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THE HINDU

Grant ownership rights to farmers cultivating forest land: Karnataka Revenue Minister



Also, regularise bagair hukum land but as per government order, officials told.

Revenue Minister Kagodu Thimmappa has instructed officials to grant ownership rights to farmers who have been cultivating forest land and regularise bagair hukum land, but as per government orders.

He also asked forest officials to protect the boundaries of forests by digging proper trenches and planting trees to prevent further encroachments.

The Minister, who was taking fresh stock of damage caused to public and private property due to the recent incessant rainfall and the swelling of the Krishna in Chikkodi, Raibag and Athani taluks at a meeting with officials here on

Thursday afternoon, asked both Public Works Department and Zilla Panchayat officials to assess the extent of damage caused to roads and bridges, and submit a detailed report with realistic estimates to take up repair works.

He instructed Tahsildars to clear bills of those who supplied drinking water through tankers to villages during the preceding summer and disburse compensation to all those whose houses/buildings/agriculture crops were damaged due to water-logging and incessant rainfall, without delay.

Mr. Thimmappa asked the officials concerned to release funds for the construction of the Samudaya Bhavan if the registered associations representing Scheduled Castes, Scheduled Tribes, Backward Classes and Minorities offered necessary land for the purpose.

Also, he advised the officials of local bodies to send a proposal through the Deputy Commissioner on extending the city/town boundaries for approval, while expressing disappointment over the large number of unauthorised constructions in the city.

He warned that action will be taken against officials who allowed construction of houses in unauthorised layouts.

Taking serious note of reluctance on the part of doctors to serve in rural areas due to low wages,

which was around Rs. 40,000 per month for a doctor holding an MBBS degree appointed on contract basis in government hospitals,

he promised to take up the issue with K.R. Ramesh Kumar, Health and Family Welfare Minister, on making medical practice in rural areas compulsory.

He would also discuss on increasing salary of doctors willing to serve in rural areas.

MLA Laxman Savadi urged the State government to sanction Rs. 50 lakh to Rs. 60 lakh to each Assembly segment to repair roads and bridges damaged due to flooding in the rivers and incessant rainfall.

Kharif sowing surpasses target



Bountiful rainfall since the onset of the southwest monsoon in the district has helped the farmers to surpass the sowing targets fixed for the kharif season this year. Farmers have completed sowing in 5.84 lakh hectares as against the target of 5.70 lakh hectares fixed for this kharif season. This figure is likely to increase with farmers continuing sowing operations even on Thursday.

The district has received 412.7 mm of average rainfall as against the normal 311.3 mm since June 1 till August 10.

Joint Director (Agriculture Department) Mohammad Jilani Mokashi, in a submission made in the quarterly KDP review meeting chaired by Medical Education Minister Sharanprakash Patil, who is also the district in-charge Minister, here on Thursday, said that farmers have surpassed the sowing targets fixed for green gram, red gram, paddy, sesamum and soya.

Mr. Mokashi said that as against the targeted area of 3.63 lakh hectares fixed for red gram, farmers have completed sowing in 3.96 lakh hectares. Similarly, as against the target of 35,100 hectares fixed for green gram, farmers have completed sowing in 52,552 hectares. Sesamum has been sown in 9,314 hectares as against the target of 5,000 hectares and soya has been cultivated in 19,348 hectares as against the target of 15,000 hectares, Mr. Mokashi said, adding that paddy has been sown 3,314 hectares as against the target of 2,200 hectares.

Mr. Mokashi said that the overall condition of the crops sown was good. However, he said that pest menace was reported on green and black gram crops in a few areas and water logging was reported in 5,900 hectares of low lying areas.

A joint survey has been initiated to assess the loss suffered by farmers owing to water logging, he said. He said that in the pest infested areas, farmers have been asked to spray pesticides.

Mr. Patil said steps should be taken to ensure that fake or substandard pesticides are not sold to farmers.

Sowing was more than 100 per cent in Jewargi (118 per cent), Sedam (104 per cent), 100 per cent in Chincholi and Chitapur, 99 per cent in Afzalpur, 96 per cent in Aland and 95 per cent in Kalaburagi taluks.

While 92 per cent of the targeted area for cereals has been sown, the sowing percentage of pulses was 112 per cent and 94 per cent for oilseeds.

Nagercoil gram sabha meeting on August 15

Gram sabha meeting should be convened in all the 95 village panchayats in the district on August 15, Collector Sajjansingh R. Chavan said in a press release issued here on Thursday.

Officials should explain poverty alleviation schemes to the people at the meeting. The meeting should be convened at common places where people would congregate in large numbers at 11 a.m. on that date. Officials from health, food supply, agriculture, horticulture and veterinary and animal husbandry departments, noon-meal scheme staff and anganwadi workers would participate in the meeting. Social audit of fair price shops' accounts and Antyodaya Anna Yojana would be done on the occasion. Discussions on rural development schemes would be organised at the meeting, the release added.

Pulses will not let farmers reap the benefits

Even as various agencies push farmers to take up cultivation of pulses, questions about seed availability and procurement are making agriculturists think twice about taking it up. Pulses bring in more profits, take lesser time to

grow, require lesser water than paddy and fix nitrogen in the soil, thus reducing the use of fertilizers for the next crop.

“Though the price of pulses in the retail market is quite high, farmers don’t get much. The end consumer pays thrice the amount the farmer gets for his work. It is the middlemen who make a killing. If we find proper buyers, who will procure our goods on a continuous basis, it would help us take up pulse cultivation,” said V. Ravichandran, Nannila Progressive Farmers Forum from Thiruvavarur district.

Though the Agriculture department has been suggesting that rice fallow cultivation be taken up, farmers say if they sow *urad* seeds a few days before paddy crop is harvested, mechanical harvesters destroy the seedlings or chop off the top of tender plants.

Also, “farm labour is tough to find and many of us share mechanical harvesters. In such a situation, only those who have pumpsets prefer to take up *urad* cultivation under irrigated conditions,” Mr. Ravichandran said, adding the government could consider renting out pump sets or offer subsidised rates to small farmers so that they too could benefit. Around 85 per cent of Indian farmers are small farmers, who cannot afford pumpsets.

Agriculture scientist M.S.Swaminathan said though the government fixes a minimum support price for pulses, it does not procure them. “There is no procurement mechanism in place as in the case of paddy or wheat. When that comes, it would attract more farmers to take up pulses cultivation and break the pattern of three paddy crops a year,” he said at a recent consultation on increasing pulses cultivation.

Lack of storage facility

P.K. Deivasugamani, State president, Tamil Nadu Vivasaya Sangangalin Kootu Iyakkam, said the government should create facilities for storage and intervene when prices are less. “For instance, ten days ago farmers sold onions at Rs. 7 a kilo... a big loss for many. When the prices go up only those who have storage facilities benefit, which is why we have been demanding creation of storage facilities and procurement by the government when prices go down,” he said.

Sources in the Civil Supplies department said as of now pulses production was very low in the State and most of what is consumed is sourced from elsewhere.

“Government procurement alone will not help. Even with respect to paddy, which the government procures, of the total production of around 100 lakh tonnes only 15–16 lakh tonnes are purchased by the Civil Supplies Corporation. If the farmer becomes a player in the agricultural commodity market, his interests would be protected,” explained a former Civil Supplies department official.

Though they need less time and water and fetch a good price, it is middlemen who reap the benefits

Implement Swaminathan panel report: ryots body

The Federation of Tamil Nadu Agriculturists’ Associations has demanded the implementation of the recommendation of the National Commission of Farmers chaired by agricultural scientist M.S. Swaminathan.

Federation secretary S. Nallasamy told presspersons here on Thursday that it was time the recommendations, including those on the Minimum Support Price, should be at least 50 per cent higher than the weighted average cost of production.

“The Centre is implementing the VII pay commission for its employees so that they can live comfortably in an environment where costs are raising. Similarly, the farmers too want the M.S. Swaminathan Commission report implemented. If that is done we need not go around with begging bowls seeking loans and loan waivers,” he said.

Members of the federation had undertaken a three-day yatra from Kanyakumari to Chennai stressing several demands, including implementation of the Cauvery River Water Disputes Tribunal award, supply of coconut oil in place of palm oil in fair price shops and encourage pulse cultivation to stop import of pulses.

The federation wanted the ban on toddy lifted in the State. Mr. Nallasamy, who is the organiser of the Tamil Nadu Toddy Movement, said that toddy was a health drink and was used as a raw material in preparation of some medicines.

Small onion farmers in tears



Even while the harvesting season of small onion has commenced at Kadayampatti block in Salem district, the fall in the price of the crop has caused much concern to the farmers and traders.

Even while the harvesting season of small onion has commenced at Kadayampatti block in the district, the steep fall in its price is a matter of concern to the farming community.

The farmers have raised onion crop in a large area in Danishpet, Vadagampatti, Sinnerikadu, Deevattipatti, Mookanur and Poosaripatti in Kadayampatti block.

The farmers have already commenced the harvesting of small onion in all the villages.

However, the fall in the price of the crop has caused much concern to the onion farmers and traders alike.

A cross section of the farmers of Kadayampatti said that the harvested onion stock is directly sent to Salem markets.

The price of onion has fallen to Rs. 10 per kg, due to which the farmers suffer heavy financial loss.

The onion is a perishable crop, due to which it could not be stocked till the price stabilises. Moreover, keeping the onion stock for a long will lead to reduce in its weight. So the farmers prefer to market the onion at the present poor price to mitigate the loss, they said.

WhatsApp comes to farmers' rescue

Rubber Board's decision to turn to social media applications to communicate with the rubber growers has paid rich dividend. According to board authorities, the war against

Thread Blight, a fungal disease which has come to its notice, has already begun, thanks to WhatsApp, which was used by the growers to report its occurrence to the authorities within a week of their noticing it.

"It has come to their notice only last week and we have already given them advice regarding its control measures," said a board press note.

The WhatsApp facility was recently introduced by the board for identifying pests and diseases.

Thread Blight was noticed in some of the plantations in Ernakulam and Idukki districts. It is sporadic and may not affect plantations as a whole.

So spraying can be confined to the affected plants and those in its surrounding areas alone, said the press note.

Copper Oxychloride and spray oil have been made available at the board-owned company, Periyar Latex at Muvattupuzha. The board has also undertaken a massive awareness campaign in this regard.

The occurrence of the disease that normally affects rubber bud wood nurseries, starts with the onset of monsoon.

The disease is common in cocoa, nutmeg etc but not widely found in rubber plants. However, it can be controlled through normal protection operations.

As such there is no need for panic, the press note said.

“Good scope for research in life sciences in DRDO”



Prospects: R. Appavuraj, Director, Defence Research and Development Organisation, Chandipur, Odisha, addressing a conference at Madurai Kamaraj University on Thursday.— Photo: S. James

Stating that there was a huge potential for life sciences-related research in Defence Research and Development Organisation, R. Appavuraj, Director of Proof and Experimental Establishment (PXE) of DRDO in Odisha, welcomed young scientists to explore the opportunities provided by the DRDO.

Inaugurating the 9th national conference of National Academy of Biological Sciences at Madurai Kamaraj University here on Thursday, Mr. Appavuraj said that while many were of the view that DRDO focused mainly on military equipment, it carried out research in various fields. “It has institutions such as Defence Food Research Laboratory and Snow and Avalanche Study Establishment, where many scientists from life sciences work,” he said, adding that many agricultural scientists, particularly from Tamil Nadu, were involved in research work at the DRDO.

Lauding the conference organisers for choosing a relevant theme of ‘New biological researches: opportunities and challenges for sustainable development,’ Mr. Appavuraj recollected his work with former President A.P.J. Abdul Kalam. “Dr. Kalam gave utmost importance to environment-related issues. Once, on our Chandipur campus, he changed the site we had earmarked for construction of a guest house as it involved felling of trees,” he said.

Speaking at the inauguration, S. Natarajan, Vice-Chancellor, Gandhigram Rural Institute, highlighted the importance of finding solutions to mitigate the adverse impact of climate change. “It is estimated that rice and wheat production may dwindle to 30 per cent by 2030 and climate change will also bring down our gross domestic product by 1.8 per cent to 3.4 per cent,” he said. “Hill and coastal ecosystems will be the worst affected and young scientists have a major role in coming up with solutions to face these impacts,” he said. ‘Dr. A.P.J. Abdul Kalam Memorial NABS – Life Time Achievement Award’ was conferred on K. Ramasamy, Vice-Chancellor of Tamil Nadu Agricultural University, and ‘Prof. S. Kannaiyan Memorial Award’ was conferred on R.R Hanchinal, Chairman, Protection of Plant Varieties and Farmers’ Rights Authority, on the occasion.

K. Muthuchelian, Chairperson, School of Energy, Environment and Natural Resources at the MKU and organising secretary of the two-day conference, said that nearly 400 delegates from diverse fields would be presenting their research papers at the conference. ‘Bioinformatics, bar coding and benefit sharing in biodiversity,’ a book authored by Mr. Muthuchelian was released.

G. Valli, VC of Mother Teresa Women’s University; S. Sudalaimuthu, VC of Karpagam Academy of Higher Education; V.A. Parthasarathy, president of NABS; D.J. Bagyaraj, vice-president; T. Marimuthu, secretary; Kirti Singh, Chairperson, World Noni Research Foundation; and K. Shiva Shankar, president, Environment Protection Institute, offered felicitations.

Prawn farms hit due to outbreak of white spot disease

An outbreak of white spot disease has caused huge loss to shrimp farmers in Nagapattinam district.

According to reports, the disease, which has no cure, was first spotted in a shrimp farm at Avarikadu a few days ago. It has rapidly spread to other farms in the neighbouring localities along the coast of Nagapattinam district. This has resulted in many farmers destroying the farms leading to a huge loss. Shrimps raised on more than 500 acres are said to have been affected. It is said that each farmer would suffer loss to the tune of Rs.1.5 lakh per acre.

“It is a tough time for us. The entire area is affected with this white spot disease. We have no other options except to destroy the farms completely,” says D. Mathiyazhagan of Avarikadu.

Though several reasons were cited for this, farmers claim that supply of inferior quality seed from hatcheries, which are used to cultivate and breed a large number of shrimps in enclosed environment, was the main reason for the spread of disease. The current outbreak was due to second or third grade quality of supply of shrimp seed from private suppliers at Marakkanam near Puducherry.

Another farmer, who has decided to destroy his 50-day old shrimp farm, said that they had been often facing the problem of white spot disease due to supply of poor quality seed.

The Marine Products Export Development Authorities, which was supposed to ensure quality brood stock, has failed to take necessary action on erring private suppliers, the farmers pointed out.

Current outbreak was due to the supply of second or third grade quality of shrimp seed

Punjab flour mills claim wheat shortage

Punjab roller flour mills on Thursday claimed they were facing shortage of wheat, accusing the Food Corporation of India of “irrational” policy in distributing crop this year to the millers under Open Market Sale Scheme.

Anticipating inflationary pressures on prices of wheat based products including wheat flour etc, the millers under the banner of Punjab Roller Flour Millers Association have sought intervention of Union Food Minister Ram Vilas Paswan to ensure adequate supply of crop to the millers by FCI.

“We are facing wheat shortage because of irrational policy being followed by the FCI (Punjab),” Punjab Roller Flour Millers Association president Naresh Ghai alleged.

Mr. Ghai said under OMSS, FCI was offering only wheat out of 2014-15 Covered and Plinth (CAP) stocks despite the fact that it has covered stock of 2014-15 year crop.

“The wheat stock of 2014-5 CAP is of not good quality, Moreover, the stock is being made available to millers at its depots where there is no flour mill. It is adding cost to the millers in the shape of transportation and logistic cost,” he claimed. - PTI

Scanty rainfall dashes farmers’ hopes



Full of clouds but no rain in Srikakulam district. —Photo: Basheer

Complete Vamsadhara phase-II and other projects, says Kisan Morcha chief

Rains have played spoilsport in Srikakulam district in the current kharif season, affecting the agricultural activity badly in all the 38 mandals.

The crucial month of July has left farmers in misery with the deficit rainfall.

The farmers were in a jubilant mood with the beginning of rains in the last week of May and their continuation till the third week of June. But the situation suddenly changed in the district. The district received 164.9 mm rainfall against the normal of 134.9 mm in June. However, it received only 164.8 mm against the normal of 189.4 mm in July.

There is no respite even in the beginning of August. More rain is needed in July and August when plantation would pick up throughout the district.

Saravakota, Bhamini, Meliyaputti, Gara, Jalurumuru and Etcherla were affected with the deficit rainfall ranging from 9 to 35 per cent. Amadalavalasa, L.N. Peta and Rajam received excess rainfall both in June and July. With no sign of

downpour in the first week of August too, the farmers are worried about their investment and future. Many farmers depend on agriculture for livelihood in the backward district and now they are being forced to migrate to other areas.

Many farmers said that yield could come down drastically with the lack of sufficient water for fields at the crucial time.

“Normally, we get 30 bags of paddy per acre but it would come down to 22 bags if the situation does not improve. We invest around Rs.15, 000 per acre, anticipating income of Rs. 40,000 per acre. We will be happy at least if investment is returned,” said Y. Swami Naidu, a farmer of Gara mandal.

Usually, agricultural activity would be brisk in 2.48 lakh hectares but it was now confined to 1.6 lakh hectares. The Agriculture Department is hopeful that the situation might improve with one or two spells of rain in August.

Srikakulam farmers mainly concentrate on paddy, maize, sugarcane and cotton. The farmers who completely depended on paddy are likely to incur losses.

Seeds, fertilizers ready

Joint Director of Agriculture G. Ramarao told *The Hindu* that the deficit was almost 12 per cent in the kharif season while hoping that the situation might improve in the next couple of weeks. He said that the supply of fertilizers and seeds was abundant in all the mandals of the district.

Meanwhile, A.P. Kisan Morcha State president Pudi Tirupati Rao urged the government to complete Vamsadhara phase-2 and other projects as early as possible to ensure irrigation facility for crops.

“The farmers will continue to face trouble if they completely depend on rains for agriculture activity. The government should focus on Vamsadhara phase-2 project on a war-footing to save the farmers at least in the next kharif season,” he added.

Saravakota, Bhamini, Meliyaputti, Gara, Jalurumuru and Etcherla are badly affected with the deficit rainfall ranging from 9 to 35 per cent

A GST Less Taxing

Keeping the rates of the tax low would keep a check on inflation.



It has been argued that a single market will hit the small and the cottage sectors even if they are kept outside the GST net.

The GST is expected to be implemented from April 1, 2017. Many are worried about its inflationary impact.

There is talk of a revenue neutral rate (RNR) of between 15 per cent to 18 per cent — the rate at which the amount of tax collected under the GST would be the same as that collected at present.

A shortfall in revenue is a worry for states, since they cannot easily resort to a deficit budget. For them, the loss of revenue usually translates into cuts in the allocations to welfare programmes.

A single RNR rate implies that some current rates of indirect taxes will rise while some others will fall.

For instance, services are taxed at a rate of 15 per cent currently but if the RNR is fixed at 18 per cent, then all services prices will rise.

However, if some good faces a combined excise and sales tax rate of 22 per cent then its rate of tax would fall and so would its price.

Thus, in the aggregate, prices should not rise with the RNR. But there is a catch: Even with the RNR, the rate of inflation is likely to rise.

Indirect taxes “cascade” from one tax to the other and also feed from one good or service to another. Even though wheat does not bear an excise or a sales tax, when taxes on diesel are increased transport costs rise and so do the prices of wheat. The more basic a commodity, the more the prices of other goods rise. VAT is supposed to get rid of such cascading effects. Sales, excise and service taxes were already collected as VAT.

But the cascading of service tax on sales or excise or of sales tax on services and excise, and other such combinations, did not get eliminated and GST is expected to do that. The cascading effect of taxes makes the effective rate of tax higher than in the statute books; so the price rise is also more. Thus, if the cascading effect is removed/reduced, then to collect the same amount of taxes as earlier, the rate of tax under GST must rise. But under a one tax (or a few taxes) regime that would mean higher taxes on basics and, therefore a greater inflationary impact.

If inflation kicks up, inequalities rise, output stagnates and that impacts employment generation. It has also been argued that a single market will hit the small and the cottage sectors even if they are kept outside the GST net. The way out of this political quicksand would be to go for a rate lower than RNR. GST would apply to non-agriculture which is 86 per cent of the GDP. Indirect taxes collected presently are about 10 per cent of GDP. Making allowances for exemptions, expansion of base, bringing black economy into the net, etc. a rate of between 10 per cent and 12 per cent may work. However, the government may need to keep the rate of GST below the currently suggested RNR.

Maha govt ropes in Amul to help debt-ridden farmers in Yavatmal



The Yavatmal Cooperative Dairy Union was one of more than 20 district units which are making losses and were in liquidation. (HT Photo)

To boost supplementary income of debt-ridden farmers in Yavatmal, the Maharashtra government has roped in Gujarat-headquartered dairy major Amul for marketing and procurement of milk in the district, which is one of the worst affected farmer suicide-prone areas in the Vidarbha region.

The Yavatmal Cooperative Dairy Union was one of more than 20 district units which are making losses and were in liquidation.

Gujarat-based cooperative dairy unions have already been purchasing milk from Umred and other areas in Yavatmal.

Based on the success of the Gujarat unions, Amul, the biggest dairy cooperative in the country, had submitted a proposal to use the infrastructure of Yavatmal district cooperative to market milk procured from farmers.

The proposal was given in-principle approval in a meeting chaired by chief minister Devendra Fadnavis on Wednesday evening.

“The infrastructure of the district unit, including the residential and official premises and a refrigeration plant will be handed over to Amul.

This will be on an experimental basis and if succeeded, the model will be spread in other districts where local unions have failed to make profits.

The losses to the district units is largely because the units are under the control of the political leadership,”said an official from the dairy development department.

Fadnavis said that impeccable credentials of the Amul brand will help farmers from the suicide prone district of Yavaltmal to earn good amount for their produce and supplement their income.

For quite some time, the state government has been promoting the allied activity as an alternative source of income for farmers in Vidarbha. Dairy income will also assist farmers to avoid debt trap caused by crop failure and a slump in market prices.


Since there is no sound cooperative credit network in the region, farmers often end up taking loans from private moneylenders on usurious interests and get stuck in debt trap.

Meanwhile, in Wednesday’s meeting, Fadnavis also directed the dairy development department to develop state’s own milk brand on the lines of Amul.

THE HINDU BusinessLine

Soyabean processors for higher duty on oil imports

Soyabean Acreage			(in lakh ha)
State	2016	2015	
Gujarat	1.31	0.86	
Karnataka	3.22	2.74	
Madhya Pradesh	53.61	58.07	
Maharashtra	38.25	33.55	
Rajasthan	10.05	10.91	
Telangana	2.97	2.5	
All India	111.83	110.71	

Widening Gap: Soyameal exports and oil imports			(in ₹ crore)
Financial year	Soyameal Exports	Soya oil imports	
2012-13	14,155.97	7,611.05	
2013-14	13,821.21	8,307.63	
2014-15	4,849.37	12,907.75	
2015-16	1,511.69	19,419.01	

Anticipating good harvest, industry fears inflow of cheaper oils will hurt domestic processors and farmers

As prospects brighten for a good soyabean harvest this year, aided by normal monsoon, the oilseed processors have asked the Centre to curb the inflow of cheap oils into the country to protect both the growers and processing industry in the months ahead.

The Soyabean Oil Processors Association (SOPA) in a letter to the Prime Minister has urged the government to increase the customs duty on crude soyabean oil from 12.5 per cent to 37.5 per cent and on refined oils from 20 per cent to 45 per cent, to check the cheap imports and protect the domestic industry.

Bright prospects

“Soyabean is in the pod formation stage and the crop prospects are definitely better than last year,” Davish Jain, Chairman, SOPA, told *BusinessLine*. “We just need some sunshine and a couple of showers over the next few weeks to get a good harvest that will start in September,” he added.

Soyabean has been planted on 111.83 lakh hectares (lh) this year, marginally higher than the previous year’s 110.71 lh.

Despite the traditional and largest producing State Madhya Pradesh reporting an 8 per cent drop in acreage, the total area under the oilseed has been largely maintained as farmers have taken up the planting in new areas such as Gujarat, while the area has increased in States such as Maharashtra, Telangana and Karnataka.

Rising imports

The soyabean processing industry has been going through a tough time for the past three years and many units have closed down as cheaper imports have made the domestic industry unviable. As the surging imports continue to weigh on the beleaguered domestic processing processors, SOPA has stepped up its demand for a higher duty on cheaper oil imports, petitioning the highest decision making authority in the country, the Prime Minister.

“The burgeoning imports of soyabean oil, which has increased several fold from 10.55 lakh tonnes per annum (average of 2011-13) to 40 lakh tonnes (likely in 2016) is also detrimental to the interest of oilseed cultivation in the country and will take us toward being totally dependent on imported oil as production of our oilseeds may further go down,” Jain said in a letter to the PM.

Exports suffer

Large scale imports of cheaper oils over the years has also impacted the country’s soyameal exports.

The surging oil import at a low duty rate has pushed up the prices of Indian soyameal making it uncompetitive in the world market.

Over the last four years, the Indian soyameal exports have sharply reduced from a high of 14,155 crore in 2012-13 to around 1,511 crore during 2015-16.

Indigenous industry hurt

At a time when the domestic oilseed processors are in great distress, a handful of large importers and refiners have been demanding a duty cut on crude oil.

“When the very survival of the indigenous crushing industry is at stake, any reduction in duty will only mean more sickness, moving away of farmers from soyabean cultivation and further increase in our dependence on imports. If the foreign suppliers were to take advantage of the situation and increase edible oil prices, the story of pulses may get repeated in edible oils also,” Jain said.

Rainfall deficit shrinks to 44% in Gujarat



23 reservoirs put on 'high alert' owing to overflowing situation

Rainfall deficit in Gujarat — among the driest places in the country during the current monsoon — has reduced to 44 per cent on average in the State as on August 11 against 65 per cent seen at the beginning of the month.

As a result of the widespread rains, sowing activity progressed in the State with nearly 82 per cent sowing completed of the 3-year average.

As on August 8, 7,072,400 hectares has been brought under sowing area against the three-year average of 8,671,500 hectares.

The State has received 188 mm of average rains during August so far taking the total rainfall in the State to 449.34 mm.

The State's long period average (LPA) rainfall is 797 mm.

Out of the total 33 districts, Valsad has so far received highest rainfall — 89 per cent of its average rainfall of 2152 mm — followed by Jamnagar and Devbumi Dwarka in Saurashtra with 85 per cent of the average rains.

Widespread rains have also helped improve the reservoir levels at the State irrigation schemes.

The average live storage of the 203 dams improved from merely 12.40 per cent of its gross storage capacity as on July 11 to 58 per cent now.

Out of the 203 other schemes in the state, 23 have been put on high alert with 100 per cent or near 100 per cent

filling.

However, 161 schemes still have less than 70 per cent filling, State Water Resources Department data showed.

Jeera gains on short supply



Jeera traded up on strong physical and export demand coupled with dwindling supplies with stockists.

Though, profit booking pulled it down on the futures. About 2,000 bags arrived in Unjha mandi of Gujarat and price was moved up by 20 to 3,300-3,750 per 20 kg.

Rajkot APMC reported 300 bags arrival and price increased 15 to 3,250-3,700.

On the National Commodity and Derivative Exchange (NCDEX) jeera September contract declined 30 to 18,750 a quintal, with an open interest of 21,987 lots.

Pepper rules steady



Pepper prices continued to stay steady on Thursday as no activities were taking place on the terminal due to non-arrival of materials. Inter-state dealers were buying directly from the farmgates at terminal market prices on cash and carry basis and despatching to north Indian markets, they said. Spot prices remained unchanged at 69,000 (ungarbled) and 72,000 (garbled) a quintal. August, September and October contracts on the IPSTA stayed steady at 72,000, 71,000 and 70,000 a quintal respectively. Export prices were at \$10,950 a tonne c&f for Europe and \$11,200 a tonne c&f for US.

Indigenous oils gain on supply squeeze

Firm trend in edible oils market was arrested on Thursday tracking weak overseas markets amid slack demand.

On the BCE, groundnut, soya, sunflower and cotton oil gained by 40, 3, 5 and 1 per 10 kg each.

Rapeseed and palmolein remained steady. Indigenous oils gained on tight supplies.

Liberty was quoting palmolein at 590, super palmolein 621, soyabean refined oil 645.

Ruchi's rates: soyabean refined 640, sunflower refined 710. Allana's rate for palmolein was at 593, soya refined oil 645 and sunflower refined 715.

At Rajkot, groundnut oil jumped to 2,210 (2,170) for *telia* tin and loose (10 kg) at 1,425 (1,400).

Bombay Commodity Exchange spot rates (/10 kg) were: groundnut oil 1410 (1370), soya refined oil 638 (635), sunflower exp. ref. 660 (655), sunflower ref. 710 (710), rapeseed ref. oil 910 (910), rapeseed expeller ref. 880 (880), cottonseed ref. oil 726 (725) and palmolein 584 (584).

Cloves to lose aroma on mounting supplies



Availability of good stocks of imported cloves in the country coupled with reports of bumper crop this year in other major producing and supplying countries has built up a bearish sentiment in the domestic markets.

Trade sources in the upcountry markets told *BusinessLine* that “huge unsold stocks are held in the markets and hence prices are falling daily. Prices will stabilise in October and we foresee some correction then.”

Record harvests

Bumper crops are expected in Indonesia, Madagascar and Zanzibar. International prices are ruling at \$7,000-8,000 a tonne. “New crop in Comoros has just started and likely selling pressure can push the prices down to \$5,000-6,000 a tonne. Add to this, Indonesia is not buying, so world markets are under pressure,” they claimed.

Prices in the upcountry markets are currently ruling at between 480 and 650 a kg, they said.

Meanwhile, in Nagercoil — a main trading centre for cloves in South India — the prices are down to around 700 a kg.

Unsold stocks

S Subramaniam, a grower at Nagercoil in Tamil Nadu, told *Business Line* that no buyers were forthcoming because of the stocks held in various consuming centres.

This phenomenon has pulled down the prices.

Sellers have also withdrawn from the market. The 2016 crop is very poor at 30 per cent of the normal crop because of unfavourable weather conditions.

However, the climatic conditions so far has been good and if such a scenario prevailed through, the 2017 crop would be a better one, he said.

However, it depends on the behaviour of the North-East monsoon that played havoc late last year, he added.

Rising imports

Sharp fall in indigenous production of this commodity has, in fact, more than doubled its imports in five years.

If in 2010-11 the imports were at 7,000 tonnes valued at 153.37 crore they were at 14,950 tonnes valued at 771.13 crore in 2014-15, according to Spices Board sources.

Farmers in Idukki district of Kerala where it was widely cultivated until about two decades ago have cut down the trees as the prices continuously remained below remunerative levels and shifted to other crops.

During 2013-14 the production from 912 hectares of plantations in Kerala stood at 68 tonnes.

Another major area of its cultivation in the country is the Nagercoil region where from 869 hectares 816 tonnes were produced in 2013-14.

India is a net importer of this commodity with an annual demand ranging between 15,000 and 20,000 tonnes, trade sources claimed. Imports are from Sri Lanka, Madagascar, Comoros, Zanzibar and Indonesia.

50% turmeric goes unsold at Erode

Only fifty per cent of the arrived turmeric bags were sold at Erode markets on Thursday.

“The farmers, expecting good sale of their commodity, brought 7,000 bags and traders purchased only 45-50 per cent stocks.

They quoted a higher price for the good quality turmeric.

Only local hybrid finger and root variety turmeric arrived for sale which fetched a maximum price of 9,369 a quintal (finger variety) and 8,593 (root variety),”said

RKV Ravishankar, former President of the Erode Turmeric Merchants Association. At the Erode Turmeric Merchants Association, the finger turmeric fetched 7,329-9,369 a quintal;



the root variety 7,239-8,269. Of the arrival of 1,933 bags, only 810 were sold.

Mixed trend in sugar

Sugar prices at spot market ruled flat, while futures prices extended loss for fifth consecutive day.

Overseas market also witnessed a sharp drop on eased supply. *Naka* and mill tender rates were also steady on routine demand and supply.

Arrivals and local dispatches remained at par keeping morale calm and cool, said sources.

Stockists preferred to fulfil old commitments, staying away from fresh bulk buys.

Arrivals were at 60-61 truck loads and local dispatches were about 59-60 loads.



The Bombay Sugar Merchants Association's spot rates: S-grade 3,666-3,781 (3,662-3,785) and M-grade 3,756-3,892 (3,756-3,892). *Naka* delivery rates: S-grade 3,640-3,720 (3,640-3,720) and M-grade 3,740-3,830 (3,740-3,830).

Dhanuka Agritech posts marginal rise in first-quarter net

Agrochemical formulation company Dhanuka Agritech Ltd has posted a marginal increase in its net profit to 19.35 crore in the first quarter of the 2016-17, from 18.56 crore in the same period last year.

The company registered a 10 per cent increase in net sales to 198.40 crore (180.41 crore).

“The last two years saw deficient rainfall.

However, this year, there has been above normal monsoon in most parts of the country and sales of agro-chemicals have picked up from July.

We are confident that the second quarter will be a bumper quarter,” said MD Mahendra Kumar Dhanuka.

Business Standard

Benefits to hill, N-E states to continue under GST

Manufacturing units in J&K and northeast gets excise benefit by way of refunds, those in Himachal Pradesh and Uttarakhand get outright exemption



The 10-year tax holiday given in the form of area-based excise breaks for hill and northeast states will continue under the coming goods and services tax (GST) regime until the sunset date.

The Centre is deliberating a compensation mechanism for manufacturing units availing excise exemption in Uttarakhand, Himachal Pradesh, Jammu & Kashmir (J&K) and states in the Northeast (N-E), for a seamless transition to the new regime, targeted for a rollout on April 1, 2017.

Two types of area-based exemption schemes are in operation. Manufacturing units in J&K and the N-E get excise benefit by way of refunds; those in Himachal and Uttarakhand get outright exemption.

“A decision is yet to be taken on this.

Units availing exemption will most likely be compensated through a budgetary provision. The matter is under deliberation.

Having given the exemption once, we cannot go back on the assurance. They might not get exemption under GST but will definitely get compensation.

States and the Centre will have to work it out,” said a government official.



The revenue forgone by the Centre by way of area-based excise duty exemptions was Rs 19,120 crore in 2015-16.

Officials argue that exemptions under GST will go against the proposed structure, of simplified and seamless credit.

“Compensation could also be through a refund process under GST. There is no concrete solution as on date but units will be compensated.

States will also have to take a call on valued added tax for the tax breaks they extend,” said an official.

The excise exemption for J&K will expire in 2020 and in N-E states by 2017. This means that those starting production in, say, the beginning of 2017 will continue to enjoy the excise benefit till 2027.

Although the exemptions for Himachal and Uttarakhand expired in 2010, the tax waiver will continue till 2020 in many cases.

In the case of refund-based exemptions, the revenue impact is computed by aggregating the refunds actually sanctioned to the individual units.

In the case of outright exemption, the revenue impact is calculated by using the difference between the general effective rate and the duty actually paid.

The select committee in its report on GST argued that the ‘GST Council shall make recommendations to the Union and the States on special provision with respect to the states of Arunachal Pradesh, Assam, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand.’”

THE TIMES OF INDIA

Farmer uses novel farming methods to grow capsicum



The prevailing drought conditions in many parts of the state have seen farmers bear huge losses. But, Malagonda Biradar, a 55-year-old serviceman turned farmer has, using his innovative farming methods, emerged as a bright spot in a bleak landscape. Cultivating capsicums, this enterprising farmer from the arid Vijayapura district, manages to reap an income of Rs 4.50 lakh from a mere 10 guntas.

A resident of Kanamadi village in Vijayapura, Biradar has devised ways of growing different varieties of capsicum - Namadhari and Sajanta in red and yellow colours - apart from the usual green coloured capsicums and has been selling them across the border to Mumbai and other places. Speaking to TOI, Biradar said that he started his experiment in 2013, when he constructed a greenhouse after obtaining a loan from Karnataka Vikas Grameena (KVG) Bank. "I had seen yellow and red colour capsicums in Jamnagar in Gujarat and Deshampur in Maharashtra, during my days as a soldier. I decided to cultivate them in my ancestral fields. I approached KVG bank with a proposal in 2013. I received Rs 7 lakh to construct a greenhouse in 10 guntas and extended it to 20 guntas in 2014, when I got Rs 10 lakh. The area of the green house has now been extended to 40 guntas," he added.

He said that he had accrued revenues of up to Rs 27 lakh in the past four years, from 40 guntas of land. "On an average, I derive an income of Rs 4.50 lakh from 10 guntas. As of now, I have a pending loan of Rs 13 lakh and I am repaying it in monthly instalments. I am now thinking of extending cultivation to 80 guntas (two acres) from next year," he said.

There is a huge demand for green, yellow and red coloured capsicums from cities such as Bengaluru, Chennai and Mumbai, he said.

"If we only grow capsicum, of a single colour, we won't get a good price in the market and the demand too will not be high. Different coloured capsicums are used in pizzas, burgers and even Chinese food. Moreover, capsicums can be cultivated with low quantities of water. We use rain water stored in the greenhouse and this is a crop that can be grown in 45 days to six months. One can grow as many as 12-15 tonnes of capsicum on 10 guntas. The current price of capsicum ranges from Rs 40 to Rs 200, depending on the quality," he added.

Having tasted the success of his innovation, Biradar is now guiding farmers in neighbouring villages. "We are taking his advice and moving in his direction," said Santosh Gundagi from Almela village and Metri of Kannur village.

"We are proud to witness such success stories emerge from our 'Vikas Green House' scheme, a greenhouse technology - cultivation of flowers and vegetables at low cost. This scheme deals with the economic and technical aspects with regard to cultivation of flowers such as gerbera, rose, anthurium, etc, and vegetables such as coloured capsicum, sweet cucumber and gerkins," said Suryakant R Ganga, general manager, KVG Bank, Dharwad.

Farmers demand early release of Cauvery water for irrigation

A federation of various farmers' associations have decided to stage a massive protest across six districts in the central region on August 19, urging the state and the union governments for early release of Cauvery water from Mettur reservoir for irrigation. At a meeting held in Thajavur on Thursday, the members of the federation appealed to traders the districts to shut the doors of their establishments in support of the protest. They are also planning to block roads at 500 spots to press their demands.

At the meeting, where a large number of functionaries from various farmers' associations affiliated to the Communist party and the Agriculture Labours Association converged, a set of resolutions were passed, which included demand for setting up of Cauvery water management board (CWMB) and Cauvery water regulation committee (CWRC) for the immediate implementation of the final order of the Cauvery water disputes tribunal.

The meeting demanded the state government to put pressure on the union government for setting up the committees, so that the entire farming community in the state would benefit. Towards that aim, it has been decided to stage protests across the central region, which falls under Thanjavur, Tiruvarur, Nagapattinam, Pudukkottai, Trichy and Cuddalore districts.

Speaking to the reporters at the end of the meeting, Tamil Nadu Farmers Association president Balakrishnan said that in the last 10 years, farmers got water from Cauvery on time only in 2008 and 2011. "The union governments did nothing to get our share of water from Karnataka, even after the rulings of the Cauvery water tribunal authority was published in the gazettes of the central government," he said.

"In an effort to seek the attention of both the governments, entire commercial establishments and shops would remain closed on August 19. Across the six districts, 500 spots have been identified to block roads," he added.

General secretaries of various farmers associations were also present. Farmers' demands

Early release of water from Mettur reservoir

Getting due share of water from Karnataka

Setting up of Cauvery water management board (CWMB), Cauvery water regulation committee (CWRC)

Implementation of the final order of the Cauvery water disputes tribunal

Over 45 lakh farmers opt for crop insurance

The newly floated Prime Minister Crop Insurance scheme has received a good response from farmers in the state, with over 45 lakh opting for it. August 10 was the deadline for applying for the scheme.

The drought-prone Latur division has taken a lead with 16.65 lakh farmers availing of the crop insurance facility, which is seen as a shield against the nature venting fury on crops. Closely following Latur is the farmer suicide affected Amravati division, where 14 lakh kharif crop cultivators have bought the crop insurance. Similarly, 1.93 lakh from Nagpur division have also gone for the scheme. Thus, Vidarbha and Marathwada regions account for about half of the applicants under the scheme.

The PM crop insurance scheme launched during Kharif 2016 replaces the old national crop insurance, which was weather-based and had far less risks covered than the new one. The state government also promoted the new scheme proactively and chief minister Devendra Fadnavis pursued the Union government to extend its deadline to August 10 from the earlier July 31, looking at the huge last-minute rush by farmers desirous of applying for the scheme. Fadnavis also reviewed the progress and met with insurance company officials from time to time, the last time on July 30.

As per the interim data available with state agriculture commissioner, the division-wise break up of farmers seeking the scheme was: Konkan 37,000, Nashik 6.22 lakh, Pune 3.74 lakh, Kolhapur 51,000, Aurangabad 7.99 lakh, Latur division 16.65 lakh, Amravati division 14 lakh, and Nagpur 1.93 lakh, taking the total to 45.18 lakh.

While documents required and application forms were made available late, the farmers made a beeline at the banks to meet the deadline.

Besides several new benefits, farmers can file claims for crop losses individually, a 14-day window would be given for damage to crops after the harvest and time for drying.

Besides flood, the risks covered are fire, lightning strike, prolonged clouds, cyclonic storm, landslide, drought and dry spells, and pest infestation.

Almost all crops are covered and the premium rates are 5% of sum assured for cash crops during kharif season and 1.5% for rabi crops . The Centre and state would share the remaining premium.

NDCCB waives part interest on farmers' dues

The Nagpur District Central Cooperative Bank (NDCCB), which resumed operations after two years, is now offering to waive off half the interest due on farm loans. Farm loans to the tune of Rs200 crore have turned NPA at this bank.

This is not only hampering the bank's operations but more than 36,000 farmers are unable to get fresh crop loans.

Crop loans are the yearly requirement of a large number of farmers in the region. According to the rules, no fresh loan can be granted unless the earlier dues are cleared.

After attempts to recover loans, it has now been decided to waive 50% of the interest portion if the farm loans are repaid till September 25. The farmers can ultimately get the benefit of availing a zero interest loan if they repay now, said a press release issued by the bank

The bank's operations were suspended for two years after the Reserve Bank of India(RBI) cancelled its licence, which was restored after the state government granted a revival package.

However, when NDCCB reopened, it had to deal with a huge NPA, mainly from the farm sector.

NDCCB, like other district central cooperative banks, mainly deals in lending to the agriculture sector.

Crop losses due to droughts and floods both had hampered the farmers' capacity to repay the loans leading to a NPA worth Rs200 crore, said the NDCCB press release.

The bank, which resumed operations in March this year, has also paid back deposits worth Rs108 crore, which had been locked up due to directions by the RBI.

Drought forces change in region's cropping choices



A drastic shift in the cropping pattern in Marathwada over the past three decades has further exacerbated the drought situation in the region, a study has shown.

The region has faced many as 12 moderate to severe droughts and 21 mild droughts in the last 55 years. Since the 1980s, the farmers in the region have opted out of cultivating sorghum (jowar), pearl millet (bajra) and oilseeds and preferred cotton, sugarcane and soybean farming.

This change has improved the gross returns per hectare and economic status of the farmers, but has also increased the demand for water, the study conducted by B Venkateswarlu, vice-chancellor of Vasantrao Naik Marathwada Agricultural University, has revealed.

Highlighting that around 87% of agriculture in Marathwada is primarily rain-fed, the study stresses that the success of agriculture in the region depends on how efficiently available water is managed, both from rainfall and groundwater sources.

"The gigantic change in cropping pattern in Marathwada over a period of last three decades is unheard of even at international level. Considering the availability of water in this drought-prone region, there is a need to evolve ideal cropping pattern," Venkateswarlu said.

The eight districts of Marathwada - Aurangabad, Jalna, Parbhani, Nanded, Latur, Beed, Osmanabad and Hingoli - has witnessed increase in cultivation of cotton, sugarcane and soybean while decline in sorghum (Jowar), pearl millet (Bajra) and some oilseed crops. The study also observes that horticulture area in Marathwada has increased considerably in all districts.

In Aurangabad district, area under cotton cultivation went up from 1.5 lakh hectares in 1980 to over 3.5 lakh hectares in 2012. During the same period, jowar cultivation dipped from 3.4 lakh hectares to 1 lakh hectares. In Beed district, area under cotton cultivation shot up from 40,000 hectares to 3.4 lakh hectares.

Jalna district did not have any area under cotton cultivation in 1980, but by 2012, it reported nearly 3 lakh hectares under the crop. In Parbhani, Soyabean cultivation took a jump during the same period. From almost nil record in 1980, the area under soybean went up to 1.4 lakh hectares.

Latur district, which did not have any record of soybean cultivation in 1980, now boasts of 2.6 lakh hectares under the crop, while jowar plantation plunged from 2 lakh hectares to one lakh hectares. In Osmanabad too, soybean has shot up to over one lakh hectares in three decades, while jowar and gram cultivation has taken a hit. Nanded district has reported a surge in cotton cultivation, from almost no area under the crop to 1.9 lakh hectares in 2012.

"Agriculture in Marathwada is primarily rain-fed. Even if we make further investments in irrigation, much of the area will remain rain-fed. The solution lies in making best use of available water. The cropping pattern changes imply switch towards more water-intensive crops, which is a cause of worry considering deficient or average rainfall," vice-chancellor said while speaking with Times of India.

The study also observes that the decline in total foodgrains production in Marathwada was related to the decline in rainfall. Venkateswarlu stressed the need for defining ideal cropping systems, matching with rainfall and soil types and promoting drought-tolerant crops and varieties for improving agricultural yield in Marathwada.

"We have to give continuous emphasis on groundwater recharge, regulate area under high water-demanding crops and pay attention to in situ and ex situ water conservation. Needless to say, drip and micro irrigation techniques have become need of the hour," he said.

THE ECONOMIC TIMES

Crofarm secures \$1.5 million in seed round; to expand supply chain network to 10 cities this year



Crofarm has a network of over 10,000 farmers from whom it procures produce directly and delivers to various organized retail players.

MUMBAI: Agritech venture Crofarm has raised seed funding of \$1.5 million from Mukul Singhal and Rohit Jain, former principals at SAIF Partners, who have backed the company which aims to create a supply chain which links farmers with businesses.

The round also saw investments by some angel investors including Himanshu Aggarwal, Co-founder & CEO of Aspiring Minds, Ashish Gupta, Former COO at Evalueserve and Sunil Goyal, Vice-President at Paytm.

"We plan to establish presence in tier-2 markets and hope to operate in 10 cities over the next year," said Varun Khurana, chief executive officer of Crofarm

Crofarm has a network of over 10,000 farmers from whom it procures produce directly and delivers to various organized Retail players such as Big Bazaar, Reliance Retail, Grofers, Big Basket, METRO Cash & Carry and Food Works. It's key focus, however remains the unorganised sector which constitutes over 80% demand for the farmers' produce.

"We have 3 distribution centres in the Delhi-NCR belt & 1 in MUMBAI where produce from farmers gets delivered which then gets picked up by the unorganized market players," Khurana told ET.

Set up in May 2016, Crofarm works on a commission-based revenue model. The commission ranges from 5-7% for less perishable produce like potatoes & onions, 15% for greens & 20-25% for exotic fruits & vegetables. Khurana says produce with a longer shelf life is procured from national sourcing zones while easily perishable ones are bought from regional sourcing zones.

With Crofarm, farmers are able to earn upto 25% more than when they sell to the Mandis. Khurana hopes to have one lakh farmers and over 10,000 retailers on the platform. " We hope to reach a stage where we will be able to direct farmers on the kind of produce that they should grow in keeping with rising demand," he said.