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THE HINDU BusinessLine

Drought-hit Karnataka gives demand-push to millets

The Karnataka Agriculture Department has turned an evangelist to push the consumption of millets such as finger and foxtail millets, which are not only nutritious but also climate-smart, helping farmers in the State to deal with the worsening vagaries of nature.

“We are now focussing on demand creation, highlighting the nutritional benefits of millets and their ability to withstand the climate change. This should eventually benefit farmers,” said Krishna Byre Gowda, Agriculture Minister, Government of Karnataka.

Gowda was addressing a media workshop on popularising millets organised by the Karnataka Agriculture Department in collaboration with the International Crops Research Institute for the Semi Arid Tropics, the Indian Institute of Millets Research (IIMR) and the Green Path, an organic retailer.

The State has been trying to incentivise growers of finger millets (ragi) by declaring a bonus over the minimum support price announced by the Centre every year for the past few years.

Encouraging growers

Karnataka, which has been procuring about one lakh tonnes of ragi, has been distributing the same through the public distribution system.

The State's move to promote millets assumes significance considering that the State has faced at least three consecutive droughts in the past five years, and that the acreages under millets have declined by about a fourth in the past ten years as farmers have shifted to cash crops such as maize, sugarcane and cotton, among others.

Vilas Tonapi, Director, IIMR, said that despite the drop in acreage, the production of millets is on the rise, mainly on account of improving productivity.

Vegetable prices fall in Gujarat

A farmer sits by his unsold stocks in Jamalpur, Ahmedabad RUTAM VORA

Traders await improvement in liquidity situation

The cash crisis has hit vegetable trading in the State as thin buying has led to prices heading south despite fresh stocks streaming into key markets.

Trade sources at one of the largest APMC markets in the State say prices have fallen 30-50 per cent since demonetisation was announced on November 8.

“Vegetable farmers have no choice but to harvest the crop as soon as it is ready and bring it to the market. But there is very thin buying due to lack of cash with the buyers. Stocks have piled up and prices have fallen,” said Mukesh Modi, a leading vegetable trader and a Director at Sardar Patel APMC in Jamalpur.

The wholesale prices of some of the major vegetables, including brinjal, cauliflower, cabbage, bottle gourd and green chilli have fallen close to 50 per cent.

Chilli prices were the worst hit suffering a 50 per cent fall from 1,600 per quintal to 800. Similarly, cauliflower prices too have halved from 1,000 a quintal to 500 since November 7.

“We thought we will get a good price for cauliflower, but it is fetching half of what it was ten days ago,” said a farmer from Sabarkantha district.

“Traders and commission agents are very worried because of lack of buying. We can’t store this produce beyond a day. This is a challenging situation and we can only hope that with improved liquidity we will see better days ahead,” said Sandip Thakkar, a wholesale vegetable trader.

Rabi sowing slows down

Report card (In lakh hectare)

Crop	Area sown in 2016-17	Area sown in 2015-16
Wheat	79.4	78.83
Pulses	74.55	69.98
Coarse Cereals	25.98	37.86
Oilseeds	56.16	48.74
Total	241.73	243.38

as on November 18

Though acreage under the main rabi (winter) crops, such as wheat, gram and mustard continued to rise, overall sowing for the season across the country has turned sluggish as cash-strapped farmers have slowed down planting.

According to preliminary data released by the Agriculture Ministry, acreage under rabi crops till November 18 stood lower, at 241.73 lakh hectares, compared to 243.38 lakh ha in the corresponding period last year.

Rabi acreage till last week was up 16 per cent, but the pace of planting slowed this week on account of currency shortages due to the demonetisation of 500 and 1,000 notes, which impacted purchase of agri inputs such as seeds and fertilisers.

Widespread impact

"The demonetisation has impacted rabi sowing across North India," said Kalyan Goswami, Executive Director, National Seed Association of India (NSAI). While wheat sowing has been impacted in Punjab, Haryana, west Uttar Pradesh and Uttarakhand, planting of corn has taken a hit in Bihar, mainly in areas around Motihari and Champaran, Goswami added.

NSAI had written to the Prime Minister's Office, a couple of days ago requesting that farmers across the country be allowed to use the old 500 and 1,000 notes for agricultural activities in the ongoing rabi season.

"Based on our inputs, the government on Thursday allowed farmers to withdraw 25,000 per week," Goswami added. This is 1,000 more per week than for others.

In Eastern India, farmers were busy harvesting rice and as a result, sowing is yet to commence.

Wheat has been planted so far on 79.4 lh compared to 78.8 lh in the corresponding period last year. Mustard has been planted on 50.8 lh (42.5 lh) and gram on 53.7 lh (52.7 lh).

Sowing in Gujarat

Meanwhile, in Gujarat, rabi sowing is seen picking up on a strong note as the area under wheat and jeerais seen more than doubling than what was reported last year in the same period.

According to the data shared by the Gujarat Agriculture Department, the State has reported rabi sowing on 4,51,500 hectares as on November 14 — about 14 per cent more than the 3,51,500 hectares reported during the same time last year.

The three-year average normal sowing for the rabi season is reported at 33,07,900 hectares. The area under wheat has more than doubled to 25,900 hectares (11,700 hectares), while that of jeera is reported at 36,600 hectares (18,000 hectares).

Farm sources revealed that jeera fetched record prices last year, which attracted more farmers to take up the spice. Also, higher prices of wheat as compared to other rabi crops prompted farmers to opt for the grain.

The sowing area of coriander also increased by 74 per cent to 8,200 hectares compared to 4,700 hectares in the same period last year.

However, the area under fennel seed and onion has reported a decline, from 9,100 hectares last year to about 5,900 hectares.

The drop in fennel seed sowing is attributed to farmers' shift towards jeera for better prices. Meanwhile, the sowing area of sugarcane fell by nearly 73 per cent to 8,500 hectares (from 31,000 hectares).

Rubber industry urged to strengthen supply base

Sheela Thomas, Secretary General, Association of Natural Rubber Producing Countries (ANRPC), has underscored the need for India to lay emphasis on strengthening the domestic supply base of rubber.

The suggestion is significant at a time when natural rubber exporting countries are increasingly on their way to become rubber-consuming nations. If the trend continues, she said, the surplus availability of rubber for export from these countries might come down in the long run.

Thomas was speaking at the TESS conference organised on the golden jubilee of the Indian Tyre Technical Advisory Committee, technical wing of the Automotive Tyre Manufacturers Association.

Rubber and tyre manufacturing operations are being pursued with diligence and even incentivised by Thailand, Indonesia, Vietnam and Malaysia.

While global consumption of rubber is expected to grow less than 4 per cent this year, consumption is expected to grow 8.3 per cent in Thailand, 12.4 per cent in Indonesia and 17.6 per cent in Vietnam. The industrial policies in Thailand, Indonesia, Malaysia and Vietnam are focussed on attracting investments in downstream rubber goods manufacturing, she said.

Sounding a cautionary note, she said the continued economic slowdown in different markets and a fall in commodity prices might lead us to believe that there is overcapacity in raw materials. However, that might be a false assumption, she noted.

Thomas invited the industry to be a part of the new initiative called 'ANRPC Public-Private Forum', which entails fruitful dialogue involving the downstream manufacturing industry, synthetic rubber industry, producers of natural rubber, and policy-makers in rubber producing countries, for a sustainable natural rubber industry.

"As emerging economies grow and there is rising demand for more resources — the choice is clear. Either we deplete resources fast or we adopt a sustainable path," she added.

Crushing season drags sugar

Sugar prices ruled flat at Vashi market on normal activities. *Naka* and mill tender rates were steady. Futures prices witnessed bearish trend with a sharp drop of over 50/quintal. Freight rates came down by 5-10. Start of new crushing season in main producing States also weighed on the prices, said sources. Arrivals were about 58-60 truck loads and local dispatches were about 56-57 loads. The Bombay Sugar Merchants Association's spot rates:S-grade 3,590- 3,802 (3,592-3,805) and M-grade 3,676-3,960 (3,676-3,960). *Naka* delivery rates: S-grade 3,540-3,620 (3,540-3,620) and M-grade 3,620-3,700 (3,620-3,700).

Kochi tea sales lose steam

High-priced CTC dust teas were 3-5 a kg lower and even witnessed some withdrawals at the Kochi auctions held this week.

The currency demonetisation has forced upcountry buyers and Kerala Loose tea traders to operate with less strength.

Exporters confined themselves to plainer teas and covered only a small quantity, said auctioneers Forbes, Ewart & Figgis.

The quantity on offer in CTC grade was lower, at 7,93,000 kg, compared to last week and the market registered only a fair demand with 81 per cent getting sold.

Orthodox varieties also saw lower arrivals, at 8,500 kg, and the market for primary grades was steady to firm.

In the Cochin CTC dust quotation, good varieties fetched 105-143, mediums quoted 96-121 and plain grades stood at 90-96.

In the leaf category, the market for select best Nilgiri brokens, whole leaf and Fannings in orthodox grades was barely steady.

Good liquoring teas in CTC were absorbed by exporters and upcountry buyers.

THE ECONOMIC TIMES

Farmer bodies want government to allow old notes for buying agricultural input

Farmer bodies want government to allow old notes for buying agricultural input

NEW DELHI: Farmer associations today demanded that the government should allow use of the banned 500 and 1,000 rupee notes to buy seeds and fertiliser till December 30, saying peasants are short of cash and have no takers for their crop.

The government has allowed use of the old notes for certain utility payments till November 24, but has so far not agreed to the same for purchase of agri inputs like seeds, fertilisers and pesticides.

Finance Minister Arun Jaitley, in his first pre-Budget consultation, was flooded with representations from the farmer bodies to ease cash crunch by allowing cooperative banks to exchange and accept old notes and dispense more new currency at wholesale mandis.

They also sought removal of anomalies in the draft GST Bill, higher budget allocation for agri research and better implementation of existing farm schemes.

Briefing the media after the meeting, Consortium of Indian Farmers Association (CIFA) General Secretary B D Rami Reddy said, "Timing of demonetisation is not correct. Kharif crops are arriving in the market, but there are no buyers because of lack of cash. Rabi sowing has started and farmers need cash for buying various inputs like seeds, fertilisers and water."

He said: "The government has given several exemptions to general public to buy rail and air ticket. We have requested the finance minister to allow farmers to do cash transaction in old notes for buying agri inputs till December 30."

Stating that farmers transact in "100 per cent cash", he added, "If this exemption is not given, it will have a very bad impact on agriculture production and the overall economy."

Echoing his point, Bharat Krishak Samaj Chairman Ajay Vir Jakhar said, "Demonetisation worries require immediate attention. Restrictions on exchanging and accepting old currency notes imposed on district cooperative banks must be removed immediately."

This can be done in branches which are electronically connected to the apex bank, RBI, he suggested.

Also on his wish list is higher cash availability to APMC markets to the tune of 15 per cent of the trader's weekly average turnover recorded in APMC books last fiscal. "It will revive stagnating flow of perishable fruits and vegetables," he reasoned.

Suggesting better implementation of the existing agri schemes, CIFA has asked the finance minister not to announce any new scheme in the upcoming budget for 2017-18. "The existing schemes should be implemented in letter and spirit," Reddy said.

He also sought the government's intervention to ensure institutional credit is made available to all farmers as only 31 per cent are covered at present.

Crop burning: Farmers say they have few workable options

Farmers have the option of burying the crop waste in the fields and turning it into manure. But it is an expensive option.

"Smog is not just in Delhi, it is in Haryana too," said Prem nonchalantly as he moved around torching paddy stubble stacked neatly in concentric circles in his field. As the smoke billowed, he held a cloth over his nose and moved away. Prem's field in Hansi village of Haryana is not an isolated case. Crop burning is common in the states neighbouring Delhi, and continues despite a government clampdown on the practice.

As heavy smog enveloped the national capital, ET's reporter travelled along national highway No. 9 — from New Delhi to Sirsa in Haryana's paddy and cotton-rich belt — to see why farmers resort to the practice. Along the entire stretch—from Rohtak through Hisar till Sirsa—the fields showed different patterns of yellow interspersed with black stripes — tell-tale signs of crop burning.

Like Prem, even Pawan Sharma in Francy village was aware of the ills of crop burning. "But what option do we have?" he said. The reason why farmers burn paddy stubble is that they do not have an option. Earlier, when harvesting was manual, the crop waste was sold by farmers to paper mills for use as raw material. However, with most harvesting becoming mechanical, the waste is left in the fields.

The problem is worsening as this belt is fast switching from cotton to paddy. Bhupesh Mehta, who owns large tracts of land in Sirsa, said, "Cotton is very prone to pest attacks. Though it fetches high returns, a pest attack ruins the crop quickly and the farmer loses all his investment. With farmers switching from cotton to paddy, the problem of crop burning will only worsen."

Farmers have the option of burying the crop waste in the fields and turning it into manure. But it is an expensive option, which few are willing to try. A tractor with a disc harrow is used to cut the paddy waste and then plough it into the ground. Over a one-acre plot, a tractor would have to make 3-4 rounds around to field to cut the stubble to size and then bury it. This would mean an additional investment of Rs 1,600-2,000 – an expense most farmers are unwilling to takeIf the farmer has his own tractor, he still has to spend money on diesel, which works to Rs 800-1,000. Mehta said even with this the waste remains on the field and it is difficult to sow rabi crop. Farmers thus find it easier and more cost-effective to burn the stubble.

The toughest part is the small window farmers have to sow wheat. The harvest of paddy ends in November and the sowing of wheat must be completed by mid-December, giving farmers just about a month to sell their harvest, prepare their fields for the rabi crop cycle and sow wheat. This small time frame is not enough to convert the paddy stubble into manure.

This year, the Haryana government tried to clamp down on the practice. It slapped fines on farmers, leading to an agitation in the state. The drive had to be slowed down.

Prof Sudhir Panwar, who is member of Uttar Pradesh Planning Commission and the president of Kisan Jagriti Manch, said, "There are very few workable options before the farmers. A mechanical solution has been suggested by the Punjab government. There is an expensive mechanical harvester which cuts the paddy from near the root, leaving behind very small stubble and waste in the field. But it is an expensive option. Punjab had sought Rs 50-60 lakh for this from the Centre.

Another option is chemical degradation of paddy stubble which could give a green manure. But again this would require at least two months and the window for sowing wheat after paddy harvesting is very small." According to Panwar, apart from economics, another reason for farmers resorting to paddy-stub burning is the misconception that it makes the soil fertile.

Panwar's student, Sher Bahadur, a resident of Nepal, however, points to the prevalent practice in the Himalayan kingdom. "We have been regularly mixing paddy stubble with waste from gobar-gas plants. It degenerates fast into a green manure which is very good for all crops. The degeneration time is less than a month," he said.

The Centre had framed a National Policy for Management of Crop Residue in November 2014. The agriculture ministry had conducted a workshop on stubble burning in Chandigarh in January 2015. The national policy envisages formulation of suitable legislation, adoption of technical measures and training on crop residue management. However, no state has done anything on this.

UP, Punjab and Maharashtra contribute the most in terms of crop residue, data show.

The smog in Delhi has brought the issue in the spotlight. Now, the agriculture ministry has again taken stock of the measures being employed by states.

Demonetisation: In orange country, cash drought turns a sweet harvest sour

Having sold their produce at throwaway prices of Rs 5 per kg last year and Rs 12 per kg in the year before that, Vidarbha orange growers were getting record high prices that reached Rs 6.50 a piece on November 6.

:Orange growers in Vidarbha region consider the central government's demonetisation move a 'man-made disaster' with fruit prices tumbling 50% in a week, prompting many farmers to throw them on the streets of Amaravati city in eastern Maharashtra.

Having sold their produce at throwaway prices of Rs 5 per kg last year and Rs 12 per kg in the year before that, Vidarbha orange growers were getting record high prices that reached Rs 6.50 a piece on November 6 and was going upwards. But the next day Prime Minister Narendra Modi announced scrapping of Rs 500 and Rs 1,000 currency notes, and everything changed.

“Today, traders are offering us only Rs 2-3 per piece and that too in the old demonetised notes,” said Devendra Gorde, a farmer from Hiwarkhed village in Amaravati. Growers have now demanded that the government should either buy the fruits or help farmers export them through the farmer producer companies.

As per the decades-old system of orange marketing in this region, a village agent brings state buyers, and the deal is for an entire orchard for a fixed amount. However, if the final value of fruits is less than the agreed upon price, then the farmer gets less. These transactions are essentially done in cash partly because farmers cannot put their trust on cheques issued by outstation traders.

“The system is convenient as a farmer does not have to pay transport cost nor arrange for the harvesting labour,” said Amol Totey, working president of All India Orange Growers Association.

The minimum farm size in Vidarbha is 5 acres and with the rates that were prevailing before demonetisation, farmers could have received Rs 15 lakh to Rs 20 lakh for an orchard of five acres. Of all the orange production from Maharashtra, about 35% is exported to Bangladesh, while southern states and Delhi are the other main destinations for the citrus fruit.

Farmers in Vidarbha are also worried that if they cannot empty the orchards by December 15, then there will be adverse impact on production next year as pruning and other operations will not happen on time.