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‘Traders must pay MSP for paddy’

Irrigation Minister Devineni Umamaheswara Rao said the MSP for paddy was fixed at Rs. 1,360 a quintal and Rs. 1,400 for ‘A’ grade variety. He warned of stern action against traders, if they purchased paddy from farmers for lesser price.

Inaugurating a paddy procurement centre at Gollapudi Agricultural Market Yard here on Thursday, Mr. Rao said more than 230 procurement centres were being operated in the district and urged the farmers to sell the paddy at such centres. He said during rabi, paddy was cultivated in 51,913 ha and officials expected that 3.89 tonnes would be produced by the farmers. In kharif, 249 procurement centres were operated in the district.

2014-2015 sees sharp decline in agricultural production

With weather gods played truant in all the three seasons — kharif, rabi and summer — 2014-2015 has been a bad year for farmers in the State. The area under cultivation has come down sharply and the production of foodgrain and oilseeds fell short of the targets fixed in the beginning of the year.

Official sources told *The Hindu* in Kalaburagi on Thursday that the 2014-15 had been a peculiar year for farmers with the speculative weather conditions keeping them on tenterhooks throughout the year. If there was a delay in the onset of the monsoon in most parts of the State, delayed the sowing operations, the continued dry spell and excess rainfall during the kharif and rabi seasons had a telling impact on the production of the foodgrain and oilseeds during the year.

As per the latest estimates available with the government on the production of the kharif and rabi crops, the State is likely to achieve a production of 114.77 lakh tonnes of cereals as against the target of 119.13 lakh tonnes and production of 15.24 lakh tonnes of pulses as against the target of 15.87 lakh tonnes. Similarly the production of the oilseeds was anticipated to be 11.67 lakh tonnes as against the target of 14.80 lakh tonnes.

Although diversification of the crop in some parts of the north Karnataka contributed to the shortfall in the production of the pulses and oilseeds, the main reason is the failure of the rains in crucial period of cultivation which resulted in the stunted growth of the crops, particularly in rain-fed areas.

There has also been a sharp reduction in the area under cultivation during all the three seasons last year. The reduction in the area under the cultivation during 2014-15 as against the normal cultivated area was 5.86 lakh hectares due to the failure of the rains last year.

As against the normal cultivated area of 110.57 lakh hectares in the State, the area under the cultivation during 2014-15 was 104.71 lakh hectares, which was 2.07 lakh hectares less when compared to the area under cultivation during 2013-14 of 106.78 lakh hectares. The government has fixed an ambitious foodgrain production target of 140 lakh metric tonne during 2015-16.

CPCRI to teach farmers ‘best practices’ to check ‘kole roga’ in areca plantations



The Central Plantation Crops Research Institute (CPCRI), Kasaragod, will conduct the best “kole roga” (fruit rot) disease management demonstrations in select plantations of arecanut farmers in five districts from June, according to CPCRI director P. Chowdappa.

The best disease management practices would be demonstrated and taught to farmers in a plantation in four or five taluks in Dakshina Kannada. Plantations in Sullia, Puttur, Belthangady and Bantwal taluks in Dakshina Kannada that have a history of the disease would be selected.

As arecanut plantations were fewer in Mangaluru taluk, it would not be taken up there, he told *The Hindu* .

In addition, demonstration plots would be selected in Thirthahalli taluk of Shimoga district; Sringeri taluk of Chikkamagaluru district; Sirsi taluk of Uttara Kannada and select plantations in Udupi district.

He said that the best practices included application of bio-control agents to arecanut trees and spraying bio-control and chemical agents to palms.

Mr. Chowdappa said that a committee comprising both farmers and CPCRI scientists would be formed to monitor the demonstrations.

Earlier, the CPCRI conducted an interactive meeting with arecanut growers at its regional station, Vitla, on Thursday. The main topic of discussion was the best practices to be adopted for controlling “kole roga”.

Farmers who participated in the meeting told the scientists that as new brands of solutions, claiming to be organic in nature, have hit the market, farmers were in confusion whether to apply the traditional copper sulphate-lime mixture or to spray the new brands to control the fruit rot disease.

Mr. Chowdappa said that the CPCRI would use the new brands for demonstrative purpose in its plantations in Kidu, near Kukke Subrahmanya, and Vitla. It is to ascertain whether they are effective in controlling the disease.

Very few takers for Uazhavar Sandhai at Manapparai

The Uazhavar Sandhai at Manapparai has been lying in neglect over the past few years and remains unutilised.

The sandhai, which was closed during the All-India Anna Dravida Munnetra Kazhagam rule in September 2001, was re-opened on June 3, 2006, only to be closed again.

The Manapparai Municipality had transferred the erstwhile Vengudusamy Naidu Municipal Park site to the Agri Business Department for setting up the Uzhavar Sandhai with about 50 sheds in 2000. Ever since its inception, the sandhai has not attracted farmers and traders. Although not far from the town, its location a few metres beyond the market and the sale of vegetables on the pavements on all the roads leading to the sandhai had been the main hindrance in attracting vegetable-growers. “The thoroughfares in the Manapparai town is hit by encroachments by vegetable vendors. The sandhai has been lying in neglect as the vegetable vendors were reluctant to shift to the stalls,” says an official. Although the municipality had fixed a monthly rent in 2000, the department was yet to remit it.

After its first closure, the municipality sent a letter seeking re-transfer of the site to it. With its re-opening, the municipality demanded rent, official sources said.

Although the Agricultural Marketing and Agri Business Department had taken steps to motivate the pavement vendors to shift to the market, it had not yielded the desired results. “This is the only shandy in the district which is not functioning, leading to its closure,” an official told *The Hindu* .

Hortcorp to the rescue of Kanthallur farmers

To procure strawberry, blames panchayats for delay in procurement



A strawberry farm at Kanthallur in Idukki district.

It is a temporary relief for the strawberry farmers of Kanthallur as the Hortcorp has agreed to procure the fruit at Rs.80 to Rs.110 a kg.

The farmers were facing the market blues with virtually no agency coming forward to procure the fruit that is easily perishable.

Hundreds of farmers had shifted to strawberry cultivation after it was being popularised by the Horticulture Mission and the Agriculture Department as an additional income to farmers when the prices of vegetables fluctuated. However, those who started harvesting the fruit found no market for it.

Krishnan, one among them, said that he had nearly 50 cents of land under strawberry cultivation where 9,500 plants were grown.

Extra care

They needed extra care such as protection of the soil bed with tarpaulin cover and over Rs.30,000 was spent for the cultivation.

For the past two months, he was experiencing trouble marketing it and most of the fruit were left in the field as it could not be preserved.

It was the case of many farmers as only some visitors to the farms would occasionally buy a small quantity and no businessmen come for purchase. The Horticultor representatives recently visited the farm and agreed to procure the fruit.

District Horticultor assistant manager M.R. Harikrishnan said that the agency was procuring strawberries from Kamakshy, Chinnakanal, Devikulam, and Vattavada gram panchayats at the same rate after the farmers said that Rs.200 per kg was the prevailing market price.

The officials of Horticultor said that it had written to all the gram panchayats regarding the details of the strawberry farmers, but their poor response resulted in delay in procuring the fruit.

Farmers' demand

Farmers say that the prices should be above Rs.150 to make strawberry farming profitable considering the labour involved in it. Moreover, there should be some agency that daily procured the fruit. Setting up units to prepare value-added products was imperative as the fruit had only a day of life in the open air, according to farm experts.

Health hazards of consuming artificially ripened fruits

It is that time of the year when the shelves of fruit shops and larders of most residents are filled with the 'king of fruits'.

The sale of mangoes shoots through the roof in the summer season. The demand during peak season is estimated to exceed 50 tonnes for every three days in the district.

This is far higher than what the market can supply. As a result, carcinogenic (cancer-causing) agents are being used to ripen the fruits quickly for higher volume of sales, says R. Kathiravan, Designated officer of Tamil Nadu Food Safety and Drug Administration Department (Food Safety wing).

The chemicals used for artificial ripening of fruits can cause cancer. Food Safety Officers seized 370 kg of artificially ripened mangoes from a fruit outlet on Race Course on Monday.

In the past four to five years, the practice of artificial ripening has become prevalent in Coimbatore district. Coimbatore has 50 wholesale fruit dealers with around 15 of them dealing exclusively with mangoes during this season. It happens not only in smaller units but even bigger ones.

Artificially ripened mangoes can be spotted through a careful examination of the fruit. They will lack the aroma and will be less juicy compared to the naturally ripened ones.

Fruits that are artificially ripened will be having uniform colour throughout the skin, which will not be the case in naturally ripened fruits. If a person holds it in his hand, they can feel the difference between artificially and naturally ripened mangoes.

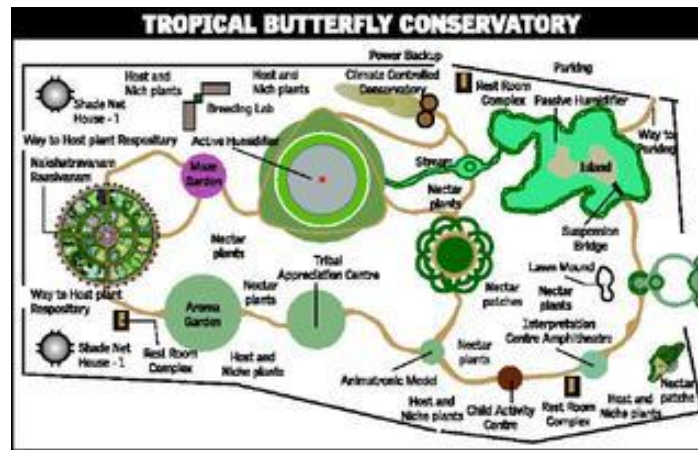
These fruits will also be difficult to cut and the inside will be white in colour rather than yellow.

As calcium carbide was an industrial grade product, it contained arsenic and lead particles. These toxic impurities affect the neurological system and reduce the oxygen supply to the brain. Consuming artificially ripened mangoes could result in sleeping disorders and headaches, memory loss, seizures, mouth ulcers, skin rashes, renal problems and possibly, even cancer, he says.

Ethephone, an insecticide, is another chemical used for the purpose. Some vendors also resort to burning kerosene stove or incense sticks in closed rooms to quicken the process of ripening, Dr. Kathiravan adds. All kind of fruits including guava, apples, pineapple, papaya and banana are artificially ripened. He points out that the Food Safety and Standards Act, 2006 (Rules 2011) totally bans the practice of ripening of fruits in India.

Butterfly conservatory gets Rs. 3.3 crore additional fund

Park expected to be opened for public use next month



Additional funds have been sanctioned for the Tropical Butterfly Conservatory being established by the Forest Department in Srirangam here.

The State Tourism Department has allocated Rs. 3.3 crore for the conservatory coming up on an area of 25 acres of land at the Upper Anicut reserve forest between the Cauvery and the Kollidam rivers.

The funds would be utilised for building additional facilities at the conservatory.

Forest Department officials said the funds would be utilised for establishing an amphitheatre, putting up animatronic models, construction of additional walkways, provision for passive cooling inside the indoor conservatory, setting up pipelines for irrigation and drinking water, and establishment of disabled-friendly restrooms.

The work at the conservatory taken up by the Public Works Department at a cost of Rs. 1.55 crore was in its final stage of completion.

Using funds sanctioned already, the Forest Department had completed restroom, ticket counter, breeding laboratory for non-scheduled butterflies, boundary wall, façade, establishment of an outdoor conservatory, passive humidifier, ponds, active humidifier, floral and nectar patches and walkways.

The conservatory also features ‘Nakshatra Vanam’ in which tree / plant species corresponding to the 27 stars of Hindu almanac and 12 zodiac signs had been planted. The total project cost of the conservatory would be a little over Rs. 12 crore following the sanction of additional funds. Steps were being taken to open the conservatory for public next month, officials said.

The conservatories are being established to foster in-situ and ex-situ conservation of butterfly species and create awareness of the role of butterflies in maintaining ecological equilibrium.

The Petitions Committee of the Legislative Assembly on Thursday inspected the works at the conservatory. The members of the panel, MLAs B. Ganesan, R.N. Kittusami, K. Ponnusamy, Vijayalakshmi Palanisamy, Dr. Haridas and A. Ramasami, and chairman and Government Chief Whip R.Manoharan went around the conservatory to get first-hand exposure to the works being carried out at the park. The Legislative Assembly secretary A.M.P.Jamaludeen, Collector K.S.Palanisamy, District Forest Officer N.Satish and PWD officials accompanied the committee.

Agriculturist quota hiked to 40 p.c.

Spelling good news for students wishing to apply for farm science courses under the agriculturist quota, the State government has hiked the percentage of seats under the quota from 23.8 to 40. This will be applicable to the two-year diploma course as well. — Staff Reporter

Call for utilising India’s renewable energy sources

Y.B. Ramakrishna, member of the Task Force on Renewable Energy, said that proper tapping of renewable energy sources could save the money spent for importing crude oil and reduce the dependence on the import of crude oil to meet the country’s fuel requirements.

Speaking at a function to mark the inauguration of the Centre for Information and Demonstration of Biofuel Production and Research at the main campus of the Central University of Karnataka here on Wednesday,

Prof. Ramakrishna said that 82 per cent of India's fuel requirements was met through the import of crude oil spending around Rs. 8 lakh crore every year.

Crude oil

He said by tapping the abundantly available bio-fuel resources and ethanol, which can be produced from sugarcane, starch and bio-mass, the country could cut down on the import of crude oil substantially.

While the tapping of bio-fuel has made a beginning, the production and use of ethanol as an alternative source of fuel still has a long way to go. The country is still in the nascent stage in using the biomass for the production of the ethanol. Prof. Ramakrishna said that students of the Central University of Karnataka should utilise the opportunity in the new centre and take up research activities for optimising the production and use of biofuel and ethanol to end the dependence on fossil fuels.

Inaugurating the centre, executive chairman of the Karnataka State Biofuel Development Board S.R. Patil said that biofuel was the only future for meeting the fuel needs of the future generation since the life of the fossil fuel is fast coming to an end.

The students of the Central University of Karnataka should make use of the facility to earn while studying by taking up the production of bio-fuels.

Vice-Chancellor of Gulbarga University G.R. Naik said that the wasteland available in the State should be tapped for cultivating biofuel plants to increase the production of biofuel.

In the Hyderabad-Karnataka region, more than 2 lakh hectares of wasteland was available for cultivating biofuel plants. Central University of Karnataka Vice-Chancellor M.N.S. Rao presided.

Seminar on climate change today

Green Environment Service Society is organising a seminar on climate change and adverse effects of cyclone Hudhud and its impact on the city on Friday.

Experts to speak

The programme will be held at UGC-Academy Staff College, Andhra University, where experts, including Head of Department of AU Environment Department P.S. Rajasekhar and E.U.B. Reddy of the same department, are expected to speak during the event which is scheduled to commence at 10 a.m.

Glaciers of frozen water found on Mars



Using radar measurements and ice flow modelling, researchers have been able to determine that it is water ice.

Scientists have discovered belts of glaciers consisting of frozen water equivalent to over 150 billion cubic metres - enough to cover the entire surface of the Red Planet with more than one metre of ice.

Using radar measurements from the NASA satellite and Mars Reconnaissance Orbiter, and combining those with ice flow modelling, researchers have been able to determine that it is water ice.

“We have looked at radar measurements spanning ten years back in time to see how thick the ice is and how it behaves,” said Dr. Nanna Bjornholt Karlsson, from the Niels Bohr Institute at the University of Copenhagen.

“A glacier is after all a big chunk of ice and it flows and gets a form that tells us something about how soft it is. We then compared this with how glaciers on Earth behave and from that we have been able to make models for the ice flow,” said Dr. Karlsson.

The glaciers were located in belts around Mars between the latitudes 300-500. They were found on both the northern and southern hemispheres.

“We have calculated that the ice in the glaciers is equivalent to over 150 billion cubic meters of ice - that much ice could cover the entire surface of Mars with 1.1 meters of ice. The ice at the mid-latitudes is therefore an important part of Mars’ water reservoir,” said Dr. Karlsson.

That the ice has not evaporated out into space could actually mean that the thick layer of dust is protecting the ice, researchers said.

The atmospheric pressure on Mars is so low that water ice simply evaporates and becomes water vapour. But the glaciers are well protected under the thick layer of dust.

The findings were published in the journal *Geophysical Research Letter*.



This season, Alphonso beyond aam aadmi’s reach



King of mangoes alphonsoes are arriving in the [market](#), but it seem to be within reach of only “royal” [customers](#) who don’t mind spending more to taste the fruit. The usual mango lover who hopes that “micro economics” of households does not come in the way of their taste buds and the much-sought-after fruit might have to just look the other way when alphonsoes are

on display at shops. The price has shot up because yield has been hit and demand is high.

Unseasonal rain and hailstorms in the Konkan coast severely hurt mango production, traders say. They attribute a drastic three-fourths drop in yield this year to vagaries of nature. The yield so far has been 25 per cent of the usual, traders point out.

The hopes of traders expecting high returns from exports — the import ban on mangoes that several European Union countries had imposed on Indian mangoes has been lifted — have also withered this summer. Around 30 per cent of the produce is usually fit to meet export standards. This means just over 7 per cent of the usual yield is good for export. Traders look at bulk exports to cover transport costs and earn high profits. The poor yield means exporting mangoes would not be economically feasible, said a trader.

The rain during the flowering season caused roughly around 75 per cent of mango flowers to drop, which meant that only around 25 per cent of flowers survived to turn into fruit, said a farmer. Diseases owing to the drop in temperature and high humidity has further reduced yield, a trader said. Since December, unseasonal rain has been lashing Alphonso-growing areas of Maharashtra, Gujarat and Karnataka. The Konkan coast of Maharashtra witnessed hailstorms and heavy rain in January and February, crucial flowering months.

Ajit Gogagate, chairman of Devgad Mangoes (a cooperative body of mango growers) said, “Both in Maharashtra and Karnataka, orchards have been hit by unseasonal rain and hailstorm. This resulted in shedding of flowers, which brought down yield,” he said. On an average, Maharashtra produces

50,000 metric tonne mangoes and Karnataka produces 1 lakh metric tonne a year.

Ashoke Hande, a trader with Navi Mumbai Agricultural Produce Marketing Committee (APMC) said a dip in temperature induced diseases in mango fruit which further reduced yield. “Of the 25 per cent yield that would arrive in the market only 30 per cent (almost 8 percent of the usual yield) would be export-worthy. Apart from orchards in Maharashtra and Karnataka, those in Gujarat were hit,” he said.

Rohan Ursal, a trader in Pune’s APMC said mango arrivals in Pune market have been poor. “Last year, around 2,000 boxes of mangoes had arrived in the market in April, but this year we are not even getting 500 boxes. Due to poor yield, chances of mango getting cheaper in May look bleak,” he said.

As far as export *economics* is concerned, farmers are opting out. *Just* over 7 per cent mangoes produced this year is fit for export. The amount is too less to earn good profits from exports. This is because traders have to look at feasibility, which depends on bulk export, a trader said. He added that the fruits have to be kept fresh during transit and that also increases cost of transportation.

Dinesh Patankar, a farmer from Devgad, said, “Last year, I supplied mangoes for export to Gulf countries but this year I opted out. Economics will not match up this year,” he said.

Integrated town projects can now get land in 90 days

The legislative assembly passed a bill on Thursday that will enable projects like integrated townships (clubbing together industrial, commercial and residential activities) to get land ownership and non-agriculture certification in 60-90 days. This is expected to speed up development, including 'smart city' projects.

At present, such permissions take two years, which has resulted in hundreds of projects being held up across the state, affecting investment, development and employment.

The passing of the bill is part of the state's 'Make in Maharashtra' campaign, which is along the lines of the Centre's 'Make in India' campaign.

State revenue minister Eknath Khadse said the move is aimed at facilitating 'ease of doing business' in Maharashtra to boost investment. The state recently passed another bill allowing industrial projects to bypass permissions from civic bodies if they are planned in areas under the Maharashtra Industrial Development Corporation (MIDC).

Industry sources said the move will bring major relief from bureaucratic red tape, thus helping businessmen to avoid corruption and bring transparency in their dealings with the state. "Both developments will bring in much-needed encouragement to industry," said sources.

While supporting the amendment, NCP leader Jayant Patil said the state should also bring in clarity on civic services as there could be clashes between special townships and existing local bodies.

IIT leads the way to a 'green revolution'

A patch of 14 acres in Kenthia village of Kharagpur-II block, which was written off by everyone, has suddenly turned lush green. Go closer and you will see paddy, soybean, groundnuts, sweet corn and sesame plants there.

The Kenthia experiment started with three departments of IIT-Kharagpur —

agriculture and food technology, biotechnology and industrial engineering — about six months ago.

The challenge was to turn a barren patch green with the help of institute-bred technology and then transfer it to farmers.

The even bigger challenge was to get the farmers of Kenthia to partner the experiment and hand over the land for cultivation to the institute.

It needed a bit of convincing, but the fact that farmers could not grow any crop on the barren land for the past eight years helped the cause. Though initially apprehensive, they finally decided to trust the professors.

The first challenge was to prepare the soil and make it fertile. The second was to minimize the use of chemical fertilizers and water and the third was to do away with pesticides as far as possible.

"A long period of disuse had done a lot of damage to the land," said Pratap Bhadoria, an IIT-Kharagpur faculty member, who spearheaded the project along with 29 other teachers.

A special low-cost vermicompost was prepared by rotting water hyacinth and mixing it with "eisenia foedida", a special species of earthworm. The formula, which is indigenous to IIT-Kharagpur, has now been given to the farmers.

"The soil testing made it easier for us to ascertain the quantity of fertilizer needed. This helped us reduce the use of chemical fertilizer and maximize the percentage of vermicompost. Farmers randomly use chemical fertilizers which destroys land fertility. But, the 15 farmers who have partnered with us in the project have now been trained in the do's and don'ts like importance of soil testing etc," said Bhadoria.

The 14 acre patch looks like a green island amid a sea of grey barrenness all around. There is a bumper paddy crop that will be harvested in the next two months, interspersed with crops like til, groundnut, sweet corn and soya bean.

"While in any fertile one acre land, farmers are able to grow 800 kilos of rice, we have been able to produce two tonnes per acre. We have been able

to double the production of the other crops also, which the farmers had no experience of growing," said another faculty member involved in the project, Dilip Swain.

Farmers are very happy about the project. "I have cultivated land for more than 50 years, but have never seen such a healthy crop in my life," said 62-year-old Badal Das.

"We neither knew the right ratio of fertilizers for the soil nor the advanced planting techniques," said another farmer, Bimal Bhuniya.

The union human resource development ministry has lauded the experiment. It has also awarded the institute a grant of Rs 26 crores to replicate the experiment in nine other villages.

The experiment has also been made a part of the Narendra Modi government's Unnat Bharat Abhiyan.

The other villages that have been adopted by IIT for replicating the experiment are — Paparara-I and II, Changua, Sankua, Lachampur, Kaliara-1 and 2, Polisa and Chakmakarampur.

Director of IIT-Kharagpur P P Chakraborty said, "We are the only IIT to have an agriculture department and related food technology schools. Our location is also unique because we are surrounded by villages where agriculture is the mainstay but the land is infertile. We are happy that years of research in our agriculture laboratories can now be transferred to the fields."

Extreme climates take a toll on crops

S K Muthusangiah, a farmer in his 50s had spent thousands of rupees on his mango farm with the hope that this year the returns will be handsome to pay off his debts after three years of arid climate.

Hailing from Bodi region in Theni district, considered a mango belt along with Periakulam, the hopes of Muthusangiah and other farmers were proceeding smoothly till heavy showers lashed the region in the last week of March. The trees that were full of flowers suffered damage and would not get fetch even half the expected price. "Misfortune strike farmers in a row.

After three years drought, we thought we are going to have a bumper harvest but rains played havoc. I am just wondering how to pay off the debts or even interest amount on loans," the farmer said.

If it was rain that impacted some farmers, for others like S Raj Kapoor of Natham in Dindigul district, a prominent mango cultivating region, the scorching heat has ruined their luck. "If there is no rain in the next 15 days, entire mango crop in the region will be lost. The heat is unusual for the beginning of April and excessive day time temperature simply withers away the flowers," he lamented.

Mango farmers are not harvesting ripened mangos from trees. Leaving them to mature will destroy the tree as fruits will consume lot of water and nutrients. "The situation is very miserable and we are clueless as to how to save the trees," he said. Like farmers, wholesale merchants who have taken mango farms on lease are also facing big trouble since they cannot realise returns from the yields.

The situation is no better for grape or banana farmers as well. Cumbum valley in Theni district is known for its grapes as nearly 4,000 acres of grapes are cultivated while banana is cultivated across many districts in large scale. "Unable to bear the heat, the grapes are not maturing into fruits and we have to sell the unripe ones for a paltry sums. I have not seen such harsh April days before," said Pon Katchikannan, a grape farmer in Surulipatti in Cumbum valley.

Last three year's drought shrunk 10,000 acre large grape fields into 4,000 and the remaining ones are also facing an uncertain future. "Even the pruned vines are not flowering properly," he added.

Banana crop is better this year but the fruits ripe pretty fast putting vendors in trouble. S Kesavan, president of Banana Traders Association in Madurai said the weather is makes the banana skins turn black in a short time. "Though the fruit is tasty, black peels turn off customers who assume that the fruit is stale. As a result, the banana crop though adequate in supply get stagnated and farmers bear the brunt of very poor prices," he added.

Taking a beating

Natham (Dindigul) and Bodi and Periakulam in Theni are called the mango

belt with 6,000 to 7,000 hectares in each region. This is in addition to 6,000 more hectares of mango cultivated in Madurai district's Alanganallur, Vadipatti, Melur regions

While sudden downpour has affected the crop in Theni, lack of rains and unusual summer heat is withering the mango flowers in Dindigul and Madurai districts

The vineyards of Cumbum valley have shrunk from 10,000 acres to 4,000 due to drought and irregular weather affecting the yield as grapes are not ripening

Madurai banana market receives as much as 25 tonnes per day from various districts but the skin turns black due to the scorching heat fetching lesser prices to farmers

THE HINDU **BusinessLine**

Unified Market Platform: how can the benefits reach the needy?

For mandi modernisation, there is a dire need for network orchestration of NCDEX, consultants, market agencies, implementing State and the Centre



Following efforts from various policy institutions for over a decade, the vision for a Unified Market Platform (UMP) in agricultural commodities has come true. Some Rs. 200 crore has been earmarked in the 2015-16 Budget as Agricultural Technology Infrastructure Fund (ATIF) to scale up 'mandi modernisation'.

In fact, a few States such as Karnataka, Gujarat, Maharashtra and Madhya Pradesh have already responded positively to APMC Model Act, 2003 and APMC (Reforms), 2013 by initiating a slew of measures. However, many States are far behind in adopting a similar initiative. Nevertheless, will this trickle down to the bottom and benefit producers?

Structured bidding

The Centre intends to implement the project through a structured bidding process. NCDEX-promoted National E-Markets Limited (erstwhile NCDEX Spot Exchange) showed interest in bidding for the project. It has gained domain expertise in facilitating electronic spot trading of agricultural commodities in the Karnataka, Gujarat and Rajasthan.

The exchange can help interested States to improvise APMC regulated markets into software-enabled trading platforms, but the implementation may require planning over a longer term. State Agricultural Marketing Boards, Food and Civil Supplies Corporations and State Procurement Agencies need to help speed up project execution and to ensure a hassle-free operation in mandis and collection centres.

States' role

However, all the success will depend on the States' outlook to market-led agriculture or prospects in agriculture through steady procurement, reduced distress sales, value addition to marketable surplus and adoption of co-production and profit sharing model. Political instability or policy logjam might result in the implementation period being extended.

Now, hiring of a consultant for the implementation may require some time as the government needs to invite bids from interested agencies internally. State Government co-operation is essential to conduct a thorough market research and to expedite the process of implementation. There is a dire need for network orchestration of NCDEX, consultant(s), market agencies, implementing State(s) and Centre. Mandi modernisation aims to rope in diverse and discursive group of the clientele.

These include farmers, merchants/aratiyas, hamalis/contract labourers, bulk traders and processors, APMC staff and board members. To this end,

interested public/private organisations could get an opportunity to render customised services, such as, assaying, warehousing and disposal, commodity-based financing.

Market ramification

The consequence of the project might be far-reaching and could consider several contours of markets and policy environment.

First, it could reduce pricing anomaly through a network of electronic spot markets. Price polling exercise, on one hand, would be more transparent and authentic and, on the other, this may be real-time linking to a hub or central database. As a result, information asymmetry in the market could get reduced as electronic auction will resulting in licensed traders, buyers and sellers getting organised in a single platform.

Second, organised spot markets can support forward/futures markets for base or reference pricing and final settlement of the forward/futures contracts. Traders will be more informed since they may follow frictionless trading in both markets simultaneously. Delivery might not be an issue since warehousing business could receive a ripple effect of the project. Commodity-based structured financing might also be a fruitful outcome of the project that might restore the confidence of lending organisations on the negotiability of warehouse receipt.

Third, commodity prices tend to be more uniform or less distorted and traders will be able to compare prices of commodities across secondary and terminal markets that could reduce their search or monitoring costs. Overall, the market would correct itself to curb excess speculation of “rogue” traders or agents to the extent of market liquidity and magnitude of participation.

Bottom-up approach needed

The project is aimed at addressing the concerns of small and marginal farmers, who have been struggling for a better price. Accessibility of price information is of crucial relevance to them.

While physical barriers might prevent their access, they need to be market-oriented and equipped in calculating returns for risks they take. As they depend on opinion leader of the local populace, civil society in consultation with the external agency, say commodity exchanges, could take the initiative

of real-time price dissemination. The electronic market, in essence, may break the shadow of 'digital divide' between urban traders and rural peasants.

Technology and business convergence might induce productivity and make farmers aware of agricultural policy and economic environment. However, producer inclusion in technology mediated market is central to the grand success of this project that needs a bottom-up approach.

The writer is Post-Doctoral Fellow of CMA at IIM-Ahmedabad. Views are personal.

Badal bats for higher maize output



The Minister for Food Processing Industries, Harsimrat Kaur Badal, stated there was a need to increase maize production in the country and that her Ministry has encouraged State Governments to amend the Agricultural Produce Market Committee (APMC) Act.

“Though Punjab is considered a progressive agricultural State, the emergence of Bihar and Uttar Pradesh in enhanced maize production is commendable,” she said, while inaugurating the third edition of the ‘India Maize Summit 2015’ here on Thursday, while adding that it was time for other States to learn and share best practices to raise average maize production that is currently below the global average.

“It is also important to diversify from wheat and rice to maize as it can provide great nutritional at an affordable price to the malnourished population,” said Badal, who believed there was great potential for maize exports which could be tapped by the right infrastructure, technological know-how and a seamless value chain.

Mustard rallies on crop damage

Weak arrival and report of damage to the mustard crop due to rains and hailstorm last month have once again pushed up prices of both mustard oil and mustard seeds in mandis across Madhya Pradesh, Rajasthan and Gujarat with mustard oil prices in Indore mandis on Thursday rising to 662 (up 14 from last week).

In Rajasthan mandis, mustard oil ruled at 665 (up 15) and in Gujarat, mustard traded higher at 650 (up 15). Mustard seeds prices in the physical market rose to 3,650-3,700 (up 250-300). Similarly, raida traded higher at 3,200-3,300 (up 200-250). Plant deliveries were at 3,870-75 (3,745-50 a quintal).

Cooking oils in bear grip



Edible oils market witnessed a bearish trend tracking weak physical demand and futures. Malaysian palm oil futures declined for third consecutive day in line with weak world soya oil complex. On the Bombay Commodity Exchange, imported palmolein and soya oil eased by 6 and 2 for 10 kg each. Cotton refined oil lost 3. Rapeseed oil gained by 3 on report of

lower crop. Local refineries reduced their rates by 4-5. Liberty was quoting palmolein at 488 JNPT and 490-493, super palmolein 525, soyabean refined oil 587. Ruchi traded palmolein for 488, soyabean refined oil 581 and sunflower refined oil 630. Allana's rates: palmolein 493-496, super palmolein 520, soyabean refined oil 585 and sunflower oil 635.

In Saurashtra-Rajkot, groundnut oil *Telia* tin declined further by 25 to 1,560 and loose (10 kg) dropped to 1,000 (1,025).

BCE spot rates (/10 kg): groundnut oil 980 (980), soya refined oil 585 (587), sunflower exp. ref. 580 (580), sunflower ref. 630 (630), rapeseed ref. oil 708(705), rapeseed exp. ref. 678 (675), cottonseed ref. oil 585 (588) and palmolein 490 (496).

Farm exports hit by glut, currency volatility

(Value in \$ billion)

A TREND BREAKER			
Year	Plantation*	Agri and Allied Products	Total
2009-10	1.053	12.617	13.67
2010-11	1.398	17.345	18.74
2011-12	1.8	27.427	29.22
2012-13	1.732	32.017	33.74
2013-14	1.597	32.387	33.98
2014-15 (April-Feb)	1.344	27.702	29.04

* includes coffee, tea and rubber

After seeing consecutive growth for past five years and scaling a new high, India's farm sector and allied product exports are poised for a decline for the financial year ended March 2015.

Bearish global commodity prices induced by a worldwide glut, volatile currencies in competing countries and delay in the Government's decision making on announcing sops impacted exports, experts said.

According to the provisional estimates, the agri and plantation sector exports stood at \$29 billion or 1.77 lakh crore for the April-February 2015 period, lower than corresponding last year. For 2013-14, the exports stood at \$34 billion or 2.04 lakh crore.

Unviable exports

Commodities ranging from wheat, basmati rice, oilmeals, guar gum, sugar, dairy and tea among others have seen a decline in shipments over last year, while products such as buffalo meat, non-basmati rice, fresh vegetables and cocoa products have registered an increase.

“Going by the trend there could be a ten per cent drop in exports for fiscal 2014-15,” said Tejinder Narang, grains trade analyst.

“The inability on the part of Indian exporters to compete with their global counterparts on the price front combined with the inflexibility of the government to pare prices – mainly wheat, contributed to the decline in exports,” Narang added.

Except for the non-basmati rice, the domestic prices of other commodities such as corn, oilmeal, dairy products (skimmed milk powder), sugar ruled higher than the global prices for most part of the year making exports unviable.

Besides, the depreciation of currencies such as Brazilian Real and the weak Euro against the dollar also contributed to the slowdown in exports.

Basmati woes

Basmati shipments dropped by close to a tenth at around 3.5 million tonnes in 2014-15 against the previous year's 3.8 million tonnes.

The decline was mainly on account of Iran, the biggest buyer of the Indian aromatic rice, which stopped purchases in the recent months on higher domestic crop.

“We may end up exporting about 10 lakh tonnes in 2014-15 as against 14 lakh tonne in the previous year,” said Rajen Sundaresan, Executive Director, All India Rice Exporters Association.

Apart from the lower volumes, the Basmati export earnings were likely to be lower on account of lower realisations as the average price was \$1,100 a tonne in 2014-15 against \$1,250 in the previous year.

Sugar exports sour

In case of sugar, the Government announced the continuation of subsidy on raw sugar only in February this year, about four months after the crushing season had started.

“In case the Government had announced the subsidy of 4,000 per tonne in October-November, about 12-15 lakh tonnes of sugar would have been exported. So far, only 1.5 lakh tonne has been exported this season,” trade sources said.

Exports of sugar and molasses in value terms were down by 34 per cent in the financial year 2014-15 till end-February over previous year. Similarly, the exports of dairy products and wheat were down by close to 50 per cent.

Talks of export sops lift sugar



Sugar prices on the Vashi market ruled steady except S-grade which was up 3-5 a quintal on Thursday. *Naka* and Mill tender prices were unchanged for third consecutive day. Undercurrent remained positive on talk of government considering incentives for white sugar exports. Arrivals were at 62-63 truck loads and local dispatches were 60-61 loads. On Wednesday evening, 19-20 mills offered tenders and sold about 78,000-80,000 bags at 2,360-2480 (2,360-2,480) for S-grade and 2,500-2,600 (2,500-2,600) for M-grade. The Bombay Sugar Merchants Association's spot rates: S-grade 2,490-2,625 (2,486-2,622) and M-grade 2,602-2,722 (2,602-2,722). *Naka* delivery rates: S-grade 2,420-2,520 (2,420-2,520) and M-grade 2,530-2,680 (2,530-2,680).