

State sets 115 lakh tonnes as foodgrain production target

Staff Reporter

PHOTO: S. SIVA SARAVANAN



On overcoming challenges:K. Arul Mozhi, Agricultural Production Commissioner and Principal Secretary to Government (centre), releasing a publication during the 77th Scientific Workers' Conference at Tamil Nadu Agricultural University in Coimbatore on Monday. Receiving the first copy is Sandeep Saxena, Commissioner of Agriculture (second right). (left to right) B. Chandra Mohan, Director of Horticulture and Plantation Crops, P. Murugesu Boopathi, Vice-Chancellor of the university, and Rajeev Ranjan, Commissioner of Sugars, are in the picture. —

COIMBATORE: The State has done well in agriculture in terms of technology generation and dissemination. “But to meet the State Government’s foodgrain production target of 115 lakh tonnes for 2011, we have to stretch our efforts,” K. Arul Mozhi, Agricultural Production Commissioner and Principal Secretary to Government, said here on Monday.

Speaking at the 77th Scientific Workers' Conference at the Tamil Nadu Agricultural University, he stressed that the target had to be achieved with 22 lakh hectares under rice, and 10 lakh

hectares each under millets and pulses. And added to this was the depletion and exploitation of the two major factors – land and water.

Elaborating the agricultural goals of the State Government, the Commissioner said it included doubling food production, doubling farmer income, and diversifying to augment the income of the farmer without affecting the food security.

Referring to comparative statistics, Mr. Arul Mozhi said the net sown area had reduced to 50 lakh hectares in 2000s as against 56 lakh hectares in 1950s. “Small and marginal farmers are dominantly engaged in agricultural activities in 58 per cent of the total net sown area.”

“Agricultural mechanisation is seen as the best solution to address labour shortage, avoid drudgery and maintain gender equality. But how far its benefits have reached the farmer is to be assessed. It has to be evaluated to check whether it is suitable to our conditions, cost-effective and also gender-friendly. In the same way, technology adoption is also found to be very minimal,” Mr. Arul Mozhi said.

Rajeev Ranjan, Commissioner of Sugars, said that agriculture contributed to less than 10 per cent of the State's economy. Since the manufacturing and service sectors were very strong, people who had weaned away from agriculture were able to find alternative livelihood.

“The main challenge is to make agriculture sustainable and remunerative. The national growth rate of agriculture has reduced. But the State has the most progressive set of farmers. It should be possible to achieve the ambitious target set by the government,” he said.

Sandeep Saxena, Commissioner of Agriculture, said though the share of agriculture in the economy was shrinking, it still continued to provide livelihood to many people.

“We have lesser availability of various resources in the State. But we have done well in spite of all odds. Farm land area is shrinking. It is a situation where both large and small farmers consider agriculture unsustainable. TNAU has given us enough inputs in the form of farm practices, technologies, etc. But what is missing is farm-level intervention in reaching these to the farmers. Wide use of ICT and extension activities are needed to take the knowledge to the individual farmer,” he said.

B. Chandra Mohan, Director of Horticulture and Plantation Crops, said the current year was set to become a watershed in extension.

“Precision farming has been promoted in more than 15,000 hectares in horticulture alone. High-density planting in mango has been standardised. But it is yet to take off in banana,” he said. New crops should also be considered for high-density planting,” he said.

R. Subramanian, Chief Engineer, Agricultural Engineering, said that reaching mechanisation and technology to farmers in the mission mode was the need of the hour.

P. Murugesu Boopathi, Vice-Chancellor of the university, said the university focused on education, research and extension. In terms of education, TNAU had been rated the best among the 52 State Agricultural Universities. In terms of research, the university had to its credit many crop varieties, technologies and implements. It had recently suggested specific critical technologies for 19 crops to the State Government for increasing productivity. He sought the support of extension workers in taking all these to the farmers.

K.K. Kaushal, Managing Director, SAGOSERVE, Salem, said agriculture as a profession in Tamil Nadu was more lucrative when compared to other States.

S. Rajkumar, Scientist, Central Silk Board, Salem, and M. Paramathma, Director of Research, TNAU, among others spoke.

Date:28/06/2011 URL: <http://www.thehindu.com/2011/06/28/stories/2011062860210500.htm>

Kuruvai cultivation picking up in Thanjavur

Farmers raising nurseries and transplanting saplings; plan to raise paddy on 42,500 hectares this year

Photo: M.Srinath.



BRIGHT PROSPECTS: Farm workers transplanting seedlings at a field in Thanjavur district.

THANJAVUR: Kuruvai cultivation is picking up in Thanjavur district. With canal water reaching the upper reaches, farmers are involved in activities like raising nurseries, transplanting saplings and applying basal fertilisers.

According to Balasubramanian, Joint Director of Agriculture, the plan is to raise kuruvai on 42,500 hectares in Thanjavur district this year. Of this, transplantation has been completed on 6,909 hectares.

In this transplanted area, crop on 3177 hectares has been raised under System of Rice Intensification method. Crop on 3832 hectares has been transplanted under conventional method.

With respect to nursery, seedlings have been raised on 124 hectares under SRI method.

This can be used for transplanting them on 12,400 hectares.

Under conventional method, seedlings have been raised on 913 hectares.

This can be used for transplanting them on 9130 hectares.

Seedlings raised on one hectare under SRI method can be used for transplanting them on hundred hectares while seedlings raised on one hectare under conventional method can be used for transplanting them on ten hectares, Mr. Balasubramaniam said.

“We hope to cover the targeted area of 42,500 hectares in Thanjavur district this year,” he said.

Meanwhile, Public Works Department is introducing turn system of water release into the Cauvery and the Vennar from June 30.

From June 30 to July 6, the turn is for the Vennar and during this period, 7,500 cusecs will be released into the Vennar.

The Cauvery will get only 1500 cusecs during this period.

Turn for Cauvery starts on July 6 evening and for the next six days, the Cauvery will get 7,500 cusecs of water and the Vennar 1,500 cusecs.

However, there is no turn for Grand Anicut canal and it will get 2,000 cusecs continuously.

Kollidam will get 1500 cusecs.

Date:28/06/2011 URL: <http://www.thehindu.com/2011/06/28/stories/2011062863420700.htm>

GM crops essential, but need monitoring: William Dar

Special Correspondent

HYDERABAD: Director-General, ICRISAT (International Crops Research Institute for the Semi-Arid Tropics) William D. Dar, called for strict monitoring of genetically-engineered crops without losing sight of the fact that they are essential for increasing food production.

He said it was imperative that everyone think of how poverty of a billion hungry people could be reduced, if not eradicated. "By the year 2050, there will be about 9.2 billion people to be fed globally and food production has to be increased accordingly," he said, while addressing scientists at the ICRISAT campus here on Monday.

Dr. Dar said it was time to apply new products being developed and added that this is possible only with political will. "We have to use genetically-engineered products but it goes without saying that a fool-proof monitoring mechanism has to be in place", he said.

In just 15 years after commercialization, accumulated biotech crops exceeded 1 billion hectares in 2010, a milestone that signifies biotech crops are here to stay, said the Chair of International

Service for the Acquisition of Agri-biotech Applications (ISAAA), Clive James, who authored ISAAA's annual report for 2010.

He said it was indeed a challenge, but the private and public sector had to be brought in to work together, adding that there was a need to change people's perception too.

A balanced approach between conventional farming practices and bio-technology was the way forward to feed the millions, he stated.

Kiran K. Sharma, principal scientist (Cell Biology), Pooja Bhatnagar Mathur, scientist (Cell/Molecular Biology), Genetic Transformation Laboratory took the participants around ICRISAT at the four-day Media Colloquium on 'Demystifying Crop Biotechnology: Issues and Concepts for the Asian Media'.

Date:28/06/2011 URL: <http://www.thehindu.com/2011/06/28/stories/2011062859710300.htm>

Clear dues, demand sugarcane growers

Mysore: Sugarcane growers from Mysore and Chamarajanagar districts laid siege to the office of the Deputy Commissioner here on Monday to press for the acceptance of their demands, which included declaration of sugarcane price for this season and payment of dues.

Later, they decided to suspend their agitation until June 30 following an assurance by Deputy Commissioner P.S. Vastrad.

They were led by president of the State sugarcane growers' association Kurubur Shantakumar.

The protesters tried to enter the premises of the Deputy Commissioner's office and refused to meet Additional Deputy Commissioner Zaheera Nasreen, insisting that they would speak to Mr. Vastrad himself. When Mr. Vastrad arrived, they urged him to call representatives of sugar factories to the spot for clearing the dues of growers who had supplied sugarcane to the factories in 2010-11.

Mr. Shantakumar said there were three sugar factories in the two districts. Farmers had been paid an advance of Rs. 1,800 a tonne of sugarcane for 2010-11. The balance of Rs. 700 a

tonne was due to the growers, which the factory managements must pay immediately, they said. The release of the balance amount would help growers tide over financial problems.

The Deputy Commissioner must take steps to implement the State Advised Price (SAP) without delay and decide on the price of sugarcane from this year, Mr. Shantakumar said.

Date:28/06/2011 URL: <http://www.thehindu.com/2011/06/28/stories/2011062854750300.htm>

NABARD's village development programme launched in Karaikal

P.V.Srividya

It envisages setting up of demo plots on farmers' lands to start organic farming



KARAIKAL: The National Bank for Agriculture and Rural Development (NABARD) has initiated a village development programme (VDP) for community-based capacity building at Agalanganal village here in Karaikal. The programme introduced here recently, has taken on board expertise of M.S.Swaminathan Research Foundation (MSSRF), whose village knowledge centre (VKC) is already functional.

The village development programme of the NABARD entails initiatives from financial inclusion and access to credit, to infrastructure development and creation of community assets.

The VDP offers activities towards capacity building with the constitution of a representative committee to gauge the needs of the community and provide technical and knowledge fillip through the VKC.

The three-year programme envisages setting up of demo plots on progressive farmers' lands to start organic farming.

According to NABARD, the first year of the VDP proposes agriculture-based support systems such as soil test programmes accompanied by disbursement of soil health cards and advisory assistance; consultation with experts from PAJANCOA (Pandit Jawaharlal Nehru College of Agriculture) and Krishi Vigyan Kendra, Karaikal; livestock care and disease management; audio advisories for farmers on crop management; exposure visit to eco-sanitation unit; computer-aided learning programme for school children through MSSRF VKC; and formation of NABARD farmers clubs.

The VDP also provisions for audio and video conferencing on thematic need-based areas; career guidance for students of class X and class XII; medical camps for women and children; de-addiction camps and counselling; clearing of silt; and cleaning of village pond. Infrastructure in form of community assets building, education, health and drinking water supply will be the key areas of focus under the VDP.

The VDP was formally launched by Collector Franklin Laltin Khuma here with the laying of foundation stone for building of concrete steps to the village pond recently.

Sreepathy, Assistant General Manager, NABARD, Puducherry delineated the objective of the VDP and Velvizhi, coordinator, MSSRF spoke on the operational procedures of its implementation.

Date:28/06/2011 URL: <http://www.thehindu.com/2011/06/28/stories/2011062861670300.htm>

Elephants damage crops

Coimbatore: A herd of elephants entered Mugasimangalam in Thondamuthur and damaged crops on Sunday night.

Farmers alleged that the herd had caused extensive damage to their crops and it was happening on a regular basis. In another incident, elephants entered Chinnathadagam and damaged two cars belonging to Kannapiran and Devaraj.

Encouraging organic farming

KATTAPPANA: Organic farming of vegetables, spices and paddy will be promoted in the high ranges of the district as part of a State-wide project. In the current financial year, 875 hectares of land will be brought under organic cultivation and financial assistance will be given to the farmers. Principal Agriculture Officer V.M. Sasikumar said that Rs.10,000 per hectare of land would be given to the farmers. The farmers who opted for organic cultivation last year can also seek financial help this year, he said. Block-level agriculture assistant directors will supervise the project, which will be implemented through Krishi Bhavans. For details, farmers may contact the respective Krishi Bhavans.

Weather

WEATHER			
ANDHRA PRADESH			
Anantapur	34	25	0 80
Arcyavaram	33	23	0 24
Bapatla	39	26	0 15
Calingapatnam	32	26	0 70
Gannavaram	38	25	tr 128
Hanamkonda	37	23	5 36
Hyderabad A.P.	34	22	3 27
Kakinada	33	26	0 128
Khammam	36	24	0 37
Kavali	38	27	0 29
Kurnool	35	26	0 49
Mahabubnagar	33	24	1 39
Machilipatnam	37	24	5 63
Nandyal	37	25	0 7
Narsapur	35	26	tr 43
Nellore	38	29	0 87
Nizamabad	31	24	1 94
Ongole	37	23	0 21
Ramagundam	28	25	8 88
Tirupathi AP	39	28	0 74
Tuni	34	25	0 76
Vizag AP	34	27	0 53
Vizag	33	27	0 39
KARNATAKA			
Agumbe	23	18	121 1727
Bangalore AP	29	19	tr 93
Bangalore	29	20	3 58
Belgaum AP	25	21	2 140
Bellary	31	24	1 74
Bijapur	32	23	0 45
Chitradurga	26	21	tr 59
Chikmagalur	27	18	13 80
Chintamani	34	20	0 10
Gadag	28	22	0 83
Gulbarga	33	24	1 87
Hassan	35	18	5 89
Honavar	31	27	3 1014
Karwar	30	27	2 941
Madikeri	22	17	84 701
Mangalore AP	29	22	53 817
Mysore	29	29	0 40
Mandya	30	19	0 24
Panambur	29	24	27 725
Raichur	34	23	0 129
Shirali	30	25	6 934
KERALA			
Alappuzha	31	23	11 420
Kannur	29	23	17 893
Kochi AP	30	24	13 752
Kottayam	29	23	31 673
Kozhikode	30	24	23 912
Punalur	31	23	6 386
Thiruvananthapuram AP	31	23	10 279
Thiruvananthapuram City	32	25	4 270
Vellarikkara	29	24	20 764
TAMIL NADU			
Adiramapattinam	35	27	0 30
Coimbatore AP	31	22	0 65
Coonoor	22	15	1 103
Cuddalore	37	27	0 14
Chennai AP	38	26	2 89
Chennai	36	27	3 130
Dharmapuri	34	24	0 7
Kanyakumari	31	24	3 55
Karaikal	37	27	0 24
Kodaikanal	17	12	tr 29
Madurai AP	39	26	0 28
Nagapattinam	38	27	0 3
Palayamkottai	36	28	0 16
Pamban	34	29	0 0
Parangipettai	37	26	0 3
Puducherry	38	28	0 29
Salem	32	24	tr 25
Tiruchi AP	38	28	0 49
Tiruchi	35	27	0 7
Tirupattur	37	24	0 32
Tiruthani	38	27	0 78
Tondi	35	26	0 15
Tutcorin	38	27	0 6
Ooty	17	12	6 61
Valparai	23	18	45 747
Vedharanyam	36	25	0 11
Vellore	37	26	2 5
LAKSHADWEEP			
Amini Divi	31	28	tr 139
Minicoy	32	28	0 113
OTHER STATIONS			
Kolkata (Alipore)	30	27	tr 327
Mumbai	31	28	2 439
New Delhi	31	27	9 86
<p>INSAT PICTURE AT 11-30 hrs. Observations recorded at 8-30 a.m. on June 27.</p>			
<p>WEATHER (VALID UNTIL WEDNESDAY MORNING): Rain or thundershowers would occur at most places over coastal Karnataka, at many places over Kerala and south interior Karnataka and at a few places over north interior Karnataka. Isolated rain or thundershower may occur over Tamil Nadu, Puducherry, Andhra Pradesh and Lakshadweep.</p> <p>Heavy Rainfall Warning: Isolated heavy rain may occur over coastal Karnataka and Ghst areas of south interior Karnataka during the next 48 hours.</p> <p>Outlook For Subsequent Two Days: No significant change.</p>			
<p>Isolated rain in Tamil Nadu</p> <p>CHENNAI: Southwest monsoon has been active over South Interior Karnataka. Rainfall occurred at most places over Kerala and Coastal Karnataka at many places over South Interior Karnataka and at a few places over Telangana. Isolated rainfall occurred over Tamil Na-</p>			



HT Correspondent, Hindustan Times

Email Author

New Delhi, June 26, 2011

First Published: 22:48 IST(26/6/2011)

Last Updated: 11:16 IST(27/6/2011)

Double-digit inflation looms over economy



Brace yourself for an even higher spell of high prices.

Inflation is set to surge to worrisome double-digit levels as costlier diesel and cooking fuel cascade through the broader economy, making most goods and services dearer.

The hike in diesel prices alone will add 0.30 percentage points to the overall inflation rate that was 9.06% in May. Fuel, power and lighting carry a weight of 14.91% in the wholesale price index (WPI) - India's most followed inflation index.

Besides, the knock on effects of costlier fuel likely to add at least another one percentage points to inflation.

"Due to the hike, inflation could be close to 10% by July," said C Rangarajan, chairman of Prime Minister's Economic Advisory Council.

The government on Friday raised diesel, kerosene and cooking gas prices by Rs 3 a litre, Rs 2 a litre and Rs 50 a cylinder - a move that is bound to have a domino effect on most expenses, from transport to food.

These steep hikes, which comes barely a month after a steep Rs 5 a litre hike in petrol prices, will pinch household budgets - already pummelled by soaring prices of food and other essential commodities.

This is reminiscent of June 2008, when the government had increased petrol, diesel and LPG prices by Rs 5, Rs 3 a litre and Rs 50 a cylinder respectively. Inflation rate had then shot by nearly three percentage points from 8.11% to 11.08% as secondary effects of the costlier fuel cut through the economy.

A lot will still depend on an adequate monsoon. The Met department has forecast a normal monsoon, crucial for the summer-sown crop that accounts for more than half of India's annual food output.

Even though abundant rainfall will shore up food supplies, costlier diesel would imply that cost of ferrying from farms to retail vendors and outlets will get that much costlier.

According to India Foundation of Transport Research and Training, freight rates on the Delhi-Mumbai route would increased by about 4% as transporters jack up prices after the increase in diesel prices.

Inflation of non-food articles has been in the range of 20-25% over the past many weeks and higher diesel prices will only knock up prices of most of these goods.

<http://www.hindustantimes.com/StoryPage/Print/714140.aspx>

Weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Tuesday, Jun 28

Max Min

Tomorrow's Forecast



Rainy

Wednesday, Jun 29

Max Min

38.6° | 27.2°

39° | 28°

Rain: 00 mm in 24hrs

Sunrise: 5:45

Humidity: 39%

Sunset: 18:38

Wind: Normal

Barometer: 1000

Extended Forecast for a week

Thursday Jun 30	Friday Jul 1	Saturday Jul 2	Sunday Jul 3	Monday Jul 4
				
34° 28° Rainy	34° 28° Rainy	35° 28° Rainy	35° 28° Rainy	35° 28° Rainy

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THE ECONOMIC TIMES

Tue, Jun 28, 2011 | Updated 06.40AM IST

28 Jun, 2011, 05.59AM IST, ET Bureau

Groundnut prices maintain their downtrend to 935 for 10 kg

AHMEDABAD: Groundnut prices maintained their downtrend to 935 for 10 kg on Monday. The prices are dropping due to tepid demand from the affluent and a slight fallback in export orders while a bumper production is set to trouble growers and traders further.

"With a recent export consignment of groundnut kernel worth 30 crore seized from the Pipavav port, there has been a slow movement in exports in the past few days, ensuring a fall in prices," said a trader. On Monday, groundnut kernel was quoted at 4,675 per quintal.



HAU signs MoU for better maize production

June 27, 2011 10:31:35 PM

PNS | Kurukshetra

Taking a leap forward in its public-private-partnership programme, Haryana Agricultural University (HAU), Hisar on Monday signed a Memorandum of Understanding (MoU) with Nuziveedu Seeds Ltd. - a well known seed company of Andhra Pradesh for production and marketing of maize varieties—HM-8, HM-9 and HM-10.

This was disclosed today after a meeting held at Hisar under the chairmanship of HAU Vice-Chancellor, KS Khokhar wherein the varsity's Director of Research, RP Narwal and Managing Director, Nuziveedu Seeds Ltd., AS Dalal signed the MoU.

Speaking on this occasion, the VC informed that in lieu of this agreement, HAU will get an amount of `7.5 lakh on one hand while on the other; the farmers of Andhra Pradesh will get improved seeds of maize varieties.

Khokhar emphasised the need of Public-Private Partnership (PPP) for speedier development of agriculture sector and added that the varsity's scientists had generated a number of innovative technologies for higher production of cereal crops, fruits and vegetables but due to lack of resources, the university was not in a position to disseminate these technologies to the actual users all over.

Special lecture at PU: The Department of Chinese and Tibetan Languages, Panjab University (PU) on Monday organised a special lecture on 'Lost Buddhist Texts and Their Relevance in

Modern Research' on the campus. Renowned philosopher and scholar from Patna, Dr Pramod delivered this lecture. Pramod stressed upon the need to learn Tibetan language in order to carry research on the lost Buddhist texts that are lost in its language Sanskrit and now available in Tibetan language. The lecture was attended by scholars and faculty of several departments of the varsity. Chairperson of the Department, Prof VK Singh presented a welcome address.

Centralised on-line B.Ed Admissions: Centralised on-line B. Ed. admissions 2011-2012 will be held by Panjab University (PU) in all its affiliated colleges. Detailed notice to this effect will be issued in the first week of July. First counselling will be held, tentatively, in the first week of August 2011. Candidates are advised to visit varsity's website: puchd.ac.in for more details.

NSUI submits memorandum: National Students' Union of India (NSUI), one of the student outfits on the Panjab University (PU) submitted a memorandum to the PU Vice Chancellor Prof RC Sobti asking him to lower the hiked fees. NSUI vice president Sunny Mehta said that the fee has been increased to `10,000 from `7,500. "If varsity failed to reduce the hiked fee, we will sit on the dharna on Wednesday",said Sunny Mehta.

Business Standard

Tuesday, Jun 28, 2011

Progressive farmers in Punjab to export potatoes to CIS countries

Vijay C Roy / New Delhi/ Chandigarh June 28, 2011, 0:59 IST

Having already exported over 5,000 tonnes of potatoes to Russia, Jalandhar-based progressive farmers are contemplating to export the crop to Ukraine, Azerbaijan and other Commonwealth of Independent States (CIS) countries in next potato season. The export would be done either directly by the farmers or through the Punjab State Cooperative Supply & Marketing Federation

(Markfed), a nodal agency for agriculture export. The farmers are eyeing to export about 100,000 tonnes in the next season, if the farmers get remunerative price for the crop.

Speaking to Business Standard, POSCON (Confederation of Potato Seed Farmers), Secretary General, Jang Bahadur Singh Sangha said, "We are working on the modalities and recently our members visited Russia and other CIS countries with Markfed officials to explore the opportunities. If the price of potato supports us in the next season, we would like to export it to Ukraine, Azerbaijan and other countries. If everything goes well, we are eyeing a export of 100,000 tonnes of Potato in the next season."

This is for the first time potato growers in Jalandhar have inked a deal with Russian traders to export Potatoes. The first consignment was sent in February 2011 and this was for the first time when India exported potatoes to Russia.

He added, "Our POSCON members have exported over 5,000 tonne of potatoes to Russia. It was completely a new destination for us and we are keeping a tab on the future business prospects in Russia and other the neighbouring countries for exports if the exports seem to be conducive to us."

Last season, potato was grown over about 84,000 hectares in Punjab and the total production was about 2.2 million tonnes. Further, normally the crop is sown in October and its harvesting begins in January-February.

In order to facilitate the exports, he demanded that the government should introduce freight subsidy on the transportation of the crop for exports to other states. Also, in order to stabilize the potato prices in domestic market, he suggested that there should be proper cold chain facilities. Sangha is also in process of setting up its own cold storage for perishable vegetables with an investment of Rs 15-20 crore.

Ginners unite to seek more cotton exports

Komal Amit Gera / Chandigarh June 28, 2011, 0:07 IST

Envisaging no clearance of the heldover stock due to sluggish demand in the domestic spinning industry, the All India Cotton Ginners Association is going to have a meeting of its core committee in Ahmedabad on 29 June.



The members of the association from the twelve cotton producing states of India would also appoint the Governing body of the All India Cotton Ginners Association.

The members have decided to approach the Prime Minister's Office, Agriculture Minister and Commerce Minister by preparing a draft proposal for permission to export another 1.5 million cotton bales.

A senior member of the Association Bhagwan Bansal told Business Standard that ginners across India have a stock of about 3 million bales for which there are very few takers in the domestic industry.

The stock piling for a long time may erode their bank credibility as they have to repay their debts raised from the Cash Credit limits.

The President of All Gujarat Ginners Association Dilip Bhai Patel who hails from Kadi in Gujarat told that the permission of export quota of 1 million bales failed to push the sentiments as the traders and exporters have 70 per cent of the required stock for exports, so there is a net requirement of 300,000-400,000 bales of cotton for exporters. This is spread over two months so there is no boom in demand.

Vinod Ahuja of VRA Cotton Mills told that the applications for export quota have been filed to DGFT (Director General of Foreign Trade) and the quota allocation after final scrutiny would be declared on July 6. He added that the exporter cannot make a commitment to the buyer until final quota is allotted. But the total quantity for export (1 million) is too little to appease many players.

He added that if there is no restriction on import of cotton then the export should also be put under Open General Licence (OGL).

Even the Cotton Corporation of India (CCI) is having a tight rope walk this year and has applied for export quota with the DGFT. Sources in the CCI told that last year there was no export surplus as the CCI stocks were liquidated in the domestic market. This year, driven by the stagnant demand CCI has also joined the fray for exports.

“The organised players can only fight for the amendment in policy framework. The huge unsold stocks will add to miseries of all and sundry in the cotton industry. The biggest losers would be the cotton farmers who have sown larger tracts of land in anticipation remunerative prices those prevailed last year,” said an expert.

Natural rubber prices tumble, follow global market cues

George Joseph / Kochi June 28, 2011, 0:05 IST

Natural rubber (NR) prices tumbled heavily on Monday, mainly on account of the sharp fall in prices in the overseas markets. The market of RSS-4, the Indian bench mark grade, on Monday quoted Rs 210 a kg, lower by Rs 6 from last week’s closing rate.



The Indian market just followed the footsteps of the global queues as prices are diminishing in major international markets including Tocom and Bangkok. The Bangkok market on Monday quoted Rs 209, a kg which influenced the Indian futures counters heavily, hence the sharp fall in on Monday’s spot trading. On June 1st the local spot market quoted Rs 224 and that went up to Rs 228 on 16th of this month. The monthly average price went up to Rs 238 in April. On June 1st the global price was Rs 236 and this even went up to Rs 248 in April.

The demand for the RSS-4 grade has been paralysed for the last few weeks as the offtake from the tyre industry was rather low. This happened due to the decrease in demand for tyres from

the automobile sector. The set back in the sales of auto sector during last 5-6 months had heavily impacted the demand from the original equipment (OE) sector.

According to a leading rubber trader, based in Kottayam the order book of the tyre companies was lower for the last 8-10 weeks and he expect a further fall in prices in the coming weeks. A leading Kochi based dealer said that tyre industry is now opting to import SMR-20 (ISNR-20) grade which is cheaper than the RSS-4 grade and having no serious issue on the quality front.

In Kuala Lumpur market the grade on Monday quoted Rs 193 a kg and it is still cheaper in countries like Thailand. The domestic offtake by the tyre sector had been reduced due to this, he added. A serious set back to the rubber based SME sector and the closing down of around 600 units during last one year also caused concern on the demand of the crop. According to an initial estimates of the trading sector the demand for RSS-4 grade has been dropped 10-20 per cent in last couple of months. This has been vividly figured in the provisional estimates of the Rubber Board also.

The consumption of NR in May dropped 1.8 per cent to 81,000 tonnes as against 82,500 tonnes in April, 2011. This is for the first time during the last couple of years consumption registered a fall. Production increased to 59,700 tonnes in May as against 56,400 tonnes in last May, registering a growth of 5.9 per cent. The combined production in April and May increased to 116,500 tonnes as against 109,900 tonnes in the same period of last year, recording a growth of 6 per cent.

Whereas consumption in the same period of 2011-12 has increased 3.9 per cent only, indicating the recent contraction in demand. During last year consumption has increased at a much faster pace than production in all the 12 months. Global supply of NR is also expected to rise as production has increased in January-June period of this year. According to projections the production in this period shall be 4.5 million tonnes as against 4.2 million tonnes in the same period of last year.

India re-exports cloves on global supply crunch



Kochi, June 27:

Soaring prices coupled with acute shortage of cloves in the world market have culminated in India, a net importer of the commodity, exporting some 300 tonnes of cloves to Singapore and Indonesia for the first time in recent history.

World markets are ruling very high with Indonesia at \$19,000 to \$21,000 a tonne, Madagascar at \$ 15,000 a tonne. “No stocks are available at origins as the Indonesian cigar companies had mopped up whatever was available”, trade sources told Business Line. They said that shipping out of 300 tonnes from India had now squeezed the availability position here and in fact, “no exporters wanting to re-export”.

Many traders, exporters, importers who had sold forward cargoes in Mumbai and Delhi markets at Rs600 – Rs700 a kg for July delivery, are said to be defaulting for want of material for delivery. At these rates cloves are not available. Zanzibar cloves are traded in Delhi market at Rs811 a kg for August delivery while ready markets are up by Rs40 a kg today at Rs 730 – Rs 780 a kg, they claimed.

According to the trade “in Madagascar, Brazil and Colombo markets also there have been defaults of shipment to India for nearly 30 full container load (fcl), which were contracted at

\$6,000 to \$ 8,000 a tonne. Now, “as Indonesia is the buyer of cloves at \$12,000-\$14,000, all these exporters have shipped to Singapore or Indonesia for cash payments, many Indian importers are camping in growing areas hoping to get their contracted cargoes, but the outcome is going to be that there will be no shipments at all, because of huge difference in the prices”, they said..

Colombo crop is almost over and the current prices are ruling at \$16,000 a tonne. “But there are no sellers, as all are waiting the prices to touch \$20,000 and India will buy at all prices from Colombo because it is duty free”, they said. Now duty on imports from Madagascar and Zanzibar has also been reduced to 15 per cent. Comoros cloves too will attract 15 per cent duty as per free trade agreements with African countries, they said.

In India, they said, masala units are buying cloves in huge quantity. As the new season has started they are buying more stocks and hence next 8 months will see great demand for spices, this will push up prices of cloves to Rs1,000 a kg soon.

Meanwhile, there were no sellers for Indian cloves even at Rs 850 a kg. Growers in Nagarkoil region of Tamil Nadu said as the prices started moving up the traders there alleged to have formed cartel so as to dictate a uniform price to the growers.

The growers in turn are also reluctant to release their stocks as they anticipate the prices to touch Rs1,000 a kg, Mr Subramani, a grower told Business Line.

Indian requirement is estimated at somewhere between 10,000 and 12,000 tonnes a year and as against this the availability from the current indigenous production is estimated to be below 1,000 tonnes, they said.

Sharp fall in Indonesian cloves output due to an unknown disease which has reportedly destroyed trees in the major growing areas in Manado and Java areas has aggravated the supply situation skyrocketing the prices of this commodity in the Indian and international markets..

The Manado and Java areas contribute 80 per cent of the cloves production in that country. As the gestation period for cloves is 5 to 7 years to grow and bear fruit the major producing country is likely to have small crop for the next few years. As a result, the local Indonesian Cigar

companies will have to buy cloves from other origins. The requirement of the cigar companies is estimated at 25,000 – 30,000 tonnes and hence they were buying from where ever it is available, paying through their nose, trade sources pointed out.

The current Indonesian prices are the highest ever in the cloves history following a nearly total crop failure, with 90 per cent trees affected by the disease, they said..

The Union Finance Ministry and Central Board of Excise and Customs is said to have issued alert notices to all ports, to check the cloves import cargoes and adopt uniform valuation for all imports, so as to arrest fraudulent activities such as mis-declaration and under invoicing, the trade said.

Biotech crop acreage touches a billion hectares

June 27, 2011:

Hyderabad, June 27:

You like it or hate it, but you cannot ignore it. Biotechnology in agriculture has come of age. Recently, 100{+t}{+h} crore hectare was sown with a biotechnology crop in the US even as biotech crops spread to Eastern and Western Africa and Pakistan.

In the last few years after its introduction in 1996, biotech crops spread significantly as biotech cotton and maize caught the imagination of farmers. Speakers at a convention on ‘Demystifying crop biotechnology’ here said biotech in agriculture was going to play a major role as global population reached 1000 crore in 2050.

“It took 10 years to reach the first 50 crore hectares in 2005, but the second 50 crore ha came in just five years,” Dr Clive James, Chair of ISAAA (International Service for the Acquisition of Agri-biotech Applications), said, elaborating on the accumulated acreage of biotech crops.

India held the fourth position with 94 lakh ha in 2010 after the US (6.6 crore ha), Brazil (2.5 crore ha) and Argentina (2.2 crore), he said. Last year, the area under biotech crops was 14.8 crore ha, with 1.54 crore farmers growing these crops.

“By 2015, we expect that the area would grow to 20 crore ha as 50 lakh more farmers are likely to take to the crops,” he said.

Talking on 'Global state of crop biotechnology' here on Monday at the three-day annual conference of Asian Media Information and Communication Centre, he said genetically modified and biotech crops were not a panacea for the food problems the world faced. "It is not a golden bullet to solve them. It, in fact, is essential," he said.

Dr William Dar, Director-General of ICRISAT (International Crops Research Institute for Semi Arid Tropics), said the global population would cross the 1,000-crore mark in 2050. This would require 70 per cent increase in food production.

Food Ministry wants private sector to build storages

June 27, 2011:

The private sector should pitch in to construct godowns and warehouses in key states as there is gap of 32 million tonnes, said Union Minister for consumer affairs, food and public distribution Prof K V Thomas.

Speaking at a meet on "Negotiable warehouse receipts" Prof Thomas said godowns and warehouses owned by government agencies are full to capacity and private companies should step in to develop key infrastructure.

"I am sure our friends in the corporate sector are increasingly realising the potential that warehousing receipts hold and will gear for the challenges that lie ahead," he added.

In addition to infrastructure creation, financing is agri-related infrastructure is also key as it increases liquidity in rural areas. Financing in agriculture has always been risky investment for banks and financiers due to low margins and uncertain operations.

Financers often consider physical collateral like land and farm machinery to enforce or very little resale value, he explained.

Amid such situation, warehouse receipts can be alternative for farmers and processors. Through this finance is still not a popular method of financing in the country, it is expected to show an upward trend as the central government has made warehouse receipts 'negotiable' with an enactment of Warehousing (development and regulation) Act. 2007, he added.

Lessons

Speaking on the occasion, Sandeep Dave, secretary Karnataka department of agriculture, said Negotiable warehouse receipts system is coming at a time when the Karnataka is still fresh from post harvest crisis where prices of mango crashed in Kolar and paddy prices going in for a spiral in Davangere.

This system comes in as a relief for the farmer as it cuts commission agents role during the harvest phase. This system should be strengthened by going in for good internal roads in the taluk and hobli level, he added.

Gramen Yojana

B B Pattnaik, managing director, Central Warehousing Corporation (CWC), said country's combined (FCI, CWC and SWC) storage capacity is 633.63 lakh tonnes. This is below the total stocks of 655.95 lakh tonnes.

The CWC is pushing for creation of godowns in rural areas through the Central government scheme – Gramen Bhandar Yojana. Mr Pattnaik said the main aim of the scheme is to provide 5 to 15 per cent price recovery for farmers through creation of scientific storage capacity with allied facilities in rural areas. This also offers scope for grading, standardisation, quality control and prevents distress sale by farmers.

“In the country so far 24,942 projects amounting to 284.31 lakh tonnes capacity have been created under Gramen Bhandar Yojana since April 1, 2001,” said Mr Pattnaik.

Cotton gains on delayed monsoon, export demand

Rajkot, June 27:

Delay in monsoon and export demand has increased cotton price about Rs.1000 per candy in past three days.

Gujarat Sankar-6 cotton was traded on Rs.39000-39500 per candy of 356 kg on Monday which was Rs.38000-38500 on Friday. B-grade cotton was ruled at Rs.30000-31000 a candy. Raw cotton also increased Rs.25 to Rs.850-875 per 20 kg. About 5000 to 7000 bales arrived in Gujarat and 12000 to 14000 bales arrived in India.

Rajkot based broker said, "Cotton mainly increased as delay in rain. Late monsoon affects the sowing process in growing area of Gujarat. Moreover export demand supports the cotton price to go up."

According to traders, price of cotton will be strong till rain will not come.

Delay in rains has impacted sowings in the South and central zones, particularly in Gujarat, Maharashtra and Andhra Pradesh that are in the top league of cotton production. However farmers still have mind to grow cotton.

Meanwhile, the Centre has completed the process of registering applications for extra exports of 1 million bales (1 bale = 170 kg). The task of scrutinising these applications is expected to be completed by July 5 and official announcement regarding the quotas would be made the next day. Those who obtain the permission to export the extra lot will have to get their shipments cleared by September 15.

Lack of buyers saps spot rubber

Kottayam, June 17:

Spot rubber declined sharply on Monday. The market sought further lows following the steep falls in the domestic and international futures. There has been no panic selling but the prices dropped amidst scattered transactions. According to observers, it was difficult to find out a buyer even at lower levels.

Sheet rubber surrendered to Rs. 207.00 (215.00) a kg according to dealers. The grade fell to Rs. 210.00 (216.00) a kg both at Kottayam and Kochi as quoted by the Rubber Board.

RSS 4 declined at the July series to Rs. 206.99 (210.82), August to Rs. 207.50 (212.53), September to Rs. 206.20 (210.97), October to Rs.204.99 (210.70) and November to 208.23 (216.90) per kg on National Multi Commodity Exchange (NMCE).

The Key Tokyo rubber futures fell succeeding a broad decline in commodities last week on concerns about Europe's debt problems and rising supplies from Thailand.

The July futures nosedived to ¥ 358.0 (Rs. 199.76) from ¥ 378.0 during the day session but then recovered partially to ¥ 361.4 (Rs. 201.66) in the night session on Tokyo Commodity Exchange (TOCOM). RSS 3 (spot) weakened Rs. 209.46 (215.26) a kg at Bangkok.

The spot rubber rates per kg follow:

RSS-4: 207.00 (215.00)

RSS-5: 205.00 (213.00)

Ungraded: 202.00 (210.00)

ISNR 20: 206.00 (212.00)

And Latex 60%: 132.00 (135.00)

Orthodox tea prices to trail behind last year's levels



A worker plucking tea leaves at a plantation near Meppady in Kerala's Wayanad district. (file photo)

Coonoor, June 27:

The prices of orthodox teas, which are mostly exported, are anticipated to trail behind last year's levels for at least one more month in the different auction centres in the country.

“At Kolkata auctions, we are able to sell almost 95 per cent of the offer but the price fetched is Rs 10-15 less a kg compared with last year. Smaller broken grades and fannings are fetching Rs 15-20 less. Whole leaf grades can be sold only when prices are lowered. Broken grades are struggling to hold last year's levels,” Mr Subodh Paul, Director, Contemporary Brokers Pvt Ltd, Kolkata, told *Business Line*.

This week, the best grades of orthodox teas fetched Rs 200-250 a kg in North Indian auctions while their South Indian counterparts, Rs 95-105. The low-end fannings got Rs 80-90 in the North and Rs 50-60 in the South.

However, the much-expected Iran's support has become weak. “The competition among buyers for Iran is less due to uncertainties in payment. Financial instability in West Asia is telling on effective exports. But, without good support from Iran, it will be difficult to sustain price levels after the second flush when rains hit plantations. The demand from Germany is also declining earlier than expected,” Mr Paul said.

“Collectively, the present price average of Rs 160 a kg is expected to continue for the next five weeks. The price gap between good and medium grades is as high as Rs 30-40 a kg. So, producers must ensure the supply of only quality teas”, he added.

Biotech convention

Hyderabad, June 27:

Biotechnology in agriculture has come of age. Recently, 100th crore hectare was sown with a biotechnology crop in the US as biotech crops spread to Eastern and Western Africa and Pakistan.

In the last years after its introduction in 1996, biotech crops spread significantly as biotech cotton and maize caught the imagination of farmers. Speakers at a convention on ‘Demystifying crop biotechnology’ here said biotech in agriculture was going to play a major role as global population could reach 1,000 crore by 2050.

“It took 10 years to reach the first 50 crore hectares in 2005, but the second 50 crore came in just five years,” Dr Clive James, Chair of International Service for the Acquisition of Agri-biotech Applications (ISAAA), said, elaborating on the accumulated acreage of biotech crops.

Funds to extend Green Revolution to eastern States

New Delhi, June 27:

Aiming to increase farm productivity in the country, the Government has released Rs 181.35 crore till May this year under the Rashtriya Krishi Vikas Yojana (RKVY) scheme to extend Green Revolution to Eastern states.

Assam, Bihar, Chhattisgarh, Jharkhand, Orissa, Eastern Uttar Pradesh and West Bengal are covered under this scheme with a total allocation of Rs 400 crore.

“Rs 181.35 crore have been released to seven states for extending Green Revolution to East India in the current financial year as on June 1, 2011,” an official statement said.

Extending the Green Revolution to Eastern India is a sub-scheme under the RKVY for this fiscal and was introduced in the last financial year, it said.

The programme targets improvement in the rice-based cropping system in the selected states, it added.

Eastern India with more rainfall compared to the North-West regions in the country, unexploited good quality ground water aquifers has an advantage for sustainable production of rice, banana, sugarcane and aquaculture, the statement said.

Agricultural productivity in this region is dismally low in spite of the adequate availability of natural resources.

Pepper futures continue to head south on selling pressure

Kochi, June 27:

Pepper futures continued its fall on Monday on selling pressure from investors, liquidation and switching over.

Investors were selling validity expired stocks held by them at Rs 10 below the July delivery price. They were buying back July sales. Some quantities were reportedly traded by exporters and upcountry dealers.

Meanwhile, farmers, dealers in Kerala and Karnataka do not want to sell at the current rates, market sources told *Business Line*.

July contract went as high as Rs 277 and then fell to as low as Rs 270 a kg while August had a volatility of nearly Rs 970 a quintal. July contract on the NCDEX dropped by Rs 237 to close at Rs 27,189 a quintal. August and September fell by Rs 228 and Rs 221 respectively to close at Rs 27,515 and Rs 27,819 a quintal.

Total turn over fell by 6,262 tonnes to 8,416 tonnes showing that the people are losing interest in the market.

Total open interest declined by 60 tonnes to 10,700 tonnes.

Spot market remained unchanged on limited activities at Rs 26,200 (ungarbled) and Rs 27,000 (MG 1) a quintal.

Indian parity in the international market was at \$6,350-6,400 a tonne (c&f) and very much in line with other origins.

PEC seeks bids for import of 6,000 tonnes of pulses

New Delhi, June 27:

State-owned trading firm PEC has invited bids for the import of 6,000 tonnes of pulses for sale in the domestic market.

The last date for submission of bids is July 1 and a decision on awarding the contract will be taken on the same day, a notice on the company's website said. The company said that 2,000 tonnes each of urad and desi chick peas of the 2011 crop year are to be sourced from Myanmar and Tanzania, respectively, whereas another 2,000 tonnes of desi chick peas of the 2010 crop year is to be sourced from Australia. While the consignments of 2,000 tonnes each of desi chick peas are to be delivered at the Mumbai port, the shipping port for the urad is Chennai, it said. All the consignments are to be delivered between July and August, it added. PEC, MMTTC and other state-run trading agencies like the STC import different varieties of pulses on behalf of the government to augment domestic supply.