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# Pepsi offers Nafed help in wheat procurement

Farmers to benefit from its contract farming plans

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Pepsico India has offered to help the National Agricultural Marketing Federation (Nafed) in procuring wheat for buffer stocks during the current rabi marketing season.

"We help millers in Andhra Pradesh to export nearly two lakh tonnes of rice every year. Through that we have a structure in place. As a part of public-private partnership, we have offered them to procure wheat. We can help them procure a few thousands of tonnes," a Pepsi official told the Grains Conference here.

The company has a programme running for procurement of rice and set up a team which can provide the know-how in procuring wheat, he said.

Nafed has been mandated by the Centre to help mop up wheat for buffer stocks from Rajasthan, Madhya Pradesh, Gujarat, Maharashtra and Uttar Pradesh, while the Food Corporation of India will procure from Punjab and Haryana.

#### FOR BARLEY GROWERS

Pepsi, which has been into contract farming of agricultural produce such as rice, tomato and chilli, has entered into an agreement with farmers in northern Rajasthan to

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grow barley. The crop is being grown in about 30,000 hectares involving over 3,000 farmers. "Beer consumption has been going up 25 per cent. So we approached some of the brewers and offered them to get barley through contract farming," the official said.

The barley farmers were assured of a payment of Rs 675 a quintal when market prices were Rs 600 and minimum support price for wheat was Rs 650. "But with the Centre hiking the wheat support price to Rs 850, some of the traders got into barley and currently, the prices have increased to Rs 750. We have offered to give farmers the same price," he said.

#### TECHNICAL INPUTS

Pepsi comes up with an offer price and it is left to the growers to decide whom to sell. On

its part, the multi-national company helps the farmer in providing technical inputs such as advice and suggestion on crop inputs. "At least Rs 90,000 crore is being wasted annually in the country through wrong agricultural management practices," he said.

#### PULSES, CORN

Pepsi is now planning to introduce contract farming in pulses and corn. Pulses farming will be done in part of the areas where barley was cultivated. "We will not be able to provide any certified seeds for pulses since such a system is not in place. Also, we plan to introduce contract farming in corn. For that, we will provide the farmers current market varieties," he said.

Current market varieties in the country are treated as feed corn abroad and therefore, later on as the concept catches on, the company would develop and introduce its own edible varieties.

In the case of pulses, Pepsi will be able to get feedback of the produce since it will be used for its Frito Lay brand products. But for this, the company says the efforts of contract farming are part of its corporate social responsibility. "We fulfil 98 per cent of our commitment made to farmers," the official said.