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THE HINDU

MIZORAM

Mizoram Governor Lt Gen Nirbhay Sharma suggested farmers in the state should simultaneously take up horticulture, animal husbandry and fishery for higher success in farming. “Though Mizoram terrain and soil are not very conducive for growing paddy, there is a huge potential for horticulture,” the Governor said, adding the climate was ideal for growing different kinds of fruits and vegetables.

Sugar mills body wants cane policy overhaul

The policies on sugarcane and sugar, including the by-products should be reviewed and carefully re-formulated.

The policies on sugarcane and sugar, including the by-products should be reviewed and carefully re-formulated.

Tamil Nadu, the country’s fourth largest sugarcane producing state, needs to overhaul its policy and rationalise taxes to ensure the mills are profitable, a top official of Indian Sugar Mills Association (ISMA) said.

The current policy puts the burden solely on the mills which is both “unreasonable and unaffordable” as this leads to mounting cane arrears said Abinash Verma, ISMA Director General.

The policies on sugarcane and sugar, including the by-products should be reviewed and carefully re-formulated. With over three lakh hectare under sugarcane cultivation, Tamil Nadu was the fourth largest sugar producing state in the country, he said.

Sugarcane prices must be determined in relationship to the sugar mill revenues, he said If still there a gap between what the mills can pay (for the cane) and the state government's State Advised Price, it should be filled bythe state.

The state had four lakh farmers and 45 sugar mills. Tamil Nadu accounts for seven to nine per cent of the country's total sugar production of 260 lakh tonne.

For the 12-month period ended September 2015, it produced nearly 12 lakh tonne against its production capacity of 30 lakh tonne sugar. The area under sugarcane cultivation had reduced to 50-60 per cent of what it was a few years ago, resulting in under-utilisation of capacities.

Sugarcane prices have been increased by 60 per cent by the Union government in the last five years.

Currently, the Tamil Nadu government has fixed the State Advised Price at Rs.2,850 per tonne for 2015-16 sugar season, which was Rs.550 more than the Fair and Remunerative Price fixed by the Centre. This was the highest in the country, if one considered the sugar recovery ratio, he said.

At an average of 9.2 per cent sugar recovery rate in the state, the production cost per quintal of sugar works out to Rs.3,100.

"Compare this with the current ex-mill sugar price in Tamil Nadu of around Rs.2,850 per quintal, and one would understand how bad the situation is for the sugarcane mills and sugarcane farmers," Mr. Verma said.

According to ISMA, sugar mills in Tamil Nadu were located close to the port and had quick access to Sri Lanka. But out of about six lakh tonne of white sugar imported by Sri Lanka, India was able to meet about 50 per cent. The balance was met by Brazil. India was unable to take advantage of the situation because of high sugarcane costs.

Mr. Verma urged the state government to develop a model followed by other states to ensure that the sugarcane farmers got their payments on time and if required, assist the mills in the payment especially when the revenue realisation was poor.

Calling for removal of five per cent VAT on sugar, he said it raised the cost of sugar produced in Tamil Nadu, which was already high due to low sugar recovery. It thus made it all the more uncompetitive as revenue loss for mills was over Rs.200 crore a year.

Govt. forecasts full-year growth at 7.6 per cent even as pace slows in Q3

India was the fastest growing economy in the world, faster than China which witnessed 6.8% growth in the period

Economic growth slowed in the third quarter to 7.3 per cent from a revised 7.7 per cent, the Central Statistics Office (CSO) reported on Monday. The Gross Domestic Product (GDP) is now estimated to accelerate to a five-year high of 7.6 per cent for the 12-month period ending March 31.

The higher growth in FY16 will be possible thanks to robust output in the services sector and a revival in industrial production, though concerns remain on the agriculture front. The 7.6 per cent growth projection for this fiscal will be the fastest pace since 8.9 per cent recorded in FY11. Economic output expanded 7.2 per cent in the preceding 12-month period as per the revised estimate released by the CSO. The 7.3 per cent growth in Q3 will also make India the fastest growing economy in the world, faster than China which witnessed a 6.8 per cent growth in the same period.

The data should come as a breather to Finance Minister Arun Jaitley as he prepares to present the Union Budget on February 29 under challenging economic circumstances in India and abroad. The minister is expected to give greater attention to the farm and manufacturing sectors in the Budget. Economic affairs Secretary Shaktikanta Das said “the direction of the numbers is very positive. The policy and reform measures undertaken by the government in the last one and a half years are beginning to show results.” The growth estimates come at a time when several experts have expressed concern about the methodology used to compute the GDP and asked the government to look into possible discrepancies as they feel it does not seem to accurately reflect ground realities. This includes weak (global and) domestic demand, exports shrinking for 13 straight months and troubled balance sheets of banks and corporates especially those operating in the infrastructure sector. They also cite the slower offtake of loans by corporates, poor investment activity, and lower industrial and core-sector output as factors that appear at odds.

The government, however, claims the new methodology of GDP calculation is an improvement over the previous one as it better collates the value addition that happens in the entire supply chain of goods and services. Experts have voiced concern over the lack of “backcasted” historical data to make the comparisons. The economists, including at the RBI, are understood to be following both the old and new methods of GDP calculation for a more real picture of the state of the economy.

The higher growth projected in FY16 is thanks to the upward revision of growth in Q1 (from 7.1 per cent to 7.6 per cent) and in Q2 (revised from 7.4 per cent to 7.7 per cent). As per the CSO data, in FY16, the manufacturing sector is projected to grow at 9.5 per cent from 5.5 per cent a year ago, while the farm sector is estimated to grow at 1.1 per cent compared with a contraction of 0.2 per cent in the previous year. The growth in the current fiscal in gross value added terms will be about 7.3 per cent. In the December quarter, farm sector output shrank by 1 per cent, but manufacturing recorded double-digit growth.

“Because of drought, agriculture’s contribution was very bad in the third quarter,” M Govinda Rao, Professor Emeritus at the National Institute of Public Finance and Policy, told The Hindu. “This puts a question on the 7.6 per cent target for the whole year. Overall, the expected recovery of the economy has not taken place.” In the backdrop of two successive droughts, the agriculture sector contracted in the third quarter of this financial year.

However, manufacturing grew by a blistering 12.6 per cent. The two sectors grew at 2 per cent and 9 per cent, respectively, in Q2.

“The poor performance of agriculture can be put down to the back-to-back drought,” Ashok Gulati, Infosys Chair Professor at the Indian Council for Research on International Economic Relations said. “But the sectoral growth rate also shows the agenda of the government. There is a huge problem in agriculture, which employs 50 per cent of the population. This is where the most number of poor and malnourished are, and the sector is growing even slower than the growth rate of the population.” He added that no amount of growth in manufacturing would make up the lack of growth in agriculture.

“The GDP numbers are encouraging,” said Madan Sabnavis, chief economist, Care Ratings. “However to reach the 7.6 per cent growth (in FY16), the fourth quarter growth must also be 7.6 per cent, and this will be a challenge. Rabi farm output is expected to be lower especially because the area sown to Rabi crops is lower. Besides, the manufacturing sector will not have the benefit of the festival season in Q4 to prop up growth (like in Q3).” Also, the government, mindful of the fiscal deficit target, will find it challenging to continue to hike public spending (like it did recently) to compensate for poor private sector spending.

The gross fixed capital formation in the third quarter fell to 27.8 per cent of the GDP from 30.5 per cent in the previous quarter.

Heritage Foods on expansion drive

The expansion cost would be met through internal accruals

Heritage Foods Ltd. will invest Rs.60-crore to expand its retail trade in the three southern cities of Chennai, Bengaluru and Hyderabad over the next three years, according to a top official.

“We are planning to open 75 stores in all these cities in 36 months. On an average two stores will be opened in a month,” Dharmender K. Matai, Chief Operating Officer, Heritage Foods’ Retail and Bakery Division told *The Hindu*. “Chennai would get 35 stores, Bengaluru and Hyderabad 20 stores each. Each store would be spread over an area of 1,500 to 2,000 sq.ft. Some of them would be large stores spread over 15,000 sq.ft.

“After the expansion, our retail floor space would increase to six lakh sq.ft. from the current 3.80 lakh sq.ft.”

Starting with seven retail stores and 300 employees in Hyderabad in 2006, today Heritage Foods has 105 stores employing 2,800 people. It sells fresh fruits and vegetables and grocery.

After the addition of 75 stores, the employee strength would touch 4,000. The food and grocery retail division was likely to close the current financial year with sales revenue of Rs.550 crore. It hopes to clock Rs.1,000 crore by 2020. “It is a difficult task, but we are hopeful of achieving it as we are growing by over 25 per cent year-on-year. The market size of food and grocery is Rs.one lakh crore and modern retail accounts for 1.5 to two per cent. We will be growing through organic and inorganic means,” he said.

Stating their main focus was on expanding operations in these three cities, Mr. Matai said the expansion cost would be met through internal accruals. With exponential growth, the company would achieve break-even soon.

The nine-year-old Hyderabad-based firm is owned by family members of Andhra Pradesh Chief Minister N. Chandrababu Naidu. The company sells fruits and vegetables, grocery and FMCG under Heritage Fresh through its 105 retail stores.

The Indian EXPRESS
JOURNALISM OF COURAGE

Make in India will boost ‘farm to fashion’: CM Devendra Fadnavis

State looks at integrated industrial development to tap cotton, food processing sectors for employment.

Integrated development of industries and agriculture through higher foreign and domestic investments would be diligently pursued by Maharashtra during the Make In India Week at Mumbai, starting February 13, Chief Minister Devendra Fadnavis said Monday. This is a big step to translate the concept of “farm to fashion” into reality, he added and thanked Prime

Minister Narendra Modi for giving Maharashtra the opportunity to host the prestigious event in Mumbai. –

Under Magnetic Maharashtra — the catchline to attract investments to Maharashtra — the government is aggressively pursuing two critical sectors, textile and Small and Medium Scale Entrepreneurship at the mega event. “Our estimate is that we may tap Rs 4 to 5 lakh crore industrial investment. Apart from it, the long term component for agro-sector would work out to Rs 2 lakh crore. Food processing and textiles are two areas the government is looking to promote,” said a highly placed source in the government. To begin with, the government has decided to expand the textile hub from 9 at present to 20 across the state. Food processing, which is following the global trend, is being explored by both the state and the centre. Make In India, it believes, can help the state override negative growth in the agro-sector due to recurring droughts through higher investments. Fadnavis said, “We are working on an integrated development where industries, agriculture and service sectors will together flourish and not at each other’s cost.” Investments in the food processing and textile sectors will directly benefit farmers in backward regions of Marathwada, Vidarbha, North Maharashtra and Konkan. “Today, Maharashtra has huge potential to scale up cotton cultivation and processing to cater to the country and across the globe. It would directly benefit more than three million farmers,” the chief minister said. As of now, only 25 per cent of the total cotton produced is processed to cloth and it has huge employment potential. The investments in textile parks, with modern machines and a strong distribution system would generate new value chains. The textile sector will bring higher remuneration to farmers. Fadnavis said, “It is time we restored the white gold status to cotton crop.” Likewise, food processing has remained unexplored over the years in several regions. Besides, investment in horticulture and boosting export potential, and generate higher revenue is also being worked out in detail. Investments in the manufacturing and service sectors would indirectly help ancillary units which would then require smaller capital to employ larger skilled human resources, he added. Fadnavis said, “The event will not only showcase the strengths but also consolidate the leading status of Maharashtra as the most favoured destination for global and domestic players.” shubhangi.khapre @expressindia.com

Call Luddites' bluff

There is little that is 'swadeshi' about resistance to GMO mustard. In fact, it fits into the Make in India framework

Two developments last week say a lot about national priorities when it comes to harnessing technology for boosting crop yields to feed rising populations. The first was the China National Chemical Corporation offering to pay $43 billion for acquiring Swiss agrochemicals and plant biotechnology giant Syngenta that, only six months ago, was a takeover target for US life sciences major Monsanto. The state-owned company's takeover, which follows President Xi Jinping's call "to boldly research and innovate, [and] dominate the high points of GMO (genetically modified organisms) technology", only shows the value the Chinese authorities attach to biotechnology in furthering food security. The same week also saw India deferring a decision on allowing commercial cultivation of a GMO mustard hybrid.

Environment Minister Prakash Javadekar's statement that no decision would be taken without "due consideration and consultation" clearly signalled a government not wanting to ruffle the feathers of anti-GMO groups drawn from both the extreme left and right.

The government's ambivalence is striking, more so when it concerns a crop that contributes to a quarter of India's edible oil production, which, in turn, meets hardly a third of its consumption. A technology that is expected to raise mustard crop yields by 25-30 per cent would obviously go some way in reducing reliance on imports, currently valued at over $10 billion. Also, out of the total 14.5 million tonnes (mt) of imports, a significant chunk (3.5 mt) comprises soyabean and rapeseed oil, which are predominantly GMO. The “swadeshi” activists protesting against domestic cultivation of GMO hybrid mustard seem to be silent when it comes to “videshi” imported GMO oils. Also, unlike Bt cotton that is based on the proprietary technology of a multinational (Monsanto), the developer of GMO mustard happens to be a publicly funded centre under Delhi University. In other words, this is a product that fits with the Modi government’s own Make in India framework. The opposition to GMO mustard on grounds of it being a “food crop”, unlike cotton, is equally dubious. Cotton-seed yields not only fibre, but also oil and de-oiled meal consumed directly or indirectly by human beings. If nobody is really protesting against their consumption — or, for that matter, of imported GMO oils — there is no reason to single out hybrid mustard. The time has come for the government to stop pandering to Luddite interests and worry more about what is in the interest of farmers and national food security.

hindustantimes

HT SPECIAL: Farmer who knows his onions, gave peas a chance

It’s not an onion bulb but a bright idea that Karam Vir Singh Sidhu wants to plant in farmers’ head. (Keshav Singh/HT Photo)

Agriculture isn’t the leap you want to make when thousands of kilometres separate consumers and you. It was the grit and determination of Karam Vir Singh Sidhu (64) and his true farmer’s DNA that made him jump into this risky environment.

At an early age, Sidhu lost his father, a farmer in Mansa district; and his mother moved to Patiala. By 1979, he was an excise and taxation officer in the state but looking to do something exciting in agriculture. Going to seminars and workshops helped him understand that exotic vegetables had a huge market in India and abroad. “Farming was in my blood and I was eager do something different. I collaborated with three friends and some other stakeholders to put in the seed money for our company, Patiala Horticulture.

In 1996, took five-year sabbatical from service to start growing runner beans in Talwandi Sabo for a Dutch company,” said Sidhu. The first year brought him a big shock — the pack house from the Punjab government didn’t work when the produce from 60 acres was to be preserved before exporting.

“We made a collective loss of Rs 15 lakh, yet we paid off the dues — land rent and input cost to the 40 farmers from three villages who had got involved in our venture — and moved on,” said Sidhu, his easy tone telling you how calmly he faced adversity. Later, he was able to sell his idea to Parkash Singh Badal, who was chief minister even then, and secure Rs 59 lakh soft loan for creating infrastructure such as pack house at Lalgarh village of Samana tehsil in Patiala district. There’s no looking back since. This pack house is among best 180 in the country.

No tears for these onion farmers at Samana in Patiala district. Everyone who works for Sidhu makes almost the same as him. Growing vegetables is a level playing field. (HT Photo)

“Since 2001, I have reaped good income year after year from exporting vegetables to Europe and Australia. Only last year, when the Centre changed its quarantine rules, we decided to take a year's break until conditions became favourable again," said Sidhu, now almost an every in growing sugar snaps and snow peas, with control of the entire channel of procuring seeds, growing, sorting, preserving, marketing in Europe. The 40 small farmers who gave him their combined pool of 1 to 1.5 acres within a 35 kilometre radius at Samana, Amloh and Bhadson earns the same as Sidhu.

Sidhu's annual turnover from growing sugar snaps and snow peas is between Rs 1.25-to-3 crore, which last year's changed quarantine norms brought it down to Rs 11 lakh. He had to dump a lot of produce.

Onion brings cheers

Sidhu sure knows his onions. For the past two years, he has started growing the bulb over 50 acres, state's largest cultivation of this crop. "Punjab consumes about 7.5-lakh-tonne onion a year and produces only 1.5-lakn tonnes. My target is to give farmers a net profit of Rs 50,000 from each acre, a big challenge but one that I have accepted," he said. On 20 of these 50 acres, he has installed the drip irrigation system with the government subsidy.

For him, onion has three growing seasons. "The best is rabi, with transplantation in mid-December and harvest in April. Kharif transplantation is in July-August and harvest in November; and late kharif season begins in September-October. The late-kharif crop is exposed to many risks but we experiment all three seasons," he adds.

Sidhu's company is in talks with Vista Foods for the supply of onion to McDonald's, world's largest chain of hamburger fast food restaurants, for which he has grown a single-centred hybrid variety. If the deal works out, he hopes to get a price of Rs 25 a kilogram.

Experimenting with garlic, asparagus

Sidhu is growing garlic for the first time, over 5 acres for a Chinese company, to sell in the US. If the experiment is successful, he will approach the American companies directly. He is also dong trials on growing asparagus over 1 acre. The crop will mature in three years, after which he hopes to get Rs 300 a kilogram for the harvest and a net profit of Rs 3 lakh from each acre. It will continue to give him fruit for the next 20 years.

Income for the landless

The entrepreneur hires nearly 100 landless women from the poor village families and pays them Rs 150 every day. In many cases, all the women of a family come to work, and make up to Rs 20,000 a month together.

Passed over at job, but no regrets

Sidhu's success in agriculture has come at the cost of growth in his government job. "I lost seven increments and a promotion. Subordinates superseded me. Had I continued working, I would have retired as joint commissioner," he says, adding: "Also, had I not been in service, I could have done much better in agriculture. But even my ETO's job earned me a lots of contacts."

Retail in his chain of thoughts

The farmer's Patiala Horticulture company plans to open temperature-controlled vegetable retail outlets, starting with two in Patiala in April. He has signed a deal with the Punjab government to get into food park in two years with an investment of Rs 15 crore. "Vegetable growers are waiting for our initiative," he told HT.

Badal abolishes VAT on raw honey, beekeeping equipment

Punjab chief minister Parkash Singh Badal (HT File Photo)

Punjab chief minister Parkash Singh Badal on Monday gave nod to abolishing the VAT on raw honey (unbranded honey) besides on equipment, boxes, food grade containers and wax required for beekeeping.

This follows the Hindustan Times, in its series on ‘Futuristic farmers’, reporting the issues raised by the beekeeping association. Earlier, the government was charging 6.5% VAT considering it as an industrial produce. The beekeeping falls in small-scale industry category while the association wants it to be considered an agri-business.

Announcing this, a spokesperson of the CMO said that after having conceded the demand of progressive honey producers, the CM asked the department to implement the decision at the earliest to facilitate beekeepers. He also announced that the 40% subsidy given to beekeepers on 50 boxes along with bees would now be available on 100 boxes, inclusive of bees.

Acceding to another demand put forth by beekeepers, Badal gave consent to send them abroad and to other states in the country for getting training to extract poison and royal jelly from the bees. He said beekeepers would be provided an adequate price for their produce to ensure a stable price mechanism for honey.

Asks PAU to buy machines

In another decision, the CM asked the Punjab Agricultural University to buy four machines for extracting honey from bees on a trial basis. He also asked the university to recruit experts on beekeeping to impart quality training to farmers for encouraging them to adopt the remunerative profession in a big way.

The chief minister directed the departments of home, excise and taxation and director general of police to ensure that beekeepers were not harassed while transporting bee boxes from one place to another in and outside the state.

Badal asked various government departments to grant necessary permission to beekeepers for keeping their boxes on government land.

THE HINDU BusinessLine

Regulatory body directs testing of GM mustard to address safety concerns

Lab testing will be done in a fortnight and the next meeting will discuss the lab report, said sources

NEW DELHI, FEBRUARY 8:
Amid stiff opposition against GM crops, biotechnology regulator GEAC has asked for testing of genetically modified (GM) mustard seed in a bid to address safety concerns, before taking a final decision on its commercial cultivation.

Last week, the Genetic Engineering Approval Committee (GEAC) of the Union Environment Ministry had deferred its decision a proposal to commercialise cultivation of GM mustard seed as it sought additional information.

"In the last meeting, a sub-committee of the GEAC submitted its report. Thereafter, GEAC emphasised the need to test GM mustard seed once again to address the safety concerns if any," according to sources.

The lab testing will be done in a fortnight or so and the next meeting will discuss the lab report, sources added.

Union Environment Minister Prakash Javadekar had, last week after the GEAC meeting, said that his Ministry is not "rushing into any decision" neither will it "impose decisions without wide consultations."

Javadekar's clarification had come in the backdrop of mounting pressure from farmer organisations, political parties and activists who have alleged that the environment ministry is conducting its business on GM mustard 'secretively'.

The Environment Ministry has received a proposal for commercial cultivation of a GM hybrid variety of the mustard plant developed by the University of Delhi's Centre for Genetic Manipulation of Crop Plants.

This is the first proposal that has come up before the present government after the previous regime had put a moratorium on commercial cultivation of Bt brinjal in 2010. Currently, Bt cotton is the only GM crop allowed for commercial cultivation.

(This article was published on February 8, 2016)

Ministry proposes 18.5% hike in jute MSP for 2016-17

A farmer carrying a jute bundle for drying them in Siliguri (file photo).

NEW DELHI, FEBRUARY 8:

The Agriculture Ministry has moved a Cabinet note proposing an increase in minimum support price (MSP) of raw jute by 18.5 per cent to ₹ 3,200 a quintal for 2016-17 in order to boost production.

The jute support price has been fixed at ₹ 2,700 for 2015-16.

"In the Cabinet note, Agriculture Ministry has proposed an 18.5 per cent increase in jute MSP for 2016-17, which is in line with the CACP's recommendation, according to sources.

The Commission for Agricultural Costs and Prices (CACP) is a statutory body that advises the government on the pricing policy for major farm produces.

However, in the inter-ministerial comments, the Textile Ministry has sought an MSP of ₹ 3,650/quintal, while other ministries and even Niti Aayog have pitched for marginal increase in the jute MSP by ₹ 300 a quintal, keeping in view the inflationary trends, sources added.

The Agriculture Ministry has proposed an increase in the support price because raw jute cultivation has been declining in recent years.

Area under raw jute has reduced to 7.5 lakh hectares in 2015-16, from little over 8 lakh hectares last year.

Jute is providing livelihood to more than 40 lakh farmers in West Bengal, Assam, Odisha and eastern Bihar. It is also the raw material for jute mills, which employ 3.75 lakh workers.

(This article was published on February 8, 2016)

Tea prices lose steam at Kochi auction despite low arrivals

KOCHI, FEB 8:

Prices of several tea varieties declined at Kochi auctions, amidst low arrivals in almost all categories.

CTC dust witnessed a better demand and the quantity on offer was low at 8,67,000 kg in sale no 6. The market for select best high-priced tea barely remained steady. Others were irregular and lower following quality.

Medium and plainer varieties registered a strong demand and appreciated by ₹ 3-5 a kg and sometimes more, the auctioneers Forbes, Ewart & Figgis said. Blenders lent a fair support, while there was a subdued demand was exporters and upcountry buyers.

In Cochin CTC dust quotation, good grades quote ₹ 105-158, mediums fetched ₹ 96-135 and plain stood at ₹ 87-115.

There was a good demand in leaf sales with Nilgiri brokens, whole leaf and Fannings in orthodox grades remained steady to firm and sometimes dearer following quality. The quantity on offer was 2,00,500 kg.

With a strong demand, the CTC leaf market especially for brokens and Fannings was higher by ₹ 5 to ₹ 10 and sometimes more. The quantity on offer was 64,500 kg. Exporters and upcountry buyers absorbed the bulk of the CTC's.

In dust varieties, Waterfall SFD quoted the best prices of ₹ 160 followed by Mayura SRD/SFD at ₹ 159. In leaf grades, Chamraj FOP-Sup (Green Tea) fetched the best prices of ₹ 402 followed by Chamraj FOP at ₹ 321.

(This article was published on February 8, 2016)

No stay on Centre's Bt cotton order: Delhi court

NEW DELHI, FEBRUARY 8:

The Delhi High Court has refused to put on hold the Centre's order enabling a government-appointed panel to fix the maximum sale price of genetically modified (GM) Bt cotton seeds.

Justice Manmohan issued notice to the government and sought its response by March 4 on the plea of Mahyco Monsanto Biotech India (Pvt) Ltd challenging the Agriculture Ministry's January 27 order giving powers to the committee to fix license fee payable by sub-licensees for GM technology.

The court clarified that "any action taken by respondent (Centre) in pursuance to the aforesaid order shall be subject to further orders."

'Unfair regulation'

Under the January 27 order, the panel was given powers to fix the license fee payable by sub-licensees to Mahyco and suggest the licensing guidelines and format for all GM technology licensing agreements between them inter se, the court noted in its order.

Mahyco has claimed that by issuing the order, the government was trying to "unfairly regulate and expropriate" its rights in respect of valuable intellectual property and freedom to negotiate and contract the terms of its licensing agreements with its sub-licensees.

Seeking stay of the order, it contended that its technology is its patent and is governed by the Patents Act, 1970 and thus, the government cannot fix the price at which the company will supply its technology to seed manufacturers.

Mahyco is a joint venture between US agriculture company Monsanto and Maharashtra Hybrid Seeds Company which sublicenses biotechnology to seed companies.

The panel was set up consequent to a December 2015 price control order issued by the Agriculture Ministry.

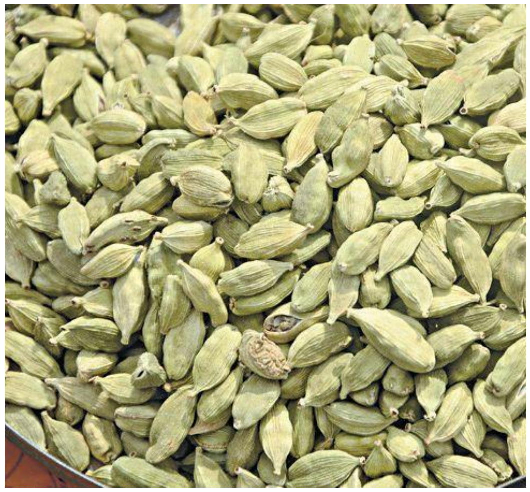
(This article was published on February 8, 2016)

Slack demand robs flavour off cardamom

KOCHI, FEBRUARY 8:

Small cardamom markets last week showed an easier trend as supply outstripped demand.

North Indian buyers were inactive in the market claiming that upcountry trading centres were holding good stocks from previous purchases, PC Punnoose, General Manager, CPMC, told *BusinessLine.*



However, exporters who having good orders in hand were purchasing actively. They bought an estimated 120 tonnes of the material. But availability of exportable grade 7mm capsule was at short supply, he said.
The trade also attributed the price decline to inferior quality of the material which they claimed is caused by increased fruit bearing. They said good colour cardamom was still fetching moderate prices but its availability has become very thin.

Total arrivals last week increased to 768 tonnes from 532 tonnes the previous week. The individual auction average declined and was vacillating between ₹ 515 and ₹ 585 a kg.

At the Cardamom Planters' Association (CPA), Santhanpara auction on Monday in Bodinayakannur, arrivals decreased to 42 tonnes and of this 40.8 tonnes were traded. The auction average fell to ₹ 529.14/kg from ₹ 542.95.
Total arrivals during the season up to February 6 were at around 19,932 tonnes and sales were at 19,231 tonnes. The individual auction average as on February 6 stood at ₹ 613.82.

Prices of graded varieties (₹ /kg): 8mm bold good green colour 900-930; 7-8 mm 700-720; 6-7 mm 580-600; below 6 mm: 500. Ordinary bulk was being traded today at ₹ 500-520 a kg.
(This article was published on February 8, 2016)

Bengal to offer land to CPRI for seed development

KOLKATA, FEBRUARY 8:

The West Bengal government plans to offer land to Central Potato Research Institute for development of seeds in the State.

The government is trying to bring CPRI for seed production in the state, State Agricultural Marketing Minister Arup Roy said.

"We are in the process of identifying land for the CPRI in West Midnapur," he said. Officials of West Bengal Cold Storage Association said government has identified a 50 acre plot but 200 acres are required for proper seed development centre.

Currently, out of the demand of seven-eight lakh tonnes of potato seeds in the state, about 5 lakh tonnes of seeds are imported from northern states, the officials said.

(This article was published on February 8, 2016)

VAT exemption for Punjab apiaries

CHANDIGARH, FEBRUARY 8:
In order to promote bee keeping and farm diversification, Punjab Chief Minister Parkash Singh Badal on Monday gave nod to abolish VAT on raw honey (unbranded honey) and equipment, boxes, food grade container and wax required for apiary.

Having conceded to the demand of progressive honey producers, he asked the department concerned to implement this decision at the earliest.

(This article was published on February 8, 2016)

Russian wheat export prices slide

MOSCOW, FEBRUARY 8:

Russian wheat export prices fell last week, undermined by worries about future supply contracts to world No. 1 importer Egypt, analysts said on Monday.

Black Sea prices for Russian wheat with 12.5 per cent protein content were at $181 a tonne on a free-on-board (FOB) basis at the end of last week, down $1 from a week earlier, Russian agricultural consultancy IKAR said in a note. Egypt, the largest buyer of Russian wheat, has fought to reassure markets after weeks of confusion about import restrictions rattled traders and forced its state grain buyer to cancel two tenders.

Russia exported 22.5 million tonnes of grains, including 16.8 mt of wheat, between July 1 and February 3.

(This article was published on February 8, 2016)

A bleak year for farm exports

A global supply glut and geo-political factors look likely to depress agri exports

India's export of agricultural and processed food products is set to decline for the second straight year to $30 billion or so if the data for the first seven months (April-October) of this fiscal are any indication. There’s no denying that global commodity markets are going through the wringer.

Most agricultural commodities have touched their all-time price lows — down 40-50 per cent on an average from their peaks in 2011. But there are other factors, which are equally important, that are depressing India's farm exports.

The China factor
Over the years, China had been insulating its domestic prices from deflation by accumulating huge stockpiles of grains, cotton, sugar and edible oil. It also made massive imports. However, there's a limit to how much stock one can hold.

Eventually, Chinese authorities couldn't ignore the growing divergence between domestic and international prices and started removing the floor prices they had set. De-stocking and import curbs followed.

As a result, China imported 30 per cent less cotton at 1.48 million tonnes in 2015, the lowest since 2006. This trend is likely to continue in 2016 too. The USDA estimates that Chinese corn imports will dip by 55 per cent in 2015-16.

Real depreciation
Substantial depreciation of the Brazilian eal is proving to be a big dampener too. Brazil competes with India in export of several products — buffalo meat, soyabean and sugar.

The Brazilian real has fallen by 45 per cent against the US dollar in 2015, while the Indian rupee has lost only 4 per cent, thereby conferring a significant export price advantage on Brazilian exports vis-à-vis India. Given double-digit inflation and recession in that country, further depreciation of the real can't be ruled out. That will adversely affect India's export prospects, going forward.

Lower exports
Crashing global crude prices have reduced demand for guar gum from oil drillers based in the US, China and Russia, which together account for over 80 per cent of India's total exports of this commodity. India's monthly export of guar gum stood at $28 million in December 2015 compared to $115.1 million in December 2014, because of both volume and value declines.

Lower prices in export markets along with firm domestic prices have almost ousted Indian soyameal from international markets as is evident from its exports plunging.

Oilmeal exports plummeted 85 per cent to 59,818 tonnes in December from a year ago on lower soyabean crushing and cheaper imports from South American countries.

India's rice export is headed for another straight decline on reduced purchases from Iran and Nigeria. Rice shipments have declined 18 per cent in value terms for the April-November 2015 period. Higher domestic prices and cheaper imports from Brazil mean India will miss its sugar export target by a big margin. Indian mills have so far contracted to export about 850,000 tonnes — about 20 per cent of the export target of 4 million tonnes.

Hardening domestic prices of many agricultural commodities will worsen the situation, disincentivising exports. The delayed global economic recovery is also prompting many countries to limit imports, often on superficial grounds.

The EU decision to extend the ban on four Indian vegetables — bitter gourd, eggplant, taro (arbi) and snake gourd (accounting for around 5 per cent of India's farm exports) — for another year, citing poor quality control and packaging norms is an instance. However, recent news of Vietnam lifting its nine-month-old ban on Indian groundnut offers some hope.

Executive actions (or inactions) are also adding to India's farm export woes. For instance, India's dilly-dallying on a proposed amendment to exempt payments made to Iran for crude oil from 40 per cent withholding tax if Tehran agreed to receive entire outstanding payments of $6.5 billion in rupees, is going to be another negative for India's farm export prospects.

Lost opportunity for India

Iran could have used the rupee payments received for buying Indian merchandise such as basmati rice, sugar, soyameal, barley and buffalo meat. Now, with sanctions lifted, Iran will insist on payments in dollars that it can use to buy these products from other suppliers such as Pakistan (basmati rice) and Brazil (sugar, soyameal and buffalo meat).

To sum up, in the short run, the glut in global markets, bleaker prospects for commodities in general, turmoil in Chinese markets and less promising import prospects from Iran will keep agri commodity prices depressed, and hurt India's farm exports.

Restrictive market access policies adopted by top consuming markets such as the EU and US markets will further thwart India's effort to push its export of farm and processed food exports.

The writer is Vice-President and Head of Agriculture, Food and Retail at Biznomics Consulting.

(This article was published on February 8, 2016)

Pepper stays steady

February 8, 2016:

Pepper markets on Monday stayed steady . On the terminal market, 31 tonnes of high range pepper traded and exporters bought the entire quantity . Outside, 20 tonnes of exchange released pepper traded at ₹ 615 a kg. Spot prices remained unchanged at ₹ 60,400 (ungarbled) and ₹ 63,400 (garbled) a quintal. February and March contracts on the IPSTA also remained unchanged at ₹ 61,500 and ₹ 60,000 a quintal. Export prices were at $9,325 a tonne c&f for Europe and $9,575 for the US.

(This article was published on February 8, 2016)

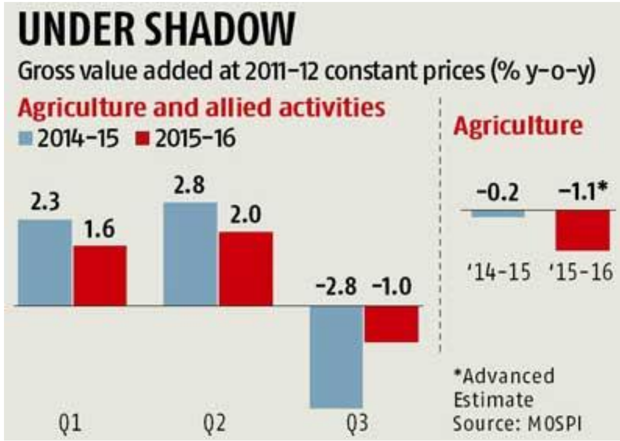
Business Standard

Drought blamed for negative farm growth

India's agriculture growth, measured in terms of gross value added at constant prices, slipped into negative territory in the October-December quarter (first time in FY16) because of a low kharif harvest.

However, on full-year basis, the government estimates gross value added in agriculture and allied activities would rise 1.1 per cent, from negative 0.2 per cent in 2014-15, on account of good performance of livestock, horticulture, fisheries and dairy sector.

But experts question projection of recovery in agriculture and allied activities based on livestock and horticulture. "Even if you take 1.1 per cent as agriculture and allied activities growth in 2015-16, it would mean that in the first two years of the Narendra Modi government, India's farm sector grew by 0.45 per cent on an average, which is less than average annual population growth of 1.3-1.4 per cent," said Ashok Gulati, former chairman of Commission for Agriculture Costs and Prices. He said lower average agriculture GDP growth than population growth also means that per capita income in rural areas is falling while almost 55 per cent of India's rural workforce is dependent on agriculture.



According to the first advanced estimate of foodgrains production by the department of agriculture, output in 2015-16 kharif season is expected to be around 124.05 million tonnes, around 4 million tonnes more than the first advanced estimate of 2014-15. This, however, is less than the final output of the same year.

This is second consecutive year of drought. The southwest monsoon in 2015 was almost 14 per cent less than normal, registering its worst performance since 2009. Due to poor monsoon, this is the first back-to-back drought year for India in three decades, and only the fourth in more than a century.

Lack of 'suitable' jobs holding back women employment

According to NSSO, employment surveys, women participation rates in India fell sharply after 2004-05

Almost 40 per cent of the country received less than normal rains in 2015, forcing more than seven states to declare drought.

India ranks 120 among 131 countries on women labour participation, according to a report by International Labour Organization. Traditionally, this has been blamed on a culturally patriarchal society and rising family incomes that allow more women to stay at home.

A new paper by World Bank economists blames a "jobs deficit" for the decline in female labour force participation over the past decade. The study says a scarcity of "suitable job opportunities" outside farming and close to the place of residence are the main reasons why fewer women have joined the workforce.

This study has challenged the widely accepted narrative by India's policymakers and, if accepted, will have far-reaching ramifications.

According to National Sample Survey Office (NSSO), employment surveys, women participation rates in India fell sharply after 2004-05. Between 2004-05 and 2010-11, women labour participation in rural areas fell 12-14 percentage points.

To a large extent, this was because of a fall in agricultural employment. In the preceding five years (1999-00 to 2004-05), women participation had firmed up, increasing by roughly 14.6 million. Economists have argued this increase was in response to rural distress. Agricultural growth during these years had slowed to less than two per cent annually, putting pressure on farm incomes. This prompted women's entry into labour force, boosting household incomes. The situation reversed after 2004-05. The conventional explanation for reversal rests on the "income effect".

With rural incomes steadily increasing because of a combination of rising commodity prices and government support, female labour force participation fell sharply. Santosh Mehrotra, professor at Jawaharlal Nehru University, says, "with the rise of commercial agriculture and of household income (and fall in poverty rate), the opportunity cost of domestic activities for women increases, while that for paid labour of women decreases." Hence, women withdrew from the labour force in large numbers, a preferred choice in what is predominantly a patriarchal society.

THE GLASS CEILING

Rural employment of women by sector

(million)	1999-00	2004-05	2009-10	2011-12
Agriculture	90.6	104.3	83.0	76.3
Mfg sector	8.1	10.5	7.9	10.0
Non-mfg sector	1.4	2.2	5.7	7.1
Services	6.0	8.2	8.0	8.5
Total	**106.1**	**125.2**	**104.6**	**101.9**

Source: *Explaining India's low & falling female employment in a period of high growth* (Santosh Mehrotra & Sharmistha Sinha)

Women labour force participation rate

(% of women population aged 15-64)

	2011	2012	2013	2014
Bangladesh	60.0	60.2	60.4	60.6
Brazil	64.7	64.8	65.0	65.1
China	69.7	70.0	70.2	70.4
India	**29.3**	**28.4**	**28.5**	**28.6**
Nepal	83.0	83.0	83.0	83.1
Pakistan	25.1	25.4	25.6	25.9

Source: World Bank

If this explanation was sufficient, the decline in female participation would be higher in those areas where wage growth was fastest. According to the World Bank study, while data suggest such a relationship, the "income effect" explains only a part of the story. Part of the decline could also be because women are staying in educational institutions for a longer period. Also a partial explanation because labour force participation has dropped across all age cohorts. According to some studies, the decline in participation was highest in the age cohort 30-34 years, followed by 35-39 years. Thus, the argument that women are staying longer in schools is insufficient.

Other explanations by economists like Mehrotra are greater involvement in domestic duties and care work, poor skills training, lack of support for women entrepreneurs, occupational segregation and informality of work.

In the absence of a detailed analytical study, it has been difficult to gauge the actual impact of each of these factors. That's the question this study tried to address.

Farmers in distress as onion prices touch 2-year low

At Rs 5 a kg in Lasalgaon mandi, the price is 10% lower than average cost of production

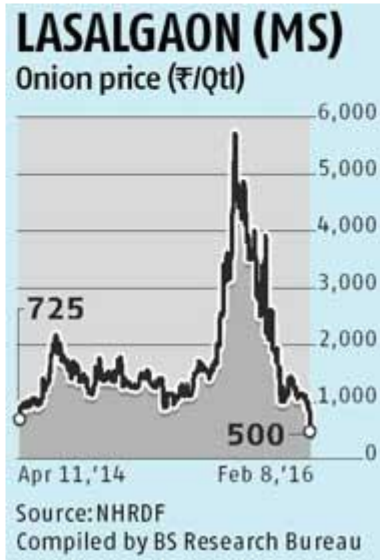
Onion prices fell to the lowest level of this season at Rs 5 a kg, also the lowest in nearly two years, in the benchmark Lasalgaon mandi in Nashik on Monday, owing to a massive upsurge in arrivals of the new season crop.

Despite closure of business in the market yard on Monday due to a public holiday, farmers brought 65 tonnes of onion to sell outside the Agricultural Produce Market Committee yard at a price between Rs 4 and Rs 5 a kg.

Amid fear of quality deterioration, farmers preferred to dump at any price quoted by buyers. The average cost of production is Rs 5.50 a kg.

“We have no choice but to sell at any price. The red onion produced in the late kharif season cannot be stored for long-term use due to shorter shelf life.

In the earlier season, when prices started moving up, the government assured us help during the harvesting season.



Now, there is no support from the government. We borrowed from a local money lender, to whom the repayment looks impossible," said Pundalke Panchpute, a farmer in Lasalgaon with three acres.

Sanjay Sanap, proprietor of Shivkrupa Traders, an onion trader in Nashik, said: "When prices move up, all make a hue and cry. But, no one comes to farmers' rescue when the price slumps to below production cost. Onion farmers face this every year."

At present, onions arriving in different markets of the country are the produce of the late kharif season, primarily form Maharashtra, Gujarat and Madhya Pradesh. The quality is good and the per-unit output is expected to be higher than in the previous years.

The National Horticultural Research and Development Foundation (NHRDF) forecasts output to be higher by five-seven per cent at 20.5-20.8 million tonnes (mt) this year, compared to 18.93 mt in the previous season. It estimates sowing at 1.2-1.3 million hectares, against 1.17 million hectares last year.

"As anticipated earlier, a huge quantity of kharif and late kharif season crop arrival is hitting the mandi. Prices are likely to remain subdued and might decline further on bumper supply," said RP Gupta, director, NHRDF.

In a major relief for traders, a large quantity of import orders have started flowing into India from Sri Lanka, West Asia etc.

Interestingly, Chinese buyers remained absent from the market due to the New Year holiday there. Once they resume trade by the end of this week, shipment to China and Malaysia would also begin. Currently, India executes export orders to the tune of 100,000-125,000 tonnes a month. Once China and Malaysia markets start procuring onion from India, the overall exports would shot up to 150,000-175,000 tonnes a month.

"But, expectations of an upsurge in exports might not lower prices in domestic markets until supply is controlled. Since export-quality onion is quoted at Rs 6-7 a kg, a fall of another Rs one per kg is possible," said Ajit Shah, president, Horticulture Exporters Association.

This would, however, translate into the medium quality of onion falling further to Rs 4 a kg and below in the coming weeks.

India exports around 1.5 mt of onion every year. Last year, however, the country had to import around 25,000 tonnes of onion to rein in spiralling onion prices.

THE TIMES OF INDIA

Bihar farmers in state paddy scam

Daltonganj: The paddy that is supposed to be sold by Jharkhand farmers to Food Corporation of India (FCI) at the state's paddy procurement centres in Palamu, is being sold by Bihar farmers. Farmers from Bihar are using the identity cards of their Jharkhand counterparts to sell their own paddyat a higher price since the price of paddy per quintal in Bihar is Rs700 to 800 whereas in Jharkhand it is bought at Rs 1,410 per quintal.

Sources said Bihar's paddy traders are earning a profit of Rs 600 to 700 per quintal. A visit to one paddy procurement centre in Palamu's Chainpur block on Sunday revealed that in a drought-hit state, huge number of paddy bags are waiting to be purchased by the FCI.

Palamu has always been one of the driest areas of the state and this year there has been very less amount of paddy production. And yet, one can see large bags of paddy being brought to the four procurement centres of Chiyanki, Chhaterpur, Harihurganj and Chainpur.

A farmer, Bhola Nath Yadav of Khurra, at Chainpur paddy procurement centre said, "Bihar's paddy traders are usurping our right to sell paddy. I am here since Friday. My 123 bags of paddy are yet to be procured and the payment formalities have not yet been done."

'Help UP farmers tide over drought'

Lucknow: Days before Prime Minister Narendra Modi begins his farmers outreach to peddle the government's Rs 17,600-crore crop insurance scheme, chief minister Akhilesh Yadav has attempted to puncture the celebrations by reminding the PM of Rs 4,741.55 crore the Centre owes to UP's farmers, to compensate for the crop losses they suffered last year.

Uttar Pradesh had lost a bulk of its crops owing to unseasonal rains and hailstorms between January and March last year. While the state government had released more than Rs 5,000 crore from its coffers by way of crop compensation, the state government had claimed it had not received any fiscal assistance promised to it by the NDA government. On Monday, Akhilesh wrote to PM Modi seeking an early release of the pending Rs 4,741.55 crore, towards relief to farmers for crop damage in 2015 from the National Disaster Relief Fund (NDRF). In his letter sent to the PM, the CM drew the PM's attention to the large scale damage to crops due to hailstorm and inclement weather. He also said that the farmers needed immediate relief, for which funds should be disbursed to the state from the NDRF.

Budget 2016: Tenant farmers to be recognised as genuine cultivators as part of PM Modi’s push to end rural woes

udget 2016: Tenant farmers to be recognised as genuine cultivators as part of PM Modi’s push to end rural woes

Deepshikha Sikarwar | ET Bureau | Feb 8, 2016, 10.43 AM IST

The package will include a rural credit drive and innovative financing through a dedicated fund within the Nab... Read More

NEW DELHI: Millions of India's tenant farmers are set to be recognised as genuine cultivators as part of Prime Minister Narendra Modi's push to alleviate rural distress through a mix of reforms and a focus on groundlevel delivery.

The package will include a rural credit drive and innovative financing through a dedicated fund within the National Bank for Agriculture and Rural Development (Nabard) to build irrigation facilities, senior officials said.

An e-platform for trading animal germplasm, development of high-yielding varieties for the dairy sector, animal wellness and tagging of livestock are other ideas that are being discussed.

"We are working on a package that will build on the steps already taken to boost the rural economy," a government official told ET, adding that this segment will get the lion's share of attention in the upcoming budget.

Two successive bad monsoon seasons have created severe stress in India's villages. Farm sector output contracted 0.2% in FY15 and grew only 2% in the first half of FY16.

Over 60% of Indians depend on agriculture for livelihood. Finance Minister Arun Jaitley is set to announce a model legislation for changes to tenancy of agricultural land in the budget. This will recognise tenant farmers and land owners as cultivators, ensuring that the first group gets institutional credit besides insurance and other benefits that are available.

The idea is to lift investment in the farm sector. The law will also provide for digital registration of tenancy agreements between the land owners and farmers. While tenancy is officially pegged at just 4%, this is a vast underestimate. More than 25% of farming in India is through tenants who bear all the risks for meagre rewards and little access to government benefits. More than 90% of the farmer suicides cases in the country were of those who were tenants, according to data available with government. Tenancy is allowed in some states and banned in others. But that hasn't stopped it from rising, keeping long-term investment in the farm sector low. Tenancies are kept informal as owners fear that anything official will make evictions difficult after a few years.

"Recognition of tenants and owners will remove the fear in minds of owners," said one of the officials cited above. "It would allow tenants to access institutional support." The model law will have to be adopted by state governments and complemented with digital registration facilities. A Niti Aayog panel is expected to issue its report on the matter next month.

Capital will flow into agriculture once it becomes remunerative, experts said. "I hope it does not meet the same fate as APMC (Agricultural Produce Market Committee), which we are still trying to implement," said leading agriculture economist Ashok Gulati. "To meet the objective of investment in agriculture, all you need is" for it to become remunerative.

The government is also looking at creating a dedicated fund in Nabard through the issuance of taxfree bonds to meet the large funding requirement for irrigation infrastructure. This will ensure that funding of more than Rs 30,000 crore can be generated within a year without stressing the budget.

The budget is also expected to boost farm credit, especially to small and marginal farmers who are most vulnerable to rural stress. As much as Rs 50,000 crore may be directed at this category along with efforts to computerise primary agricultural cooperative societies.

"The government is keen to build on and marry its earlier initiatives to ensure delivery," another official said. The Pradhan Mantri Jan Dhan Yojana and the RuPay Card, both elements of the government's financial inclusion efforts, will be used to provide credit in the rural hinterland, he said.

ET view: Step up investment in farming

The government's intent is laudable. A significant part of the credit flow is cornered by assetowing farmers due to leakages and also because of the ineligibility of tenant farmers for bank loans. These farmers are forced to rely on money lenders. This must change. The sector need long-term credit for investment and productivity. The government should step up investment to build efficient irrigation systems, accelerate the farm-to-fork retail supply chains and incentivise states to exempt perishables from the APMC Act. Acting on farms and on infrastructure are a must to reduce agrarian distress and to lift growth.

DECCAN Chronicle

A fruitful mission

Palliakkal Cooperative Bank now markets agricultural products worth more than Rs 20 crore with its sustainable farming initiative.

Actor Mukesh and CPM politburo member Pinarayi Vijayan at Palliakkal Cooperative Bank’s organic farm. (Photo: DC)

KOCHI: When most cooperative banks in the state, especially those registered as primary agriculture credit societies, have turned out to be just money lending firms, a few of them have set a model for effective intervention in agriculture sector and catalysed the growth indices of local people.

The Palliakkal cooperative bank near North Paravur in Ernakulam district, which was in the news recently with the visit of CPM leader Pinarayi Vijayan during the Nava Kerala Yatra, has initiated a sustainable agriculture farming initiative by standing shoulder-to-shoulder with the farmers.
Of the 1,636 primary agriculture credit societies in the state, only fewer than 10 per cent banks focus on the agriculture sector.

“The cooperative bank, started in 1942, turned to organic farming in 1999 when it was on the brink of liquidation. Instead of providing agriculture loan, the bank adopted an innovative and comprehensive approach by intervening in the distribution of farming inputs, collection and marketing.

Started on an experimental basis, the bank is now ‘owned’ by over 1,000 farmers and it has marketed agriculture produce worth over Rs 20 crore,” said Mr M.P. Vijayan, secretary of the Palliakkal cooperative bank.

All the 2,000 families in Ezhikkara panchayat directly or indirectly benefit from the bank either as farmers or consumers. Cultivation is spread across 50 acres and will be extended to 10 more acres.

Twenty-six of the 28 self-help groups in the village are engaged in farming. Though the bank is governed by the CPM-led committee, politics has nothing to do with its success and the villagers support its efforts and provide agricultural land free for cultivation.

The bank’s surprising recovery from the brink of liquidation also tells the story of an agriculture revolution in a remote village, where the soil is saline and not fertile.

“The bank lends money at just four percent interest to the farmers and finds even land for cultivation for the needy. From preparation of farm land and selecting high-yielding seeds to identifying markets, it arranges everything for the farmers. A monitoring committee evaluates the cultivation with regular monthly review meetings in farmers’ households. A food security green army and a master farmer trained by the bank provide the necessary technical assistance to the farmers,” said Mr P.P Elias, bank president.

The self-help groups under the cooperative bank with a strong footing in organic vegetable cultivation have expanded their activities from dairy farming, floriculture and Pokkali farming to aquaculture.

“There are over 100 dairy farmers who supply milk to the bank which directly sells it to the 2,000 households in Ezhikkara. With no middlemen involved, we pay them more than what MILMA does and on an average, a dairy farmer here saves twice or thrice of what a normal dairy farmer gets,” Mr Vijayan added.

Terming the Palliakkal model a realistic and feasible path for the cooperative sector, Mr M.M. Abbas, director of Thrikkakara grama panchayat cooperative hospital and district-level coordinator of the CPM’s organic farming initiative, stressed the need to have more primary agriculture credit societies in organic farming sector.

“After the beginning of cooperative movement in the state, many of the primary credit societies formed with the major bylaw of assisting the growth of ailing agriculture sector have become money lending firms. Providing agriculture loan or subsidy alone will not help the farmers; rather they need a comprehensive support system like that of Palliakkal model. During the last few decades, over 90 per cent of the agriculture credit societies have moved away from their objective. The Economic Review of the state indicates a sharp decline in investment – credit ratio and the cooperative sector gets only six per cent of the total allocation to the agriculture sector,” he said.

CPM district secretary P. Rajeev feels that such innovative concepts can be successfully replicated in other parts of the state if cooperative banks shift their focus from being money lending institutions.

nature

Agriculture causes nitrate fertilization of remote alpine lakes

Humans have altered Earth’s nitrogen cycle so dramatically that reactive nitrogen (Nr) has doubled. This has increased Nr in aquatic ecosystems, which can lead to reduced water quality and ecosystem health. Apportioning sources of Nr to specific ecosystems, however, continues to be challenging, despite this knowledge being critical for mitigation and protection of water resources. Here we use $\Delta^{17}O$, $\delta^{18}O$ and $\delta^{15}N$ from Uinta Mountain (Utah, USA) snow, inflow and lake nitrate in combination with a Bayesian-based stable isotope mixing model, to show that at least 70% of nitrates in aquatic systems are anthropogenic and arrive via the atmosphere. Moreover, agricultural activities, specifically nitrate- and ammonium-based fertilizer use, are contributing most (~60%) Nr, and data from other North American alpine lakes suggest this is a widespread phenomenon. Our findings offer a pathway towards more effective mitigation, but point to challenges in balancing food production with protection of important water resources.

THE ECONOMIC TIMES

60% MGNREGA outlay for agriculture, allied activities: Govt

Reaching out to farmers, the government today said it has decided to mark 60 per cent of expenditure under MGNREGA for agriculture and allied activities.

NEW DELHI: Reaching out to farmers, the government today said it has decided to mark 60 per cent of expenditure under MGNREGA for agriculture and allied activities.

"To make NREGA useful for agriculture, we have decided that 60 per cent of expenditure under the scheme should be for agriculture and allied activities," Rural Development Minister Birender Singh said on Twitter.

The government has been maintaining from some time that employment under the scheme would be provided only through works that are more productive, asset creating and substantially linked to agriculture and allied activities.

As MGNREGA completed ten years last week, Narendra Modi government, which was earlier critical of the UPA's flagship rural job scheme, hailed the measure saying the achievements of a decade are a "cause of "national pride and celebration".

More than 64 per cent of the works taken up under the programme are linked to agriculture and allied activities, the government had noted.

A senior official in the government said the decision to fix a minimum bar of 60 per cent expenditure on agriculture and allieD activities under the scheme was taken after the NDA government came to power.

"Earlier it used to be around 54 to 55 per cent. After constant monitoring, it has now gone up to 64 per cent," the official said.

Celebrating the completion of 10 years of the scheme, Finance Minister Arun Jaitley had said the government was committed to strengthening MGNREGA and it has allocated Rs 37,000 crore this fiscal, the highest ever budgetary support to the scheme.

A Master circular was also issued on February 2, which consolidated all key instructions from the central government on the implementation of the Act.

The 10th anniversary celebrations of MGNREGA on February 2 had set off a political slugfest with the NDA government saying it has "transformed" UPA's flagship rural jobs scheme by giving it record funds to boost economic growth, while Rahul Gandhi mocked Prime Minister Narendra Modi over the issue.

Agriculture Ministry proposes 18.5% hike in jute MSP for 2016-17

The Agriculture Ministry has moved a Cabinet note proposing an increase in minimum support price (MSP) of raw jute by 18.5 per cent to Rs 3,200 per quintal for 2016-17 in order to boost production.

NEW DELHI: The Agriculture Ministry has moved a Cabinet note proposing an increase in minimum support price (MSP) of raw jute by 18.5 per cent to Rs 3,200 per quintal for 2016-17 in order to boost production.

The jute support price has been fixed at Rs 2,700 per quintal for 2015-16.

"In the Cabinet note, Agriculture Ministry has proposed an 18.5 per cent increase in jute MSP for 2016-17, which is in line with the CACP's recommendation, according to sources.

The Commission for Agricultural Costs and Prices (CACP) is a statutory body that advises the government on the pricing policy for major farm produces.

However, in the inter-ministerial comments, the Textile Ministry has sought an MSP of Rs 3,650 per quintal, while other ministries and even Niti Aayog have pitched for marginal increase in the jute MSP by Rs 300 per quintal, keeping in view the inflationary trends, sources added.

The Agriculture Ministry has proposed an increase in the support price because raw jute cultivation has been declining in recent years.

Area under raw jute has reduced to 7.5 lakh hectare in 2015-16, from little over 8 lakh hectare last year.

Jute is providing livelihood to more than 40 lakh farmers in West Bengal, Assam, Odisha and eastern Bihar.

It is also the raw material for jute mills, which employ 3.75 lakh workers.

Lack of winter time rainfall makes planters worried in sub Himalayan West Bengal tea belt

Lack of winter rainfall has put Tea planters in Himalayan foothills under serious apprehension of significant shortage in high value yield.

SILIGURI: Lack of winter rainfall has put Tea planters in Himalayan foothills under serious apprehension of significant shortage in high value yield of first flush season that begins by end February.

Peak winter is always a no plucking season for tea plantations. This period is utilized for pruning and other health rejuvenation activities for the bushes. After this zero yield gap, fresh batch of healthy leaf, known as first flush, starts coming in heavy quantity from end February to continue till March end.

Quality wise this best quality leaf enjoys highest level of pricing. According to Indian Tea Association statistics, out of India's around 1,200 million kg of tea production, foothills of Terai, Dooars together produce around 300 million kg. Volume wise first flush contributes 20% to this annual production, but accounts for around 35% by value. Naturally, it remains under highest attention of planters.

But severe shortage of rainfall during this winter is feared to cast a negative impact on the next first flush output. As per Indian meteorological department statistic, Sub Himalayan West Bengal has received just 9.9mm rainfall during 1st Jan to 4th Feb period against 16.8mm of long term average for the same period, showing a shortage of 41%. "December was also almost completely dry," said senior planter from Terai Mr. S Seal.

According senior Tea Scientist D. Bargohain, "Too dry soil and air badly affects both quality and quantity of first flush. Planters somehow try to rehydrate bushes with extra irrigation. But that can never substitute natural rain." At the same time, "Extra irrigation significantly pushes up production costs," said planters.

"Till now there is no sign of major bud-breaking in bushes to give fresh leaf. We apprehend serious kind of delay and thus shortage in output. Quality is also likely to get hampered," said Mr. Seal. The same was echoed by Mr. B G Chakroborty, President of Confederation of Indian Small Tea Grower's Association (CISTA). The Confederation has over 10,000 member tea farmers in this foothills region.

However, the situation is not yet alarming. "We have three more weeks in hand. Rainfall during this time may come as blessing for the whole plantation sector," said many planters.