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Daal Mein Kuchh International Hai

Aussie, Brazilian arhar could satisfy our appetite

Farmers in Australia and Brazil are reportedly trying out new lentil crops like arhar, urad and tur daal, a staple in Indian diets that domestic production cannot fulfil. India imports the lentils variety from Myanmar and countries in eastern Africa, and the Indian government would prefer a larger production base to keep prices in check. India consumes over half of the global production of lentils and faces price spikes whenever it enters the market as a buyer. Broad-basing production with some form of purchase assurance is one way to bridge the deficit without price flare-ups. Even the projected Indian deficit can act as a price support for Australian and Brazilian lentil farmers. New Delhi has a low tolerance for pulses inflation and imposes stocking restrictions on signs of unusual price movement before placing orders in the international market. Arhar prices are up by a quarter from last year, and imports are set to be a third higher because of a decline in domestic output. This could act as a trigger for its farming to spread in various non-traditio-

nal daal-producing (and consuming) parts of the world.

Government price signals to pulsesgrowers at home tend to be muted because of the lack of warehousing. Rice and wheat take up the bulk of food storage capacity, and they also have historically been favoured by mini-

mum support prices (MSPs). This makes farmers wary of switching to lentils despite their MSP now being better aligned to the market. They are not sure whether government agencies will be able to lift any unsold crop at MSP. The pulses acreage, thus, remains small relative to paddy, and this cycles back into low domestic production and a resultant surge in international prices. Productivity gains at home and seeking out centres of low production cost abroad are ways to break this cycle.

If India fares better in convincing farmers in Queensland in Australia and Mato Grosso in Brazil that it pays to grow lentils, it can get around some of its stockpiling limitations that keep pushing up food prices.

Scavenging is Not Just a Dirty Word

Much recent outrage has centred around the state of drains and sewage after many cities have been submerged by rainwater. Once the waters recede, the issue of clearing debris and garbage will also join the 'conversation'. And, yet, one of the key causes for these concerns remains a footnote: the continued acceptance of manual scavengers and sewage cleaners. In 2019, the Supreme Court had compared the situation with sending people 'to gas chambers to die'. 246 of India's 766 districts are yet to declare themselves manual scavenging-free and have not shared relevant data. The deadline for declaring India manual scavenging-free is next month. Best of luck with that. Manual scavenging was banned in 1993. In 2013, a more robust



law was enacted, which mentions mechanical equipment be used instead of humans. It also provided guidelines for emergency situations that demand human intervention — without defining 'emergency situations'. This loophole is exploited by contractors to hire people for hazardous cleaning work.

Last budget, Nirmala Sitharaman said all cities and towns would switch to 100% mechanical de-sludging septic tanks and sewers, also a National Action for Mechanised Sanitation Ecosystem (NAMASTE). Action has been glacial. A key reason is the unorganised nature of the sector, run by small-time contractors not ready to spend on machines, and easy availability of unskilled labour. There is a shocking lack of oversight and accountability, too. The 2013 law says that all states must have a safai karamchari commission and district vigilance committees. But 14 states/UTs have not bothered to set up these panels. A country is judged by the dignity it gives its people, not by perpetuating a pipeline of 'invisible' labour picking up the pieces.



A new scam in social media town takes advantage of the vainly curious

Will Everyone Please Stop '@highlight'-ing?

The curiosity of humans knows no bounds. The inquisitive nature of Homo Media Socialis — Social Media (Hu)man — within this nosey species, is off the charts. So, it is no surprise that some bright sparks would take advantage of people on Facebook to make them think there's a way by which users can track other users following their posts on the sly. The recent phenomenon of '@highlight' seems to have popped up out of nowhere, disrupting the regular feed of Facebook users. The scam—conspiracy theory, really—is that by writing '@highlight' as a comment to one's own post, one will be able to find out the person's FB stalker. This, of course, feeds—and feeds off —most people's desire to know who has been snooping around their posts without leaving 'likes'

birthday party without wishing you 'Happy Birthday'. As it turns out, the '@highlight' is bakwaas. What isn't, though, is one's Facebook notification being inundated with the notice that 'X has highlighted X's comments for you to check out'. That's like someone poking you to say how good her or his poem is—when the last thing you're interested in is poetry, never mind X's poetry. Facebook's official disclaimer has it that it doesn't let people track who views their profiles. But hangon. We're curious. Could Facebook be lying?

or comments, the equivalent of someone coming to your

Prices have spiked because for smaller farmers, growing them makes little monetary sense

Tomayto, Tomahto, Tomatters



Nilanjan Banik

n 2009, Volkswagen ran a unique ad campaign to promote its new fuel-efficient car. They hired DDB Stockholm and transformed the staircase of the Stockholm Metro Station into a 'piano staircase', which produced musical sounds when people used it. People responded to this environment-friendly energy-saving fun signal, even though it meant more hard work. They started avoiding the

In India, farmers are no different. In November 2022, the price of tomatoes in the retail market was hovering around ₹20a kg. This meant that small and marginal growers could not recoup the farming cost. According to RBI, farmers do not even realise 50% of the retail price for major traded crops, such as tomato. The middleman and traders apportion the bulk of what the consumer pays. The margin between what a farmer gets and what a consumer pays consists of a host of other charges such as commissions,

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tomato. Unlike rice and wheat that can be stored naturally, tomatoes need cold storage

(APMC) memberships fees, weighing and assaying charges, loading and unloading charges, and transport charges. In 2021, GoI res-

ponded to this cascading impact of the price rise by trying to pass a new farm law. The argument was, if there were more markets where farmers could buy

and sell their produce, it would lead to price discovery for small and marginal farmers, and, at the same time, the retail price would come down. India has around 260 million people living in poverty, and 83% of them are small and marginal farmers (with less than 2 hectares of landholding size).

If farmers are to sell their produce,

they have three options: ▶ Sell directly to the government. GoI procures 23 essential food items from farmers through its agencies, such as the National Agricultural Cooperative Marketing Federation of India Limited (Nafed), at minimum support prices (MSP), which are higher than the market price. From the perspective of tomato growers, this sounds like a go-

It isn't easy to MSP for a perishable administer MSP non-standardised crop for a perishable like tomato. Unlike rice non- and wheat, which can be standardised stored naturally, tomatocrop like es need cold storage. Even if GoI agrees to

procure tomatoes MSP, these governmentprocuring outlets are not uniformly distributed, with almost 70-80% rice and wheat procurement done from Punjab, Haryana, Uttar Pradesh and Andhra Pradesh. These are the states where most of the cold stora-



Let them eat other soups

ge units are concentrated.

Predominantly, tomato-gro-

► Farmers take their produce to a near by government-designated mandi, where they can auction produce to the middlemen in front of state officers. To do that, they must store their perishable stocks in cold storage.

wing states such as Karnataka, Gujarat and Madhya Pradesh have relatively fewer cold storage units. Even if a farmer is lucky to get access to cold storage, he needs to book a minimum quantity of 50,000 quintals for his pro duce, something not possible for a marginal farmer. Nearly 20% of India's to-

matoes are wasted for want of storage. od option. However, it Farmers can take the produce to the isn't easy to administer local mandi directly. But there are only 7,700 mandis, against 6,60,000 villages. This means a farmer must arrange for transport, which again may not be a feasible option given the distance and booking a 400 quintal-capacity truck all for himself. In India, the average agriculture yield is 2,070 kg per hectare. Marginal farmers, given their landholding size, can, at the most, produce 24 quintals. So,

> booking a truck is not cost-efficient. An easier way out is to sell to villagelevel aggregators. In most instances, these marginal farmers are so debtridden that they are obliged to sell their produce to moneylenders. In India, only 15% of marginal farmers have access to formal credit. Most of the time, they depend upon informal sources for

buying seeds, fertilisers and other farming needs. The cost difference for loan rates between the formal and informal sectors varies 30-45% annually.

In the best possible scenario, if a farmer takes his produce to a mandi, this too does not help. The bargaining power of the farmer is low. Under the APMC Act, state government officers are meant to oversee activities related to auctioning, such as whether the commodities traded are homogenous in quality and the markets are equipped with basic infrastructure for taking correct weights and making payments. However, these middlemen form a cartel and offer a substantially lower price to the farmers during the auction.

The argument behind the farm law was that the reform in the APMC Act would allow farmers and middlemen to trade in markets in addition to mandis. So long, it was the state governments that were in the business of

> Farmers do not even realise 50% of the retail price for major traded crops, such as tomato. Middlemen and traders apportion the bulk of what the consumer pays

regulating mandis. If additional markets for trading are creathe bargaining power of the middlemen is likely to fall, and the farmers will benefit. It is to be noted that it was because of the pressure from the middlemen and big traders (some of whom are also state-level party workers and politicians) that GoI repealed the farm law.

The present rise in tomato prices is purely how marginal farmers reacted to the 'not-so-fun' price 'signal' they faced last November. When they realised that the price was abysmally low, and the risk of pre-monsoon rainfall playing spoilsporthigh, it was natural for them to grow other weather-resistant crops, such as millets, jowar and soybean. Tomato prices have shot up because of lower supply and market imperfection.

The writer is professor, School of Management, Mahindra University, Hyderabad

Find the Real Founder-Friendly



Anirudh A Damani

I'm not founder-friendly. At least, not in the short run. This comes from a deep-seated concern after witnessing the collapse of famous venture capital (VC)-backed companies. These companies raised hundreds of millions, and garnered multibillion-dollar valuations, during the bright summer days of business. But couldn't survive

a single harsh funding winter. VCs are supposed to be ruthless in pursuit of excellence. However, VC culture now appears more focused on creating demigods out of founders, often at the expense of the company's long-term health and prosperity. Founders are integral to the birth and growth of innovative companies. Their vision, passion and relentless determination fuel the engine that drives companies from ideation to reality.

But the pedestal many VCs place these founders on is becoming a slippery slope. This pedestal isn't only distorting reality for founders themselves, but it's also creating a fragile ecosystem that could potentially crumble under the weight of unrealistic expectations and unchecked authority.

'Founder-friendly' is a term many in the VC world use to cover their laissezfaire management style. On the surface, it sounds like a positive and supportive approach. But delve a little deeper and you'll find this 'founder-friendly' label to often be a guise for unrestricted power with little to no checks or balances.

'Founder-friendly' culture was supposed to be one of mentoring founders through critical business decisions. The idea was to ensure their ventures had strong foundations to build a behemoth. But somewhere down the line, this evolved into blind faith in the founder's infallibility. Then, much like the emperor and his 'new clothes', founders started chasing growth and presenting made-up metrics to justify unsustainable burn rates. Without any audits, some even started creating revenue out of thin,

VCs should encourage founders to build a venture with a solid foundation. One that provides sustainable growth on high return on capital employed (ROCE) and is driven by a strong culture of

air, or through circular trading.

ty. The core focus of a founder should be to extricate themselves from the running of the business, not become its sole focal point. But what we have today is all departments, including the board, reporting to them, instead of the other way around.

Ventures that have given the most incredible returns are the ones where it's difficult to remember who started them. Here, founders have ensured they remove the business' requirement for their ubiquitous presence to a point where the business drives itself. More sound is the 'companyfriendly' approach to investing what is good for the company is good for all stakeholders. This benefits the founder in most cases, since they are the largest shareholder.

In a media climate that equates funding with success, and encourages short-term dhamaka results versus sustainable business long-term



the founder on allocating his or her monetary and time capital in building the bedrock that will withstand the pressures of growth and hyperscale.

Founding teams that own 50-60% of the company may never need to raise money again. With profitable businesses to bank on, such founders have created enough wealth for the next few generations. The value of their stake starkly contrasts the 'high-teen' ownerships in 'founder-friendly' approaches, underlining how being 'company-friendly' pays off, and most handsomely for the founder(s).

Instead of expecting investors to change, founders should choose investors who act as their reality check. Founders should look for investors who will feed them honest information, stop them from daydreaming and, most importantly, be there for them when things become difficult. They should find people who will disagree with them, discuss with them and encourage them to do the right things even if it may lead to the investor being unpopular. The VC investor who will show the founder the mirror as quickly as they will lend them a shoulder is really founderfriendly. Find them, keep them.

Set High Sustainability Standards





Shailesh Haribhakti & **Suyash Agrawal**

On June 23, one of the most path-breaking events in the world of sustainability reporting took place—the International Financial Reporting Standards (IFRS) Foundation launched its first two sustainability reporting standards, IFRS S1 and S2. A two-day conference filled with presentations and joint updates from the International Accounting Standards Board (IASB) and International Sustainability Standards Board (ISSB), two wings of IFRS Foundation, followed.

What was particularly heartening was the convergence and collaboration not only within the sustainability reporting fraternity but also between the two wings of IFRS Foundation themselves. This underscored the relevance of measuring and reporting the impact of climate-related transition and physical risks while presenting 'true and fair' financial accounts.

In the wake of the launch of the two sustainability reporting standards, some pertinent questions now lie before financiers, auditors, accountants and insurers:

▶ Do the current financial reporting standards truly account for the 'actual costs' of growth and development? ▶ Can financial institutions provide a mortgage to a homeowner whose asset is no longer eligible for home insurance?

▶ How will we account for the payments towards our water and energy usage? Do we account for a day when we would have no water or energy for all? ► Can we apply standards of depreciation or impairment to an asset that bears the risk of losing all its value to a climate event?

Uncertainty calls for more detailed and transparent disclosures to make more informed business and investment decisions

Establishing ISSB was a response to a long-standing demand from corporations, investors and multilateral policymaking organisations such as G20, G7, International Organisation of Securities Commissions (Iosco) and the Financial Stability Board (FSB) for (a) decision-useful, comparable information, (b) ending the 'alphabet soup' of voluntary initiatives, and (c) efficient reporting landscape.

Effective from annual reporting periods starting on January 1, 2024, ISSB, through its collaborative, market-informed and multi-stakeholder approach, adequately responds to these expectations. With IASB already implemented in more than 140 countries, S1 and S2 can help establish a common global baseline for sustainability

disclosures. London Stock Exchange Group CEO Julia Hoggett, while extending support to IFRS Foundation, called for global sustainability standards to be 'equitable, accessible and iterative'. And, indeed, principle-based standards such as the ones by ISSB, are accommodative and allow



Measure up to the best

for new ideas to incubate, while ensuring interoperability consolidation and reliability that will further accelerate cost-competitive global adoption by investors and corporations alike.

One had earlier seen the US Securities and Exchange Commission (SEC) lean towards the Task Force on Climate-Related Financial Disclosures (TCFD). Now, ISSB is also using TCFD as the base for its S1 and S2. This is true consistency, creating a global baseline for sustainability disclosures. IFRS S1 sustainability-related

disclosures: Asks for material sustainability-related financial information in general purpose financial reports.

 Provides decision-useful informati on about sustainability-related risks and opportunities, meeting the needs of primary users.

 Applies TCFD structure, with its four pillars—governance, strategy, risk management, metrics and targets for providing information.

 Requires industry-specific disclosures.

The tenets of identifying material sustainable information has been kept consistent with IFRS accounting standards: 'Information is

material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements [investors] make on the basis of those financial statements, which provide financial information about a specific reportingentity."

risks and opportunities to meet investor information needs. ▶ Fully incorporates TCFD recommendations Requires disclosures of material

information about climate-related physical and transition risks, and climate-related opportunities. ▶ Requires industry-specific disclosures — provides guidance for

industry-specific metrics built on

IFRS S2 climate-related disclosures:

Requires information of material

information about climate-related

Sustainability Accounting Standards Board (SASB) standards. Transition reliefs for the first year of application (a) can limit disclosures to climate-related information, (b) later reporting allowed; annual information can be provided with half-year reporting, (c) scope 3 emission dis-

closure not required, and (d) may not

apply greenhouse gas (GHG) protocol

if already using a different measurement approach. An organisation needs to build a robust set of sustainability- and climate-related disclosures. This means taking next steps that include (a) materiality and maturity assessment, (b) industry-specific indicators and data, (c) benchmarking, (d) gap analysis, (e) environmental, social, governance (ESG) data management mechanisms, (f) compliance and reporting, (g) assurance and rating support, (h) stakeholder management, and

(i) action towards net-positive. The reports of tomorrow will follow globally sustainability standards. In the next few years, we will have extremely comprehensive sustainability standards that will enable reporting with integrated thinking.

The writers are founders, DialESG



Is the Moon Round?

OSHO

One day, Kyozan was looking at the moon together with Sekishi tsu and asked him, 'Where does the roundness of the moon go when it becomes sharp, crescent?' Sekishitsu said, 'When it is sharp, the roundness is still there."

When it is round, it is still sharp. Nothing goes anywhere. Sometimes it is manifest, sometimes it is unmanifest, but it is always here - just like the moon itself. A day comes when the whole moon disappears. And on the first day of the moon, it is just a small arc; it shows only for a few minutes and then is gone. But the moon as such is always there. Sometimes the sun reflects only a part of it. Sometimes the sun reflects the whole of

it. But ...it is always there. You are standing before a mirror, if the mirror disappears, do you disappear?... The truth is in you, unreflected. You don't need a lamp to go inside, because inside you... is something like twilight when the sun sets and the night has not come... sandhya... mystics use it as an indication of the quantum leap when you move from the mind to no-mind.

This anecdote says that the moon remains itself, whether it is known or not known.... You are the moon. It is your freedom to know yourself or to remain ignorant. Nobody can force you to be enlightened and nobody can force you to be unenlightened. It is just your moon. Just a small moment of silent watching—and the explosion.

Abridged from Zen: The Solitary Bird, Cuckoo Of The Forest, courtesy: Osho International Foundation, www.osho.com

Green Path To Growth

MADELEINE CARNEMARK ET AL

Over the past few decades, Colorado has taken significant steps toward carbon neutrality. Since 2010, the state has more than tripled the amount of electricity it generates from renewable sources: renewable energy now represents 30% of the state's total generated electricity. Colorado also ranks among the top 10 states for grid modernisation, cleantech venture capital investments and per-capita electric vehicle (EV) adoption, with 58,700 battery-

powered vehicles on the road. Colorado has ambitious goals to cut greenhouse gas (GHG) emissions, and its efforts could position it as a national leader in decarbonisation. Scientists have determined that limiting the Earth's warmingto 1.5° Cabove pre-industrial levels is necessary to avoid the most dangerous and irreversible effects of climate change This would require reaching netzero emissions globally by 2050.

The analysis forming the basis of this article, conducted in 2022, shows that a net-zero pathway in Colorado not only would support important levels of decarbonisation but could also become a pillar of economic growth and sustainable, broad-based job creation in the state — creating 190,000 jobs (60% of them long-term operational roles) and contributing \$135 billion in total gross value added (GVA) by 2030....

From 'Colorado's Path to Net-Zero Greenhouse-Gas Emissions by 2050', McKinsey & Co

Let's Kill Speed To Save Humans

Apropos the Edit, 'Stop the Stu-

pidity Of 'Road Roulette" (Jul 14), any number of laws or policing will not yield results. Unlike in the developed, thinly populated nations, road space in India is shared with pedestrians, vendors, bicycles, rickshaws, horse carts, stray animals, weekly markets and slums. These cannot ever be wished away in our vote-bank politics. So, the issue should be tackled in a realistic manner. Is there a road in India on which one can ride safely at high speed? No. In the face of such stark reality, it is pointless to licence highspeed vehicles when 70% accidents occur due to speeding. There is an urgent need for an open discussion between vehicle makers and responsible road users. An acceptable speed limit can be a maximum 100 kmph for four-wheelers, and 40 kmph for two- and three-wheelers.

PREM AGARWAL By email