

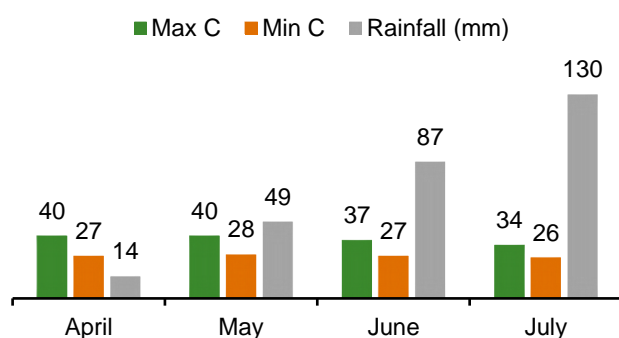


Nedspice- Farmers Partnership Programme

India - Turmeric Update / July 2017

Nedspice believes that backward integration and sustainability are the main challenges for the food industry in the years ahead. To ensure that spice farming remains financially attractive and offers a sustainable livelihood for farmers Nedspice has initiated the development of backward integration programmes for farmers in Vietnam and India. This ambition is laid down in the Nedspice-Farmers Partnership Programme which defines the approach, key principles as well as the expected results. Below is the Turmeric update on the latest activities for the NFPP projects in India.

Weather in Kadapa: April – July 2017



- Temperatures ranged between 40C (104F) and 26C (79F) during the period of April to July 2017, slightly less extreme in both ways than the same period last year
- Sporadic pre-monsoon showers occurred during May in the NFPP project areas
- Monsoon set in from June in Kadapa district, with a total of 87 mm rainfall recorded in June and 130 mm recorded in July, until July 26th
- Overall, conditions for the sowing were good and resulted in a uniform and early establishment of the crop in the project area

Farmer trainings / sowings: 2017-18 crop

Village name	Net acreage	No of farmers
Kanaguduru	20	12
Krishnampalli	64	41
Chinnavongali	80	43
Bayanapalli	57	32
Edamadaka	45	23
Total	266	151

- 151 farmers spread across 5 villages, located within a radius of 15kms from the Nedspice processing unit, are currently participating in the NFPP for turmeric in India
- Two farmer training programs on Good Agricultural Practices (GAPs) were held prior to the start of sowings in Bayanapalli and Krishnampalli, with 25 - 30 farmers joining each training program
- The sowings for the 2017-18 crop were completed between June 15th and July 7th for an acreage that increased 2.5-fold compared to last year
- The expected output from this year's program is 450-500 MT

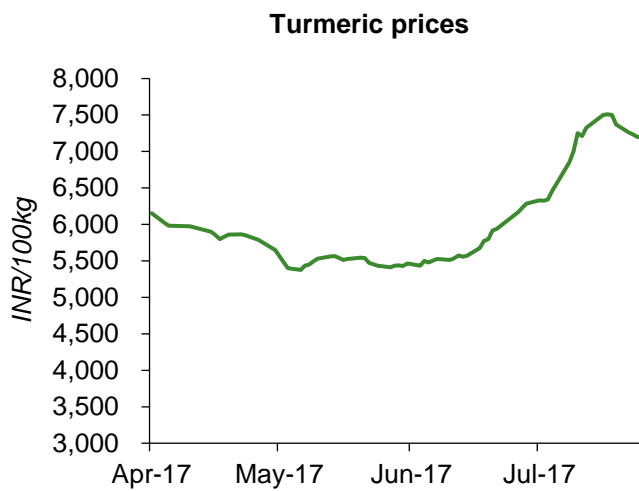


Crop at germination stage



Crop at early vegetative stage

Turmeric market overview: April – July 2017



Source : NCDEX

- Turmeric prices declined 11% from early April to the end of May, owing to huge arrivals from the bumper crop in Andhra Pradesh (AP) and Maharashtra
- The government of AP, through its marketing federation (MARKFED) intervened in mid-May by providing a Minimum Support Price (MSP) of INR 65,000 per MT to farmers, while market prices remained in the INR 54,000 – 60,000 per MT range
- Farmers sold the majority of their stocks to MARKFED in June, leading to shortage of arrivals in the market in July
- Due to these low arrivals in July, market prices rose by 15%, with prices breaching the INR 75,000 per MT mark on July 20th
- Turmeric markets in AP remained closed in the first week of July, owing to implementation of new taxation charges (GST) by the central government

NFPP Turmeric App

- A new mobile App was developed for the India Turmeric Nedspice-Farmers Partnership Programme
- Attributes from pre-sowing to post harvest can be entered in the App, providing complete traceability and key details to track crop evolution
- Pre-sowing and sowing details for the 2017-18 NFPP crop are being entered into the app currently

