

26.09.2016

THE HINDU

Major reservoirs brimming after heavy rains



Heavy rains in the last four days filled all major dams and reservoirs in Andhra Pradesh (A.P.) to the brim and as the inflows continued, the officials have been placed on alert to meet any contingency. Nearly 85,931 cusecs of water are being released from the Prakasam barrage, from which releases downstream were made long back.

It has now become a tourist attraction with a large number of people taking photographs of the scenery on both sides of the bridge as the water level stood at 11.3 feet.

All the 70 crest gates were lifted up to two feet, emptying surplus water into the sea. The Pulichintala dam that straddles Guntur and Nalgonda districts is receiving massive inflows, like other major reservoirs in the Krishna basin namely Alamatti, Jurala, Nagarjuna Sagar, Narayanpur, Srisailem and Thungabhadra. The Dowleswaram barrage had a discharge of nearly 97,000 cusecs in the morning.

‘Permanent solution

will be found’

Speaking to reporters in Guntur after an aerial survey of the flood-hit areas in Gurazala and Macherla constituencies, Chief Minister N. Chandrababu Naidu said a permanent solution would soon be found to tackle flash floods due to overflowing of various drains in the district. The modernisation of the Nallamada and Kondaveedu drains would be taken up soon as they flow into the Capital region.

“We are facing an unprecedented flash floods after two successive years of drought. Some of the mandals in Palnadu have received the highest rainfall in the last 50 years which caused considerable damage to agricultural crops. Pulichintala reservoir is brimming with water but the good news is that the groundwater table has gone up considerably to 5.1 metres,” Mr. Naidu said. When pointed out by Gurazala MLA Y. Srinivasa Rao that the gradient of Addanki-Narkatpalli State highway had caused inundation of villages, the CM said that action would be taken against those responsible.

He said enumeration of structural damages and crop losses would be taken up on a war footing. A preliminary report put the total loss at Rs. 211 crore in the district. Mr. Naidu said roads extending upto 406.45 km had been damaged causing a loss of Rs. 120 crore.

Pulses account for 40 p.c. of total farm produce



In the wake of various initiatives taken by the government, the State had emerged as a major pulse-growing centre in the country, Minister for Agriculture Krishna Byre Gowda has said.

Formally inaugurating the annual Krishi Mela organised by the University of Agricultural Sciences, Dharwad, on Sunday evening, he said that of the total agriculture produce, pulses accounted for 40 per cent.

The Minister said that hitherto various pulses, including Bengal gram, tur, green gram and black gram, were cultivated in over 7.5 lakh hectares in the State annually. But the cultivation area under pulses had increased to 12 lakh hectares this year.

Referring to the slump in the market at the time of arrivals in the market, Mr. Krishna Byre Gowda said that green gram grown extensively during kharif season faced a price drop this year and to protect farmers, the State government announced minimum support price.

He said that procurement centres had also been set up to procure green gram from farmers.

Considering the forecast that tur and Bengal gram might undergo a similar phase, the State government had initiated a process to protect the interests of farmers, he said.

He said that soon minimum support price would be announced for tur and Bengal gram and procurement centres would be set up to procure them from farmers.

Mr. Byre Gowda said that to encourage farmers to take up cultivation of jowar for the rabi season, the government would announce a support price of Rs. 2,100 and after procurement, it would be distributed through the Public Distribution System.

Launching the Climate Farm Mobile Application conceptualised by H. Venkatesh and developed by UAS, Dharwad, Minister for Mines and Geology and District-in-charge Vinay Kulkarni emphasised the need for suitable adaptation of technology in farming and allied activities. He also highlighted the need for having farm ponds and said that 3,400 farm ponds had been constructed in Dharwad district.

Various books related to farm sciences were released on the occasion.

MLA B.R. Yavagal, MLC Srinivas Mane, the former MP I.G. Sanadi, president of the Dharwad Zilla Panchayat Chaitra Shirur, Vice-Chancellor of UAS, Dharwad, D.P. Biradar and others were present.

The Krishi Mela is attracting people in large numbers and the police had a difficult time on Sunday evening in streamlining the vehicular movement on the roads leading to the venue.

Water released from Nizamsagar after a decade

Minister for Agriculture Pocharam Srinivas Reddy opens 12 out of 48 gates of the Nizamsagar dam to let out 60,000 cusecs of water into the Manjeera river

Reaping gold from Karimeen farming



Pearl-spot farmer Baburaj of Kadalundi has won inland aqua farmers' award

When the prawns he reared died of viral infection and he had to switch to Karimeen (pearl spot) farming nine years ago, A. Baburaj of Kadalundi never imagined that this delicate fish would turn his life around.

Receiving the Deen Dayal Upadhyay award for inland aqua farmers from Union Minister for Agriculture Radha Mohan Singh here on Sunday, Mr. Baburaj thanked the Kadalundi river and the Karimeen for saving him from the verge of bankruptcy and for earning him the laurels.

Baburaj stays at Cheriyaathuruthi, a small island almost at the mouth of the Kadalundi river, that houses 14 families. He hatches Karimeen fingerlings in a huge pond at the centre of the island and supplies them to the nurseries across the State. In fact, his is the only Karimeen seed farm in the region.

“Karimeen is easy to rear, not like Chemmeen (prawns) that needs constant attention and care,” Baburaj told *The Hindu*. In fact, he says the island provides the best possible condition for Karimeen farming with constant flow of water from the river to the pond, saving him the effort of artificially managing the oxygen-level in the pond.

The adult fish are fed rice and pellets/cattle feed. The pond is divided into two segments with sand-made bunds and pipelines beneath to facilitate flow of water between the segments. Thus the water level in the pond is maintained at one metre or above depending on the level in the river. The hatching usually takes place during June-July or November-December.

Baburaj is in a jubilant mood explaining how he obtained the award. “I applied for the award through a breeding centre in Chennai. I provided all the documents needed to give credibility to the claim,” he said.

He was accompanied by a team of 25 people, including family and friends, to the Indian Institute of Spices Research at Chelavoor in Kozhikode to receive the award.

Betel leaf is neglected green gold: expert



A single leaf of betel can fetch up to one dollar in the international market, that is six times the maximum it can fetch in the Indian market, said an authority on betel leaf cultivation and professor of IIT Kharagpur Proshanta Guha.

Delivering the keynote address at a programme organised by the Horticulture Department for betel leaf farmers here on Saturday, Prof. Guha said that cultivation of the valuable betel leaf, which could fetch a tremendous amount of foreign exchange and income, was not scientific in Andhra Pradesh. He said West Bengal was the largest producer of betel leaf in the world accounting for 30 per cent. Betel leaves were chewed in Bangladesh, Burma, China, Indonesia, Malaysia, Nepal, Pakistan, Philippines, South Africa, Sri Lanka and Thailand.

Unlimited value

Calling betel leaf the “neglected green gold of India”, Prof Guha said that even gold had limited value when compared to betel leaf because the source of the metal was not unlimited like in the case of betel leaf. “The amount of gold even in a mine is limited, but when it comes to betel leaf there is no end,” he said to explain why he called betel leaf green gold.

He said farmers could harvest 80 to 100 leaves from a plant each year. Two to three lakh plants could be planted in one hectare.

The value of the total betel leaf produced in the country was around Rs 9,000 million per annum.

Betel leaf was, however, highly perishable after harvest. It was subject to spoilage due to dehydration and fungal infection. There was a loss ranging between 35 per cent and 70

per cent during transport and storage. Even the most conservative estimate of loss was 10 per cent and that worked out to Rs.900 million, he said.

He urged the Andhra Pradesh Government to set up a Betel Leaf Development Centre on the lines of Tripura which was investing a lot to improve betel leaf productivity. He told A.P. farmers that there was a need for more scientific cultivation of the commercial crop. The soil used for cultivating betel leaf should be less clayey and this could be done by mixing sand in the soil. Protecting the crop from direct sun by providing shade, reducing the temperature using foggers and coolers and finally using post harvest technology to reduce fungal infection were measures that farmers should take, he said.

Scientists visit farms

Scientists and officials of the Department of Horticulture visited arecanut plantations affected by root worm disease at Koppa and Ullal villages here on Friday. They demonstrated the use of pesticides to control the menace. Horticulture College dean S.I. Athani and Shashikant Kattimani of the Department of Horticulture were present.

THE HINDU **BusinessLine**

Cotton prices to trade steady



Planting progress, growing conditions and weather are the factors to watch. Cotton futures gained almost 50 per cent between March and July, triggered by short supply in the domestic market. The price had touched a peak of Rs. 23,570/bale (1 bale=170 kg) in July and is currently at Rs. 20,530/bale.

Cotton prices moderated in August on reports of favourable weather in top producing nations such as India and the US. However, concerns over depleting stocks, higher consumption demand and prospects of better US exports limited the extent of price correction.

Global supply and demand

The USDA puts global cotton output at 20.99 million tonnes (mt) for 2015-16 (August-July), 19 per cent down over 2014-15. With lower production and almost the same level of consumption, carry-forward stocks have reduced noticeably to 21.45 mt in 2015-16, down for the first time since 2010-11. However, the global output situation is expected to go up to 22.31 mt in 2016-17 with likely higher produce from the US, Pakistan and Australia.

The USDA reports that consumption of cotton is expected to exceed production by 1.9 mt in 2016-17. Higher consumption is attributed to increased domestic demand from China, Bangladesh and Turkey. Import restrictions in China, accompanied by rapid expansion of the Bangladeshi textile sector over the years, have catapulted Bangladesh to the slot of top importer of cotton.

China factor

Lower price realisation along with increasing preference for food grain crops in China has led to a 36 per cent decline in its cotton acreage in last two years alone. China's cotton production is estimated at 4.57 mt in 2016-17 against 6.53 mt in 2014-15. However, its cotton consumption demand is expected to remain firm in 2016-17 due to lack of quality stocks in government's reserves, decreasing stocks amid reduced production and lower imports.

Domestic scenario

Despite India having the largest sown area and being the largest cotton producer, its productivity remains amongst the lowest. Lower acreage, yield and inferior quality have bought down the stocks significantly.

The resistance of GM cotton against pests like whitefly and disease of leaf curl virus has prompted farmers to switch to pulses and oilseeds. The cotton industry seems divided over the production estimates for 2016-17.

The Cotton Association of India (CAI) expects almost the same output at 33.6 million bales in 2016-17 (October-September) against 33.77 million bales of 2015-16 while demand is forecast at 30.8 million bales. The millers, however, expect production to go up by 4-5 per cent over last year. As per government data, the acreage under cotton is 10.2 MHa till September 2, 11 per cent down from 2015-16.

Maharashtra experienced one-and-a-half month's late sowing amid delayed monsoon yet the acreage may increase due to adequate soil moisture and decreased threat of pests.

However, the doubt over the impact of delayed sowing on yield remains. Clarity on this will come only after the quality of first picking is observed which is due in November-December.

India's exports are expected to be at the lowest levels since 2008-09 impacted by lower domestic stocks, expected noticeable drop in imports by Pakistan and continued decline in export to China.

The domestic cotton market looks to trade in range with slightly firm tone on rapidly depleting stocks and lower production prospects.

However, somewhat bleak export outlook and hopes of higher imports are likely to restrict any sharp gains in cotton market. We may witness good corrections during the arrivals season. Watch out for the planting progress, growing conditions and weather.

Similarly, the global cotton market is likely to remain range-bound with upside risks on expectations of higher production from top growing nations, except India, while lower global inventories and robust Chinese demand will limit downside risks.

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Your Taxes



September 25, 2016:

I am a senior citizen receiving about ₹40 lakh as compensation on my 50-year-old inherited agriculture land acquired by the UP Government. My annual income is less than ₹1 lakh. What will be the tax implication of receiving this compensation ?

H L Srivastava

As per Section 10(37) of the I-T Act, 1961, any income chargeable to tax under the head “capital gains” arising from transfer of urban agricultural land would be exempt, provided the transfer is on account of compulsory acquisition by the government. Further, the land should have been used for agricultural purposes in the preceding two years prior to transfer. If your land qualifies as an urban agricultural land and has been used for agricultural purposes in the preceding two years, you would not have any capital gains tax liability (since your land has been acquired by the government). However, you will have to file an I-T return for the year of transfer to show the exempt income though your income is ₹1 lakh, which is less than the basic exemption limit for a senior citizen (₹3 lakh).

My father works for a CPSU. He had purchased some shares of the same CPSU offered to employees at a discounted price and sold it within a month or two. STT had been paid. In this regard, what is the manner of disclosure in tax return for this transaction ? Also, let me know whether the same would be chargeable to applicable rate as per the slab with respect to total income or some special rate?

Riddhi

For the purpose of this response, we have assumed that the shares purchased by your father are part of the employees' stock plan of the CPSU. According to income tax regulations, the value of shares/options granted under an employees' stock plan is a taxable perquisite. Hence, this has to be included along with salary paid/payable to the employee, tax liability determined and withheld by the employer.

When your father sold the shares, he had held it only for two months. Hence, any gain arising on sale of such shares will qualify as short-term capital gains (STCG). According to Section 111A of the Income Tax Act, 1961, STCG arising from sale of shares that are subject to Securities Transaction Tax (STT) are taxed at 15 per cent.

The value of the gain will be the difference between the sale consideration and the fair market value considered for perquisite taxation. While filing his tax return, your father should report the short-term gains as income taxed at special rates and not add it with other income that are subject to normal slab rates.