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# THE HINDU

## **Centre of excellence for women farmers to come up**

The Tamil Nadu Agricultural University will set up a centre of excellence for women farmers on the campus of the Horticultural College and Research Institute for Women at Navalur Kuttapattu near here in course of time.

The women farmers will be exposed to skill development programme in agriculture with a thrust on post-harvest techniques, use of bio-fertiliser and applications of bio-control agents. “It will be a knowledge centre for imparting training to women farmers and women agricultural workers,” said M. Jawaharlal, Special Officer of the Institute.

A sum of Rs.50 lakh had been allocated in the first phase towards construction of buildings.

At present, the centre is housed in an old building of the college, he told the media here on Thursday.

He said the college has taken up a special research on cultivating horticultural crops on alkaline soils such as the Manikandam block in the district where the institute is located.

“In fact, we have succeeded in cultivating guava crop in the soil, where the crop has started yielding results,” he said.

“The high density cultivation of guava has proved its success,” he said.

D. Saraladevi, Project Director of the Centre of Excellence, said training would be imparted on fresh and dry fruit arrangement, apiculture, milch animal management, raising of quality nurseries, and fruit-bearing trees.

## **Four-day agri expo begins in Madurai**



The expo, which has close to 150 stalls, was inaugurated by Professor Gopalakrishnan of Agricultural College and Research Institute. It would conclude on June 28.

The display of latest techniques, gadgets, equipment at the expo to be adopted by farmers in the changing pattern of farm management would be useful and informative, said S. Packiaraj and D. Manojkumar, expo directors.

Last year, close to 35,000 persons visited the expo held in the city and this year, around 50,000 persons are expected to visit the expo.

The expo would be open from 10 a.m. and as an incentive to farmers from other districts, the organisers have planned to provide free pick up from Periyar bus stand, Maatuthavani and Arapalayam bus stands respectively, they also added.

### **Cooperation Department to fund agriculture schemes**



The Primary Agricultural Cooperative Credit Societies in the district will be involved in the implementation of various farm-based schemes. The Co-operation Department, in coordination with various units, particularly Horticulture, Agriculture Agricultural Engineering, and Animal Husbandry departments, will sanction loans and agricultural inputs.

To achieve the desired goals, a day-long workshop for the secretaries of these societies in the district was held here on Thursday.

Inaugurating the workshop, K.S. Palanisamy, District Collector, underlined the role of primary agricultural cooperative credit societies in achieving greater heights.

He hoped that the current endeavour would ensure an integrated and comprehensive measure and benefit both farmers and various departments under one umbrella.

K.C. Ravichandran, Regional Joint Registrar of Cooperative Societies, said that the societies were, till now, functioned with certain restrictions, without involving themselves in the area of implementation of various schemes, particularly subsidy-based programmes.

“The societies will act as a bridge between farmers and government departments,” he said.

He appealed to secretaries to ensure soil testing process in all the fields in their service area. Equal attention should be paid for granting loans to agriculture-allied activities.

M. Jawaharlal, Special Officer, Horticulture College and Research Institute for Women, appealed to secretaries to identify and encourage value-addition in farm techniques.

R. Pandiarajan, Joint Director of Agriculture, N. Mirunalini, Managing Director, Tiruchi District Central Cooperative Bank, D. Subramanian, Chief Area Manager, IFFCO and S. Suresh Kumar, Assistant General Manager, NABARD, spoke.

### **Experts predict fall in coconut price, advise farmers to sell stock**

The Agro Market Intelligence and Business Promotion Centre (AMI&BPC), Tiruchi, has indicated that prices of coconut and copra are expected to come down by August-September and has advised farmers to sell their produce immediately.

In a price advisory to farmers, the AMI & BPC said the price of coconut at the farm level is expected to rule around Rs. 21,000 to Rs. 22,000 a tonne or Rs. 12 to Rs. 13 a nut and copra price will hover in the range of Rs. 78 to Rs. 80 a kg at Avalpoondurai regulated market between August and September.

Currently, the price of coconut is ruling around Rs. 23,000 a tonne or Rs. 13 to Rs. 14 per nut for average size weighing 550 to 600 grams. Copra is ruling at Rs. 78 to Rs. 82 a kg at Avalpoondurai Regulated Market in Tamil Nadu, the advisory said.

The advisory was based an econometric analysis of coconut and copra prices at the Avalpoondurai market carried out by AMI and BPC, the Centre for Agricultural and Rural Development Studies (CARDS), Tamil Nadu Agricultural University.

Sluggish demand for coconut oil and increased availability of copra are the reasons for the fall in copra price by Rs. 100 to Rs. 80 a kg over the last three months

Coconut is mainly produced in Coimbatore, Tirupur, Thanjavur, Dindigul, Kanyakumari, Vellore, and Theni districts in Tamil Nadu. Coconut and copra arrivals from these districts and Kerala have already started. Arrivals from Karnataka will begin from July.

The arrivals will continue till November.

Tamil Nadu stands first in the country in terms of coconut production in 2013-14, with the crop being raised on about 0.46 million hectares with a production of 4.76 million tonnes during the year, the advisory said.

### **‘Coconut Development Board office needed in Erode’**

Farmers in the district on Wednesday asked the Coconut Development Board to start its office in Erode similar to that in Pollachi, during a buyer-seller awareness camp held here. Over 250 growers participated in the camp.

The meeting conducted on the directives of Agriculture Production Commissioner and Director of Agriculture Marketing sensitised farmers to the approach towards doubling production and tripling income through exposure to bio-control of pests, particularly red-palm weevil and rhinoceros beetle, and avenues of marketing. Insurance schemes were also explained.

According to R.M. Subramanian, Deputy Director, Agri-Business, who addressed the participants, the growers would be facilitated to derive the benefits through formation of Farmer-Grower Companies and securing FSSAI (Food Safety and Standards Authority of India) certification for production of value-added products.

Coconut trees are grown on 6,000 hectares in Erode district, and copra produced in Avalpoondurai and Modakurichi area are sourced by coconut oil mills at Kangeyam in neighbouring Tiruppur district. Farmers will be provided technology support and encouraged to establish their own oil extraction units in Erode, Mr. Subramanian said, adding that presence of Coconut Development Board office in Erode will pave way for broad-basing value-addition initiatives. Joint Director of Agriculture In-Charge Viswanathan urged farmers to utilise the government schemes for value addition through setting up agri-processing units.

### **Traders asked not to sell farm inputs at high price**

District Collector M. Karunakaran has warned the traders against selling substandard seeds and fertilizers and selling the vital agro inputs at inflated price.

In a statement, Dr. Karunakaran said water is being discharged from the dams for ‘kar’ paddy cultivation and agricultural operations are on in the full swing. Quality seeds and fertilizers, the vital inputs for cultivation, have been stocked adequately to help farmers. Hence farmers should purchase only certified seeds and quality fertilizers for getting a bumper yield.

Farmers should purchase the seeds as whole bags to avoid adulteration and ensure that they purchased only certified seeds.

“To enable the farmers identify certified seeds, blue tags with opel green producer label and for the foundation seeds white tags with opel green producer label have been attached to the bags. The bags have also been sealed with a ‘lead seal.’ Besides buying only certified seeds, farmers should also ensure that the seeds are sold only at the rates printed on the bags. They should also get proper bill for their purchase,” Dr. Karunakaran also said.

Farmers can inform the Deputy Director (Seed Inspection) Krishnakumari over mobile phone number 94868 90306 regarding complaints of seeds being sold at inflated price and poor quality seeds.

For seed-related complaints, farmers of Maanur and Palayamkottai blocks can contact Seed Inspector Uma Maheswari (94894 77619) and Seed Inspector Natarajan (97901 41023) can be contacted for complaints from Valliyoor, Ambasamudram and Cheranmahadevi areas.

For complaints in Tenkasi, Shencottah, Kadayam, Kadayanallur, Keezhapavoor, Alangulam areas, Seed Inspector Kanagaraj (99943 30257) can be contacted and farmers can contact Seed Inspector Muthukumarasamy (94430 05028) for their complaints pertaining to Sankarankoil, Kurvikulam, Vasudevanallur and Melanelithanallur areas.

### **Insist on bill**

Farmers need not pay anything more than the maximum retail price printed on the fertilizer bags and should get proper bills for every purchase.

If fertilizers are sold at higher rates, farmers can inform either the Block Agricultural Officer or the Block Assistant Director of Agriculture or Assistant Director of Agriculture (Quality Control) Kajendra Pandian (94886 68660) or Agricultural Officer (Quality Control) Karpaga Rajkumar (99429 82578).

“If the charges against the traders are found to be true, severe action will be initiated against them and they will have to lose their licence,” Dr. Karunakaran warned.

### **Officials for replicating success story**

The Agriculture Department has planned to increase the mangrove cover in various regions of Karaikal, based on the success of the growth of species on the sea-shore during the post-Tsunami period.

The department has taken up a study on the feasibility of increasing the mangrove forest cover in the marshy lands in Karaikal. “We have selected Mullaiyar and the bird sanctuary at Vizhudhiyur where the prospects for raising mangrove is conducive,” an official source told *The Hindu* on Monday.



The success of the mangrove growth on the marshy lands in the coastal Karaijkal had encouraged the Agriculture Department to explore the possibility of covering more area.

The department has developed a bio-wall for a distance of 7.5 km between Vanjur and Mandaputhur villages in the coastal stretch.

“The land has become a natural barrier for controlling the velocity of winds during cyclone. We developed four species — and the casuarinas had survived in the bio-wall.”

“Even during the pre-tsunami period, the department, in coordination with the M.S. Swaminathan Research Foundation, took up a pilot project in the area. But it did not take off in the initial period.

However, during the post-tsunami period, the project was taken up on the Fisheries Department land in coordination with the Forest Department.

The plants have now developed and sports a tourism-attractive scenario,” the official says. The area covered was about 10 acres.

### **Accent on increasing pulses production**

The seeds sown by the M.S.Swaminathan Research Foundation over the last one year are now bearing fruits. In 2016, most of the panchayats in Tamil Nadu will become pulses panchayat, Dr. Swaminathan said.

The work done by the Foundation at Edaiyapatti panchayat in Pudukottai has been effective and now this place is being christened as ‘Pulses Panchayat’.

“Pulses do not require much water so we have now started pleading with panchayats to increase their production through community involvement,” Dr. Swaminathan said while delivering his address on ‘Importance of sustainable modern agricultural practices for

making India a Food Sovereign Country' at an event organised by the Andhra Chamber of Commerce.

### **2016 Year of Pulses**

The year 2016 has been declared as International Year of Pulses, he said, adding that Tamil Nadu already has large number of pulses like toor dhal. Currently, India imports four million tones of pulses.

Dr. Swaminathan also pointed out food safety has now become important after the Maggie episode. "People are becoming conscious about their health," he said. V. L. Indira Dutt, President of the Andhra Chamber of Commerce, said: "A more scientific farm policy is the need of the hour to determine proper usage of available resources like land and waterto produce the required quantum of agro products on an annual basis."

"Guaranteed purchase policy as practiced in the western countries to buy the produce from the farmers at scientifically determined prices would also go a long way in enhancing agricultural production in India," she said.

### **Minister for upgrading Dairy Technology College**

Minister for Agriculture Pocharam Srinivas Reddy said he was making all efforts to upgrade the Dairy Technology College at Kamareddy to provide postgraduate courses and increase the student intake capacity to 40.

Addressing the gathering at Telangana Dairy Centre after laying foundation stone for Farmer Training Centre (FTC) on Thursday, the Minister said the decision to increase the number of seats would be taken after the appointment of faculty members.

### **Of bread, milk & cookies**

Eswar Iyappan, CEO of Genius Nature Herbs Limited, can identity good quality millet just by its appearance. "It should look dull and unpolished. And, if you keep it longer it gets infested with bugs. That is an indicator of good quality produce that is free from pesticides," he says.

He worked in the herbal domain as an assistant medical officer (siddha) in Kodumudi before starting his company in 2008. "I handled export of more than 100 herbal raw materials, including tulsi, sirukurinjaan, avarai.... it was an eye opener. Some of our consignments to the U.K., South Africa and the U.S., were rejected because of the presence of impurities like yarn, and mica in the products. This was largely because of poor hygiene at farms, ," he says. Eswar learnt early on that going organic was important.

Today, the seven-year-old company located on Siruvani Main Road near Madhampatti makes millet-based varieties of cookies, ready-to-eat mixes, soups made from vallarai, fenugreek, manthakkali, and moringa, millet porridges, herbal teas, herbal supplements,

cosmetics, and more. “Our products have no chemicals, emulsifiers, additives, colouring or flavouring agents,” he says with pride. While millets, soups, teas, are available across south India, the herbal extracts, and over 50 varieties of dietary supplements in the form of capsules with moringa, garcinia ( kodam puli) extracts...are sent to 60 other countries. “It is the profit from the overseas market that helps us sustain the business. The local market is still very nascent, as the products have a limited shelf life. But the good thing is people are switching over to millets,” he says.

Village diet, a porridge powder made from 26 mini millets is one of his premium products. I get to sample it. And, I just can't stop. It is light, filling, and is bursting with goodness. “Every 100 gm only has 25 calories. It is a healthy start to your day. We substitute sugar with mountain honey, palm sugar *oradimaduram* herb. All varieties of thinai, saamai, varagu, kudiraivaali, kambu, raagi, bamboo rice, kai kuththal rice have low glycemic index that controls blood sugar level and are high on fibre, proteins, vitamins and minerals. He also has multi-grain kichadi mix, pongal mix, ulunthu kazhi, thinai payasam, saamai biriyani...

He gets his raw materials from 50 reputed farmers in Tamil Nadu, who own organic-certified farms. He sources herbs from farmers in North India. “Pest control is a challenge. Organic farmers go in for bio-pesticides that are neem based, or extracted from garlic and chillies. “Sourcing quality raw materials increases our expenses by 25 per cent but we still go for it.”

Eswar says organic terrace gardens should be there in every home. “The vegetables we get in the market have alarming levels of pesticides,” he warns. He says parents have a bigger role in weaning the younger generation from fast foods and junk food. “The sodium content is extremely high. We have woken up after the Maggi episode, but there are so many other edible products that come with dangerous levels of chemicals and preservatives. We can make our own desi noodles with millets. Parents should get innovative while packing lunch for children. There are so many nutritious snacks one can make from millets. Our forefathers consumed millets as their staple food. They ate rice only on festive occasions,” he explains.

To know more, call Eswar at 98942-46446

Visit: [www.organicmiraclefoods.com](http://www.organicmiraclefoods.com)

### **Breads with a difference**

When Prasanna Nandakumar and Hema Selvapathy came together to start a baking unit, they ensured that they made adulterant-free products. It's been seven months now and their Dainty's brand of bakery items, including different varieties of bread, and cookies are available at 120 stores in the city. Prasanna says it is tough as their products come at a premium and with limited shelf life. “In packaged food industry, the new age consumers are one of the main stake holders along with government, farmers, and companies that



manufacture packaged foods. Awareness and change in mindset is needed. Going organic is the new cool. ,” he says

Prasanna says most bread manufactures add chemicals to achieve processing efficiency and to improve shelf life. “They use potassium bromide for dough strength and kneading efficiency. It’s a carcinogen that is banned in all developed countries. I learnt about it as I worked in the market research department of the FMCG industry in Bangalore and in France. All our bread packets carry a note on this. We have substituted the chemicals with natural enzymes. One kg of potassium bromides costs Rs. 180 while one kilo of enzymes comes at Rs.7, 500. Good health comes at a premium and consumers have to support us.”

Hema says it was tough to market wheat bread as they made it gluten-free and without any maida content. “Some of our consumers said it tasted like saw dust. We changed the recipe, added minimal maida and they like the taste now. But, we use Bannari Amman brand of maida that is bromide-free so that we don’t use nay chemicals to purify maida.”

The problem they face is shelf-life. Prasanna says any bread that is free from preservative and chemicals has a shelf life of just two days. “With the addition of Calcium propionate the breads can last from seven to 21 days. Though, we get plenty of returns because of expiry date, we don’t want to take this route. We want to tell people to consume what is available locally that is fresh and healthy. That is the only way forward.”

Milk, fresh from the farm

Shankar, an engineering graduate who has worked in India and abroad, took the organic route to supply farm fresh milk. His brand Sai’s milk offers milk that goes straight to homes and institutions in the city from his farm. And, it is adulterant-free. “Cow’s milk are packed in sachets immediately after milking, and transported to consumers in R.S. Puram, Saibaba Colony, Ramnagar, and Race Course within a few hours when the milk is till warm,” he says.

R. Shankar and his brother R. Hari Hara Sudhan tend to 120 cows at their three-acre farm in Keernatham. He supplies 860 litres of milk a day in Coimbatore city. “We try and source fodder from organic farms in Thondamuthur and Boluvampatti. Initially, it was difficult as the conversion period for farms to switch to organic cultivation took a minimum of three years. Right now, we grow organic feed at our farm. We also make vermicompost manure at our farm,” he says.

He says packed milk contain alarming levels of chemicals. “It is shocking that many private companies use synthetic colour powder (to get that yellowish tinge), milk powder, caustic soda, and peroxides to preserve the milk and increase quantity. All leading private milk suppliers churn over two lakh litres of milk every day. And, it impossible for them to supply such huge quantities in a single day. So, the milk we get is three to four days old. And it is loaded with hydrogen peroxide to preserve it,” he explains.

Unprocessed milk stays fresh for just about four to six hours. “All the chemicals come into the picture once you start processing. We just filter the milk, pack it and supply it. You can judge the quality of milk in the curd. Your hands should turn greasy.”

To know more, call Shankar at 99943-39150.

### **Of lakes and livelihoods in Bengaluru**



Grazing, fishing and agriculture: these occupations conjure images of a village. But as a city spreads into the countryside, it results in the creation of a periurban interface where rural and urban livelihoods coexist. Around lakes in the new IT areas of Whitefield, traditional livelihoods continue to be practised even as apartments and offices spring up nearby.

Thus, as the software professional in Nallurhalli exits her apartment for work, the grazer leads her buffaloes to graze at the lake! While cows are content drinking from the water's edge, buffaloes like a wallow while quenching their thirst. Fodder grass is collected from the lake edge and the water's surface at Nallurhalli, while livestock are bathed daily in the lake waters. Residents of Kannur and Nallurhalli villages remember a past where indigenous fish species were caught for consumption at home. Today, both lakes are leased for fishing. Fingerlings, bought from nurseries by tender holders, are introduced into the lakes. On reaching maturity, they are caught and transported to homes, markets and hotels across the city. Wetlands downstream of Kannur lake are irrigated using lake water to cultivate paddy and ragi. *Onagane soppu*, a nutritious leafy vegetable, is gathered by local women of Kannur by scraping it from the lake bed using shells retrieved from the lake bed.

However, these livelihoods and methods of subsistence use are increasingly under threat. The fire on Bellandur lake and the frothing Varthur lake are examples of the extreme degradation of city lakes. Similar, but perhaps not so dramatic, changes are being witnessed in Kannur and Nallurhalli, impacting traditional livelihoods adversely. In both

villages, once freely-available fodder and water need to be bought, an additional expense most grazers can ill afford. Paddy and ragi cultivation are declining in Kannur and have been discontinued in Nallurhalli as water-levels recede and the wetlands are built upon. Fish thrive in the extremely polluted Nallurhalli waters but locals stay away from consuming what they see as ‘poisonladen’ catch. The lake waters, once described by locals as pure and sweet, have turned unfit for human and animal consumption.

Degradation of lakes in the city makes the news often, but the impacts on these livelihoods rarely find mention. The call for lake restoration must recognise multiple uses of lakes by marginalised urban residents for Bengaluru to address concerns of poverty and become a more equitable, socially and ecologically smart city.

### **Maharashtra farmers hopeful of good crops**



With bountiful rains, monsoon has set in satisfactorily in Maharashtra with the state receiving 80 per cent rainfall of the month at the very beginning of the season.

An official at agriculture department said the onset of monsoon has brought cheer amid predictions that it was going to be inadequate this year.

“Some parts of Marathwada are yet to receive rains but farmers are hopeful to have good crops this year. The state government is also glad to see the ambitious Jalyukta Shivar scheme, meant for water conservation, getting good result,” the official said.

According to government figures, the total rainfall so far was 178 mm, which is 80 per cent of the average rainfall in the month of June.

Apart from Mumbai and Konkan regions, western Maharashtra and Vidarbha have received good downpour. Areas in Marathwada like Beed, Latur, Osmanabad are yet to receive satisfactory rainfall in the season.

“It is a good beginning for the season. Mumbai, Vidarbha is receiving good rains. However, the Marathwada region needs to catch up a little more,” Transport Minister Diwakar Raote, who hails from Marathwada, said.PTI

### **‘Shortage of pulses in Bengal’**

West Bengal Agriculture Minister Purnendu Bose on Thursday conceded that there was shortage of pulses in the State and urged the farmers for increasing its cultivation.

Mr Bose, who is on a visit here, asked departmental officers to assist farmers so that cultivation of pulses was taken up.

He also stressed more irrigation for land growing pulses and cultivation of unused land for growing it.

He asked experts at Mohitnagar Research Centre here to train farmers in pulses cultivation and develop improved varieties of seed. - PTI

### **The millet route**

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honey, palm sugar or *adimaduram* herb.” Eswar serves us rosemary tea sweetened with *adimaduram* . It is refreshing and flavourful.

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### **Mangalagiri MLA ploughs field to support farmers**



Carrying a wooden plough on his shoulders, Alla Ramakrishna Reddy, YSRC MLA from Mangalagiri ploughed the fields for about an hour to express solidarity with farmers who have not given consent to Land Pooling Scheme (LPS).

Mr. Reddy, who has been leading a spirited fight against the forcible acquisition of land, ploughed lands, sprayed fertilizer and plucked vegetables from the farm for close to two hours at this village, where at least 1,000 acres have still not been pooled.

Citing a recent High Court judgment which directed the State Government not to come in the way of those land owners who have not signed form 9.3 giving consent to land pooling, the MLA said that the government has been terrorizing land owners into submission.

“Most of the farmers in Penumaka are small farmers, who grow vegetables and flowers. Why does the government want to stop cultivation?” he questioned.

Accusing the State Government of turning a blind eye to the plight of farmers in the Capital region, Mr. Reddy alleged that the government had stopped all interventions in the form subsidies on seed and fertilisers, providing soil health cards and suggestions on Kharif cultivation.

“Worse, the Department of Agriculture, supposed to hold ‘‘Polam Badi,’’ programme has cancelled the programmes in Penumaka and Undavalli villages. I want to assure the farmers that the YSR Congress Party will stand by them in this hour of crisis,’’ Mr. Reddy said. The MLA said that land owners, who have given consent forms, have now started rethinking about their decision after the cash-for-vote scam had broken out.

### **Efforts on to utilise regulated market**



Large area of the storage facilities available on the 12 acre regulated market complex in Tirupur city, which was once flooded with cotton and other produces, are remaining either under utilised or unused during the recent years.

Even after leasing out a portion of the campus for the collectorate to function on a makeshift arrangement since 2009, the market complex operated by the Department of Agri Business and Marketing still have a usable capacity of 4,140 tonnes.

According to official sources, only a maximum of 2,500 tonnes of agriculture produces are stored at any given point of time around the year though the complex had various inherent advantages which include extremely negligible storage charges for farmers and traders till the produces gain prices in the market.

The turmeric auction centre, opened at the complex in 2012-13 financial year, too was stopped due to low patronage.

The farmers, who should have been the main beneficiary of the facility, have many reasons to tell for not utilising the trading and storage facilities available at the complex.

“In the 70s and 80s, the market complex here has been used for storing huge volumes of cotton which gave the popular name of ‘cotton market’ to the facility. With the transportation costs soaring higher, many of the farmers prefer to sell the produces at the fields itself rather than bring it to the regulated market for trade.

“Authorities should also try to create cold storage facilities in the complex,” pointed out K. C. M. Balasubramanian, a farmer and a retired agriculture economist.

M. Vetrivel, Superintendent at the regulated market, told *The Hindu* that the department has been organising interfaces with farmers and traders so as to encourage them more to use the facilities in the complex.

### **Farm exhibition draws crowd**



‘Njattuvela Chantha’, a market for agricultural products and planting materials, organised by the Peringandur Service Cooperative Bank at Athani is drawing crowd.

Film-maker Lal Jose inaugurated the ninth edition of the ‘Njattuvela Chantha’ on Thursday. He inaugurated the distribution of plant saplings to schools. He also launched the bio-fertilizer unit and grow bags developed by the Green Army. Bank president M.R. Anoop Kishore presided over.

The five-day event has been organised in association with the Kerala Agricultural University, Veterinary University, Vegetable and Fruit Promotion Council, Keralam, and Coconut Development Board.

Seminars on various subjects and classes of agriculture experts will be held in connection with the programme.

A seminar on utilising social and visual media for production and marketing of agricultural products was held. Various varieties of coconut saplings, fruit-bearing trees, ornamental plants, vegetable seeds and saplings, agriculture equipment and flowers are available in the market.

## *The Indian* **EXPRESS**

### **Bhagatsinh Zankat Junagadh district, Gujarat: Here, it's back to groundnuts**



Bhagatsinh Zankat's village, bordering the Gir forest, home to the Asiatic lion, and 48 km south of Junagadh city, has all its 225 farming families growing groundnut this kharif season.

Zankat and three other farmers in the village had, for the past four years, been planting cotton. In 2014, the 40-year-old had increased the share of cotton in his 8.5-acre field to 100 per cent, from roughly half in 2012 and 2013.

"I first tried out kapas (un-ginned raw cotton) in 2010, seeing farmers in other regions realising over Rs 5,000 per quintal. Gradually, I shifted completely to it," says Zankat, who himself sold long-staple Bt cotton at an average Rs 5,750/quintal in 2012-13 and Rs 5,000 in 2013-14. The corresponding rates for groundnut — the GG-20 variety — were Rs 3,900 and Rs 2,800 per quintal in these two years.

But last year, the price difference narrowed considerably. Groundnut growers in Zankat's village fetched an average Rs 4,000 per quintal, whereas the ones who sold kapas in December-January got only Rs 4,250. Zankat managed to obtain Rs 4,700 per quintal, but only after holding back his crop till May this year.

"I began planting kapas partly to protect against the risk from growing a single crop. If unseasonal rains were to cause damage to my groundnut crop, I could make it up



somewhat with cotton. Also, kapas prices were good and at one point looked even to hit Rs 7,500 per quintal,” he points out.

That did not happen, as cotton prices fell on the back of reduced Chinese buying and a dip in India’s overall exports — to \$1.9 billion in 2014-15, from \$3.64 billion the previous year and the peak \$4.33 billion achieved in 2011-12.

Zankat is back to cultivating only groundnut, whose prices are ruling at Rs 5,000 per quintal. He believes they won’t fall much and, at any rate, not below the government’s minimum support price of Rs 4,030 per quintal for the current year’s crop.

Indigenous oils such as groundnut, mustard and til (sesame) have an assured market, basically shaped by regional consumer preferences. It guarantees a minimum price floor that cheaper imported oils — palm, soyabean and sunflower — cannot really breach.

Price is, however, only one factor. Zankat’s kapas yields, at 10 quintals per acre, are higher than his average 7.5 quintals from groundnut. But kapas is a seven-month crop, whereas groundnut can be harvested in four months. It, therefore, allows planting of an extra crop of, say, dhaniya (coriander) in October-November, giving about 7 quintals per acre at Rs 9,000-10,000/quintal.

That apart, groundnut requires only three irrigations, as against an average seven for cotton, says Zankat, who has an agricultural power connection to enable drawing of groundwater from a 300-feet-deep tube-well and another 50-feet open well in his farm. Labour, too, is an issue. “Both are labour-intensive crops. But cotton-picking needs more skilled labourers, whom I have had to hire from Chhota Udaipur (near Vadodara) at a daily wage rate of Rs 300. For groundnut, the labour is available locally,” he adds.

The other major advantage with groundnut is fodder. Unlike cotton plants, groundnut leaves and stems are quality fodder for animals — in Zankat’s case, 15 cows and a pair of bullocks. All in all, Zankat and his fellow-farmers in Saurashtra’s groundnut belt have reasons to go back to a crop they had almost deserted while briefly flirting with Bt cotton. The evidence there in Devgam’s fields, where groundnut sowings have been completed with the arrival of the monsoon rains and the seeds are already sprouting their first plants.

## On the field, tracking the farmers as they wait for rain



Dinkar Kulkarni isn't aware the [Narendra Modi](#) government has raised the minimum support price (MSP) for toor (arhar or pigeon pea) this year by Rs 275 to Rs 4,675 per quintal: "No one has told me about it yet."

Not that it makes much of a difference to this 30-acre farmer from Siddeshwar village in Bidar's Bhalki taluka. When open market prices of toor are ruling at Rs 7,000 per quintal as against the Rs 4,000 at this time last year, "how does fixing MSP at Rs 4,675 benefit us, more so when the government hardly procures any pulses?" he asks.

MSP matters only when there is a market glut and toor prices fall, as they did in 2013-14, and the government did not buy. But in 2014-15, most farmers — including Kulkarni — sold their crop at Rs 5,000-6,000 per quintal.

The current year promises a similar story. While prices of most crops — cotton, sugarcane, rubber, wheat, corn and basmati rice — have crashed amidst a general slump in global commodity markets, pulses growers have reasons to be optimistic. They are eager to plant, with or without MSP.

Bidar, along with Gulbarga, Bijapur and Yadgir districts of north-east Karnataka, is India's main production bowl for toor, the largest kharif pulse crop sown during June-July and harvested in December-January.

Last year, Kulkarni planted 10 acres of toor and soyabean, another 10 of maize and vegetables, and pomegranate and berry trees on the remaining 10. This year, he has sown toor on 15 acres.

“You cannot take chances with a six-month crop. If for some reason prices fall or yields aren't good, you need some other crop to compensate, which is why I have also planted ginger and vegetables this time. Also, if toor was grown on a particular plot last year, it cannot be repeated this year. That plot would have to be planted with some other crop”, he says, explaining why acreages cannot be increased beyond a point.

Bidar district receives about 700 mm of rain for the four-month monsoon season from June, less than the national average of 890 mm. Farmers like Kulkarni have invested in borewells to tap groundwater 200 feet below, and in drip irrigation systems.

Kulkarni has planted the new hybrid ICPH-2740 on his entire 15 acres of toor. The hybrid, developed by the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) near Hyderabad, was tested out last year by Yesajirao Patil of Ahmadabad village in the same Bhalki taluka, who grew it on 5 acres following ICRISAT's recommended package of practices.

“He got 10 quintals per acre from it, almost double the 4-6 quintals yields from existing varieties such as BSMR-736 and Asha. Everybody is, therefore, keen to plant the hybrid,” Kulkarni says.

Sangram Kandugule has planted ICPH-2740 in five of his eight acres in Ahmadabad, and hopes to harvest up to 13 quintals per acre. He has also decided to spend Rs 3 lakh on a borewell on his field.

“It is a good investment, as toor prices are good, and I expect to recover the money quickly,” he says.

Yesajirao Patil, who farms 12 acres, too was ignorant about the government’s latest MSP decision when [The Indian Express](#) met him over the weekend. But Rs 4,675 per quintal, he believes, isn’t adequate to cover the price as well as weather risks involved in growing a 180-day crop.

“They should have increased by at least Rs 500 (taking the MSP closer to Rs 5,000 per quintal),” he says. “If the government wants us to grow more pulses, we should at least be protected against excessive market price fluctuations that make cultivation a real gamble today. The MSP should be fixed so that farmers are guaranteed a decent profit whenever they are forced to sell at that rate.”



### **Punjab NGO member part of Centre;s task force on organic farming**

Umendra Dutt, executive director of NGO Kheti Virasat Mission (KVM) has been included in a 7-member task force, constituted by the Union agriculture ministry to promote organic and non-chemical farming in India.

Agricultural experts from across the nation, involved in organic farming, have been inducted as members in the task force constituted on June 23.

Anil Kumar Singh, vice-chancellor, Rajmata Vijayraje Scindia Krishi Vishwavidyalaya, Gwalior, has been inducted as its convenor. The task force will submit its interim report by November and the final report by end of December.

The task force comes at a time when the Union government is working hard to push genetically modified (GM) crops and is going ahead with field trials of GM mustard and maize crops.

Punjab is reportedly the worst-affected by the excessive use of chemical fertilizers and pesticides on crops, which, as per some studies, was leading to cancer incidence, especially in Malwa region.

Organic farming has grown in India from 4.55 lakh hectares in 2009-10 to 7.23 lakh hectares in 2013-14 and nearly 6 lakh farmers are involved in it. "There may be contradictions in the government promoting both models of agriculture. If it is pushing the chemically-laden crops, the government has wisely thought of promoting organic farming as well. We will put our point of view strongly to support organic farming model," said Umendra.

"Task force is aimed to evaluate potential of output, processing, trade and consumption of organic products, and to recommend market-based strategy covering all aspects for the development of organic farming. It will also suggest creation of new structure for interface with farmer organizations, industry and environmental groups," he said.

### **Government creates buffer stock of 9k tonnes of onions**

A stitch in time saves nine. This seems to be mantra of the Centre as far as onion procurement is concerned. The government has so far created a buffer stock of around 9,000 metric tonnes of the commodity to ward off any scarcity which usually occurs between August and October every year.

The Union government has released Rs 5 crore for the procurement process which is being done through central agencies like National Agricultural Cooperative Marketing Federation of India Ltd (NAFED) and Small Farmers' Agribusiness Consortium (SFAC) under the Price Stability Fund (PCF). The Centre aims to procure 10,000 tonnes of onions by July 10.

Speaking to TOI, Pravesh Sharma, managing director of SFAC, said: "We have set a target of creating buffer stock of 10,000 tonnes of onions to tackle any scarcity in near future. We have already procured 6,500 metric tonnes directly from mandis (agriculture produce market committees) in Lasalgaon and Pimpalgaon APMCs in Nashik district and also Indore district. We will be procuring around 3,500 metric tonnes by July 10. The average price at which we have bought the commodity is around Rs 17 to 18 per kilogram."

When contacted, an executive from NAFED said, "We have procured 2,500 metric tonnes of onions so far from Lasalgaon and Pimpalgaon APMCs. We have two godowns at Lasalgaon with a joint storing capacity of 2,500 tonnes of onions. . The onions have been procured at an average rate of Rs 17 per kilogram."

The onions which are currently available in the market were harvested between March and April (summer crop) and have a shelf life of around six months. They last till the fresh kharif crop arrives by September-end. The scarcity is created if this cycle is affected. Hence, August to October is a crucial period with chance of scarcity at its peak. This contributes to spike in prices of the commodity.

The Centre has made a provision of Rs 500 crore under PSF to control onion and potato prices. The PSF is to be used to advance interest free loans to state governments and central agencies like NAFED and SFAC, to buy onions directly from farmers or at the Agriculture Produce Market Committees (APMCs) considering possibility of the scarcity of onions and rise in prices in future. Initially, the scheme is to be implemented for the current financial year 2015-16 and next financial year 2016-17 for onion and potato commodities.

### **Govt approves card design, but long road ahead**

HYDERABAD: The state government, this week, finally approved a new design for the loan eligibility cards (LECs) for tenant farmers and issued orders to begin their distribution.

The process of issuing LECs in Telangana had come to a grinding halt last year after the formation of the state. One of the primary reasons that the existing cards could not be renewed was that they sported the pictures of the former chief minister N Kiran Kumar Reddy and revenue minister N Raghuvendra Reddy, and carried the name of the Andhra Pradesh government and its logo.

This hurdle has now been cleared. The redesigned card will sport the Telangana government's logo and the pictures of chief minister K Chandrababtu Naidu and deputy chief minister Md Mahmood Ali, who holds the revenue portfolio.

However, sources said that the new cards are yet to be printed and final instructions from the government are being awaited on this front.

Meanwhile, Rythu Swarajya Vedika, a NGO that works on farmer related issues, termed the much-delayed design approval as "almost too little too late." "Applications have to be called, eligibility determined and then cards issued. This is a long process," Kiran Kumar Vissa of the Vedika said, adding that the process could take more than three months. The government does not appear to have its plans in order as far as helping tenant farmers, numbering nearly 10 lakh, is concerned, he claimed.

With the Kharif crop season already underway, any benefit that the card can give would come too late as farmers cannot avail farm loans from state-run banks as well as subsidized farm inputs such as seeds, fertilizers and pesticides.

As of Thursday, more than a third of the normal Kharif season's crop area has already been planted. According to the agriculture department, of the season normal of 4,14,3302 hectares of Kharif cropland, planting of seeds has already been completed in 1,53,5089 hectares.

Incidentally, the revenue department is learnt to have written to all district administrations on May 23 asking for the tenant farmer identification process to be started. However, with several districts seeking formal guidelines on issue of the cards, the exercise never took off.

Sources said that until early this week, when the revenue department approved the redesigned LECs, officials were even unsure if the government wanted to continue with the card system for tenant farmers.

### **Sour end for mango season in Hyderabad**



HYDERABAD: It's a double whammy for mango lovers in the city this year. Not only were their hopes dashed, after months of expectant waiting for the juicy king of fruits, with the poor pickings that the markets afforded them, but now even their last bastion of hope has been destroyed. There will be no mango festival this year.

"We are not in a position to conduct the mango festival as the farmers were unable to produce the quantity required to meet even the regular demand," said an upset L Venkat Ram Reddy, commissioner, horticulture department on Thursday. Reason: massive

destruction of mango orchards and fruits due to unseasonal rains and hailstorms that tormented the state in March and April.

The commissioner estimated that roughly 50 per cent of the mango harvests were damaged in the rain. "There were many instances when the raw fruits just dropped to the ground due to the strong wind. The department is trying to cooperate with the farmers and so, instead of pressuring them for more produce, we have put the festival on hold this year," he added.

The mango festival, one of the highlights of the summer for connoisseurs of the fruit, usually plays host to nearly 300 varieties. The star attractions are varieties like benishan, totapuri, rasalu, himayat and the all-time-favourite alphonso.

"Usually, we begin this festival in May and conduct it in phases till the end of the season," said P Someswar Rao, assistant director, horticulture department.

Officials in the horticulture department said the estimated production loss due to the sporadic rain and hailstorms this year was 1.57 lakh tonnes. Additionally, close to 17,500 hectares of mango orchards were damaged. Experts said a one hectare orchard can produce close to eight tonnes of mangoes, but that was not the case this year.

Also, since the farmers were facing obvious losses, they decided to sell their produce in nearby areas and not incur additional expenditure in transporting it over longer distances, experts added.

The inter-state tax levied on transports from Andhra Pradesh also played a part in reducing the inflow of the fruit into the city. "Tax levied on vehicles carrying mangoes to Hyderabad, mainly from AP districts such as Kurnool and Chittoor that produce the best totapuri mangoes, automatically shot up the prices," said Dr G V Ramanjenayulu from the Centre for Sustainable Agriculture.

BOX

Exports take a major hit

Not only have Hyderabadis missed their fair share of mangoes, the exports too came down drastically this year. "Usually Telangana produces close to 5,000 tonnes for export to other countries primarily the Gulf countries, followed by the European Union, United States of America and of late, Japan. But this year, we could only export 1,000 tonnes," said T Sudhakar, state in charge, Agricultural and Processed Food Products Export Development Authority. Apart from less production, another reason was that not many mangoes were of export quality.



"When the fruits fell early, the farmers tried to cover up their losses by using calcium carbide to speed up the ripening process," he added.

#### QUOTE

The department is trying to cooperate with the farmers and so, instead of pressuring them for more produce, we have put the festival on hold this year L Venkat Ram Reddy, commissioner, horticulture department

#### **Trichy cooperative societies to reach out to farmers with government schemes**

TRICHY: Acting as a bridge between farmers and the agriculture department, the Primary Agriculture Cooperative Credit Societies (PACCS) in Trichy has planned to bring all the schemes relating to agriculture and horticulture to the doorsteps of farmers.

At a meeting held to sensitise officials from PACCS, district collector K S Palanisamy, officials from agriculture and horticulture departments in the district explained to the secretaries of the cooperative societies about the schemes available to help distressed farmers.

Even though PACCS have been closely associated with farmers in giving credits and inputs on fertilizers and seeds, the state government has insisted to sensitise cooperative societies' staff on the effective implementation of its schemes.

At present, the schemes in the special package announced for kuruvai cultivation, which can be taken up by those who have borewells and pumping facility due to uncertainty over the release of water from Mettur dam this year in delta region, should be explained to the cooperative societies. The package offers Rs 315 for per acre for procuring bio-fertilizers and micro-nutrients besides the subsidy for buying seeds and free transplanting.

Palanisamy said the state government sanctioned Rs 210 crore to the district for agriculture sector besides the special package. Farmers can make use of the schemes through PACCS.

Special officer for Horticulture College and Research Institute, Dr M Jawaharlal stressed the need for promoting horticulture crops in the district where plantation has been carried out in 25,000 hectares.

"The programme is to impart knowledge and motivate the staffers of the cooperative societies to help the farmers to make the most of the schemes in both the agriculture and horticulture. To be precise, we are acting as a bridge between the other agriculture related departments and farmers," said joint registrar of cooperative societies, Trichy, KC Ravichandran.

## **Workshop on food fortification to tackle malnutrition in staple diet held in press club**

A workshop on food fortification to tackle malnutrition in our staple diet was held here in the press club. The work shop was organized jointly by Confederation of Indian Industries - Food and Agriculture Center of Excellence (CII-FACE), Global Alliance for Improved Nutrition (GAIN), and Consumer VOICE in collaboration with Citizen Awareness Group. Dr Anshu Kataria, President CMA and Chairman, Aryans Group of Colleges was the chief guest on the occasion. The workshop highlighted the need for Food Fortification and its importance for attacking malnutrition as well as life style related health issues.

Dr Kataria said that we need to support wholeheartedly this initiative of food fortification to win over the war on malnutrition. He said that food fortification to deliver critical vitamins and minerals is increasingly recognized as an effective complementary strategy to combat malnutrition.

Ashim Sanyal, Chief Operating Officer Consumer VOICE explained why food fortification to tackle micro-nutrient deficiencies in our staple diet is important for building resilience in our body and for positive health. In India, there are several examples of staple food fortification such as Iodised Salt being the most recognized public nutrition initiative of the Government of India.

Dr. S.K. Surila, Ex. Civil Surgeon, Mohali presented the work done on Food Fortification in Mohali and its overall impact on Punjab population.

There was very active participation by audience including, Jagtaran Singh Nayyar, president elect CMA, JN Vohra and Dr. Deepti Shastri. Surendra Verma of Citizen Awareness Group welcomed the gathering and thanked Chandigarh Management Association for their support.

## **Delhi budget: Circle rates of agricultural land hiked**

In a move expected to benefit farmers, Delhi government on Thursday proposed to increase circle rate of agricultural land between Rs 1 crore and Rs 3.5 crore per acre. The current circle rate is Rs 53 lakh per acre.

Deputy CM Manish Sisodia said that the government has decided to fulfil the long pending demand of farmers to increase the circle rate, which is taken as benchmark for land acquisition. A differential rate structure has been proposed in which there are two categories —normal agricultural land and those falling in villages where land pooling policy is applicable.

# THE HINDU BusinessLine

## Farm prices panel for efficient water use

CACP calls for restructuring Nafed for effective procurement of pulses, oilseeds



The Commission for Agricultural Costs and Prices (CACP) has made a pitch for encouraging water use efficiency in agriculture. As part of its non-price policy recommendations for kharif 2015-16, the crop advisory body has suggested that States fix quantitative ceilings on per hectare use of both water and electricity.

The farm sector accounts for about 83 per cent of all water used in the country. Therefore judicious use of water in agriculture will have significant impact on the overall availability of water.

“However, most of the State governments have been content with subsidising electricity for pumping irrigation water, which leads to inefficiencies. The Commission recommends economy in water use in agriculture by fixing quantitative ceilings on per hectare use of both water and electricity,” CACP said in its latest report.

Further, it also suggested incentivising the judicious water usage.

“If some farmers are able to use water/electricity less than the ceilings fixed for them, they should be rewarded by cash incentive equivalent to unused units of water/power at the rates of their domestic resource costs. This would encourage farmers to use drip irrigation and would enhance production per drop of water,” the advisory body said.

### **Sops for judicious use**

CACP's recommendation assumes significance as water is increasingly becoming scarce in India with high opportunity costs.

“It is, therefore, imperative to augment the water productivity, that is, water intake per kg of production,” it said.

For example, West Bengal consumes 2,605 litres of water to produce a kg of rice compared to 5,337 litres being guzzled by Punjab.

The efficiency gap with respect to consumption of water in Punjab (the most efficient in terms of land productivity) is over 51 per cent. This shows that the most efficient State in terms of land productivity is not the most efficient if other factor of production viz. water is factored into, CACP added.

### **Nafed under fire**

Besides, the advisory body has also recommended strengthening procurement in eastern States and restructuring of National Agricultural Co-operative Marketing Federation of India (Nafed).

“Nafed has not been performing its main objective function of procurement of oilseeds and pulses over the years which deters farmers from diversifying to these commodities. A large number of farmers in Gujarat, just as an example, sold groundnut in 2014, at least 10 per cent lower than the MSP, bear a testimony to this. It shakes the confidence of farmers in price support mechanism and explains in great measure their reluctance to diversify from paddy/wheat to oilseeds and pulses, the crops in which the country is deficient,” it observed.

Stressing upon the need to put in place credible procurement machinery for pulses and oilseeds, the two commodities that India is import dependent, CACP said: “there is an urgent need to restructure Nafed to enable them to accomplish their objective function.”

Such a move would help farmers diversify into pulses and oilseeds and will reduce skewed production pattern.

### **Rejig procurement agencies**

Though procurement agencies such as Food Corporation of India and Nafed have been in the existence for over 50 years and 30 years respectively, the benefits of minimum support price bypass a large section of farmers, rendering the pricing policy and procurement operations ineffective.

According to Situation Assessment Survey (NSS 70th Round), only 2.57 million households were benefitted directly from procurement of paddy during 2012.

The procurement of oilseeds and pulses is far worse. Nafed, for instance, procured only 3.21 per cent of Kharif oilseeds in the last season.

This calls for giving wide publicity about MSP and procurement agencies on radios, television and vernacular languages in popular local dailies, at least 15 days before the start of procurement operations so as to reach farmers far and wide.

“Furthermore, to instil confidence among farmers on procurement of their produce, a legislation conferring on farmers the right to sell their produce to the Government at MSP be brought out,” CACP observed.

### **'Look East'**

Further, the advisory body said that Eastern belt of the country gets neglected in so far as procurement is concerned.

For instance, there was almost negligible procurement of rice in Assam during 2013-14, even though it contributed 4.6 per cent in the total rice production.

The situation in other eastern States such as Bihar, West Bengal is somewhat better than that of Assam but not good enough when these States are compared with Punjab.

Low procurement and weak marketing infrastructure has affected the market prices in these States which have been lower than MSPs. The perpetual neglect in procurement needs to be corrected on priority.

The Commission recommends strengthening of market infrastructure and procurement system in the eastern belt to the level prevailing in Punjab and Haryana.

### **Agriculture insurance coverage needs to improve, says RBI**

Only 4% farmers report having insured their crops

The insurance coverage in the agriculture sector needs to be enhanced to protect the interest of farmers as well as banks lending to this sector, said the Financial Stability Report released by the RBI on Thursday.



The coverage of agricultural insurance continues to remain low, as only 4 per cent of the farmers reported having crop insurance and only 19 per cent of them ever used any crop insurance. The coverage, in terms of value of agricultural output, also continues to remain small. With limited coverage and relatively high premium, insurance schemes are prone to become unviable, it said.

### **Risk factor**

Accepting that the crop insurance business is inherently riskier and costlier compared to other insurance products, the report said crop failures are not specific to one particular farmer, as weather-related events affect entire areas and populations at the same time.

Farmers are often uninterested from buying an insurance product, as insurance companies calculate the loss for individual farmers by taking into account the average yield of the area (block) in the past three to five years.

Though linking crop insurance with bank credit availed by a farmer protects the bank from losses (which indirectly helps the farmer too), it makes the insurance product a 'compulsory' add-on cost for a farmer, it said. To ensure faster settlement of crop insurance claims, the Insurance Regulatory and Development Authority of India is actively considering the possible use of satellite remote sensing technology as an efficient and reliable mapping tool for yield estimation, risk assessment, and settlement of crop insurance losses.

### **Coverage for rural areas**

The regulator recently issued a draft regulation making it mandatory for insurance companies to provide cover to rural and economically weaker sections.

The regulation mandates that insurers have to necessarily sell a specified percentage of policies and underwrite a specified percentage of the gross premium with respect to life and non-life insurance companies respectively, to rural and economically weaker sections. Stringent penalties are prescribed under the Act for non-compliance.

### **Food safety a big hazard for global brands**



Bad water quality and erratic cold storage facilities make business a risky affair

At a McDonald's plant outside Mumbai, 200 workers walk through air dryers and disinfectant pools, then get to work making the day's 25,000 patties from chicken painstakingly sourced in a country with one of the world's worst food safety records.

To safeguard its multibillion-dollar brand, McDonald's says more than 100 checks it applies across its international operations are then carried out after that.

India's tainted water, patchy cold storage network and a retail sector made up of tiny local grocers present a major risk for international food brands, whose reputation can suffer globally from one local slip.

This can mean educating hundreds of small, often illiterate, farmers — critical in a fragmented farming sector that in some cases still uses “night soil”, or human faeces, for composting.

“There are thousands of farmers you need to reach out to, each with maybe an acre, two acres of land,” said Vikram Ogale, who looks after the supply chain and quality assurance for McDonald’s India.

“Think of a situation where you have 1,000 farmers and ... you have to educate them, convince them.”

But even that is sometimes not enough.

Swiss food group Nestle is currently battling India’s biggest food scare in a decade and an unprecedented branding crisis in the country, after regulators reported some packets of its noodles contained excess lead, a finding the company disputes.

Its woes have laid bare the risks of operating in a country where it is difficult to build a watertight supply chain, and where state food safety infrastructure is minimal, at best.

Nestle, like other major brands conscious of the damage a food scare can create, says it carries out extensive testing and manages parts of its procurement processes electronically so ingredients, milk for example, are tagged and traceable.

It steam sterilises spices and transports edible oil in stainless steel tankers to avoid metal contamination.

It uses external audit firms to check suppliers.

Wal-Mart, which operates as a wholesaler in India, says its checks mean rejecting 10-11 per cent of produce daily.

### **Trace elements**

While all major international firms producing packaged food or fast food say they use trusted suppliers, most acknowledge their suppliers often rely on other providers, who then sub-contract to others and so on, making it a daily struggle to control the source of every last ingredient.

Nestle, for example, buys much of its spices from a supplier that itself sources spices from over 10,000 farmers. Spices such as turmeric and chilli powder have in the past been connected to lead poisoning, though there is no evidence that is the source of Nestle’s woes this time.

McDonald’s imported its French fries from the US until about seven years ago, while it sought out farmers and educated them on hygiene and best practice.

But not all ingredients can be easily imported, and the need to keep costs low inevitably pushes firms to source locally, forcing them to constantly educate and check standards of suppliers, and suppliers’ suppliers.



McDonald's says it can trace all its ingredients, but for many, that is a challenge in a country where one in five food samples tested by the government is found to be contaminated, adulterated or mislabelled.

“International brands have standards, but what they can really control is from when they have access to the raw materials,” said Umesh Kamble, a supplier in Mumbai, who sells his products to restaurants in the country.

Nestle is now pushing ahead with India's first ever national recall, pulling some 27,400 tonnes of its popular Maggi noodles off India's shelves, a process that will take at least 40 days.

But India's understaffed and under-resourced government infrastructure has left it in bureaucratic limbo.

It is still awaiting the full results of government tests and details on how they were carried out before it can fix any glitch or rebuild its brand. At Nestle's plant in Moga, food analysts at its best-equipped lab in the country are unable to explain the discrepancy between internal tests and those run by the government that found high quantities of lead. “We are in the dark ... We are not privy to how they (the government tests) were done,” Satish Srinivasan, the 49-year-old head of Nestle's Moga factory, told Reuters. Reuters

## **Kerala calls meeting of southern States over pesticide scare**

Food officials to meet July 21; kitchen gardens turn popular in State

Even as the Crop Care Federation of India has questioned the Kerala government's “unfounded allegation” of high doses of pesticide residues in vegetables brought from Tamil Nadu into the State, the State government has decided to call a meeting of southern States on the issue.

A meeting of the food safety officials from Tamil Nadu, Karnataka, Andhra Pradesh and Telangana will be held on July 21.

Being a consumer State, Kerala sources most of its rice, vegetables, fruits, chicken, eggs, beef and a whole lot of food items from these States.

### **Public concern**

There is mounting public concern that the food items, mostly vegetables and fruits arriving from Tamil Nadu, are chemically contaminated because of the overuse of

pesticides and insecticides. The concern has been corroborated by several scientific tests, including those at Kerala Agricultural University.

However, at a news conference in Chennai on Tuesday, the Crop Care Federation of India, a pesticide manufacturers' club, questioned the Kerala government's claim and cautioned it against making unfounded allegations against Tamil Nadu farmers.

The federation claimed that scientific data did not support the allegation that vegetables from Tamil Nadu contained high pesticide residues. The federation has also threatened Kerala Agricultural University with legal action.

### **Kitchen gardens**

However, the 'pesticide-laden Tamil Nadu vegetables and fruits' has increased awareness on organic farming and given a big boost to raising one's own vegetables, even in the cities.

Major newspapers such as the *Malayala Manorama* devote space to promoting vegetable farming. The state Government has launched several initiatives of 'grow your own vegetables.'

The 'grow bag' scheme of the Agriculture Department has proved to be a success. Kitchen gardens that provide essential vegetables are becoming increasingly common. Raising vegetables on the terraces of homes is now trending across Kerala.

### **U.S. may import coffee from Europe to save on shipping cost**



US coffee traders are considering importing robusta beans from European warehouses, potentially exploiting cheaper shipping costs, as stocks there build even as farmers in top-grower Vietnam hoard supplies in hopes of higher prices.

Significant robusta shipments from Europe are rare and have not been widely seen in two years, but traders say the economics currently favour the approach as Vietnamese differentials are near historically high levels.

“It’s not shocking if you start seeing shipments coming,” one US importer said.

Farmer hoarding caused the premium that US roasters pay for physical delivery of Vietnamese beans to rise as high as 15 cents a lb earlier this month, the most in nearly two years.

At the same time, certified robusta stocks in ICE Futures Europe warehouses have continued to grow, rising to 184,350 tonnes as of June 8. Traders would be able to take delivery of these beans from the exchange at prices level with futures, though they would still have to pay loading-out fees of €35 (\$39.11) a tonne.

Shipping from Europe, traders say, is one-third to one-half cheaper than from Vietnam. One trader said it can cost \$75-85 a tonne to ship coffee from Europe, compared with \$125-145 from Asia.

To be sure, none of the seven coffee traders interviewed for this article said they currently had plans to import robusta from Europe, and an easing of Vietnamese premiums in recent weeks has reduced the incentive, as futures prices rose more than 10 per cent.

But the fact that they are thinking about the rare move shows the need for a change in tactics to ensure supplies of robusta, used in instant coffee and lower quality blends.

Major US roasters have already responded to Vietnamese hoarding by substituting conilon, the Brazilian variety of robusta, into their blends.

Shipments of robusta from Europe to the United States jumped sharply in 2013, when rains delayed Indonesia’s harvest amid an earlier round of hoarding in Vietnam.

Vietnam shipped 117,000 tonnes of beans to the US in 2013 – a sharp decline from the prior year but still the most of any country, according to data from shipping intelligence firm PIERS. But imports from Belgium, where most European stocks are stored, more than doubled to 21,404 tonnes, overtaking Indonesia.

## Centre notifies soft loan for sugar industry



Following up on its guarantee of providing ₹6,000-crore assistance to the beleaguered sugar industry, the Food Ministry released the notification of the scheme here on Thursday.

The purpose of the loan, it states, is it should be used for payment of cane price arrears of farmers for the 2014-15 sugar season (October to September) relating to the Fair and Remunerative Price (FRP) of sugarcane fixed by the Centre.

Sugarcane farmers and millers from Uttar Pradesh and Bihar staged a protest earlier this week to allow State-run agencies to export three million tonnes of sugar to help arrears that had mounted to over ₹21,000 crore.

Other measures taken by the Centre to bail out the industry include a hike in sugar import duty to 40 per cent from 25 per cent and removal of excise duty on ethanol to be supplied for blending with petrol.

Banks will provide the soft loan to mills after due diligence, the notification dated June 23 said, to facilitate payments equivalent to the stock value of 25 lakh tonnes (lt) at ₹24,000/tonne.

Interest burden up 10 per cent simple interest or actual rate charged by the bank will be borne by the Centre. “The maximum loan that can be advanced under the scheme shall be about ₹6,000 crore...banks will consider the loan application of only those mills which have cleared at least 50 per cent of the cane price payable for the current season,” it said.

“The mill-wise quantum of soft loan shall be determined by taking into account 11 per cent of their reported production of white sugar in sugar season 2013-14...,” it added.

The notification also covered non-performing units provided the concerned State Government gives a guarantee for the new loans.

Mills will have to furnish a certificate from central excise authorities concerning the quantity of white sugar produced in 2013-14 and undertaking of sugar production during the current season.

“Once the loan is sanctioned...the Bank will obtain from the respective sugar the list of farmers along with bank account details, borrowable account numbers of farmers...and regular saving bank or current account numbers in respect of farmers who have not availed credit facility,” the notification informed.

The loan will be apportioned on a pro-rata basis in accordance with outstanding arrears and all loans sanctioned and disbursed by September 30, 2015, will be covered under the interest subvention scheme.

The first tranche of the interest subvention amount will be released in October 2015, followed by successive tranches in January, April and July 2016.

### **Monsoon covers entire India except western Rajasthan**

The Southwest Monsoon hurried across over India today as it covered the entire country except western Rajasthan, several days before its expected onset in many parts.

In Delhi and the National Capital Region (NCR), monsoon arrived today, four days before its normal onset.

Incidentally, the monsoon this year had arrived late in Kerala, on June 5, four days after its normal onset date of June 1.

“Southwest Monsoon, that begins its journey in first week of June and stretches till mid-July to spread its wing over entire India, has shown a rapid pace this year.

“It is likely to take a week or so to reach West Rajasthan while it will continue to soak other parts of India with moderate to heavy rain,” said Skymet, a private weather forecasting agency.

“After arriving in Kerala behind schedule, monsoon advanced over West Coast and North India in quick succession, after the cyclonic storm Ashobaa stalled its advancement,” added Skymet.

Incessant rains in Jammu and Kashmir and Gujarat since yesterday have led to flooding in many parts of the two states. Heavy rains are expected in Himachal Pradesh and Uttarakhand in the next 24 hours.

“The water level in Jhelum river rose above the danger mark on Thursday morning as incessant monsoon rains have been lashing most parts of J-K since Wednesday. State authorities have issued flood alert for Anantnag and Pulwama districts of the state.

“(In Gujarat) Rajkot yesterday surpassed its all-time high 24-hour rainfall record of June while Ahmedabad, too, received a whopping rainfall of 130 mm in the last 24 hours that was the highest in the last 10 years. The city has also exceeded its monthly average rainfall of 95 mm in just 24 hours.

“Rainfall in Ahmedabad in the last 24 hours was in three digits for the second time in last 10 years,” Skymet added.

In its bulletin, the India Meteorological Department said that the Northern Limit of Monsoon passes through Jalore, Nagaur and Ganganagar.

“The Southwest Monsoon has further advanced into remaining parts of north Arabian Sea, Gujarat, entire Haryana, Chandigarh and Delhi and some parts of West Rajasthan,” IMD said.

Meanwhile, the country has recorded 24 per cent more rainfall than its normal limit with central India and southern peninsula, respectively, receiving 52 per cent and 32 per cent more rain. East and northeast India have recorded just 4 per cent more rain while northwest India, which includes Delhi and NCR region, has received 5 per cent less rainfall.

### **Dip in Kenyan production drags global black tea output**

Global black tea production in current calendar is heading for a fall due to massive decline in Kenya, reveals an analysis of data.

“Till April, the latest period for which official data is available, global black tea production has fallen to 407.20 million kg (mkg) from 443.20 mkg in the four months of 2014. This fall of 36.08 mkg marks a decline of 8.12 per cent,” Rajesh Gupta, compiler of annual Global Tea Digest, told *BusinessLine*.

In the four months, Kenya had lost as much as 46.64 mkg to produce 105.41 mkg. This marked a decline of a whopping 30.67 per cent. Last year, its production was a record 432.45 mkg but if the current decline rate continues unabated, its production in 2015 could crash to 2009 level of 315 mkg.

Kenya's tea output plunged in the first quarter of 2015 from a year before due to dry weather conditions. Kenya is the world's leading exporter of black tea. Exports, usually higher than output due to leftover stocks, fell 5 per cent in the period to 119.2 mkg down from 125.4 mkg over a similar period, the regulator said.

Other African countries – Malawi and Uganda – have also reported a lower output. Asian countries have produced more black tea so far this calendar but it is inadequate to offset the Kenyan loss.

“Indian production has risen by 6.90 mkg to 156.91 mkg, Sri Lanka by 8.35 mkg to 110.77 mkg,” Gupta noted.

Kenya accounts for 8-9 per cent of the global production and lower supplies of its teas – especially to CTC consuming countries – could create increased demand with concomitant price-rise for such teas from other suppliers, including India where production has increased.

# Business Standard

**Agri-insurance coverage needs to expand, says FSR report**



Agricultural insurance needs to expand, says the [Financial Stability Report](#) of the Reserve Bank of India.

Coverage remains low, it notes. [Crop insurance](#) is inherently riskier and costlier than other segments, as incidence of failure is not randomly or independently distributed. Weather-related events affect an entire area and population at the same time.

The report says only four per cent of farmers reported having crop insurance and only 19

per cent ever used any. “Coverage in terms of value of agri output is also small. With limited coverage and a relatively high premium, insurance schemes, unless carefully designed, are prone to become unviable,” it said.

The [Insurance Regulatory and Development Authority of India](#) is allowing [micro insurance agents](#) to work with [Agriculture Insurance Company](#) of India, formed by the four government-owned general insurance companies) for distribution of schemes. And, has imposed obligations on insurers for cover to the rural and poorer sections of society.

It has also been decided to use the agency network of the four government-owned general insurance companies to sell crop insurance. In this regard, IRDAI has given its approval for the co-insurance agreement between Agriculture Insurance Company (AIC) and the four public general insurers which will cover only non-loanee farmers under Weather Based Crop Insurance Scheme (WBCIS) and Modified National Agricultural Insurance Scheme (MNAIS).

The report said that since the threshold yield of the area (block) in the past three or five years is used as the basis for assessing the extent of crop loss for individual farmers, farmers are further discouraged from buying such an insurance product. It also said that compulsory linking crop insurance with bank credit availed by a farmer makes the insurance product a 'compulsory' add-on cost for a farmer.

According to an Assocham-Skymet study, 32 million farmers have been enrolled in various crop insurance schemes across India. However, issues in design, particularly related to delays in claims settlement, have led to farmers not being covered, despite significant government subsidy.