THE HINDU

HYDERABAD, April 9, 2012

'Need to spend more on rice research'

Indian Council of Agricultural Research (ICAR) deputy director general (crop sciences) Swapan Kumar Datta has said that the time has come for the country to spend more on basic and strategic research in rice technologies.

Dr. Datta said compared to other countries China was in the forefront in technologies and development of hybrids as it had invested huge amounts in basic and strategic research.

There was need to spend more on research as consumption of rice had not shown any decline in spite of the fact that farmers were shifting to other crops.

The ICAR senior representative was here on Saturday in connection with the 47{+t}{+h}Annual Rice Group Workers meet organised at the Directorate of Rice Research.

Plea to breeders

He exhorted breeders to focus more on development of hybrids close to mega varieties as the new hybrids with quality parameters on par with Swarna or Pusa 1121 would help farmers adopt hybrid technology. Weed management and post-harvest yield loss was yet another area where research should be focussed.

Acharya N.G. Ranga Agriculture University Vice Chancellor V. Nagi Reddy said farm scientists need to address decline in water table, labour problems, climate change and other problems faced by rice growers.

Research had so far identified 20 rice varieties and they would be recommended to the central varietal release committee after a thorough scrutiny.

More than 450 scientists from within the country and abroad, including noted rice research scientists like E.A. Siddiq, S.V.S. Shastri and V.P. Singh in addition to Vice Chancellors of several agricultural universities were participating in the three-day event.

China is ahead as it has invested hugely in strategic research, says ICAR deputy director general

NAMAKKAL, April 9, 2012

Poultry farmers urge Centre to help revive exports

Poultry farmers and egg exporters of the Namakkal region have urged the ministries of External Affairs, Commerce and Agriculture to take steps for resuming the export of eggs and other poultry products to countries that were importing these items from India before the bird flu outbreak in early 2006.

The import of egg from this region by the United Arab Emirates, Qatar, Iraq, Iran, Sultanate of Oman and Bahrain for more than a decade remains suspended since the outbreak of the bird flu in north India," points out P.V. Senthil, senior member of the National Egg Coordination Committee (NECC).

The export of eggs from India (95 per cent of it from the Namakkal region) grew over the years on the strength of quality and timely delivery. Till now, the industry had not sought government support. But, it was time the government intervened to revive the exports.

When Oman imposed the ban in 2006, the exporters spent money to bring a delegation from that country to demonstrate how safe the farms here were even as the north and north-eastern States were in the grip of bird flu, said Mr. Senthil.

Oman resumed the imports and became the largest customer with more than a third of the consignments being sent to that country till the ban was imposed again on March 27.

"Today, it is not possible for the poultry farmers to sponsor similar tours of the representatives of countries importing eggs as it is a very expensive affair," he said.

The exporters said that these countries had a misconception that farms across India were affected by bird flu just because OIE (World Organisation for Animal Health) classified the country as bird-flu affected.

OIE and importers do not understand that Namakkal is more than 1,600 km away from the bird flu-affected States.

"On the other hand, these countries import eggs from Germany even when its neighbour, the Netherlands, is affected by bird flu," Mr. Senthil said.

"Only the government can explain these facts in the international arena and help farmers here resume their exports."

On Saturday, prices hit a new low in 12 months at Rs.2.20 an egg. The price was reduced by 10 paise at the rate-fixation meeting of the NECC Namakkal Zone.

- *Government must explain facts in international arena*
- *Impossible for farmers to sponsor customers' tours*

Published: April 8, 2012 00:00 IST | Updated: April 8, 2012 04:31 IST

Maize farmers want better price for their produce

Staff Reporter

Intervention of middlemen in marketing to exporters posing serious problem

A load of maize crop being dried up at Pasuvanthanai in Tuticorin district on Friday.— Photo: N. Rajesh

Intervention of middlemen in marketing maize to exporters from the hands of farmers poses a serious problem among producers.

Despite a considerable export market value for maize, farmers could not reap maximum benefit. Hence, the authorities concerned should create a suitable platform for exporters to procure the raised crop directly from the farmers.

S. Malluchamy, a maize farmer from Ottapidaram, who owns 10 acres of field, said.

The raised crop could be marketed in line with quality standards. But the outcome of marketing should yield desired results.

"A quintal of maize has market value of Rs. 1, 300 to Rs.1, 400. But the same quantity is being marketed at Rs.1, 150 or below. Even after marketing the product, farmers were on the receiving end. Money for the sold product was given to farmers after 25 days by the middlemen.

When contacted, M.R. Natarajan, District Development Manager, National Bank for Agriculture and Rural Development, Tuticorin, said combined marketing of products would weed out the problem. Maize could be stored at a venue and farmers could market the product sans price fluctuation. Information about its market value should be shared among themselves.

The Ottapidaram Block Maize Producers Federation, which has been formed under the guidance of NABARD with 500 stakeholders, was being sensitized to better management practices for a healthy marketing.

P. Murugavel, Deputy Director, Agriculture Marketing, Tuticorin, said efforts were being stepped up to attract poultry and cattlefeed industries to procure maize directly from farmers here.

Memoranda of Understandings would be entered with such industries, which could generate a lot of hope among farmers. According to DEMIC (Domestic and Export Market Information Centre) at Tamil Nadu Agriculture University in Coimbatore, the market value per quintal of maize is Rs.1, 200 until April this year and its value would go up after April.

Hence, the harvested crop could be stored at regulated market places here.

B. Raja, Agriculture Officer, Agri Business, said regulated markets were available at nine locations including Tuticorin, Srivaikuntam, Sathankulam, Kadambur, Kazhugumalai, Ettayapuram, Vilathikulam, Pudur and Kovilpatti. Rent for storing the product is very meagre, he said.

Published: April 8, 2012 00:00 IST | Updated: April 8, 2012 04:29 IST

Minister vows to tackle areca growers' problems

The problems of areca growers, including the yellow leaf disease, will be addressed soon, Uttara Kannada district in-charge Minister Visheshwar Hegde Kageri has said.

Inaugurating a 600-tonne capacity godown built at an estimated cost of Rs. 1 crore and an elevator at the Taluk Marketing Society (TMS) in Sirsi on Saturday, he said in view of labour scarcity and cost escalation, farmers must think of innovative cultivation methods.Mr. Hegde, who is also the Primary and Secondary Education Minister, urged marketing and other cooperative societies to come to the rescue of farmers in distress.The government, through its separate agriculture budget, had provided facilities to farmers to boost their confidence, he said.The former Minister R.V. Deshpande, Kanara MP Ananthkumar Hegde, Karnataka State Temperance Board Chairman Sachidanand Hegde, MLA V.S. Patil, Mangalore-based Campco Chairman Konkodi Padmanabha, and Shimoga-based Mamco Chairman Narasimha Naik spoke. Western Ghats Task Force Chairman Anant Hegde Ashisar presided over the function.

Chairman of TMS G.M. Hegde Hulgol spoke on the successful journey of the society over the past 20 seven years.

Published: April 8, 2012 00:00 IST | Updated: April 8, 2012 04:33 IST

Steps to procure more coconut husks

Reaching out:Minister for Coir Adoor Prakash distributing the financial assistance of the KCWWFB to coir workers in Kollam on Saturday. —Photo: C. Suresh Kumar

Minister for Coir and Health Adoor Prakash has said that the government is initiating steps to increase the procurement of coconut husks in the State.

He said this while addressing a gathering after inaugurating the distribution of financial assistance of the Kerala Coir Workers Welfare Fund Board (KCWWFB) to coir workers here on Saturday.

The Minister said that husk procurement was very poor in the State.

While about 600 crore coconuts are produced in the State annually, less that 30 per cent of the husks are procured. As a result, the coir industry is now dependent on other States, especially Tamil Nadu for its fibre needs.

He said the aim of the government was to procure at least 50 per cent of the husks produced in the State. The government would boost this by distributing de-husking machines to coir workers free of cost. All pension dues to the coir workers would be distributed this month itself, he said.

Addressing the gathering, Coir Board chairman G. Balachandran said that in order to help small-scale coir units, the government would start a fibre bank at Kalavoor in Alappuzha district.

The fibre bank would enable small-scale coir unit operators to get fibre by omitting middlemen. The operations of the fibre bank would start in two weeks, he said.

Mr. Balachandran said the Coir Board was in the process of implementing various schemes for the welfare of coir workers.

This included a scheme to adopt outstanding children of coir workers studying for various courses.

The Rajiv Gandhi Old Age Home for coir workers in Alappuzha would be modernised.

Due to labour shortage earnest steps were being taken to mechanise and sustain the coir industry.

The board announced a prize reward of Rs.25 lakh for anyone inventing the best mechanised coir spinning machine. He stressed the need for coming out with more and more value-added coir products.

Chairman of the KCWWFB A.K. Rajan presided over the function.

Published: April 8, 2012 00:00 IST | Updated: April 8, 2012 04:33 IST

Hailstorm: crop damage put at 5,384 hectares

Special Correspondent

Crops over an extent of 5,384 hectares in Kurnool, Anantapur, Nalgonda, Warangal, Vizianagaram, and Mahabubnagar districts have suffered damage during the recent hailstorm, according to a preliminary estimate conducted by the Government.

Out of this, paddy accounted for the largest chunk (4,146 ha) followed by maize (1,218 ha).

The situation was assessed at a meeting the Agriculture Minister Kanna Lakshminarayana had with the Commissioner, Agriculture, V. Usha Rani, and other officials here on Saturday.

Among the districts, Warangal accounted for 3,625 hectares of damaged crops, Kurnool 370 hectares, Anantapur 65 hectares, Nalgonda 560 hectares, Vizianagaram 503 hectares and Mahabubnagar 632 hectares.

On the other hand, damage to horticulture crops such as mango, banana, payapa, water melon and vegetables has been reported from Guntur, Karimnagar, Vizianagaram, East Godavari, Visakhapatnam and Srikakulam, all 3,882 hectares.

VIJAYAWADA, April 8, 2012

Paddy procurement centres opened

The State Government has opened 14 paddy procurement centres (PPCs) in the the district. Paddy procurement will commence on Sunday. The Government has fixed Rs.1,110 as minimum support price (MSP) for grade ‘A' variety and Rs.1,080 per quintal for common variety paddy, according to Joint Collector Gaurav Uppal.

Of the 14 centres, the IKP groups would operate nine centres, while five centres would be managed by Primary Agricultural Cooperative Societies (PACS), he said at a review meeting here on Saturday. The IKP women were given training here on Saturday.

In addition to these 14 centres, the Food Corporation of India (FCI) has plans to open five centres.

Though crop holiday was announced, paddy was cultivated in 8,000 hectare in the district. Around 60,000 Metric Tons (MT) yield was expected this year.

The government has decided to open PPCs though paddy production was less to ensure that the farmers get MSP for their produce, he said.

hindustantimes

Mon,09 Apr 2012

weather

Delhi - INDIA

Today's Weather

Partly Cloudy

Monday, Apr 9

Max	Min
36.6°	23.1°

Rain: 00 mm in 24hrs

Humidity: 45%

Wind: Normal

Sunrise: 7:14

Sunset: 17:48

Barometer: 1009

Tomorrow's Forecast

Partly Cloudy

Tuesday, Apr 10

Max	Min
39°	22°

Extended Forecast for a week

Wednesday	Thursday	Friday	Saturday	Sunday
Apr 11	Apr 12	Apr 13	Apr 14	Apr 15
39° | 23°	42° | 24°	39° | 24°	42° | 26°	42° | 26°
Partly Cloudy	Partly Cloudy	Cloudy	Partly Cloudy	Sunny

9 APR, 2012, 03.17AM IST, ET BUREAU

Maharashtra mulls compensation to onion farmers

PUNE: The Maharashtra government is considering a proposal to give per-quintal compensation to onion farmers. It has also written to the Union government to remove the cap on bearing losses incurred in the market intervention scheme. Maharashtra is the top onion producer in the country.

Onion prices have been ruling in the range of Rs 3-4 per kg in the last few months. There is a glut in the market due to bumper late kharif crop and also because of the government policy of discouraging exports last year.

"The proposal of giving per-quintal compensation to farmers is under active consideration of the government," said Maharashtra agriculture minister Radhakrishna Vikhe-Patil. The government was also considering a proposal of starting the market intervention scheme (MIS). Under MIS, the state government purchases the commodity at a fixed price usually above the market price. The Centre and the state share the losses in the implementation of the scheme. Union agriculture minister Sharad Pawar too had asked the state government to give a proposal to the Union government in this regard. However, Vikhe-Patil said that it was not feasible to the run the MIS scheme in its current form. "The Karnataka government stopped its implementation after implementing it for a few days in November as it was not able to bear the losses," he said.

The harvest of the rabi onion has already started in Maharashtra. The rabi crop production is also expected to be bumper due to good climatic conditions. "Rabi onion will not be an issue as we have enough storage facility for it in the state," said Vikhe-Patil.

9 APR, 2012, 03.12AM IST, P K KRISHNAKUMAR,ET BUREAU

Coffee exports hit a new high in FY12

KOCHI: Contrary to earlier forecasts, coffee exports have touched a new high for the last fiscal. Shipments went up by 17% over last year to touch 3,48,029 tonne in 2011-12, according to initial estimates. A few months ago, the coffee industry was expecting annual exports to drop by 10-15 % following a debt crisis in Europe, which remains the largest consumer of Indian coffee. Apart from the fall in global coffee prices, the removal of DEPB system -- an export incentive scheme -- also hit exports towards the end of the year.

But shipments during the first three quarters were enough to take exports to a new peak. The 2.97 lakh tonne export in 2010-11 had been the highest till now. Both Arabica and Robusta prices shot up during the first few months of the fiscal. The unit value of Indian coffee rose by as much as 20% to Rs 1.40 lakh per tonne. Rupee depreciation was an added advantage.

"The global market is weak at present with a slump in Arabica prices. The sentiment may remain weak with the largest producer Brazil all set for a good crop," Ramesh Raja, president of Coffee Exporters Association of India, said. Coffee harvest in the country is nearly over. Coffee Board's estimate show a 10% rise in Arabica crop at 1.04 lakh tonne and about a 5% increase in Robusta at 2.17 lakh tonne. But growers say while the Arabica production is true to estimates, the Robusta crop has been lower by around 10%. This could hit exports for the next year. Normally, exports comprise 70% of production. In 2010-11, this is reported to have gone beyond 90% with the supply strengthened by a carryover stock from previous years.

9 APR, 2012, 03.10AM IST, NIDHI NATH SRINIVAS,ET BUREAU

Government to decide on cotton exports today

After a series of knee-jerk reactions in March, today government again intends to decide on the vexed question of cotton exports that is rapidly acquiring a political life of its own.

There are three sticking points and no one is yet clear on how to tackle them. First, traders are getting restive because export contracts worth Rs 7,000 crore are pending with the DGFT, awaiting scrutiny. However, DGFT now says it will call for more data to sift out deals between traders and their sister companies overseas because these have got the commerce ministry's goat. Spooked by muck-rakers, neither agriculture Sharad Pawar (representing farmer/trader interests) nor finance minister Pranab Mukherjee is likely to demur.

In other words, further costly delay is guaranteed. The international market has already reviled India for its unpredictable trade policies that corrode trust. Fuming foreign buyers are asking Indian exporters to pay damages for the delay and the demurrage cost of empty containers waiting at port. Hapless exporters have no escape because once the ban is lifted international contract law doesn't allow them to declare force majeur and exit their contracts. Aggrieved parties are likely to sue DGFT and the government.

The second issue is allowing fresh exports. Again, no ministry has a clear view. Textiles ministry has listed the various options, which include no export, imposing an export duty, and postponing export to October when the new harvest is gathered. But it has made no recommendation.

For agriculture ministry, the real dilemma is how to manage farmer expectation. Farmers are making money even now because cotton prices are well above the MSP. But they know exports will give them a bonanza. The situation in top producer Gujarat is especially tricky because it is headed for assembly polls this year and farmer memories are notoriously long. So Pawar's choice lies between insisting on exports so that farmers make a killing and silent acquiescence to the status quo.

Finance ministry wants to use an export duty for calibrating volumes to which agriculture is opposed. With little conviction round the table, the final decision may well resemble a roll of dice.

Luckily, everyone is agreed that a buffer stock is necessary. Finance may be horrified at the thought of spending Rs 5,000 crore on buying cotton at inflated prices for which there shall be few takers, given the tattered balance sheets of textile companies. But politically it's a gem. A buffer stock will lift farm-gate prices, allow traders to offload stocks, and soothe industry with assured raw material supply. How long can the strained exchequer sustain such a mill round its neck is unclear. In short, cotton will remain trapped in a stop-start-go policy. Yet this is not how things were meant to be. Two years ago, government promised a cotton trade policy with all the trimmings of good governance. After a similar export debacle in 2010, government vowed that the new policy would include transparent contract registration, a tariff driven export regulation policy, and a reserve stock policy designed to ensure the textile industry's viability during cyclical downturns.

But policy goals need the right administrative mechanisms to succeed. To make it work, government should have insisted on a gate-keeping system that would automatically sound the alarm when volumes cross the prescribed limit.

It should have ensured real-time calculation of the correct export duty in a fluctuating market which would be just enough to slow trade, not stop it. And it should have maintained a buffer stock through several state-run companies so that the Cotton Corporation of India alone is not crushed by the financial burden.

Unfortunately, government did none of this. Instead it continued with the same dense registration mechanism that ultimately brought down the system once again. It seems we can learn nothing from our mistakes.

Today's decisions will matter little because they can't be a guidance to farmers, exporters or mills on what to expect in the coming months. Honestly no minister has a clue. Since literally anything can happen, the business risks have multiplied manifold.

No wonder then that all stakeholders in India's cotton economy are hugely disappointed with the UPA-II government. Somewhere along the way, the cotton trade policy switched from being a promise to a threat.

8 APR, 2012, 06.17AM IST, PTI

Edible oils extend firm trend on global cues, rising demand

NEW DELHI: Amid positive cues from global markets and 'wedding season' demand from millers and retailers, edible oil prices continued upward trend for the fifth straight week on the oils and oilseeds market.

A few oils in the non-edible section also showed strength on increased industrial offtake.

Markets remained closed on Thursday and Friday for "Mahavir Jayanti" and "Good Friday" holidays.

Trading sentiment remained firm largely in line with overseas trend where palm oil soared to over year high in Malaysia as South American soyabean supplies declined.

Increased demand from vanaspati millers and retailers, driven by ongoing weddings-related purchases too supported the run-up in edible oil prices on the local markets.

Meanwhile, palm oil advanced by 5 per cent at 1,176 dollar a metric tonne this week on the Malaysia Derivatives Exchange, the most since March 7, 2011.

"Besides a firming trend in palm oil in overseas markets, higher import cost following a weak rupee against the US currency further influenced edible oil prices on the domestic markets," said a leading wholesale edible oil trader in the national capital.

Groundnut mill delivery oil (Gujarat) rose by Rs 200 to Rs 11,200 per quintal and groundnut solvent refined shot up by Rs 100 to Rs 1,850-1,900 per tin.

Mustard expeller oil (Dadri) remained in local demand and advanced by Rs 200 to Rs 8,400 per quintal, while mustard pakki and kachi ghani oils edged up to Rs 70 each to Rs 1,170-1,325 and Rs 1,325-1,425 per tin.

Sesame and cottonseed mill delivery (Haryana) oils moved up by Rs 200 and Rs 50 to Rs 8,300 and Rs 6,850 per quintal respectively.

On the back of firming global trend, soyabean refined mill delivery (Indore) and soyabean degum (Kandla) oils jumped up by Rs 200 each to Rs 8,000 and Rs 7,550 and crude palm oil (ex-kandla) by Rs 150 to Rs 7250 per quintal respectively.

Palmolein (RBD) and Palmolein (kandla) oils followed suit and climbed by Rs 200 each to Rs 8,000 and Rs 7,650 per quintal respectively.

In the non-edible section, linseed oil rose by Rs 50 to Rs 5,150 per quintal on increased demand from paint manufacturing units. Neem oil also traded higher by Rs 50 to Rs 4,400-4,500 per quintal.

The Indian EXPRESS
JOURNALISM OF COURAGE

'Cotton trade hit by India, China policies'

Agencies Posted online: Sun Apr 08 2012, 17:32 hrs

New Delhi : Policies adopted by India and China, the world's top two biggest cotton producers, have affected global cotton trade and prices this year, according the International Cotton Advisory Committee (ICAC).

"This season, global cotton trade and prices are affected to a large extent by government policies in China and to a lesser extent by policies in India," the US-based ICAC said in a statement.

China imported in a big way to build reserve, while India has stopped further cotton exports, it said.

"China accumulated over 3 million tonnes of domestic cotton and at least one million tonnes of foreign cotton in its national reserve during the first eight months of 2011-12," the ICAC said.

The global body has pegged China's cotton imports at 4.2 million tonnes or up by 61 per cent from 2010-11.

"While the purchases supported both domestic and international prices so far, sales from the reserve could reduce Chinese imports and depress world cotton prices in the future," the ICAC said.

That apart, the impact of India's export ban on international cotton prices was limited in March. "However, the longer the ban remains in place, the greater its upward impact on world cotton prices could be," the ICAC noted.

India had banned cotton exports on March 5 briefly for a week. Currently, the government is not allowing fresh exports.

According to ICAC, world cotton trade is expected to rise by 9 per cent to 8.4 million tonnes in 2011-12, driven by near record imports from China.

The world cotton production is pegged at 26.96 million tonnes in 2011-12, higher than the global consumption of 23.13 million tonnes.

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the pioneer

Departmental feud set to derail agriculture policy

SUNDAY, 08 APRIL 2012 22:43

SANTOSH NARAYAN | RANCHI

Internal feud in the agriculture department is likely to derail the proposed agricultural policy, drafted to provide a fillip to what can be termed as a poor farming scenario of the agri-based Jharkhand.

Information coming out suggests that the tussle between the Minister and the department secretary is behind the delay and is even threatening to shelve the entire exercise.

Internal sources of the department confided to The Pioneer that Satyanand Jha 'Batul' had presented a cold response to the draft policy, primarily prepared by Secretary Arun Kumar Singh. "No discussion on the draft policy could take place as the Minister left for a foreign trip. Anyway he is too busy to discuss the policy. They are more interested in transfer posting than any work on the ground," said an official.

When asked further, the official said that the policy had not been discussed yet. "No interest has been shown by the Government so far. If it wishes, the extensive policy would be implemented within a week," he added. Repeated attempt to contact the Minister on Sunday failed.

Draft if the agriculture policy of Jharkhand has notified the problem of missing link between agriculture production and marketing of the produces and has proposed to setup specialised zones for the purpose. The policy proposes five Agriculture Economic Zones (AEZ) one each in all the five divisions of the State, to tap special advantages available with it in the production of vegetables, pulses and flowers.

The five zones are proposed to be setup in North and South Chotanagpur, Palamu, Kolhan and Santhal Parganas divisions. “It is aimed to give impetus to exports and earn valuable exchange for the State as well as for the country. It is unfortunate that no progress has been made so far,” an official of the department said.Proposal to setup air cargo complex and air freight have also be incorporated to make this a reality. A world class laboratory for quality assurance and inspection of agricultural and processed food products are also to be built.Role of private players would be important as the AEZs. Contract farming of selected enterprises will be done involving the private sector. Facilities such as inland container depot, industrial park and food park would be provided over there along with marketing board.The policy, as per recommendation of the National Farmers Commission, also talks about Jharkhand State Farmers Commission. It will focus on the needs and grievances of the farmers and link it with the district and State administration. This apart, State Agricultural Price Commission in order to decide the minimumsupport price for the produces will also be established in Jharkhand. Prices of the produces would be ascertained at district and local level.

Agricultural marketing policy will be aimed to global market and our effort is to make available better facilities to the farmers besides mitigating the role of middlemen,” the official said. Agro-processing units on PPP model will be set up in producing areas to reduce wastage of horticultural produce, increased value addition and creation of off-farm employment in rural areas.

THE HINDU Business Line

Tea Board steps to boost output, exports of Kangra tea

Santanu SanyalKolkata, April 8:

The Tea Board has finalised a multi-pronged strategy to boost exports and production of tea of Kangra Valley in Himachal Pradesh.

The first step, according to the Tea Board Chairman, Mr M.G.V.K. Bhanu, will be to showcase the Kangra tea in various international fairs.

“We will promote Kangra tea in the fairs to be held shortly in Kazakhstan, Taiwan and the US and in all such fairs in future”, Mr Bhanu told *Business Line* here recently.

Kangra tea is an orthodox variety, close to Darjeeling tea and it has also secured the GI status. Currently, nearly 96 per cent of the holdings have an average size of less than an acre and the total production of Kangra tea is about 7-8 lakh kg annually. The bulk of the production is offered at Kolkata auction. As a result, its own identity is virtually lost.

“Our second priority, therefore, is to achieve the critical mass in production”, the Tea Board Chairman said. “The plan is to reach as soon as possible the production level of 10 million kg annually”.

One way to boost production will be to increase acreage. First, consolidation of existing small holdings to build large estates yielding the scale. Second, acquisition of more lands. Third, a combination of both consolidation and acquisition.

The Tea Board “has urged the Himachal Pradesh Government to undertake a detailed baseline survey to identify the areas presently under tea, abandoned and the areas to be available for new plantation,” the Chairman said. “We've also sanctioned Rs 32 lakh to the state's agriculture university for undertaking R&D for developing organic tea cultivation practices”.On Tuesday, the Union Commerce Minister, Mr Anand Sharma, will lay the foundation-stone for the new and upgraded office of Tea Board at Palampur.

Three out of 10 spice parks ready: Spice Board

New Delhi, April 8:

The Spice Board of India, a body under the Commerce Ministry, has announced the completion of three out of the 10 spice parks planned across the country by end of the year.Of the Rs 167 crore outlined for the project, Rs 75 crore has already been spent on the three spices parks in Chhihdwara (MP), Puttady (Kerela) and Jodhpur, an official statement said. The remaining parks will come up in regions like Andhra Pradesh, Tamil Nadu, Madhya Pradesh and Kota in Rajasthan.

Stem cells market all set to grow: Study

Hyderabad, April 8:

The Indian stem cell industry is in a nascent stage. There is potential for fast growth and global players will enter the market through mergers and acquisitions, says a study by YES Bank and the Federation of Asian Biotech Associations (FABA).

At present, the top five players in the Indian private sector space in stem cells are — Reliance Life Sciences, Life Cell, Cryobanks India, Stempeutics and Trans-Scell Biologics. Most of the Indian companies are focussed on stem cell banking and research, the study released recently stated.

With the benefits of stem cell therapy growing, it is attracting several organisations and industry to invest, create and commercialise promising technologies. The global stem cell therapy market was pegged at $21 billion in 2010. It is projected to grow to $60 billion by 2015, the study pointed out.

Stem cells are unique as they have the ability to divide indefinitely and give rise to specialised types. Under specific conditions they can be induced to become tissue or organ specific cells with special functions. The main sources of these cells are embryos and adult tissues.

When it comes to treatment, it serves as an internal repair mechanism, dividing to replenish other cells. These characteristics of the stem cells are helping scientists to even tackle difficult diseases such as Alzheimer's or Parkinson's.

The market for stem cells will include specific products, services and technologies to aid in diagnosis to cure.

Government Initiatives

Though, the report did not give the size of the Indian market, it forecasts an annual growth rate of around 15 per cent, mainly driven by investments from the Government and private players.

The Indian Government has been quite proactive in promoting work in stem cells, especially in clinical trials, basic research and creating applications. The Department of Biotechnology has invested $60 million into stem cell research during 2005-2010.

The National Centre for Biological Sciences, Bangalore, is a major player. Similarly, the Hyderabad-based Centre for Cellular and Molecular Biology has set up a clinical research facility for stem cell technologies with an investment of Rs 24 crore last year.

Other important centres for stem cell work are National Centre for Cell Sciences at Pune, LV Prasad Eye Institute, Hyderabad, Centre for Stem Cell Research at CMC, Vellore, National Brain Research Centre, New Delhi and so on, the report identified.

Develop hybrid rice to meet local demand: ICAR

Hyderabad, April 8:

The Indian Council of Agriculture Research (ICAR) has called for development of hybrid rice varieties that meet local requirements.

Dr Swapan Kumar Datta, Deputy Director-General of ICAR, said that productivity of rice has to increase in the country to meet food requirements in future. “We have done reasonably okay with regard to hybrid development. But it is not good enough. We need hybrids that are close to local user patterns. It is a difficult job and it is the real challenge,” he said.

Dr Swapan Kumar Datta was addressing the 47th Annual Rice Research Group Meetings here at the Directorate of Rice Research (DRR). He said that hybrids would play a major role in achieving the targets for the coming decades. Though rice is grown in millions of acres, it was not all viable. “Farmers are moving to other crops. But consumers are increasing. If production does not improve, we can't meet the demand,” he said.

Though the country could import rice, it was not feasible and not possible to do it for 120 crore people. “For one or two difficult years, it is okay,” he said.

Mr Nagireddy, Principal Secretary (Agriculture, Government of Andhra Pradesh), has said that the State Government intended to support System of Rice Intensification farming in five lakh hectares this year against 1.13 lakh ha last year.

Industry draws revival package for hailstorm-hit tea growers

P. S. Sundar
Coonoor, April 8:

A revival package has been drawn up to help nearly 3,000 tea growers in the Thothanadu belt, suffering from huge loss due to last Saturday's unprecedented hailstorm.

This follows the survey undertaken jointly by Dr S. Ramu (Tea Board member), Mr K.G. Udaya Bhanu (Assistant Director, UPASI Tea Research Foundation) and Mr G. Ramamoorthy (Head, UPASI Tea Quality Upgradation Programme).

“We have done field survey, interacted with farmers and horticulture officials. Around 1,000 hectares in different villages from Kattabettu have suffered intensive damage. The loss has occurred when the bushes are heading for peak cropping season. Growers would lose nearly 75 lakh kg of green leaf worth Rs 7.5 crore in the next three months. This will reduce the supply of raw material to the factories resulting in a production loss of about 20 lakh kg of manufactured black tea. At prevailing prices, this would mean a loss of Rs 14 crore to factories in the next three months," Dr Ramu told *Business Line*.

Based on this, Tea Board members from the Nilgiris – Dr Ramu, Mr Koshy Baby – as also Mr P. Viswanathan, representing Parliament on the Board, have drawn up a revival package.

"The package we are submitting to the Board is three-pronged — grower survival, plant protection and crop sustenance. There would be no crop for the next three months. This would mean a loss of Rs 75,000 an hectare during this period. So, for grower survival, our package recommends lump-sum 'survival subsidy' of Rs 15,000/hectare. Long-term quality crop sustenance can happen only with pruning for which we have sought pruning subsidy of Rs 12,500/hectare," Dr Ramu said.

"For plant protection, we have advised farmers to prune affected bushes or do skipping with application of Zinc and fungicides," Mr Ramamoorthy noted.

"We have collected hailstone samples to study the presence of any preservatives or chemicals including 'acid rain' and their impact on tea plants' health," Mr Udaya Bhanu observed.

Pepper slips despite limited supply

G. K. Nair
Kochi, April 8:

Activities on the pepper market last week were slow due to holidays, but on the futures market both bear and bull operators were active with the former enjoying an upper hand.

The way the market is moving gives an impression that many do not seem to understand the ground realities. There was no selling pressure in the primary markets and from the growers.

Meanwhile, inter-State dealers were buying directly from the growers at terminal market prices on cash and carry basis and taking the material out for onward sales in the upcountry markets. Thus, those growers who wanted to sell were selling and there were buyers for their produce, albeit small quantities. Consequently, no arrivals were there at the terminal market.

Thin arrivals

Very thin arrivals, even at the midst of the season, indicates of a poor crop much below the expectations of the trade and other stake holders. Growers claimed that they had only 50 per cent of the normal crop and hence their income from the commodity was also around half of the average price so far in the current season.

Significantly, the exports last fiscal has shown a substantial increase. Exports had surpassed the target of 20,000 tonnes valued at Rs450 crore set by the Union Commerce Ministry/Spices Board for 2011-12 in 10 months of the fiscal. Total shipments during Apr – Jan 2011-12 stood at 22,300 tonnes valued at Rs 720.78 crore at a unit value of Rs 323.22 a kg as against 14,950 tonnes valued at 296.56 tonnes at the unit value of Rs 198.37 a kg.

According to the trade, from Oct onwards the monthly shipments were at an average of around 2,500 tonnes. Thus, the export earnings from the commodity have also crossed the set target for the fiscal besides being more than double the amount realized during Apr – Jan 2010-11.

Add to this, the domestic market might have absorbed on an average 3,000 tonnes a month so far. Given this situation one could come to the conjecture that the availability of the material in the country is limited.

Now, those industrial buyers who have not covered fully on the hope that the prices would fall when the new crop arrived in the market from Dec/Jan onwards may be covering. Karnataka is believed to be the only source for the commodity.

Vietnam pepper

Realising the squeeze in availability, importers were reportedly contemplating to bring in cheap Vietnamese pepper. But, currency factors coupled with over 70 per cent import duty appear to have become a bottleneck so far. On the other hand, if anybody ventured to push the pepper, imported duty free for value addition and re-export, into the domestic market, in a bid to reap high profits, they might find it difficult to cover the material from indigenous sources with in the stipulated time given to them for re-export., market sources told Business Line.

Present indications give the impression that availability globally is not encouraging. Vietnam has not been aggressive so far. Brazil and Indonesia are reportedly not active. Lack of selling pressure in Vietnam, the major grower with the commodity in hands, has been keeping the prices by and large firm and without any change, of late.

Meanwhile, India has a strong domestic market and the material available is claimed to be far short of what the market can absorb.

Any likely change in the market now would depend on the actual size of the Indonesian crop which is to hit the market by late July/August. So far nobody has any idea about it. Thus, the market continued to be in an uncertain situation.

Futures market has been highly volatile with the bears in the driving seat pulling the market down. Activities were limited as is evident from the turn over and the open interest. Bears were making propaganda that some quantity of imported pepper had already landed and some more are on the way has aided the price fall. But, in reality nothing of the sort had so far happened in the market, trade sources said.

Those having short position in Apr were buying back instead of going for delivery. As the ‘badla' has narrowed down there was switching over.

Meanwhile, due to the tight supply situation, the trade alleged that buyers were facing problems when the seller defaults. They said there is a compulsory delivery contract for pepper and hence the defaulted quantity should be procured from the market at market price and deliver to the buyer through exchange rather than talking about penalties. “This was the practice in the commodity specific exchanges as the seller has the responsibility to deliver the goods under the compulsory delivery contract”, they claimed.

All the active contracts fell last week. Apr, May and June dropped by Rs 1,785 , Rs 1,315 and Rs 1,300 respectively to the last trading price of Rs 37,470, Rs 38,480 and Rs 39,010 a quintal.

Turnover slips

Total turn over fell by 17,486 tonnes to 21,976 tonnes. Total open interest moved up by just 47 tonnes to 7,578 tonnes.

Spot prices dropped in tandem with the futures market trend by Rs 700 to close at Rs 36,300 (ungarbled) and Rs 37,800 (MG 1) a quintal.

Indian parity in the international market was at around $7,700 a quintal (c&f) for the Europe and about $8,000 a tonne (c&f) for the US and remained out priced.

Soaring basmati prices leave exporters in a tizzy

Vishwanath Kulkarni

Prices rise despite bumper harvest; exporters stop booking of new contracts

New Delhi, April 7:

Basmati prices have shot up by about 30-35 per cent in the past 20 days. This steep increase, despite a bumper harvest in 2011-12 and not during the peak export season, has left exporters in a tizzy. Some have even stopped booking new contracts and exports.

Cartelisation

Sources said the price hike has nothing to do with market fundamentals and trading volumes are razor thin.

A trade cartel seems to have pushed up the price to justify valuation of their assets to their financiers during the year-end, they claimed.

Such a hike in prices would enable the trade to over-valuate assets including stocks.

The aromatic paddy prices, that ranged between Rs 14 and Rs 17 a kg during the harvest season in November, are currently quoted at Rs 22-27 a kg.

Similarly, the price of milled rice has shot up from around Rs 34-35 a kg to around Rs 50 a kg.

Domestic prices

Interestingly, domestic retail prices of basmati have not seen any change so far.

"It's all driven by sentiments," said Mr Vijay Setia, President of the All-India Rice Exporters Association commenting on spurt in prices."The farmer is not going to gain from this increase and it will benefit only the stockists and exporters," Mr Setia said reiterating his demand that export prices should be linked to the minimum support prices.A majority of the farmers sell their produce immediately after harvest that stretches from November till mid-January.There are small arrivals in some mandis that may benefit some farmers; Mr Setia said adding that people who are not fully covered are stocking up.

No new contracts

"The price behaviour is erratic and there is a shortage being created. It's too high a price and there's something wrong," said Mr Anil Mittal, CMD of KRBL, the country's largest exporter. KRBL has stopped booking new contracts and is honouring only long-term commitments, he said.

Hike on cards?

Some players are contemplating price hikes in the domestic market."There will be an impact of this increase and we will have to consider a price hike," said Dr Ayushman Gupta, Business Director, Best Foods. "Buyers will have to move in line with the calibrated market," Dr Gupta added.

Cottonseed demand to decline by 5%

K. V. Kurmanath

Plagued by rising cost of production, supply side problems

Hyderabad, April 8:

The demand for cottonseed is likely to come down by five per cent this year due to not-so-attractive market conditions. Last year, the industry sold 3.80 crore packets (450 gm each) of seeds.

“We are expecting either stagnation or a slight decrease of five per cent this year over the last year's figure. Cotton still remains a safe bet despite fluctuations in market prices for this commodity because of lack of alternatives,” Mr P. Satish Kumar, Secretary of Andhra Pradesh Seedsmen Association, told *Business Line*.

Central Zone continued to dominate the scene in 2011-12 by consuming 2.08 crore packets, followed by South with 1.04 crore packets and the North Zone with 67.90 lakh packets.

production

On the production side, Gujarat might see marginal dip this year.

It produced 60 per cent of all cottonseed last year, followed by Andhra Pradesh with 25 per cent.

Nuziveedu Seeds Limited sold 1.01 crore packets or 27 per cent of the total market.

Cost of production

The industry expects a further decrease in production next year.

“Cost of production has gone up significantly. But the Governments are not factoring the rising input costs to produce seed. If we do not address this appropriately, it might impact seed production next year,” Mr Satish Kumar said.

Supply front issues

Farmers associations, however, are worried about supply side problems.

Significant variation in prices in different zones could lead to flight of seed to lucrative areas, they argue.

Last year, the seed was sold at Rs 825 a packet (BG-I) and Rs 1,000 (BG-II) in the North Zone.

In the Central and South Zone, it was sold at Rs 830 (BG-I) and Rs 930 (BG-II).

The price would come down by Rs 68 a packet, if companies sold seed with redgram seed as refugia.

Prices remained the same for the current year.

“No one buys BG-I. Price of BG-II is Rs 70 more in the North. Farmers in the North sow early and companies would like to sell maximum quantity there, creating supply gaps in the Central and Southern Zones,” a farmers' leader said.