

Sowing delayed due to rains

Staff Reporter

— PHOTO: S. HARPAL SINGH



Getting ready: Farmers apply basal dose of fertilizer before sowing in their field near Mutnoor in Indervelli mandal in Adilabad on Monday.

ADILABAD: The number of farmers taking up basal application of fertilisers in their fields this season in the Adilabad district has gone up.

Healthy practice

This agricultural practice is considered healthy and the continuing dry spell has given sufficient time before sowing operations are undertaken.

B. Ramakanth, a progressive farmer from Tosham in the Gudihatnoor mandal says the basal application will help in proper land preparation.

He says it will aid germination of seeds even if the dry spell gets prolonged.

Sowing operations have been put on hold across the district as rainfall plays truant. Since June 1 the Adilabad district has recorded just 6.2 mm of rainfall against a normal of about 130 mm until Monday.

The farmers who had sowed on time could expect to lose seeds if there is no rain in the next two or three days. About 5 per cent of farmers in the district have sown seeds anticipating good and timely monsoon.

Date:21/06/2011 URL: <http://www.thehindu.com/2011/06/21/stories/2011062155190500.htm>

Farmers told to procure quality seed

Special Correspondent

MAHABUBNAGAR: Minister for Information D.K. Aruna asked cotton farmers not to buy unbranded spurious seed as quality seed is available in sufficient quantity in the district.

She said as against a requirement of 6 lakh packets, 4.56 lakh packets were supplied to the district of which 3.69 lakh packets were sold to farmers. The rest would be supplied soon apart from 87,000 packets available in the market.

She said the police arrested gangs selling spurious seed without proper packing and branding at Gattu and Boothpur. Similarly, cases were booked at Amangal, Jadcherla and Bijinepalli for other violations.

She asked the traders also to adopt fair trade practices to avoid punishment.

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First phase of undergraduate counselling begins at TNAU

Amutha Kannan

— Photo: M. Periasamy



Chosen field:TNAU Vice-Chancellor P. Murugesha Boopathi (right) handing over the provisional admission card to G. Arvinth Ram for B.Tech (Bioinformatics) course at the counselling for UG admission in Coimbatore on Monday.

COIMBATORE: The first phase of counselling for agricultural courses in the academic stream began at Tamil Nadu Agricultural University here on Monday with the first provisional admission being made to a candidate with a cut-off of 198.75.

Scheduled to be held till June 25, the counselling under the single window system is being held for 1,837 candidates who have been selected from 7,752 applicants from the academic stream. With 1,915 applicants from the vocational stream, the total number of applications received was 10,250. As many as 182 were rejected based on various grounds.

The counselling is for admission to 13 programmes, viz., B.Sc. Agriculture, B.Sc. Horticulture, B.Sc. Forestry, B.Sc. Home Science, B.Sc. Sericulture, B. Tech. in Agricultural Engineering, in Horticulture, Food Processing, Energy and Environmental Engineering, Biotechnology, Bioinformatics, and Agricultural Information Technology, and B.S. in Agribusiness Management. The number of seats is 1,365.

The university has a new course, viz., B.Sc. Sericulture, and a new constituent college – a horticultural college for women in Tiruchi taking the total number of constituent colleges to 11.

Coimbatore boy G. Arvinth Ram with 198.75 cut-off chose B.Tech. (Bioinformatics) course. Namakkal girl M. Gomathi with 197.50 cut-off chose B.Sc. (Agriculture). Raksheeth Nathan from Chennai with 197.25 cut-off chose B.Tech. (Energy and Environmental Engineering). U.S. Karpagam and M. Anubala with the same cut-offs also chose technical courses.

Handing over the first provisional admission card to Arvinth Ram, Vice-Chancellor of TNAU P. Murugesu Boopathi said the response to agricultural courses was increasing every year because many were showing interest in agriculture-based studies and also because of the high scope in job opportunities.

A. Rajarajan, Dean (Agriculture), said though the toppers were showing preference for technology-based courses, the maximum number of applications received was for the conventional B.Sc. Agriculture course. True to this, at the end of day one, there were 96 takers for the course out of the total 172 who got admitted, followed by 26 for Biotechnology, and 24 for Food Processing Technology.

“The first phase of counselling which was scheduled to begin from June 15 had to be postponed to June 20 because we required additional time in sorting out the large number of applications that were 3,079 more than last year. Once this is over, separate counselling will be held for those from the vocational stream,” he said.

There were 1,915 applicants for only 27 seats in the vocational category. The university offered eight seats for wards of ex-servicemen, four for the sports quota, one for dependants of freedom fighters, and 11 seats for the differently-abled.

“We have not received any applications under the differently-abled and freedom fighter quotas. There are, however, many applicants under the sports quota. Those seats that do not get filled under these quotas will be considered under the academic stream in the second phase of counselling that will be held at a later date,” Mr. Rajarajan said.

The university had also made changes in the counselling software to include details with regard to new course, new college, new eligibility criteria, etc.

R. Venkatachalam, Co-ordinator, Information Communications Technology, TNAU, said the main inclusion was however the facility being offered to the students to choose simultaneously the course and campus based on merit and communal reservation.

Date:21/06/2011 URL: <http://www.thehindu.com/2011/06/21/stories/2011062162130500.htm>

Chilli farmers take to the streets

Staff Reporter

Resent delay in payment of compensation for gutted stocks

Traffic comes to a halt on NH-5 following the agitation Officials are seized of the matter, says revenue official

GUNTUR: Hundreds of farmers, whose chilli stocks were gutted in Nandini, Sai Surya, and Vengamamba cold storages at Ankireddipalem on April 16, 27, and May 15 respectively, staged a demonstration on Monday on the NH-5 for a couple of hours in protest against what they termed as inordinate delay in paying them compensation. They gave vent to their anger on the district administration saying that not a single pie had so far been paid to them.

As the farmers set out on the agitation path, traffic came to a grinding halt along the busy highway.

The repeated appeals of the police to not put the road-users to inconvenience fell on deaf ears.

The farmers were in no mood to oblige the police as they were still fighting for compensation more than two months after the first of the three fire accidents took place. They sought to know the difficulty in recovering the money from cold storage owners. The farmers were seething with anger that a slew of representations given to the district officials yielded no result while punitive action was said to have been initiated against the cold storage owners who were awaiting their insurance claims to be settled, which required at least two months after an incident takes place.

Enough time had already been given to the cold storage owners and the farmers could no longer wait to get their loss recouped.

District Revenue Officer M. Venkateswarulu, who went to listen to the farmers' grievance, was grilled by them for the alleged inaction on the part of district administration.

He, however, managed to pacify the irate farmers saying that officials concerned were seized of the matter and they could not do anything immediately except following the established procedures in making the cold storage owners pay the price for their alleged negligence.

Date:21/06/2011 **URL:** <http://www.thehindu.com/2011/06/21/stories/2011062161900500.htm>

Crop loans rescheduled till month-end

Staff Reporter

GUNTUR: The government has extended the deadline for rescheduling the crop loans taken during the kharif season last year till the end of this month.

Farmers are instructed to give their agreements in the respective bank branches by personally appearing before the bankers on June 24 and 27, Joint Director of Agriculture Y. Pulla Reddy stated in a press release. The MPDOs and agriculture officials concerned have been ordered to properly coordinate with the farmers and bankers in view of the fast approaching deadline.

Date:21/06/2011 **URL:** <http://www.thehindu.com/2011/06/21/stories/2011062160290300.htm>

Farmers demand hike in MSP for paddy

Staff Correspondent

DAVANGERE: More than 30 farmers were arrested by the police here on Monday when they tried to enter the Deputy Commissioner's office in protest against what they described as the failure of the Government to announce a support price of Rs. 1,530 a quintal for paddy. Of them,

13 were produced before the taluk magistrate, who remanded them in judicial custody till June 26.

As part of their “jail bhara” agitation here, the protesters took out a rally and later formed a human chain at Gandhi Circle and on the Bangalore-Pune highway. As a result, traffic was disrupted for a while.

Later, they went to the Deputy Commissioner's office, where the police tried to prevent them from entering the office.

Additional Deputy Commissioner Vijayakumar had spoken to the farmers while they were staging a dharna in front of the office.

He had told them that the Government had announced a support price of Rs. 1,000 a quintal and an incentive of Rs. 100 for paddy. The district administration had set up paddy procurement centres in different places in the district, he said and appealed to the farmers to withdraw their agitation.

However, the farmers insisted on Rs. 1,530 a quintal as recommended by the Agriculture Department.

Stating that they would incur a huge loss if they were to sell paddy at Rs. 1,100 a quintal fixed now, including the incentive, they alleged that the Government had failed to protect the interests of paddy growers.

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Weather

Chennai - INDIA

Today's Weather



Rainy

Tuesday, Jun 21

Max Min

39.4° | 28.6°

Rain: 00 mm in 24hrs

Humidity: 70%

Wind: Normal

Sunrise: 5:43

Sunset: 18:37

Barometer: 1003.0

Tomorrow's Forecast



Rainy

Wednesday, Jun 22

Max Min

39° | 28°

Extended Forecast for a week

Thursday

Jun 23



36° | 29°

Rainy

Friday

Jun 24



36° | 29°

Rainy

Saturday

Jun 25



36° | 28°

Rainy

Sunday

Jun 26



35° | 29°

Rainy

Monday

Jun 27



35° | 29°

Rainy

CM directs agri dept to help farmers

June 21, 2011 10:49:13 AM

PNS | Ranchi

Chief Minister Arjun Munda, on Monday directed the agriculture department to bring pace in the distribution of seeds among the farmers this monsoon. He also directed the department to render all possible helps to the farmers so that they could take out maximum benefits of the rain. He also asked for a detailed report on the types, quantity and the areas where the seeds have been distributed so far.

Give fertiliser subsidy directly to farmers: Badal

June 21, 2011 10:50:04 AM

PNS | Chandigarh

Punjab Chief Minister Parkash Singh Badal on Monday asked the Union Ministry of Chemicals & Fertilisers to implement its proposal to transfer fertiliser subsidy directly to the farmers on a pilot basis in order to resolve the issues and difficulties in the way of its implementation.

In a letter to the Union Minister of Chemicals & Fertilisers MK Azhagiri, the Chief Minister reacted to the concept paper prepared by the Gol in this behalf and made certain observations after a detailed study. He pointed out that in the current system the farmers has to pay only the subsidised price of the fertiliser, whereas in proposed system he/she would have to first pay the

market price and then have the subsidy reimbursed in his/her bank account, which would cause unnecessary financial burden on the farmers, both in terms of the initial higher investment as well as the interest cost for the period it takes to get the subsidy reimbursed.

Badal also mentioned that it has been the practice in Punjab to preposition fertilisers to ensure the availability of the material in the State at the time of need. The GoI has appreciated this initiative on various occasions. For this purpose, the State's agencies make advance payment to the fertiliser companies to obtain the fertiliser. Henceforth, the payment of the market price rather than subsidised price would increase the financial burden on these agencies.

Currently, the GoI give subsidy only to a limited number of companies. In the new proposal, subsidy was proposed to be released to crore of individual farmers at different times in the year. This would involve a huge logistical and financial exercise, with correspondingly higher chance of leakage and harassment to the individual beneficiaries. Though technology can provide a solution in the ultimate analysis, yet difficulties during the intervening period could be quite daunting, added Badal.

The CM also stated that the concept paper does raise the issue of tenant farmers who actually cultivate the land but do not have the revenue record in their names. However, no solution to this problem has been laid out therein. Badal also pointed out that these issues could create serious problems of implementation and lead to hardship for the intended beneficiaries and therefore, urged the GoI to implement this proposal initially on the pilot basis to resolve the issues and difficulties that may come up in its implementation.

Farmers to be trained in Himachal

June 21, 2011 10:50:09 AM

PNS | Shimla

Punjab National Bank would soon develop agriculture farm to train farmers in latest advancements in the farm sector and the State Government would be making adequate land available for the purpose.

Stating this after a meeting with a high level delegation of PNB, headed by KR Kamath, chairman-cum-managing director, which called on him here on Monday, Chief Minister Prem Kumar Dhumal also directed the authorities to identify suitable land to be transferred to the Bank so that agriculture training centre could start functioning early.

Dhumal welcomed the initiative of the Bank to come forward and set up such an important institution in the State which would supplement the endeavours of the State directed towards the strengthening of the farm sector. He said that Himachal Pradesh being a hilly State had agrarian society as major chunk of its population was dependant upon agriculture directly or indirectly for their livelihood. He said that the State had small and marginal holdings and the farming community was toiling hard to get maximum yield from the same.

The CM appraised the delegation of various initiatives taken by the State Government to modernise and strengthen the agriculture sector, which included `353 crore 'Pandit Deen Dayal Upadhyaya Kisaan Baagwan Samridhi Yojna', `322 crore 'Organic Fertiliser Project' and `300 crore 'Doodh Ganga Yojna'.

He said that all the three ambitious schemes were changing the farm economy and the results were visible in the rural areas where large number of farmers had constructed poly houses to cultivate cash crops by diversifying traditional farming practices.

Cash crops may fetch good returns for farmers: Experts

June 21, 2011 10:50:31 AM

Rajendra S Markuna | Haldwani

Farmers engaged in cash crops like potato farming may fetch better return of their produce in August and September, suggested the scientists and market watchers here.

The scientists of GB Pant University of Agriculture and Technology, (GBPUAT) Pantnagar, who are working under a project, the establishing and networking of market intelligence centers in India, a national agriculture innovation project, are of the view that given the certain climatic conditions and present marketing situation it would be better for the farmers to dispose off their produce in August and September.

The main objective of this project is to release price forecasts of selected agricultural commodities before sowing and during harvesting to enable farmers to know the price of their produce even before sowing so that they could decide the time and sowing area for the crop to reap benefits or avoid losses, said Dr Naresh Kumar, coordinator of the GBPUAT communication department.

The scientists also conducted a market survey of Haldwani regulated market, a major market for hill potato in Uttarakhand. The other parameters that helped the scientists to assess the marketing of potato include the wholesale price data prevailed for the last twenty-one year, added Kumar.

The econometric analysis of data indicated that the wholesale prices of hill potato in Haldwani market would range between Rs 1,550 and Rs 1,750 per quintal in August, 2011 and September 2011, while in October,

2011 the wholesale price of hill potato in Haldwani market is expected to range between Rs 1350 and Rs 1550 per quintal.

The scientists have also advised the farmers who wish to take hill potato cultivation in this season to decide the area under potato crop keeping in view these prices at harvest time.

According to the trader's survey August, September and October are the peak arrival months and July and November are the lean arrival months of the hill Potato in the Haldwani market.

The traders of Krishi Ut্পandan Mandi Sammittee, Haldwani revealed that hill Potato is mainly arriving from different areas of Nainital and Almora districts and selected areas' of Garhwal region.

As far as Uttarakhand is concerned, hill Potato is relatively highly priced during off season and exported to other regions due to low availability of plain's potato during off season. Sowing of hill potato starts from February end and lasts up to March-April depending upon different altitudes. The harvesting of the crop starts from end of July and lasts up to November.

Business Standard

Tuesday, Jun 21, 2011

Groundnut oil prices hit record high

Vimukt Dave / Mumbai/ Rajkot June 21, 2011, 0:55 IST

Demand-supply gap jacks up price to Rs 1,590 per tin.

Groundnut oil prices have surged to a record high of Rs 1,590 per 15 kg tin amid high demand and lower availability of ground nut for crushing.

Considering the prevailing demand-supply gap, industry insiders see no respite from the soaring prices of the edible oil any time soon.

"The gap between demand and supply has increased as millers are not getting enough groundnuts for crushing activity. Most of the groundnut stock has been consumed in the form of peanuts and its products," said Samir Shah, managing director of Rajmoti Oil Industry from Rajkot.

"It is a fact that groundnut production has increased this year, but millers do not have the benefit of it. The lack of raw material may further increase groundnut oil prices in coming days," he added.

According to the oil milling industry sources, the demand for groundnut oil is estimated to be about 200 tonnes per day, while the production currently is merely 80-100 tonnes per day.

Groundnut oil 'lose' traded at Rs 970-975 for 10 kg in Rajkot market, while groundnut oil new tin hovered at Rs 1580-1590 per 15 kg, which was up by Rs 160 per tin from Rs 1420-1430 per tin during the month of June.

Groundnut bold price remained at Rs 675-760 per 20 kg in Rajkot markets, while in Junagadh the price stood at Rs 550-868 per 20 kg. Meanwhile, groundnut small was priced at Rs 575-800 per 20 kg in Rajkot and Rs .600-834 per 20 kg in Junagadh.

The arrivals have also declined during the month from about 100,000 bags (1 bag = 50 kg) arrived in Saurashtra and Gujarat to currently 60,000-65,000 bags.

Echoing similar sentiments, Vikram Duvani of Rachana Seeds Industries from Junagadh maintained that export demand for groundnut had been rising.

"The export demand is rising from all key export destinations. China is also in a queue to buy groundnut from India. Moreover, groundnut is also used as a replacement of cashew in various products like chocolate, butter as value addition," said Duvani.

"Summer groundnut production is defiantly high but against it, direct consumption and demand of peanuts for export is also high and most of the stocks are being consumed in it. As a result of

it, a scarcity of groundnut is felt for the crushing activity," said B V Mehta, executive director of Solvent Extractors' Association of India (SEA).

According to the estimates provided by the Indian Oilseeds and Produce Export Promotion Council (IOPEPC), the summer groundnut production in Gujarat would remain at around 271,000 tonnes as against 129,000 tonnes last year, showing an impressive growth of 110 per cent.

Kharif groundnut production is also predicted to be higher by around 1.8 - 2.0 million tonnes.

Cotton prices fall 37% on high acreage, inventories

Komal Amit Gera / Chandigarh June 21, 2011, 0:54 IST



The consistent and sharp decline in cotton prices since April has put the supply chain under tremendous pressure. Cotton prices, in the range of Rs 61,000 per candy (356 kg), fell to Rs 38,000 per candy on Monday.

According to K N Vishwanathan, secretary of the South India Cotton Association, the price of Shankar 6 (the cotton produced in Gujarat) was about Rs 38,000 per candy.

According to Bhagwan Bansal, president, Punjab Cotton Factories and Ginners Association, the price of J-34 (cotton produced in Punjab) remained Rs 36,690 per candy and J-33 (cotton produced in Haryana) was sold at Rs 34,784 per candy.

With a 15-20 per cent increase in cotton acreage across India and a heldover stock of about six million tonnes with traders, ginners, exporters and the cotton industry are having sleepless nights.

A miniscule quota of 1 million tonnes for exports with stringent penalty norms failed to lift the spirits of the industry. A huge inventory that is likely to swell with the arrival of new crop in September-October is also cause of worry for the industry.

Most spinning mills are operating at less than 50 per cent capacity.

Shiv Prasad Mittal of the Ludhiana-based Arti Group that has 175,000 spindles said they had to cut their capacity utilisation to half.

“We export 65 per cent of our total output to countries like China, Hongkong, Mauritius, Korea and Bangladesh. Prices have dropped from Rs 280 per 30s comb to Rs 180 per 30s comb excluding the freight charges from Ludhiana to Mumbai. The price in the domestic market is about Rs 190 for per 30s comb,” he said.

Vinod Ahuja of VRA Cotton Mills said the present situation may have serious repercussions, as farmers have sown larger areas in anticipation of higher prices but the unprecedented price reversal may put them in debt.

He said the export should have been put under the open general license. An exporter cannot take an LC before knowing how much quota he has been allotted.

Until the inventory is cleared, the price improvement cannot be expected. “We are in a Catch-22 situation, as it is not viable for us to sell the stock at a price 35 per cent lower than our purchase price,” said Bhagwan Bansal, a trader.

Natural rubber output up 5.9% in May

George Joseph / Kochi June 21, 2011, 0:52 IST



Natural rubber production (NR) increased 5.9 per cent in May compared to the same period last year. Though the growth slowed in April, output increased 6.2 per cent compared to April 2010.

Production in May increased to 59,700 tonnes as against 56,400 tonnes in the same month last year. In April, NR production was 56,800 tonnes as against 53,500 tonnes in 2010. For the first time during the past year, domestic NR consumption registered a fall in May.

Consumption in May was 81,000 tonnes as against 82,500 tonnes, a fall of 1.8 per cent. Consumption had increase 1.2 per cent in April.

The slowdown in automobile sales has badly hit tyre production. In India, around 55 per cent of total NR consumption is by automotive tyre manufacturers.

Also, both import and export of rubber registered a marginal increase in May, according to the latest provisional data of the Rubber Board.

Imports increased to 16,293 tonnes from 15,372 tonnes in last May. Around 1,742 tonnes of rubber was exported in May as against 1,478 tonnes in May 2010.

The cumulative production of rubber in April-May period was 116,500 tonnes as against 109,900 tonnes last year, a growth of six per cent.

Total consumption during the first two months of 2011-12 was 163,500 tonnes as against 157,400 tonnes, cloaking 3.9 per cent growth.

In April-May, 22,811 tonnes of rubber was imported as against 26,248 tonnes in the same period of 2010-11. A total of 3,849 tonnes were exported as against 3,705 tonnes.

According to the Rubber Board data, by the end of May, the country had a total stock of 249,470 tonnes as against 187,750 tonnes in May 2010.

Board for cut in tobacco production

D Gopi / Guntur June 21, 2011, 0:51 IST

The Tobacco Board and the Indian Tobacco Association (ITA) are planning to bring down the production limit for the next season, in the wake of agitation by tobacco growers for a remunerative price this season.

A senior member of ITA said they were planning to write to the Board, suggesting crop size limitation for the next season. "This might take a couple of weeks, but we want to place our views on record and avoid controversies for the next season," the ITA representative said. ITA representatives, who have been holding talks with growers and board officials on the price for

the past 15 days following agitation in Prakasam district, have initially decided to request the board to cut the crop size to 100 million kg in Andhra Pradesh for the 2011-12 season.

The Board has been allowing 170 million kg production in Andhra Pradesh for the past three seasons. Though it permitted 170 million kg this year, the production has come down to 160 million kg due to rain in December 2010. Even this has not helped support the price in the market as excess production is available in the international market. Brazil and Zimbabwe have increased their production, eating the export demand from India.

Moreover, the tobacco produced from southern black soils (SBS), northern black soils (NBS) and central black soils (CBS) is not preferred for cigarette manufacturing, which is why there is no demand for the product from these areas.

The crop in the SBS and southern light soils (SLS), spread over Prakasam and Nellore districts, is losing its quality due to weather conditions and also the agricultural practices. In fact, the problem between the growers and the traders in Prakasam district, where the auctions were closed in 11 platforms, created unrest in the market.

Board chairman G Kamalavardhana Rao and executive director C V Subba Rao, have been in contact with traders, particularly the representatives of ITA to resolve the dispute in the SLS and SBS areas.

The crop had no problem from the NBS in Khammam, northern light soils (NLS) in West Godavari and CBS in Krishna district this season as the auctions went off smoothly. The quality of the crop was good in these parts, when compared with SBS and SLS in Prakasam district, the board chairman had said.

Financial crisis for sugar mills

Dilip Kumar Jha / Mumbai June 21, 2011, 0:49 IST

Unable to repay working capital loans due to a fall in prices, many small and medium ones to face problems in the coming season.

Around 300 small and midsize sugar factories, representing 40 per cent of India's 24.2 million tonnes of output, face a financial crisis due to losses in cane crushing. The situation is likely to worsen in the ensuing season.



In the first eight months of the current sugar season beginning October 2010, banks lent working capital to mills based on an estimated average price of Rs 2,800 per quintal, the then prevailing spot market price. On Monday's average price, according to Narendra Murkumbi, president of the Indian Sugar Mills Association (Isma) is Rs 2,350 per qtl. Since the loans were made on the basis of the earlier price, the banks want the deficit to be made good by either cash or more collateral.

Isma says the total loss for mills so far this season is Rs 3,200 crore, at an average of Rs 400 crore per month, due to the dramatic fall in spot prices. "Many small and midsize sugar factories may not start crushing next season due to the lack of working capital," said Murkumbi.

The condition is alarming for mills in Maharashtra, India's largest sugar producing state. Most small and midsize factories are not in a position to repay the working capital loan extended at the start of the season. Nearly a fourth of the state's estimated nine million tonnes of output remained unsold.

A senior official from Bank of Maharashtra (BoM), said, "Many sugar mills have approached us for credit support for the new season. But this is a low priority area (for us)." BoM is the convenor of the State Level Banking Committee, with a 30 per cent share of the total lending in Maharashtra. The lending for crop loans will be disbursed up to 51 per cent by commercial banks and the balance through cooperative banks.

"There is no way for a recovery in sugar prices in the remaining four months of the current and the next full sugar year. The cost of production is unlikely to decline from this level. Which means mills will continue to remain under financial stress and face huge constraint for working

capital during the next season, beginning October,” said Prakash Naiknavare, managing director of the Maharashtra State Federation of Cooperative Sugar Factories.

Average ex-mill realisation remained at Rs 2,450 per qtl through the first eight months of the current year, while the average cost of production is Rs 2,700 per qtl. This means sugar factories are losing Rs 250 per qtl for every tonne of output.

During the ongoing sugar season, 167 mills were registered with the state government. Most of these mills meet their working capital requirement from cooperative sector banks. Of the total, 67 mills reported healthy financial capability. The remaining 100 may not start crushing due to the lack of working capital.

Government support, such as the earlier excise load scheme announced in similar circumstances in the past is the only protection, said Sanjay Tapriya, director, finance, at Simbhaoli Sugar Mills.

THE HINDU Business Line

Cashew prices gain on buying, tight supplies



Increasing processing costs, lower output seen lifting prices

Kochi, June 20:

Cashew prices continued its upward run last week with the price for W320 moving up by another 2-3 per cent and business was done in the range of \$4.50 to \$4.60 (f.o.b) and like in any firm market, some processors sold a few cents higher.

The Differential for W240 came down to 25-30 cents. Discount for W450 narrowed to 10 cents with almost nothing available for nearbys, trade sources said. Discount for SW increased but not much was available for nearbys. There was good demand for Broken-Splits / Butts at around \$3.90 and Pieces were at around \$3.80 (f.o.b).

In the Indian domestic market, prices for Splits and Pieces moved up by another 5 per cent during the week. Buying for wholes has also started in a small way with good premiums being obtained by a few processors, they said.

Raw Cashew Nut (RCN) market also moved up for good quality parcels. There is not much unsold volume of good quality in origins (except Bissau). Resale of good quality spot/afloat/under shipment parcels was taking place at higher levels i.e., at around \$1,700 for Bissau, \$1,500-\$1,550 for Benin and \$1,400-\$1,450 for Ivory Coast (IVC)/Ghana.

At the same time, there were quite a few low quality parcels that arrived

recently in India, which are offered at a significant discount. Brazil is reported have bought over 25,000 tonnes, mainly in Ghana but some quantity in Guinea Bissau as well, Mr Pankaj N Sapat, a Mumbai-based dealer told *Business Line*.

Kernel shipments have been lower than normal in the last 3-4 months, which is expected to become normal from July. However, "it will take few months of above normal shipments to replenish inventories. So, supply will continue to be tight for a few months," he said.

Cashew prices have risen 100 per cent since beginning of 2009 but this has been a sustained continuous rise with small periodic dips, except for a sudden 10 per cent drop in the first quarter of 2010.

Part of the increase is due to increase of 30-35 per cent in processing costs, which account for 30 to 40 per cent of kernel cost, depending on raw material cost. "A larger portion is due to the increase in raw material cost and lower production vs steady or growing demand," Mr Pankaj said.

There is widespread concern that these high prices will have a long term impact on the usage of cashews in the US and Europe, he said. "We will have some idea of this by end of 2011 or first quarter of 2012. Also, if the 2011/12 crops are good, that should improve the supply situation and provide some relief in raw material prices". Until one or both happen, the price trend will not be broken. When the trend changes, the decline will be gradual, unless there is a big drop in demand in all markets, including Asia, which could mean a sudden decline in prices.

For the time being, it appears that the tight supply position coupled with regular periodic buying by some market or the other will keep the market firm, the trade added.

Turmeric farmers to float council to set prices



Chennai, June 20:

Turmeric farmers are coming together in an attempt to set up an organisation that will regulate prices and implement a market intervention mechanism, if needed.

Farmers' organisations in the major turmeric growing areas have decided to support this move, which if successful, may be extended to cover more crops, say farmers' representatives who met last week in Chennai.

According to Mr P.K. Deivasigamani, the organiser of the Turmeric Farmers Council of India, the council will modelled along the lines of the NECC (National Egg Coordination Committee) which fixes the weekly price of eggs. The council has approached representatives in Andhra Pradesh and Maharashtra, which along with Tamil Nadu account for most of the turmeric cultivated in the country. The TFCI will formally be floated shortly with a national seminar planned in Erode in July.

He said the volatility in turmeric prices have hit farmers badly. Prices have dropped by about 40-45 per cent since last year to less than Rs 8,000 a quintal which is barely the cultivation cost or even less for the farmers.

The turmeric council plans to fix a floor price for the produce and, if required, will intervene in the market to procure turmeric at viable prices.

Turmeric has been chosen to make a start because it is ideally suited – the area and number of farmers in turmeric cultivation is relatively small when compared with most other crops, it is a domestic produce with no possibility of imports and the cultivation season is limited to a few months but the shelf life of the processed turmeric is more than a decade.

The Consortium of Indian Farmers Association has decided to support this initiative, with the head of the association to coordinate the council's activity in Andhra Pradesh, according to Mr Deivasigamani.

Technique to help farmers reduce harvest costs by about a third

SUGAR INTENSIFICATION

Coimbatore, June 20:

Tamil Nadu Agricultural University will demonstrate the system of sugar intensification in sugar-mill areas to help farmers reduce labour costs.

The university's Vice-Chancellor, Dr P. Murugesu Boopathi, said the State Government had allotted Rs 1 crore for popularising the technique, and it was planning to conduct demonstrations comparing this technique with conventional practices.

The university has imported two types of harvesters for the demonstrations, he said. These machines could help bring down the cost of harvesting sugarcane, a labour-intensive crop, to Rs 225-250 a tonne, according to estimates, against Rs 650-700 a tonne when done manually, he said.

The university has planned to develop a 'model sugarcane farm' in its sugarcane research station in Cuddalore.

Sharing details of the discussion held at the high-level committee meeting in Chennai, the Vice-Chancellor said, "The State Government is keen to double the income of the farmers in the next few years. There are an estimated 75 lakh small and marginal farmers in Tamil Nadu at present, and the Government is interested in transforming their lives within the next three years by helping them double their production and productivity."

"We have suggested 'critical technologies' suitable for major crops. For instance, by laser-levelling of paddy fields, the yield can be increased by one tonne per hectare. Thus, by levelling the 21 lakh hectares of rice in the State, production can be increased by 21 lakh tonnes. For pulses, adoption of 2 per cent DAP (diammonium phosphate) fertiliser spray, the yield can be doubled from 300-350 kg/hectare at present to 650-750 kg/hectare."

"TNAU would take up more field demonstrations of new varieties and technologies through its KVKs (krishi vigyan kendras) across the State. We have sought additional funds from the State to plan and implement the strategies," Dr Boopathi said.

The university had so far released 36 high-yielding varieties of cane, said Director of Research at the university, Dr M. Paramathma. It has also developed an early clone with a yield potential of 136 tonnes/hectare and three mid-late clones with potential to yield more than 132 tonnes/hectare.

Excess rain may hurt planting in Canada

Mumbai, June 20:

Canada runs the risk of a cut in grains production for the second year in succession because large tracts of land may go unplanted as heavy rains across large areas of Western Canada have affected agriculture.

Known as the nation's breadbasket, the Canadian Prairies region is facing water woes that hurt crop prospects. The Canadian Wheat Board (CWB) has said in its preliminary forecast that 6 million acres (about 2.5 million hectares) may go unseeded (unplanted) this year. Even as spring plantings have been far below normal, the emerging crops in whatever planted area are seen drowning in too much rain. Worse, the crop loss is occurring at a time when world grain prices are at elevated levels.

According to CWB, at 20.3 million acres (down 1.7 million from average), wheat acreage will be the second smallest since 1971. Mr Harry Siemens, well-known radio commentator on farm matters, told *Business Line* that the situation was indeed dire.

"We are all anxious about weather over the next few days. If favourable, some more acreages may be added to planting," he said. Late planting leads to late harvest. The crop runs the risk of frost damage during autumn season, he pointed out. Crop development is significantly behind normal.

India produces 37% of world tea output in Jan-Apr

Coonoor, June 20:

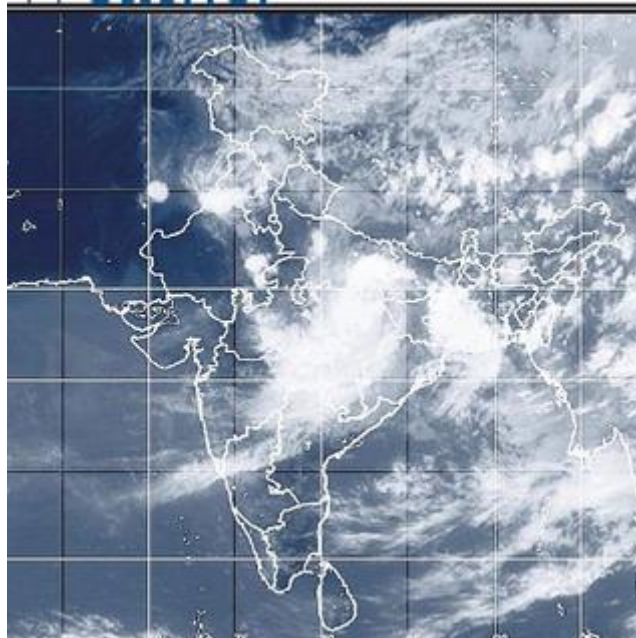
India accounted for 37.04 per cent of the global black tea production in the first four months of this calendar, reveals an analysis of the latest data available with global tea producing and trading organisations.

India continued to top the world black tea production. Between January and April, India produced 163.18 million kg (mkg), just 0.85 mkg more than last year's 162.31 mkg. This meant that India's share in the global tea basket increased to 37.4 per cent from 34.12 per cent in 2010.

Kenya came second with a production of 116.65 mkg – as much as 30.93 mkg less than last year's 147.58 mkg. Accordingly, its share in global basket fell to 26.48 mkg from 31.02 mkg.

Sri Lanka was the third largest producer accounting for 106.30 mkg – up by 2.10 mkg over last year's 104.20 mkg.

Rains enter MP ahead of second stage forecast today



THIRUVANANTHAPURAM, JUNE 20:

The southwest monsoon has advanced into some more parts of Vidarbha, east Madhya Pradesh and east Uttar Pradesh and Uttarakhand on Monday.

This is even as India Meteorological Department (IMD) has announced that it would come out with a second stage long-range forecast for the monsoon on Tuesday.

The first stage forecast was made on April 19 that spoke about a 'normal' monsoon for the country as a whole during the season.

An IMD update said on Monday that the northern limit of monsoon passed through Porbandar, Veraval, Dahanu, Nasik, Adilabad, Nagpur, Jabalpur, Khajuraho, Kanpur, Shahjahanpur and Mukteshwar.

Conditions are favourable for its further advance over some more parts of

Gujarat, remaining parts of Maharashtra and some more parts of Madhya Pradesh, Uttar Pradesh and Uttarakhand during the next three days.

Model forecasts suggest that the monsoon depression currently over Chhattisgarh has resumed a westerly track after straying off to north briefly.

The anomaly having been corrected, the depression would lead the monsoon into Madhya Pradesh, Maharashtra, southeast Rajasthan and Gujarat over the next few days.

Most parts of Uttar Pradesh too would have been covered. A feeble westerly trough has made its presence over Jammu and Kashmir and adjoining north Pakistan.

Any interaction of the monsoon easterlies from the depression and the western disturbance should help bring the monsoon to Punjab, Haryana, Delhi, Himachal Pradesh, Uttarakhand and Jammu Kashmir.

But most of this region, except west Rajasthan, has already witnessed some good precipitation from passing westerly troughs and offshoot cyclonic circulations.

A weather warning from IMD said that heavy to very heavy rainfall would break out over isolated places over north Chhattisgarh, Jharkhand and east Uttar Pradesh during until Wednesday.

Heavy rainfall has been forecast at isolated places over west Uttar Pradesh, Madhya Pradesh and Vidarbha until Thursday.

Isolated thunder squalls could rip through Punjab, Haryana, Delhi, Rajasthan and Uttar Pradesh on Tuesday.

Rubber falls as major buyers keep away

Kottayam, June 20:

Physical rubber prices slipped on Monday. According to observers, the market fell further though it was expected to remain firm during the season on supply concerns as major consuming industries were totally inactive. The trend was partially mixed. Meanwhile in the

international scene, the key Tokyo rubber futures slipped on low demand due to uncertainty over the economic outlook of the US but the losses were limited on short supplies.

Sheet rubber declined to Rs 222.50 (224.00) a kg according to traders. The grade dropped to Rs 223.00 (225.00) a kg both at Kottayam and Kochi as reported by the Rubber Board.

In futures, the July series closed at Rs 222.10 (222.75), August at Rs 224.19 (224.57), September at Rs 222.45 (222.40), October at Rs 221.94 (221.75), November at Rs 221.50 (222.25) and December at Rs 223.40 (226.60) per kg for RSS 4 on National Multi Commodity Exchange (NMCE). RSS 3 (spot) weakened to Rs 227.72 (229.72) a kg at Bangkok. The June futures slipped to Rs 405.0 (Rs 226.99) from Rs 406.0 per kg during the day session but then finished unchanged at Rs 405 in the night session on the Tokyo Commodity Exchange (TOCOM).

The spot rubber rates in Rs per kg were: RSS-4: 222.50 (224.00), RSS-5: 220.00 (222.00),

Ungraded: 218.00 (218.00), ISNR 20: 221.00 (222.00), and Latex 60 per cent: 139.00 (140.00)

Milk union asks for land to expand dairy in Udupi



Seeking space: Visitors inspect cattle at a fair near Kaikamba.

Mangalore, June 20:

The Dakshina Kannada Cooperative Milk Producers Societies' Union Ltd has urged the Karnataka Government to allot land for the expansion of its dairy in Udupi district.

Speaking at the launch of Nandini Bite – produced at the Mangalore dairy of the cooperative – Mr Raviraj Hegde, President of the Dakshina Kannada Cooperative Milk Producers' Societies'

Union, said that the production capacity of Manipal dairy in Udupi district is 60,000 litres of milk a day.

However, he said, there is demand for more than one lakh litres of milk a day in the region. There is no scope for the expansion of dairy in Manipal. Considering this and keeping future demand in mind, Mr Hegde said, it is essential to expand the capacity in Udupi district to 1.5 lakh litres a day. The State Government should allot at least 10 acres in Udupi district for a new dairy, he said.

Dr V.S. Acharya, Udupi district in-charge Minister, said that the Government will look into the matter of the expansion of the facility in Udupi district.

He launched Nandini Bite in Mangalore market.

Dr Acharya said new innovations in dairy segment will help develop new products and market. Nandini Bite is mix of Mysore pak and chocolate, he added. Mr Hegde said that there is good demand for Nandini Bite in the market. Nearly 100 kg a day can be produced at the Mangalore dairy. Mr Hegde said that Dakshina Kannada Cooperative Milk Producers Societies' Union has implemented a scheme for better calf-rearing practices under its jurisdiction. The scheme, to be extended for rearing nearly 5000 calves in the region, will help increase milk production in the region, he said.

Hubli to have pack house for fruits, vegetables soon



Cool project: A farmer takes a nap on onion sacks at the APMC yard in Amargol where the pack house is scheduled to come up.

Rs 11.5 cr facility is built on farmers' participatory mode

Hubli, June 20:

A modern cold chain and export pack house facility under public-private participation (PPP) mode is to come up at Hubli's Agricultural Produce Marketing Committee (APMC) yard at Amargol.

The Rs 11.5 crore facility is being built under the Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE) scheme and is to cater to the needs of north Karnataka region.

The new facility will have a ripening chamber for mangoes, banana and other fruits, cold storage, pre-cooling, grading, packing, waxing, transport and dry godown besides Research and development unit.

According to Dr. R.R. Hanchinal Vice Chancellor, UAS, Dharwad, "Agriculturists in north Karnataka face many problems due to climate change. More so, the problems are acute in the area of marketing due to violent price fluctuations."

"In order to safeguard the interest of the farmers and to provide assistance in marketing a cell - Agri Business and Export Knowledge Centre" was initiated few years ago. This centre actively lobbied with the government to get the facility to Hubli," he added.

The proposed facility will help in export promotion, create employment, enhance income levels and also strengthen the bargaining power of farmers. The unit will also act as a complementary to many business units and make Hubli a hub for marketing agriculture and horticulture produce.

"The Agri-Business and Export Knowledge Centre of UAS-Dharwad partnered with Safal Mango Growers Association to take up the cause with the Karnataka State Agricultural Produce Processing and Export Corporation (KAPPEC) and Visvesvaraya Industrial Trade Centre (VITC) to get Rs 11.5 crore funding," said Dr S B Hosamani, Head Agri-Business and Export Knowledge Centre.

The Agri-Business and Export Knowledge Centre is expected to drive volumes for the new facility by organising commodity-wise growers' associations in different locations on the lines of 'Amul' in Gujarat, 'Nandini' and 'Safal' in Karnataka.

The idea of establishing a cold chain facility at Hubli was mooted and a team comprising Dr S.B. Hosamani, Dr N.R. Mamle Desai, Dr C.J. Savanurmath, and Mr C.R. Sorghavi was formed.

The team took the lead and got technical help from Maharashtra State Marketing Board, Jain Irrigation, Horticulture Training Centre and Irradiation Unit at Lasalgoan to prepare the project.

The foundation stone for the facility will be laid on Tuesday in the presence of senior State ministers, Mr Jagadeesh Shettar, Mr Murugesh Nirani, Mr Umesh Katti, Mr Basavarj Bommai and MPs.

Panchkula to get agri marketing institute

Chandigarh, June 20:

The Haryana Chief Minister, Mr Bhupinder Singh Hooda, on Monday announced that an Institute of Agriculture Marketing would be set up at Panchkula for providing the best training in marketing to farmers and agriculture officers.

Mr Hooda was addressing farmers after inaugurating the 'Kisan Bhawan', which has been set up over an area of 3.5 acres at a cost of Rs 11.9 crore, at Panchkula.

The Kisan Bhawan is equipped with the modern facilities like Kisan Conventional Centre, Conference Room, library 13 faculty rooms, two lecture halls, 23 rooms and two dormitories.

While advocating the adoption of vertical growth in agriculture, Mr Hooda said horizontal growth in agricultural production had been achieved and states such as Haryana and Punjab were making optimum use of available land.

"The country is developing at a growth rate of 7 per cent, but in the field of agriculture the growth is 1.6 per cent only. The answer to this problem lies in going for vertical growth," he said.

Haryana is already number one in wheat and mustard productivity, and leading in milk production, he said, adding that “now, we should grow vertically and adopt modern techniques like greenhouse, drip and sprinkler irrigation, as is being done in Israel.”

The Chief Minister said in a greenhouse, vegetables up to 80 tonne are produced in one acre, whereas the best prevailing farming techniques could produce 8-10 tonnes only.

“The small farmers would be benefited with the new technologies like the greenhouses as they would be able to get more production and three yields a year against the two yields and lesser prevalent production,” he pointed out.

Mr Hooda urged farmers to adopt water harvesting techniques such as drip irrigation, which use only 20 per cent of the water and give better agricultural production. He also stressed for diversification and production of vegetable, fruits and floriculture.

Badal seeks direct transfer of fertiliser subsidy to farmers

Chandigarh, June 20:

The Punjab Chief Minister, Mr Parkash Singh Badal, on Monday asked the Chemical and Fertilisers Ministry to implement its proposal to directly transfer fertiliser subsidy to farmers on a pilot basis to resolve the issues and difficulties in its implementation.

In a letter to Chemicals and Fertilisers Minister, Mr M K Azhagiri, the Chief Minister reacted to the concept paper prepared by the Centre in this behalf and made certain observations after a detailed study.

He said in the current system farmers have to pay only the subsidised price of the fertiliser. However, in the proposed system he/she would have to first pay the market price and then have the subsidy reimbursed in his/her bank account, which would cause unnecessary financial burden on the farmers, both in terms of initial higher investment and the interest cost for the period it takes to get the subsidy reimbursed.

Mr Badal also mentioned that it has been the practice in Punjab to preposition fertilisers to ensure the availability of the material in the state at the time of need.

The Centre has appreciated this initiative on various occasions. For this purpose, the state's agencies make advance payment to the fertiliser companies to obtain the fertiliser.

Henceforth, the payment of the market price rather than subsidised price would increase the financial burden on these agencies.

At present, the Centre gives subsidy only to a limited number of companies. In the new proposal, subsidy is proposed to be released to crores of individual farmers at different times in the year.

This would involve a huge logistical and financial exercise, with correspondingly higher chance of leakage and harassment to the individual beneficiaries.

Though technology can provide a solution in the ultimate analysis, difficulties during the intervening period could be quite daunting, added Mr Badal.

Mr Badal pointed out that these issues could create serious problems of implementation and lead to hardships for the intended beneficiaries.

TN focuses on technology to boost farm productivity

Chennai, June 20:

Tamil Nadu will take steps to achieve a foodgrain production of 115 lakh tonnes from about 42 lakh ha in 2011-12, according to an official press release.

At a review meeting of the Agriculture Department, the Tamil Nadu Chief Minister, Ms J. Jayalalithaa, urged the officials to ensure that farmers fully utilise the opportunity provided by the timely release of water from the various irrigation reservoirs to achieve a crop cover of 3.2 lakh ha in the ongoing season.

At the meeting the emphasis was on application of modern technology, strengthening infrastructure and supporting farmers to enhance output and augment their income.

The focus will be on increasing the production and productivity of all the main crops in the State, including paddy, sugarcane, cotton, pulses and oilseeds. Farmers will be encouraged to take up

SRI (System of Rice Intensification) in over 9 lakh ha; agriculture cooperatives and agri engineering departments will support mechanisation of cultivation by renting the equipment at reasonable prices.

High density cultivation of mango, banana and cashew will be taken up in over 5,000 ha; amla and lemon crop coverage will target about 1,700 ha; and sustainable sugarcane initiative would be taken over 4,000 ha. Cultivation of pulses as a separate crop will also be encouraged.

Information technology tools will be utilised to disseminate information to the farmers, the release said.

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