

News monitored for: Pepsi - Corporate

Drip irrigation helps Maharashtra farmers increase potato yield

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Bhusangarh (Maharashtra), Sept 30: The excessive rainfall this monsoon season has not bothered Sudhir Tambe, a farmer who is growing potato in his 19-acre of land in Bhusangarh. Farmers like Tambe in this largely dry and rocky region of Maharashtra have opted for drip irrigation since last few years, which has helped them increase potato yield by more than 20%.

"Wherever farmers have not adopted drip irrigation, heavy rains this year have adversely impacted the potato output," Tambe told FE.

Vilas Sinhde, who owns five acres of land and has sown kharif potato in four acres, is planning to put the remaining land in drip irrigation for sowing potato next year.

Tambe and Sinhde are among 70 to 80-odd farmers out of 130 in this village who are being backed global beverage major PepsiCo India to take up potato farming through drip irrigation.

"Drip irrigation not only results in increase in yield up to 20%, it also helps farmers turn waste land into cultivable land," Rajiv Wakhle, director, operations-food, PepsiCo India, said.

Since the global beverage major started its contract farming operations in 2009, 400 acres of waste land that could not be used for farming is now used for potato cultivation in Satara district.

Prior to the kharif sowing season in Maharashtra, PepsiCo entered into an agree-

ment with farmers for buy back arrangements and a minimum base rate was finalised.

"Potato rates are always reasonable and better than market rate," Tambe said.

While in 2012, potato farmers were assured of Rs 10.30 a kg price, this year the price

has been revised to Rs 11.50 a kg. "The company buys back more than 90% of the potato produced, while rest is sold in the local market," Rudrapa, another farmer from the village said.

Following the signing of the contract with potato farmers, SBI gave short-term

crop loans at a concessional rate of 7% under the interest subvention scheme.

For farmers who repay their loans on time, another subvention of 3% is given.

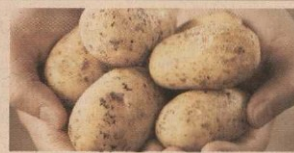
Besides the bank loan, farmers are provided quality seeds and technical inputs for ensuring better yield. "Areas under drip irrigation has increased from 200 acres in 2009 to 1,600 acres this year, which indicates adoptability of the technique in this largely dry region," Jaideep Bhatia, vice-president, Agro, PepsiCo India, said.

Many farmers like Tambe agree that since the introduction of contract farming,

profit margins after deducting the cost of potato cultivation is in the range of 30% to 40% while earlier farmers got only 10% margin on their investment.

For sourcing potato, PepsiCo has entered into contract farming agreement with more than 24,000 farmers across nine states including Punjab, West Bengal, Maharashtra and Karnataka since 2004-5. "Out of these, more than 14,000 are small farmers mostly in West Bengal with individual land holding of as low as half an acre," Wakhle noted.

(Travel for this report was sponsored by PepsiCo)



MANY FARMERS IN BHUSANGARH, A DRY AND ROCKY REGION OF MAHARASHTRA, HAVE OPTED FOR DRIP IRRIGATION THAT HAS HELPED THEM INCREASE YIELD BY OVER 20%