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<http://www.thehindu.com/thehindu/seta/2011/06/02/stories/2011060252381600.htm>

FARMER'S NOTEBOOK

Farmers cannot solve the crises in agriculture on their own

M.J. PRABU

Technologies available today must be affordable and easy to locate

- Photo: R. Ashok



Concerned:Murugesha Boopathi, Vice Chancellor, TNAU, Coimbatore.

Farmers cannot solve the crises in agriculture on their own. If one does an Internet search on how to solve the present crises in Indian agriculture, there are surprises in store — several hundred answers to effectively tackle the problems on hand.

But the present crisis cannot be solved by the farmers alone. The initiative must come from the government, according to Dr. P. Murugesu Boopathi, Vice Chancellor, Tamil Nadu Agriculture University, (TNAU), Coimbatore.

“The government should view agriculture as a national requirement. Till then, the livelihood of farmers and sustainability cannot improve,” he says.

Fast economy

“Everybody today lives in a fast economy. Money alone can buy food, clothing and shelter. Absence of cash means loss of purchasing power and for a cash-strapped farmer it means the end of life. A small farmer's first need today is to make money from the meagre land holding.

“To help such small farmers, technologies available today must be affordable and easy to locate,” he adds.

The primary factor for success in any business is the consumer orientation model that fulfils the needs of the consumer and the demand of the growing nation.

Market orientation

Market orientation must be in terms of what to produce, when to produce, and how much to produce.

Losses are incurred due to excess production (storage loss and price reduction) and price rise during deficit production.

Market oriented agricultural production planning, with a medium and short term horizon, needs to be done at the national, State, and farm level.

“This can lead to effective and efficient allocation of resources,” he stresses.

Urgent need

There is an urgent need to attract private sector investment in agriculture, especially for storage and transport infrastructure if things are to improve, he argues.

“There are presently nearly eight million farmers in Tamil Nadu. But extension functionaries such as scientists and agricultural officers, are less than 10,000. This creates a gap in efficient transfer of technology.

“Most are small and marginal farmers, and many are not interested in adopting important technologies such as seed replacement rate, bio-fertilizer application, integrated plant protection, etc.,” he explains.

“Although we take efforts to disseminate the information through several media, only a few farmers show interest in adopting them.

Progressive farmers following these developments approach the nearest college campus, research stations or KVKs and get required directions. Such farmers show marvellous development.

Hard working

“Our farmers are extremely hard working and entrepreneurial. What they need is a platform, to utilize it to improve their life – market orientation and market linkages with a greater share for them in the consumer's rupee,” he says. To help the farmers, TNAU has uploaded complete details of all the technologies in its Agri Portal website www.agritech.tnau.ac.in

A farmer can get almost any information he is looking for regarding field preparation, seeds, machinery, expert advice and marketing.

Market prices

Another website www.tnagmark.tn.nic.in also disseminates technologies and suggests remedies for maladies affecting crops. In addition the University also provides market prices of agri-horti produces through DEMIC (Domestic and Export Marketing Information Centre).

New technologies

According to Dr. Boopathi, the University is making a lot of headway in technology development and transfer. Marketing, price, and export policies that improve the profitability of small farms are essential at the moment.

“It is the duty of our scientists to develop relevant need based technologies to augment productivity. It becomes the task of State extension functionaries to facilitate market orientation of the farmers and provide all the required technologies to improve.

“There is profitability in agriculture. Those interested can directly contact my office on any working day and we will be glad to guide them,” says Dr. Boopathi.

For any queries or guidance contact Dr. Murugesu Boopathi at email: vc@tnau.ac.in and pmboopathitnau@yahoo.com, phone: 0422- 2431788.

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Using agriculture to address poverty

— Photo: M.J. Prabu



Dr. John J Kennelly, University of Alberta.

A 42 month-long research programme conceived by the M.S.Swaminathan Research Foundation, Chennai and the University of Alberta, Canada was signed recently to use

agriculture along with other interventions to address poverty and malnutrition in three regions known for rich agro-biodiversity.

Support

The Canadian International Food Security Research Fund (CIFSRF) of the International Development Research Centre, Canada offered assistance to support this research project.

“The aim of the project is to study the enigmatic contradiction between prosperity of nature and poverty of people and to improve the agricultural and nutritional status of 4,000 small farm families in Kundura block in Koraput district, Orissa, Kolli Hills in Namakkal district, Tamil Nadu and Menangadi panchayat in Wayanad district, Kerala,” says Dr. John J Kennelly, Dean, Faculty of Agriculture, Life and Environmental sciences, University of Alberta.

Tribal communities

“Most of these families belong to the marginalised tribal communities. The project will assist them to increase farm productivity and off-farm income through appropriate participatory technological interventions, application of eco-technologies and ICT-enabled knowledge system, value chain and market linkage, and to build their capacity,” he adds.

These interventions may encompass strengthening crop-animal-fishery integration, improving the natural resource base supporting agriculture, addressing gender-specific drudgery, promoting home gardens and local crops to improve nutritional security at individual, household and community levels.

Process

The process may involve local institutions (panchayats, banks, co-operatives) and assist in making appropriate choices and decisions on sustainable management and adding value to social and natural capital.

For details contact: Dr. S. Bala Ravi, Project Director, MSSRF at sbala@mssrf.res.in and Dr. John Kennelly at john.kennelly@ualberta.ca

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<http://www.thehindu.com/thehindu/seta/2011/06/02/stories/2011060251891400.htm>

FARM QUERY

Storing native seeds

Is there any farmer near Bangalore who can guide on storing traditional seeds?

S. Leelavathi

Bangalore

Mrs. Papamma Papanna in Kolar district has preserved about 11 varieties of native ragi (finger millet) and 50 different grain varieties in mud pots. For further details you can contact Mrs. Papamma Papanna, D. Kurubarahalli village, Mulubagal taluk, Kolar district, Karnataka, mobiles: 9341019880 and 9742106768.

Date:02/06/2011 URL: <http://www.thehindu.com/2011/06/02/stories/2011060260330300.htm>

Enhance irrigation infrastructure, say farmers

R. Vimal Kumar

Tirupur: Farmers dependent on the Amaravathy river irrigation systems have appealed to the State government seeking enhancement of irrigation infrastructure for augmenting agriculture production in Tirupur, Coimbatore and Karur districts.

Lingam Chinnasamy, general secretary of Amaravathy Nathineer Pasanai Pathukkappu llyakkam, pointed out that desilting had not been carried out in Amaravathy dam since the structure was commissioned in 1957.

“Due to this, storage capacity has come down at least by 20 feet,” he said adding that the government should not waste any more time to remove the silt.

Likewise, the farmers had a complaint that the project that had been conceptualized to lay concrete flooring and lining to the entire irrigation canals branching out of Amaravthy river did not take off till now.

Project report

“It is learnt that the Public Works Department had submitted a project report at an estimated outlay of Rs. 80 crore to the previous DMK-led government but no action had been taken on the file,” Mr Chinnasamy said.

If the project takes off, canals totalling a length of 143 km in the three districts would get concrete flooring and lining.

“Concrete structure will help reduce the recurring maintenance cost significantly,” the farmers noted.

Another demand of the farmers is the need to expedite the implementation of the project chalked out to impound the surplus water flowing out of Nanchaithalayur dam situated under Amaravathy river irrigation system, at a cost of Rs.12.50 crore.

“Project estimation process was completed as early as in 2002 but no progress took place thereafter,” Mr Chinnasamy said.

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Farmers demand rejection of Seeds Bill 2010

Special Correspondent

It shall provide an opportunity for multinational companies to monopolise

TIRUCHI: The Tiruchi district unit of the Tamil Nadu Vivasayigal Sangam, affiliated to the Communist Party of India (CPI), has urged the State government to reject the Seeds Bill 2010

and the Tamil Agricultural Council Act 2009. In a representation to the district administration, the district secretary Ayilai Siva.Suriyan said that if the Seeds Bill 2010 were to be passed as law, farmers would be adversely affected as it would provide an opportunity for multinational companies to monopolise , production, distribution, and marketing of seeds in the country. Farmers dependent on traditional seeds, preserved by them, would be put at the mercy of MNCs engaged in the business. Already MNCs were dominating the market, except in paddy and wheat seeds. Farmers would not be able to claim any compensation from private companies, if the seeds fail or result in reduced yields.

The Seeds Bill 2010 had several anti-farmer provisions. The price of seeds, which are now being sold at affordable rates through the National Seeds Corporation, would go up steeply if the Bill were to be implemented, Mr.Suriyan feared. He also pointed out that various other States have also expressed their opposition to the Bill.

Mr.Suriyan also urged the government to repeal the Tamil Nadu Agricultural Council Act 2009, which he said was also “anti-farmer.”

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Tobacco growers boycott auctions in eight platforms

Staff Reporter

ONGOLE: Coinciding with Chief Minister N. Kiran Kumar Reddy's meeting with representatives of farmers and buyers in Hyderabad, tobacco growers in Prakasam district boycotted auctions in eight platforms on Wednesday demanding fair price for their produce.

“The All-Party Rythu Sangams' Action Committee will meet here on Thursday to discuss the outcome of the talks with the Chief Minister and decide on the next course of action,” CPI (M)-led Andhra Pradesh Rythu Sangam Prakasam district secretary N. Ranga Rao said.

The farmers boycotted auctioning in the platforms of Ongole I, II, Tangutur I, II, Kondepi, Kandukur I, and Vellampalli I and II.

The Chief Minister had promised to consider the farmers' demand for market intervention by the Andhra Pradesh Tobacco Growers' Cooperative Union (APTGCU) and the Tobacco Board to spur demand in the domestic market, APTGCU former president Ch. Seshaiah said.

"We have taken up with the Chief Minister the poor off-take by buyers and urged him to persuade manufacturers and exporters to lift the quantity for which they have given indent by giving a remunerative price for us," Mr. Seshaiah said.

"We have impressed upon the Chief Minister that farmers, who have produced more bright grade tobacco this year overcoming vagaries of nature needed all support from the government," Mr. Seshaiah said.

Date:02/06/2011 URL: <http://www.thehindu.com/2011/06/02/stories/2011060251580900.htm>

Allow export of 25 lakh cotton bales: Naidu

Special Correspondent

HYDERABAD: Telugu Desam president N. Chandrababu Naidu has urged Union Finance Minister Pranab Mukherjee to allow export of 25 lakh cotton bales from the State in view of the situation of penury being faced by the farmers.

In a letter to Mr. Mukherjee, the TDP president said cotton growers in the State were facing a severe financial crisis due to depressed market conditions imposed by the Government of India. He wanted the Minister's intervention in allowing cotton exports and ensuring remunerative prices to them.

Good yield

Braving heavy odds like untimely heavy rains, the cotton farmers could produce a record quantity of 60 lakh bales this year. Though the season started with Rs.3,000 a quintal, farmers could get around Rs.6,000 a quintal due to encouraging trend in the international market. However, the Centre had restricted exports of cotton to 55 lakh bales this year as against 83 lakh bales last year and restricted them till March 31.

These restrictions had dampened the market and the price plummeted to Rs. 2,700 a quintal during the last one-and-half months. The cotton restrictions which were imposed due to pressure from textile mills have become a curse to the growers, he added, and said that a large quantity of cotton was still lying with the farmers.

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Vana nurseries prove to be a boon for farmers

Correspondent

1.96 crore seedlings being raised in Nalgonda district

As per the scheme launched with NREGS funds, seedlings will be planted on field bunds of ryots

Each farmer will be paid Rs.54 per plant in first year, Rs.36 in the second and Rs.24 in the third

NALGONDA: Planting of seedlings on the field bunds of farmers belonging to small and marginal categories besides SCs and STs under the Vana Nurseries with NREGS funds appears to be the best option for those facing crises, particularly in the context of the row over non-payment of MSP for paddy.

Launched on October 2 last year, the Mahatma Gandhi Vana Nurseries Scheme forms part of community land development. As many as 206 nurseries have been established in the district and 1.96 crore seedlings are being raised. About 90 lakh seedlings will be ready by July 15 for planting. Each farmer will get paid Rs.54 per plant in the first year, Rs.36 in the second and Rs.24 in the third. About 150-500 seedlings will be given to each ryot for plantation in his field. This will ensure the much needed financial benefit to each farmer. The NREGS funds can be utilized for transportation and watering of fields. After planting of seedlings a farmer has to ensure their maintenance and protection.

G. Harikumar, Nalgonda DFO, told The Hindu that the district water management agency would select the beneficiaries. The scheme envisages planting of six crore seedlings in three years across Nalgonda, if everything goes well. The seedling varieties to be raised include teak, neem, seetaphal, kanaga.

He said the scheme provides for raising of 27 crore seedlings across the State.

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NABARD plans to lend Rs. 500 crore to Escoms

Nagesh Prabhu

Funds are for taking up the Nirantara Jyothi scheme in their respective regions

Gescom, Hescom have already submitted proposals seeking financial assistance

Bangalore: The National Bank for Agriculture and Rural Development (NABARD), Karnataka, is in talks with Gulbarga Electricity Supply Company (GESCOM) and Hubli Electricity Supply Company (HESCOM) to extend a finance of Rs. 500 crore for taking up the Nirantara Jyothi scheme in their respective regions.

NABARD would finance the two power supply companies under its new initiative — Infrastructure Development Assistance (NIDA) — a longer tenure product launched last year.

Speaking to The Hindu, Venkatesh Tagat, Chief General Manager, NABARD, Bangalore, said both Gescom and Hescom have already submitted proposals seeking financial assistance from the bank for implementing the Nirantara Jyothi scheme, which ensures 24x7 electricity to non-agricultural consumers in rural areas. The scheme bifurcates the supply networks of IP sets from non-agricultural consumers and it would reduce energy losses.

NIDA was launched last year with a focus on providing direct funding support for development of infrastructure facilities for promotion of agriculture and rural development. NIDA enables the bank to extend financial assistances to State Government undertakings for development of infrastructure in rural areas. Karnataka is the first State to utilise the funding under this programme launched last fiscal.

Mr. Tagat said: "Gescom and Hescom have approached us seeking financial aid. We have already received proposals from them. But we need more financial and other details from the companies to clear the long-term loan."

Hescom has sought a fund of Rs. 300 crore, out of its total project requirement of Rs. 500 crore.

"We are also planning to finance Bescom and it is yet to submit the application." The State Government is implementing the scheme at a cost of Rs. 2,123 crore through the power distribution companies in two phases in 126 taluks. This would ensure not only enhanced power to villages, but will also improve the quality of power supply for the IP sets.

Replacement

He said NABARD, in association with a private firm, has already implemented a Distribution Reform, Upgrades and Management (DRUM) power project for replacement of inefficient IP sets with new high energy efficiency pump sets (NHEP) in Doddaballapur taluk.

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Suvarna Bhoomi: 17,142 farmers chosen in Hassan

Staff Correspondent

Hassan: The Agriculture Department has selected 17,142 beneficiaries through draw of lots under the Suvarna Bhoomi scheme. Under it, Rs. 10,000 will be given in two instalments to farmers with two acres of land or less.

The State Government has released Rs. 2.14 crore under the scheme for the district.

The district administration selected the beneficiaries through draw of lots at the hobli level on Tuesday.

Joint Director of Agriculture B. Shivaraj told The Hindu that the department had selected 10 per cent more beneficiaries than the allotted number. If any of the selected farmers were disqualified after verifying their records, those on the waiting list would be considered for the scheme.

Mr. Shivaraj said the department staff would examine the applications and verify records in the next couple of days.

The selected beneficiaries may get the first instalment by June 20, he added.

Deputy Commissioner K.G Jagadish said that all the 34,146 applications received by the Horticulture Department would be considered under the scheme.

The target under organic farming was 8,909 beneficiaries. However, only 810 applications had been received.

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Rs. 7,000 cr. crop loans to be disbursed this year

Special Correspondent

Bangalore: The State Government has set a target of disbursing crop loans amounting to Rs. 7,000 crore for farmers at one per cent rate of interest in the current financial year.

The Government has issued an order recently directing cooperatives and nationalised banks to disburse crop loans up to Rs. 3 lakh at one per cent interest. The subsidised crop loans will cost the State exchequer Rs. 675 crore in 2011-12.

Minister for Cooperation Laxman S. Savadi on Wednesday reviewed the progress of the department for the last three years and said efforts would be made to grant loans to 25 lakh families in the current year.

Farmers will have to repay the loan within one year if they avail of the crop loan. The banks will charge the prevailing rate of interest for delayed repayment.

In 2010-11, the 14.32 lakh farmers borrowed Rs. 4,647 crore from various cooperatives in the State at three per cent interest.

The Minister said the recovery rate of loans was 88 per cent last year.

Date:02/06/2011 **URL:** <http://www.thehindu.com/2011/06/02/stories/2011060255720700.htm>

Endosulfan victim dead

Staff Reporter

KASARAGOD: A 60-year-old woman who was afflicted with diseases suspected to be caused by endosulfan pesticide spraying died at her residence near Perla on Wednesday.

Cheniyaru, residing in Enmakaje village that is close to the Perla cashew estate of the State-owned Plantation Corporation of Kerala where the pesticide was aerielly sprayed, had been under treatment for a host of diseases.

Ten persons, including a child, died of endosulfan-related ailments in the district last month.

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All milk unions making profits: KMF chairman

Staff Correspondent

'Unions doing better after dues were waived'



G. Somashekar Reddy

BELLARY: All milk unions in the State that were making losses have begun to make profits after the Yeddurappa Government cleared their dues, according to G. Somashekar Reddy, MLA and chairman of the Karnataka Milk Federation (KMF).

Speaking to presspersons here on Wednesday, Mr. Reddy said that most of the unions in north Karnataka owed money to the National Dairy Development Board (NDDB), and therefore could not show profits.

Following requests by several Ministers, including Basavaraj Bommai and C.M. Udasi, the Chief Minister agreed to clear all dues to the tune of Rs. 22 crore, to free the unions from the burden of loans.

“Since then, all the unions in the State, particularly in north Karnataka, have been making profits,” Mr. Reddy claimed, and thanked the Chief Minister for his gesture. North overburdened

Mr. Reddy said that previous chairpersons of the KMF had managed to take all the grants to the unions in the southern part of the State, while the unions in the northern part were allotted

schemes to be implemented by taking loans, and as such, the unions in north Karnataka were overburdened.

Transactions

Mr. Reddy claimed that at present, around 43 lakh kg of milk was being procured and around 30 lakh litres was being sold.

Payment to the tune of Rs. 8 crore was being made to milk producers every day.

The KMF had been selling 3.2 lakh litres of curds and 1.83 lakh litres of Goodlife milk, and around 5.25 lakh litres of milk was being sold daily to other States.

Two thousand tonnes of Nandini ghee was being supplied annually to Tirupati for preparation of laddus, 76 lakh litres of UHT milk was being supplied annually to the defence sector, besides the export of 50,000 litres of UHT milk to Singapore.

Ice-cream unit

Mr. Reddy said that there was a proposal to set up an ice-cream producing unit in Bellary at an estimated cost of Rs. 12 crore, to cater to all of north Karnataka.

Currently, Nandini had an ice-cream unit at Bangalore and was very popular, he said.

Thimmareddy, chairman of the Raichur Bellary Koppal Milk Producers' Union, was present.

Date:02/06/2011 **URL:** <http://www.thehindu.com/2011/06/02/stories/2011060250620300.htm>

Farmers to get subsidised seeds

Staff Correspondent

Bidar: The Department of Agriculture will supply seeds at subsidised rates to farmers in all taluks.

Farmers who own two hectares (5 acres) of land and those owning up to one hectare (2.5 acres), will get seeds at below the market rate. Farmers with larger holdings will get seeds enough for cultivation on two hectares.

The seeds will be sold at the Raitha Samparka Kendra.

The prices of seeds per kg are: paddy (certified), Rs. 9 to Rs. 9.5; jowar, Rs. 23.5; bajra, Rs. 10.5 to Rs. 50; maize, Rs. 18.5 to Rs. 30; red gram, Rs. 32 to Rs. 32.5; green gram, Rs. 39.5 to Rs. 40; black gram, Rs. 44.5 to Rs. 45; groundnut, Rs. 12; soya bean, Rs. 12; sunflower, Rs. 31 to Rs. 80.

Date:02/06/2011 URL: <http://www.thehindu.com/2011/06/02/stories/2011060262220300.htm>

Nagaur farmers protest non-payment of crop insurance

Special Correspondent

JAIPUR: Hundreds of farmers protesting against non-payment of insurance for crop damages in Nagaur district started an indefinite “maha padav” (siege) in front of the Sub- Divisional Office in Deedwana on Wednesday. Communist Party of India (Marxist) MLAs Amra Ram and Pema Ram are leading the protest.

The protest is over insurance dues of Rs.30 crore pertaining to the crop losses suffered by farmers in the year 2009.

Speaking to The Hindu on phone from Deedwana, Mr. Amra Ram, also president of Kisan Sabha Rajasthan, said the farmers were being forced to resort to protests as no action had been taken by the State Government even after a five-member committee submitting its detailed report in February this year on the status of the crop damages.

No action taken

The committee, in which SDM Deedwana and the Kisan Sabha representatives were also members, had found three officers—two agriculture officers and one revenue inspector—guilty of manipulating the names of the affected farmers, he said.

Weather

Chennai - INDIA

Today's Weather



Cloudy

Thursday, Jun 2

Max 39° | Min 27.2°

Rain: 00 mm in 24hrs

Humidity: 89%

Wind: Normal

Sunrise: 5:41

Sunset: 18:32

Barometer: 1005.0

Tomorrow's Forecast



Rainy

Friday, Jun 3

Max 37° | Min 26°

Extended Forecast for a week

Saturday
Jun 4



35° | 27°
Rainy

Sunday
Jun 5



37° | 29°
Rainy

Monday
Jun 6



37° | 29°
Partly Cloudy

Tuesday
Jun 7



37° | 29°
Rainy

Wednesday
Jun 8



36° | 29°
Rainy

1 Jun, 2011, 06.01PM IST,ET Bureau

Tea Board to assist small growers set up tea processing unit

KOLKATA: In a bid to promote small tea-growers of India, the Tea Board has decided to assist a group from West Bengal in setting up the country's first tea processing unit by small tea-growers.

The Panbari Small Tea-Growers Society of Assam, a self-help group, which was formed a few years ago, in Panbari village, has decided to go ahead with setting up of a tea processing factory in the village for which it acquired two hectares of land and pooled an amount of Rs 65 lakh. The board is assisting these growers and one of the nationalised banks has decided to provide loans.

A senior official in the Tea Board confirmed that the proposal has been pending for a long time and it is only now being implemented because of the initiative by Panbari tea-growers. "The small tea growers in the tea growing regions of north India have become a force to reckon with," the official added.

A recent survey by the Assam government has put the number of small tea growers at around 68,465 in 14 districts. Assam produces nearly 55% of India's total tea production of 980 million kg.

The survey has been funded by the Assam government and Tea Board. Interestingly, insurgency-infested areas of upper Assam are propelling the growth. Major concentration of the small growers is in five upper Assam districts, which accounts for 94% of small growers in 14 districts of the Brahmaputra valley. The small growers now produce nearly 100 million kg of tea annually, which is largely of CTC variety.

Govt hold preliminary talks with the farmer leaders

June 02, 2011 10:21:33 AM

PNS | Lucknow

Scalded in the political heat generated over farmers' agitation, state government held preliminary talks with the farmer leaders on Wednesday, a day before Chief Minister Mayawati decided to hold the first-ever 'kisan panchayat' in the state.

The outcome of the meeting could not be known but the two UP ministers-Agriculture Minister Laxmi Narain and Rural Engineering Minister Thakur Jaiveer Singh, held a closed door meeting with different factions of farmers including Bharatiya Kisan Union (BKU) leaders.

Later Chaudhry Laxmi Narain told waiting media that Thursday's meeting would be crucial and a "historic one". It is first time in the history of UP a chief minister is holding parleys with Chief Minister, he said.

There are indications that state government might go for change in state's own land acquisition policy.

He refused to divulge the details in the meeting but said: "We are in touch with farmers regularly. There is, infact, no problem. There are some issues which would be sorted out."

UP government, under pressure after series of farmers agitation protesting against the land

acquisition had to face opposition ire over atrocities committed by police in twin villages of Bhatta-Parsaul in Greater Noida on May 7 last.

Farmers from Bhatta-Parsaul, Katesar in Chandauli, Tappal in Aligarh, Mathura. Agra, Kushinagar, Allahabad and other areas where protests were witnessed for acquisition of agricultural land in recent past will be present in the meeting.

The spokesman said the in the meeting with CM would discuss all agriculture and land acquisition related issues with the farmers. "CM is of the firm view that farmers should get maximum benefit during acquisition of their land. The BSP Government had formulated a progressive land acquisition policy. CM is ready for more changes if suggested by farmers," the government spokesman said in a release issued here.

Punjab initiates peacock breeding project

June 02, 2011 10:22:37 AM

PNS | Chandigarh

Punjab will rear the India's national bird - Peacock, which had become a rare sight in Malwa region in the past decade or so, with the help of the Central Government.

In a move to check the depleting strength of peacocks in the State, especially in the Malwa region, the Punjab Government has initiated a normal Peacock Breeding Project in the Malwa region.

Disclosing this, State's Forest and Wild Life Minister Arunesh Shakir on Wednesday said that Chief Minister Parkash Singh Badal was quite concerned about ill-effects of insecticides and pesticides on the 'national bird' peacock and was taking keen interest in this project.

The project will soon be inaugurated by the Chief Minister in Bathinda district, said the Minister, adding that due to increasing urbanisation and increasing use of pesticides, the number of peacocks in Mansa, Bathinda, Mukatsar, Moga, Ferozepur and Sangrur has gone down drastically.

“In this centrally-sponsored project, eggs of peacocks collected from the Chhatbir Zoo in Mohali and Tiger Safari in Ludhiana would be bred under scientific supervision at Beehar Pond in Bathinda,” elaborated the Minister.

Further, he said that after successful completion of this breeding programme, peacocks would be released in the Malwa Belt.

It may be added that the number of peacocks were quite high in Chhatbir Zoo and Tiger Safari, Ludhiana whereas in Doaba, situation was normal. But in Malwa the number of peacocks was near extinction.

In recent times, the peacock population has started increasing showing improvements in a few villages of Abohar and Fazilka sub-divisions, which had peacocks in large numbers and attracted people many years ago but now witnessed a large-scale killing of these birds after their habitats were endangered by reckless use of pesticides in agricultural operations, especially in cotton cultivation and kinnow orchards. situation had reached a point where the national birds nearly disappeared from these two sub-divisions.

As of now, the State wildlife department had done nothing for the protection of peacocks.

Rain brings down temperature

June 02, 2011 10:22:39 AM

PNS | Chandigarh

There were moderate to heavy rains in Chandigarh and various parts of Punjab and Haryana on Tuesday night and Wednesday morning giving respite from sweltering weather conditions by bringing the maximum temperature down by few notches

Chandigarh recorded maximum temperature of 30.2 degrees Celsius, nine notches below normal while the minimum temperature recorded was 21.5. Nearly 4.9 mm rainfall was received in the city till Wednesday morning.

The Met Department has forecast that light rain or thundershowers would occur at several places in Haryana and Punjab. While in Chandigarh, partly cloudy sky with a spell of rain and thundershowers will be witnessed in next 24 hours.

“This rainfall has made the environment somewhat cooler and pleasant as compared to last few days. These are pre-monsoon showers. We had moderate to heavy rainfall in Chandigarh and in various parts of Punjab and Haryana on Tuesday night and Wednesday morning,” said a Met official on Wednesday.

The Met official said: “Clouds are still prevailing in most parts and we are expecting similar conditions to prevail in this region for a couple of more days. We expect actual monsoon to hit Punjab and Haryana only after June 15,” he added.

In Haryana, Hisar recorded highest maximum temperature of 34.5 degrees Celsius, seven notches below from normal. Ambala and Karnal recorded maximum temperature of 30.4 degrees Celsius, 10 degrees below normal and 30.6 degree Celsius, nine notches below normal respectively.

While in Punjab, Patiala recorded highest maximum temperature of 30.6 degree Celsius, nine notches below normal. Amritsar recorded maximum temperature of 28.2 degrees Celsius, 12 notches below normal while Ludhiana recorded 29.9 degrees Celsius maximum temperature, 11 notches below normal.

Business Standard

Thursday, Jun 02, 2011

Encourage use of simple fertilisers, Centre tells states

Sanjeeb Mukherjee / New Delhi June 2, 2011, 0:19 IST

To tide over the shortage of complex fertiliser di-ammonium phosphate (DAP) during the crucial kharif sowing months of April to June, the Centre has asked states to encourage farmers to use simple fertilisers like NPK and single super phosphate (SSP).

By the assessment made by the Union agriculture ministry, the availability of DAP during the crucial sowing months was around 1.6 million tonnes, as against the demand of 3 million tonnes, a shortage of almost 90 per cent.

On muriate of potash (MOP), which is also a complex fertiliser, the agriculture ministry's assessment shows the demand has been more than the supply in the said three months. The gap is estimated to be 42 per cent during April-June.

REQUIREMENT AND AVAILABILITY			
For April-June (in lakh tonnes)			
Fertiliser	Requirement	Availability	Diff
Urea	60.92	73.46	(+) 12.54
DAP	30.12	15.88	(-) 14.24
NPK	20.88	25.14	(+) 4.26
MOP	8.88	6.25	(+) 2.63
SSP	12.00	13.00	(+) 1.00
Total	132.77	133.75	(+)0.98

Source : Ministry of Agriculture

As per official estimates, India, the world's third-largest fertiliser producer, consumed around 12.435 million tonnes of DAP in 2010-11, of which 7.41 million tonnes was imported. It consumed around 6.21 million tonnes of MOP in 2010-2011, all of which was imported.

The price of DAP in the open market for the last three months has risen around 12 per cent to almost Rs 12,000 a tonne from Rs 10,750 a tonne, while the imported price of MOP has increased 6 per cent to \$492.75 a tonne in May from around \$465.90 a tonne in March.

"The shortage of DAP during April to June is largely due to disturbances in West Asia, which is the main source of supply," an agriculture ministry official said.

He said the situation could normalise from June-end as imports were expected to materialise by then. As against the combined total demand for DAP and NPK during April to June of 5.1 million tonnes, the total availability has been estimated to be around 4.1 million tonnes, almost the same as last year.

Though the agriculture ministry is in favour of substituting DAP with NPK and SSP, the quantity of NPK and SSP required to substitute DAP is almost two times and NPK is also costlier than DAP.

The cabinet recently approved a rise in the import prices of DAP and MOP.

The fertiliser subsidy bill had been earmarked at Rs 53,000 crore for 2011-2012. In the last financial year, fertiliser subsidy had reached Rs 64,000 crore.

Bumper basmati crop not good news for exporters

Komal Amit Gera / Chandigarh June 2, 2011, 0:16 IST

The bumper production of basmati rice in the major producing belt (Punjab, Haryana and Western Uttar Pradesh) has undermined the bargaining power of basmati exporters, as they face payment hurdles from buyers in Iran and West Asia.

The recognition of PUSA 1121, as one of the basmati variety in November, 2008, has helped in the higher production.

According to Gaurav Bhatia, secretary, All India Rice Exporters Association and director DD International Private Limited, the high yield and low irrigation requirement of PUSA 1121 has encouraged many farmers to adopt this crop. The variety became popular in the export market in a short-span but its over-supply has affected the bargaining power of exporters.



RICE EXPORTS				
Year	Quantity (In tonnes)		Value (In Rs cr)	
	Basmati	Non-Basmati	Basmati	Non-Basmati
2008-09	15,56,383	1,691.42	9,476.85	1,691.42
2009-10	20,15,912	414.76	10,838.86	414.76
2010-2011 (Jan)	18,22,730	-	8,760.89	N.A.

Source: All India Rice Exporters Association

“Due to the huge stocks available with exporters, everybody is keen for early shipments, rendering flexibility in the mode of payments. Instead of seeking 10-15 per cent of the amount as advance payments, the exporters now resort to a credit period of 120 days. Since the margins in commodities are thin, this affects the viability,” he said.

Ashwani Arora, joint managing director, LT Foods, says there has been a steady annual growth of demand of 10 per cent in the global market but the prices are stressed. He says Iran is the

largest buyer of rice from India, but its strained relations with the US has affected the banking activities there.

The delayed payment from Iran has put exporters in a catch-22 situation. Weakening of the Iranian currency and strengthening of the rupee has also compressed margins of exporters, he added.

L T Foods, which registered a turnover of Rs 1,050 crore last year and is eyeing a business of Rs 1,250 crore this year, said exports contribute 50 per cent to the total business.

Some of the players are scouting for the parallel markets in Brazil, Mexico and Argentina. "These markets can offer volumes but there are some entry-level barriers. We are planning road shows in these countries to reach out to the local channel partners to market our produce as an alternate to the existing markets," said one of the exporters.

The price of rice in the global market, according to exporters, has dropped from Rs 2,500 a quintal to about Rs 1,800 a quintal in the last three years. They may have been a tough going this year but they are gearing up for innovative marketing strategies to either enter new markets or launch their retail brands to make inroads in the domestic market

Maha sugar coops find Brazil model useful

Sanjay Jog / Mumbai June 02, 2011, 0:14 IST

The sugar industry in Maharashtra, producer of nearly a third of all-India output, is enamoured of the Brazil model, given the various constraints on its revenue and growth.

Brazil's uses sugarcane juice for making both sugar and ethanol (they have one of the oldest programmes for using ethanol in motor fuel), deciding how much is to be used for each, depending on the price. This has, the industry says enabled Brazil to be the leader in not only sugar and ethanol production but also the largest of exporters in these products.

Sugar industry sources told Business Standard: "The issue came up for discussion during a meeting between Union agriculture minister Sharad Pawar and a group of millers on Monday. Although the Brazil model is good for sugarcane growers, processors and consumers, (our) sugarcane control order does not permit use of sugarcane juice for ethanol production.

However, millers were unanimous on making a case with the Government of India for an amendment."

The sources said the millers would soon make a representation on this issue. Industry sources said the model was needed, since 75 million tonnes of sugarcane (of the 80 mt out in a year) is available for sugar production. At an average sugar recovery of 11.5 per cent, the state produces about 8.6 mt annually. However, annual consumption is just three mt and thus the state is forced to scout for liquidating its excess 5.6 mt to other markets. "As a result of additional expenses of freight, there is always pressure on ex-mill realisation, which invariably falls below the average cost of production," the sources said.

The mills are also interested in generating revenue through bagasse-based power generation through the Clean Development Mechanism and Renewable Energy Certificate methods that are a sequel to the Kyoto accord on curbing greenhouse gases.

Prakash Naiknavare, managing director of the Federation of Cooperative Sugar Factories in Maharashtra, said there was an urgent need for sugar mills, especially from the cooperative sector, to become more professional. "The Federation will certainly take initiative to explore various options for the sustainable growth of the industry," he added.

High coffee prices to stay for years

Reuters / London June 2, 2011, 0:10 IST

Coffee prices are set to remain high, as farmers increased maintenance and fertilizer use will not boost production enough to match growing demand.

Arabica coffee prices hit a 34-year high in May on tight supplies of high quality beans, but as coffee trees take around three years to produce crop, output is not keeping pace with demand.



“Long term, coffee is still going to be a bull market. Demand will outpace supply in the long-term for coffee,” said Nick Gentile, head of trading of commodity fund Atlantic Capital Advisors in Jersey City, New Jersey.

The International Coffee Organization estimates that global coffee consumption rose 2.4 per cent to a record 134 million 60-kg bags in 2010, while world 2010-11 coffee output is forecast at 133 million 60 kg bags.

To increase world coffee production will take time, the ICO said.

“When you invest today it will take you a three year minimum to get an output from the investment,” the International Coffee Organization’s chief economist Denis Seudieu said.

“Based on this hypothesis the relatively high prices will need to be maintained for another two years because the supply response takes time.”

In the near term, farmers are expected to increase fertilizer application and maintenance of their existing crops, to maximise output.

“High coffee prices are undoubtedly an incentive to renovate and make plantations more productive,” Luis Genaro Munoz, head of Colombia’s coffee federation said, adding that sales in fertilizer continue to rise.

Below average production from Colombia, the world’s top grower of high quality washed arabica coffee, has underpinned the rise in prices.

It has produced around 11 million 60-kg bags a year in the past, but output has dropped since 2009 when it had the smallest harvest in more than 30 years due to bad weather and a crop renovation program to replace aging trees.

Colombia’s coffee federation forecasts 2011 production to remain below average at between 9 million and 9.5 million 60 kg bags.

STOCKS DWINDLE

The International Coffee Organization has estimated coffee stocks in producing countries at the

beginning of the 2010-11 crop year were at the lowest level since it began keeping records in 1965, after arabica beans were drawn down.

Brazil, the world's largest coffee producer, is expected to see yields increase on the back of increased fertilizer application and better husbandry, analysts said.

Coffee exporters estimate Brazil, which has a biennial crop cycle, will harvest around 45 million 60 kg bags for the coming harvest, the largest off-year crop on record.

But that may not be enough to help rebuild depleted stocks.

"You are likely to get more coffee in about two years," agribusiness consultant Carlos Henrique Jorge Brando said, estimating that if prices continued at higher levels, farmers could achieve an average 1.5-2 extra bags per hectare.

This would equate to around a 10 per cent production increase if it was achieved nationwide.

"Material supply-side relief to arabicas will only be seen in the 2012/13 Brazilian harvest, and until then New York coffee prices will remain elevated," Macquarie Bank said in a commodities note.

"Brazil's Naturals will be subject to upside price risks until the 2012/13 Brazilian on season comes round to provide proper supply-side relief."

BOOM AND BUST

Vietnam, the world's top producer of robusta, a bitter tasting bean often used in instant coffee, is also expected to see increased crop maintenance efforts.

Vietnamese growers and competitors are years away from ramping up output from new plantings, instead pursuing a slow and steady policy of higher yields, which should keep local and global robusta coffee prices high, industry officials and global trade firms said.

The steep rise in coffee prices has prompted coffee roasters to caution that expensive beans could encourage a boom and bust cycle in the next few years.

"What worries me most is this resulting in an explosion in production, like happened in the last big rise in coffee in 1998. Three years later the world was flooded with coffee and that led to lower prices and a crisis in coffee," Andrea Illy, chief executive of Italy's Illycaffè.

THE HINDU Business Line

Wheat procurement at record high, tops 26 million tonnes target

Exceeding Expectations#						
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12*
	(lakh tonnes)					
Punjab	69.51	67.80	99.41	107.25	102.09	109.18
Haryana	22.29	33.50	52.37	69.24	63.47	68.67
Madhya Pradesh	Neg.	0.57	24.10	19.68	35.38	47.37
Uttar Pradesh	0.49	5.46	31.38	38.82	16.45	23.15
Rajasthan	0.02	3.84	9.35	11.52	4.76	10.88
Bihar	0	0.08	5.00	4.97	1.83	1.29
Gujarat	0	0	4.14	0.75	0.01	0.77
Uttarakhand	Neg.	0.02	0.85	1.45	0.86	0.39
TOTAL**	92.31	111.28	226.89	253.82	225.14	261.86
CROP SIZE	693.5	758.1	785.7	806.8	808.0	842.7

#State-wise wheat procurement during marketing season, *As on May 31; ** Includes procurement from other States.

New Delhi, June 1:

Wheat procurement during the ongoing 2011-12 rabi marketing season (April-June) has crossed the Centre's target of 26 million tonnes (mt) to reach an all-time-high.

According to the latest official data, the Food Corporation of India and State agencies have so far bought 26.19 mt of wheat, which is more than previous record procurement of 25.38 mt achieved in the 2009-10 marketing season.

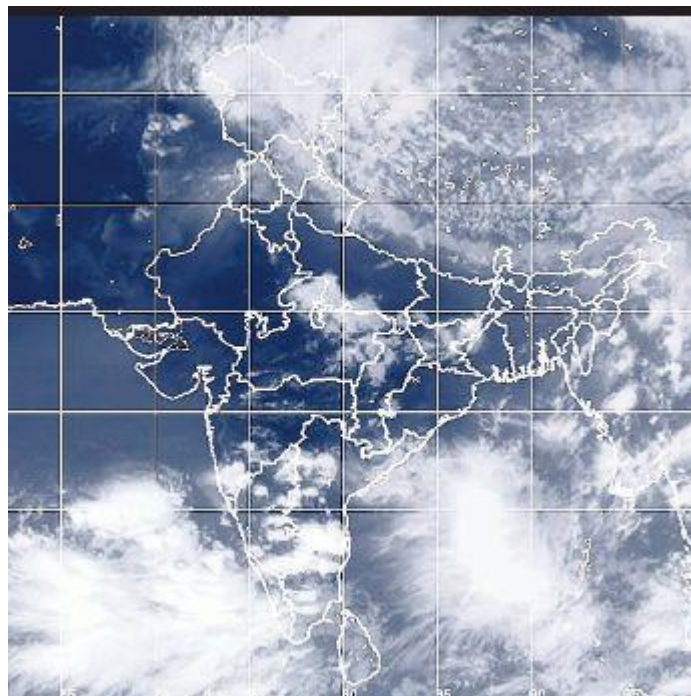
Moreover, with wheat still coming into the *mandis* in Madhya Pradesh (MP), Uttar Pradesh (MP), Rajasthan and Bihar – and translating into daily buys of over 0.1 mt – the total

procurement figure could end up surpassing the 27-mt mark. That would amount to roughly a third of the 2010-11 crop (marketed in 2011-12), estimated at a record 84.27 mt.

The States that have witnessed unprecedented levels of procurement this time are Punjab and MP, where the Government agencies have till now mopped up almost 11 mt and 4.75 mt, respectively (see Table).

At the start of the current marketing season on April 1, wheat stocks in the Central pool were placed at 15.36 mt against the minimum buffer and strategic reserve requirement of seven mt for that date. By July 1, the stocks are likely to be in the region of 40 mt or twice the corresponding required level of 20.1 mt.

Storm watch in Arabian Sea, but monsoon intact



Thiruvananthapuram, June 1:

The northern limit of monsoon may not have still progressed beyond the Aminidivi, Kozhikode and Kodaikanal alignment covered by the initial pulse.

But it is only a matter of time, if one were to go by the buzz building in the Arabian Sea followed by the Bay of Bengal.

The buzz is best exemplified by an offshore trough (an elongated area of lower pressure representing active monsoon condition) thrown up along the west coast by unrelenting monsoonal flows and extending from north Karnataka to Kerala on Wednesday.

An India Meteorological Department (IMD) update said that conditions are just right for further advance of monsoon into more parts of Arabian Sea, entire Kerala, parts of Tamil Nadu and Karnataka, and central and south Bay of Bengal by Friday.

Isolated heavy to very heavy rainfall has been warned of over coastal Karnataka and Kerala until Friday. It would be heavy over Lakshadweep and Andaman and Nicobar Islands.

Meanwhile, the Climate Prediction Centre (CPC) of the US National Weather Services has put the Arabian Sea under watch for tropical storm formation early next week.

On Wednesday, the European Centre for Medium-Range Weather Forecasts (ECMWF) has joined the Taiwanese Central Weather Bureau (CWB) and the Roundy-Albany model in the cyclone watch in the Arabian Sea.

Formation of the offshore trough coupled with an existing upper air cyclonic circulation over southeast Arabian Sea and strengthening monsoonal flows complete the evolving ecosystem for the initiation of the tropical storm.

Setting the overall background is the broad band of convection (process of cloud-building) ordained by a weather-setting Madden-Julian Oscillation wave in the upper levels that has locked into position over the region.

But the storm-watching models differ in their interpretation of the likely track the system would take in the Arabian Sea due mainly because of uncertain dynamics arising from an intervening western disturbance.

While the ECMWF is signalling a westerly track from north Arabian Sea towards Oman, the Roundy-Albany model takes the system to the Mumbai-Gujarat coast and further east-northeast into northwest India.

The CWB sees the system taking a swipe at the southwest Gujarat coast before barrelling in towards a landfall over adjoining south Pakistan coast.

But a fully matured monsoon system will also have churned up the Bay of Bengal in time to spin up a monsoon 'low'/depression and lobbed it into mainland across the Andhra Pradesh-Orissa coast.

The Arabian Sea storm is not seen as interfering with the progress of the matured monsoon, and the strong flows will have brought the rains racing into east India and central India by this time.

Year's highest volume brewing for Coonoor tea auction

Coonoor, June 1:

As much as 16.01 lakh kg is being offered for Sale No: 22 of Coonoor Tea Trade Association auctions to be conducted today (Thursday) and Friday, reveals an analysis of the listing by brokers.

This is the largest volume offered so far in 2011. It is some 69,000 kg more than last week's offer, which was the highest until then. It is about 2.92 lakh kg more than the offer this time last year.

Of the 16.01 lakh kg on offer, 11.66 lakh kg belongs to the leaf grades and 4.35 lakh kg belongs to the dust grades. As much as 15.10 lakh kg belongs to CTC variety and only 0.91 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.31 lakh kg belongs to orthodox while 11.35 lakh kg, CTC. Among the dusts, only 0.60 lakh kg belongs to orthodox while 3.75 lakh kg, CTC.

In the 16.01 lakh kg, fresh teas account for 12.96 lakh kg. As much as 3.05 lakh kg comprises teas that had remained unsold in previous auctions. Last week, Homedale Estate tea, auctioned by Global Tea Brokers, topped CTC market at Rs 146 a kg. Professor got Rs 132, Vigneshwar Estate Rs 131, Shanthi Supreme Rs 128, Sree Tea Supreme Rs 126 and Hittakkal Estate Rs 122. In all, 59 marks got Rs 100 and more.

Among orthodox teas from corporate sector, Chamraj got Rs 188, Sutton Rs 171, Kairbetta Rs 151, Havukal Rs 146, Curzon Rs 143, Quinshola clonal Rs 140 and Tiger Hill clonal Rs 131. In all, 30 marks got Rs 100 and more.

Spot rubber improves on covering buys

Kottayam, June 1:

Physical rubber prices continued to improve on Wednesday. According to reports, tapping has come to a halt in most of the plantation areas following the widespread and intensified rains during the past couple of days. The monsoon is expected to gain strength in the coming week over the southern districts of the State.

The medium term outlook of the commodity appeared to be fairly bullish amidst supply concerns. Hence, the market moved up mainly on covering purchases but the gains were limited as the domestic futures lost ground on the National Multi Commodity Exchange. The trend was mixed.

Sheet rubber closed firm at Rs 223.50 (223) a kg according to dealers. The grade increased Rs 224 (222) a kg both at Kottayam and Kochi, according to Rubber Board.

The June series declined to Rs 226.75 (229.64), July to Rs 231.65 (233.90), August to Rs 232.21 (233.94), September to Rs 230 (232.45), October to Rs 225.90 (230) and November to Rs 226 (229.50) a kg for RSS 4 on the National NMCE.

Volumes totalled 12,470 lots and open interest 6,316 lots. The turnover was Rs 286.53 crore.

RSS 3 (spot) improved to Rs 236.36 (235.05) a kg at Bangkok. The June futures slipped to ¥420.05 (Rs 231.76) from ¥421.4 a kg during the day session but then remained inactive in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 223.50 (223); RSS-5: 220 (220); ungraded: 216 (216); ISNR 20: 212 (211) and latex 60 per cent 131 (131).

White arecanut price hits high of Rs 150/kg after a decade

Price movement



	April-May 2011			
	Max Price (In Rs/kg)		Arrival (In tonnes)	
	Old	New	Old	New
Puttur	155	137	30.4	3,034.3
Mangalore	150	139	2.4	5.1
Sullia	136	127	144.9	283.2
Bantwal	150	136	124.8	944.2

(Source: APMCs)

Shortage of stock in last 3-4 years has led to the surge

Mangalore, June 1:

After almost a decade, the price of old stocks of white arecanut has crossed the Rs 150-a-kg mark. In 1999, the price of old stocks of white arecanut touched a record Rs 170 a kg.

Though private traders have a major share in the market, arrivals and price movements at APMC (Agriculture Produce Marketing Committee) yards in places such as Puttur, Mangalore, Sullia and Bantwal during April-May showed that prices of old stocks and new stocks have been increasing. Growers say that many private traders are approaching them, offering to pay a higher price than what is quoted at APMC yards.

Old stocks of white arecanut, which quoted a maximum of Rs 137 a kg at Puttur APMC of Dakshina Kannada district in April, commanded Rs 155 a kg in May.

Puttur is one of the major white arecanut-growing centres in the region. On June 1, old stocks commanded Rs 157 a kg in this market.

The difference between old and new stocks is between Rs 15 and Rs 20 a kg. New stocks sold at Rs 137 a kg at Puttur APMC yard on June 1.

Stakeholders in arecanut sector attribute the price hike to scarcity of white arecanut in the market in the last three-four years due to various reasons.

Mr Patte Venugopal, a grower from Puttur in Dakshina Kannada district, told *Business Line* that it is almost a decade since the market reached a peak. The fall after the last peak was led by oversupply in the market.

Labour shortage

With the decline in the price of the commodity in the recent years, farmers did not show much interest in its expansion and cultivation. The shortage in labour and various crop diseases added to the problems of farmers, he said. Added to this, there was a shortage of around 40 per cent in the market last year.

Mr Ramesh Kaintaje, who was a member of the G.V. Joshi panel to fix the production cost of arecanut, said that the commodity has seen two consolidations in the last two months. One was at the level of Rs 115-122 a kg. It lasted for around 15 days. Another consolidation was at Rs 138-142 a kg, and it lasted for over a month. The increase in the price of the commodity was gradual during both the phases.

Asked about the next consolidation level, he said old stocks may test Rs 172-176 a kg level in the coming days.

After taking into account the scarcity of the commodity in the market in the last three-four years, Mr Kaintaje said prices of old stocks may not fall below the Rs 120-a-kg-mark in the coming months.

North Karnataka sugar mills owe Rs 2,000 cr

Hubli, June 1:

The Karnataka Rajya Kabbu Belegarara Sangh allege that 30-35 sugar factories in North Karnataka have not cleared the bills for the cane supplied during the last crushing season in 2010-11.

According to the Sangha President, Mr Kurubru Shantukumar, 18 factories in Belgaum owed nearly Rs 830 crore to farmers. Similarly, in Bagalkot district 10 sugar factories owed Rs 900 crore.

“In other neighbouring districts too, the factories had not yet paid the full amount and had held back nearly Rs 100 crore,” he alleged.

Coffee exports up 42% to 80,367 tonnes in May



Business Line

New Delhi, June 1:

Buoyed by a robust global demand, India's coffee exports jumped up by 42 per cent in May this year to 80,367 tonnes.

Shipments of the brew stood at 56,690 tonnes in the year—ago period, according to the latest data by the Coffee Board.

The total export realisation rose by more than two-fold to \$244.41 million in May 2011 as compared to \$113.42 in the corresponding period of the previous year.

Export earnings in rupee terms rose by 89 per cent to Rs 1,008.51 crore from Rs 532.99 crore in the period under review.

The per tonne value realisation for Indian coffee was higher in May, 2011, at Rs 1,35,442 per tonne, compared to Rs 94,018 per tonne in the year—ago period.

In the first eight months of the coffee year 2010—11 (October—September), the shipments of coffee rose by 44 per cent to 2,47,372 tonnes as against 1,71,704 tonnes in the year—ago period.

In the January—May, 2011 period, exports of the brew were up by 43 per cent to 1,81,308 tonnes as compared to 1,27,160 tonnes in the same period of the previous year.

India largely exports coffee to Italy, Germany, Belgium, the Russian Federation and Spain.

AP steps up paddy procurement



Hyderabad, June 1:

The Civil Supplies Commissioner, Government of Andhra Pradesh, Mr Harpreet Singh, today said that the Government through various agencies has stepped up paddy procurement through 1,385 purchase centres set up across the State.

He called upon the farmers not to resort to distress sale of paddy. In case of any problem or any clarification or information, they are advised to contact the Joint Collectors/ District Supply Officers or the Managing Director of AP State Civil Supplies Corporation Ltd.

These centres ensure minimum support price for paddy farmers. Of this, 1,217 centres have been set up by the AP Civil Supplies Corporation and under Indira Kranthi Padakam (IKP) and 168 centres by the Food Corporation of India.

According to a statement from the Commissioner, as on June 1, during the rabi crop season, 11,89,788 tonnes of paddy has been purchased by the State agencies compared to 2,38,287 tonnes procured on the corresponding day last year.

In addition, the FCI has procured 1,74,352 tonnes of paddy during this rabi season compared with 1,11,221 on the corresponding day last year. Thus far, Government agencies have procured 13,64,140 tonnes against 3,49,508 tonnes purchased on the corresponding day last year.

On May 31 alone, 64,915 mt of paddy was purchased by the Government agencies from the farmers at MSP.

He maintained that all arrangements have been made to procure paddy throughout the season at the MSP.

Already 297.45 lakh gunnies have been placed at the disposal of the paddy purchase centres. More gunnies are being procured.

NCMSL plans to establish 45 warehouses, invest Rs 300 cr

Mumbai, June 1:

National Collateral Management Services (NCMSL), one of the leading agriculture warehouse providers, plans to set up 45 warehouses across 12 States at an investment of Rs 300 crore.

NCMSL will raise Rs 101.75 crore as equity investment from the India Agri-Business Fund promoted by Rabobank Private Equity Fund (Rs 34.50 crore), World Bank Group company International Finance Corporate (Rs 27.50 crore), IFFCO (Rs 23.75 crore), Karur Vysya Bank (Rs 9.15 crore), Hafed (Rs 4.85 crore) and NCDEX (Rs 2 crore). Rabobank Private Equity Fund and IFC are the two new investors in NCMSL.

Dilution in equity holding

The existing eight equity investors such as PNB, Corporation Bank, Bank of India, Canara Bank, HDFC Bank, Indian Bank, Audit Control and Expertise Group of Geneva and Yes Bank, will face a dilution in their equity holding as they are not participating in the fresh equity infusion, said Mr Sanjay Kaul, Managing Director, NCMSL.

“We have already started acquiring the requisite land and expect to complete the project in two years. Our total warehousing capacity will go up by six lakh tonnes from 10 lakh tonnes currently,” he added. NCMSL will raise a debt of Rs 198.25 through a consortium of banks led by Yes Bank.

Mr G.N. Saxena, Director, IFFCO, said there is tremendous opportunity in the warehousing space as there is an estimated shortage of 21 million tonnes of storage capacity. With the fresh investment, IFFCO's holding in NCMSL will go up to 21 per cent from 13 per cent.

Warehousing capacity

Mr Rajesh Srivastava, Managing Director, Rabo Equity Advisors, said the country produces about 155 million tonnes of agriculture products, but has warehousing capacity of 70 million tonnes.

“Investment by corporates in the warehousing space is more crucial as one cannot expect the Government alone to bridge such a huge gap the demand and supply,” he added. This is the seventh investment of \$120 million India Agri-Business Fund formed about two years back.

Ms Anita George, Director (Infrastructure), IFC, said even as India has 140 million hectares of arable land, a huge quantity of food is wasted annually on account of inadequate agriculture infrastructure including storage and transportation facilities.

Area under soyabean likely to remain flat

New Delhi, June 1:

The area under soyabean cultivation in the country will not witness any major change in the ensuing kharif season vis-a-vis the previous year.

The area under soyabean, which is grown only in the kharif season, was around 9.3 million hectares in the 2010-11 crop year (July-June), according to the Soybean Processors Association (SOPA).

Madhya Pradesh is the largest producing state, with a soyabean acreage of 5.51 million hectares in 2010-11.

“We do not expect any major change in the sowing area of soyabean this year. Any change if at all would be 1-2 per cent,” the SOPA spokesman, Mr Rajesh Aggarwal, told PTI.

Farmers in Maharashtra could shift to cotton crop due to more market gains, but that deficit would be filled by increased sowing in Tamil Nadu, Karnataka, Andhra Pradesh, Rajasthan and Uttar Pradesh, he added.

Maharashtra had sown soyabean over 2.6 million hectares in 2010-11, while Andhra Pradesh and Karnataka had sown the crop in 1.4 million hectares and 1.8 million hectares, respectively, in the same period.

On the arrival of the monsoon, Mr Aggarwal said that farmers have started preparing their fields and a good downpour in the middle of June and then 2-3 inches of rain every second week would ensure a good crop.

According to the third advance estimates of the Agriculture Ministry, soyabean production stood at a record 12.58 million tonnes in the 2010-11 crop year.

As per SOPA, the estimated national production of soyabean in the 2010-11 season would be 10.12 mt.