

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2131
ANSWERED ON:08.08.2005
CHAMATKAR COTTON IN KARNATAKA
Channappa Shri Kunnur Manjunath

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the farmers have grown Chamatkar Cotton in 30,000 Acres of land in Karnataka State using the seeds supplied by Mahyco Seeds Company, Ranebennur in Haveri District;
- (b) if so, whether the crop has failed due to supply of inferior quality of seeds;
- (c) whether the Deputy Commissioner, Haveri has recommended to the Government for payment of compensation to the farmers to the tune of Rs.2500/- per Acre;
- (d) if so, the amount given to the farmers; and
- (e) further action taken/proposed to be taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a): According to information provided by the Government of Karnataka the Chamatkar cotton was grown in an area of 12500 acres in Ranebennur Taluka. About 20698 acres of Chamatkar cotton was grown in Haveri District during 2004-05. However, it has been estimated that total area covered under Chamatkar Cotton was approximately 30000 acres in the State.

(b): As per the findings of the experts committees, Chamatkar seeds may have been suitable for sowing in May, June months. But, Mahyco Company had misguided the farmers by advising that the seed could be sown in any of the three seasons and this resulted in failure of the crop. The failure has been investigated subsequently by a committee headed by Dy. Commissioner of Haveri District in which a representative of the Company was also a member and inspection has been done by Commissioner of Agriculture, the Director of Agriculture and once again by the Joint Directors in the affected districts. The findings of the committee are as follows:-

(i) This variety has not been officially notified and it is an Arborium variety which has not been officially recommended for the area in which it was sold.

(ii) Adequate field trails were not conducted by Mahyco Company to verify its suitability for different climatic and seasonal conditions.

(iii) The Mahyco Company has not shown in its literature details of the yield in different seasons and under rainfall and irrigated conditions.

(iv) The Company has misguided the farmers by not disclosing the appropriate time and season for sowing.

(c): Several meetings with the company representatives have been held at the level of Dy. Commissioner, the Minister for Agriculture and the Commissioner for Agriculture. The Company during discussion has admitted its failure by agreeing to pay compensation. The Committee headed by the Dy. Commissioner has recommended the payment of compensation atleast Rs.4500/- per acre on the basis of the difference between the yields promised and the actual yield which is in the range of only 50 kgs to 200 kgs per acre.

During the meeting held under the chairmanship of hon'ble Minister for Agriculture, the company has been advised to pay the

compensation of Rs.2500/- per acre for the farmers who have suffered complete loss of yields. Other farmers who have got certain quantity of yields the quantum of compensation could be decided on prorata basis. Further, the company has been entrusted the responsibility of furnishing the details of yields obtained by farmers in order to decide the quantum of compensation.

However, the company representatives have failed to provide the details of yields obtained by various farmers. In the event of non furnishing the details by the company as agreed earlier, now the committee members and the representatives of the farmers are demanding the compensation at Rs.2500/- acre to all the farmers who have lost the crop irrespective of the quantity of yield obtained by the farmers. But, the company is declining to pay compensation at Rs.2500/- acres, instead proposing the compensation of Rs.1200/- acre to all the farmers of Haveri district. However, the committee members and farmers representatives have disagreed for the proposal suggested by the company.

(d): No compensations has been given to the farmers as on today. However, an amount of Rs. 2(two) crores has been deposited with Dy. Commissioner, Haveri by Mahyco.

(e): The Company has been kept out of the purview of subsidy programme in the Department. Also, negotiations are being held continuously in order to provide the compensations to the farmers by the company. It is also stated that there is no provision under the Seed Act for the State to pay compensation to the farmers. However, the State Government proposed to assist in every possible way to recover the losses sustained by them from the company perusing the opportunity given to them under the protection of consumers Right Act.

In case, the company failed to provide suitable compensation to the farmers, following action is proposed to be taken by the State Government:-

- (i) Institution of criminal proceedings against the said company in all the districts concerned.
- (ii) Assist the farmers in filling complaints before the Consumer Redressal Forum.
- (iii) Black list the company.
- (iv) Take suitable actions under the relevant acts and rules to prohibit the company for selling its cotton seeds in the State of Karnataka.