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**NATIONAL CO-OPERATIVE AGRICULTURE AND
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- Deposits :
- Loans & Advances :
- Investments :
- Money at Call & Short Notice :
- Net Profit :
- Working Capital :

(₹ in Lakhs)
As on 31.03.2019

14024.91
265676.69
135333.27
97978.97
50376.46
1025.24
321797.64

(₹ in Lakhs)
As on 31.03.2020

15038.30
281298.91
167119.44
91537.06
42755.00
1127.57
337352.27

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While the country is limping back to normalcy after lockdown, organisations continue to face the difficult challenge of protecting their business and ensuring safety of people involved in their operations. Being essential service complete lockdown was not imposed in the banking and finance sector. Still institutions in the sector are subject to strains of lockdown and economic slowdown which are expected to continue for some more time. Loan moratorium provided temporary relief to borrowers to avoid the discomfort and penalties on account of disruptions in paying instalments. RBI also allowed banks to maintain asset classification standstill during moratorium period to avoid classifying such accounts as NPA and additional provisioning against NPAs. RBI extended Special Liquidity Facility to Banks, NBFCs and MFIs to tide over liquidity crisis due to loan moratorium. NABARD came to the help of SCARDBs by extending liquidity support as they were not covered in the Special Liquidity Facility scheme of RBI.

Economic slowdown due to Covid-19 Pandemic and countrywide lockdown adversely impacted almost all sectors in the economy. Agriculture is the only sector which has escaped from serious setback after facing problems in harvesting and marketing Rabi crops in the initial stages of lockdown. It is reported that Kharif sowing area this year is about 20% more than last year, encouraged by above normal rainfall and improved price situation for major crops. This offers opportunity for agricultural credit institutions including ARDBs to improve loan recovery during the current year. However, local area based lending institutions like ARDBs which traditionally follow personal contact of borrowers for loan and recovery follow-up need to switch over to a new follow-up system based on distant communication methods using mobile phones and internet. Liability management is also equally important as improving asset quality in a situation of economic slowdown and strain on liquidity in the system. While NABARD's funding is available for long term lending ARDBs need to raise adequate resources from other sources including deposits for meeting the short term credit needs of members which are of more urgent nature in the present context.

GDP numbers are now available for the first quarter of current fiscal. The economy suffered contraction to the extent of 23% during the first quarter which is expected to continue in second and third quarters as well, while a turn-around to positive growth zone though marginally, is expected in the fourth quarter. Agriculture is the only bright spot in the economy which grew at 3.4% in quarter 1 and projected to grow @ 3.5% for the whole year. According to IMF, GDP of India for the year 2020-21 is expected to contract by 10.3% followed by 8.8% growth during 2021-22 which means the economy will get back to its pre Covid size only in mid 2022-23. A dampening factor in speeding up growth is the revenue crisis faced by Central and State Govts which rules out the possibility of any major recovery support either by Central or State Govts. Another major factor affecting the pace of growth is the time required to restore consumption pattern of households as before. Presently, non-discretionary and home consumption occupy high priority at the expense of discretionary goods and services especially where social distancing is difficult to maintain. This trend is expected to continue till the pandemic ends. How soon it will happen is the big question.

K. K. Ravindran
Managing Editor



Precision water management in paddy cropping systems

Sharanappa¹ and Muniyappa² *

Rice is the world's important cereal crop and source of livelihood security for more than half of the world's population. Among cereal food crops, rice occupies third after maize and wheat. In India rice is grown in an area of 46.2 million hectare with a production of 115.32 million tones and with average productivity of 2493 kg ha⁻¹ (Anon., 2018). The shrinking water resources and competition from other sectors, the share of water allocated to irrigation is likely to decrease by 10 to 15% in the next two decades. One of the ways of alleviating water scarcity is by enhancing its use efficiency. Traditional rice production system not only leads to wastage of water but also causes environmental problems and reduces fertilizer use efficiency.

The fact that rice is the only cereal which can grow in deep water does not necessarily mean rice plants must be grown only in ponded water. Now we are under pressure to develop water saving technologies in rice. Saturated soil culture, intermittent irrigation, alternate wetting and drying and aerobic rice are irrigation related technologies which save water in rice

considerably production. These new techniques are revolutionizing the age old idea that rice is a semi aquatic crop. Rice does develop well in water, but recent developments demonstrate that rice can also be grown in different methods as like Direct Seeded Rice (DSR), System of Rice Intensification (SRI) and Aerobic Rice.

World water usage in different sector (Table 1), among all agriculture is share up to 69 % followed by Industry sector 23% and domestic purpose is 8 %. Same trend is followed in Indian statistic which agriculture is lion share in water usage i.e. 82% but Europe countries have highest share of water in industrial purpose than agriculture, hence, industry is the main source of country GDP and overall development.

Day to day increase in population of human beings, move towards the industry and domestic water consumption also increase resulting of these water resources are dry up, hence, per capita water availability decrease, In 1994 water availability is 2280 m³ someone estimated that in 2025 it may be decrease up to 1500 m³ and 2050 again it decrease to 1270 m³.

World's water usage in to different sector

Usage in (%)	World	Europe	Africa	India
Agriculture	69	33	88	82
Industry	23	54	5	12
Domestic use	8	13	7	6

(Table 1)

Water Availability per person

Year	Per capita availability, cu m
1994	2280
2025	1500
2050	1270

^{1&2} Ph.D Scholar, Department of Agronomy, College of Agriculture, UAS, Raichur



Importance of irrigation in rice

The shrinking water resources and competition from other sectors, the share of water allocated to irrigation is likely to decrease by 10 to 15 per cent in the next two decades. One of the ways of alleviating water scarcity is by enhancing its use efficiency. Water is precious and one has to treat it as costly commodity as our agriculture and many industries depends largely on it. As the water demand for domestic, municipal, industrial and environmental purposes rises in the near future, the water availability for agriculture sector gets affected.

Rice consumes around 4000-5000 liters of water to produce one kg grain, which is three times higher than other cereals (Anon., 2014). Rice is a semi aquatic plant and the farmers are habituated to irrigate as much water as possible through continuous land submergence based on a wrong notion that yield could be increased with increased water use. Traditional rice production system not only leads to wastage of water but also causes environmental problems and reduces fertilizer use efficiency. Attempts to increase water productivity either by reducing water consumption or by increasing the yields will automatically facilitate higher growth in agricultural production, as substantial quantity of saved water could be used to irrigate other areas (Papadopoulos, 1997). Further, anaerobic condition favors the release of greenhouse gasses specially methane, contributing to climate hazards.

According to National Commission on Agriculture (Anon., 1976), the utilization of water for purposes other than irrigation is expected to raise to 27 per cent of available fresh water and only 71 per cent of fresh water will be available for irrigation. Therefore, sources of water are to be used efficiently (Yadav, 2002). Limited supply of water necessitates a shift in the production from attainment of potential yield per unit of land to potential yield per unit of water. Vagaries of monsoon and declining water table due to over exploitation have resulted in shortage of fresh water supplies for agricultural use, which calls for an efficient use of this resource. Among different methods of irrigation, drip method results in maximum water and input use efficiency.

Misconceptions about water Resources

- Water resources are unlimited
- Water is available at no cost
- More irrigation – more yield
- Head-reach farmers-right to use any quantity of water
- Underground aquifers supply limitless water
- Supply of irrigation water to the farmers is the duty of the Government

Hazards of poor management of irrigation

- Indiscriminate irrigation- soil erosion and loss of fertility
- Excess application- leaching of applied nutrients and pollution of water resources
- Leads to Poor FUE and increased COC
- Poor management of IW-inequitable distribution and coverage of TCA is affected
- Excess irrigation without drainage- accumulation of salts-salinity, alkalinity and sodicity and reduces yields

Water challenges to conserve

- 1 Degradation of existing water supplies
- 2 Ground water depletion
- 3 Degradation of irrigated crop land
- 4 Increasing pollution water quality

Precision water management is necessary ***“More crop per drop of water”***

Precision Water Management

Definition: Precision Water Management is the process of determining and controlling the volume, frequency, and application rate of irrigation water in a planned, efficient manner. Application of water at right place, right time, right quantity and right method is the main principle behind the precision water management.

Ways to produce more rice with less water?

- Selection of a good genotype
- Method of establishment
- Weed Management
- Irrigation method and land leveling
- Seed priming
- Silicon nutrition



Methods of rice establishment

- Low land rice
- Alternate wetting and drying (AWD)
- Direct seeded rice
- Aerobic rice
- System of rice Intensification (SRI)
- Drip irrigated rice
- Deep water rice
- Ground cover rice production system
- Raised bed-saturated soil culture method
- Drum seedling

Direct seed rice (DSR)

Normally rice based cropping systems account for more than 50 per cent of total acreage in South Asia with rice in Kharif followed by rice –rice, rice-wheat, rice – maize, rice – legumes etc. in most areas rice is traditionally grown by transplanting into puddle areas (TPR). Certain alternatives are there. Some advantages for alternative to Transplanted rice.

Advantages of DSR

- Saves 17-35 per cent water than transplanted rice
- It helps in timely sowing of the crop
- Less seed rate (8-12 kg/Acre)
- Saves energy (Diesel: 8-10 litre/Acre)
- Saves the 25-30 per cent fertilizers
- Less cost of cultivation (Rs. 6000-8000/Acre) and high net return
- Judicious use of water leading to increased water productivity besides avoiding problems associated with excess use of water like salinity in command area
- Reduces 30 per cent of methane gas emission over transplanted rice

Methods of direct seeding

Wet DSR

- Sprouted seeds on wet puddle soil
- Sri Lanka, Vietnam, Malaysia, Thailand, India

Dry DSR

- Dry seeding – Broadcasting or drilling
- USA, Punjab, Haryana
- 30 % labour saving, 15-30 % cost saving & 10- 15 days early harvest

Water seeding

- Pre germinated seeds
- Broadcasting with machines or aero planes.
- USA, Australia.

Six Principles of DSR

1. Laser land leveling for better crop establishment & efficient input management.
2. Type of cultivar – Hybrid, Scented Basmati Rice, Vigorous quick growing & competitive varieties
3. Precise sowing techniques (machine) and timing is crucial for quick and uniform crop establishment. Rice seed has a pubescence cover & husk which limits good germination and seed placement. Water management is a main key to obtain good management. Hence these planting techniques can be divided into 4 scenarios depending on weed intensity.
 - Fields with weed free.
 - Fields that are relatively weed free but have a high weed pressure.
 - Fields that are weedy & some of them are perennial in nature.
 - Rainfed or hilly areas.
4. Seed priming, seed rate & seed depth are the key to early germination and emergence of seedling.
5. Fertilizer management – Balanced fertilizer application and LCC based N management.
6. Weed management – Reduced tillage with retained residues and effective system – based weed management.

Aerobic rice

Rice is the most important food crops cultivated under submerged condition by transplanting and also method of cultivation. This method of cultivation requires more water, as well as labour. Water is most limited natural resource in recent years due to unpredictable rainfall and over-exploitation of ground water. The dwindling water resources reveal a grim situation for low land puddle rice cultivation. Farmers are seeking alternate methods of cultivation for growing Rice. One such method is aerobic system, usually characterized by aerobic soil environment during the period of crop growth. In this cultivation fields will not have standing water but maintained at



filed capacity. This type of cultivation of rice is called aerobic method, which is similar to the cultivation of other irrigated cereals like irrigated ragi, corn or sorghum.

It is one of the alternative methods of cultivation of rice which is usually characterized by aerobic soil environment during its crop growth. In this method the fields will not have any standing water but will be maintained at field capacity. This type of rice cultivation is called Aerobic Method which is similar to any other irrigated crop.

Advantages of Aerobic Cultivation:

- Direct seed sowing
- Puddling and submergence is not required
- Nursery and transplanting is not required
- Less seed requirement
- Less Labour
- Saving of water
- Efficient fertilizer utilization
- Less environment pollution (Reduced methane emission)
- High tillering, high yield & less lodging
Improvement in soil structure

System of rice intensification (SRI)

The System of Rice Intensification known by its acronym 'SRI' is gaining popularity among paddy farmers in several states. It is resource conservation technology for rice cultivation which was evolved by Fr. Henrie Laulanie at Madagascar during 1983. He migrated from France in 1961 and settled at Madagascar to practice and profess agriculture. This was not known outside Madagascar until 1997 as it sounded too good to be true. Later on its potential was tested in China, Indonesia, Cambodia, Thailand, Bangladesh and Sri Lanka. The technology spread successfully in 18 districts of Sri Lanka. The first international conference on SRI was held in China in April 2002. It was known to in India during 2000. In Andhra Pradesh, it was introduced in 2002. Several large scale demonstrations were conducted in the farmers' fields. Systematic research was then conducted in the research farms. There was no appreciable increase in yield compared to the conventional method. However, water conservation

was the advantage. To produce 1 kg 2,710 litres of water was needed through this novel approach in contrast to the 3,720 litres through the conventional method.

The basic six practices of SRI are

1. Transplanting young (8-15 day old/2-3 leaf) stage seedlings singly
2. Careful transplanting at shallow depth
3. Adoption of wider spacing (25x25cm)
4. Water management to keep soil moist by alternate wetting and drying
5. Inter-row weeding using rotary weeder and
6. Use of organic manures such as FYM / compost / green leaf/crop residues/biofertilisers

Advantages of SRI

1. Saving on seed cost (5 kg/ha as against 40-50 kg/ha in conventional method)
2. Saving on water
3. Cost of external inputs gets reduced
4. Pests and diseases incidence is low as the soil is allowed to dry intermittently
5. More healthy and tastey rice as a result of organic manure usage
6. Seed multiplication with less quantity of parent seed
7. Farmers can produce their own quality seed

Water saving percentage in different methods of rice

- System of rice Intensification (SRI): 30-40%
- Alternate wetting and drying (AWD): 15-30%
- Aerobic rice: 40-50%
- Direct seeded rice: 75%
- Ground cover rice production system: 50-60%

Conclusion

- Alternate wetting and drying is the improved and efficient irrigation method over submergence of paddy.
- System of Rice Intensification method rice cultivation can save irrigation water up to 30 % in addition to yield improvement.



Social Marketing and Co-operative Ideology

Dr. Brij Pal¹, Shri Anil Kumar Tiwary²

The commercial marketing rest on the core fundamental knowledge of product, quality of product, product positioning, range of product, price of product and place where the product is available, whereas the social marketing imbued with the object of behavioral change in people. In view of the socio-economic conditions in which they all live, 90% needs of people are met by the private sector dominated by the producers organizations like cartels, syndicates and Chamber of Commerce making the donorous structure of cost. So the economic governance needs an introduction of social marketing.

The social marketing and Cooperative ideology rest on the principle of distributive justice Pop John Paul IInd conceptualizes the distributive Justice as how rewards and costs are shared by the members of a group. The from distributive justice has different paradigms. Socioeconomic changes appear from an ideology based on distributive justice. However, the socialization of resource is indispensable in Indian economy.

Factor Governing the Growth of Social Marketing :

1. Social marketing is a tool of the government to reduce on and average fertility of women, the supply of contraceptive, birth control pills and vaccines with a family welfare centre for every 20,000 moment of child bearing age. The values of social marketing are vested in social prosperity.
2. Simply low cost and technology driven by the use of human traction energy would determine the future of social marketing.
3. Common ownership of resources, exploitation of

resources with joint initiative as well joint common pool of capital will lead to formation of a suitable socio-economic and democratic organization of production.

The concept of social marketing may form a basis for economic development to create a new social order. In socioeconomic scenario a suitable technology likes makeless over with dung cake as fuel to substitute to the domestic LPG gets may enable the people to save more for investments.

The concept of social marketing lies in developing the technology in consonance with the social needs of a social group, communities or any segment of the society. A social marketing embraces, social changes which are manifested in some of the areas of social life. Now the age-old marriage institution is under change where advertising for bride or bridegroom in news papers, creation of marriage bureaus, lending of places for social gathering to perform the social functions. The social needs have led the growth of marriage halls. The penetration of electronic communication has depend the scope and nature of social marketing. The private investments are growing with a vigor and commercialization of the social occasions.

The liberty of the people is to subscribe and inscribe the view, incidents, the causes of concern and sharing of joy and sorrow among the members of the human society through any means of communication. Influence, Impact, sensitization, exposure of bodily habits, expression of sentiments, orientation and

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²Faculty Member | VAMNICOM, Pune



disorientation of minds can be said to be the functions of social marketing.

The Prospects and Perspectives of Social Marketing :

1. To pull the mind of stake-holders to a social problem including the government being the stake-holder in the welfare of the people the creation of super sensitivity for pre-emptive action to a serious social problem of poverty.
2. To ascertain the opinion of a social segment for correction of a social problem.
3. To bring a social change for rationalization of the society and to create social ethos to a new social vista.
4. The country like India whose values are pledged in democracy, the government launch individual beneficiary schemes in the socioeconomic scenario wherein average growth of poverty is 6% per annum, the individual beneficiary schemes lacks the delivery interface in the scenario of over-loaded poverty.
5. To ensure the social correction.
6. To universalize, harmonies and cultural interaction among the different communities and societies


living under different socio-political structure of the countries in the world economy.

7. To bring a behavioral change in human being to ensure the ecological order to keep the society for survival of human being. The social marketing as basis of economic activity may discover the technology suitable to the people living in adverse socio-economic conditions of the society.

The exploitation of the resources and rendering of services with joint initiative and common pool of capital are the inherent virtues of the cooperatives fashioned to promote socio-economic democracy and may be the growth engine to social marketing.


These institutions have functional organizational ability suitable to socio-economic conditions of the society filled with poor people. The social marketing is indispensable in the scenario of over population, capital inadequacy and low purchasing power prevailed in the society. So, there is no alternative left with economic climbing rather than introducing the principle of social marketing supported by cooperative ideology which always strive for upliftment of deprived classes of our society.

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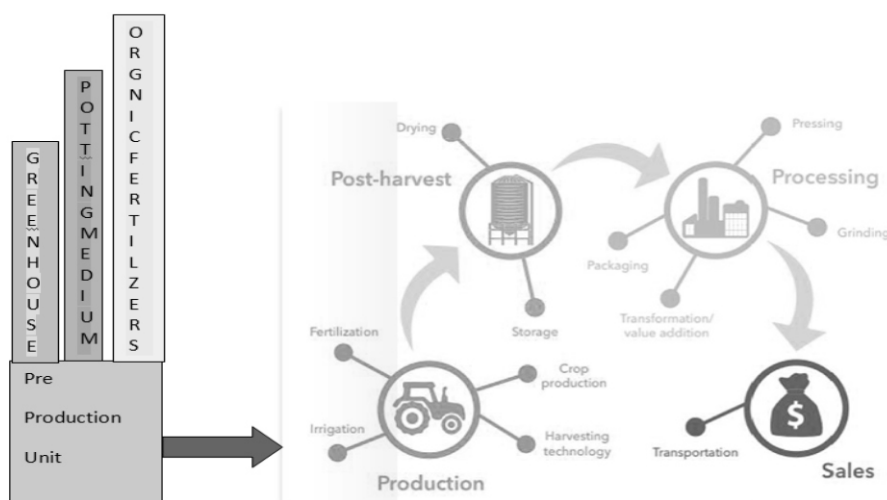
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Sustainable Development Goals Achieved: Value Addition of Backward linkages in Agriculture Value Chain

Dr Yadnya Pitale*

Agricultural value chains are set to evolve, innovate and expand their horizons. With every stakeholder participating in this value chain reaping immense value in the entire circle of agricultural production. Earlier agri-value chains initiated from the farm to processing and ending in a packaged product. Following the Farm to Fork concept with only the front end value chain getting extended with forward linkages. However, innovations in the evolving agriculture industry have now introduced new backward linkages in this agri-value chain. With the agriculture industry not remaining a simple linear value chain but a distributed type, having added composites of allied industries at its various junctions.



There has been immense addition of processes as backward linkages of the farm operations in the recent times. The backward linkages comprising of the plant nurseries and the tissue culture plant industry at the same time have their own set of allied industries in terms of planting mechanisms (such as potting measures , greenhouses etc), planting mediums (such as cocopeat, spaghnum moss, organic fertilizers and nutrient bases etc), seeds etc having acquired an independent outlook of its own.

Much of the first stage farming activity such as sowing

of seeds is now being outsourced from these backward linkages especially in the area which consumed much of the farmer's time and occupation before. The 2 minute farming concept has already set itself in the farming sector too with large amount of time now being saved to grow the entire crop along with other crops thus fostering crop rotation . This feature though is more evident in case of horticulture and pulses farming where the entire cycle of time growing a fruit plant is 3 fold as compared to the normal cereals farming .

The earlier value chain appeared something shown in the figure below ,

However, the Production unit of this value chain has a new unit added prior to it , i.e., Pre Production Unit or the backward linkage in form of plant nurseries and tissue culture laboratories. These Pre Production Units have grossly worked on reducing the time factor, sowing and labor costs and has promoted sustainability in the entire production process .

Supply chains in their own are information driven and integrated and enable organizations to reduce costs, add value to the products, extend the resources and help to retain the customers. The success of the supply

*Joint Director – Research and WTI, World Trade Centre Mumbai



chain is measured in terms of how well it coordinates the activities across the chain to create value for the consumers, while increasing the profitability of every factor in the chain. The supply chains of agricultural commodities in India are filled with challenges due to various issues inherent within the agriculture sector of the country. The challenging issues include dominance of small and marginal farmers, fragmented supply chains, inadequate processing and lack of proper marketing infrastructure in general.

In case of a marginal farmer having an acre of land, sowing a set of seeds was not profitable due to the higher mortality rate in the saplings. Moreover the young plants that emerged from the soil were subject to uneven climatic conditions which led to mortality at various stages of plant growth. Plant growth too was uneven and the farmer had to deal with immense confusion to deal with entire set of crop with each plant needing differential treatment having to tend each plant till the maturity stage. In such a scenario it becomes imperative to increase farm productivity and sustainable income by decreasing the farm occupation cycle time. The introduction of the nurseries has now enabled the farmer to have the entire set of plants, having same vitality parameters due to a uniform sowing pattern carried out for the entire set of plants planted in the nursery. Moreover all the plants perform uniformly so as to yield fruit at one time having uniform predictability. This enables the farmer to have more amount of time handling his farming activity so as to indulge in allied sector activities.

In case of horticulture, the farmer grew the related crop entirely in his own farm and the entire process till the farmer could actually harvest the crop was about an year. This time now has been cut down to six months depending on the availability of the size of the plant available or the option chosen by the farmer as per his affordability. This is in context to development of plant nurseries which mostly cater to an area, in which new saplings are raised and nourished until they are ready for sale or transplanting at a permanent place in a field.

Raising of seedlings in a nursery is important for various reasons such as,

1. It is possible to grow and maintain a large number of plants per unit area.
2. Small and expensive hybrid seeds can be raised more effectively due to better care and management.
3. When seeds are sown in seedbeds, their germination percentage increases and the vigor of the seedlings also improves.
4. The management of seedlings can be done in a better way with minimum care, cost and maintenance as the nursery area is small.
5. Manipulation of growing conditions for plants becomes easy.
6. Better and uniform crop growth can be obtained in the main field by selecting vigorous and healthy seedlings.
7. Off-season sowing of seeds becomes possible, which ultimately results in fetching more returns.
8. The seed requirement of nursery raised crops is less as compared to direct seed sowing of the same crop due to better management.
9. Sowing seeds in a nursery allows additional time for doing preparatory tillage in the main plot. Harvesting of the previous crop can also be prolonged, if needed.
10. Management of insect-pests, diseases and weeds is easy in a nursery.
11. Nurseries grow fruit plants in large scale with different qualities and grades.
12. Seedlings and grafts are produced in nursery from which the fruit orchards and ornamental gardens can be established with minimum care, cost and maintenance. The nursery planting materials are available at the beginning of the planting season. This saves the time, money and efforts of the farmers to raise seedlings.

Apart from serving as a valuable backward linkage and an important part of the value chain, the nursery and



tissue culture plant labs or the pre production units, have independently value added the agricultural economy in multiple other ways such as,

1. Agri-Commodity Export

Globalization and improved packaging has improved the chances of export of quality planting material to other countries. Special techniques and care is required for exporting the nursery material which is now possible due to innovations in packaging.

2. Employment Generation

There is a huge demand of skilled professionals for grafting, budding, potting, repotting and other nursery operations. Nursery provides employment opportunities for technical, skilled, semi-skilled, and unskilled labor. Also, tissue culture labs have provided many job opportunities to skilled biotechnologists and agriculture engineers.

3. Usefulness in Dry Land Horticulture

Countries around the world are facing droughts due to climate change and land degradation due to excessive clearance of forests.

In case of drought prone lands, growing drought tolerant fruit crops provide assured income to farmers. Horticultural plantations play an essential part in afforestation and thereby help to reduce the global warming.

Land degradation refers to temporary or permanent decline in ecosystem function and productive capacity. Such lands require mass plantation of resilient plants which are resistant to not only dry lands but also nutrient deficient soil. Such plants can be grown in tissue culture labs which will have uniform tolerance levels to such conditions with decreased mortality rates. Such plants are at the same time engineered to hold soil, replace nitrogen and other nutrients in soil and thus reduce the effects of climate change.

4. Promoting Agricultural Entrepreneurship

The nursery enterprise is an important source of employment and income generation. It is important for the entrepreneur to make an estimate of expenditure and probable income during the operation of the nursery. The nursery and tissue culture lab enterprises have helped develop sustainable entrepreneurship since this deals with production of plant saplings as a product for sale. There is no obligation as in the earlier farming activity to raise the plant and worry about its survival till it yields fruit. Nursery can itself be a very remunerative enterprise in the changing national scenario. The nurseries provide excellent income generating opportunities especially to owners of ornamental plants which are directly sold in markets for decorative purposes of home gardens.

5. Promotes organic farming initiatives

As far as productivity is a major impediment in case of organic farming. However, with the introduction of nurseries and tissue culture labs this drawback in terms of productivity in organic farming is steadily being put on backside. Most of the nurseries raise saplings on a organic medium and the production is massive. The farmers in the plants journey onwards is thus pushed to use sustainable and organic farming to maintain the nutrient and pH base so as to optimize results and at the same time stick to organic standards as prescribed for horticulture exports.

6. Promotes Food Security and Sustainable Development Goals

The mass production of plant saplings with a reduced mortality rate ensures high productivity levels. At the same time all round the year supply of saplings provides feasibility to the farmer to choose the crop of his choice to be farmed. Both these aspects help higher production thus satisfying the requirement of both the sustainable development goals dealing with food security and eradication of poverty.



Brief about a Plant Nursery

Nursery is a place where planting material, such as seedlings, saplings, cuttings, etc., are raised, propagated and multiplied under favorable conditions for transplanting in prepared beds. The availability of quality and true-to-type planting material is the prerequisite of successful and remunerative ornamental crop production. Setting up of a nursery is a long-term venture, and requires planning and expertise. In a nursery, plants are nurtured by providing them with optimum growing conditions to ensure germination. Nursery saves considerable time for the raising of the next crop. Among flower crops, majority of the annuals are propagated by seeds and require a nursery for raising the seedlings.

Herbaceous perennials need nurseries for sowing of seeds and planting of cuttings for rooting and establishment in greenhouses. Woody perennials are



grown from seeds for multiplying the rootstocks from cuttings, layers and through grafts to perpetuate the same genetic properties. Demand and supply of the nursery plants is an economic model of price determination of the plants for sale. It is concluded that in a competitive market, the unit price for a particular plant will vary until it settles at a point where the quantity demanded by consumers will equal the quantity supplied by producers, resulting in an economic equilibrium of price and quantity.

Brief about a Tissue Culture Laboratory

Tissue culture techniques have played an important role in the breeding, production and improvement of horticultural crops. The uses of embryo culture in fruit tree breeding and in the propagation of orchards in the 1930s were among the first applications of the technology to plants.

Plant micro propagation presently appears to have

good prospects for successful commercial implementation owing to the rapidly increasing demand for ornamentals, many of which are difficult to propagate using conventional methods. The practice of importing such plants from abroad is presently being reconsidered in an effort to encourage local production and prevent introduction of foreign pests and diseases.

Development of Allied Industries to supply these Backward Linkages

Planting medium industry

- * **Cocopeat** : Nearly 60% of the planting medium used is cocopeat which is outsourced from the flourishing coco peat industry originating down south of India. Coco peat is basically an inert material recycled out of coconut kernel left after



using the inner edible material. Absorption of moisture is what makes cocopeat effective as a planting material. Sivanthi Joe India, Boyce Agro, Sai Cocopeat Export etc are some of the Indian companies in this value chain.

- * **Sphagnum Moss an innovative medium for Effective Growth in Planted Saplings** : Sphagnum moss or Commercial sphagnum moss is a dehydrated by-product of bog plants of genus Sphagnum. Commonly used moss grass is comparatively light in weight, acidic in reaction, sterile in nature and has sufficient water-holding capacity. Hence, it is commercially used as a rooting medium in air layering. Sphagnum moss Peat consists of residues from marsh swamp and organic nitrogen. It helps in fast vegetative growth and is commonly used for growing newly rooted cuttings or newly germinated saplings. Perlite is a



natural mineral of volcanic origin, which is light in weight. Its pH is, usually, neutral to slightly alkaline. Its use with perlite and nutrients further enhances growth due to its use. Both these materials are region specific hence are imported. Some of its advantages are,

1. Rejuvenates Carbon content in overused and demineralised soil.
2. Maintains ideal pH and EC level for growing flowers, fruits and vegetables.
3. Organic matter 93% and acts as an ideal mulch for soil. Good soil aeration.
4. Water savings by ability to hold just enough moisture in case rainfall deficient areas.
5. Ability to absorb nutrients.
6. Established in world wide and fast replacing coco peat. 3mm to 10mm runs well for most of soil.
7. Dynamic usage across varied Crops.
8. Effective and predictive Cost Spread.
9. Cost effective for areas away from coast.
10. Can be enhanced by mixing 15-20 Ltr. water in 250 Ltr.
11. Lower carbon emissions.
12. Promotes 95% germination of seeds.
13. Does not develop fungus over long period of time during storage.

The planting medium industry also comprises of the industry units which make plastic pots and trays which are used for seeding or grafting purpose. These also include the ones used in tissue culture labs.

- * **Green Houses Making Industry** : Technical innovations include the "closed greenhouse", a completely closed system allowing the grower complete control over the growing process while using less energy. Greenhouse farming in India may seem a costly and intimidating affair. However, horticultural departments and state governments provide subsidies to encourage polyhouse farming among farmers and nurseries. Credit availability is easy in context to information regarding production technology, cost compo-

nents, margin, etc. which further facilitates the process. This industry has flourished in India with top brands like Sanvi International, Star Agro, Eco-Friendly Services, Finolex Plasson Industries Pvt. Ltd. Etc.

- * **Organic Fertilizers and Pesticides** : The key participants in the global organic fertilizers market include organic fertilizers manufacturers and suppliers from India such as Tata Chemicals Limited, Coromandel International Limited, National Fertilizers Limited, Krishak Bharati Cooperative Limited. Govt. of India figures indicate 11.8 million acres of land in India to be under organic certification, out of which around 1.8 million acres is cultivable land is under organic certification. Thus this industry is part of the backward linkage as well as part of the production part of the linkage of the agri-value chain.
- * **Tissue Culture Lab Equipment** : The tissue culture lab requires physical as well as process infrastructure which requires equipment such as Water Purification System, Refrigerator/freezer, Electronic Balance, electronic measurement equipments, biochemicals and media, glass ware etc. These are manufactured by process equipment engineering product makers.
- * **Export Potential** : There exists immense export potential in this sector. There are many tissue culture labs who have made their mark on the world map. Some of them are L.J. International Ltd., a part of the A.V. Thomas Group of Companies, is a pioneer in Commercial Plant Biotechnology in India. It was set up in 1987, a state-of-the-art Plant Tissue Culture laboratory in the Special Economic Zone at Cochin in Kerala, with a view to tap the vast export potential for Tissue Culture plants. Today, the Company has the capacity to produce 10 million plants/annum. The product range covers more than 70 products comprising of Flower, Fruit, Forestry, Foliage and Medicinal plants which are exported to several countries in the Americas, Europe, Africa, the Far East and Australasia.



Ishved Biotech is another such company with one of the largest plant tissue culture Unit of international standards built on 20 hectares of land, in Maharashtra, India. They are engaged in mass production of tissue culture plants belonging to Horticulture, Floriculture, Ornamentals, Forest /Timber and Medicinal Plants. Ishved Biotech Plant Tissue Culture Unit is certified by the Department of Biotechnology (DBT), Govt. of India for quality production of tissue culture plants. Their exports include the middle East, East Asia, Europe and USA.

There are number of plant nurseries too like Ankur, Jagtap etc having exports of different types of plants.

Thus we fairly conclude that the backward linkages on their own are capable of supporting other allied industries as mentioned above generating employment and network in all these allied industries more importantly playing a key role in agriculture exports.

- * **Relevance of nurseries and tissue culture laboratories to SDGs :** Sustainability is typically framed as the three pillar concept, which distinguishes between environmental, social and economic dimensions. The sustainable development framework, adopted by the global community consists of 17 SDGs and 169 targets, to be achieved by 2030. SDG 2 focuses explicitly on food by seeking to “end hunger, achieve food security and improved nutrition and promote sustainable agriculture”. SDG 1 focuses on poverty reduction, where agriculture and food has a key role to play. In true sense when we discuss about sustainability the backward linkages or the pre production units have embraced Sustainable Goals perfectly. Because they employ sustainable inputs and depend more on organic inputs rather than inorganic ones in terms of fertilizers and pesticides. The entire system is based on principles of organic farming. The main reason behind this farming culture being the need to export plants in countries where organic

certification is mandatory. SDG 1 and SDG2 receive value addition by the introduction of such backward linkage in the value chain since productivity gets enhanced through sustainability by enhancing the use of organic farming. Thus reducing hunger and malnutrition on one hand and reducing climate change and protection of natural resources and enhancing jobs on the other hand. Thus attaining SDGs of ending poverty and bringing in inclusive growth.

- * ***Economies of Scope: Introduction of the backward linkages in the Agri-Value Chain :***

Agriculture plays a significant role in the Indian economy and provides employment and livelihood to a large section of the Indian population. Approximately 44% (as per ILO estimate of 2018) of the working population is employed in agriculture and allied sector. However, the contribution of agriculture to GDP has been declining from 52% in the 1950s to 30% in the 1990s and further below 20% from 2010 onwards as per data from Ministry of Statistics and Programme Implementation (MoSPI). In 2018-19, the share of Agriculture & Allied Gross Value Added (GVA) in overall GVA was 16% (Ministry of Agriculture and Farmers’ Welfare (MoA&FW) Annual Report 2018-19). Allied activities contribute approximately 40% to agricultural output, whereas only 6- 7% of agricultural credit flows towards allied activities. One important characteristic of Indian agriculture is that it is mainly small holders’ farming with an average landholding size of 1.08 hectares. The small and marginal farmers account for 86 per cent of all holdings and 47 percent of the operated area. They contribute more than 50% of the total agricultural and allied output. In smallholder farming, it remains a challenge to raise agricultural productivity and farmers’ incomes. It requires appropriate solutions starting with easy access to modern inputs and then selling the produce in most remunerative markets.

The backward linkages have not only introduced time management in farming methods but at the



same time more focus on innovation through controlled environment. The backward linkages have enabled easier crop rotation techniques with value addition to the farmer's economy over the entire stretch of the year. It is observed that most of the farmers are now engaged in occupations other than mainstream farming like poultry farms, animal husbandry, aquaculture, compost making etc thus adding value to their pockets.

- * **Government Schemes for plant nurseries and tissue culture labs:** Unlike the farming output intense quality control needs to be in place due to the replanting of the plant and yielding of quality fruit. Thus nursery and tissue culture labs are thus regulated under the Nursery Registration Act. Government Regulations and Support for Nursery Availability of quality planting material is a prerequisite for the success of horticulture development initiatives. The Nursery Registration Act is presently in force in respect of horticulture nurseries only in the States of Punjab, Maharashtra, Himachal Pradesh, Uttar Pradesh, Uttarakhand, Jammu and Kashmir, Orissa and Tamil Nadu. A system of monitoring exists for horticulture nurseries in the States of Andhra Pradesh, Assam, Bihar, Goa, Haryana, Karnataka and Kerala. Since agricultural development is enlisted as a state subject in the Indian Constitution, some of the development schemes are

initiated by the Central Government. This includes provisions and support for infrastructure for horticulture development. The Horticulture development schemes include support for Fruit cultivation, Vegetables, Flowers production and it invariably includes support for establishment of plant nurseries. The support under these schemes is granted for farmers where the conventional uses of improved methods of plant propagation is either difficult or is not possible due to various reasons. Various provisions of establishment of Fruit Plant nurseries come under the control of Nursery Act promulgated by different states.

Nursery and tissue culture labs save considerable time for the raising of the next crop. Thus these backward linkages are thus boon to the marginal farmer however the location of such nurseries close to farming areas becomes necessary. These backward linkages are revolutionizing agriculture in many dimensions to emerge as one of the preferred destinations not only for employment but also in terms of entrepreneurship.

There is no doubt the agriculture value chain is expanding its universe of opportunities with more and more innovations in the farming sector thus leading to rural development. The entire value chain model now looks similar to the runner plant with roots at various junctures and industries sprouting at every juncture.





MODEL RECOVERY POLICY FOR FARM AND NON-FARM TERM LOANS

Shri K. K. Ravindran*

INTRODUCTION

- Loan recovery is an important activity in the bank that helps to recycle funds, to generate returns for the institution and to convert losses into income.
- The Bank views recovery as an essential part of credit cycle and not just as the final step. Loan/field officers, therefore, remain responsible for loan recovery during the life of loan.
- Bank believes that early detection of problem loans is important in the recovery process and finds that the system of quarterly/half yearly/yearly due dates make early detection difficult, since by the time the account is identified as problematic when one or two instalments are defaulted the amount of arrears surges beyond the capacity of the borrower to pay in the normal course.
- Agriculture is prone to specific risks such as climate risk, risk of pests and diseases and price risks. The Bank shall endeavour to make the clients aware of the importance of these risks and loan/field officers shall take these risks into account in the loan design and shall suggest appropriate risk proofing measures. A provision shall be included in agricultural term loans for rescheduling the instalments fallen due in a bad crop year either partly or wholly, depending on the extent of losses as well as the impact of such losses on overall repaying capacity of the client.
- The Bank finds that low level of financial literacy among farmers and other rural borrowers is an important challenge in loan recovery. Most of them are not habituated to thrift and savings to aggregate their routine savings for loan repayment. The branch/PCARDB shall strive to make borrowers aware of the importance of keeping records of their income and expenses, thrift and savings and financial planning with provision for loan repayment on due dates.
- The Bank shall fix a weekly date for disbursing new loans and shall hold an interface with all the group of borrowers who are getting their loans on that day on important terms and conditions of loan, importance of timely repayment and consequences of delay in repayment, importance of maintaining records of their income and expenses, importance of keeping routine savings in thrift account with the bank, importance of insuring assets depending on risk perception and experience, keeping the bank informed about issues relating to their farm/ nonfarm activities, the contact details of loan officers they have to be in touch with etc
- The bank shall also extend clients the facility of thrift account with the PCARDB/Branch to accumulate their routine savings for loan repayment on due dates as well as for their other requirements.

Specific objectives of recovery policy of ARDBs

Specific objectives of Bank's Recovery Policy as spelt out in this document shall be

1. To raise/maintain percentage of loan recovery at above 75% of demand.
2. To bring down total amount of arrears to below 50% of net worth.
3. To ensure total collections during a year to a minimum level of 110% of total amount required for repayment to lending agencies and depositors.
4. To bring down gross NPAs to below 10% within 3 years and below 5% in 6 years.

Causes of default

Loan default occurs due to a variety of reasons, both internal and external. While the bank does not have much control over external factors affecting recovery, identifying internal issues and analysing such issues critically will be helpful in the recovery process. The

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Bank recognises that these internal issues can be from the bank side as well as from the client side, and that the bank as well as the client should take necessary corrective actions to address such issues.

FROM BANK SIDE

1. At the application stage

- To raise/maintain percentage of loan recovery at above 75% of demand.
- Mismatch in maturity, terms and conditions and loan size
- The client not well advised on the product characteristics.

2. At the appraisal stage

- Failure to properly assess the repaying capacity.
- Failure to assess the repayment wiliness of the borrower.
- Failure to consider specific risks and incorporating appropriate risk control/risk proofing measures in the loan design/terms and conditions.
- Failure to fix proper terms and conditions including repayment dates and regularity of instalments based on the overall cash flow of the client

3. At the approval stage

- Loan approvals influenced by subjective factors and external recommendations and pressure to meet disbursement targets
- Loan approval based on level of trust in the loan officer and not on the basis of objective factors.

4. At the disbursement stage

- Delays in disbursement leading to infructuous investments or diversion of loan for consumption purposes when investment opportunity is lost.

5. At the monitoring stage

- Lapses in periodical monitoring and follow up of loan utilisation and working of the project results in loss of opportunity for timely interventions for corrective measures, when post disbursement actions by the client is not taking place as projected.

FROM THE CLIENT SIDE

1. Objective causes

- Loss of income due to bad harvest, job loss, illness and unanticipated social expenditure etc.

2. Emotional causes

- The clients consider loan as his privilege even though he is unable to afford it. Such type of clients usually lead a lifestyle beyond their income.

3. Intellectual causes

- The clients are able to pay but have trouble to budget their income and expenses as they do not keep records and mismanage cash flows due to lack of financial planning.

4. Intentional default

- They are wilful defaulters who even use fraudulent means to obtain the loan and do not repay even if they have the capacity to pay.

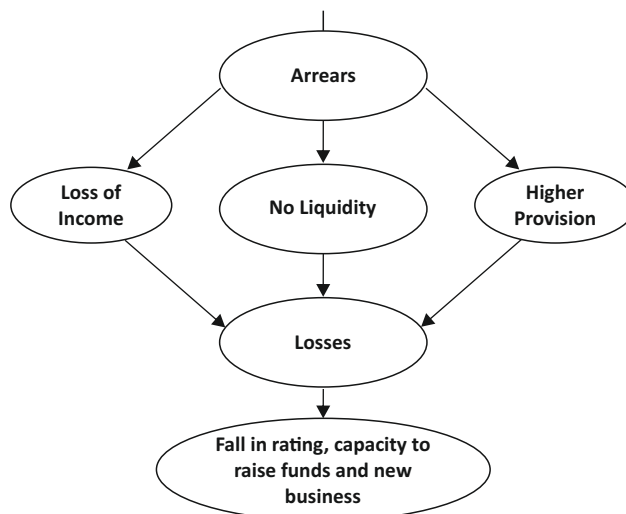
Borrower Profile

- As part of loan appraisal, the bank shall collect all information to the extent possible on credit worthiness of the borrower and repaying history in the earlier loans from banks concerned.
- The bank shall obtain credit score report from credit bureaus (CIBIL/Equifax/Experian/Highmark) which shall also be considered for deciding loan eligibility and quantum of loan.
- The Loan Officer shall also check the database of CERSAI (Central Registry of Securitisation Asset Reconstruction and Security Interest of India) for details of existing loans to avoid multiple financing against the same property. Such details are available in the website of CERSAI by searching on the basis of asset details or debtor's details.
- ARDBs also shall upload the mortgage details of loans issued in CERSAI database to prevent other banks to give loan on the security of the same property.



Consequences of arrears

Arrears leads to losses due to higher provisions and lower income which in turn results in less new business in the absence of recycling of funds and reduction in borrowing capacity.



Preventive measures

The Bank believes that prevention is always better than cure, particularly in dealing with loan default. It shall be the endeavour of the Bank to take following steps to increase the rate of timely repayment by clients so that the need for post due date recovery measures can be brought down significantly.

Recovery friendly loan procedure and system of lending

- Sanctioning of loan and fixing repayment due dates and schedule strictly based on repaying capacity of the farmer/client rather than value of collateral or other considerations.
- Educating the client in simple terms about his or her obligations to repay one time and the consequences of default.
- Regular monitoring of activities undertaken by the borrower using the loan amount.
- The bank shall prepare and implement an incentive/penalty scheme for Loan Officers for their performance in loan recovery. The bank shall also introduce an incentive scheme for clients to promote prompt repayment.
- Adequate incentive/penalty system for loan

officers with regard to CR, promotions, special appreciation etc., for good performance and reprimands, warnings, delay or loss of increments etc., for bad performance.

- Adequate incentives for clients to always repay on time.
- Cluster based group approach for efficient and effective follow up. Most of the Branches/PCARDBs with jurisdiction a large as an entire Taluka are operating with one or two loan officers. In such cases priority of the bank should be to promote its loan schemes in potential clusters with the objective of getting maximum number of clients from a locality, to make regular follow up easy and cost effective. Cluster based loaning will also help formation of groups for undertaking other activities in the value chain like supply of quality inputs, procurement storage processing and marketing of produce to maximise returns by avoiding involvement of several layers of middle men in the journey of the produce from farm to ultimate consumer.
- The Bank shall make Cluster based group lending mandatory particularly for sanctioning small loans,



working capital loans for small traders, tiny household enterprises run by women etc.

- Avoid undue delay in sanctioning loans and wasteful expenditure on the part of the client for getting the loan by taking following measures.
- * Evolving a system for completing most part of processing of applications at the place of the borrower or at contact point near his place as much as possible.
- * Applicant should not be called to the bank in connection with the processing of loan application unless it is absolutely required.
- * The loan recommendation note prepared by the office should indicate among other things the number of times the applicant had to visit the bank in connection with the processing of his application and also the time lag at various stages of processing.
- Counselling sessions for loan applicants before documentation to explain the general terms and conditions of loan, the repayment schedule, importance of timely repayment, penalty for delayed repayment and legal actions against the defaulters etc.

Production credit/working capital

- The Bank shall ensure that there is provision for adequate working capital/production credit either as part of term loan (composite term loan) or separate short term loan or by sanctioning credit limit.

Sanctioning credit limit to LT borrowers who are regular in repayment

- A good number of LT borrowers of ARDBs also borrow from informal sources for meeting contingency credit needs which drastically reduce their capacity to repay their loan from the bank. In order to address this problem, the bank shall introduce a scheme for sanctioning yearly credit limit on the security of existing mortgage.
- The credit limit shall be sanctioned only to clients who are prompt in repayment in the case of

existing LT borrowers. In the case of new clients credit limit shall be sanctioned only after one year of availing LT loans if the client remains regular in repayment.

- The eligibility as well as quantum of credit limit shall be on the basis of repaying capacity of the borrower.
- The yearly credit limit is renewable in subsequent years for clients who continue to remain regular in repaying his loans.
- The bank shall use owned funds, deposits as well as Short Term borrowings from NCDC etc. to fund the credit limit scheme.

Fixation of repayment instalments

- Repayment instalments are being fixed based on composition of income sources and regularity of income from various sources.
- If the borrower has regular income from other sources monthly instalments can be fixed to that extent in consultation with the borrower supplemented by additional quarterly, half yearly or annual demand based on income from the project financed.
- Even in case of existing half yearly or yearly demand, the bank should collect the same in monthly parts with monthly notices for payment.
- In the case of loans for trading activities, arrangements shall be made for daily collection of repayments either through internal arrangement by a group of borrowers themselves from a particular area or by engaging collection agents by the bank on commission basis.

Instalment system

- Equal instalments or graduated instalments of principal with interest on outstanding balance at the time of each demand is more repayment friendly than equated instalment system.
- Bank shall obtain post-dated cheques towards instalments at the time of disbursement of loans, wherever feasible.



- A system shall be evolved at branch/PCARDB level for effective pre due date follow-up through SMS, telephone calls and personal contacts in high value loans, after sending demand notices on time.

Thrift deposit account

- ARDBs not being banks coming under BR Act cannot offer saving products like other banks. However, they can offer the facility of opening thrift deposit accounts by borrowing members. Thrift deposit accounts shall be made mandatory for borrowing members to keep their routine savings which can also be used for payment of instalments on due dates as well as for withdrawals through withdrawal slips according to requirements after keeping the minimum balance

Key principles of recovery

- The recovery process is defined as the set of coordinated, appropriate and timely activities aimed at full recovery of loans from clients. The process is intended to convert bank's receivables into liquid assets as quickly and efficiently as possible while at the same time maintaining the goodwill of the clients in accordance of future transactions.
- It is important that recovery activities are founded on efficient strategies and timely negotiations prior to initiating legal recovery. The Bank shall organise post due date recovery follow up based on the following key principles of recovery.

1. Analysis of borrower's past repayment history prior to first contact:

It is important to understand if the borrower was delinquent earlier on this loan or a previous loan - if so, when, how often and for how long.

2. Validate the debt:

Make sure the client agrees to the amount that is due, including interest and penalties if applicable. Clients generally appreciate the efforts and will give positive feedback and a feeling of responsibility.

If the client disputes the amount due, try to find

where the problem is. In some cases there could be reasons such as repayments not recorded or the client is not aware of the exact rate of interest and other charges etc. It is recommended to solve these issues early on the recovery process.

3. Listen to the client and understand the root cause of the problem:

The objective is to assess client's financial situation, current sources of income, the exact reason for loan becoming past due, whether default has occurred because of wrong repayment period and repayment schedule given by the bank, whether default is intentional in spite of the client having ability to pay.

4. Negotiate and obtain a Promise To Pay:

In the absence of a direct payment of full amount it is important in the interaction with the client, to obtain a Promise to Pay (PTP) specifying the amount to be paid and the date. Ideally the date should not be longer than 30 days. The PTP should be made in writing and it is advisable to have a printed format for the same. The loan officer should remind the client over phone about PTP about a week before its due date.

5. Always follow up immediately:-

As soon as the account is one day overdue there should be contact with the client on the same day. A defaulter list should be prepared for each due date immediately after close of business on that day, for this purpose.

Similarly, as soon as the date of a PTP falls due there should be a contact with the client on the same day.

Failure to follow up will be understood by the client as a sign of weakness on the bank either due to lack of up to date information or due to lack of commitment. Either way the client will take advantage of bank's weakness which will strengthen his reluctance to pay.

6. Record each interaction with the client:

Each interaction with the client whether on phone,



by letter, on the street or at his house or farm should be duly recorded and the details should be available in the loan file. The record shall summarise the conversation and specify the PTP in detail. This will immensely help when different officers who are coming into contact with the client.

7. Offer payment alternatives to stay on speaking terms with the client:

While bank staff has to convey clear message to the client that overdue payments have to be made by certain dates, it is important always to stay on speaking terms with the clients. If clients stop answering calls from bank and hide when they see a bank vehicle approaching, recovery becomes increasingly difficult. As part of this strategy, it is important to offer client's payment alternatives to immediate payments in the form of a PTP or if the client's financial situation has deteriorated, offer rescheduling or restructuring, or suggest selling part of mortgage land to close the loan, if there is no other option.

8. Contact all individuals related to the client:

In order to have maximum impact of recovery work, the loan officer may contact all individuals related to the loan including co-borrowers, guarantors, joint owners/heirs of security property to the extent that is legally permissible.

RESCHEDULING AND RESTRUCTURING

Rescheduling involves the granting of additional time for loan repayment thereby lowering the instalment. Rescheduling is done on the basis of current sources of income.

Restructuring may go beyond granting additional time and may involve granting additional facilities such as additional finance, waiver of penalty and blocking part of the interest due. Additional finance is considered only if there is sufficient income and repaying capacity as well as adequate security for both loans.

Rescheduling or restructuring becomes necessary when agricultural loans fall in arrears due to the

following reasons.

- * The cause of arrears lies in poorly structured loan for instance if the repayment schedule given by the bank does not meet the client's seasonal cash flow.
- * The cause of arrears is poor harvest particularly when agriculture is the significant source of income and repayment capacity.
- * Casualty of livestock or poultry when livestock or poultry is the main source of income and repaying capacity.
- * The most important factor to be considered before rescheduling or restructuring is whether the borrower will have sufficient repaying capacity to pay the instalments of the rescheduled / restructured loan.
- * It is a waste of time to reschedule/restructure if repaying capacity is not sufficient

Compromise Settlement/One Time Settlement

Compromise settlement refers to a negotiated settlement where a borrower offers to pay and the bank agrees to accept in full and final settlement of its dues, an amount less than the total amount due as per the loan contract. This settlement invariably involves a certain sacrifice by the bank by way of write off and waiver of a portion of its dues on a one time basis. As a norm, the amount waived can be up to the opportunity cost of anticipated further delay in recovering the loan in the absence of compromise settlement. The settlement decision shall be approved by the designated competent authority of the ARDB. Though precise guidelines for compromise settlement are difficult the bank shall follow the following principles while considering compromise settlement.

- * Compromise settlements can be considered at any stage in the recovery process.
- * The negotiation regarding the amount of sacrifice or incentive given to the client shall be within a pre decided ceiling equivalent to penal interest and a portion of charges.
- * If the borrower is unable to pay the entire



settlement amount immediately the bank shall recover at least 25% of it upfront. The balance shall be recovered in instalments within a maximum period of one year together with the interest at the existing rate from the date of settlement upto the date of final payment.

- * The amount waived shall be adjusted only in the last instalment and in case the entire amount is not paid within one year the borrower shall forfeit amount agreed to be waived.

Legal recovery

- When all recovery strategies as per the key principles of recovery process mentioned above fail to give result, legal recovery is the only option available as it is obvious that the client is avoiding repayment in spite of having ability to pay. The first step of legal recovery is preparing the list of clients who are wilful defaulters which may be done and updated on a monthly basis in respect of all overdue loans where the loan officer completed all post due date follow-up strategies as mentioned above.
- Legal recovery measures involve the following steps.
 - * Pre foreclosure notice immediately on classification of wilful defaulter followed by measures like publishing of defaulter list in newspapers particularly in cases involving substantial amount.
 - * Foreclosure of loan.
 - * Legal notice for recovery before filing execution petition with the sale officer.
 - * Initiating sale proceedings in batches of upto 5 cases at a time in each branch/PCARDB in the order of amount recoverable under due notices.
 - * Giving statewide publicity to sale proceedings.
 - * Taking steps to ensure the success of sale proceedings including arranging bidders from other districts.
 - * Advancing land purchase loan to prospective buyer if required.

Outsourcing legal support for issuing notices and completing sale procedure.

- * In case of shortage of staff for attending to legal recovery work banks should take the services of legal firms in their panel to issue timely notices on a fee based arrangement. Bank may fix the outsourcing fee after negotiations for issuing all required notices and other communication till recovery of full outstanding amount which can be Rs.1000 per loan account where amount recoverable is upto Rs.1 lakh and Rs.1500 where it is more than Rs.1 lakh.

Monitoring Committees

- Monitoring Committees shall be constituted at HO/branch/PCARDB level consisting of members of board and officers in charge of recovery for setting recovery targets and reviewing the progress of recovery on a monthly basis.
- The Loan Officer shall be responsible for maintaining quality of lending and continuous monitoring of activities undertaken with the loan as well as recovery including pre-due date as well as post-due date follow up as per guidelines in the Recovery Policy.
- The Loan Officer shall be given recovery targets in terms of percentage to demand as well as amount of collection which shall be the basis for reviewing their performance.
- SCARDBs shall issue detailed working instructions to its subordinate offices, branches and PCARDBs to implement the recovery policy.



आर्गेनिक खेती से हो रही बस्तर में क्रांति

छत्तीसगढ़ के बस्तर और दंतेवाड़ा जैसे क्षेत्रों का नाम सुनकर माओवादियों की हिंसा संबंधी खबरें जेहन में तैरने लगती हैं। वहां पर एक अरसे से माओवादियों का असर रहा है। पर उसी आदिवासी क्षेत्र में एक अलग तरह की रचनात्मक क्रांति हो रही है। उस क्रांति से आदिवासी बहुल क्षेत्र बस्तर के सैकड़ों आदिवासी परिवारों की जिंदगी में खुशहाली आ गई है। वे आर्थिक रूप से आत्मनिर्भर हो चुके हैं। ये इस मुकाम पर पहुंचे हैं जड़ी-बूटी की खेती से। इन्होंने सफेद मूसली की खेती से अपने किसान जीवन की शुरुआत की। इन्हें शुरु में कम अनुभव और बाजार की अनुपलब्धता के चलते कोई बहुत लाभ नहीं हुआ, लेकिन इन्होंने हार नहीं मानी। अपने लिए रास्ते तलाशते रहे। इन्हें मार्गदर्शन मिला डॉ. राजाराम त्रिपाठी जैसे बैंकर से बने नए दौर के कृषि क्षेत्र के उद्यमी का।

डॉ त्रिपाठी के मार्गदर्शन, मेहनत और अनुसंधान के चलते इन सीध-सरल आदिवासियों ने खेती का एक समावेशी व नवोन्मेशी मॉडल विकसित किया, जो आज हजारों युवाओं और किसानों के लिए प्रेरणास्रोत बना हुआ है। ये सब सफेद मूसली, स्टीविया, त्रिकटू, काली मिर्च, शतावरी, अश्वगंधा जैसी अनगिनत जड़-बूटियों की आर्गेनिक विधि से व्यावसायिक खेती करते हैं।

आज जब कि खेती करना बहुत लाभ का धंधा नहीं रहा, तब ये आदिवासी किसान संतुष्ट हैं। इन आदिवासियों को वनापौधियों की खेती का रास्ता बताया और समझाया डॉ त्रिपाठी ने उन्होंने इन्हें खेती को लाभदायक बनाने के गुर बताए और बस्तर के जंगलों में रहने वाले हजारों आदिवासियों के लिए उनके प्राकृतिक रहवास में ही रोजगार के अवसर सृजित किये। खेती के कई नये मॉडल प्रतिपादित किये, जिनका आज लाखों की संख्या में देश भर के नए कृषि उद्यमी अनुसरण कर रहे हैं।

बस्तर के मॉडल को भारत सरकार ने भी स्वीकार किया है और कोरोना संक्रमण के दौरान लॉकडाउन से बेपटरी हुई अर्थव्यवस्था को पटरी पर लाने के लिए तथा कृषि क्षेत्र को आत्मनिर्भर बनाने के लिए हर्बल खेती को प्रोत्साहन देने की घोषणा की है। उन्होंने छत्तीसगढ़ के बेहद पिछड़े आदिवासी जिला कोंडागांव के चिखलपुट्टी गांव में किसान के निजी जमीन पर देश के पहले एथिनो-मेडिको हर्बल पार्क की स्थापना की, जो एक नजीर बन गई है। हर्बल खेती व हर्बल रिसर्च

करने वालों के लिए यह एथिनो-मेडिको हर्बल पार्क एक तीर्थ स्थल के रूप में मान्यता प्राप्त कर चुका है। इन्हें देश का सबसे पहला अंतरराष्ट्रीय स्तर पर प्रमाणित जैविक हर्बल फार्म की स्थापना का भी श्रेय जाता है। इस कोरोना काल में सारे देश में हर्बल चाय काफी लोकप्रिय हुई। यह हर्बल चाय लोगों की रोगप्रतिरोधक क्षमता बढ़ाने वाली रामबाण औषधि के रूप में स्थापित हुई है।

कृत्रिम रूप से प्राकृतिक जंगल कैसे बनाया जाता है, इसकी नजीर भी इन्होंने एग्रो फारेस्ट्री के रूप में पेश की। आज ढाई लाख से अधिक पेड़ (आम, महुआ, ऑस्ट्रेलियन ध्वर्मी टीका) इस एग्रो फारेस्ट की संपन्नता की कहानी बयां कर रहे हैं। इनके एथिनो-मेडिको पार्क में संयुक्त राष्ट्र के रेड डेटा बुक में शामिल किये गये ४०० से अधिक प्रजातियों की जड़-बूटियों का संरक्षण संवर्धन हो रहा है। यहां के मां दंतेश्वरी हर्बल फार्म ने काली मिर्च का रिकार्ड उत्पादन कर यह साबित कर दिया कि काली मिर्च के उत्पादन पर केवल केरल का अधिपत्य नहीं है।

आपको इन आदिवासियों से बातचीत के दौरान पता चलता है कि स्टीविया का स्वयं उत्पादन करने के अलावा डॉ त्रिपाठी ने कई किसानों को इसकी खेती के लिए प्रेरित किया और इन किसानों को उत्पादित स्टीविया के लिए बाजार की दिक्कत ना हो, इसलिए भारत सरकार के उपक्रम सीएसआईआर के साथ करार कर स्टीविया एक्सपोर्टर्स प्लॉट भी कोंडागांव में स्थापित किया तथा कड़वाहट रहित स्टीविया की प्रजाति विकसित की, जो वैश्विक बाजार में मधुमेह पीड़ितों के लिए चीनी का सहज विकल्प है, जो हाई कैलोरी से परिपूर्ण है। इनके अपने खेती से उत्पादित जड़ी-बूटियों से निर्मित 'हर्बल टी' देश में अपनी खास जगह बना चुका है। इसके अलावा मां दंतेश्वरी हर्बल प्रोडक्ट्स की कई सारी औषधियों, पावडर और कैप्सूल फार्म में मौजूद हैं, जो आयुर्वेद व हर्बल चिकित्सकों के लिए सबसे विश्वसनीय औषधि साबित हुई है।

दुनिया के कई विश्वविद्यालय, कृषि अनुसंधान संस्थानों में खेती के अभिनव प्रयोग पर व्याख्यान दे चुके डॉ त्रिपाठी का मानना है कि खेती ग्रामिण अर्थव्यवस्था को फर्श से अर्श तक पहुंचा सकता है। इसी विश्वास के साथ वे अपनी गैर-लाभकारी संस्था संपदा के जरिये आदिवासियों के विकास के लिए लगातार काम कर रहे हैं। मां

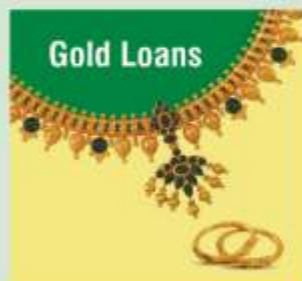


Telangana State Co-operative Apex Bank Ltd.

(State Govt. Partnered Scheduled Bank)

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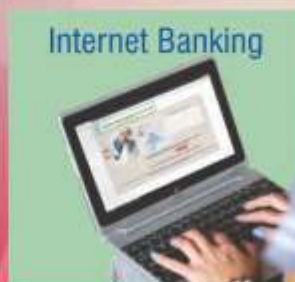
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Customers
A Happy New Year
2020
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Happy Sankaranthi*



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**RECIPIENT OF FIRST EVER INDIRA PRIYADARSHINI VRIKSHA MITRA AWARD PROUDLY
ANNOUNCES JUST A FEW OF ITS RESPLENDENT ACHIEVEMENTS**

Advances (From inception to 30-06-2020)

Over ₹6190.18 crores

No. of loan cases sanctioned as on 30-06-2020

₹18.71 lakhs

Share of Small & Marginal Farmers in Bank's financial assistance.

₹68.77%

Fixed Deposits outstanding as on 30-06-2020

₹367.46Crores

STRIKINGLY INNOVATIVE PROGRAMMES INTRODUCED BY THE BANK

- Non-Farming Rural Enterprises, Rural Housing, S.R.T.O.
- Sericulture, Integrated Horticulture/ Floriculture, Medicinal Plants, Individual Dairy Development and Sheep / Goat rearing / Poultry/ Piggery / Rabbit Rearing / Fisheries and Fishing Boat
- Big and Small Lift Irrigation Schemes
- Rural Godowns / Agri Clinic & Agri Business Centres
- Purchase of Agriculture Lands
- Solar Lights / Solar Pumps
- Purchase of Two Wheelers
- Rain Water Harvesting Structures
- Vermi Compost Units
- Bio-digester
- Farm Mechanisation
- Combined Harvester
- JCB/Dozers
- Coffee curing, Drying yards (Paddy, Areca, Coffee etc.)
- Agricultural Implements
- Gold Loans, Salary Loans etc.

OUR BANK ACCEPTS FIXED DEPOSITS

1. For 91 days 6%
2. For 181 days 7%
3. One year and upto 2 years 8.40%
4. Two year and above 8.50%

5. 0.25% additional Interest to senior citizens

● Bank Advances Gold loan (11%), Vehicle loan(12%), Salary loan(14%), House Mortgage loan(13%), at attractive rate of interest.

● Safe Deposit Locker Facility is available.

● House and Site mortgage loan in Urban area.

STRENGTHEN THE FARMERS' BANK

**FOR DETAILS, PLEASE CONTACT US OR OUR BRANCH OFFICES OR ANY PRIMARY
CO-OPERATIVE AGRICULTURE AND RURAL DEVELOPMENT BANK IN THE STATE.**

K. Shadakshari, Ex-MLA
President

M D Narasimhamurthy, K.C.S.
Secretary I/C

Dr. K C Yathish Kumar, M.A., Ph.D.
Managing Director



ATMANIRBHAR BHARAT PACKAGE

The union government has rolled out Rs 20 lakh crore Atmanirbhar Bharat package to offset the impact of corona pandemic and the consequent lockdown on Indian economy. Does this package meet the expectations of the cooperative sector? To what extent can the cooperative sector make use of the package to ensure that its benefits reach to the people affected by the pandemic? To know the answer, we need to examine key provisions of the package from the perspective of cooperative sector.

PACKAGE FOR AGRICULTURE AND ALLIED SECTOR

As part of the total package, the government has allocated Rs. 1.63 lakh crore for agriculture and allied sector to strengthen Infrastructure, logistics and capacity building at farm gate. Beside creating Rs. 1 lakh crore Agri Infrastructure Fund, the allocation will be spent on various schemes for micro food enterprises, cattle vaccinations, dairy sector, herbal plantation, beekeeping, and fruits & vegetables.

From Agri infrastructure Fund, the government will provide credit support to aggregators, farmer producer organizations (FPOs), PACs, agri-entrepreneurs and startups for creating infrastructure projects at farm-gate and aggregation points for better post-harvest management of crops. PACs should gear themselves up to make use of this fund for creating and strengthening warehouse, cold storage facilities, food grain storage centers, fair price shops, etc. across the country.

Over the years, PACs have proved to be the best institutions to serve the needs of small and marginal framers in the country. Because of geographical proximity and closer personal linkages, our framers find it more convenient to deposit their yield in the warehouses run by PACs than the warehouses located in far-flung towns and cities. But most of the warehouses run by PACs have low capacity and lack advanced infrastructure systems. As a matter of fact, despite enormous potentialities as compared to PSUs and other agencies, the share of cooperatives in

warehousing is merely 15.07%.

Creation of Agri Infrastructure Fund provides a good opportunity for PACs to come up with project proposals for setting up warehouses to prevent small and marginal framers from resorting to distress sale and enable them market their produce at more than the MSP. But the PACs representatives need training in warehousing management. Here, NCUI, which has a vast experience of cooperative training, can play an important role with the help of warehousing organization like Central Warehousing Corporation, WDRA, etc. The central government should designate NCUI as the nodal agency for handing the work related to agri-infrastructure projects of PACs under Agri-Infrastructure Fund.

As another initiative under Atmanirbhar package, a scheme worth 10,000 crore has been announced for formalization of micro food enterprises. The scheme is planned to be introduced via cluster based approach to help two lakh enterprises, especially those dealing in health and wellness goods, nutritional, herbal, and organic products, as well as forest produce. This will help in achieving PM's call of "vocal for local".

Tribal cooperatives, which are involved in value addition off minor forest produce, may utilize this scheme to optimize tribal income. Under Van Dhan scheme of the Ministry of Tribal Affairs, which is implemented by Tribal Cooperative Marketing Development Federation of India, 1,205 tribal enterprises and 1,800 SHGs have been established in 22 states providing employment to about 3.6 lakh tribal gatherers.

Under the package, NABARD has been asked to provide an additional emergency working capital funding of Rs. 30,000 crore to farmers for meeting the crop loan requirements of rural cooperative banks and RRBs which is expected to benefit nearly three crore farmers, mostly small and marginal ones.

This will fulfill capital requirement of cooperative

**Source: The Cooperator April - August 2020*



banks and enables them serve the needs of the farmers. Rs 2 lakh crore credit boost has been given to 2.5 crore farmers under Kisan Credit Card scheme. This is a timely step as cooperative banks, which were facing resources crunch after the announcement of moratorium on loan repayment, will now be able to disburse more credit. Since the farmers are more dependent on cooperative banks as compared to public sector banks for credit, this funding will help the farmers buy agri-inputs such as seeds and fertilizers.

Pradhan Mantri Garib Kalyan Yojana

Rs .1.70 lakh crore has been earmarked for PM Garib Kalyan Yojana under the package to help the poor people withstand the impact of lockdown. Besides free distribution of food grains, under the scheme, 20 crore Jan Dhan account holders will get Rs. 500 per month for three months.

The central procurement agency NAFED has been asked to ensure that the procurement of chana and mustard went on smoothly and the payment was made to the farmers within three days. Recently, NAFED has completed dispatch of 5.05 LMT of pulses under PMGKAV scheme for all. It is heartening that NAFED has taken lead in the implementation of this scheme, and in future also, its contribution will no doubt be vital.

Pradhan Mantri Matsya Sampada Yojna aims to double the income of fish farmers and workers by 2024 by bringing about Blue Revolution through sustainable and responsible development of fishery sector in India. Fishery cooperatives also stand to gain from the scheme. The government may consider FISHCOPFED, which has the best service delivery system in the country, as one of the implementing agencies of this scheme. Rs. 15,000 Crore Animal Husbandry Infrastructure Development Fund has been announced which is expected to raise capacity in dairy industry by about 50%. Besides boosting production and export of value added products, this will also create new employment opportunities in which the role of dairy cooperatives will be pivotal. The announcement of 2% interest subvention to dairy cooperatives and an additional 2% for prompt

repayment will lead to increase in income of dairy farmers. It is heartening to note that the interest subvention scheme will be implemented by NDDDB.

The government has allocated Rs. 500 crore towards beekeeping which will play an important role in doubling of farmer's income by 2024. In accordance with our Prime Minister's vision that cooperatives should emerge strongly in the field of beekeeping, this allocation should be used to strengthen apiculture cooperatives in the states like Kerala, Tamil Nadu, West Bengal, HP, Kashmir, Punjab, etc., and promote similar cooperatives in other states. As most of the farmers in apiculture cooperatives lack hands-on training, the fund should also be used for training of beekeepers and here cooperatives lack hands-on training, the fund should also be used for training of beekeepers and here cooperative training organizations can play an important role. This fund of Rs. 500 crore can be best utilized if it is distributed through cooperatives societies.

MSME PACKAGE

Under MSME package, all business will be provided collateral free automatic loans of up to three lakh crore rupees. A corpus of Rs 10,000 crore will be set up for MSMEs, which will support those MSMEs which have non-performing assets. Under the scheme, Promoters of MSMEs will be given debt from the banks which will be infuse into MSMEs as equity. The government will facilitate Rs. 20,000 crore of subordinate debt to MSMEs. For this it will provided Rs. 40,000 crore to Credit Guarantee Fund Trust for micro and small enterprises which will provide partial credit guarantee support to banks providing credit under the scheme. A specific scheme will be also launched to facilitate easy access to credit for street vendors. Under the scheme, bank credit will be provided to each vendor for initial working capital of Rs 10,000. This is expected to generate liquidity of Rs 500 crore. Cooperative banks can be the best organizations for providing hassle free loans to MSMEs. Recently, the centre has decided to include non-scheduled urban and district central cooperative banks in three schemes to facilitate access to finance



for the MSME sector. These schemes include credit guarantee fund trust for micro and small enterprises, credit linked subsidy scheme, and interest subvention scheme. To expand the outreach of MSME schemes of Atmanirbhar package in rural and semi-urban areas, it is necessary to involve cooperative banks in a big way.

Recently, NAFCUB in its representation to the Finance Ministry has requested that micro, small and medium enterprises of urban cooperative banks hit by Covid pandemic should also be given credit guarantee cover. As most urban cooperative banks are financially sound and have fewer NPAs, they should be given a fair treatment in this regard.

The MSME package also provides good opportunities for khadi and village cooperatives, coir cooperatives, etc. to professionalize their functioning and upgrade their infrastructure.

Increase In MGNREGA Employment Amount

The 5th and the last tranches of Rs. 20 lakh crore stimulus package to boost the economy hit by the pandemic seeks to address the need of employment of migrant workers who have returned to their native places after the lockdown. This will generate 300 crore man-days of employment in total. Given the plight of migrant workers, the time has come to reinvent MGNREGA. Forming cooperatives of wage earners will not only boost agriculture but will also support millions of tenants farmers who work on daily wages under adverse social circumstances. More than 75% of allocation for MGNREGA has to be spent on capital formation in rural areas through building check dams and bunds, improving ponds and reservoirs, constructing rural roads, and strengthening panchayat and PACs infrastructure.

AMENDMENT TO ESSENTIAL COMMODITIES ACT

The government has approved amendment to Essential Commodities Act to transform agriculture and raise farmers' income. While India has become a surplus agri-producer, farmers have not been able to get fair price of their produce due to lack of investment in warehousing, processing and export. At present, farmers are bound to sell agricultural produce only to

licensees' in APMCs. With amendment to Essential Commodities Act, commodities like cereals, pulses, oilseeds, etc. will be removed from the list of essential commodities. The freedom to produce, hold, move, distribute and supply these commodities will lead to economies of scale and drive up investment in cold storage and modernization of food supply chain.

A central law is also planned to be formulated to provide adequate choices to farmers to sell produce at attractive prices. With barrier free inter-state trade, a facilitative legal framework will be created to enable farmers engage with processors, aggregators, cooperatives and exporters in a fair and transparent manner. This will not only help farmers in cooperative organizations get good returns on their yields, but will also enable cooperatives to have better connect with the farmers. As farmers become able to get good returns of their produce, the cooperatives will be able to strengthen their infrastructure by giving full attention to building cold storages and warehouses.

As mentioned above, the various provision of Atmanirbhar Bharat Package like Agri-Infrastructure Fund, Rs. 100 crore scheme for 2 lakh food enterprises, additional Rs. 30,000 crore emergency working capital for farmers through NABARD, PM Garib Kalyan Yojana, PM Matsya Sampada Yojana, Animal Husbandry Infrastructure Development Fund, increase in MGNREGA employment amount, amendment to Essential Commodities Act, etc. throw good opportunities for the cooperatives to contribute to the success of these schemes and get benefited in turn. Though cooperatives can gain a lot from Atmanirbhar Bharat package, a more focused attention should have been given to the problems and issues of the cooperative sector in the package.



Farm Bills Enacted by the Government

The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill

The bill allows farmers to bypass Market yards/ Mandis under APMC Acts to sell their produce within or outside the state. Such trade can take place 'outside trade area' or any place of production, collection or aggregation. Also allows electronic trading of farmers produce in the specified trade area (Market yards/ Mandis) or outside area through electronic devices and internet.

Any registered company or society with IT permanent account number may establish and operate such platforms. Prohibits state governments from levying market fee, cess on farmers, traders and electronic platforms for trade of farmer's produce conducted in an outside area.

The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm services Bill

The bill provides for farming agreement between a farmer and buyer prior to production. The minimum period of agreement will be one cropping season or one production cycle of livestock. The maximum period is 5 years. The price of the produce should be specified in the agreement with a guaranteed

minimum and an additional amount based on reference level. The process of price determination should be specified in the agreement. There will be dispute resolution arrangement binding on both parties but any penalty imposed on farmer cannot be charged against his agriculture land.

The Essential Commodities (Amendment) Bill

The bill provided for regulating certain food items including cereals, pulses, potatoes, onions, edible oil seeds and oils only under extra ordinary circumstances of war, famine, abnormal price rise or natural calamities. In normal times the above food items remain outside the purview of Essential Commodities Act of 1955. The bill also removes restrictions on stock limit of agriculture produce. A stock limit can be imposed only if there is 100% increase in retail price of non-perishable food items and 50% increase in retail price of perishables.

It is argued that farmers will benefit from the bill by getting more options and larger number of buyers for

selling their produce and will get out of the clutches of the monopoly of APMC mandis and thereby realise better price. But there is an opposite view point that play of free market will mark the end of MSP system and APMCs which assure procurement of food grains at MSP. Farmers especially in Punjab and Haryana where MSP is widely implemented are suspicious of what the market dominated by private traders and big companies can offer. They are also afraid that they will become victims of unfavourable terms of trade with big companies. It is expected that these Acts will be amended suitably to allay the fears of farmers.

The Banking Regulation (Amendment) Act 2020

The government has recently brought certain amendments in Banking Regulation Act 1949. The primary objective of these amendments is to facilitate Cooperative Banks (i.e. SCBs, DCCBs, Primary Cooperative Banks/UCBs) to issue equity shares or preference shares or special shares and to issue unsecured debentures or bonds, to its members or any other person on face value or at premium by way of public issue or private placement. The amendment also empowers RBI;

- To allow cooperative Banks to raise equity and unsecured debts from public.
- To empower RBI to prescribe fit and proper criteria for elected directors including qualifications of Chairmen of Co-operative Banks.
- To reconstitute the board to ensure sufficient number of qualified members.
- To supersede board in consultation with state government, to order amalgamation etc.



In these amendments it is mentioned that these provisions will not apply to;

a) Primary agriculture credit society or

b) A cooperative society whose primary object and principle business is providing of long term finance for agriculture development,

If such a society does not use as part of its name, or in connection with its business, the words "bank", "banker" or "Banking" and does not act as drawee of cheques"

Implications

In various sub sections in the chapter on Co-operative Banks in BR Act (Section 56) in its original version the term "Land Mortgage Bank" was mentioned to clarify that the concerned provisions were not applicable to such banks. Through the present amendments the term "Land Mortgage Bank" which are known as

Co-operative Agriculture and Rural Development Banks at present, has been removed from BR Act. Instead they are mentioned as "a Cooperative Society whose primary object and principle business is providing of long term finance for agriculture development" (Let us call it "LT Co-operative" for the sake of brevity)

It is also mentioned that nothing in section 56 in BR Act shall be applicable to LT Co-operatives, if they do not use the term "Bank" as part of their name or "Banking" in connection with their business and they do not act as drawee bank. This implies that even if LT Co-operatives use term "Bank" as part of their name the provisions of BR Act will not apply to them as they not acting as "drawee of cheques" which only licenced banks are allowed to perform.

India's agri exports up 23.24% to over ₹25,500 cr in Mar - Jun: Govt

India's farm exports rose 23.24% in value terms to ₹25,552.7 crores during March-June period amidst the COVID-19 pandemic, the Agriculture Ministry said. To promote farm exports, a "comprehensive action plan" has been prepared under which 'Export Promotion Forums' are being created and existing agri-clusters are being strengthened besides identifying certain destinations for promotion of agricultural exports, the ministry said in a statement. Promotion of farm exports is extremely important not only for earning precious foreign exchange for the country but also for achieving the goal of an 'Aatmanirbhar Bharat', for which self-reliant agriculture is critical, it added. Exports of agri-commodities increased by 23.24% to ₹25,552.7 crore during March-June 2020 as against ₹20,734.8 crores in the year-ago period. According to the ministry, "clear and proactive interventions" are required to be taken to ensure India becomes a top exporting nation in agriculture commensurate with the production. India holds second rank in world's wheat production, but ranks 34th in exports. Similarly, despite being ranked third in vegetable production in the world, India's export ranking is 14th. Same is the case for fruits, where

India is the second largest producer in the world, but export rank is 23rd. Highlighting the comprehensive action plan for promotion of agri trade, the ministry said product specific Export Promotion Forums (EPFs) have been created to lead agri exports to new heights. EPFs for eight agricultural and allied products like grapes, mango, banana, onion, rice, nuri-cereals, pomegranate and floriculture have been constituted under the Agricultural and Processed Food Products Export Development Authority (APEDA). The export strategy focuses on export promotion of fast-evolving niche markets of wellness food, health conscious food and nutraceuticals as well as development of 'Brand India' to help penetration into new foreign markets, and on new products which automatically translates into higher value realisation. "The two-fold approach addresses boosting agri export with emphasis on value-addition and focussed action plan for import substitution. The interventions so identified have been converted into a timed action plan," it added. Exports help farmers/producers/exporters to take advantage of a wider international market and increase their income.



Surplus milk, drop in demand: How Nandini kept farmers smiling through lockdown

On March 24, the day Prime Minister Narendra Modi announced a 21-day nation-wide lockdown to contain the Covid-19 pandemic, unease gripped top managers at Bengaluru headquarters of the Karnataka Co-operative Milk Producers' Federation's (KMF), owner of India's second largest dairy brand Nandini. If swathes of rural Karnataka have a semblance of economic stability, it is brought upon by milk that they supply to the cooperative behemoth. The Rs 14,000 crore the formidable brand generates in revenues touches families of nine lakh dairy farmers, lifting them from abject poverty and hunger. At the onset of the lockdown, KMF and 14 associate milk unions stared into the immediate challenge of not just collecting milk from farmers in 254,000 villages, but supplying to over 10 million customers within Karnataka, and across the border. "It was an unprecedented situation that none of us were prepared to handle. But we had to respond quickly, to keep the supply chain going and keep both dairy farmers and customers happy," KMF managing director B C Sateesh told. Among the first things the KMF management and officials did soon after the lockdown was enforced was to turn offices into their temporary homes. With sections of drivers and workers at chilling and processing units reluctant to work for fear of contracting the virus amid other

transportation issues, officials decided to make themselves available in offices and chilling plants 24x7. "We had to lift the spirit of our employees," said Mrutyunjaya Kulkarni, KMF Director (marketing). About 15,000 employees work for the federation and its affiliated units. Nearly 4,000 vehicles are deployed to collect and distribute milk. Soon, the KMF also announced doubling of salary to employees attending work during the lockdown. "We supplied them food, arranged for transport, introduced hygiene practices in dairy and chilling units. A combination of interventions helped boost the morale of our workers," Kulkarni said. In the first week of April, Chief Minister B S Yediyurappa announced to purchase seven lakh litres of milk from KMF every day and distribute it free of cost in slum areas and labour colonies. "By the end of April, the state had purchased 2.11 lakh litres of milk at a cost of Rs 80 crore. It came as a big relief to plan for the coming weeks," Sateesh said. But some good practices adapted during the lockdown like milk vendors and drivers switching to cashless transactions when the milk is unloaded, stringent hygiene practices such as using gloves and sanitisers are likely to stay. "Lockdown has taught us how to supply milk during a crisis of this magnitude and turn challenges into opportunity," the KMF MD said.

Odisha to provide Rs 1,040 crore credit to 7 lakh landless farmers

The Odisha government has launched a scheme 'Balaram' to provide agricultural credit of Rs. 1,040 crore to landless farmers who are facing hardships due to the coronavirus outbreak, officials said. Around seven lakh landless cultivators will be benefited from the programme in the next two years, they said. The scheme was designed in collaboration with the National Bank for Agriculture and Rural Development (NABARD), he said, adding that the village agriculture workers will implement the programme at the field level. Two state-run organisations - the Institute on Management of Agricultural Extension and the

Agricultural Technology Management Agency (ATMA) - will be the nodal agencies at the state and district levels respectively for implementation of the scheme. Each lender will finance at least 10 JLGs in a year, he said, adding that there are around 7,000 branches of different banks and the Primary Agriculture Cooperative Societies (PACS) in rural and semi-urban areas. The credit would be available as a normal crop loan. "This scheme is the first of its kind in the country. Through this programme, the field-level agricultural workers will get a credit of around Rs. 1,040 crore," NABARD General Manager A Chandra Sekhar said.

Cabinet nod for 1 lakh crore agri-infra fund

The government approved setting up an agri-infra fund with a corpus of Rs. 1 lakh crore to provide financial support to agri-entrepreneurs, start-ups,

agri-tech players and farmer groups for infrastructure and logistics facilities. A decision in this regard was taken at a meeting of the Union Cabinet, headed by



Prime Minister Narendra Modi. The agri-infra fund was part of the over Rs 20 lakh crore stimulus package announced in response to the COVID-19 crisis. The new agri-infra fund, the duration of which will be 10 years till 2029, aims to provide medium-to-long term debt financing facility for investment in viable projects for post-harvest management infrastructure and community farming assets through interest subvention and financial support. Under this, about Rs 1 lakh crore will be provided by banks and financial institutions as loans to primary agri credit societies, farmer groups, farmer producer organisations (FPOs), agri-entrepreneurs, start-ups and agri-tech players. Loans will be disbursed in four years starting with sanction of Rs 10,000 crore in the current year and Rs 30,000 crore each in the next three financial years. The minister said all loans under this financing facility will have interest subvention of 3 per cent per annum up to a limit of Rs 2 crore. This subvention will be available for a maximum period of seven years. Further, credit guarantee coverage will be available for eligible borrowers from this financing facility under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme for a loan of up to Rs 2 crore. The fee for this coverage will be paid by the government. In case of FPOs, credit guarantee may be availed from the facility created under the FPO promotion scheme of

the Department of Agriculture, Cooperation and Farmers Welfare (DACFW). The funds will be provided for setting up of cold stores and chains, warehousing, silos, assaying, grading and packaging units, e-marketing points linked to e-trading platforms and ripening chambers, besides PPP projects for crop aggregation sponsored by central/state/local bodies, headed.

In a statement, the agriculture ministry said the total outflow as budgetary support from the Government of India (GoI) will be Rs 10,736 crore. Moratorium for repayment under this financing facility may vary, subject to a minimum of six months and maximum of two years. The ministry said the agri-infra fund, which will be managed and monitored through an online Management Information System (MIS) platform, will enable all the qualified entities to apply for loan under the fund. The online platform will also provide benefits such as transparency of interest rates offered by multiple banks, scheme details including interest subvention and credit guarantee offered, minimum documentation, faster approval process as also integration with other scheme benefits. The ministry said that facilitating formal credit to farm and farm processing-based activities is expected to create numerous job opportunities in rural areas.

Government's wheat procurement touches record high of 38.98 million tonnes so far in 2020-21

The government's wheat procurement has touched an all-time record of 38.98 million tonnes so far in 2020-21 marketing year (April-March), with Madhya Pradesh surpassing Punjab as the country's biggest wheat procuring state. The previous record was 38.18 million tonnes achieved in 2012-13. Wheat procurement stood at 34.77 million tonnes during 2019-20 marketing year. Wheat marketing year runs from April-March, but bulk of procurement is normally done in the first three months. Wheat procurement target has been set at 40.7 million tonnes for the current year. The state-run Food Corporation of India

(FCI) and state agencies undertake purchase of wheat at minimum support price (MSP). According to FCI's latest data, Madhya Pradesh became the largest contributor to the central pool with 12.93 million tonnes of wheat, surpassing Punjab which procured 12.71 million tonnes. Haryana (7.4 million tonnes), Uttar Pradesh (3.55 million tonnes) and Rajasthan (2.21 million tonnes) also made significant contributions to national procurement of wheat. FCI has a total stock of 81.25 million tonnes as on July 8, of which wheat comprises 54.52 million tonnes and rice is at 26.72 million tonnes.

Govt on track to doubling farmers' income by 2024: Agriculture Ministry official

The government is on track to achieving the target of doubling farmers' income by 2024 and recent farm reforms, including setting up of a Rs 1 lakh crore agri-infra fund, are steps in that direction, a senior

agriculture ministry official said. The recent reforms, including three ordinances to provide barrier-free trading platforms to farmers, are aimed at addressing the post-production challenges and ensuring better



returns to farmers, said Ashok Dalwai, CEO of the National Rainfed Area Authority under the agriculture ministry. Dalwai said the government's price support scheme alone cannot give incentive to farmers. The post-production reforms intend to give incentives to producers so that they are able to generate higher incomes by getting better remunerative prices, and simultaneously adopt new technology and management practices for higher productivity, he said. He also said the rate of gross capital formation is directly related to the income growth. "Looking at the way the government has positively responded and made a huge investment promise now, we are on track," he added. Post-production has been a major challenge in this country. In 1965, the government had initiated the Green Revolution for achieving higher farm productivity and meeting food security. Now, the

country is in surplus, he said. To effect necessary changes in the post-production segment, the reforms being undertaken now are similar to those in 1965, he emphasised. "Many compare with 1991 momentum, but I would like to say this is more 1965 momentum. The 1965 reform was related to production, this is related to post-production," he noted. Stressing on the importance of the farm sector, he said in the 21st century it can be the basis of a "circular economy", where agri produce can feed not just humans and animals, but also provide raw material to industries. The Dalwai committee, constituted in April 2016, has recommended several measures to achieve the target to double farmers' income by 2022. The government, however, shifted the deadline to 2024 earlier this year in a booklet titled 'Transforming India'.

Narendra Singh Tomar releases new guidelines for setting up 10,000 FPOs

Agriculture Minister Narendra Singh Tomar released new operational guidelines for setting up and promotion of 10,000 FPOs in the country. A Farmer Producer Organisation (FPO), formed by a group of farm producers, is a registered body with producers as shareholders of the organisation. It deals with business activities related to farm produce and works for the benefit of member producers. The guidelines were released by Tomar during a meeting with agriculture ministers of states through video conferencing. A total of 10,000 FPOs are to be formed in the country by 2023-24 and each FPO will be supported for five years. About Rs 6,866 crore will be spent for this purpose, an official statement quoted Tomar as saying in the meeting. Highlighting the recent agri-reforms, the minister assured that all necessary

support would be rendered to states to accelerate agriculture infrastructure development, promote FPOs and extend credit facilities to farmers through Kisan Credit Cards (KCC). He said the Rs 1 lakh crore Agri-Infra Fund will be used for extending credit facility for setting up post-harvest infrastructure projects to reduce crop wastage. On KCCs, the minister said there are about 6.67 crore active KCC accounts currently. A special drive has been initiated to register 2.5 crore farmers by the end of this year. About 95 lakh applications have been received since the beginning of the drive in February, out of which 75 lakh applications have been sanctioned, he said. Ministers of State for Agriculture Parshottam Rupala and Kailash Chaudhary and senior ministry officials were also present in the meeting.

Sustainable agriculture is fundamental to food security, need to bring seed diversity back: India at UN

Sustainable agriculture is fundamental to food security, India has said at a high-level UN session, and emphasised the need to bring seed diversity back as shift by farmers from local varieties to genetically uniform, high-yielding breeds has reduced the ability of crops to survive when faced with challenges. India joined Chile and the Food and Agriculture Organisation of the UN (FAO) to co-host the High-Level Political Forum side-event 'On the road to the International Year of Fruits and Vegetables 2021: Highlighting health

and nutritional benefits through sustainable production and consumption of fruits and vegetables'. "We believe that sustainable agriculture is fundamental to food security," India's Deputy Permanent Representative to the UN Ambassador K Nagaraj Naidu said. Emphasising the importance of seed diversity, Naidu said 75 per cent of the world's plant genetic diversity has been lost since the 1900s, as farmers have shifted from local varieties to genetically uniform, high-yielding crop breeds, thereby reducing



the ability of crops to survive when faced with challenges. He said GM crops also have significant socio-economic impacts. Because the seeds are proprietary, farmers have to pay royalties to use them and purchase new seeds every season, facing rising costs, and often increasing debt. "We need to bring seed diversity back and it is here that women have a crucial role to play because traditionally women across the world have been and continue to be caregivers, nutrition providers and the primary seed-keepers. From seed production, selection, enhancement, storage to seed sharing and exchange, women farmers play a critical role," Naidu said. The regular consumption of diverse fruits and vegetables is essential for a well-balanced diet and to prevent micro-nutrient deficiency and non-communicable diseases such as cancer and cardiovascular diseases. However, despite this recognition, worldwide per capita consumption of fruit and vegetables is estimated to be 20-50% short of the minimum level recommended. Low intake of fruit and vegetables is among the top 10 risk factors for mortality in the world and this scenario is largely attributed to unhealthy diets in developed countries and poverty and food

insecurity in developing countries, he said. "The problem also lies with growing monoculture production patterns all over the world," Naidu said adding that according to the FAO, about 75 per cent of the world's food is generated from only 12 plants and five animal species. India, with just 2.4 per cent of the world's land area, is the second-largest producer of fruits with an annual production of 98 million tonnes, accounting for about 10.9 per cent of the world production. India also produces 187 million tons of vegetables annually, accounting for 8.6 per cent of world production. The area under cultivation under fruits and vegetables has increased by about 11 per cent between 2013-14 and 2017-18. India has also deployed ICT to revolutionise agriculture, with the government launching an online platform for trading agricultural commodities (E-NAM). The platform helps farmers, traders and buyers in better price discovery and marketing of their produce all over India. He told the session that India is also implementing post-harvest management technologies including cold chain capacity of 37 million tons to decrease food waste and loss.

Agriculture is turning out to be a green shoot amid economic woes created by the pandemic: Rating agency Crisil

The south-west monsoon has been bountiful in many parts of the country. Rainfall has been up to 80 per cent above normal in Madhya Pradesh and Bihar. In Maharashtra, Gujarat and Punjab, it has so far been in the normal range. The south-west monsoon has been bountiful in many parts of the country. In Maharashtra, Gujarat and Punjab, it has so far been in the normal

range. "Planting of field crops this kharif season has been 44 per cent above last year's level as on July 10. The number also gets helped up by last year's low base. In contrast, rainfall in June 2019 was 30 per cent below the LPA and only 14 per cent of the total kharif season sowing could take place that month," a note from Crisil said.

No impact of COVID-19 pandemic on kharif sowing; acreage up 21.20% so far: Government

There has been no impact of COVID-19 pandemic on kharif (summer) sowing as the total area planted to rice and other crops has increased by 21.20 per cent to 691.86 lakh hectare so far in the current season, the Agriculture Ministry said. The country has so far received good rainfall and water level in 123 reservoirs across the country is in good position, it said in the latest sowing data. Sowing of kharif crops begins with the onset of southwest monsoon from June, while harvesting starts from October. Rice is the main kharif crop, besides bajra, arhar, urad, moong, groundnut

and soyabean. "As on July 1st, total kharif crops have been sown on 691.86 lakh hectare area against 570.86 lakh hectare area during the corresponding period of last year, thus increase in area coverage by 21.20 per cent," the ministry said. So, there is no impact of COVID-19 on progress of area coverage under kharif crops as on date, it said. There has been significant increase in the planting of oilseeds and pulses so far during the ongoing kharif season. Pulses area has gone up by 32.35 per cent to 81.66 lakh hectare, from 61.70 lakh hectare, while that of oilseeds acreage has



increased by 40.75 per cent to 154.95 lakh hectare compared to 110.09 lakh hectare in the said period. According to the ministry, the country has received

good rainfall at 338.3 mm against a normal of 308.4 mm as on July.

Mega food park launched in Mizoram, to benefit 25,000 farmers and create 5,000 jobs

Food Processing Minister Harsimrat Kaur Badal launched a food park in Mizoram that will benefit 25,000 farmers and create 5,000 jobs, an official statement said. "The park will leverage an additional investment of about Rs 250 crore in about 30 food processing units in the park and would eventually lead to a turnover of about Rs 450-500 crores annually," she said in the statement. Badal said that in the last six years, 88 projects including 7 in Mizoram, have been initiated for north-eastern India with an outlay of Rs 1000 crore by her ministry which will directly benefit 3

lakh farmers and will provide job opportunities to 50,000 youth from the region. Singh said the park would help double the income of farmers in the area by doing away with the middlemen. He said nearly 40% wastage of fruits in the absence of any processing unit. He said, the North-East Region has the potential to become the Organic Destination of the world due to its rich agricultural and horticultural produce. He informed that Sikkim has already been declared as an organic state.

Farmers in Maharashtra hold protest as milk prices fall 40% after Covid outbreak

Farmers' organisations across Maharashtra have started agitation to get remunerative milk prices for the producers as farm gate prices have plunged to Rs 17/litre. The state government has called a meeting of all the stakeholders on Tuesday to resolve the issue. "Farmers were getting Rs 30-35/litre for cow's milk before lockdown. Now, after the unlocking, the situation is more or less back to normal and yet farmers are getting only Rs 17/litre," said Dr Ajit Navale General Secretary, All India Kisan Sabha (Maharashtra). The agitating farmers' organisations

have demanded a subsidy of Rs 10/litre to be paid directly to the farmers bank account, incentive of Rs 50/kg for export of milk powder. The dairy industry is irked by the decision of the central government to allow import of 10,000 tonnes of milk powder at 15% tariff when the country has huge stocks of milk powder. Large dairies have converted the excess milk they could not sell due to Covid induced demand destruction, into milk powder. Farmers' organisation have demanded immediate halt on the milk powder imports.

Saffron grown in Kashmir gets Geographical Indication certification

Saffron grown in Kashmir has received the geographical indication (GI) tag, with Lieutenant Governor G C Murmu saying that it is a major historic step in bringing the valley's brand on the global map. The Union Government issued a certificate of GI registration for the saffron grown in the Kashmir Valley, an official spokesperson said. Lieutenant Governor, Girish Chander Murmu took a personal interest in ensuring that Kashmir saffron gets GI certification, he said. Pampore, the hub of saffron in Kashmir, is expected to have a bumper crop of the

spice this season due to initiatives taken by the National Mission on Saffron (NMS). Under the NMS, a project of Rs 411 crore was approved by the Union government under which an area of 3,715 hectare for saffron was proposed to be rejuvenated. "The GI certification will stop the prevalent adulteration of Kashmir saffron, thereby, authenticated saffron will fetch much better prices," an official said. He said that Kashmir saffron is the only one in the world grown at an altitude of 1600 metres which differentiates it from other varieties due to its unique characteristics like



longer and thicker stigma, natural deep-red colour, high aroma, bitter flavor and chemical-free processing. The official said that an area of 2,500 hectares has been rejuvenated so far and a bumper production is expected during the current season. Expressing happiness over the development, the Jammu and Kashmir LG said that this is the first major step to put saffron produced in the Kashmir Valley on the world map. With the GI tag, Kashmir saffron will acquire more prominence in export market and will help

farmers get the best price for it, he said. Murmu said that with the completion and inauguration of the State of Art Spice Park next month, these measures will prove to be a game changer for Kashmir saffron. Navin K Choudhary, Principal Secretary to Government, Agricultural Production Department said GI certification establishes specific geographical origin and certifies certain unique qualities of the product. He said that on the directions of the LG, sprinkler irrigation systems are being installed on a war footing in saffron fields and are likely to be completed soon.

Centre to convert ravines of Chambal region into arable land with World Bank support: Tomar

The Centre, in collaboration with the World Bank, has decided to convert large area of ravines in Gwalior-Chambal belt of Madhya Pradesh into arable land, and a preliminary report for the same will be prepared in a month, Agriculture Minister Narendra Singh Tomar said. After preparation of the initial report, subsequent meetings will be held with the chief minister of Madhya Pradesh for further course of action, he said. A decision in this regard was taken in a virtual meeting with World Bank representative Adarsh Kumar, who said the bank is keen to work in Madhya Pradesh, an official statement said. "More than 3 lakh hectares of rugged land is not cultivable and if this area is improved, then this will help in the integrated development of the Bihad area in Gwalior-Chambal region," the statement quoted Tomar as saying in the virtual meeting. He further said the project will not

only help in improving agricultural development and environment but will also create employment opportunities and lead to substantive development of the region. Tomar said there is a lot of scope for development of the Beehad area in Gwalior-Chambal region. The Chambal Expressway will be built and will pass through this area, by which the overall development of the region would be possible. "It was decided that the substantive project would be prepared in collaboration and support from the World Bank to accomplish this work...it has been decided to prepare a preliminary project report within a month," the statement said. Rajmata Vijayaraje Scindia Agricultural University Vice-Chancellor SK Rao said the work can be done keeping in mind the overall agricultural development of the region, the statement added.

Banks sanctions about Rs 90,000 crore concessional credit to 1.1 crore KCC holders

Finance Minister Nirmala Sitharaman said banks have sanctioned Rs 89,810 crore to about 1.1 crore Kisan Credit Card (KCC) holders to help farmers meet finances for kharif sowing and allied activities. As part of the Rs 20.97 lakh crore stimulus package, the government had announced Rs 2 lakh crore of concessional credit through KCC to 2.5 crore farmers, including fishermen and those involved in animal husbandry. "As on 24.07.2020, 111.98 lakh Kisan

Credit Cards have been sanctioned with credit limit of Rs 89,810 crore out of Rs 2 lakh crore concessional credit under the #AatmanirbharBharat package. This will benefit 2.5 crore farmers, including fishermen & dairy farmers," the Finance Minister said in a tweet. This marks an increase of Rs 26,940 crore over Rs 62,870 crore sanctioned to 70.32 lakh KCC holders as on June 30, she said.



India can be among top-5 agri goods exporters with effective policies: Report

By shifting its focus on cultivation and effectively handholding farmers, the country can be among the top-five exporters of agro commodities, according to a report by the World Trade Centre. The report comes at a time when the government has announced some reforms in the farm sector by allowing farmers to sell produce outside the regulated APMC markets, and relaxing the Essential Commodities Act, among others, which can help boost exports. With an annual agro exports of USD 39 billion in 2019, the country is ranked eighth, after the EU (USD 181 billion), the US (USD 172 billion), Brazil (USD 93 billion), China (USD 83 billion), Canada (USD 69 billion), Indonesia (USD 46 billion) and Thailand (USD 44 billion), the WTC report said quoting the 2019 WTO data. "Through focused intervention in capacity-building, we can enhance our agro exports to surpass Thailand and Indonesia, and become the fifth-largest exporter in the world," according to the report. To attain this, as a first step, the study said, the government should re-orient the role of its extension centres - the 715 krishi vigyan kendras across the country - to handhold farmers in growing those varieties of crops that have demand in the global markets. Many a time, Indian consignments are rejected because of the presence of pesticides above the prescribed maximum residual limits, the study noted and said "krishi vigyan kendras should guide

farmers on prudent use of pesticides and other chemicals so that they conform to the global quality standards". "Having attained self-sufficiency in agriculture, we need to re-orient our extension services system, which was developed in the days of the green revolution that focused on attaining self-sufficiency in farm production," the report said. The report added that it is time we move towards growing quality food for the global markets rather than quantity. One key focus area could be cultivating horticulture crops that conform to the quality, colour, shape and chemical contents acceptable in foreign countries or which are fit for further processing. Despite being the second-largest producer of fruits and vegetables, India's share in global exports is under 1.8 per cent. In spite of being the largest producer of papayas, lemons and limes, we meet hardly 3.2 per cent of the world papaya demand, 0.5 per cent for lemons and limes, according to data from the Food and Agriculture Organization. In the past decade, India made remarkable progress in exports of niche items like capsicum chilly, castor oil, tobacco extracts and sweet biscuits, apart from basmati rice, meat and marine products. "These success stories should be and can be replicated in other potential food items," the report concluded.

Rs 700 crore ADB-funded project approved by government to help farmers in Maharashtra

Maharashtra has approved an ADB-funded Rs 1,000 crore project for boosting fruit and vegetable production in the state. The Maharashtra Agribusiness Network (MagNet) project, which has been approved, aims to help farmers across all districts in the state for the next six years. "This will give boost to fruits and vegetables production and benefit to farmers in the Maharashtra. In view of growing demand of fruits and vegetables in coming years in the state and considering losses of fruits and vegetables at different stages, the

MagNet project incentives will be given to small and marginal farmers," the Maharashtra State Agricultural Produce Marketing Committee said in a statement. The project is worth \$142.9 million, or about Rs 1,000 crore, of which 70% would be lent by Asian Development Bank and the balance will come from state government. The state government has authorised bureaucrats to finalise the repayment period of the loan during negotiations for the loan.



Real-time monitoring of Rs 1 lakh crore Agriculture Infrastructure fund in works

The government plans to review its newly launched Rs 1 lakh crore Agri Infrastructure Fund (AIF) after the disbursement of Rs 20,000 crore. The scheme, operational for 10 years, will be reviewed by the Department of Expenditure for evaluation and mid-course correction if required. It will be monitored regularly through an online platform. All assets created under this scheme will be geotagged for effective real-time monitoring. Under this scheme, disbursement is scheduled in four years, starting with sanction of Rs 10,000 crore in the first year and Rs 30,000 crore each in the next three financial years. The government plans to develop an integrated monitoring system at district, state and national levels to monitor implementation of projects. The official

said the system will also provide benefits such as transparency of interest rates offered by multiple banks, scheme details including interest subvention and credit guarantee, minimum documentation, faster approval process and integration with other scheme benefits. Investment in agriculture has been stagnant at less than 2% in the past five years. "Investment in 2016-17 was Rs 2.19 lakh crore out of which private sector share was 83%, against a higher investment of Rs 2.5 lakh crore in 2013-14 and a higher share of private sector at 88%. Lack of investor confidence led to lower plowback ratio at 14% of gross value addition (GVA) in 2017-18, against other sectors which had 33% of GVA in 2017-18," said the official.

Agriculture ministry issues alert on suspicious seed parcels, possibly of Chinese origin

The agriculture ministry has issued an alert about suspicious seed parcels after reports of such unsolicited packets of suspected Chinese origin reaching people in USA and Europe. "We are already fighting with Covid-19 pandemic which has originated from China. Now if any such pandemic is transported

through seeds then it will be difficult to handle. We need to be extra careful," an agriculture ministry official told. The ministry has issued the alert to states, agricultural universities, seed associations, certification agencies and the Indian Council for Agricultural Research.

Crops planted in 90% of cultivable area across India owing to good monsoon rainfall

Farmers have planted crops on 90% of the cultivable area across India, helped by good monsoon rainfall in most parts of the country. Area under cultivation is 10% more than that a year ago. Planting had slowed

down as the monsoon weakened in July, but its revival in the past week has accelerated farm activity. Official data shows that area under rice is 17.36% more than that last year while oilseeds area is up 15.50%.

Farm sector unaffected by crisis, rural economy stable: Narendra Singh Tomar

Union Agriculture Minister Narendra Singh Tomar said the farm sector of the country has remained largely unaffected by the economic crisis triggered by the COVID-19 pandemic. Speaking at a webinar organised by Merchants' Chamber of Commerce and Industry (MCCI), he said the farmers were able to do full harvesting of the rabi crops and the ongoing kharif season is progressing well. "The agricultural sector is largely unaffected. The rural economy remained stable

and there was a bumper harvest of the rabi crops. The ongoing kharif season is progressing well," Tomar said. Prime Minister Narendra Modi will transfer Rs 17,500 crore to the farmers through the press of a button using DBT (direct benefit transfer)," he said. The government is stressing on organic farming, which will help the farmers to get better prices of their produces and also facilitate exports, Tomar said. On contract farming, he said the farmers will get the minimum



support price, and will also be ensured of a buyer of their produce. He said the government is now preparing the guidelines for the Farmer Producer Organisations and Rs 6,500 crore will be spent on this.

Centre releases Rs 553 cr to states to promote mechanization in agriculture sector

The Centre has released Rs 553 crore to states under a scheme to promote mechanization in the agriculture sector. The Sub-Mission on Agricultural Mechanization (SMAM) was launched in April 2014 with an aim to have inclusive growth of farm mechanization to boost productivity. "In the year 2020-21, budget of Rs 1,033 crore has been provided for the scheme, out of which Rs 553 crore has been released to state governments," an official statement said. Agricultural mechanization helps in increasing production through timely farm operations and cut in operations by ensuring better management of inputs. Mechanization also enhances the productivity of natural resources and reduces drudgery associated with various farm operations. The agriculture ministry pointed out that paddy straw burning is one of the major problems in the northern region of the country causing pollution. With an objective of moving away farmers of this region from the practice of crop residue burning, the scheme of CRM (Crop Residue Management) was initiated in 2018 wherein, farmers are provided machinery for in-

Tomar, also the Minister for Rural Development, said the government is spending in boosting rural infrastructure such as roads.

situ management of crop residue through establishment of CHCs (Custom Hiring Centres). Individual farmers are also provided subsidy for procurement of machinery. Total funds of Rs 1,178.47 crore were provided in the year 2018-19 & 2019-20 to Punjab, Haryana, Uttar Pradesh and NCT. "In 2020-21, Rs.600 crore has been provided in the budget for the scheme and Rs 548.20 crore have been released to the states well before time to ensure they can take up the activities in advance," the statement said.

The agriculture ministry has also developed a Multi lingual Mobile App, 'CHC- Farm Machinery' which connects farmers with Custom Hiring Service Centres situated in their locality. This app is facilitating agricultural mechanization in the country by encouraging small and marginal farmers to take machines on rental basis for agriculture practices without them having to purchase such high priced machines. The app has been further modified and been given the acronym of "FARMS-app" (Farm Machinery Solutions-app).

Prime Minister Narendra Modi wants farmers to slash use of urea

Prime Minister Narendra Modi has urged farmers to significantly cut their use of urea to boost income and soil health, and said his government was constantly striving to prop up rural India with steps such as the 1 lakh crore agriculture infrastructure fund, for which he launched the financing facility. Modi also released 17,000 crore to the bank accounts of 85 million farmers as the next instalment of the PM-Kisan

scheme via videoconferencing. With this, the scheme has provided over ₹90,000 crore in the hands of more than 100 million farmers since its launch in December 2018. Modi said farmers can save money and improve soil health by reducing the use of urea. India is a large importer of urea and experts have said excessive use of the subsidised nutrient damages the soil's chemistry and degrades the environment

Govt to make purchase of bio-fertilisers compulsory with urea to reduce use of chemicals

The government is likely to make purchase of bio-fertiliser compulsory for every bag of urea a farmer buys to promote organic nutrients and slash the use of chemical fertilisers. A task force constituted for promoting balanced and sustainable use of chemical

fertilisers has suggested bundling bio-fertiliser with urea bags. It has also asked government to promote drip-fertigation technique in which fertiliser is incorporated within the irrigation water by the drip system. It conserves 30-40% nutrients and cut down



water use by 50%. “We have been (told) to devise a mechanism for cutting use of chemicals and urea in agriculture. Recently, the Prime Minister has urged farmers to reduce use of urea. This has become necessary for conserving soil fertility,” said a senior agriculture ministry official. He said the task force also suggested formulation of crop-wise nutrient requirements to curb excess use of chemicals and fertilisers. “All crops do not require the nutrients in the same ratio. So the application of nutrients in terms of fertiliser requirement should be in tune with nutrient ratio desired for that crop. Advisories should be

issued,” said the official. The official said urea should be brought under Nutrient Based Subsidy (NBS) policy for better subsidy management. Under the scheme, a fixed amount of subsidy decided on an annual basis is provided on each grade of subsidised fertilisers based on their nutrient content. Currently urea is sold at a fixed price decided by the government, irrespective of its cost. The price difference is being given to manufacturers as subsidy. This is promoting overuse of urea, whose overdose is harmful for soil fertility. Subsidy, subsequently, should be passed on directly in farmers' bank accounts.

Agri-based industries demand fiscal help to tide over the pandemic

Agricultural processing industries like dairy and sugar have started demanding fiscal incentives to tide over the pandemic induced glut and losses. The textile industry has sought an extension of moratorium on term loan repayment by another six months from September 1 to March 31. According to the industry estimates, in the first quarter of 2020-21 fiscal, Indian knitwear exports fell a whopping 60.54% to Rs 5355 crore from Rs 13,570 crore the year ago. The dairy industry, which has to procure milk from farmers, has been reeling under accumulated inventory. Maharashtra government has decided to seek assistance from the central government to get subsidy

for export of milk powder. Maharashtra wants central government to bring buffer stock scheme for milk powder and increase subsidy for exports. Farmer organisations have been agitating demanding remunerative price for milk. The sugar industry will continue to enjoy incentives for export of sugar as it has a buffer stock scheme. However, the Nationalist Congress Party, a coalition partner in the government in Maharashtra, has already written to the prime minister demanding one-time grant of Rs 650 crore per tonne of cane crushed by the mills during past two years. Now, the sugar mills have started lobbying to get this relief.

India's farm exports rise 23.24% in March-June 2020 despite pandemic

Agricultural exports rose 23% to Rs 25,553 crore in March-June this year despite the disruption caused by the pandemic. “We have sharpened our focus in exporting value added products and healthcare food products. We also want to deepen our penetration in Gulf countries, which is already a strong market for India, though presently India caters to only 10-12% share of their total imports,” said a senior agriculture ministry official. “Agricultural exports as a percentage of India's agricultural GDP has increased from 9.4% in 2017-18 to 9.9% in 2018-19. While the agricultural imports as a percentage of India's agricultural GDP has declined from 5.7% to 4.9% indicating exportable

surplus and decreased dependence on import of agricultural products in India,” he said. WTO's trade statistics show that share of India's agricultural exports and imports in the world agriculture trade in 2017 was 2.27% and 1.90%, respectively. “India holds second position in production of fruits and vegetables. It exports 8.23 lakh tonnes of fruits worth Rs 5,638 crore and 31.92 lakh tonnes of vegetables worth Rs 5,679 crores annually. However, world trade of fruits and vegetables is US\$ 208 billion and India's share is miniscule. We need to focus on export of horticulture produce,” the official said. The agriculture ministry has created product specific Export Promotion Forums



promote eight agricultural and allied products like Grapes, Mango, Banana, Onion, Rice, Nutri-Cereals, Pomegranate and Floriculture. "Forums will be in active touch with the producers, exporters and other relevant stakeholders of respective commodities and

hear their problems, and facilitate, support and provide solutions to them. They will regularly study the market for respective commodities on a global basis," the official said.

Maharashtra pattern 'Jal Kranti' can change farmers' fate, fast-track highways network: Gadkari

The 'Jal Kranti' initiative in Maharashtra that changed the face of drought-prone districts like Buldhana, if replicated across the country, can not only change farmers' fate but also strengthen the highways network, Union Minister Nitin Gadkari said. Government think-tank Niti Aayog will be framing guidelines in this regard, he added. 'Jal Kranti', a brainchild of the Road Transport, Highways and MSME Minister Gadkari, entails excavation or dredging of ponds in drought-prone areas to ensure rain water harvesting and recharge of ground water. The dredging is done by the highways ministry free of cost in lieu of sand, deposits and aggregates to be used for highways construction. "Buldhana pattern of Jal Kranti in several Maharashtra districts has resulted in prosperity in areas which were earlier known for maximum numbers of suicides. "It has ensured adequate water availability for irrigation and drinking purposes and at the same time soil and sand has been made available to NHAI for highways construction. Niti Aayog, happy with the outcome, is planning to disseminate it in all states," Gadkari told. This initiative can not only

transform farmers' fate but also spur highways development, the minister added. Areas like Buldhana barely receive 700 to 800 mm of rainfall, lesser than the entire Vidarbha region, which accounted for maximum of 2,239 suicides by farmers out of the 5,763 across the country in 2018. However, both villagers and NHAI officials say after adoption of the model, things have changed. As per the National Highways Authority of India (NHAI), work worth Rs 900 crore has been done there for water conservation. Niti Aayog will also be working on framing the guidelines on such models and disseminate them to all states and concerned ministries for wider adoption. To expedite highways construction in drought-prone areas, the Road Transport and Highways Ministry has already offered to construct waterbodies and ponds free of cost in states in lieu of soil excavated in the process. The ministry earlier in a letter to states had urged them to join hands for the arrangement that can serve a two-fold purpose -- providing water in drought-prone areas and procuring soil for highways building

Niti Aayog panel recommends linking sugarcane prices to sugar rates

A Niti Aayog task force has recommended linking sugarcane prices to sugar rates to keep the industry in sound financial health. It has also pitched for a one-time increase in minimum sugar price to Rs 33 per kilo to help sugar mills cover the cost of production. The report of the panel on 'Sugarcane and Sugar Industry', headed by Niti Aayog Member (Agriculture) Ramesh Chand, was finalised in March 2020. It was posted on the government think-tank's website. The task force also recommended shifting of some areas under sugarcane cultivation to less water-intensive crops by

providing suitable incentive to farmers. The task force feels that to prevent the problem of arrears for sugarcane farmers and to keep the sugar industry in sound financial health, sugarcane prices must be linked to sugar prices. "The Revenue Sharing Formula (RSF) needs to be introduced, with a Price Stabilisation Fund to protect farmers from receiving prices below the Fair and Remunerative Price (FRP). While the scientific formula suggested by the Rangarajan Committee could be considered, the prices of sugarcane may need to be adjusted slightly upwards



keeping in view the improvement in recovery rates in the last few years," the report said. The task force recommended a one-time increase in minimum sugar price to Rs 33 per kilo, saying it would help sugar mills to cover the cost of production, including interest and maintenance costs. The task force further said the government should target moving about 3 lakh hectares area under sugarcane, which yields about 20 lakh tonnes of the crop, to other crops. "The task force feels that a compensation of Rs 6,000 per hectare could be given as additional incentive to farmers for alternate cultivation patterns that are less water intensive than sugarcane," it said. The task force noted that due to stagnation and/or declining sugar prices, the liquidity position of the mills has remained a major cause for concern, prompting the government to come out with various liquidity support measures from time to time. The task force recommends a long-term

solution that requires fund of a reasonable size to provide liquidity support to the mills if such situations emerge.

"It is proposed to levy cess on sugar at Rs 50 per quintal for a period of 3 years, during which about Rs 4,500 crore would be added to the fund, which will help provide bridge funding or act as a comfort for banks providing soft loans to mills for improving technologies and paying dues to their farmers," the panel said. Sugarcane and sugar play significant role in the economy of India. Sugar is the country's second largest agro-based industry, next to cotton. Average annual production of sugarcane is around 35.5 crore tonnes which is used to produce around 3 crore tonnes of sugar. The domestic consumption is estimated to be around 2.6 crore tonnes in the current financial year.

India's soybean output to surge by over 31.5% : Soybean Processors Association of India

The Soybean Processors Association of India (SOPA) has estimated India's 2020-21 soybean area will rise by over 8%, while production will increase by over 31.5% to 122.475 lakh tonnes compared to the previous year. "An extensive field survey of soybean crop in the states of Madhya Pradesh, Maharashtra and Rajasthan was undertaken by two teams of SOPA from August 15 to 20. The teams travelled more than 6000 km and interacted with a number of farmers on the field," said a release from SOPA. In Madhya Pradesh, the soybean area has gone up by about 12% in 2020-21 and crop production is estimated to be around 58.530 lakh tonne, as against 40,107 lakh tonnes in 2019-20. "In about 50% area, the crop is at the grain filling stage and will start arriving in the third week of September." Area under soybean in Maharashtra is expected to rise by 5% to 39.292 lakh hectare and production by over 14% to 45.131 lakh tonne. SOPA has reduced the acreage in the state

compared to the Agriculture ministry data by 6.389% as it said that during the survey, they found that farmers have gone for intercropping of soybean with tur in the state. SOPA has commissioned a satellite-based area estimation and will be releasing the data in the coming month. Good monsoon rainfall this year, particularly in key crop-growing areas, has boosted prospects of a bumper harvest. Area under oilseeds, rice and pulses is higher than last year, and crops are growing well under favourable weather conditions. Total monsoon rainfall since the start of the season on June 1 has been nearly 7% higher than average. Rainfall had weakened a bit in July, but the monsoon bounced back this month, delivering more than 22% above normal rainfall so far this month. In the key oilseeds-growing area of central India, total rainfall is 10% above normal, while rainfall so far in August is 44% more than average.



STPI to have India's largest incubation ecosystem with 21 centres in a year: STPI DG

State-owned Software Technology Parks of India (STPI) expects to have the largest ecosystem of incubating new technologies in the country by setting up 21 centres of excellence, a top official of the organisation said. During an online seminar organised by the PHD Chamber of Commerce on the usage of blockchain technology in the agriculture sector, STPI Director General Omkar Rai said the organisation has planned 21 centres of excellence (CoEs) to incubate new technologies in various sectors, and 12 of these centres are already operational. 21 CoEs have already been planned and "STPI is going to have the country's largest incubation ecosystem in technology in a year". Rai said STPI is collaborating with industry, academia and all stakeholders to develop new technologies in various verticals. "Out of 21, we have already launched 12 CoEs. Three centres are dedicated to agriculture. We have launched one in Guwahati and another in Gurugram in the name of Apiary. We will launch another centre anytime soon in Patna," Rai said.

Agriculture, forestry and fishing jointly contribute around 17 per cent to India's gross domestic product, and about half of the country's population is dependent on the sector for their livelihood. Rai said India is the second-largest producer of farm products in the world and still needs to grow up in the value chain. He also said there is a need to adopt modern technologies to enhance production in agriculture as well as focus on branding to build trust and reap high benefits. "We have to enhance our branding based on trust, transparency and traceability. While keeping all other aspects constant, we have a variable which is branding. Everyone is fond of organic but how do we build trust. Blockchain is one technology that can create trust around the origin and quality of the products," Rai said. He added that agriculture is a sector that is not much explored in terms of usage of modern technologies. "There are a lot of opportunities where one can create products, solutions and technology," Rai.

India set to reap bumper harvest

India is set for a bumper harvest as above normal rainfall swept across most of the key crop growing regions in the country. With 6% more than normal rains, the area under cultivation is 8.56% more than last year during this time. Area under rice has risen 12% while oilseeds area is 14% more than last year. "The government has surplus food grain production. But we need to grow pulses and oilseeds, for which we

are dependent on imports. By bringing more area under oilseeds, we will become self-reliant," said agriculture commissioner S K Malhotra. He said that the crops of rice, cotton and coarse cereals are also looking good at this time. "There is no impact of corona on agriculture. Sowing is in full swing and our exports have also grown. Conditions are conducive for a bumper crop this year," he said.

New e-market platform launched to bridge gap between Indian farmers and UAE food industry

The UAE has launched Agriota, a new technology-driven agri-commodity trading and sourcing e-market platform that will bridge the gap between millions of rural farmers in India and the Gulf nation's food industry. Under the initiative, launched earlier this week by the Dubai's free-zone Dubai Multi Commodities Centre (DMCC) and the government of Dubai's authority on commodities trade and

enterprise, millions of Indian farmers will get an opportunity to connect directly with the entire food industry in the UAE, including food processing companies, traders and wholesalers through the Agriota-E Marketplace platform. The marketplace allows the farmers to bypass intermediaries, optimising the supply chain and ensuring traceability to create value for all stakeholders, officials said. The



online marketplace also provides end-to-end traceability and transparency through last-mile verification and extension infrastructure in a blockchain environment. Additionally, the introduction of a proprietary banking system with a multi-tier escrow structure, will guarantee secure transactions of funds when using the platform, they said. Ahmed Bin Sulayem, the Executive Chairman and Chief Executive Officer of DMCC, said the platform takes this symbiotic relationship even further, benefitting the millions of farmers throughout India

whilst simultaneously providing greater food security for the UAE. "The UAE has a comprehensive plan in place to ensure food security and champion agribusiness trade facilitation, with the ultimate goal of positioning our nation as a world leading hub in innovation-driven food security. Initially, the platform will offer cereals, pulses, oil seeds, fruits, vegetables, spices and condiments. In 2019, India exported more than USD 38 billion of agricultural and processed food products, with one of their largest markets being the Middle East.

Government to fast track integration of e-National Agriculture Market, farmer bodies

The government is fast tracking the integration of e-National Agriculture Market (eNAM) with farmer producer organisations (FPOs) and warehouses, which have been declared as market yards, to provide end-to-end connectivity for farmers. It will then connect these FPOs and warehouses with the transport aggregator mobile App Kisan Rath for seamless supply linkages to intra-state and inter-state buyers. The App brings together 5 lakh trucks and 20,000 tractors on mobile platform for transporting farm produce to markets from farm gate. "We want to promote barrier-free interstate and intrastate trade, preferably outside mandi premises. For that we need to provide logistics support and market information for farmers and farmer groups. Integration of eNAM and Kisan Rath with FPOs and warehouses will enable farmers to sell

and transport their produce anywhere in the country where they get better prices," said a senior agriculture ministry official. He said that the government plans to create 10,000 FPOs in next five years which will be fully integrated with eNAM. "This year we expect more than 1500 new FPOs. These will be integrated with the electronic trading platform and Kisan Rath," he said. "Since more than 1,000 mandis across the country are already on eNAM platform, farmers will be able to discover the spot price of specific commodities in different parts of the country. Farmers will have flexibility to sell their produce anywhere in the country. Then after that they may book truck or tractor over Kisan Rath App to transport their produce at reasonable price," he said.

Bamboo industry to play crucial role in post-COVID economy: Jitendra Singh

The government is planning to promote domestic bamboo industry. The sensitivity with which the government views the importance of bamboo is evident from the fact that it has amended the century-old Indian Forest Act by taking home grown bamboo out of the purview of the Act, in order to enhance livelihood opportunities through bamboo. Central government to raise the import duty by 25 per cent on raw bamboo items. This will help the domestic

bamboo industries like furniture, handicrafts and 'agarbatti' (incense sticks) making in a big way and promote use of bamboo as building material. National Bamboo Mission to take a big lead to make bamboo a common man's utility item and unlock the huge potential in this sector in the North-eastern region. He said the region could become the 'New Engine of New India' with bamboo as a useful fuel.



India's agriculture technology can grow to \$24.1 billion in 5 years

India's agriculture technology sector has the potential to grow manifold to \$24.1 billion in the next five years, according to a new report. With a turnover of \$204 million, India's agri-tech sector is at under 1% of its market potential today. A big chunk of the gains will likely be made by companies addressing supply chain and financial services solutions, driven by the

availability of affordable high-speed internet and maturing of India's digital content ecosystem, the EY report on India's agri-tech potential said. The report has also forecast consolidation in the agri-tech space along with startups expanding horizontally to service the end-to-end needs of farmers within the next few years.

Nabard to disburse Rs 1.20 lakh crore crop loan this fiscal

In a bid to support agri sector amid COVID-19 crisis, National Bank for Agriculture and Rural Development said it aims to disburse Rs 1.20 lakh crore crop loan to farmers for meeting production expenses this fiscal. Apex agriculture financial institution Nabard annually disbursed Rs 90,000 crore crop loan at a concessional rate. "It has been enhanced to Rs 1.20 lakh crore this fiscal. Of this, Rs 40,000 crore has already been disbursed," National Bank for Agriculture and Rural

Development (Nabard) Chairman G R Chintala said. Under the scheme, Rs 10,000 crore has been earmarked for the current fiscal and Rs 30,000 crore each year for the next three years, Nabard said in a statement. With the upcoming launch of the scheme for promotion of 10,000 Farmers Producer Organisations (FPOs) in the country, the agriculture sector will experience quality production combined with an industry-centric vision.

Minimum support price mechanism for farmers will continue: Agriculture minister Narendra Singh Tomar

Agriculture minister Narendra Singh Tomar said the Minimum Support Price (MSP) mechanism for farmers will continue and that the mechanism will not be impacted by two proposed legislations. Moving for consideration The Farmers Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020, and The Farmers (Empowerment and Protection)

Agreement on Price Assurance and Farm Services Bill, 2020' in Lok Sabha, Tomar said the bills are aimed at making farming profitable. The minister also clarified that these bills would not have any impact on the Minimum Support Price (MSP) mechanism which will continue.

NABARD's Vision 2025 for Inclusive Finance

Special focus of JLGs should be given to urban downtrodden like pavement dwellers, pushcart vendors and other small businesses. This will bring equitable distribution and equitable development. There is a need for a Pan India endeavour to push for Financial Inclusion (FI) so that all districts in the country are covered and livelihood standards are improved.

Micro entrepreneurs are the bedrock of the society. They should be developed as job givers from job seekers. Such a social enterprise will be created at rural level by increasing the skill set which will reduce the rural to urban migration.

Kisan Credit Card (KCC) should be used much more widely especially by small and marginal farmers even for activities beyond farming.



A new Amazon type of Agri-platforms are the need of the hour and NABARD plans to create such an ecosystem.

Put in place a mechanism to address credit requirements of small MFIs working in niche areas who are efficient but have no access to credit from mainstream Financial Institutions as they don't have rating due to lack of scale. NABARD has started Credit

Enhancement Programme on a limited scale which may be expanded based on the outcomes. This will ease the credit woes of small MFIs who are doing substantial work in their own areas.

Credit guarantee fund with corpus of Rs.1000 crore for FPO and Rs.750 crore for Animal Husbandry Infrastructure Development Fund will be setup within 6 months.

Rebuilding Agriculture

- Agriculture plays an essential role in economic development. India's cultivated land area is 169.6 million hectare which is highest in the world but its rank in productivity is 38th.
- Government's target of doubling farmer income can be achieved through focusing on reduction of input cost, increase in productivity and market access.
- Government should promote decentralised agriculture planning as every district of India has some unique agri-products. Recent announcement of One District-One Product is welcome step in this regard.
- Certain policy interventions are required to promote sustainable agriculture:
 1. Promotion of rain-fed agriculture as differentiated agriculture policy
 2. Branding of millets and other agri-products
 3. District level planning for millets production to catch regional diversity and increase production.
 4. Focus on promotion of FPOs as dilution of APMCs creates opportunity for FPOs to grow.
FPOs provide bargaining power to farmers, so strengthening of FPOs will strengthen farmers.

Aatma Nirbhar Bharat Abhiyaan

- Government of India announced an economic stimulus package of Rs 20 lakh crore and big-bang systemic reforms under the Atma Nirbhar Bharat Abhiyan (self-reliant India).
- The intended objective of this plan is two-fold. First, interim measures such as liquidity infusion and direct cash transfers for the poor will work as shock absorbers for those in acute stress. The second, long-term reforms in growth-critical sectors to make them globally competitive and attractive.

Five Pillars of Atmanirbhar Bharat	Five phases of Atmanirbhar Bharat
Economy	Businesses including MSMEs
Infrastructure	Poor, including migrants and farmers
System	Agriculture
Vibrant Demography	New Horizons of Growth
Demand	Government Reforms



Agriculture & Allied Sectors—Financial Highlights

- **Concessional Credit Boost to farmers :** Farmers will be provided institutional credit facilities at concessional rates through Kisan Credit Cards. This scheme will cover 2.5 crore farmers with concessional credit worth two lakh crore rupees.
- **Agri Infrastructure Fund:** A fund of one lakh crore rupees will be created for development of agriculture infrastructure projects at farm-gate and aggregation points (such as cooperative societies and Farmer Producer Organizations).
- **Emergency working capital for farmers:** An additional fund of Rs. 30,000 crores will be released as emergency working capital for farmers.

This fund will be disbursed through NABARD to Rural Cooperative Banks (RCBs) and Regional Rural Banks (RRBs) for meeting their crop loans requirements.

This fund is expected to benefit three crore small and marginal farmers.

- **Support to fishermen:** The Pradhan Mantri Matsya Sampada Yojana (PMMSY) will be launched for integrated, sustainable, and inclusive development of marine and inland fisheries Rs 11,000 crore will be spent on activities in Marine, Inland fisheries and Aquaculture and Rs 9,000 crore will be spent for developing infrastructure (such as fishing harbours, cold chain, markets).
- **Animal Husbandry infrastructure development:** An Animal Husbandry Infrastructure Development Fund of Rs 15,000 crore will be set up, with the aim of supporting private investment in dairy processing, value addition, and cattle feed infrastructure.

Reserve Bank Of India Revamped Priority Sector Lending Guidelines To Make Banking More Inclusive

With a focus on inclusive development, Reserve Bank revamped its priority sector guidelines by increasing the weightage for loans given in underpenetrated districts, increasing the targets for lending to small and marginal farmers, weaker sections, besides including loans for setting up health infrastructure. While retaining the overall priority sector lending target of 40% for local commercial banks, the target for lending to small farmers is increased from 8 % their lending in 2020-21 to 10 % by 2023-24 of and the target for lending to weaker sections has gone up from 10% to 12%. For urban co-operative banks the overall target will be increased from existing 40% to 75% in a phased manner. Bank finance to start-ups of upto Rs 50 crore, loans to farmers for installation of solar

power plants for solarisation of grid connected agriculture pumps and loans for setting up Compressed Bio Gas (CBG) plants have been included as fresh categories eligible for finance under priority sector, the Reserve Bank said in its release on the revised priority sector guidelines. To address regional disparities in the flow of priority sector credit, higher weightage have been assigned to incremental priority sector credit in 'identified districts' where priority sector credit flow is comparatively low. "The inclusion of start-ups in PSL will reduce their cost of capital by allowing them better access to bankcredit" said S K Ghosh, group chief economic advisor at SBI." Going forward, equity infusion will not be the only route to follow when start-ups need funds for working capital.



requirements, and this will greatly ease the risk of ordinary shareholders being wiped out due to 'down-rounds'. "Besides, the targets prescribed for "small and marginal farmers" and "weaker sections" are being increased in a phased manner, also higher credit limit has been specified for Farmers Producers Organisations (FPOs)/Farmers Producers Companies (FPCs) undertaking farming with assured marketing of their produce at a pre-determined price, loan limits for renewable energy have been doubled. For improvement of health infrastructure, credit limit for health infrastructure, including those under 'Ayushma.' 'Ayushman Bharat', has been doubled, as

per the revised guidelines. "RBI's revision in Priority Sector Lending guidelines will incentivize credit flow to specific segments like clean energy, weaker sections, health infrastructure and credit deficient geographies" said Krishnan Sitaraman, senior director, Crisil Ratings. The revised guidelines factored in the recommendations made by the 'Expert Committee on Micro, Small and Medium Enterprises chaired by former Sebi chief U.K. Sinha and the 'Internal Working Group to Review Agriculture Credit' chaired by Deputy governor M. K. Jain apart from discussions with all stakeholders.

From pg. 23

दंतेश्वरी हर्बल फर्मस के जरिये ४५० से अधिक आदिवासी परिवार को आजीविका का साधन उपलब्ध हो रहा है तथा आदिवासियों की लोक कला और उनके हस्तशिल्प को 'संपदा' के जरिए राष्ट्रीय व अंतरराष्ट्रीय पहचान दिलाने की कोशिशें चल रही हैं। एक बात साफ है कि ग्रामीण कृषकों के आर्थिक विकास के लिए सहकारिता एक सशक्त माध्यम है। केन्द्र और राज्यों सरकारों ने इस सच्चाई को माना है। इसलिए ही सहकारी सुविधाओं का विस्तार हुआ। इसका परिणाम है कि हम देश में बस्तर की क्रांति को देख रहे हैं। बेशक, वर्तमान सरकारें कृषि और अन्य क्षेत्रों में सहकारिता आंदोलन को मजबूत कर रही हैं। सहकारिता के विकास के साथ ही होगा स्वच्छ भारत, सुखी भारत और स्वाभिमानी भारत बनाने का सपना पूरा। निश्चित रूप से कृषि उत्पादन के क्षेत्र में सहकारिता का विशेष योगदान रहा है। कृषकों को सहकारी समितियों के माध्यम से खाद, बीज, कीटनाशक दवाएं आदि उपलब्ध कराने के साथ उन्हें उनकी उपज का उचित मूल्य दिलाकर उनकी आर्थिक स्थिति को मजबूत किया जा रहा है। हालांकि देश अभी हाथ पर हाथ रखकर नहीं बैठ सकता। अभी देख को डॉ त्रिपाठी की सरपरस्ती में शुरू हुई क्रांति जैसी सैंकड़ों और क्रांतियों की जरूरत है।

बस्तर मॉडल का अनुसरण हजारों, लाखों युवा किसान तथा भारत सरकार कर रही है। प्रयास चल रहे हैं कि छत्तीसगढ़ तथा इसके जैसे जैवविविधता से पूर्ण राज्यों में जड़ी-बूटियों की खेती को प्रोत्साहित किया जाए। वर्तमान दौर में वैश्विक हर्बल बाजार में चीन का अधिपत्य है, लेकिन अगर भारत में जड़-बूटियों की वैज्ञानिक तरीके से बड़े पैमाने पर खेती की जाए, तो भारत हर्बल बाजार का मुख्य खिलाड़ी बन सकता है।

बस्तर मॉडल का अनुसरण हजारों, लाखों युवा किसान तथा भारत सरकार कर रही है। प्रयास चल रहे हैं कि छत्तीसगढ़ तथा इसके जैसे जैवविविधता से पूर्ण राज्यों में जड़ी-बूटियों की खेती को प्रोत्साहित किया जाए। वर्तमान दौर में वैश्विक हर्बल बाजार में चीन का अधिपत्य है, लेकिन अगर भारत में जड़ी-बूटियों की वैज्ञानिक तरीके से बड़े पैमाने पर खेती की जाए, तो भारत हर्बल बाजार का मुख्य खिलाड़ी बन सकता है।

**Source: The Cooperator April - August 2020*

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