

13.07.2016

THE HINDU

Coir exhibition in Coimbatore

The fourth edition of India International Coir Fair will be held here from July 15 to 18.

Organised by Coir Board, the exhibition will have 95 exhibitors from Tamil Nadu, Kerala, Karnataka, Andhra Pradesh and Maharashtra.

C.P. Radhakrishnan, chairman of Coir Board, told presspersons here on Tuesday that the exhibition would have theme-based pavilions to showcase the recent developments in the sector. There would be live demonstration of technologies, production processes, and applications.

A buyer-seller meet would be held on July 16 and 17 and 55 buyers from 24 countries were expected to take part. Seminars would be organised on the two days on coir geo textiles and applications of coir pith in horticulture and agriculture. A house made of coir wood would be displayed at the fair.

Further, a meeting of the Principal Secretaries of the Industries Departments of major coconut producing countries would be held here as part of the four-day programme.

Coir Kranti Express, the All India Coir Road Show, would be flagged off on July 15 and it would travel to different States for 120 days to create awareness about different coir products.

Those who want to be part of the franchisees network for coir products can enrol themselves at the express.

Competitions

Competitions would be organised for college students and a mobile app would be launched at the fair so that consumers get to know more about coir products.

Mr. Radhakrishnan said that with focus on modernisation, the coir research institutes in Bengaluru and Alappuzha were working on value addition for coir

products. They were looking at increasing use of coir wood and compost manure with coir pith.

The board had sanctioned 20 new clusters, including 12 in Tamil Nadu, for coir products and would give 75 per cent of the cost as grant. It had sanctioned Rs. 45 crore for these clusters.

The board had also written to the Tamil Nadu Chief Minister to give one acre in Chennai for the board to set up an office. A regional office of the board was coming up in Pollachi at a cost of Rs. 15 crore. It would have a laboratory and research and training facilities.

State seeks Brazilian tech for improving cattle breed

The Telangana Government has come to an understanding with the Government of Brazil on transfer of technology on semen banks from the latter for improving the indigenous cattle breed in the State.

A delegation from Brazil led by its Agriculture Ministry official Jodo Cruse Rice Filaho met Minister for Animal Husbandry and Dairy Development Talasani Srinivas Yadav here on Tuesday and discussed the issues of interest between the two sides.

Income generation

The Brazilian official stated that cattle strength of their country was equal to the population at 21 crore and majority people were depending on agriculture and animal husbandry for livelihood and income generation.

Indian breeds

He explained how Brazil had made strides in milk production and cattle rearing with the help of Indian breeds such as Ongole and Gir.

Mr. Srinivas Yadav said Telangana was interested in adopting technology being used in Brazil for improving the cattle breed by setting up modern semen banks.

He would soon visit Brazil for entering into a bilateral agreement.

Director of Animal Husbandry D. Venkateshwarlu and other officials were present.

Heavy rain a threat to pulses



monsoon advisory:Farmers have been urged to provide drainage channels in fields.— FILE Photo: A. Muralitharan

As the good monsoon has encouraged farmers nationwide to sow pulses in larger areas for the kharif season, agriculture experts and officials have urged caution. Flooding due to heavy rain can affect the pulses crop, they warn.

“Rain is good for summer crops. However, pulses are ‘risky crops’ and farmers need to take preventive steps during rain. Excess rain can result in water-logging that can damage the crops,” K.K. Singh, chief of Agricultural Meteorology, India Meteorological Department, told *The Hindu* .

“There’s no need to panic, but certainly farmers should remain alert. They should provide for proper drainage in their fields,” IMD Director B.P. Yadav said.

Acreage up

The department has forecast above normal rain from July to September. As on July 8, pulses have been planted on 45.94 lakh hectares, 26 per cent up from the

36.44 lakh hectares covered in the corresponding period a year ago, show latest data from the Agriculture Ministry.

“Tur dal, for instance, requires good rain and moisture in the initial stages, but the condition should be a bit dry during flowering and pod development. Water-logging and heavy rain are harmful to the crop in these stages,” Mr. Singh said.

Good rain in Madhya Pradesh, Uttar Pradesh, Maharashtra, Karnataka and Rajasthan has led to an expansion of the area under pulses. The Centre’s decision to raise the minimum support price (MSP) this year has also helped.

TNAU college raises ‘kal vazhai’ farm for treatment of wastewater

Agriculture college develops two-stage organic treatment of sewage



NATURAL CLEANING:The open well at the farm of the TNAU - Agricultural Engineering College and Research Institute at Kumulur near Tiruchi where the treated water is stored.— PHOTO: M. SRINATH

Every drop of sewage water collected from the girls’ hostel of the Tamil Nadu Agricultural University – Engineering College and Research Institute at Kumulur near here is being treated and let off into an open well of the institute for irrigation for paddy, maize, and horticultural crops.

The availability of sprawling area on the campus has facilitated the purification process. The wastewater, which contains heavy metals, is purified in two

phases. A channel has been dug for about 10 metres and the black wastewater is first passed through a thickly grown reed bed. Outside the bed, the colour of the raw sewage changes, indicating its partial purification. The semi-treated water then is let into the thickly cultivated *kal vazhai*(*cana indica*) plants. “It may be hard for you to believe that the sewage water becomes pure beyond the *kal vazhai* bed,” says K. Ramaswamy, Dean of the Institute.

He explained that the reed and *kal vazhai* acted as a natural agent for purification of the sewage water. The sewage water from the hostel contains a large number of organic impurities, which are first purified by the reed plants. The *kal vazhai* absorbs heavy metals such as aluminium, iron, and phosphorous and their compounds and grows on them.

“The water is purified and sent to an open well about 500 metres away from the hostel. We have buried PVC pipes below the earth,” says V. Ravikumar, Professor and Head of the Soil and Water Conservation Engineering Department of the institute.

The institute has been using the water for irrigating the fields. “The well whose water level was low about a year ago, has registered a sharp improvement, thanks to the continued discharge of the treated water round the clock,” he said.

The daily realisation of purified water is about 10,000 litres, according to an estimate. The well is overflowing now, in contrast to last when it the water level was 10 to 15 feet.

The institute has developed a separate farm all around the well for treatment of the sewage water.

Agri dept. asks farmers to provide Aadhaar details

The Department of Agriculture has appealed to farmers to furnish Aadhaar and bank details in the respective Uzhavar Udhaviyagams (assistance centres for farmers) to avail the back-end subsidy for horticulture, incentive for seed production and sugarcane nursery.

In a release, A. Ramamurti, Director of Agriculture, said farmers who wish to avail the back-end subsidy should register their names immediately after

sowing/transplanting as per the case may be. Application for subsidy will not be entertained after the harvest.

Farmers who are not in possession of an Aadhaar card should enrol themselves and provide temporary registration number.

Horticulture farmers could submit the forms in the horticulture section of the Department. Applications for back-end subsidy for the current Sornavari season would be available from July 14.

e-district project

Mr. Ramamourti said that the e-district project of the Department of Electronics and Information Technology will be rolled out in the Union Territory shortly. As many as 73 services involving eleven departments have been identified for efficient, swift and transparent administration. The services will be rolled out in a phased manner, he said.

UK to support Punjab in agri-diversification

British High Commissioner Dominic Asquith on Tuesday pledged support and cooperation to the Punjab government in the field of agriculture diversification, skill development and providing English language trainers.

An assurance in this regard was given by the visiting delegation led by Mr Asquith during a meeting with Chief Minister Parkash Singh Badal here, an official release said.

Training programme

Mr Asquith assured the Chief Minister that he would soon take up this matter with the British Council to include Punjab in their National Training for Trainers programme in collaboration with Ministry of Human Resources, to train nearly 3,000 teachers across the State during its three years course.

He said after this training module, if needed, another year will be exclusively devoted to further upgrade their skills in teaching English as per international standards.

There will also be English teachers' exchange programme between the United Kingdom and Punjab, the release said.

Mr Badal also impressed upon Mr Asquith to provide technical know-how to pig farmers to promote piggery on scientific lines for giving a major fillip to the allied farming activities, besides enhancing the income of farmers.

He appraised the British envoy that the State government had already taken an initiative to ink a Memorandum of Understanding (MoU) with British Pig Association (BPA) to develop and promote piggery and sought his personal intervention to get it expedited without any further delay as Punjab has a tremendous export potential of pig meat to Assam and Arunachal Pradesh.

Mr Badal told the British High Commissioner that the State government was in touch with BPA to get live pigs and frozen semen for developing high quality breeding facilities at government pig farms. - PTI

Coffee growers brew fresh plans

See opportunities in carbon neutral proposal for Wayanad

The budget proposal to convert Wayanad as a carbon neutral district has provided fresh hopes to the farm community, especially coffee farmers. The ambitious programme will provide better market opportunities for coffee growers in Wayanad, says Prasanth Rajesh, president, Wayanad Coffee Growers Association.

As per Coffee Board data, there are over 62,000 small-scale farmers in the district and the cultivation is spread over 55,000 hectares.

“The land under coffee cultivation has already helped reduce carbon emission. As per studies, coffee plants in one hectare will absorb in a year carbon emissions of 50,000 km from a car,” Mr. Prasanth said.

“The proposal is aimed at reducing and offsetting the greenhouse gas (GHG) emissions to achieve carbon neutrality. Planting of trees is a major activity to be taken up under the carbon neutral project and the produce of coffee plants growing under shade trees will have better taste. If such products are marketed under a brand name it will ensure sustainable income for farmers and help

reduce GHG,” T.P. Sethumadhavan, Director of Entrepreneurship, Kerala Veterinary and Animal Sciences University, Pookode, said.

“As the carbon neutral initiative is also a value-added programme, traders will get a better opportunity to market the product across the world,” he said.

Moreover, it would help entrepreneurs venture into new areas of processing, value-addition, packaging, and marketing of the coffee as a standalone product in the international market, Dr. Sethumadhavan added.

Wayanad produces 57,000 tonnes of Robusta coffee beans, nearly 40 per cent of the total Robusta production in the country every year. Though the country accounts for only four to five per cent of the world’s output, it exports 70-80 per cent of its produce.

Ambitious plans

- *62,000 small-scale farmers in the district*
- *Traders will get better opportunity to market produce*
- *Entrepreneurs can venture into new areas of processing*

India seeks market access for sesame seeds in Japan

NEW DELHI, 27/05/2014 : Metro Plus: Melange: Sesame seeds at Navdanya in Delhi Haat in New Delhi 2014. Photo: Meeta Ahlawat

The country also wants access for its service professionals like nurses

India will seek greater market access in the Japanese market for its farm products such as sesame seeds as well as for its services professionals including nurses, when senior officials of both the countries meet on July 28 in New Delhi.

India’s Commerce Ministry will be pushing a proposal asking Japan to bring its big ‘general trading companies’ such as Itochu, Mitsui and Mitsubishi to India

for bulk purchase of sesame seeds (locally known as ‘till’), official sources told *The Hindu*.



July 28 meeting

The July 28 meeting will be that of the (India-Japan) Joint Committee — a panel set up following the signing of the bilateral Comprehensive Economic Partnership Agreement (CEPA) in 2011. The committee’s functions include reviewing the CEPA and suggesting amendments to the pact to boost bilateral trade and investment.

The focus on sesame seeds is because Japan is the world's second largest importer of the item (after China) with annual imports of around 1.6 lakh tonnes. Sesame seeds are used in Japanese cuisine in salads, soups, snacks, candies, and for flavouring and baking. Sesame oil is used in cooking, and in manufacture of soaps, perfumes and pharmaceuticals, while sesame meal (a by-product of the oil) is used as poultry feed.

However, following the detection of pesticides and insecticides such as DDT and malathion in some sesame seeds consignments from India over two decades ago, Japan has been reluctant to import the commodity from India, according to Sanjiv Sawla, chairman, Indian Oilseeds and Produce Export Promotion

Council (IOPEC). However, he said, there is no official ban in Japan on import of sesame seeds from India.

“The issue is yet to be resolved as Japan is insisting that the seeds should be pesticide and insecticide-free. We have been having regular dialogues and have even taken them to the fields where the item is grown. Now we are encouraging our farmers to use pesticides/insecticides permitted as per global norms, besides asking the farmers to shift to organic farming,” Mr. Sawla said. To convince Japan that India can be a reliable sesame seeds supplier, IOPEC has held meetings with several leading Japanese general trading companies regarding bulk purchase of sesame seeds from India, Sawla said, adding that these companies are also in touch with some of the leading Indian sesame seed exporters.

India is the world’s largest sesame seed producer with an annual production of around 7 lakh tonnes. India is also the world's largest exporter of the item. India’s sesame seeds exports in FY'15 was 3.76 lakh tonnes valued at Rs.4717.77 crore but it slipped in FY'16 to 3.28 lakh tonnes worth Rs.3011.52 crore.

Learning Japanese

On the services side, India – with a large resource pool of professional nurses — is keen to expedite the signing of a Mutual Recognition Agreement (MRA) between the Indian Nursing Council and its Japanese counterpart to ensure that Japan accepts Indian qualified nurses and certified care-workers.

As per the CEPA, it was decided that Japan will conclude negotiations with India in this regard by 2013-end, but sources said there has been a delay. Japan is learnt to be reluctant to allow Indian nurses.

‘Release water to save standing crops’

Kaligarayan Pasana Sabai has urged the district administration to take steps for releasing water for 10 days into the Kalingarayan canal to save standing sugarcane and banana crops on 6,000 acres. Failure of the crops due to absence of rainfall for the last two months will cause loss of several crores of rupees.

The usual schedule of water release is June 16, V.M. Velayutham, Sabai president reminded the district administration in a petition last week. Water must be released on war-footing in consideration of the rise in the water level in the Bhavani Sagar reservoir, he said.

Retail inflation at 22-month high in June; industrial output up 1.2% in May



EYEING HARVEST: Vegetable prices should soften after August once new supplies reach the market. File photo

The 5.77 percent reading in June was marginally higher than May's 5.76 percent and compared with the 5.40 per cent in June 2015.

A sharp jump in the prices of vegetables drove up food costs and fanned consumer price inflation to its fastest pace in 22 months, government data released on Tuesday showed.

The 5.77 percent reading in June was marginally higher than May's 5.76 per cent and compared with the 5.40 per cent in June 2015. The previous highest was 7.8 per cent in August 2014.

The data showing the acceleration in retail inflation comes less than a month ahead of the Reserve Bank of India's bi-monthly monetary policy review on August 9, when Governor Raghuram Rajan will announce the last interest rate decision of his term before he leaves office in September.

The Centre is widely expected to name Rajan's successor this month and the incoming RBI chief and a newly created Monetary Policy Committee will have their work cut out in taming price gains to meet the central bank's March 2017 target of 5 per cent.

Transitional nature

"The latest (inflation) number is important from two perspectives," said Richa Gupta, senior economist, Deloitte. "First, the number is being driven by food prices that are likely to be transitional in nature and should see some downward movement post-August when new supplies of vegetables hit the market.

"Second, core inflation has moved down slightly showing that there is little demand pressure in the system.

"Overall, the inflation trajectory will depend on how well the food supply is managed by the government in the coming months," Deloitte's Gupta said.

Food inflation advanced to 7.79 per cent in June from a revised 7.47 per cent in May. Inflation in vegetables at 14.74 per cent (as against 10.77 per cent in May) was a significant contributor to the overall retail inflation, while the price rise in cereals and related products was 3.07 per cent (as against 2.59 per cent in May). The rate of price gains in pulses slowed to 26.86 per cent in June from 31.57 per cent in May.

According to the data, retail inflation in urban areas was 5.26 per cent in June, while in rural areas it was 6.2 per cent. According to another set of data released by the statistics ministry, industrial output showed an uptick in May. The Index of Industrial Production (IIP) recorded a 1.2 percent year-on-year growth – helped by a six percent growth in the output of consumer durables such as washing machines, televisions and refrigerators.

IIP for April had shrunk by a revised (-) 1.34 per cent — the first contraction in industrial output in three months — while in March it registered just 0.05 per cent growth.

A. Didar Singh, secretary general of FICCI said, “Growth in manufacturing remains subdued and a cause for concern. The weak consumer and investment demand points to the fact that recovery is going to be slow in manufacturing and the need for addressing more deep rooted structural issues.” Manufacturing – accounting for more than 75 per cent of IIP -- posted 0.7 per cent growth in May as against 2.1 per cent a year earlier. However, output in consumer non-durables shrank 2.2 per cent. In terms of industries, 14 of the 22 industry groups in the manufacturing sector showed positive growth in May compared with the corresponding month of the previous year. Power generation registered 4.7 per cent growth versus 6 per cent in May 2015.

Investment weakness

“The data shows that the weakness in investment persists,” said Rishi Shah, an economist at Deloitte. “In particular, capital goods continued to contract for the seventh month highlighting that sentiment on investments picking up still remain weak. Going forward, industrial production is unlikely to see a quick turnaround.”



GST is ‘Brahmastra’ for country’s economy: Assocham

We need to have a simple platform to move goods within India than we move goods outside the country," Assocham president Sunil Kanoria said.



“GST is a Brahmastra for the country. Actually, we need to have a simple platform to move goods within India than we move goods outside the country,” Assocham president Sunil Kanoria said.

Terming the Goods and Services Tax Bill “Brahmastra” for the country, industry body Assocham on July 12 said the country needs to have a simple platform to move goods within states.

“GST is a Brahmastra for the country. Actually, we need to have a simple platform to move goods within India than we move goods outside the country,” Assocham president Sunil Kanoria told reporters in Chennai.

Stating that the present movement of goods within the country involves multiple processes, he said “it is more difficult to move trade within the country than moving it externally (outside India)”.

“We believe GST is possible and expect it to be passed during the monsoon session of Parliament. To the Tamil Nadu government, we will appeal to support the GST,” he said.

Madras Chambers of Commerce and Industry president S G Prabhakaran said Tamil Nadu is not only a manufacturing state but also a consuming one, when compared to other states.

“It (GST Bill) will have a multiplier effect across states in the country. It is our endeavour to seek Tamil Nadu government to support it (GST),” he said.

After releasing the ‘Action Agenda for the New Government,’ prepared by Assocham and the Ministry of Commerce and Industry, Kanoria said, Tamil Nadu has the potential to create 90 lakh new jobs and can attract investments worth Rs 22 lakh crore.

“Eradication of poverty and illiteracy, improving standard of living, reducing gender and regional inequality and improving the infrastructure are key areas that need to be focused on by the new government to drive the state towards a new growth strategy,” the report said.

Between 2006-07 and 2015-16, Tamil Nadu has been growing at a compounded annual growth rate of about 16 per cent and had attracted investments of Rs 11 lakh crore, it said.

Noting that agriculture is pursued by about 40 per cent of the State’s total population, the report said this sector grew by only three per cent since 1993-94 and the state government should look at doubling the growth of agriculture output.

The report said there was a need to revive sectors like textile, garments and leather as they comprise large number of small scale industries.

Agriculture students to get entrepreneurship development scholarship

Under this scheme, the agriculture graduation students will be granted a scholarship of Rs 3,000 per month

Central government will provide Rs 3,000 per month scholarship to agriculture graduation students from this year under a new scheme to boost rural entrepreneurship, Agriculture Minister Radha Mohan said on July 11.

The Rural Entrepreneurship Development Scheme, which was launched by Prime Minister [Narendra Modi](#) last year, is being implemented from 2016-17, it added.

“It is a new programme to impart opportunities for attaining experience as well as entrepreneurship skills on part of agriculture graduates. Under this scheme, the agriculture graduation students will be granted a scholarship of Rs 3,000 per month,” Singh said at Mahatma Phule Agriculture Vidyapeeth here.

The objective is to augment knowledge as well as skill as per the requirements of the private sector. It aims to create competence among undergraduate students to initiate their own enterprise, he said in a statement.

To improve agri-education, the Minister said the central government has approved the recommendations of the ICAR-constituted 5th Dean Committee and all agricultural universities are expected to enforce it at the earliest.

He further said that “for first time the degrees imparted by agriculture university in Maharashtra have been given professional status”.

On this occasion, Ahmednagar MP Dilip Kumar Gandhi and Shirdi MP Sadashiv Kisan Lokhande were also present.

Pune Traders’ strike: Demand grows for alternative markets to take on APMCs

‘Farmgate to fork’, point-of-sale counters, weekly bazaars for farmers touted as viable options



In 2011, Krushak Ashram, a Satara-based farmers' initiative, had started the 'farmgate to fork' model. (Source: Express File)

As the ongoing strike of traders and commission agents entered the third day, demand grew for the establishment of alternative marketplaces. Farmers say such marketplaces will allow for better price realisation for their produce. Other than organised retail, concepts like "farmgate to fork" and weekly bazaars for farmers are being touted as viable options before the government for creation of parallel marketing platforms.

Back in 2011, Krushak Ashram, a Satara-based farmers' initiative, had started a "farmgate to fork" model for providing fruits and vegetables to 25-30 housing societies in Pune.

Ameya Supnekar of the initiative said their model coordinates both the backward and forward linkage to assure the supply of residue free vegetables at the doorstep.

At its peak, the initiative saw the supply of around 3 tonnes of vegetables daily to Pune. Supnekar said they would start the second phase of their initiative in October and aim to deliver 5 tonnes of vegetables everyday in Pune.

With a core group of around 100 farmers, the initiative involves preparation of a detailed cropping plan to ensure assured supply. “Our member farmers devote 20-25 per cent of their holdings for cultivation as per the cropping plan. On the rest of their holdings, they cultivate as per their own desire,” he said.

The cropping plan ensures assured delivery of 15-20 different varieties of vegetables needed for daily consumption.

“In our system, electronic measures are used to weigh the produce at the farm gate. Farmers are given printed bills. Also in order to minimise losses, the produce is transported in crates with minimal handling,” he said.

Krushak Ashram aims to set up point-of-sale counters at convenient locations to sell its wares. Housing societies, companies, hospitals and other such places would be tapped to set up these counters.

Krushak Ashram also has plans for creation of a franchisee model with stores in various parts of the city. “We would also be working on an app-based service, which will allow consumers to pre-book orders,” he said, adding that they would also be exploring means to integrate small retailers in their model and supply them with vegetables.

It may be recalled the then Agriculture Minister Radhakrishna Vikhe Patil had started a similar “farmgate to fork” movement, which saw farmers’ groups selling vegetables directly at housing societies. The experiment was, however, not successful as farmers were not able to provide assured delivery.

Krushak Ashram had approached former Cooperation Minister Chandrakant Patil to discuss the project, who had promised help and support. “Our movement aims to give increased income to the farmer,” he said.

Other than the direct-to-consumer model, weekly farmers’ markets are being popularised by the government in Pune for the last two years.

Around 25 such markets are now operational in Pune, which sees on an average 30-40 tonnes of farm produce being sold on a weekly basis.

Tushar Agarwal of Swami Samarth Shetkari Ghat, which runs eight such markets, said the main problem in popularising such markets was the non-availability of space. “The government should facilitate open spaces for us to have more such markets,” he said.

THE HINDU **BusinessLine**

Chana rallies as arrivals dip

Rally in chana continued unabated amid sharp decline in arrival and increased buying support from the millers ahead of festive season next month. Maintaining an uptrend chana (kanta) in Indore mandis rose to 8,750-8,800 a quintal, while chana (desi) quoted at 8,600, chana (mausmi) 8,800, Kabuli Bitki 9,000, while Kaktu ruled at 9,500 a quintal. Dal with chana dal (average) in local mandis being quoted at 10,700-800, chana (medium) ruled at 10,900-Rs 11,000, while chana dal (bold) quoted at 11,100-11,200 a quintal.

Monsoon fury set to abate, head for Himalayan foothills

A heavily endowed monsoon continued to pound large parts of Madhya Pradesh, Maharashtra and adjoining Peninsular India during the 24 hours that ended on Tuesday morning.

It may continue to rain for the next two-three days as well, given that a rain-spraying low-pressure area is sitting pretty over north-east Madhya Pradesh.

Weak phase

But subsequently, the axis of the monsoon is expected to shift towards the Himalayan foothills, an India Met Department update said, which will take the heavy rain belt towards East and North-East India.

Proceedings in the rest of the country will be muted, save the regions mentioned above as also parts of the East Coast, including Tamil Nadu.

The European Centre for Medium-Range Weather Forecasts, too, had been pointing to an emerging weaker phase of the monsoon, pronouncedly so by July 20.

It is usual for the monsoon to take a break after a productive run, and this is known to happen in either July or August. The only worry is if it gets extended for a sustained period, as in a 'break-monsoon' phase.

Revival seen

The US Climate Prediction Centre says that the monsoon would stay active over North and East India while being 'red hot' over the North-eastern States during the week July 18 to 24.

But latest indications are that the monsoon may likely revive after July 22, with the European Centre signalling a rush of flows emerging in the Arabian Sea by then.

Australian prediction

The Australian Bureau of Meteorology agrees, and points to the likelihood of a helpful Madden-Julian Oscillation (MJO) criss-crossing the Indian Ocean during this week to re-invigorate the monsoon.

The Australian Bureau says that an MJO pulse traversing the Indian Ocean during this time of the year increases cloudiness over India and precipitates a spurt in rainfall.

Cotton sowing plummets in Gujarat on water scarcity



Gujarat reservoir storage condition (% of gross)	
No of schemes	Live storage
84	< 1
62	< 10
46	< 30
8	< 50
3	< 70
Total schemes 203	

Source: Government of Gujarat

Sowing in Gujarat

Crop	Hectares	Area covered (%)
Gujarat State	3,201,600	36.92
Cotton	13,65,400	48.40
Groundnut	10,10,000	72.40
Maize	1,69,200	52.45
Tur	89,400	38.00
Soyabean	62,800	76.00
Urad	31,100	42.00

Source: Government of Gujarat

Acreage down over 50% from the 3-year normal acreage

For the want of water, cotton sowing in Gujarat has declined by more than 50 per cent as on July 11, at 13,65,400 hectares, against the average of 28,21,000 hectares for the last three years.

Groundnut sowing has been robust with over 72 per cent of the area already covered under the crop so far.

The onset of monsoon was delayed by about a week in June but even by July 12, the monsoon has not covered the entire State. According to the State Emergency Operation Centre, Gujarat has received 124.90 mm or 15.67 per cent of the average rainfall for the season, thereby indicating a deficit of over 84 per cent.

“Cotton prices had sharp fluctuations last year. We couldn’t even recover our costs, we had to sell our crop at a tad higher than MSP. Initially, we were thinking about switching to other crops. But in the present situation of no water

and delayed monsoon, we are sure not to take cotton any more,” said a cotton farmer in Devbhumi Dwarka district in Saurashtra.

Not enough rain

Groundnut and cotton are the two main kharif crops, taking up close to half of the overall sowing area during the kharif season. “Farmers are tensed as there is no sufficient rain till now. Most cotton farmers are waiting for good showers. Many others who had taken early sowing are facing damage. Groundnut is not good either. If it doesn’t rain in next three-four days, we fear there will be widespread damage in groundnut as well,” said Ramesh Bhorania, an agriculture expert in Rajkot.

“About 15-20 per cent of cotton farmers had already decided to switch to other crops even before sowing. But now with rains getting delayed, we see a further decline in cotton sowing. This year could be one of the worst for cotton, and we may see a record decline in the cotton sowing area this year,” added Bhorania.

Gujarat’s overall kharif sowing is completed on 32,01,600 hectares, or 36.92 per cent of the normal area. Groundnut sowing is completed on 10,10,000 hectares (13,93,800 hectares), which is 72 per cent coverage, latest data showed.

The other crops, which have seen faster coverage of sowing area, are soyabean (76 per cent), urad (42 per cent), tur (38 per cent) and maize (52 per cent).

Water storage levels

The storage situation in the State is also worrisome as out of the total 203 reservoir schemes, 84 schemes have live storage of less than one per cent of its gross storage capacity as on July 11.

The State has total 14.23 per cent of live water storage in its reservoirs including Sardar Sarovar Dam.

Mills foresee dip in cotton price



Workers remove a bale of cotton from a press at a ginning mill in Rajasthan. Mills are hopeful of a price correction during the first week of August, going by the traditional price-movement cycle over the last decade

Currently at highest point in recent years

The abnormal and sudden spurt in cotton prices has taken the mill sector by surprise. Though mill sources contend that the price of the white fibre tends to move north in July, the 47 per cent increase between January and now is considered by far the highest in recent years.

The price has shot up from 32,500 a candy in January 2016 to 33,700 in early March before skyrocketing to 47,800 a candy on Tuesday (spot rate for top-quality fibre).

Mill sources, however, are hopeful of a price correction during the first week of August, going by the traditional price-movement cycle over the last decade.

Although the exact stock position with the trade (outside the mills) is not known, industry insiders say it would be double the usual volume at around 45 lakh bales (against the usual 20-22 lakh bales around this time of the year).

“Globally, other than China, cotton stock is very comfortable. There is no reason to panic,” said J Thulasidharan, Managing Director, Rajaratna Mills Ltd.

Asked how the mills are managing to operate as the price of the raw material has soared in recent weeks, he said: “Mills located in South India bank on imports as this is cheaper by 7-8 per cent compared to domestic cotton. But the problem lies in getting the fibre on time. It takes close to 3-4 weeks and the smaller units do not have the wherewithal to maintain that much inventory.”

Imports double

Industry insiders estimate the imports to have crossed 20 lakh bales this season against the estimated quantity of 11 lakh bales.

Meanwhile, the apex body of textile mills in the south — The Southern India Mills’ Association — categorically states that the industry does not want the Government to meddle with the policy at this juncture.

“We have been seeking a level playing field since 2008,” SIMA Secretary-General K Selvaraju said, quickly adding, “since our cost of funds is on the higher side and cotton is a highly volatile commodity.”

“The government can consider enhancing the credit limit and the margin money, as this would involve no financial outflow, or draw up a Cotton Reserve Policy,” he said.

The association had suggested the need for a “Price Stabilisation Scheme” or at least an interest subvention scheme at least during the peak season (November to April) — to tide over this volatility. But these suggestions are yet to see the light of day.

Industry sources say the Cotton Corporation of India should procure at least 65-70 lakh bales, maintain a reserve, and sell only to the consuming units.

Meanwhile, Selvaraju pointed out that the lack of reliable data on cotton stocks available with the trade added to the ruckus. Industry insiders emphasised the need for making the cotton collection and pressing figure mandatory.

Most States are slow in adopting agri market reforms: NITI Aayog



Minister of State for Finance Arjun Ram Meghwal along with Chairman, NABARD Harsh Kumar Bhanwala, at a National Seminar on “Doubling of Farmers’ Income by 2022”, in New Delhi on Tuesday. – Photo: Ramesh Sharma

Need to prod States to achieve agri goals on missionary mode

Doubling of farmers' Income by 2022 will be a difficult goal to realise if States don't show enthusiasm on this front, a top NITI Aayog official has said.

"Right now, most of the States do not seem to be showing proactive interest in taking measures for doubling farmers' income", Ramesh Chand, NITI Aayog Member said in the Capital on Tuesday.

He was addressing a national seminar on "Doubling of Farmers' Income by 2022" organised by NABARD in association with Agriculture Ministry and NITI Aayog.

Chand urged Agriculture Ministry to "do something" so that States take up the initiatives of the Centre in a "missionary" way. He noted that most States are not serious about pursuing the goal of doubling of farmers' income by 2022.

"There is need to sensitise, incentivise, persuade or even pressurize States to adopt the measures initiated by the Centre on this front", Chand said.

Some of the States are in fact "backtracking" on agricultural market reforms, he said.

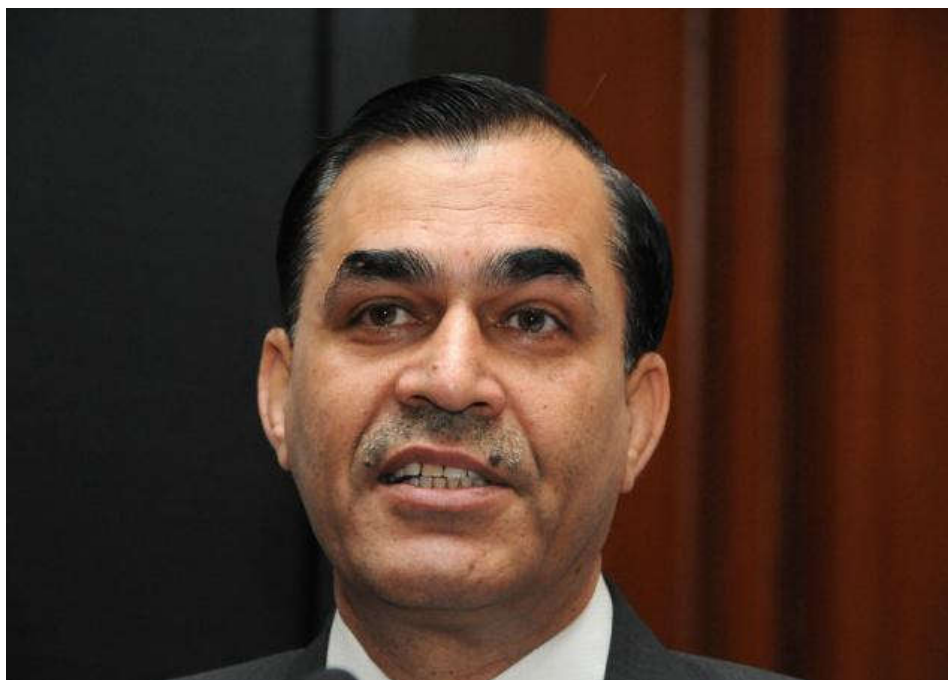
Chand noted that the Centre was focused on several initiatives including electronic national agricultural marketplace (eNAM) and also pushing of land lease reforms.

"Centre can only create an enabling environment, but those initiatives have to be adopted by States", he added.

Speaking on the occasion, Agriculture Secretary S. K. Pattanaik said that agriculture ministry was working with NSSO to compile State-wise farmers' income on an yearly basis.

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Nabard to issue bonds for irrigation fund next month



Harsh Kumar Bhanwala, Nabard chairman

Nabard to issue bonds for irrigation fund next month

The National Bank for Agriculture and Rural Development (Nabard) will begin raising funds for the 20,000 crore dedicated long-term irrigation fund announced in this year's budget, in a month from now, its Chairman Harsh Kumar Bhanwala has said.

Elaborating on the plans for the fund mop up, Bhanwala said that Nabard will raise the funds in several tranches under two types of bonds. One type of bond will be in which the Centre will take the liability for repayment, and the other in which Nabard will bear the obligation to repay the bonds.

Of the targeted funds mop up of close to 20,000 crore, the water resources ministry will bring in 1,500 crore (budgetary allocation), the bonds for which Centre will take the repayment obligation will amount to about 6,300 crore, and the balance amount of about 12,000-13,000 crore will be directly raised by Nabard under its own books, Bhanwala told *BusinessLine* here.

First set

The total fund mop up — which will happen throughout this fiscal — could even exceed 20,000 crore. The first set of bonds will be issued within a month and about 3,000 crore will be raised.

Bhanwala also made it clear that all the bonds issued will be on private placement basis and no public issue is being planned for this purpose.

Nabard bonds will have tenure of 15 years and coupon on such bonds is likely to be about 8.2 per cent, he added.

Business Standard

Banks to ensure timely, easy crop loans: AgriMin



Stating that there should not be any delays in disbursement of crop loans, Agriculture Minister Radha Mohan Singh on Tuesday asked banks to take measures to ease the approval process to provide loans on time to farmers.

He asked the banks to provide "hassle-free" loan facility by standardising documents required and connecting it with Jan Dhan, Aadhar and mobile banking.

The government has set an agricultural credit target for banks at Rs 9 lakh crore for the current financial year, up from Rs 8.5 lakh crore in 2015-16. It is also providing short-term loan of up to Rs 3 lakh for a period of one year at a subsidised interest rate of seven per cent under its scheme. And additional subvention of three per cent is given for those farmers who repay on time.

"There should not be delay in disbursement of crop loan to farmers. Banks should fasten the approval process so that farmers get ride of private moneylenders," Singh said. On doubling farmers' income by 2022, Singh said most of them were "surprised" when Prime Minister Narendra Modi announced this target and were also "sceptical" if this could be achieved in five years

period. "If we try and work together, this is achievable, some think that increasing farmers income means raising the minimum support price (MSP), but MSP is one aspect," he added.

Besides MSP, the government is looking at addressing fundamental issues like raising productivity not only of land, but water, fertiliser and all other inputs used in agriculture, he said, adding all schemes are announced keeping these issue in mind.

Farmers' income will increase when the cost of production comes down and productivity improves. The government is not only focusing on agriculture, but also allied activities like diary, poultry and fishery to boost farmers' income, the minister said.



THE TIMES OF INDIA

Veggie prices soar as rain ruins crop

The city might be experiencing good rainfall in July, but the rain has also brought with it misery.

While heavy shower has damaged crops, the price of vegetables has almost doubled following a reduction in arrivals, causing strain on families' budget.

Tomato and capsicum prices have doubled in the past week. The prices of other green vegetables have also increased. Satyendra Prasad, a vegetable vendor at Lalpur market, said,

"Heavy rain has damaged crops and vegetables have started rotting, thus reducing the total produce. The wedding season has also started, which will inevitably lead to an increase in the demand for vegetables.

The supply shortage, coupled with a demand hike, has led to a price rise."

The price of capsicum, which was sold for anywhere between Rs 30 and Rs 40 has increased to Rs 120 per kg in the past few weeks. Similarly, tomatoes, which were sold for Rs 20 per kg has gone up to Rs 50 per kg.

The price of lady's finger has increased from Rs 15 to Rs 25 per kg, while the price of pointed gourd (parval) has shot up from Rs 14 to Rs 25 per kg.

Coriander, which was sold for Rs 30 a week ago, now costs Rs 160 per kg.

Another vendor, Madan Kumar, said the price hike has altered the buying habits of the middle class, with residents choosing to skip buying vegetables.

"With prices soaring, residents who would normally buy a kilogram of a particular vegetable are now buying only half a kg. Meanwhile, daily wage earners who earn between Rs 150 and Rs 200 a day are not buying vegetables at all," said Kumar.

Sharmila Devi, a housewife, said the price hike has affected her monthly budget. "Instead of buying one kg of potatoes like I normally do, I settle for 250 gms. I would rather purchase gram, soybean and other cost-effective alternatives that will not affect my budget."

THE ECONOMIC TIMES

Nabard awards record Rs 1696.24 cr loan to Himachal Pradesh in 2015-16



As many as 170 infrastructural projects relating to roads, bridges, polyhouses, flood protection were given loan assistance of Rs 644.92 crore.

SHIMLA: Development bank Nabard extended the highest loan assistance of Rs 1,696.24 crore to Himachal Pradesh in 2015-16 for various activities including crop loan and investment.

As many as 170 infrastructural projects relating to roads, bridges, polyhouses, flood protection were given loan assistance of Rs 644.92 crore, and Rs 500 crore were disbursed to the state government during 2015-16, Nabard CGM Deepak Kumar said at a function here today.

The projects supported by NABARD included modernisation and upgradation of three existing cold storages of HPMC, to 'Controlled Atmosphere' cold stores, Rs 100 crore disbursed to HPSCB (HP state Cooperative Bank) for financing short term multipurpose activities, besides a loan of Rs 1.14 crore for diversification of their business portfolio/ activities.

He informed that a Rs 20 crore project 'Sustainable Livelihoods of Agriculture-Dependent Rural Communities in Drought Prone Districts of Himachal Pradesh through Climate Smart Solutions' under National Adaptation Fund for Climate Change (NAFCC) has been sanctioned to Himachal Government and is under implementation in Sirmour district.

Agriculture Minister Radha Mohan Singh asks banks to ensure timely, easy crop loans



The government has set an agricultural credit target for banks at Rs 9 lakh crore for the current fiscal, up from Rs 8.5 lakh crore in 2015-16.

NEW DELHI: Stating that there should not be any delays in disbursement of crop loans, Agriculture Minister Radha Mohan Singh today asked banks to take measures to ease the approval process to provide loans on time to farmers.

He also asked the banks to provide "hassle-free" loan facility by standardising documents required and connecting it with Jhan Dhan, Aadhar and mobile banking.

The government has set an agricultural credit target for banks at Rs 9 lakh crore for the current fiscal, up from Rs 8.5 lakh crore in 2015-16.

It is also providing short-term loan of up to Rs 3 lakh for a period of one year at a subsidised interest rate of 7 per cent under its scheme. And additional subvention of 3 per cent is given for those farmers who repay on time.

"There should not be delay in disbursement of crop loan to farmers. Banks should fasten the approval process so that farmers get ride of private moneylenders," Singh said in his valedictory speech at a NABARD event here.

Asserting that farmers should not get hassled up in bank process, the minister said, "Agriculture credit should be made available easily and timely, for which I request banks to standardise all documents required for sanctioning of loans."

He also asked the banks to connect crop loan with Jhan Dhan, Aadhar and mobile e-banking platform and ensure crop loans are sanctioned in a time-bound manner.

On doubling farmers' income by 2022, Singh said most of them were "surprised" when Prime Minister Narendra Modi announced this target and were also "sceptical" if this could be achieved in five years period.

"It is difficult, but not impossible to achieve. If we try and work together, this is achievable.... some think that increasing farmers income means raising the minimum support price (MSP), but MSP is one aspect," he added.

Besides MSP, the Modi government is looking at addressing fundamental issues like raising productivity not only of land, but water, fertiliser and all other inputs used in agriculture, he said, adding all schemes are announced keeping these issue in mind.

Farmers' income will increase when the cost of production comes down and productivity improves. The government is not only focusing on agriculture, but also allied activities like diary, poultry and fishery to boost farmers' income, the minister said said.

High cotton prices to hurt spinning industry profitability: ICRA



As per ICRA estimates, in the near term, profitability of the spinning industry will be adversely impacted because of the price rise, even as it faces slow growth in domestic consumption.

KOLKATA: A spurt in domestic cotton prices, which have now surpassed international rates, will hurt yarn demand and profitability of spinning companies in the current quarter, ratings firm ICRA BSE 0.99 % said in a report on the Indian spinning industry.

Domestic prices of ginned cotton have increased significantly from about Rs 90-92 a kilogram in April 2016 to about Rs 122 kg currently. The increased local price of the raw material was more than what the industry expected.

"The spurt in cotton prices is beyond expectations and points to a severe shortage of cotton in the domestic markets," said Anil Gupta, vice president of corporate sector ratings at the ratings firm. "Slower cotton sowing and decline in cotton sown area; apart from cotton stocking by intermediaries, could have led to this sharp rise in prices. However, the recent increase in cotton prices can motivate the farmers further and the cotton sowing area can improve in the coming months."

As per ICRA estimates, in the near term, profitability of the spinning industry will be adversely impacted because of the price rise, even as it faces slow growth in domestic consumption. With local cotton prices higher than international ones, export prospects, too, will now get hit.

"Both the above factors a challenge for the mills to sell their production and one can see a decline in capacity utilisation and also contribution margins, to prevent inventory build-up," Gupta said.

The spinning players, who may have stocked inventories for four to five months in March 2016, may witness improved profitability as they are likely to gain from higher yarn prices. However, "as per our interaction, many spinning companies had expected cotton prices to be stable in CY2016, and the cotton inventory stocking was not beyond two months in March 2016", he wrote.