

# THE HINDU

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Date:19/04/2011 URL: <http://www.thehindu.com/2011/04/19/stories/2011041963610900.htm>

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## Over 9 lakh tonnes of paddy procured

G. Srinivasan

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*4,88,597 tonnes procured in Thanjavur district and 4,63,000 tonnes in Tiruvarur district*

*The target for both districts, of five lakh tonnes each, is expected to be met*

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THANJAVUR/TIRUVARUR: The Tamil Nadu Civil Supplies Corporation Ltd (TNCSC) has procured 9,51,597 tonnes of paddy during this kharif period till April 16.

Out of the total quantity of paddy, 4,88,597 tonnes was procured in Thanjavur district and 4,63,000 tonnes in Tiruvarur district.

As samba harvest has almost been completed in the two districts, arrivals at the Direct Purchase Centres in both districts have dwindled. The DPCs receive 500 to 1000 tonnes of paddy per day now.

According to TNCSC sources, 177 DPCs are functioning in Thanjavur district and 135 in Tiruvarur district. The target for both districts is five lakh tonnes each and TNCSC sources say that the target will be achieved.

In Thanjavur district, late samba has been raised in villages like Sengipatti, Manyeripatti etc.

This paddy and summer paddy crop also will come to the DPCs in the coming months.

#### Pulses cultivation

Meanwhile, farmers of Thanjavur district have taken up cultivation of pulses. According to V. Balasubramanian, Joint Director of Agriculture, green gram has been raised on 6519 hectares, black gram on 29,213 hectares, groundnut on 6523 hectares, gingeley on 4538 hectares and Cotton on 5400 hectares.

Besides these crops, they have also raised sugarcane on 7547 hectares.

Kuruvai seeds are also being distributed now by the department.

Date:19/04/2011 URL: <http://www.thehindu.com/2011/04/19/stories/2011041950540200.htm>

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#### Farmers shift to organic brinjal

S. Harpal Singh

— PHOTO: S. HARPAL SINGH



**Green drive: A farmer from Utnoor heads for the market with brinjal grown using eco-friendly biochemicals.**

ADILABAD: The re-emergence of 'green practices' in agriculture appears consistent and trustworthy, especially when it comes from an environmentally vibrant district like Adilabad.

The effort of a handful of brinjal farmers here, who have begun shifting to organic cultivation of this pestilence-prone vegetable, holds much promise as it also envisages keeping intact the high profitability in the venture.

With a view to discontinue the use of chemicals and keeping the fertility of the soil intact, farmers like B. Srikanth Reddy of Mavala village near Adilabad have adopted eco-friendly methods in cultivation.

“This layer of the enriched silt from the local tank negates soil degradation caused by unchecked use of chemicals,” says the farmer as he introduces the first step towards shifting to organic cultivation of brinjal.

“Penning with sheep and use of vermicompost are the other methods through which the soil is being enriched on my 16 acres of land. This will ensure enlisting of the piece of land as a valuable asset,” he adds.

Since last year, farmers have reduced by half the quantity of chemical pesticides, insecticides, and fungicides needed for proper growth of brinjal. Now, they spend less by using the eco-friendly bio-chemicals though the number of sprays remains the same at one every four or five days.

#### Gradual shift

“The shift towards organic pesticides and fertilisers has to be gradual to control the imbalance in yields. Once this happens, cultivation of Bt brinjal will also be ruled out,” says farmer B. Ramakant of Tosham in Gudihatnoor mandal. Ramakanth says the experiment is likely to be adopted by farmers at Kagaznagar, Utnoor, Ichoda, Indervelli and Jainad mandals in the coming seasons.

Date:19/04/2011 URL: <http://www.thehindu.com/2011/04/19/stories/2011041962150500.htm>

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#### **CPI(M) seeks ordinance on tenant farmers**

Special Correspondent

HYDERABAD: The CPI (M) has demanded that the State government to take steps to promulgate the ordinance on tenant farmers without any further delay.

The party's State secretariat, which met here on Monday, expressed concern that the government was yet to bring in the ordinance aimed at protecting the interest of lakhs of tenant farmers in spite of its repeated assurances. The Congress which showed keenness on passing Bill hiking salaries of the legislators did not evince the same interest on the "Land Licensed Cultivators Bill", which was introduced in the Assembly. Chief Minister N. Kiran Kumar Reddy, however, assured on March 31 that an ordinance would be promulgated, but no steps had been initiated in that direction so far and this was giving scope for apprehensions over the government's commitment on the issue. The agriculture season had commenced and tenant farmers should make arrangements for seeds, fertilisers and other inputs before the month-end. The CPI (M) demanded that the government take steps to issue identity cards at the earliest to tenant farmers so that they could secure loans from banks. The party urged the government to scrap the GO 177 altogether as keeping it in abeyance would not serve the purpose.

**Date:**19/04/2011 **URL:** <http://www.thehindu.com/2011/04/19/stories/2011041956610500.htm>

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### **Huge quantity of cotton seed seized**

Special Correspondent

KURNOOL: Vigilance and Enforcement officials seized a huge quantity of unauthorized cotton seed at a ginning mill at Kallur Estate in the city on Monday.

The seizure included 33 quintals of delinted seed and 45 quintals of 'kapas', the officials said.

**Date:**19/04/2011 **URL:** <http://www.thehindu.com/2011/04/19/stories/2011041957510700.htm>

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### **Bumper yield**

Photo: M. Murali



**Farm fresh: Women collecting watermelons from a field in Warangal on Monday. The fruit is in great demand this summer.**

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**hindustantimes**



**Indo-Asian News Service**

Washington, April 19, 2011

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### **IMF warns of overheating in emerging economies**

While growth is expected to remain robust in G-20 emerging economies, including India, inflationary pressures are building, and there are signs of overheating in many economies, according to the International Monetary Fund (IMF).

Trade and bio-fuel policies have contributed to recent food price volatility, the IMF said in a note prepared for last week's meeting of G-20 Finance Ministers and Central Bank Governors.

Policy support for bio-fuel production and consumption remains important in some economies, including the United States, the European Union, Brazil, and to some extent in India, said the note on Global Economic Prospects and Policy Challenges

The recovery is gaining strength, but output gaps and unemployment remain high in advanced economies, while new macroeconomic risks are building in emerging economies, the IMF said.

All countries face a new challenge of higher commodity prices, which have increased due to strong demand and supply uncertainties, it said noting this is leading to higher headline inflation. Financial risks have eased, but new risks have emerged.

In G-20 advanced economies, the recovery is becoming more self-sustained, the IMF said.

Growth will, however, remain too low to substantially reduce output gaps and still-high unemployment, reflecting the continuing impact of pre-crisis imbalances (eg, housing) and crisis-related damage (eg, financial systems and fiscal positions), it said.

Slow growth and inadequate policy responses in advanced economies will keep fiscal positions and financial systems vulnerable to shocks, especially in peripheral Europe, but also elsewhere.

In some emerging economies, credit booms and overheating threaten eventual hard landings. Oil and food prices remain subject to supply uncertainty and upside price risks.

Key policy challenges are to strengthen growth in advanced economies, moderate growth in emerging economies, and reduce risks, the IMF said.

In advanced economies, financial sector repair and reform, notably in the euro area, should proceed expeditiously, it said.

In emerging economies, the challenge is to avoid overheating in the face of closing output gaps and higher capital flows.

For the recovery to be sustained, advanced countries must achieve fiscal consolidation, the IMF said suggesting that to do so and maintain growth, they need to rely more on external demand.

Symmetrically, emerging economies must rely less on external demand and more on domestic demand, it said.

Appreciation of emerging economies' currencies relative to advanced economies' currencies is an important part of this adjustment, the IMF said.

<http://www.hindustantimes.com/StoryPage/Print/686991.aspx>

## Weather

Chennai - INDIA

### Today's Weather



Clear

**Tuesday, Apr 19**

Max Min

34.9° | 26.4°

Rain: 00 mm in 24hrs

Humidity: 79%

Wind: Normal

Sunrise: 5:55

Sunset: 18:22

Barometer: 1005.0

### Tomorrow's Forecast



Cloudy

**Wednesday, Apr 20**

Max Min

36° | 25°

### Extended Forecast for a week

Thursday

**Apr 21**



34° | 25°

Partly Cloudy

Friday

**Apr 22**



34° | 25°

Cloudy

Saturday

**Apr 23**



33° | 26°

Rainy

Sunday

**Apr 24**



31° | 26°

Rainy

Monday

**Apr 25**



30° | 25°

Rainy

## **CM called for revolutionary changes in agriculture**

April 19, 2011 10:58:34 AM

**Staff Reporter | Bhopal**

Chief Minister Shivraj Singh Chouhan has called for revolutionary changes in agriculture. He stressed that the schemes for this should be in joint with ground realities to ensure actual benefits thereof to the farmers. He said that efforts should be made right now to set ambitious targets and to achieve them within a time limit. Chouhan undertook quarterly review of agriculture and cooperative departments at Mantralaya on Monday.

The Chief Minister underlined the most important role of farm sector to change the development scenario for the better and called for result-oriented functioning.

The Chief Minister particularly directed the officers to ensure that farmers are not required to run from pillar to post to get benefits of government schemes. For this, campaigns should be launched to select the beneficiaries and to distribute grants, equipment and assistance through Krishi Melas (agriculture fairs).

Chouhan emphasised the need for greater efforts in the field of research and said that there should be interface with agriculture universities to find solutions to pest problems and for development of new breeds.



The Chief Minister directed for beforehand arrangements of seeds, fertilisers, pesticides and farm equipment for their timely supply to farmers. He directed to deal the sellers of substandard and fake farm inputs with a firm hand and to ensure strictest punishment to them.

The Chief Minister said that the departmental schemes and programmes should be framed and implemented as per crop patterns. He stressed on planning as per requirement of rabi and kharif crops for availability of inputs. Cooperative Sector

While reviewing the progress of the various programmes of cooperative sector, the Chief Minister directed to make more comprehensive the training programmes of the cooperative department. He said that training improves the efficiency adding that regular training programmes should be organised for officers and field staff from time to time. For this a proper module must be prepared.

The Chief Minister said that the efficiency of land development banks should be regularly assessed. These should be made more useful for the people and the proposals received for this should be closely examined. He also called for relevance of schemes.

### **State targets Rs 2,300 crore cooperative Kharif loan**

April 19, 2011 10:59:31 AM

### **PNS | BHUBANESWAR**

The Odisha Government aims at lending `2,300 crore through the cooperative sector in Kharif-2011.

If achieved, this will be an all-time record and 27 per cent higher than the achievement in the previous year's Kharif.

The State had disbursed `1,811.09 crore loan to 25,504 farmers in Kharif-2010.

The disbursement of agricultural credit through the cooperative sector has seen a steady rise from `1,407.81 crore in Kharif-2009 and `546.40 crore in Kharif-2008.

In the last Rabi season, `1,558.02 crore crop loan was provided to 8, 91,377 farmers in the State and the achievement was 111 per cent of the target of `1,400 crore loan earmarked for the cooperative sector.

The Rabi-2010-11 achievement included `1,108.28 crore cash and ` 449.74 crore in kind, sources said.

In Rabi-2009-10, `1,274.35 crore was disbursed to 8, 21,099 farmers in the State.

About 80 per cent of the total crop loan provided to the farmers in Odisha comes from the cooperative sector.

The Odisha State Cooperative Bank Limited (OSCBL), the apex cooperative bank, has chalked out plans to achieve the target through its down-linked organisations Central Cooperative Banks (CCBs) and Primary Agriculture Cooperative Societies (PACSS).

"We have fixed the target for each CCB in the State to achieve the overall crop loan target," said OSCBL MD Tushar Kanti Panda.

While there are 17 CCBs functioning across the State, the highest target of `350 crore has been fixed for the Balasore CCB followed by Sambalpur with `320 crore and Cuttack with `300 crore.

In the previous Kharif season, the Balasore CCB had provided `284.05 crore crop loan whereas Sambalpur and Cuttack had disbursed ` 252.81 crore and `229.49 crore respectively, sources informed.

Similarly, Aska and Keonjhar CCBs have been given the lowest target of `70-crore each.

In the previous year, while Aska CCB had lent `45.36 crore crop loan, the achievement of Keonjhar CCB was `55.32 crore.

Among other CCBs, Angul has been given a target of `190 crore, Banki `90 crore, Berhampur `95 crore, Bhawanipatna `80 crore, Balangir `110 crore, Boudh

`75 crore, Khurda `100 crore, Koraput `100 crore, Mayurbhanj `85 crore, Nayagarh `75 crore, Sundargarh `110 crore and Puri-Nimapada with `80 crore.

### **No effect of bad weather on wheat production**

April 19, 2011 11:04:42 AM

### **Monika | Chandigarh**

As the inclement weather in the north India created panic among the farming community fearing to destroy wheat crop in over 8,000 acres of land, the Punjab Government has assured that the recent downpours will neither affect the productivity nor the output of the foodgrain.

The preliminary estimates by the Agriculture Department stated that the wheat crop in over 8,000 acres in Moga and Kapurthala districts in Punjab is feared to have been damaged by rain and hailstorm that lashed the State since past two days.

However, Punjab Agriculture Commissioner Gurbachan Singh said: "The recent rains will not adversely affect the wheat production. However, the cool weather may create moisture in the crop due to rains triggered by western disturbances that may further delay the arrival of the

wheat crop in the mandis.”

Making matters worse, the already delayed wheat procurement operations in the State will further delayed due to bad weather. With this, the wheat lifting in the State go down by 90 per cent as the wheat procurement in the State has reached just 6.05 lakh tonnes, 90 per cent low than the crop buying during the corresponding period of previous season—5.77 lakh tonnes.

The wheat arrival has already been delayed by two weeks in the major producing regions as the wheat harvested by the farmers contain moisture because of rains and it need to be dried up before moving them to the mandis. Showing concern over the western disturbances, a senior agriculture department official said: “If western disturbances led to more rains, hailstorm and winds, then it are the matter of concern. Still, there is lot of area to be harvested-around 60 per cent. And more rains will affect the quality.” The rain resulted in flattening of standing wheat crop in more than 4,000 acres of land in villages Ahlikhurd and Ahlikalan of Kapurthala district, and the ranges from 10 to 35 per cent at scattered places in Moga district.

## Business Standard

Tuesday, Apr 19, 2011

### **Mini contracts for agri items likely**

**Anindita Dey / Mumbai April 19, 2011, 0:20 IST**

FMC may allow exchanges to start mini contracts to boost retail participation.

The retail participation in the commodity exchanges may get a boost with market regulator, the Forward Markets Commission (FMC), mulling mini contracts in agri commodities.

“This would help small farmers to enter commodity exchanges and take advantage of the infrastructure, both for price discovery and planning sale of their commodities, thus securing higher gains which is the ultimate objective of commodity exchanges,” said a senior FMC official. By definition, mini commodity contracts are smaller fractionally sized versions of full futures contracts. They may be one-third, one-fifth or even one-tenth of the size of a regular sized commodity contract, depending on the commodity. The cost to purchase mini commodity contracts and get into a trade is also proportionately smaller than the original contract of the same commodity.

Meanwhile, the Multi Commodity Exchange and National Multi Commodity Exchange have already launched mini contracts in precious metals and base metals. While MCX brought down the denomination of gold contract from 1 kg to 10 gms, NMCE's' gold contracts are now available in 100 gms as against 1 kg earlier. These mini contracts were launched at a time when prices of both base metals and precious metals started rallying.

“It becomes difficult for a retail buyer to trade and take delivery of 1 kg of gold. Thus, smaller denominations will increase participation at retail level and it gives an opportunity not only to high networth individuals but small retail traders and buyers/sellers, to ride the price rally,” said official sources. In agri commodities, while not many commodities are currently available in smaller denominations, National Commodity and Derivatives Exchange brought down the turmeric contract specification for delivery from 10 tonnes to 5 tonnes. Official sources say they are also looking at oilseed complex to bring out contracts of smaller delivery units since prices of oilseeds are rising. Oilseeds traded on NCDEX are castor seeds, cottonseed, oil cake, soybean, refined soyoil, soybean meal, mustard seed. MCX has also launched mini contracts in zinc, lead, aluminium by reducing the trading units from five tonnes to one tonne.

Explaining the benefits of mini contract trading, a commodity broker explained that it is especially effective for new or less experienced futures traders with a relatively small trading stake to risk or an aversion to larger risk. They can get started in futures trading in a far more economical fashion and at the same time could dramatically cut losses in trading a mini contract.

## Cotton prices dip 14% in 15 days

Sharleen D'Souza / Mumbai April 19, 2011, 0:16 IST



Cotton prices have started declining after rallying for the last six months. The price of benchmark Shankar-6 variety fell from Rs 63,000 a candy (1 candy = 356 kg) to Rs 53,000-54,000 a candy at the spot market in the last fortnight.

The season is coming to an end and most of the crop has arrived in the market. At present, there is lacklustre demand and arrival of low quality cotton at the end of the season led to the decline in prices.

Out of the total of 31.2 million bales estimated by the Cotton Advisory Board, only 27.8 million bales arrived into the market. Even stockists have started offloading cotton in the market expecting further fall. Weak demand in the spot market has also pulled down the prices. The price of low quality Shankar-6 has fallen to Rs 45,000 a candy in Gujarat.

The government had capped the export limit of cotton at 5.5 million bales, which was completed by February. Those who were expecting permission for more cotton exports were holding stock, but have now started offloading as permission for exports is not coming.

Cotton is expected to fall further by Rs 3,000- 4,000 a candy if further exports are not allowed, said Arun Dalal, a cotton trader in Ahmedabad.

In the futures market, cotton is expected to reach Rs 950 per 20 kg on profit booking, said Dharmesh Bhatia, associate vice-president of Kotak Commodity Services.

Cotton yarn manufacturers are also not seen in the market as buying capacity has reduced, traders said. Further correction in prices of good quality cotton is expected and may also reach Rs 50,000 a candy if demand remains subdued, said Sunil Khandelwal, chief financial officer of

Alok Industries. Mill buyers' capacity was limited but now they are expected to wait and watch and will actively start buying once they see prices stabilising at lower levels.

Mill consumption this season stood at around 2.15 million bales per month.

### **Maharashtra coop sugar mills resort to distress sale for want of liquidity**

**Sanjay Jog / Mumbai April 19, 2011, 0:12 IST**

Cooperative sugar mills in Maharashtra have resorted to distress sale of the commodity to make urgent payments. In the last one week alone, nearly 800,000 quintals of sugar worth Rs 200 crore was sold in the free market as mills were in desperate need to make payments for cane, staff and transportation.

Against the ex-mill price of Rs 2,550 a quintal, some of the mills have paid Rs 2,400 a quintal while others paid Rs 2,555 a quintal against the ex mill price of Rs 2,730 a quintal. This is also due to excess non-levy quota announced by the Centre and lack of adequate storage facility.

A senior minister, who does not want to be quoted, told Business Standard: "The exorbitant non-levy quota has added to the problems of the millers. In January, the Centre had allotted non-levy quota of 1.7 million tonnes against 1.1 million tonnes in January 2010. In February, it was 1.62 million tonnes against 1.2 million tonnes in February 2010, 1.3 million tonnes in March against 1.17 million tonnes in March 2010 and 1.58 million tonnes in April against 1.28 million tonnes in April 2010. It was quite difficult to meet the monthly deadline as the demand was less in some months and less sugar was lifted. Besides, if mills fail to sell non-levy sugar in the stipulated time, the quota gets automatically converted into levy quota and in which mills incur a loss of at least Rs 700 a quintal." Therefore, millers preferred to sell at prices below the wholesale market price or even below ex-mill price to survive.

Industry sources said millers are under financial stress right from the beginning of the crushing season that started in October last year.

A total of 141 cooperative mills who have participated in the crushing season of 2010-11.

"Millers have not been realising the sugar price at the level of average cost of production. Even if the revenue generated through by-products is taken into account, there was a net cash loss of

Rs 1,250-1,750 a tonne of sugar sales spread over the last 10 months. So far, the cumulative cash losses incurred by these mills are more than Rs 1,000 crore and this would result in a severe financial stress in the days to come.”

Chairman of a cooperative mill from western Maharashtra said: The fair and remunerative price (FRP) is on a rise every year and irrespective of the minimum legally bound price to be paid, many states like Uttar Pradesh, Maharashtra and Karnataka have been paying over and above FRP, thus, adding to their cumulative losses.

“In case of Maharashtra, FRP announced for 2010-11 is Rs 1,717 a tonne (ex-mill basis) whereas the average first advance already paid by millers is Rs 1,850 a tonne and is likely to rise to Rs 2,200 a tonne,” he added.

### **Sen panel on grain storage to give report next month**

**Komal Amit Gera / Chandigarh April 19, 2011, 0:11 IST**

Need for silos has mounted due to the record procurement target of wheat in the current season.

The committee chaired by Planning Commission member Abhijit Sen to study the requirement of grain storage expects to give its report next month.

Before it does so, an assessment by consultants Mott MacDonald on how much of the storage could be in open silos and in covered godowns is to come. The Food Corporation of India (FCI) and the Union food ministry would give their opinions on the study to the Sen panel.

“The issue of storage is being taken up on a priority basis,” Sen told Business Standard.

The Government of India has estimated an urgent need for silos of two million tonnes capacity across India to save grain from rotting. There is an issue, though, with location. The consultants think the new ones should be in consuming states, while officials prefer these to be in producing states. The latter procure huge quantities in three to four weeks and these cannot be transported to consuming states simultaneously.



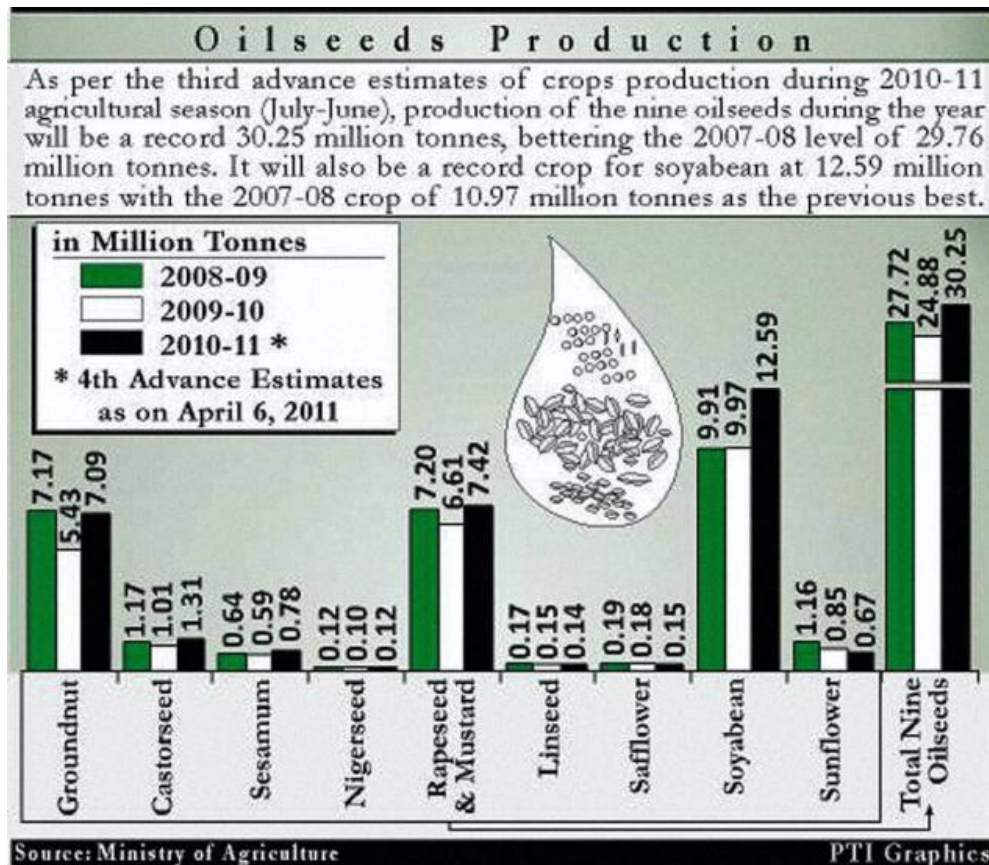
The need for silos has mounted, due to the record procurement target of 26.3 million tonnes of wheat in the current season against 22.5 mt last year. Scientific storage is essential if the new Food Security Bill is to be implemented properly.

The country has 42 mt capacity storage, but this is not enough. The foodgrain procured by government agencies for public distribution is kept in both covered godowns and open plinths and often becomes unfit for consumption over time.

According to sources in FCI, procurement from Punjab is estimated at 10 million tonnes of wheat in a span of 40 days. The movement is restricted to a maximum of a million tonnes per month, as the railways have their own limitations.

# THE HINDU Business Line

## Oilseeds Production



## Election panel says Govt can give bonus to wheat farmers



New Delhi, Apr 18:

The Election Commission has given green signal to the government's decision to give Rs 50 per quintal bonus to wheat farmers over and above the support price of Rs 1,120 per quintal for this year.

“The file has come from the Election Commission approving the proposal. The wheat bonus of Rs 50 per quintal over and above the MSP of 1,120 per quintal has been approved for this year,” Food Minister, Mr K V Thomas, said on Monday.

Although the Cabinet Committee on Economic Affairs (CCEA), headed by Prime Minister, Mr Manmohan Singh, had approved the decision (to give wheat bonus) on April 6, it had not been notified due to the election in four states and a Union Territory.

Over and above the minimum support price (MSP), the government offers bonuses to farmers to enhance procurement.

Thomas said there would not a problem of storage this year. The minister also added, “We are taking all the measures and have also told the state governments to ensure the MSP payments to the farmers“.

There had been reports from some states that farmers were not getting the MSP rates.

The Centre procures wheat and rice from farmers via the Food Corporation of India (FCI) to run its ration shops and other welfare programmes like Mid-day Meal Scheme.

Wheat procurement started from the middle of March and is likely to pick-up by next week and continues till June.

So far this year, wheat procurement is lower by 75 per cent at 21.02 lakh tonnes as against 85.55 lakh tonnes in the year ago period because of less arrival of grain in markets of Punjab and Haryana.

Food Corporation of India has set a target to procure 26.2 million tonnes of wheat in the current year against 22.5 million tonnes last year as country's wheat production is estimated to be at a record high of 84.27 million tonnes in 2010—11.

In 2009-10 crop year (July-June), the country had produced 80.8 million tonnes of wheat.

#### **Wheat procurement slows as harvesting still to pick up**



Workers trying to dry wheat by spreading the crop at the Karnal grain market terminal. — Nitish Sharma

New Delhi, April 18:

Wheat procurement is proceeding at a snail's pace this year, courtesy an extended winter and unseasonal rains that have delayed harvesting.

The latest information from the Food Corporation of India (FCI) as on Monday shows only 44.56 lakh tonnes (lt) of grain to have arrived in *mandis* during the ongoing 2011-12 rabi marketing season (April-June) against 131.24 lt during the corresponding period of 2010-11.

Of the 44.56 lt, the FCI and State agencies have procured 38.38 lt. That includes 17.61 lt — out of total arrivals of 17.62 lt — from Haryana, 14.10 lt (17.48 lt) from Madhya Pradesh, 6.02 lt (6.05 lt) from Punjab, 0.45 lt (1.15 lt) from Uttar Pradesh and 0.11 lt (1.89 lt) from Gujarat.

Last season at this time, the Government agencies had bought 123.62 lt out of the total arrivals of 131.24 lt, with these amounting to 55.72 lt (55.77 lt) for Punjab, 47.61 lt (47.62 lt) for Haryana, 17.85 lt (22.48 lt) for Madhya Pradesh, 1.40 lt (2.43 lt) for Rajasthan and 0.79 lt (0.79 lt) from Uttar Pradesh.

“After a long gap, we have had an extended winter that has delayed ripening of the crop and pushed back harvesting by about 10 days. The latest rains will further add to the delay,” a Punjab Agricultural Department official told *Business Line*.

The unseasonal rains since Sunday have been accompanied by hailstorms in some places. In these areas, some lodging of grain and yield losses is expected. But in 90 per cent or more area, the standing crop is yet to be harvested and farmers will probably wait till the skies clear totally.

“They will not harvest till the crop dries and the moisture content in the grain is brought down to meet official specifications,” the official said.

According to him, the grain quality would be affected only for the crop already harvested and lying on the fields. “This grain may suffer mild discolouration,” he added.

During 2010-11, the FCI and State agencies procured 225.14 lt of wheat. The procured quantity is expected to go up with the Union Agriculture Ministry estimating a record wheat crop of 84.27 million tonnes, against last year's 80.80 million tonnes.

As on April 1, wheat stocks in the Central pool, at 153.64 lt, stood below last year's corresponding level of 161.25 lt, though more than twice the minimum buffer and strategic reserve requirement of 70 lt.

### **Cardamom prices rule steady**



Workers engaged in cardamom grading at a godown near Kochi. File Photo: K. K. Mustafah

Kochi, April 18:

Cardamom prices ruled steady last week on balanced demand and supply at auctions held in Kerala and Tamil Nadu.

Arrivals were good because of holidays last week. As upcountry buyers were active whatever volume of capsules arrived was picked up. Exporters bought some 10 tonnes. The total arrivals last week stood at around 172 tonnes.

As the average price started ruling above Rs 1,000, many have resorted to selling. Sharp fall in prices in recent weeks resulted in many of the traders, who had bought at higher prices and stocked earlier, losing. They were selling now when the prices improved to above Rs 1,000 a kg to balance it out.

There has been an improvement in domestic demand mainly because of the festival season. Another reason attributed is the reported lifting of ban on the pan-parag industry, which also started buying good quantities.

Arrivals at the Sunday auction conducted by the KCPMC stood at 58.5 tonnes and the entire quantity was sold out. The rise in arrivals was due to the holidays in connection with the Assembly elections on April 13 and Tamil New Year's day on April 14, Mr P.C. Punnoose, General Manager, CPMC, told *Business Line*.

This week also the market is likely to remain closed for three days on account of Easter, he said.

The maximum price on Sunday stood at 1,326 a kg and the minimum was at Rs 700 a kg. The average was at Rs 1,014.77 a kg.

The individual auction average price remained in the range of Rs 1,000 and Rs 1,020 a kg during the week.

### **Arrivals**

Total arrivals during the current season from August 1 to April 17 stood at 8,810 tonnes. Of this 8,596 tonnes were sold.

Arrivals and sales in the same period of the previous season were 8,820 tonnes and 8,610 tonnes respectively.

Weighted average price as on April 17, 2011 was Rs 1,088 a kg, up from Rs 810 a kg same day last year.

Prices for graded varieties were steady at previous levels. The prices in rupees a kg according to official sources in Kumily on Monday were: AGEB 1,245–1,255; AGB 1,135–1,145; AGS 1,120–1,130 and AGS1 1,095–1,105.

Prices according to trade sources in the open market in Bodinayakannur in rupees/kg were: AGEB (7–8 mm) 1,060–1,110; AGB (6–7 mm) 1,005–1,015; AGS (5– 6 mm) 975–990 and AGS1 950–960.

Good colour 8 mm bold capsules were fetching Rs 1,400 a kg, trade sources in Bodi told *Business Line*. Good bulk was being sold at Rs 1,020– 1,050, they said.

### **Girijan co-op plans to set up more outlets, cold storage unit**

Visakhapatnam, April 18:

The Girijan Co-operative Corporation (GCC) here should set up more outlets in important towns of the State to market its products more aggressively as “organic products”, according to Mr P. Balaraju, State Tribal Welfare Minister.

The Minister, who was reviewing the performance of the GCC for 2010-11 here on Monday, said steps should also be taken to complete the construction of a cold storage unit here with a capacity of 20,000 tonnes as early possible. He instructed the GCC officials to finish it within two-three months and necessary funds (Rs 2-3 crore) would be released for the purpose.

Mr Balaraju commended the GCC for achieving turnover of Rs 215 crore against the target of Rs 282 crore, but felt there was still a lot of ground to be covered. There was still a lot of untapped potential for selling GCC products, especially in the important towns of the State and other states. The export possibilities should also be explored and the GCC should set up more processing units, he said.

The Minister said the GCC should build up brand value for its products, as many of them were natural ones, and make all efforts to secure remunerative prices to the Girijans for forest produce such as honey, tamarind, gum karaya and others. The main objective of eliminating exploitative middlemen should not be lost sight of. However, if private merchants were offering a better price to the Girijans and if the GCC was not in a position to do so, they should not be hindered. “Market forces should be allowed to prevail, if they are to the benefit of the Girijans,” he added.

He instructed officials to promote coffee cultivation and also make efforts to market the crop, as it would be of immense help to Girijans. “Our aim is to have coffee plantations in at least 1,10,000 acres in the agency area of Visakhapatnam district. Rajma should also be promoted,” he said.

He said the honey processing unit at Araku would be revived and more chilli processing units would be set up, especially in the Bhadrachalam area of Khammam district. He assured the GCC officials that more employees would be recruited and steps would be taken to improve facilities.

Mr Trinadha Rao, Managing Director of GCC, and other senior officials participated in the review.

### **Wheat procurement drops by 69%**

New Delhi/Chandigarh, Apr 18:

Wheat procurement across the country has declined by 69 per cent so far this year at 38.38 lakh tonnes as arrivals have not yet picked up in the major producing states of Punjab and Haryana.

Food Corporation of India (FCI) had procured 123.62 lakh tonnes of the staple foodgrain in the year ago period, according to the latest FCI data. Punjab and Haryana had contributed 73.53 per cent of the total procurement in the previous year.

Procurement in major producing states of Haryana and Punjab, which generally starts from April 1 and picks up from April 15, had been very low till yesterday because of less arrival of crop in the markets due to delay in harvesting.

Punjab, which had procured the maximum 102 lakh tonnes of wheat last year, has purchased 6.02 lakh tonnes so far as compared to 55.71 lakh tonnes in the corresponding period of the last year.

Haryana, which was the second largest contributor to the government's kitty in the 2010—11 marketing year (April—March), has procured only 17.61 lakh tonnes till yesterday due to delay in harvesting as against 47.60 lakh tonnes in the year ago period.

According to a report from Chandigarh, wheat procurement in Punjab is 90 per cent down against last rabi marketing season.



The Punjab government has set up 1634 procurement centres and activated its total machinery to ensure smooth procurement of wheat, an official said.

In Madhya Pradesh, wheat procurement has declined to 14.09 lakh tonnes so far against 17.84 lakh tonnes in the year ago period even though the state government has declared Rs 100 per quintal more to farmers than the Centre's minimum support price (MSP) of Rs 1,120 per quintal.

Arrivals of wheat in MP has also declined to 17.47 lakh tonnes so far against 22.48 lakh tonnes in the review period.

In contrast, FCI and other state agencies have bought 10843 tonnes of wheat in Gujarat so far against 624 tonnes in the entire 2010—11 marketing year.

The government had procured 22.5 million tonnes of wheat in the entire 2010—11 marketing year (April—March).

The Centre has hiked procurement target by more than 16 per cent to a new high of 26.2 million tonnes in 2011—12 as wheat output is estimated to be a record 84.27 million tonnes in 2010—11 crop year (July—June).

#### **Rice procurement drops by 1% this season**



New Delhi, Apr 18:

Procurement of rice has dropped by 1 per cent to 25.68 million tonnes (MT) so far in 2010—11 marketing season that started in October last year as compared to the corresponding period an year ago.

Food Corporation of India (FCI) had procured 25.87 MT of rice to this date last year, according to the latest FCI data.

Punjab, the largest contributor to centre's kitty last year, has contributed 8.63 MT to the central pool in the current marketing season (October—September), against 9.28 MT in the same period last year.

In Andhra Pradesh, the government agencies were able to buy more rice this season. Procurement in AP stood at 4.27 MT so far, against 3.96 MT in the previous year.

Likewise, the government's purchase in Chhattisgarh has raised to 3.50 MT till yesterday from 3.03 MT in the year ago period, according to the government data. In contrast, procurement from Orissa dipped to 1.56 MT during the period under review from 1.83 MT in the corresponding period a year ago, it said. FCI had procured 32 MT of rice during the entire 2009—10 marketing year (October—September).

According to Agriculture Ministry's latest projection, the country is expected to produce 94.11 MT of rice in 2010—11 crop year (July—June) as against 89.09 MT last year.

#### **Wheat procurement in Punjab declines 90%**



Business Line A file photo of a wheat crop just before harvesting. -- Akhilesh Kumar

Chandigarh, April 18:

Wheat procurement in Punjab, a major producer, has reached just 6.05 lakh tonne which is 90 per cent down compared to the corresponding period of last season.

Government agencies and private millers procured 6.05 lakh tonnes so far in the ongoing rabi marketing season compared with 55.77 lakh tonnes during the same period last year.

According to an official, of the total procurement, government agencies procured 99 per cent of the crop at 6.02 lakh tonne while the rest was bought by private traders. FCI bought 72,961 tonnes.

The official said Ludhiana district with 42,559 tonnes was leading in procurement operations whereas Fatehgarh Sahib district at 33,979 tonne came next.

The State Government has set up 1,634 procurement centres and activated its total machinery to ensure smooth procurement of wheat, the official added.