

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:04 IST Tiruvannamalai,
August 29, 2011

Turmeric farmers fear steep fall in revenue



Turmeric crop at Kalpattu near Padavedu. — Photo: D.Gopalakrishnan

Turmeric farmers fear that there could be a huge fall in revenue this year despite a good harvest. While falling prices play the spoilsport, lack of storage facilities and market in Tiruvannamalai district, an emerging turmeric cultivation region, force them to shell out more money to transport processed turmeric to Erode market.

Though Tiruvannamalai district is not famous for turmeric cultivation like Erode is, gradually the turmeric cultivation has extended in various parts of the district, as the farmers were attracted by the returns the crop gave in the previous years. According to official statistics, 11 out of 18 blocks in the district has turmeric cultivation while only Chengam, Polur, Arani and West Arani blocks have concentrated pockets of turmeric cultivation.

Kalpattu, a small hillside village near Kannamangalam features turmeric as its main crop alongside yam. S.Settu, Villag Panchayat member and a farmer, said that turmeric which was once considered by villagers to be as promising as gold now turned into a cause for nightmare. “Until last year, a quintal of turmeric sold for about Rs.17,000 in Erode market. This year the market witnessed a steady fall and now reached as low as Rs.5,000- Rs.6,000 a quintal.

Moreover, the cost involved in transporting turmeric to Erode market eats into the revenue,” he complained.

“Apart from Kalpattu, villages like Keel Arasampattu, Nanjukondapuram, Naga Nadhi, Amirthi, Kattukanallur, Kathazhampattu and Padavedu in this region cultivate turmeric in vast areas. There are a handful of processing units that help remove the hairs from rhizomes that are running in the region. But we lack storage facility and marketing opportunities in our area. Considering our proximity to Chennai, government can take action to convert our Kannamangala region as another turmeric hub,” Mr.Settu added.

He also said “many farmers in these villages converted to turmeric from banana and sugarcane, expecting it to be more profitable. As a result of price fall, they are in fix now”.

K.Shanmugam, another turmeric farmer of the village, said that the government should intervene and help import turmeric to give a boost to the prices. He said many in their village sent their produce to Erode during the last season only to be disappointed by the price. Hence, they decided to store them in the storage facilities available in Erode with the help of middlemen. “We pay minimum rent for the godown and preservatives. But we would not worry if the prices climbed up again. We are waiting for the moment which is still elusive.

M.Palani, another resident of the village, said people without help from the government attempted to evolve a turmeric market in Kannamangalam some time ago but failed.

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:01 IST ERODE, August 29, 2011

Innovative concepts in agriculture sector planned to enhance yield, says Minister

Distributes welfare assistance



Agriculture Minister K.A. Sengottaiyan (second left) distributing welfare assistance to a beneficiary at Perundurai in Erode district on Saturday.

The State Government has planned to introduce innovative concepts in the agriculture sector to enhance crop yield, Agriculture Minister K.A. Sengottaiyan has said.

Participating at a government function held at Perundurai on Saturday, the Minister said the Chief Minister was determined to give a new lease of life to the agriculture sector, which had suffered serious problems during the previous DMK regime.

A number of new schemes had already been announced for the sustainable development of the sector. The schemes would help improve the agricultural productivity in the State to a greater extent, the Minister hoped.

Listing out the new development programmes announced recently, Mr. Sengottaiyan said the government had decided to give more importance for the development of education sector.

A sum of Rs. 912 crore had been allotted to free laptops scheme for students alone. The scheme would help bridge the digital divide and enable the students from rural areas to take advantage of the Information Technology, he said.

Receiving petitions from the people, the Minister assured that all the petitions would be forwarded to the departments concerned and steps would be taken to redress the grievances of the petitioners quickly.

Efforts would also be taken to speed up the process giving new family cards to eligible applicants, the minister said.

Later, the Minister distributed welfare assistance and loans to the tune of Rs. 1.53 crore to 594 beneficiaries selected under different government programmes.

Collector C. Kamaraj presided. Perundurai MLA N.D. Venkatachalam, Anthiyur MLA S.S. Ramanidharan and senior officials were present.

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:03 IST TIRUNELVELI, August 29, 2011

Emphasis on issuing loans to farmers, SHGs

Rs. 5.10 crore sanctioned in the form of Kisan Credit Card, cash, and DD



FOR THE NEEDY: C. Srinivasan, Senior Regional Manager, Indian Overseas Bank, handing over loan to a beneficiary at Puliyangudi in Tirunelveli district.

As part of its Platinum Jubilee celebrations, Indian Overseas Bank, the Lead Bank of the district, celebrates August as the month of farmers and self-help groups (SHG) by distributing loans to them.

More emphasis is being given during this period to disburse loans to farmers, who are badly in need of meeting cultivation expenses and thereby saving them from the moneylenders.

To mark this occasion, loans to the tune of Rs. 5.10 crore was sanctioned in the form of Kisan Credit Card, cash, and demand draft etc. to betel wine farmers to meet their cultivation expenses. Loans to the extent of Rs. 40 lakh were given to Mahendravadi and Maruthankinaru panchayat-level federations. Moreover, 100 SHGs were given direct assistance of Rs. 3 crore.

Senior Regional Manager, Indian Overseas Bank, Tirunelveli Region, C. Srinivasan, who presided over the function, distributed loans to the beneficiaries. S.K. Sampathkumar, District Project Manager, 'Puthuvazhvu Thittam' addressed.

As part of this programme, an ATM centre was declared open at Shencottah and the new building at Saernthamaram branch with ATM by Mr. Srinivasan.

Director, IOB Rural Self-Employment Training Institute, S. Nambiraj; Lead District Manager K. Ramasubbu; and Chief Manager M. Raju attended the function.

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:04 IST VIJAYAWADA, August 29, 2011

Brisk pace of paddy transplantation puts pressure on fertilizer supply in Krishna

The paddy transplantation in Krishna district is nearly complete and sowing in the remaining 10 per cent of the 2.70 lakh acres will be completed by September first week.

This, however, has put enormous pressure on the availability of fertilizer in the district for the past one week. In addition to the increased sowing activity in all mandals, the demand has risen and added to that, loading at railway junctions has come down due to truckers' strike and situation is likely to come back to normalcy from Monday.

When contacted, district Joint Director of Agriculture K. S. V. Prasad said that 2.25 lakh acres had been sown and this year. The fertilizer supply plan was readied month-wise and as per the allocation of the Commissioner, the loads were being sent to different supply points.

"We do not oversupply, but nowhere there is a shortage of fertilizer except for a brief period in the last week," he pointed out.

He expressed concern over the lack of support price for paddy, which forced farmers in neighbouring West Godavari to go for Crop Holiday, but in Krishna district, except for some villages in Koduru mandal, the situation was normal.

Crop inundated

He hoped that with the rains stopping for some time after the low-pressure area dissipated, sowing operations would be completed and urea, DAP, MoP and complex fertilizers would be made available in time. The availability of irrigation water was also not a point of concern here.

Meanwhile, paddy crop in about 5,000 acres in four mandals of the district was inundated as a result of the continuous rain for over a week. Mudinepalli, Ibrahimpatnam, Vijayawada Rural and Thotlavalur Mandals were the affected areas according to preliminary reports.

The crop can be saved if the rain stops and water gets drained out. The final enumeration would, however, be done only after a couple of days, Mr. Prasad said.

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:04 IST ELURU, August 29, 2011

'Crop holiday': farmers resolve to intensify stir

The 'Rytu Atma Parirakshana Sadassu' held here on Sunday under the aegis of Andhra Pradesh Rytanga Samakhya resolved to take forward the struggle in defence of the farmers observing 'crop holiday' in the Godavari delta.

Announcing the course of action, samakhya president Yerneni Nagendranadh said he would launch an indefinite fast on October 2, Gandhi Jayanti, with an appeal to the government to extend a special package to the farmers so as to resolve the problems leading to the 'crop holiday'.

Besides, a 'rasta roko' would also be observed on the same day, he added.

Committees

The meet resolved to consolidate the movement by constituting village, mandal and district level committees in the Krishna and the Godavari delta areas to achieve its goal of 'rytu swatantram' (freedom for peasants).

A good number of farmers from the Konaseema region, the epicentre of the crop holiday, in East Godavari, West Godavari, Krishna and Gunturu districts attended the programme.

Pledge administered

Former Minister Vadde Sobhanadreeswara Rao administered a pledge to the farmers to take forward the peasant struggle beyond politics, caste, and other considerations.

The meeting also appealed to the UPA government to bring in an economic security Act for the benefit of distressed farmers on the lines of the Mahatma Gandhi National Rural Employment Guarantee Scheme for farm workers and the Food Security Act for the poor.

It wanted the current Parliament session to take up a discussion exclusive on the distress conditions in agriculture in the country in general and the coastal region in the State in particular.

Food crisis

Taking note of the spread of the trend of crop holiday from the Godavari delta to Rayalaseema and the Telangana regions, the meet warned that the country would suffer from an acute food crisis if the government failed to address the burning issues confronting agriculture immediately.

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- *Rytanga Samakhya chief to launch indefinite fast seeking special package for farmers*
 - *UPA urged to bring in economic security act for distressed farmers on the lines of NREGS*
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Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 03:59 IST COIMBATORE, August 29, 2011

New hybrid variety of maize demonstrated

A team from Tamil Nadu Agricultural University visited Vadakkipalayam village in Pollachi, where the single cross maize hybrid CMH-08-282, developed by the university, is being field tested.

Trials

TNAU laid out 15 field demonstrations of the pre-release hybrid, of each one acre, under rain-fed conditions, during May-June 2011 in the fields of members of the Kamadhenu Farmers' Association of Vadakkipalayam. The trials were laid out to demonstrate the yield potential of the pre-release hybrid over the existing hybrid CoH (M)5.

Vice-Chancellor P. Murugesu Boopathi said based on the results of the frontline demonstrations in the village, the hybrid would be considered for release in 2012.

Disease resistance

The new hybrid gave 29 per cent increased yield over CoH (M)5 and eight to 10 per cent over leading private maize hybrids and matured within 110 days. Grains were bold and yellow and were semi-dent in texture.

It had high starch content, high protein and high beta-carotene with moderate level of fat and crude fibre. It exhibited multiple disease resistance.

Although maize had not been grown in that location so far, the large scale demonstration of pre-release maize hybrid had created awareness on suitability of maize cultivation under rain-fed situation.

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:00 IST THENI, August 29, 2011

Rise in dam storage levels raises hope among farmers in Cumbum

Agriculture activities in full swing in the valley with sufficient storage

Steady increase of storage level in Vaigai and Periyar dams in the last few days has increased the hopes of farmers in Cumbum valley in the district.

Water level in Vaigai dam rose by one foot in the last 48 hours, thanks to sizable rainfall in the catchments and good flow in the Periyar River. Storage level stood at 52.4 feet on Sunday which was 51.4 feet on Friday. Inflow into the dam was 1,204 cusecs on Sunday.

With sufficient storage in both dams, agriculture activities were in full swing in the valley. Transplantation was almost over in the entire valley stretching between Goodalur near Lower Camp and Veerapandi, six km away from Theni town.

Several farmers have been adopting System of Rice Intensification method for better yield and minimising use of water for irrigation. A total of 3,500 acres have been brought under the SRI method in the valley so far.

To overcome acute labour shortage, progressive farmers too have started using modern farm equipments and machines for transplantation and removal of weeds. Farmers strongly believed that they would not have any difficulty in getting water for irrigation for the first crop. Intermittent showers in the catchments that increased the flow in Periyar and Vaigai rivers too augmented their hopes.

With good storage in Periyar dam, chances of releasing water in PTR and Thanthai Periyar channels in October was also bright, farmers opined.

Officials in local bodies too were happy as they would not face difficulties in maintaining drinking water supply.

Expecting north-west monsoon, farmers in rain-fed areas like Thevaram Kombai, Kadamalaigundu, Mayiladumparai, Andipatti have kick started farming activities.

They have started raising pulses.

However, storage level in Periyar dam was 121.3 feet with an inflow of 1,076 cusecs. The discharge was 1,342 cusecs for irrigating first crop in double cropping area spreading over 14,700 acres.

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:02 IST August 29, 2011

Crop yield

The State Government will introduce innovative concepts to enhance crop yield, Agriculture Minister K.A. Sengottaiyan said in Perundurai on Saturday.

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:03 IST KRISHNAGIRI,
August 29, 2011

Cattle protection scheme will lead to “White Revolution”: Minister

The cattle protection scheme announced by Chief Minister Jayalalithaa will lead to another “White Revolution” in the State, said K.P. Munusamy, Minister for Municipal Administration and Rural Development, here on Sunday.

Launching the scheme at Thimmavaram village near Krishnagiri, Mr. Munusamy said the AIADMK government was taking various steps to upgrade the standard of living of farmers and this scheme was the first step in this direction.

The Minister said 5,500 special medical camps for the cattle heads would be conducted in every nook and corner of the State at a cost of Rs. 2.31-crore during this fiscal.

Mobile veterinary team recently introduced in the district would come to the rescue of farmers over a phone call. The district administration was planning to introduce a toll-free helpline. Farmers' could make a request through the helpline, Mr. Munusamy said.

The Collector would initiate action against officials if they were not quick enough to attend the helpline calls from farmers.

Distribution of free milch cow and goat scheme to the landless farm labourers from September 15 would improve their economic conditions. Three female and one male goats would be distributed to rural women, Mr. Munusamy added. Later, the Minister administered oral vaccination to the cattle heads and gave away prizes for the best maintenance of the cattle head.

V. Gnanaubakaram, Regional Joint Director, H. Arulmozhithevan, Assistant Director, Animal Husbandry Department, participated.

“5,500 medical camps for the cattle heads will be held in every nook and corner of the State”

Published: August 29, 2011 00:00 IST | Updated: August 29, 2011 04:04 IST August 29, 2011

Fertilizer shortage

There has been a shortage of fertilizer in Krishna district for the past week due to the brisk pace of paddy transplantation.

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Press Trust Of India

New Delhi, August 28, 2011

First Published: 10:42 IST(28/8/2011)

Last Updated: 10:43 IST(28/8/2011)

Inflation to fall to 6% by March 2012: Goldman Sachs

Global banking and research giant Goldman Sachs has said India's headline inflation will fall to 6% by March 2012 due to weakening of demand.

"Demand continues to weaken and core inflation, as measured by the non-food manufacturing inflation, is trending lower in sequential terms. We believe this fall in inflation is observed to stay... Going forward, we expect year-on-year headline inflation to slow to 6% by March 2012," Goldman Sachs Global Economics, Commodities and Strategy Research said.

In its latest issue of 'Asia Economics Data Flash', it said this is likely to be the case even after factoring in a revision of the July Wholesale Price Index (WPI) number.

Headline inflation fell to an eight-month low of 9.22% in July. However, experts have said the numbers are likely to be revised upwards.

The government has revised the inflation figure for April to 9.74% from the provisional 8.66%. Similarly, the May number was revised to 9.56% from the provisional 9.06%.

"The July data suggests that sequentially, inflation continues to come off sharply. We think that the year-on-year numbers are misleading and do not capture the decline in inflationary pressures since a big spike in first quarter of 2011," Goldman Sachs said.

Goldman's projection is in contrast to forecasts made by the Reserve Bank of India (RBI) and the Prime Minister's Economic Advisory Council (PMEAC).

In its Annual Report for 2010-11 released last week, the RBI had said inflation is likely to remain elevated till the third quarter of the current fiscal and then moderate to around 7% by March 2012.

The PMEAC, in its Economic Outlook for 2011-12, projected inflation to remain high at around 9% till October, before falling to 6.5% by the end of the fiscal.

"There is a slowdown in economic activity in India which is being exacerbated by rising interest rates and headwinds from the global economic environment," Goldman said.

The RBI has hiked key policy rates 11 times since March 2010 to curb inflation. India Inc had said the repeated rate hikes have made the costs of borrowing expensive and reduced fresh investments and industrial production.

<http://www.hindustantimes.com/StoryPage/Print/738797.aspx>

Weather

Chennai - INDIA

Today's Weather



Cloudy

Monday, Aug 29

Max Min

34.3° | 22°

Rain: 0 mm in 24hrs

Humidity: 70%

Wind: Normal

Sunrise: 5:57

Sunset: 18:22

Barometer: 1004

Tomorrow's Forecast



Rainy

Tuesday, Aug 30

Max Min

34° | 24°

Extended Forecast for a week

Wednesday Aug 31	Thursday Sep 1	Friday Sep 2	Saturday Sep 3	Sunday Sep 4
				
32° 26° Rainy	32° 26° Rainy	31° 26° Rainy	31° 26° Rainy	31° 27° Rainy

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DECCAN Chronicle

Published on *Deccan Chronicle* (<http://www.deccanchronicle.com>)

Sriramsagar dam water being wasted



The failure of the Sriramsagar project engineering officials to efficiently manage the releasing of water during the flood season has led to more than one-and-a-half lakh cusecs of water flowing into the sea instead of being diverting into SRSP canals and downstream reservoirs.

Due to heavy rains in the catchment areas of Manjeera, a tributary of Godavari, officials have been forced to lift 27 flood gates and release water. Since there are no projects downstream of SRSP on Godavari, the water will travel a distance of 660 km to join the Bay of Bengal.

If this was planned better, water could have been diverted in advance to Kakatiya and flood flow canals to fill the Lower Manair Dam near Karimnagar city which is only 20 per cent full at present. This would have been beneficial for the ayacut downstream of LMD i.e. Warangal and Nalgonda which are part of the SRSP project.

In fact the IT minister and former irrigation minister, Mr Ponnala Laxmaiah, had alerted both the SRSP and irrigation officials at the Secretariat to take steps so that water was not unnecessarily wasted in the current flood season. After learning that the SRSP officials had released more than a lakh cusecs of water into the river, an exasperated Mr Laxmaiah complained to the Chief Minister, Mr N. Kiran Kumar Reddy, on Sunday.

Later on the instructions of the Chief Minister, the special chief secretary to the CM, Mr Satyanarayana spoke to the minister. In a message to the principal secretary of irrigation, Mr Mahapatra, the IT minister observed, "It is a serious lapse and a historic unpardonable mistake and crime. Let us at least act today for the sake of tomorrow and forever.

" However, the major irrigation minister, Mr P. Sudarshan Reddy, who is from Nizamabad district where the SRSP is located, said there were no lapses on the part of the irrigation officials and that they had acted as per the flood manual.

Source URL: <http://www.deccanchronicle.com/channels/cities/hyderabad/sriramsagar-dam-water-being-wasted-961>

Uninterrupted power supply to welcome rabi season

August 29, 2011 12:07:08 AM

Staff Reporter | Bhopal

Necessary steps are being taken to ensure quality and uninterrupted power supply to farmers for irrigation during the ensuing rabi season. Special emphasis is being given to transformer management. In view of rabi season, an inventory of 4,500 transformers has been built.

Out of these, Madhya Pradesh Eastern Region Power Distribution Company has distributed 500 additional transformers, Western Region 1,000 transformers and Central Region Power Distribution Company has distributed 3000 additional transformers. Instructions have been given to the three Power Distribution Companies to ensure smooth power supply by managing transformers, if needed.

Before the onset of rabi season, all the transformers are being physically verified.

The Power Distribution Companies have been instructed that burnt or the out of order transformers should be replaced only during power cut period so that there is no disturbance in power supply. Line transformers should also be repaired during the power cut period.

Villagers' cooperation is being sought for reviving Transformer Safety Committees constituted earlier for safety of distribution transformers. Villagers are being apprised about overloading and shortage of oil etc in transformers so that rate of transformer snags can be reduced.

Govt disbursed Rs 4.46 lakh crore farm loans in last fiscal

August 28, 2011 11:45:07 PM

PNS | New Delhi

Public financial institutions disbursed loans of Rs 4.46 lakh crore to farmers in the last fiscal. Out of the total debt, the share of small and marginal farmers was 36.53 per cent, the Minister said quoting NABARD, Minister of State for Agriculture Harish Rawat informed the Parliament last week.

The Minister said that it has led to decrease in farmers suicides in the current year. Harish Rawat said incidents of farmers taking extreme step due to agrarian reasons have been dropping with every passing year and the current year has registered fewer incidents than the previous year.

Maharashtra has reported 123 suicides by farmers in 2011 as against 454 in the year-ago period, he said. Likewise, Andhra Pradesh has registered 42 farmer suicide cases this year as against 152 in 2010.

Business Standard

Monday, Aug 29, 2011

Spices Board to focus on improving nutmeg quality

BS Reporter / Chennai/ Kochi August 29, 2011, 0:59 IST

In view of the strict regulations imposed by major nutmeg importers such as the European Union, the Spices Board has mooted a series of measures to enhance the quality of nutmeg and nutmace produced and exported from the country.

The Board also plans to position nutmeg as a purely organic crop and would undertake campaigns to promote its uses and benefits. This will help in sustaining the market thereby stabilise prices.

These steps, to be implemented during the 12th Plan period, are aimed at improving the harvest and post-harvest operations, and marketing and exports of nutmeg, officials said at the nutmeg farmer-exporter interface on Friday last.

The issue of aflatoxin in nutmeg and mace has emerged as grave one, as the harvest takes place during the peak of the monsoon.

The Spices Board in association with the Indian Institute of Spices Research and Kerala Agriculture University had campaigned in different nutmeg-growing locations in Kerala and Tamil Nadu to impress upon farmers the necessity to improve the post-harvest operations.

The farmer-exporter interface also deliberated in detail the problems and explored the possibility of working out an action plan. The Board would consider providing support to farmers and farmer groups in establishing a system for production of nutmeg and mace of the right quality.

The meeting also received suggestions for preparation of a set of practices, detailed plant protection procedures, periodic farmer advisory meetings and training, support for establishing processing systems, day-to-day dissemination of prices of nutmeg and mace.

The farmers sought assistance in procuring modern sprayers to scientifically spray Bordeaux mixture on nutmeg trees besides crop insurance.

The meeting constituted a committee comprising experts from the Indian Institute of Spices Research, Kerala Agriculture University, Tamil Nadu Agriculture University, Indian Cardamom Research Institute as well as farmer representatives Saji Mathew Kadukammackal, PV Antu, Sebastian, Somasekharan Pillai, Johnny Kannampilly and Madhuramakrishnan (Tamil Nadu) to study the existing different drying systems and suggest the ideal curing system.

The meeting was attended by farmers from the various nutmeg-growing locations of Ponkunnam, Adimali, Erattupettah, Kanjoor, Edakunnu, Pariyaram, Kaduthuruthy, Koorachundu, Thiruvambadi in Kerala and Pollachi in Tamil Nadu.

Scientist of the Indian Institute of Spices Research, E Jayasree; progressive farmer, Saji Mathew Kadukammackal of Kakkayam; president of the All Kerala Nutmeg Growers Association, PD Zackaria, secretary, PV Antu, exporters Jojan Malayil, Ramalingom, Anand Kishore; Spices Board directors Siddaramappa, MR Sudarasan and deputy director PS Sreekantan Thampi spoke at the interface. Philip Kuruvilla, Spices Board member and Chairman of the World Spice Organisation presided over the meeting.

Sugarcane floor price to rise at least 18% next year

Ajay Modi / New Delhi August 29, 2011, 0:50 IST

Sugar producers face the prospect of a minimum 18 per cent increase in the procurement cost of cane, with the Commission for Agricultural Costs and Prices (CACP) recommending a floor price of Rs 171 a quintal for the 2012-13 harvested crop.

It has also suggested that as a larger output is expected in 2011-12, the government should allow export of 1.5 million tonnes of sugar and create a reserve of another 1.5 mt.

The Union government's Fair and Remunerative Price (FRP) for cane in the season beginning October this year is Rs 145 per qtl. CACP's recommendation on increasing this price would be applicable from October 2012.

FRP is the minimum price that sugarcane farmers are legally guaranteed. Sugar mills are free to offer any price above this. CACP's recommendation is with the agriculture ministry and would then go to the Cabinet Committee on Economic Affairs. Usually, the government accepts the cane price recommended by CACP.

The FRP is fixed after taking into consideration the margins for cane farmers on account of risk, as well as profit on the cost of production, including transportation expense. The FRP is followed by the cane producing states of Maharashtra, Karnataka, Andhra Pradesh and Bihar. That has implications for mills operated by Renuka Sugars, Rajshree Sugars, Birla Sugars (Oudh and Upper Ganges) and Bannari Amman Sugars, among others.

However, other big cane producing states such as Uttar Pradesh, Uttarakhand, Punjab, Haryana and Tamil Nadu declare their own State Advised Price (SAP) for cane. The SAP is

much more than the FRP. For the 2010-11 sugar season, the FRP was Rs 139.12 per qtl, while the SAP in UP, the second biggest sugar producing state, was Rs 205 per qtl.

The difference disadvantages mills in SAP-states, since their cost of production is higher but they have to compete with sugar produced in FRP-paying mills. In years of low sugar prices, mills often fail to pay SAP and the arrears in this regard get accumulated, which discourage a further round of cultivation.

Crop arrival to get delayed due to less rain

Anindita Dey / Mumbai August 28, 2011, 0:24 IST

Crop arrival will get delayed by 10-12 days in October due to the initial delay in sowing. Official sources, however, allayed fear of any scarcity saying short-duration crops were grown in the beginning of the sowing period due to insufficient rainfall.

“Most farmers use zero till drill technology in which the soil is irrigated selectively. In the process, a part of the soil is made wet while another part is just moist, which could be used for sowing with little irrigation for the next season,” they said.

Official sources said usually sowing increases from the beginning but due to disruption of rainfall in the beginning this year, the pattern has reversed.

In July, the acreage of food grains — rice, pulses, coarse cereals (ragi, millets, bajra, and jawar), and others like sugarcane, oilseeds, jute and cotton — was lower at 182.63 lakh hectares (lh) as against 210.89 lh in the corresponding period in 2010. On the other hand, the acreage as on date has gone up to 992.48 lh as against 962.67 lh.

The increase in acreage is primarily due to rice and cotton while oilseeds, sugarcane and jute/mesta have also contributed.

The laggards are pulses and coarse cereals which, official sources said, is not due to non-sowing of crops but scanty rainfall in the crop areas.

While farmers shifted to soybean, cotton and rice in place of pulses and coarse cereals in June-July, they now have started sowing pulses and coarse cereals.

According to the latest data, rice acreage has gone up by 32.02 per cent as against a decline of 6.4 per cent in June-July, while, in case of cotton, sowing is higher at 10.52 per cent compared to a decline of 22 per cent.

Acreage of non-food crops such as sugarcane and oilseeds, which have gone up currently by 2.35 per cent and 6.53 per cent, were either marginally up by four per cent or down by 42 per cent in June-July.

Jute/mesta has been consistently increasing at the rate of 10-10.52 per cent. Even for crops where acreage has gone down in 2011-12 such as pulses and coarse cereals, sowing has gone up from June-July to August-end. While pulses and coarse cereals acreage were down by 18.43 per cent and 17.57 per cent in June-July, their sowing has improved and decline is at 13-14 per cent each.

Various states where rice acreage has gone up are Bihar, West Bengal, Jharkhand, Uttar Pradesh, Madhya Pradesh and Tamil Nadu while cotton acreage went up in Gujarat, Rajasthan, Maharashtra and Haryana.

Food Min works to raise retail sugar price for PDS

Sanjeeb Mukherjee / New Delhi August 28, 2011, 0:19 IST



Quantity of the commodity sold through ration shops has remained constant since 2002.

The food ministry is working on a proposal to increase the retail price of sugar sold through ration shops to lower the subsidy burden on the government exchequer.

In the last few years, the price at which the government bought sugar from the mills for distribution through the public distribution system (known as the ex-factory levy sugar price) has been raised by 40 per cent since 2008-09 crop marketing season. However, the rate at which it

is sold has been kept constant — at Rs 13.50 per kg since March 2002. Sugar season runs from October to September.

Between 2009-10 and 2010-2011, the ex-factory levy sugar price was raised by 5.05 per cent from Rs 17.61 per kg to Rs 18.50 per kg. The difference between the purchase and sale price of Rs 5 on every kilogram of sugar sold is putting a pressure on the exchequer, officials said.

Year	Purchase price*	Sale price**	Subsidy
2008-09	13.22	13.50	-
2009-10	17.61	13.50	4.11
2010-11	18.50	13.50	5.00

**Also known as the ex-factory levy sugar price ** Also called as the retail issue price*

NOTE: From 2003-04 to 2008-09, the purchase price of sugar for PDS was kept unchanged at Rs 13.22 per kg. The sugar crop season runs from October to September

SOURCE: Department of Food and Public Distribution

The government supplies 2.16-2.6 lakh tonnes of sugar every month for sale through the PDS. To meet this obligation, sugar mills are mandated to sell 10 per cent of their production every month at a rate which is far less than the prevailing market price.

The amount mandate was raised to 20 per cent in 2009-10 as more sugar was required for supply through the PDS because of fall in production. According to officials, since sugar production has stabilised, there is a need to raise the retail price of sugar sold through ration shops or else the state civil supplies corporations and other agencies, which buys the sweetener for PDS, will run out of liquidity forcing them to curtail their sugar off take from mills. "State civil supplies corporation and other government bodies could face a liquidity crunch

as the difference between the ex-factory levy sugar price and the rate at which it is sold through ration shops has widened in the last few years,” officials said. If agencies, which buy sugar for PDS, cut down their off take, it will lead to build-up of levy sugar stock in mills, locking up their liquidity and could also harm their ability to pay sugarcane price to farmers.

“Hence, it is of utmost importance that the retail price of sugar sold through ration shops should be brought in line with the all India average levy sugar procurement price,” the official said. The ministry had earlier, too, raised this issue with the empowered group of ministers in June 2010 and, thereafter, in September 2010 and also in December the same year. However, any decision to increase the price of sugar sold through ration shops was deferred due to high food inflation.

India’s sugar production in 2010-2011 crop year that will end in September is estimated at 24.2 million, up more than 25 per cent from last year.

THE HINDU Business Line

Cotton farmers in North pray for no-more rains

Bumper crop on the anvil

AREA UNDER COTTON			
		(in lakh hectares)	
	Normal*	2011	2010
Maharashtra	32.810	40.950	39.520
Gujarat	24.670	29.520	26.098
Andhra Pradesh	13.360	17.470	17.040
Madhya Pradesh	6.220	7.060	6.200
Punjab	5.470	5.750	5.590
Haryana	4.820	5.981	4.920
Rajasthan	3.720	5.250	3.350
Karnataka	4.220	4.450	3.670
Tamil Nadu	1.060	0.150	0.110
TOTAL**	97.100	118.051	107.528

*Average of 2007-08, 08-09 and 09-10;
**Includes other States.

New Delhi, Aug. 28:

With their crop ready for picking in less than 15 days from now, cotton growers in Northwest India are a nervous lot. What they fear right now, unlike farmers in other parts of the country, is the prospect of excessive rains.

In the contiguous belt covering Southwest Punjab (Ferozepur, Muktsar, Bhatinda and Mansa), West Haryana (Sirsa, Fatehabad, Jind, Hissar and Bhiwani) and North Rajasthan (Ganganagar and Hanumangarh), the cotton crop is currently in the late boll development stage.

In another 10-15 days, the bolls (pods containing the seeds from which the cotton fibres grow) would begin to burst, leaving the exposed dried fibres ready for the “first-flush” picking. In some areas, where sowing was over by end-April, the boll opening is expected over the next week itself.

“We are having rains now. If they continue for too long, especially after the bolls open, it could affect the kapas (seed-cotton) quality and the price we would get,” Mr Gurtej Singh, a 15-acre grower from Gagrana village in Mansa, told *Business Line* over phone.

The India Meteorological Department has forecast an “increase in rainfall activity over Northwest India” in its weather outlook till September 2. The US National Centers for Environmental Prediction and the National Weather Service Climate Prediction Center have also pointed at enhanced probabilities of scattered moderate to heavy rains across this region for the entire first week of September.

Persistent rain pitfalls

Dr Paresh Verma, Director (Research) at DSCL Bioseed Research India Pvt. Ltd, felt that while rains in the next 5-6 days are “all right,” they could create problems thereafter. “Boll opening requires dry conditions. If it keeps raining, the bolls may not open, but the moisture that enters would cause them to rot,” he explained.

The good thing, though, is that much of sowing in the North-West this time took place around mid-May, stretching right till the month-end. “Normally, sowing here peaks in early-May, which got extended because of delayed wheat harvesting. Cotton-picking will, accordingly, start peaking only towards end-September,” said Dr B.S. Sidhu, Director of Agriculture, Punjab Government.

Even otherwise, farmers don't go for picking until they see at least 10-15 out of the average 60-80 bolls in every plant burst. Only then would it justify their expenditure on labour, Dr Verma pointed out.

Cotton is usually a 170-180 day crop that yields three flushes – the first after 120-125 days and the others following at subsequent 20-30 days intervals. Prior to these are the formation of “squares” or buds on the branches of plants (40-45 days after sowing); the morphing of the buds into flowers (from roughly 60 days); the setting of the bolls (80-90 days); and their further development and opening after 110-120 days.

Bumper harvest?

While in Northwest India, the crop has attained advanced boll maturity, it is still at the early to late-flowering stages in Central India (where sowing normally happens during the second half of June, but continued till mid-July this time due to late monsoon arrival) and Andhra Pradesh/Karnataka (where farmers plant throughout July).

“There is no harm if it rains in these (latter) regions. The crop, on the whole, looks good so far and we seem to be having no major problems, apart from some reports of leaf curl virus in Rajasthan,” noted Dr K.R. Kranthi, Director of the Nagpur-based Central Institute of Cotton Research.

Farmers have till now sown nearly 12 million hectares – a record – under cotton this year, with acreages up in all States. “We may have had more area but for the break in the monsoon in late June, which held up plantings in central India. Simultaneously, there was a spike in soya bean prices, which led to some farmers opting for that crop, as against their original plans to sow cotton,” said Dr Gyanendra Shukla, Director (Corporate Affairs), Monsanto India Ltd.

He was also optimistic about the price outlook for the Indian crop on two counts: Dry weather impacting production in the US (the world's No. 1 exporter) and floods in Pakistan that have inundated large cotton-growing tracts in Sindh province.

(With inputs from Vinson Kurian in Thiruvananthapuram)

(This article was published in the Business Line print edition dated August 29, 2011)

New policy options mooted for fertiliser, power for farms

Washington DC, Aug. 28:

Subsidies for fertilisers and free power for groundwater-dependent irrigation have been contentious issues for decades in India. Despite a strong case for rationalising the use of these two crucial inputs for agriculture, no significant headway has been made. The subsidy benefits have never been equitably distributed or enjoyed, having favoured medium and large farms at the cost of small and marginal growers. Clearly there are political challenges in using subsidies as policy instruments.

Past reform approaches have hardly delivered. So, what are the options for new strategies? A monograph; “The Political Economy of Agricultural Policy in India – Fertilisers and Electricity for Irrigation,” brought out by the Washington DC-headquartered International Food Policy Research Institute, makes recommendations worth exploring.

These include reframing the reform debate with greater focus on problems of small and marginal farmers and landless labourers, rather than farmers as a group. Rationalising subsidies with greater emphasis on poverty and equity, in addition to macroeconomic and fiscal goals, may help overcome political resistance, the authors have argued.

Another suggestion is to build new coalitions that include environmental groups to support policy reforms. Additionally, the authors recommend strategic bargaining — an approach that assumes people have fixed preferences and act exclusively out of self-interest in a bargaining situation — as well as deliberation among stakeholders, which assumes people may learn and change their preferences through the deliberative processes.

The mid-way solution

The study has identified a wide range of policy options to help overcome the economic, distributional and environmental problems associated with electricity supply to agriculture. Community-based solutions such as decentralisation and devolution are promising options that offer a third way between State and market, the study argues. For fertiliser, the study provides fewer solutions immune to major political resistance. However, it does recommend strategies

such as deliberative democracy and improved use of research-based knowledge to promote policy-oriented learning.

Interestingly, while fertiliser-sector subsidies are the Union Government's concern, electricity for irrigation falls within the ambit of State Governments, which differ in the levels of importance given to agriculture. We need a national policy with regionally-differentiated strategies.

While the research concludes with a series of recommendations, it must be stated that politicians have a way of frustrating genuine efforts at reform. For instance, how does one prevent interference from local politicians even if there is a community-based equitable solution? How does one keep rent-seeking interests away? What India lacks is genuine political will to implement progressive reforms that ensure growth with equity.

(This article was published in the Business Line print edition dated August 29, 2011)

Spices Board plans to beef up nutmeg harvesting practices

Kochi Aug. 28:

With reports indicating the presence of aflatoxin in nutmeg and nut-mace exported from the country, the Spices Board is initiating comprehensive measures to enhance the quality of harvesting, post harvesting and processing operations in the country. At a nutmeg farmer-exporter interface, Spices Board officials said that a series of steps are being mooted in the 12th Plan to remove the menace of aflatoxin in nutmeg, right from the harvest operations all the way to packing, processing and finally export. The Spices Board in association with the Indian Institute of Spices Research and Kerala Agricultural University had campaigned in different nutmeg-growing regions in Kerala and Tamil Nadu and urged farmers to improve post-harvest operations in nutmeg and mace in view of the strict regulations imposed by major buying countries, including the European Union, on account of the presence of aflatoxin.

The farmer-exporter interface deliberated in detail various problems and explored the possibility of working out an action plan. The meeting constituted a committee comprising experts from the Indian Institute of Spices Research, Kerala Agricultural University, Tamil Nadu Agricultural University, Indian Cardamom Research Institute and various farmers' representatives to study the different drying systems and suggest an ideal curing process. With the Government's

approval, Spices Board is likely to provide support to farmers and farmer groups to establish the right system for production of superior quality nutmeg and mace.

Price alerts

The meeting also suggested a package of practices, detailed plant protection procedures, periodic farmer advisory meetings and trainings, support for establishing processing systems, day-to-day dissemination of price-information on nutmeg and mace to farmers on a realistic basis and help to the farmer to adopt the right growing and processing systems.

The Spices Board plans to position nutmeg as a purely organic crop and aims to undertake massive campaigns to promote its uses and benefits. This will help in sustaining the market and stabilise prices.

The meeting was attended by farmers from the various prominent nutmeg growing locations of Kerala and Pollachi in Tamil Nadu. Scientists from the Indian Institute of Spices Research, President of the All Kerala Nutmeg Growers Association, Mr P D Zackaria, exporters and Spices Board Directors spoke at the interface. Mr Philip Kuruvilla, Spices Board member and Chairman of the World Spice Organisation, presided over the meeting. The Deputy Director of the Spices Board, Dr P.S.Sreekantan Thampi welcomed the gathering and Mr John Panackal of Kaduthuruthy proposed the vote of thanks.

(This article was published in the Business Line print edition dated August 29, 2011)

Tea offerings at N.Indian auctions rise

Kolkata, Aug. 28:

The total offerings last week during the 34th sale, at three North Indian auction centres at Kolkata, Guwahati and Siliguri were 4,57,596 against 3,67,360 in the corresponding sale last year, according to the tea auctioneer J Thomas & Company Pvt Ltd.

The offerings at Kolkata were 2,03,154 (1,73,583) comprising CTC/Dust 1,53,321 (1,17,860), Orthodox 43,534 (48,837) and Darjeeling 6,299 (6,866).

The corresponding figures for Guwahati were 1,45,352 (1,08,283) and for Siliguri 1,09,090 (85,514).

Assam CTC brokenes were barely steady and tended easier while fannings eased in value. Fannings were an easier trend. There was better demand for the plainer sorts which sold readily. Dooars were irregular around last levels. Tata Global was the mainstay while there was fair enquiry from Hindustan Unilever on the leaf grades and good support on the dust grades. Western India dealers were active for the liquoring sorts. There was improved enquiry from North India and fair support from local sections. Exporters operated primarily on bolder brokenes.

Orthodox offerings met with good demand at easier rates. There were fewer enquiries for the tippy teas from the Continental buyers.

Darjeeling whole leaf varieties maintaining quality sold at firm to dearer rates while the remainder was irregularly lower. Brokenes and fannings saw a similar trend. There were enquiries from traditional exporters as well as the major blenders. Local dealers operated for the brokenes and fannings.

(This article was published in the Business Line print edition dated August 29, 2011)

Kochi tea prices edge up on lower arrivals

Kochi Aug. 28:

Tea prices inched up on lower arrivals of the dust variety at the Kochi tea auctions. There were 10,42,500 kg of dust and 3,10,500 kg of leaf tea on offer. The CTC dust auction opened firm to dearer with prices moving up by Rs 1-3 a kg. The prices moved up further as the auction progressed, especially of the medium and good liquoring grades. AVT, Tata Global and Kerala State Civil Supplies Corporation were active along with loose tea traders. Hindustan Unilever was selective in a market that witnessed better demand from upcountry buyers as well as exporters. High grown and medium grades were dearer at the orthodox dust auction while secondaries, which quoted lower, witnessed several withdrawals. Bulk of the offering was absorbed by exporters and interstate buyers. HUL remained selective.

Leaf Auction

At the orthodox leaf auction, high-grown bolder broken and whole leaf grades were firm to dearer in a market where general bolder broken grades were barely steady. Medium grades and fannings were irregular and witnessed some withdrawals. Traditional exporters lent a fair amount of support. Demand for medium plain grades was evident from exporters to Tunisia. Fannings were absorbed by tea bag exporters. HUL did not operate in the market. Better liquoring grades were steady at the CTC leaf auction while medium fannings were dearer. Exporters were active on medium and plain CTC leaf varieties.

Pasuparai FD fetched the top price at the dust auction at Rs 131 followed by Pasuparai SFD at Rs 123, Injipara SFD at Rs 121 and Injipara SRD at Rs 120.

(This article was published in the Business Line print edition dated August 29, 2011)

Pepper to stay hot on short supply

Kochi, Aug. 28:

The pepper market continued to run hot on limited availability in the international market and this situation is likely to stay for some time .

Actual availability in Indonesia will be known only after the Id-ul-fitr holidays, but indications so far are that output this year is low . In Brazil supply is affected by some financial problems and that is reportedly squeezing the global availability. Meanwhile, Vietnam is said to have a shortage of heavy pepper because of conversion into white pepper resulting a squeeze in Asta grade supply. Similarly, light pepper availability is also tight there.

On the demand side, because of the prevailing high prices, overseas buyers have been buying hand to mouth and not maintaining inventories. Short transit time taken at ports like Mundra was said to be facilitating buyers to get the material in time. Now, many buyers who have been waiting for the prices to decline need to cover to meet their requirements and hence they are now looking at India. Some buying is also taking place at present.

In the domestic market also demand is to pick up as the festival season is round the corner. Industrial and consumer demand is to emerge from the beginning of next month, trade sources said.

September, October and November contracts on the NCDEX increased by Rs 826, Rs 998 and Rs 1,260 respectively to close at the week end at Rs 33,229, Rs 33,851 and Rs 34,236 a quintal.

Total turn over increased by 12,128 tonnes to 56,764 tonnes.

Spot prices soared by Rs 800 to hit the highest-ever level of Rs 30,300 (ungarbled) and Rs 31,300 (MG 1) a quintal last weekend.

Indian parity in the international market was at \$7,450 a tonne (c&f) and remained slightly cheaper, they said.

(This article was published in the Business Line print edition dated August 29, 2011)

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