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THE HINDU

TN to give Rs.5,500-cr. crop loans this year

Tamil Nadu provided crop loans of Rs. 5,279.91 crore in 2014-15, higher than the proposed Rs.5,000 crore, through cooperative banks, benefitting 10.37 lakh farmers and there is a proposal to provide Rs.5,500 crore loans in 2015-16, the State government said on Wednesday.

About 10.75 lakh farmers are likely to benefit this year from the proposal, a press release said.

Chief Minister Jayalalithaa had written to Prime Minister Narendra Modi in June, seeking continuation of the interest subvention scheme.

Union Finance Minister Arun Jaitley announced in July that the scheme would be extended till March 2016. In a letter dated August 3, he had written to Ms. Jayalalithaa explaining the government's proposals, the release said.

Modi calls for self-reliance in making medical equipment

PM asks scientists to come up with innovative solutions



Prime Minister Narendra Modi on Wednesday met 30 eminent scientists from various top institutions across India, and said the country must become self-reliant in medical equipment manufacturing.

According to a PMO release, several scientists made presentations on the progress made by India in various fields of science. Appreciating the work done by them, Modi called upon the

scientific community to work towards solving the problems faced by India, including in the emerging critical areas of energy and water.

He described the task of cleaning up the rivers, including the Ganga, as a “scientific project” and said it was a challenge for Indian scientists to come up with innovative solutions to achieve the goal. Referring to healthcare, he said Indian scientists must address the unique healthcare needs and challenges that confront the country. He mentioned the prevalence of malnutrition and the disease of sickle-cell anaemia in certain tribal areas. Calling for overlapping traditional knowledge with modern systems, he said India must become self-reliant in medical equipment manufacturing.

Describing solar energy as the ultimate solution to India’s energy problems, he called upon the scientists to work towards developing more efficient equipment which could revolutionise the entire sector.

He asked the Indian scientific community to come up with ideas and concepts for global leadership in the context of the upcoming climate conference in Paris.

Recalling the axiom that science was universal, technology must be local, the PM called for innovations in the agriculture sector that would lower wastage of agricultural produce, and end India’s import of agricultural products. He said India accounts for most of castor seed production in the world, but other countries import raw castor seeds from India and export it after adding value to it.

Modi said Indian science seemed to be constrained by a silo-approach, which should end through greater coordination and establishing a multi-disciplinary environment for research. IANS

Mettur water released

Water was released for irrigation from Mettur East–West Canal on Thursday.

The release will help begin farm activities in 45,000 acres in the three districts of Salem (16,433 acres), Namakkal (11,337 acres) and Erode (17,230 acres).

V. Sampath, District Collector, released water from Mettur Dam, in the presence of S. Aneesh Sekar, Sub-Collector, R. Subramanian, Executive Engineer, Mettur Dam division, and Lalitha Saravanan, Chairperson, Mettur Municipality.

Speaking to presspersons Mr. Sampath said that 500 cusecs was being released from the dam in the first phase and it would be increased to 1,000 cusecs in a phased manner. The water level in the dam stood at 91.03 feet on Thursday, against its full level of 120 feet.

From farmer to businessman



In the ongoing debates on the new land acquisition bill, the potential of agribusiness to address agrarian distress has not been explored. There are several domestic agriculture companies, both listed and private, that are doing extremely well amidst an increasing number of farmers' suicides.

The classic case is of suicides by cotton farmers. Of late, share prices of textile companies are performing extremely well and attracting huge private investment, but cotton farmers continue to be in distress. Even in staples such as pulses, rice and wheat, food companies do well but the farmers are in trouble. It is significant that all these foods are processed, but not by the farmer. The money is clearly in the market, and not merely in production.

Recognising this, several farmer-owned producer companies and new types of self-reliant cooperatives, broadly called Farmer Producer Organisations (FPOs), have recently been set up. They aggregate, sometimes process, and then market agricultural produce. The best example of such an FPO is Amul Dairy. Along with other National Dairy Development Board (NDDB)-promoted dairy cooperatives, they have brought millions out of poverty.

In this context, a cold, hard look is required at how agribusiness operates, and at the policy measures, if any, that need to be put in place to enable FPOs to thrive. However, non-dairy agriculture is far more difficult to handle. Prices and supply are volatile and vary at times by over 100 per cent unlike in the case of milk. This not only makes farming difficult, but agribusiness as well.

A look at the listed successful companies in food processing, if we exclude multi-national companies that focus entirely on semi-ready or ready-to-eat foods, shows the following: for listed rice and pulse mills, whole wheat, plain flour and semolina producers, and edible oil companies, net profit margins are low at less than 5 per cent but interest costs are often twice the profits. Debt-equity ratios are hovering at around 200 per cent. Taxes are over 50 per cent of net profits.

Most important, such companies, unless backed by deep pockets, take years to establish, based initially on promoter capital, and later, capital from the share market. Rice mills and processing units listed on the stock exchanges usually take 10 years or more to become successful with high market valuations, profits and dividends. Thus, we largely see private unlisted companies in this sector, outside the purview of public accountability.

What does this mean for farmers and the several hundred FPOs that have already been set up? First, the low margins do not really matter. If we take the profits not on the total value-added sales, but on the value of raw produce, the margins are much higher. For the farmer this is a significant increase in income, and is sometimes the difference between poverty and prosperity.

Capital constraints

However, there are several barriers that have to be overcome. First and foremost is the capital constraint. FPOs are initially not able to raise share capital from their member-farmers. They also cannot go to the share market to raise capital unlike the privately-owned food processing companies.

We 'protect' the FPOs from hostile takeover by not allowing shares to be traded. However, this effectively blocks them from raising capital from the share market, which even wealthy private promoters need. So FPOs in India are all taking the only route available — aggregating raw produce and selling it to the private sector, which then takes away the lion's share of the profits.

The next barrier is working capital. FPOs have to buy in cash as their member-farmers need the money desperately at harvest time to repay crop loans and run their households. They initially cannot demand cash from the buyers who often take a few months to pay. So FPOs need higher working capital than the private sector. This is where dairy cooperatives score since milk is produced and consumed daily and farmers can sometimes wait for a few days to get paid. Given current banking norms, non-dairy FPOs are simply unable to raise loans, as they lack an equity base and cannot provide collateral.

The third barrier is managerial capability. It is unreasonable to expect farmers to run the everyday business operations in an FPO, just as it is unreasonable to expect shareholders to run a listed company. As in the private sector, FPOs can hire well-paid professionals if they reach a certain scale as Amul and several other, large, successful cooperative dairies have done.

So what is the way out? While initial share capital from farmers is very difficult to mobilise, it can be raised over three to five years as profits come in. But meanwhile there are fixed investments, working capital and interest costs, and costs of professionals.

Finance options

Bridge financing is required. An interesting idea followed in other countries allows cooperative-corporation joint ventures and different classes of share capital. Allowing trading in closed circles, clear exit clauses and allowing buy back by FPOs of outside investor shares, may help raise initial capital.

Unfortunately, joint ventures permitted in the Indian Producer Company Act allow very little outside share capital. Hence, innovative ways of providing working capital to FPOs are urgently needed. The highly successful collateral-free, self help group-bank linkage programme needs to be adapted for FPOs, based on a case-by-case business analysis and cash flows, rather than on collateral.

The RBI is willing to categorise lending to FPOs as a priority sector, but banks are not willing to come forward without collateral. An alternative is a special fund outside the banking system. Finally, the huge interest burden on FPOs needs to be reduced. Unlike in microfinance, if interest costs are halved, profits are doubled in agribusiness.

Finally, there are taxes and regulations. While farm gate sales are tax-exempt for the farmer, FPOs with processing units have to pay VAT on the entire sales proceeds, effectively on the purchase of raw material as well. Hopefully, the proposed GST Bill will iron out this anomaly.

The combined effect of interest rate reduction and tax breaks can make these FPOs triple their profits and thus mobilise large numbers of farmers quickly — perhaps even faster than Amul did. The regulatory burden at the grassroots is far too cumbersome needing more than 20 permissions, each taking time and facing several obstacles. It effectively kills the growth of this sector. These need to be waived by giving SEZ type privileges to FPOs.

In spite of such odds, we still see the odd successful FPO running well for decades. The real question is not why there are so few; it is how even these few succeeded. The combined turnover of cooperatives in the U.S. is over \$500 billion, and for Europe's top 10 cooperatives, it is \$110 billion. Our largest and only one has a turnover of \$3 billion. Those countries have less than 10 per cent of their population engaged in farming while we have over 50 per cent. Surely we can do better.

(Trilochan Sastry is the founder of the Centre for Collective Development and Professor at IIM Bangalore)

The highly successful collateral-free, Self Help Groups-bank linkage programme needs to be adapted for farmer producer organisations

Kerala banana variant on GI list



The 'Chengalikodan' banana variety is known for its unique size, shape, colour and taste.

It's an Onam gift for the banana farmers here. The 'nendran' banana variety, 'Chengalikodan', has been accorded the Geographical Indication (GI) status.

Thrissur district panchayat president C.C. Sreekumar, on Thursday, made the official declaration of the status accorded by the Central GI registry. He also unveiled the GI logo of 'Chengalikodan' at a function held at Peringandur Service Co-operative bank (PSC Bank), Athani, near Thrissur.

GI status is an indication that identifies goods as produced from a particular area, which has special quality or reputation attributable to its geographical origin.

The banana, the special variety grown in suburbs of Thrissur and Thalappilly taluks, is known for its unique size, shape, colour and taste.

The Onam link

Chosen for the 'Kazhchakkula' offered to Lord Krishna, the presiding deity of Guruvayur, it has special significance during the Onam season. Families insist on the 'Chengalikodan' variety for domestic use as well as presenting to visitors and relatives.

It is believed that the banana variety, cultivated in erstwhile Chengazhikode, came to be known as 'Chengazhikodan' banana and later 'Chengalikodan' banana. Chowannur, Puzhakkal, Wadakkanchery, Pazhayannur and Ollukkara block panchayats are the prime producers of this banana variant in Thrissur.

Others on the list

'Chengalikodan' is the latest agricultural produce of Kerala to get GI status. 'Palakkadan matta' rice, 'Vazhakkulam' pineapple, 'Pokkali' rice, Wayanadan' scented rice varieties 'Gandhakasala' and 'Jeerakasala' and Central Travancore jaggery are among those already on the list.

Farmers selling 'Kazhchakkula' get Rs.1,500-3,000 a bunch depending on the beauty and size of the bunch, whereas traders sell them for as much as Rs.5,000 a bunch. Its demand shoots up during Onam season .

GI registration confers legal protection to the products, prevents unauthorised use of a GI by others, helps consumers get quality products of desired traits, promotes economic prosperity of producers of goods by enhancing demand in national and international markets and is essential to get protection in other countries.

Nearly 200 unique goods have been registered as GIs in India.

A mission for coastal resource conservation

UN body joins Swaminathan Foundation to restore Sorlagondi mangrove forest



The Sorlagondi Reserve Forest in Nagayalanka mandal of Krishna district.- Photo: T. Appala Naidu

The United Nations Framework Convention on Climate Change (UNFCCC) and the Chennai-based M.S. Swaminathan Research Foundation (MSSRF) will work together for the conservation of coastal resources, with focus on the restoration of the Sorlagondi mangrove forest cover in Krishna district.

“The UNFCCC has sanctioned Rs. 3.8 crore for the potential adaptation strategy of MSSRF in Krishna district through an ‘adaptation fund’. A roadmap to improve the mangrove forest cover in 200 acres and fish cultivation in around 50 acres of mangrove forest has been prepared, and it will be executed in August,” MSRRF Project Co-ordinator Rama Subrahmanyam said.

“The abandoned land will be brought under fish cultivation, while landless families will be involved in cage cultivation in three villages - Sorlagondi and Nali in Nagayalanka mandal and Basavanipalem in Koduru mandal,” he added.

Mr. Subrahmanyam said cage cultivation would be encouraged in brackish water by setting up as many as 10 cages in the three villages, which had been adopted by MSSRF.

The UNFCCC will release the adaptation fund through the National Bank for Agriculture and Rural Development (Nabard). According to NABARD sources, the objective of the adaptation initiative is to overcome the consequences of sea level rise and seawater inundation following cyclonic storms.

An official release by Nabard reads: “Restoration of degraded mangroves will be undertaken with native multiple mangrove species, which in turn would avoid ingress of seawater”.

The conservation of the mangrove forest becomes significant, as a portion of it has been spared for the proposed Missile Test Launch Facility project of the Defence Research and Development Organisation.

Ryots told to go for alternative crops

With the State facing a deficit rainfall of 11 per cent, the government has advised the farmers of Krishna, Guntur and Prakasam districts not to wait for release of water from Nagarjunasagar Project for kharif season and go for alternative crops.

Agriculture Minister Pattipati Pulla Rao said here on Thursday that farmers were advised not to depend on the NSP water but go for alternative crops such as maize, pulses and specific rain-fed varieties of paddy.

Sharing the rainfall details with media persons, the Minister said that while the average rainfall from June 1 to August 20 is 351.8 mm, only 313.2 mm of rainfall was recorded, leaving 331 mandals with deficit precipitation. The remaining 339 mandals received either average or more than average rainfall.

Five districts – Nellore, Chittoor, Kadapa, Anantapur and Kurnool – recorded less than normal rainfall and seven districts — Srikakulam, Vizianagaram, East and West Godavari, Krishna, Guntur and Prakasam — received normal rain. Visakhapatnam was the only district which received more than normal rainfall, he said.

Agriculture Minister advises farmers not to depend on the NSP water for kharif crops

Increase price for cocoons



Lowering of import duty has affected sericultureSilk markets in various districts dysfunctional

The Silk Cocoon Manufacturers Association on Tuesday picketed the office of Director of Sericulture here demanding that the State Government should pay Rs. 50 a kg as incentive to cocoon farmers.

The association president, Shanmuga Sundaram, said that the import of silk from China, and illegal trade was affecting the farmers here.

He said that the earlier import duty of 40 per cent for silk from China has been brought down to 10 per cent.

Farmers said that the production cost of cocoon has gone up whereas the market rate has come down over the months. The silk markets in various districts were not functioning properly, and farmers had to depend on markets in Karnataka. Farmers said that price fluctuations, non-availability of labourers, and increase in input costs were posing a major threat to sericulture. A base price should be fixed for the finished products too, they said.

As the Director of Sericulture had gone to Chennai to attend a meeting, they submitted a petition to officials.

Water level at Mettur

The water level at the Mettur Dam stood at 91.10 feet on Wednesday against its full reservoir level of 120 feet. The inflow was 12,180 cusecs and the discharge 13,000 cusecs.

THE ECONOMIC TIMES

Centre announces Rs 300-crore agri package for Bihar



The central government today announced a Rs 300-crore package for increasing seed production in poll-bound Bihar.

The seed production system is very weak in Bihar. During rabi 2014-15, the availability of certified seed production was only 2.04 lakh quintals, 19.46 per cent of the total demand of 10.50 lakh quintals, the Agriculture Ministry said in a statement.

"As the Submission on Seeds and Planting Material is having insufficient funds, it is proposed to provide this funds from a special package for the state as a special case in the interest of 10 crore farmers," Agriculture Minister Radha Mohan Singh said in the statement.

The system will involve 12,500 farmers across the state covering all districts. The units for seed strengthening system is proposed to be set up in the state seed farms.

"It is expected that from each unit minimum 2,000 tonnes of seed will be produced and in total of 10 lakh quintals. The surplus seeds will be provided to the farmers of Jharkhand," the statement further said.



Kamrup(M) begins online KCC loan mgmt system

Guwahati: The Kamrup (Metro) district has introduced an online system to monitor and manage Kishan Credit Card (KCC) loan for the agriculture department and different banks of the district. The system will also benefit farmers and allow them to view the status of their loan applications online.

Additional deputy commissioner of Kamrup (Metro) district Fakharuddin Ahmed said the KCC loan was very important for farmers as it provided them with credit linkage.

"The KCC plays a vital role in improving the economic condition of farmers. However, we saw there was little e-inclusion of people applying for KCC loans. There exists a gap between the agriculture department, the banking sector and the farmers. The online system will reduce the gap," said Ahmed who is looking after the system.

To bridge the gap and to provide monitoring tools for district-level officers of the agriculture department, the web-based system has been incorporated in the district portal kamrupmetroonline.in.

The portal will provide a platform to banks to process loan proposals.

"The farmers will also have a platform in the portal where they can view the status of their application," Ahmed said. Farmers will soon be able to submit their KCC loan applications online, he added.

Deputy commissioner of the district M Angamuthu instructed all officials to get familiarized with the online system.

Onion exports dip 8% at start of fiscal

NASHIK: The current financial year has started on a gloomy note for the country's onion traders with the export registering an 8% decline in April compared to the figures in the same month during the 2014-15 fiscal.

Sources in the National Agricultural Co-operative Marketing Federation of India Ltd (NAFED) said the country exported 1.17 lakh tonnes of onions this April as against 1.27 metric tonnes in April the last financial year.

"The Union government has brought onions under the purview of the Essential Commodities Act. The exports of commodities that have government restrictions are adversely affected as the traders do not show much interest in the export. Besides, there were factors such as the higher Minimum Export Price (MEP) of onions as compared to other exporting countries," Nafed director Nanasaheb Patil said.

"The onion export is to be badly affected in the current financial year too. The Centre has already hiked the MEP of onions from 250 US\$ a tonne to 425 US\$ a tonne, which is higher as compared to other exporting countries. Export is not possible at such a higher rate," he told TOI.

In 2014-15, the onion export from the country dipped by 20% to 10.86 lakh tonnes, as against 13.58 lakh tonnes in the 2013-14 financial year. The decline in the export was because of the hike in the MEP, delayed kharif crop, inclusion of onions in the Essential Commodities act and damage in quality of summer crop.

Dry spell withers Kharif hopes

With no rains and inflows into the rivers, Kharif cultivation has received a major setback in Andhra Pradesh. Known as the rice bowl of India, the Krishna-Godavari delta has been reeling under severe shortage of irrigation water.

The south-west monsoon failed to bring in sufficient rainfall so far in 12 of the 13 districts in the state. With no inflows from the Krishna river till Thursday, it is now official that the Kharif-2015 season in the state has been washed out. The total area sown so far in the state is 23.18 lakh hectares as against the normal area of 42.56 lakh hectares. This in other words means that only 54 per cent of the cropped area has been sown during kharif.

"Now there is no hope of Khariff cultivation in Krishna delta. There is no inflow from Almatti dam to Jurala downstream. From Jurala it takes more than a week for the water to reach Nagarjunasagar. From there it should reach Prakasam barrage and to Krishna delta. August 20 is the last day to take up the sowings," said a senior official in the agriculture department.

The south-west monsoon entered the state on June 12 and spread over to the entire state within two days. However, it entered Srikakulam district on June 22. Moderate rains were received in the costal districts of Andhra Pradesh during the 3rd week of June. From the last week of June to second week of July scanty rainfall was recorded. Deficient rainfall was recorded during July. From June 1 to August 19, normal rainfall was recorded in coastal districts. Rayalaseema region recorded 41 per cent deficit rainfall. The overall state average rainfall received from June 12 to August '9 was 310.3 mm against normal of 347.2 mm.

The water level in Nagarjunasagar and Srisailam reservoirs have plummeted to below the minimum draw down level (MDDL) and the Krishna River Management Board (KRMB) directed both Telangana and Andhra Pradesh to limit their water usage to drinking needs. Even if the water from the dead storage is pumped to save the standing nurseries there is no guarantee of saving the crop, observed agriculture officials.

Except in East Godavari district, paddy nurseries in other districts are withering away. Rainfed crops like maize, cotton, groundnut and pulses have reportedly wilted away due to lack of moisture in the soil. In Prakasam district, bajra, cotton, redgram, greengram, sesamum and castor crops are showing signs of drought stress. In Nellore district, 160 hectares of paddy and 70 hectares of bajra have dried up due to lack of sufficient rainfall and fast depleting groundwater resources.

In Anantapur, groundnut crop sown during June has been affected. Cotton, maize, castor and redgram grown under rainfed conditions have also dried up.

To save the standing crop in Krishna, Guntur, Prakasam and West Godavari districts, AP government has asked Telangana to release at least 20 tmc feet of water. Telangana government rejected the request saying that there is no water in the major dams.

Farmers spraying crops with animal hormone

Desperate to save the standing crop in the face of severe drought, paddy farmers have turned to the animal hormone Oxytocin to salvage the Khariff yield. Oxytocin, which is widely used by farmers in a bid to artificially promote growth in fruits and vegetables, has been banned for use in agriculture and animal husbandry.

According to researchers in Prof Jayashankar Telangana State Agricultural University here, paddy farmers who have lost a major portion of their standing crop due to prolonged dry spell, are testing their luck by spraying oxytocin in the fields. This is the first time that farmers are using the non-plant hormone with the hope of pumping up the growth process in paddy plants. But health experts warn that this could be catastrophic not only for paddy cultivation but also for people who consume the produce. Since oxytocin is being used for the first time in paddy, experts point out that it is difficult to predict how the hormone will react in the paddy plant.

It was only on Wednesday that the Hyderabad High Court had come down heavily on the practice of adding chemicals to artificially enhance growth of fruits. A bench headed by Acting Chief Justice Dilip B Bhosale called those responsible for such malpractices "worse than terrorists" and asked governments of the twin states to crack down on fruit-growers and sellers who use calcium carbide to ripen fruits unnaturally.

" Oxytocin should not be used in agriculture or horticulture. It is basically an animal hormone. Oxytocin, if taken in heavy dosage, may lead to nervous breakdown and even cause blood-clotting. It also causes irregular heartbeat and seizures," warned clinical dietician M Gayathri of Apollo Hospitals, Hyderguda, in the city. Even the minor side effects are severe - they include swelling of the mouth, face, lips and tongue, she added.

Contradicting farmers' notion, agricultural scientists argue that oxytocin will not promote vegetative growth. At best it can help inflorescence from withering away. " It is illegal to use oxytocin in agriculture and even in animal husbandry. It induces forced rather than natural growth. Since an animal hormone is used in a plant, we do not know what turn it will take at the genetic or molecular level. But the harmful effects are obvious," said senior researcher Dr C Srinivas of Prof Jayashankar Agricultural University.

Sources said paddy farmers, who largely depend on canal irrigation, have turned to oxytocin after 50 per cent of the standing crop had withered away. Farmers in Khammam, Warangal and Nizamabad in Telangana and Krishna, East and West Godavari, Kurnool, and Guntur districts in Andhra Pradesh are clandestinely using the banned hormone.

Agriculture scientist Dr A Kiran Kumar told TOI that the Telangana government's agriculture department has taken up campaign against the use of oxytocin. " Farmers do not approach us when they use banned or harmful chemicals. They go by the advice of private agri firms who are ready to reap a fortune by fishing in troubled waters. Since it is done secretly and without the knowledge of farm extension scientists, it is difficult to estimate the quantum of oxytocin used in paddy," he said.

The paddy ryots' desperation for oxytocin can be gauged from the fact that only 54 per cent of the normal crop area has been sown so far this Khariff in Andhra Pradesh. In case of Telangana, it is slightly better with 76 per cent of the area sown. The sowings for Khariff season 2015 officially came to an end on Thursday and any sowings from now onwards will not be viable.

Good rains up storage in Nagp divn dams to 69%

Nagpur: Konkan and Vidarbha are better placed as far as the water storage recorded in major reservoirs this week is concerned. While in Konkan they were 80% filled, Nagpur division fared well with 69%. The situation in Marathwada remains precarious with only 8% water storage in reservoirs while Nashik is relatively better at 40% .

Monsoon almost kept its date this year with good start in mid-June. But a prolonged dry spell of three weeks in July in most parts of the state led to serious concern over survival of the kharif crops that were planted in and around July first week. The problem was more acute in unirrigated areas which are totally rain-dependent.

However, the rains resumed in full glory in August giving a glimmer of hope for farmers as the crops about to wilt got revived. The August rainfall increased storage levels in reservoirs, especially in Vidarbha. As on date, reservoirs in Nagpur division are 69% full while those in Amravati have recorded 59% of their storage capacity.

In Nagpur, the major dam at Pench, which caters to drinking water supply of the city, is almost filled to the brim with 95% storage. Of its total storage capacity of 1,027 million cubic metres, it has recorded 962 mmc. Exactly a week ago, the storage was 778 mmc. The figures released by water resources department said that as on Thursday the combine water storage of 17 large dams stood at 2,238 mmc, up from 1,889 mmc last week. The total capacity of these 17 dams is 3,256 mmc.

Top agriculture officials in Nagpur and Amravati division said the main cash crops of cotton and soyabean had withstood the dry spell and their yield this year is likely to be very good.

But the statewide statistics on water storage levels is not all that encouraging. The overall storage recorded as on Wednesday was only 48% because of scanty rains in Marathwada while Pune division reservoirs recorded 51%. In the 2,526 dams of the state with total reservoir capacity of 37,507 mmc, the storage this week was at 17,802 mmc. At the same period last year, the level was at 61% or 22,882 mmc.

Only one-fifth of Haryana has sufficient groundwater

Due to overuse of groundwater, water table in 86 blocks of Haryana is either critical or overexploited. The government found the water table in safe zone in only 23 blocks out of 116 in the state as examined by state irrigation department. According to figures of the department, paddy belt in Haryana - Karnal, Kurukshetra, Kaithal and Panipat - is facing the major challenge because its falls entirely in the category of overexploited zone. Even Gurgaon, Mahendergarh and Sirsa districts are facing a similar challenge.

Rainfall deficit during the current season, especially in Fatehabad, Rohtak, Mahendergarh, Panchkula and Hisar, where the rain is short by about 50% in comparison to normal, may further worsen the situation.

Haryana agriculture minister Om Prakash Dhankar said, "Currently, there is availability of 60 lakh acre feet water from all resources for recharge of groundwater in the state in comparison to usage of 1 crore acre feet leaving a gap of 40 lakh acre feet. This groundwater will keep going down with the increase of this gap. The groundwater is like a bank account. If we draw more money from the account than of depositing in it, there will be a problem." The officials blame inefficient management and reluctance to adopt modern water-saving technologies like sprinklers and drip and pressure irrigation by farmers for the aggravating problem.

There is sharp increase in the number of tubewells in Haryana in the past four decades. There were just 27,957 shallow tubewells in 1967 but this number reached to around 70,000 in 2010. Deep borewells to draw groundwater are seen as major reason for the plummeting water table. The experts said in southern Haryana the water level had gone down to 1,700 feet in some areas and the farmers used deep borewells in there for irrigation purposes in the absence of adequate canal system.

Arjun Singh Rana, a retired professor from Chaudhary Charan Singh Haryana Agricultural University, Hisar, said the farmers invested Rs 2-3 lakh for such borewells. "There are no continues rains in Haryana, which are necessary for recharge of groundwater," said Rana. Now, the situation has reached a stage when the government has to prepare a project for digging injection wells for recharging the groundwater.

State of groundwater in Haryana

Overexploited (more than 100%): 71 blocks

Critical (90-100%): 15 blocks

Semi-critical (70-90%): 7 blocks

Safe (below 70%): 23 blocks

Overexploited blocks

Barara, Naraingarh and Saha (Ambala); Badhra, Dadri-I, Kairu, Loharu and Siwani (Bhiwani), Fatehabad, Tohana, Ratia, Jakhal and Bhuna (Fatehabad); Narnaund and Hansi-II (Hisar); Narwana, Alewa, Safidon and Jind; Taoru (Mewat); Hasanpur and Palwal (Palwal); Bawal, Khol, Nahar and Rewari (Rewari); Gannaur, Rai and Sonipat (Sonipat); Radaur, Mustafabad, Chhachhrauli, Bilaspur and Jagadhari (Yamunanagar); and all blocks of Gurgaon; Kurukshetra, Kaithal, Karnal, Mahendergarh, Panipat and Sirsa districts.

Onion prices may rise due to supply crunch

NEW DELHI: Onion prices may go up further in coming days with traders expecting a decline in supply. On Thursday, the retail price of onions ranged between Rs 40 and Rs 70 per kg, prompting the government to monitor the availability and price of onions in the wholesale market. The food and civil supplies department has also started a drive to check hoarding and ensure onions are sold for Rs 30 per kg across fair price shops.

"The wholesale price in Azadpur on Thursday was Rs 45-50 per kg. Supply is expected to reduce further over the next couple of days since very little stock of onions is left and the new crop coming from Karnataka has not picked up pace. It will take at least another 20 days for supply to start improving," said Surinder Sawhney, proprietor, Gujarat Onion Co.

Delhi Government is selling onions at Rs 30 per kg across fair price shops and through mobile vans but consumers are finding it difficult to source cheaper onions. In a bid to keep prices under control, the government sent out teams on Thursday to check for stock availability. "Six teams were sent to wholesale markets to check availability of onions and report hoarding or black marketeering activity. Each team comprised an officer and inspector from the food and civil supplies department and an officer from the Delhi Agriculture Marketing Board. A watch is also being kept on fair price shops and mobile vans that are selling onions at the government approved rate of Rs 30 per kg," said sources.

BJP, meanwhile, criticized the government's efforts saying that if it was making onions available at Rs 30 per kg, it should at least make the effort to inform the public

. "Delhi government claims to be selling onions through 280 outlets and mobile vans but even after three weeks, the public does not know where these outlets are. Many are still buying onions for Rs 80-90 per kg in the retail market," he said.

Centre pledges Rs300-cr agri package for Bihar

New Delhi: The central government on Thursday announced a Rs 300-crore package for increasing seed production in poll-bound Bihar.

The seed production system is very weak in Bihar. During rabi 2014-15, the availability of certified seed production was only 2.04 lakh quintals, 19.46 per cent of the total demand of 10.50 lakh quintals, the agriculture ministry said in a statement.

"As the submission on seeds and planting material is having insufficient funds, it is proposed to provide this fund from a special package for the state as a special case in the interest of 10 crore farmers," agriculture minister Radha Mohan Singh said in the statement.

The system will involve 12,500 farmers across the state covering all districts. The units for seed strengthening system is proposed to be set up in the state seed farms.

"It is expected that from each unit minimum 2,000 tonnes of seed will be produced and in total of 10 lakh quintals. The surplus seeds will be provided to the farmers of Jharkhand," the statement further said.

Rejecting criticism that the massive Rs 1.25 lakh crore Bihar package is a rehash of existing schemes, the Centre on Thursday said it involves major additional outlays beyond the normal flow of central funds in which every scheme is a new work.

Necessary provisions for the schemes will be included in the budgets in the coming years, highly placed sources said, contradicting claims that no source of funding has been identified nor budgetary provisions made in the package announced by Prime Minister Narendra Modi.

The sources also allayed fears that the huge package would lead to fiscal deficit, saying the proposed expenditure will be in the nature of capital expenditure that will improve productivity and produce high rate of economic return.

"The commitment in the package is to launch and finish the non-started works," the sources said. The central government asserted that the package is "a very specific and detailed list of works and not a vague collection of financial outlays" with each and every element identified and costed.

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Odisha government targets to set up 122 new cold storages

The state government is planning to set up 122 new cold storages in next three years (by 2017-18) to enhance the storage capacity of potato.

The decision was taken at a high level review meeting headed by chief minister Naveen Patnaik here at secretariat.

The cold storages with total capacity of 7.5 lakh metric tonne (MT) would be developed with the help of private players under the Odisha potato mission, said an official statement.

Under the mission, the state government would provide subsidy in electricity to the private players. Of the total 63 applications by the private parties, the state government has selected 41 entrepreneurs for development of the cold storages, the release said.

The chief minister has directed the agriculture, cooperation and supply departments to coordinate among each other for setting up of the cold storages.

Naveen also directed the energy department to facilitate power infrastructure for the cold storages immediately after finalization of locations, sources said.

Under the potato mission, the state government has targeted to produce 11.25 MT of potato over 60,000 hectares of land by 2018.

IFAD funding for Karnataka's bio-fuel development programme

Karnataka's much touted bio-fuel development programme is set for a \$50 million funding from International Fund for Agriculture Development (IFAD). Being given in the form of a soft loan with 1% interest and carrying a 50-year repayment period, the state government is processing the papers, which will be forwarded to the union ministry of agriculture for approval, noted A K Monappa, managing director, Karnataka State Biofuel Development Board.

In an informal chat with reporters on the sidelines of Karnataka State Council for Science and Technology programme here on Thursday, Monappa said IFAD is closely monitoring the progress of the loan that it intends to disburse keeping in mind progress made by the board in promoting bio-fuel in Karnataka.

The loan will help the board take up a wide array of activities right from biofuel plantations to production of biofuel, which he said is the way forward.

The board is also scaling up the 33 bio-fuel information and demonstration centres set up by it in all districts of the state. "We are able to get an average of 100 litres of bio-fuel from these centres, a he said adding it can be scaled up to 150-200 litres with a little bit of tweaking and subject to availability of raw material to produce the fuel. Our focus for producing bio-fuel is on non-edible oil seeds for we do not want to get drawn in to a food versus energy debate," he said.

The board has also set up a 500 litre bio-diesel production plant at Hatti Gold Mines, Monappa, who is also the managing director of the company said. The board in the last four-years has produced nearly 55,000 litres of bio-fuel, he said. In addition, under the B-10 project which entails blending of bio-fuel with diesel, the process of such blending has been tried out successfully and such bio-diesel is now being dispensed through select petrol bunks in India, he added.

Noting that the union ministry of petroleum and natural gas is a big votary of bio-fuel blending, Monappa said after achieving success with 5% blending, the ministry has now taken up to 10% blending in a move that is environment friendly. Bio-diesel costs much lesser than regular diesel in bunks, he said, adding the Board has taken a pro-active role in bringing in the farmers as a stakeholder in ensuring the overall success of the bio-fuel programme in Karnataka.

Modern bazaars make farmers happy

On Wednesday, a krishak bazaar at Bhakuri, adjacent to NH-34, was inaugurated by Y Ratnakar Rao, ex-officio chairman of Regulated Market Authority and the district magistrate, Murshidabad. The market was thrown open to wholesalers of vegetables, fruits, flowers and fish. Customers are happy because they can get fresh products at reasonable rate.

According to administration, Murshidabad got sanction for 22 krishak bazaars in assigned 26 blocks. Out of which, 14 such bazaars with construction cost of Rs 5-6 crores for each market has been completed. Agriculture department has arranged 24x7 power and water supply with lofty boundary walls around the enclosure.

Farmers like Ganesh Halder and Sheikh Enaur said, " We were waiting for the official start of the krishak bazaar after the chief minister inaugurated it. Finally, administration gave us the chance to get benefitted."

DM Rao said, " We have planned to hand over all the stalls and platforms for farmers by the end of this month."

Onion prices shoot up to Rs 80 a kg, govt forms check teams




With the retail price of onions soaring as high as Rs 80 per kg, the Delhi government on Thursday began monitoring wholesale mandis for hoarding and black marketing of onions. The government also decided to sell onions at Rs 30 per kg till the prices stabilise.

Retail prices shot up after the wholesale market prices of onions in Lasalgaon, Nashik, touched a two-year high of rs 4,900 per quintal. In the Azadpur mandi, onion prices hovered between Rs 20 and Rs 48.75 per kg on Thursday.

Azadpur Agricultural Produce Marketing Committee member Rajender Sharma said the prices had soared because of low production due to inconsistent rainfall. He added that the prices would continue to show an upward trend till September, as the wholesale prices had gone up in areas from where new stocks.

“The food and civil supplies department dispatched six teams to wholesale mandis. They were asked to check the availability of onions in the wholesale markets and also to report about hoarding or black marketing, if any, by unscrupulous elements,” an official said.

The teams — consisting of a food and civil supplies official, an inspector and an official from the Delhi Agriculture and Marketing Board, were asked to ensure that onions were sold at specified rates or at Rs 30 per kg by fair price shop owners.



TEARJERKER

"I bought onions on Wednesday at ₹80 per kg from a street vendor. The last time I had bought onions some days ago, it was selling at ₹70 per kg"

SHASHIKANT,
A STUDENT FROM SAKET

"There is a weekly Monday market from where I bought onions on Monday. It was selling at ₹50-₹70 per kg. The vendor said we could buy 2 kg for ₹100"

MOHINI BHATIA,
A HOMEMAKER FROM SHALIMAR BAGH

"We bought onions for ₹50 per kg on Tuesday"

ARCHANA RAO,
FROM DWARKA

"I haven't bought onions in the last two days, but the last time I bought them, they were already as expensive as ₹60 per kg"

ATUL CHANDRA,
RESEARCH ASSOCIATE FROM RAMESH NAGAR

"I bought onions from a street vendor on Tuesday at ₹40 per kg"

ANITA LAKHANI,
FROM YOJANA VIHAR

Minister of Food & Civil Supplies Asim Ahmed Khan said the government will monitor the supply and prices of onions till the prices stabilise.

In South Delhi, onion prices in areas like Saket are as high as Rs 80 per kg.

Prices also remain relatively high in North Delhi's Shalimar Bagh and West Delhi's Ramesh Nagar at Rs 70 per kg and Rs 60 per kg, respectively. But areas like West Delhi's Dwarka and East Delhi's Yojana Vihar are better off with prices at Rs 50 per kg and Rs 40 per kg, respectively.

Jakhar sees scam in purchase of pesticide

CLP leader Sunil Kumar Jakhar on Thursday alleged that the state government had diverted Rs 30 crore meant for demonstration plots for cotton crop under the Rashtriya Krishi Vikas Yojna (RKVY) and spent the money on providing subsidised pesticide for the crop that has failed to be effective. Jakhar alleged that the pesticide, meant for eliminating the white fly, was purchased at the rate of Rs 3,600 a litre though it was available for a lower price in the market. The pesticide is also ineffective, he claimed, and demanded an inquiry into the matter.

Jakhar told mediapersons that the grant under RKVY was released for 4,000 demonstration plots of cotton crop in order to help in diversification. "However, these were never set up and the grant was used for subsidising the pesticide," he claimed. He said white flies, which attack the Bt Cotton crop, had gotten resistant to the pesticide. "Even if we throw white flies in a container of pesticide, they start swimming in it. How can they be killed with a spray of pesticide? Why Punjab Agricultural University scientists recommended the pesticide should be investigated?" He said the entire cotton belt had been affected as farmers were ploughing crop being damaged by the pest. Punjab Agriculture Minister Tota Singh said the pesticide was purchased at the recommendation of the PAU scientists. He said he was not aware that there was a differential in market price and the government price. "Jakhar is an experienced farmer. I respect him and if he comes up with any suggestion, we will accept it."

Health tips: Drink coffee to prevent return of colon cancer



Diagnosed with stage III of colon cancer? Drinking four or more cups of caffeinated coffee daily can significantly reduce the chance of the disease recurring.

A study that involved about 1,000 patients, all of whom had undergone surgery and chemotherapy for stage III colon cancer, it was found that the greatest benefit was seen in those who drank four or more cups of coffee a day, for about 460 milligrams of caffeine.

"These patients were 42% less likely to have their cancer return than non-coffee drinkers, and were 33% less likely to die from cancer or any other cause," said the study published in the *Journal of Clinical Oncology*.

Those who drank two to three cups of coffee daily experienced a "more modest benefit, while little protection was associated with one cup or less."

The researchers at Dana-Farber Cancer Center in Boston found the lowered risks of recurrence and death were specifically tied to the caffeine in coffee rather than other coffee components.

Stage III disease means that the colon cancer has been found in the lymph nodes near the original tumor site, but not elsewhere in the body.

Lead author Charles Fuchs, director of the Gastrointestinal Cancer Center at Dana-Farber, said these patients have about a 35% chance of the cancer coming back after treatment.

Most recurrences happen within five years of treatment.

"We found that coffee drinkers had a lower risk of the cancer coming back and a significantly greater survival and chance of a cure," Fuchs said in a statement announcing the study's findings.

Other studies have suggested that coffee may have a protective effect against postmenopausal breast cancer, melanoma, liver cancer and advanced prostate cancer.

More study is needed to confirm the study's finding of the link between coffee and preventing colon cancer's return.

"If you are a coffee drinker and are being treated for colon cancer, don't stop," Fuchs said.

"But if you're not a coffee drinker and wondering whether to start, you should first discuss it with your physician."

DECCAN Chronicle

Kerala State Cashew Development Corporation favours suppliers, buyers

Kerala State Cashew Development Corporation (KSCDC) which swears by the welfare of the employees ahead of commercial viability, however, has been working for the benefit of suppliers and buyers, according to the agencies that investigated the wrongdoing at the public sector company.

The report by the finance secretary in 2014 found irregularities in the sale of processed cashew. According to the report, the corporation incurred losses of Rs 450, Rs 500 and Rs 300 per tin (each weighing 11.320 kg) for three categories of the product when compared with the prices fixed by Capex, a cooperative institution, for the same varieties.

The corporation sells approximately 2000 tins of cashew a day, making the loss to be around Rs 10 lakh. The report recommended immediate ouster of the managing director saying that he had been working for the benefit of private cashew owners.

Reports of the Comptroller and Auditor-General from 2008 have pointed out the gross irregularities in the purchase of the raw cashew nuts, the raw material. In the 2014 report, it said though the corporation was required to follow transparent procedures in the procurement of the raw material, "90 per cent of the raw cashew purchased was from a single company, JMJ, a private firm." It also reported tender violations and failure in maintaining the quality of product claimed during the tender procedures. An agreement existed with the state trading corporation for the purchase of raw cashew at that time, but the corporation chose to deal with JMJ, resulting huge losses, it said.

The expert committee headed by industries principal secretary P.H. Kurian in its report in May 2015 noted that the corporation construed the 'freedom with responsibility' granted by the government as freedom to purchase and sell without following any commercially prudent

norms and ‘responsibility’ as providing maximum number of working days without consideration of efficiency, productivity, or financial prudence.

Eateries under food safety scanner



As the Onam season has begun, food units in the district, including hotels, bakeries, catering groups and those making chips are under the scanner.

The food safety department, which launched a state-wide special drive on August 5 to ensure quality and hygiene of food products, will continue it till August 26.

There have been widespread complaints against the quality of oil used to prepare banana chips, which top the Onam feast menu.

“Due to the special inspection drives during the festival season, food units are complying with the food safety and quality norms. Since samples are being collected from all units in the state, they can’t bypass the checks at any point. As part of the special drive, training classes are being given to food production units on food safety, quality, preservation and packaging. Most of the workers and unit owners are ignorant about the health hazards of reheating oil and the use of stale oil,” said Mr K.V Shibu, assistant commissioner of food safety, Ernakulam.

According to food safety authorities, quality checks have helped improve the safety and hygiene standards of manufacturing units.

“The increase in the frequency of raids and awareness campaigns have brought down the cases of selling adulterated food. Moreover, unit owners don’t want to be sued for poor quality as it will affect their revenue during the festival days when the demand is high,” said the official.

THE HINDU BusinessLine

Use technology to boost agriculture: Smriti Irani



The Centre will render all help to the Andhra Pradesh Government in developing higher educational institutions in the State after bifurcation, according to Union HRD Minister Smriti Irani.

She was speaking after laying the foundation stone for the National Institute of Technology (NIT). Union Ministers M Venkaiah Naidu and Sujana Chowdhary, and AP Chief Minister N Chandrababu Naidu also participated in the programme.

Funds allocation

She said the Centre would allocate Rs. 700 crore for the establishment of the IIT at Tirupati, Rs. 300 crore for the NIT at Tadepalligudem and Rs. 680 crore for the IIM at Visakhapatnam.

The NIT here would have 480 seats and it would be temporarily housed in a local engineering college. She added that technology should be used for improving agriculture.

Venkaiah Naidu said all promises made to AP would be fulfilled and the approach of the Congress Party was reprehensible.

He accused the Congress of dividing the State in a hurry, without addressing many complex problems. He said an exercise was on with regard to granting special status to AP.

Chandrababu Naidu thanked the Union Ministers and expressed confidence that the Centre would extend all help to AP. The mega Polavaram project on the Godavari would be completed in four years and there would be no water problem for West Godavari.

Instant coffee demand seen boosting exports



In positive terrain		
	2015	2014
Arabicas	34,558	51,701
Robustas	1,19,957	98,935
Re-exports	40,769	34,545
Total quantity*	2,15,915	2,15,169
Value in \$ million	596.88	578.25

***Coffee shipments from Jan 1- Aug 19 (In tonnes)**

The Indian coffee exports, for the current calendar year, have registered a marginal growth for the first time, on increase in shipments of robustas and the soluble or instant variety.

According to provisional numbers, total export permits issued by the State-run Coffee Board have exceeded the last year's levels for the first time and were pegged at 2.159 lakh tonnes (lt) for the January 1 to August 19 period against 2.151 lt in the corresponding period last year.

However, the green bean coffee exports continue to trail the last year's levels largely on account of a 33 per cent drop in Arabica shipments, despite the robustas registering a 21 per cent growth.

Green coffee trails

Also, the soluble coffee shipments measured in green bean equivalent stood at 60,842 tonnes, including the re-exports that grew 18 per cent for the period.

"We expect the shipments to maintain a small growth for the rest of the year," said Ramesh Rajah, President of Coffee Exporters Association.

"The coffee held back by the growers anticipating better prices, would come out into the market over the next couple of months before the arrival of new crop," he added.

Currency volatility

Rajah attributed the trailing trend in green coffee shipments to the declining production of the Arabicas.

Also, the Indian exporters are facing challenge from the devaluation of currencies by the top two coffee producing nations – Brazil and Vietnam, which has made their exports competitive.

The Brazilian Real and Vietnamese Dong have weakened by around 15 per cent against the dollar over the past year, while the Rupee has fallen by over 8 per cent.

Crop estimates

The Arabica harvest this year is likely to be advanced by a couple of weeks to September as the early rains have boosted the prospects for coffee.

The Board, in its initial estimates, pegged the crop size for 2015-16 crop year starting October at 3.55 lt – a growth of 8.75 per cent over previous year's 3.27 lt.

Arabica crop size for 2015-16 is pegged at 1.10 lt – up 12.55 per cent over 2014-15's final estimate of 97,700 tonnes.

Robusta crop size is estimated to expand to 2.45 lt, a growth of 7 per cent over previous year.

Export markets

C Rajendra Prasad, Chairman and Managing Director of CCL Products Ltd, the country's largest instant coffee exporter said demand continues to be strong both from traditional markets such as Russia and Europe and even from the new geographies such as the United States.

CCL Products, which exports to about 56 countries, has so far shipped about 24,741 tonnes of instant coffees in the current calendar year. Tata Coffee has exported about 10,207 tonnes, while Nestle with 8895 tonnes were the other large instant coffee exporters.

Italy has been the largest buyer of Indian coffee at 55,378 tonnes, so far, followed by Germany at 20,537 tonnes and Russian Federation at 14,526 tonnes.

Millers demand grading, certification of grains

Grain millers in the country have asked the Centre to set up an agency to grade and certify grains produced by farmers.

“It has become very difficult for us to get quality grain. Impurity levels have gone up to 10-15 per cent from 3-5 per cent in the past in the absence of a proper grading system,” Jitender Gupta, a member of the Telangana Roller Flour Mills Association, told *BusinessLine* here on Thursday.

Better returns

“In the absence of a proper grading, the wheat farmers are not incentivised to produce quality grain. If we put in place a mechanism to grade and certify accordingly, farmers will be encouraged to grow better grain and get better returns,” he said on the sidelines of the third Global Milling Conference.

India is home to some 12,000 roller flour mills with a total capacity of one million tonnes a month.

In Telangana, there are 30 mills with a capacity of 80,000 tonnes a month.

The association wanted the State government to remove the 5 per cent on VAT on the milled produce.

Tax issues

“Of the 29 States in the country, as many as 23 States don’t levy the tax. The tax leads to increased cost of the commodity putting additional burden on consumers,” he said.

The day-long conference focussed on the challenges faced by the milling industry in the country.

Inefficient storage

It discussed latest advances in technology in milling and how India could leverage from such technologies.

The focus of the conference was on challenges involved in feeding the nine billion people by 2050.

“India is among the largest producers of grain. But we are not accruing the benefits fully because of the efficiencies in handling and storage,” he said.

Weak rains pose a risk to tur crop; imports from Africa may soften prices

Tur Acreage		(In lakh ha)		
State	2015*	2014*	Normal**	
Andhra Pradesh	0.98	0.96	2.02	
Gujarat	2.03	1.94	2.45	
Karnataka	5.25	6.3	7.49	
Madhya Pradesh	5.61	5.15	4.75	
Maharashtra	9.43	9.03	11.89	
Telangana	2.07	2.16	2.78	
Uttar Pradesh	3.53	2.71	3.16	
All India	32.18	31.66	39.85	

* As on August 13. ** Normal is average of five years between 2009 and 2014

Even as tur or arhar rules at historic highs amidst concerns of weak rainfall impacting the crop in key growing areas of Karnataka and Maharashtra, the expectations are that imports from Africa were likely to soften the price of pulse over the next two months.

The domestic stocks are at a low, while the imports from Myanmar have also thinned down on declining inventory levels in the neighbouring country, trade sources said.

Rising prices

The wholesale price of tur has exceeded the ₹ 9,200/quintal levels for both the imported and the local produce, triggering concerns among millers. At the retail level, the prices are hovering between ₹ 130 and ₹ 150 a kg across the country.

In the past one month, tur prices have shot up by at least ₹ 25/kg to ₹ 100-105 at wholesale market, claimed millers at Vasad, one of the largest processing clusters in Gujarat. Trade sources maintained that domestic supplies had exhausted because of the crop damage last year.

However, the pulses imported from Africa are quoting lower at around ₹ 7,000/quintal levels. The imports from African nations such as Tanzania and Malawi are likely to increase over the next couple of months with the arrival of new crop.

Import-dependent

“We are expecting imports of about two to three lakh tonnes from African countries during the August to October period,” said Bimal Kothari, Vice-Chairman of Indian Pulses and Grains Association.

“Prices of pulses may soften as about eight lakh tonnes of yellow peas is expected to be imported from Canada between September and December,” he added.

“This year, we are mostly dependent on imports from African region as flooding in Burma has affected imports from there. We expect in the next three months, there will be about 3-3.5 lakh tonnes of imports taking place from Africa. This will keep domestic prices up in the range of ₹ 100-110 a kg till November,” said Mitesh Patel, President, Gujarat Dal Manufacturer’s Association, Vasad.

Fresh arrivals of the kharif tur will begin around November.

Corporates blamed

Meanwhile, a section of traders held multinational commodity trader companies responsible for sharp surge in prices as they stocked large quantities.

“MNC players have cornered large quantities of African imports. They command the price and millers have to pay them accordingly to ensure continued supply and keep the business running,” said a leading dal processor from Vasad requesting anonymity.

IGPA's Kothari said the prospects for kharif pulses crop look good, but a clearer picture would emerge by the end of this month.

"If moong and urad output is good, prices of tur are also likely to come down as the demand is elastic," he added.

Scanty rains

While the acreage under tur has increased this kharif according to the Agriculture Ministry data, the scanty rainfall since July has dampened the prospects in parts of Karnataka, Maharashtra, Telangana and Andhra Pradesh.

The contiguous stretches starting from North Interior Karnataka to Rayalseema and Telangana extending to Marathwada and Madhya Maharashtra, where tur is largely grown, have witnessed deficient rains during monsoon this year.

So far, the seasonal rainfall deficiency stood at a high of 48 per cent in Marathawada, while in North Interior Karnataka it was 45 per cent. Telangana has witnessed a deficient rain of 23 per cent so far, this season.

Basavaraj Ingin, President of Karnataka Tur Growers Association, said the lack of adequate rainfall has hit the sowing of the pulse in Gulbarga region, the tur bowl of South.

Planting affected

"Even the crop that was planted early June has been impacted by the dry spell. We can't do anything now as tur planting season is almost over," Ingin said, adding that the situation was similar in neighbouring Telangana and Marathwada.

Baburao Patil, a tur grower in Aland taluk of Gulbarga, said due to scanty rainfall, the planted tur saplings have dried up. Patil said that planting of crops such as jowar and sunflower could be taken up over the next couple of weeks, if it rained.

Damodar Gilda, a dal miller in Gulbarga said even if it rains now, the growers still have time till the month end to take up cultivation.

Business Standard

Establishment and strengthening farmer's participatory seed production system in Bihar Special Package of Rs. 300 crore for the scheme

Union Agriculture Minister, Sh.Radha Mohan Singh has said that a project for Establishment and Strengthening of Farmer's Participatory Seed Production System in Bihar will be take-up soon.

He said that it is proposed to have 50 number farmers participatory seed production system involving 12500 farmers across the State of Bihar converging all districts. The location of the units is proposed in the State Seed Farms across the State. Bihar is having 244 State Seed Farms. Out of this 7 SSF are having more than 50 ha. land. While selecting the location, it should not be vulnerable to flood (based on data of Kosi Flood and other flood years) and the land/location should be in the elevated higher land, so that threat of flood damage be avoided seed units, he added.

Through the farmers participatory seed production, the newly released varieties and the latest technology will be disseminated to the farmers of Bihar through the scientist of Agriculture Universities.

It is expected from each unit minimum 2000 tons of seed is proposed to be produced and total of 10 lakh qtls. Seed it proposed to be produced and distributed to farmers of Bihar. If any surplus seeds, will be provided to the farmers of Jharkhand. The productivity of crops will be enhanced over the years.

As the Submission on Seeds and Planting Material (SMSP) is having insufficient funds, it is proposed to provide this funds from a special package for the state as a special case in the interest of the 10 crores people of Bihar. Seeds is the critical inputs for enhancing the productivity, hence efforts are essential in ensuring their timely available.

Seeds is the critical inputs for enhancing the productivity, hence efforts are essential in ensuring their timely available.

The MID-TERM Appraisal of XIIth Plan, it was stated that the participatory seed production programme with adequate pricing and marketing facilitation is required to infuse new varieties in the seed chain.

In Bihar the productivity of Rice is 1753 kg/ha in 2013-14 against the national average of 2416 kg/ha. And 3943 kg/ha. In Punjab. In case of Wheat, the productivity of Bihar is 2427 kg/ha against the National average of 3123 kg/ha. And 4710 kg/ha. In Haryana. In Maize, the productivity in Bihar is 3287 kg/ha. Against the highest productivity 4745 kg/ha. In Tamilnadu. In Ragi, the productivity in Bihar is 900 kg/ha. against the highest productivity achieved in Tamilnadu 2360 kg/ha. Even though Bihar is in the Indo-Gangetic plain, the production of crops is well below its potential yield when compared to Punjab & Haryana.

The seed production system is very weak in Bihar. During Rabi 2014-15 the certified seed production and availability by State Seed Corporation is only 126153 qtls. (12%) and State agency 78470 qtls (7.46%) against the State requirement of 1050860 qtls.

Similarly during Kharif-2015, the certified seed production and availability of State Seed Corporation is 64454 qtls. (15.64%) and State agency 5000 qtls. (1.21%) against the State requirement of 3,33,965 qtls. The State is not all producing the seeds of Maize, Arhar, Moong, Urd, Dhaincha even though the State have huge technical manpower in State Department of Agriculture, BRBN and State Agriculture University.

Pearl Agriculture eyes lecithin exports to boost growth

For the first time [Pearl Agriculture](#) Ltd, an agricultural products trader, has begun exports of [lecithin](#) (soya lecithin) powder feed. The company has already exported products worth about Rs 4 crore and is aiming to generate revenues of about Rs 100 crore in near future from overseas markets. At present, Pearl Agriculture exports lecithin to UK, Italy, Netherlands, Mauritius, Taiwan, Japan, Germany, etc. Lecithin is commercially used as an additive in foods requiring a natural emulsifier or lubricant.

Agricultural export constitutes 10 percent of the country's exports and is the fourth-largest exported principal commodity. According to the Department of Industrial Policy and Promotion (DIPP), the Indian agriculture services and agriculture machinery sectors have cumulatively attracted foreign direct investment (FDI) equity inflow of about \$ 2182 million from April 2000 and May 2015.

"Recently, the Ministry of Food Processing Industries took some new initiatives to develop the food processing sector that would enhance the income of farmers and export of agro & processed foods, among others. Hence, export marketing will offer ample opportunities for

earning huge profits and valuable foreign exchange for the company," said Pearl Agriculture in a press release.

THE FINANCIAL EXPRESS

India's farm crisis



When a Punjab is flagged as an area of some risk following bad rain, it is time to get seriously worried. The state may have, as ratings agency Crisil points out in its latest report on Indian agriculture, as much as 98.8% of its cropped area under irrigation, but with a 50.4% shortfall in rain last year and a likely 15% shortfall this year (as of August 16, the shortfall was 28.5%)—with unseasonal rains in March—its reservoir levels are roughly half of what they should be. Combine all of this with dramatically lower global prices of agricultural commodities, and you have a potential crisis in Punjab, apart from that in the entire country. None of this is new, but as Crisil points out, the frequency of agricultural crises is rising, with not too many signs of alleviating measures.

So, India had a drought in 2009 and a delayed and erratic monsoon in 2012, but after that, the gap has shortened—there was another delayed and deficient monsoon in 2014 and, after unseasonal rains in March this year hit the crops, there is the possibility of another deficient monsoon. While the IMD is looking at a 12% shortfall, private forecaster Skymet is looking at a near-normal monsoon with a 2% shortfall as compared to a 2% excess prediction at the start of the monsoon. This shortening cycle of normal monsoons should ordinarily have been followed by measures to increase irrigation of land, greater crop insurance, use of less water-

intensive crops, more research/use of hybrid seeds including GM ones to both increase productivity as well as make agriculture more drought-proof. Indeed, as Crisil points out, of India's 73% rural households, roughly 58% are engaged in agriculture, and of these, around 63%—that's 27% of all Indian households—rely heavily on income from agriculture. In even richer states like Maharashtra, the proportion dependent upon agriculture is quite high but, as compared to the all-India average of 47%, the proportion of area covered by irrigation is a mere 18.7%—and just 6% of the cropped area is insured.

Which is why, it is unfortunate that agriculture reform has been accorded such low priority. As Ashok Gulati, one of the foremost agriculture experts in India points out, the most important policy is to get incentives right—right now, with FCI focused on just buying wheat and rice, from a handful of states, farmers have preferred to largely grow these.

Though there are many other problem areas—excessively high government-mandated cane prices have brought the industry to ruin, for instance—FCI reform was meant to stimulate further farm reform. The money saved from this was to be used to give cash subsidies to farmers to grow other crops and to shift wheat/rice to more suitable regions and to fund crop insurance. As part of this process, the mandi stranglehold was to be broken and exports policy liberalised, among a host of other initiatives. With little changing on the ground, however, India's best hope for right now is that the government's IMD is wrong and the private Skymet is proved correct.