THE HINDU

Published: August 30, 2011 00:00 IST | Updated: August 30, 2011 03:58 IST COIMBATORE, August 30, 2011

Climate change impact significant on insects and plants

VC of Bharathiar University C. Swaminathan speaking at a seminar on climate change in Coimbatore recently. — Photo: Special Arrangement

The Inter-Governmental Panel on Climate Change, a panel of international experts assessing the current scientific knowledge on climate, has asserted that warming of the earth's climate system is ‘unequivocal', Fr. Ignacimuthu, Director, Entomology Research Institute, Loyola College, Chennai, said here recently.

Inaugurating an international congress on “Global Warming on Biodiversity of Insects: Management and Conservation”, organised by the Department of Zoology, School of Life Sciences of Bharathiar University, he said the panel's conclusions were based on mounting evidence of shifts in the climate and consequent effects on ecological processes and biodiversity.

“The effects of climate change and habitat destruction and their interaction are likely to be the greatest challenge to animal and plant conservation in the 21 {+s} {+t} century,” he said.

Climate change was having a significant impact on hundreds of plant and animal species around the world. Birds were laying eggs earlier than usual, plants were flowering earlier and mammals were breaking hibernation patterns sooner.

“The increase of infectious diseases due to climate change was also a matter of concern. Mosquito-borne diseases form a major component of communicable diseases in India and in other Asian countries. This is thought to be so due to rising temperature and an expansion of area habitable for mosquitoes. Rising temperatures could also extend the transmission season for Dengue and Chikungunya,” Fr. Ignacimuthu said.

C. Swaminathan, Vice-Chancellor of Bharathiar University, said climate change was one of the most important global environmental challenges with implication for food production, water supply, health and energy.

“Developing countries have to carefully evaluate the need for the role of global and national institutions in promoting both mitigation and adaptation programmes.

The Western Ghats is one of the hot spots of biodiversity and it needs urgent attention for conservation. To salvage the issue of extinction, we need to prioritise and target conservation strategies of host plants, feeding behaviour of butterflies, etc.,” he said.

K. Sasikala, Head, Department of Zoology, said while actions to mitigate and adapt to climate change were ongoing at various levels, scientists and policy makers were still looking for concrete data and evidence to understand the concept and its impacts.

Herb Nyberg, President of New Mountain Innovation, the United States, S. Ramarethinam, Director, Research and Development Division, T-Stanes and Company Limited, Coimbatore, Jiang Shiou Hwang, Director of Institute of Marine Biology, National Taiwan Ocean University, Taiwan, and K. Murugan, organising secretary, spoke.

Published: August 30, 2011 00:00 IST | Updated: August 30, 2011 03:58 IST NAGAPATTINAM, August 30, 2011

Accord priority to crop loans

The importance of crop loan was underlined at the district consultative committee meeting conducted by the Indian Overseas Bank here at the Collectorate recently. Collector T.Munusamy appealed to the banks to ensure availability of crop loans to eligible farmers .

Interest subsidy of three percent for prompt repayment of farm loans was an incentive to ward off defaulters.

M.M. Majhi, general manager, Rural Planning and Credit Department, RBI, called upon the bankers to prioritise crop loan, crop insurance and education loan, and urged bankers to dispose off loan applications within a fortnight. Mr.Majhi also disbursed education loans granted by Indian Bank to students.

The meeting was combined with the district-level security committee meeting that witnessed participation of the SP P.Raman.

Published: August 30, 2011 00:00 IST | Updated: August 30, 2011 04:05 IST New Delhi, August 30, 2011

Opposition demands stimulus for agriculture

The Lok Sabha on Monday expressed concern over the plight of farmers with the Opposition demanding a stimulus package for agriculture and a special session of Parliament to discuss the issue.

Raising the issue during zero hour, Rajnath Singh (BJP) suggested that the Mahatma Gandhi National Rural Employment Guarantee Scheme be linked to agriculture as there was a crisis of skilled labour for working in the fields after the scheme was brought into force.

Supported by several Opposition members, Mr. Singh demanded that farming be declared a ‘national occupation', given that a majority of the population depended on it.

He wanted immediate implementation of the M.S. Swaminathan Committee recommendations to tackle the “grim situation” facing the sector.

Mr. Singh, who visited Andhra Pradesh recently, said he was concerned at the decision of farmers in about eight districts, including East Godavari, not to produce paddy in view of their not getting remunerative prices. “They are not able to recover even input costs.”

He said the farmers from the area had declared “a crop holiday or a strike, which is an unprecedented development in the agriculture sector in the country,” and could affect food security.

Compensation

Maintaining that a similar situation was facing farmers in other parts of the country too, Mr. Singh sought Rs.10,000 per acre as compensation to the affected farmers.

His party colleague K.D. Deshmukh drew the attention of the House to the severe shortage of fertilizers in the Balaghat and Seoni areas of Madhya Pradesh. Despite the government's assurance 10 days ago that it would send a rake of DAP (Diammonium Phosphate) each to the two areas, “nothing has reached the affected places so far.”

He warned that this would “adversely hit cultivation and lead to crop failure also” and demanded immediate action by the Fertilizer Ministry.

Jute farmers

Nripendranath Roy (Forward Bloc) also raised the problem of “very low” prices jute farmers were getting in West Bengal and other States.

- *Farmers declaring ‘crop holiday' is an unprecedented development*
- *Acute shortage of fertilizers in Madhya Pradesh*

Published: August 30, 2011 00:00 IST | Updated: August 30, 2011 04:04 IST Nagercoil, August 30, 2011

Water release from dams stopped

The release of water from four dams for irrigation purpose has stopped, as replacing the damaged sluices in the supply channels is under way.

According to the Executive Engineer (water resource organization), Subramanian, due to leakages in the dams and the supply channels, the Government has decided to replace the damaged sluices.

The works would be completed within two days. After the completion of the work, the water would be released for the irrigation purpose.

Published: August 30, 2011 00:00 IST | Updated: August 30, 2011 03:58 IST
RAMANATHAPURAM, August 30, 2011

Need to weed out parthenium

Agriculture Department, along with Education Department, on Sunday organised a rally at Devipattinam to create awareness of the need to weed out parthenium, which affects agricultural productivity and poses health hazard to human beings.

Rally

About 800 persons including students, farmers, officials and members of voluntary organisations participated in it.

Carrying placards and raising slogans, they marched from bus stand to Government Higher Secondary School.

Chief Educational Officer A.S. Radhakrishnan, who flagged it off, said parthenium was a menace; its growth could not be controlled once it reached flowering stage. Campaign

S. Rajendiran, Joint Director of Agriculture, who presided, said the Agriculture Department had planned to initiate a number of steps to destroy parthenium to step up productivity.

Intensive campaigns were being organised in all blocks. They could be destroyed by spraying a mixture of common salt and soap solution on plants.

About 200 grams of common salt and one litre of water with two millilitres of soap solution should be mixed for spraying on plant.

K. Sakthimohan, Deputy Director, K. Soundararajan, P.A. to the Collector (agriculture), P. Selvam, Assistant Director (in-charge), S.S. Sheik Abdullah, Agricultural Officer, took part in it.

Published: August 30, 2011 00:00 IST | Updated: August 30, 2011 03:58 IST THANJAVUR, August 30, 2011

Farmers demand supply of fertiliser

Sugarcane farmers staged a demonstration in front of the Primary Agriculture Co-operative Credit Society at Adhanur near Swami Malai demanding supply of adequate potash fertiliser by agriculture and co-operative departments for the Kuruvai and Samba seasons and also for sugarcane and banana crops.

Sundara Vimalanathan, district secretary of Thanjavur District Cauvery Farmers Protection Committee and Alavanthipuram Prakasam, president of the committee led the agitation. They said that there is a scarcity of potash fertiliser in the district. Moreover, certain fertilisers are sold more than the Government stipulated price at private shops in the district. Agriculture department should take action in this connection. Co-operative Credit Societies should distribute loans to all farmers in the district, they said.

Published: August 30, 2011 00:00 IST | Updated: August 30, 2011 04:04 IST Bangalore, August 30, 2011

State seeks adequate rakes for fertilizer movement

Chief Minister D.V. Sadananda Gowda has requested Union Minister for Railways Dinesh Trivedi to allot sufficient rail rakes to Karnataka for movement of fertilizer.

In a letter to the Railway Minister here on Monday, the Chief Minister said an allocation of 4.48 lakh tonnes of fertilizer has been made to the State during August by the Union Government and around 5.03 lakh tonnes was required in September. For the movement of such a large quantum, 366 rakes were required, f which 75 rakes with 1.96 lakh tonnes have been despatched to the State.

The balance of 291 rakes were required in the remaining part of August and September and 1.21 lakh tons of fertilizer was expected to be moved from Kakinada and Krishnapatnam in Andhra Pradesh in the coming days. “As there is an urgency for such fertilizer movement, I request you to kindly instruct the concerned to ensure that sufficient rakes are allotted to the fertilizer companies to enable the movement of fertilizers to the State”, the Chief Minister said.

Published: August 30, 2011 00:00 IST | Updated: August 30, 2011 04:05 IST KURNOOL, August 30, 2011

Trader cheats paddy farmers, vanishes

A trader and his brother who have conducted multiple businesses at Adoni town in Kurnool district vanished after defaulting to pay to paddy farmers. The loss to farmers was estimated at Rs. 5 crore.

According to reports, M. Mahesh and his brother Raghu procured a large quantity of paddy for milling, but defaulted on payment to farmers. Also, the duo borrowed heavily from commission merchants and other money lenders. Besides the rice mill, the group also ran a supermarket.

The farmers and lenders, who learnt about the fraud, rushed to the residences of the borrowers and staged a demonstration on Monday. Some of them locked the premises, but the accused escaped by the time. The defaulting traders owed Rs. 2 to 10 lakh to some big farmers.

Farmers lodged a complaint with the police.

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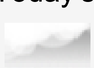
hindustantimes

Tue,30 Aug 2011

Weather

Chennai - INDIA

Today's Weather



Tuesday, Aug 30

Tomorrow's Forecast

Cloudy	Max Min 34.3º | 26.9º	Rainy	Wednesday, Aug 31 Max Min 35º | 26º
Rain: 00 mm in 24hrs	Sunrise: 5:57		
Humidity: 55%	Sunset: 18:22		
Wind: Normal	Barometer: 1006		

Extended Forecast for a week

Thursday	Friday	Saturday	Sunday	Monday
Sep 1	**Sep 2**	**Sep 3**	**Sep 4**	**Sep 5**
32º | 26º	31º | 27º	31º | 26º	31º | 26º	31º | 26º
Rainy	Rainy	Rainy	Rainy	Rainy

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the pioneer

Meeting held for smooth paddy procurement

August 29, 2011 10:55:34 PM

PNS | Sambalpur

Well ahead of the crop cutting in Sambalpur district, a part of the Hirakud Command Area, the District Administration has come up with the initial preparation for the paddy procurement as per the norms in presence of the rice millers, the senior officials, including the civil supply officer, sub-collectors, additional district magistrate (ADM) and SP.

“No farmer of the district should be deprived of the minimum support price (MSP) as fixed by the

Government," warned the District Collector Mrinalini Darswal to the millers. At the same time, no irregularity would be tolerated in the market yards that goes against the interest of the farmers, she said further. "In all cases, I will be in the side of the farmers and take care of their interest;" she made clear in the first preparatory meeting.

Darswal also asked the millers to cooperate in the novel venture to benefit the farmers, who make hard labour all through the year but find it tough in the market yards to sell their hard earned produces.

In Sonepur district, the millers have swindled crores of rupees of Government and are now absconding. But this will never be allowed to occur at Sambalpur, Darswal said. The habitual offenders of levy rice would not be allowed to participate in the procurement this time, she said to the millers.

No inter district transaction of paddy will be allowed. Very stringent action will be taken against persons found to be engaged in PDS rice recycling, she warned. "All my intention is for a clean and transparent procurement," Darswal said to the officers and the millers.

Talking about NAFED, she said that this agency would not be allowed for procurement this year as it has defaulted in paying farmers' dues in time. Only if it deposits the required money well in advance, it can take part in the procurement.

She also instructed the sub-collectors to provide proper facilities in the market yards to the farmers and the millers as they pay crores of rupees to the market yards. She stressed on the need for the infrastructure development in block headquarters and all other market yards.

She also instructed the millers to abide by the pollution norms. "No option will be left before me than to close the mills if pollution norms are not adhered to strictly," she added. The millers present, from their side, also assured for a smooth procurement this year. However, they requested for certain relaxation in the pollution measures as it involve very heavy cost factor.

State government soon to finalize strategy for farmer's double income

August 29, 2011 9:18:20 PM

PNS | Lucknow

In an attempt to finalize its strategy to double income of farmers from their farmland state government has identified five departments which would help in achieving that target.

The identified departments are: Agriculture, Horticulture, Animal husbandry, fisheries and Sericulture.

Agriculture Production Commissioner (APC) Alok Ranjan said that identified departments have been asked to formalise a common strategy and start working after identifying villagers in select blocks in each district.

The base year in this strategy would be 2009-10 with Rs 25,375 as evaluated income of farmer from agriculture produce. This income is expected to rise in next three fiscal years 2010-11, 2011-12 and 2012-13 at Rs 30,294, Rs 38,805 and Rs 43,564 respectively.

"There is a clear-cut strategy and the officials of the identified departments have been asked to work in tandem. In case of any problem district magistrates and Commissioners have been asked to get in touch with the officials," the APC said.

Aug, Sept most profitable for potato farmers

August 29, 2011   9:08:44 PM

Rajendra S Markuna | Haldwani

A 'market intelligence' effort has advised farmers, especially hill potato growers, to dispose their produce in the months of August and September for better returns as it predicted the wholesale price of the vegetable may climb a high of up to Rs 1,650 in these two months.

Scientists of the G B Pant University of Agriculture and Technology, Pantnagar (GBPUAT) made the prediction after conducting a survey of potato crops in the region under the project, 'Establishing and Networking of Market Intelligence Centers in India'.

The main objective of this project is to release price forecasts of selected agricultural commodities before sowing and during harvesting. The scientists conducted market survey of Haldwani regulated market, a major market for Hill potato in Uttarakhand, and analysed the wholesale price data of last 21 years.

The econometric analysis indicated that the wholesale prices of hill potato in Haldwani market would range between Rs. 1500 and Rs 1650 per quintal in August and September 2011, while these prices are expected to come down to around Rs. 1200 to Rs. 1450 per quintal in October, 2011.Thus scientists have also advised farmers to plan for early harvesting of potato to get better prices.

"Adverse climatic condition is one of the reasons behind high prices of hill potato during August and September", said Dr. Anil Kumar, a senior scientist of the GBPUAT associated with this project, while talking to The Pioneer.

"More so, poor availability of the potato during the monsoon season may also raise potato prices. Hence, farmers may sell their produce during August and September," he added.

During this time, hill potato is exported to other regions due to low availability of potatoes in plains. According to a trader's survey August, September and October are the peak arrival months and July and November are the lean arrival months of hill potato in Haldwani market.

At the same time, sowing of hill potato starts from February end and lasts up to March-April according to different altitudes. Harvesting of the crop starts from end of July and lasts up to November. Traders of Krishi Utpadan Mandi Sammittee, Haldwani, revealed that hill potato mainly arriving from different areas of Nainital and Almora districts and selected areas of Garhwal region.

Main growing belts are Garur, Someshwer, Basoli, Paharpani, Motiawaghar, Dhanachuli, Shaherphatak, Chaamkhan and Nathukhan in Kumaon region and Dewal, Gwaldam and Chamoli blocks in Garhwal region.

Business Standard

Tuesday, Aug 30, 2011

It's boom time for pepper traders as supply dips

George Joseph / Kochi August 30, 2011, 0:44 IST

It is boom time for pepper growers and traders. The global price of black pepper on Monday shot up to an all-time high, as Vietnam quoted $7,050 per tonne for the 500 GI grade, up from its asking price of $5,600 per tonne for the same grade just a month earlier.

The market is buoyant as pepper of all origins is in short supply across the globe. For the time being, only India has a surplus to offload, but domestic demand is also at a peak now, due to the Ramzan season. The Indian price for the Asta grade was $7,500-7,550 a tonne last week itself and seems poised to touch new heights. Jubilant growers and traders are now selling the old stock, as the local price is now above Rs 300 a kg. The local spot market on Monday quoted Rs 305-312 a kg, when it was Rs 280 on July 29. A year earlier, it was Rs 198/kg.

As reported earlier, the global stock had dropped heavily due to selling out of stock in Vietnam and a dip in output in Indonesia. According to reports from Vietnam, the market is poised for a further sharp increase in prices. The current stock there is estimated at 15,000 tonnes, of which 10,000 tonnes is with leading export houses. Due to reports on poor stocks, there is also panic buying by takers, especially from the US and West Asia.

According to Jojan Malayil of Bafna Exports, the global market would be a on a bull orbit till December. That is when the next crop season in India would commence. Earlier, it was estimated that the output from Vietnam would be 15,000-17,000 tonnes. The latest reports from there indicate the production would be no more than 12,000 tonnes. Then, there is the big shortfall in Indonesia. During June-December, regular supply is normally ensured from Indonesia and Brazil. After that, India and Vietnam take the queue.

The price in Brazil has increased to $7,200/tonne, from a recent $6,500 per tonne. The production is estimated at 35,000 tonnes but experts say this would not be released immediately, on account of the strengthening of the market. According to reports, a major chunk of growers there, who are immensely rich, are holding the stock for a further swelling of prices.

The local market is also poised for breaking new heights in price, as the winter seasonal demand is likely to pick up soon.

Groundnut oil prices firm up further

Vimukt Dave / Mumbai/ Rajkot August 30, 2011, 0:13 IST

Despite a very nominal demand, groundnut oil prices have created a new high just a few days after the local markets opened post Janmashthami festive season. The groundnut oil price has increased by Rs 55 per 15 kg tin during the last four days. According to industry sources groundnut oil may touch Rs 1,800 per tin in the coming days.

After the markets reopened on Thursday last week, on the first day groundnut oil price had increased by Rs 20 to Rs 1660-1665 per 15 kg tin. On Monday the prices hovered around Rs 1695-1700 a tin in Gujarat. Loose groundnut oil was traded at Rs 1020-1025 per 10 kg. Mill delivery groundnut price has stood at Rs 850-860 per 20 kg and price of G-20 quality groundnut has been Rs 820-830.

At present there are hardly 10-12 groundnut oil mills working out of the 500 located in the Saurshtra area which produces about 50-70 tonnes of groundnut oil per day.

Rajkot based Suresh Kaneria of Kaneria oil Industry said, There is a huge scarcity of groundnut for crushing. In this condition many mills has closed their units since the past few months. Moreover at present the arrival of groundnut has declined from 12,000-15,000 bags a day to 5000-7000 bags per day. Kaneria added that the industry would now have to wait for the new season’s crop which will come after one or two months. Till then groundnut oil prices may continue to increase and it may touch Rs 1800 level.

It is a time of scarcity for us as most of the stocks of the summer crop of groundnut were consumed through peanuts and its products. That is why the price of groundnut is increasing and will continue to do so, said Samir Shah, managing director, Rajmoti Oil Industry from Rajkot.

He further added, “The demand and production of groundnut have not kept pace with each other. As a result though there is increase of demand for peanuts, the production has not increased in the same pace. As a result oil mills are now facing shortage of raw materials and in such a situation a price rise is expected.”

Even the upcoming festival season looms large for traders as the demand has been steadily dipping. A Rajkot-based groundnut retailer said, “Even with the oncoming festival season, the demand is very poor due to high prices. Moreover with the price hike many users have now switched to using cotton oil as groundnut oil is not viable for them."

Sugar down on ample supply

Press Trust of India / New Delhi August 29, 2011, 12:06 IST

Sugar futures fell by 0.36% to Rs 2,771 per quintal today after some speculators offloaded their positions despite ample supply availability in the market.

At the National Commodity and Derivatives Exchange, October sugar fell by Rs 10, or 0.36%, to Rs 2,771 per quintal, with an open interest for 4,960 lots.

The September contract fell by Rs 5, or 0.18%, to Rs 2,711 per quintal, with an open interest for 31,020 lots.

Analysts said sugar futures prices fell after speculators reduced their positions despite the adequate stock position in physical markets.

However, a rise in spot demand for the festival season limited the losses.

Refined soya oil up on fresh demand

Press Trust of India / New Delhi August 29, 2011, 12:03 IST

Refined soya oil futures rose by Rs 2.60 to Rs 661.80 per 10 kg in restricted trading activity today as traders created fresh positions amid a pick-up in spot demand.

At the Multi Commodity Exchange, the September contractrose by Rs 2.60, or 0.39%, to Rs 661.80 per 10 kg, with open interest for a single lot.

Market analysts said fresh buying by traders influenced by a pick-up in demand due to the ongoing festive season mainly led to the rise in refined soya oil futures prices.

Potato futures gain on spot demand

Press Trust of India / New Delhi August 29, 2011, 11:59 IST

Potato prices rose by Rs 4.40 to Rs 492.50 per quintal in futures trade today as speculators created fresh positions on the back of a pick-up in spot market demand amid restricted arrivals.At the Multi Commodity Exchange, October potato rose by Rs 4.40, or 0.90%, to Rs 492.50 per quintal, with a business turnover of 251 lots.The September contract gained Rs 4.10, or 0.87%, to Rs 476.90 per quintal, with an open interest for 161 lots.Analysts said fresh buying by traders amid a pick-up in demand mainly led to the rise in potato futures prices.They added that restricted supply from producing regions in Haldwani and Agra also supported the uptrend.

Millers plan 'dal park' in Gulbarga for Rs 100 cr

Mahesh Kulkarni / Chennai/ Bangalore August 30, 2011, 0:45 IST

Gulbarga, south India’s dal bowl, will soon have a Dal Park set up under the public private partnership (PPP) mode at an estimated cost of Rs 100 crore to support tur dal growers and farmers. This first of its kind park, will be set up through a special purpose vehicle (SPV) to be floated between the dal mill owners, state and central government agencies.

“The project has been jointly conceived by the Gulbarga Dal Mills Association and Karnataka Small Scale Industries Association.

The state minister for large and medium industries Murugesh R Nirani has accepted our proposal in-principle and agreed to allocate 100 acres land to set up cluster-based Dal Park in south India,” S S Biradar, former president, Kassia said.

He said, the government has agreed to allot land through the Karnataka Industrial Areas Development Board (KIADB) at Kapanur village, near Gulbarga.

The state government has also agreed to create required infrastructure for the park. It has been decided to approach either the Union Ministry of Food Processing or Department of Industrial Policy & Promotion (DIPP) under the ministry of commerce for grant-in-aid to set up the project under a cluster-based model, he said.

There are about 222 dal mills in and around Gulbarga and all of them have come forward to become members of the SPV and invest the required amount towards their equity, which is still to be worked out.

The proposed park would also help dal millers across the Hyderabad-Karnataka region including neighbouring Andhra Pradesh, he said.

We are working towards registering the SPV within the next month and once the SPV is formed we will appoint a consultant to prepare the detailed project report. All this will be done in the next one or two months and approach the state and Central governments for necessary clearances,” Biradar told Business Standard.

At the proposed Dal Park, the dal mills will get a piece of plot to set up their processing units and there will some common facilities like drying yard, testing lab, quality control lab, marketing assistance centre and x-ray machines to separate stones among others.

Biradar said that the Park would generate at least 2,000 direct and 5,000 indirect jobs apart from helping both the mill owners and farmers. Apart from tur dal, the park will also process other pulses like green gram, urad, and black gram and Bengal gram among others.

Karnataka accounts for 20 per cent of the national area under tur (red gram) cultivation. For the present kharif, the state agriculture department has targeted 860,000 hectares under tur crop. With an average production of about five quintals per hectare, the state can expect 4.3 million quintals of tur output for the present kharif.

However, due to the lack of proper storage facilities and processing units, both the farmer and dal mills are forced to sell their produce early, thereby losing an opportunity to earn more every year, a dal miller from Gulbarga said.

Govt maintains agri growth target at 4% for 12th Plan

Anindita Dey / Mumbai August 30, 2011, 0:47 IST

The Ministry of Agriculture has proposed to maintain the annual agricultural GDP growth at four per cent for the 12th Plan period starting 2012-13.

"The agricultural GDP may go up higher, which will then get revised during the plan period. But now, when the overall gross domestic product is maintained at nine per cent for the 12th Plan (2012-13 to 2017-2018) agricultural GDP will also be maintained at four per cent, which was the projection for the 11th Plan," said an official source.

Gross domestic product (GDP) refers to the market value of all final goods and services produced in a country within a given time frame.

While the 12th Plan document is still being prepared, the ministry has recommended coordination with related ministries over the expenditure in agriculture-related services. "The ministry of consumer affairs, in consultation with the planning commission, has sanctioned around Rs 330 crore for revamping food storage facilities which indirectly impacts marketing of agricultural products under the purview of the ministry of agriculture."

"Almost the entire expenditure for farmers or cooperatives can be clubbed under the nodal scheme of Rashtriya Krishi Vikas Yojana. On the other hand, the ministry of agriculture allocates separately for agricultural marketing schemes. Therefore, the expenses could be planned and coordinated among ministries to reduce overlap," explained sources.

The Indian Economic Outlook released by the Government of India for 2011-12 pegged India's GDP growth rate for 2011-12 at 8.2 per cent, compared to 8.5 per cent registered last year. According to the outlook, the agriculture sector, which grew at 6.6 per cent in 2010-11, is pegged to grow at three per cent in 2011-12 if Indian had 90-96 per cent of monsoon rains. Officials say the projection may be revised upwards, given the sharp improvement in monsoon followed by an increase in acreage.

While the plan allocation is yet to be finalised, sources said, greater emphasis will be given on agricultural research. In the 11th Plan, public expenditure on agri- research was increased from 0.7 per cent to 0.9 per cent by the Centre and state governments. The total expenditure on agricultural research currently stands at one per cent of the total agricultural GDP. Besides, they said research priorities will have to shift towards evolving cropping systems suited to various agro-climatic conditions. This would increase yield in rain-fed areas through development of drought- and pest-resistant varieties.

According to Budget 2011-12, while the GDP is estimated to have grown at 8.6 per cent in 2010-11 in real terms, agriculture is estimated to have grown at 5.4 per cent, industry at 8.1 per cent and services at 9.6 per cent. It said a four-pronged strategy covering agricultural production, reduction in wastage of produce, credit support to farmers and a thrust to the food processing sector was worked out to improve agri-GDP. The total allocation of RKVY is being increased from Rs 6,755 crore in 2010-11 to Rs 7,860 crore in 2011-12.

However, the Reserve Bank of India has scaled down its GDP projection for 2011-12 to 7.9 per cent from 8.2 per cent. The growth estimate of agricultural produce has been revised upwards at 3.5 per cent, while the growth rate projections for industry and services have been revised downwards to four per cent and nine per cent, respectively.

FCI needs Rs 85,359 cr to pay for procurement, clear dues

BS Reporter / New Delhi August 30, 2011, 0:41 IST

Accepting that the country's main foodgrain procurement and distribution agency, Food Corporation of India (FCI) is facing a financial crunch because of record procurement of wheat and rice at high prices, the government today said the Corporation needs Rs 85,359 crore in the current financial year, to pay for procurement of foodgrain and clear dues.

“Due to shortfall in allocation for the current year, arrears of past years, additional requirement due to declaration of bonus on procurement of wheat, increase in minimum support price of paddy and additional allocations of foodgrains, the total requirement of subsidy for FCI is now estimated at Rs 85,359 crore,” food minister K V Thomas said during Question Hour in the Rajya Sabha.

The Budget had pegged the subsidy requirement of FCI at just over Rs 60,000 crore. “The matter has been taken up with Ministry of Finance for allotment of additional subsidy for FCI. “It is a fact that there is a financial crunch but we are managing the situation,” Thomas said. After the passage of the Food Security Bill, annual food subsidy will rise to Rs 1 lakh crore. In July-September quarter, FCI needed about Rs 11,635 crore for payments to be made for procurement of foodgrains. “Against this, initially we had only Rs 4,000 crore (and) later the Finance Ministry released Rs 7,635 crore and all the dues have been paid,” he said. As procurement is higher this year because of high food production, FCI requires Rs 85,359 crore.

To meet this, the cash-credit limit of FCI with banks is being enhanced to Rs 50,000 crore from the current Rs 35,000 crore. Besides, the Finance Ministry is being requested to earmark more funds in the coming Budget.

India’s wheat procurement in 2011-2012 is estimated to be 27 million tonnes, while procurement of rice is estimated to be 30 million tonnes.

Turmeric down on subdued demand

Press Trust of India / New Delhi August 29, 2011, 13:25 IST

Turmeric prices declined by Rs 80 to Rs 5,730 per quintal in futures trade today due to subdued local as well as overseas demand amid adequate stock availability.

At the National Commodity and Derivatives Exchange, November turmeric declined by Rs 80, or 1.38%, to Rs 5,730 per quintal, with an open interest for 1,220 lots.

The September delivery lost Rs 20, or 0.35%, to Rs 5,652 per quintal in 11,790 lots.

Analysts said subdued local as well as overseas demand and the adequate stocks position mainly put pressure on turmeric futures prices here.

Chilli softens on sluggish demand

Press Trust of India / New Delhi August 29, 2011, 13:21 IST

Chilli prices fell by Rs 44 to Rs 8,040 per quintal in futures trade today as speculators reduced their positions due to sluggish spot market demand at existing higher levels.

At the National Commodity and Derivatives Exchange, September chilli eased by Rs 44, or 0.54%, to Rs 8,040 per quintal, with an open interest for 11,365 lots.

The October delivery shed Rs 40, or 0.47%, to Rs 8,440 per quintal, with an open interest for 2,315 lots.

Market analysts said traders reducing their holdings due to sluggish spot demand at prevailing higher levels led to the decline in chilli futures prices.

Pepper rises on thin supply

Press Trust of India / New Delhi August 29, 2011, 13:17 IST

Pepper prices rose by Rs 70 to Rs 34,306 per quintal in futures trade today on the back of a pick-up in spot market demand amid tight supply availability.

At the National Commodity and Derivatives Exchange, November pepper rose by Rs 70, or 0.20%, to Rs 34,306 per quintal, with an open interest for 310 lots.

The September contract gained Rs 21, or 0.06%, to Rs 33,249 per quintal, with a trade turnover of 7,595 lots.

Analysts said a pick-up in spot market demand and restricted arrivals from producing belts helped pepper prices to trade higher in futures trade.

THE HINDU Business Line

Time is right for sugar decontrol, says CII

End to 10% levy obligation, monthly release mechanism sought

New Delhi, Aug. 29:

The Confederation of Indian Industry (CII) has pitched for decontrol of the sugar industry, while claiming that the current time is the most appropriate for the Government to go ahead with it.

“The new 2011-12 sugar year from October will have opening stocks of five million tonnes (mt), which, with likely production of 26 mt and consumption of about 22 mt, would result in a surplus of nine mt. There can no better time than now for decontrol,” Mr Ajay S. Shriram, Senior

Managing Director of DCM Shriram Consolidated Ltd and Chairman of the CII National Committee on Sugar, told presspersons here on Monday.

Noting that sugar mills had made cane payments of Rs 55,000 crore to five crore-odd growers and their families in the 2010-11 season, Mr Shriram argued that the Government should initiate decontrol of the industry, just as it has done for cement, telecom, aviation and, more recently, fertilisers.

According to him, decontrol will not really impact consumers, as the National Sample Survey Organisation's latest data for 2009-10 show sugar to account for only 1.5 per cent of consumer expenditure in urban areas and 2.4 per cent in the case of urban areas.

Sugar's share in the average consumption basket was below any food item, including cereals, milk & milk products, vegetables, pulses, edible oils or beverages.

Making a similar point was Ms Rajshree Pathy, Managing Director of Rajshree Sugars & Chemicals Ltd and Vice Chairperson of the CII Committee. “There is a KPMG study showing that 67 per cent of sugar consumption in India is by institutional buyers (soft drink makers, confectioneries, pharma companies, etc). Only the balance 33 per cent is consumed by households, of which 10 per cent is through the public distribution system. An average family consumes 4-5 kg every month, so even an Rs 5/kg increase can easily be absorbed,”she said.

The immediate policy actions that the CII National Committee has recommended include removal of the 10 per cent levy obligation on sugar mills and dispensing with the monthly release mechanism governing even open market sales.

Sugar for ration shops should be supplied through open market purchases by the Government, while stabilisation of prices could be achieved through creation of a strategic stock to be maintained on Government account.

This will free the industry from having to bear the carrying cost of sugar that it is not allowed to freely sell.

A transparent and robust futures market will also help in stabilising prices.

The other immediate measures sought are removal of stock limits on traders and bulk users, permitting packaging of sugar in any food-grade bag (instead of only jute), stable export policy, linkage of sugarcane price to realisations from sugar and by-products (by imputing value of molasses and baggase), and finalisation of a price formula for ethanol in blending with petrol.

"The Government should initiate decontrol of the industry, just as it has done for cement, telecom, aviation and, more recently, fertilisers." Mr Ajay S. Shriram, Chairman of the CII National Committee on Sugar

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Cardamom crashes below Rs 600/kg on heavy arrivals

Kochi, Aug. 29:

Cardamom prices crashed last week on heavy arrivals at auctions held in Kerala and Tamil Nadu.

Individual auction average dropped to below Rs 600 to around Rs 540 a kg, probably the lowest average during the current season, as supply outstripped demand.

The declining trend in the market has made the buyers to slow down purchases, hoping prices would fall further.

Quality cardamom arrivals were around 30 per cent and much of the material arrived were of average quality, market sources in Bodinayakannur told *Business Line*. Arrival of 8 mm bold colour capsule was of negligible quantity. “Non-arrival of good quality material coupled with heavy arrivals led to the price fall,” they claimed.

Non-availability of sufficient workers to handle the huge quantity every week is also affecting the trade, they said. Torrential rain in the high ranges is creating problems, they pointed out.

According to the market sources, a regulated release of the material by the growers as a market intervention exercise could only arrest the current downward trend in the prices. “They should retain at least one-third of their output till the market stabilises,” they said.

Exporters were not active, but they are expected to enter the market after the Eid holidays, they said.

At the Sunday auction conducted by the KCPMC, arrivals soared to 89 tonnes from 74 tonnes last Sunday, Mr P.C. Punnoose, General Manager, CPMC, told *Business Line*. The maximum price was at Rs 920.50 a kg, while the auction average dropped to Rs 537.13 a kg from Rs 614.19 a kg the previous Sunday.

Total arrivals have gone up to about 465 tonnes of which there was a withdrawal of around 15 tonnes last week.

Total arrivals during the current season up to August 28 stood at 1,643 tonnes against 580 tonnes in the same period the previous season.

Sales during the period were at 1,605 tonnes and 577 tonnes, respectively.

(This article was published in the Business Line print edition dated August 30, 2011)

Growers seek Tata Coffee's help to supply beans to Starbucks

Steaming exports: A file photo of Tata Coffee's freeze dried coffee plant at Jeyamangalam in Tamil Nadu's Theni district. – G. Karthikeyan

Bangalore, Aug. 29:

Small growers have decided to tap Tata Coffee which has a tie-up with Starbucks to supply coffee beans to the world's largest retail chain.

At the recently-concluded annual general meeting of Tata Coffee held at Pollibetta in Kodagu, some of the shareholders sought the company's assistance to supply coffee beans to Starbucks.

According to a planter, at least one shareholder and a small grower, Mr K P Uthappa, raised the issue of prospective collaboration with Starbucks.

Citing the vision of the first Chairman and Managing Director of Tata Coffee, the late Ivor Bull, who wanted the neighbours (nearby growers) to grow with the company, Mr Uthappa asked the Tata Coffee Board members present at the meeting if the small growers in the neighbourhood could be part of the network of suppliers for Starbuck chain of coffee shops.

The company is in discussion with Starbucks for a tie-up in areas of sourcing of coffee beans and setting up coffee roasting facilities.

Mr Hameed Huq, Managing Director, Tata Coffee, said the future lies in arabica and that the planters should continue to produce more Arabica which is fetching record prices.

“If the small growers can meet the required quality standards and blends, Tata Coffee will look into the possibility of procuring their coffee through its curing works,” he assured.

Mr Uthappa also enquired whether the company had plans to increase the production of Monsooned Coffee since the price realisation was good.

The Managing Director in his reply stated that production of this variety of coffee requires wet monsoon climate, but efforts will be made to increase the production depending on market conditions.

Regarding instant coffee operations, the shareholders were told that free dried coffee plant at Theni had stabilised and the exports had recorded an increase of 60 per cent.

The company also said its focus on non Russian market has paid off.

This strategy has enabled the company to make inroads into West Asia, Korea, and Japan.

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Bay ‘low' drives heavy rains over West, central parts

Thiruvananthapuram, Aug. 29:

The upper air cyclonic circulation over northwest Bay of Bengal deepened into a low-pressure area that persisted off the coast of Orissa and north Andhra Pradesh on Monday evening.

The ‘low' drove up rainfall activity over central and adjoining west India and along the west coast manifold to set up vigorous monsoon conditions during the 24 hours ending Monday morning.

MORE RAINS

An India Meteorological Department (IMD) outlook expected these conditions to continue for two more days.

Widespread rainfall occurred over Gangetic West Bengal, Maharashtra and Andaman and Nicobar Islands during the 24 hours ending Monday morning. It was fairly widespread over Chhattisgarh, Jammu and Kashmir, Himachal Pradesh, Gujarat, Madhya Pradesh and coastal Karnataka. Scattered rain fell over Jharkhand, Orissa, interior Karnataka, Andhra Pradesh and Lakshadweep during this period.

WEATHER FORMATIONS

The rain-driving land-based monsoon trough passed through Jaisalmer, Banswara, Indore, Betul, Rajnandgaon and Puri before dipping southeastwards into east-central Bay of Bengal.

The offshore trough ran down from Gujarat coast to Kerala coast while a western disturbance kept guard over Jammu and Kashmir and neighbourhood.

An extended outlook valid until Saturday said that the heavy rains would propagate further north into northwest, east and northeast India even as a let-up is seen over interior peninsular India.

WEATHER WARNING

A weather warning valid for the next two days said that heavy to very heavy rainfall would be unleashed at a few places over Konkan, Goa and south Gujarat.

Isolated extremely heavy falls amounting to 25 cm or more is likely over north Konkan and south Gujarat.

Isolated heavy to very heavy rainfall would also occur over Orissa and north coastal Andhra Pradesh during this period.

Isolated heavy rainfall is likely over east Rajasthan, west Madhya Pradesh, north Gujarat, south Chhattisgarh and Telangana.

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Cotton wilts on low offtake

Rajkot, Aug. 29:

Cotton prices have declined by Rs 1,500 a candy (of 356 kg) in the last four trading sessions on thin demand from domestic and global markets.

The fall has come after prices touched Rs 39,000 early last week.

Gujarat Sankar-6 cotton was traded at Rs 37,000-37,500 a candy . The Kalyan variety was quoted at Rs 21,000-26,000 a candy. About 4,000-5,000 bales of Sankar-6 cotton arrived in Gujarat and 8,000 bales arrived at the natonal-level.

According to brokers, demand for yarn and export has decreased in the past couple of days. During this week, cotton price may decline but not below Rs 35,000 a candy.

Area under cotton cultivation is up by almost 10 per cent in the current Kharif season as higher returns earned the last year have diverted the attention of the farmers towards this cash crop.

India's leading producer, Gujarat, has registered an increase in sowing of cotton to 29 lakh hectares against 26 lakh hectares last year at the expense of groundnut.

As on August 26, area under cotton stood at 118.05 lakh ha against 107 lakh ha during the same period last year.

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Poor buying pounds rice market

Karnal, Aug. 29:

The rice market witnessed a downtrend on Monday as aromatic rice and non-basmati varieties dropped by Rs 15-70 a quintal on low buying.

Mr Amit Chandna, Proprietor of Hanuman Rice Trading Company, told *Business Line* that demand of full grain rice is not picking up while the brokens have maintained their momentum.

The arrivals of new paddy will start in September and it has also created some pressure on market, he added.

Pusa-1121(steam) eased further by Rs 50 and settled at Rs 4,900-5,000 a quintal, Pusa-1121(sela) decreased by Rs 30 and was around Rs 3,830-3,870, while Pusa-1121(raw) was quoted at Rs 4,275 a quintal, Rs 25 down from previous level.

Pure Basmati (Raw) continued to tumble, dropped by Rs 70 and was ruling at Rs 5,750 a quintal while Basmati Sela quoted around Rs 3,950-4,000 a quintal.

With equal demand and supply in the market, brokens of both aromatic and non-basmati varieties remained unchanged.

For the brokens of Pusa1121, Tibar was at Rs 3,100-3,400, Dubar at Rs 2,600-2,690 while Mongra was trading at Rs 1,900-2,210 a quintal.

Sharbati (steam) dropped by Rs 15 and ruled at Rs 2,800-2,815 while the Sharbati (Sela) was at Rs 2,700 a quintal.

Among the brokens of Sharbati variety, Tibar quoted at Rs 2,350-2,550, Dubar sold at Rs 2,100-2,270 while Mongra was trading around Rs 1,700-1,740 a quintal.

PR11 (Sela) decreased by Rs 25 and sold at Rs 2,100-2,280 a quintal, while PR-11 (raw) quoted at Rs 1,925-2,135 a quintal.

Permal (sela) sold at Rs 1,800-1,930 a quintal while Permal (Raw) sold at Rs 1,900-2,025 a quintal.

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Sluggish offtake keeps soya on leash

Indore, Aug. 29:

Demand in soya oil continued to be sluggish even as Malaysian palm oil futures closed higher.

Though local *mandis* remained closed on Monday for *Shomvati amavasya*, in private trading soya refined ruled flat at Rs 633-635 for 10 kg on scattered buying interest.

On the back of declining demand in the domestic market, soya refined here on Monday saw some scattered buying interest at Rs 631-632/10 kg. On Saturday, also soya refined was at Rs 633-636 for 10 kg on weak domestic demand.

Similarly, soya solvent also ruled flat at Rs 595-598 against Rs 597-598 on Saturday in absence of interested buying.

Contrary to soya oil prices in the physical market, soya refined commanded slightly higher prices in the futures with soya refined September contract on the NBOT closing marginally higher at Rs 663.30 after opening at Rs 663 in the morning.

On the NCDEX, however, soya oil September contracts closed marginally lower at Rs 663.30, while October contracts closed higher at Rs 652.75.

Bearish sentiment also prevailed in soyabean on lack of enthusiastic buying with soyabean prices on Monday being quoted at Rs 2,280-2,340 a quintal. Because of closure of majority of *mandis*, arrival in the State was reported to be around 5,000-6,000 bags. Plant deliveries in soyabean also ruled flat at Rs 2,390-2,420.

According to traders, soyabean may witness marginal gain after Eid festival with rise in domestic demand in soya DOC which was quoted at Rs 17,500-17,800 against Rs 18,500 a quintal in the domestic market.

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Tepid sales in turmeric on slack N. India demand

Erode, Aug. 29:

Turmeric prices continued to rule flat amidst low trade in Erode markets on Monday.

“Sales of turmeric in the four markets were low for want of upcountry demand, especially North India, for the commodity. But prices continued to remain at last week's level”, said Mr R. K.V. Ravishankar, President, Erode Turmeric Merchants' Association.

He said that due to low price in other turmeric sales centres, such as Nizamabad and Sangli, prices in Erode market did not improve.

But both traders and turmeric growers are expecting large orders from North India next month.

They say that the quality of Erode turmeric is better than in other producing areas. He said after that the prices of both varieties of turmeric may increase by Rs 500-750 a quintal.

Bulk buyers said that though around 5,600 bags of turmeric arrived for sale, only 35-40 per cent of them were sold.

At the Erode Turmeric Merchants' Association Sales Yard, the finger variety fetched Rs 4,599-5,757 a quintal and the root variety Rs 4,229-4,911.

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Spot rubber stretches gain

Kottayam, Aug. 29:

Domestic rubber prices recovered further on Monday. On the spot, prices gained strength tracking sharp gains on the National Multi Commodity Exchange (NMCE).

According to observers, market activities are expected to remain subdued during the upcoming festival season but declining stocks in warehouses and isolated rains in major rubber-growing areas might keep the commodity firm. The trend was partially mixed. Sheet rubber improved to Rs 209 (207) a kg, according to traders. The grade firmed up to Rs 207 (205) a kg both at Kottayam and Kochi, according to the Rubber Board.

In the futures market, the September series flared up to Rs 213.17 (209.34), October to Rs 210.83 (206.65), November to Rs 211.10 (206.80), December to Rs 211.25 (207.61), January to Rs 213.02 (208.50) and February to Rs 214 (211.10) a kg on the NMCE.

RSS 3 (spot) slipped to Rs 214.15 (214.78) a kg at Bangkok. The September futures for the grade dropped to ¥352 (Rs 211.45) from ¥352.3 a Kg during the day session but then recovered to ¥354.2 (Rs 212.78) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 209 (207); RSS-5: 200 (198); ungraded: 193 (188); ISNR 20: 198 (198) and latex 60 per cent: 129 (127.50).

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Export buys lift tea prices at Coonoor

Coonoor, Aug. 29:

Last week's strong business mood continued at sale no: 34 of Coonoor Tea Trade Association auctions with 83 per cent of 12.87 lakh kg on offer being absorbed. Strong export purchases helped average prices rise Rs 3 a kg over previous auction.

“Orthodox leaf gained Rs 2-3 a kg. High-priced CTC leaf and mediums got up to 3 more. Blacker, cleaner smaller plainer grades fetched Rs 1-3 more. Orthodox dusts sold up to Rs 10 more. High-priced CTC dusts were dearer by Rs 2-3 and mediums, Rs 1-3. Cleaner blacker sorts fetched up to Rs 4 more,” an auctioneer told *Business Line* on Monday. Among CTC teas, Homedale Estate, auctioned by Global Tea Brokers, topped at Rs 140. Vigneshwar estate got

Rs 138, Shanthi Supreme Rs 134, Hittakkal Estate and Sree Tea Supreme Rs 132 each and Darmona Estate Rs 130. In all, 62 marks got Rs 100 and more.

Among orthodox teas from corporate sector, Chamraj got Rs 183, Havukal Rs 157, Kairbetta Rs 156 and Curzon Rs 155. In all, 24 marks got Rs 100 and more. Among Green tea, Wood Bridge Estate, auctioned by Paramount Tea Marketing, got Rs 210. On the export front, Pakistan bought strongly in wide range — Rs 40-73 a kg and the CIS Rs 40-50.

Quotations held by brokers indicated bids ranging Rs 35-41 a kg for plain leaf grades and Rs 80-125 for brighter liquoring sorts. They ranged Rs 40-45 for plain dusts and Rs 85-138 for brighter liquoring dusts.

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Orthodox tea supply may fall

Coonoor, Aug 29:

Orthodox tea supply for exports is likely to decline from next month, traders and producers say. “Erratic weather pattern seen in most producing belts will pull down production. Uncertain overseas demand is forcing producers to shift from orthodox manufacture. In particular, export to West Asia may not show improvement unless pending payments are cleared,” Mr Subodh Paul, Director, Contemporary Brokers P Ltd, told *Business Line*. “This week, at Kolkata auctions, the CIS buying was active and German buyers supported the best category of tippy teas from second flush period. They bought in a wide range – Rs 350-400 a kg,” he disclosed. On the average, this week, the best quality North Indian orthodox teas fetched Rs 200-260 while in South Indian auctions, they fetched Rs 105-115.The best grades averaged Rs 170-220 while the low-end fannings, Rs 110-120 .— P.S. Sundar

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