## THE MAR HINDU

Online edition of India's National Newspaper Monday, June 13, 2011

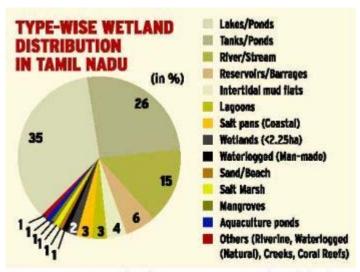
Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061353910400.htm

Tamil Nadu a wetland-rich State, says national atlas

**B** Aravind Kumar

Wetlands occupy as high as 18.05 per cent of the geographic area in Ramanathapuram

*In terms of total wetland area, Kancheepuram is the leading district with 80,445 hectares (8.91%)* 



Source: Space Applications Centre, ISRO, Ahmedabad.

Chennai: The drought-prone and arid districts of Ramanathapuram, Pudukottai, Sivaganga and Villupuram in the State have a very good distribution of wetlands.

The National Wetland Atlas, prepared by the Ahmedabad-based Space Applications Centre (SAC) of the Indian Space Research Organisation (ISRO), has classified Puducherry and Tamil Nadu as wetland-rich States as they have 12.88 per cent and 6.92 per cent of geographic area under wetlands respectively.

Lakshadweep leads with 96.12 per cent of its geographic area under wetlands, followed by Andaman & Nicobar Islands (18.52%), Daman & Diu (18.46%) and Gujarat (17.56%).

In Tamil Nadu, wetlands occupy as high as 18.05 per cent of the geographic area in Ramanathapuram and as low as 1.08 per cent in Coimbatore.

In terms of total wetland area, Kancheepuram is the leading district with 80,445 hectares (8.91%) and Chennai has the smallest area, 917 ha (0.10%).

While Ramanathapuram and Pudukottai have over 70,000 ha as total wetland area, Sivaganga and Villupuram have over 60,000 ha and Tiruvannamalai and Nagapatinam districts have a wetland area of over 50,000 ha.

Lake/pond and tank/pond are the dominant wetland types found in all the districts, accounting for 61 per cent. About 4,369 natural lakes and ponds have a total wetland area of 3.16 lakh ha. And there are 19,343 man-made tanks and ponds with a total wetland area of 2.37 lakh ha. Pudukottai district has the highest area under lake/pond (38,966 ha) as well as tank/pond (26,419 ha). Most of the major lakes and tanks were created during the rule of monarchs.

Only small tanks and percolation ponds have been created in the post-Independence era.

In coastal areas, lagoons, inter-tidal mudflats and salt pans are the dominating wetland types. Lagoons are observed in eight districts, with Tiruvallur leading in terms of area. Salem district leads in area under reservoir/barrage. While mangrove type has been observed in 11 districts, coral reef is restricted to Ramanathapuram and Tuticorin. Point Calimere Wildlife and Bird Sanctuary has been cited as an important wetland of the country in the atlas.

"The objective of the atlas is to protect the wetlands. Due to development and population pressure, wetlands are being slowly encroached upon, especially in urban areas, to facilitate infrastructure and housing needs. The atlas will help the government to identify and protect wetlands," says Prof. M. Ramalingam, Director, Institute of Remote Sensing, Anna University. The institute was part of the team of the centres that assisted the SAC team led by Sushma Panigrahy in preparing the wetland atlas which was sponsored by the Ministry of Environment and Forests.

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Poor storage, movement of foodgrains a worry again

K. Balchand

Rise to the occasion, PM tells Railways Ministry yet to finalise Food Security Bill draft

NEW DELHI: Poor storage and movement of foodgrains are a matter of worry for the second consecutive year to the UPA government. Procurement during the current rabi marketing season has already exceeded last year's level.

The Ministry of Consumer Affairs, Food and Public Distribution is bothered about the likely scenario of destruction of procured foodgrains during what is being described as a favourable monsoon, in store.

Union Minister of State K.V. Thomas, after a visit to Punjab, rushed to Prime Minister Manmohan Singh, complaining that the Railways have failed to move the heap of grain, which has been left to weather the vagaries of nature. Last year, rains played havoc and caused destruction on a major scale. He charged the Railways with dithering in providing rakes.

Also, the government is concerned at the Supreme Court's remark expressing displeasure over its allowing foodgrains to rot when the people went without food because of the twin blows of drought and rains recently. It ordered free distribution rather than allowing foodgrains to go waste. The government did not do that though. This year about 26.9 million tonnes of foodgrains were procured so far. More arrivals are likely over the next fortnight, thanks to the high procurement price offered by the Centre and an additional bonus from State governments.

Even Madhya Pradesh, Uttar Pradesh and Rajasthan, witnessed record procurement, unlike in the past. Storage has become a major problem in these States too.

The Prime Minister convened a meeting of senior officials and directed the Railways to rise to the occasion.

The Food Ministry also proposed to the Prime Minister that a command structure be set up at both the national and State levels to oversee foodgrains movement and for strengthening infrastructure at railheads and rail yards and in FCI godowns. But the Ministry is yet to finalise the draft of the Food Security Bill, caught between the recommendations of the National Advisory Council (NAC), and the Planning Commission and the C. Rangarajan-led committee, which was set up by the Prime Minister.

Informed sources said the bill was being fine-tuned to bridge the differences on issues of legal rights and prices at which foodgrains should be made available to the targeted groups.

While the NAC wants 90 per cent of the BPL covered under the Food Security Act, the Rangarajan committee and the Planning Commission are for a BPL coverage of 75 per cent. The Ministry proposes to scale down the NAC recommendations. The subsidy on food is likely to increase from Rs. 84, 000 crore to Rs. 1.10 lakh crore as and when the legal entitlement to the BPL and above the poverty line (APL) families is granted.

Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061352490300.htm

#### Peranai drinking water scheme to be revamped

Staff Reporter

Check dam to be constructed near Sitthargal Natham

#### – PHOTO: G. KARTHIKEYAN



Evaluation:Collector K. Nagarajan (right) inspecting Kamarajar dam at Aathoor in Dindigul district.

DINDIGUL: With acute drinking water shortage haunting Dindigul Municipality, the district administration has started revamping paralysed Peranai Drinking Water project which was implemented by the AIADMK during its previous term in office. Sufficient storage in Vaigai dam will quench thirst of people in the town.

After inspecting pumping station of the Peranai scheme at Anaipatti here on Saturday, Collector K. Nagarajan said revival of this scheme will improve drinking water supply to Dindigul town substantially. A check dam near seven wells will be constructed in order to prevent soil erosion and maintain sufficient storage in the wells.

On seeing the rocky surface of the channel, he said that sand bed was essential to retain water and recharge ground water table.

Erosion of soil will drain the entire flow in Vaigai river into the sea. Construction of a check dam near the well was most important, he said and ordered the officials to prepare an estimate for construction of a check dam near Sitthargal Natham.

All the seven wells dug on Vaigai river bed at this village should be desilted immediately to improve the capacity.

All supply pipes should be checked and damaged pipes replaced on war footing, he said.

Later, the Collector inspected the pumping station and seven wellsat the village.

On his way to Dindigul, Mr. Nagarajan saw a breach in a drinking water pipeline at Begamput near Madurai-Dindigul four lane and ordered the Municipality to plug the breach immediately. Officials from Tamil Nadu Water Supply and Drainage Board, Dindigul Municipality, and Revenue Department, accompanied the Collector.

At present, Dindigul municipality has been struggling to supply drinking water at least once in 12 days.

The Municipality has been receiving water from Cauvery Drinking Water Scheme and Athoor Kamarajar Dam Scheme. The town needed at least 95 million litres a day. Frequent power cuts hit pumping water from Cauvery Drinking Water project, said Municipal officials. Earlier, the Collector ordered the Revenue Department officials to take immediate action against two heavy vehicles including a tipper lorry halted on the road.

Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061352660300.htm

#### Collector assures farmers of adequate supply of seed, fertilizers

#### Correspondent

'All varieties of crops will be raised on an extent of six lakh acres'

Loan mela will be conducted in June, July and August, says Veerabrahmaiah Efforts being made to extend crop loan to tenant farmers

VIZIANAGARAM: Collector M. Veerabrahmaiah has asked farmers not to worry as the administration has been making arrangements to supply adequate quantity of seeds and fertilizers during this kharif.

Addressing a press conference here on Sunday, Mr. Veerabrahmaiah said that all varieties of crops would be raised in an extent of six lakh acres; if the extent of paddy would be three lakh acres. He warned dealers/hoarders of severe action, including imprisonment, if they sold inferior quality seed or stocked them illegally. He said that task force teams had been constituted in this

regard for each mandal. The Collector said as an alternative to Sona Masuri variety seed which is not available adequately MTV 1010, MTV 1001, RGL 2537, 2530 and 2332 varieties would be supplied to farmers. He assured farmers that fertilizers would be supplied every month and asked them not to store them beforehand.

On crop loans, he said that Rs.52 crores had so far been sanctioned against the target of Rs. 480 crores for this kharif. Loan melas would be conducted in June, July and August in all the eight agriculture zones in the district.

Efforts were also being made to extend crop loans to tenant farmers. They would be provided ID cards if they submitted representations in the prescribed form which is available with model farmers and grama ikya sanghams.

He said that the government had released Rs.21.28 crores towards payment of compensation to 1,48,424 farmers who lost crops due to unseasonal rains in December last. The sum was being disbursed through tehsildars, he said.

The Collector said that fortnight-long celebrations on education would begin from Monday to June 25. During the period education officials would enrol children above five years of age and also dropouts in the age group of six to14 years in schools. On June 17 mass aksharabhyasams would be conducted, on June 20 books and school uniforms would be supplied. On June 21 220 newly school buildings would be inaugurated, he added. Earlier, the Collector flagged off a rally on the occasion of Anti-Child Labour Day celebrations at his camp office. A. Prabhakar Rao, APC (Rajiv Vidya Mission), G. Subba Rao, DEO and Ravi Kumar, JD (A) were present.

#### Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061353510300.htm

#### '43,000 quintals seed ready for distribution'

KADAPA: Forty three thousand quintals of groundnut, Bengal gram and other seed were kept ready for distribution out of 89,000 quintals allotted to Kadapa district, Collector Shashi Bhushan Kumar said on Sunday.

Adequate rainfall was not received so far although 117 mm of rainfall was expected in the district in June.

Farmers raised several crops in 2.80 lakh hectares including cotton in 10,000 hectares, the Collector said in Kadapa Zilla Parishad special general body meeting here.

#### Fertilizer

The district received 1.05 lakh metric tonnes of fertilizers and 18,000 tonnes was set aside and the remaining stock would be distributed among farmers, he said.

Compensation would be disbursed soon for small and marginal farmers who incurred crop losses due to heavy rainfall in December last year, the Collector said.

Compensation of Rs. 2.50 crore was sanctioned for big farmers. Education Week would be held from June 13 to June 25 to enrol school dropouts in the district, the Collector told the meeting.

Under G.O. 171, 18,415 houses were sanctioned and 82,575 applications received for allotment of house sites were being examined, he said.

#### Cement roads

Cement roads would be laid in SC, ST colonies. When some members pointed out tardy provision of work to labourers, DWMA project director Raghunath assured 100 days of work to each job card holder.

Banks disbursed Rs. 248.46 crore among 12,313 self-help groups through DRDA surpassing the target of Rs. 247 crore.

Zilla Parishad CEO A.S. Venkataswamy said proposals were sent for taking up 1,939 works with Rs. 26.93 crore and 1,483 works with Rs. 13.53 crore in mandals, villages and municipalities. Rayalaseema West Teachers MLC B. Pullaiah, ZPTC and MPTC members and district officials participated

Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061358000300.htm

#### Crop insurance scheme extended to all 21 hoblis

Staff Correspondent

DAVANGERE: The Agriculture Insurance Company of India has extended the Weather Based Crop Insurance Scheme to all the 21 hoblis of Davangere district. The farmers have been asked to remit their premiums by June 30.

N.T. Erriswamy, Manager of Canara Bank, which is the Lead Bank, has said in a statement here on Saturday that the scheme was being provided to only three hoblis till last year and the company had recently decided to extend it to all the 21 hoblis.

Mr. Erriswamy has said that farmers who had taken loans from different financial institutions would be made to insure their crops but those who had not taken loans should have to cover their crops under the Weather Based Crop Insurance Scheme afresh.

Farmers could obtain the prescribed forms and Pahani certificates from village accountants and remit the premiums at any nationalised, cooperative or rural banks by June 30. Contact nearest Raitha Samparka Kendra or agriculture officers for details, the release said.

Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061354370500.htm

#### Sericulture farmers in State staring down the barrel

Laiqh A. Khan *Crash in cocoon prices has made them uncertain about future* 

Area under mulberry cultivation has increased by almost 9,000 hectares in the last one year

Cocoon output rose in April and May 2011 compared to the corresponding period last year





A significant percentage of the estimated one lakh sericulture farmers in the State have taken to cultivating mulberry and rearing silkworms on land they have taken on lease.

BANGALORE: When a kg of cocoons was fetching a handsome Rs. 350 a couple of months ago, Ramanna Prakash decided to plunge into the seemingly remunerative field of sericulture and took on lease 20 guntas of land in Thoreshettihalli in Maddur taluk at Rs. 10,000 a year.

But the sudden crash in cocoon prices to an abysmal Rs. 80 to Rs. 120 a kg since February this year has Mr. Prakash and thousands of sericulture farmers across the State staring down the barrel. With expenditure working out to more than Rs. 120 for each kg, farmers and their families have been left feeling uncertain about the future.

"When I am unable to even recover my investment from the sale of cocoons, how am I going to pay the lease amount?" wondered Mr. Prakash. "I will either have to hang myself or consume poison if the prices do not increase," he said.

A significant percentage of the estimated one lakh sericulture farmers in the State have taken to cultivating mulberry and rearing silkworms on land they have taken on lease.

"Their lives appear to have been ruined," said T. Yeshwantha, a Karnataka Rajya Prantha Raitha Sangha leader in Maddur.

A large number of farmers in Mandya district, including small and marginal ones, had shifted from cultivating paddy and sugarcane to cultivating mulberry and rearing silkworms, he said.

According to officials of the Sericulture Department, the area under mulberry cultivation in the State increased following the increase in the price of cocoons over the last one year.

The area under mulberry cultivation has increased by almost 9,000 hectares in the last one year. "When senior IAS officer P. Manivannan took over as Commissioner of Sericulture, he ordered a physical survey, which revealed that only 55,000 hectares of land was under mulberry cultivation. Now, a recent survey shows that the area has gone up by about 9,000 hectares," a Sericulture Department official said.

Statistics on the production of cocoons also reveal a substantial increase in production during the months of April and May 2011 compared to the corresponding period last year. "A total of 9,104 tonnes of cocoons were sold at the auction centres across the State during April and May this year as against the 7,207 tonnes sold in the corresponding period last year," an official said.

#### Cut in import duty

The increase in production also coincided with the import duty on raw silk being slashed from 31 per cent to 5 per cent in the Union Budget 2011. After the cut, silk imported from China became available to the textile industry at Rs. 2,550 a kg as against the pre-February rates of Rs. 3,400.

"Though the cost price of a kg of raw silk from China remained in the range of \$ 54 to \$ 58, the reduction in duty by about 26 per cent brought down the price of Chinese silk substantially, impacting the price of indigenous silk," said the general secretary of the Karnataka Weavers' Federation, Chhaganmal.

The imported silk from China was available at \$ 32 till September 2010."But by February 2011, the price rose to \$ 54, prompting us to press for reduction in duty. With silk becoming expensive, many textile manufacturers had no option but to shift to polyester and other fabrics."

#### Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061354360500.htm

#### Temporary respite for sericulture farmers

BANGALORE: Sericulture farmers selling cocoons at the Government Silk Cocoon market in Ramanagaram were slightly relieved after the prices of cocoons rose this week from an abysmal Rs. 80 to Rs. 120 to Rs. 180 to Rs. 220 a kg. Though the promised Government intervention in the form of minimum support price or increased direct purchase through the Karnataka Silk Marketing Board is yet to materialise, market officials attribute this temporary increase in prices to simple demand and supply. The total amount of cocoons traded in the market had gone down from around 50 tonnes a day about two weeks ago to about 38 tonnes in the last few days. On Saturday, around 40 tonnes of cocoon was traded at the Ramanagaram market. Cross-breed cocoon was sold at around Rs. 180 to Rs. 200 a kg, while bivoltine was sold at up to Rs. 290 a kg. In Malavalli market, the prices were around Rs. 160 for both varieties. Typically, during the rainy season, the quantity of cocoons produced is lesser.

"A lot of cocoons are damaged and are of low quality, so the actual number of cocoons up for sale in the market goes down and so the prices go up," a market official said. He added that this was a temporary phenomenon and prices were likely to fall again once the rainy spell ended.

Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061354680500.htm

A model in integrated, sustainable farming



## Modern: The dairy attached to the Sugarcane Seed Farm of the Agriculture Department at Kadakkad, near Pandalam.

PATHANAMTHITTA: The 10.96-hectare Sugarcane Seed Farm of the Agriculture Department at Kadakkad, near Pandalm, on the Pandalam-Kaipattoor road, tells us the story of integrated and sustainable agriculture.

"It all started on experimental basis. The dairy farm was set up to produce organic manure. The dairy was further expanded to produce power from bio-gas to meet the daily needs of the farm and the office building," says J. Sajeev, Agriculture Officer at farm.

The farm had bagged the Harita Keerthi Award of the State government in 2010.

The farm is famed for its organic cultivation of vegetables and plantains. It also houses a coconut seed farm, sugarcane farm and a modern dairy unit, says Mr. Sajeev, serving the farm for seven years now.

This is perhaps the only farm in the government sector to house a modern dairy unit attached to a sugarcane farm, he says.

The power required for the farm and its office is generated at the bio-gas plant attached to the dairy unit. The dairy houses a total of 30 improved-variety cattle, including two Vechoor cows.

The organic jaggery balls produced at the farm is a big hit in the local market. The jiggery balls are also available at the Agro Super Bazaar run by the Agro-Industries Corporation in Thiruvananthapuram and Kottarakara, says Mr. Sajeev.There is a proposal to elevate the farm to the status of an Integrated Farming Demonstration Centre, he adds.

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Date:13/06/2011 URL: http://www.thehindu.com/2011/06/13/stories/2011061358670100.htm

#### Tests show bacteria in untreated water

#### Deepa H Ramakrishnan

CHENNAI: Tests by the Tamil Nadu Pollution Control Board show the presence of coliform bacteria in samples of untreated water drawn from Porur, Red Hills, Poondi and Veeranam waterbodies, which serve as sources of supply to the city.

The TNPCB has been monitoring the water quality under the Central Pollution Control Board's Monitoring of International Aquatic Resources System programme from February this year.

The samples are taken every month and tested at the TNPCB's laboratories for various parameters, including the level of pH, nitrate, chloride, total hardness, calcium hardness, sulphate and magnesium.

"Coliform contamination in the surface water is a common phenomenon due to unhygienic anthropogenic activities before chlorination," sources in the board said. Chennai Metrowater supplies a total of 710 million litres a day to the city, of which 695 mld is through pipes.

Engineers of the Quality Monitoring Wing of Metrowater said: "Water is supplied only after treatment and the treated water does not have any coliforms. It is tested before being supplied to the residents."

Residents of Red Hills said the tank's bund was used as an open toilet. "There are no security personnel to guard the entire perimeter. There are many residential areas surrounding the tank and people use the water for purposes other than drinking," a resident said.

Sources in the Water Resources Department, said that no effluent or sewage disposal is allowed in these waterbodies.

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#### Weather

Chennai - INDIA

	Monday, Jun 13		
Partly Cloudy	Max Min		
	35.8º   27.5º		
Rain: 00 mm in 24hrs	Sunrise: 5:42		
Humidity: 71%	Sunset: 18:35		
Wind: Normal	Barometer: 1004.0		

#### Tomorrow's Forecast

1	Tuesday	Tuesday, Jun 14			
	Max	Min			
Cloudy	38º	27°			

#### Extended Forecast for a week

Wednesday	Thursday	Friday	Saturday	Sunday
Jun 15	<b>Jun 16</b>	<b>Jun 17</b>	Jun 18	<b>Jun 19</b>
ç	$\langle , \rangle$	$\langle , \rangle$	Ģ	
32º   27º	31º   27º	33º   27º	33º   27º	33º   28º
Rainy	Rainy	Rainy	Rainy	Cloudy

## THE ECONOMIC TIMES

Mon, Jun 13, 2011 | Updated 11.30AM IST

#### 13 Jun, 2011, 04.48AM IST, P K Krishnakumar, ET Bureau

#### High demand to keep coconut oil at a high

#### Coconut production slips due to low Kerala output

Coconut production slipped in the country this season with a low output in the main producing region of Kerala. However, the crop in Tamil Nadu, the next biggest producer, has been good, which helped to meet the demand. The coconut crop in Kerala is expected to be lower by 20% to 30%. With good rains, the coming season which begins after the monsoon may see a bumper harvest, say farmers. The total coconut production is around 1,570 crore nuts. Kerala accounts for 37% of this followed by Tamil Nadu at 34%.

#### Demand good in both north India and abroad

Upcountry as well as export demand have been strong. This has lifted the prices to high levels. North Indian agencies have been buying from Tamil Nadu to meet their requirement . With a ban on exports from Sri Lanka , Indian coconuts have found favour in Gulf countries. As a result, the export of fresh and dry coconuts rose sharply in the last year. This added to the shortage in the domestic market.

#### Coconut oil prices rise on low production

The retail prices of coconut oil crossed Rs 100 per kg as early as January, prompting coconut oil bottlers to raise the prices of their products. But with the start of the harvest, the prices dropped a tad only to pick up later as the output dwindled. In May, the wholesale prices touched Rs 104 per kg. The prices have been hovering in the range of Rs 95-100 per kg this month.

#### Demand not hit as other oils turn costlier

The increase in prices has not affected the demand much because other edible oils have also become costlier. Usually, a sharp rise in coconut oil price leads to an adulteration with other oils. However, the price of palm kernel oil, which is used to adulterate coconut oil, has also been rising and there is not much difference in the prices of the two oils now.

#### Prices to rise if demand stays stronger

It is a lean season for coconuts now. This phase will continue till August when the Onam demand in Kerala begins. This will be followed by Ramzan and Diwali demand from north India apart from exports. Traders rule out the chances of prices coming down. They say there is a strong chance of prices - now around Rs 100 per kg -- climbing up by Rs 20 per kg provided the demand remains strong.



#### Agriculture loans to farmers at 1% in MP

June 13, 2011 11:30:57 AM

#### Staff Reporter | Bhopal

Madhya Pradesh Government, which always stands by the farmers in their difficult times, has provided a total loan of Rs one thousand 717 crore to the farmers at the rate of one per cent for their agricultural activities in this Kharif season. Interestingly, more than one hundred crore as loans have been distributed as compared to last year. Out of total amount, a sum of Rs 1,672 crore was given in cash while fertilisers and seeds of Rs 44 crore 83 lakh were provided to the

farmers.

The farmers are provided loans for the Kharif crop between April 1 and September 30 in the State. A total amount of Rs 4,500 crore is to be given as loans at the rate of one per cent to the farmers this year in the State. In the month of June, a total loan of Rs 1,717 crore has been given to the farmers including Rs 44 crore 83 lakh for fertilisers and seeds and other implements.

The rest of amount of Rs 1,672 crore 76 lakh was given in cash to the farmers who will return the amount at the rate of one per cent.

It may be mentioned that Madhya Pradesh has become first State in the country to provide agriculture loans at the rate of one per cent to the farmers. The farmers who are being provided loans for Kharif crop will have to refund it till June 15, 2012. If the farmers fail to do so then they will be taken as defaulters and deprived of eligibility of seeking loans next time.

Besides, such farmers who have lifted fertilisers and seeds in advance before June 1 will be eligible to get benefit of one per cent loan. However, the interest amount will be charged from June 1. Interest on loans will not be charged before June 1.

Indore division has stood first in procuring maximum loans for Kharif crop. The farmers have taken loan of Rs 763 crore 62 lakh in cash in this division. Ujjain division is in second position, where loans over Rs 549 crore 12 lakh were distributed.

Similarly, in Bhopal division, agriculture loan of Rs 227 crore 74 lakh was provided while Rs 70 crore 8 lakh in Jabalpur division and Rs 20 crore 48 lakh in Gwalior division. Besides, a total amount of Rs 25 crore was distributed as loans in Rewa division while Sagar division was provided a total loan of Rs 61 crore 51 lakh.

# **Business Standard**

Monday, Jun 13, 2011

#### UP paddy production target pegged at 13.5 MT

Virendra Singh Rawat / New Delhi/ Lucknow June 12, 2011, 22:49 IST

Uttar Pradesh, the rice bowl of India, is expecting over 13 per cent increase in paddy production this kharif season at 13.5 million tonnes (MT).

Kharif sowing normally starts from June, while harvesting picks up from October.

Last year, paddy production stood at 11.94 MT. During 2008-09 and 2009-10, the corresponding figures were about 13 MT and 10 MT, respectively.

Likewise, the area under paddy during 2011-12 is estimated to increase to 5.9 million hectares (MH) vis-à-vis 5.632 MH last year. The corresponding acreage for 2008-09 and 2009-10 stood at about 6 MH and 5 MH, respectively.

Meanwhile, the total area under kharif crops in Uttar Pradesh, including paddy, is estimated to touch 8.414 MH compared to 8.030 MH the previous year.

The total production of all kharif crops is likely to touch 17.254 MT vis-à-vis 15.116 MT during 2010-11.

This year, the Centre had raised the minimum support price (MSP) of paddy by Rs 80 per quintal. The MSP for paddy — common variety and A grade — was Rs 1,000/quintal and Rs 1,030/quintal last year, which now have become Rs 1,080/quintal and Rs 1,110/quintal, respectively.

However, the hike is still lower than the union agriculture ministry's proposal of an increase of Rs 160/quintal. Sometimes, the Centre announces bonus over MSP, which is the price at which the government buys paddy from farmers to run Public Distribution System (PDS).

Meanwhile, farmers advocacy body Kisan Jagriti Manch has said the increase of Rs 80/quintal in MSP was a disincentive for farmers.

Manch President and National Alliance of Farmers Association Executive member Sudhir Panwar said in the interactive meeting between farmers, state government representative and reports of Commission for Agricultural Costs and Prices officials, several states had demanded 25 per cent increase in MSP due to an increase in farm input prices.

He noted the cost of paddy inputs had increased substantially over last year, especially labour and water.

"We will hold a meeting of farmers' representative of different states on the issue and chart out plan for agitation. The increase in pulses and cotton is immaterial as market price is much higher than MSP and the government hardly makes any institutional arrangement for their purchase," he added.

#### Karnataka set to witness rapid expansion of Bt cotton this year

Mahesh Kulkarni / Bangalore June 12, 2011, 0:35 IST

The entire area under cotton for the current kharif season is likely to have Bt cotton.

Cotton sowing is in brisk pace in major growing areas of Karnataka thanks to more than normal monsoon rain across the state. The arrival of southwest monsoon well on time and higher prices have encouraged farmers to begin early sowing for cotton.

According to information available with the state agriculture department, sowing for cotton has been completed in about 68,000 hectares, an increase of 11 per cent over the corresponding period last year and 16.5 per cent of the total target for the current year. The department has set a target of 412,000 hectares under cotton for the current kharif season.

However, going by the current indications, the state is set to see a record area expansion under cotton and the department expects anywhere between 10-20 per cent increase in the area to touch nearly 500,000 hectares.

Incidentally, the entire cotton cultivating area for the kharif season has been converted to Bt cotton in the state. This is mainly due to better prices farmers got for Bt cotton last year. The prices for long staple cotton (DCH-32) touched Rs 8,500 a quintal for the 2010-11 season. Prices of medium staple Bt cotton are ruling at Rs 4,500-7,500 a quintal.

Only during the rabi season, some of the districts in north Karnataka grow non-Bt variety (Jayadhar cotton), government officials said.

Encouraged by the record production of cotton last year, the agriculture department has set a target of achieving 10-20 per cent growth in the current year. During 2010-11, the state produced 929,000 bales of cotton, a growth of 23 per cent over the previous year. The increase in area and yield contributed towards increase in production of cotton, they said.

The area under Bt cotton has grown remarkably over the last few years in Karnataka from 146,000 hectares in 2007 kharif season to 395,000 hectares in 2010. This year, the entire area in the state would be Bt cotton, the officials said.

"Despite misgivings about Bt cotton, many farmers are switching over to the hybrid variety in several parts of the state due to high profit and aggressive marketing by private companies. Many farmers in Mysore, Chamarajanagar, Haveri, Gulbarga, Raichur, Shimoga, Bagalkot, Dharwad and Belgaum districts have switched over to Bt cotton," the officials said.

About 17 seed companies, including Mahyco, Rasi Seeds Ltd. Nuziveedu Seeds are encouraging farmers to go for Bt cotton cultivation. In the 2010 season, Bt cotton was grown on 9.4 million hectares in the country or 85.5 per cent of the total estimated 11 million hectares under cotton in India. Maharashtra, Andhra Pradesh, Karnataka, Tamil Nadu and Gujarat are major Bt cotton growing states in the country.

Following increase in the area under Bt cotton, seed companies sought increase in the price of seeds and the state government allowed firms to raise prices. However, shortage of seeds forced farmers to stage protests in Mysore and Chamarajanagar districts recently.

The price of Bt-II variety was increased from Rs 750 per packet of 450 gm to Rs 930 per packet. The rate of Bt-I variety was raised from Rs 650 per packet to Rs 830 for the new season. The shortage of DCH-32 seeds in places like Hubli-Dharwad has encouraged farmers to go for Bt cotton seeds this year, trade sources said.

Now, quota allotment a worry for cotton exporters Rutam Vora / Ahmedabad June 11, 2011, 0:07 IST



Even as the central government has allowed an additional one million bales of cotton exports in the current season, exporters and farmers' bodies have raised concern over the quota allotment process to be taken up by the Directorate General of Foreign Trade (DGFT).

"There was a fiasco in quota allotment last time. We hope that this time the process is more just and transparent. The genuine cotton exporters should not be left out, with opportunists reaping heavy benefits by adopting unfair practices like selling the quota in the grey market," said a leading exporter here.

The government had first allowed 5.5 million bales (170 kg each) of cotton exports, while on Wednesday, the ministry of commerce allowed an additional one million bales of export, taking the total to 6.5 million bales in the current year. DGFT is expected to issue a notification by tomorrow.

During the earlier quota allotment process, there were several instances of non-serious cotton exporters cornering a large amount of export quota, while many genuine exporters failed to meet their requirements. In some cases the quota allotted to non-serious players was sold at a premium in the grey market.

"Such practices are harmful for the industry as a whole. The government should make the process transparent," said a trader from Ahmedabad.

In Gujarat, cotton farmers' bodies are demanding an exclusive export quota. "Cotton farmers are the main stakeholders in the entire value-chain. The government should make a judicious plan for quota allotment and prioritise farmers' bodies in it. For this, we have demanded to allot an exclusive quota of 200,000 bales to the farmers' cooperatives like Nafed, Gujcot and CCI," said N M Sharma, managing director, Gujarat State Cooperative Cotton Federation (Gujcot).

In a letter written to Ahmed Patel, political adviser to UPA chairperson Sonia Gandhi, Gujcot has demanded 'at least 200,000 bales cotton export quota be given in favour of Nafed, CCI and Gujcot, specifically for Gujarat short staple cotton V-797/G-Cot-21 variety.

The industry believes nearly 60 per cent or about 500,000-600,000 bales are expected to be exported from Gujarat alone. Prices in the international markets are ruling in the range of 150-154 cents per pound. In March this year, prices had shot up to about 200 cents (\$2) per pound.

"Even if the international prices have fallen in recent months, still there are some gains by selling in the overseas markets. Against the domestic prices, the international markets show premium of about Rs 4,000- 6,000 per bale," informed a trader.

## FMC to soon decide NSEL proposal on forward agri contracts

Dilip Kumar Jha / Mumbai June 11, 2011, 0:06 IST

The commodity markets regulator, the Forward Markets Commission (FMC), would soon be deciding on an application from the National Spot Exchange (NSEL) for seasonal forward contracts in agricultural commodities.



NSEL, promoted by Financial Technologies, had applied around eight months earlier. "The proposal is under FMC's active consideration, which we will clear soon," said FMC chairman B C Khatua on the sidelines of a press conference here today.

Suppose a farmer is set to harvest a crop in a month and he wants to sell the commodity today. Such a mechanism is not currently available. NSEL has applied to provide such a mechanism to stakeholders of the spot market, so that farmers wish to 'block' a current price for a future delivery may do so; consumers, too, may wish likewise. The exchange will guarantee delivery at the booked price, said Anjani Sinha, managing director of NSEL. "We are planing to introduce contracts which should not clash with existing futures exchange. Rather, we would like to complement them. Our proposed contracts are truly delivery-based, which would neither be settled on a cash basis, nor can be forwarded further. Hence, whatever the contract period buyers and sellers enter into, the latter needs to deliver the goods for the exchange benchmark quality. Similarly, buyers need to accept the delivery at any cost," Sinha said.

Khatua explained that some participants raised apprehensions in a recent meeting of eastern region members in Kolkata on the nature of such forward contracts. They feel these would clash with existing contracts on futures commodity exchanges. "We had sought details from NSEL, which they have provided. We are assessing the details for taking a final decision," he said.

Such contracts may work extensively for oilseed, spices and cattlefeed, as prices of these commodities fall during the harvesting period and rise at the time sowing. Hence, such contracts would benefit farmers.

On launching mini contracts in agri commodities on a futures exchange, Khatua said, "We would allow such contracts only when noticeable participation from retail farmers — not 80 per cent but at least even 10 per cent — is witnessed."

The FMC is also considering a regulation to make agri commodities deposited at one exchange fungible across the board. This means uniform quality standards would be adopted across all exchanges.

## **Business** Line

#### TNAU scientist awarded

Coimbatore, June 12:

Dr M. Premsekhar, Professor, Department of Agronomy, Tamil Nadu Agricultural University, here has been awarded the Shiksha Ratan Puraskar Certificate of Excellence by Indian International Friendship Society, Delhi. The award carrying a shield was presented in recognition of his outstanding contributions in the field of teaching and research, a society press release said here.

The shield, a recognition for his meritorious service, outstanding performance and remarkable role in Agricultural Education and Research, was presented recently at a function at Delhi, it said.

### Study projects fertiliser demand to touch 41.6 mt by 2020

Ahmedabad, June 13:

A study by the Indian Institute of Management, Ahmedabad (IIM-A) suggests that for selfsufficiency in agricultural production, availability of fertilisers at affordable prices should be prioritised over higher output prices.

The study 'Demand for Fertiliser in India: Determinants and Outlook for 2020', was done by Professor Vijay Paul Sharma of the Centre for Management in Agriculture, IIM-A, and Hrima Thaker of the same institute. It has projected the demand for fertilisers in India to increase to 41.6 million tonnes by 2020.

By estimating the demand for fertilisers, one can understand the implications of fertiliser price policy including subsidy and agricultural product price for fertiliser use and their interrelationship, Mr Sharma said.

"The results clearly indicate that non-price factors such as irrigation, high-yielding varieties and cropping intensity were more powerful in influencing the demand for fertilisers compared with price factors," the study said.

"Price of fertilisers had an adverse affect on fertiliser consumption and was more powerful than output price," it added.

"In order to ensure self-sufficiency in foodgrains production in the country, availability of fertilisers at affordable prices to the producers is of utmost importance," the study concluded.

"The high product price support policy benefits the large farmers who have net marketed surplus while low input prices benefit all categories of farmers," the study said.

With regard to calculating the demand for fertilisers in the future, it has made a projection using annual time series data from 1976-77 to 2009-10 and using simple linear regression model using ordinary least squares (OLS) method.

"By 2020, fertiliser demand in the country is projected to increase to about 41.6 million tonnes and is expected to grow at a faster rate in eastern and southern regions compared with north and west," the study concluded.

As per the data collected for the study, the overall consumption of fertilisers in the country has increased from 65.6 thousand tonnes in 1951-52 to 26.49 million tonnes in 2009-10.

Accordingly, per hectare consumption of fertilisers, which was less than one kg in 1951-52, has gone up to the level of 135 kg in 2009-10.

The average intensity of fertiliser use in India at national level was still much lower than in other developing countries and there were many disparities in fertiliser consumption patterns both between and within regions of India, it said.

"About 18 per cent of the districts in the country account for half of total fertiliser use while bottom half of the districts account for only 15 per cent of total fertiliser used in the country," an analysis of data from the Fertiliser Association of India and Agriculture department, done during the study indicated.

#### Supply squeeze to keep pepper firm

Kochi, June 12:

Indian pepper futures seems to have become a trend-setter in the world pepper trade as all the origins are following meticulously the development of the market and accordingly fixing their prices slightly below the Indian parity and cornering the world demand.

As a result, the prices of Asta grade in the producing countries such as Vietnam, Indonesia and Brazil have been ruling above \$6,000 a tonne (c&f) all these days. Of late, in line with the firmer trend in India, Vietnam prices were reportedly on a firmer trend, market sources told *Business Line*.

The money and muscle power of the operators has been keeping the market highly volatile and keeping the market by and large bullish during the week.

At the same time, the domestic market has been catered to by Karnataka pepper offered at lower rates at Rs 260-265 a kg delivered anywhere in India.

Meanwhile, the growers in the plains of Kerala were also selling at Rs 270-275 a kg to investors for depositing in the warehouses. But the sellers in the high ranges were reluctant to sell the high range pepper at Rs 280 and below per kg, they said. At the same time, some of the players were showing interest to buy high bulk density high range pepper even at a premium. To match the offered prices some of the Idukki sellers in the high ranges were buying Kodagu pepper, which is bold resembling the high range produce and available at lower levels, for mixing with their pepper and marketing, reliable market sources claimed.

#### warehousing

However, there is a reported shortage of space in the warehouses as more and more players have started buying and processing the material paying Rs 9/kg for depositing, they said. As the prices are moving up the sellers will withdraw. On the other hand, the industry which has been buying only hand to mouth might continue to buy even in the monsoon month. These factors would keep the prices firmer in the coming days, they claimed.

The market witnessed a bullish upper hand last week as a result the prices went up sharply in all the contracts. June, July and August increased by Rs 1,059, Rs 1,311 and Rs 1,189 respectively to close at Rs 30,249, Rs 30,135 and Rs 30,018 a quintal. Total turn over dropped by 3,661 tonnes to 39,101 tonnes. Total open interest fell by 1,644 tonnes to close at 12,515 tonnes.

Spot prices also went up on buying support by Rs 700 to close at Rs 27,800 (ungarbled) and Rs 28,600 (MG 1) a quintal at Saturday closing.

Indian parity in the international market has touched \$7,000 a tonne (c&f). Vietnam is also reportedly up at the weekend quoting \$5,600 a tonne for FAQ 500 GL.

#### TREND IN OTHER ORIGINS

According to International Pepper Community (IPC), in some origins, price increase was observed, but activities were very limited. This was due to very tight stocks available in major origins such as India and Lampung.

In Lampung, local price increased by IDR 2,000 a kg from IDR 42,000 to IDR 44,000 this week; but trading activity at local market was dormant, since stocks at grower were almost worn out. New material from upcoming poor crop is expected to arrive in the market by July/August.

In Vietnam, local price in HCMC decreased by 3 per cent, but in fob the prices remained stable at \$5,250 and \$5,750 a tonne for 500g/l and 550g/l respectively.

In Sarawak, local price dropped marginally, while in fob, the price was stable. In Sri Lanka, pepper price at growing areas increased by1 per cent.

In Brazil, the market was inactive. Stock is very tight and exporters do not want to take risk to book future short.

#### WHITE PEPPER

In Bangka and Vietnam, white pepper prices were stable, while in Sarawak a slight decline was recorded.

#### EXPORT FROM VIETNAM

During 2010, Vietnam exported 1,16,500 tonnes as against 1,34.300 tonnes of pepper in 2009. Out of which around 80 per cent was black and 20 per cent was white pepper. Export in 2011 is estimated to be lower than that of last year.

Up to May 2011, total export from Vietnam is estimated to be around 50,000 tonnes, which is 9,000 tonnes lower than the corresponding period. The U.S. and Germany were the main markets for Vietnamese pepper, followed by the Netherlands, the UAE and Egypt.

#### Shortage leads to growing 'illegal' seeds market

New Delhi, June 12:

The current supply shortfall in Bt cotton seeds is offering a conducive environment for greymarket operators, who are using the opportunity to sell unapproved or sub-standard material to farmers racing against time to plant.

The so-called "illegal" seeds being marketed include F-2 and other material not meeting the prescribed minimum 75 per cent germination rate or Bt gene expression standards. The market for these seeds – sold under localised bands such as 'Maha Anmol', 'Lotus 55', 'Dinkar 7' and 'Vishwas' – is said to be particularly strong in Gujarat and parts of Punjab-Haryana.

The main reason for the thriving grey market this time is the increase in the MRPs of regular Bt hybrids: From Rs 650 to Rs 830 for seed packets incorporating Monsanto's Bollgard-I or singlegene technology and from Rs 750 to Rs 930 for Bollgard-II or dual-gene trait. In Punjab, Haryana and Rajasthan, the new MRPs are Rs 825 for Bollgard-I and Rs 1,000 for Bollgard-II, against their earlier levels of Rs 750 and Rs 925.

Moreover, even the revised MRPs have proved illusory, with many farmers shelling out much more or having to wait in serpentine queues to procure their packets. This has provided ample margins for the parallel market to supply at a significant discount to the going rate for 'genuine' Bt seeds.

Out of the 380 lakh legal Bt cotton packets likely to be sold this year, the industry expects 80 per cent to consist of Bollgard-II, with Bollgard-I and other alternate gene constructs making up the rest. At an average MRP of Rs 900, it would amount to a market of Rs 3,420 crore. To this, the grey market would probably add another 10-12 per cent.

Seed shortage may impact Bt cotton plantings



New Delhi, June 12:

High prices received last year is prompting farmers to plant more cotton this time. But a shortage of seeds relative to demand – particularly of established hybrid brands – could play spoiler to their plans.

Mr Nalla Shyam Sunder Reddy, a 15-acre farmer from Nachenapalli in Warangal district of Andhra Pradesh, says he bought eight packets of MRC-7201 ('Neeraja') and MRC-7347 ('Dr. Brent') – two popular Bollgard-II Bt cotton hybrids of the Maharashtra Hybrid Seeds Company (Mahyco) – for Rs 1,450 each on May 28.

This was way above the maximum retail price (MRP) of Rs 930 fixed by the State Government for hybrids incorporating Monsanto's Bollgard-II proprietary Bt gene construct.

"I was lucky to pay Rs 1,450. The going rate today is Rs 1,800-2,000 a packet (containing 450 grams of Bt and 120 grams of non-Bt cotton seeds). There is black-marketing at the dealers' end happening across Warangal, Karimnagar and Khammam", Mr Reddy told Business Line over phone.

Last year, Mr Reddy sold 40 quintals of kapas (un-ginned cotton) at Rs 4,000 and 35 quintals at Rs 6,300 each from his five acres sown to the crop. That translated into over Rs 76,000 of revenue/acre on an average yield of 15 quintals. After deducting Rs 20,000 expenses – including Rs 6,000 on picking, Rs 2,500 each on weeding and fertilisers, and Rs 2,000 on pesticides (against aphids) – he netted a return of Rs 56,000 an acre.

#### Economics still favourable

Mr Reddy knows his costs will go up this time, not the least because of having to pay more for fertilisers, labour and seeds. Moreover, kapas prices are unlikely to touch the heady levels of last year. But that is not deterring him from planting five acres under Bt cotton this time again.

The same goes for Mr Nandkishore Raut, who plans a repeat of allocating four out of his 7.5acres to cotton and the balance to soyabean. "Kapas is now fetching Rs 3,000-3,500 a quintal, whereas last time it went as high as Rs 7,000 and I myself sold at Rs 4,000-plus. But even at these rates, it is more profitable to grow cotton", notes this farmer from Bhambraja in Yavatmal, Maharashtra.

The enthusiasm to cultivate cotton is borne out in official statistics, with the Agriculture Ministry estimating total area sown so far at 20.14 lakh hectares (lh), compared with 14.41 lh covered at this time last year. Acreages are up in Punjab (from 4.83 to 5.75 lh), Haryana (4.5 to 5.45 lh) and Rajasthan (1.55 to 2.84 lh).

In most other States, plantings have just commenced and will peak during mid-June to mid-July, while in Tamil Nadu, it extends from September to early-October.

#### Demand vs. Supply

Last year, an estimated 230 lakh acres (93 lh) were sown under various Bt cotton hybrids. Taking 1.5-1.6 packets for every acre, it would have meant sales of roughly 360 lakh packets – which included 80-odd lakh by Nuziveedu Seeds, 42 lakh by Rasi Seeds, 41 lakh by Mahyco, 30 lakh by Vibha Seeds, 26 lakh by Tulasi Seeds and 25 lakh by Ankur Seeds.

This year, the demand is placed anywhere between 400 to 425 lakh packets, whereas seed companies are said to have produced some 320 lakh packets in 2010. This, along with

carryover stocks of 60 lakh lakh packets, would take the total availability to only 380 lakh packets.

"There could be some overall shortage, though I think it would be felt more in terms of farmers not getting their preferred brands or hybrids. A desperate few may even opt for planting F-2 (second-generation) seeds that have less vigour compared with the original F-1 hybrids", points out Dr K.R. Kranthi, Director of the Central Institute for Cotton Research at Nagpur.

Call centre for farmers' queries gaining popularity

Business Line Help line for farmers. New Delhi, June 12:

The number of farmers approaching the Kisan call centre (KCC) for farming related tips more than doubled to 20 lakh in 2010-11 fiscal, a fact which reflects the utility of the service.

KCC is a call centre-based extension service that provides the farmers with expert advice on different aspects of farming and allied activities in their own language.

"In 2011-11, over 20 lakh calls were received by the Kisan Call Centres as compared to 9 lakh calls in the previous year," an official statement said.

Since its inception in 2004, KCCs have received more than 62 lakh calls.

currently, 25 KCCs are operating in the country, it added.

The Agriculture Ministry after seeing the growing response from the farming community has decided to increase the number of seats of KCC representatives at the call centre so that every call can be received and answered quickly.

Efforts are also being made to involve common call centres to answer farmer's queries with the help of a Kisan Knowledge Management System and other portals developed by the Ministry, it said.

States have also been requested to support the KCCs in all possible ways, it added.

A State-level monitoring committee has also been constituted comprising Secretary (Agriculture), Directors in agriculture and allied departments, representative of local BSNL office, and the nodal officer to monitor the activities of KSS. The committee reviews the issues related with organisation of training programmes, publicity and telephone connection issues, and ascertains the authenticity and accuracy of answers given by KSS representatives to farmers.

#### Rise in input cost putting poultry farmers at loss in summer

New Delhi, June 12:

Poultry farmers are an unhappy lot this summer, as rise in input costs and lower consumption during the season have made it hard for them to even recover the cost of production, amid a drop in retail prices in the last few weeks.

The cost of production of a bird has increased by around Rs 5—6 during the last few weeks, Ricky Thapar, Treasurer for Poultry Federation of India (PFI) told PTI.

The average cost of producing a bird is Rs 60 presently.

It ranged in between Rs 50—52 a bird a month back, traders said.

This has been pinching more to the poultry farmers because of slump in the prices.

Wholesale live weight broiler prices in Delhi and adjoining areas have decreased to Rs 56—60 per kg from Rs 65—70 per kg that prevailed a few weeks back.

This has led to a drop in retail prices of dressed broiler to Rs 90—100 a kg from Rs 120—130 per kg a month ago.

Use of sprinkler pipes and water coolers in the scorching summer to keep birds cool have increased the input cost of the broiler, Thapar added.

Raring birds in the summers not only requires additional expenditures but also extra space because of which production comes down leading to drop in supplies.

"We are barely able to survive despite decline in the feed prices," Thapar added.

According to Thapar, soybean meal, a key component in the poultry feed, prices have declined to Rs 17,100 per tonne at present from Rs 17,800 per tonne prevailed a month back.

This is attributed to decline in exports of soybean meal because of global sluggish demand.

Similarly, because of bumper maize crop in Bihar, the prices of corn, another important constituent of feedmeal, have also declined to Rs 12,500 per tonne at present from Rs 13,400 per tonne last month.

At present, poultry feed price is quoted at Rs 19,000 per tonne from Rs 20,000 per tonne reported a week back. However, farmers have been hit because summer months have also brought down the demand for the broiler.

Industry sources said poultry demand dropped this summer season as vegetables prices have been stable unlike usual high during the hot seasons.

India is the world's fifth largest broiler producer with an estimated production of 2.3 million tonne per annum.

#### Maharashtra sets Rs 23,000 cr crop loan target

Mumbai, June 12:

The Maharashtra Government plans to provide crop loans of Rs 23,000 crore this fiscal.

The Co-operation Minister, Mr Harshvardhan Patil, said last week that district co-operative banks had been asked to hold meetings under the chairmanship of guardian ministers for achieving this target.

He said that concerned officers had been given instructions to submit reports on disbursement loans in the area to the Commissioner for Cooperation.

"Many times, small-scale farmers can not avail of crop loans despite concessions in the rate of interest and grants provided by the government. To enable more and more farmers to avail of crop loans, Co-operation and Revenue departments should convene farmers' gatherings jointly," he added.

#### Bt cotton acreage rises by 1 mn hectare

Nashik (Maharashtra), Jun 12:

The area under Bt cotton cultivation has increased by 1 million hectare across the country, reflecting growing popularity of the biotech variety of the commercial crop, a prominent seed company said.

Bt cotton was grown in an area of 9.4 million hectare (ha) in 2010 as compared to 8.4 million ha in the year—ago period, Usha Barwale, Chief Technology Officer of Mahyco, a pioneering private seed company, said quoting figures from ISAAA.

International Service for the Acquisition of Agri—biotech Applications (ISAAA) is a not—for profit international organisation that shares the benefits of crop biotechnology to various stakeholders, particularly resource—poor farmers in developing countries.

Bt cotton constitutes 86 per cent of the total cotton grown in the country presently, she told a team of visiting journalists.

Mahyco (Maharashtra Hybrid Seeds Company Limited) was the first company to successfully commercialise hybrid cotton and the first company in the country.

Founded in 1964 by award winning agri scientist B R Barwale, Mahyco received the government of India approval in 2002 for commercialisation of insect—tolerant Bt cotton.

Usha Barwale said the annual global study of benefits generated by biotech crops conducted by Brookes and Bar foot estimated that India enhanced farm income from Bt cotton by \$ 7 billion in the period 2002—2009 and \$ 1.9 billion in 2009 alone.

According to the Cotton Advisory Board, cotton is produced in 11 million hectare of areas and its total production in 2010—11 was estimated at 312 lakh bales. In 2002, the cotton production in the country was only 150 lakh bales.

The area under Bt cotton has multiplied many times in different states since 2002, according to ISAAA statistics.

The area under Bt cotton increased to over 8.3 million hectares in 2009 from a meagre 50,000 hectares in 2002, the ISAAA figure said.

Expansion of areas under Bt cotton has multiplied many—fold in the major producing states like Maharashtra, Andhra Pradesh, Gujarat and Madhya Pradesh, the figures added.

Usha Barwale said popularity of the Bt cotton variety could be gauged from the fact that farmers travel from far off places to purchase its hybrid seeds from us in Nashik and are ready to pay even extra money.

#### ICAR's Karan-6 sugarcane variety a hit among farmers

New Delhi, Jun 12:

The Karan—6 variety of sugarcane developed in 2010 is increasingly gaining popularity among farmers of North and North—West India.

The variety is developed by Karnal (Haryana)—based Sugarcane Breeding Institute Regional centre (SBIRC), an arm of ICAR (Indian Council of Agricultural Research).

After trial in sugar mills, this category has been found superior to the three major standard varieties of sugarcane in the region in all the parameters like cane yield, juice percentage and sugar percentage, Mr Bakshi Ram, SBIRC chief said.

Karan—6 knows as Co 0239 among scientists grows straight and does not fall on the ground even in the waterlogged condition for a month or more, he added. Further, the quality of sugarcane is least affected due to water logging and less irrigation.

The variety matures early and yields 16 per cent more juice thus providing double benefit to farmers one by early selling of sugarcane to sugar mills and secondly the field is vacated for Rabi crops.

The cane yield of this crop is 79.23 tonne per hectare, sugar yield is 10.37 tonne per hectare and Sucrose percentage is 18.58 per cent, Ram said, adding sugar yield of Co 0239 is 21 per cent higher than its nearest competitor CoJ 64.

The variety ranked 1st for sugar yield in all the varieties grown in North and North West region of India like states of Haryana, Punjab, Uttar Pradesh, Uttarakhand and parts of Bihar.

Its cane production is 17 per cent higher and Sucrose percentage is 3.8 per cent more than nearest competitor Co J 64," the SBIRC head said.

The variety is also resistant to red rot disease, the most common disease in sugarcane crop.

The experts of ICAR expect that the variety would prove as a high quality early maturing clone under assured irrigation as well as drought prone and water logging areas as a suitable substitute for CoJ 64.

The variety was tested under abiotic stresses like water logging and moisture stress (less irrigation) conditions and was found least affected. The sugar percentage of Co 0239 in water logging conditions was only 0.34 per cent while in case of Co J 64 its was 1.67 per cent.

The variety was also tested in moisture stress conditions in DSCL Sugar Mill Ajbapur, Uttar Pradesh and the results were very much satisfactory.