

15.06.2016

# THE HINDU

## **Join agriculture market, Union Minister tells T.N.**

*Scheme aims to integrate 585 regulated markets with a common e-market platform by March 2018, says Radha Mohan Singh*



Radha Mohan Singh

: Union Agriculture Minister Radha Mohan Singh on Tuesday said that he was looking forward to Tamil Nadu amending its APMC Act in order to join the National Agriculture Market (NAM) mooted by the Narendra Modi government.

Tamil Nadu is among seven states and two Union Territories that are yet to make changes to their Agricultural Produce Marketing Committee Act. “We keep talking to Tamil Nadu and we think they will amend it soon. There was a delay because of the elections,” he said.

The minister was interacting with journalists across 10 states via video link from Delhi.

The programme was part of a series of video conferences being organised for ministers to talk about the achievements in the two years of the Narendra Modi-led government.

The NAM scheme was launched on July 1 last year and aims to integrate 585 regulated markets with a common e-market platform by March 2018.

In all, 17 states have amended their APMC Acts, which require provisions that allow e-marketing, single point levy of market fees and single unified licence for trading across states. “Two big states, Kerala and Bihar, do not have APMC Acts at all. We hope they will draft them soon,” said the minister, who himself hails from Bihar. In all, seven states or union territories do not have APMC Acts yet, while Jammu and Kashmir and Sikkim have Acts, but have not implemented them.

Terming the Prime Minister’s Crop Insurance Scheme the biggest push ever given to the welfare of farmers, he said that states should utilise central funds allocated under various schemes properly. When asked about the possibility of genetically modified crops, minister Singh said that it was out of his hands. “If the Genetic Engineering Approval Committee of the Ministry of Environment approves them, we will have an obligation to follow,” he said. Earlier, the minister had opened with the remarks of how the agriculture sector, which registered a negative growth of 0.2 per cent in 2014-’15, had grown at 1.2 per cent in 2015-16. “We did better towards the end of the fiscal year (last quarter of 2015-16) and grew at 2.3 per cent,” said Mr. Singh.

### [NABARD may fund four organisations of farmers](#)

*FPOs would improve net income and quality of life of small, marginal farmers*

The National Bank for Agriculture and Rural Development (NABARD) is supporting promotion of four new Farmers Producers Organisations (FPOs) in Thanjavur district through the Producers Organizations Promoting Institutions (POPIs).

These FPOs would improve the bargaining power, net income, and quality of life of small and marginal farmers, according to the NABARD District Development Manager K. Subramanian.

He was here to review the field progress made by a POPI, the ICRISAT, near Papanasam in Thanjavur district.

The companies would be promoted at the block level with a minimum membership of 500 farmers. The ICRISAT has been sanctioned as POPI to

promote a FPO in Papanasam block while the Dhan Foundation has been sanctioned three FPOs in Ammapettai, Thanjavur and Kumbakonam blocks.

There are various steps in promoting and nurturing a FPO in a block. A baseline survey of the potential clusters in a given geography (block) needed to be undertaken to establish the current situation and map the required interventions.

The interested farmers in the particular cluster would then be mobilised into an FPO in consultation with other stakeholders such as the State government departments, research institutions, and other agencies. The existing farmer clubs, self-help groups, and joint liability groups would be considered for organising them into FPOs.

Then, the members of the FPOs would elect their Board of Directors for running the company.

The NABARD would provide complete handholding support to the FPOs through POPI for its registration as a company.

The POPI would guide the FPO on the legal and administrative aspects of running a company, said Mr. Poo Murugesan, consultant, ICRISAT.

The Board of Directors of the FPO would be sensitised at least once in a year for three consecutive years on areas such as functioning of the FPOs, organisational structure, business operation and management, market links, legal aspects of FPO, regulatory compliance, good governance practices, transparency and accountability, vision building, leadership development, communication skills, and MIS.

These Farmer Producer Companies would be empowered to implement the seven-point strategy, recently announced by Prime Minister Narendra Modi, to double the income of farmers in six years with measures to step up irrigation, provide better quality seeds and prevent post-harvest losses, Mr. Subramanian said.

### **Copra procurement centre to be opened**

A copra procurement centre would be opened by the Vedaranyam Agriculture Producers Cooperative Marketing Society on June 15, Collector S.Palanisamy said in a press release. The move follows the State government decision to procure copra from farmers as the price of copra has fallen below Rs. 50 a kg.

## **Punjab farmers to sow more paddy amid whitefly scare**

Farmers in Punjab are expected to cultivate more paddy this kharif season as farmers have put less area under cotton due to whitefly scare.

The agrarian states of Punjab and Haryana witnessed extensive damage to cotton crop due to whitefly attack last season.

“Area under paddy this season is expected to go up by more than one lakh hectares to around 29.75 lakh hectares,” a senior official of Punjab Agriculture Department said here on Tuesday.

Earlier, Punjab had set a target of 28.50 lakh hectares of paddy.

“The main reason behind rise in paddy will be the drop in acreage under cotton crop as farmers will divert that area towards rice,” he further said.

Against the target of 5 lakh hectares under cotton, Punjab this season has seen cotton acreage of about 2.50 lakh hectares as officials attributed lesser area to whitefly scare and shortage of canal water during sowing season.

### **More tubewells**

Release of more number of tubewell connections was also one of the reasons behind the decline in cotton area, the official said.

The Punjab government has been asking growers to reduce area under water-guzzling paddy crop and shift area under other crops like cotton, pulses, maize etc.

Last season, whitefly-pest attack had caused widespread damage to Bt cotton varieties in Punjab and Haryana and had witnessed dip of about 40 per cent in output.

### **Crop damage**

In Punjab, 1.36 lakh hectares out of total 4.50 lakh hectares of cotton acreage was damaged by whitefly attack.

In the wake of depleting underground water table, Punjab government had asked growers to start sowing paddy from June 15.

Meanwhile, power utility PSPCL said assured proper power supply to farmers.

## **Krishi Abhiyan to create awareness on new farm techniques**

S.S. Nakul, Chief Executive Officer of the Ballari Zilla Panchayat, exhorted farmers to take the maximum advantage of the various schemes announced by the State government to make agriculture lucrative and lead a better life.

He was speaking after inaugurating Krishi Abhiyan here on Tuesday, which is aimed at creating awareness among farmers about new agricultural techniques being made available on their doorsteps. The response from farmers was overwhelming.

Mr. Nakul listed out the schemes that included Krishi Bhagya, soil health, insurance schemes and termed them as a boon for farmers.

### **Farm returns**

“Farmers are experts in agriculture. Yet, due to lack of communication or awareness about the latest farm techniques, agricultural returns are not as per expectations. Therefore, to ensure that farmers are aware of the latest farm techniques, the government has come out with the Krishi Abhiyan which was being held in all hobli headquarters prior to the commencement of agricultural activities to explain the precautionary measures to be taken to prevent loss of yield, adoption of new techniques and the like,” he said and appealed to farmers to make judicious use of water which in turn would protect the health of soil.

Mr. Nakul, after inaugurating a farm equipment and agricultural input exhibition, distributed soil health cards to farmers.

Mallikarjun, president of the Neeravari Balakedarara Sangha, while thanking the government for its concern towards making agriculture lucrative through introducing various schemes and providing subsidy, urged the authorities to ensure that the agricultural implements given at subsidised rates are made available well in advance before the commencement of agricultural operations.

Basavanneppa, coordinator, Agriculture Research Station, Sirguppa, spoke about controlling pests and pink bollworm, importance of getting soil health tested and the like.

Lakshmiddevamma, Sirguppa Taluk Panchayat president, was in the chair.

Sharnappa Mudgal and S. Patil, Joint Director and Deputy Director of Agriculture, Ballari, respectively, spoke.

***Farmers exhorted to take the maximum advantage of various schemes announced by the government***

## **State to procure copra from coconut growers from today**

The State government will procure copra directly from coconut growers from June 15 to enable them get a decent price for their produce. Such a measure will protect the growers, who have been facing losses owing to sharp fall in coconut prices, said Collector T.N. Hariharan.

In a press release here on Tuesday, he said prices of coconut fell sharply in the market recently causing huge loss to farmers. To save farmers, the government would offer minimum support price for the copra. While milling copra would be procured for Rs.59.50 a kg, edible copra would be purchased for Rs.62.4 a kg, he said.

Tamil Nadu Co-operative Marketing Federation Ltd (TANFED) would procure copra from farmers through Agricultural Producers Cooperative Marketing Societies in the district. This scheme would continue for the next 180 days only. To begin with, procurement would commence at the Cooperative Training Centre on Palani Road in Dindigul in the district, he added.

To supply copra, farmers would have to get a certificate from VAO with details about the total area under coconut cultivation, survey number, chitta and patta details. The land details should be verified by the agriculture officials also.

Revenue, Agriculture, Cooperative and Agri-marketing officials would jointly implement the scheme. Sale amount would either be deposited in the bank account of the farmer or handed over as an account payee cheque. Quality of copra would be checked by the agri-marketing officer, he said and appealed to the farmers to supply quality copra.

## **‘Accreditation of nurseries to ensure supply of quality saplings’**

*Directorate to publish details of such nurseries on its website*

To ensure availability of planting material of good quality for the farmers who undertake cultivation of spices, the Directorate of Arecanut and Spices Development has introduced the system of accreditation of the nurseries, said its director Homi Cherian.

He was speaking after inaugurating a symposium on cultivation of spices held under the aegis of University of Agricultural and Horticultural Sciences (UAHS), Shivamogga, at Jawaharlal Nehru National College of Engineering here on Tuesday.

He said that the area of cultivation of spice crops has increased by 2.5 per cent in India in the last decade. Apart from consumption as food, the usage of spices

in pharmacy and cosmetic industries has also increased in recent times. It is necessary to ensure availability of saplings of improved varieties of spices to enhance production and to maintain the quality of the produce, he said.



Symposium: Homi Cherian (third from right), Director, Directorate of Areca and Spices Development, and other dignitaries releasing a booklet at a symposium on cultivation of spices in Shivamogga on Tuesday.— PHOTO: Vaidya

The Directorate has commenced accreditation of the private nurseries that are engaged in supplying saplings of spice crops for the farmers, he said. The Directorate would publish the information on the accredited nurseries on its website. Farmers can purchase the saplings from such nurseries. The Directorate would act as a bridge between the farmers engaged in cultivation of spices and the nurseries that would supply planting material for the them, he said.

Addressing the gathering, P. Chowdappa, Director of Central Plantation Crop Research Institute (CPCRI) said that the arecanut and coconut growers should go for inter-cropping by taking up cultivation of pepper and cocoa to enhance their income.

He stressed on the need to promote research on value addition for arecanut. The Central Arecanut and Cocoa Marketing and Processing Cooperative Ltd. has planned to export tender arecanut to China where it is used to prepare mouth fresheners. In wake of extension in the area of cultivation of arecanut at a rapid pace in recent times, it is necessary to explore the alternative uses of the produce, he said.

C. Vasudevappa, Vice-Chancellor of UAHS, Shivamogga, said that as cultivation of cashew nut requires less water, the university was planning to promote the farmers in arid regions of the district to take up its cultivation. J. Venkatesh, Director of Extension of University of Horticultural Sciences,

Bagalkot, M.K. Naik, Director of Research of UAHS, Shivamogga, and T.H. Gowda, Director of Extension, were present.

### **‘Create awareness on crops covered under weather-based insurance’**

As arecanut and ginger have been brought under the purview of weather-based crop insurance scheme for the first time, the officials concerned should create awareness among the farmers about the same, Additional Deputy Commissioner Channabasappa has said.

He was speaking at a meeting held here on Tuesday on implementation of the Pradhan Mantri Fasal Bima Yojana (PMFBY).

The awareness on PMFBY should be provided by pasting the posters on the scheme at places like Raitha Samparka Kendra where farmers gather in large numbers.

He said that paddy and maize, the main agricultural crops in the district, are also covered under the scheme. Farmers should pay 2 per cent of the premium amount for agriculture crops and 5 per cent of the premium amount for horticulture crops, he said.

As June 30 is the last date for enrolling for PMFBY, the officials of the agriculture, horticulture and revenue departments should undertake an intense campaigning in rural areas to disseminate information among farmers on the scheme, he said.

Assistant Commissioner H.K. Krishnamurthy was present in the meeting.

*Also, there is a need to create awareness on Pradhan Mantri Fasal Bima Yojana, says official*

### **Plentiful rains to help increase agricultural activity in Mysuru**

*The failure of pre-monsoon showers had caused a lull in all farming works in the district*

In the last 13 days, Mysuru district has received 43.5 mm rainfall that can be classified as ‘above normal’ as against the expected 36.4 mm. This is likely to encourage farmers to increase the agricultural activities in the district.

There had been a lull in cultivation related works in recent months owing to the failure of pre-monsoon showers. The district had received 163.5 mm of rainfall from January so far this year as against the expected 245.8 mm of rainfall.



## Change in pattern

For the past few years, the district has been witnessing plentiful pre-monsoon showers. It had received over 29.7 mm rainfall during the months of January, February and March in 2015. This year however, for the same period, the district received just 10.8 mm rainfall. This had discouraged farmers from conducting agricultural activities. In the previous years, farmers had already sown Bt cotton, pulses such as black gram, green gram and cowpea, and oilseeds such as sunflower and sesame, by this time.

Mr. M. Mahanteshappa, Joint Director of Agriculture, told *The Hindu* on Tuesday that sowing is yet to pick up in the district. He hoped that the rains in the last 12 days would encourage the farmers to take up sowing. "So far, sowing has been completed in over 1,68,107 hectares of land, including rain-fed and irrigated land, as against the target of 3,88,220 hectares," he said.



Picking up pace: Agriculture officers will make field visits and educate farmers about scientific cultivation in Mysuru district.— PHOTO: M.A.SRIRAM

## Cultivation of pulses

Mr. Mahanteshappa added that by this time last year, pulses such as green gram, black gram, cowpea, red gram were grown in over 92,800 hectares, while this year the same are being cultivated in 34,450 hectares only.

Sowing of hybrid jowar, cotton, tobacco, ground nut, apart from pulses, had also come down this year owing to the failure of pre-monsoon rains; he said and noted that sowing was carried out only in 61 per cent of the total targeted area.

Cotton is being grown in just 34,300 hectares as against the target of 47,800 hectares. Similarly tobacco is being grown in 65,700 hectares as against the target of 70200 hectares.

Mr. Mahanteshappa added that sowing of green gram and black gram could not be taken on hereafter for the season, as there still was time for cowpea, horse gram and avare.

He was confident that sowing would be carried in all the targeted areas in the coming days. He claimed that the agriculture officers have been instructed to make field visits and help and educate farmers about scientific cultivation.

### **Soon, UAVs to spray pesticides in arecanut plantations**



New Approach: The UAV will be operated in arecanut plantations in the State on trial basis in 2017.

The Central Plantation Crop Research Institute (CPCRI), Kasargod, has planned to develop an unmanned aerial vehicle (UAV) to ensure controlled and uniform spray of pesticides in arecanut plantations.

CPCRI director P. Chowdappa said that the work of spraying pesticides is executed by UAVs, including drones, in countries like Israel and Australia and several European nations.

In order to introduce a similar technique for pest management in arecanut plantations here, CPCRI had conducted discussions with the scientists serving with the National Aerospace Laboratories (NAL) that has an expertise in manufacturing UAVs.

The institute has requested NAL to develop for it an UAV that will have a capacity to carry a payload of 20 litres. The proposed UAV is expected to finish spraying pesticide on a 10-acre arecanut plantation in one hour.

CPCRI has set aside Rs. 30 lakh to develop the vehicle. Apart from developing the UAV, NAL would be entrusted with the responsibility of getting necessary permission from the authorities concerned to operate the vehicle, he said

Arecanut farmers in Karnataka and Kerala are facing acute shortage of labour for activities like harvesting and for spraying pesticide . A major chunk of farmers in Malnad and coastal Karnataka region could not take up the second round of spraying copper sulphate and lime solution, commonly called mailututta in 2013, owing to incessant rain and shortage of labour. This resulted in the outbreak of fruit rot disease, popularly known as koleroga, due to which there was a decline in the yield to the tune of 40 per cent.

The proposed UAV would provide solution to such problems by minimising the role of human labour in the operation of spraying pesticides, Mr. Chowdappa said.

He said that the UAV would be operated in arecanut plantations on trial basis in 2017. After the mass production commences, the cost of producing an UAV is likely to come down to Rs. 20 lakh.

Farmers can purchase the vehicle through the village-level cooperative societies. The government can also purchase the vehicle for the custom hiring centres of agriculture equipment that it has established at hobli level and farmers can hire them on rent basis, he added.

### **Haryana to go in for climate-resilient farming methods**

The Haryana government will implement climate-resilient methods to minimise the effects of climatic variation on crop production. On Tuesday, it approved a Rs.25-crore project for scaling up climate-resilient practices and creating 'climate smart' villages.

A State-level steering committee met in Chandigarh, with Chief Secretary D.S. Dhesi in the chair, and approved the detailed project report.

“This project proposes to sustainably intensify crops and cropping systems for enhancing and sustaining production at a less cost by adopting climate-resilient technologies, without damaging soil health while maintaining the flow of environmental services. The project will be implemented in the northern part and benefit 75,000 farmers,” a government statement said.

At the meeting, it was pointed out that there were areas without water storage structures, resulting in low productivity and replacement of native crops with commercial crops. The groundwater was going down, with farmers tapping into it. These areas were selected based on water availability, farms with nutrient imbalance and farmers resorting to residue burning.

The State has two agro-climatic zones. The north-western part is suitable for rice, wheat, vegetable and temperate fruits and the south-western part is suitable for high-quality produce such as tropical fruits, exotic vegetables, herbal and medicinal plants.

### **Scientists to use underwater robots to study monsoon**

*Reseachers will fly a plane with scientific equipment over Bay of Bengal to collect data*



promising forecast: The robots are equipped with computers onboard and look like miniature yellow submarines.— PHOTO: AFP

Scientists from Britain and India will release underwater robots into the Bay of Bengal in a bid to more accurately predict the Indian monsoon critical to millions of farmers, they said on Tuesday.

Researchers will also fly a plane carrying scientific equipment over the bay to measure the atmosphere as part of the multi-million pound study of the

monsoon which hit southern India last week. Better forecasting will improve the livelihoods of India's more than 200 million farmers and agricultural labourers, who are reeling from devastating drought.

Scientists from the University of East Anglia (UEA) will release seven underwater robots from an Indian ship next week to study how ocean processes influence monsoon rainfall.

At the same time, colleagues from the University of Reading and climate experts in India will use instruments on board the plane flying from the southern city of Bangalore to measure heat and moisture in the air.

The robots, which have computers onboard and look like miniature yellow submarines, will spend a month moving through a southern section of the bay, to measure temperature, salinity and currents.

“The Indian monsoon is notoriously hard to predict. It is a very complicated weather system and the processes are not understood or recorded in science,” lead researcher Adrian Matthews said. “Nobody has ever made observations on this scale during the monsoon season itself so this is a truly groundbreaking project,” he said.

More than half of India's farms lack irrigation for their crops, meaning they depend almost entirely on the annual rains.

### **Computer models**

More precise predictions of the monsoon, which sweeps up from the Indian Ocean which extends into the bay, can also help hundreds of millions better prepare for droughts and floods.

Beamed back to scientists via satellite signals, the information will be used to create computer models of the ocean to determine how it affects weather and rainfall over India. — AFP

### **Rain brings relief to North India, alert sounded in Uttarakhand**

*MeT department has advised Maharashtra farmers not to undertake sowing operations*

Rain kept mercury in check in northern States barring Uttar Pradesh with Allahabad simmering at 44.4 degrees Celsius even as the weather office issued a ‘heavy rains’ warning in Uttarakhand for the next two days.

Mercury in the national Capital hovered near the normal level but high humidity, up to 74 per cent, troubled the residents. The city had a high of 36.3 degrees, while the minimum temperature was recorded at 26 degrees.



A group of youngsters taking bath in a stream during a hot day in Srinagar on Tuesday.– Photo: PTI

The observatories at Safdarjung, Lodhi Road, Palam, Ayanagar and Ridge gauged light rainfall till 8-30 a.m. The MeT forecast cloudy skies with a possibility of light showers in the city on Tuesday

The other three metropolitan cities of Kolkata, Chennai and Mumbai recorded their respective maximums at 30, 38.9 and 34.8 degrees.

The weatherman sounded a ‘heavy rains’ alert in Uttarakhand for the next two days.

“Heavy rainfall is likely at isolated places in the State especially Uttarkashi, Tehri, Dehradun, Almora, Nainital, Champavat and Pithoragarh districts in the next two days starting on Wednesday,” MeT office Director Vikram Singh said.

Uttar Pradesh continued to reel under scorching heat with Allahabad being the hottest place at 44.4 degrees Celsius on Tuesday, even as light rains and thundershowers occurred at isolated places.

Varanasi had a high 42.4 degrees Celsius, followed by Fatehgarh and Lucknow at 42 and 41.8 degrees, respectively.

Maharajganj and Bhinga received 2 cms of rainfall each, while Moradabad, Orai and Agra received one cm of rainfall each, the weatherman said.

In Maharashtra, the Agrimet section of the MeT department advised farmers in the drought-hit parts not to undertake sowing operations, saying “the monsoon has not yet arrived in the State”.

After its delayed arrival in Kerala, the monsoon is now expected to hit Maharashtra only after June 16.

Residents in Bihar grappled with sultry conditions though the weather office predicted light to moderate rains in Patna and other parts of the State on Wednesday.

Gaya was the hottest place in the State at 43 degrees.

Rains brought relief from humid weather in West Bengal. Jalpaiguri in the sub-Himalayan belt gauged 124.8 mm of rains, followed by Asansol 61 mm, Bankura 20.1 mm, Burdwan 13.2 mm, Sriniketan 8.6 mm, Darjeeling and Kolkata 8.1 mm.

The weatherman issued a ‘heavy rain’ warning in the hills of Darjeeling, Jalpaiguri and Cooch Behar for the next three to four days. - PTI

### **Tobacco growers stall auctions at Tangutur**

*Farmers are upset as market slide continues*

Unhappy with the price offered by traders, tobacco growers stalled auctions at Tangutur II auction platform in Prakasam district on Tuesday.

The farmers were upset over the unabated market slide ever since the Union Health Ministry introduced larger pictorial warning from April 1 and as a result, cigarette manufacturers stopped production fearing fall in demand in future.

However, the e-auctions were conducted without any hitch at the remaining 13 other auction platforms in Southern Black Soil (SBS) and Southern Light Soil (SLS) regions, Tobacco Board sources said.

The average price fell to Rs. 102.15 per kg for the 4.20 lakh kg marketed on Tuesday on the SLS auction platforms.

However, the farmers at the SBS auction platforms got a relatively better price of Rs. 108.34 per kg for the 5.5 lakh kg marketed on Tuesday.

There were no takers for ‘dark greens’ and BG 2 varieties of tobacco brought to the auction platforms by farmers, complained a group of farmers at the Podili auction platform after Tuesday’s trading.

## Situation reviewed

Meanwhile, Tobacco Board Manager (auctions) K. Ravikumar along with SLS Regional Manager G. Ratnasagar reviewed the market condition at Podili and exhorted traders to lift the unsold stocks.

Farmers in the SLS region had so far sold 22.5 million kg at an average price of Rs. 119.85 per kg, while their counterparts in the SBS region had marketed 22.4 million kg realising an average price of Rs. 118.21 per kg. The farmers in both the regions still had a stock of 35 million kg to liquidate.

## Arecanut, pepper under weather-based crop insurance scheme



New facility: The scheme automatically covers farmers who availed themselves of crop loans from banks.—Photo: H.S. Manjunath

<b>WEATHER-BASED CROP INSURANCE SCHEME</b>				
<b>Crop</b>	<b>Insured amount</b>	<b>Annual premium</b>	<b>Farmer's share</b>	<b>Government share</b>
<b>Arecanut</b>	Rs. 1.25 lakh	Rs. 12,500	Rs. 6,250	Rs. 6,250
<b>Pepper</b>	Rs. 37,500	Rs. 3,750	Rs. 1,875	Rs. 1,875
<b>Districts</b>		<b>Taluks</b>	<b>Hoblis</b>	<b>Gram Panchayats</b>
<b>Dakshina Kannada</b>		5	16	231
<b>Udupi</b>		3	9	158



*The State government issued a notification to this effect on June 13*

Arecanut and pepper have now been covered under weather-based crop insurance scheme (WBCIS), among other crops.

The State government issued a notification to this effect on June 13 covering the two crops for the 2016 kharif season.

The scheme automatically covers farmers who availed themselves of crop loans from banks as it was mandatory. Hence they need not apply. As it was voluntary for other farmers, they will have to apply through banks in which they have accounts.

The last date for applying to be part of the scheme is June 30.

According to the notification, the insured amount and premium for the two crops though were same for Dakshina Kannada and Udupi, they were different in other districts. Hence arecanut and pepper growers in Shivamogga and Uttara Kannada will not be paying the same premium amount like that of their counterparts in Dakshina Kannada and Udupi as the insured amount also is different.

The government has appointed Tata AIG Insurance Company Ltd. for Dakshina Kannada and Udupi as the insurance agent.

The insured amount for arecanut will be Rs. 1.25 lakh per hectare.

The annual premium fixed was Rs. 12,500. In that, the applicant will have to pay his or her share of Rs. 6,250, which is half of the premium amount. The balance amount of Rs. 6,250 would be borne by the government on equal sharing basis between the Union government and the State government.

The farmer's share was decided on the basis of total insured amount as it was five per cent of the same. For any crop, the farmer's share would be 5 per cent of the insured amount of the respective crop.

The premium amount fixed was 10 per cent of the insured amount.

### **For pepper**

The government has fixed Rs. 37,500 as the insured amount per hectare of pepper. The annual premium will be Rs. 3,750. In that the applicant will have to contribute his or her share of half, Rs. 1,875. The balance amount will be borne by the two governments on equal-sharing basis.

□ *Pepper is mostly grown as an inter-crop in arecanut plantations*

□ *If an arecanut palm falls due to heavy wind, pepper creepers suffer damage*

### **Scheme covers crop loss due to weather variation**

Weather-based crop insurance scheme (WBCIS) covers loss of crop due to extreme weather conditions.

It covers loss due to heavy rainfall, heavy wind, high temperature, high humidity and the like. According to a senior official in the Department of Horticulture, the percentage of insurance amount to be given for loss due to a particular extreme weather condition has been fixed.

It varies for loss due to heavy rainfall, heavy wind, high temperature and the like. Each gram panchayat would be considered as a unit for considering extreme variation in weather. For example, rainfall and heavy wind might differ from one grampanchayat to another. Crop loss might occur in plantations under the jurisdiction of a particular gram panchayat due to heavy wind.

It might not be the case in the neighbouringpanchayat. In such cases individual farmers get eligibility to claim insurance for crop loss.

Each gram panchayat is attached to the nearest weather monitoring station for assessing weather condition. Such weather stations are notified, the official added.

### **Jackfruit mela at Pilikula**

A two-day jackfruit festival will be organised at Dr. ShivaramKaranthPilikulaNisargadhama from July 9 in association with KrishiVignana Kendra, Yekkur.

The aim is to promote jackfruit cultivation and its products. Farmers will be provided free stalls at the nisargadhama to sell jackfruit and its products. Those who want to sell their products could contact 9448297154 or 0824-2431872, a release said.

### **Farmers' convention on June 21**

The RaithaHorataSamiti will organise a farmers' convention at Silver Jubilee Park off the Bengaluru-Mysuru highway here on June 21.

According to the release issued here, the Samiti, comprising representatives from different sectors of society, has been studying the socio-economic conditions of farmers in the district.

Farmers from different parts of the district will participate in the convention, the release added.

For more details, call 8553329979.

### **Jaitley to review food price situation today**

Concerned over food inflation, Finance Minister Arun Jaitley will review the situation on Wednesday and discuss steps to keep prices of essential commodities in check.

Retail prices of pulses are still ruling high at over Rs.170 per kg even as the government is making efforts to boost supply . Even tomato prices have doubled to Rs.80 a kg due to the crop damage. Potato rates have also been on the rise.

As per the WPI data vegetable inflation rose sharply to 12.94 per cent from 2.21 per cent a month ago.

“The Finance Minister has called tomorrow a meeting with ministers and secretaries concerned to discuss prices of essential commodities ,” sources said. —PTI

### **Tomato prices double to Rs 80/kg on sluggish supply**



The country’s tomato production is estimated at 18.28 million tonnes in the 2015-16 crop year (July-June) as against 16.38 million tonnes in the previous year. Photo: K. Ananthan

*Among metros, Chennai recorded the highest price at Rs. 80 a kg on Tuesday, compared to Rs. 44 on June 1.*

Tomato prices in most retail markets across the country have doubled to Rs. 80 per kg in last 15 days due to sluggish supply owing to crop damage.

Earlier this month, prices of tomato — a key kitchen vegetable — were ruling in the range of Rs. 20-40 per kg, as per data maintained by the Consumer Affairs Ministry.

Among metros, Chennai recorded the highest price at Rs. 80 per kg on Tuesday compared with Rs. 44 per kg on June 1.

Similarly in Kolkata, the price is ruling at Rs. 60 per kg on Tuesday as against Rs. 30 per kg earlier this month.

In Mumbai, rates have risen to Rs. 58 per kg from 38 per kg while in Delhi, prices have surged to Rs. 51 per kg from Rs. 25 per kg in the said period, the ministry data showed.

“Tomato prices have increased in last 15 days in Delhi. There is no sufficient supply as the crop got damaged in Haryana and Punjab because of unseasonal rains,” Azadpur Tomato Merchants Association President Ashok Kaushik said.

Due to rains, the crop in South India has also been affected because of which prices have also risen there, he said, adding that even heat stress in north India has damaged the crop in some parts.

Unlike potato and onion, the shelf life of tomatoes is short. The absence of adequate cold storage facilities in the supply chain contributes to the problem.

The country’s tomato production is estimated at 18.28 million tonnes in the 2015-16 crop year (July-June) as against 16.38 million tonnes in the previous year.

Karnataka, Madhya Pradesh, Andhra Pradesh, Telangana, West Bengal and Odisha are the major tomato growing states in the country.

## Wholesale inflation rises to 0.79 per cent in May



Inflation in vegetables came in at 12.94 per cent, a sharp rise from 2.21 per cent, a month earlier. File photo: NagaraGopal

Rising for the second straight month, wholesale price-based inflation jumped to 0.79 per cent in May with vegetable prices witnessing a double-digit growth.

The April WPI-based inflation was at 0.34 per cent and in March it was (-)0.45 per cent while it stood at (-)2.20 per cent in May last year.

Food inflation rose to 7.88 per cent in May as against 4.23 per cent in April, showed a government data today.

Inflation in vegetables came in at 12.94 per cent, a sharp rise from 2.21 per cent, a month earlier. Pulses inflation remained stubborn at 35.56 per cent.

Prices of egg, meat and fish paced up by 9.75 per cent and in fruits the rise was 3.80 per cent. However, kitchen staple onion continued to witness decline at (-)21.70 per cent in May.

Manufactured products inflation too inched up to 0.91 per cent from 0.71 per cent in April.

The hardening of WPI food inflation follows the trend of retail inflation released on Monday.

Retail inflation touched a 21-month high of 5.76 per cent in May mainly due to rising prices of food items.

The hardening of inflation could further dent the chances of a interest rate cut by Reserve Bank in its policy review in the months ahead.

In its policy review earlier this month, RBI had retained January 2017 retail inflation target at 5 per cent, though with an upward bias on account of firming of oil prices and implementation of 7th Pay Commission recommendations.



### **Delay in monsoon, spiralling food prices worry Maharashtra govt**

The farm growth in the state, where a majority is dependent on agriculture, has turned negative with consecutive drought spells.



Sources said Fadnavis was especially concerned about a further rise in prices of tur dal, which has already hit a high of Rs 150 per kg.

The delay in the arrival of monsoons and spiralling prices of food commodities have left the state government worried. Chief Minister Devendra Fadnavis has told his ministers and officials to closely monitor the impacts of the delay, sources said.

The farm growth in the state, where a majority is dependent on agriculture, has turned negative with consecutive drought spells. While weathermen have projected 2016 to be a good monsoon year, its onset has been delayed.

During the meeting, the state administration submitted a report admitting to a steep rise in prices of food commodities owing to the delay.

According to the government report, retail prices of vegetables have seen a 21-28 per cent jump in the last week.

Sources said Fadnavis was especially concerned about a further rise in prices of tur dal, which has already hit a high of Rs 150 per kg.

He has directed authorities to step up efforts to check hoarding. Sources added that the CM has also told Food Minister Girish Bapat to rush to New Delhi to convince the Union Food Ministry to release a higher buffer stock.

While the state government had raised a demand that the Union ministry release 20,000 metric tonne of tur dal for the state, sources said the Centre has so far agreed to release just 700 metric tonne.

While Bapat argued he had recently visited the ministry and conveyed the state's demand, Fadnavis insisted that he should go there again.

Bureaucrats from the agriculture department also invited criticism with senior cabinet ministers taking strong objection to the Maharashtra State Seed Corporation Ltd's move to market crop seeds at 30-50 per cent higher rates than last year.

Meanwhile, the state has decided to bear an additional cost of Rs 163 crore with the cabinet in principal agreeing to a proposal of issuing 20 per cent grant to 628 additional schools, earlier approved on non-grant basis.

## Food inflation up again: Why, and where it is headed

With food inflation rising again, the possibility of further rate cuts – since January 2015, the RBI’s key short-term lending or repo rate has been reduced from 8 per cent to 6.5 per cent – is effectively ruled out.



Rains have been deficit by about 21 per cent so far, but that picture is likely to change as we enter the peak kharif sowing period from June-end through July.

The scourge is back. Or, so it seems. Consumer food price inflation, at 7.55 per cent year-on-year in May, has hit a 21-month-high. And what’s striking, and probably surprising, is how steep has been the climb – from an average of 2.7 per cent during July-September (when the monsoon rains had failed) to 5.2 per cent in March (when the drought was at its peak) and 7.5 per cent-plus now (when a good monsoon is supposedly round the corner).

Nor is the timing of the increase particularly helpful. The Reserve Bank of India, of late, has not been averse to cutting interest rates. The changed stance has been emboldened no less by the Centre’s “commendable commitment to fiscal consolidation” and its recent reform measures, including slashing of small savings rates. Even in his latest June 7 review, the central bank governor Raghuram Rajan made it clear that “the stance of monetary policy remains accommodative”.

But with food inflation rising again, the possibility of further rate cuts – since January 2015, the RBI’s key short-term lending or repo rate has been reduced from 8 per cent to 6.5 per cent – is effectively ruled out. On the contrary, there will be pressure to raise rates, as the overall CPI inflation of 5.76 per cent for



May is well above the central bank's target of 5 per cent by January 2017 and 4 per cent from the following fiscal. The fact that food items have a 45.86 per cent weight in the CPI – and there is little that monetary policy tools can do to control potato or dal prices – makes the RBI's job all the more difficult.

It raises the question: Why are food prices rising now, especially when the drought is apparently behind us and the met department has forecast an "above normal" monsoon, with aggregate rainfall during June-September at 106 per cent of the long period average for the season? True, the rains have been deficit by about 21 per cent so far, but that picture is likely to change as we enter the peak kharif sowing period from June-end through July.

The most obvious explanation for the current spike in food inflation is that the effects of drought are felt most during the summer months. This is the period when the rabi crop – not a very good one this time – has already been marketed and we are still some time away from the next crop's arrival from October. This, in a sense, is the proverbial darkest hour just before the dawn. With a good monsoon, our worries over food prices will mostly be washed away.

### **Maharashtra: Monsoon delayed; weather department advises to 'go slow' on sowing**

'It is necessary to have good monsoon rainfall consistently for a few days for the seeds to grow into a good crop', said Deputy Director General Agrimet, IMD.



The Indian meteorological department has informed the farmers to start farming only after the onset of the Monsoon. (File)

Even as farmers in the drought hit Maharashtra have geared up for sowing operations, the weather department has issued a 'go slow' advisory as the much awaited monsoon seems to have delayed its arrival in the state.

While asking farmers to go ahead with the tilling operations, the Agrimet section of the India Meteorological Department (IMD) has said actual sowing activity should be undertaken only after the onset of monsoon over Maharashtra to ensure that the seeds are not wasted for want of rains.

“Do not undertake sowing operations till the onset of monsoon which has not yet arrived in the state.

It is necessary to have good monsoon rainfall consistently for a few days for the seeds to grow into a good crop,” N Chattopadhyay, Deputy Director General Agrimet, IMD, told reporters.

The farmers in the state are advised not to start sowing operations till the IMD officially announces the arrival of monsoon in Maharashtra, he said.

The Agrimet advisory has been issued to avoid waste of expensive seeds, particularly of soyabean, cotton and pulses, in parched areas of Marathwada, Vidarbha and Madhya Maharashtra, some of which have, however, received pre-monsoon showers in the last few days.

After its delayed arrival in Kerala, the monsoon is now expected to hit Maharashtra only after June 16.

### **Maharashtra: Broiler chicken, veggie prices go up**

Traders say this is because of the decline in supply.

Other than tomatoes, prices of almost all vegetables have seen a rise of 15-20 per cent.

High input costs and the ongoing drought conditions have resulted in all-time high prices of broiler birds across the state. The farmgate prices of a 2-2.5 kg bird has now crossed the Rs 104 mark, making it an all-time high for the industry.

Vasantkumar Shetty, conveyor, All India Broiler Co-ordination Committee, said over the past few days, prices of broiler has been on the higher side due to dip in supply. However, input costs, especially maize, has also seen a sharp rise, making it difficult for the farmers to make ends meet. Average rate of a bird weighing between 2 and 2.5kg in Pune in May was Rs 83.25, while in June it has already crossed Rs 99.33. With rains getting delayed, prices are expected to rise further in the days to come.



Both maize and soyameal which form the bulk of the poultry feed has been on the dip with domestic and international prices on the higher side. “Prices will come only after a couple of showers. Maize being a 90-day crop once the rains come both farmers and traders will offload their produce,” he said.

Other than poultry products prices of almost all vegetables have seen a sharp rise due to dip in supply. Prices of tomato has crossed the Rs 80 per kg mark in retail market with traders saying it will cross Rs 100 per kg if rains fail to come on time. Shriram Gadve, president of the vegetable growers association of India (VGAI), said the vegetable growing areas in Pune, Ahmednagar, Dhule, Satara, Sangli have reported huge reduction in area due to water paucity. Vegetables are cultivated in around 2 lakh hectare area in the state.

Pune market on Tuesday saw arrival of around 501 quintal of tomatoes with the highest price being paid for a quintal being Rs 5,500. Last year, on the same date ie June 14, the market had seen arrival of 1,400 quintals of tomato and the highest price paid for the produce was Rs 1,400. Further price rise is expected if rains fail to come on time.

Other than tomatoes, prices of almost all vegetables have seen a rise of 15-20 per cent.

### **Tomato prices touch Rs 80 per kg owing to crop damage**

In Mumbai, Tomato rates have risen to Rs 58 per kg from 38 per kg while in Delhi, prices have surged to Rs 51 per kg from Rs 25 per kg in 15 days.



People buying tomatoes at Maddanapet vegetables market in Hyderabad on Monday. Tomato price has soared upto Rs 65/kg. (Source: PTI)

Tomato prices in most retail markets across the country have doubled to Rs 80 per kg in last 15 days due to sluggish supply owing to crop damage. Earlier this month, prices of tomato — a key kitchen vegetable — were in the range of Rs 20-40 per kg, as per data maintained by the Consumer Affairs Ministry.

Among metros, Chennai recorded the highest price at Rs 80 per kg today compared with Rs 44 per kg on June 1. Similarly in Kolkata, the price is ruling at Rs 60 per kg today as against Rs 30 per kg earlier this month.

In Mumbai, rates have risen to Rs 58 per kg from 38 per kg while in Delhi, prices have surged to Rs 51 per kg from Rs 25 per kg in the said period, the ministry data showed.

“Tomato prices have increased in last 15 days in Delhi. There is no sufficient supply as the crop got damaged in Haryana and Punjab because of unseasonal rains,” Azadpur Tomato Merchants Association President Ashok Kaushik said. Due to rains, the crop in South India also got affected because of which prices have also risen there, he said, adding that even heat stress in north India has damaged the crop in some parts.

Unlike potato and onion, there is short shelf life of tomato. The absence of adequate cold storage facilities in the supply chain has aggravated the problem.

The country’s tomato production is estimated at 18.28 million tonnes in the 2015-16 crop year (July-June) as against 16.38 million tonnes in the previous year. Karnataka, Madhya Pradesh, Andhra Pradesh, Telangana, West Bengal and Odisha are the major tomato growing states in the country.



### **Rains linger down south, food prices head north**

A double-digit spike in vegetable prices pushed up annual wholesale inflation for a second month in May, official data showed on Tuesday, turning the focus of worried policymakers to the monsoon rains that have slowed this week.

An increase in the cost of petrol and diesel by more than 5% since May 1, and in prices of foods such as sugar and milk in the last month, could further heat up prices.

Government figures released on Monday showed consumer inflation in May climbing to a two-year-high.

Given that the central bank has set a medium-term goal of limiting inflation to five% by March 2017, hardening inflation complicates efforts to cut lending rates necessary to boost investment. But what has economists worried is the slow progress of the imminent monsoon. Monsoon is a key factor in food price inflation owing to its outsize impact on farming in India that remains highly dependent on the annual rains. Parts of the country have seen two back-to-back droughts.

On Tuesday, the India Meteorological Department (IMD) asked farmers in Maharashtra, which was to receive the rains from last week, to “go slow” with

sowing, indicating it was expecting a delay in the arrival of the monsoon. The state is a top farming state.

IMD's Agrimet section said farmers may begin tilling activities but should hold off on sowing to ensure seeds were not wasted. "It is necessary to have good monsoon rainfall consistently for a few days for the seeds to grow into a good crop," N Chattopadhyay, Deputy Director General Agrimet, IMD, told reporters.

The monsoon has advanced into various parts of the Bay of Bengal, north-eastern states and some parts of sub-Himalayan West Bengal and Sikkim. On the other hand, it remains stuck in the southern states and will only advance into Maharashtra in the next four days.

Tuesday's data showed the annual rise in foodstuffs was at a steep 7.88% in May against 4.23% the month before — a build-up of as much as 4.47% in just two months.

Inflation in vegetables stood at 12.94%, a sharp rise from 2.21% a month earlier. Pulses inflation remained stubborn high at 35.56%.

### **Sluggish monsoon sparks new fears as vegetables push up food inflation**

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## Tomato prices up in Indore as heatwave hits supply



In retail markets, tomatoes are being sold at Rs 50-60 per kg as against the usual rate of Rs 30-40 per kg. (HT file)

High temperature and corresponding low shelf life of tomatoes have resulted in its prices skyrocketing in Indore's markets in the past two days.

In retail markets, tomatoes are being sold at Rs 50-60 per kg as against the usual rate of Rs 30-40 per kg. In wholesale markets, tomatoes are priced at Rs 700-900 per crate (25 kg) as against Rs 400-600 per crate a few days ago.

Experts say the harvesting season for tomatoes starts in September in Madhya Pradesh. Also, reduced supply from Maharashtra has worsened the crisis. "Tomatoes are highly perishable and can't bear high temperatures,. This might have led to the low supply from Maharashtra. There is a need to build solar-power cold storages at village level in order to avoid fluctuations in supply," farmer Samar Singh in Khargone district told HT.

At present, tomatoes are supplied from wholesale markets at Nasik in Maharashtra. Wholesale vegetable trader SunderlalMakhija said tomato supply, which is down by about 30%, is entirely dependent on supply from Maharashtra. Until then, prices are likely to remain high for the next few weeks as retailers have also hiked rates to cope with losses of storing the perishable fruit in summer.

## Scarcity

**Experts** say the harvesting season for tomatoes starts in September in Madhya Pradesh

**Tomato** is a highly perishable commodity and high temperature reduces its shelf life

**Reduced** supply from Maharashtra is worsening the crisis

# THE HINDU BusinessLine

## Duncan's EoI invitation has no takers



No one's cuppa: Duncan's factory at Lankapara tea garden, North Bengal

Poor productivity, low prices, deterioration in bush quality blamed for tepid planter response

Nearly six months after the Commerce Ministry took over the management of seven ailing tea gardens of the Duncan group, repeated invitations seeking Expressions of Interest (EoI) have failed to elicit a response.

On January 28, the Ministry took management control of the gardens in West Bengal with an aim to hand them over to eligible promoters on a 5-11 year management contract. Since the quality of tea assets deteriorates if left unattended, the delay puts a question mark on the success of the tender in future.



On Monday, the Tea Board invited expressions of interest for management control of four Duncan group tea estates: Demdima, Lankapara, Huntapara and Tulsipara.

With this, Demdima was put on the block for the third time. In the past, the Board invited EoIs exclusively for Demdima on February 12 and April 28. Both the offers failed.

EoIs for Lankapara, Huntapara and Tulsipara were previously sought along with three (Birpara, Garganda and Dhumcipara) more Duncan gardens. The tender was issued on March 21.

Tea Board sources say that they have diluted the working capital requirement clause to attract the attention of planters.

Unlike in the past, the Board did not quote any number on working capital guarantees in the latest tender.

### **Little interest**

But, reputed planters in the region say that is not enough. “We are not interested in the offer,” said one of the most reputed planters having substantial interest in the region.

According to him, there is interest is waning among planters to increase exposure in Dooars (Bengal) due to low land and labour productivity and, lower price for teas than in Assam.

Moreover, the Duncan estates are now unattended for nearly one and a half years causing serious damage to the bush. It means, the gardens will require extensive re-plantation.

### **Andrew Yule**

Meanwhile, the industry is abuzz with the rumour that lack of interest from planters may finally force the Centre to convince the public sector Andrew Yule to take over the management control of Duncan gardens.

## Vegetable oil imports plummet 25% in May

<b>Import of vegetable oils (edible)</b>				
	<b>Total import</b>	<b>Y-o-Y Change %</b>	<b>Imports for May</b>	<b>Y-o-Y Change %</b>
2013-14	6,198,541	—	1,033,550	—
2014-15	7,833,524	26.38	1,371,662	32.71
2015-16	8,593,587	9.70	1,024,878	-25.28

Source: SEA For seven months Nov 2015-May 2016 (in tonnes)

The country's overall vegetable oil imports declined in May — for the first time since November 2015 — to 1,024,878 tonnes, 25 per cent lower than in the same month last year.

On a month-on-month basis, total vegetable oil imports fell by over 200,000 tonnes from 1,248,887 tonnes reported in April 2016, data compiled by Solvent Extractors' Association (SEA) of India showed.

For the first time since January, the refined oil imports declined in May to 2,61,159 tonnes — about 20 per cent lower than 3,25,902 tonnes in the previous month. The fall is attributed to lower domestic demand and availability of cheaper alternate edible oils.

“The price-gap between refined palm oil and refined soya oil has reduced to 25/10 kg against 100. This coupled with increased availability of local oils like cottonseed and sunflower has led to reduced imports,” said Jayantilal Bhanushali, a trader in Mumbai.

Abundant availability of refined soya oil and cottonseed oil pushed up the supply, while demand fell during the month of May owing to peak summer temperatures, trade sources revealed.

SEA data point out that overall imports of vegetable oils during the first seven months of the current oil year, 2015-16 (November to May) stood at 8,593,587 tonnes (7,833,524 tonnes), showing a rise of 10 per cent.

Total stock at ports and in pipelines decreased to 2,330,000 tonnes from 2,440,000 tonnes in May 2016.

## **Monsoon set to extend coverage over India, says Australian met bureau**

Increase in cloudiness and rainfall during the next seven days will drive the Indian monsoon further north and spread it over much of the subcontinent, says the Australian Bureau of Meteorology.

This would be overseen by a passing Madden-Julian Oscillation (MJO) wave across the Indian Ocean this week, the Australian Bureau said in its latest update.

The India Met Department has already indicated the possibility of the monsoon, now in a 'switch-off' mode along the West Coast, reviving over the weekend.

The Madden-Julian Oscillation wave has been associated with formation of low-pressure areas, cyclones and even the onset of the monsoons.

### **MJO wave influence**

The last time it had crossed the Indian Ocean from West to East, the wave had triggered the formation of cyclone *Roanu* which brought the monsoon along with it to the Andaman and Nicobar Islands.

If the Madden-Julian Oscillation wave moves across the Indian Ocean and thereafter into the Maritime Continent (Indonesia, Philippines et al), tropical activity will also be enhanced across the North-West Pacific region in the coming fortnight.

The western North Pacific Ocean is typically the most active oceanic basin for tropical cyclones.

However, in the year so far, tropical cyclone activity has been well below average.

The coming weeks are likely to be a period when there is an increased risk of tropical cyclone activity across this basin as well as over the Bay of Bengal.

### **Cyclone watch**

Coincidentally, the IMD has put out a watch for a cyclonic circulation over the West-central and adjoining North-West Bay of Bengal by Friday.

The European Centre for Medium-Range Weather Forecasts pointed to the possibility of the system taking shape close to the Andhra Pradesh coast.

This is expected to rev up the monsoon flows over the Bay of Bengal but the European Centre did not see the system intensifying to any significant strength.

### **Only 70% turmeric sold at Erode**

Spot turmeric prices remained stable at Erode markets as the trade received meagre upcountry orders. Buyers procured only 70 per cent turmeric on Tuesday. “Only medium quality turmeric arrived for sale and traders procured all the local hybrid and medium quality turmeric. Further, stockists stayed away from the market,” said RKV Ravishankar, President, Erode Turmeric Merchants Association. Of the arrival of 5,300 bags, the traders purchased 65-70 per cent stocks. The price of the turmeric edged up by 50 a quintal. At the Erode Turmeric Merchants Association, the finger variety went for 7,884-9,189 a quintal; the root variety 7,434-8,329. Of the arrival of 2,500 bags, 910 were sold.

### **Nilgiris tea output down 55% in May**

Prolonged dry weather has taken a heavy toll on the Nilgiris tea production so far this calendar.

May was another dry month with the rainfall being less in all the agro-climatic zones compared to May 2015 and the decennial (10-year) average for the month.

The cumulative rainfall in the five months was far lower than 2015 and decennial average.

Temperature was higher than last year with meteorological centre at Palaniappa Estate recording the highest temperature of 34.5 degrees Celsius.

Humidity, wind speed, evaporation and soil moisture recorded at various centres showed an adverse ambience for tea cropping.

Consequently, tea companies have reported to Tea Board that their production in May was as much as 55 per cent less than in May 2015.

They have reported that their output in May dropped to 0.68 million kg (mkg) from 1.51 mkg in May 2015 and the five year mean of 1.41 mkg for the month.

This pulled down the cumulative output in the five months by as much as 32.60 per cent over last year.

The production till May dropped to 4.28 mkg from 6.35 mkg in January-May 2015 and the five-year mean of 5.90 mkg for the period.

Usually, May is the rush cropping month but this year it did not happen. Tea producers expect a better crop in July after applying manure in June-July and with some areas receiving rainfall this month. Nevertheless, the overall production is unlikely to be higher than last year.

Producers have informed Tea Board that they anticipate the production to be around 3.50 mkg in the next quarter (July-September) against 3.97 mkg in July-September 2015.

### **Trawlers go idle as 47-day fishing holiday begins along Kerala coast**

60-day trawling ban in rest of west coast

Ahead of the ban on monsoon bottom-trawling that took effect on June 14 midnight, over 2000 mechanised fishing bloats went ashore for a 47-day forced fishing holiday along the Kerala coast.

Many of them had already stopped fishing for the last couple of days while others had gone out to the sea even on the last day before the season ends. Hundreds of boats from Tamil Nadu and Karnataka which fish along the Kerala coast have left to return in time for the lifting of the ban on July 31. Trawlers (mechanised boats fitted with trawls) will not be allowed to venture into the 12-nautical-mile wide territorial waters.

However, motorised traditional boats (vallom or canoes) are allowed to fish.

The ban on trawling, which has been an established annual ritual in the fishing sector in Kerala since 1988, and along the country's eastern and western coasts for some years now, is aimed to help regeneration of fishery resources. Several major fish species common along the Kerala coast, the monsoon months are their spawning season. The bottom-trawling by trawl-fitted mechanised boats, if allowed to fish during this period, tend to destruct the juvenile fish population.

“We have found from experience over the nearly three decades of trawl ban in Kerala that that it is extremely necessary for sustainable fishing,” says Charles George, a fishing trade union leader.

“There is a consensus among the traditional fishers, mechanised fishers, the State government and fisheries scientists that the ban helps regeneration.” In fact, George told *BusinessLine* the traditional fishing sector, which he represented, was for extending the ban to 90 days. He pointed out that the

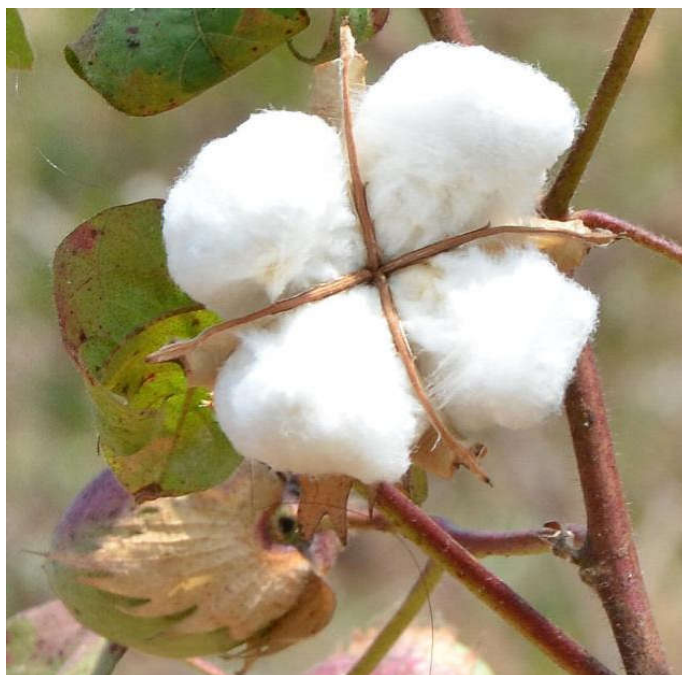
Kochi-based Central Marine Fisheries Research Institute had suggested longer periods of fishing holidays, but in two instalments. However, doubts persist in some sections of the fishing industry.

### **Uniform holidays**

The fishing holiday has already started in other western maritime States. Their ban is effective from June 1 to July 31. On the eastern coast, the ban is from April 1 to June 30. Learning from Kerala's experience, and on a directive from the Supreme Court, the Centre had in 2005 ordered annual fishing ban along the coasts of nine maritime States, though in two different seasons.

However, the traditional fishing community in Kerala was exempted from the ban in 2007 by the then LDF government through legislation—the Pelagic Fishing Rights Act. As a result, around 20,000 valloms can continue to fish in the monsoon season.

### **Cotton on the bloom despite States' efforts to reduce area**



Despite the efforts of Telangana and Andhra Pradesh governments to ensure a lower cotton area in the ensuing kharif season, there seems to be no let-up in sale of cottonseed in these two States.

The two States account for nearly one-fourth of country's cotton area with 54 lakh acres and Telangana has a lion's share with 40-42 lakh acres.

## **Govt campaign**

Even as the State governments launched a campaign at the ground level to wean away the farmers from cotton, the seed companies have kicked off an advertisement blitz, drawing actors from Tollywood to promote their seed.

With hostile weather conditions and the Bt technology failing to provide protection to the crop, the two governments have asked the farmers to move away from cotton and grow alternatives such as soya, maize, redgram and greengram.

## **No govt support**

The Telangana government said there was a prospect of poor demand and price internationally and it could lead to fall in prices in the domestic market as well.

The two governments targeted to cut the cotton area by at least half by encouraging the farmers to other crops. Telangana Chief Minister K Chandrasekhara Rao wrote an open letter to farmers, which was read out to them during farmers' awareness campaigns, asking them to shift to soya or maize.

Jaipal, a farmer with 40 acres in Warangal district, argues that the government had not come forward with a proper assurance. "They should have convinced the farmers by promising at least MSP prices for the alternative crops. They should have made the seed (for alternative crops) available and educated the farmers on why they should move to other crops," he pointed out.

## **No decline in area**

A top executive of a seed firm, who doesn't want to be quoted, felt that there might not be any decline in the area.

"They (farmers) generally go by the word of mouth of their peers rather than a recommendation from the government. Extension services are not sufficient enough to drive farmers to other crops. Even if it drops, it won't be not more than 5-10 per cent," he said.

K Bharat, President of Seed Growers Association, echoed this view. "There could be a drop of 10 per cent, particularly in districts like Medak, Adilabad and Karimnagar," he said.

He said illegal seed was being sold in huge quantities in districts like Nalgonda. "It could be about 10-15 lakh packets (of 450 gm each)," he said.

# Business Standard

## Govt not to revise urea price for three years

Junior chemicals and fertilizer minister HansrajGangaramAhir says era of fertiliser shortage, including urea is over; farmers can now get their required quantity



Union minister of state for chemical and fertilisers HansrajGangaramAhir on Tuesday ruled out increase in the prices of urea in the next three years.

"We have decided not to increase the urea price in the next three years", the Union minister said. He was visiting Berhampur in Odisha along with civil aviation minister, Ashok GajapatiRaju to attend the BikashUtsav to explain the achievements of NarendraModi-led NDA government in last two years.

"The era of shortage of fertilizer, including urea has gone. Now the farmers can get required quantity of fertilizers", he claimed. "Some of these measures have been taken for the benefit of the farmers as the NarendraModi led government lays thrust on the development of the farmers", he added.



Ahir said, the government was encouraging the farmers to use neem-coated urea, instead of general urea. "Investment in neem-coated urea is less than the general urea. Production will also increase with the use of neem-coated urea", he said.

Ahir said, the work on the revival of the Talcher plant of Fertiliser Corporation of India (FCI) would be taken up very soon at a cost of around Rs 6,000-crore. A consortium of Rashtriya Chemicals Fertilisers (RCF), Gas Authority of India Limited (GAIL), Coal India Limited (CIL) and FCI had begun the process of revival of the unit last year. The technology for the production of around 1.2 million tone urea per annum is almost finalised. The project is expected to go on stream by 2018, he said.

The government has introduced the "soil health card" for farmers. Around 14 crore soil health cards would be distributed among the farmers across the country. The government has allotted Rs 435-crore for the purpose.

Earlier addressing an intellectual meet, Hansraj said the Central government is ready to sanction a pharmaceutical production unit at Berhampur, if the state government submits a detail project report (DPR). Several organisations in the town requested the minister for setting up of a pharmaceutical unit in the town.

### **Monsoon delay: IMD advises 'go slow' advisory on sowing to farmers in Maharashtra**

The department has said sowing should be undertaken only after the onset of monsoon to avoid wastage of seeds



Even as farmers in the drought-hit Maharashtra have geared up for sowing operations, the weather department has issued a 'go slow' advisory as the much-awaited monsoon seems to have delayed its arrival in the state.

While asking farmers to go ahead with the tilling operations, the Agrimet section of the India Meteorological Department (IMD) has said actual sowing activity should be undertaken only after the onset of monsoon over Maharashtra to ensure that the seeds are not wasted for want of rains.

"Do not undertake sowing operations till the onset of monsoon which has not yet arrived in the state. It is necessary to have good monsoon rainfall consistently for a few days for the seeds to grow into a good crop," said N Chattopadhyay, Deputy Director General Agrimet, IMD.

The farmers in the state are advised not to start sowing operations till the IMD officially announces the arrival of monsoon in Maharashtra, he said.

The Agrimet advisory has been issued to avoid waste of expensive seeds, particularly of soyabean, cotton and pulses, in parched areas of Marathwada, Vidarbha and Madhya Maharashtra, some of which have, however, received pre-monsoon showers in the last few days.

After its delayed arrival in Kerala, the monsoon is now expected to hit Maharashtra only after June 16.

### **Vegetable prices rising on crop damage reports**

Scorching heat burns flower pods thereby reduces yield to a fourth

ds in winter-sown crops were burnt. Consequently, vegetable production is seen as declining this season, despite almost flat output growth forecast by the National Horticulture Board (NHB).

“Yield has been severely lower this year, with farmers witnessing 25 per cent recovery of major vegetables, after summer heat. As against eight tonnes per acre oftomato output in the normal case, farmers are harvesting two 2 tonnes or less. The quality of harvest is also poorer than expected,” said Shri Ram Gadhave, president, Vegetables Growers Association of India.

NHB in its first advance estimate for crop year 2015-16 had forecast vegetable production at 168.5 million tonnes, a marginal decline from 169.48 mt the previous year. The fall was estimated on proportionate decline in sowing at 9.47 mn hectares for 2015-16, from 9.54 mn ha the previous year.

All essential vegetables in day to day life have become costlier. The cheapest of the entire group, cabbage, has become costlier by 57 per cent to sell at Rs 11 a kg in wholesale markets. Okra (ladies finger) has surged by 43 per cent to Rs 17.5 a kg and cauliflower by 36 per cent to Rs 26.7 a kg in the wholesale mandis in Delhi.



## THE TIMES OF INDIA

### 'Rajasthan lags in implementing PM agriculture scheme'

Union minister for agriculture Radha Mohan Singh admitted that Rajasthan is lagging in implementing PradhanMantriFasalBimaYojana (PMFBY). During a video conferencing on Tuesday, Singh claimed that the state has been asked to expedite the process and warned that whichever government in the country failed to implement it, public won't forgive them.

"Rajasthan is behind most other states in the country. I had a word with the government on Monday and it is expected that they will roll out soon so that farmers can be benefited with insurance scheme," said Singh.

"States which will fail to implement it effectively, people in those states won't forgive such governments," added the minister.

To enhance insurance coverage to more crop area to protect farmers from vagaries of monsoon, scheme is to be rolled out from Kharif season. Under the new scheme, farmers' premium has been kept at a maximum of 2% for foodgrains and oilseeds, and up to 5% for horticulture and cotton crops. Despite the urgency, Rajasthan is yet to appoint insurance companies to protect and provide benefits to farmers.

Officials of the agriculture department, however, refute the claims made by Singh but refused to reveal current status. "Union minister Radha Mohan Singh is not saying the truth. Rajasthan is doing well and for more details contact agriculture minister PrabhulalSaini," said SS Chaturvedi, joint director, crop insurance.

On the issue of seeds shortage for pulses, Singh maintained there has been shortage in the country and government is working to meet the demands. "We have created pulses center for new breed of high quality pulses. Along with it

we are promoting farmers to grow more pulses and giving them subsidy," added Singh.

For genetically modified seeds, minister maintained that the Central government is not against using technology. Asserting that to feed increasing population the land is limited, Singh said that GM seeds approved by ministry of forest and environment will be used.

### **Kerala Fisheries Minister calls on Union Agriculture Minister**

Kerala Fisheries Minister Mercy Kuttamma today called on Union Agriculture Minister Radha Mohan Singh and discussed various issues related to the fisheries sector including ban on juvenile fishing.

"Some of the important issues submitted by the Fisheries Minister of Kerala included empowerment of traditional fishers for deep sea fishing, ban on juvenile fishing, providing financial assistance for procurement of marine ambulances," Agriculture Ministry said in a release.

Amma has also sought enhancement of unit cost for housing, higher central assistance for construction and renovation of ponds, establishment of hatcheries, setting up of fisheries stations, allocation of sufficient quota for kerosene for traditional fishermen, it said.

On the other side, the Union Agriculture Minister informed the Kerala Minister that the central government is formulating a scheme for deep-sea fishing under which traditional fishermen will be provided financial support from the Centre for procurement of resource-specific fishing vessels and for skill upgradation.

The targeted beneficiaries under the proposed scheme will be traditional fishermen group, fisheries cooperatives, and fishers associations, he added.

Under the National Scheme of Welfare of Fishermen (NSWF), Singh said that the unit cost for fishermen housing has been revised and enhanced from Rs 75,000 to Rs 1.2 lakh per unit in general states and Rs.1.3 lakh in the North-Eastern and the Himalayan states. The scheme has now been aligned with the unit cost at par with PradhanMantriAwasYojana - Gramin.

Among other benefits of the schemes, Singh said the central government contribution for the saving-cum-relief component under the NSWF has been enhanced from Rs 900 to Rs 1,500 per fisherman per month during the lean/ban period of three months. LUX ABI

## **Farmers encouraged to use neem-coated urea**

Union minister of state for chemicals and fertilizers HansrajGangaramAhir on Tuesday ruled out an increase in the price of urea in the next three years. "There will be no shortage of urea," he said at the VikasUtsav celebrations.

The Union minister said the government encourages farmers to use neem-coated urea, instead of general, as the former would boost production.

He said FCIs Talcher fertilizer plant would be revived at a cost of around Rs 6000-crore. A consortium of Rashtriya Chemicals Fertilisers, Gas Authority of India Limited, Coal India Limited and Fertilizer Corporation of India Limited have started the process of revival last year. Technology for the production of 1.2 million tonne urea a year is almost finalised for the plant, he said.

The government has introduced soil health card for farmers. Around 14 crore cards would be distributed among farmers. The government has allottedRs 435-crore for it.

Earlier, addressing an intellectual meet Hansraj said the Centre would sanction projects like pharmaceutical units in Berhampur, if the state government gave a detailed project report (DPR). Several organisations requested the minister to set up a pharmaceutical unit.

## **Relief for farmers as water released from Hadaf dam**

Water was released from the Hadaf dam in MorvaHadaftaluka of the Panchmahal district for irrigation purposes. The step was taken as farmers in the area were facing difficulties due to water scarcity.

MorvaHadaf MLA NimishaSuthar said that the water scarcity was particularly grave in 45 villages that needed immediate help. She added that water was released from the dam at around 3pm on Tuesday.

Suthar said that 200 cusecs of water was being released into the canal every hour. She said that this would continue till a further decision was taken. Suthar added that there was sufficient water in the dam for immediate needs.

## **Don't use spurious seeds, farmers told**

With the onset of monsoon in the district, farmers have gotten busy sowing seeds in all seven taluks here.

Maize is the main crop grown in Shikaripur, Sorab, Shivamogga and Bhdravathi main taluks. Farmers have been advised by the agricultural department not to use spurious and cheap quality seeds for sowing. Small and poor farmers have been cautioned against falling prey to sellers who sell seeds at cheaper price.

Shivamogga ZP CEO - Rakesh Kumar has urged all farmers to use only certified seeds to get higher yield and profit. He has directed all officers in charge of the agricultural department in taluks to take action against those found selling spurious seeds. He has also instructed sellers not to sell loose seeds to farmers which can cause crop loss.

Rakesh Kumar said there is good stock of manure with the department and farmers need not worry. He also added that the department is encouraging adoption of organic farming with a view to bring down the use of chemical manure.

## **Monsoon starts off on a shaky note as 22% rain deficit delays crop planting, triggers rise in food prices**

The monsoon has started off on a shaky note with a 22% rainfall deficit in mid-June, delaying crop planting and triggering a rise in the price of food, particularly vegetables, but the vital weather system is poised to strengthen quickly and cover more parts of the country.

Vegetable prices, which contributed to the 8% rise in food inflation in May, are likely to remain firm for some time due to a lag between good rainfall and higher farm supply but the situation is expected to ease substantially in due course as all forecasters, including international experts, are unanimous that the monsoon will rapidly gain momentum, which will accelerate crop planting. The Australian weather office said on Tuesday that most of the subcontinent can expect good rainfall this week and that the monsoon would move northwards.

Vegetable production has suffered because the absence of pre-monsoon showers prolonged the hot weather and created a water scarcity, particularly in parts of western, northern and central India where rainfall was 60-100% below average.

As a result, tomato prices have doubled to Rs 80 per kg in many parts of southern India and Maharashtra but onions are down 21% from last year, while wheat and rice have risen only marginally.

Lower production during 2015-16, a drought year, has affected the market sentiment for corn, cotton and pulses like chana, urad and tur. "Maize prices will remain bullish till October," said Rajiv Yadav, vice-president (grains and oilseeds), Noble Agri. The industry has approached the government demanding duty-free import of maize.

Traders say they are preparing to import wheat as production may be 10 million tonnes lower than official estimates, but the agriculture ministry officials disagree and stand by their comforting estimate of 94 million tonnes. Sugar prices are also likely to remain firm at Rs 40 per kg due to the big fall in area under sugarcane in Maharashtra. High prices of pulses also have a positive impact as it is likely to encourage much higher sowing by farmers, leading to a better supply situation later on, traders said.

Data from the weather office shows the monsoon should have reached Bihar by June 10 and touched eastern UP and northern parts of Gujarat and Madhya Pradesh by June 15. But it has so far only reached Karnataka and Andhra Pradesh as it stagnated after striking Kerala and Tamil Nadu a week late.

Crop planting is 7% lower than last year, according to government data, but sowing will rapidly accelerate once the monsoon reaches parched northern and western regions. Madan Sabnavis, chief economist at CARE ratings, said the situation was not worrisome as of now but he would worry if the trend continues because farmers may shift from rice to pulses or from pulses to oilseeds.

"If it goes into July, definitely there is cause for concern because what happens is that when the monsoon comes in late, there's a tendency for farmers to switch crops ... That's where the danger lies... one has to be on guard in terms of the distribution of the rainfall across geographies as well as distribution across the three crops," he said.

Certain regions of peninsular India, like coastal Andhra Pradesh, have received rainfall in excess of the norm by 89%. The IMD has forecast above-normal rainfall for the June-September monsoon season this year. Rainfall is forecast to be 6% above normal.

# THE ECONOMIC TIMES

## Warning of Heavy Rainfall Worries Bengal Tea Sector



First flush or of first batch of tea leaf after winter, gives highest quality output and brings in highest price for tea plantations.

SILIGURI: After long dry spell and heavy production loss, finally tea belt in northern West Bengal is breathing easy with the onset of monsoon.

But, forecast of heavy rain has once again left the plantation sector worried.

"One can imagine what it is to have good rainfall after such a long dry spell that started last October and continued till May-end causing us to suffer over 40% production loss," said KK Mintry, Chairman of Terai Indian Planters Association.

"Terai or Dooars in Bengal-both these high yielding zones have suffered from dry spell. Output loss was of around 30 - 35% in first flush that ended in mid-May," said P K Bhattacharjee, secretary general of Tea Association of India.

First flush or of first batch of tea leaf after winter, gives highest quality output and brings in highest price for tea plantations.



Situation in Darjeeling hills, that produces world's best quality tea, is also no different.

"The dry spell caused near 40% dip in our first flush production," said Rajah Banerjee, chairman of MakaiBari Tea & Trading Co., known globally for its premium quality Darjeeling tea.

Meteorological department has issued alert and warning of 'heavy to very heavy' rainfall in entire Sub Himalayan West Bengal for next couple of days.

Ministry said, "It is not only total cumulative rainfall, but proper distribution which is an equally important factor. A dry spell, and then heavy rain, both put together may show normal cumulative rainfall statistics. But both cause heavy production loss."

**Maharashtra government advises farmers to refrain from sowing till June 18**



State Level weather-based Agro-advisory Committee working under India Meteorology Department of IMD, Pune has issued advisories to drought hit farmers from Maharashtra to wait for a few more days for kharif sowing.

PUNE: The agriculture department of the Maharashtra government has advised farmers, except from the Konkan region to refrain from sowing till June 18 to avoid losses.

State Level weather-based Agro-advisory Committee working under India Meteorology Department of IMD, Pune has issued advisories to drought hit farmers from Maharashtra to wait for a few more days for kharif sowing.

"Sowing done with insufficient soil moisture can lead to crop losses in future," stated the advisory issued by the agricultural department.

After advancing till North Karnataka coast, monsoon became weak from June 10. Weather office expects revival of monsoon from June 15, while Marathwada and central Maharashtra are not likely to get rains till June 18.

The sowing has taken place on 15,290 hectare, which is only 0.46% of the total kharif sowing in the state.

### **NCCF to sell pulses via mobile vans at Rs 120 per kg in Delhi**



On distribution of pulses, the Centre said only Andhra Pradesh, Tamil Nadu, Telangana as well as Safal and KendriyaBhandar in Delhi have lifted allocated pulses from buffer stock.

NEW DELHI: With prices of pulses still ruling high, the Centre today directed cooperative NCCF to sell tur and urad at Rs 120/kg via mobile vans in the national capital.

Already, Mother Dairy's Safal and KendriyaBhandar are selling pulses in DELHI at lower prices.

The decision to sell pulses by National Cooperative Consumers Federation of India (NCCF) was today taken at an inter-ministerial review meeting, Chaired by Consumer Affairs Secretary Hem Pande.

"...directed NCCF to start distribution of Tur and Urad through mobile vans in Delhi at Rs 120/kg," Pande was quoted in an official statement.

The secretary expressed hope that such steps will also be taken up by other states to make pulses available at reasonable prices.

The government also informed that domestic procurement of pulses by central agencies has reached 1.15 lakh tonnes so far, as against a buffer stock target of 1.5 lakh tonnes.

"Procurement of Rabi pulses has reached 64,000 tonnes as on June 13, 2016. Thus, together with earlier procurement of 51,000 tonnes of Kharif, total domestic procurement of pulses by government agencies has reached to 1,15,000 tonnes," it said.

The Centre has also ordered import of 12,500 tonnes of pulses for buffer stock which include 10,000 tonnes Masur and 2,500 tonnes Urad.

"So far, 14,321 tonne pulses have already been imported by the government agencies as against the total contracted quantity of 38,500 tonne," it said.

The meeting reviewed the prices of essential commodities including pulses and discussed measures to ensure availability of these commodities at reasonable prices.

On distribution of pulses, the Centre said only Andhra Pradesh, Tamil Nadu, Telangana as well as Safal and Kendriya Bhandar in Delhi have lifted allocated pulses from buffer stock.

The remaining states have not placed their demand for pulses from the buffer stock.

The meeting also reviewed the enforcement measures being taken by the states to check hoarding of essential commodities and suggested that these should further be strengthened.

It was also attended by senior officials of Department of Food, Ministry of Agriculture, Department of Economic Affairs, Department of Revenue, Department of Commerce, Ministry of Statistics and Programme Implementation, MMTC and NAFED.

## Tea planters in Assam seeks special rate of GST



Barkakoty advocated for a lower tax on tea. "Tea is the common man's beverage and therefore it should be put in the lowest slab of GST."

Guwahati: Tea planters in Assam has sought special rate of Goods and Services Tax (GST) on tea.

The Joint forum of Assam Tea Planters' Association (ATPA), North Eastern Tea Association (NETA), Bharatiya Cha Parishad (BCP) and vice chairman of Tea Board of India BidyanandaBarkakoty have apprised Assam's new finance minister HimantaBiswaSarma about the troubles plaguing the tea industry in the state.

They told the minister that tea is a labour-intensive crop absorbing 60 per cent-70 per cent of its total cost. They also explained that the tea market is a complex one which is regulated by packeteers and blenders and it isn't possible for the industry to pass on the burden of higher cost to the buyers, which ultimately reduced the net realization of tea prices.

"For past few years, because of bad weather, severe pest attacks, increase in cost of wages and other input costs with no comparative increase in tea prices, the financial position of most tea gardens is not good. Acknowledging the concern of the tea industry, the Centre has exempted the excise duty on tea for the past few years," said a group of planters.

Barkakoty advocated for a lower tax on tea. "Tea is the common man's beverage and therefore it should be put in the lowest slab of GST."

"In the past, during imposition of VAT, a special concessional rate for tea was finalized, and it should be followed when GST becomes operative. The tea industry here has submitted a detailed justification of keeping tea under the concessional rate of 5 per cent GST slab and any higher rate will impact the industry," a tea planter said.

"We hope the new state government will take care of the issues raised by the industry on GST so that the largest private sector industry in Assam can survive," said SC Varma, chairman, Dibrugarh Branch of Chartered Accountants of India

### **India's cotton planting may fall to 7-yr low: Industry group**



India's cotton exports nearly halted in recent weeks as local prices rallied on tight supplies.

MUMBAI: Cotton planting in India, the world's biggest producer, is likely to fall to the lowest in seven years in the 2016/2017 marketing season as farmers switch to other crops, potentially cutting production and exports of the fibre.

A pest attack in key cotton growing states and forecasts of good monsoon rains are also prompting farmers to plant other crops such as sugarcane, peanut and pulses.

Lower cotton shipments from India could support global prices, now trading near their strongest level since August 2015, and boost exports from rivals like Brazil, Australia and United States.

"We are expecting around 7 percent drop in area," Dhiren Sheth, president of the Cotton Association of India told Reuters. He said farmers would likely opt to plant pulses and peanuts, also known as ground nuts.

A 7 percent reduction would cut the country's cotton planting area to around 11 million hectares in the next marketing year that starts on Oct. 1, the lowest since 2009/10. That compares to 11.9 million hectares in the current marketing year.

An attack of whitefly pest in two northern states and lower prices during harvest is also prompting farmers to switch to other crops, said Paresh Valia, an exporter based in Bhavnagar district in western Gujarat, the top cotton producing state.

Most Indian farmers start planting cotton with the onset of monsoon rains in June, although some with irrigation facilities can start as early as May.

The India Meteorological Department had forecast above average rainfall during the June-September monsoon season, after two straight years of drought that ravaged crops.

Good monsoon rains could push farmers in Maharashtra, the second-biggest cotton producer, to instead plant sugarcane, which needs more water, said Chirag Patel, chief executive officer at Jaydeep Cotton Fibers Pvt Ltd, a leading exporter.

Patel expects India's cotton output to fall 7.3 percent to 32 million bales in 2016/17.

Lower production could lift domestic prices as the state-run Cotton Advisory Board estimates opening stocks for the next marketing season to fall by a third to 3.5 million bales.

India's cotton exports nearly halted in recent weeks as local prices rallied on tight supplies.

## **Agriculture output to double with Rs 80,000 crore irrigation scheme, others: NitinGadkari**



Admitting that farmers' suicide was a sorry state of affairs, Gadkari said the Centre was committed to addressing their problems and bring more cultivable areas under irrigation.

NEW DELHI: To boost agriculture production, the government is planning to bring two crore hectares of land under irrigation through various schemes including Rs 80,000-crore AIBP, Union Minister NitinGadkari today said.

Terming severe water crisis in 11 states as the main cause behind farmers' plight, the Road Transport, Highways and Shipping Minister said irrigation schemes were being fast-tracked to provide relief to the agrarian community.

"Two crore hectares of land can be irrigated and agriculture production could be doubled through agriculture schemes including Accelerated Irrigation Benefit Programme (AIBP) for which a provision of Rs 80,000 crore has been made in the budget," Gadkari said addressing a workshop on 'Liberating the Farmers from Death Trap' here.

Besides the AIBP for 89 projects, a provision of Rs 20,000 crore has been made under PradhanMantriSinchaiYojana. Maharashtra's 28 projects are included in the AIBP, the minister said.

Admitting that farmers' suicide was a sorry state of affairs, he said the Centre was committed to addressing their problems and bring more cultivable areas under irrigation.

Presently, only 46 per cent of the cultivable area is irrigated.

As far as loans were concerned, the minister said a provision of Rs 9 lakh crore in the priority sector lending was made for agriculture sector only. Crop insurance scheme will also provide relief to farmers, he said.

The minister said drip irrigation was also the need of the hour as dependence on rains was not the solution.

He said Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Maharashtra, Gujarat, Madhya Pradesh, Rajasthan, Chhattisgarh and Odisha are facing water crisis.

Irrigation percentage was the highest in Punjab at over 96 per cent and lowest in Jharkhand at 5.6 per cent.

Unfortunately, the issue of subsidy was opposed by bureaucracy earlier, he said adding that a meagre budget by the UPA government for agriculture was also responsible for the problem.

Instead of spending a huge Rs 70,000 crore to buy aircraft, the previous regime could have taken steps to ensure water availability in villages and that could have prevented farmers' suicide, Gadkari said.

He also rued that while a small state like Telangana had set aside over Rs 27,000 crore for irrigation, Maharashtra has earmarked only over Rs 8,000 crore.

Stressing the need for wide-scale cash crop cultivation in the country to augment economy, the minister said trial of cultivating olive in Rajasthan has been successful and should be done at a large-scale.

He also advocated for pulses cultivation across the country instead of conventional crops like wheat and paddy to improve the condition of farmers.

This will result in huge savings on edible oil imports as India imports edible oil worth Rs 1.3 lakh crore, he said.



Besides, he stressed the need for cross breeding of certain varieties of cows like Sahiwal and Gir which were popular in Brazil, to enhance milk production.

Farmers could also take to sericulture, the minister said, and added that second generation ethanol production was also being encouraged besides bamboo cultivation, fisheries and honey production.

Ethanol production could cut on huge crude oil import bill which is to the tune of Rs 8 lakh crore, he said.

Also, he said after declaration of 111 national waterways, his ministry was committed to deepen the draft in rivers so that not only trade and industry gets a boost but also the rain water could be absorbed.

He said the budget for these rivers has only been Rs 18,000 crore but Rs one lakh crore worth of work would be done as the funds could easily be generated.

At present, he said, 70 per cent of the water went to sea while remaining 10-15 per cent went to lakes and dams leaving only about 15 per cent water for conservation.

At the same time he said India would be able to save Rs 45,000 crore per annum on urea if it sets up a plant at Chabahar in Iran, negotiations for which are on to get gas on lower price.

Iran, Gadkari said, has cheap natural gas and talks are on to get gas at less than \$ 2 per mmBtu.

### **Met Department advises 'go slow' on sowing in Maharashtra as monsoon gets delayed**

After its delayed arrival in Kerala, the monsoon is now expected to hit Maharashtra only after June 16.

PUNE: Even as farmers in the drought-hit Maharashtra have geared up for sowing operations, the weather department has issued a 'go slow' advisory as the much-awaited monsoon seems to have delayed its arrival in the state.

While asking farmers to go ahead with the tilling operations, the Agrimet section of the India Meteorological Department (IMD) has said actual sowing activity should be undertaken only after the onset of monsoon over Maharashtra to ensure that the seeds are not wasted for want of rains.

"Do not undertake sowing operations till the onset of monsoon which has not yet arrived in the state. It is necessary to have good monsoon rainfall

consistently for a few days for the seeds to grow into a good crop," N Chattopadhyay, Deputy Director General Agrimet, IMD, told reporters.



The farmers in the state are advised not to start sowing operations till the IMD officially announces the arrival of monsoon in Maharashtra, he said.

The Agrimet advisory has been issued to avoid waste of expensive seeds, particularly of soyabean, cotton and pulses, in parched areas of Marathwada, Vidarbha and Madhya Maharashtra, some of which have, however, received pre-monsoon showers in the last few days.

After its delayed arrival in Kerala, the monsoon is now expected to hit Maharashtra only after June 16.

### **Tomato prices cross Rs 80/kg; likely to stay firm in next two months**

High temperatures during April and May have affected tomato production adversely in the key growing belts of north India and Maharashtra.

PUNE: While onions are bringing tears in the eyes of farmers, tomatoes are making the consumers cry. As retail prices of tomatoes have crossed Rs 80/kg at many places in south India, leading the overall increase in vegetable prices, traders and growers say that prices of all vegetables will remain firm during next two months.

tomato prices have more than doubled across the country during last fortnight, while retail prices have crossed Rs 80/kg at many places in south India, with no respite in sight for next two months.



Retail tomato prices in Kochi were Rs 80/kg to Rs 85/kg on Monday. The wholesale tomato prices in Kerala are ruling in the range Rs 40/kg to Rs 80/kg.

The wholesale prices are between Rs 40/kg to Rs 60/kg in Maharashtra, Karnataka, Andhra Pradesh, Telangana and Odisha. However, tomato prices in Delhi are relatively lower due to increasing arrival from Himachal Pradesh, which has compensated for the declining arrivals from Haryana.

High temperatures during April and May have affected tomato production adversely in the key growing belts of north India and Maharashtra. "With temperatures exceeding 40 degree Celsius, 90% of the flowers and leaves of plants dropped during April 10 to May 15. There is so less crop available that hardly 10% of the tomato farmers will benefit by the current high prices," said SriramGadhve, president, All India Vegetable Growers' Association.

"Vegetable prices will remain firm for next two months," said Gadhve.

The sever drought in Maharashtra has affected the overall production of vegetable crops in the region, said growers.

About two months ago, tomato growers were getting a price of Rs 4/kg to Rs 6/kg. "Due to high heat, we could not send tomatoes to longer distances, which resulted in throw away prices, despite low production. Now our production cost has increased by 20% due to high incidence of viral infection. However, the production has declined by about 10 to 12 tonnes/acre to just about 2 to 3 tonnes/acre," said Ajay Belhekar, tomato growing farmer from Narayangaon in Maharashtra.

"As against a daily arrival of 500 vehicles during a normal season, the current arrival of tomatoes at the Junnar APMC has reduced to just about 60 vehicles," said Belhekar.

Though the vegetable prices have firmed in North India too, tomato prices are relatively lower at about Rs 30/kg to Rs 40/kg in wholesale as compared to the southern parts.

"Cities like Hyderabad in the South, are now getting tomatoes from Delhi as supplies from Maharashtra have declined," said Subhash Chugh, tomato trader from the Azadpur APMC, Delhi.

Increasing supplies from Himachal Pradesh and increase in area under tomatoes in newer pockets like Jammu have increased supplies to Delhi.