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Power weeder, a boon to Tirunelveli farmers

P. Sudhakar

A right solution to acute labour shortage problem

GODSEND FOR FARMERS:Agriculture officials inspecting power weeder demonstration at Papanasam in Tirunelveli district.

At a time when the farmers are struggling to find manpower to work in their fields after the free rice scheme and National Rural Employment Guarantee Programmes were introduced, the power weeder introduced by the Department of Agriculture in this agrarian district have become a boon for landowners.

Power weeder, a new intervention by the Department of Agriculture to help farmers practice System of Rice Intensification (SRI) in an easy manner, has become handy for paddy cultivators. Demonstration is being organised to familiarise power weeder with farmers. Power weeders are being distributed to farmers as one of the components of SRI demonstration scheme under National Agricultural Development Programme that aims at achieving 4 per cent annual growth in agriculture sector during 11th Plan period by ensuring holistic development of agriculture and allied sectors.

A total of 147 power weeders, each costing Rs. 27,400, were distributed for free to farmers in Tirunelveli district last year. SRI demonstrations had been organised as clusters by the Department of Agriculture and one power weeder is distributed to a SRI cluster of 20 hectares. The farmers of the SRI cluster use the power weeder among themselves on rotational basis.

Under SRI method of cultivation of paddy, 14 days old, single paddy seedlings are transplanted at a spacing of 22.5 cm X 22.5 cm. The weeds grown in the field are puddled in to the soil by use of cono-weeder or power weeder on 10, 20, 30, and 40th days after transplantation of paddy. Timely labour availability is one of the rarest resources in agriculture today and the

farmers face severe shortage of timely labour for their cultivation. The only way to tide away the labour shortage is to engage machinery and equipment in all stages of cultivation.

Weeding in paddy cultivation is a high labour-consuming inter-cultivation activity and costs approximately Rs. 4,000 to Rs. 5,000 per acre. The paddy power weeder that runs on petrol covers an acre of weeding in 2 to 2.5 hours by consuming 1 litre of petrol per hour. A skilled labourer can cover 5 to 6 acres of paddy weeding in a day depending upon the soil texture and field conditions. Engaging a power weeder saves the farmer nearly Rs. 2,500 to Rs. 3,000 per acre of paddy cultivation and hence it is becoming popular among the farmers.

Joint Director of Agriculture, Tirunelveli, K. Soundararajan, who inaugurated the power weeder demonstration at Papanasam in Ambasamudram block, said that it had been planned to distribute 90 power weeders at 50 per cent subsidy (limited to Rs. 15,000 per power weeder) to SRI farmers in the district under Integrated Cereals Development Programme during current fiscal. He has appealed to the farming community to engage mechanisation in all stages of cultivation to tide away labour shortage, and increase productivity and production of food crops.

ERODE, August 13, 2012

The rise and fall of emu farming

When the first flock of emus — flightless birds native to Australia — landed at Perundurai in Tamil Nadu's Erode district in 2006, they drew the attention of only curious onlookers. Then they drew the attention of investors, enabling firms and businessmen offering schemes on the birds to rake in huge money. Six years on, the emus and the investors have been left in the lurch and the businessmen have allegedly taken flight with the invested money as emu contract farming joined the list of dubious investment schemes after a few years of roaring business.

Investors fleeced

Perundurai, the hub of emu farms, is now crowded with anguished investors who swallowed the bait of big returns. A conservative estimate by district officials points to a scam worth Rs. 300 crore. But traders in the poultry business claim over Rs. 500 crore might have been lost in this business. The police have said Susi Emu Farms India Private Limited might have swindled investors of around Rs. 200 crore; most of these are from Tamil Nadu.

Promised staggering financial returns, more than 20,000 people invested in these firms. "People thought only about the financial returns. They did not think where this would lead them to," said Lower Bhavani Farmers' Association president S. Nallasamy.

In 2006, M.S. Guru, hailing from Perundurai, founded Susi Emu Farms and introduced a buy-back scheme that promised lucrative returns on investment in contract emu farming. For an initial investment of Rs. 1.5 lakh, he promised a return of Rs. 3.34 lakhs within two years. Under the scheme, the company provided investors three pairs of chicks on the payment of Rs. 1.5 lakh as caution deposit. It also provided the infrastructure to rear the birds and offered Rs. 6,000 a month for the maintenance of the birds, besides a yearly bonus of Rs. 20,000. Thus, the investor was offered around Rs. 1.44 lakh. As per the scheme, the company would take back the birds after two years and return the deposit too. When word got out that Susi Emu Farms made prompt payments, the investments poured in; in no time the company's presence spread all over Tamil Nadu.

Soon after, the firm introduced a VIP scheme, taking advantage of the lack of awareness among people about the birds. Under this scheme, the investor had to deposit Rs. 1.5 lakh. But unlike the regular scheme, the firms promised to rear the chicks and pay the investors Rs. 7,000 a month and an annual bonus of Rs. 20,000.

Quick profits lured investors like S. Kasinathan of Pallathur in Sivaganga District, who put Rs. 15 lakh in the regular scheme. "I was misled by advertisements. I trusted the firm as it was doing business for seven years," he said.

R. Jayammal of Tiruchengode invested Rs. 4.5 lakh in the VIP scheme six months ago. "My neighbours and relatives invested and got monthly returns. So I too invested all my savings," she said.

Endorsed by popular film personalities, it expanded business to Andhra Pradesh, Karnataka and Kerala. Mr. Guru even opened a chain of restaurants in Bangalore, New Delhi, Puducherry and Erode, among other places, inviting State and Central Ministers and famous personalities for inaugurations.

Mushrooming of emu firms

The success of Mr. Guru's business model led to the mushrooming of emu firms, which advertised heavily in the Tamil media. Some even promised a return of Rs. 2 lakh a month for an investment of Rs. 10 lakh.

Oblivious to the fact that there are no processing facilities for products derived from emus, the investors bought these firms's claims that they exported emu meat and that everything from an emu was marketable. Many firms reportedly even engaged in trading of birds among themselves instead of marketing the emu meat, oil and skin (for leather).

Sensing that something was wrong, the Erode district administration issued repeated warnings asking people not to fall for the tempting offers from these firms. "We have warned the investors on several occasions. But, lured by the get-rich-quick schemes, they failed to see the warning signs," Collector V.K. Shanmugam said.

The bubble bursts

The bubble burst when Susi Emu Farms failed to pay the monthly maintenance fee to the investors. After waiting for sometime, the investors made a beeline for the firm's office in Perundurai.

On August 6, Mr. Guru and his entire family disappeared. Others in the business followed suit, abandoning scores of investors and the birds.

The police have registered cases against Mr. Guru and seven others under Section 120-B (conspiracy) and 420 (cheating) of the Indian Penal Code and formed three teams to nab the culprits. About 4,000 investors from across the State have registered their complaints against these firms so far, the police said.

This is not the first time Mr. Guru has been caught in a controversy. Earlier, he was arrested for misusing the former President, A.P.J. Abdul Kalam's name in promotional material.

VADODARA, August 13, 2012

Wheat worth Rs.3.5 crore damaged in rain

Over 3,000 quintal of wheat worth over Rs.3.5 crore was damaged due to the rain over the last two days as local officials failed to make proper storage arrangements, Bharatiya Janata Party MP Balkrishna Shukla said here on Sunday. "The Food Corporation of India [FCI] and Central Warehousing Corporation [CWC] had kept 3,000 quintal of wheat in the open at the premises of the FCI, the CWC and the Vadodara railway station. It was damaged due to rain that lashed the city over the last two days," Mr. Shukla told journalists. He said he will raise the issue during the Question Hour in the Lok Sabha on Monday. The MP and Vadodara District Collector Vinod Rao on Sunday visited the site where the wheat was stored in the open. Mr. Shukla said the FCI and CWC blamed the contractor for not storing the grain properly. Mr. Rao said: "This stock of wheat worth Rs.3.5 crore was received from Madhya Pradesh."

MADURAI, August 13, 2012

NABARD's initiative for farmers

National Bank for Agriculture and Rural Development (NABARD) has begun an initiative to assist farmers in setting up business that would empower them and increase their earnings from agriculture. Known as 'Producer Organisations,' the bodies will deal with business activities related to sorting, grading, processing, packaging and marketing of the produce, R. Shankar Narayan, NABARD Assistant General Manager, told *The Hindu* here on Sunday. The NABARD was working with farmers' federations in Usilampatti and Chellampatti in the district.

THANJAVUR, August 13, 2012

Sericulture, an alternative for farmers

Sericulture could be the best alternative venture for farmers of the district, said V. Prabakaran, Director of Sericulture and Chief Conservator of Forests, here.

During field visits in the district he impressed upon farmers the viability of sericulture.

Mr. Balakrishna, sericulture scientist, Central Sericulture Board, accompanied him during the visits.

He visited Okkanadu Keelaiyur, Soolamangalam, Nanjikottai sericulture farms, and interacted with farmers. He said the government is giving Rs.6750 as subsidy per acre for a maximum of 2.5 acres to farmers for growing mulberry plants. A subsidy of Rs 37,500 is given for rearing silk worms. Drip irrigation subsidy is also given to the extent of 75 per cent to 100 per cent. Farmers can get benefits for fifteen years.

V.Panneerselvam, Regional Assistant Director, Sericulture, Tiruchy, and V.Gopalasamy, Assistant Director, Sericulture, accompanied the director during his visit.

MANDYA, August 13, 2012

Fertilizer demand falls owing to poor monsoon

Only 9.02 p.c. sowing completed in Mandya district this year

Low sales: The decreased demand for fertilizer has resulted in piling up of stock in shops.

As all seven taluks in the district are hit by drought, the demand for fertilizer and pesticides has drastically decreased in Mandya district this year.

Mandya is expected to see a steep fall in production of paddy, sugarcane, maize, ragi, toor dal and even castor due to scanty rainfall during 2012-13.

“Just 9.02 per cent of sowing has been completed in the district this year so far. The State government has declared all seven taluks — Mandya, Malavalli, Nagamangala, K.R. Pet, Srirangapatna, Pandavapur and Maddur — drought affected this year,” K. Sangaiah, Joint Director, Department of Agriculture, told *The Hindu* here on Sunday.

The drought has hit the district causing crop loss worth Rs. 268 crore. Sugarcane, paddy and other crops on 7,153 hectares have been lost due to the failed monsoon, he added.

As farmers have inevitably stayed away from agricultural activities, there are no buyers for fertilizer and pesticides in the district, another official attached to the Department of Agriculture said.

Figures up to July 2012 state that 186.7 mm rainfall was recorded against the normal rainfall of 297.5 mm, a deficit of 37 per cent.

Cultivation has been taken up on 10,313 hectares in 1,369 villages against the normal area of 2.5 lakh hectares this year.

Though the availability of fertilizer is less than 50 per cent of the demand, there are no buyers in Mandya.

While the district's demand for fertilizer in the present season was 1,50,890 tonnes, the district administration has a stock of only 65,755 tonnes of fertilizer.

The district administration has already supplied fertilizer to shops in all 232 gram panchayats. But farmers are not buying fertilizer in spite of shortage, the officer said.

The demand for urea, potash and other classes of fertilizer has come down drastically since February, Boregowda, owner of Sri Kalabhyraveswara fertilizer shop in Hulivana village told *The Hindu*.

The farmers had stopped agricultural activities due to poor monsoon and in turn stopped buying fertilizer and pesticides, he added.

"The decreased demand for fertilizer has resulted in piling up of stock in fertilizer shops," Shivanne Gowda, a fertilizer dealer near Kothathi village, said.

Joint Director of Agriculture Department K. Sangaiah said that with hopes of Krishna Raja Sagar reservoir reviving due to water inflow, farmers may get a chance of sowing paddy, ragi etc.

· *'The demand for urea, potash and other classes of fertilizer has come down since February'*

· *The drought has caused crop loss of*

Rs. 268 crore in the district

KARIMNAGAR, August 13, 2012

Karimnagar dairy initiates schemes for milk producers

The Karimnagar District Milk Producers' Company albeit Karimnagar Dairy, which had won distinction in the Telangana region with highest procurement of milk from the producers and also sale of milk, has also set a milestone in the implementation of several welfare schemes for the benefit of milk producers' in Karimnagar district.

Kalyanamasthu scheme

The ambitious Kalyanamasthu programme launched by the Karimnagar Dairy on the lines of Tirumala Tirupathi Devasthanam (TTD) has come as a boon to the poor milk producers families to perform the marriage of their daughters. Since the Kalyanamasthu programme was launched on October 9, 2009, the dairy had been spending every year around Rs.1 crore to Rs.1.23 crore to perform around 1,500 marriages every year.

As part of Kalyanamasthu, the dairy authorities would hand over 2.5 grams of gold (mangalsutra) and 5 grams of silver (mattelu) to the bride during the time of marriage. When the price of gold had been sky-rocketing, the distribution of gold and silver to the milk producers for the conduct of marriage of their daughters was really a boon.

Insurance policies

Besides, the dairy had also won accolades for the implementation of Janashree Bhima Yojana (JBY) to about 50,000 milk producers providing milk to the dairy. The dairy pays 50 per cent of the premium amount to the beneficiary and the remaining 50 per cent is paid by the milk producer. In case of accidental death, the insurance company would provide Rs.1 lakh compensation and normal death Rs. 50,000 to the bereaved family.

On the other hand, the dairy also provides scholarships to the children of the milk producers' enrolled under the JBY scheme. Every year, the scholarships were being provided to 3,000 students. The dairy also provides financial assistance to the farmer on the death of his milch animal ranging from Rs.5,000 to Rs.7,000 and also provides loan for the purchase another animal. On the other hand, the dairy had made tripartite agreement with the District Cooperative Central Bank (DCCB) and other banks and providing loans for the purchase of milch animals.

Pension scheme

Talking to *The Hindu* on Sunday, Karimnagar Dairy chairman Ch. Rajeshwara Rao said that “We have made rapid strides in the procurement and sales of milk in the district with the active participation of milk producers and introduction of reforms”. We have decided to further increase the sales and procurement of milk and also launch a novel monthly pension scheme to the milk producers who cross 60 years of age, he added.

SANGAREDDY, August 13, 2012

Goat, sheep population on the rise in State

The sheep and goat population in the State has been steadily increasing and it stood first in the country in the census of these animals. The next enumeration of these animals will be conducted between September 15 and October 15.

The officials of the Animal Husbandry Department feel that the State would keep its top position in the next census also. The present population of sheep stands at 2.55 crore whereas the population of goat is 96 lakh.

About one lakh families are dependent on the grazing of these animals.

On an average, 30 per cent of these animals (60 lakh sheep and 30 lakh goat) are being slaughtered in different slaughter houses in addition to butchers.

The population of these animals recorded in 2003 was 2.1 crore sheep and 64 lakh goat.

Officials are attributing the increase in the animal population to the emergence of a new middle class with considerable income, preference for red meat over poultry and the crisis in agriculture, which is demanding more investment compared to the past.

“The existing conditions are forcing farmers to opt for viable alternatives of grazing of sheep and goat. Here, the market comes to the doorstep of the animal-grazer in the form of the butcher even at the remotest area, making it comfortable, whereas the farmer has to sell his produce at the market with his own transport charges,” said Dr. Lakshma Reddy, Joint Director, Animal Husbandry.

“The taste of the meat also counts for consumers. This is the only reason for people consuming more meat costing Rs.360 per kg rather than chicken that costs only Rs.120 per kg,” said Dr. K. Simha Rao, Additional Director in the department.

Middlemen who have not yet entered the market in large numbers is also stated to be one of the reasons making grazing for sheep and goat viable.

VISAKHAPATNAM, August 13, 2012

Scientists’ prescription to make soil fertile

RAVI P. BENJAMIN

Diagnostic teams recommend application of zinc sulphate

A study of quality of agriculture land soils by scientists has revealed zinc sulphate deficiency where paddy, oil seed, and maize crops are being raised. The nutrient uptake is hampered, affecting the productivity of the crop adversely in the district.

The deficiencies have been generally observed in paddy nurseries and lesser in transplanted paddy. The symptom is observed in pulses and oil seed cultivation lands. The diagnostic teams of research scientists and extension officers, who visited the crop fields in the district, have recommended application of zinc sulphate in soils as well as foliar sprayings wherever deficiency is noticed.

The scientists have recommend zinc application at 50 kg per hectare in two to three crop seasons without fail to enrich the soil and turn it fertile. The application should also be extended to waste lands, which are being converted into crop lands. Zinc should be applied in ill-drained and problematic soils, including alkaline soils, where organic carbon is more than 71.5 per cent in the organic matter. Application of zinc is also recommended in the hilly areas during rabi season, as zinc deficiency is glaring under cool temperatures.

Past experience

Agriculture officers monitoring the zinc deficiency fields in the district are of the view that experience in the past couple of years has proved that application of zinc sulphate resulted in increased production and productivity of paddy, apart from its quality. The exercise is highly beneficial to the farming community. As per the government guidelines, nodal agencies

supplying zinc sulphate to farmers should procure 21 per cent of ISI zinc sulphate from the manufacturing companies. The dosage recommended is 50 kg per hectare for paddy crop and 25 kg per hectare for groundnut crop. Supply of zinc to beneficiaries should not exceed two hectares. The beneficiaries covered during the past three years should be ignored and those not covered under the programme so far should be given priority.

Lab analysis

The mandal agriculture officer has to collect samples of the chemical supplied and send the same to the laboratory for analysis of its quality. The test results should be given within 48 hours. Stocks should not be distributed until the agriculture officer attests its quality.

The Joint Director of Agriculture would constitute teams for verification of distribution of the chemical. In the 2011-12 financial year, 1,426 hectares of crop lands were covered in the district. Currently, an action plan is being drawn to bring more hectares of crop lands under the zinc sulphate programme, surpassing the last year's target.

hindustantimes

Mon, 13 Aug 2012

weather

INDIAN CITIES

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Chennai

Chennai - INDIA

Today's Weather



Partly Cloudy

Monday, Aug 13

Max Min

35.2° | 27.6°

Rain: 0

Humidity: 56

Wind: normal

Sunrise: 05:56

Sunset: 06:30

Barometer: 1007

Tomorrow's Forecast








Rainy

Tuesday, Aug 14

Max Min

34° | 27°

Extended Forecast for a week

Wednesday Aug 15	Thursday Aug 16	Friday Aug 17	Saturday Aug 18	Sunday Aug 19
				
32° 27°	32° 27°	33° 26°	32° 27°	31° 27°
Rainy	Rainy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

13 AUG, 2012, 11.11AM IST, NEW YORK TIMES

Soya, corn prices to rise on drought in US

WASHINGTON: With the worst drought in half a century decimating crops in the US, the government on Friday slashed its estimate of the annual corn yield by about 17% in the last month to the lowest level since 1995.

The crop will fail to replenish already-thinned commodity stockpiles and will translate into higher prices for goods like processed food, animal feed and ethanol, analysts said.

"Unless there is normal weather and rain from here on out, I can easily see prices for corn and soya bean rising another 20-25 %", said Terry Roggensack, an analyst at the Hightower Report in Chicago.

In the last month, as the government physically surveyed more than 25,000 farmers, the results forecast a drop in yields for soybeans, and lower production of eggs, milk and pork.

13 AUG, 2012, 11.09AM IST, RITURAJ TIWARI,ET BUREAU

Late rains in Rajasthan improves pulses acreage

NEW DELHI: Late rains in Rajasthan are likely to play a key role in determining the pulses acreage - vital for ensuring protein content in the diet of the average Indian. In the past few days, a spurt in rains in western Rajasthan has accelerated pulses sowing in the state, kindling hopes of recovering pulses acreage deficit.

According to the latest sowing data, the total coverage under pulses is 74.48 lakh hectare as against 89.34 lakh hectare last year in the corresponding period.

Out of the overall deficit of 14.86 lakh hectare, Rajasthan alone accounts for 12.6 lakh hectare.

"Rajasthan contributes 45% of the total moong production in the country. If pulses sowing picks up, we can recover the deficit in pulses. Moong, which takes only 2 months for harvesting, can be sown till August 15," agriculture secretary Ashish Bahuguna told ET.

The pulses area is also likely to replace the acreage targeted for coarse cereals, which is dismally down due to deficient rains in the major coarse grain growing states of Rajasthan, Karnataka, Gujarat and Maharashtra.

The area under coarse cereal is 140.89 lakh hectare as against 175.14 lakh hectare last year.

"Most of these areas will be covered by pulses and fodder crops. Farmers usually divert to going pulses and fodder crops if nothing grows as pulses need less water and the life cycle is short," said IMD chief LS Rathore.

The government has a programme in place to achieve more than 19 million tonnes of pulse production.

Business Standard

Monday, Aug 13, 2012

Sugar down 0.5% on profit-booking

Strong demand, poor rainfall cap losses

Press Trust of India / New Delhi August 13, 2012, 11:48 IST



Amid profit-booking by speculators and the release of additional quota in the open market by the government, sugar futures today fell by Rs 18 to Rs 3,507 per quintal.

At the National Commodity and Derivatives Exchange, sugar for delivery in October traded Rs 18, or 0.51%, lower at Rs 3,507 per quintal, with an open interest of 15,090 lots.

The September contract shed Rs 14, or 0.40%, to Rs 3,470 per quintal, with an open interest of 42,120 lots.

Marketmen said the fall in sugar futures prices was due to profit-booking by speculators at current levels and the government's decision to release additional 4.2 lakh tonnes for the September quarter in the open market.

Strong demand in the physical market from bulk consumers and poor rainfall in cane-growing areas restricted the fall, they said.

Sugar output in India set to fall on dry weather, says Kingsman

Bloomberg / New Delhi August 12, 2012, 0:57 IST

Sugar output in India, the world's second-biggest producer, may be less than forecast next year as a drought threatens to cut yields in some areas, lowering exports, broker Kingsman SA

said.

Production may total 25 million tonnes in the year starting October 1, compared with 25.5 million tonnes forecast in June, Kingsman said. The estimate matches those by the Indian Sugar Mills Association and the National Federation of Cooperative Sugar Factories Ltd. Output this year is set to total 26 million tonnes, it said. A smaller crop and a rally in domestic prices may reduce the availability of Indian sugar for exports, potentially narrowing a global surplus and supporting prices. Overseas sales may slump 43 per cent to 2 million tonnes next season from 3.5 million tonnes this year, Kingsman said.

Sugar prices on the National Commodity & Derivatives Exchange Ltd in Mumbai surged 26 per cent since the end of May on speculation below-average monsoon rain in more than 50 per cent of India will hurt crops from cane to rice and cotton. Futures climbed to Rs 3,672 (\$66) on August 4, the highest level since December 2010. The harvest in Maharashtra state, the biggest producer, may drop to 7.5 million tonnes to 7.6 million tonnes next year from 9 million tonnes this year, Kingsman said.

New tool to track commodity news and its impact on prices

Sanjeeb Mukherjee / New Delhi August 12, 2012, 0:07 IST

Food prices are affected not only by climate change and commodity futures, but also by the media coverage. However, more often than not, it is difficult to assess how or to what extent the media coverage of a particular commodity is influencing its price movement.

A new media-tracking tool, developed by the Washington-headquartered International Food Policy Research Institute (IFPRI), tries to answer just that.

Termed as the 'Food Security Media Analysis System' (FOMA), the tool tracks as many as 31 news feeds related to global food prices and related issues and compares them with other variables, such as global agricultural production and food stocks, to determine if media coverage is consistent with the other variables or it is contributing to an information gap.

Maximo Torero, director of IFPRI's markets, trade and institutions division and the main man behind the tool, said the tool could assist in analysing the cause and effect of commodity-

related articles on the global press. He told Business Standard the system would track stories on six major parameters.

The stories to be tracked would be on global food security or food prices, those related to the ongoing national, regional, or global food crises, stories on prices (international, regional, and national) or crop conditions of major agricultural commodities, articles and news of oil prices and finally articles related to agriculture trade and agriculture and food policy research.

Once the news items are identified, these are then uploaded on the FOMA, which will then analyse the text and look at phrases in the articles that influence commodity price volatility and food security.

Any user then can look at different combinations of words related to food prices within the system and immediately get a heat map, indicating the number of articles in the media mentioning those specific topics.

The basic purpose of developing the tool, as Torero argued, is not to keep a tab on such coverage or provide any value judgments, but to inform policy makers and the general public about the the media consensus on a developing scenario related to food prices.

“We have identified that media coverage of commodity prices could have an important impact on prices and therefore, it’s important to reduce the gap of information and better inform policy makers and stakeholders so that price expectations are more informed,” Torero said.

The tool is also important because it has been seen that direction of correlation between media coverage of food price and related issues is positive in times of price increase, but is negative at times of price decline.

“The lack of factual information regarding global production and stocks can lead governments across the globe engage in panic buying that serves to further drive up price,” IFPRI said.

This is an important message at a time when a number of countries, including India, is facing

deficient rains.

All media, which are available on the web in English language including Indian press and their coverage of commodity and food prices can now be tracked, Torero said.

Govt to enhance seed subsidy under drought management programme

Anindita Dey / Mumbai August 12, 2012, 0:02 IST

The agriculture ministry has in-principle agreed to enhance the seed subsidy under its drought management programme. Cereals, coarse cereals including fodder crops, pulses and oilseeds covered under various schemes of the ministry, will benefit from this subsidy. In view of the deficient rains, this will be applicable for all states where the ministry is implementing its various schemes.

The amount of seed subsidy has been enhanced from Rs 800 to 1,000 per quintal for coarse cereals, including millets used for fodder, from Rs 500 to Rs 700 per quintal for cereals and from Rs 1,200 to Rs 2,000 per quintal for pulses and oilseeds. Some of the major schemes, which will allocate this enhanced subsidy component to the states, are Rashtriya Krishi Vikas Yojana, National Food Security Mission, Micromanagement of Agriculture, Initiative for nutritional security through intensive millets, Integrated scheme for oilseeds, pulses, oilpalm and maize and Bringing Green Revolution in Eastern India.

Last week, in a meeting of the empowered group of ministers, it was decided to provide subsidy for diesel consumption in various programmes of irrigation, drinking water availability for cattle and accelerated fodder management programme. All the programmes, except accelerated fodder management, are run by the ministry of rural development. Some of these programmes also provide for increase in subsidy for seeds, but only for fodder crops. This seed subsidy is over and above the subsidy announced last week for all crops across states in view of the deficient rainfall, under the domain of the ministry of agriculture, said officials.

This enhanced subsidy is aimed at accelerating the cropping and production of low gestation, high-yielding crops, which have been planned as contingency crops. For places where there have been normal cropping, these funds will encourage farmers to

stick to these crops, besides compensating for the high cost of seeds and increased costs of other logistics, explained officials.

The latest crop watch figures available with the ministry of agriculture show that 75.13 million hectare (ha) had been sown under various kharif crops till the first week of August, compared to the average sown area of 79.46 million ha in the corresponding period of the previous year. Major decline (compared to average area) has been reported under rice (-4.8 lakh ha), coarse cereals (-3.35 million ha) and pulses (-1.14 million ha).

However, area coverage is up 1.46 million ha in soyabean and 6.2 lakh ha in sugarcane. In coarse cereals, there has been a major shortfall in bajra where the reported area sown is 17 per cent less than last year. In pulses, mainly moong, the crop area has declined by six per cent. Crop area in total foodgrains, including cereals, pulses and coarse cereals, has shrunk by 63 per cent. The condition is relatively comfortable in oilseeds where the total crop area has fallen only by 4.8 per cent. mainly in groundnut.

Further, in view of reports of shortage of urea in some states like Uttar Pradesh, Punjab, Haryana, Andhra Pradesh and Bihar, the department of fertilisers has been advised to ensure the availability of fertilisers, especially urea.

THE HINDU Business Line

Pepper futures may gain on lower inventory, tight supply

Suresh P. Iyengar



Global production this year is expected to increase seven per cent to 3.2 lakh tonnes compared with 2.98 lakh tonnes in 2011.

Mumbai, Aug 13:

Pepper futures on the National Commodity and Derivatives Exchange Ltd (NCDEX) gained four per cent to Rs 42,250 a quintal on lower inventory in the domestic market.

However, fall in demand for Indian pepper variety in the international markets capped much of the gains.

Domestic arrivals stood at 21 tonnes, while the offtake was at 20 tonnes on Saturday.

Prices in the international market were being quoted at \$8,400 a tonne (C&F), while Vietnam was offering its produce at \$6,000 a tonne for 500 GL. Brazil exported pepper at \$6,150 a tonne for the B-Asta grade.

Global production this year is expected to increase seven per cent to 3.2 lakh tonnes compared with 2.98 lakh tonnes in 2011 with a sharp rise of 24 per cent in Indonesia and 10 per cent in Vietnam.

Pepper futures may gain on lower inventory and tight supply.

Supply squeeze keeps pepper prices hot

G.K. Nair



Kochi, Aug. 12:

Pepper futures market last week witnessed “squeezing and cornering of the short position holders” by long position holders and consequently August delivery shot up sharply. As weather conditions were totally unfavourable for the past few days ifresh depositing of the material in the exchange platform would be difficult for want of adequate and sophisticated processing facilities, growers said.

Meanwhile, the trade claimed that after depositing the material, it takes minimum clear seven working days for the stock to reach the electronic platform of the exchange and the account of the member broker to whom the clients transferred the stocks against their sales of August. As a result, good quantity of pepper is still yet to reach the exchange delivery platform, the trade said.

Transit time is too long even though it is claimed to be done under sophisticated electronic system. In the case of rubber, through other exchange where the volumes are much higher, the transfer is completed in every respects in less than 48 hours in spite of the fact that it is done through manual warehouse receipt system, they said.

Besides, many sellers appear to be not having stocks against their sales even after the regulator had given an opportunity of staggered delivery “totally in favour of the seller participants”, they said. These factors resulted in Aug delivery trading firmer and closing higher almost every day last week while the nearby contracts traded easier and closing lower, they said.

August contract on the NCDEX last week increased by Rs 1,600 a quintal to the last traded price on Saturday of Rs 45,280 a quintal. September and October decreased by Rs 15 and Rs 345 respectively to the LTP of Rs 43,920 and Rs 44,155 a quintal.

Total turnover decreased by 22,870 tonnes to 15,277 tonnes. Total open interest dropped by 974 tonnes to 6,712 tonnes.

August open interest last week fell by 1,636 tonnes to 1,348 tonnes, while that of September and October increased by 375 tonnes and 275 tonnes respectively to close at 4,472 tonnes and 844 tonnes.

Spot prices remained unchanged on limited activities and thin arrivals at the previous levels of Rs 40,700 (ungarbled) and Rs 42,200 (MG 1) a quintal.

According to market sources, when the price of a single contract is pushed up artificially, the authorities should intervene by imposing heavy margin so as to arrest it. Besides, only genuine players should be allowed to trade in the last week of each monthly contract. Resolving all the small issues and streamlining of the market is necessary now, the trade here said.

Indian parity in the international market was at around \$8,300 a tonne (c&f) Europe and \$8,600 a tonne (c&f) USA.

The wide gap between the Indian parity and that of others for long is said to have prompted those selected markets world over which have been buying only MG 1 even at a premium price of \$200-400 a tonne, to shift to other origins.

Dairies see rise in milk procurement amid dry spell

Vishwanath Kulkarni



Good flow: Farmers tend to sell more milk during periods of drought as it is their only source of income.

Rising prices offered by dairies aid the trend

New Delhi, Aug. 12:

The prevailing drought-like situation in parts of the country has led to farmers selling more milk in the market. This is reflected from the 10-25 per cent rise in milk procurement that co-operatives and corporates have registered largely from the dry-spell hit areas.

The Gujarat Co-operative Milk Marketing Federation (GCMMF), the largest milk co-operative that owns the Amul brand, has registered an average increase of 16 per cent in daily milk procurement, said R.S. Sodhi, Managing Director. Large parts of Gujarat, where the GCMMF operates, have been hit by the dry spell this year.

Surplus trend

Farmers tend to sell more of milk, which becomes the only source of income when crops are hit by poor rains, Sodhi said. The average daily milk procurement by GCMMF stood at 10.30 million kg in 2011-12.

“The surplus trend in milk output that the country witnessed last year still continues,” said R.G. Chandramogan, Chairman and Managing Director of Hatsun Agro Product Ltd, a Chennai-headquartered dairy products company.

Hatsun, which also operates from parts of Karnataka, has registered a 23 per cent rise in milk procurement in July to over 2 million litres from 1.625 million litres in corresponding month last year, Chandramogan said.

The increase in prices offered by the dairies last year to the farmers is aiding the procurement trend.

Maharashtra output

However, in southern parts of Maharashtra milk production is estimated to be down by about a tenth on poor rains in the region where fodder and feed scarcity looms large.

“Production is down by 5-10 per cent, but it is not that visible. However, our procurement has gone up by 10-11 per cent,” said D.V. Ghanekar, Managing Director of Kolhapur District Co-operative Milk Producers Union, which sells milk products under Gokul brand. “Our procurement has gone up by 60,000-70,000 litres per day (LPD) to 6 lakh LPD,” he said.

Drought helps

“The growth in milk output may largely remain same as that of last year, but the procurement goes up normally in the first year of drought, as it becomes the only source of income for farmers when crops fail,” said R.S. Khanna, dairy industry expert.

He estimates the country's overall milk production to sustain a growth of 3-4 per cent this year too. The Government is yet to officially announce milk production numbers for 2011-12, while the output stood at 122.8 million tonnes for 2010-11.