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Area under Kari Kagga declines

Sharath S. Srivatsa



Kari Kagga paddy is cultivated in the tidal wetlands of Kumta in Uttara Kannada district by about 3,000 families.

A brackish water paddy variety, cultivation of which has been practised in the Aghanashini estuary for a long time now, faces the threat of extinction as farmers are complaining of shortage of seeds.

Production of Kari Kagga Batha (paddy) has declined drastically in the last four to five years due to flood conditions caused by problems in maintenance of dikes, resulting in farmers facing a shortage of seeds.

Kari Kagga is cultivated in the tidal wetlands of Kumta in Uttara Kannada district by about 3,000 families. The tidal wetlands in Kumta are called 'Ghajinis'. There are 25 such Ghajinis, ranging from as small as 11 acres such as Taggina Ghajini to as big as 450 acres such as Manikatta Ghajini. Unit of land parcels owned by families are called Hasigi, and each Hasigi can have 2 acres to 6 acres, depending on the Ghajinis.

Deplorable state

“The 12-km-long bund, built in 1973-74, is in a deplorable state. As many as 16 sluice gates have collapsed, resulting in flooding of the area and subsequent crop loss,” Chandrashekar R. Naik, the headman of the Manikatta Ghajini, told *The Hindu*.

Besides, silt had to be removed from the wetland channels, he said, and added that farmers were losing interest in Kari Kagga cultivation after having suffered crop loss in the past couple of years.

The result: area under Kari Kagga has come down from about 3,000 acres to about 800 acres, Krishna Prasad of Sahaja Samruddha, a farmers' collective, said.

Kari Kagga cultivation is unique to these Ghajinis, which have a headman. The decision to start sowing is taken at the Koota Vyavasaya Parishat. All the landowning families have to contribute labour in both sowing and harvesting, failure of which attracts penalty. Paddy is cultivated sans fertilizer, and each acre yields about 10 to 15 quintals of paddy.

“While the high tide in the area is at 7.59 ft the dikes are 2 feet lower than this. It becomes difficult for us to drain out water during high tides as sluice gates are not properly functional. When the river water gushes into the area, it needs to be drained out twice a day, which is also difficult,” Mr. Naik pointed out.

Paddy sowing commences in June when salinity level is low with fresh water from the Western Ghats gushing into the Arabian Sea. Paddy harvesting is completed before October-end when the salinity level starts increasing due to the decline in the fresh water inflow.

Prawn cultivation is taken up between October and June.

To contribute to the already existing problem with the dikes, Mr. Naik said, the Department Forests planted mangroves unscientifically, preventing drainage of water from the Ghajinis.

“Though mangroves have their benefits, they should be planted in right places,” Mr. Naik said.

Mr. Krishna Prasad said Kari Kagga could be promoted instead of investing on genetically modified salt-tolerant paddy.

He said that a recent consultative meet organised by the Western Ghats Task Force jointly with Save Our Rice Campaign promised to look into the issues affecting the Aghanashini farmers.

Published: April 30, 2012 09:05 IST | Updated: April 30, 2012 09:05 IST

Preserving his inheritance

R. Krishna Kumar



Ghani Khan

Organic farmer Ghani Khan's project, a paddy museum, will soon be ready

Fired by zeal for conservation of genetic diversity in crops, an organic farmer from the Mysore region has embarked on a project to establish what is reckoned to be India's first paddy museum.

Ghani Khan of Kirugavulu in Malavalli taluk of Mandya district cultivates and conserves more than 300 varieties of paddy and rice, most of which do not make it to the market and may be lost to posterity.

However, Mr. Khan, who has inherited his forefathers' farmland donated by Hyder Ali and Tipu Sultan more than 200 years ago, has converted his 20-acre-plot to a genetic hotspot with a variety of crops, dominated by paddy and mango. His paddy project has led him to convert a portion of his house into a museum, which will be ready in a few months' time.

Speaking to *The Hindu*, Mr. Khan said paddy varieties conserved by him include Jeerge Sanna, Gandasale, Bilinellu, Raskadam, Rajmudi and Pakistan Basmati, to name a few, and he has dedicated nearly 3 acres of land for their cultivation and demonstration.

Part of his house

“The first floor of my house will be converted to a paddy museum, where samples of nearly 300 varieties of paddy acquired from different places, cultivated and preserved by me, will be on display,” said Mr. Khan, who continues to acquire rare varieties of paddy and augment his collection.

He said he had invested half his income in developing the paddy museum, and a senior farmer would be invited to inaugurate it, he added. While the paddy museum was expected to draw like-minded conservationists to his farm, Mr. Khan also gets regular visitors for the rare mangoes he cultivates. At the last count, there were 120 varieties of mango in his farm including Mangmari, Jeerge Maavu, Shakkargubbi and Mosambi ka aam, none of which are commonly available.

'Utmost care'

“I have preserved these varieties of mango as an inheritance from my forefathers and maintain the orchards with utmost care, though I do not get any support from the Government for this,” he said.

Notwithstanding his efforts and drive to protect crop diversity, the going is tough for Mr. Khan owing to loss of income, as 3 acres of land is earmarked for paddy demonstration. “It is easy to introduce Alphonso and Badami in my orchard, which will increase my earnings. But if I cease to cultivate or fail to conserve these varieties, they will be lost to posterity,” Mr. Khan remarked.

No assistance

Apart from a token award and a title of Krishi Pandit, which is routinely conferred on farmers every year, there is little by way of Government assistance for Mr. Khan, who was promised that his orchard and farmland would be declared a biodiversity hotspot.

Though he is under tremendous pressure from his well-wishers and a few of his family members to switch to conventional agriculture, the conservationist in him refuses to compromise.

However, Mr. Khan has support from the Bangalore-based Sahaja Samruddha, an organic farmers' association that provides him market linkage.

Not content with cultivating and conserving, Mr. Khan has tied up with the local government school, whose students visit the farm to learn about organic and natural farming “This is important, as the new generation of children even in villages are fast losing touch with the natural world and believe in chemical farming,” said Mr. Khan.

Published: April 30, 2012 00:00 IST | Updated: April 30, 2012 04:26 IST

Farmers sensitised to the importance of soil testing

Special Correspondent



ground study: Farmers undergoing training on soil and water analysis at the Cotton Research Station at Veppanthattai in Perambalur district.

Soil health is key to agricultural productivity and farmers should understand the importance of improving soil fertility at the end of every harvest, said speakers at a training on ‘Decision support system for integrated fertiliser recommendation (DSSIFER) technology’ organised at Cotton Research Station at Veppanthattai near here recently.

Sponsored by National Bank for Agricultural and Rural Development, the training also aimed at explaining the adverse impact of chemical fertilizers on soil.

Recommendations of fertilizer application based on soil test analysis would help farmers register maximum benefit, said V. Velu, special officer, Natural Resources Management of the Tamil Nadu Agricultural University, Coimbatore, who inaugurated the training. Serious fall in organic matter and dumping of inorganic fertilizer were the important causes of the problems in soil health. He called upon the farmers to enhance the organic content in soil and ensure balanced nutrient application to crops based on soil test analysis.

R. Marimuthu, programme coordinator, Hans Roever Krish Vigyan Kendra, stressed the importance of adoption of integrated farming system both for improving soil fertility and profitability.

D. Jayakumar, Professor of Soil Science, Agricultural Engineering College, Kumulur, urged farmers to ensure soil fertility management through soil and water analysis.

R. Kavimani, Professor and Head of Cotton Research Station, T. Sherene Jenita Rajammal, assistant professor demonstrated the method for collection of soil and water samples and spoke on the advantages of DSSIFER technology for achieving higher yield.

N. Kothandapani, District Development Manager, NABARD, spoke.

Published: April 30, 2012 00:00 IST | Updated: April 30, 2012 04:40 IST

Mango turns sweet for farmers

G. Venkataramana Rao

Demand for 'carbide-free' fruit benefits small and marginal growers



Gainful activity:A farmer Butchibabu from Siddarthanagar in Nuzvid mandal putting mangoes through a process ahead of the ripening chamber at the Nuzvid Integrated Packing Unit.

The days of mango farmers allowing traders to fix the price for their fruit will be a thing of the past if the strategy of the Horticulture Department works.

The ban on the use of the carcinogenic calcium carbide for the ripening of mango fruit will go a long way in liberating farmers from the clutches of unscrupulous traders, who give them advances and then force them to sell at low prices.

The Horticulture Department is making use of the overwhelming public response for 'carbide-free' mango for the benefit of small and marginal mango growers. Farmers are making a 40 per

cent to 50 per cent profit margin in the sale of 'carbide-free' mango. Kasarla Madhusudhana Rao has a mango grove at Maddulaparva village in Reddigudem mandal. He cultivates 'banganapalli', 'chinnarasalu', and 'peddarasalu'. After value addition, that is getting the mango ripened in an ethylene ripening chamber, he earned an impressive Rs. 1,05,000 for three tonnes of mango. The price he would have got had he sold it to the traders was Rs. 55,000 to Rs. 65,000. Similarly, Ramiseti Sambasiva Rao of Nuzvid mandal got Rs. 38,000 per one tonne of mango after value addition instead of the maximum Rs. 20,000 from traders. More and more such success stories are being heard with the passing of every day. Assistant Director of Horticulture R. Rama Mohan, talking to *The Hindu*, said farmers were losing out because of some wrong marketing practices. Small farmers were harvesting the fruit even before it was fully mature to get the early bird advantage at the behest of traders. This affected both the quality of the fruit and returns because the immature fruit was lower in weight.

Tips for farmers

Mr. Rama Mohan said the farmers can make a 40 per cent to 50 per cent profit margin by following some simple guidelines.

The fruit should be harvested with the stalk using a Dapoli harvester. This would ensure the sap does not fall on the fruit and leave permanent stains. After harvesting, the stalk should be removed and the fruit should be put on de-sapping tables for six hours. The fruit should be transported using plastic crates and then be washed mechanically with water, in fungicide solution and warm water. After being washed and dried, they should be put in the ripening chamber for 12- 24 hours.

Ripening with ethylene gas would give the fruit a uniform colour unlike in carbide ripening, Mr. Rama Mohan said.

The fruit should then be put for two days in cold storage and then transported to the market in proper corrugated cardboard boxes in refrigerated trucks.

The ethylene ripening gave the fruit longer shelf life, he said. The equipment for cleaning and ripening mangoes was available at the Nuzvid Integrated Packing Unit, he added.

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- *Ban on use of carcinogenic calcium carbide frees growers from the clutches of traders*
 - *Farmers losing out because of wrong marketing practices, says Horticulture official*
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April 30, 2012

AICRP hosts national workshop on groundnut

After a gap of fourteen years, Tirupati hosted the three-day All India Coordinated research Project (AICRP) workshop on groundnut. Delegates from 22 groundnut research centres in India converged here for the event, conducted under the joint aegis of the Directorate of Groundnut Research (DGR), Junagadh (Gujarat) and ANGRAU's Regional Agricultural Research Station, Tirupati, to review the research conducted in kharif 2011 and as well prepare an action plan for 2012.

Presenting the research results, DGR Director J.B. Misra explained that 18 varieties had been released during the eleventh plan period and 4000 germplasm, 40 wild cultivars maintained. "The focus of the Twelfth plan period is input use efficiency through nanotechnology, climate change and its effect on groundnut production," he said. S.F. D' Souza, Associate Director of Research (biomedical group), BARC-Mumbai spoke on the popular groundnut varieties TAG 24, TG 37A and Bheema developed by BARC using irradiation technique, while D.M. Hegde, formerly Director of Oilseeds Research sought steps for productivity enhancement, ruling that the low oil extraction from the huge number of pods produced. He also expressed concern over the low seed replacement ratio in India at less than 2 per cent.

S.N. Nigam, principal groundnut breeder at ICRISAT Hyderabad referred to shortage of quality/certified seed, while Director of Research R.Sudhakara Rao spoke on non-exploitation of genetic base at the national level and how China had overtaken India in terms of groundnut yield. SV Agricultural College Associate Dean N.V.Naidu expressed happiness over the sanction of an AICRP to RARS, while his counterpart at College of Veterinary Sciences, D.Srinivasulu, expressed concern over aflatoxin contamination in groundnut cake. Veteran farm scientists P.V. Reddy and A.Padma Raju, groundnut scientists R.P. Vasanthi and D.Lokanadha Reddy spoke.

A.D. Rangarajan, in Tirupati

Delegates review research conducted in kharif 2011, prepare action plan for 2012

Chennai - INDIA

Today's Weather



Sunny

Monday, Apr 30

Max Min

37.4° | 27.6°

Rain: 00 mm in 24hrs

Humidity: 67%

Wind: Normal

Sunrise: 6:35

Sunset: 18:03

Barometer: 1006

Tomorrow's Forecast



Rainy

Tuesday, May 1

Max Min

35° | 27°

Extended Forecast for a week

Wednesday May 2	Thursday May 3	Friday May 4	Saturday May 5	Sunday May 6
31° 27°	32° 27°	35° 27°	35° 27°	36° 26°
Rainy	Rainy	Partly Cloudy	Partly Cloudy	Sunny

THE ECONOMIC TIMES

30 APR, 2012, 05.42AM IST, PK KRISHNAKUMAR,ET BUREAU

Robusta Coffee prices climb on output fall concerns

KOCHI: Indian robusta coffee prices are climbing on concerns of lower production. Though the Coffee Board estimate is 2.17 lakh tonne, marginally higher than previous year, growers feel that it could be below 2 lakh tonne.

As the harvest started, the growers expected about 5% drop in robusta production. But it now appears that the fall will be much higher. "The crop in Coorg was poor because of erratic rains. The current crop is coming after a bumper harvest last year, which is also a reason for poor

production in the current season," said Marvin Rodrigues, chairman of Karnataka Planters' Association.

The production in Wayanad in Kerala is also reported to be down. The growers predict that total output is falling below 2 lakh tonne. Almost 70% of the total coffee production of 3.22 lakh tonne in India comprises robusta variety. The robusta cherry prices have moved up from Rs 2,400 per 50-kg bag to Rs 3,000 while robusta parchment prices have touched Rs 6,500 per 50-kg bag.

The coffee production in Wayanad varies from 40,000 tonne to 50,000 tonne.

"But this time, it looks like the crop will dwindle to around 32,000 tonne. Normally after the harvest and sale, 50% will be left in the market. But this time, only 30% is remaining," the Wayanad Coffee Growers Association secretary Rajesh said.

According to him, the arrivals have thinned, which could be either because of a sharp drop in production or the growers may be holding the stock anticipating a price rise.

The international prospects are not too bright for the exporters with arabica prices plunging because of good harvest in Brazil. The robusta prices are also expected to sink as Vietnam, the largest producer of the variety, is saddled with higher production.

After record exports last year, the inventory is depleted. The exporters may have to buy at a higher price from the market as momentum picks up in shipments.

The Coffee Board had forecast a slight improvement in arabica production at 1.04 lakh tonne and the crop is close to that level. But the prices have sunk in tandem with the international prices. The arabica parchment prices have fallen to Rs 8,000 per 50-kg bag from a level of Rs 10,000.

30 APR, 2012, 05.29AM IST, MADHVI SALLY & SUTANUKA GHOSHAL, ET BUREAU

Oilseed acreage likely to increase this year

KOLKATA | AHMEDABAD: The acreage under guar, soyabean and groundnut in India is all set to rise this year. A significant price rise in these three agri-commodities last year has brought

much cheer to farmers in Haryana, Rajasthan, Gujarat, Madhya Pradesh, Karnataka and Andhra Pradesh. They are all set to increase the production of these crops this year.

In case of guar, a section of farmers in Rajasthan has grown the crop for the first time in the summer months of March - April, which will be harvested in the May-June period. Producers feel that a normal monsoon, as predicted by the Indian Met Department (IMD), will further help increase the yield of these commodities.

India leads the list of major guar-producing countries and nearly 80% of the country's production is exported to the US, Europe and China.

"This year, farmers in certain areas of Rajasthan and Karnataka have been able to grow guar in April and the crop has been quite good. Sowing for the normal crop will begin in July, which will be harvested in October. We are expecting a three-time hike in acreage this year, which will take the production from 12 million bags (a bag weighs 100 kg) to 40 million bags this year. An extremely remunerative price has prompted many farmers to cultivate more guar," Indian Guargum Manufacturers Association president PK Hissaria said.

In 2011, guar was cultivated in 3.5 million hectares. Incidentally, guar gum rallied to Rs 80,970 (\$1,557) per 100 kg on March 27 in Mumbai from Rs 8,750 a year earlier, prompting the nation's commodity market regulator, Forward Markets Commission (FMC), to ban futures trading.

Rajesh Kedia, director of Jai Bharat Gum & Chemicals, a leading exporter, said that demand for guar gum is increasing in the US, Europe and China. "Recession has not hit the import of guar gum by these countries," he said.

Like guar gum, soyabean production is also set to rise this year. Soyabean is grown over 101 lakh hectares but this year it is expected that another 5-7 lakh hectares will be added to this crop. "Price of soyabean is hovering around Rs 3,500 per quintal, which is much higher than the minimum support price of Rs 1,690 per quintal. This has prompted farmers of Maharashtra, Tamil Nadu, and Karnataka to shift from cotton to soyabean. Moreover, soyabean does not require too much water and, therefore, easier to grow. The domestic demand for soyabean is also on the rise," the Soyabean Processors Association of India spokesperson and coordinator Rajesh Agrawal said.

Remunerative prices for oilseeds compared to other crops would help in increasing the acreage, feel traders.

30 APR, 2012, 05.26AM IST, BLOOMBERG

Rabobank raises Robusta Coffee price forecast

LONDON: Rabobank International raised price forecasts for robusta coffee traded in London for the rest of this year on falling European stockpiles and steady demand.

The beans, used in instant coffee and espresso, will average \$1,950 a tonne in the second quarter and \$1,850 a tonne in the following three months, up from respective prior forecasts of \$1,750 and \$1,650, the bank said in a monthly report e-mailed on Friday. Rabobank raised its estimate for the fourth-quarter average to \$1,800 a tonne from \$1,600.

"The Liffe price forecast was increased as falling European stocks and strong demand for robusta globally have moderated the impacts of a record 2011-12 Vietnamese crop," London-based analyst Keith Flury said. Robusta stockpiles with valid certificates in warehouses monitored by NYSE Liffe came to 181,730 tonne as of April 16, down 3.6% from two weeks earlier, exchange figures show.

Inventories have been falling since reaching a record 417,420 tonne on July 11. Vietnam will produce a record 22.1 million bags of coffee in 2011-12, according to Volcafe, a unit of commodities trader ED&F Man Holdings.

"Roasters and end-users in Europe have likely run-down robusta coverage on expectations of lower prices after the 2011-12 Vietnamese harvest," Flury said. "The unsupplied demand remains the bullish force that has supported the London market."

Robusta coffee has risen 10% this year on NSYE Liffe in London as farmers in Vietnam held back beans after prices fell 14% in 2011. Farmer selling in Vietnam is likely to climb as supplies gain with the start of harvests in Brazil, Indonesia and Africa, Flury said.

Pepper heads south on bearish activities

G. K. Nair

Kochi, April 29:

The pepper market last week witnessed a sharp fall on bearish reports coupled with some mild selling pressure. All the active contracts fell and the May delivery was ruling below the spot prices at the weekend.

Small quantities of new pepper were arriving at the terminal market and an estimated 60 tonnes of the material were traded at Rs 375-385 a kg. Good demand was seen for high bulk density high range pepper which, some in the trade alleged, was being bought by some of the importers for mixing with imported pepper from Vietnam so as to make it heavy pepper.

Activities were limited last week because of the high margin money which were at 27.73 per cent for the long position and 13.73 per cent for the short position. Many small and medium players were getting out of the market. Some were buying back their sales on the exchange. Bear operators were spreading propagandas at the Asta convention held in the US last week that exportable surplus of pepper was available in India.

There has been good domestic demand and industry buyers were reportedly active. They were said to be covering before the onset of the monsoon which is expected in early June. Even the current summer rains for the past few days have accelerated the activities. On an average some 15 to 20 tonnes of black pepper were being traded for the past few days at the terminal market.

Buying by Tamil Nadu-based inter-State dealers directly from the primary markets at the terminal market on cash and carry basis has stopped in recent days and that has prompted the primary market dealers to sell the material on the terminal market, market sources told *Business Line*.

Much of the upcountry demand was being met directly by supplies from Karnataka at competitive prices delivered anywhere in India. May contract on the NCDEX dropped sharply last week. May, June, July contracts decreased by Rs 1,940, Rs 1,895 and Rs 1,700 respectively to the last traded price on Saturday of Rs 37,445, Rs 38,175 and Rs 38,610 a quintal.

Total turn over increased by 4,384 tonnes to 21,933 tonnes. Total open interest went up by 405 tonnes during the week to 5,902 tonnes on Saturday.

Spot prices in tandem with the futures market trend coupled with some selling dropped by Rs 900 a quintal to close at Rs 36,600 (ungarbled) and Rs 38,100 (MG1) a quintal.

Indian parity in the international market was at around \$7,500 a tonne (c&f) for the Europe and about \$7,800 a tonne (c&f) for the US.

Centre may allow 20 lakh bales addl cotton exports

PTI



Of about 115 lakh bales registered so far this season, the country has exported 106 lakh bales.

New Delhi, April 30:

The Centre is expected to allow more cotton exports after a meeting of senior ministers today, sources said.

Several MPs from Gujarat including Mr Ahmed Patel, Political Secretary to UPA Chairperson, Ms Sonia Gandhi, and state Pradesh Congress chief, Mr Arjun Modhwadia, recently met the Prime Minister, Dr Manmohan Singh, the Finance Minister, Mr Pranab Mukherjee, and the Commerce Minister, Mr Anand Sharma, and sought the removal of restrictions on cotton exports.

After Mr Mukherjee and Mr Sharma review the stock position with the Agriculture Minister, Mr Sharad Pawar, as per the estimates given by the Cotton Advisory Board, about 20 lakh bales more may be allowed for export in the current marketing season (October-September), the sources said.

Of about 115 lakh bales registered so far this season, the country has exported 106 lakh bales.

Cotton exports have become a political issue as restriction on them is being opposed by several Chief Ministers and MPs from the Opposition as well as the Congress Party, who say that the move is anti-farmers.

Besides, the Gujarat Chief Minister, Mr Narendra Modi, has been protesting against the export curb.

Prices inch up on low arrivals at Kochi tea sale

Our Bureau

Kochi, April 29:

Arrivals plunged at the Kochi Tea Auction while prices moved up across most teas. The arrivals at the dust auction slipped to 10,34,000 kg while leaf auction arrivals fell to 2,01,500 kg.

Good liquoring teas moved up at the CTC dust auction along with medium and plainer grades. AVT, Tata Global, Kerala State Civil Supplies Corporation, Hindustan Unilever and Vimal Tea were all active on good liquoring grades. Kerala loose tea traders lent useful support. There was good demand from upcountry buyers as well.

Orthodox dust teas quoted lower and bulk of the offerings were absorbed by exporters.

Leaf Auction

All high grown varieties remained dearer at the orthodox leaf auction. Medium whole leaf, bolder broken grades, tippy teas and fannings also moved up. Traditional exporters to CIS countries were active. Fannings were absorbed by tea bag manufacturers and upcountry buyers. HUL lent fair amount of support.

There was good demand at the CTC leaf auction where good liquoring teas fetched higher prices. A few grades were irregular and quoted lower. AVT was selective while upcountry buyers were active and exporters lent fair amount of support.

Top Prices

Injipara SFD fetched the top price at the dust auction at Rs 158 followed by Injipara SRD at Rs 148, Injipara RD at Rs 146 and Pasuparai SFD at Rs 140. At the leaf auction Chamraj OP fetched the top price at Rs 280 followed by Pascoes green tea at Rs 279, Chamraj FOP at Rs 251 and Chamraj FP at Rs 222.cj@thehindu.co.in

About 90% tea sold at Coonoor auctions

P. S. Sundar

Coonoor, April 29:

Nearly 90 per cent of the four-week high offer of 10.56 lakh kg was sold at sale No: 17 of Coonoor Tea Trade Association auctions.

Homedale Estate tea, auctioned by Global Tea Brokers, topped the CTC market at Rs 161 a kg. Vigneshwar Estate got Rs 149, Darmona Estate Rs 147, Shanthi Supreme Rs 146, Hittakkal Estate and Kotagiri Estate specialty Rs 145 each. Among orthodox teas from corporate sector, Chamraj got Rs 280, Curzon Rs 170, Glendale Rs 166, Havukal Rs 162, Kairbetta Rs 161 and Highfield Estate Rs 160. "Orthodox leaf market gained Rs 2-5 a kg. High-priced CTC leaf gained Rs 2-3 but others lost up to Rs 2. Primary orthodox dust fetched Rs 2-5 less. CTC dust marker generally eased Rs 2-3", an auctioneer told *Business Line*.

On the export front, Pakistan bought selectively for Rs 57-78 a kg and the CIS, Rs 55-77. Quotations held by brokers indicated bids ranging Rs 50-54 a kg for plain leaf grades and Rs 95-155 for brighter liquoring sorts. They ranged Rs 56-65 for plain dusts and Rs 90-161 for brighter liquoring dusts.

Weak rupee helps offset impact of sugar price fall

Vishwanath Kulkarni



Gaining Streak

- Sugar prices have slid by about \$60 a tonne in the past one month on expectations of higher cane output in Brazil.
- Against the decline of 8-10 per cent in global sugar prices in recent weeks, the rupee has weakened against the dollar by about 4 per cent in April.
- The quota premium which ruled at a high of Rs 8,000 a tonne has now declined to around Rs 2,000 a tonne.
- Exporters are still able to realise margins of around Rs 1,500-2,000 a tonne.

New Delhi, April 29:

Exporting sugar is still a sweet deal for Indian exporters despite the recent decline in global prices. The impact of such a decline is partially offset by the weakening rupee against dollar.

Sugar prices have slid by about \$60 a tonne in the past one month on expectations of higher cane output in Brazil, the largest producer of sugar. Conab, the Brazilian crop forecaster, has estimated sugar output at 38.9 million tonnes, about two million tonnes higher than last year.

“Prices which were ruling around \$645 during March-end are now \$585-590 a tonne. The decline in rupee is helping us offset the impact,” said Mr Abinash Verma, Director-General of Indian Sugar Mills Association.

White sugar futures for delivery in August on the NYSE Liffe on London terminal settled at \$576.80 on Friday against \$621 on April 11.

Against the decline of 8-10 per cent in global sugar prices in recent weeks, the rupee has weakened against the dollar by about 4 per cent in April.

Premium quota

The export of sugar especially from the western parts of the country is still viable at the low prices. This is mainly due to fact that the ex-factory prices in Maharashtra are lower by Rs 1,500-2,000 a tonne compared with the North, Mr Verma said.

Tracking the decline in prices, the premium on export quota has also shrunk. The quota premium which ruled at a high of Rs 8,000 a tonne has now declined to around Rs 2,000 a tonne, sources in Kolhapur said.

Exporters are still able to realise margins or around Rs 1,500-2,000 a tonne. "It is better to export at these prices or else we'll have to incur holding and interest cost of around Rs 200 a quintal," sources said.

The export quota is allocated by the Government to each factory based on their production performance of past three years. Sugar millers, mainly from North India sell such quotas at a premium to their counterparts in the West and South, who are better placed to export because of their proximity to ports.

A section of the millers have recently approached the Government to abolish the quota system and allow export shipments based on the first-cum-first-served basis. This issue is likely to be discussed at the upcoming meet of the empowered group of ministers.

In the current sugar year, the Government has so far allowed exports of 3 million tonnes under the open general licence. Of this, notification is yet to be issued for the one million tonnes approved on March 26. Sugar shipments, so far, would be around 2.6 million tonnes including the carry forward quota, Mr Verma said.

Agrimart opens retail outlet in Tiruchi

Our Correspondent

Madurai, April 29:

Agrimart, the retail chain format of Ratnagri Impex Pvt. Ltd, Bangalore, opened recently its first outlet in Tiruchi district and the 3rd in the State. According to Mr S.A. Chandramohan, Marketing Director of Ratnagiri Impex, more than 200 types of agricultural equipments are available at the outlet. Forty-three such district-level Agrimarts have already been opened in the country. Plans are afoot to open 300 retail marts in the next two year and expand the cities' marts in line with the consumers' demands in collaboration with local partners. The new outlet was inaugurated by Dr Tajuddin, Dean, TNAU Agriculture Engineering College and Research Institute, Tiruchi.

Chana futures: Volumes down, price up

Rajalakshmi Sivam

April 29, 2012:

Chana, a key pulse crop and also one of the top traded agricultural commodity on the National Commodities and Derivatives Exchange (NCDEX), is witnessing a drop in volume.

Prices, however, have been inching up over the last week on supportive fundamentals.

At Rs 3,784 a quintal, the near month contract of chana is ruling six per cent higher from its recent low (April 18) of Rs 3,565.

However, in the coming days as leftover stocks from the current season's harvest come to mandis, prices may soften. In the last five years, prices have always witnessed a small correction in April-May.

The fear over regulatory action in commodity futures may also keep a check on prices in the near term.

What is pressing volumes?

The Forward Market Commission's (FMC) suspension of trading in guar complex and imposition of limit on open positions in some farm commodities following wild price fluctuations has led to fear and scepticism in the mind of traders.

The turnover in agricultural commodity futures as a whole has fallen 28 per cent on the NCDEX.

The regulator has also ordered an investigation into pepper, mentha oil, cardamom, potato, mustard seed, soyabean and chana contracts recently.

In chana, the FMC has cut open position limits allowed to brokers and individual traders. This is in addition to the increase in initial margin and a special margin of 10 per cent on those going long.

The risk of a regulatory action could curtail price increase in chana in the near term. However, it may find support from its fundamentals.

How are fundamentals?

Chana is sown in October and harvested between February and May. The supply of chana in the current season is lower compared with last year.

This is because the year's production is eight per cent lower at 7.66 million tonnes. Lower acreage under chana and rain during the harvest season have played spoilsport.

With chana in short supply and given the need to make higher imports, the farmers are now expecting a higher price for their produce.

Reports are making rounds that many chana farmers in north Rajasthan are holding their stocks waiting for a better price.

Also, with imported chana prices rising on a weak rupee, price of desi chana is also expected to rise going ahead.

The rupee moved from 50.8 against the dollar at the beginning of April to 52.54 now and the outlook on rupee continues to be weak.

On the demand front the situation is promising for chana with traders and millers waiting to take delivery.

The demand-supply mismatch can be expected to drive price of chana futures in the medium term.

'Animal husbandry gets priority in Dakshina Kannada dist'

Our Bureau



Mangalore, April 28:

Dakshina Kannada Zilla Panchayat (DKZP) has given priority for the development of animal husbandry in the district. The Chief Executive Officer of DKZP, Dr K.N. Vijayaprakash, said this at the World Veterinary Day celebrations here on Saturday.

He said that the district credit plan for 2012-13 has allocated a significant portion for development of animal husbandry. The ZP has initiated the process of popularising stall-fed goat farming in the district.

One such stall-fed goat farm will be set up at Kepu village in Bantwal taluk of Dakshina Kannada district soon. Many farmers have shown interest in taking up stall-fed goat farming in the district, Dr Vijayaprakash said.

Added to this, the Karnataka Budget for 2012-13 has proposed a veterinary college at Koyla village in the district. All these factors will help popularise animal husbandry in the district, he said.

Speaking on the occasion, Mr Ravi Kumar Kakade, Managing Director of Dakshina Kannada District Milk Producers' Cooperative Union Ltd, said that the Karnataka Milk Federation has been producing around 40 lakh litres of milk a day. It was only three lakh litres a day in 1975.

He attributed this growth to the massive networking of milk producers' cooperative societies at the village level and to the extension of distribution network at various levels. Veterinarians in the State have also contributed significantly for this growth, he said.

Mr Kakade said that the days ahead will be challenging for those in the animal husbandry sector. There will be a huge demand for milk and allied products in the years to come.

People should take note of this, and work for increasing milk production in the country, he added.

Awards for farmers

Our Bureau

Hyderabad, April 29:

Seed research firm Monsanto presented the Rythu Vijayam and Bharata Deshaniki Garvakaranam awards to Mr Vallabhaneni Sambasivarao and Mr Nelluri Venkateswara Rao, both farmers from Guntur district for their contributions to farm productivity on Sunday.

“We recognise the farmers' efforts to adopt advanced technologies and innovative agronomic practices,” Monsanto said here in a press release.

PM to sort out sugar, cotton export issues tomorrow

PTI



Business Line Reassuring: The Union Commerce Minister, Mr Anand Sharma, with the Commerce Secretary, Dr Rahul Khullar, at a press meet on cotton issue .in the Capital on Sunday. - Photo: Ramesh Sharma

New Delhi, April 29:

The Prime Minister, Dr Manmohan Singh, has called a meeting tomorrow to deliberate on the objections raised by the Agriculture Minister, Mr Sharad Pawar, over export of farm commodities such as sugar and cotton.

The Prime Minister will chair two meetings tomorrow, one of them would be on agricultural products, the Commerce and Industry Minister, Mr Anand Sharma, told reporters here today.

Mr Pawar had earlier said: "There is no problem on rice and wheat exports. The question comes about cotton and sugar exports. We are discussing this subject on April 30 and will take some view."According to sources, the meeting would be attended by the Finance Minister, Mr Pranab Mukherjee, the Food Minister, Mr K.V. Thomas, and the Commerce Minister, Mr Anand Sharma.

However, Mr Pawar had played down the issue of differences cropping within the Government on export of farm items."There is nothing like that. The decision to export more sugar has been taken. All these issues (export of agri items) are decided together... There are no differences nor there is any intention to corner anyone," Mr Pawar had earlier said when asked whether his views on export policy are not taken seriously.Earlier this month, he had shot off a letter to the Prime Minister stating that the Government's export policies are hurting farmers, who are being asked to subsidise the industry.In the letter, the Minister had strongly criticised the Food Ministry, headed by Mr K.V. Thomas, and the Textiles Ministry under the charge of Mr Anand Sharma for the policies which are "ambivalent" and go against farmers.