

BOMBAY CHAMBER OF COMMERCE AND INDUSTRY

Interactive Meeting with the Secretary Agriculture, Government of Maharashtra

PRESS RELEASE

Dr. Sudhir Kumar Goel IAS, Principal Secretary to the Govt. of Maharashtra, Department of Agriculture and Horticulture at a meeting organized by the Bombay Chamber of Commerce & Industry expressed desire to showcase successful public-private-partnership projects in Maharashtra. The State Govt. has introduced several policy reforms and launched newer schemes to aide agricultural development in the State. He emphasized on the fact that while consolidation of highly fragmented land holdings is though not possible, corporates could help aggregate farmer groups as 'Producer Companies'. This will reduce personal risks and facilitate extension of credit, access to infrastructure and aggregation of produce of small land holders. Dr. Goel also emphasized on legal provisions in the APMC Act to promote Contract farming. He urged the private sector to develop agriculture infrastructure – private terminal markets, accredited godowns, cold storages and connect consumers with farmers through use of information technology and help promote e-trading. While speaking on incentives and subsidies, he said that Government offers 25% subsidy on creation and dissemination of market information, 25% on establishment of cold storages, 25% subsidy for development of private markets, viability gap funding for establishment of warehouses. He assured support to private sector for any project that entails development of farmer capacities, formation of farmer groups and creating enabling environment for backward integration. He said that Govt. provides viability gap funding to an extent of 40% and tax concession for a period of 20 years to corporate for establishing alternative market channels (based on Hub and Spoke distribution mechanism). He invited bankers to participate in Pledge Loan Schemes.

Rallis India shared a case study of PPP model in Tamil Nadu under which 200 tons of certified seeds were made available to the farmers. Tamil Nadu Agriculture Universities' recommendations were propagated and delivered as Rallis Packages of Practices (PoP). As a buy back arrangement 600 tons were procured at the farmers' doorsteps. Electronic payments were transferred to the local bank account of farmers while price transparency was maintained based on market published rates. Rallis tied-up with the State Bank of India for crop loans. The pulses were processed at local Dal Mills and were distributed via Tata Salt distribution channel under the brand 'I-Shakti Urad Dal' in Chennai. Mr. V. Shankar, Managing Director, Rallis India Ltd. proposed to execute similar project in various districts of Maharashtra jointly with the Agricultural and Marketing Department of the State Govt., Agricultural Universities and Research Institutions. Dr. D. N. Kulkarni, President – Agri Food Division, Jain Irrigation Systems Ltd., which has made significant contribution in water harvest management through drip irrigation, volunteered to partner with the Tata Group for 'MOPU' project. Mr. Sanjay Kaul, Managing Director & CEO, National Collateral Management Services Limited also volunteered to partner in this initiative and provide facilities for warehousing and market infrastructure. Dr. Goel assured Govt. support towards this project.

Dr. Kulkarni, Jain Irrigation Systems Ltd., also presented a comprehensive note for development of cotton crop in Maharashtra. Drip irrigation technology can considerably help farmers increase productivity of rain fed crops.

The Bombay Chamber's AgriCorp Conference scheduled on September 21-22, in 2011 in Mumbai will be a platform for forged announcements on PPP initiatives to be implemented jointly by the Industry- Govt.

Mumbai, May 5, 2011