

Sell turmeric immediately, TNAU tells farmers

Staff Reporter

Rain during December hits quality Production has gone up, export comes down

COIMBATORE: Turmeric farmers have been asked to sell turmeric immediately since the price is not expected to increase.

According to a release from the Domestic and Export Market Intelligence Cell of Tamil Nadu Agricultural University, the price will remain stable for three months.

Though there might be a slight increase during June-end, it will again drop. Rain during last December led to deterioration in the quality of turmeric. Turmeric arrivals from Andhra Pradesh and Karnataka have decreased. Quality of turmeric stocks and export demand are the main factors that determine the price.

Price

Last year the price of turmeric in June was Rs. 15,000 a quintal. This year, it is down to between Rs. 6,500 and Rs. 7,500.

The downward trend is due to 25 per cent increase in turmeric area, increased production, and reduced export quantity.

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Meet on demystifying crop biotechnology

Scientists and world leaders believe that crop biotechnology holds the key to food security and poverty reduction in the developing world.

Yet, public misunderstanding about biotechnology due to lack of science-based information poses a big challenge in harnessing its full potential.

Role of media

Understanding and enhancing the role of the media in communicating crop biotechnology was the focus of a media colloquium on Demystifying Crop Biotechnology: Issues and Concepts for the Asian Media held recently by ICRISAT-Patancheru, Andhra Pradesh as part of the 20th annual conference of the Asian Media Information and Communication Centre (AMIC).

The meet was jointly organized by AMIC, the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), the Department of Biotechnology-Government of India (DBT-GOI), and the International Service for the Acquisition of Agri-biotech Applications (ISAAA).

Being the primary source of scientific information, the media plays a crucial role in communicating crop biotechnology. This role should be optimally harnessed to inform, educate and mobilize the public as an enlightened user of crop biotechnology products and decision makers to come up with supportive policies.

Opportunities galore

“Armed with information on the tremendous opportunities offered by crop biotechnology in enhancing food security, agricultural production and yield, reducing poverty, improving livelihoods and promoting a nation's growth, the media will help consumers better understand and support agri-biotechnology,” said ICRISAT Director General Dr. William Dar.

Issues and concerns

Biotechnology and communication experts participated in the meet to share contemporary challenges, issues and concerns related to crop biotechnology, as well enhance the appreciation and understanding of media practitioners and researchers on the subject.

An apex media event in Asia, AMIC's annual conference draws over 300 delegates across the globe annually, including media scholars, communication practitioners, media industry professionals, policy-makers, researchers and academicians.

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Clay pellet method of rice cultivation maximises yield



The Hindu NO HELP: Ram Abhilash (left) making clay pellets along with his family members.
Photo: Special Arrangement

Farmers need not wait for monsoon to start sowing under this method

“In our culture, innovation is dubbed as craziness, but our success lies in identifying more 'crazy' people so that the innovation revolution can spread across the country. The present generation is fast losing out on scientific knowledge. In the last several years we are losing many such affordable scientific knowledge due to sheer neglect,” says Prof K. Anil Gupta, Vice Chairman, National Innovation Foundation, Ahmedabad.

Lack of support

“Funds crunch, lack of adequate assistance from government officials and private sector firms, and lack of awareness among people are the main deterrents in identifying such rural innovations as a national movement,” adds Prof Anil, who calls for considerable more interest from science and technology institutions in validating, value adding in people-driven knowledge and innovations.

Besides being cost-effective and eco-friendly, these potential scientific discoveries need to be commercialised and even exported, adds Prof Anil.

Source of idea

Take the example of a simple farmer Ram Abhilash Patel from Allahabad, Uttar Pradesh. Mr. Ram developed a concept of sowing paddy seeds inserted in clay pellets. The farmer claims that he got this idea from within the household.

“I noticed that children made clay pellets for playing and used to throw them away. Suddenly during monsoon, I used to notice a small seedling growing from the wet pellet.

“This inspired me to try using the same method for growing paddy,” he explains.

Finding the right kind of clay soil posed a problem. Other soil types tend to break under pressure while pushing the paddy seeds into them.

Germinate well

The seeds can be easily inserted inside clay and remain safe during sowing and later germinate well.

Pond or river soil is mixed thoroughly with 3-4 paddy seeds to make small balls of pellets. The pellets are made during April - May and dry within 2-3 hours.

“Pond soil is very fertile and helps in minimizing weeds,” explains Mr. Patel. The farmer is practising this method for the last 15 years and impressed by it, many others in the region are doing the same.

“The pellets can be sown manually or by using a seed drill. Rows are made facing east to west or vice-versa so that the germinating plant gets ample air and sunlight. This method saves both time and money and the need to prepare a nursery for paddy plants does not arise,” he says.

By adopting the conventional nursery method, paddy crops take approximately 160 days to mature while using this technique it takes only about 145 days.

Waiting time reduced

Farmers need not wait for monsoon to start sowing under this method. As pond/ river soil, is fertile, the dependence on fertilizers is reduced and as the seeds are in a mud shell they are protected from birds etc. The process also saves water as no standing water is needed in the field.

Better output

“Most importantly, the output gets maximized by this method. Mr. Ram Abhilash proved experimentally by cultivating paddy in a field by all three methods namely pellet, nursery, and direct sowing. The paddy production using these methods was 1.7, 1.5 and 1.4 tonnes respectively,” says Prof Anil.

Though some products are being commercially manufactured and exported, there are millions of ideas such as Mr. Ram's, waiting for assistance in terms of funds, technical and design support.

For more details contact Mr. Ram Abhilash Patel, Vill. Tikari, Po. Kanti, Allahabad, Uttar Pradesh 212107, Mobile: 08127199855.

Date:30/06/2011 **URL:** <http://www.thehindu.com/2011/06/30/stories/2011063059230900.htm>

Sugar prices to be held till November

K. Balchand

Minister promises efforts to keep food grain rates affordable

Discrimination in the export of rice and wheat denied Mill owners warned against raising sugar prices before allowing export

NEW DELHI: The Union government on Wednesday admitted that the hike in diesel prices would adversely impact food grain prices in the open market but promised to hold sugar prices till November, when the festival season comes to a close.

Addressing a press conference here, Union Minister for Consumer Affairs, Food and Public Distribution K.V. Thomas said the decision to allow the export of the second 5 lakh tranche of sugar would not impact prices. He denied that there was any pressure from Cabinet Ministers. Union Water Resources Development Minister Salman Khurshid was also present.

Prof. Thomas said his Ministry had sought to hold off export till November but the EGoM, after assessing several factors, had approved it. He said his Ministry had an alternative mechanism in place should prices rise.

He said the government would intervene in the market and not allow the prices to hit the roof, as had happened last year. He said the mill owners had been warned against raising prices of sugar and an assurance had been drawn from them before the various recommendations for allowing the export were accepted.

While declining to answer a question whether export would be stopped if the prices rose sharply again, the Minister said the entire allocated quantity would not be allowed for transshipment at one go.

Denying that there was any discrimination in the export of rice and wheat, he said the matter would be discussed at the next meeting of the EGoM on Food. The good production and procurement would be kept in view, he said.

Prof. Thomas said the government had to assess the burden and requirement in the light of the proposed food security law, the climate forecast and the buffer stock before it decided whether to release wheat and rice from the Central pool or not.

But he admitted that the rise in diesel prices would impact the open market prices of food grains, which, he pointed out, were also impacted by the minimum support prices, which had been doubled in recent times. The attempt would be to keep food prices affordable.

As for the proposed Food Security Bill, Prof. Thomas said the EGoM would take the decision on whether to extend the security to a part of the Above Poverty Line families, which the NAC has recommended, as it was likely to impact the open market prices.

While stressing that the promises made by the Congress would be kept in mind while formulating the law, Prof. Thomas evaded questions whether the Bill would be introduced in Parliament during the monsoon session.

Under the proposed Bill, the first lady of the family will be treated, as part of the move to empower them, as the head of the family.

Referring to the instruction of the Supreme Court, he said the government would release 50 lakh tonnes of food grains to be distributed among the Below Poverty Line families of the 150 most backward districts as and when the court identified the districts to be benefited.

Date:30/06/2011 **URL:** <http://www.thehindu.com/2011/06/30/stories/2011063064320200.htm>

NABARD initiative for shrimp farming

Staff Reporter

NAGAPATTINAM: An awareness programme on best management practices in shrimp culture was organised by the Central Institute of Brackish Water Aquaculture (CIBA), Chennai, at Avarikadu village in Thalainayar recently.

The programme conducted under the aegis of NABARD focused on issues ranging from methods in the preparation and management of ponds, qualitative seed stocking, feed, soil and water management, and bio-security measures in successful shrimp farming.

The initiative was part of the 'E-extension strategy for ensuring knowledge-led rural growth' of NABARD under its Rural Innovation Fund (RIF).

The BMP initiative sought to promote shrimp farming by addressing various challenges faced by farmers including controlling outbreak of diseases, environmental and social consequences of shrimp farming, and harnessing Information and Communication Technologies (ICT) in marketing and trading of shrimps.

Addressing the session, D.Deboral Vimala, Senior Scientist-CIBA and principal researcher of the project elaborated on the current practices adopted by shrimp farmers here in Nagapattinam. According to Ms.Vimala, the project entails information dissemination via mobile phones and kiosk, as both are effective ICT tools.

The information on BMPs will be made available to farmers in the form of publications in vernacular languages, training , and through other extension programmes.

The advisory session also involved sharing of BMPs adopted by successful shrimp farmers in controlling diseases. K.Venugopal, Assistant General Manager, NABARD, Nagapattinam and P.Ravichandran, principal scientist and head, Crustacean Culture Division, CIBA, took part. The one-day interface between farmers and scientists also had a technical session, with over 150 shrimp farmers attending the programme. Scientists from CIBA, P.Ravichandran, T.Ravisankar, M.Kumaran,.R. Saraswathy, P. Mahalakshmi .Ezhil Praveena, and state coordinator of National Centre for Sustainable Aquaculture (NaCSA) Manikandan were present.

Date:30/06/2011 URL: <http://www.thehindu.com/2011/06/30/stories/2011063061890300.htm>

"Priority to farmers opting for horticulture crops"

Staff Reporter

District consultative committee meeting held

Total deposits of all banks is Rs. 5,513 crore Rs. 128.77 crore disbursed to self-help group members

Nagercoil: The district consultative committee meeting (under Lead Bank scheme) chaired by the Collector, Ashish Kumar, was held here on Tuesday.

The DLRC meeting for March 2011 was not convened as the election code of conduct was in force. The total deposits of all banks was Rs. 5,513 crore, total advance of the banks being Rs. 6038 crore.

The total priority sector advances was Rs. 4,985 crore, agricultural advances was Rs. 3,341 crore, total weaker section advances Rs. 1,762 crore, advances to SC/ST was put at Rs. 282 crore, total advance to women beneficiaries was Rs. 1,696 crore, advance to minority communities was Rs. 1,745 crore and the total advance under DRI scheme was Rs. 5 crore as on March 31, 2011.

As there were quite a large number of lessees, who were involved in agriculture operations, necessary steps would be taken to form self-help groups for their benefit in order to extend financial assistance to them. Hence the Collector made an appeal to the bankers to give loans to them.

The Government had earmarked Rs. 185 crore to provide loans to the members of self help groups to undertake economic activities as well as for the revolving fund.

In the year 2010-11, a sum of Rs. 2,281 crore had been allotted for agriculture, Rs. 97 crore for service sector and Rs. 431 crore for promotion of industrial activities.

Exceeding target

Even as the sum of Rs. 107 crore has been earmarked to be distributed as financial assistance to various self help groups as a target, Rs. 128.77 crore had been disbursed to them exceeding the target.

Steps would be taken to give priority to those farmers who wanted to take up cultivation of horticulture crops, dairy development, fisheries and its allied products, and solar power plants.

Senior Regional Manager of Indian Overseas Bank G. Krishnamoorthy, A. H. Sudendra of Reserve Bank of India (Chennai), Sundarraj, Project Officer of Mahalir Thittam participated the meeting.

Date:30/06/2011 URL: <http://www.thehindu.com/2011/06/30/stories/2011063064980300.htm>

Vegetable farms for the sake of farmers, consumers

Swathi.V



Mega project:Ranga Reddy, Medak, and Mahabubnagar have been chosen for implementation of the project for the city.

HYDERABAD: Thirty-five production hubs in 11 mandals have been identified in the Ranga Reddy district for implementation of the 'Vegetable Initiative for Urban Cluster' project promoted by the Central government under the scheme Rashtriya Krishi Vikas Yojana.

The project, supposedly with an aim of setting in motion a cycle of production and income for the farmers and assured supply of vegetables for consumers, is proposed to be launched in one major urban centre with over 10-lakh population in each State during the year 2011-12.

Three districts, Ranga Reddy, Medak and Mahabubnagar, have been chosen for implementation of the project for the city. A grant of Rs.16-crore will be made for the State from a total allocation of Rs.300-crore, of which Ranga Reddy district will get Rs.5.9-crore.

The project envisages development of a few village clusters as vegetable cultivation hubs, each connected to the Aggregation Centre set up in mandal headquarters. The Aggregation Centres will tie up with farmers' groups or associations for offering collection, grading, and packaging services. Logistical support will be provided through post-harvest management, and transport and storage infrastructure. Rythu Bazars in the city will be the market spaces in the city from where mobile vans will reach out to colonies in different areas.

Subsidies

Support to the farmers' associations will be in the form of subsidies for seed and seedling production, vegetable cultivation, shade-netting, Integrated Pest Management, Integrated Nutrient Management, Organic Farming, and other such aspects. The associations may be in the form of cooperatives or private sector enterprises too in the model of contract farming.

Assistance will be provided at the rate of 50 per cent of the total cost for installation of pack houses, cooling units, cold storage facilities, transport vehicles, preservation units, and onion storage structures, among others. Also to be assisted is the setting up of rural markets, retail markets, aggregation centres, and static or motorised vending carts.

A total extent of 51,185 acres spread out in Shamshabad, Maheshwaram, Kandukur, Yacharam, Ibrahimpatnam, Shamirpet, Medchal, Shankarpally, Chevella, Moinabad and Vikarabad is proposed to be brought under the initiative in Ranga Reddy district. Over 12,000 farmers in the district will be roped in for the initiative.

The project will ensure consistency in supply of vegetables throughout the year by balancing the supply with the demand through post-harvest management, officials from the district Horticulture Department said.

CAMPCO may procure coconut, pepper

Special Correspondent

MANGALORE: Central Arecanut and Cocoa Marketing and Processing Cooperative (CAMPCO) Ltd. is contemplating procuring coconut and pepper from farmers, according to its president Konkodi Padmanabha.

He told presspersons on the sidelines of a function organised to release bath soaps made of arecanut here on Wednesday that a proposal in this regard would be placed at the general body meeting of CAMPCO this September. The general body's approval would be sought for amending the cooperative's bylaws for enabling it to procure coconut and pepper.

CAMPCO, a cooperative of Karnataka and Kerala, procures arecanut, rubber and cocoa from farmers. He said CAMPCO would set up another windmill to reduce its dependency on grid power at its chocolate factory in Puttur. The 2.1-MW windmill would be set up at Chikkodi by March 2012. This would be in addition to the 1.25 MW windmill commissioned at Halthimalapura in Hoovinahadagali taluk of Bellary district two years ago. Its first windmill started operation on March 31, 2009. It generated 25 lakh units of power in 2009-10 and 21 lakh units in 2010-11. Mr. Padmanabha said that the chocolate factory produced 13,000 tonnes of semi-finished cocoa products in 2010-11. It aimed at increasing it to 17,000 tonnes this financial year.

Earlier at the function, he released "Pooga Singar", a bath soap made of arecanut, manufactured by P. Shankar Bhat Badanaje, a farmer-cum-researcher of Vitla.

Addressing the gathering, he said that CAMPCO would ensure that the soaps were available for sale at its procurement centres. Mr. Badanaje said that researchers should come forward to produce value-added products out of arecanut. They should meet the requirements of consumers in the modern era. Using areca extract he had produced a soap and lipstick. Progressive farmer D.C. Chowta Manchi Srinivasa Achar spoke.

Date:30/06/2011 URL: <http://www.thehindu.com/2011/06/30/stories/2011063056460300.htm>

Interest-free loans for dairy farmers

Special Correspondent

THIRUVANANTHAPURAM: The Thiruvananthapuram Regional Cooperative Milk Producers Union has set up a revolving fund of Rs.1.5 crore for providing interest-free loans to dairy farmers for increasing milk production.

Inaugurating the 25th annual general body meeting of the union here on Wednesday, Kallada Ramesh, chairman of the union, said that the loans would be distributed through primary milk producers cooperative societies.

The Koyivila Vijayan Memorial Ever Rolling Trophy for the best milk producers cooperative society and the Bhaskaran Nair Memorial cash award for the best milk producer were distributed at the meeting.

A compensation of Rs.2 lakh from Milma's Dairy Farmers Insurance Scheme was handed over to the widow of S. Sreenivasan of Paripally Milk Society.

Managing Director Baby Joseph presented the report.

Date:30/06/2011 URL:

<http://www.thehindu.com/2011/06/30/stories/2011063061750300.htm>

Exhibition to promote vegetable cultivation

Special Correspondent

THRISSUR: Seeds and saplings worth Rs. 1.5 lakh were sold on Tuesday and Wednesday at an agricultural exhibition organised by the Peringandur Service Cooperative Bank.

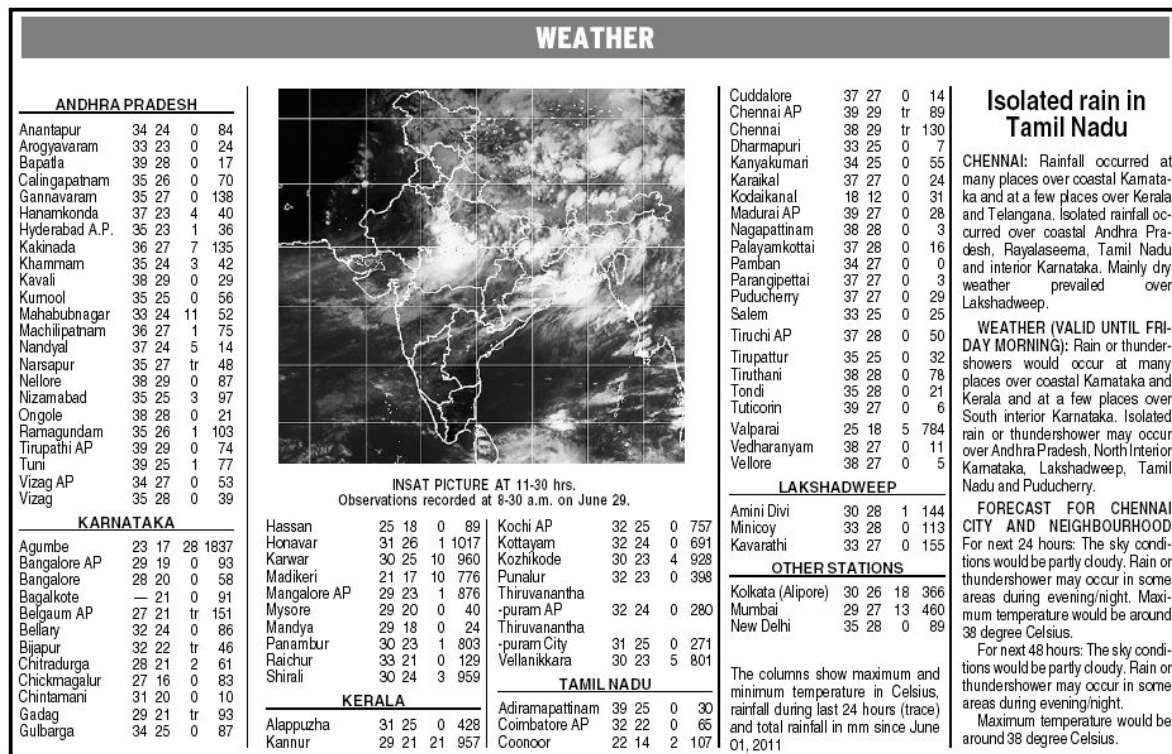
The three-day exhibition is being held as part of Thiruvathira Njattuvela celebrations. Belief goes that steady rain favours farming during Thiruvathira Njattuvela.

Njattuvela refers to position of the sun in relation to zodiac signs. There are 27 Njattuvelas every year, each with a duration of thirteen-and-a-half days. The Peringandur Service Cooperative Bank envisages total conversion to organic farming within 10 years in the Vadakkanchery region.

“The plan is to make every house self-sufficient in vegetable production. Home gardens are being promoted. The bank is trying to create awareness about the dangers of using harmful chemicals in farms,” said bank president M.R. Anup Kishore.

To help the bank in its mission, agencies such as the Vegetable and Fruit Promotion Council Kerala have joined in. At the exhibition, the VFPCCK put up for sale trays of tomato, brinjal and green gram seedlings. Each tray contained 100 seedlings and cost Rs. 100.

Weather



Weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Thursday, Jun 30

Max Min

39.4° | 28.7°

Rain: TRACE

Sunrise: 5:45

Humidity: 63%

Sunset: 18:38

Wind: Normal

Barometer: 1004

Tomorrow's Forecast



Rainy

Friday, Jul 1

Max Min

39° | 28°

Extended Forecast for a week

Saturday

Sunday

Monday

Tuesday

Wednesday

Jul 2

Jul 3

Jul 4

Jul 5

Jul 6



34° | 29°

32° | 28°

33° | 28°

33° | 27°

32° | 27°

Rainy

Rainy

Rainy

Rainy

Rainy

30 Jun, 2011, 05.18AM IST,ET Bureau

Cottonseed oil cake prices soar as supplies decline

AHMEDABAD/KOCHI: Cottonseed oil cake prices have strengthened in the past few days as cotton arrivals are all but over in the mandis. Ginners in Gujarat and Maharashtra who are currently holding huge cotton stock are demanding that the government further allow export of 10 lakh bales (one bale weighs 170 kg) this season. On Wednesday, cottonseed oil cake for delivery in September increased by 0.08% to Rs 1,243 per quintal with an open interest of 3270 lots on the NCDEX.

Oil cake for delivery in July stabilised by 0.17% to Rs 1,160 per quintal with a business turnover of 43,220 lots. Devendra Sonulakar of Lakshmi pati Trading Company at Kola tehsil in the Vidarbha region of Maharashtra said the availability of cotton and cottonseeds was negligible in the past few days ensuring prices to be stable and slightly higher at some places. "Most of the stock is with traders who are not releasing it," he said.

On the spot market, cottonseed prices were ruling at Rs 1,450 per quintal with arrival in Akola mandi being 1,000-1,500 bags of 50 kg each. Market analysts said the restricted supply leading to low inventories on the spot market was ensuring an uptrend movement in cottonseed prices. The trend is likely to continue in the short run. However, the south Indian milling industry fears a tight supply situation in the market with the government decision to export 10 lakh bales.

Millers said such a step will pull down the carryover stock and raise the prices as festival demand picks up by August and will not benefit farmers as they have liquidated almost their entire stock by March. The additional exports will deplete cotton stocks. "Now only 25 to 30 lakh bales may be left, which is sufficient for just a month's consumption," said BK Patodia, chairman

and MD of GTN Textiles. As demand gathers momentum by August after the current lean months, supply will be under pressure.

"Cotton export was suspended for three months early this year when there was a robust demand. And now as it is revived, the demand has become weak and output is down," said The Southern India Mills' Association secretary general Dr K Selvaraju.

30 Jun, 2011, 05.16AM IST, Jayashree Bhosale,ET Bureau

Maharashtra mills owe Sugarcane arrears to farmers, payments unlikely soon

PUNE: The sugar cane crushing season is about to get over in Maharashtra and there are arrears of over a month to be paid to cane farmers. But the payments seem unlikely soon. Almost all the cashstrapped sugar cooperatives have huge bank loans due to selling sugar below the cost of production.

It is mandatory for mills to pay farmers within 14 days of the delivery of cane. However, most of the mills have not been able to fulfil this obligation. The sugar commissioner has issued revenue recovery notices to three sugar mills which have very high dues to farmers. The current sugar year -- October 2010-September 2011 -- was a year of record cane crushing for Maharashtra.

In the previous year, sugar prices were at record high levels and cane prices too shot up to all-time high levels ranging between Rs 2,200/tonne and Rs 2,700/tonne. Before the beginning of this year's crushing season, farmer organisations launched demonstrations demanding high cane prices.

While the state suggested a minimum fair price of about Rs 1,400/tonne, farmers forced mills in the Kolhapur belt to pay a first instalment of Rs 2,000/tonne. Mills in Pune and Marathwada, Khandesh belts agreed to pay Rs 1,800/tonne and Rs 1,750/tonne respectively.

Due to a glut in production, sugar prices have crashed below Rs 2,400/quintal and mills have been selling sugar below the cost of production. The mills that have other sources of revenue such as ethanol and co-generation of electricity could sustain financial losses.

Most of the sugar cooperatives now have short margins with banks. Which means that mills have more dues towards cane payment than the lending available from banks for this purpose. "Most of the sugar co-operatives have accumulated cane arrears," said an official from the state sugar commissionerate on condition of anonymity.

30 Jun, 2011, 05.04AM IST, Bloomberg

Monthly food prices tracked by the FAO have surged nine times in the past 11 months

SINGAPORE: The global agriculture supply situation has worsened and a failure to boost food production fast enough to meet demand may lead to shortages, said investor Jim Rogers , chairman of Rogers Holdings . "We've got to do something or we're going to have no food at any price at times in the next few years," Rogers said in a Bloomberg Television interview with Rishaad Salamat on Wednesday in Singapore.

"I still own agriculture. If I found something to buy, I would buy it." Rogers joins former United Nations Secretary General Kofi Annan , the UN Food & Agriculture Organization and the World Bank, in highlighting the need to boost global food production and address issues pushing prices higher. Group of 20 farm ministers agreed last week to increase agriculture output, set up a crop database and limit export bans to tackle what French President Nicolas Sarkozy calls the "plague" of rising food prices.

Monthly food prices tracked by the FAO have surged nine times in the past 11 months and last month stayed near a record reached in February, as global demand for corn and wheat outstripped production and drought and flooding ravaged harvests. The World Bank estimates higher food prices have pushed 44 million more people into poverty. China, the world's largest

consumer of grains, energy and metals, has raised interest rates four times since October and increased bank reserve requirements nine times to tame above-target inflation. Its food price inflation was at 11.7% in May, matching levels in March and November when they were at the highest since July 2008, the year of the global food-price crisis.

CORN STOCKPILES

Global stockpiles of corn, the most-consumed grain, are forecast to drop to 47 days of use, the fewest since 1974, data from the US Department of Agriculture show. Inventories are declining as demand continues to outstrip production that's forecast to rise to a fifth consecutive year of record. The Standard & Poor's GSCI Agriculture Index fell 9.6% this quarter, the first and worst loss since the first three months of 2010.

While corn has lost 4.7% this quarter, the grain is still 92% costlier than it was a year ago, making it the best performer in the index in the past 12 months. Inventories of wheat, used in making pasta, noodles, bread and feed for hogs and poultry, will drop to a three-year low of 184.26 million metric tonne before next year's Northern Hemisphere harvest, as output misses demand for a second year, the USDA said.

'NEW DEMAND'

"Production just hasn't been able to respond to new demand," Michael Creed , an agribusiness economist at National Australia Bank , said in a phone interview from Melbourne on Wednesday. Demand continues to outstrip global harvests because of rising ethanol production in the US and China's surging demand for meat, Creed said. "Grain is a solid input into all those food sectors and so there's really no way to go to avoid grainbased inflation," John Bryant, chief executive officer of Battle Creek, Michigan-based Kellogg, the largest US maker of breakfast cereal, said in a June 2 conference.

Unless governments come together to successfully address the issue of food security, "hopes for wider international cooperation looked doomed," Annan, who served as UN Secretary General from 1996 to 2007, said last week. "We have serious problems in inventories" of farm products, Rogers said.

29 Jun, 2011, 11.13PM IST, Prabha Jagannathan,ET Bureau

Global sugar prices ring sweet bell for Indian exporters

NEW DELHI: This could be sweet news to domestic sugar exporters: Brazil, the world's biggest exporter, is likely to export significantly lesser quantity this season, firming up global sugar prices. The price of sugar jumped more than 5 per cent on Tuesday to hit a 3½-month high as traders worried about lower Brazilian production, reports said..

London Whites August contracts are pegged at \$768/tonne compared to only \$697/tonne in October last year. On June 21 this year, prices ruled at \$743.60/tonne.

According to UNICA, the Brazilian cane industry association, sugarcane crushing by mills in the South-Central region of Brazil reached 34.59 million tonnes during the first half of June, a decrease of 13.01% compared to the 39.77 million tonnes processed during the same period last year. The drop is even greater - 19.03% - in comparison to the volume processed in the prior two-week period, the second half of May, which reached 42.72 million tonnes.

Total crushing from the beginning of the harvest to June 16 totaled 134.58 million tonnes, a whopping reduction of 22.63% compared to the volume processed during the same period a year ago, which had an early start because of a large amount of "bisada" cane, or cane that could not be harvested during the previous harvest.

According to UNICA Technical Director, Antonio de Padua Rodrigues, "the drop is a reflection of the difficulty faced during these first fifteen days of the month, caused by rains that affected a significant share of the productive region." Rain also pushed down the concentration of sucrose in the cane, he added.

Sugar production so far this season was down 25 per cent on the same period last year, Unica added, although that was partly the result of a late start to harvesting. To make matters worse, during the first half of June, the quantity of Total Recoverable Sugars (ATR in Portuguese) reached 130.84 kg per tonnes of sugarcane, 2.67 kg less than the total obtained during the same period last year. Overall ATR concentration since the beginning of the harvest showed a drop of 2.97% compared to the same period in 2010, totaling 120.04 kg per tonne of raw material.

Reports said that for sugar in the global market, the February to May period marked a price drop of 43% based on expectations of higher exports from Thailand, India and the EU . But since then the benchmark sugar futures contract, ICE raw sugar for July delivery, has jumped 44 per cent to hit 29.38 cents on Tuesday.



New policy for cultivation and marketing of vegetables

June 30, 2011 12:18:50 AM

Punjab Government on Wednesday introduced a special 'Vegetable Initiative in Urban Cluster' scheme for cultivation and marketing of vegetables in order to encourage the farmers towards diversification. "The State Government has made all preparations to implement this special scheme to encourage farmers towards diversification. At least 15 farmers could make a group, who would cultivate the crop on 20 hectares of land besides marketing," said State Agriculture

Minister Sucha Singh Langah.

He said that Punjab Government would provide a subsidy of `2 lakh for the crop cultivation while 50 per cent subsidy would also be given on the processing equipments with an aim to divert the attention of farmers towards cash crops.

Langah said that the scheme would be introduced in five districts including Ludhiana, Patiala, Fatehgarh Sahib, Jalandhar and Sangrur in first phase, which would be further implemented across the State, while Ludhiana would be the centre of scheme.

He said that the Government would also educate the farmers about the marketing facilities so they could make the scheme a success without any obstacle.

“The Government would give subsidies and grants to the farmers on the basis of their cluster areas and groups. Each group would get subsidy of `2 lakh for the formation of group while another subsidy of `22,500 to 33,700 would be given for the cultivation of crop for per hectare,” he added.

Aishwariya, Sonia, Sachin on display at mango exhibition

June 30, 2011 1:00:37 AM

Team Viva

A large number of people gathered to see a glimpse of Aishwariya, Sonia and Sachin varieties at 'Bhopal Haat' at the two-day 'mango exhibition' which started from June 28.

The State Horticulture Department organised the mango exhibition-2011 in which different States along with Bhopal displayed various varieties of mangoes and different items made out of by mango. Horticulture and Food Processing Minister Kailash Vijayvargiya inaugurated the mango festival.

Total 3,100 samples of mango have been exhibited. After the light showers, people thronged the venue in large numbers to see different varieties of the king of the fruits. More than 1,000 mango lovers have made their registration in the exhibition. More than 63 varieties of mangoes have been displayed at the festival. There are a total 57 stalls including 51 from Madhya Pradesh, six from Uttar Pradesh and one from Chhattisgarh.

There were mangoes like Aishwariya mango, Sonia mango and Sachin mango. Mango varieties like Hapoos of Maharashtra, Nurjehan of Jhabua, Sundarja of Rewa and Bombay green of Betul were included in the special category. Gajaria, Kesar, Rampuri, Rumani, Ramkela, Barahmasi, Sinduri, Himsagar, Rayol Mishri are also on display.

In local varieties of mangoes, there were Dussehri, Langda, Chausa, Nilam, Bangalore-Totapari, Fazali, Lucknow Safeda, Amrapali, Rajapuri, Taimuria Karanjia, Mallika and others were also exhibited.

Along with exhibition, there were pickles, jam, papad, sharbat, chutni, amchur and other eatables made of mango. Wine made from fallen and decayed mangoes was also on display. This wine could be kept for 15-20 years. The specialty of this wine is that it is quite strong as compared to simple wine.

"To peel the mango and eat the mango" competition was also organized in the exhibition on Wednesday.

Business Standard

Thursday, Jun 30, 2011

Gujarat taps Narmada water to save kharif crops

BS Reporter / Ahmedabad June 30, 2011, 0:46 IST

The delayed monsoon in Gujarat has led the state government to initiate measures to safeguard agricultural crops. In the wake of a delay in the monsoon, the government has ordered release of 1,650 million cubic feet (mcft) or 6,300 cusec water from the Sardar Sarovar Project (SSP) dam across the Narmada as an urgent measure to save the kharif crops from withering.

“The timely and urgent step has been taken to tide over the sudden increased demand for water to save crops already sown, owing to delayed monsoon in most parts of the state,” said Jaynarayan Vyas and Saurabh Patel, state government spokespersons-ministers.

The order is effective from on Wednesday and the water is being released through the existing Narmada canal and Sujaam Sufalam pipeline networks, the government informed in a statement issued on Wednesday. Earlier, the government had also decided to increase three-phase power supply for agricultural purposes by two hours with immediate effect from the earlier duration of eight hours.

The 1,650 mcft water thus released is for irrigation in Mehsana, Patan and Sabarkantha districts in north Gujarat, and also for Sanand and Viramgam talukas in Ahmedabad district. The step is believed to benefit farmers who have taken up kharif crops on about 25,000 hectares, informed the ministers.

The monsoon in the state is believed to have been delayed by close to a fortnight. The India Meteorological Department had earlier predicted the monsoon to set in the state from June 15 onwards.

CCI to hear sugar mills' cartelisation case today

Dilip Kumar Jha / Mumbai June 30, 2011, 0:47 IST

Representatives of about 25 involved sugar mills are to defend themselves tomorrow in the Competition Commission of India's (CCI) probe into alleged cartelisation in the industry.

On July 22, 2010, representatives of these mills from Maharashtra, Gujarat, Tamil Nadu, Karnataka and Andhra Pradesh met in Mumbai. Representatives of major sugar federations and associations across the five states attended the meeting and decided unanimously that sugar would not be sold from mills below the level of the cost of production.

The cost of production last year was decided at Rs 2,700 a quintal. Hence, these mills agreed among themselves to fix a floor price of Rs 2,700 a quintal for selling sugar. It was ostensibly a voluntary initiative and not binding on any mill.

The sweetener was quoted between Rs 2,500-2,520 a quintal in a majority of spot mandis in the region on July 22. Unfortunately for sugar mills, the commodity continued to remain traded below the cost of production through the current year.

Following the minimum floor price set by mills in the five western and southern states, the spot sugar price surged by Rs 150-160 a quintal the next day, which made many decision makers raise their eyebrows and led to the investigation.

Although the decision was not strictly followed by a majority of participants and sugar was sold even below the prevailing prices the very next day, yet the government raised several questions on the integrity of such decisions.

CCI, following the lead, started investigation in the matter and issued notices to all participants, including a leading sugar refiner and ethanol producer in the country.

According to an industry source, these companies are presenting their cases before the director general of the CCI tomorrow.

"CCI had sought details from Indian Sugar Mills Association (Isma) also in February this year. We distanced ourselves from all these controversies," said an Isma official. The sugar sector is

highly controlled today and hence there is no room for any cartelisation, said Isma Director General Abinash Verma.

The government has made 10 per cent of sugar output mandatory for each mill to sell to it under the levy quota. The remaining 90 per cent of the output is released as decided by the agriculture ministry on a monthly basis.

Mills are forced to sell the allocated quantity within the stipulated time. This was the only reason for cartelisation not to work in the industry, said an industry official. Hence, after hearing the case from individual mills, CCI may relieve them, he added.

FMC eases final agri settlement price norms, reduces poll track period

Dilip Kumar Jha / Mumbai June 30, 2011, 0:45 IST



In yet another relaxation for commodity derivatives exchanges, the Forward Markets Commission (FMC) has revised the provisions on final settlement prices in agricultural commodities.

In a circular dated June 20, it has brought down the mandatory average price polling to three days from the earlier five days. The exchanges were settling all agri commodity contracts at the average price polled by individual exchange five days prior to the expiry day. Now, the exchanges need to take the polled price of the three previous days and average these to arrive at the final settlement.

In case the first of the three previous days is a holiday, the exchange would have to take the fourth day's price for calculating the average. If the two consecutive previous days before the expiry day are holidays, it must consider a further two days prior to the holiday.

"In all, the average should be of three days instead of the earlier five days," said D S Kolamkar, member, FMC. He further said the final settlement price for internationally benchmarked commodities and intention matching contracts would remain unchanged. "In these contracts, we do have a reference price and, hence, there was no need for a change," he added.

"It is a welcome step, as the period of price polling has been reduced," said Naveen Mathur, associate director (commodities and currencies), Angel Broking.

To fetch a higher price, traders commonly raise prices of agri commodities artificially when the expiry day of the contract comes closer. In a number of cases, the price of that commodity moves in a narrow range until five days before the expiry. Traders have enough opportunity to rig the price even during the polling period.

Traders have been seen to try changing the price artificially, especially in narrow commodities like jeera or mentha oil. "I am sure the regulator has studied this and made the change effective. This is to reduce artificial volatility in commodity prices," said Priti Gupta, director at Anand Rathi Commodities.

Ginners want cotton export under OGL

BS Reporter / Mumbai/ Ahmedabad June 30, 2011, 0:33 IST

Representatives of cotton ginners from seven of the cotton growing states have decided to submit a memorandum to the central government for their demand regarding allowing additional cotton exports in the current season and putting cotton exports under the open general licensing (OGL).

The All India Cotton Ginners's Association had organised a meeting of its core committee in Ahmedabad on Wednesday. The ginners have decided to file a memorandum to the prime minister and agriculture minister demanding additional cotton exports to the tune of 2 million bales (a bale= 170 kg).

The ginners are also demanding to put the fibre commodity in open general licensing (OGL) for exports.

"We have decided to demand 2 million bales of cotton export permit exclusively for cotton ginners. Also, we will make a representation to the prime minister's office to prepare a long-term export policy for cotton exports," informed a committee member who attended the meet. The memorandum will be submitted to the PM in a week's time.

According to ginning industry sources, the cotton demand in the domestic market has gone down since March this year.

"In March the cotton demand stood at 2.3 million bales per month, which fell to 2.05 million bales in April, 1.8 million in May and subsequently 1.6 million bales in June. This is making the situation worse for the ginning industry as it also adversely affects domestic cotton prices," informed a source.

The industry is concerned about the possibility of large volumes of carryover stocks in the current season.

"If the additional exports are not allowed, we may be left with a huge carryover stock. Due to weak demand in the domestic market the carryover stock may stand at around 7 million bales, which is nearly double of the last year," informed Parag Patel, a ginner from Ahmedabad.

The international cotton prices are believed to be in the range of 165-170 cents per pound, while domestic prices are hovering in the range of Rs 39,000 per candy (a candy = 356 kg) of shankar - 6 variety.

The meeting was attended by about 120 delegates from cotton ginning industry. Of the ten cotton growing states, representatives from seven states were present at the meeting.

Farmers will gain from futures market

Dilip Kumar Jha / Mumbai June 30, 2011, 0:07 IST

They will get the benefit of protection in case prices fall below cost of production

The stage is being set for farmers to get the benefits of the commodity futures market. This will be possible with the enactment of the Forward Contract (Regulations) Amendment Bill, which is expected to be tabled in Parliament in its winter session.

While the commodity futures market has grown by 40 per cent annually in the past few years, most of the growth has taken place in non-agricultural commodities, and farmers have for various reasons virtually kept away from the futures market for hedging their produce. The direct hedging facility on the futures market helps them improve their realisation, which they generally lose to middlemen.

The proposed changes seek to empower the commodity derivatives market regulator, the Forward Markets Commission (FMC), with statutory autonomous status, introduction of options, power to penalise wrongdoers, power to grant exchanges permission to introduce futures trading in intangible contracts (including weather derivatives, indices and freight rates), and help farmers to lock in their cost of production.

Introduction of “options” would allow farmers to fix selling prices by selling their products in the futures market.

“The options would be introduced after this Amendment, which would be very beneficial to farmers. They would then get the benefit of price protection in case the price falls below their cost of production, as well as the benefit of any rise in price. This would be a better instrument for farmers than futures or MSP,” said Anil Mishra, managing director of National Multi Commodity Exchange. This will help all those hedging on the futures exchange.

In futures today farmers have to pay mark to market margins even if they go in for hedging, which is difficult for them to keep track of. In options buying, once they have paid the premium, they have nothing more to pay. The MSP benefit is currently being enjoyed in a few commodities. Options would create pan-India opportunities. Whenever the government wants to help farmers it could pay the premium for the option to the exchanges directly on behalf of the farmers. There would be a complete trail of accounts available.

Today, the Damocles sword of banning or delisting futures in agri commodities hangs over the exchanges and all stakeholders, and sufficient investment is not being deployed in creating marketing infrastructure. Once FMC becomes autonomous this fear will go, because attempts to control the market or ban or delist futures in any commodity would be a last resort.

“A well regulated marketplace builds confidence in the participants. Increased liquidity brings efficiency in the markets. Participation by FIIs, banks and institutions in the market will increase liquidity and depth,” said Rajnikant Patel, managing director, Indian Commodity Exchange.

Participation by institutions and banks would be encouraged, as the regulator will then have more powers. Banks may play the role of aggregators, even if they don't take risks.

Warehouse receipt funding against forward sales on the exchange would become the norm in agri funding, because it would become risk-free lending for banks, directly paid by the exchanges on production of a warehouse receipt on expiry of the contract.

“Over the last seven years, India’s commodity ecosystem — from grading to warehousing and finance — has improved greatly, in part thanks to the catalytic role that the national exchanges have played. But much remains to be done, in particular in creating the right regulatory framework for sustainable growth. This will be much helped by an early passage of the FC(R) Amendment Bill 2010. So, we truly hope that this will happen sooner rather than later,” said Lamon Rutten, managing director and CEO of the Multi Commodity Exchange of India.

With the expansion in the market, the list of intermediaries is likely to include collateral managers, the clearing house and all other entities associated with the commodity derivatives market. This widens the span of supervision of the FMC to include all stakeholders.

Dilip Bhatia, CEO of Ace Derivatives and Commodity Exchange Ltd, expects the commodity derivatives market to expand at a compound annual growth rate of over 30 per cent in the years ahead. This will be commendable, since the current base of the market is wide and large.

As the commodity futures market enters its next phase after its infancy, uniformity across all exchanges will be preferred. Uniformity in practices across exchanges will encourage retail participation in commodities, which is currently low. Also, provisions for penalties differ in each exchange, making matters confusing for market participants, he added.

A uniform penalty structure would help regularise trade and help the various stakeholders. For farmers and actual hedgers, the fungibility of agri stocks across exchanges is a must, so that they are able to manage their stocks, inventories and dealings on the commodity futures markets well.

This will also give rise to uniformity in quality standards across exchanges and strengthen warehousing and grading infrastructure, which is the major need of the market today. Simplification of KYC norms and introduction of mini-contracts in agri will also prove trader-friendly, leading to increased participation.

Other changes expected in the commodity futures market once the bill becomes law would be the introduction of commodity exchange traded funds, commodity mutual funds and portfolio management schemes for commodities.

THE HINDU Business Line

Sell turmeric immediately, growers told

Coimbatore, June 29:

Experts at the Domestic and Export Market Intelligence Cell (DEMIC) at the Tamil Nadu Agricultural University perceive less chances of an increase in the price of turmeric over the next three months. They have accordingly, advised farmers to sell the produce immediately.

It may be noted that the price of turmeric has fallen to Rs 6,500-7,500 a quintal at present from the June level of Rs 15,000/quintal.

Attributing the sharp decline in the price to the 25 per cent increase in area under turmeric and a consequent increase in the production by 45 per cent and a 14 per cent drop in export, the DEMIC source said, "piling stock, poor quality and low arrivals are pulling down the prices further."

"The production increased to 70 lakh bags this year (48 lakh bags). Stock level increased by 4 lakh bags to 11 lakh bags ."

Paddy farmers in AP plan to grow capsicum

SWITCHING OVER

Hyderabad, June 29:

Farmers by and large never sit idle, even when they are protesting. Thousands of farmers in East and West Godavari, Krishna districts, who have declared a crop holiday to an extent of two lakh acres this kharif, are not the ones to waste time. While making their protest heard in the

State capital, farmers are seriously contemplating life beyond, not just this kharif, but also paddy.

"It is time to reduce dependence and pressure on paddy," Mr Trinadha Rao, a farmer in the water-rich East Godavari district, told *Business Line*.

With paddy yielding no encouraging returns, farmers have begun to look at alternative crops that could give them bankable incomes.

As their peers continued the novel protest by locking up the water distribution channels, a small team of 30 farmers had just completed a trip to Pune. They went there to study new models of farming that threw open lucrative vegetable markets to farmers.

To begin with, the farmers could build a couple of green houses this year. "We will break the beaten track and grow capsicum this year," Mr Trinadha Rao, who also heads the local Water Users' Association, said.

The team went to Pune on an invitation from WALAMTARI (Water and Land Management Training and Research Institute). After seeing the greenhouse-based vegetable farming, the farmers from Andhra Pradesh are convinced that it is time to change.

"We will try to convince our friends back home on the importance of the change," Mr Rao who was on his trip back home, commented.

Alternatives

Mr Tirupathaiah, Director-General of WALMTARI, said it was time for the farmers and the Government to change their mindset. "People think that irrigated agriculture means cultivation of paddy. It, in fact, is not. We need to explore alternatives. We should go for irrigated dry crops such as maize and ragi. These crops have huge demand," he said.

"High value floriculture too could be an option. By building poly houses, we can control water, temperature and humidity," he said.

Tamil Nadu trip

WALAMTARI is planning to take another team to Tamil Nadu that had built extensive area under precision farming in order to face low availability of water. “We will lead a team in mid July,” he said.

New Vice-Chairman for Coconut Board

Kochi, June 29:

Mr Mani C. Kappan has been unanimously elected as the Vice-Chairman of the Coconut Development Board by the board meeting held here on Wednesday. He is representing the coconut farmers from Kerala. He is the All India Chairman of the NCP Overseas Cell and the state treasurer of NCP. He is a former international volleyball player and also a film actor and producer.

Pepper gains on overseas enquiries



Kochi, June 29:

Pepper futures that have been witnessing a drop for some time contrary to the market fundamentals, gained Wednesday in correction.

Lack of selling pressure, on the one hand, and overseas enquiries, on the other, aided the market to move up, market sources told *Business Line*.

Not much activity was reported from the spot and primary markets as the growers and dealers were said to be not ready to sell at lower levels. Hence, there was a fall in the volume.

There was some additional buying for August and September, apart from some switching over of futures contracts.

July contract on the NCDEX increased Rs 299 to Rs 27,284 a quintal. August and September increased by Rs 349 and Rs 342 respectively to Rs 27,700 and Rs 27,976 a quintal, respectively.

Total turnover dropped 1,065 tonnes to 9,209 tonnes. Total open interest moved up 238 tonnes to 11,644 tonnes.

July open interest declined 19 tonnes to 7,453 tonnes, while that of August and September went by 172 tonnes and 66 tonnes to 2,819 tonnes and 749 tonnes respectively.

Spot prices moved up Rs 200 to close at Rs 26,300 (ungarbled) and Rs 27,300 (MG 1) a quintal.

Indian parity in the international market remained nearly in line with other origins at \$6,400 - \$6,450 a tonne (c&f) giving indications that some demand could come for MG 1, they claimed.

Huge arrivals at Coonoor tea auction

Coonoor, June 29:

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

An analysis of brokers' listing indicates that 16.54 lakh kg is being offered for Sale No: 26 to be held tomorrow and Friday. This is the largest volume offered so far in 2011. It is some 34,000 kg more than last week's offer but about 3.17 lakh kg less than the offer this time last year.

Of the 16.54 lakh kg on offer, 11.16 lakh kg belongs to the leaf grades and 5.38 lakh kg belongs to the dust grades. As much as 15.48 lakh kg belongs to CTC variety and only 1.06 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 0.53 lakh kg belongs to orthodox while 10.63 lakh kg, CTC. Among the dusts, only 0.53 lakh kg belongs to orthodox while 4.85 lakh kg, CTC.

In the 16.20 lakh kg, fresh teas account for as much as 15.61 lakh kg. Only 0.93 lakh kg comprises teas which had remained unsold in previous auctions. Exporters are supporting such huge supply of fresh teas as there is some 35 million kg shortfall in the global bowl.

They look forward to increased purchases in South Indian auctions as the availability of North Indian orthodox teas could suffer some strain in coming weeks. Assam is passing through dry weather with pests eating the bushes causing the crop to decline in coming weeks. Cachar is also suffering from dry spell. But, monsoon prospects in Dooars and Terrai promise steady supply.

The world over, steady supply is indicated. Monsoon is helping good crop in South India, Sri Lanka, Indonesia and Vietnam. But, Kenya and China are expected to post lower crop due to erratic weather conditions.

Rice millers in Vidarbha stop lifting paddy, demand higher pay

Gondia (Maharashtra), June 29:

Ever since rice millers from the Vidarbha region of Maharashtra stopped lifting paddy to demand higher transportation charges, a huge quantity of paddy is lying abandoned and decaying in the godowns, sources said.

There are around 400 rice mills in four districts of Maharashtra, namely Gondia, Bhandara, Gadchiroli and Chandrapur. All these districts are considered a major paddy growing belt in the State.

The Government has appointed Food Corporation of India (FCI) as the nodal agency to deal with rice millers, who have been demanding a hike in the transportation charges from FCI.

Mr Ashok C. Agrawal, President of the Vidarbha Rice Industries Association, said, "Looking at the increased fuel, labour and electricity cost, the millers were expecting increment of at least 10 per cent in transportation rates, but instead FCI authorities have proposed a decline in the fare, which is complete injustice to them," he said.

According to him, the rice millers are yet to get the transportation charges dues of Rs 11.5 crore from the FCI.

“Presently, FCI has given the contract of paddy transportation to private transporters on much higher rates, as compared to what they have proposed for the rice millers,” he said.

Sources said that till 2007-08, rice millers would receive transportation charges directly from the State Government. However, later, the Government appointed FCI to pay the transportation charges to rice millers.

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