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## **TNAU's critical technologies to improve yield**

Staff Reporter

Tamil Nadu Agricultural University has suggested critical technologies for increasing yield of 19 major crops, which it believes will help the State meet the foodgrain production target of 115 lakh tonnes.

Vice-Chancellor of the university P. Murugesu Boopathi said the crops that were covered included paddy, maize, black gram, green gram, red gram, groundnut, gingelly, sunflower, sugarcane, mango, banana, turmeric, chilli, cashew, tapioca, onion, tomato, brinjal, and cotton.

“Though there are various technologies, crop varieties and improved machinery brought out by the university, there was still a felt need for increasing yield. Hence, critical technologies, exclusive for each crop, have been proposed to the Minister for implementation,” he said. The new technologies, when implemented, are expected to increase the yield manifold. He expressed concern that farmers were not adopting technologies, which were developed after research.

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## **Sugar crushing for the season kicks off in cooperative mill**

*2.70 lakh metric tonnes of sugarcane, cultivated in 9670 acres, will be crushed*



Higher Education Minister P. Palaniappan (fourth right) giving away new variety of sugarcane after inaugurating the crushing at the Subramaniya Siva Sugar Mill in Harur on Friday. -Photo: Special Arrangement

Crushing of sugarcane for the season got underway at the Subramaniya Siva Cooperative Sugar Mill in Harur in Dharmapuri district with the inauguration of the process on Friday by State Higher Education Minister P. Palaniappan.

In his inaugural address, Mr. Palaniappan said during the current season 2.70 lakh metric tonnes of sugar cane, cultivated in 9670 acres of the district, would be crushed.

About 40 lorries, 100 tractors and 62 bullock carts with rubber tyres would be involved in bringing the sugarcane from the fields of the farmers.

The mill had recently received an award from the Union Agriculture Minister Sharad Pawar for 'Best Financial Management' for the year 2010-11.

The sustainable sugarcane cultivation system announced by Chief Minister Jayalalithaa was also inaugurated by Mr. Palaniappan during the function.

The Minister gave away the seedlings to the farmers in the presence of K. Rajan, Joint Director of Agriculture. K. Kalaiselvan, District Revenue Officer presided over the inaugural function.

G. Govindarajan, Special Officer, K.P. Anbazhagan, Palacode M.L.A. and representatives from farmers associations participated in the inaugural function.

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### **Stress on increasing production of horticulture produce**

Staff Reporter

The Department of Horticulture will take up many projects including development of various farms like mango, coco, chillies and pepper in 3,715 acres, at a total estimated cost of Rs.7.48 crore this year, said Collector K. Nagarajan.

He was presiding over the agriculturists' grievances day meeting held here on Friday.

The main aim of these programmes was to increase production of horticulture produces, including vegetables, spices and flowers.

These projects will be implemented with the participation of farmers.

Farm equipment will be given to farmers at a subsidized rate, financial assistance for setting up of vermi-compost unit and seeds and saplings at 50 per cent subsidy would also be provided.

### **Total rainfall**

Total rainfall received in the district was slightly higher than the average rainfall in November. The district had received 806.51 mm rain against the average rain of 771 mm. Sufficient stock of agriculture inputs and fertilisers were kept ready for distribution.

“At present, we have 2,316 tonnes of urea, 223 tonnes of DAP, 72 tonnes of potash and 1,834 tonnes of complex fertilisers. Farmers should check the price printed on the bag before buying it. Officials should identify beneficiaries and take all schemes to farmers quickly”, he advised.

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### **Interest-free loans for SHG women**

S. Venugopal



Upbeat over the presence of a large crowd at his mass contact programme 'Rachabanda' here on Friday, Chief Minister N. Kiran Kumar Reddy announced full waiver of interest on bank linkage loans up to Rs. 5 lakh from January 1, for women members of self-help groups who repay the loan on time.

The government would bear the financial burden on this count, he declared and expressed hope that the 'landmark decision' would radically alter the rural credit scenario and bolster the ongoing SHG movement in the State.

He said the 'grand success' of the meeting in the Lok Sabha constituency represented by Telangana Rashtra Samiti (TRS) president K. Chandrasekhar Rao, amidst the movement for separate Telangana, indicated that people in the region preferred development.

Mr. Reddy, however, lost his cool when some women shouted that they did not want Re. 1 per-kg-rice scheme and sought reduction of prices of essential commodities. He advised them to return their ration cards in that case. A State-level committee would be constituted soon to control prices, he said.

The Chief Minister said loan amounts would hereafter be transferred directly to the accounts of SHG members. Further, loans up to Rs. 15,000 would be granted to an SHG member from 'Stree Nidhi' bank within 48 hours of applying for it.

Showering sops on farmers, he said loans up to Rs. One lakh would be allowed to each of the 95 lakh farmers during the next kharif, amounting to Rs. 31,000 crore, under zero-interest loan scheme.

Dwelling on his pet scheme, Rajiv Yuva Kiranalu, he instructed district Collector M. Purushotham Reddy to provide jobs to 50,000 youths in the district and not 30,000 as decided earlier.

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## **Farm heritage zone status for Kuttanad mooted**

Special Correspondent

A high-level conference on the Kuttanad Package, attended by agriculture scientist M.S. Swaminathan, on Friday decided that Kuttanad should be declared as a global agriculture heritage zone. The objective will be the promotion of sustainable agriculture with protection of environment.

Dr. Swaminathan told the media that the Food and Agriculture Organisation recognised globally important agriculture systems and proposals would be put up for that. Farming was being practised about four metres below the water level in Kuttanad for about 150 years. The

declaration of the area as a heritage zone would be a recognition to the outstanding achievements of farmers of Kuttanad.

Announcing the decisions of the conference, Finance Minister K.M. Mani said earthen bunds were most suitable for Kerala. However, there would be no rigid approach in the matter. Where bunds were vulnerable to waves or heavy flow, pile and slab system or masonry could be tried. The polder committees would take suitable decisions in this regard.

He said the conference had decided that a senior government officer should be appointed as chief executive officer to implement the package. The next meeting of the Cabinet would take the needed decisions. A sum of Rs.700 crore had already been sanctioned for irrigation works under the package. The work needed to be carried out quickly and in a transparent manner. The Cabinet would take necessary decisions to ensure early completion of the work.

Mr. Mani said the work on the Changanassery-Alappuzha canal would be completed in two phases.

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## **Farmers in deep distress**

*Scanty rainfall coupled with long dry spells plays havoc*

## Affected crops in Ranga Reddy dist.



Crop	Cultivated	Affected
Maize	60,643	52,320
Cotton	56,118	34,065
Redgram	87,138	11,500
Paddy	54,515	13,750

*(Area in acres)*

A large deficit in rainfall coupled with long dry spells have played havoc with farmers in Ranga Reddy district this year as the kharif as well as the rabi crop have been badly-affected. Rain-fed crops like cotton, maize, paddy and red gram have borne the brunt of unfavourable seasonal conditions.

Farmers who cultivated rain-fed crops are in deep distress as their investments have gone down the drain after the crops dried due to moisture stress in the soil. "Dry weather and erratic power supply have affected the standing crops in over 1.25 lakh acres, about one-third of the normal cultivation of 3.95 lakh acres in the district, and the yields have been affected up to 80 per cent", an official of the Agriculture Department said acknowledging the severity of the situation. Maize and cotton crops have been damaged in over an extent of 85 per cent and 60 per cent respectively. Besides, paddy was damaged to the extent of 25 per cent and red-gram in

about 15 per cent. Except for a few showers here and there, there have been no rains since August last week.

Long stretches of either wilting or withered crops are a standing testimony to the situation all over the district. Several farmers expressed doubts over getting even 2-3 quintals of cotton an acre this season against the normal yield of 10-12 quintals. Fall in price to Rs.3,500 to Rs.3,800 a quintal from about Rs.5,000 in the last season has also proved a dampener for them.

“I cultivated cotton in three acres by investing Rs.10,000 an acre. The entire crop is stymied due to deficit rainfall throughout the season. It is impossible now to recover even the investment as only one picking is possible against the normal of three to four pickings”, B. Panduranga Reddy of Manmarri village said while picking cotton in his field.

Unable to get yield worth any mention, most of the maize farmers have already uprooted the crop for use as cattle fodder, a farmer Eedaiah of Bodampahad village said. The condition of rabi crops too is worrisome, he said.

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- *Rain-fed crops like cotton, maize, paddy and red gram are the worst hit*
  - *Weather and erratic power supply have affected crops in over 1.25 lakh acres, says official*
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## **Follow government's lead in horticulture sector lending**

Staff Reporter

*Collector tells bankers at consultative committee meet*

Ensure all round development of farming community by extending credit support to farmers. In particular bankers could adopt a holistic approach towards lending for horticulture activities in tune with the State government initiatives, District Collector V.Shobana told the bankers at the District Consultative Committee meeting here on Thursday.

Urging the bankers to reach out to the vulnerable sections of the farmers through credit assistance, Ms.Shobana counselled the bankers to organise loan recovery camps by sensitising the beneficiaries on the merits of prompt credit repayment.

The Collector admonished some banks on their reluctance to extend education loans to eligible applicants and pointed out that it was their duty to participate in social development.

Reminding them of the sufferings of poor students Ms.Shobana said that extending a helping hand for educating the wards of poor was a noble deed and it ensures good future for the students and their family.

Reviewing the performance of the banks in Karur district, she said that under the government sponsored schemes a total of 116 woman self help groups have been granted Rs.75.40 lakh as revolving fund and another 904 SHGs have been granted Rs.16.40 crore as direct lending. In respect of TAHDCO, a sum of Rs.1.65 crore has been allotted as subsidy to implement entrepreneurship development programme and other such activities in the district.

In respect of SJSRY Rs.8.50 lakh has been allotted as subsidy. A total of 15,654 Kisan Credit Cards to the tune of Rs. 94 crore have been issued to farmers in the district.

### **Business correspondents**

Chief Regional Manager, Indian Overseas Bank, C.Anbu, informed the gathering that 53 out of the identified 75 villages have been provided with business correspondents for broad-basing banking activities in rural areas. Lead District Manager K.Chandrasekaran urged the bankers to speed up credit disbursal as only four months were left to meet the targets under government sponsored schemes for the current year.

Additional Superintendent of Police P.Rajan, Reserve Bank of India representative Yogesh Karsa, NABARD AGM A.Parthiban and senior banking officials from the various banks in the district participated .

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- *116 woman self help groups granted Rs.75.40 lakh as revolving fund*
  - *15,654 Kisan Credit Cards to the tune of Rs. 94 crore issued to farmers*
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### **Database of Madurai farmers having loans to be created**

Staff Reporter

*Special camps to be conducted next month for the purpose*

A database of all farmers in the district who have availed bank loans is going to be created through special camps in December. Farmers who are yet to avail any loans would be



registered and bank accounts opened for them to bring them into the formal banking system, according to Collector U. Sagayam.

Addressing the District Level Review Committee meeting for bankers at the Collectorate here on Thursday, he told officials and bankers that this initiative would help increase agricultural production and prevent migration of people from villages to cities. Residents of rural areas who were not engaged in agriculture would be given credit of upto Rs. 10,000 for livelihood activities.

### **Model Villages**

Further, he said that the district administration had identified four villages in the district to be developed as 'model villages' for all-round development.

The bankers were told to ensure that banking services were extended to all households in those four villages. While farmers would be given crop loans, those aspiring for self-employment would also be given access to credit.

The four villages were Kottanathampatti in Melur Taluk, Periyakattalai in Peraiyur Taluk, Karadikkal in Tirumangalam Taluk and Chellampatti in Usilampatti Taluk.

The meeting also discussed implementation of Total Financial Inclusion scheme in the district, among other issues.

As per Reserve Bank of India (RBI) instructions, banking services must be extended to all villages with a population of 2,000-plus by March 2012 and villages with a population of 1,000 to 2,000 by March 2013.

Of the 160 villages in Madurai district that come in the first category, all but nine have been covered. In the second category, 170 villages have been identified and the bankers assured the Collector that they would be covered by December 2012, three months ahead of the deadline.

### **Loans to transgenders**

Mr. Sagayam also instructed bankers to extend credit to Sri Lankan refugees and transgenders for whom Mahalir Thittam had already formed 70 groups self-help groups. The State government had announced economic assistance of upto Rs. 15 lakh with 25 per cent subsidy.

M. Prabakar, Project Director, District Rural Development Agency (DRDA); S. Vijayakumar, Assistant General Manager of Canara Bank, the Lead Bank for Madurai district; N.P. Rajan, Deputy General Manager, Indian Bank; R. Shankar Narayan, Assistant General Manager,

National Bank for Agriculture and Rural Development (NABARD); A.J. George, RBI Assistant General Manager; KN. Subramanian, Lead District Manager; and K.M. Kanagaraj, District Disabled Rehabilitation Officer; took part in the meeting.

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## Plan to extend agri-extension services

Staff Reporter



National Bank for Agriculture and Rural Development (NABARD) has joined hands with a Hyderabad-based Central Government Institution, MANAGE, to ensure agri-extension services were available in all the 13 blocks of the district.

According to R. Shankar Narayan, NABARD Assistant General Manager, the plan envisaged expanding Agri Clinics/Agri Business Centres (AC/ABC) through a joint strategy called 'Madurai Model.' It encompassed carrying out a detailed mapping on the availability of private agri-extension services in different blocks, identifying the gaps and filling them through AC/ABCs scheme.

Under this scheme, candidates are selected from pool of agri graduates, given intensive training and residential inputs for 60 days covering a wide gamut of agri technologies.

They are also given assistance on preparing Detailed Project Reports (DPR), making submissions to banks in a scheme backed by attractive subsidies through NABARD. He sought the cooperation of bankers in expanding the scheme.

Mr. Shankar Narayan was addressing an one-day regional workshop on AC/ABCs scheme organised here on Monday by Tamil Nadu Regional Office of NABARD for stake holders in six districts of Madurai, Theni, Dindigul, Sivaganga, Ramanathapuram and Virudhunagar.

Lead District Managers, NABARD Assistant General Managers, representatives from Krishi Vigyan Kendra, Directors of Rural Self Employment Training Institutes (RSETI), bankers, successful 'agripreneurs,' and Nodal Training Institutions of ACABC schemes took part. Prospective agripreneurs also took part in a panel discussion and discussed issues and urged the bankers to promptly release subsidies.

### **Cutting-edge technology**

Koteswar Rao, a consultant from MANAGE, outlined the Central Government's strategies for purveying cutting-edge technologies to improve farm productivity. The AC/ABCs would be fully mobilised in this direction with the guidelines for sanctioning subsidies to them having been liberalised recently.

Established at Hyderabad in 1987 as an autonomous Institute by the Union Ministry of Agriculture, from which the acronym 'MANAGE' is derived, the institution is now known as National Institute of Agricultural Extension Management.

N.P. Rajan, Deputy General Manager and Zonal Head, Indian Bank, Madurai, said that banks which were now providing loans for education and SHGs without collateral should have no hesitation to extend the same to trained agri-graduates.

S. Bhuvaneshwari, Manager (investment Credit), NABARD Tamil Nadu Regional Office, Chennai, outlined operational issues involved in implementing AC/ABCs scheme and other capital-linked subsidy schemes of NABARD.

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### **Farm sector to get a boost in Tirupur**

Staff Reporter

It could be a boom time for farm sector in Tirupur district in the coming fiscal (2012-13) if one goes by the credit flow projections brought out by the National Bank for Agriculture and Rural Development (NABARD).

### **Total requirement**

The total envisaged credit requirement for the sector, as projected by NABARD in its Potential Linked Credit Plan (PLCP) document brought out for 2012-13, would be Rs.1,353.16 crore

which was 18.78 per cent more than the corresponding projections in the PLCP for the year 2011-12.

### **Crop loans**

Sub-sector wise, estimations for 'agricultural term credit for food security' had been pegged at Rs. 474.24 crore, an increase of 26.27 per cent, and that for crop loans at Rs. 878 crore, a hike of 15.09 per cent.

Under the 'agricultural term credit for food security' component, the lion's share of Rs.209.8 crore was expected to flow in food and agro processing activities with Rs. 58 crore to be utilised for plantation and horticulture promotion and Rs. 52 crore for farm mechanisation.

"We have projected the credit flow for the ensuing fiscal based on the availability of infrastructure, extension services, marketing support and the effectiveness of rural financial delivery system," NABARD Assistant General Manager V. S. Sriram told *The Hindu* .

### **Schemes**

Mr. Sriram was of the opinion that subsidy-linked schemes for post harvest management, irrigations systems and allied activities like dairy, poultry etc., were expected to boost the investments and capital formation in the farm sector.

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### **Samba raised on 44,160 hectares**

Special Correspondent

Samba paddy has been raised in about 44,160 hectares in Tiruchi district so far against the normal coverage of 62,500 hectares (ha). Disclosing this at the farmers' grievances day meeting here on Friday, J.Sekar, Joint Director of Agriculture, said the system of rice intensification technique (SRI) has been adopted in about 26,400 ha so far during this season.

During the kuruvai season this year, M.Abdul Rahman, a farmer from Manakkal in Lalgudi taluk has recorded the maximum yield of 10,500 kg from a hectare by adopting the SRI technique. The average paddy yield under SRI technique during the kuruvai season was 8,100 kg a ha against the average yield of 6,406 kg raised under conventional method.

The Department has distributed about 599.47 tonnes of certified paddy seeds for samba season. Mr.Sekar said that there were adequate stocks of fertilizers to meet the demand for the samba season. About 1,920 tonnes of urea, 706 tonnes of di-ammonium phosphate, 410 tonnes of potash and 966 tonnes of complex fertilizers were available with primary agricultural cooperative societies and private dealers. Mr.Sekar appealed to the farmers to insure their crop before December 15. Horticulture Department officials informed that Rs.3.30 crore has been allotted for the district under the National Horticulture Mission for promotion of horticultural crops.

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### **CADA creates irrigation potential of 5.5 lakh hectares in eight districts**

Staff Correspondent

The Command Area Development Authority (CADA) of the Cauvery Basin has created irrigation potential for 5.5 lakh hectares of land under its purview in eight districts of the State, CADA chairman D. Ramalingaiah said here on Friday.

He was speaking to presspersons after completing his one-year of term in office.

The target in terms of achkut areas stood at 6.35 lakh hectares in Mysore, Chamarajanagar, Mandya, Kodagu, Hassan, Tumkur, Bangalore (Rural) and Ramnagaram districts. The rest of the area could not be covered since “crop violations” had taken place where much of the water had been used by depriving the tail-end users, Mr. Ramalingaiah said.

For instance, against the stipulation of 38 per cent paddy and sugarcane cultivation in the KRS achkut region, farmers had covered up to 89 per cent. The situation was similar in the Harangi region as well, he said.

Mr. Ramalingaiah said that the Hemavathy and the Kabini were the other two achkut regions under the CADA. He, however, ruled out taking action against farmers for violation of crop cultivation, saying “we are trying to convince the farmers on judicious use of water”.

To a question, he said that 627 water users cooperative societies had registered with the CADA of which 323 had signed a memorandum of understanding. Again, of this, 180 societies had been provided Rs. 6.06 crore, which is being utilised for training farmers in water usage, conducting study tours and district-level workshops, he said.

The CADA had set a target of registering over 7,000 farmers belonging to SCs and STs groups this year as members of the water users cooperative societies, he said.

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### **Expo, contests for dairy farmers' meet**

The district dairy farmers' meet, under the auspices of the Dairy Development Department, will be held at Mampatta near Mukkom in the district on November 27 and 28, organising committee members said in a press meet here on Friday. Dairy Development Minister K.C. Joseph will inaugurate the meet at Karthika Kalyana Mandapam at 11 a.m. on November 28. According to P.P. Gopinatha Pillai, the organising committee chairman, the golden jubilee of the Mukkom Dairy Farmers Cooperative Society will also be celebrated on the occasion. A range of programmes including an exhibition of varieties of cattle and fodder grass, quiz, seminars, workshops, discussions, cultural programmes and shows to introduce advanced equipment and technologies in dairy farming would be organised, said Mr. Pillai. According to him, more than 500 delegates and more than 1,000 dairy farmers from across the district will attend the meet. The programme is organised in association with the Farm Information Bureau and the Animal Husbandry Department besides the three-tier panchayats, and dairy development cooperatives from the district. The Malabar region of the Kerala Cooperative Milk Marketing Federation Ltd. (Milma) which is organising the 'Milma Fest 2011-2012' on the occasion at the same venue is associating with the programme. Agriculture Minister K.P. Mohanan will inaugurate the Milma Fest.

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# **Business Standard**

Monday, Nov 26, 2011

## **Slippery ground ahead for cotton as arrivals rise**

**Rutam Vora / Ahmedabad November 26, 2011, 0:12 IST**

As markets are flush with fresh arrivals, with dismal overseas buying taking place, cotton prices are taking a beating. What's more, participants anticipate a lull period in the commodity, which

may see a fall in prices amid bumper crop projections. The country expects higher cotton production this year at about 36 million bales, as against 32.5 million last year. The cotton arrivals in Gujarat markets have reached 42,000 bales (a bale=170 kg) a day. While at the national level, arrivals are seen at 100,000-120,000 bales a day. However, arrivals in major growing regions, including Gujarat, have been late by a month, mainly due to an extended monsoon this season. But, overseas buyers have remained slow, which has put additional pressure on prices in the domestic market.

The price in Gujarat markets stands in the range of Rs 36,200-36,500 a candy (1 candy = 356 kg), nearly 10 per cent down from Rs 39,000 a candy in June. In the international market, too, prices have seen a sharp decline from 165-170 cents per pound to 90-95 cents per pound. "The prices are under severe pressure due to weak exports and low domestic demand. International prices, too, have fallen. Hence, there is less incentive to sell in the international market," said Arun Dalal, an Ahmedabad-based trader. "If this continues, we may see prices falling to as low as Rs 30,000-32,000 a candy by December-end." Industry experts maintained that prices might be under pressure initially due to pressure of arrivals. "Cotton prices are expected to trade lower, both in India and overseas, for the short term. Similarly, on the ICE exchange, prices are likely to come down to \$84/lb," said Vimala Reddy, research analyst, Karvy Comtrade.

However, Reddy maintained that opportunities for India would be good in the current year, as production in the US, the world's third-largest producer, is projected to decline by 10 per cent compared to last year. "Chances of exports from India may come up as major producers are having lower opening stocks, while price rise is curbed by higher global production, which may rise seven per cent," added Reddy. Meanwhile, in order to avoid prices from falling further, farmers are demanding central procurement agencies — the Cotton Corporation of India and the National Agricultural Cooperative Marketing Federation of India to start procurement.

### **Mahyco Monsanto to give better cotton tech by 2013**

**Dilip Kumar Jha / Mumbai November 26, 2011, 0:11 IST**

Mahyco Monsanto Biotech (MMB), the 50:50 joint venture of US biotech giant Monsanto and Maharashtra Hybrid Seed Co (Mahyco), promises a technology leap on cotton growing from 2013, when it plans to apply for an okay to a new insect-resistant strain it is developing, named Bollgard III.

Such applications go before the Genetic Engineering Approval Committee (GEAC) for commercial use. "We are targeting to complete field trials and evaluate the commercial benefits for farmers by the middle of next year. Later, we plan to submit the request for approval for commercial use of this technology by 2013," said D Narain, India regional head for Monsanto Holdings.

Bollgard III promises protection from a broad spectrum of bollworms and spodoptera. The company launched first-generation cotton technology in India in 2002. In 2006, it introduced Bt-2 that could tackle two varieties of bollworm. Genetically modified (Bt) cotton now covers 93 per cent of the sown area for the cash crop.

However, overall yield is forecast to decline to a five-year low in this harvesting season, which began in October. According to a senior official of CITI-CDRA, the apex trade body of cotton producers and traders, the overall yield this year may decline to below last year's level of 475 kg per ha from 485 kg per ha last year.

"The commercial benefits aspect has not yet worked out. Hence, it is difficult to evaluate the exact benefit Bollgard III would offer after the launch. But, it will substantially reduce labour costs due to its nature of being herbicide-resistant," said Gyanendra Shukla, director of MMB. Monsanto is also planning tie-ups with state seeds corporations to boost sales across all geographical locations. Today, the company is selling seeds through 35 private companies. Research is also on for drought-tolerant wheat seed. According to Narain, Monsanto is working on both drought and flood-tolerant Bt seeds to suit Indian climatic conditions and support both traits in one seed. But, the result is almost a decade away, he added.

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## THE HINDU Business Line

### Farmers divided over retail FDI

K.V. Kurmanath, Hyderabad, Nov. 25:

Whether one likes it or not, FDI in retail is going to directly impact Indian agriculture in a big way. Some feel that change is for good, while the others complain that it will hit farmers very badly and lead to 'Wal-Mart Phenomenon'.



Small and marginal farmers are not yet aware about the development and its impact on the farm sector.

Mr Nani of Matysapuri in West Godavari district, who has lost this kharif season as he observed crop holiday, is one such farmer. He is perplexed whether the FDI decision by the Union Government would help him or further sink him in problems.

Mr S. Malla Reddy, Vice-President of CPM-affiliated All-India Kisan Sabha, sees a big threat to farmers in India.

“As it is they are not getting MSP (minimum support price) on several crops. If you allow multi-national companies with huge capital, they will call shots and decide at what price farmers should sell,” he said, reacting to the FDI decision.

“MSPs itself are not protecting cost of production for farmers. Instead of protecting farmers from market forces, the Government is exposing them further. This will hit the farm sector very badly,” he said.

### **Wal-Mart Phenomenon**

Mr Kiran, who runs non-governmental organisation Asha that works with farmers, warns of the repeat of Wal-Mart Phenomenon in India.

“They move to sources that offer them the cheapest produce. They would control the entire supply chain right from farm inputs like seeds to the final produce. This ultimately will put huge pressure on farmers, particularly small and marginal farmers,” he said.

The opinion, however, is divided. There is a section of farmers which feel that the move would help farmers discover higher prices and organise themselves into producers' groups.

Consortium of Indian Farmers' Associations (CIFA), which is promoting formation of commodity-wise groups, says that the move would bring in a sense of quality.

Mr P. Chengal Reddy, Secretary-General of CIFA, feels that the decision would bring in standardisation of farm produce as big retail players would go to farmers and tell them about the quality requirements that includes better handling of produce at farm gate, reducing post-harvest losses.

(This article was published in the Business Line print edition dated November 26, 2011)

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## Sugar futures drop on global cues

M.R. Subramani



Chennai, Nov. 25:

Sugar prices remained unchanged but futures dropped in tune with the fall in the global sugar market.

In Uttar Pradesh, virtually no trading took place as the standoff between buyers and sellers continued over price. While sellers are looking for higher price, buyers are placing their bids at a lower price.

“Trading was almost zero in central Uttar Pradesh and therefore, prices remained at Thursday's level,” said a sugar industry source.

Sugar produced in the current season that began in October was quoted at Rs 3,170-3,175 a quintal. In eastern and western parts, it was Rs 50 higher.

Sugar produced last season ruled between Rs 3,060 and Rs 3,070.

“Sellers are in no hurry to sell since they are of the view that prices will rebound,” said the source.

Sellers are also looking forward to the Centre's notification on allowing export of 10 lakh tonnes this season for a price rally.

The Union Minister of State for Food and Consumer Affairs, Prof K.V. Thomas' statement on Friday that the Centre would consider further exports after taking into consideration the production this year has also added to the bullish outlook.

In Mumbai, S-30 grade sugar dropped to Rs 3,141-3,231 a quintal against Rs 3,161-3,245. M-30 grade sugar was quoted at Rs 3,242-3,392 (Rs 3,251-3,392).

On NCDEX, the December contract for the M-30 grade slid to Rs 2,964 a quintal, while the January contract slipped to Rs 2,943.

*mrsbramani@thehindu.co.in*

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### **Assam CTC teas rule firm at N. India sale**

Our Bureau

Kolkata, Nov. 25:

Total offerings rose at the Sale No. 47 at tea auction centres in Kolkata, Guwahati and Siliguri to 4,98,405 from 4,34,346 in the corresponding sale last year, according to the auctioneers, J. Thomas & Company Pvt Ltd.

Of these, offerings at Kolkata were 2,11,404 (1,70,556), comprising 1,54,370 CTC/dust (1,35,294), 48,988 orthodox (30,164) and 8,046 Darjeeling (5,098).

The corresponding figures for Guwahati were 1, 86,751 (1,55,134) and for Siliguri 1,00,250 (1,08,656).

Selected clean and better liquoring Assam CTC maintaining quality were mostly unchanged. The remainder was irregularly lower according to quality. Well-made Dooars sold readily at around previous levels, while the remainder tended irregularly easier. Tata Global was active. There was fair support from Hindustan Unilever for the leaf and dust grades. West India dealers were active for the liquoring sorts. There was fair enquiry from North India and local sections. Exporters operated on the bolder broken and fannings.

Demand for orthodox offerings was fair. All sorts were irregularly lower and saw fair withdrawals. North Indian traders operated selectively on the bolder whole leaf. Tippy varieties saw some export enquiries. There were some enquiries from Hindustan Unilever for the fannings.

Selected Darjeeling whole leaf varieties showing seasonal improvement in quality sold well with competition.

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## **Tea prices rise 3% at auctions**

P.S. Sundar

Coonoor, Nov. 25:

Tea prices have increased nearly three per cent in the first three quarters of current calendar over last year in the different auction centres in the country, reveals an analysis of the latest Market Reports and data available with Tea Board.

Between January and September, auction prices averaged Rs 103.41 a kg against Rs 100.50 last year.

All auction centres posted gains from Rs 1.28 a kg to Rs 3.98.

North Indian prices averaged Rs 118.12 against Rs 116.55. Kolkata continued to post the country's highest price average of Rs 130.70 (last year: Rs 129.42).

Guwahati prices were the second highest at Rs 110.62 (Rs 108.78) followed by Siliguri at Rs 104.79 (Rs 102.78).

South Indian prices averaged Rs 69.69 (Rs 66.39). Kochi not only posted South India's highest price average of Rs 79.57 (Rs 75.59) but the country's highest gain of Rs 3.98 a kg. Coimbatore auction prices averaged Rs 65.63 (Rs 62.46) and Coonoor Rs 63.30 (Rs 59.97).

The Teaserve auctions posted the country's lowest price average of Rs 57.15 a kg (Rs 54.91).

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## **Spot rubber static on tepid trading**

Our Correspondent

Kottayam, Nov. 25:

Spot rubber finished unchanged on Friday. The market activities were in an extremely slow pace as there were no active traders on either side to set a definite trend.

Meanwhile, latex 60 per cent, the only loser, weakened on comparatively low demand.

Sheet rubber closed flat Rs 190 a kg, according to traders. The grade was steady at Rs 191 a kg both at Kottayam and Kochi consecutively for the second day, as reported by the Rubber Board.

The December series slipped to Rs 192.75 (192.97), January to Rs 193.80 (193.95) and February to Rs196.00 (196.70) while the March series inched up to Rs 198.49 (198.36) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) closed at Rs 170.17 (170.14) per kg at Bangkok.

The December futures for the grade dropped to ¥ 248.00 (Rs 167.76) from ¥250.9 during the day session but then recovered marginally to ¥248.8 (Rs 168.31) a kg in the night session on Tokyo Commodity Exchange.

**Spot rubber rates (Rs/kg) were:** RSS-4: 190 (190); RSS-5: 187 (187); Ungraded: 181 (181); ISNR 20: 172 (172 ) and Latex 60 per cent : 108 (110).

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## States will begin implementing food processing projects from next fiscal

Our Bureau



Involving all: (From left) – Mr A.V.P.S Chakravarthi, Chairman, IIP, Hyderabad; Mr N. C. Saha, Director of Indian Institute of Packaging; Mr Ajit Singh, Chairman of ACG Worldwide; Mr Rakesh Kacker, Secretary, Ministry of Food Processing Industries; Mr Sanjay Bhatia, Chairman of Indian Institute of Packaging (IIP); and Mr Keith Pearson, President of World Packaging Organisation, during the release of a technical souvenir at the 'Indpack 2011' in Hyderabad on Friday. — P. V. Sivakumar

Hyderabad, Nov. 25:

The Union Ministry of Food Processing is putting together a proposal to de-centralise implementation of its major programmes by involving the State Governments in them from next fiscal.

“So far, the Ministry has been taking up various projects in the food processing sector. But now, as the size of the programmes has grown, we are finding it difficult to manage them from Delhi.

Therefore, we intend to involve the State Governments in them in a much better way,” Mr Rakesh Kacker, Secretary to the Ministry of Food Processing Industries, told mediapersons on the sidelines of the IndPack meet here.

He said the response from the State Governments has been encouraging.

The Ministry would like each State to have a separate administrative arm to implement the schemes.

“We will be providing financial assistance to the States depending on the number and nature of programmes they implement,” he said.

The Ministry would only handle the major projects, such as the mega food parks and the cold chain projects, while the States would handle other programmes such as technology upgradation, human resource development and the smaller infrastructure projects.

Mr Kacker said the Ministry was taking up 30 mega food park projects, 15 of which have been allotted to private promoters.

“For the rest, we had invited expression of interest last week, with the last date being in February. We are funding each of the projects to an extent of Rs 50 crore,” he said.

The projects are getting a bit delayed due to land acquisition and funding problems.

Mr Kacker said that the Ministry is in the process of setting up a network of 49 cold storage projects, including reefer transportation, at a cost of Rs 360 crore. Of these, eight have been completed and two have started partial production.

Stating that wastage in the fruits and vegetable segment was between 5 and 18 per cent, he expected this to come down with the proposal to allow 51 per cent FDI in multi-brand retailing.

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## **Higher MSP drives rabi pulses, oilseed sowings**

Vishwanath Kulkarni

*Madhya Pradesh, Rajasthan lead the increase in coverage*

<b>RABI SOWINGS SNAPSHOT</b>			
<b>(in lakh hectares)</b>			
	<b>Progressive Sowing as of Nov.25</b>		<b>Normal Area</b>
	<b>2011-12</b>	<b>2010-11</b>	
<b>WHEAT</b>	120.77	121.98	227.45
<b>OILSEEDS</b>	65.68	65.94	94.52
1) Rapeseed Mustard	56.54	55.51	63.55
2) Groundnut	1.89	2.18	9.10
3) Safflower	1.57	1.99	3.29
4) Sunflower	2.31	2.99	11.89
<b>PULSES</b>	92.94	87.94	122.71
1) Gram	61.30	57.29	76.05
2) Lentil	11.04	11.60	14.27
3) Peas	6.61	5.67	7.22
4) Urd	2.72	2.39	7.27
5) Moong	0.97	1.230	6.32
<b>RICE</b>	0.63	0.94	44.11
<b>COARSE CEREALS</b>	41.91	43.78	65.37

New Delhi, Nov. 25:

The country is set for a bumper rabi pulses and oilseeds crop on the back of huge increase in minimum support price. Rabi sowings of pulses and oilseeds also aided by a comfortable status of water storage in reservoirs have picked up according to latest numbers.

Sowing in oilseeds, pulses and coarse cereals has almost covered over two-thirds of the targeted area. However, the cultivation of rice is yet to pick up whereas wheat sowing has covered over half of the targeted area.

### **Rise in area**

The area under pulses for the week-ending November 24 has shown an increase of five per cent at 92.94 lakh hectares as against 87.94 lakh ha over corresponding period last year. This increase in area under pulses is led by gram, a dominant crop, whose coverage has gone up by 4 per cent to 61 lakh hectares over corresponding last year.

States such as Madhya Pradesh and Rajasthan are leading the increase in coverage by three per cent.

The rise in area could be attributed to the hike in MSP for gram, which was increased by 24 per cent to Rs 2,800 a quintal. Sowing of other pulses such as peas and lentil are either marginally up or flat compared to the previous year.

The Government has set a pulses production target of 10.27 million tonnes for the current rabi season and had created a contingency plan to boost the output to offset the kharif shortfall of 7

lakh tonnes. An additional output of 2.78 million tonnes was being targeted through area expansion and productivity enhancement to offset the kharif shortfall. Pulses output in kharif 2011 is expected to be 6.43 million tonnes, according to first advanced estimates, as against 7.12 million tonnes last year. In case of oilseeds, though the total area covered has largely remained flat at 65.68 hectares, the sowing of mustard rapeseed has picked up so far, compared to other oilseeds.

### Mustard

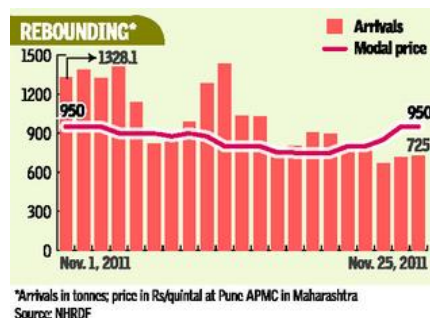
Sowing of mustard is up by one per cent to 56.54 lakh ha mainly led by higher coverage in West Bengal, Haryana and Rajasthan. It is expected that the area under mustard could go up substantially following the 35 per cent hike in MSP at Rs 2,500 a quintal.

Area under sunflower and safflower are marginally lower compared to last year. The production target for rabi oilseeds is set at 11.5 million tonnes. The projected kharif oilseeds output this year is estimated to be 20.89 million tonnes as against the targeted 22.1 million tonnes. Also, the area under cereals such as rice, maize, barley and ragi is flat compared to corresponding last year. *vishwa@thehindu.co.in*

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### Lower export floor price buoys onion

M.R. Subramani



Chennai, Nov. 25:

Onion prices recovered this week as export movement picked up following the Centre's decision to cut the minimum export price (MEP) by \$125 a tonne to \$350.



“Prices looked up because of MEP cut and also because farmers began to agitate in Maharashtra,” said Mr Madan Prakash, Director at Chennai-based Rajathi Group of Companies that exports agricultural produce.

In Lasalgaon and Pimpalgaon Agricultural Produce Marketing Committee yards in Maharashtra's Nashik district, prices increased to Rs 740 and Rs 765 a quintal respectively on Thursday. In Pune, the modal price or the rate at which most trades took place was Rs 950 on Friday. Quality onion commanded around Rs 1,110 a quintal. Last week, prices in Nashik district had plunged to around Rs 400 before the MEP decision lifted the sentiment. “Arrivals of kharif onion have begun and they are quoting over Rs 1,000 a quintal. There is demand for export of the new arrival,” said Mr Prakash. Currently, Malaysia is looking for Indian onions, while demand from the Gulf is normal. Domestic demand is constant, according to trade sources. A bullish sentiment prevails in the market following the Union Agriculture Minister, Mr Sharad Pawar's statement that his Ministry could recommend further cut in the MEP. The MEP has been introduced as a way to check onion exports that had led to retail prices surging to about Rs 100 a kg last year. *mrsubramani@thehindu.co.in*

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## **Cotton seen falling to Rs 34,000 a candy**

Our Correspondent



Rajkot, Nov. 25:

Cotton was unchanged on Friday even as demand from mills and exporters remained limited. New demand may rise next week as the cash crop that has dropped Rs 1,000 a candy of 356 kg in the past five days may fall to Rs 34,000 a candy, a Rajkot-based broker said.

The Sankar-6 variety sold at Rs 36,200-36,500 a candy. The RG variety traded at Rs 3,505-3,545 for two *maunds* in Punjab, Rs 3,520-3,540 a *maund* in Haryana and Rs 3,530-3,540 a *maund* in Rajasthan. A *maund* is 20 kg. V-797 grade A cotton sold at Rs 24,000-25,000 a candy while grade B was offered at Rs 22,000-23,000 a candy.

Kapas or raw cotton fetched Rs 850-870 for a *maund* while it fetched Rs 880-885 for a *maund* for delivery to ginners.

Around 1,30,000 bales of 170 kg each arrived in the country, including 35,000-37,000 in Gujarat and 25,000 in North India.

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### **Chana, its dal drop on slack demand**

Our Correspondent



Indore, Nov. 25:

Sluggish demand pulled down pulses and pulse seeds on Friday. Local mandis were closed for *Amavasya* holiday.

Chana (kanta) in private trading declined to Rs 3,350 a quintal (Rs 3,375-3,400), while chana (desi) sold at Rs 3,275 a quintal. Similarly, chana dal dropped on weak demand, with chana dal (average) at Rs 4,150-4,175 a quintal (Rs 4,170-4,200), chana dal (average) at Rs 4,250-4,275 and chana dal (bold) at Rs 4,375-4,400.

Masoor and its dal were unchanged despite slack demand. Masoor (bold) fetched Rs 2,825, masoor dal (average) Rs 3,250-3,275, masoor dal (medium) at Rs 3,325-3,350 and masoor dal (bold) Rs 3,450-3,75 a quintal. Tur and its dal also fell on weak buying support. Tur

(Maharashtra) quoted at Rs 3,550 a quintal (Rs 3,600-3,625), while tur (Nimari) sold at Rs 2,300-2,600 a quintal. Tur dal dal (full) quoted at Rs 5,500-5,550 a quintal.

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### **Lack of liquidity affects paddy arrivals**

Our Correspondent

Karnal, Nov. 25:

Paddy arrivals dropped to just around 50,000 bags on Friday against arrivals of around 80,000 bags till Thursday at the Karnal Grain Market Terminal.

Lack of liquidity in the grain market is the prime reason behind the low arrivals as farmers were not getting the price for their produce in cash at the time of sale, said Mr Tara Chand Sharma, proprietor of Tara Chand and Sons.

Farmers have started holding back their stocks and bringing lesser quantities to the market. Arrivals may remain sluggish, he said.

In the rice market, trade witnessed a steady trend. After seeing a downtrend earlier this week, prices of aromatic varieties ruled flat while non-basmati varieties remained unchanged.

Prices of Pusa-1121 (steam) quoted around Rs 4,330 a quintal while Pusa-1121 (Sela) was between Rs 3,450-3,475 a quintal.

For the brokens of Pusa 1121, Tibar ruled at Rs 3,300, Dubar was at Rs 2,900-2,950 while Mongra was trading at Rs 2,300 a quintal.

Pure Basmati (Raw) sold at Rs 4,550 a quintal while Basmati Sela sold at Rs 3,500-3,550 a quintal.

Sharbati (steam) quoted at Rs 2,900 while the Sharbati (Sela) was between Rs 2,750-2,800 a quintal.

PR11 (Sela) sold at Rs 2,100-2,200 a quintal, while PR-11 (raw) quoted at Rs 1,900-2,150 a quintal.

Permal (Sela) sold at Rs 1,800-1,950 a quintal, while Permal (raw) was around Rs 1,900 a quintal.

## **Paddy Arrivals**

Around 50 thousand bags arrived at the Karnal Grain Market Terminal. PR arrived with a stock of around 20,000 bags and sold at Rs 950-1,050.

About 2,000 bags of Sharbati variety arrived and quoted at Rs 1,300-1,325, DB arrived with a stock of around 5,000 bags and sold at Rs 1,350-1,525, while around 5,000 bags of Sugandha 999 arrived and went for Rs 1,325-1,385. Around 15,000 bags of Pusa 1121 arrived and sold at Rs 1,500-1,850 a quintal while around 5,000 bags of Pure Basmati arrived and sold at Rs 1,600-1,850 a quintal.

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## **Poor sales take sheen off turmeric**



Erode, Nov. 25:

Spot turmeric prices dropped a further Rs 200-300 a quintal on Friday due to lack of fresh orders from other States.

“ Usually, during the week-end sales, prices may stabilise or increase slightly and arrival will be high. But on Friday only 9,000 bags arrived. Contrast to the usual system, prices fell and sales were tardy. All there are due to the non-receipt of fresh orders from other States,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association. 40 percent of the arrived stocks were sold.

Mr Ravishankar said traders increased quotes by Rs 120 a quintal for the good quality finger variety that arrived at the Regulated Marketing Committee.

He said that usually, during the months of November and December, some traders hold stocks to market in the next year. But this year, traders are holding negligible quantity due to price fluctuation..

The price of the hybrid variety also fell sharply due to want of demand. It decreased by Rs 850 a quintal. Traders said only a few bags of hybrid variety arrived for sales on Thursday, pushing prices up, but on Friday the demand was poor.

At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 3,200-4,441 a quintal, the root variety at Rs 3,109-4,459.

**Salem crop:** The finger variety was sold at Rs 4,690-5,139, the root variety Rs 4,429-4,809. Totally 2,452 bags arrived for sales and only 412 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing , the Society finger variety was sold at Rs 3,946-4,550, the root variety Rs 3,769- 4,470. All the 291 bags of turmeric kept for sales were sold.

At the Erode Cooperative Marketing Society, the finger variety fetched Rs 3,811-4,489, the root variety Rs 3,700-4,469. Some 336 bags of turmeric were sold against the arrival of 416.

At the regulated Marketing Committee, the finger variety was sold at Rs 4,072 -4,611, the root variety Rs 4,070-4,589. Of 1037 bags of turmeric put up for sale, 838 were sold.

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