

Published: July 7, 2011 08:53 IST | Updated: July 7, 2011 08:58 IST TIRUCHI, July 7, 2011

TNAU training for farmers to boost yield in alkaline areas

Techniques of reclamation of fields to be taught

The Tamil Nadu Agricultural University has planned to impart special training to the paddy cultivators of five districts in the Cauvery delta region to improve productivity in sodic or alkaline areas.

A total of 1,000 farmers, 200 each from the five districts, will undergo training in batches.

Fifty farmers would be trained in each batch on reclamation of salt affected lands with the latest technical know-how in the fields of agronomy, soil science, crop physiology, micro-biology and economics of cultivation. The programme is to be implemented under the 'enhancing rice production in salt affected soils in five districts of Tamil Nadu' programme for which a sum of Rs.40.30 lakh has been released under the National Agricultural Development Programme.

Inaugurating the training for the first batch of farmers at TNAU-Anbil Dharmalingam Agricultural College and Research Institute at Navalur Kuttapattu near here on Wednesday, S. Jeyaraman, Director, Soil and Crop Management Studies, TNAU, said that the Cauvery delta districts accounted for about 1.34 lakh hectares of alkaline area – 64,000 hectares in Nagapattinam district; 33,000 in Tiruvarur; 20,000 in Thanjavur; 11,000 in Tiruchi and 6,000 hectares in Karur.

Mr. Jeyaraman said that the TNAU had evolved the programme with a view to doubling the per hectare paddy productivity in alkaline fields from the present 2.25 tonnes to around five tonnes.

The training aimed at a phased development of the alkaline soil through reclamation process. He appealed to the farmers to dump huge volumes of sun hump and daincha in their fields to bring down the pH level in the area. Mr. Jeyaraman said the farmers would be taken to exposure visits to fields where the paddy cultivators had already registered higher yield.

The institutes -- Krishi Vigyan Kendra in Sirugamani; Needamangalam; Sikkal and Karur; the Sugarcane Research Station in Sirugamanai; Anbil Dharmalingam Agricultural College and Research Institute in Navalur Kuttapattu; Anbil Dharmalingam Agricultural Engineering College and Research Institute in Kumulur; Soil and Water Management Institute in Kattuthottam; and the Agricultural Research Station in Pattukottai would impart the training and organise sessions to benefit the farmers.

J. Sekar, Joint Director of Agriculture, said that the department had stocked gypsum to be supplied at a subsidised price to the alkaline farmers. He also said that agricultural inputs worth Rs.3,000 would be supplied to each farmer.

V. Jayabal, Dean of the college, spoke on the efforts taken for bringing down the pH level through the application of spent wash.

Later, Mr. Jeyaraman conducted a survey of alkaline fields in the college premises and interacted with the farmers.

Timely transplanting of nurseries and application of manure and fertilisers were all the more necessary for registering a high yield. "Every weekly delay in transplanting nurseries will bring down the harvest by 500 kg," he cautioned.

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Programmes on banana fibre extraction, handicrafts making

The National Research Centre for Banana (NRCB) would conduct training programmes on value added products from banana, banana fibre extraction and handicrafts making and post-harvest handling and ripening techniques in banana for export and local markets in July and August.

The programme on value added products from banana would be held from July 11 to 16, while the second training programme on banana fibre extraction and handicrafts making would be held between July 26 and 28 July. Third programme on post-harvest handling and ripening techniques in banana for export would be conducted between August 9 and 12.

Apart from farmers, stakeholders engaged in banana and banana related activities could benefit from the programmes to be conducted on payment of a fee.

In the first training programme, preparation of value added products such as fig, juice, jam and sweet chutney from ripe-banana; chips, sauce, flour, baby good, health drink and soup-mix from unripe (raw) banana; pickle from flower of banana; candy from centre core stem and fibre from pseudostem sheath of banana will be demonstrated. Extraction of banana fibre manually and by machine, dyeing, plaiting and roping and preparation of handicrafts (for making table mat, mobile cover and pen holders) using fine fibre will be taught in the second programme.

The third programme would cover pre-harvest, maturity standards, harvesting, post-harvest handling, packing, storage and ripening techniques, according to M.M. Mustaffa, Director, NRCB. For more details, contact 0431-2618106 or login to www.nrcb.res.in

Published: July 6, 2011 17:29 IST | Updated: July 6, 2011 17:29 IST NEW DELHI, July 6, 2011

Pressure on agriculture commodity to continue, says Commerce Secretary

Stating that the Government policies should not reflect a "knee jerk reaction", Commerce Secretary, Rahul Khullar on Wednesday said pressure on agriculture commodity prices is likely to stay for some time to come.

An Empowered Group of Ministries (EGOM) headed by Finance Minister, Pranab Mukherjee is scheduled to review the ban on export of wheat and non-basmati rice on July 11.

The Food Distribution and Consumer Affairs Ministry has moved a proposal to export 2 million tonne of wheat and 1 million tonnes non-basmati rice. Export of wheat and non-basmati rice has been banned since February 2007 and April 2008, respectively in the backdrop of high food inflation. "My own sense is that the pressure on agriculture prices is going to continue. I also think that domestically the pressure on prices is going to continue even more," Mr. Khullar remarked while addressing a seminar on "Prospects of India's agriculture export in 2025: Opportunities, challenges and roadmap" organised by the Centre for WTO Studies here.

Asked about lifting the ban on wheat and non-basmati rice exports, he said the issue would be discussed next week. Food inflation fell to a one-and-a-half month low of 7.78 per cent for the week ended June 18.

“Traditional agriculture has suffered because of the production constraints, which in turn is holding our agriculture exports. Agriculture has to be competitive and it’s important that what you are producing”. Lack of research and development, inadequate infrastructure, lack of commercial agriculture, small land holdings, etc serve as a constraint and there is a strong case for agriculture reforms,” he remarked.

Mr. Khullar said global trade in agriculture is most distressed and pressure is likely to stay on agriculture commodity prices. The inaugural function was also attended by Rajeev Kher, Additional Secretary in the Ministry of Commerce and J.S Deepak, Joint Secretary.

Speakers of the seminar noted that, in recent past, various issues related to Indian agriculture have been debated, especially, the impact of economic reforms, trade liberalisation and commitments under World Trade Organisation (WTO) on Indian agriculture.

Published: July 7, 2011 02:40 IST | Updated: July 7, 2011 02:40 IST July 7, 2011

Modified tiller rotovator as a weeding machine

Weeds and grasses pose a major problem to farmers. Similarly in maintaining lawns, the grasses are to be cut above the ground level. The commercially available machines for lawn mowing are costly and as such no machine is available for bush clearing.

A power tiller rotovator has been modified as bush cutting machine for cutting grass and clearing bushes. The machine requires only one operator to perform the operation.

Rotational speed

The sprockets and chain transmitting power to the rotovator shaft are replaced with belt and pulleys to increase the rotational speed of the rotary shaft for cutting the grass and bushes by impact.

The modified machine has 15 numbers of mild steel circular plates of 60 mm diameter welded at the end of 6 mm size mild steel chains of 150 mm length. Each chain is attached to the rotovator shaft after removing the rotovator blades.

Rough grounds

The outer edge of the circular plates are sharpened by smithy and grinding work. The machine can be used on rough ground, wherein the other types of mowers such as cutter bar mower, horizontal rotary disc mower or cylinder mower will not work.

When these mowers are used in rough terrain, the cutting elements will be damaged.

As the rotary shaft rotates, centrifugal force pushes the flails (chains) outward. When the flails encounter any obstacles in the field, it simply bounces off. This fact makes the flail mower best suited for rough areas.

The machine covers 0.10 ha/h (around 2.0 acre/day). The cost of modifying the power tiller rotovator as bush cutting machine comes to ` Rs. 7,000 (excluding the cost of power tiller rotavator).

The cost of clearing bushes using this machine has been calculated as Rs.1,800 per hectare whereas the cost of manual cutting of bushes and grasses is Rs. 4,000 per hectare.

Soil moisture

The equipment cuts weeds and grasses without opening the soil. This enhances soil moisture conservation. Besides, the cut weeds are scattered on the soil surface which act as crop residue mulch.

This machine is useful for orchards, oil palm plantations and to clear parthenium weeds. The equipment can easily be reverted back as power tiller rotovator when desired.

Prof. A. Tajuddin & B. Suthakar

Agricultural Engineering College & Research Institute TNAU, Kumulur , Tiruchi

Every policy and decision is grey, not black or white



July 7, 2011

The agriculture ministry proposes and environment ministry disposes

“The Roman emperor Marcus Aurelius said, ‘Everything we hear is an opinion, not a fact. Everything we see is a perspective, not the truth.’ That holds true when we evaluate any policy implementation in agriculture,” says Mr. V. Ajay Jakhar, Chairman, Bharat Krishak Samaj, New Delhi.

“At the beginning a decision may appear to be correct and foresighted, but later, the same decision may seem wrong or even a complete disaster. As our perception changes, our views on a subject also undergo a change,” he reasons.

Considered a boon

“The green revolution, considered, a boon to the nation, helped the country to become self reliant. “But today many NGOs criticize the revolution. They claim that the green revolution destroyed soil health and caused excess drain of groundwater, increased use of chemicals and fertilizers etc.”

He argues that after the success of the green revolution, a collapse of extension services took place.

In the absence of proper advisory services, farmers, in a bid to attain more profit, started unwisely using excess inputs.

The agriculture ministry proposes and the ministry of environment disposes, forcing farmers to continue using excess pesticides and fertilizers while competing farmers in other countries get access to latest technologies.

Farmers in India are disadvantaged by urban perception and policy.

“These are two different perceptions of the same issue. Take the example of how government policies affected my village Maujgarh in Punjab,” he explains.

The village is situated at the point where Pakistan, Punjab, Haryana, and Rajasthan meet. Being a dry rainfed area, millets such as Sorghum (Jawar), Barley (joe'), Pearl Millet (bajra) and Oats (javi), Gram (channa) were the staple crops.

Changing diet

Wheat was rarely grown or consumed. But today everyone grows wheat and the staple diet changed to wheat.

“So, the area gained economically, but without being the intention, the diet of the farmers itself changed,” says Mr. Jakhar.

Announcements of Minimum Support Price (MSP) impacts farmers produce. Nearly 90 per cent of the procurement under MSP purchase is of wheat and rice.

Incentivise

“We are incentivised to increase productivity for these two crops to feed the nation. So naturally most of the country is growing these crops.”

“But, this monoculture led to a few unintended setbacks in terms of excess use of water, depleting the water table and slowly destroying the bio diversity of the nation,” seems to be his conviction.

No doubt the policy helped provide food on the table, but at the same time changed the culture of the whole nation. In a bid to control inflation and keep prices down for the urban consumer, the government banned export of agriculture commodities and forced subsidies on the farmer.

The farmer is denied access to international markets where price of most commodities is higher. Therefore the farmer, unable to get a better price for his produce, uses more inputs (fertilizer & chemical) to attain better profit. Short term gain to increase productivity and to help the urban consumer, destroys the soil health and depletes the ground water.

Impact analysis

“A social impact analysis is necessary to understand the implication of any policy. Reliable data is unavailable and the science of socio impact analysis is still not developed in India. We also need to calculate the cost of lost opportunities imposed upon us by bad policies and public interventions by NGOs,” he explains.

Investing on new plant bio technologies that develop plants that maximize use of applied inputs and possibly manufacture their own nitrogen requirement and are pest resistant can reduce fertilizer and chemical usage.

Trade-off

“There is nothing black and white, every policy and decision is grey, some with more shades of black or white. Everything is a trade-off - between benefits to one and losses to others,” says Mr. Jakhar.

Policy makers, opinion makers, and NGOs incorrectly look at the issues in terms of just right or wrong. Their arrogance or ignorance is fatal to a nation, after all perception leads to an action of a kind, according to him.

For details contact Mr. Ajay Vir Jakhar, Chairman, Bharat Krishak Samaj, A-1 Nizamuddin West, New Delhi-110013, email: aj@bks.org.in, phones: 011- 46121708 and 65650384.

Weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Thursday, Jul 7

Max Min

34.6° | 24.5°

Rain: 00 mm in 24hrs

Humidity: 75%

Wind: Normal

Sunrise: 5:47

Sunset: 18:39

Barometer: 1001

Tomorrow's Forecast



Rainy

Friday, Jul 8

Max Min

34° | 25°

Extended Forecast for a week

Saturday

Jul 9



32° | 28°

Rainy

Sunday

Jul 10



32° | 27°

Rainy

Monday

Jul 11



31° | 26°

Rainy

Tuesday

Jul 12



33° | 27°

Rainy

Wednesday

Jul 13



32° | 27°

Cloudy

PUNE: Poaching of technical manpower has begun in Maharashtra's co-operative sugar sector because of a paucity of skilled manpower. Private sugar mills have increased salary and incentives to the scarcely-available technical talent.

Technical manpower is at the root of profitable working of sugar mills. There are four main departments in sugar factories: agricultural, engineering, chemical and accounts. The agricultural department head has to ensure availability of cane with better sugar content. The chief engineer has to extract maximum juice from the cane to ensure higher sugar recovery while the chief chemist has to see that he extracts maximum sugar from the juice leaving minimum sugar in the bagasse.

"At every stage, loss of recovery due to non-qualified staff can result in a huge financial loss for the sugar factory," said KN Nibe, managing director of Solapur-based Shree Pandurang sugar cooperative.

Maharashtra rural development minister Jayant Patil, who runs sugar co-operatives in Sangli district, said, "My mills are suffering due to the shortage of qualified technical manpower. There is no guarantee that the technical people employed today will be working in the same mills tomorrow." Though the average sugar recovery of Maharashtra mills is about 10%, which is better than the recovery rate in Uttar Pradesh, many professionally-run mills in the western state have a recovery of 11% to 13%.

However, manpower shortage is an issue only in Maharashtra and not in other states. "We do not have any shortage of technical staff in Uttar Pradesh. We get qualified people and they are satisfied with their salaries," said Shyamlal Gupta, secretary, UP Sugar Mills Association .

Salaries in the public sector are better in Maharashtra after the implementation of the Sixth Pay Commission and they are twice the salaries of department heads in sugar mills.

Pay in education and IT sectors too is much higher than those given by the mills.

The Vasantdada Sugar Institute at Pune, an autonomous institute for training and research in sugar, is not getting enough students for its courses due to the poor salaries in this sector.

"We have 20 seats for sugar engineering for which we are hardly getting three to four applications," said RV Dani, head of the department (sugar technology).

6 Jul, 2011, 07.03PM IST,ET Bureau

Fert industry's potash holiday driven by China

For a few dollars more than what China paid for its imports, India could get all the potash it wants for the season from key suppliers. But Indian industry, which has not renewed its import contract with top global suppliers since April under a self-imposed "potash holiday", is digging in its heels, insisting that "no way" will they let China get the better deal.

There are indications meanwhile that the "potash holiday" may, infact, be wearing thin. Negotiations on imports have been quietly on. In recent negotiations, a Russian supplier quoted a price of \$500/tonne for the commodity to India against China's \$470/tonne. In end June, Belarusian Potash Company, the agent for Uralkali and Belaruskali, sold potash to two Chinese fertiliser importers at prices \$70/ tonne higher (at \$470/tonne c-and-f) than in the first half of the year. "We even agreed to pay \$470/tonne but suppliers were insisting on \$500/tonne. We are among the world's two biggest importers. The cartel cannot be allowed to dictate prices to us; after all we buy around 5.5mt annually which is roughly 10% of the total production," Iffco MD U S Awasthi said.

In May, after its late April two year "potash import holiday" decision, industry asked supplier Canpotex for a 10% discount on potash price but failed to make a dent. Canpotex, which controls around one third of the global potash capacity, has in the past been accused of price

cartelisation. FAI DG Satish Chander held "They said supply is short and demand is high, pushing up prices. They should realise that they will lose the huge Indian market. Maybe it's a good decision to go easy on potash use over the next two years. That will reduce demand and hopefully, push down prices",. Both Awasthi and Chander contend that the Indian soil has "enough" potash to last out another two years without exorbitantly high priced imports, given imports of 6mt last year..

Industry is now banking heavily on projections of a significant availability increase and corresponding price drop over the next two years. Chander contends that availability could increase anywhere between 17-25% over the next two years, thus pressuring down prices significantly and allowing India to last out the import holiday.

Global potash sector analysts, meanwhile, have tended to view Indian industry's two year "potash holiday" as a bluff, emphasized further by the fact that the country does not keep a clear potash inventory. Speaking at the recent Montreal IFA conference, Wayne Brownlee, CFO of Potash Corp was quoted as stating "India's need for potash is substantial. It's a big risk for them to take a potash holiday."

Potash is a nutrient under the government's Nutrient Based Subsidy (NBS) scheme for which it fixes a benchmark annual import price. If industry contracted imports at prices higher than the benchmark import price , it had cover that from the market. But soaring global prices made it tough for industry to clinch imports within the benchmark price without either taking a cut on its bottomline on shifting the burden on to farmers if the DoF didn't reimburse the difference..

In May the DoF, apprehensive that industry__angling for a higher benchmark price_ may decide to stop import of key fertis in the run up to the kharif sowing season, upwardly revised this upward for the third time in 2011-12. to \$612/tonne (DAP) and \$420/tonne (MoP), respectively. That spelt a \$80/ tonne gap between the international price of potash (\$500/tonne) and the

benchmark import parity price (\$420/tonne).

Significantly, this third time revision of benchmark potash price to accommodate soaring import prices was expected to enable companies to import fertilisers to ensure adequate supply in 2011-12. Also, to help farmers buy enough reasonable priced fertilizers. Now, both goals seem to be dithering.

The government's budgetary provision for phosphatic and potassic fertilisers for the 2011-12 fiscal is Rs 33,500 crore.



Agriculture Cabinet's first meeting today

July 07, 2011 12:47:46 AM

Staff Reporter | Bhopal

The first meeting of Agriculture Cabinet, constituted on the initiative of Chief Minister Shivraj Singh Chouhan with the objective of better coordination among the concerning departments to make agriculture profitable, will be held at State Mantralaya on Thursday. Chief Minister Chouhan will chair the meeting.

Earlier, at a workshop in Jabalpur on June 18, the Chief Minister held extensive talks with agriculture scientists about development of agriculture in the State. After deliberations at the workshop, scientists presented 98 suggestions in this connection.

The Agriculture Cabinet headed by the Chief Minister has 11 Ministers as members. In fact, Agriculture Cabinet is the Cabinet Committee on agriculture affairs.

Members of the committee include Finance Minister Raghavji, Water Resources Minister Jayant

Malaiya, Commerce and Industry Minister Kailash Vijayvargiya, Panchayat & Rural Development Minister Gopal Bhargava, Forest Minister Sartaj Singh, Tribal Welfare Minister Kunwar Vijay Shah, Animal Husbandry Minister Ajay Vishnoi, Farmers' Welfare and Agriculture Development Minister Dr. Ramkrishna Kusmaria, Cooperatives Minister Gaurishankar Bisen, Revenue Minister Karan Singh Verma and Minister of State for Energy (independent charge) Rajendra Shukla.

Prominent among the subject-matters of the Agriculture Cabinet are agriculture, horticulture, animal husbandry and dairy, fisheries, activities of the cooperative sector, irrigation, Narmada valley development, power distribution, Panchayat and rural development, revenue, scheduled castes etc.

The Agriculture Cabinet will deliberate on planning and budgetary provisions of the concerning departments and take decisions. It will also undertake re-appropriation and make changes in the budget-related matters within the budgetary limits. The Agriculture Cabinet will also determine short and long-term policies for agriculture sector schemes.

Business Standard

Thursday, Jul 07, 2011

Rains give new lease of life to crops in Saurashtra region

Vimukt Dave, / Mumbai/ Rajkot July 07, 2011, 0:59 IST

As monsoons made their presence felt in Saurashtra this week, the farmers of the region were one happy lot as this rain has saved their crops. Though bit delayed, the recent rainfall in the region has given a new lease of life to the groundnut and cotton crop.

During the last two days, Rajkot, Porbandar and Amreli districts of Saurashtra region witnessed rainfall and the meteorology department has predicted heavy rainfall in the coming two days across the region as well.

"Rainfall is crucial for both the groundnut and cotton crop. If the rains had delayed further, it would have hit these two crops severely," said NC Patel, vice chancellor of Junagadh Agriculture University. According to Patel, the sowing process will take some more time as these rains are not enough for new sowing. Patel added, "The rains that were witnessed in the last two days have saved the early sowing of crops. But we need substantial rainfall for further sowing."

As per the data provided by the district agriculture department, the sowing area is still below expectation. The total area of groundnut covered is 4,64,860 hectares this year in Saurashtra and Kutch, which is only 30 percent of the last year's total of 15,75,819 hectares. Similarly in cotton so far 3,20,089 hectares sowing has been done which was 17,60,238 hectares last year and just 18 percent area has been covered in cotton in Saurashtra region.

"More rainfall will definitely prove conducive for the sowing process. As the weather changes and the possibility of rain increases, sowing activity will increase in many parts of Saurashtra." said Govindbhai Patel, former president of Solvent extractors association of India (SEA).

Rubber advances to 3-week high

Bloomberg / July 7, 2011, 0:45 IST



Rubber climbed to the highest level in almost three weeks, as oil's rally boosted the appeal of the commodity as an alternative to synthetic products and concern about a slowdown in the US and Chinese economies eased.

The December-delivery contract advanced as much as 2.5 per cent to 385.7 yen a kilogram (\$4,766 a tonne), the highest level since June 16, before trading at 385 yen on the Tokyo Commodity Exchange at 10:25 am.

Oil traded near a three-week high in New York as signs of economic growth in the US and China stoked speculation that fuel demand may increase in the world's biggest crude-

consuming countries. Orders placed with US factories increased in May, while China's services industries expanded at the second-fastest pace this year as new orders and employment climbed.

"Higher oil strengthened speculation that synthetic rubber prices may increase, supporting futures in Tokyo," Hisaaki Tasaka, an analyst at broker ACE Koeki Co, said on Wednesday by phone.

Bookings for manufacturers' goods in the US rose 0.8 per cent after a revised 0.9 per cent decline in April that was smaller than previously estimated, figures from the Commerce Department showed yesterday in Washington.

Rubber futures also gained as stronger cash prices raised speculation that supply from Thailand, the world's largest producer and exporter, may be limited, Tasaka said. The physical price of Thai rubber gained to 144.65 baht (\$4.74) a kg yesterday from 143.15 baht on July 4, the Rubber Research Institute of Thailand said on its website.

'Cotton yarn sector loss at Rs 11,000 cr'

BS Reporter / Ahmedabad July 7, 2011, 0:44 IST



Emphasising the crisis in the industry, the Confederation of Indian Textile Industry (Citi) has estimated a loss of Rs 11,000 crore for the cotton yarn sector due to measures like withdrawal of export incentives, restrictions on exports, and imposition of excise duty.

On behalf of the textile industry, Citi has sought urgent measures from the government to defuse the crisis being faced by it on account of various domestic and international circumstances.

"The textile industry is undergoing an unprecedented rough trajectory marked by crash in yarn prices, drastic demand erosion in the domestic and international markets, juxtaposed with

withdrawal of export incentives that helped its price competitiveness, imposition of steep excise duty of 10 per cent on branded garments and imposition of quantitative restrictions on yarn exports,” said Shishir Jaipuria, chairman, Citi.

The textile industry body observed that the loss has eroded the working capital of the units significantly. “A majority of units are not able to meet their obligations for repayment of loans and interest. To avoid a large number of units becoming non-performing assets (NPAs) and, subsequently leading to closures in a matter of months, the government should announce a relief package without any further delay,” said Jaipuria.

Detailing the type of support the industry is expecting, Jaipuria said the Duty Entitlement Pass Book Scheme and drawback on exports of cotton yarn should be restored immediately, with effect from the dates of their discontinuance. has also sought restoration of interest subvention of 4.5 per cent on export of textiles and clothing. To stimulate dithering consumer demand, the industry also wants withdrawal of the 10 per cent excise duty imposed on branded garments and clothing in the recent Budget. As relief measures, the industry has been demanding moratorium of two more years on repayment of all loans and interest to be allowed including TUFs loans for all units in the textile and clothing industry, as well as reduction of margin money for purchase of cotton to 10 per cent.

According to S P Oswal, CMD, Vardhman Textiles, world cotton prices had crashed in line with global commodity prices in April, after reaching unprecedented high levels. “For instance, domestic cotton prices (Shankar-6) increased from Rs 30,000 a candy (356 kg) in September 2010 to Rs 63,000 a candy during February-March this year. It crashed to Rs 45,000 a candy in April and to Rs 38,000 a candy by the end of June. Since mills stock cotton for two-three months, most of them had bought cotton at high prices and are currently stuck with high cost cotton. They have lost over Rs 15,000 a candy on about 6.5 million bales (170 kg) in cotton stock, totalling to an estimated loss of Rs 6,000 crore,” said Oswal.

Moreover, coupled with drastic reduction in the prices of man-made fibres, which has incurred a loss of Rs 500 crore to the spinners, the industry losses are peaking to Rs 6,500 crore approximately, he added. Apparently, due to restrictions placed on export of cotton yarn last year, over 300 million kg of yarn remained with the mills as on March 31.

Climate changes may affect tea production in Assam

Supratim Dey / Kolkata/ Guwahati July 07, 2011, 0:43 IST

Climatic changes in the Brahmaputra basin in near future may affect tea production in Assam, experts feel.

A “preliminary study” carried out by IIT-Guwahati on impact of climate change on water resources of Brahmaputra basin revealed that there will be significant changes in rainfall pattern and temperature of this basin.

“High intensity rainfall of shorter duration and longer dry spells will adversely affect flood and drought scenario of this region,” the study said. In reality, the region has been experiencing erratic and abnormal rainfall patterns for the last couple of years.

Rakesh Saini, executive director of Tea Board, said that water management in tea gardens had always been a complex art and science, involving effective drainage to avoid water logging and flooding in rainy days and ensuring water availability for irrigation in draughty season. He said that in the recent years, the climate change subject has assumed greater significance due to visibility of climate change footprints in this region.

Saini was speaking at a seminar, organised by Tea Board in association with IIT-Guwahati and North Eastern Tea Association (NETA), to discuss the IIT study.

“The geographical and time pattern of rainfall is changing erratically and temperatures are rising. These variations require revisiting the available techniques of water management in tea gardens. Indigenous, innovative and cost-effective techniques of harvesting rain water have become inescapable. The academic institution of national importance like IIT Guwahati can make valuable contribution in seeking these methods and technologies,” said Saini.

A study earlier conducted by the Tocklai Experimental Station (TES), based in Jorhat in Upper Assam, to gauge the impact of climatic changes on the tea industry too had revealed similar things. The study had found that the average minimum temperature in Assam had risen by 1 degree celsius in last 90 years, besides the region losing around 200 mm rainfall because of climatic changes.

“A study should be soon undertaken to know the rate of evaporation of moisture due to wind velocity and another study to know the soil texture for retention of water particularly in Golaghat and Karbi-Anglong districts of Assam,” said Jadoo Goswami, a senior tea consultant

Assam is the largest tea producing state of India and accounts for around 55 per cent of total tea produced in the country. Though Assam witnessed a bumper tea production in 2009, thus bringing the industry out of 10 years of recession, production took a hit last year due to excessive rainfall. From 499 million kg in 2009, the figure dropped to 480 million kg last year in Assam. Total tea production in India in 2010 was 966 million kg.

The tea gardens, said Bidyananda Barkakoty, chairman of NETA, had provided rainfall and other climatic data to IIT-Guwahati for undertaking the research work.

Speakers at the seminar included experts from IIT-Guwahati, such as Prof. A.K. Sarma, B.P.Chaliha, chair professor for water resources, a chair established by Union water resources ministry, Prof. S.K. Deb and PK Sarma, a field expert of climate change project, in addition to many tea planters from the state.

Zero import duty on sugar to stay for another 2 months

BS Reporter / Mumbai July 7, 2011, 0:42 IST

The import duty on sugar will continue to remain nil till August 31, till the new crushing season starts in October.



Officials said a final decision will be taken by the finance ministry. It may decide to align the duty structure according to the recommendations of the food ministry.

Faced with high food inflation, the government in January exempted sugar imports from Customs duty till March 31, further extended till June 30.

Prior to the zero duty regime, sugar imports attracted 60 per cent duty. The food ministry has recommended aligning it to 15-20 per cent as against the high rate of 60 per cent, officials said. The finance ministry, however, is considering bringing down the import duty from 60 per cent to 15 per cent, albeit with ad valorem of four per cent. Ad valorem duties are levied according to

the value of goods and are usually expressed as percentages of value. Such duties are distinct from specific duties imposed on the commodity.

The Indian Sugar Mills Association has reportedly pegged the production at 24.2 million tonnes (mt) in the current sugar year, as against 19 mt in the 2009-10 (October-September). The annual domestic demand stands at 22-22.5 mt. Currently, around five million hectares is under sugarcane production.

In April 2009, the government had abolished import duty on sugar, as domestic output had declined sharply to nearly 15 mt against the annual domestic demand of 23 mt. In April this year, the government had allowed 500,000 tonnes sugar exports under OGL.

The food ministry has been easing stock holding limits for sugar as well, following robust production estimates. In March, an empowered group of ministers had relaxed the limit on sugar to 500 tonnes per month from the earlier limit of 200 tonnes. For July, the monthly quota of domestic sales was brought down to 1.77 mt from 1.87 mt in the previous year.

Import duty on sugar was abolished in early 2009 to boost domestic supply. Before that, the import duty was 60 per cent. In 2008-09 and 2009-10, the domestic output was lower than the demand at 14.7 mt and nearly 19 mt, respectively. The country had to import about six mt of sugar during these two seasons.

Oilseed may see record output

Dilip Kumar Jha / Mumbai July 7, 2011, 0:40 IST

Lower production in Maharashtra may be compensated by Andhra, Gujarat and MP.



Despite uneven distribution of rainfall this monsoon season, oilseed output is likely to set a new record this year. Experts estimate that for the first time, output may surpass the benchmark 30 million tonnes (mt) at 30.25 mt this year – a rise of nine per cent as against last year's output of 27.80 mt.

Consequently, the edible oil output is likely to rise by 24 per cent to 9.2 mt in this crushing season (November to October 2011-12).

In spite of predicting a marginal five per cent decline in long-term average rainfall for the entire year, the India Meteorological Department (IMD) has said the rainfall has been normal till date. The impact of less rainfall, however, could be seen in the coming months.

The main worry: Despite the normalcy in rainfall at present, there has been unevenness in certain crop-denominated areas. "States like Gujarat, Maharashtra, Madhya Pradesh and Rajasthan, where oilseed sowing is heavily dependent upon rain, has been adversely impacted due to uneven distribution of rainfall, said Madan Sabnavis, chief economist, Care Ratings.

However, going ahead, things could be better. Ajit Tyagi, director general of IMD has shown satisfaction over the monsoon progress. In a recent interview, Tyagi said the first month of the monsoon period – June, ended on a positive note, with more than 10 per cent above normal rainfall at 209 mm.

The initial rainfall covered most of the country, except for Gujarat and West Rajasthan. These are the two states where a large chunk of area is dedicated to oilseeds. "Gujarat, the largest oilseed producing state in the country, is a major cause of worry where rainfall has been deficient. But the rainfall is likely to revive in the coming days in the state," said B V Mehta, executive director, Solvent Extractors' Association of India, the apex body of oilseed extractors, adding that the situation will be clear with the progress of rainfall in August.

Soybean planting, which is the largest oilseed crop, starts in May and continues until July 15. The late sowing continues until the third week of July. But, in case of monsoon deficiency, the re-sowing takes place in some of the states even by the end of July or early August.

According to Rajesh Agrawal, coordinator, Soybean Processors Association, soybean planting covered only 500,000 hectares (ha) until June 30 in Maharashtra as against the annualised target of 2.6 million ha. With July 15 just around the corner, the balance 2.1 million ha looks unlikely. But the deficiency in Maharashtra will be made up by Madhya Pradesh, Andhra Pradesh and part of Rajasthan.

Tyagi forecasts also support this point. IMD hopes the deficit will be met in the coming days, helping in re-plantation of soybean. Satyanarayan Agarwal, an industry veteran, said oilseed sowing has been affected adversely due to flooding in some area and deficiency of rainfall on the others.

Groundnut oil price on all-time high

Vimukt Dave / Mumbai/ Rajkot July 07, 2011, 0:05 IST

Groundnut oil has crossed Rs 1,600 per 15-kg tin setting an all-time high level of Rs 1,620 per tin amid increased demand from retail and branded segment. Reduced availability of raw material for crushing is believed to further jack up the prices.

In Rajkot markets, groundnut oil traded in the range of Rs 1,610-1620 per tin. The prices have jumped by Rs 60 per tin in past three days. Groundnut oil had hit a peak level of Rs 1,585-1,590 per tin on June 21, 2011. "Crushing becomes expensive as the price of groundnut has increased too high. As the raw material is not available easily, we see prices of groundnut oil reaching to a new high," said Suresh Kaneriya of Kaneriya oil industries.

Meanwhile, groundnut oil (loose) jumped by Rs 10 to Rs 965-970 per 10 kg. However, industry insiders feel that the price rise was mainly an outcome of the speculative activity by the traders. "Speculators are giving misleading picture to gain personal benefits. It is true that availability is low but demand is also not so high," informed a Jamnagar-based miller requesting anonymity. The industry believes that the reduced availability was the prime reason for a sudden price rise in the groundnut oil. "Lack of availability of groundnut for crushing has pulled up the groundnut oil price to a new high. Oil millers have been facing this problem for quite long. Moreover, the demand from branded players and retailers is also there," said Samir Shah of Rajmoti Oil Industries.

He said, "Summer production of groundnut is good but most of the stock was consumed by the exporters and other local food producers." According to industry sources, the prices of groundnut oil are believed to hover upwards till the new season starts. On the other hand, the traders maintained that the demand from exporters and others had come down due to high price of groundnut.

The groundnut arrivals at various Agriculture Produce Marketing Committees (APMCs) in Saurashtra and Gujarat was reported at about 40,000-50,000 bags (each bag = 40 kg). The price for bold quality of groundnut in Rajkot market stood in the range of Rs 670-825 per 20 kg, while small quality was priced at Rs 623-890 per 20 kg.

Karnataka's tobacco area shrinks 13.5%

Moderate crop condition prevails due to erratic rainfalls

Bangalore, July 6:

Due to Tobacco Board's stringent registration norms and awareness drive in growing areas, the area under tobacco cultivation in Karnataka is set to shrink by 13.5 per cent.

The State's tobacco area this crop year (2011-12) is 1.03 lakh hectares, a decrease of 13.50 per cent compared to previous year.

In order to control unauthorised production, the Tobacco Board is working out a mechanism to check unregistered growers. As against 57,000 registered barns in the State, it is estimated that there are 42,000 unauthorised barns.

With a view to have a control on crop production in the State, the board has fixed 1,740 kg a barn and has also taken a decision to issue licence to RTCs (Record of Rights, Tenancy and Crops) holders only to weed out the unregistered growers.

The Tobacco Board Chairman, Mr G. Kamalavardhana Rao, last week toured the tobacco growing areas in Karnataka-Hunsur and Periyapatna.

Mr Rao, has cautioned farmers not to repeat and create a situation like last year where in excess area leads to excess production. "Due to this, output went up by 30 per cent higher than the authorized production of 100 million kg. This scenario left everybody with higher production and lesser demand in the market."

"The tobacco crop for 2011-12 is good but moderate. This year's crop is currently at nursery/plantation phase and is delayed by 15 days, due to erratic rainfall in the region," said Mr K.N. Vishakantiah, Regional Manager, Tobacco Board.

“Good amount of moisture and rains in July can improve the crop condition,” he added.

Indian fertiliser cos set \$470/tonne cap for potash

MOP Imports by India		
	Imports*	Price**
2003-04	25.79	124
2004-05	34.09	163
2005-06	45.78	220
2006-07	34.48	215
2007-08	44.21	258
2008-09	56.72	625
2009-10	52.86	460
2010-11	63.57	370

*lakh tonnes;

**Average \$/tonne, CFR India.

Not a single tonne imported in standoff with global sellers

New Delhi, July 6:

Indian fertiliser firms say they will not pay global potash suppliers a single dollar more than the \$ 470-a-tonne rate recently contracted by Chinese buyers.

“It is a question of national pride. We import over six million tonnes (mt) of muriate of potash (MOP) annually, which is more than the 3.5 mt by China. So why should we have to pay more?,” Dr U.S. Awasthi, Managing Director of Indian Farmers Fertiliser Cooperative Ltd (Iffco), said. Chinese companies had, late last month, struck deals with Canpotex Ltd – the world’s No. 1 potash exporter based in Canada’s Saskatchewan province – and the Belarusian Potash Company (BPC) for purchases of around 1.3 mt of MOP at a price of \$470 a tonne, cost & freight (c&f).

For 2010-11, Indian Potash Ltd, Coromandel International, Tata Chemicals, Zuari Industries and Iffco had jointly negotiated a price of \$370 a tonne c&f with a cartel of MOP suppliers, consisting of Canpotex, BPC, Israel's ICL Fertilisers and Arab Potash Company of Jordan. The country imported nearly 6.4 mt of MOP worth some \$ 2.35 billion at this rate.

This time round, India has not been able to contract a single tonne of imports, as the suppliers have been demanding a price upwards of \$500 a tonne. Indian companies were initially not prepared to pay more than \$ 420 a tonne, which is the Centre's benchmark import parity price for computing the subsidy payable on potash. Towards late-May, they offered to buy at \$ 445-450.

But with the Chinese now contracting at \$ 470 a tonne, this rate could emerge as the final price that both sides would have to agree to. India does not have any exploitable potash deposits and imports its entire requirements. Since 2003-04, the country's MOP imports have risen almost 2.5 times from 2.6 mt to 6.4 mt, with the latter accounting for 13 per cent of the global potash imports of 48 mt.

The Director-General of the Fertiliser Association of India, Mr Satish Chander, claimed that India can even manage by not importing a single tonne of MOP “because we have enough potash reserves in our soils on account of the large-scale application of this nutrient in recent years”.

Bandh-hit



In a sabbatical mood: Hamalis working at the Mahboob Mansion Agriculture Market at Malakpet have no work, despite adequate stocks of onions, due to the 'Telangana Bandh', that entered the second day on Wednesday. Hamalis earn Rs 200 a day.

State of machinery



In demand: New tractors head to Kerala. Mechanised implements are in great demand in Kerala, which is one of the States where farming is almost fully mechanised.

What is your policy on GM food, parliamentary panel asks AP Govt

Hyderabad, July 6:

The Parliamentary Standing Committee on Agriculture, which is holding nationwide consultation on the issue of genetically modified foods, has posed some tough questions to Andhra Pradesh Government with regard to trials of GM crops and their impact on soil health, health of human beings.

Led by its Chairman Mr Basudeb Acharya, the committee held discussions with farmers, officials, and representatives from non-governmental organisations and agriculture universities.

Heated arguments were exchanged with pro and anti biotech groups trying to push their opinions before the Standing Committee. Keeping in view the opposition to the moves by agriculture biotech companies to introduce GM crops in the country, the Union Government had

asked the committee to study and submit a report on Cultivation of GM Crops – Prospects and effects.

Opposition

Mr Satyavrat Chaturvedi, MP, said that there was no opposition for (agri) biotechnology in the country when cotton was introduced.

“Since it is not a food crop no one opposed. But people are now opposing because it is a food crop which might impact people's health and environment. Rich countries such as France, Germany and Japan too expressed reservations. What is your policy with regard to GM food? Are you favourable or against it,” he asked representatives from the State Government.

He also wanted to know the mechanism the Government planned, to let people distinguish between GM and non-GM food.

Another member of the panel, also expressed concerns about cross pollination and contamination of traditional crops with some GM attributes. r Nagireddy, Principal Secretary (Agriculture, Govt of AP), said that his government was not against trials being taken place under controlled conditions. “We are very cautious (on allowing GM foods). We expect more data to come to take a decision on this,” he said.

Report submission

Mr Acharya told *Business Line* that the committee would submit a report to Parliament in the next session. “We have received more than 5,000 memoranda on the subject from across the country. We would have 25 discussions before we complete the process in the next few days,” he said.

Spot rubber improves on lack of sellers

Kottayam, July 6:

Physical rubber prices scaled further highs on Wednesday. Supply concerns following the resumption of rain and the absence of quantity sellers continued to strengthen the market. There was no buying pressure from major consuming industries.

However, rising domestic rubber production, slowdown in auto sales, widening gap between the domestic and international prices and increased use of rain guards may limit future gains, analysts said. Sheet rubber firmed up to Rs 217 (215) a kg, according to traders. The grade improved to Rs 216.50 (214.50) a kg both at Kottayam and Kochi, according to the Rubber Board.

The July series closed at Rs 213.80 (213.73), August at Rs 216.15 (216.82), September at Rs 215 (214.61), October at Rs 215.56 (215.45), November at Rs 218.80 (220.90) and December at Rs 219.71 (219.20) a kg on the National Multi Commodity Exchange.

RSS 3 increased to Rs 213.36 (211.54) a kg at Bangkok. The July futures moved up to ₹391.7 (Rs 214.85) from ₹383.1 a kg during the day session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 217 (215); RSS-5: 214 (212); ungraded: 210 (209); ISNR 20: 212 (211) and latex 60 per cent: 137 (136).

Date for Coir Board's video film competition extended

Kochi, July 6:

The Coir Board has extended till August 1 the month-long national level mobile phone video film competition which began on June 5 on the theme "Coir – Nature's Best Friend." This was part of the series of programmes organised by the Board in connection the World Environment Day celebrations. Details of the contest, including its terms and conditions, is available on the Coir Board Web site www.coirboard.gov.in. A jury headed by a prominent documentary producer has been constituted to evaluate the video films for consideration of various awards for the contestants. The competition involves shooting a three-minute duration video film using mobile phone camera and uploading the same to the Coir Board Web site. Attractive prizes including laptop computer, digital camera, will be awarded to the winners of the competition. The wide scale observance of environmental day celebrations is aimed at popularising the use of eco-friendly coir products especially geo-textiles in different spheres as its varied applications are increasing progressively.

Weather-based crop insurance scheme to be launched in Bengal soon

Kolkata, July 6:

A pilot Weather-Based Crop Insurance Scheme (WBCIS) for non-loanee farmers will be launched in West Bengal soon by a private general insurance company.

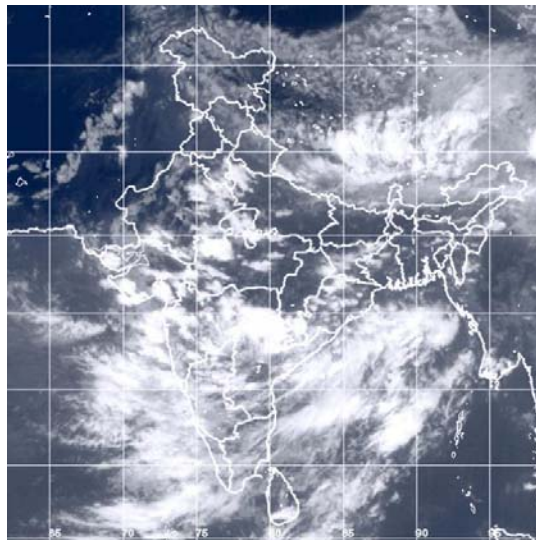
HDFC ERGO GIC Ltd has said it will implement a pilot WBCIS for non-loanee farmers in Bankura, Burdwan, East Midnapur, West Midnapur, Hooghly, Howrah, Nadia and South 24 Paraganas districts of West Bengal in the 2011 kharif crop season.

Crop covered under the scheme is aman paddy. The scheme offers farmers insurance cover against losses due to aberrant weather conditions during the crop cycle.

Claim amount will be settled on the basis of data taken from reference weather stations mentioned in the scheme and managed by an independent third party organisation.

The scheme is expected to help farmers, as sowing of paddy crops has just started.

'Low' over land revs up monsoon in north peninsula



Thiruvananthapuram, July 6:

A low-pressure area has materialised over land as part of a reviving monsoon on Wednesday, and lay over Vidarbha and adjoining south Chhattisgarh and Telangana by the evening.

The system will keep moving to the west over north peninsula and adjoining central India, bringing rains to farm lands badly needing a second round of irrigation.

GUJARAT RAINS

India Meteorological Department (IMD) said conditions are gradually evolving for the monsoon to make progress over Gujarat and adjoining Rajasthan over the next two to three days.

An upper air cyclonic circulation is lying in wait over northwest Rajasthan, throwing up the possibility of interactive rains in tandem with the monsoon easterlies from the land-based 'low.'

The parent western disturbance, a feeble one at that, was parked over north Pakistan and adjoining Jammu and Kashmir.

The northwest to southeast-aligned seasonal trough passed through Anupgarh, Jaipur, Jhansi, the centre of the low-pressure area and Tuni, before dipping into west- central Bay of Bengal.

OFFSHORE TROUGH

Along the west coast, a full-blown offshore trough persisted, running down from Gujarat coast to Kerala coast, representing the favourable turn in monsoon fortunes.

A Kalpana-1 satellite picture revealed the presence of convective (rain-bearing) clouds over parts of Jharkhand, Orissa, Madhya Pradesh, west Uttar Pradesh, east Rajasthan, peninsular India, Bay of Bengal and east and south Arabian Sea.

A weather warning issued by the IMD and valid for the next two days said that isolated heavy rainfall would break out over north coastal Andhra Pradesh, Telangana, Marathawada, Vidarbha, Madhya Maharashtra, north interior Karnataka, the west coast, west Madhya Pradesh and Uttarakhand.

WIDESPREAD FALL

The 24 hours ending Wednesday morning saw a rain cover extending to almost all parts of the country, though not uniformly spread across the 36 Met subdivisions.

Widespread rain was reported from Andhra Pradesh, Maharashtra, Madhya Pradesh, Uttarakhand, Gangetic West Bengal, coastal Karnataka, Kerala and Lakshadweep.

It was fairly widespread over Chhattisgarh, east Uttar Pradesh, Bihar, Orissa, north interior Karnataka and the Northeastern States and scattered over Jharkhand, sub-Himalayan West Bengal, Sikkim, east Rajasthan and Tamil Nadu.

The most welcome aspect was that north peninsular India and adjoining central India was brought under the wet cover. It is now expected to progress into west India and adjoining northwest India.

MORE TO COME

A short-term forecast valid until Saturday indicated no major change in conditions, with widespread rain or thundershowers being forecast over Orissa, Chhattisgarh, Telangana, coastal Andhra Pradesh, interior Maharashtra and west Madhya Pradesh.

The rainfall is expected to lose in intensity over Orissa and coastal Andhra Pradesh from Friday, though.

Fairly widespread rain or thundershowers would break out over the Northeastern States, West Bengal, Sikkim, west Uttar Pradesh, the western Himalayan region, east Rajasthan, east Madhya Pradesh, east Gujarat, Lakshadweep, the Andaman and Nicobar Islands and along the west coast.

Scattered rain or thundershowers would occur over the remaining parts of the country outside west Rajasthan where it will be isolated.

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