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# Business Standard

## **Norms for options trade in commodities soon**

Experts also suggest other measures be taken to achieve the increasing of hedging by farmers

The Securities and Exchange Board of India (Sebi) is finalising norms for allowing options trade in commodities. The decision is expected to be announced in a couple of weeks. To finalise basic issues, one more meeting of committee of its commodity market advisory committee is likely. Sources say Sebi wishes to have options shall be in sync with futures trade, and as futures contract sellers have a choice of giving delivery on settlement, this should also apply for commodity options. Recently, some stock market participant members had suggested cash settlement in options.

## **Govt extends dates for insuring rabi crops till Jan 10**

Earlier the deadline for rabi crop farmers affected by demonetisation was fixed as Dec 31

To provide relief to farmers hit by demonetisation, the government on Saturday extended the window for insuring 2016-17 rabi (winter) crops till January 10 from December 31.

The deadline to take insurance policy for both loanee and non-loanee farmers from banks for rabi crops under the Pradhan Mantri Fasal Bima Yojana (PMFBY) expires on Sunday.

"It has been brought to the notice of this department that stakeholders, including farmers and banks/financial institutions, are facing difficulties. Under PMFBY during 2016-17 rabi season due to demonetisation of old currency notes. It has been decided to extend up to January 10, 2017," the agriculture ministry said in a directive issued to banks, insurers and state governments.

Now, the farmers who could not insure their crops due to demonetisation will get time till January 10.



More time has been given to non-loanee farmers to submit the application and premium to the bank. Also, banks have been given additional time to debit the premium and send to insurance companies, it said.

The ministry said that the cut-off date has been extended considering the situation as a "special case."

The state governments have been asked to take appropriate action regarding extension of cut-off date and inform all stakeholders, it added.

"This may, however, be treated as a one-time extension only," the directive said.

Around 167.47 lakh farmers had taken crop insurance in the rabi season of 2015-16. The government hopes that more farmers will enrol under the new PMFBY launched early this year with better features.

In the kharif season of 2016-17, as many as 374.13 lakh farmers had insured their crops and the sum insured was Rs 1,41,487 crore. The cut-off date was extended even during the kharif season of this year.

Under PMFBY, farmers pay very nominal premium and get full claim for their crop damage.

### **PM Modi's New Year's Eve speech: Relief for farmers, SME sector in focus**

Further measures against black money and benami property could be announced



Direct benefit transfer-based relief measures for farmers and the SME sector in the wake of the hardships caused by demonetisation could be the big announcement to look out for in Prime Minister Narendra Modi's New Year's Eve speech.

According to a report in the *Economic Times*, the government is keen to boost purchasing power and consumption, especially in the wake of the economic disruption and currency shortages caused by the sudden demonetisation drive, and also announce further measures to continue the prime minister's "crusade" against black money and corruption. Citing government officials, the financial daily reported that direct benefit transfer could be used to shore up sectors hit by demonetisation. Among the proposals that the government has been deliberating upon is an income transfer scheme, the report added.

As reported by *Business Standard* earlier, according to government sources, the prime minister's address is likely on the evening of December 31. However, the sources said that the possibility of advancing it to the evening of December 30 remained open.

### **Why farmers and SMEs?**

The demonetisation drive has exposed the dependency of poor farmers and small businesses on informal credit systems in a country where half the population has no access to formal banking. Small-time financiers, despite their high interest rates, have long been a vital source of credit for the rural economy, and the ban on Rs 500 and Rs 1,000 notes has made it increasingly impossible for them to lend as well as to get paid (**Read more**).

Various relief measures, such as allowing farmers to use the old Rs 500 notes to buy seeds from central and state-owned companies, have already been announced for farmers. On December 20, the government **announced** that farmers, whose crop loan due dates fall between November 1 and December 31, would get 60 days more for availing the prompt repayment incentive of 3 per cent. Further, to help farmers meet their cash needs for the current Rabi season, the government has **directed** the National Bank for Agriculture and Rural Development to disburse Rs 21,000 crore to District Central Cooperative Banks for onward lending to farmers through Primary Agricultural Cooperative Societies. Over 40 per cent small farmers get crop loans from cooperative institutions.

Reports have also emerged of small businesses across the country being hit hard by the sudden decision and its subsequent impact. Especially in the politically

vital state of Uttar Pradesh. The state's handloom and leather industries have been facing shortages of capital and raw material, and difficulty in payment of wages post demonetisation. The issue was serious enough that Chief Minister Akhilesh Yadav wrote to Prime Minister Narendra Modi to increase the withdrawal limit for leather traders in order to ensure payment of wages to shoe makers in Agra (**Read more**). The sari textile industry in Mathura has also been severely hit by demonetisation. According to agency reports, factory owners have said that they seem to be left with no option but to close their factories as there is no cash flow in the market (**Read more**).

### **Crackdown on benami property?**

While the government's narrative on the need for demonetisation might have shifted, from a primary focus on fighting black money, terror financing and fake notes to promoting a less-cash economy, the prime minister has continued to hint at further measures to continue his original "crusade" against unaccounted income.

Addressing members of the Indian community in the Japanese city of Kobe on November 13, Modi **had said** that after the demonetisation scheme "there is no guarantee that more (measures) won't follow".

Days after his trip to Japan, in his subsequent speeches in Goa and Karnataka, the prime minister gave further hints about measures which would follow demonetisation. Back then, he had announced that the **next step** in his war on "black money" and corruption would be a crackdown on benami properties. Later in November, while speaking at the BJP Parliamentary Party meeting, the prime minister said, "This is not the end but only a beginning of our struggle." Modi described demonetisation as **the beginning** of a "long, deep and constant" battle against black money and corruption.

# THE TIMES OF INDIA

## 62% rainfall deficit, Cauvery row hit farmers to the core



It has been a year of total distress for the farming community -- neither help arrived in from neighbouring state nor from the sky above. The state has recorded a deviation of 62% from the normal rainfall in the north east monsoon, and the south west monsoon between June and September was no different with 20% deficiency, letting down farmers, especially the delta. Bandhs and demonstrations define the year, and suicides of farmers continue haunting the community.

As if to worsen the crisis, the current storage capacity of the major irrigation reservoirs in the state is only 26.55tmcft until Friday last, which is just 13% its total capacity. The poor storage had Mettur skipping its traditional opening date of June 12 for the fifth consecutive year, anticipating good inflow from Karnataka reservoirs. The farmers knew little then the state had to wage a prolonged legal battle periodically to get orders from the apex court every week and fortnight to get their due in the inter-state water Cauvery, amid turmoil in Karnataka leading to violent protests. Result: The coverage of crop has reduced substantially across the state, and in particular, the delta, than last year.

"We should not compare this year with any year as every parameter has

disappointed us. There is neither storage in reservoirs, nor adequate ground water to save the crops. The crops are fair only in areas where the conventional transplantation had taken place," Cauvery Delta Farmers Welfare Association general secretary S Ranganathan said. Those who have taken up direct sowing awaiting good spells in November and December, have taken a hit. Going by the official data, at least, 7.6 lakh hectares are under "moisture stress" due to failure of monsoon and much of it are areas of direct sowing. Worse, the recent cyclone, Vardah too affected another 34,000 hectares.

In September, the Supreme Court did raise a hope among the farmers, after it ruled that the Cauvery Management Board should be set up in three days, in what was seen as an attempt to bring a resolve to the long-festering inter-state water dispute. Having given a miss to the short-term kuruvi crop in the recent years owing to non-release of water from Karnataka, the farmers were hopeful of the timely release of water in the coming years. The board would have acted as a neutral body to decide on the water for irrigation and drinking water, which is until vested with upstream state. The hopes were, however, dashed when the Centre did a volte-face on its decision, and informed the court to review its order. The delta was writhing in anger and came to the streets against Centre.

The western belt had a different reason to protest. The Union environment ministry's nod to Kerala government for a dam across the Siruvani, a sub-tributary of the Cauvery, triggered a huge outcry, bringing the region to a standstill. The embarrassed TN government passed a unanimous resolution against the move and pleaded with the Centre to keep in abeyance the recommendations of the expert panel. In the north, farmers erupted in anger, after Andhra Pradesh began increasing the height of the existing check dams on river Palar and constructing new, violating the water laws. As is the practice, TN moved the Supreme Court challenging the neighbor.

### **Farmers get 10 more days, can insure rabi crop till January 10**

The agriculture ministry on Friday extended the cut-off date for farmers procuring crop insurance for their rabi produce by 10 days in view of the difficulties faced by them following demonetisation.

Banks have also been given additional time to debit the premium and send it to insurance companies. In a directive issued to banks, insurers and state governments, the ministry said that the cut-off date has been extended considering the situation as a "special case."

The deadline to take insurance policy for both loanee and non-loanee farmers from banks for rabi crops under the Pradhan Mantri Fasal Bima Yojana (PMFBY) was scheduled to expire on Saturday.

"Now the farmers who could not insure their crops due to demonetisation can get their crops insured till January 10, 2017", said the ministry.

The state governments have been asked to take appropriate action regarding extension of cut-off date and inform all stakeholders. "This may, however, be treated as a one-time extension only," the directive said. The PMFBY envisages providing maximum relief to farmers in case of damage to their crops due to vagaries of nature.

## THE HINDU BusinessLine

### **PM announces crop loan benefits, sops for farmers**



In a bonanza to farmers post demonetisation, Prime Minister Narendra Modi today announced that government will bear interest for 60 days on crop loans



taken by farmers from district cooperative banks and primary societies for sowing operations this Rabi season.

In his national address on the eve of new year, Modi also announced that the 3 crore 'Kisan Credit Cards' would be converted to RuPay Card within three months to help farmers purchase various inputs anywhere. Nabard will be given an additional Rs. 20,000 crore to finance district cooperative banks and societies.

"In the last few weeks, an impression was sought to be created that agriculture sector has been destroyed. Farmers themselves have given a fitting reply to those who were doing so. Rabi sowing is up by 6 per cent when compared to last year. Fertiliser offtake is up by 9 per cent during this period," Modi said.

The government has taken care to ensure that farmers do not suffer for want of access of seeds, fertilisers and credits, he added.

"Now, we have taken some more decisions in the interest of farmers. Farmers who had taken loan for the Rabi crop from district cooperative central banks and primary societies will not have to pay interest on such loans for a period of 60 days," the Prime Minister said.

Farmers who have paid interest during the last two months will get this amount back directly in their bank accounts, he said.

Arrangements are being made to provide farmers better access to loans from district cooperative banks and primary societies, Modi said.

## Mounting woes made 2016 an annus horribilis for plantation sector



Kochi, December 30:

The commodities sector in South India, especially in Kerala, experienced a hostile environment in 2016 — be it on climate, land and labour issues, prices, productivity. The sector also witnessed one of its worst water crises and drought situations in 117 years, resulting in low productivity.

Tea production during the year under review was at 49.37 million kg — 3 per cent lower than in the same period last year.

Due to the failure of the North-East monsoon, the Association of Planters of Kerala (APK) expects a subdued crop in the remainder of the current calendar year as well as financial year 2016 -17.

The production cost in Kerala remains the highest among tea producing States due to high taxation, labour wages and low productivity, while prices remain stagnant, said Thomas Jacob, Chairman, APK.

South India also saw the worst weather conditions this year. In the major tea growing districts of the Nilgris, the rainfall deficit was in the range of 70 per cent, while in Kerala's Vandiperiyar, it was around 50 per cent. A similar situation was experienced in other tea growing regions leading to a drop in output.

Planters' body Upasi estimates that the tea crop in South India will be in the range of 205-210 million kg — down nearly 17.5 million kg, said N Dharmaraj, past president, Upasi.

Tea prices, he said, are ruling around 23 higher though the bottom line remains unchanged due to a sharp decline in production. Given the low production from many major producing origins and relatively buoyant world consumption growth, the first half of 2017 appear to be positive for the tea sector.

The climatic conditions in South India in the next four months will be a deciding factor as far as commodity prices are concerned, Jacob said. “How long are we going to survive with the failure of two consecutive monsoons,” he said.

### **Rubber stretches losses**

Natural rubber (NR) production was up 8 per cent compared to the same period last year. Consumption was showing a downward trend in September and October. However, on a year-on-year basis, there is an increase of 5 per cent. During the first half of 2016, approximately 2.6 lakh tonnes of NR was imported against 2.3 lakh tonnes in the corresponding period last year.

However, C Vinayaraghavan, former APK President, said rubber prices would remain more or less the same in the New Year due to excess production and sufficient availability.

### **Spices: Mixed bag**

Prakash Namboodiri, Chairman, All India Spices Exporters Forum, said that spices exports have seen an 8 per cent rise in value terms and 9 per cent in volumes. Chilli, with almost 24 per cent share, is the major commodity in the export basket, followed by mint, spice oils, cumin, pepper, turmeric and nutmeg.

However, pepper saw a substantial decline in exports — by more than 50 per cent — following lower production. There was an increase in cumin, nutmeg, cardamom, ginger and garlic output. Cardamom production was 30 per cent lower than last year even through there has been a price increase of almost 15 per cent.

## **CMFRI lists climate change impact on fisheries to SAARC body**

Kochi, December 30:

The Central Marine Fisheries Research Institute (CMFRI) has submitted the Country Status Report (CSR) on the impact of climate change on the coastal fisheries and aquaculture sectors in India.

The report was presented during a video conference convened by the SAARC Agriculture Centre (SAC) with representatives from SAARC nations.

The video conference was part of the Dhaka headquartered SAC's initiative to assess the impact of climate change on the agriculture sectors of the SAARC member countries and come up with resilient strategies.

A three-member team headed by CMFRI Director A Gopalakrishnan represented India in the conference.

The team presented the report, which included details of issues and challenges developing owing to climate change in the coastal fisheries and aquaculture sectors in India.

PU Zacharia, Project Coordinator of National Innovations on Climate Resilient Aquaculture (NICRA), and Grinson George, Senior Scientist, CMFRI, were the other members of the CMFRI team who prepared the CSR which exposed disruptions occurring due to climate change in areas such as marine ecosystem, fish stock, harvesting sector, aquaculture, market and trade. The present condition of fishing communities was also included in the report.

### **Remedial steps**

During the conference, the SAARC representatives reviewed the remedial steps to be taken to mitigate the impact of climate change on fisheries and aquaculture, and finalised a set of recommendations to be followed by the member countries in future.

The meeting prioritised, in the recommendations, developing collaborative and comprehensive efforts to address climate vulnerabilities and commissioning of a SAARC-level task force to formulate strategies to mitigate climate change impact.

Conduct of awareness programmes on reducing greenhouse gas emissions and expansion of open-sea cage farming and pen culture in coastal water bodies were also listed among the major recommendations.

Representatives of the fisheries sectors of all SAARC nations, except Sri Lanka, attended the meeting.

### **Is India consuming bulk of the cashew it produces?**



Exports fall steeply

Kochi, December 30:

India's cashew exports continue to plummet at a time when the global cashew nut consumption is on a steady growth, with the country taking the lead in production and consumption.

India is the top consumer of cashew kernels in the world by absorbing over 25 per cent of the supply, industry sources told *BusinessLine*.

“Cashew nut demand has shot up 53 per cent since 2010, and almost half of the supply is eaten in India and the US,” they said.

India's share in the world cashew nut market is at 23 per cent, while 58 per cent is now controlled by Vietnam.

“India led the production of cashews in 2015/16 with a crop of 1,72,719 tonnes (kernel basis), which represented 23 per cent of global production, followed by Ivory Coast (1,71,111 MT, 23 per cent) and Vietnam (1,13,095 MT, 15 per cent). Global production of cashews in 2015/16 reached 7,38,861 tonnes, an

increase of 3 per cent from the previous season,” said a latest INC (International Nut and Dried Fruit Council) report.

### **Market leader**

In a steadily growing \$30-billion global tree nut market, the cashew nut segment will continue to lead, and it is expected to account for 28.91 per cent of the market by 2021, said the report.

The walnut segment is anticipated to trail next.

Asia-Pacific is the clear leader in terms of geography, accounting for 92.62 per cent of the nuts market by 2021.

However, North America is expected to lead in the seeds market, accounting for 35.15 per cent by 2021.

World consumption of cashew, according to available data from the INC, was at 7,16,682 tonnes in 2014 as against 4,69,241 tonnes in 2010.

Of this, Indian consumption was at around 2.4 lakh tonnes, while the US absorbed around 1,50,000 tonnes.

Meanwhile, the declining trend continues in Indian cashew exports with April-November 2016 shipments dropping 28.04 per cent to 50,267 tonnes valued at 2,982.72 crore, from 69,856 tonnes valued at 3,364.31 crore in the corresponding period last year.

Exports in November 2016 fell 38.89 per cent to 6,500 tonnes from 10,637 tonnes in the same month last year.

There has been a substantial increase of 49.36 per cent in the unit value, which shot up to 632.31/kg last month from 423.36/kg in November last year, according to S Kannan, Executive Director and Secretary, Cashew Export Promotion Council of India (CEPCI).

Attributing the consistent fall in exports mainly to non-receipt of parity price for the kernel, Sundaran P, Chairman, CEPCI, told *BusinessLine*: “The processors do not enjoy a level playing ground due to (i) high cost of production, (ii) inadequate support/incentives from the State/Central governments, (iii) high

cost of funds, (iv) stagnant overseas markets due to recession and (v) competition from Vietnam and other processing countries which were traditionally suppliers of RCN (Raw Cashew Nuts) to India.”

All these factors, coupled with high RCN prices and the unattainable Standard Input Output Norms (SION) fixed by the Directorate General of Foreign Trade for the cashew sector, have resulted in the continuous decline in exports and a corresponding fall in raw material imports.

Imports of RCN have shown a sharp fall during the first eight months of 2016-17.

Total imports dropped during the period by 30 per cent to 5,69,304 tonnes valued at 6,109.19 crore, from 8,11,007 tonnes valued at 6,954.02 crore.

The average unit value has increased 25.61 per cent to 107.31 a kg from 85.75 a kg in April-November 2015.

**Sowing of rabi crops up 7% on year; continues to be higher than 5-yr average**

<b>Gaining momentum</b>		
<b>Crop</b>	<b>Area sown in</b>	
	<b>2016-17</b>	<b>2015-16</b>
Wheat	292.39	271.46
Rice	10.68	14.77
Pulses	148.11	131.12
Coarse Cereals	52.21	56.29
Oilseeds	79.48	71.83
<b>Total</b>	<b>582.87</b>	<b>545.46</b>

As on December 30 Source: Ministry of Agriculture

Wheat acreage up 8%, while that of pulses increased by 13%

Sowing of crops till date in the ongoing rabi season increased by 7 per cent to 582.9 lakh hectares from 545.5 lakh hectares a year ago, data released by the Agriculture Ministry showed.

The acreage was also higher than the normal of 567.1 lakh hectares (lh) for the period. The normal area for the entire season, based on five years average, is 638.4 lh.

Rabi sowing so far was higher this year due to good moisture content in the soil following near-normal rains in the monsoon season.

While sowing of wheat, pulses and oilseeds till December 30 continued to rise, the acreage under rice and coarse cereals fell, according to the data compiled by the Agriculture Ministry on Friday.

### **Wheat coverage**

Acreage under wheat in the on-going season increased by eight per cent to 292.39 lh compared to the 286.32 lh registered during the corresponding week last year.

Higher area coverage was reported from MP, Rajasthan, Maharashtra, Jharkhand and Uttarakhand, while there was lower coverage in Gujarat, J&K, HP, Karnataka, Bihar and Uttar Pradesh. Paddy sowing was much lower at 10.68 lh (14.71 lh). Higher area coverage was reported only from Telangana.

Pulses sowing in the on-going rabi season till December 30 registered a 13 per cent rise at 148.11 lh (133.17 lh).

Acreage was higher in Maharashtra, Rajasthan, MP, Jharkhand and Odisha, while it was lower in Karnataka, Haryana, J&K and Tamil Nadu.

### **Coarse cereals hit**

Coarse cereals sowing was lower this rabi season at 52.21 lakh hectares compared to the corresponding week's 54.79 lakh hectares last year.

Acreage was higher in Bihar, MP, Gujarat and Tamil Nadu and lower in Karnataka, Maharashtra, AP and Telangana.

Oilseeds sowing was slightly higher at 79.48 lh (78.14 lh).

Sowing was higher in Rajasthan, Jharkhand, MP and UP and lower in Andhra Pradesh, Karnataka, Maharashtra and Tamil Nadu.



## **Sugar millers seek debt restructuring, price stabilisation fund**



Industry says high cane prices had rendered it uncompetitive in global market thus resulting in financial losses for mills

New Delhi, December 30:

Sugar millers have sought the Centre's assistance to help deal with increased financial stress due to "high sugarcane prices."

In a meeting with Finance Minister Arun Jaitley earlier this week, representatives of the Indian Sugar Mills Association (ISMA) called for restructuring of the industry's debts, creation of a price stabilisation fund, extension of interest subvention on loans and increase in price of molasses.

Seeking assistance from Jaitley, the industry argued that the high prices of sugarcane had rendered it uncompetitive in the global market and had resulted in huge financial losses for several sugar mills.

To help sugar mills out of their financial distress, the government extended subvention loans (credit at lower interest rates subsidised by the government) in 2014 to the extent of 6,000 crore (under SEFASU scheme) and disbursed soft loans of 4,600 crore the following year.

Sugar millers, however, now want assistance to deal with their growing indebtedness.

ISMA proposed that the sugar industry's debt should be restructured as per the recent Reserve Bank of India's 'S4A' scheme for sustainable structuring of stressed assets.

To enable the sugar industry to be included in the scheme, the industry representatives suggested that the eligibility condition of exposure of 500 crore should be brought down to 100 crore.

The industry further suggested that the excess cess being collected at the rate of 100 per quintal of sugar from February 2016, should be made into a price stabilisation fund and utilised to pay the difference between FRP (Fair and Remunerative Price) for sugarcane and sugar realisation price.

This can go directly as direct benefit transfer to the sugarcane farmers into their accounts, as suggested by the CACP.

The industry also asked the government to raise the price of ethanol fixed at 39 per litre of ethanol as it was unviable.

### **Govt pegs sugar output at 22.5 million tonnes**

New Delhi, December 30:

Sugar production in the country is expected to be about 22.5 million tonnes (mt) by the end of the season, as per estimates of the Food Ministry, which ruled out any shortage of domestically produced sugar.

"During the current sugar season 2016-17, the sugar mills of the country have commenced the crushing operation smoothly and have produced about 66 lakh tonnes of sugar so far," the Ministry said in a statement, adding that sugar production is expected to be about 22.5 million tonnes by the end of the season.

It said with a carryover stock of 7.71 mt, the total availability of sugar is sufficient to meet the estimated domestic requirement of about 25 mt.

According to the Ministry, the stock position at the close of the current sugar season (September 2017) is likely to be 5.21 mt, which will be carried forward for season 2017-18.

Further, production in the next sugar season (2017-18) is expected to be good and is likely to start early, it said, adding that “by November 2017, another 2 million tonnes would be available from early crushing.”

### **Spot pepper steady in muted trade**

Kochi, December 30:

Pepper futures contracts on Friday moved up, while the spot prices continued to remain steady. Sluggishness is attributed to the steady market today. On the terminal market, there was neither any arrival nor any off take.

Buyers were ready to cover High Range pepper at 670 a kg but no sellers, market sources told *Business Line*. Karnataka pepper was being traded at 640-650 a kg, they said. Spot prices remained unchanged at 65,700 (ungarbled) and 68,700 (garbled) a quintal. January, February and March contracts on the IPSTA went up by 1,000 a quintal to 67,000, 65,000 and 60,000. Export prices were at \$10,650 a tonne c&f for Europe and \$10,900 for the US.

### **High cotton prices to hit yarn producers**

Mumbai, December 30:

High cotton prices on the back of low arrivals are set to hit spinners even as yarn demand falls in the export market.

Cotton yarn exports are under pressure due to lower demand from China, the largest importer of yarn from India.

Though cotton prices have fallen since the beginning of the harvest season, it is still 17 per cent higher compared to the same period last year due to the hangover of the shortage faced last year.

This apart, cotton arrivals have slowed after demonetisation of high-value currency last month and uncertainty related to the extent of improvement in the domestic crop-size estimate.

Jayanta Roy, Senior Vice-President, and Group Head, ICRA, said the fall in export demand for cotton yarn is a major challenge for spinners here as the industry has been exporting a third of yarn produced for the last four years.

## Exports down

In the last seven months of this fiscal year, cotton yarn exports have fallen 23 per cent as China has been pushing its mills to consume cotton produced domestically to reduce dependence on imports.

China's overall yarn import declined 20 per cent in seven months of this fiscal year, with a 54 per cent fall in purchases from India.

“While the impact of the sharp fall in exports has been cushioned by an estimated recovery in domestic consumption, a sustained revival will be challenging due to the adverse impact of demonetisation on disposable income and consumer spending.” said Roy.

At 1.1 per cent, Yarn production registered the lowest growth in four years in the first half of this fiscal year while cotton yarn production fell 1.8 per cent during the same period last year.

With the fall in demand, spinners have to cut down on capacity utilisation, which is likely to put pressure on their profitability.

Apart from lower profits, the high cotton prices will translate into higher working capital requirements, leading to higher borrowings and weaker credit metrics of players, said ICRA.

## Sluggish buying pounds pulses



Barring urad, downtrend in pulses and pulse seeds continued on sluggish demand and rise in arrival of new crop with masur (bold) being quoted at 4,650 a quintal, while Masur (Madhya Pradesh) ruled at 4,200.

Slack demand dragged its dal with masur dal (medium) being quoted at 5,300-5,400, while masur dal (bold) ruled at 5,500-5,600. Given robust crop report and rise in sowing area, future of masur appears bearish.

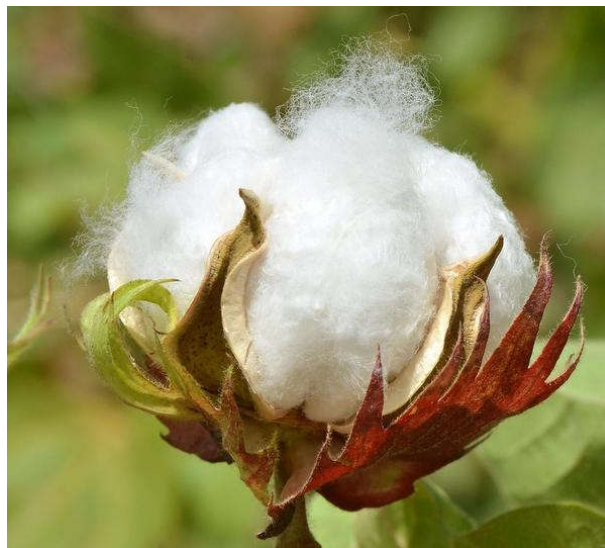
Downtrend also continued in chana on rise in arrival of new domestic crop and imports from Australia with chana (kanta) declining to 8,500-6,600 a quintal, while chana (desi) declined to 8,000.

Moong and urad on the other hand ruled flat with moong (bold) being quoted at 4,700-4,800, while moong (medium) ruled at 4,500. Moong dal (medium) traded at 5,300-5,400, moong dal (bold) at 5,500-5,700, while moong mongar quoted at 5,300-5,400.

Urad gained 300 on weak arrival with urad (bold) being quoted at 6,300-6,500, while urad (medium) ruled at 5,500-5,600.

Urad dal ruled stable on sluggish with urad dal (medium) being quoted at 7,400-7,500, urad dal (bold) at 7,800-7,900, while urad mongar ruled at 6,900-7,300 a quintal respectively.

### **Cotton blooms on supply crunch**



Cotton prices traded up on the back of tight supplies and strong demand from domestic mills. Cotton arrivals were about 33,000 bales at Gujarat and 1.44 lakh bales in India.

Gujarat Sankar-6 cotton traded up by 200 to 39,500-39,700 per candy of 356 kg. Kapas increased by 10 to 1,020-1,060 per 20 kg and gin delivery kapas was at 1,060-1,085 per 20 kg. Cottonseed gained 5 to 485-505.

### **Spot rubber skids; futures gain**



Spot rubber showed a mixed trend on Friday. RSS 4 improved to 137 ( 136) a kg, according to traders. The grade finished unchanged at 136 and 133 respectively, according to the Rubber Board and dealers.

January futures firmed up to 139.50 ( 138.55), February to 142.44 ( 141.50), March to 145.61 ( 145.13) on the National Multi Commodity Exchange. RSS 3 (spot) slid to 152.33 ( 153) at Bangkok. The January futures weakened to ¥262 ( 152.21) on the Tokyo Commodity Exchange. Spot rubber rates ( /kg): RSS-4: 137 (136); RSS-5: 128 (128); Ungraded: 116 (116); ISNR 20: 123 (123) and Latex (60% drc): 83 (83).

## Cash crunch: Cotton arrivals dry as farmers start hoarding



Ahmedabad, December 30:

Lower than estimated production combined with the cash crunch and hoarding by farmers has pulled down cotton arrivals at market yards by close to 40 per cent resulting in a short-term rally in prices.

Cotton prices surged in the range of 1,011-1,101 per 20 kg ( 5,055-5,505 a quintal) at Kadi market yard in North Gujarat with arrivals of barely 600 bags (of 20 kg each) on Friday, last year around same time, the cotton was quoted at 950/20 kg ( 4,755/ quintal).

The note-ban announcement hampered arrivals due to the cash crunch. After about 50 days of the announcement, cotton arrivals on December 28 were recorded at 1,30,538 bags (of 20 kg each), which is about 40 per cent lower than the 2,27,810 bags last year during the same period.

Before the announcement, cotton prices were at 900/20 kg ( 4,500/ quintal) as on October 26, and surged to 1,000-1,084 ( 5,000-5,420).

“The cash shortage is still hurting the farmers. Some farmers had started accepting cheques, but later they found that banks did not have enough cash to pay against the cheques. So, ultimately even after selling their cotton, the farmers were left without required cash,” said Vitthal Dudhatra, representative of Bhartiya Kisan Sangh (BKS).

India's cotton crop was estimated at 346 lakh bales (of 170 kg each), with Gujarat's output at 93 lakh bales. However, due to a pink bollworm attack in the initial sowing period and falling yields from the second picking, the overall cotton crop is feared to drop more than estimated.

Traders expect arrivals to increase once the liquidity situation eases in the market.

### **Deadline for insuring rabi crops extended to Jan 10**

Farmers hit by demonetisation get more time to enrol

New Delhi, December 30:

The Centre, on Friday, extended the cut-off date for insuring 2016-17 rabi (winter) crops till January 10.

The deadline for enrolment of farmers under the Pradhan Mantri Fasal Bima Yojana (PMFBY) — the comprehensive crop insurance scheme launched early this year — was to expire on Saturday.

The extension aims at helping farmers who could not avail the scheme due to demonetisation of currency notes, take crop insurance, an official release of the Agriculture Ministry said.

“It has been brought to the notice of this department that stakeholders, including farmers and banks/financial institutions, are facing difficulty under the PMFBY during 2016-17 rabi season due to demonetisation. It has been decided to extend it up to January 10, 2017,” the Agriculture Ministry said in a directive issued to banks, insurers and State governments.

A 10-day extension was given even during the kharif season when the cut-off date for enrolment was extended to August 10 from July 31 as States had delayed notifying the new scheme.

“The extension of the last date for enrolment during the kharif season and the current rabi season are for reasons that are exceptional. It should not be taken as the rule. During the next crop season, we will stick to the given timeline unless there is some contingency,” a government official told *BusinessLine*.



The PMFBY, which replaced the older National Agricultural Insurance Scheme and the modified NAIS, seeks to provide farmers with comprehensive insurance against vagaries of nature at very low premia of 2 per cent of the insured value for the kharif crop and 1.5 per cent for the rabi crop.

Insurance coverage climbed substantially under the PMFBY in kharif season 2016-17, with 3.74 crore farmers insuring their crops, compared to around 3.10 crore last year.

### **Jain Farm to set up Rs 150 cr orange processing plant in Maharashtra**

Mumbai, Dec 30:

Jain Farm Fresh Foods, a subsidiary of Jain Irrigation Systems, has joined hands with Hindustan Coca Cola Beverages, the bottling arm of The Coca Cola Company, to set up a ultra modern orange processing plant in Maharashtra's Amravati.

The plant with a capacity to process 500 MT of oranges per day and spread over 100 acres, will be set up with an investment of Rs. 150 crore.

Chief Minister Devendra Fadnavis today performed the ground breaking ceremony for 'Orange Unnati Project' at Thana Thuni village in Morshi taluka of Amravati district.

"The project is unique and first-of-its-kind in the country as it aims to build a complete value chain from farm to fork," a statement issued by the company here said.

The project will set up the largest nursery for orange plants in the country and introduce the processing varieties of oranges to the farmers in the region.

Hindustan Coca Cola Beverages is partnering Jain's in the project and apart from participating in the agri extension project as an equal partner, they have also assured 100 per cent buy back of the orange juice and orange juice concentrate that will be manufactured at this plant, the release said.

Fadnavis complimented Jain for realising the commitment made at the 'Make in India' conclave and said the project will bring prosperity to the stressed farmers of the region.

The partnership with Coke, the most critical component of success i.e. marketing is taken care of and in a short time the entire country will be able to enjoy the unique taste and flavour of orange juice made from ranges of Vidharba region, the release said.

“We are committed to bringing transformation of the agriculture in the stressed Vidharba region and ensure long term prosperity of farmers in a sustainable manner,” Jain Farm Fresh Foods chairman Anil Jain said.

## DECCAN Chronicle

### **Northeast monsoon likely to extend, say weather experts**

Weather experts believe it to be an extended monsoon, the phenomenon which was witnessed 21 years ago.



There is a high possibility of a repeat of 1995 and 1986 scenario, this time where the state received incessant rains during Pongal.

**Chennai:** It could just be a technical end to the northeast monsoon, which marked an immense deficiency in the annual rainfall this year. However, going by the trusted weather models, weather experts believe it to be an extended monsoon, the phenomenon which was witnessed 21 years ago.

There is a high possibility of a repeat of 1995 and 1986 scenario, this time where the state received incessant rains during Pongal. Weather models indicate, the formation of a system in the second week of January, said weather blogger Pradeep John.

“January 1986 received incessant rains during Pongal due to a tropical depression that formed off the Sri Lanka coast. That year, the month of January rains at Meenambakkam and Nungambakkam were 170.43mm and 153mm, the majority of it due to the Pongal system. Surprisingly, it also resulted in flooding in the city,” reminisced S. Shiva, weather blogger at Keaweather.

In 1995, the rainfall for January was 114.3mm in Meenambakkam, whereas the good quantum was noted during Pongal. Explaining the northeast monsoon scenario, Shiva said, “Though NEM officially concludes on December 31, the state has seen a few systems during January over the years. Pongal and January systems are a rarity, but spill over rains could be witnessed, stretching up to mid-January.”

**So, let's talk green: A good sense of closure - Happy 2016!**

The year started off with the news that India reached solar parity in many states.



The year ended with a bang when India threw open the world's biggest solar power plant. The 648-megawatt capacity Kamuthi Solar Power Project in Tamil Nadu is bigger than the Topaz Solar Farm in California which has a capacity of 550-megawatts.

Before we close 2016 and wish each other good luck for the coming year, we should first celebrate the great year that went past. Human beings need closures

to move on. While closures can sometimes be tough and unpleasant, for me closures are pleasant. For me 2016 was a good year. Welcome episodes of amnesia ensure that all bad events in the year are wiped out of my consciousness. Being an eternal optimist, I tend to look at the past with a smile of gratitude. I want to do that now, and recall all the good events that I wrote in this column through the year.

The year started off with the news that India reached solar parity in many states, and net metering systems have been set up and running well. We celebrated the emergence of the 'prosumer', where the consumer of electricity is also the producer of electricity. This was followed by the birth of the 3rd age of electric mobility. We recounted the golden words of William McDonough, when he said 'The Stone Age did not end because humans ran out of stones. It ended because it was time for a re-think about how we live'. We are not running out of oil, but we saw the surge of non-polluting electric transportation from Tesla, Mahindra, Ashok Leyland and many others. India's Minister Power, Coal, New and Renewable Energy, Piyush Goyal, told a youth conference of the goal of having 100 percent of the vehicles in India powered completely by electricity by the year 2030.

On the back of all the noise of the silent electric cars, an electric helicopter developed by Martine Rothblatt, flew at 400 feet for five minutes at speeds of 80 knots quietly.

Gibraltar made history with the connection of its new wave power project, an array of ocean energy converters. Though small in size, it was the first clean power plant of its kind in the EU, and the first grid-connected, multi-unit wave power plant in Europe to operate under the terms of a commercial power purchase agreement. Following this, the world's first large-scale tidal stream energy farm went live in the north coast of Scotland, with the project aiming to install 269 turbines in hopes of having a capacity of 398 MW, enough to power 175,000 homes.

In the middle of the year, on 30th June, the journal Science reported that the ozone layer has healed! 1985 was the year when the ozone hole was seen as a symbol of the harm that we human beings can cause to the environment. So the news of its healing, came as a big relief. Like the super-efficient ants in an ant colony, for the first time we human beings displayed eusociality, with Kofi

Annan saying "perhaps the single most successful international agreement to date has been the Montreal Protocol".

November 4th was a date that got etched in history, when containing climate change and implementing low-carbon energy became international law, with 98 countries representing 70% of global emissions, ratifying the Paris agreement domestically. General Ban Ki-moon, United Nations Secretary, summed up the event in very poignant terms: "We are the first generation to really feel the effects of climate change-and the last that can prevent its worst consequences. Today shows us what is possible when we join forces for our common future."

The year ended with a bang when India threw open the world's biggest solar power plant. The 648-megawatt capacity Kamuthi Solar Power Project in Tamil Nadu is bigger than the Topaz Solar Farm in California which has a capacity of 550-megawatts. With 2.5 million solar panels, cleaned daily by solar-powered robots, the Kamuthi Solar Power Project was built in 8 months at a cost of \$679, and will power 150,000 homes.

Wow...! What a year 2016 has been, packed with great events that have changed the course of mankind for ever. Now I am ready to welcome 2017, with all the goodness it has in store for us! Happy New year!



### **Cold wave continues in Kashmir**

The night temperature in the city was about two degrees below normal for this time of the season and Srinagar was the coldest place in the Valley



Cold wave continued in Kashmir as the night temperature remained below freezing point, even as the mercury went up at most places in the Valley where the Meteorological department has forecast an end to the prevailing dry spell next week. Night temperatures across Kashmir Valley, except the famous ski-resort of Gulmarg, increased last night, providing slight relief to the residents from the cold wave conditions, an official of the MET department here said. He said Srinagar, the summer capital of Jammu and Kashmir, recorded a low of minus 3.8 degrees Celsius — up from the previous night's minus 4.3 degrees Celsius.

The night temperature in the city was about two degrees below normal for this time of the season and Srinagar was the coldest place in the Valley, the official said.

Pahalgam hill resort, in south Kashmir, witnessed a low of minus 3.3 degrees Celsius, compared to minus 3.4 degrees Celsius the previous night, he said.

The night temperature at the famous ski-resort of Gulmarg in north Kashmir, settled at a low of minus 1.6 degrees Celsius — down nearly two degrees from zero degrees Celsius yesterday.

The north Kashmir town of Kupwara recorded at low of minus 3.3 degrees Celsius, he said.

The official said the minimum temperature in Qazigund – the gateway town to Kashmir Valley – was minus 3.2 degrees Celsius, while Kokernag, also in south Kashmir, recorded a low of minus 0.3 degree Celsius, which is an increase of over a degree from the previous night's minus 1.5 degrees Celsius.

He said the mercury went down by nearly a degree in Leh, in Ladakh region of the state, from the previous night's minus 10.7 degrees Celsius to settle at minus 11.5 degrees Celsius. The town was the coldest recorded place in the state, he said.

The nearby Kargil town registered a low of minus 10.2 degrees Celsius – nearly two degrees down from 8.4 degrees Celsius yesterday, the official said.

Kashmir is currently under the grip of 'Chillai-Kalan' considered the harshest period of winter, when the chances of snowfall are most frequent and maximum and the temperature drops considerably.

However, so far, the weather has remained dry, resulting in increase in ailments like cough and common cold.

'Chillai-Kalan', which, began on December 21, ends on January 31 next year, but the cold wave continues even after that. The 40-day period is followed by a 20-day long 'Chillai-Khurd' (small cold) and a 10-day long 'Chillai-Bachha' (baby cold).

The region is witnessing the longest dry spell since almost the last four decades as there has been negligible amount of rainfall during the past five months.

However, the Meteorological Department has said the prevalent dry spell is expected to end next week as there is possibility of rainfall or snow from January 4 to 6.

There are chances of fairly widespread spells of rain or snow from January 4 to 6, the official said, adding that the higher reaches may receive moderate rains and snow, while there is possibility of light rainfall or snow in the plains as well.

## Temperature above normal across Punjab, Haryana

Ludhiana recorded a minimum temperature of 7 degrees Celsius, up two notches against normal.



Ludhiana recorded a minimum temperature of 7 degrees Celsius, up two notches against normal. PTI Photo

Minimum temperatures across Punjab and Haryana hovered a few notches above normal today, even as fog reduced visibility at a few places in the two states. Chandigarh, the common capital of the two states, recorded a low of 8.7 degrees Celsius, three notches above normal, the Met department weather report said.

Amritsar in Punjab recorded a minimum temperature of 8.2 degrees Celsius, which was five notches above normal while Patiala too recorded a similar low of 8.4 degrees Celsius, which was two notches more than normal. Ludhiana recorded a minimum temperature of 7 degrees Celsius, up two notches against normal.

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In Haryana, Ambala recorded a low of 9.9 degrees Celsius, up four degrees while Hisar's low settled at 10.6 degrees Celsius, also four notches more than normal limits. Karnal recorded a minimum of 8.8 degrees Celsius, up two degrees while Narnaul's low settled at 8.4 degrees Celsius, three notches more than normal level.

The maximum temperature at many places in the two states have been hovering a few notches above normal during the past few days, a Met department official said. According to the Met department here, fog reduced visibility early this morning at some places including Hisar, Karnal and Narnaul in Haryana and Ludhiana and Bathinda in Punjab.

### **Sikkim became India's first fully organic state in 2016**

It took the state 13 years to fully implement organic farming since the idea was mooted way back in 2003.

2016 turned out to be a great year for Sikkim as it became India's first fully organic state besides being adjudged the cleanest state, overall best in education and tourist destination while the famed Kanchenjunga National Park was inscribed in the UNESCO World Heritage List. Around 75,000 hectares of agricultural land were gradually converted to certified organic land by implementing practices and principles as per guidelines laid down in National Programme for Organic Production.

It took the state 13 years to fully implement organic farming since the idea was mooted way back in 2003. 2016 also saw the Pawan Chamling government amending the state gambling and casino rules banning all locals from entering casinos in the state starting July.



Kanchenjunga National Park in West Sikkim was declared a UNESCO World Heritage site by the world heritage site committee at its 40th session held on July 17 at Istanbul. August was a dampener after a freak landslide blocked a portion of Kanka river, a tributary of river Teesta in North Sikkim's Dzongu which created an artificial lake submerging five houses and affecting hundreds of families in the area.

The threat of the lake bursting and causing a flash flood down river triggered panic along the Teesta river belt towards West Bengal. Achievers from the state who made news were Meriya Subba who bagged the Mega Miss North East title in June along with kickboxer Sushmita Rai who made the country proud by winning a bronze at the World Martial Arts Masters Championship held in South Korea in September.

Sikkim also had its share of lows in 2016. The rape of a student from Kolkata who was on a vacation here in May shocked the state. Sikkim was awarded the cleanest state in India by the National Sample Survey Office (NSSO) in September. The result was announced by Union Rural Development Minister Narendra Singh Tomar based on a survey for the year 2015.

All four districts of the state figured among top 10 ranked districts of hill states of the country. Simultaneously, in October, Sikkim was also adjudged the cleanest tourist destination in the country by the Ministry of Tourism. The award was handed over by the Prime Minister. On June 7, maintenance of

Sevoke-Gangtok highway, the “life-line of Sikkim” was handed over to PWD, West Bengal by BRO which had been in-charge of maintenance of the highway since the devastating landslides of 1968.

The highway now rechristened NH-10 is significant since it also leads up to Nathula along Indo-China border. In June, Chamling submitted to Prime Minister [Narendra Modi](#) four separate memorandums including demands of a special financial package of Rs 43,589 crore for development. In the same month, Bermiok-Tokal Senior Secondary School in a remote village in south Sikkim became the first school in the northeast to have smart classes and smart TVs. Sikkim was once again conferred with the overall best state in education.

**31-12-2016**

# THE HINDU

**Rs. 29.3 cr. to develop fisheries**



**Rs. 101.23 crore earmarked for the sector in 2016-17 fiscal compared to Rs. 75 lakh in 2013-14**

Both houses of the Telangana Legislature on Friday saw discussions on development of the fisheries sector and the Government’s initiatives to give it a boost.

While Agriculture Minister Pocharam Srinivas Reddy read out a note in the Council, his colleague T. Srinivas Yadav (Animal Husbandry, Fisheries and Dairy Development) showcased sectoral development programmes in the Assembly.

### **Blue revolution**

Mr. Reddy pointed out that the Government was focussed on improving the lot of the estimated 3.26 lakh families, mostly belonging to the Mudiraj and Gangaputra communities, whose livelihood depended on fishing and sale of fish. Apart from substantial increase in budgetary allocation, the Government accessed funds under the Central Government's 'Blue Revolution'.

He said that Government of India had allocated Rs. 14.65 crore, with the State share of Rs. 8.72 crore and beneficiary contribution to the tune of Rs. 5.92 crore, taking the total project cost to Rs. 29.3 crore.

These funds would be used to set up fish seed farms, ponds, hatcheries, feed mills, landing centres for reservoirs, fresh water fish brood bank and cage culture, with the ultimate objective of enhancing fish production and achieve self-sufficiency in fish seed production. From a meagre allocation of Rs. 75 lakh in the financial year 2013-14, the volume of funds now earmarked for the sector was a whopping Rs. 101.23 crore for the year 2016-17, he said.

### **Purchase of seed**

The funds would be used for purchase of seed, to set up more retail fish markets, mobile vending units to fishermen, building community halls and funding group insurance schemes, he said. In the current fiscal, Mr. Reddy said that 27.22 crores fish seed was supplied free to fishermen covering 3,901 reservoirs and tanks at a cost of Rs. 25 crore, a move that will yield 81.650 tons of fish, valued in the wholesale market at Rs. 408.25 crore. For the fiscal 2017-18, an action plan was being chalked out to raise 40.39 crores of fish seed, costing Rs. 36.35 crore, he said.

### **Lighter moments**

After Mr. Srinivas Reddy read out Government's statement on the sector, Congress Member P. Sudhakar Reddy had the House in splits when he said if

the department had a way to count the exact number of fishlings raised. “You talk in lakhs and crores of seedlings, but you need to tell us how the department keeps count of them. What is the mechanism?,” he asked, as members erupted in good-natured laughter.

### **NABARD releases credit plan**

The National Bank for Agriculture and Rural Development (NABARD) has projected Rs 2,237.50 crore for priority sector lending in Karimnagar district for 2017-18.

Collector Sarfaraz Ahmed formally released the Potential linked credit plan (PLP) prepared by the NABARD here on Friday along with NABARD AGM R Ravi Babu. He said that the PLP was aimed to double the farmers income in the next five years.

The potential assessed for crop loans is Rs. 1,076.93 cr., the dairy, sheep rearing, farm mechanisation, horticulture pegged at Rs. 417.28 crore, the micro, small and medium enterprises Rs 506.32 crore and Rs 236.97 crore for other priority sector.

### **Credit plan for Krishnagiri released**



The NABARD has envisaged credit potential of Rs. 5,195 crore under priority sector lending for Krishnagiri district during the year 2017-18, as against Rs.

4,480 crore envisaged for the year 2016-17. The Potential Linked Credit Plan (PLP) for the next year registers an increase of 16 per cent fund flow.

The estimates include crop loan Rs. 2,231 crore (43 per cent), term investment for agriculture and allied activities Rs. 817 crore (16 per cent), agriculture infrastructure Rs. 124 crore (2.4 per cent) and ancillary activities (including food and agro processing) Rs. 191 crore (3.6 per cent) forming farm sector total of Rs. 3,363 crore (65 per cent).

The potential for MSME sector has been estimated at Rs. 775 crore and other priority sectors such as education, housing, renewable energy, SHG / JLG lending, export and; social Infrastructure has been estimated at Rs. 1,057 crore.

The PLP was released by C. Kathiravan, District Collector, at the district level review committee meeting held on Friday.

The first copy was received by S. Ravindran, AGM, Reserve Bank of India. Narasimhan, project director, DRDA, Nasreen Salim, AGM, NABARD, Swaminathan, AGM, Indian Bank, Zonal office, were present.

The Collector advised bankers to increase lending for infrastructure in agriculture sector. Bankers were advised to support beneficiaries to get the benefits of various credit linked and other subsidy schemes available from Centre and State Government under Dairy Entrepreneurship Development, National Livestock Mission, solar pumpsets, farm mechanisation, water saving devices, poly house cultivation and infrastructure development.

The PLP also proposed Area Development Scheme for cultivation of vegetables under *pandal* system in Kelamangalam and Thally blocks. Micro credit is predominant in Krishnagiri district. Of a total target of Rs. 6,000 crore for the State, the district has a target of Rs. 575 crore which is being achieved fully during the last few years.

The activities in individual or group mode like Joint Liability groups (JLGs) may be financed liberally. The district has been allotted a target for formation of 500 JLGs during the current year.

**Requirement of mechanised implements to be discussed in January**

District Collector S.Prabakar said on Friday that a meeting would be convened on January 5 to discuss requirement of mechanised agricultural equipment in the district.

During the grievances redress meeting, the farmers said that the old practice of determining need of agricultural implements with respect to various crops must be revived.

The discussion must factor in the scope for reduction in man days through use of crop-specific mechanised equipment alongside specifying the extent of subsidies, said Mohan, a farmer from Ammapet. The Collector replied that the discussion would be conducted regularly and invited farmers for the first meeting on the issue at the office of Agricultural Engineering wing at 3 p.m. on January 5.

Responding to outbursts by Senniappan and other representatives of farmers' associations over the purported delay by Sakthi Sugar Mill to settle pending dues for the last three months, the Collector instructed the mill management to make it clear to farmers before the cultivation cycle whether it would be in a position to make prompt settlements for the procured sugarcane. If not, the cane farmers could look at alternatives.

The district administration would do its part to secure the pending dues by issuing notice to the mill under Revenue Recovery Act, the Collector said when many farmers expressed displeasure over what they termed the "unwillingness" of the Sakthi and Bannari Amman sugar mills to pay the State Advisory Price over the last three years. Mr. Prabakar also promised to look into complaints by farmers that the Bannari Mill had "unilaterally" fixed Rs. 2,425 as the procurement price instead of the mandatory Rs. 2,850 per tonne encompassing the Central Government's Fair and Remunerative Price of Rs. 2,300 per tonne and Rs. 540 as SAP.

The Collector reprimanded PWD officials for not doing enough to remove encroachments on water bodies and catchment areas in and around Sathyamangalam town.

## **Nelliampathy oranges back after 36 years**



### **Agriculture dept. is cultivating oranges on 25 acres of its vegetable farm**

Thirty-six years after plantations in Nelliampathy stopped cultivation of the area's unique oranges known for their sweetness and small size, efforts are now on to reintroduce orange farming in the hill station. As a first step, the Agriculture Department has begun cultivating oranges on a 25-acre plot on its vegetable farm located close to the Parambikulam Tiger Reserve.

During the British rule, Nelliampathy oranges had many takers worldwide, including the British royal family. Fresh oranges plucked from Nelliampathy were shipped to England via Kochi harbour.

During the Second World War, the vegetable farm controlled by then princely State of Kochi had supplied oranges and other fruits to fighters positioned elsewhere. By 1980, the plantations in Nelliampathy had stopped cultivating oranges largely because of poor patronisation, decrease in demand, and lack of modern cultivation methods.



“We started orange cultivation last year on a small portion of the farm on an experimental basis. When the result was positive, we suggested the possibility of reintroducing orange cultivation in Nelliampathy to Agriculture Minister V.S. Sunil Kumar. It was his eagerness that prompted us to begin cultivation this year on a large scale,” said farm superintendent E.K. Yusuf.

### **4,000 saplings**

Last week, 4,000 orange saplings were planted on the 25-acre plot. There was a budgetary allocation of Rs.50 lakh for the purpose. Some good varieties have been planted and they should start giving yield from next year.

Mr. Yusuf said cultivation would be extended to more areas in the coming years depending on the yield next year. “Soil moisture and climate are still conducive for orange cultivation. What they require is proper care using modern technology,” said Mr. Yusuf.

### **Passion fruit now**

Though orange cultivation was stopped years ago, the vegetable farm still attracts tourists. Now passion fruit is grown here.

The fruit and its value-added products are a major hit among tourists.

Spread over 339.12 hectares of land, the farm is a major tourist attraction. It also operates a retail outlet where 91 varieties of fruit-based products, including jams and jellies, are available.

Nearly 100 tourists visit the farm daily which is at an altitude of 1,050 m above sea level and receives an average annual rainfall of 3,500 mm. The temperature ranges from 12 to 31 degree Celsius.

### **Kisan Meet to promote farming models**

**The three-day meet, beginning on Jan. 2, will have sessions on modern agriculture ventures**

With the objective of showcasing successful farming models and agriculture ventures, the Agriculture Department will host a three-day 'Kisan Meet' at Koottalida in Kottur grama panchayat from January 2. Exhibitions, technical sessions on modern farming ventures, and farm-oriented contests will add colour to the meet, which will be opened by Agriculture Minister V.S. Sunil Kumar.

Purushan Kadalundi, MLA, the chief patron of the organising committee, said on Friday that the fair would be part of the Prime Minister's Krishi Sanjayee Yojana (PMKSY), and that it would help in disseminating the latest agri-related information to the public. Balussery constituency was selected to host the meet taking into account its popularisation of small-scale agriculture farms, he said.

M. Nandini, Principal Agriculture Officer and Director of Agriculture Technology Management Agency (ATMA), said the Kisan Meet was aimed at celebrating the district's notable achievements in agriculture and efforts by farmers to implement innovative programmes of the Agriculture Department. "In 2016, we managed to expand farming to around 800 hectares of fallow land," she explained.

V. Prathibha, president of Balussery block panchayat and one of the chief coordinators of the programme, said the meet would offer farmers an opportunity to attend technical sessions on major areas of farming.

Cost-effective farming ventures, seasonal cultivation, and organic farming will be among the topics that will be discussed during the sessions, she said.

As many as 18 stalls, all highlighting successful farming ventures and efforts of successful entrepreneurs, will be set up at the venue. District Kudumbasree Mission and Krishi Vigyan Kendra too will be part of the three-day event.

**More time to insure rabi crops**

The Union government has extended till January 10 the deadline to pay the premium amount for rabi crop insurance under the Pradhan Mantri Fasal Bima Yojana, Lok Sabha member Pralhad Joshi said in a release on Friday.

Mr. Joshi said he had requested the Union Minister for Agriculture, Radhamohan Singh, to extend the date as a large number of eligible farmers would be unable to pay by December 31, the earlier deadline, given the cash crunch caused by demonetisation.

The release said that nearly 30,000 farmers in Dharwad district would have been deprived of the benefit of the scheme. Farmers from Dharwad and other districts had made submissions requesting the Minister to approach the Centre in this regard, the release added, urging the farmers to make use of the extension and sign up for the scheme.

### **M.P. plans to develop 1,100 ‘climate-smart’ villages**

Madhya Pradesh has embarked on an ambitious plan to develop 1,100 ‘climate-smart’ villages with an aim to prepare farmers to manage the climate change risks timely and ensure good productivity.

“The government has been planning to develop 1,100 villages as climate-smart villages in a period of next six years,” State Farmer Welfare and Agriculture Development Department principal secretary Rajesh Rajora said.

### **To cost Rs. 150 crore**

He said 100 villages in each of the 11 agro-climatic zones of the State would be taken up under the plan, which would incur a cost about Rs. 150 crore every year.

“The work is being taken up under the National Agriculture Development Programme and the Indian National Mission on Sustainable Agriculture,” he said.

In these villages, the farmers would be encouraged to go for short duration variety of crops, in addition to using drought-resistance seeds.

“The focus would be on integrated agriculture, which comprises animal husbandry, fisheries, in addition to traditional farming. Agro-forestry would also be adopted in these villages,” Dr. Rajora said.

Agro-forestry conserves and protects natural resources as it helps in water retention and stops soil erosion.

He said integrated nutrients management would also be implemented to help in soil fertility and plant nutrients supply through optimisation of all possible sources of organic, inorganic and biological components.

“In addition, the integrated pest management, zero tillage, raised bed gardening techniques and micro-irrigation would also be introduced in the climate smart villages. This would help farmers to increase the productivity amid all challenges of climate change,” he said.

### **Zero tillage**

Zero tillage technique is a way of growing crops time and again without disturbing the soil through ploughing, another agriculture expert said.

“The micro-irrigation systems like drip and sprinklers would not only reduce the water use but also lessen the use of fertilizers and energy,” he said.

Dr. Rajora said the State government would seek help of the International Crops Research Institute for Semi Arid Tropics (ICRISAT), an international NGO working in the field of agriculture, and the Consultative Group on International Agricultural Research (CGIAR), a global agriculture research partnership.

“The Centre has set ICRISAT, the UN organisation, as the nodal agency for developing the climate-smart villages. We would also seek expertise from scientists of two agriculture universities at Jabalpur and Gwalior in addition to the State government’s scientists in various district headquarters,” he said.

According to agriculture department officials, various equipment and sensors would also be used in these villages to help the farmers.

The State government has already announced that it will open a soil testing laboratory at the block level. A plan is also on the anvil to provide soil health

cards to farmers under the State government's efforts to double farmers' income in five years.

To ensure sustainable agriculture growth, MP has also constituted a 'Krishi Cabinet' for the purpose. The Cabinet includes ministers of agriculture, horticulture, animal husbandry, fisheries, cooperatives, water resources, Narmada valley development, energy, panchayat, rural development and SC/ST welfare departments. MP had also received Krishi Karman award for 2014-15, the fourth during past five years, for increasing foodgrain production and productivity by 254 lakh tonnes and 1,719 kg per ha, respectively.