perennial shortage and high cost of labour by using a mechanised planter and harvester operated by a farm workforce called the “labour army” or *thozhil sena*.

The farmers, convinced about the effectiveness of pest surveillance and agro-ecology-based plant health management, have deployed the same method for the first crop season this year. The population of friendly insects is so high that there has been no incidence of pest outbreak so far, said an official associated with the programme on Saturday.

The farmers applied the same methodology to cultivation of vegetables and it was found that friendly insects and bio-controls were enough to protect the plants. They have spun their success with pesticide-free cultivation to a substantial business by opening a shop in Vadakkencherry, where produces from Kuruvai fields sold using the tag “safe-to-eat”.

The farmers owe their success to the initiative by the Krishi Bhavan, Vadakkencherry, under Department of Agriculture, which adopted the rice paddy collective during 2013-14 for mechanisation and reduction of pesticide use under National Food Security Mission.

During 2014-15, ATMA was roped in for a Farmer Field School for the second crop season 2015.

Dr. C. K. Peethambaran, former director of Research, Kerala Agricultural University, specialised in surveillance-based plant disease management, says that presence of friendly insects are overlooked in conventional cultivation. The Kuruvai experiment succeeded because friendly insects were used to fight pests, he said.

Normally, pest attacks are countered with chemical pesticides, which first kill the friendly insects. It was noticed that the pest:defender ratio was always at an advantageous level throughout the first 45 days after transplanting, recalled an officer associated with the programme.

Kuruvai farmers learnt the skill of reading the pest:defender ratio and realised that there was no need to apply pesticides if the defenders were enough to contain the pests. The farmers took a collective decision not to use chemical pesticides.

Pheromone traps and inundative release of egg parasitoids were used to fight yellow stem borers. *Trichogramma chilonis* was used against leaf folders. Flame torches placed on bunds towards the dusks during the cultivation period helped fight rice bugs. Spraying of fish amino acid from sardine and jaggery distracted rice bugs. As a result pests never came to the economic injury level, said Ms. Usha.

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[Make way for the urban farmer](#)

*Five youngsters from the city are changing the concept of traditional farming*



Going greenThe Urban Farmers at their rooftop cultivation at LIBA  
Photo: K.V. Srinivasan

In 2013, five young men who graduated from Loyola College with management degrees and placements, parted ways to get on with their lives. Little did they know that two years down the line, they would reunite for a venture that would change the city and the country.

The five men, Kern Agrawal, Kenneth Lowe, Karan Maheshwary, Ashwin Kurisinkal and Mathews Cherickal, collectively known as The Urban Farmers, came up with the idea of farming within the city as a business plan for their course. While researching, they felt that two things were terribly wrong in existing farms and agricultural areas. First, the amount of chemicals used was alarming. Second, of the total land they owned, farmers used only half for cultivation, and sold the rest of it to real estate dealers.

On realising this, the team decided to take up farming with the objective of promoting it within the city and encouraging people to use only the freshest produce in their daily lives. “There is no place in Chennai where farming is done in a big way. Why can’t the city grow its own greens?” asks Kern, the driving force behind the idea. Despite many doubts, they were supported by Fr. Casimir Raj, president of LIBA, and their professor, Dr. K.V. Rajendran, to carry on with the project.

They started on the rooftop of the LIBA building, with a 5,000 sq.ft. space, and with the knowledge of a fairly new method of agriculture known as biodynamic farming, where only natural compost is used, thereby keeping the produce completely organic. They used dry leaves collected from the college campus to create vermicompost. In this, they were aided by Fr. Ignacimuthu of the entomology department. An added benefit of biodynamic farming, they realised, is that the base strength of the plant is high, which, in turn, negates the need to use chemicals and pesticides.

They harvest a wide variety of vegetables such as tomatoes, okra, herbs, chillies and more. While it was initially distributed among the college staff, as they got the hang of the operation, they began supplying to a nearby housing complex. The feedback they received was beyond what they expected, as people were impressed with the freshness of vegetables. Through word-of-mouth, they began to expand.

The Urban Farmers, now, have over 20 farms around the city, including Adyar and Nungambakkam, which are traditionally residential areas. They are also in talks with

corporate companies to establish a Food Park, to encourage them to cultivate and supply to their employees within the organisation.

Though they do not retail anywhere yet, they have taken part in exhibitions and farmers' markets. At a recent farmers' market in the city, they had customisable kits for setting up a farm on both rooftops and pieces of land. The kit contains soil, manure, a particular choice of seeds, resources required for irrigation and protection for rooftops. From start to finish, members of the team or trainees help set up the farm, and will pay a weekly visit during the first month to follow up with the growth of produce. For lands larger than 2,000 sq.ft., they offer additional support to clean up the area and make the land suitable for planting.

As in the case of many other trends, urban farming is a phenomenon that is slowly gaining pace in India. "As a team, we are really close, and we have the advantage of age on our side. What we have in mind right now is a dream to have a green city, a complete set of organic urban terrace farms in Chennai and the world," says Mathews.



### **Punjab gets Rs 800 crore to upgrade rural power sector**

The Centre has agreed to release Rs 800 crore to Punjab under the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) to upgrade the rural power sector.

DDUGJY is a flagship project of the power ministry and would ensure round- the-clock supply of electricity to rural areas apart from ensuring metering at all levels, feeder separation and strengthening of transmission and distribution.

Piyush Goyal, Union Minister of Power, Coal and Renewal Energy, approved the release of funds when state Deputy Chief Minister Sukhbir Singh Badal called on him on Monday and urged him to resolve the pending power issues of the state.



The Union Minister said Punjab would get a boost under the scheme. He said this project would witness complete separation of agriculture and non-agriculture feeders facilitating judicious power supply to agriculture and non-agriculture consumers in rural areas with improvement in hours of power supply.

The union minister agreed to examine the proposal of sale of surplus power from Punjab. A state government statement said that on the request of Sukhbir regarding sale of surplus power from Punjab, the Union Minister said that center would examine this proposal very soon. The Minister asked the state power corporation to submit a detailed proposal in this regard.

Goyal agreed to provide full capacity coal linkage and supply to Punjab thermal plants as per the agreement.

He also assured the Deputy Chief Minister Sukhbir Badal that the clearance to Pachwara coal mine allotted to Punjab in Jharkhand would also be granted soon.

Piyush Goyal has issued directions to the authorities concerned to make this site operational as soon as possible.

The union power minister has also agreed to enhance supply of 1.00 million tonne coal of Central Coalfields Ltd to 1.50 million tonnes.



## THE TIMES OF INDIA

**'Our produce at farm gates is free from pesticide residue'**

Tamil Nadu Agricultural University vice-chancellor Dr K Ramasamy, who is also a member of the Tamil Nadu State Planning Commission, does not mince words. Considered a doyen in biosciences and agriculture policies, Ramasamy is set to retire in a few days after a 35-year

stint in the university in various capacities. TOI reporter Pratiksha Ramkumar catches up with him:

**Recently, vegetables and fruits from Tamil Nadu were under the scanner by Kerala government for high pesticide levels. How safe are our vegetables?**

Our vegetables and fruits at the farm gates are safe for multiple reasons. First, majority of pesticides are not residual in nature and so don't remain for more than 15 days. Second, farmers spray pesticides only during the flowering stage. Third, majority of farmers consume their produce, so they are unlikely to poison themselves. Sometimes our vegetables are found with chemicals. Such produce could be coming from the warehouse of traders. They lace the produce with chemicals to preserve it till it gets sold

**Most farmers say that pesticides and levels of usage prescribed by agricultural experts are not effective. Why does this happen?**

Farmers want immediate solutions, the way many of us take antibiotics for instant relief. They sometimes spray pesticides or insecticides above prescribed levels. Many fertilizer and pesticide retailers prescribe higher levels and combinations of pesticides. We are fighting this situation, by placing well-qualified agriculture under-grads to manage pesticide shops.

**How far has TNAU come in developing truly pest resistant varieties of crops and how effective have they been?**

We have developed 100% pest resistant varieties of rice, millet and pulses. The pest resistant varieties are successful only when one crop is cultivated across a vast area. For example, a pest resistant rice variety is resistant only to pests that commonly attack rice. If rice is cultivated close to sugarcane or vegetable farms, pests from those farms may easily attack the rice crop.

**TNAU has a central government funded pesticide residue checking laboratory. Has it helped in bringing down pesticide residue levels in food?**

We test at least 29 samples a week and a maximum of 700 samples a month. The number of

samples tested has gone up multi-fold after the pesticide residue controversy. These laboratories are vital in identifying pesticides that needs to be banned.

**What has TNAU's department of sustainable and organic agriculture done to promote organic farming?**

The key project to demonstrate benefits of organic farming to state farmers has been undertaken. We have consolidated literature on earliest forms of chemical - free farming. TNAU is helping revive traditional systems of cultivating crops like mangoes in Theni, Krishnagiri and Dharmapuri.

**Does the state government do enough to encourage organic farming like neighboring Kerala does?**

Tamil Nadu government is shouldering TNAU on the project to promote organic farming. The government is also working on formulating an organic farming policy that will offer subsidies for organic manure and pesticides.

**How has the government's funding for research been?**

Government funds are adequate only for our salaries. So we tap other sources like private institutions to fund our research. Invariably, private institutions sponsor research that benefits only them. We are trying to change this situation.

**Do you see scope for agricultural growth in the future?**

Definitely. We get students with cut-offs as high as 198 out of 200. People have started realizing the need for agriculture to achieve food security. Agriculture also has great export potential, given the products are standardized. We can export 30% to 40% of our agriculture and horticulture products to the Middle-East and south-east Asian countries which are largely becoming landlocked.

## **So what are your plans after retirement?**

I would pursue research of microbes which can be used to create new varieties of antibiotics.

## **Set farmers free from middlemen to make trading in regulated markets a success, agriculturists say**

MADURAI: Farmers should have easy access to credit to succeed in regulated market trading of agricultural produce, said agriculturists who participated in a brainstorming session here on Thursday.

The session was conducted to discuss issues that farmers might face once regulated market trading of agriculture produce are reintroduced in the southern region of Tamil Nadu.

A good number of farmers pointed out the actual scenario where farmers in need of liquid cash, to carry out farming activities, take advances from middlemen and end up giving agricultural produce to the lenders to repay the credit.

The meeting was presided over by director of the Agricultural Marketing and Agri Business S Manoharan in the presence of Madurai district collector L Subramanian. Farming community leaders and representatives of various trade bodies participated in the meeting.

Addressing the meeting, president of Small Farmers Association K Devaraj said lack of credit opportunities from cooperative societies and banks drive farmers towards middlemen.

"To succeed trading in regulated markets, farmers should have easy access to credit. Furthermore, farmers are least aware of the availability of regulated markets. Hence, the agricultural department should take efforts to sensitise farmers," he pointed out.

Farmers also stressed that there should be a minimum support price for major crops, as in the in case of paddy, and farming community should be empowered to fix the prices for their produce. Farming community also pointed out the need for more cold storage facilities.

Secretary of Pulse Traders Association P Arivarasu said infrastructure was the major component. In their experience of trading in different states, they have come across centralized regulated markets that has got all facilities including banks, storage facilities, accommodation for farmers and traders.

Moreover, the transactions carried out were transparent so that both farmers and traders benefited. But here, Rs 300 per sack went to middlemen as commission alone, he said.

Traders also pointed out that farmers should ensure that they maintain quality of their produce.

Addressing the meeting, Director of Agricultural Marketing and Agri Business S Manoharan said that the infrastructure facilities would be created at regulated markets in a phased manner and instructed marketing committee to issue licences to traders to carry out business in notified commodities of the Madurai Agriculture Marketing Committee.

The collector assured that sufficient awareness would be created among the farming community about the regulated markets.

### **HC stays T decision on BT cotton royalty**

HYDERABAD: Justice M S Ramachandra Rao of the Hyderabad High Court on Thursday stayed the decision of the Telangana government to reduce the royalty fee on BT cotton seeds from Rs 186 to Rs 50 per pack.

The judge, who was presiding over a vacation court, gave this interim order after hearing a petition filed by Mahiko Monsanto Bio Tech India and a few others who challenged the state's decision. Senior counsel Kapil Sibal appeared for the petitioners and told the court that the state can intervene in the fixation of prices but not in the fixation of royalty charges. Royalty is an affair between the seed manufacturer and several private players, he said. The judge issued notices to Telangana agriculture officials and stayed the Telangana regime's royalty GO.

### **T issued notices on AP Bhoodan Yagna Board plea:**

The Hyderabad High Court on Thursday issued notices to the Telangana government pertaining to a petition challenging its action in dissolving the AP Bhoodan Yagna Board in the state and appointing the revenue principal secretary as the authority to discharge duties of the board.

The court was dealing with a plea by G Rajender Reddy, who was appointed as chairman of the AP Bhoodan Yagna Board in December 2012 and had a four-year tenure, who contended that Section 9 of the AP Bhoodan and Gramdan Act does not contemplate dissolution of the board consequent upon bifurcation of the state. While directing the government to file the counter affidavit, the court adjourned the matter to another date after summer vacation.

### **Govt wants municipal bodies to simplify land use change to boost housing**

NEW DELHI: As cities and towns are struggling to meet the growing need of housing, government has a series of prescriptions for municipal bodies and development authorities to augment land supply for this purpose, particularly for affordable housing. It has also recommended that authorities simplify the process of sanctioning land use change once the master plans are notified.

The housing and poverty alleviation ministry last week told the authorities that if a particular patch of land falls under "residential zone" in the master plan then it should be treated as deemed permission for "non-agricultural" use.

Permissions relating to change of land use from agriculture to non-agriculture delays project take-off by up to one-and-a-half years and the cost escalation could be as high as 40%.

Considering the fact that about 95% of the housing shortage exists in the category of economically weaker sections (EWS) and low income groups (LIG), the ministry has

suggested city managers to introduce a "mandatory reform". The ministry has suggested development authorities make it compulsory to reserve 10-15% of land in new layout plans for EWS and LIG housing and to convert land in fringe areas of cities into urban land. It also suggested that the authorities should relax density norms for affordable housing and allow floor space index (FSI) and transferable development rights (TDR).

Stressing that reforms will be key to urban development and finding solutions to civic chaos, urban development minister M Venkaiah Naidu told municipal commissioners on Friday, "While addressing the issue of geographical spread, only the deserving will be assisted." He had also referred to sub-optimal performance in respect of promoting reforms, physical targets and resource mobilization under the urban renewal mission.

He had blamed weak urban governance structures, uninspiring leadership of both selected and elected urban managers, poor inventory management and resource base as the reasons behind the urban chaos across the country.

### **Ambhora irrigation canal: Cost reaches Rs340cr from Rs6.74cr in 32 years**

**Nagpur:** A lift irrigation project planned as a part of the Gosikhurd dam in March 1983 is now worth as much as the original cost of the dam itself. Over 60 kms away from Nagpur, it was originally conceived at a cost of Rs 6.74 crore but has now touched Rs 341 crore. This is close to the initial cost of Gosikhurd dam which was Rs372 crore in 1983.

On paper, almost 95% of work at the Ambhora project has been completed. It has a stated capacity to irrigate 8441 hectares of land. Actually, water reaches only 2600 odd hectares as of now. The project-- situated at the confluence of Wainganga, Amb, Nag, and Kanhan rivers-- was covered as a part of field visits organized by Jan Manch, Bapuji Aney Sanstha, Vidarbha Economic Development Council and other NGOs under the Sinchan Shodh Yatra series.

In what has been the stock reply during several visits so far, Vidarbha Irrigation Development Corporation (VIDC) officials say the canals are not functioning to their full capacity due to lack of maintenance. All that needs to be done is clearing the thick overgrowth of vegetation

in the distributory canals. This can be only done after the maintenance wing of VIDC takes over the project.

Maintenance of projects is undertaken by a separate wing in VIDC. Though the first phase of the project was over in 2005, it was only last year the maintenance wing was approached to take it over. The civil department builds the project that is later handed over to the maintenance wing. There has been no response from the latter so far, said a VIDC engineer accompanying the NGO representatives and media during the visit.

The main canal is over 10 kms long. The distributory canals from which water reaches the fields resembled a marsh. VIDC officials admit the growth slows down flow of water to the fields. As the thick vegetation hampers the flow, more water has to be pumped in leading to higher electricity consumption. This increases the time taken for water to reach fields to 16 - 17 hours as against normal four hours. Farmers also end up paying more for water due to higher power consumption. From last year onwards, government has decided to pass on the electricity bills incurred for running the pump house to farmers. This has led to a four fold increase in water charges to Rs4100 per hectare.

The first phase of the dam was completed in 2005. The officials admitted that in normal course the first phase should have been taken over for maintenance at least a year after that but no application was made. Even after a substantial part of the second phase was over there was no attempt to hand it over to the maintenance wing till last year. Now maintenance issues have started cropping up. One of the pumps used to lift water is not working.

An almost 3-metre wide section of the main canal was missing for which the engineers had no explanation. "It seems the space was left out for building staircases to reach the canal but the work has been left incomplete," said the VIDC engineer. "Another patch was incomplete for want of forest clearance. There is a teak wood tree on the patch since forest department has not granted the permission to remove it, the work had to be abandoned," said the engineer.

### **In a nutshell**

\* Project planned in March 1983 at a cost of Rs6.74 crore

\* Work began in 1997, cost already Rs120 crore

\* In 2007, the cost reaches Rs216 crore



- \* Lack of funds hampered progress
- \* Fresh cost estimate Rs340 crore sent for approval, Rs329 crore already spent
- \* Capacity: 8441 ha; actual irrigation: 2600 ha
- \* Project not handed over to maintenance wing

### **Amazing facts about cheese**



*Did you know that in the 16th century Denmark, cheese was used as currency? Read on to know more fun facts.*

Clifton Fadiman once said, "A cheese may disappoint. It may be dull, it may be naive, it may be over sophisticated. Yet it remains cheese, milk's leap toward immortality." Well, we surely think so, too.

-Some cheeses, like Mature Cheddar, are stored for one year or longer before they are ready to eat. They are kept in special rooms and sometimes even caves!

-Cheddar is named after the Cheddar Gorge caves in Somerset where the cheese used to be stored to ripen. Cheddar is one of the most widely made cheeses in the world. King Henry II declared Cheddar Cheese to be the best in Britain!

-Cornish Yarg came from a recipe found in a book in a farmer's attic

-His name was Mr Gray (Yarg spelt backwards!)

-A small matchbox-sized piece of Cheddar contains as much calcium as a third of a pint of milk.

-Egypt brings us the earliest archeological evidence of cheesemaking, found in tomb murals that date back to 2000 BC.

-Although most cheese is produced from cow, sheep, or goat's milk, it can and has been made from a plethora of milk-producing animals. A farm in Bjurholm, Sweden actually makes moose cheese.

-In sixteenth century Denmark, cheese was often used as currency.

-Some ancient Roman houses had a special kitchen, called a careale, just for making cheese.

### **Make cheese at home**

You can make your own cheese in as little as 20 minutes at home with just a few ingredients. While this homemade cheese won't melt like a rennet-curdled cheese, as the protein structure is too fragile. However, you can use it for salads, or even use it on pizza, as part of a lasagna, drizzled with honey and served with soft fruits.

### **For the starter**

You can substitute rennet with yoghurt. Fresh cheese can be brought to life using a little yoghurt as a bacterial starter and vinegar as an acid. These form curds in the milk. Transfer these curds into a muslin cloth, tie and hang so as to allow the curds to drain excess water.

### **Timing matters**

It's the length of draining time that determines how crumbly or firm the cheese will be.

### **Texture treat**

Play with the fat content of your milk - adding cream if you want a more spreadable version. Or press it further to make a sliceable, fryable paneer.

### **Union minister launches scheme for reducing crop loss**

Patna: Union agriculture minister Radha Mohan Singh on Monday launched an all-India scheme for reducing loss of cash and food crops during harvesting and post-harvesting operations, especially of small landholders. Bihar will be among the major beneficiary states of the scheme, he said.

Addressing a function held under the aegis of Indian Council of Agricultural Research on the premises of Bihar Veterinary College, Singh said the scheme envisages use of technological inputs developed at the University of Illinois, USA. The scheme is being launched from Bihar because it would be among the scheme's major beneficiary states, he said.

Singh said 80% of the people of Bihar are dependent on agriculture, which necessitates prevention of cash and food crop loss. Besides, the loss of fruits and vegetables in the state is to the tune of 5% to 30%, he said.

He said a large number of technological inputs and mechanised farming methods are available, which can be utilised for the purpose of preventing crop loss.

Singh said PM Narendra Modi is committed to improving the condition of farmers, including those in Bihar, and he also wants to make agriculture and farming activities a profitable venture. According to Singh, Modi improved the condition of farmers in Gujarat when he as Gujarat CM ensured availability of water for irrigation, mechanised irrigation facility and supply of electricity through separate feeder for the agricultural sector.

For a detailed discussion on the prevention of crop loss, the minister said, a meeting was held in Delhi, but the Bihar agriculture minister did not attend it. Instead, an official of the department was sent. "The state government has not shown interest in the scheme," he said.

Singh said if the BJP-led NDA forms government in Bihar, the scheme would be implemented with full vigour to improve farming activities in the state and enhance the income of farmers.

Gokul Barrage affected farmers will be compensated soon: District administration

AGRA: The Mathura district administration has already submitted its report in the Gokul Barrage compensation matter and the state government will be releasing the funds shortly, according to district magistrate Rajesh Kumar. As many as 25,000 farmers from Mathura has threatened to commit suicide on Independence Day this year after failing to get compensation from the government for land taken up in the construction of the barrage.

Addressing the media, the Mathura DM on Monday said that the additional city magistrate visited the farmers and urged them not to take any extreme steps. The official said that the total compensation to be released in the matter is more than Rs 750 cores and farmers were requested to have patience as it would take a little time to release such a huge amount. "The state government is ready to pay four times extra compensation to the farmers. We have already submitted our files. The funds will be released soon," added Kumar.

After 17 years of trying to get compensation for their land, the farmers had written to President Pranab Mukherjee declaring their intention to commit suicide on August 15. Demanding compensation against 700 acres of lands which got submerged in water in 1998 without their consent, over 1,500 farmers from 11 villages of the district had been agitating since the gates of the barrage were shut on the alleged pretext of a test being undertaken and their land went under water.

"We demand compensation for the land acquired from us years ago for construction of Gokul Barrage. We are left with no land to grow food for children and are forced to do petty jobs," a

farmer, Kishan Bahadur, said. His fellow farmers sat on dharna few months back and the district administration made promises which were not carried out.

In November last year, more than 50 people including a few BJP leaders were arrested for violating Section 144 of the CrPC while staging a demonstration over the Gokul Barrage issue. The arrested persons had allegedly defied police orders by holding a meeting to mobilize the farmers.

### **Deficit rain worries farmers**

BHUBANESWAR: Deficit rainfall and poor crop-growing area (coverage) have spelt trouble for farmers in the state.

By the first week of August, paddy coverage was two-lakh hectare less than that during previous year. The crop was grown over 21.73 lakh hectare during the corresponding period last year. Same is the case with pulses and oilseeds, official sources said.

The government officers, keeping a watch over the situation, fear that the plight of farmers will aggravate if it does rain in the next one or two weeks.

The India Meteorological Department on Sunday forecast more rain this week as the cyclonic circulation over the Bay of Bengal is likely to intensify further by Wednesday.

The sources said the state recorded 7% excess rainfall in June, but the following month saw a deficit of 9.3%. Five of the 30 districts received 19 to 36% less rain. These are Koraput, Kandhamal, Nayagarh, Khurda and Puri.

### **Agri students to receive Rs30k more as stipend**

Patna: CM Nitish Kumar on Monday said his government would provide an additional stipend of Rs 30,000 per annum to each student of state-run agriculture colleges to attract more candidates to such colleges. Of this, Rs 2,000 per student will be paid on a monthly basis and the rest Rs 6,000 on annual basis for purchasing books.

Addressing a public meeting after inaugurating a new building of Bholu Paswan Shastri Agriculture College at Purnia, about 300km east from the state capital, the CM said the livelihood of 76% population of Bihar is based on agriculture and sustainable development of the state was not possible without proper growth in agriculture sector. He also unveiled a statue of ex-CM Bholu Paswan Shastri in the main building of the college.

Nitish called upon the guardians to motivate their wards to opt for courses in agriculture science, saying "country's development in coming years will be based mainly on development of agriculture." He said his government opened a second agriculture university — the Bihar Agricultural University, Sabour, and three agriculture colleges in Kosi-Seemanchal region.

The CM said technological advancement is a must for overall growth in agro sector, for which the state needs advanced agriculture institutions to carry out research work. "My government decided to open three agriculture colleges in three different districts (Purnia, Kishanganj and Saharsa) to ensure that research works are carried out on the basis of climate of different areas. Now, maximum number of youths should come in the field of agricultural research to boost agri production in the state," Nitish said.

Later in the day, the CM also inaugurated a new building of another agriculture college named after former President Dr APJ Abdul Kalam, at village Arrabari in Kishanganj district.

Nitish called upon the guardians to motivate their wards to opt for courses in agriculture science, saying "country's development in coming years will be based mainly on development of agriculture"

## DECCAN Chronicle

**Himachal apples flood Chennai market**



Himachal Pradesh apples, mostly harvested from Kulu and Manali, have flooded the Chennai market after seven months of ‘domination’ by imported apples from the U.S, New Zealand and China.

Popularly named as ‘Royal’, ‘Red Golden’, and ‘Richard’ among the apple traders, 85-90 per cent of the apples sold in the wholesale and retail markets in Chennai are those arriving from the northern states.

“This time the apples have arrived later than expected but sales are higher than expected. The color of the apples is not thick red as showers have not ended in Kulu and Manali. Within a month’s time we can expect such arrivals,” said N.P. Murugan, an apple trader for the last 19 years.

“This time around there is a high demand for apples and hence sale has risen by 20 per cent compared with last year. We expect it to rise further after the ‘Aadi’ season ends. Also, sweeter varieties are yet to arrive in the market,” he said.

The apples that arrive in large, medium, small, extra small and tiny sizes are currently sold at Rs 120-150 per kilogram in the retail market. Meanwhile, Washington apples are sold at Rs 170-180 per kg.

“I prefer the small apples from Himachal as they are more sweet and preferable for fruit salads and juices compared with other apples,” said T. Vilasini, a homemaker, shopping at the central fruit market.

Every day 12 loads of apples arrive at the Koyambedu market with each load consisting of 12-15 tonnes comprising 600-700 boxes. In 2014, there were 7-8 loads arriving in the month of August. The wholesale price of apples varies according to their size and quality. When the price of large, medium and small-scale box that consists of 25 kilogram of apple is Rs 2,800, the price of extra small and ‘Pitu’, a tiny apple is Rs 1,700 per box.

“A lot of people prefer Himachal apples mainly due to their sweetness. Apple shakes with Himachal apples is preferred by customers as compared with other fruit juices,” said a juice vendor at Ashok Nagar. The Himachal variety will be available in the market till December, after which the Srinagar variety is expected.

Why domestic varieties are preferred? There are many in the city who prefer and look forward to the domestic apple varieties instead of the foreign arrivals. One of the main reasons cited by many is the fact that apples from Washington, which are harvested from August 1 to October 30, are usually treated to preserve them before they arrive in the fruit shops across Chennai.

The apples are kept in a controlled atmosphere room for a day after which it is cleaned in normal and then in soap water. They are then dried at 10 degree Celsius and sprayed with edible oil, more commonly known as waxing.

“The wax used is made of palm tree leaves and therefore there is no artificial ingredient that is used,” said N. C. Alexander, a trader, who deals with imported apples in Chennai. The apples are then again dried and packed according to its size and the shipped to countries like India, Pakistan, Sri Lanka and Bangladesh. Unlike Indian apples harvested in the North and directly transported, imported apples, on the other hand, are preserved in cold storage.



# THE HINDU BusinessLine

## Wagh Bakri plans to buy up to 10 tea plantations in Assam



Packet tea blender-and-retailer Gujarat Tea Processors and Packers Ltd, owners of the Wagh Bakri brand, is planning to acquire tea gardens in Assam. It is also in the process of creating a war chest to the tune of ₹ 150-200 crore to fund these acquisitions.

According to its Chairman and Managing Director, Piyush Desai, the company is looking to acquire 6-10 plantations with a total capacity of 0.8-1 million kg (mkg). The proposed foray into plantations was driven by the need to grow premium CTC variety for subsequent sale in branded packets.

“We currently have no control over the kitchen (production). We are looking at acquiring 6-10 gardens in Assam adding a total production of nearly one million kg,” he said.

The company has three brands – Wagh Bakri, Good Morning and Mili – under its stable. While Wagh Bakri and Good Morning operate in the premium segment, Mili is a mass brand.

### **Funding pattern**

According to Desai, the Wagh Bakri Tea group (Gujarat Tea) was willing to raise the amount required for acquisition from private equity players or through bank loans or a mix of both. There are no immediate listing plans though.

“Most likely we will opt for private equity for funding the acquisition. Bank loans too can be explored. However, we do not have any plans to float an IPO at the moment,” he said.

The Ahmedabad-headquartered company is a dominant player in Gujarat, followed by Rajasthan, Maharashtra and Delhi. It reported a turnover of ₹ 950 crore in FY-15 and is targeting a 10-15 per cent sales growth this fiscal.

### **Rubber skids on weak global cues**



Spot rubber continued to remain weak as bearish international prices have kept domestic rates under pressure. RSS 4 slid to 118.50 (119) a kg, according to traders and the Rubber Board. The grade weakened to 115.50 (116) as quoted by the dealers. August futures declined to 117.30 (118.56), September to 117 (118.18) and October to 116.56 (118.01) on the National Multi Commodity Exchange. RSS 3 (spot) firmed up to 99.64 (99.52) at Bangkok. August futures closed at ¥184.6 (94.58) a kg on the Tokyo Commodity Exchange. Spot rubber rates (/kg): RSS-4: 118.50 (119); RSS-5: 115 (116); Ungraded: 103 (103); ISNR 20: 105 (105) and Latex 60%: 87.50 (90).

## Cotton rules flat on limited demand



Cotton prices remained unchanged on limited buying from South mills. *Kapas* or raw cotton declined marginally on poor ginning demand. Gujarat Sankar-6 cotton was ▪ 33,500-34,000 per candy of 356 kg. About 1,500 bales of 170 kg each arrived in Gujarat and 3,200 bales arrived in India. *Kapas* went for ▪ 900-920 per 20 kg and gin delivery *kapas* stood at ▪ 925-935. Traders said that cotton prices may decline in coming days as hopes for fresh demand is dull.

## Sugar prices rebound on Centre's export proposal

Buoyed by reports of Centre stepping in to promote exports of surplus sugar stocks, prices of the sweetener are seen rebounding from ten-year lows over past few days.

However, millers and analysts were circumspect about the uptick and said that a concrete action by the government would determine whether prices stay firm.

Spot prices in Kolhapur, sugar bowl of Maharashtra, have moved up by about ▪ 400 a quintal over the past week to hover around ▪ 2,300-50 levels for the small grain, while in Uttar Pradesh it was between ▪ 2,450 and ▪ 2,800 across various centres.

On Monday, the sugar futures rose nearly 4 per cent on average on the NCDEX. While sugar for delivery in October increased by ₹ 93 to ₹ 2,421 with an open interest of 53,030 lots, the December series gained ₹ 95/quintal at ₹ 2,479 in 23,120 lots.

### **Industry apprehensive**

“The price increase is driven by sentiments and is not sustainable as there are huge stocks,” said MG Joshi, Managing Director, National Federation of Sugar Co-operatives. The industry will begin the new season starting October with stocks of over 10 million tonnes.

Food Minister Ram Vilas Paswan said the government was looking to allow exports of 4 million tonnes (mt) of sugar under a barter system with countries from which India imported agri-commodities, such as pulses and edible oils. A preferential quota system for mills to export to China has also been proposed.

“The rise is on the news of compulsory exports, which is purely speculative. I don’t think it’s sustainable since international prices are still low and prospects of exports without additional support from the government is difficult,” said an industry official requesting anonymity.

### **Lower output**

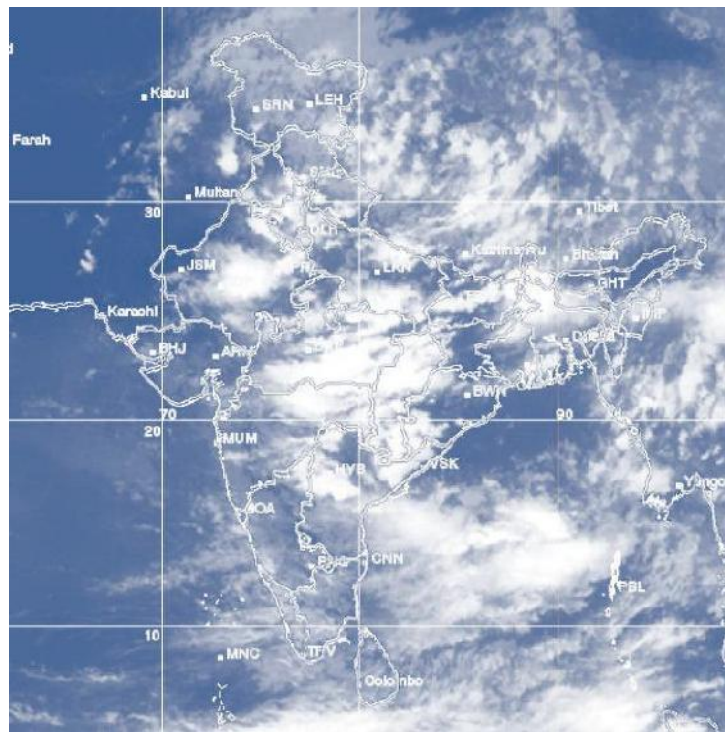
Kiran Wadhwana, a sugar trade analyst, felt that the rise could impact exports and attributed the upward swing to both reports of the Centre’s proposed move as well as reports of the sugarcane crop suffering in parts of Maharashtra and North Karnataka that have received poor rainfall.

“These factors have caused sentiments to change. But to me, this rise is temporary and is likely to mean that exports won’t happen in September since domestic price is rising while prices are falling internationally,” he said. “If the trend continues and mills don’t export for a month or two, the price situation is back to where it was,” Wadhwana added.

Abhijit Ghorpade of Ghorpade Agrovvet, a sugar trader and broker in Kolhapur, said the prices may not sustain at these levels if not backed by action from the Government. The Government should immediately announce policy measures to help the industry encash this sentiment.

If domestic prices rule higher, it will benefit cash-strapped sugar mills which owed ₹ 14,700 crore in dues to farmers as of mid-July. Private mills in Uttar Pradesh, the second-largest sugar producing State, account for ₹ 7,200 crore out of the total arrears.

### **Fresh 'low' brewing in Bay; not much gains for peninsula**



A pair of two existing cyclonic circulations would merge to become a low-pressure area over northwest Bay of Bengal (off Odisha-Andhra Pradesh coasts) over the next two days.

But according to India Met Department's own projections, the 'low' may not get traction over land and may mostly loitering along the East Coast during next few days.

### **Interactive rain**

Global models suggest that it might head southeast along the coast and drive rain from the Andhra Pradesh-Tamil Nadu coast into Vidarbha, east Madhya Pradesh and east Rajasthan.

There is also a possibility of interaction with a western disturbance, traced lying in wait over east Pakistan on Monday, over northwest India.

India Met Department said rain or thundershowers are likely over Odisha, Chhattisgarh, north coastal Andhra Pradesh and Telangana as well as parts of the West Coast.

Heavy rain has been forecast for Uttarakhand and Himachal Pradesh in view of the arrival of the western disturbance carrying moisture from the Arabian Sea. The rain-deficit for the country, as a whole, rose to nine per cent what with individual regional shortfall entering double digits (11 per cent) over east and north-east India on Monday.

### **Deficit worsens**

Over the peninsula, it worsened by one percentage point to 22 per cent and in central India, eight per cent.

The lone surplus over north-west India has narrowed to two per cent.

The monsoon is now delicately poised with the northwest Pacific likely getting its act together after the energy-sapping super typhoon Soudelor made twin-landfall over Taiwan and adjoining China.

The European Centre for Medium-Range Weather Forecasts shows three more typhoons in the making during the rest of the week and into the next.

One will pull away from off the southeast coast of Japan while the two others may race in towards the northern Philippines, Taiwan and China.

The 'push-pull' effect of these intense weather systems may succeed in dragging in a rain wave from the Indian Ocean (south of Sri Lanka) into peninsular India during the next week

### **GROWING the natural way**

Be it a class 10 dropout or an MBA graduate, their cause was common: organic farming. What made them take the unconventional path? They tell their stories to Gurumurthy K



Venkadesh Prabhu, a Tiruppur-based MBA graduate, did not want a career in the corporate world and so joined his father in conventional farming. His interest in organic products led him to organic farming. Venkadesh says, “Convincing my parents was a major difficulty. It then took about two years to prepare the land, for it had been contaminated by continued use of chemicals for about two decades.”

He started with domestic animals and says organic farming is incomplete without animals; they are the biggest assets in this kind of agriculture, he says. Venkadesh has six cows and 60 sheep.

A single cow yields a minimum of five to seven litres of milk a day. A sheep gives birth to three lambs in two years which can be sold for a good rate. “Animals are the biggest liquid assets which can be used to raise money in times of urgency,” says Venkadesh. But the negative side is that during the rainy season the sheep are infected with seasonal disease. It is important to contain the disease and prevent it from spreading.

The cost of organic farming is much less as he does not have to spend on fertilisers and insecticides. “My biggest expense is on the irrigation system and the tractor used for initial ploughing,” says Venkadesh.

The shift to organic farming has not been easy. On average, annual earnings from organic farming come to Rs. 1 lakh per acre. Over time, Venkadesh has gained experience and rotates crops in tune with demand. It was more difficult to sell products five-six years ago due to fewer retail outlets and lower awareness. The conditions are more favourable now.

If you think organic farming is a new practice, you are wrong. Palanisamy from Palladam is into it since 1970. Yes, you read it right, for the last 45 years. He grows brinjal, papaya, chickoo and banana, besides coconut (about 500 trees) and other trees.

He has made provision to collect and store rain water. “Rain is required, but is not mandatory,” he says. Zero usage of chemicals helps the quality of land to strengthen automatically, which makes it less dependant on the monsoon.

The earthworms in his fields help suck the entire rain water into the land. “There is zero water stagnation in my farm during times of rain as the worms help in quick absorption of water,” says Palanisamy. People are greedy for higher yields and not willing to shift to organic farming, he rues, although a shift is happening at a very slow pace. “I don’t calculate my income and outflow. I was able to pay for my two daughters’ education and marriage through the income from this farm,” says Palanisamy. The major part of his land is covered by trees, some of which he sold to secure his daughters’ future. “Trees are like insurance which can be used to raise huge amounts of money during times of emergency,” he adds.

Thirumurthy, based out of Sathyamangalam, is a Class 10 dropout and is into farming for the past 20 years. He initially joined his father in conventional farming which gave them very high yields. “Heavy usage of chemicals spoiled the land and the yields started to decline.” Falling yields made them use more and more chemicals. They also had to take on loans to buy these fertilisers. But it resulted in their land getting contaminated and they ended up selling a part of their land to close their debt. They then slowly shifted to organic farming. “In the first year the yields were low, but in due course of time the yields have started to improve,” says Thirumurthy.

He had shifted abruptly to organic farming and failed initially as the land was not ready. “I should have ensured that my land lay fallow for at least six months. My neighbours mocked me on seeing the process I then used to set my land. But I did not care about them,” says Thirumurthy. According to him, using chemicals might give high yields, but the output will not be consistent. But in organic farming, the yields might not be very high but will be consistent. Thirumurthy grows turmeric and banana apart from 250 coconut trees.

He follows a technique of planting/sowing with a three-month gap. “The crops will be in different stages of growth at any given point in time and so it will reduce the loss caused by



sudden downpour. Regular yield is also possible by following this method,” says Thirumurthy.

A group of ducks, goats, sheep, cows, horses and a peacock are all ready to welcome you as you enter the gates of Leo Organic Farm owned by brothers Bharathi and Saravanan, spread over 150 acres in Thiruvallur district near Chennai. The brothers also own two donkeys and two camels. Why donkeys and camels? “I use donkeys to transport the harvested fruits within the farm and camels to graze the fences and top portion of trees,” explains Bharathi. Camels are also useful in producing manure. “I do not use machines to grind leaves. Instead I feed the leaves to the camels, take the dung got the next day and mix it with cow urine for sprinkling on infected leaves. This is very effective,” he says.

Mango trees cover most of his farm and he grows chickoo (sapodilla) and amla as well, apart from bamboo and redwoods. Visitors to his farm range from the common man to agriculture students. Customers visit his farm to buy fruits directly, after tasting them.

Conventional farmers spend incessantly on chemical vendors affecting their cash flow. They end up taking additional loans for the next cycle of crops. This is the main reason for the increasing number of farmer suicides, asserts Bharathi. “In organic farming I invest the money earned from the farm on animals. So, I have no outflow of money, only inflow,” he points out.

# Business Standard

## **Bringing the youth back into agriculture**

[Rural youth](#) are, by and large, disillusioned with agriculture. This is true of not only those belonging to small and marginal farming families but even of those operating medium and large farms. Worse still, the educated rural youth, including agricultural graduates, are almost totally disinclined to take up farming. Even the majority of farmers do not want their next generation to continue with their traditional profession. They wish them to settle down in urban areas.

Given that nearly 35 per cent of the country's population falls in the 15-35 age bracket and roughly 75 per cent of them live in rural areas, disenchantment with [agriculture](#) on such a large scale is a matter of worry.

If the bulk of this population opts to migrate to cities, it would put a great strain on the already overburdened urban centres. Besides, it would be a huge loss for the agriculture-based [rural economy](#) as the youth possess the greatest potential to transform farming into a science- and knowledge-based enterprise.

The reasons for the youth's lack of interest in agriculture are many. Low profitability of agriculture, drudgery of farm chores, poor quality of life in the rural areas and the rapidly shrinking size of landholdings are the most significant among them.

Many landholdings are turning unviable due to unabated fragmentation of land. The rural youth see no future in tilling such tiny farms. Moreover, with the rise in their aspirations, thanks partly to their increased exposure to mass media, the rural youth are now looking for a better life and greater employment opportunities.

The only way to prevent them from leaving the villages is by ensuring better economic prospects for them in agriculture and its allied fields and improving the quality of life in the rural belt.

The need for such a strategy to keep youth in agriculture was first voiced by the National Commission on Farmers, headed by noted farm expert M S Swaminathan, in its fifth and final report in 2006.

"The youth can be attracted to and retained in farming only if it becomes economically rewarding and intellectually satisfying", the commission had observed. It had also stressed the need for providing essential facilities such as power, roads, education and health care, among others, in rural areas.

Besides, it had called for changes in the curricula of agricultural universities to prepare and train the youth for taking up agriculture on scientific lines or engaging in agriculture-related income-generating ventures. Every scholar should be a potential entrepreneur. At the policy

level, the commission had counselled integration of on-farm and non-farm rural employment strategies.

Thankfully, a move is now afoot to implement part of the commission's recommendations by initiating a programme to train and equip the rural youth with such skills as would allow them to earn a good income within the broad farm and non-farm rural sectors.

The new scheme, Arya (Attracting and Retaining Youth in Agriculture), has recently been launched by the Indian Council of Agricultural Research. The programme is planned to be implemented through [Krishi Vigyan Kendras \(KVK\)](#) or farm science centres) in 25 states.

Each KVK would train about 200 to 300 youth in taking up agriculture's allied and supplementary activities such as beekeeping, poultry farming, dairying, fisheries, goat rearing, mushroom production, value-addition through food processing, seed processing, soil testing and similar others depending on their aptitude and capability. The so trained prospective young entrepreneurs would be assisted in preparing project reports for seeking bank loans.

If implemented efficiently, this programme can help keep the rural youth attached to agriculture, directly or indirectly, without necessarily tilling the land. They can, in fact, become the harbingers of change in the broad rural sector.

However, the success of this move would depend critically on simultaneous efforts to improve the quality of life in rural areas by creating urban-like facilities there. Unless that happens, the urge among the rural youth, especially the educated ones, to move to cities may not be effectively curbed.

### **[MSME secretary asks entrepreneurs to focus on food processing sector](#)**

A seminar on "Niryat Bandhu & Export Awareness Programme" was conducted by Director General Foreign Trade (DGFT) under the Union ministry of commerce & industry, The Federation of Indian Export Organisations (FIEO), Bhubaneswar chapter, Export Credit Guarantee Corporation of India Ltd (ECGC), Bhubaneswar and Orissa Young Entrepreneurs Association jointly (OYEA) at Cuttack.



Panchanan Dash, secretary, MSME department inaugurated the seminar. He highlighted the role of MSME in the state and country which is the highest employment generating sector next to agriculture.

He also advised the MSMEs to expand their business on food processing which will supplement the agriculture sector.

On exports, he encouraged the MSMEs to avail the Centre's beneficiary scheme of DGFT and MSME department and the benefits under Industrial Policy Resolution (IPR) of the state government.

### **Modi might announce social sector initiatives in I-Day speech**

Prime Minister [Narendra Modi](#) in his second Independence Day speech from Red Fort could announce new or improved versions of existing social sector schemes.

These might include a new crop insurance scheme for farmers, lowering the mandatory age limit for widow pensions from the current 40 years to 18 years, and a scheme to attract rural youth towards productive activities. Formal approval from the Cabinet is expected next week.

Officials said in the new crop insurance scheme, the mandatory premium could be lowered to 1.5-3.5 per cent of the sum insured, significantly lower than what is charged now. It will be an improved version of the existing [National Agriculture Insurance Scheme](#) (NAIS) and will also charge a premium rate on an actuarial basis.

In all the other crop insurance schemes, the farmer's share of premium is higher, a deterrent to acceptability.

"In the existing NAIS, premium is charged at the market rate; for some crops, the farmers burden is as high as 10 per cent of the sum insured," a senior official said.

He added the new scheme would lower this and the government subsidy would increase. A village or block would continue to remain a unit for measurement of the insurance claim.

A big difference between previous crop insurance schemes is that for individual farmer premiums for all other insurance products - such as life insurance, Jan-Dhan, personal accident insurance, student insurance, etc -- would be covered by the same premium.

However, this will be available only if the insurance products are provided by government-run agencies.

"In other words, premium for other insurance products will be dovetailed with the crop insurance premium, so that a farmer makes a one-time payment and the entire value chain is covered," the official explained.

Officials said a new scheme to attract rural youth could be announced, with the aim of ensuring at least one youth from a village got exposure.

"We have sent various proposals to the Prime Minister's Office for inclusion in the Independence Day speech and are hopeful that some would be accepted," a senior official from the rural development ministry said.

### **At 8.4% non-food bank credit offtake growth falls to 20 year low**

With demand for loans not showing any signs of pick-up, the growth in non-food bank credit offtake has fallen further to 8.4 per cent in June 2015 as compared with the increase of 13.0 per cent in June 2014. While this is the worst growth in loan demand in the last two decades, the Reserve Bank of India and rating agencies like Crisil say loan offtake will increase by the third quarter of the fiscal 2015-16.

According to the Reserve Bank of India, the slow growth in credit offtake has been contributed by industry, agriculture and the services sector. Total outstanding loans were at Rs 60,71,400 crore in June 2015 as compared to Rs 56,01,200 crore in the same period of last year. Credit to agriculture and allied activities increased by 11.1 per cent in June 2015 as compared with the increase of 18.8 per cent in June 2014, the [RBI](#) said.

Why was the credit offtake growth declining? “Muted investments, rising risk aversion owing to deteriorating asset quality of public-sector banks (PSBs), and an increase in cheaper funds raised via commercial paper (such issuances rose by 57 per cent year-on-year as on July 15, 2015) slowed credit offtake,” says a Crisil official.

Even as non-performing assets of the banking sector soared, credit to industry increased by 4.8 per cent in June 2015 as compared with the increase of 10.2 per cent in June 2014.

Deceleration in credit growth to industry was observed in all major sub-sectors barring gems and jewellery. Credit to the services sector increased by 6.9 per cent in June 2015 as compared with the increase of 13.5 per cent a year ago.

The RBI says a big fall in credit growth was reported in the NBFC segment with credit offtake rising just 2.0 per cent in June 2015 as compared with the increase of 16.8 per cent in June 2014.

However, personal loans, including auto, home and credit cards increased by 17.1 per cent in June 2015 as compared with the increase of 15.3 per cent in June 2014.

The RBI had last week revealed that in the April-June quarter, credit in the banking system declined by 2.5 per cent whereas deposits declined by 1.26 per cent. In FY15, credit to the industry grew at the slowest pace in the last 17 years at only 9.52 per cent. Since the first rate cut in January, the median base lending rates of banks has fallen by around 30 basis points, a fraction of the 75 basis points in rate cut so far.

However, RBI Governor [Raghuram Rajan](#) expects a pick-up in credit offtake in the third quarter — October-December period. As loan demand picks up in Q3 of 2015-16, banks will see more gains from cutting rates to secure new lending, and more transmission will take place. The welcome announcement by government of infusion of bank capital into public sector banks will help loan growth and hence transmission, as will currently easy liquidity conditions, he had said.

Agreeing to this, Crisil said, “we expect a gradual pick-up in the latter half of 2015-16, driven by a rise in retail loan (automobile and home loans), public sector investments (which will, in turn, drive up working capital demand across allied sectors) and small-scale enterprises.”

### **Poland may invest in food processing tech in Punjab**

With an aim to double the bilateral trade with India to \$5 billion by 2018, Poland has proposed to invest in food processing technologies and farm machinery in Punjab.

With an aim to double the bilateral trade with India to \$5 billion by 2018, Poland has proposed to invest in food processing technologies and farm machinery in Punjab.

During his just concluded visit to Poland, Punjab deputy CM Sukhbir Singh Badal invited Polish companies to set up small food and fruit processing units in Punjab.

At a delegation level talks with Badal, Polish deputy PM and minister of economy Janusz Piechocinski announced that Poland will be a partner country for the ‘Progressive Punjab Investors Summit’ to be held in October in Mohali.

Accompanied by a 9-member official and business contingent to Poland last month, besides interacting with the Polish industry, Badal outlined the reforms transforming the Indian economy and presented the strong governance and agriculture credentials of Punjab.

Talking to FE, Ajay Bisaria, Indian ambassador to Poland & Lithuania, said, “The deputy CM accompanied by businessmen and officials also visited a dairy plant, fruit & vegetable processing plant and a flower cultivation greenhouse facility.”