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THE HINDU

Green crusader

Organic farmer P. Mayazhagan’s innovative farming techniques and cost effective farm equipment have brought down agricultural expenses

Spread across five acres P. Mayazhagan’s farm at Kallampatti near Melur is now a model for the villagers who look up to him for cost effective farming methods. Also he does not use any chemical fertiliser and has gone organic to enhance soil biological activity and restore ecological harmony.

Mayazhagan’s minimal use of off-farm inputs has helped him to reap rich dividends as yield from his farm is on the rise now. “It was not before a decade-long struggle,” smiles Mayazhagan.

He was born in an agricultural family but was keen on studying and did his electronics in an industrial training institute. He used to listen to organic farmer Nammalvar’s lectures and was inspired by his lectures on pest free farming. At that time Soorakundu and Kallampatti villages were popular for brinjal cultivation. “Brinjal from these villages was of high quality and was even fondly referred as ‘balloon’ brinjal. Every day these villages used to ship three lorry loads of brinjal to Kerala. But it gradually lost the name because of decline in production. Then I realised it was because of excessive use of chemical fertilisers which has ruined the soil. That was the time I decided to take over the mantle and go organic," he says.

Mayazhagan chose paddy cultivation. Amidst stiff opposition from his family members, he tried to follow organic farming methods to improve the soil condition. "I revived age-old traditional farming practices. To inject life into the soil, I prepared '*Amudhakaraisal* ', a mixture of cow dung, jaggery, ' *komiyam* ' (cow urine), and irrigated my land with the mixture and water," he says.

The smell of the mixture attracts earthworms, which are in lower depths because of acidic nature of the upper soil (due to chemical fertilisers), to the surface. The worms burrow the land thereby improving the physical structure of the soil, creating space for plant roots to penetrate the soil. "A farmer ploughs the land once a day but these worms do the activity three to four times a day," he says. Also the recycling of organic matter resulted in the uniform distribution of plant nutrients.

Once the land was ready for cultivation he followed the ' *Semmai Nel Sahupadi* ' (System Rice Intensification) method as it reduced water requirement and increased productivity. "Elango Kallanai a fellow farmer from Narasingampatti Village ignited the spark in me to develop cost effective farm equipment to counter the rising labour costs. I developed a seed thrower that effectively sows the seed in set dimensions and a cone weeder which removes the weed and shaves the shoots to give birth to bunch of new saplings. These equipment have brought down the labour costs to a great extent. The machine costs only Rs.4000," he says.

He sprayed ' *Panchakavya* ', a mixture of banana, jaggery, cow dung, curd, toddy or tender coconut, yeast, over the saplings to stimulate plant growth.

"You have to be careful. It should be stopped once the plant flowers otherwise the growth hormone acts and the rice becomes big," he says.

To control pests he sprayed *Meen Amino Amilam* (an organic homemade liquid manure made by composting fish waste with jaggery).

Mayazhagan and his friend Elango regularly visit traditional paddy festival in Thanjavur where they meet farmers from various parts of the State to exchange ideas. "It is an exhibition of traditional rice varieties. We don't sell rice there but exchange varieties. This time I got two kg of Poongar rice. I planted the paddy in my farm and got a yield of 680 kg of rice. I have already distributed 120 kg of rice to different farmers and I am also planning to do only traditional variety," he says.

Mayazhagan does not stop with this. He is also cultivating traditional millet variety and has sown*kuthiraivali* in his farm.

"Millets have a longer shelf life for example Varagu's shelf life is 12 years. People are using *kuthiraivali*as main ingredient to make payasam and even parotta," he says.

Now his yield is like any other farmer using chemical fertilisers. "By using chemical fertilisers a farmer is risking his livelihood. One day or the other he will have to pay the price for jeopardising the fertility of the soil," he says.

For seven kg of paddy Mayazhagan gets around 2,000 kg to 2,600 kg of rice in 120 days. "The only difference is that I have to work for 100 days to get this yield whereas farmers using chemical fertilisers spend less time on the field to get the same yield. But the only satisfaction I derive is that I am eating healthy food," he says.

Seed thrower effectively sows the seed in set dimensions and the cone weeder removes the weed and shaves the shoots to give birth to bunch of new saplings. These equipment have brought down the labour costs to a great extent

Centre clears new crop insurance scheme

The Union government on Wednesday approved the much-talked about new crop insurance scheme in which it has kept the premium amount for farmers at a maximum of two per cent for foodgrains and oilseeds while capping it up to five per cent for horticulture and annual commercial crops.

The new scheme is being perceived as Prime Minister Narendra Modi's first significant move to address rural hardship and woo rural voters ahead of key elections.

"It is a historic day and I strongly believe the Pradhan Mantri Fasal Bima Yojana will bring about a huge change in the lives of farmers," Mr. Modi tweeted after the scheme was jointly announced by the Ministers of Home, Agriculture and Parliamentary Affairs.

Home Minister Rajnath Singh told reporters here that the Cabinet had approved the PMFBY, replacing the existing National Agricultural Insurance Scheme (NAIS) as well as the modified NAIS. The scheme will be implemented from the kharif season this year.

"The farmer's share of premium has been substantially reduced and the government will provide subsidy on premium," said Mr. Singh, adding that government liability on premium subsidy would be shared by the Central and State governments on a 50:50 basis.

The scheme will have a uniform premium of only two per cent to be paid by the farmers for all kharif crops and 1.5 per cent for all rabi crops. In case of annual commercial crops such as cotton and horticultural crops, it will be only five per cent.

The premium rates to be paid by farmers are kept very low and the balance premium will be paid by the government to provide full insured amount to the farmers against crop loss on account of natural calamities.

There is no upper limit on government subsidy. Even if the balance premium is 90 per cent, it will be borne by the government.

Coverage raised

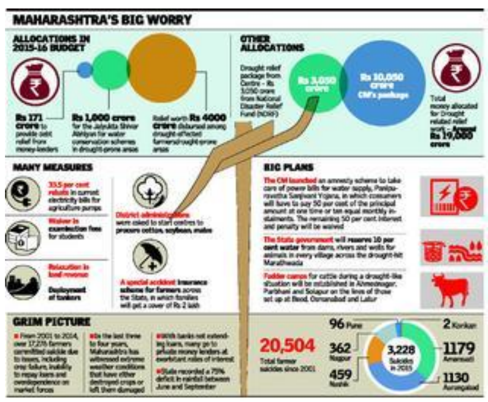
The scheme comes at a time the country is facing a drought for the second straight year due to poor monsoon rains and the government wants to enhance insurance coverage to more crop area to protect farmers from climate variations.

The government expects the scheme to help increase the insurance coverage to 50 per cent of the total crop area of 194.40 million hectares from the existing level of about 25-27 per cent crop area.

Meanwhile, the BJP has welcomed the initiative terming it as a pro-farmer decision which will go a long way in reducing farmers' woes.

Increase farmers' income, not production

Stop playing the numbers game, say activists



espite a slew of financial packages and schemes that the State government announced to improve the condition of farmers in Maharashtra, the year 2015 still recorded the highest number of farmer suicides since 2001.

As many as 3,228 farmers ended their lives last year. Activists and opposition leaders have blamed the government for not understanding the ground reality, even turning a blind eye to it by depending heavily on bureaucratic inputs.

In its defence, the Bharatiya Janata Party (BJP)–led state government claims to have undertaken numerous measures to tackle the agrarian crisis, which has emerged after three consecutive years of drought in the State (see graphic).

“Had the government taken the right steps, we would have not seen a rise in the number of farmer suicides in the state,” said Chandrakant Wankhede, researcher and activist on the issue of farmer suicides from Nagpur.
According to Mr Wankhede, the government must improve policy matters instead of announcing packages.

“If the government cannot protect farmers from natural calamities, it must take the effort to control market forces. If not that, then what measures are being taken to ensure health, education and social safety of farmers?” he asked. Mr Wankhede added that the focus of the policy should be on increasing income of the farmers, instead of increasing production alone.
Congress leader and Leader of Opposition Radhakrushna Vikhe-Patil said that the previous government’s decision to announce loan waiver in 2007 successfully curbed the number of suicides for next three years. Despite repeated demands for loan waivers, the State government has declined the pleas, claiming it only benefits banks and not farmers. The cumulative financial package announced by both the State and the Centre is up to Rs 19,000 crore. But, farmers have clearly not benefited from it.

“The government needn’t announce a complete loan waiver, but apply it to worst-hit regions. Even if banks benefit, it will help farmers as banks provide agriculture loans to them,” said Mr Vikhe-Patil. The opposition has also accused the government for its over-dependency on bureaucracy.

“It’s fine if you do not want to talk to us, but at least speak to your own MLAs. They will give you ground report,” Mr Vikhe-Patil said. “In 2006, the National Commission for Farmers was formed. But unlike the pay commission, their report was never accepted. We should stop playing with the numbers game now. There is need to focus on policy,” said Mr. Wankhede.

Humble millet battling with craze for Quinoa

Activists have called for popularising millets in view of its high nutrition content.— PHOTO: M.A. SRIRAM

The recent spurt in interest over South American crops of Chia and Quinoa, branded as super foods, has triggered a debate among conservationists and agricultural scientists that indigenous dryland crops such as millet are being given a short-shrift.

While Chia is a Mexican variety crop, Quinoa is indigenous to South American countries besides parts of Asia and Africa. They claim to be effective against diabetes and cardiovascular diseases.

The Central Food Technological Research Institute (CFTRI) has also endorsed these two crops and distributed the seeds to farmers for cultivation in and around Mysuru. But Sahaja Samrudha, an organisation propagating conservation of indigenous variety of crops, besides organic and natural farming, has taken exception to this. The general argument is that short-term gains are being ignored over long-term ramifications. G. Krishnaprasad of Sahaja Samrudha said all food systems evolve around local crops and cautioned against experimenting in the present time of climate change and erratic rainfall. A view also endorsed by agricultural scientists from Visvesvaraya Farm in Mandya. C.R. Ravishankar, who is part of the All-India Coordinated Research Project on Small Millets told *The Hindu* that the health benefits of millets are proven, but the crop was being ignored by farmers and the authorities in pursuit of commercial crops of the imported variety, which may have short-term benefits but pitfalls in the long run.

He said the national project on small millets is focussing on improving the yield of foxtail millet, kodo millet, proso millet, barnyard millet, little millet, and finger millet, which can be cultivated under extreme drought conditions.
The craze for Chia and Quinoa will not last long and farmers will be in doldrums after a few seasons, said Mr. Ravishankar.

Foxtail millet and little millet were common in old Mysuru (Gundlupet, Nanjangud, Hassan, Nagamangala), while Kodo millet and Browntop millet was cultivated in Andhra Pradesh and known to be drought resistant, according to Mr. Krishnaprasad, who documents indigenous crops on the decline. "This tendency to revere all things imported is a colonial mindset," he said and wanted the State government to introduce millets under the midday meal scheme and Anna Bhagya in view of their nutrition value, besides creating demand for these crops.

Agricultural scientists have developed a white variety of ragi that will be released in March this year. C.R. Ravishankar, who is associated with the All-India Coordinated Research Project on Small Millets, told *The Hindu* that a majority of the people have an aversion to ragi in view of its dark colour. Hence, scientists have developed a white variety. "It's called KMR 340 and will be released in March," he said. He hoped that ragi consumption would improve following the release of the white variety. It is rich in nutritional value, highly resistant to drought and can be cultivated in dryland areas, he said."While developing the variety, we managed to remove the dark brown colour of the crop." In view of its white colour, it can be blended with traditional culinary delights, including bakery items, and thus the nutritional intake of people may also go up, he said.

3,87,000 farmers to come under soil health mission

The Agriculture Department has taken up the initiative of issuing soil health cards to over 3,87,000 farmers in the district under the Soil Health Mission.
The department has shifted the soil testing laboratory from Nanjangud to the office of the Deputy Director of Agriculture in Nazarabad here, which started functioning from Monday last. Joint Director of Agriculture M. Mahanteshappa told *The Hindu*that over 83,000 soil samples would be collected as part of the mission.

After collecting the soil samples, each of the 3, 87,000 farmers in the district would be given soil health cards, he said. The Agriculture Department has formed grids of 10 hectares each in dry land and 2.5 hectares each in irrigated land. Soil samples would be collected from each grid and after testing, farmers will be advised on the crop pattern, fertilisers and micro-nutrients to be used in the grid.

The department has already recruited about 140 farm facilitators on daily basis and has deputed a large contingent of staff to carry out the Soil Health Mission in the district. It has also availed the service of technical experts. Officers and employees involved in the mission have already been trained, he said and added that farmers are being enlightened about the soil health cards. Mr. Mahanteshappa said that soil testing and recommendations would prevent farmers from using chemical fertilisers indiscriminately and help them to safeguard the fertility of the soil. Soil health cards will be valid for three years and after three years, the department would again conduct the soil testing exercise, he added.

The soil testing laboratory would function in two shifts (from 7 a.m. to 2 p.m. and 2 p.m. to 10 p.m.), he said.

The State government has purchased specially designed Tablets and distributed to all the districts. Each Raitha Samparka Kendra will be given two Tablets and those assigned with the job of conducting soil tests can use it to locate the spot from where a particular soil sample is collected, among others. The cost of each Tablet is Rs. 9,500.

AP govt. to promote organic farming in a big way

The State government has chalked out a plan to promote natural farming in a big way to ensure food security for millions on the one hand and make farming profitable for farmers on the other.

Taking part in an awareness meet for growers on natural farming and on cultivation of millets here recently, State Chief Secretary I.Y.R. Krishna Rao said that the present intensive and pest-management-based cultivation had resulted in over-production of superior cereals - rice and wheat- and neglect of the healthy raggi and other millets.

He attributed the shortage of red gram during last year to non-maintenance of the critical balance between different crops including pulses and edible oil.

Giving finer details of the plan to turn Andhra Pradesh into an ‘organic farming State’, Agriculture Special Chief Secretary T. Vijaykumar said noted natural farmer Subhash Palekar would train for eight days 30 farmers each from 130 clusters across the State at Kakinada this month-end on organic farming and sustainable agricultural practices.

“We planned to train this year about 1.5 lakh farmers, who, in turn, will inspire 50 to 60 lakh farmers “to take up organic farming,” he explained, adding that 30 to 40 new agricultural practices would be taught to the selected progressive farmers to restore the soil health and ensure sustainable agriculture. The government had constituted a Core Committee headed by Mr. Vijaykumar to show assured market for millet growers.

“There is a need for increasing the carbon content in the soil to at least 2 per cent as against the present average carbon content of less than 0.5 per cent,” he said, adding that ‘the green revolution tools will not work in increasing food production to meet the expected demand in the year 2050.’

Production of

healthy millets

Food 360 Foundation President J. A. Chowdary said the next wave of opportunity would be for production of healthy millets. Realising the huge untapped market potential for millets, more and more IT professionals are turning themselves into agri-entrepreneurs to market value-added millet-based products to replace ‘junk foods’, added Mr. Chowdary, who is also advisor for IT and Special Chief Secretary to the Chief Minister.

Sustainable food security

Expert to train 30 ryots each from 130 clusters across AP for eight days

Target set to educate

1.5 lakh farmers on organic farming this year

Farmers to be sensitised on 30 to 40 farm practices

Panel formed to guide farmers on marketing of millets

An expert to train 30 farmers each from 130 clusters across Andhra

Pradesh for

eight days

Seven-hour power supply to farm sector soon

The State government will soon supply power for seven hours at a stretch to the agriculture sector during the daytime on a rotation basis. The discoms are at present supplying power in three phases including at nights.

Besides, to save power, the government is replacing old motors with energy efficient (star-rated) ones which will save 30 per cent energy, Energy Secretary Ajay Jain has said in a press release.

The government's decision to supply power for seven hours uninterruptedly will benefit lakhs of farmers during the Rabi season.

A sum of Rs. 3,200 crore is being paid to discoms every year towards subsidy for free power. High voltage lines are being laid wherever the quality of power is poor.

Separate feeders are being provided for the farm sector. Approximately 3,000 million units are estimated to be saved through the energy efficiency measures in the agriculture sector.

Solar pumpsets

A pilot project of installing solar pumpsets is under implementation in East Godavari district.

Mr. Jain has further stated that high voltage distribution in the State is being upgraded with financial assistance from Japan International Cooperation Agency (JICA).

The energy efficiency activities taken up by the State Energy Conservation Mission and the public sector power utilities would save huge sums for the exchequer. The money saved is being ploughed back into development and welfare schemes.

The State has attracted investments on a large scale at the CII Partnership Summit mainly due to 24X7 power supply which was made possible by the Central and the State governments, Mr. Jain has pointed out.

Water released for irrigation

Athupalayam dam in Aravakurichi taluk, which was remained closed for several years due to high Total Dissolved Solids (TDS) in the water, was opened for irrigation on Wednesday following drastic decline of TDS level in the storage water.

Collector S. Jayandhi signalled the opening of dam in the presence of farmers and Public Works Department officials after special pujas were performed.

She said the water release would benefit for recharging wells and water courses so as to benefit 19,000 acres in the district.

The water level at the dam was 172 mcft as against the total capacity of 235 mcft. The water will be released for 12 days up to January 25. The outflow will be maintained at 130 cusecs.
V. Raju, Executive Engineer, Lower Bhavani Basin Division, told *The Hindu* that the dam could not be opened for irrigation because of high TDS level primarily due to inflow of polluted water in the Noyyal river.

The concerted efforts and good rainfall during the last Northeast monsoon season had made the way for decrease in TDS level in the storage water. The TDS level was now well below the permissible level.

The water had been released following the demand of farmers.

It would be helpful to recharge the ground water and wells in Aravakurichi and neighbouring areas. It would benefit horticultural crops raised by farmers through well irrigation.

Rs. 95 crore released for crop loss: Kulkarni

Minister also urges Union government to release funds for Sarva Shiksha Abhiyan

Minister for Mines and Geology and district in-charge Vinay Kulkarni has said that considering the crop loss to farmers in Dharwad district due to the drought this year, the State government had released Rs. 95 crore as compensation.

Addressing presspersons here on Sunday, Mr. Kulkarni said that the State government move follows the proposal sent by the district administration regarding providing compensation for the crop loss.

“Because of drought, the farmers in the district completely lost the kharif crop and the district administration had sent a proposal seeking a relief of Rs. 300 crore. The Cabinet sub-committee formed by the State government visited various parts of the district and based on its recommendation, Chief Minister Siddaramaiah has released Rs. 95 crore towards relief for the farmers,” he said.

Meeting

The Minister said that a meeting of district-level officials would be convened and steps taken to provide compensation to farmers within a week. He said that the farmers who had cultivated Bengal gram for the rabi season too had incurred loss as the yield had been reduced by half in Dharwad district.

The issue would be brought to the notice of the State government also, he said.

The Minister alleged that the Union government was not sanctioning funds under the Sarva Shiksha Abhiyan, although there were several old schools in Dharwad district which required funds for carrying out renovation of the weak buildings. BJP leaders from the district should prevail upon the concerned Union Ministry to get funds for these schools, he said.

Mr. Kulkarni also demanded that considering the plight of the farmers in distress, Prime Minister Narendra Modi should waive off the farm loans just like his predecessor Manmohan Singh who had waived Rs. 72,000 crore of farm loans.

District administration had sent a proposal seeking compensation for crop loss

Sharp increase in banana price

Relief to growers who have suffered losses in the recent months due to fall in prices

Banana prices, which had registered a steep fall over the past couple of months, have registered a sharp increase at the wholesale market in the City ahead of the Pongal festival, when demand normally peaks.
The hike in the prices of the fruit has come as a relief for banana growers who had complained of huge losses due to the fall in the prices in recent months.

Traders at the Vazhakkai Mandi at the Gandhi Market in the city, one of the biggest wholesale market of the region, reported huge arrivals ahead of the harvest festival.

“Normally we used to get around 15,000 to 20,000 bunches a day. Over the past couple of days, arrivals range at around 40,000 bunches a day,” said K.P. Palanivel, president, Plantain Traders Association of Gandhi Market.

Mr.Palanivel said that the price of poovan variety, which is in big demand for the festival, touched Rs.500 a bunch (top quality) at the auction held on Tuesday. The variety had fetched between Rs. 150 to Rs. 350 a bunch at the beginning of the month.

Traders said the price of rasthali ranged between Rs. 100 to Rs. 400, karpooravali between Rs. 50 and Rs. 400 and Monthan between Rs. 100 and Rs. 350 a bunch.

The Tiruchi market gets supplies from across Tiruchi, Karur and Pudukottai districts. Over the past few days banana bunches were coming in large quantities from Theni and even Thoothukudi districts, Mr.Palanivel said. The fruits are sent to the retail markets in various parts of the State. The increase in prices has gladdened the hearts of banana growers too. “The price has started appreciating. Though it is not up to our expectations, the price rise has come as a big relief,” said A.Nagarajan, State president of the farmers wing of the Tamil Mannila Congress.

Mr.Nagarajan reiterated his demand for setting up a cold storage facility at the Gandhi Market for the benefit of farmers. However, traders were not so enthusiastic on the demand. Mr.Palanivel felt that the Horticulture Department and research agencies such as National Research Centre for Banana should first enlighten farmers and traders on how long could the fruits be preserved at the cold storage in bunches.

Traders at the market have been demanding the establishment of a shed and better amenities at the Vazhakkai Mandi as the fruits are now being auctioned from an open space.

Mr. Nagarajan said the government should take steps to supply banana in the noon meal to protect farmers from price fluctuation.

Sugarcane price moves up

Price of sugarcane sold in open market has witnessed a steep rise this year in Erode district. – PHOTO: M. GOVARTHAN

The higher price of sugarcane is proving to be an outcome of demand-supply dynamics, in the wake of the government's decision to gift each of the family card holders with Pongal Pack consisting of 2 ft of sugarcane along with 1 kg rice and sugar, and Rs. 100.

Unlike last year when a stalk was sold for Rs. 25 to Rs. 30, this time, the starting price is Rs. 40, irrespective of the girth and length.

Sellers say they would still be making only a thin margin of profit.

Seasonal sellers are usually middlemen who provide credit to the sugarcane farmers and procure the produce.
This time, the farmers have become assertive, since the Cooperatives Department is believed to be offering them a better procurement price.

"This time around, farmers who used to supply sugarcanes are prepared to repay the loan along with interest instead. They are keen to dispose off their produce to the Cooperatives Department," said a seasonal seller.

As a consequence, there is a drop in the number of retail sellers. For, the State Government has decided to provide 2 ft cane to each of the 1.91 crore family card holders, the sellers say.

The Chief Minister's announcement also covers holders of police cards and Sri Lankan Tamil families living in refugee camps across the State. Fortunately for the sellers, 2 ft of sugarcane is hardly sufficient for even one person.

Also, every family celebrating the festival in a traditional way needs two entire stalks. Hence, there is still scope for decent business, customers say.

Rubber growers seek market support price

Growers want a minimum market support price for the produce on the lines of the one in Kerala.— File Photo

RUBBER CRASHES

Year	2011-12	2012-13	2013-14	2014-15	2015-16
Avg. prices of RSS-IV grade	208	176.82	166.02	132.57	100

RUPEES PER KG

- About **60,000** hectares of rubber in Karnataka
- Dakshina Kannada accounts for about **60%** area
- State has about **75,000** rubber growers
- The Rubber Board has regional offices in Mangaluru, Udupi, Kundapura and Shivamogga

(SOURCE: KARNATAKA STATE RUBBER BELEGARARA HITARAKSHANA VEDIKE)

Prices of natural rubber have fallen by over 155 per cent in the past five years

Distressed over the 155 per cent fall in the prices of natural rubber in the past five years, rubber growers have urged Karnataka government to fix a minimum market support price for the produce on the lines of Kerala.
The actual prices of rubber crashed from Rs. 247 a kilogram in 2011-12 to Rs. 97 in 2015-16.

Addressing media here on Wednesday Sridhar G Bhide, president, Karnataka State Rubber Belegarara Hitarakshana Vedike, said Kerala government in its 2015-16 budget reserved Rs. 300 crore under 'rubber production incentive scheme' to support rubber growers. Under the scheme, the difference between the market support price fixed by Kerala government and the daily reference price (or daily market price) approved by the Rubber Board was credited to the bank account of the farmer directly. It was on the basis of purchase bills furnished by the Rubber Producers' Societies and duly certified by the Field Officers of the Board.

Kerala fixed Rs. 150 per kg as market support price from July, 2015 and was releasing the incentive to farmers since then. For example, Mr. Bhide said if Karnataka government fixed Rs. 150 as market support price per kg of rubber and if the market price stood at Rs. 100 a kg the government should credit the balance Rs. 50 per kg to the bank account of the farmer directly.

Protest on Monday

Mr. Bhide said though the growers in the State approached the government with this demand several times, it has fallen on the deaf years. Now all the growers would stage a protest in front of the office of the Deputy Commissioner here on January 18 to press for their demand.

He said the Union government should try to ban the import of natural rubber in total. If not, it should raise the import duty on natural rubber from 25 per cent to 75 per cent.

The Union government should announce the national rubber policy at the earliest. The government should re-constitute the Rubber Board which is now headed by an in-charge chairperson. The post of Rubber Production Commissioner is vacant since two years. This has hit growers with the Board not having designated authorities to listen to their grievances.

N.S. Bhandary, president, Karnataka Rubber Planters' Association was present.

SAP not enough, say cane growers

Adverse market conditions have forced the sugar mills to default on payment to suppliers.

Terming the State government's State Advised Price of Rs. 2,850 per tonne too meagre, sugarcane growers have urged Chief Minister Jayalalithaa to review the pricing taking into account the cost of cultivation. They want Rs. 3,600 a tonne. However, a section of growers are happy that the government announced the SAP without succumbing to pressure tactics of sugar mills.

The Centre had fixed the Fair and Remunerative Price for cane procured during the 2015-16 season at Rs. 2,300 a tonne. The State government declared an incentive of Rs. 550 including transportation charges of Rs. 100 a tonne, for a total State Advised price of Rs. 2,850.
"Though all public sector and most of the cooperative sector sugar mills had paid money for suppliers last year, private mills had piled up arrears on incentive to farmers for the cane supplied over the past two years. It is close to Rs. 950 crore. Under these circumstances, the Chief Minister has announced the SAP. We wonder whether the growers will get any benefit. We look up to her to ensure that,'' says president of Pettaivaithalai Cane Growers' Association, Tiruchi, K. Anbalagan.

Adverse market conditions have forced the sugar mills to default on payment to suppliers. Though the SAP announcement is welcome, only removal of Value Added Tax on sugar and reduction of VAT on its by products will help mills turn profitable and facilitate payment to farmers. The Chief Minister must help growers in asking the mills to pay the current dues and arrears in one go , according to the State technical secretary of Consortium of Indian Farmers' Associations G. Ajeethan of Namakkal.

Claiming that the cost of cultivation has gone up , general secretary of Federation of Farmers' Associations in Delta Districts Arupathy P.

Kalyanam opines that the thrust of the State Government must be on ensuring that the private sugar mills and some cooperative mills that have defaulted on payments pay the arrears to the growers in one settlementInquiries in the sugar industry circles indicated that there was a concerted attempt to delay the SAP announcement and even if it were to be done a hiked incentive was sought to be avoided.

Wi-Fi facility at Ooty Botanical Garden

The Niligiris Collector P. Sankar inaugurating the Wi-Fi service of BSNL at the Government Botanical Garden in Udhagamandalam on Wednesday. — Photo: M. Sathyamoorthy

Visitors to the Ooty Botanical Garden will now have access to Wi-Fi connection.

According to a release from the district administration, Collector P. Shankar inaugurated the facility on Wednesday and said that visitors could access the service by paying Rs. 30 for 30 minutes, Rs. 50 for an hour, Rs. 90 for two hours and Rs. 150 for a day.

This is only the beginning as the district administration in association with the Bharat Sanchar Nigam Limited planned to extend it to Sims Park in Coonoor and the market there. And thereafter the service would be introduced in Charring Cross, railway station, boat house, Kodanad View Point and other places of tourist interest.

Chief General Manager, BSNL, Sivaraj, and Joint Director, Horticulture Department, N. Mani were present at the inauguration.

The Indian EXPRESS
JOURNALISM OF COURAGE

Pradhan Mantri Fasal Bima Yojana: Crop insurance plan to entail Rs 8.8K cr outgo

Under the scheme, farmers will pay 2 per cent of premium fixed by insurance firms for kharif crops and 1.5 per cent for rabi crops.

The Union Cabinet on Wednesday approved the launch of Pradhan Mantri Fasal Bima Yojana (Prime Minister Crop Insurance Scheme) in which the premium rates to be paid by the farmers have been brought down substantially so as to enable more farmers avail insurance cover against crop loss on account of natural calamities. The scheme will come into effect from the upcoming kharif season.

Under the new scheme, farmers will have to pay a uniform premium of two per cent for all kharif crops and 1.5 per cent for all rabi crops. For annual commercial and horticultural crops, farmers will have to pay a premium of 5 per cent. The remaining share of the premium, as in previous schemes, will continue to be borne equally by the Centre and the respective state governments.

With farmers having been required to pay a premium share of as high as 15 per cent in several areas in the country, there has been a long-standing discussion on the need to bring down these rates. The Centre's move to bring down and cap these interest rates is being viewed as a major government policy outreach towards the farmers.

The Centre currently has a bill of Rs 3,100 crore on account of its share of the premium for the 23 per cent crops that are currently insured in the country. Once 30 per cent of the crop comes under insurance cover, the Centre's financial liability is estimated to go up to Rs 5,700 crore. This financial liability is expected to touch a whopping Rs 8,800 crore once the target of bringing 50 per cent crop under insurance is achieved in three years, officials said. As the Centre's financial liability goes up, the bill of the states where the scheme gets implemented will also go up correspondingly.

Govt set to launch new crop insurance scheme

300 claims for PM’s insurance plans till now

New senior health plan with Rs 1 lakh cover on the cards

Modi in Kolkata: Will launch schemes and meet ailing Maharaj, CM

Everyone needs a safety net, no one likes crop insurance

From plate to plough: A Baisakhi gift for the farmer

Under PMFBY, there will no upper limit on government subsidy and even if balance premium is 90 per cent, it will be borne by the government. “Earlier, there was a provision of capping the premium rate which resulted in low claims being paid to farmers.

This capping was done to limit government outgo on the premium subsidy.

This capping has now been removed and farmers will get claim against full sum insured without any reduction,” the government said. “The use of technology will be encouraged to a great extent. Smart phones will be used to capture and upload data of crop cutting to reduce the delays in claim payment to farmers. Remote sensing will be used to reduce the number of crop cutting experiments,” the government said. The new Crop Insurance Scheme will also seek to address a long standing demand of farmers and provide farm level assessment for localised calamities including hailstorms, unseasonal rains, landslides and inundation.

Calling it a “historic” decision, Union home minister Rajnath Singh said that this scheme will act like a “safety shield” for the farmers and will protect them against the vagaries of nature. “This new crop insurance scheme will have the lowest premium for farmers in the history of independent India. The new scheme has taken care of the anomalies in the existing two schemes and added new provisions," Singh said.

Agriculture minister Radha Mohan Singh called it a "amrit yojana" and added that the scheme will also cover post-harvest losses.

Now, a pungent yet healthy mustard oil

Agri-entrepreneur helps take low-erucic acid variety from lab to land.

A farmer near Nagaur growing Pusa Mustard-30 in his two-acre field.

A mustard oil that is healthy and yet retains its characteristic pungency is something many consumers — especially in northern and eastern India — would consider as the ideal cooking and frying medium.

That 'ideal' combination may have become real now, with the release of a new variety, Pusa Mustard-30. Developed by the Indian Agricultural Research Institute (IARI), it has an erucic acid content of less than 2 per cent of total fatty acids. The normal Indian mustard (Brassica juncea) typically have over 45 per cent erucic acid, linked to increase in risk of cardiac muscle impairment.

The high erucic acid levels in Indian mustard have led to a growing market for imported rapeseed or canola oil (Brassica napus). Belonging to the same Brassicaceae family, but of a different species (napus), canola oil has the advantage of low erucic acid (below 2 per cent), but lacks in glucosinolates, organic compounds that catalyse reactions in the broken seeds imparting the pungent taste associated with mustard oil. While the glucosinolates content in Indian mustard is about 150 micromoles per gram of seeds, it is less than 30 for canola.

Pusa Mustard-30 also offers high crop yields. “The seed yields are 11-12 quintals per acre, with 40 per cent oil content. This is as good as what farmers are getting from regular mustard varieties, though the oil is of much superior quality,” says Bhagirath Choudhary, founder-director of South Asia Biotechnology Centre, which has done the major lab-to-land work of taking Pusa Mustard-30 from the IARI to farmers’ fields.

Choudhary sourced 5 kg breeder seeds of Pusa Mustard-30 from IARI and planted in the 2014-15 rabi season to produce about 30 quintals of commercial mustardseed. In the current rabi season, he has undertaken contract cultivation of the new variety across 110 acres in Jabalpur, Nagaur (Rajasthan) and Moga. “This year, my production should cross 1,200 quintals. I am also paying a premium of Rs 200/quintal over the market price for regular mustard to incentivise farmers to grow this variety,” Choudhary notes.

The 40-year-old agri-entrepreneur has even promoted a separate venture, Arpan Seeds Pvt Ltd, to produce and market the oil from Pusa Mustard-30 under the ‘Lifegard’ brand. “I want to position it as a premium healthy Indian mustard oil. I hope to get some support for this 100 per cent Made in India startup initiative,” he notes.

The Indian Council of Agricultural Research (ICAR) has also called Choudhary’s initiative as a “first of its kind effort by ICAR-IARI under public-private-partnership mode to launch an indigenously developed health value product with improved oil quality”

hindustantimes

New Central insurance scheme to rescue farms from April

The prime minister described the scheme as being the 'harvest's bounty' for India's farmers. (HT Photo)

The Narendra Modi government will roll out a new technology-driven subsidised farm insurance scheme from April, an attempt to shield farmers and the larger economy from now-frequent weather shocks. The challenge will still be about popularising it in a country where farm insurance has been hard to sell.

The new scheme, called Pradhan Mantri Fasal Bima Yojana and approved by the Cabinet on Wednesday, is a lot simpler and designed with the farmer in mind, an official said, requesting anonymity.

It does away with clumsy procedures of existing plans, which are so complex that they have only served to chase farmers away. Only about 5% of farmers take insurance in areas where it is available, a low penetration that shrivels farm incomes after drought, hailstorm and unseasonal rain.

Two consecutive droughts have shrunk food output and farmer incomes. An agrarian crisis has emerged as a key political challenge for the Modi government, which has its sights set on jobs, investment and growth. It's a harvest season "gift" for farmers, Prime Minister Narendra Modi tweeted.

The new scheme fixes farmers' share of premium at 1.5% for winter-sown crops and 2% for summer-sown crops. For cash crops and horticulture crops, it is 5%. The rest will be borne by the government. This is cheaper than current rates.

The real benefits should come from a scheme that promises larger compensation and faster payouts – two areas that needed attention. Slow payments and unprofitable amounts that could be claimed as insurance under the existing Modified National Agricultural Insurance Scheme meant insurance has never worked in a country of 135 million land holdings.

Currently, if a firm charged 20% as premium in a hectare land insured for Rs 30,000, then a farmer could eventually claim a compensation for only Rs 16,500 because at higher premium levels, the sum insured would be automatically reduced through an arbitrary formula so that government saved costs.

THE HINDU BusinessLine

New crop cover scheme gets nod; Centre, States to split ₹ 8,000-cr bill

Farmers to pay 2% premium to insure kharif crops

NEW DELHI, JAN 13:

The Centre on Wednesday unveiled a new crop insurance scheme that restricts the premium to be paid by farmers at a standard 2 per cent for kharif crops and 1.5 per cent for rabi crops. The decision was taken at a meeting of the Union Cabinet, which also renamed the scheme as the Pradhan Mantri Fasal Bima Yojna.

The annual premium for commercial and horticultural crops has been fixed at 5 per cent.

The Centre and States will equally share the estimated expenditure of ₹ 8,000 crore as premium. Currently, the Centre pays about ₹ 3,000 crore as premium.

Prime Minister Narendra Modi said the new scheme includes successful aspects of the existing ones while effectively addressing their deficiencies. “The scheme has the lowest premium. It entails easy use of technology like mobile phone, quick assessment of damage and disbursement within a timeframe,” he said in a series of tweets. Agriculture Minister Radha Mohan Singh told reporters there is no upper limit on the government subsidy.

“Even if the balance premium is 90 per cent, it will be borne by the government. This will help farmers claim the full sum insured,” he said.

Under the scheme, 25 per cent of the compensation will be paid directly into the farmer’s bank account. It will also provide coverage against localised risks of hailstorms, landslides and inundation as well as post-harvest losses of cyclonic and unseasonal rains.

“The reduced premium and inclusion of localised calamities and post-harvest losses for insurance will certainly help farmers to overcome their distress,” said Food Minister Ram Vilas Paswan.

The scheme will use tech products such as smart phones to capture and upload data of crop cutting in order to reduce delays in claim payments to farmers. “Remote sensing will be used to reduce the number of crop cutting experiments,” said an official statement. The Centre aims to double the coverage of the scheme to 50 per cent of the total crop area of 194.40 million hectares from the current level of about 23 per cent.

(This article was published on January 13, 2016)

Govt relaxes curbs on apple imports, opens more ports for shipments

Move will result in increased availability of the fruit and ease prices in domestic market

KOCHI/CHENNAI, JANUARY 13:

Apple importers can now heave a sigh of relief with the Directorate General of Foreign Trade (DGFT) amending its earlier order on port-wise restriction of the fruit.

The DGFT, in its notification dated January 12, has revised its policy allowing apple imports through seaports and airports in Kolkata, Chennai, Mumbai and Kochi; and the airport in Delhi.

The import of apples is also allowed through India's land borders.
This move would help in increasing availability of the fruit in the domestic market and ease its prices.

It may be recalled that the DGFT, through a circular in September last year, had allowed imports of apples into the country only through Nhava Sheva Port in Maharashtra , purportedly to protect the interest of domestic producers.

Following the curbs, there was a hue and cry from fruit importers especially from South India due to increase in transportation cost for cargo movement.
They had approached the Kerala High Court seeking legal remedies and obtained a stay on the DGFT notification. Subsequently, the Kochi Port in December, recorded the arrival of 50 tonnes of apple imports from China and more imports are expected this month.

Figures from the Statistics Department of the Cochin Chamber of Commerce and Industry revealed that 4,598 tonnes of apples were imported through Kochi in 2015 alone.

CS Kartha, the Chamber President said that the trade body had taken up the matter with the Union Commerce Ministry requesting for a relaxation for Kochi Port in view of the possible price hike of apples in Kerala.

According to the trade, Kerala has to depend more on imports of superior grade apples to meet the requirement of visiting foreign tourists.

Apple imports happen throughout the year while domestic produce is only seasonal which itself makes domestic apples more expensive.

Kochi Port had alone handled nearly 13,735 tonnes of apple imports in 2014 mostly from the US and Australia, they pointed out.

India is the world's largest third producer of apples and the country imports the fruit from the US, China, Chile, Fiji, Iran and New Zealand. Data from the Agricultural and Processed Food Products Export Development Authority (Apeda) point out that apple imports stood at 1.97 lakh tonnes valued at ₹ 1,388.72 crore in 2014-15 fiscal against 1.75 lakh tonnes valued at ₹ 1,176.03 crore in fiscal 2013-14.

For the period of April-September 2015, India's apple imports stood at $153.6 million.

A Chennai-based importer said that more than 50 per cent of the imports in the country take place through Chennai Seaport. Up to 47 per cent of the imports are routed through Nhava Sheva Port and the rest through Kolkata, Kochi, Krishnapattnam, Kattupalli, Tuticorin and Delhi Air Cargo.

(This article was published on January 13, 2016)

Telangana to scrap subsidy for dairy farmers producing more than 25 litres/day

HYDERABAD, JAN 13:

Ramakrishna, a 30-year-old dairy farmer with seven buffaloes in a village in Telangana's Ranga Reddy district, is in a fix now. The animals yield about 30 litres a day. This would mean about a daily income of ₹ 700. Though Vijaya Dairy, the public sector cooperative dairy, gives him ₹ 23 a litre – ₹ 6 short of the cost of production – a subsidy of ₹ 4/litre from the State government comes handy for him.

“But we are not going to get this subsidy any longer. The State government has decided to do away with this subsidy for farmers who produce more than 25 litres a day. I have only one option before me – to reduce the number of buffaloes or to forgo the subsidy,” he said.

Farmers managing small and medium dairy units that produce more than 25 litres are worried. Citing the example of the neighbouring Karnataka, they want the government to increase the subsidy to ₹ 7 from ₹ 4 a litre, instead of removing the subsidy.

Opposing the government move, the Progressive Dairy Farmers’ Association has said the move could severely impact the livelihoods of farmers, who were already in severe distress because of the severe drought.

The government, which introduced the subsidy scheme a year ago for dairy farmers that supply milk to the Vijaya dairy, said it was not in a position to continue the scheme any longer. It spends ₹ 70 crore a year on the scheme that covers 81,000 farmers.

This has come as a shocker to farmers as it could impact their livelihoods. “While we spend ₹ 29-31 to produce a litre of milk, we are getting only ₹ 23. If the government removes this incentive, it would severely impact our livelihoods,” Kandala Bal Reddy, General Secretary of Progressive Dairy Farmers’ Association, told *BusinessLine.*

He said it was not fair on part of the government to leave out farmers that produce more than 25 litres. “The neighbouring Karnataka is spending ₹ 1,000 crore a year on the scheme. We urge the government to enhance the subsidy to ₹ 7/litre instead of diluting the scheme,” he said.

He said the cooperative dairy charges ₹ 15 for handling on every litre it procured and sold. “Compare this with ₹ 10 in Karantaka. The local government can reduce the handling charges and pass on the benefit to milk producers and consumers,” he said.
A government official, however, argued that majority of the farmers would still continue to get the benefit. “As many as 78,550 farmers would get the subsidy of ₹ 60 crore. Only a fraction of big farmers are excluded,” he argued.

(This article was published on January 13, 2016)

STIHL aims at 25% growth in India biz over next 3-4 years

PUNE, JAN 13:

STIHL, a Germany-based maker of high-tech agricultural and gardening power tools, is looking at a growth of 25 per cent year-on-year in its India business over the next three to four years.

At this projected rate, the enterprise will become an entity valued at Rs. 180 crore by end 2018.

“The company has customised some of its products to suit Indian conditions and farming practices,” Parind Prabhudesai, managing director, STIHL India, said during a press conference.

As a response to the need for higher productivity and declining availability of labour, the Indian farming sector is embracing higher levels of mechanisation, he pointed out.

“We are therefore expanding our product offerings and dealer network in India to take the points of sales and service from 320 now to 400 by the end of year,” he said, adding that while the company saw single-digit growth for the first few years, it clocked a 25 per cent jump in its top line from Rs. 75 crore in 2014 to Rs. 93.5 crore in 2015.

The company sells chain saws, pruners, paddy weeders, brush cutters and high pressure cleaning systems in India that are used in the areas of agriculture, plantations, horticulture, landscaping, disaster management and construction.

Prabhudesai said the company had signed an agreement with Mahatma Phule Krushi Vidyapeeth to train students and the farming community in best practices in agriculture.

It has also instituted a programme to offer one scholarship of Rs. 7,500 per month to a post-graduate student and another of Rs. 5,000 per month for a graduate student, Prabhudesai said.

(This article was published on January 13, 2016)

Biodiversity levy: Domestic herbal units may lose out to China

KOCHI, JANUARY 13:

The Kerala State Biodiversity Board's recent notification demanding levies for sourcing raw materials domestically has put the spices and plant-based product exporters, who are commercially utilising biological resources, in a fix.

Bevy of levies

The Board, through the provisions in Biodiversity Act 2002, had asked companies sourcing raw materials domestically to pay a 3-5 per cent levy as raw material cost.
Besides, the demand to remit another 0.5-1 per cent of the total turnover to the National Biodiversity Board towards "fair and equitable benefits sharing" has put exporters into doldrums, said PJ Kunjachan, Managing Director of the Kerala-based Arjuna Natural Extracts Ltd, manufacturers and exporters of spices and herbal extracts and Omega-3 fish oil.

Added to this, the Board's demand to pay royalty, to the tune of 0.2-1 per cent of the turnover for commercialising the patent product has also been impacting companies, he said.

As a result, the exporters may find it difficult to compete with Chinese herbal products in the emerging scenario. All these measures have put additional financial burden in procuring raw materials from domestic suppliers whereas there are no such restrictions in the Act for imports , he said.

Imports may rise

This will affect the farmers in a big way, as it would force the domestic companies to look for raw material imports. Even though the intention of the Act was to preserve the India's biological diversity, it fails to address its impact on raw material procurement from foreign suppliers.

The Kerala Biodiversity Board, formed in 2008, had issued a notification that came into effect from November 21, 2014 directing beneficiary companies to pay various levies.

When contacted Sushama Sreekandath, Director and CEO, AVT McCormick, said that the Biodiversity Act does not apply to condiments company and it pertains only to drug manufacturing, extractions, cosmetics, oleoresins and enzyme manufacturing units among others.

T Sreekumar, Deputy General Manager ofKochi-based oleoresin extract company AK Flavours and Aromatics Pvt Ltd, said that they have not yet received any notices so far. The 100 per cent EOU is sourcing turmeric, chilli and pepper both domestically and by imports. In case of receiving any such notices, Sreekumar said the only option to look for raw material is imports.

Benny Antony, Joint Managing Director, Arjuna Extracts, said that the restrictions coupled with exorbitant taxes have forced many Indian companies to set up units abroad to meet the competition. "Such regulations can be demoralising and de-motivating for a company like ours who have invested heavily on R&D," he said.

Bulk supplies

Given the domestic production requirement which is estimated at one lakh tonnes, several countries such as Vietnam, Indonesia, Burma, Sri Lanka have already started supplying turmeric in bulk to nutraceutical and natural colours manufacturing companies.

In India, more than 7,000 medicinal plants have been identified whereas the figure in China was only 3,000. Given this scenario, he said the government should encourage domestic production under its prestigious Make in India programme.

(This article was published on January 13, 2016)

Business Standard

Cabinet approves new crop insurance scheme

Pradhan Mantri Fasal Bima Yojana to charge 2% of sum assured for kharif crops; 1.5% for rabi crops; 5% for horticulture crops

In a bid to provide a social security net to millions of farmers across the country, reeling under the impact of consecutive droughts, the Union Cabinet on Wednesday approved a new crop insurance scheme, having premiums as low as 1.5 per cent of the sum insured. To be called Pradhan Mantri Fasal Bima Yojana (Prime Minister's Crop Insurance Scheme), it will charge a uniform premium of two per cent of the sum insured from farmers for all kharifcrops and 1.5 per cent for rabi crops. For horticulturecrops, the annual premium will be five per cent of the sum insured.

The balance premium would be paid by the government to the insurance companies. This would be shared equally by the Centre and state governments.

"Farmer brothers and sisters, at a time when you are celebrating festivals like Lohri, Pongal and Bihu, the government has given you a gift in the form of Prime Minister's Crop Insurance Scheme," Prime Minister Narendra Modi tweeted hours after the Cabinet cleared the proposal.

Modi said the scheme would bring about “a major transformation” to farmers’ lives. “The scheme has the lowest premium, it entails easy usage of technology like mobile phone, quick assessment of damage and disbursement within a time-frame.”

Bharatiya Janata Party (BJP) president Amit Shah and chief ministers of BJP-ruled states congratulated the PM on the scheme. Shah said the new scheme is much simpler compared to earlier programmes and that farmers can now avail more benefits.

For the Centre, there would be no upper limit on the subsidy and even if the balance premium is 90 per cent, it would provide for the same.

This also means if a state government does not fulfil its commitment of 50 per cent subsidy sharing, the Centre would step in but not allow the scheme to falter. Till now, the average premium for all foodgrain crops was as high as 15 per cent, while for horticulture crops, it was even higher. According to a study by private weather forecasting agency Skymet along with business association Assocham, around 20 per cent of India’s 130-million farmer families have crop insurance, which is why a vast majority of them are exposed to the vagaries of weather. Even among loanee farmers, insurance penetration is not 100 per cent, for whom it is mandatory to get an insurance cover as soon as they avail a crop loan.

PROVIDING SOCIAL SECURITY

Differences between earlier schemes and the Prime Minister's Crop Insurance Scheme

Features	NAIS	MNAIS	PM Crop Insurance Scheme
Premium rate	Low	High	Lower than NAIS
Insurance amount cover	Full	Capped	Full
On A/C payment	No	Yes	Yes
Localised risk coverage	No	Hailstorm/Landslide	Hailstorm, landslide, inundation
Post-harvest	No	For coastal regions only	All India
Prevented sowing coverage	No	Yes	Yes
Use of technology	No	Intended	Mandatory
Awareness	Low	Low	Target to cover 50 Pc

NAIS: National Agriculture Insurance Scheme; MNAIS: Modified National Agriculture Insurance Scheme Source: Ministry of Agriculture

OTHER CABINET DECISIONS

- **PANEL ON 7TH PAY COMMISSION:** The Cabinet has decided to set up a panel headed by Cabinet Secretary P K Sinha to process the recommendations of the 7th Pay Commission, which will have a bearing on the remuneration of 4.7-million central government employees and 5.2 million pensioners. The additional burden from the implementation of the new pay scales will be Rs 1.02 lakh crore in 2016-17.
- **HEALTH PACT:** Nod to a pact with Maldives to facilitate greater cooperation between the two countries and assist the neighbouring country in developing human resources in healthcare.
- **OCEAN ENERGY:** Nod to India becoming a member country of the International Energy Agency — Ocean Energy Systems

According to rules, farmers' insurance claims have to be settled within 45 days of the risk assessment. However, often, claims are not attended to even after six months, which is a major reason why farmers don't for crop insurance.

"There have been many crop insurance schemes in the past, but all of them have some problem or the other. Which is why the total crop insurance cover till now in agriculture is 23 per cent. The present, scheme will solve many such problems and perhaps for the first time after independence, offers the lowest premium rates," Home Minister Rajnath Singh told reporters after the Cabinet meeting.

The new insurance scheme would cost the government Rs 8,800 crore over the next three years, assuming that 50 per cent of farmers are covered. At present, with 23 per cent insurance cover, the Centre spends Rs 3,100 crore a year on crop insurance. The insurance amount covered will also not be capped and so also the premium rates.

"This should be seen in the overall context of PM's insurance initiatives through bank accounts, where he first rolled out life insurance and accident insurance and now crop insurance. The scheme has to be significantly different from the earlier ones as till now even loanee farmers don't get insurance cover. We need to see how many farmers actually avail this and to what extent the coverage is provided," Madan Sabnavis, chief economist at CARE Ratings, told Business Standard.

Agriculture Minister Radha Mohan Singh said pre-harvest losses, if the damage occurs while seeds have been planted, will be covered under the new scheme. So will post-harvest losses. "Data for crop cutting experiments could be uploaded through smartphones, mobiles, drones etc to speed up the claim process," said Radha Mohan Singh. The unit of assessment would be individual farms, against villages in the current insurance schemes.

For farm lands on lease, Urban Development Minister Venkaiah Naidu, who was also in the press conference, said those will be included only if states certify.

"Manmade calamities like fire, theft, burglary, etc, won't be covered under the scheme," said Avinash Kumar Srivastava, special secretary, agriculture.

Insurance companies are of the view this will be beneficial since unlike earlier, where there was a claim subsidy, this scheme would offer premium subsidy and would be more affordable to farmers. Sanjay Datta, chief of underwriting and claims at ICICI Lombard General Insurance, said they would be keen to join this scheme. According to him, catastrophic events could be added to this cover to protect farmers against crop loss/damage due to incidents such as cyclone.

Anuj Tyagi, member of executive management at HDFC ERGO General Insurance, said since farmers' premium is low, the uptake of policies would be high.

All the districts in India has been divided into clusters for distribution among insurance companies on a long-term basis to bring about uniformity in premium rates.

Jharkhand CM hails Prime Minister's Crop Insurance scheme

The scheme will be rolled out from this year's kharif season

Terming the union Cabinet's approval of Prime Minister's Crop Insurance scheme as historic,Jharkhand Chief Minister Raghubar Das today said it is the "best ever" scheme for farmers.

"Since Independence several crop insurance schemes had been launched but they covered only 23 per cent (of the farmers) so far. This one is the best crop insurance ever," Das said here.

The crop insurance scheme is a gift to the farmers on the occasion of Lohri, Pongal and Bihu festivals, the Chief Minister said in a press conference hours after the union Cabinet approved the scheme.

Under the scheme, premium for farmers has been kept at a maximum of two per cent for food grains and oilseeds and up to five per cent for horticulture and cotton crops.

The scheme, which replaces existing National Agricultural Insurance Scheme, will be rolled out from this year's kharifseason.

Droughts should be declared by state govts

IMD is, at best, qualified to pronounce a meteorological drought, taking into account the deficiency of rainfall

The decision by the India Meteorological Department (IMD) to stop using the term "drought" makes sense. The weather office is, at best, qualified to pronounce a meteorological drought, taking into account the deficiency of rainfall and the extent of area affected by it. It cannot take a call on agricultural or hydrological droughts, which are determined by considerations beyond rainfall levels. For India, agricultural drought is what matters the most as it can affect crop production, farm incomes and rural demand. However, the noteworthy point is that the extent of deficiency in rainfall which causes withering of crop plants and, hence, drought in one region may not necessarily do so in another, where the irrigation facilities are well developed.

The north-western grain bowl of Punjab, Haryana and western Uttar Pradesh, where over 90 per cent of the crop land is irrigated, is a case in point. The region saw only a marginal reduction in farm harvests despite recording a rainfall deficit of 21 per cent in 2014 and 17 per cent in 2015. Moreover, the effect of the agricultural drought and the strategies needed to cope with it depends largely on the timing of the moisture stress - whether it is in the early part of the crop season or in the middle or end of it. Since it is the local administration and the state governments which are obliged to take the necessary remedial actions, it is better to leave the declaration of drought to their judgement.

Fortunately, hydrological drought, which is caused by heavy depletion of surface and ground water resources, making it difficult to meet the overall demand for water, is quite rare in India, though localised shortage of drinking water does occur quite often. This is because the Indian monsoon has seldom failed completely. Instances of even two consecutive years of poor rainfall - as is the case this year - have occurred only four times in the last 115 years. Whether the monsoon will continue to be as reliable as the globe warms is, however, a moot point.

What must also be noted is that agricultural output in each drought year is invariably higher than in the previous drought year. This year, too, farm production may be higher than last year's, despite a higher rainfall deficiency of 14 per cent, against last year's 12 per cent. According to the gross domestic product (GDP) estimates for the second quarter of the current financial year, agriculture and allied sector grew by 2.2 per cent, a notch more than 2.1 per cent in the corresponding period of 2014-15. The impact of drought on agriculture may gradually weaken as new technologies for making crops drought-proof become available. The rapid growth of allied activities, such as livestock, poultry and fisheries, is also likely to contribute to the resilience of the broad farm sector to a deficit in rainfall.

Andhra Pradesh aims to train 150,000 farmers in organic farming

Trained cultivators will officially become certified organic farmers, enabling them sell their produce at higher prices

The Andhra Pradesh government aims to train 150,000 lakh farmers in organic farming in the next three years, a senior agriculture department official said today.

"As part of the scheme, 5,000 farmers will be given training between January 24 to 31 at Kakinada in which the well-known organic farming expert, Subhash Parulekar, will participate," Principal Secretary, Agriculture, Andhra Pradesh, P Vijaya Kumar told reporters here.

"The state government aims to train about 1.5 lakh farmers in the next three years in organic farming," he said on the sidelines of seminar on 'state Credit Plan' organised by the NABARD.

He said the trained cultivators will be given a certificate declaring them as organic farmer which would enable them sell their produce at higher prices.

"The purpose of this project is to eliminate consumption of chemical fertilisers and pesticides and also to promote natural manures like cow dung in farming. The prime concept of this project is to reduce expenditure in agriculture and to raise the income for the farmers," the officer added.

Like Self Help Groups (SHGs), the state government has decided to promote social investments by bringing a group of tenant farmers into "farmers clubs" to provide financial assistance to them under group collateral security from banks, he said.

According to him, another initiative of the state government is to create agro-ecological mapping under which every village will have a map on the crops to be cultivated according to the climatic conditions there.

Govt unveils Rs 8,800-cr crop insurance scheme

Farmers will pay 2% of the premium fixed by insurance company for kharif crops and 1.5% for rabi crops

Home Minister Rajnath Singh and Agriculture Minister Radha Mohan Singh at a press conference in New Delhi. Photo: PTI

In order to provide relief to drought-hit farmers, the government today announced a new Rs 8,800 crore crop insurance scheme, with significantly lower premium, to cover for loss of crop to natural calamities.

Farmers will pay only 2% of the premium fixed by insurance company for kharif foodgrains/oilseeds crops and 1.5% for rabi foodgrains/oilseeds crops under the Pradhan Mantri Fasal Bima Yojana (PMFBY).

The remaining sum of premium would be borne by the Centre and state governments equally, entailing an outgo of Rs 8,800 crore annually for coverage of 50% of the crop area of 194.40 million hectare. The scheme will be rolled out from the coming kharif season beginning June.

After coming to power, the Modi government had announced that it would bring a new crop insurance scheme by replacing the existing ones to ensure higher coverage of crop area at low premium and better claim settlement facilities.

Expressing confidence that farmers will adopt this new scheme, Home Minister Rajnath Singh said it will help them tide over financial uncertainties.

"This new crop insurance scheme will have the lowest premium for farmers in the history of independent India. The new scheme has taken care of the anomalies in the existing two schemes and added new provisions," he told reporters.

Stating that Prime Minister Narendra Modi has himself suggested reducing premium burden on farmers, Parliamentary Affairs Minister Venkaiah Naidu said the farming community will be "very happy" with this scheme.

He observed that farmers get adversely affected by natural calamities in the absence of level-playing field for them. "This path breaking measure will take care of farmers by providing them necessary assurance through this insurance cover."

Agriculture Minister Radha Mohan Singh said the scheme will also cover post-harvest losses and 'prevented sowing'.

"There is no upper limit on the government subsidy. Even if balance premium is 90%, it will be borne by the government," an official statement said.

The government has done away with the provision of capping the premium rate which resulted in low claims being paid to farmers. Now, farmers will get claim against full sum insured without any reduction.

To assess crop damage for early settlement of the claims, the government will adopt modern technology to a great extent.

"Smart phones will be used to capture and upload data of crop cutting to reduce the delays in claim payment to farmers. Remote sensing will be used to reduce the number of crop cutting experiments," the government said.

THE TIMES OF INDIA

Another blow for farmers, rabi crop under threat

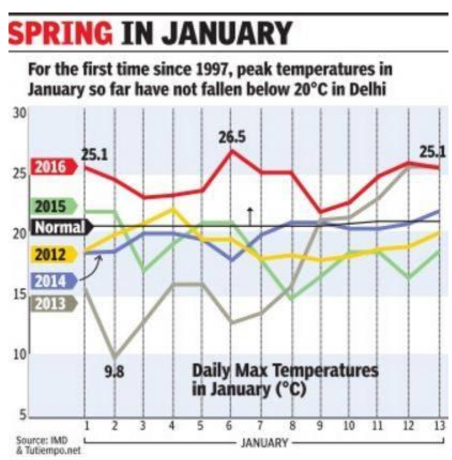
NEW DELHI: Higher than normal temperatures across north India is bad news for farmers already hit by adverse weather for three consecutive seasons. If the warm winter conditions continue, a range of rabi (winter) crops as well as fruits such as apples could be impacted, say experts.

The past two kharif (summer) seasons were hit by deficit monsoon rains while heavy unseasonal rains and hailstorms affected the intervening rabi crop over large regions of Punjab, Haryana, Uttar Pradesh and Rajasthan.

Experts said high winter temperatures could impact tillering (side growth) of wheat and could lower yields if the temperatures continue to remain above normal. High temperatures in March could affect grain formation in wheat, which would then be in the milking stage. Wheat has been grown this year in over 35 lakh hectares in Punjab and about 24 lakh hectares in Haryana. The two states are the biggest contributors of the grain to the national stock.

High temperatures and missing snowfall is also posing a threat to Himachal Pradesh's Rs 3,500-crore apple sector. Experts said rain and snow at this time of the year is crucial as it provides the chilling hours required for good production of apples in the coming season.

In Uttar Pradesh, the weather is causing concern not only for wheat but also the gram crop. "If the weather remains warm and dry in the second half of January, it will hit flowering and ripening of wheat and gram" said Sudhir Panwar, president Kisan Jagriti Manch and member of UP State Planning Commission.



The lack of winter rain has also worsened the groundwater situation in UP, where 52 districts or two-thirds of the state's area, faced a drought last year. Irrigation has also suffered because of the decline in water table.

In Rajasthan, farmers have been hoping in vain for minimum temperatures to drop below 5 degrees C and ground frost to form, as these conditions are good for wheat, barley, peas, grams and mustard.

"With a clear skies and high temperatures, moisture levels have decreased. There's now a chance of these crops getting damaged. For mustard in particular, you need shivering cold conditions," said Amrik Singh, a farmer in Sriganganagar, the main farming district of Rajasthan.

Farmers to get payout in case of crop failure

Mumbai: Chief minister Devendra Fadnavis said the central government's newly launched Pradhanmantri Fasal Bima Yojana will now enable individual small farmers to get full compensation in case of crop damage and will also cover post-harvest losses.

The insurance scheme, which will be introduced in the state from this Kharif season, will cover farmers at a very low premium He said over the next three years, their aim is to enhance coverage of the area under the scheme from present 23 per cent to 50 per cent of the gross cropped area.

In this policy, the Centre will give 90% of the total amount, and the state government has to pay the rest. In the next three years, the Centre will have to pay Rs 8,800 crore for this scheme.

Fadnavis said insurance premium is 2 per cent for kharif crop and 1.5 percent for rabi crop. The rate of insurance cover will be uniform all over the country and claims will have to be settled by insurance companies within 30 days.

PM Modi calls the new crop insurance scheme a Lohri, Pongal, Bihu gift to farmers

NEW DELHI: The government on Wednesday approved a new crop insurance scheme having provisions of lowest ever premium, post-harvest cover, individual farmer as unit of insurance and mandatory interventions of technology for quicker settlement of claims. It will come into effect from the Kharif crop cycle, beginning June.

The scheme, called by Prime Minister Narendra Modi as his government's Lohri, Pongal, Bihu gift to farmers, will eventually replace the existing farm insurances which have not even covered one-fourth of the crop area of 194.40 million hectare in the country.

Besides keeping the premium low, the new scheme - called Pradhan Mantri Fasal Bima Yojana (PM Crop Insurance Scheme) - also makes a provision of compensation to insured farmers if they have to skip sowing due to natural calamities like floods, unseasonal rains, hailstorm and cyclones.

"Farmer brothers and sisters, at a time when you are celebrating festivals like Lohri, Pongal and Bihu, the government has given you a gift in the form of Prime Minister's Crop Insurance Scheme," Modi tweeted hours after the Cabinet cleared the proposal.

UNDER COVER

PREMIUM | **Uniform premium** of 2% for **kharif** crops; 1.5% for **rabi** crops; 5% for commercial\ horticultural crops

CAPPING OF PREMIUM | Capping is removed under the new scheme. So, farmers will get **full compensation without reduction** in sum insured under the new plan

➤ In existing plans, there is a **provision of capping premium rate** which results in low claims being paid to farmers

LOCALISED RISK COVERAGE | Hailstorm, landslide and inundation are **covered under new scheme; no such cover under existing plan NAIS** while existing MNAIS covers only hailstorm and landslide

POST-HARVEST LOSSES COVERAGE | **Farmers will get claims for damage of their post-harvest produce** up to two weeks due to cyclone and unseasonal rain; No such cover under NAIS;

"This is a historic day. I am confident that this scheme, which is inspired by the consideration of farmers' benefit, will bring about a major transformation to the lives of farmers", he said while noting that the new scheme includes successful aspects of the existing schemes and "effectively addresses" whatever was lacking in those schemes.

Farmers under the new scheme will have to pay a uniform premium of only 2% for all Kharif crops and 1.5% for all Rabi crops as against the average premium rate of 5.5% for food-grains under the existing schemes.

The remaining sum of premium under the new scheme would be borne by the Centre and state governments equally, entailing outgo of Rs 8,800 crore annually by central government for coverage of 50% of the crop area of 194.40 million hectare.