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Bees: climate change causes concern



Effect: Ambient temperature affects bees.

Global warming has led to many plants blooming ever earlier and also before honey bees emerge from hibernation, leading to fears of a long-term decline in pollination.

A combined research group centred at Munich's Technical University (TU) has carried out a study into how bees are dealing with the change in global temperatures.

"We have increasingly noticed an ever growing difference between temperature and flight activity," said bee expert Juergen Tautz from Wuerzburg University.

Research has shown that the European spring is being pushed forward by 2.5 days every 10 years but it is still not known how exactly the earlier rise in temperatures is affecting the behaviour of bees.

TU doctorate student Raimund Henneken has been investigating how bees are reacting to the higher temperatures. "Bees are directly affected by ambient temperatures and indirectly dependent on climate and the flowering of plants," he said.

"Accordingly, it is important to observe year by year the behaviour of bee populations early in the spring season. This is the way to see later how the behaviour of bees is affected by climate change." The project concentrates on swarming, the natural means of reproduction of honey bee colonies. In order for swarming to occur the weather has to be mild for several weeks when about 60 per cent of the worker bees leave the original hive location with the old queen.

Insects also have to be fit and healthy for swarming to take place and the event usually occurs on a warm and sunny day. The information about swarming is essential to Henneken's research. Henneken has received less information from eastern Germany and the coastal regions. "The primary objective of the project is to describe the swarming behaviour of bees in detail," explains the scientist. After several years it will then be possible to assess the impact of climate change on the behaviour of bees. Henneken has already noticed a strong correlation between temperature and swarming activity.

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FARMER'S NOTEBOOK

Farmers must decide on input requirements of their crops

M.J. PRABU

A farmer earned Rs. 3,00,000 from three acres in 9-10 months

-PHOTO: SPECIAL ARRANGEMENT



Bumper yield:Gayatri Prabhu in her banana field at Theni.

"A person suffering from some ailment chooses the type of treatment he desires — whether to choose allopathy, siddha, unani or ayurveda treatment. Similarly farmers are at liberty to choose the type of inputs they need for their crops, instead of listening to others," says farmer Mr. G. Ranga Prabhu, from Theni, Madurai.

Mr. Prabhu earned about Rs. 3,00,000 from banana (G-9 variety) from cultivation in three acres in 9-10 months using only natural manures. A lawyer turned organic farmer, he claims that natural inputs work best and can result in a good yield.

#### Open invite

"I invite people to visit my field in Theni, to see for themselves the healthy growth of my banana crops. I use only waste from my piggery unit and some other natural inputs such as effective micro-organisms for my crop," he explains.

Presently there are two views regarding crop cultivation according to him. One group professes its faith in chemical based agriculture and the other, in using natural methods.

"It is best for the farmer to study the pros and cons of both and then decide on his own as to what methods will suit him," he cautions.

But isn't sourcing inputs such as dung pose a problem for farmers desirous of taking up natural farming?

"True, more than the practitioners, those manufacturing and selling organic inputs today make a good profit. Cows and many animals are practically disappearing from many villages (often sold to the butchers).

"Those desirous of taking up organic cultivation must first start rearing a few farm animals as a means of getting the raw materials for making the inputs," says his wife Gayatri.

Both agree that dwindling land resources and farmers selling their lands will pose practical problems for rearing animals.

Holistic approach

"Though today organic food is fast becoming a fad among the city dwellers, some 50-60 years ago, our grandfathers' grew crops only through organic methods. A holistic approach to the village ecosystem — farm, animals, birds, insects — was undertaken and everything played a role in different stages of a plant growth," explains Mr. Prabhu.

"But in the name of development and scientific methods of cultivation the learned scientific fraternity ridiculed these effective practices and advocated the need for using artificial inputs.

"Now, the very same elite people realize the dangers of these chemicals filtering into the food we eat, and are suddenly preaching the advantages of going "organic" and "eco-sensitive," adds Mrs Gayatri.

#### Proven fact

According to Mr. Prabhu, it is a proven fact that cost of cultivation comes down to nearly 70 per cent if natural inputs are used. It is also a myth that the yield in organic cultivation is low.

The agro-chemical industry's claims of increased yield usually lasts for only the first few years. After that, farmers report a significant drop and sometimes complete degradation of the soil, whereas organic farmers in the same area are able to sustain good harvests at almost the same levels.

According to a report published in the Confederation of the Indian Farmers Associations (Cifa), the average monthly income of farmersranges between Rs 1,578 and Rs 8,321, while the lowest paid government employee gets Rs 10,000, every month. "The report clearly proves the poor financial condition of our farmers," says Mr. Prabhu.

He explains "Government cannot be expected to help the farmers in distress. They think their work is over after they announce the freebies and subsidies. But till date no government ever bothered to monitor whether these concessions ever reached the needy farmer.

# Try to practice

"To them these announcements become achievements only during election time. Our farmers should realise that they are responsible forthemselves and even if not totally, should at least try to practice natural cropping methods at least in a corner of their farm," he says.

For more details contact Mr. G. Ranga Prabu, No 136/7, Panchayat office street, C. Pudhupatti, Theni district, Tamil Nadu: 625556, mobile:9962552993 and Mrs Gayatri at 9962551993.

#### Date:23/06/2011 URL:

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#### Agreement on grassroots knowledge extended

National Innovation Foundation-India (NIF), an autonomous body under the Department of Science & Technology, Government of India and Indian Council of Medical Research (ICMR), New Delhi today extended its Memorandum of Understanding (MoU) for validation of practices received from traditional knowledge holders from throughout the country.

#### Time period

Dr. V.M. Katoch, Director General, ICMR (Indian Council of Medical Research) and Prof. Anil K. Gupta, Executive Vice Chairperson, NaNIF signed the MoU at ICMR Headquarters at New Delhi. The MoU shall be valid for another five years till 2016.

This collaboration will strengthen the synergy achieved between informal, uncodified and nonclassical health related people's knowledge and the apex institution for medical research in the country.

#### Focus

It will focus on grassroots traditional knowledge based practices that incorporate either use of new medicinal plants not reported in any Indian codified literature or new use of already mentioned medicinal plants or multi-herb formulations for drug development.

This cooperation will also serve to recognize, respect and reward the knowledge rich, economically poor indigenous people who may have made innovations in traditional knowledge for inclusive development in the decade of innovation.

This is in tune with the ethical guidelines issued by ICMR on Clinical Trials with herbal medicines based on folklore knowledge.

#### Documentation

While the community practices will be documented and sourced from the rich NIF database developed mainly with the assistance of Honey Bee Network volunteers, the cooperation will be guided by prior informed consent of the knowledge providers.

ICMR will work towards validating the safety and efficacy of the practices that are claimed to have therapeutic value by grassroots healers.

Any benefit generated will largely go to the traditional knowledge holders and partly to other stake holders in the value chain to the extent of their involvement.

This bridge between people's knowledge and institutional science shows the resolve of scientific institutions of the country to become more and more responsive to the needs of the common people.

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http://www.thehindu.com/thehindu/seta/2011/06/23/stories/2011062352111500.htm

#### FARM QUERY

Panikulangara cardamom, Where can I get information on Panikulangara cardamom variety?

#### Shanti Williams, Coorg

The variety can be cultivated under drought conditions and is less prone to pest attack. Mr. Joy Peter, a cardamom farmer from Idukki, Kerala developed this variety and has marketed about 23,000 seedlings of Panikulangara No 2 so far.

For more details contact Mr. Joy Peter, Panikulangara, PO Vattiar, Kallar, Idukki Kerala, phone: 04864278202, mobile: 9961812833.

#### Horticulture college for women to start functioning this academic year

#### S.Ganesan

TIRUCHI: The Tamil Nadu Agricultural University's (TNAU) Horticulture College and Research Institute for Women, for which Chief Minister Jayalalithaa laid the foundation stone here on Sunday, will start functioning from this academic year.

The college would temporarily function from the TNAU's Anbil Dharmalingam Agricultural College and Research Institute at Navalurkuttapattu in the outskirts of the city, until buildings were constructed.

"The college would offer a four-year undergraduate programme, B.Sc.in Horticulture, with an intake of 40 students to start with. Admissions for the college are under way through the on-going single window system of the TNAU currently," P.Murugesa Boopathi, Vice Chancellor, TNAU, told The Hindu over the telephone on Wednesday.

Dr.Boopathi indicated that already some students have been allotted seats in the college and expressed confidence over filling all the available seats over the next few days.

Students of the new college would be accommodated at the women's hostel of the agricultural college.

The Chief Minister had announced that the college would be established at a cost of Rs.40 crore and Rs.10 crore would be sanctioned in the first year.

The new college would be established in a 50-acre site belonging to the TNAU, adjacent to the agricultural college at Navalurkuttapattu. Finance Minister O.Paneerselvam and Agriculture Minister K.A.Sengottaiyan inspected the site ahead of the Chief Minister's visit to the city.

"Funds have been sanctioned for creating the necessary infrastructure for the new college and we are already working on preparing the plan for building class rooms, laboratories,

administrative building and hostel for the new college. Construction would begin soon," Dr.Boopathi said. A special officer would be appointed soon for the college.

He indicated that the classes for first year students would be held along with those of the agricultural college students for the common subjects during the first year. Classes would be held separately for two or three exclusive horticulture subjects. Classes are set to begin on July 18.

The first and second year classes would be moved to the new college campus from the next academic year. Additional faculty members would not be required for the first year classes and faculty allotments for the new college are expected to be made next year.

Date:23/06/2011 URL: http://www.thehindu.com/2011/06/23/stories/2011062356320500.htm

Mango farmers to be taught Israeli techniques: Collector

Staff Reporter

All India Mango Exhibition begins in Krishnagiri

Photo: N. Bashkaran



Krishnagiri District Collector C.N. Maheshwaran at the 19th All India Mango Exhibition that began in Krishngiri on Wednesday. –

KRISHNAGIRI: Farmers in the district will be trained in Israel techniques to get high yield in mango cultivation, said C.N. Maheshwaran, District Collector, here on Wednesday.

In the absence of Agriculture Minister K.A. Sengottaiyan and Minister for Municipal Administration and Rural Development K.P. Munusamy, Mr. Maheshwaran inaugurated the 19th All India Mango Exhibition at Government Boys High School Ground here.

Mr. Maheshwaran said that mango was being cultivated in 40,000 hectares in the district. He said that mango growers were getting Rs. 22,500 as subsidy an acre. This year, Rs. 1.20 crore would be distributed as subsidy to mango growers.

The Collector said that the exhibition would remain open to the public till July 15.

T. Ramachandran, MLA, asked the government to establish a mango procurement centre and mango pulp industry in the district to safeguard the interests of mango farmers.

The government should announce Thalli and Hosur as export zones keeping in view the abundant production of cut rose and chendu malli in the area. It would help farmers avail themselves of many facilities offered by the government. He expressed the hope that Chief Minister Jayalalithaa would fulfil her electoral promises on setting up a cold storage facility for tamarind in the district.

Mr. Ramachandran asked the Horticulture Department to double the area for eligibility for subsidy and raise the subsidy amount to Rs. 6.50 lakh from the present Rs. 3.25 lakh.

K.E. Krishnamoorthy, MLA, asked the District Collector to take the initiative in bringing back the glory of Government Spinning Mill in Uthangarai to safeguard the interests of hundreds of workers.

Manoranjitham Nagarajan, MLA, spoke.

K. Rajan, Joint Director, Agriculture Department, and P. Subbian, Additional Director, Horticulture Department, explained the actions being taken to improve the agriculture and horticulture production in the district and the subsidy available to farmers. C. Prakasam, District Revenue Officer welcomed the gathering.

Later, Mr. Maheshwaran distributed welfare assistance of Rs. 1.53 crore to 238 beneficiaries.

#### Counselling on crop protection at every panchayat inaugurated

**Special Correspondent** 



Mission begins:B Maheswari, Collector, inaugurating the panchayat level counselling in Pudukottai district on Wednesday.

PUDUKOTTAI: The Agriculture Department has evolved a special programme for providing the crop protection counselling and guidance to the farmers at each and every village panchayat. Apart from crop protection techniques, farmers will also be able to get the necessary agricultural inputs right from seeds to subsidy-based assistances.

The programme aims at stepping up agricultural productivity and increasing profitability of the farmers, said B. Maheswari, Collector, speaking at the inaugural of the programme at a couple of places in the district on Wednesday.

The Collector said that the district had a total of 498 village panchayats and the Agriculture Department has strength of 56 assistant agriculture officers (AAOs).

The Agriculture Department would fully utilise the services of the AAOs. Each AAO would camp at two village panchayats every day.

A schedule has been drafted in such a manner that the AAO would visit a particular village panchayat once in a fortnight. Ms. Maheswari inaugurated the programme at Kaikurichi and Agarapatti village panchayats in the district. She enquired of the farmers about the benefits of the new programme.

T. Thangavelu, Joint Director of Agriculture, said that the Pudukottai was a forerunner in the implementation of the scheme. Farmers would benefit in a big way as the AAOs would also inspect their fields. He also said that the AAOs would guide the farmers on selection of seeds, fertilisers, bio-manures so on and so forth

K. Balan, Deputy Director of Agriculture was among those who were present.

Date:23/06/2011 URL: http://www.thehindu.com/2011/06/23/stories/2011062366300800.htm

#### Preparations on for autumn season in Government Botanical Garden

D.Radhakrishnan

Sowing operations with seeds from Kolkata have begun





Getting ready: Workers collecting seeds from flowers at the Government Botanical Garden in Udhagamandalam. -

Udhagamandalam: Having provided a visual treat to lakhs of visitors during the Summer tourist season, the Government Botanical Garden (GBG) here is now in the process of decking itself up for the Autumn (September/ October) season.

Speaking to The Hindu here on Wednesday, the Joint Director of Horticulture in-charge J.Haldorai said that a plan of action has been drawn up to spruce up the garden before the curtain goes up on the second season.

Sowing operations with seeds procured from Kolkata have already commenced.

Among the varieties are French Marigold, Begonia, Dahlia, Sweet William and Helichrysum which are capable of withstanding wet conditions.

Full bloom

Pointing out that planting operations would commence soon, he said that all the flowers would be in full bloom around the beginning of September.

Steps have also been initiated to make the main lawn more pleasing to the eye.

The process of collecting seeds from withering flowers like Salvia for use during the Summer of 2012 is now in progress.

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#### TNAU PG admission date extended

COIMBATORE: The last date for receipt of filled-in applications along with fee remittance and submission of documents for the master's programmes of Tamil Nadu Agricultural University has been extended to June 30 from June 22.

According to a university release, the entrance test for the various master's and PG diploma programmes will be held on July 13 on the university premises. All eligible candidates have to be present at 10 a.m. for scrutiny of original documents before the entrance test. The list of eligible candidates will be hosted in the website www.tnau.ac.in and they will also be individually intimated through e-mail.

For details, e-mail to Dean, School of Post-Graduate Studies, TNAU, to deanspgs@tnau.ac.in.

#### Grow hybrid variety of vegetables, farmers told

Staff Reporter

They are being sensitised to adopt strategies in this regard

- Photo: N. Rajesh.



BOON:S. Raja Mohamed, Assistant Director of Horticulture, inspecting hybrid vegetable

Tuticorin: Farmers are being sensitised to adopt strategies for growing hybrid variety of vegetables. With good agricultural practices like incorporation of organic manures at initial stages, progressive farmers could maximize profits.

Need-based pest and disease management, nutritional management, timely harvesting, tapping of market intelligence and marketing of their vegetable produces at an appropriate time could enhance agricultural productivity, S. Raja Mohamed, Assistant Director of Horticulture, Vilathikulam block, said.

After assessing the yield potential of hybrid bhendi variety "US 7109" (ladies finger) at the field of a farmer M. Madasamy at Ayan Pommaiyapuram in Vilathikulam block, he suggested the farmers to cultivate hybrid vegetables to achieve high yield to attain benefits.

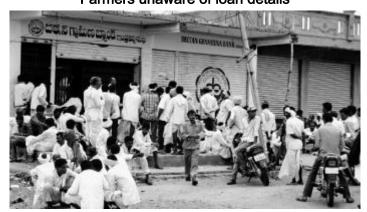
Since the farmers were guaranteed with higher yields and attractive returns, they had been tempted to opt for hybrid vegetable cultivation. Thirty kilograms of hybrid bhendi seeds had

been distributed to 17 farmers in the block during February this year at 50 per cent subsidy under the Integrated Horticulture Development scheme, he added.

The marginal farmers, who owned one or two acres, had also followed suit. A marginal farmer at Ayan Pommaiyapuram used to grow only conventional local vegetable varieties, especially bhendi. But he also switched over to cultivating the hybrid variety. Bhendi is low in sodium, saturated fat and cholesterol, high in dietary fibre, vitamins and minerals, thus, an ideal diet for human consumption. This hybrid variety could be cultivated throughout the year on well drained heavy soil. Black and red soils are conducive to this crop growth under sunlight.

"I adopt better management practices as advised by the officials of Horticulture Department. I manure my land by 'penning' with sheep purposely to enrich the soil prior to sowing bhendi seeds. This hybrid variety starts yielding from the 40th day onwards. Harvest to the tune of 40 kg in morning and the same in evening are being made. So far 900 kg has been harvested from 30 cents in about 10 times every other day. It is sold at Rs.10 to Rs 12 per kilo on an average. Hence I expect a yield of 1,000 kilograms of bhendi fruit additionally in another 20 to 25 days with a net profit of Rs.12, 000 to Rs.14, 000 from my land" Mr. Madasamy said.

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Farmers unaware of loan details

Ignorant:Farmers in Adilabad standing in long queues to get crop loans sanctioned.

ADILABAD: The complaints being filed by farmers in the Adilabad district reveal lack of awareness about institutional agriculture loaning, one of the factors that is blocking progress in rural areas.

Unaware about the scale of finance they are eligible for, a majority of farmers depend on the 'generosity' of bank officials for the crop loan.

"Cotton farmers, for example, get only about Rs. 7,000 per acre though the scale of finance for this crop has been fixed at a minimum of Rs. 13,500 and a maximum of Rs. 15,000," reveals a banker.

He squarely blames fellow bank managers and agriculture officials for not telling farmers about the amount of funds they can raise through a bank loan.

"Farmers cannot help but approach private money lenders when they fail to raise required finance from the bank", he points out.

. So far only about Rs. 200 crore has been advanced as crop loans in the district against a target of Rs. 737 crore during kharif.

Another major irritant in the gamut is the credibility of bankers. Farmers with overdue accounts (53,242 farmers of the 3.6 lakh owe about Rs. 128 crore as overdue to banks) are reluctant to clear the old dues to obtain a fresh loan fearing the manager may not sanction one after they realises the debt.

Around 253 farmers of the 800 in Kusli village in Dilawarpur mandal are known to be delaying renewal of their loan on account of this reason.

They doubt if a loan will be sanctioned after they repay the old dues by raising the funds from private money lenders.

"Bankers are to blame for such sorry state of affairs. The branch managers and agriculture officials should have talked to borrowers on this aspect to build confidence among them," says an office bearer of a bankers trade union as he points out towards a debilitating communication gap between the two sides.

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State urged to give subsidy to millets

**Special Correspondent** 

HYDERABAD: The Millet Network of India, an association that works with millet farmers, has written to Chief Minister N. Kiran Kumar Reddy expressing concern over the government's move last week to provide input subsidy of Rs. 5,000 an acre for maize farmers while neglecting millets that could play a vital role in ushering food and nutrition security.

At a press conference here on Wednesday, P.V. Satheesh, convenor of the Network and Director, Deccan Development Society, said that the development was cause for serious concern and wondered if the decision was taken with farmers' welfare in mind or whether it was part of the global food politics, where maize was the new weapon for genetic engineering and agro-fuel production.

Industrial crop

Mr. Satheesh said use of maize in India was more as an industrial crop than as a food crop, with just about 35 per cent being used for human consumption. The potential of maize to produce bio-fuel was what was attracting the State to declare supportive policies. Taking a careful view of the crisis that millet crops were in, steps are needed to boost millet cultivation and consumption, including provision of input subsidy of Rs. 10,000 per hectare for millets, he added.

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Collective farming will be promoted: Muneer

Thiruvananthapuram: Minister for Social Welfare and Panchayats M.K. Muneer has said the government will encourage collective farming and strengthen the network of Kudumbasree units to benefit more people.

Addressing reporters at Aruvikkara after a visit to the farms managed by Kudumbasree units here on Wednesday, he said the new initiatives would be taken up for implementation in the Chief Minister's 100- day programme.

Under the Kudumbasree scheme, formation of neighbourhood groups (NHG) for vulnerable groups, registration and vehicle facility for 20 new BUDS schools for children with special needs, development initiatives for artisans village, and home shopee-community marketing facility would be taken up. The Minister said a strict monitoring system would be put in place to prevent private micro-finance units from fleecing the public.

As many as 10,000 women's self-help groups would be provided with interest free loans for self employment. Special training under the Food Craft Institute will be imparted to youth. Apart from this, Kudumbasree units would act as the nodal agency for providing subsidised home loans under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) scheme.

Dr. Muneer said the signing of an agreement for the Kerala self-government service delivery project funded by the International Development Agency would be one of the highlights of the 100-day programme.

Financial assistance for preparing project reports on solid waste management, poverty alleviation, and village planning; e-tendering for projects above Rs.25 lakh for the Pradhan Mantri Gram Sadak Yojana (PMGSY); and construction of three new research centres for environment management, women empowerment, and poverty alleviation under the Kerala Institute of Local Administration (KILA) were the programmes lined up for the panchayat division, he said.

Under the social welfare division, a special commission on child welfare would be created. Socio-economic survey and financial assistances to children of endosulfan victims would be given due importance.

#### Cotton sowing on the rise

CHANDIGARH: Cotton has been sown over an area of 5.98 lakh hectares in Haryana including 2.10 lakh hectares in Sirsa district, an official spokesman said here on Wednesday. The State Agriculture Department has set a production target of 24 quintals per hectare as against 19.5 quintals per hectare last year, the spokesman said.

Date:23/06/2011 URL: http://www.thehindu.com/2011/06/23/stories/2011062362080200.htm

# All help to farmers for organic farming: Nitish



Bihar Chief Minister Nitish Kumar addressing an international conference in Patna on Wednesday.

PATNA: Chief Minister Nitish Kumar on Wednesday said his government would provide all possible help to farmers for adopting "organic farming".

Inaugurating an international conference here, he said elaborate measures have been taken for organic farming in Bihar.

Stating that his government was according more importance to organic farming, he said "we have initiated works on a special programme for promoting organic farming on which Rs.250 crore will be spent."

"Under the programme, one village in each of the 38 districts in Bihar will be identified as organic village," he said, adding that the Government had made production of worm compost need-based and in the first year itself around 40,000 farmers reaped the benefits of it.

"Now a programme has been launched for making worm compost commercial," he said, adding that the government had decided to give 50 per cent concession under the programme to those who plan to set up bio-gas units in Bihar along with production of worm compost.

Noting that the Government had provided free of cost one lakh quintals of "Dhaincha seed" to farmers during this kharif season, he asked them to protest the fertility of land at all costs. "We are also trying to promote bio-fertilizer and organic fertilizer will be made available free of cost to farmers for seed development."

Date:23/06/2011 URL: http://www.thehindu.com/2011/06/23/stories/2011062365120500.htm

#### Special camps for farm loans in Rajasthan

Special Correspondent

JAIPUR: The Rajasthan Government's Cooperative Department will organise special camps at village cooperative society headquarters across the State on June 27 and 28 for disbursement of crop loans to farmers for the coming kharif season. The monsoon is set to enter the State by this month-end.

Cooperative Minister Parsadilal Meena said here on Wednesday that a target has been set for disbursement of crop loans worth Rs.6,000 crore this year. "Of this, loans worth Rs.4,000 crore will be given to farmers for sowing of kharif crops." The credit limit for crop loans has already been revised to Rs.1 lakh, Mr. Meena said, adding that the loans would be sanctioned and disbursed on the spot.

# Plan proper purchase of kharif paddy: Collector

VIJAYAWADA: With kharif crop being sown now district administration has asked the cooperative societies to plan in advance to buy paddy or other produce at remunerative prices and improve their own financial status.

Reviewing the situation at the onset of monsoon, district Collector S.A.M. Rizvi told officials to plan the procurement process properly along with storage-linkage to avoid the situation in which the farmers and government was in the rabi season.

At a workshop at the NTR Cooperative Bhavan here on Wednesday, he said that setting up of at least 100 purchase centres in the district should be planned in advance by learning from the mistakes and difficulties faced during Rabi experience.

State government will provide 2.05 per cent commission to all the cooperative societies in the purchase of paddy and that would help the societies stabilize their financial position, the Collector added. He wanted to learn from the good experience of the Self Help Groups that had flawlessly purchased paddy during Rabi season. Cooperative societies should appoint sufficient number of staff members in advance to carryout the purchase operations, he opined. Civil Supplies District Manager E. Chittibabu, District Cooperative Officer Prasad Raju, KDCC Chief Executive Officer Krishna Prasad and presidents and secretaries of cooperative societies participated in it.

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G20 agriculture ministers tussle over trading rules

First Published: 22:58 IST(22/6/2011)

Last Updated: 02:48 IST(23/6/2011)

G20 agriculture ministers considered French proposals to tighten regulation of commodity markets and set up emergency reserves as they gathered on Wednesday for a first-ever summit that aims to tackle rising food prices.

Paris has made tougher commodity trading rules a priority of its 2011 presidency of the Group of 20 leading economies. President Nicolas Sarkozy has blamed speculators for food price inflation. But it faces opposition to stringent market rules from Britain and Brazil, as well as reluctance from the likes of China and India to share farm data.

A draft communique showed the farm ministers could end up with a watered-down deal limiting decisions to agricultural issues, mainly data or food supplies, not financial markets.

"I prefer to take responsibility for a failure rather than a half-hearted agreement or an agreement for appearance's sake," French agriculture minister Bruno Le Maire said. He warned that a failure to adopt concrete measures to tame surging staple food prices before the summit concludes on Thursday could give way to

more riots.

Surging demand for food and fuel will maintain inflationary pressure on commodities this decade, international bodies warned last week.

Benchmark international wheat prices are up about 50% in the past 12 months alone, while corn prices have doubled.

While all G20 nations have agreed that steps must be taken to tackle

#### TAMING THE MARKETS

- Paris has made tougher commodity trading rules a priority of its 2011 presidency of the Group of 20 leading economies
- France proposes measures to curb food price volatility
- G20 countries agree action needed, differ on solutions
- Market regulation a key stumbling block
- It faces opposition to stringent market rules from Britain and Brazil, as well as reluctance from China and India to share farm data.

surging food prices, they are split over whether prices should be tamed by regulation or by increased agricultural production. China considers, as does India, that giving exhaustive and timely data on stocks would be difficult for practical reasons.

# Weather

#### Chennai - INDIA

# Today's Weather

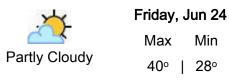
Thursday, Jun 23

Max Min

Clear 38.9° | 27.2°

Rain: 00 mm in 24hrs Sunrise: 5:43 Humidity: 59% Sunset: 18:37 Wind: Normal Barometer: 1001

# Tomorrow's Forecast



### Extended Forecast for a week

Saturday	Sunday	Monday	Tuesday	Wednesday
Jun 25	Jun 26	Jun 27	Jun 28	Jun 29
٩	٨	٩	Ç	4
35º   28º Rainy	36º   28º Rainy	35º   29º Rainy	35º   29º Rainy	34º   28º Rainy

# THE ECONOMIC TIMES

Thu, Jun 23, 2011 | Updated 11.07AM IST

23 Jun, 2011, 10.47AM IST, IANS

#### US raises India's sugar import quota

WASHINGTON: In a bid to ease a supply shortage of sugar amid surging retail prices, the US has boosted its import quota for raw sugar by 120,000 tonnes including 1,421 tonnes from India. With the addition of 120,000 tonnes to the tariff-rate quota (TRQ) for the 2011 fiscal year ending Sep 30, the quota now totals 1.676 million tonnes, the US Department of Agriculture said Wednesday.

Sugar is the only major agricultural commodity produced in the US that is subject to import quotas. The limits were established to benefit domestic growers. Mexico became exempt from the quota in 2008 under the North American Free Trade Agreement.

Announcing country-specific allocations of additional in-quota quantity of the tariff-rate quota (TRQ) for imported raw cane sugar, the US Trade Representative (USTR) said TRQs allow countries to export specified quantities of a product to the US at a relatively low tariff, but subject all imports of the product above a pre-determined threshold to a higher tariff.



#### AP Govt warned over sops to maize farming

June 22, 2011 10:22:25 PM

### Pioneer News Service | Hyderabad

Millet Network of India, an organisation fighting to save and promote the cultivation of millet crops in the country, has questioned the motives of the Andhra Pradesh Government in increasing the input subsidy for the maize crop from Rs 3,500 to Rs 5,000 per acre.

PV Sateesh, the national convener of Millet Network, alleged that there was a sinister game plan involving the Government and a seed manufacturing multinational company behind promoting the maize crop at the cost of other food crops, endangering the food security of the people.

Addressing a Press conference in Hyderabad on Wednesday, he said that unlike other millets such as jawar and bajra (pearl millet), maize was an industrial crop and it was posing threat to the other more nutritious food millets.

He alleged that Andhra Pradesh was the next State to be drawn in the trap of Monsanto, after the other States like Gujarat, Rajasthan, Odisha and Madhya Pradesh. The propagation of the maize crop is a step towards introducing the genetically modified variety of the maize in India, he warned.

Demanding the Andhra Pradesh Government to rethink its policy on maize and not to encourage the further spread of its cultivation, he pointed out that it was already a fastest growing crop in the country. "There was no demand to increase its subsidy. Why it was increased when the subsidy for the crops like paddy and sugar was not increased despite farmers demanding and agitating for it. This is what raises the doubts and questions about the motive behind it," he said.

Sateesh pointed out that between 2000 and 2010 the maize cultivation area in Andhra Pradesh has gone up from 4.52 lakh hectares to 8.56 lakh hectares and its production had gone up by four times from 14.72 lakh tonnes to 42.20 lakh tonnes.

Of the total maize production in India, only 35 per cent goes towards human consumption and the remaining goes to feed industry, cereal industry, bio fuel and alcohol manufacturing.

He said the use of maize to produce bio fuel will only boost the automobile industry and it will be a very poor land use when hunger and malnutrition continues to be a big problem in the country.

Warning that the maize was facing a serious threat to the other millets, which were source of nutrition for the poor, PV Sateesh said that it will create serious threat to food security in the

country. "Maize cannot withstand the climate change but other millets can and they can be grown in the most adverse conditions," he said.

Millet Network of India demanded the Andhra Pradesh Government to increase the input subsidy for the other millets to Rs 10,000 per hectare to promote their production.

Interestingly, the demand for the Indian maize seems to be on the rise in the international market as the prices for the commodity have shot up in the international market after the fall in the maize production in the United States, the biggest grower in the world.

The maize or corn production in India is estimated to be 20.23 tonnes this year as the area under maize cultivation has gone up to 7.6 million hectares.

# Seed Bill anti-farmer, says Nitish

June 22, 2011 10:23:40 PM

#### Amarnath Tewary | Patna

As part of his campaign against the proposed Seed Bill, Bihar Chief Minister Nitish Kumar on Wednesday called it a "Black Bill" and declared that it would not only hamper the interest of farmers but also benefit multinational companies. Nitish Kumar also declared to provide all-possible help to farmers for adopting "organic farming" in the State.

"The proposed Seed Bill is nothing but a Black Bill and if it comes into force it will subject to immense suffering to the farmers," he said.

The Chief Minister further said that, since agriculture was a state subject in Constitution, the Bill should come in conformity with the State Governments' wishes.

"Seed Bill of genetically modified (GM) foods must not be thrust on the State Governments

without taking them into confidence," Nitish Kumar stated, while speaking at a three-day international conference on agriculture held here.

While taking on the proposed Seed Bill head on, the Chief Minister termed it as anti-farmer and pro-multinational Bill. "Bihar is an agro-based State and livelihood of many is based on agriculture "so if that too is put in danger where will they go?" he asked.

"I have expressed my opposition to the proposed Seed Bill and also want to know whether it is being brought in the interests of farmers or to favour multi-national companies," he said.

Nitish Kumar also expressed surprise that since all sections of society were opposing the Bill what was the need of bring it into force.

"Everyone knows that the interests of farmers will be in jeopardy if the Bill is implemented, but still the UPA Government at the Centre appears hell-bent to enforce it," he claimed.

It is said that the Bill seeks to nullify the Seeds Control Order of 1983, which gives various powers to the State Governments to monitor seeds and seed trade. "This is dangerous for the growth of agriculture and States," Nitish Kumar stated.

"There shall be more and more trials to check how harmful the seeds are and what impact it will have on the soil," he suggested.

Earlier the Chief Minister had written a letter to Union Agriculture Minister Sharad Pawar, expressing serious concern over the Bill.

"I've written a letter to Union Agriculture Minister Sharad Pawar opposing the new Seed Bill as it is not in the interest of the farmers. Only multinational companies would be benefited from this law," Nitish Kumar had written.

Earlier, the Chief Minister had vehemently opposed the field trial of Bt maize in two districts of Bihar — Bhagalpur and Begusarai — and got it withheld from the Centre. The genetic engineering approval committee had chosen the two districts of Bihar for the field trial of Bt maize without any consultation with the State Government.

"The moment I came to know about it I expressed my opposition to Union Minister for Forests and Environment Jairam Ramesh, who later stalled the trial," Nitish Kumar said.

While addressing the conference, the Chief Minister also assured the farmers of the State that all help would be given to them for the promotion of organic farming.

"We have initiated works on a special programme for promoting organic farming on which a sum of Rs 250 crore will be spent. Under the programme, one village in each of the 38 districts in Bihar will be identified as organic village," he declared.

Recently, Nitish Kumar has returned impressed seeing China's "organic farming" and had expressed that the farmers of Bihar too could do this.

The State Government had made the production of "worm compost" need-based, and in the first year itself, around 40,000 farmers reaped the benefits of it.

"Now a programme has been launched for making worm compost commercial," he said, adding that the State Government had decided to give 50 per cent concession under the programme to those who would plan to set up biogas units in Bihar together with production of worm compost.

Farmers to become self reliant with progressive farming of banana plantation

June 22, 2011 9:26:34 PM

Abhishek Ranjan | Lucknow

Farmers of the state will soon be made self reliant with progressive farming of banana plantation. The pilot project for promoting tissue culture technique of banana plantation in the state will be implemented in five districts under the MNREGA scheme.

Banana cultivation is regarded as a lucrative venture with one hectare yielding an income of Rs 7.25 lakhs at an investment of Rs 2 lakhs.

India accounts for nearly 28 percent of banana produce in world.

Several districts of the eastern region in the state are making progress by leaps and bounds in banana cultivation.

For further augmenting their income, state government has launched the ambitious project to promote banana cultivation. The scheme in a pilot project will be implemented in five districts of the state namely Barabanki, Faizabad, Basti, Maharajganj and Gorakhpur covering 200 hectares in each district. The beneficiary will be from BPL list, dalits and receipient of Indira Awas in villages and marginal farmers.

Preference will be given to the farmers who will be adopting banana cultivation for first time. Under the sceme, farmers will be paid labour charges for working in their fields while the cost of the crop will be borne by the farmer. At an estimate, Rs one lakh as subsidy will be provided to the farmer. The banana saplings will be procured from biotechnology labs approved by union government. The norms for banana cultivation will be as per National Banana Research,

Trichurapalli, Tamilnadu.

The scheme will be monitored at state level by a task force headed by Secretary; Horticulture while at district level Chief Development Officer will be the nodal officer. teh Gram Rozgar Sewaks will be roped in after training to assist the farmers while the Project Director, MNREGA at district level will control the financial aspect of releasing the funds to the beneficiaries.

# **Business Standard**

Thursday, Jun 23, 2011

Global natural rubber output up 7.1% in January-May George Joseph / Kochi June 23, 2011, 0:58 IST



Global natural rubber (NR) production increased 7.1 per cent during the first five months of the current year. According to the latest estimates by the Association of Natural Rubber Producing Countries (ANRPC), total output in January-May by the leading nine producing countries was 3.6 million tonnes. This was 3.4 million tonnes in the same period last year.

ANRPC's total production of NR is now expected to reach 10.06 million tonnes this year, up 6.2 per cent from 9.47 million tonnes in 2010. The anticipated growth for the current year closely matches the 6.4 per cent growth attained in 2010. The supply growth this year comes from area expansion and improvement in yield by 43 kg per hectare.

The global production increased 9.6 per cent in January, and 8.2 per cent in February according to the preliminary estimates, and it is expected to go down to 5.4 per cent in March, 5.2 per cent in April and 5.9 per cent May.

The consumption trend during January-May did not match with the supply as the total usage was 2.5 million tonnes only. In January, consumption was 469,000 tonnes and fell to 418,000 tonnes in the next month. From March onwards, there were some signs of improvement on the demand side, as the monthly consumption increased to 510,000 tonnes. This again rose to 546,000 tonnes in April and 557,000 tonnes in May.

In India, consumption of NR was low since the beginning of 2011. The consumption grew only 0.6 per cent in January, 3.4 per cent in February and is expected to grow at a 1.9 per cent annualised rate during the first quarter.

FinMin mulling sugar import duty at 15%, additional 4% ad vaLorem Anindita Dey / Mumbai June 23, 2011, 0:56 IST

The finance ministry is reviewing the import duty on sugar, which is currently under a duty-free regime.



Following a recommendation by the food ministry, the duty may be pegged at 15 per cent albeit with ad valorem of four per cent.

The duty on import was brought down to zero as an anti-inflationary measure in the beginning of this year and got extended beyond

March 31.

"The situation is quite comfortable in the domestic market and the industry is exporting. In such a scenario, it really does not matter what is the import duty. But we are watching the situation and the zero duty regime comes to an end on June 30. There is a review and going by the recommendation, 15 per cent import duty is reasonable," an official source said.

It is very unusual for any commodity to either attract zero duty regime or an import duty as high as 60 per cent . Therefore, 15 per cent import duty is reasonable but there may be ad valorem of four per cent, said sources.

The food ministry has been recommending 15-20 per cent import duty to the finance ministry since 2010. Ad valorem duties of customs are duties levied according to the value of goods and are usually expressed as percentages of value. Such duties are distinct from specific duties imposed on the commodity as such.

In the 2010-11 season (October-September), mills have already exported about one million tonnes to meet export obligations under the Advance Licence Scheme (ALS) and is in the process of shipping nearly 450,000 tonnes under Open General Licence (OGL).

India, the world's second-largest producer and biggest consumer, is expected to produce 24.2 million tonnes (mt) in the 2010-11 season against 18.8 mt in the previous year.

The annual domestic demand is 22-22.5 mt.

Import duty on sugar was abolished in early 2009 to boost domestic supply. Before that, the import duty was 60 per cent. In 2008-09 and 2009-10, the domestic output was lower than the demand at 14.7 mt and nearly 19 mt, respectively.

The country had to import about six million tonnes of sugar during these two seasons.

Owing to excess supply, the food and consumer affairs ministry has been easing the stock holding limit on sugar to improve market supplies and clear pipeline stocks.

In March, an empowered group of ministers had relaxed the limit on sugar to 500 tonnes per month from the earlier limit of 200 tonnes.

This was done as sugar production in the 2010-11 crop marketing season rose to almost 24.5 to 25 mt, while consumption was estimated to be around 22 mt.

The production in the coming crop season, which starts from October, is expected to be even more than this year. Stock holding limit is a control imposed by the government over the total supply of essential commodities in the open market.

Millet body seeks higher subsidy

BS Reporter / Chennai/ Hyderabad June 23, 2011, 0:37 IST

The Millet Network of India (MINI) has sought an increase in subsidy to Rs 10,000 an acre for farmers as against the state government's decision to provide Rs 5,000 per acre.

"Maize is a commercial and industrial crop. Of the total production in India, only 35 per cent goes for human consumption and rest is used for poultry feed, production of starch, dextrose, corn syrup, corn oil and ethanol production. The potential of maize to produce biofuel is attracting the state to provide such an incentive," said PV Satheesh, national convener, MINI.

The cultivation area has doubled over the last decade from 452,000 hectare to 856,000 ha while the production has increased four times to 42,20,000 tonne from 14,72,000 tonne.

However, the production area has reduced in the last decade. Jowar fields have reduced to 289,000 ha from 736,000 ha. Sajja (bajra and pearl millet) has shrunk more than 50 per cent to 58,000 ha, from 117,000 ha.

"This has become a major concern for the food security of the poor, as a number of poor and marginal farmers are likely to switch to maize cultivation lured by the aggressive support of the state," he added.

As millets such as jowar, bajra, ragi, foxtail millet, little millet, and kodo millet not only require less water to grow but are also super cereals with more nutrients than other foodgrain. It also helps in climate control.

Over the last few years, millet prices have also increased. The price of foxtail millet has increased four-fold to Rs 2,400, from Rs 600 four years ago, kharif millet increased to Rs 2,200 from Rs 700 and rabi sorghum to Rs 3,000 from Rs 1,200.

Coffee planters seek changes in existing schemes

Debasis Mohapatra / Bangalore June 23, 2011, 0:00 IST



Coffee planters have appealed to the government to implement various measures like improvement in existing schemes in the plantation sector along with discovery of new disease-resistant strains in the 12th five-year plan to improve production and productivity of the commodity.

They have also asked the government to implement a new scheme which will allow growers to participate in international exhibition.

"In our consultation with the Coffee Board, we have appealed for improvement in schemes like re-plantation, water augmentation, quality upgradation, pollution abatement measures among others to increase production of this commodity," Sahadev Balakrishna, president of Karnataka Planters' Association said. Allocation in these schemes is around Rs 500 crore during the 11th plan period and we want to have a greater allocation in the next plan, he added.

Schemes implemented during the 11th plan have excluded planters coming under the cooperative and corporate sector from any kind of subsidy. Planters have demanded inclusion of all entities in the next five-year plan. "We have also asked for a plan of action for release of new disease-resistant and drought-resistant strains for both robusta and arabica varieties," he said.

Recently, planters were migrating to cultivation of robusta from arabica as production of the latter reduced due to white stem borer. Ramesh Rajah, president of Coffee Exporters' Association, said the major concern relating to stagnating production should be addressed in the next plan. "The government should also come up with some measures to reduce the operating cost of planters and exporters in this kind of inflationary environment," he added.

On concerns of coffee exporters, Rajah said some schemes similar to the Duty Entitlement Passbook Scheme (DEPB) and interest subvention should be implemented to protect the interest of exporters.

The Coffee Board has proposed to increase mechanisation subsidy to planters, along with a plan for allocation on marketing development. "In the wake of labour shortages in coffee growing regions, we have given a proposal to provide for higher mechanisation subsidy to tide over this problem," Jabir Asghar, vice-chairman of Coffee Board said.

India produces around 300,000 tonnes of coffee in a crop year, which constitutes around 200,000 tonnes of robusta and 100,000 tonnes of arabica. While 70 per cent of Indian coffee is exported to European Union nations, Russia and other parts of the world, the rest in consumed domestically. Major coffee growing regions are Karnataka, Tamil Nadu and Kerala.

# Business Line

16,000 kg more on offer at Coonoor tea sale

Coonoor, June 22:

The offer for the auctions of Coonoor Tea Trade Association continues to be high with huge arrivals of fresh tea.

An analysis of brokers' listing indicates that 16.20 lakh kg is being offered for Sale No: 25 to be held on Thursday and Friday. This is the second largest volume offered so far in 2011. It is around 16,000 kg more than last week's offer but about 2.98 lakh kg less than the offer this time last year. Of the 16.20 lakh kg on offer, 10.93 lakh kg belongs to the leaf grades and 5.27 lakh kg to the dust grades. As much as 15.22 lakh kg belongs to CTC variety and only 0.98 lakh kg to orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.49 lakh kg belongs to orthodox variety while 10.44 lakh kg to CTC. Among the dusts, only 0.49 lakh kg belongs to orthodox variety while 4.78 lakh kg to CTC.

In the 16.20 lakh kg, fresh teas account for as much as 15.29 lakh kg. Only 0.91 lakh kg comprises teas which had remained unsold in previous auctions. Exporters are supporting such huge supply of fresh teas as there is around 35 million kg shortfall in the global bowl.

Jackfruit revival bears fruit



Identifying market: A farmer singles out jackfruit pieces from a bunch for display at a jackfruit fest in Kerala's Kasaragod district. — A.J. Vinayak

RISING INTEREST IN KARNATAKA, KERALA

Mangalore, June 22:

Jackfruit, which has remained a neglected crop all these years, is now on the revival path with farmers showing interest in exploring its potential.

The trend of revival is visible in the number of jackfruit fairs being held in various villages and towns of Kerala and Karnataka. Keeping the potential of the crop in mind, some farmers are even planning exclusive jackfruit plantations in these States.

Mr Shree Padre, a progressive farmer and expert in rainwater harvesting, told *Business Line* that all initiatives on exploring the potential of jackfruit have taken place from farmers at the grassroots level, and not from official machinery.

# Local fests catching on

According to him, the revival process started with a jackfruit festival at Wayanad in Kerala in 2006. Following this, over three dozens of fests have been conducted in various villages and

towns of Kerala and Karnataka, he said. Recently a national-level jackfruit festival was conducted in Thiruvananthapuram.

On Sunday (June 19), some farmers at Meeyapadavu (a small village on the northern most part of Kerala adjoining Karnataka) organised one such jackfruit fest to identify the best varieties in their vicinity and develop them. Of the 1,000 population in that area, 45 farmers participated in the fest to judge the quality of the variety they grow.

Dr D.C. Chowta, a progressive farmer from Meeyapadavu and organiser of the fest, said that there is renewed focus on exploring the potential of jackfruit among farmers now. Though being a low-key affair, the fest attracted good number of participation, he said.

While a good number of farmers from the nearby villages were eager to know about valueaddition to the crop, some others sought information on growing off-season varieties.

A farmer, who has been supplying unripe jackfruits for producer of chips in Mangalore, explained how he benefited from the crop.

Stating that jackfruit can provide an answer to food security, he said it has about four levels of maturity — tender, slightly grown, unripe and ripe. The first three stages can be used as vegetable. The fourth stage has many value-addition possibilities such as desserts, squash, pulp and so on, he said. Added to this, the tree remains for centuries and offers valuable timber when grown.

Mr Venkatakrishna Sharma, a farmer from Alike village in Dakshina Kannada district, said that he has already planted nearly 75 saplings of 23 varieties of jackfruit in an acre. Plans are afoot to plant it in another two acres, he said. Some other farmers in the district are also planning exclusive jackfruit plantations on their lands, he added.

Mr Anil Kumar, who runs a nursery in Puttur taluk of Dakshina Kannada district, said he is now getting more enquiries for grafted varieties of jackfruit.

Though no official statistics are available on the area of crop and production, a fact sheet published by International Centre for Underutilised Crops in 2003 says that the total area under

jackfruit cultivation is approximately at 26,000 hectares with trees grown in backyards and as inter-crops amongst other commercial crops in southern India.

#### World Bank launches price risk mechanism to hedge against volatile food prices

Kozhikode, June 22:

The World Bank has launched a new risk management instrument to provide protection to agricultural producers and consumers in developing countries from volatile food prices.

The Agriculture Price Risk Management (APRM) tool, which is being initially launched by IFC, an arm of the World Bank, and J.P. Morgan, is meant to increase access of producers and consumers to hedging instruments to shield themselves against the volatility of prices. IFC is planning to join hands with other banks in due course to widen the coverage of the product.

In the initial phase, IFC will commit up to \$200 million in credit exposure to clients who use specific hedging products and J.P. Morgan will provide an equal amount of exposure to them. The combined exposures are expected to enable up to \$4 billion in price protection for agricultural producers and buyers in emerging markets, according to a release from the World Bank. The initiative is part of a nine-point plan recommended by the World Bank President, Mr Robert B. Zoellick, in January to tackle the high and volatile food prices. The developing of risk management tools will also be part of the discussions of G-20 agricultural ministers in Paris this week.

The release quoted Mr Zoellick as saying that the annual growth in rice and wheat yields in developing countries has dropped from three per cent in 1970s to just one per cent today. The developing countries account for four-fifths of the world population.

The agriculture sector is also under the threat of climate change and unless strong adaptation measures are introduced, the yield could come down by 16 per cent worldwide and 28 per cent in Africa alone over the coming half century. On the other hand, the food production must go up by 70 per cent in order to feed an expected global population of more than nine billion by 2050.

The rising and volatile food prices have, since June last year, pushed around 44 million more people into poverty with income of less than \$1.25 a day. There are now close to one billion, or one in seven, hungry people in the world, says a World Bank report.

#### Focus on maize upsets millet group



Ready-for-harvest pearl millet Hyderabad, June 22:

The National Millet Network of India (NMNI), a national level advocacy group to promote millets, has flayed the Andhra Pradesh Government for its skewed policy of giving undue focus on maize, cultivation of which is fast increasing.

The State Government has announced a subsidy for maize farmers. "While this might appear good news for farming sector in general, we have serious concerns about how it will affect food security for Andhra Pradesh. This will adversely impact millet cultivation in the State in particular," Dr P.V. Satheesh, National Convener of NMNI, said.

He alleged that maize's use in the production of bio-fuels must have forced the State to declare a subsidy of Rs 5,000 an acre.

"While Bt cotton had taken over all of black soil in the country, maize was going to dominate red soils, leaving almost no land for nutrient-rich millets. This would eat into the millet area," he said.

Mr Satheesh, who is also the Director of Deccan Development Society, wrote a letter to Mr N Kiran Kumar Reddy, the Chief Minister, making a strong case for millets. He alleged that maize

was an industrial crop not a food crop. "Of all the maize grown in India, just about 35 per cent is used for human consumption with the rest going to feed industry, cereal industry, production of starch, dextrose, corn syrup, corn oil and ethanol," he said.

In the last 10 years, area under maize doubled to 8.56 lakh hectares from 4.52 lakh ha and production trebled to 42.20 lakh tonnes from 14.72 lakh tonnes. "A subsidy is normally given to save a crop when it is in distress. But the policy attention and promotion for maize, a highly successful and exponentially growing crop, makes it suspect from the food security point of view. Why is a crop that is not staple food in any part of AP is being encouraged so aggressively," he asked.

#### Spot rubber dips on panic selling

Kottayam, June 22:

Domestic rubber prices lost heavily on Wednesday. In the spot, prices fell on panic selling by dealers, following sharp declines in domestic and international futures. According to sources, there was no visible improvement in arrivals as growers were still not prepared to sell their stocks since they expected better quotes during the ongoing low production season. Along with this, the absence of quantity buyers kept the market under pressure and it sought lower levels amidst comparatively dull volumes.

Sheet rubber declined to Rs 217.50 (222.50) a kg, as quoted by the traders. The grade surrendered to Rs 218.00 (222.50) a kg both at Kottayam and Kochi, according to the Rubber Board.

The July series weakened to Rs 212.65 (219.90), August to Rs 215.84 (221.77), September to Rs 215.15 (220.01) and October to Rs 214.50 (220.00) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) closed at Rs 221.73 (226.06) a kg at Bangkok. Its June futures dropped to ¥ 393.0 (Rs 219.79) from ¥ 400.7 a kg during the day session but then remained inactive in the night session on Tokyo Commodity Exchange.

The spot rubber rates (Rs/kg) were: RSS-4: 217.50 (222.50); RSS-5: 215 (220); Ungraded: 213 (218); ISNR 20: 215 (219) and Latex 60%: 137 (139).

#### AP may remove VAT on crude palm oil

Hyderabad, June 22:

With a view to encouraging oil palm sector, the Andhra Pradesh Government is contemplating removing VAT (value-added tax) on crude oil palm.

The Andhra Pradesh Chief Minister, Mr N. Kiran Kumar Reddy, gave this assurance, while reviewing the performance of horticulture sector in the State here on Wednesday.

He directed the officials of the Horticulture Department to visualise plans for development of the sector. "The Planning Commission is likely to allocate huge funds for this sector in the ensuing Five-Year Plan. We should be ready with plans well ahead to attract Central funds from this allocation," he said.

For the year 2011-12, the Department prepared a plan to spend Rs 1,234 crore.

He later launched the Horticulture Alert System to provide SMS-based information to farmers on weather and other farm-related issues.

#### Centre releases Rs 110 cr in April-May to boost pulses production

New Delhi, June 22:

The government on Wednesday said it has released Rs 110 crore to various states in the first two months of the current fiscal in order to boost pulses production in rain-fed areas of 60,000 villages.

A total of Rs 300 crore has been earmarked for this purpose under the Rashtriya Krishi Vikas Yojana (RKVY), it said in an official statement.

Out of Rs 110 crore funds, Rs 25.48 crore has been released to Maharashtra, Rs 21.61 crore to Rajasthan, Rs 19.18 crore to Uttar Pradesh, Rs 15.43 crore to Karnataka and rest to Andhra Pradesh, Bihar and other states during April-May of the 2011-12 fiscal.

Sowing of summer-sown pulses has begun in the most parts of the country. So far, farmers have planted pulses in 2.86 lakh hectare.

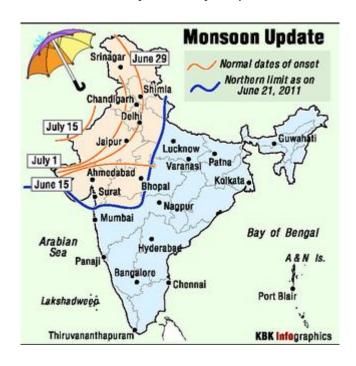
To encourage farmers take up pulses cultivation, the government recently increased the minimum support price (MSP) of pulses by up to Rs 400 for the year 2011-12.

The MSP of moong (green gram) has been fixed at Rs 3,500/quintal, urad at Rs 3,300/quintal and arhar at Rs 3,200/quintal for this year.

The government had started a programme to promote pulses output in 60,000 villages last fiscal with Rs 300 crore funds in order to reduce the country's dependency on imports.

The programme, which was implemented in dryland areas last year, received good response from farmers. As a result, the country is set to harvest a record production of 17.29 million tonnes of pulses from 2010-11 crop year.

# 'Just below normal' rain forecasts no worry at all, says expert



#### THIRUVANANTHAPURAM, JUNE 22:

The 'just below normal' monsoon forecast by India Meteorological Department (IMD) in its updated long-range forecast is no cause for any worry on the farm front so long as the forecast figures hold good.

The deficit is manageable if one were to go by other relevant data and peer model projections, says Dr Akhilesh Gupta, leading operational forecaster and commentator and Advisor to the Department of Science and Technology.

"The second stage forecast comes at a time when the country has already notched up a rare 11 per cent surplus rainfall as on June 20," Dr Gupta told Business Line.

Normally, June is known to precipitate only half as much of what is normally realised in July. So, an 11 per cent June surplus should straightaway knock off 50 per cent of the seven per cent deficit projected for July.

In this manner, July should not pause a major problem for farmers who may otherwise feel unnerved by the below normal forecasts for the rest of monsoon.

August projections of six per cent deficit also do not amount to a critical problem so long as it keeps within limits, Dr Gupta said.

What is important to remember is that a deficit/surplus of five per cent does not appear to have any pronounced impact on crops and by extension the country's economy.

Established correlation between recorded rainfall and expect impact on crops is such that only deficit of 10 per cent and more would normally translated into significant losses on the farm front.

Here also, a caveat is in order. If one compares the recent deficit years of 2002 and 2009 with more than 10 per cent deficit in rainfall, the worst effected 2009 managed to emerge relatively unscathed than 2002 when the deficit was smaller.

This goes to prove the resilience the country has managed to build up over the years through increased adoption of technology and agro-advisories, which has stood it in good stead.

So, overall, the 'just below normal' forecast must not set off alarm bells in the economy unless the projected figures goes widely off the mark and in the negative.

Additionally, there is also the outside chance of a 'normal to slightly above normal' rains that several dynamic models have been predicting right from the beginning of the year and through the season.

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