

NEW DELHI, August 18, 2012

Sowing of paddy picks up

GARGI PARSAI

Sowing of kharif paddy has improved thanks to rain in some parts of the deficient areas, but it is still lower by 11.40 lakh hectares as compared to last year.

If compared with last year's sowing — a record foodgrains production year — at this time of the year, the area under paddy, pulses, coarse cereals, oilseeds and cotton is still lower.

An inter-Ministerial group that reviewed the situation on Friday was informed that monsoon deficiency was 15 per cent with parts of Karnataka, Rajasthan, Gujarat and Maharashtra continuing to face drought conditions.

Official figures show that kharif acreage is lower by 58.23 lakh hectares. Only sugarcane sowing has crossed last year's level by 2.29 lakh hectares.

Rice acreage is lower by 11.40 lakh hectares, coarse cereals have dipped by 23.70 lakh hectares, pulses by 12.07 lakh hectares and oilseeds by 6.66 lakh hectares compared to last year.

However, if compared with a normal year (average of last five years) — which officials will like to — then the total acreage is lower by 12.50 lakh hectares with paddy, oilseeds, sugarcane and cotton sowing slightly higher.

Even then, sowing of coarse cereals remains behind by 30.01 lakh hectares owing to poor rain in parts of Maharashtra, Karnataka and Rajasthan. Cultivation of pulses is lower by 11.80 lakh hectare at this time last year due to lower sowing in Karnataka, Gujarat and Rajasthan.

The good thing is that as a result of rain in parts of the country the reservoir position has improved. On Thursday, the average storage was nearly 82 per cent of last year's storage in the 84 important reservoirs that are monitored.

The Government will still wait and watch the situation till the end of the month to see if acreage improves.

MANGALORE, August 18, 2012

Import price of areca nut hiked

RAVIPRASAD KAMILA

The Union government has increased the base price for importing areca nut from Rs.35 a kg to Rs.75 a kg.

This has cheered arecanut growers, as they feel this will curb import of cheap, low quality areca. The measure could bolster sale and prices of areca in domestic market as import prices will go up considerably when import duty is added to it. Director-General of Foreign Trade (DGFT) under the Union Ministry of Commerce and Industry issued a notification [No. 10 (RE-2012) 2009-2014] to this effect on August 14, 2012.

“The minimum price for import is enhanced from the existing Rs.35 to Rs.75 a kg,” the notification issued by DGFT Anup K. Pujari said. The notification applied to the import of “whole, split...areca nut.”

Konkodi Padmanabha, president of Central Arecanut and Cocoa Marketing and Processing Cooperative (CAMPCO) Ltd., told *The Hindu* that with this import of areca nut would be costlier now.

He said that importers would have to pay an import duty to an extent of 108 per cent to the base price. Hence areca nut import would cost more than Rs.150 a kg.

Mr. Padmanabha said it was expected to discourage imports further and boost prices of domestic areca nut.

Mr. Padmanabha claimed that inferior quality areca nut was being imported mainly from Indonesia and Thailand. It was suppressing the increase in prices of quality domestic areca nut.

He said that CAMPCO had been constantly urging the Union government for the past six months to increase the base price.

PUDUKOTTAI, August 18, 2012

Training in precision farming in rose cultivation on Tuesday

Krishi Vigyan Kendra at Vamban will impart specialised training to horticulture farmers on precision farming in rose cultivation at the KVK premises on August 21.

A large number of farmers of Alangudi, Gandarvakottai blocks in the district are involved in rose cultivation. These farmers pluck the flowers in the morning and send them to markets. Adequate urea, potash and basal fertilizers should be applied to the crop once in two years. Application of bio nutrients will help in elongating the freshness of the flowers, Collector V. Kalaiarasi said in a statement issued here on Friday.

She called upon the rose farmers to take part in the training programme and get their knowledge updated. Farmers could contact 04322 290321 for further details.

KARAIKAL, August 18, 2012

Sapling plantation campaign

A sapling plantation campaign was organised here at Bharathiyar College of Engineering and Technology on the eve of Independence Day. V.Jayaraman, principal, BCET, inaugurated the drive and delivered a speech on biodiversity and need for awareness of climate change and global warning. K.Kumaresan, NSS programme officer, organised the event underlining green environs amid living spaces.

KRISHNAGIRI, August 18, 2012

Milk producers seek hike in procurement price

Conduct elections to cooperative societies, government urged

Milk producers in the State are disappointed over the Chief Minister's announcement of 50 paise bonus per litre of milk supplied to the milk cooperatives, said K. Mohamed Ali, State President of the Tamil Nadu Milk Producers' Union, affiliated to Communist Party of India (Marxist), here on Friday.

He told reporters that the government should fix Rs. 25 per litre for cow milk and Rs. 35 for buffalo milk as procurement price. But, the Chief Minister had increased the milk procurement price by only Rs. 2 per litre.

The ground realities are different from the government announcement.

The milk producers were paid between Rs. 16 and Rs. 19 per litre instead of Rs. 20 as announced by the Chief Minister. The reason cited by the officials for reducing the price was poor quality. At the same time, Aavin raised the selling price of milk by Rs. 8. A litre of milk is sold to the public at Rs. 36 a litre. Because of the increase in selling price, some of the Milk Producers' Federations were running on profit. The only way to make the Milk Producers' Federations profitable was by setting right the administrative lapses, he added.

The government had asked the Milk Producers' Unions which were lagging behind in marketing to convert excess milk into milk powder. Following this, the cost of producing milk powder jumped to Rs. 3 per litre.

Due to this, the Dharmapuri District Milk Producers' Cooperative Federation was incurring a loss of Rs. 2 lakh per day and the Dindigul Federation was incurring a loss of Rs. 1 lakh per day. The loss, thus accumulated, should be borne by the State Milk Producers' Federation, he said.

Due to pressure from the Aavin, the employees poured 30,000 litres of milk on the road recently. The loss of Dharmapuri Milk Producers' Federation stood at Rs. 50 crore.

The increase in fodder price has added to the woes of the farmers, he said.

Mr. Ali also demanded that the government immediately conduct elections to the cooperative societies and try to get Rs. 120 crore as yearly subsidy from the union government. D. Ravindran, State General Secretary, Tamil Nadu Sugarcane Producers' Association, and X. Irudayaraj, District Secretary of the Tamil Nadu Vivasayigal Sangam, were present.

NAGERCOIL, August 18, 2012

Farmers hopeful of saving water-starved standing crops

The intermittent rain which lashed different parts of the district in the early hours of Friday up to noon has brought hope to the farming community of saving their water-starved standing crops raised on over 9,000 hectares in the first season.

Owing to rough weather, the ferry services to Vivekananda rock memorial as well as Thiruvalluvar statue were suspended to ensure the safety of tourists who visited Kanyakumari even as it was lean season. After sensing the rough weather, the fishermen attached to country boats at Kanyakumari, Kovalam, Manakudi, Colachel, Kurumpanai, Thengapattinam, Ramanthurai, Enayam and Kollencode did not venture into the sea for fishing. They shifted their fishing boats to the upper areas of the seashore.

The houses of few fishermen were surrounded with stagnating rainwater as well as sea water. According to a cross section of fishermen (elders), today being new moon day, the sea would be rough as routine and hence the fishermen need not panic about the changes in the sea. They also said that the rain would continue for another two days.

However, the farmers in Nagercoil, Parvathipuram, Vadaseery, Kottaram, Thittuvilai, Aralvoimozhi, Thovalai, Ozhughinassery, Eraniel, Monday Market, Colachel and the tail-end areas of the district have expressed their satisfaction over the unseasonal rain due to climatic changes. It would definitely be helpful to them to save their water-starved standing crops, said A.Vins Anto, chairman of Kodayarur irrigation project (WRO) of Public Works Department.

The inflow of water in to Pechipparai dam was 240 cusecs as per 8.00 am and 22 cusecs of water in Perunchani dam. The water level in Pechipparai dam stood at 3.60 feet, 33.60 feet in Perunchani, 3.18 feet in Chittar I and 3.28 feet in Chittar II.

PUDUKOTTAI, August 18, 2012

Three varieties set to sweeten experiences of mango growers

Horticulture department has planned to introduce three much sought-after and mouth watering species in the district under National Horticulture Mission scheme.

The district has potential for developing the varieties and we have planned to cultivate 'imampasanth', 'Ratnagiri alphonsa' and 'banganapalli' varieties.

Farmers would be given three options in cultivation technique, said M. Vijayakumar, Deputy Director of Horticulture. A subsidy of Rs. 24,000 would be released per hectare.

Normal, high density and ultra high density techniques would be recommended and farmers could choose any one of them for growing 100 plants, 400 plants or 1,625 plants respectively.

The department has also planned to develop cashew in a similar scheme. He said that the average yield per hectare would increase by at least 2.5 times over the normal procedure.

The farmers would also be encouraged to adopt drip irrigation, fertigation and forced flowering methodology under the programme.

Explaining the district's potential for developing vegetables, he said that the department has chalked out a plan for raising cucumber, cherry tomato, brinjal and bell pepper.

He also said that tubular structures would be set up under the 'poly green house' component. A target of 20,000 square metres has been fixed with a subsidy of Rs.65 lakh. The unit cost would be Rs.3.25 lakh per 1,000 square metre.

Normal, high density and ultra high density techniques will be recommended

SALEM, August 18, 2012

Emu farmers petition Collector for supply of poultry feed for their birds

Farmers in the district have submitted a petition to Collector K. Maharabushanam demanding that poultry feed be provided to their emu birds as their supplier Susi Emu Farms Private Limited failed to do.

About 50 farmers in their petition said that they are rearing around 3,000 birds on their farms on contract basis.

MANDYA, August 18, 2012

'Fix sugarcane procurement price'

Karnataka Rajya Raitha Sangha leader K.S. Puttannaiah has urged the authorities to fix the sugarcane procurement price. Mr. Puttannaiah told presspersons here on Thursday that the government should fix Rs. 3,000 a tonne as the procurement price for sugarcane and Cauvery Neeravari Nigam Ltd. should release water to canals.

MANDYA, August 18, 2012

Farmers protest for water release

Farmers, under the leadership of the former Speaker Krishna, laid siege to the office of the engineer of Hemavati irrigation project in K.R. Pet on Friday demanding immediate release of water into canals in K.R. Pet taluk. Agitated farmers raised slogans against officials and gheraoed them protesting against their "anti-farmer" stand. The farmers lifted the siege after they were assured that water would be released into the canals.

THIRUVANANTHAPURAM, August 18, 2012

Funds to clear paddy procurement arrears

The State government has allocated Rs.60 crore more for clearance of arrears of payments relating to paddy procured from farmers. Minister for Food and Civil Supplies Anoop Jacob said here on Friday that the amount was being disbursed to the districts. With this, arrears up to the second cropping season in 2011-12 would be cleared. The Minister said 5.04 lakh tonnes of paddy had been procured by the Supplyco from farmers during the second season. The value of these came to Rs.608 crore. Of that, Rs.548 crore had been released earlier.

NALGONDA, August 18, 2012

Arrangements on for display of mechanised farm equipment

Collector N. Mukteswara Rao on Friday asked officials of the Agriculture, its related departments, DRDA, DWAMA to speed up arrangements and work in coordination for successfully holding a farm mechanised equipment exhibition on a large scale here.

Addressing a review meeting of the officials in the Zilla Parishad hall, Mr. Rao asked them to conduct a vigorous awareness campaign and ensure active participation of 'adarsh rythu', representatives of farm organisations and cooperative institutions.

He suggested to them to conduct week-long training programmes for farmers taking part in the exhibition.

The Collector wanted representatives of various equipment manufacturers to provide details, along with applications, of the subsidies being made available to ryots.

He entrusted the job of setting up stall for the exhibition to AP Agros and NABARD to organize awareness campaigns with bankers.

He asked DRDA and DWAMA project directors to involve various affiliated organisations in the exhibition.

Rajeshwar Reddy, DRDA Project Director, Narsimha Rao, Joint Director of Agriculture, and department officials Jayarao, Nagamurali, Veeraiah, Shekhar Reddy, Veerashankar of NABARD, James, SBH lead bank manager, attended the meeting.

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- *Nalgonda Collector addresses a review meeting of officials*
 - *Officers told to ensure active participation of Adarsh Rythus*
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NCDEX hikes margin on wheat by 10% to check prices

Posted online: Sat Aug 25 2012, 14:59 hrs



New Delhi : To control rising wheat prices, the country's second biggest commodity bourse NCDEX has hiked deposit money to 23 per cent from today onwards for traders keen to buy the grain from the exchanges' platform.

The deposit money (margin) has been increased to 23 per cent from 13 per cent for wheat traders.

The margin is a minimum percentage of money that traders are required to deposit with the exchange to trade in the commodity future.

Following direction from the sector regulator FMC, the NCDEX said in a circular that it has decided to charge 10 per cent as special margin on buyers in all running and yet to be launched contracts of wheat with effect from today.

The deposit money has been increased to check speculators and price rise, commodity brokerage firm GRG Wealth Management analyst Chowda Reddy said. Wheat prices at the NCDEX have risen by 38 per cent since June on apprehension that wheat crop may get affected due to poor rains, especially in Punjab and Haryana, he said.

The September contract of wheat had hit its all time high at Rs 1,612 per quintal yesterday on the exchange platform. Currently, prices are ruling down at Rs 1,570 per quintal due to an increase in the deposit money.

Last year, the country harvested a record wheat production of 93.90 million tonnes. Due to bumper crop, the government has allowed export of the grain.

THE ECONOMIC TIMES

24 AUG, 2012, 02.36PM IST, PTI

Jeera futures up over 1 pc on short-covering

NEW DELHI: Jeera prices shot up by 1.13 per cent to Rs 15,700 per quintal in futures market today as speculators covered-up their pending short positions.

At the National Commodity and Derivatives Exchange, jeera for delivery in September gained Rs 175, or 1.13 per cent, to Rs 15,700 per quintal, with an open interest of 19,224 lots.

Similarly, the spice for delivery in October traded higher by Rs 177.50, or 1.11 per cent, to Rs 16,110 per quintal in 15,201 lots.

Marketmen said covering-up of short positions by speculators amid pick up in spot demand helped jeera futures to trade higher.

24 AUG, 2012, 02.56PM IST, REUTERS

Soyoil extends rally on firm world mkt; oilseeds gain

MUMBAI: Indian soyoil futures rose for a fourth straight day on Friday, supported by an upside in the world market, weak rupee and good demand in the local spot markets.

Soybean and rapeseed also rose, tracking firm cues from overseas markets, but recent rainfall in oilseed growing central and northern India weighed on sentiment.

Malaysian palm oil futures were up 0.33 percent at 3,071 ringgit per tonne by 0750 GMT, while U.S. soybean jumped 0.86 percent to \$17.29-3/4 per bushel.

"Overseas markets are influencing soyoil prices. Weak rupee and good demand in the physical market are giving support to prices," said Faiyaz Hudani, senior research analyst at Kotak Commodity Services Ltd.

A weak rupee makes edible oil imports expensive and at the same time raises returns of oilmeal exporters.

Soy fields in Iowa, the No.1 growing state in the United States, have fallen victim to the historic drought and is expected to drag national yields below the government's latest projections, according to the Pro Farmer Midwest Crop Tour.

The September soyoil contract on India's National Commodity and Derivatives Exchange rose 0.33 percent to 810.2 rupees per 10 kg. It earlier in the day rose to 813 rupees, a bit shy of the record high of 813.4 rupees hit in July.

The October soybean contract edged up 0.47 percent to 4,029 rupees per 100 kg, while September rapeseed rose 0.45 percent to 4,458 rupees per 100 kg.

At the Indore spot market in Madhya Pradesh, soyoil rose 0.7 rupees to 792.75 rupees per 10kg, while soybean fell by 35 rupees to 4,569 rupees per 100 kg. At Sri Ganganagar in Rajasthan, rapeseed jumped 83 rupees to 4,383 rupees per 100 kg.

Indian farmers have cultivated soybean on 10.64 million hectares as on Aug. 16, compared with 10.23 million hectares at the same time a year earlier, farm ministry data showed.

India's vegetable oils industry has called on the government to press China to lift a ban on imports of Indian rapeseed meal, a key industry official said on Wednesday, ahead of the arrival by end-August of a delegation from Beijing.

24 AUG, 2012, 03.21PM IST, PTI

Crude palm oil futures up on rise in spot demand

NEW DELHI: Crude palm oil futures prices rose by Rs 2.10 to Rs 568.50 per 10 kg today as speculators created fresh positions on the back of rise in spot demand and firming trend overseas.

At the Multi Commodity Exchange crude palm oil for September rose by Rs 2.10, or 0.37 per

cent, to Rs 568.50 per 10 kg, with a trading volume of 587 lots.

Similarly, the oil for delivery in August moved up by Rs 1.90, or 0.33 per cent, to Rs 566.10 per 10 kg, with a business volume of 218 lots.

Marketmen said increased positions created by participants following a pick-up in spot demand and firming trend in the global markets mainly influenced crude palm oil futures prices.

Meanwhile, palm oil for delivery in November advanced by 1.2 per cent to USD 1,000 per tonne on the Malaysia Derivatives Exchange.

Business Standard

Aug 25, 2012

After 10 yrs, wheat MSP may be kept unchanged

The Commission for Agriculture Costs and Prices (CACP) has not recommended any increase in the MSP of wheat for 2013-2014 crop

Sanjeeb Mukherjee / New Delhi August 25, 2012, 0:55 IST

The minimum support price (MSP) for wheat is not likely to be raised for the next marketing season, which starts from April 1, 2013. For 2012-13, wheat MSP stands at Rs 1,285 a quintal. The last time MSP for wheat was kept at previous year's level of Rs 620 per quintal was in 2003-04 marketing season.

The Commission for Agriculture Costs and Prices (CACP) has not recommended any increase in the MSP of wheat for 2013-2014 crop marketing season, officials said. Reasons given are that higher MSP would make exports uncompetitive and that the country already has huge stocks of wheat. Any further increase in MSP would only add to subsidy burden of the government for the next fiscal, pegged at Rs 75,000 crore for this fiscal, officials said.

CACP is a recommendatory body, and the final call on the issue would be taken by the Cabinet only. However, the Commission said if there was any move to ban or curb exports of wheat, the government should immediately increase MSP by 10 per cent.

Year	Wheat MSP (Rs /quintal)	Wheat production (mn tonnes)
2007-08	750	78.5
2008-09	1,000	80.6
2009-10	1,080	80.8
2010-11	1,100	86.8
2011-12	1,120 +Rs 50 bonus	93.9
2012-13	1,285	—

Note: Wheat produced in one season is marketed in the next year. So, wheat produced in 2011-12 crop year that starts from June will be marketed in 2012-13 that starts from April.

Source: Government of India

“The current MSP of wheat at Rs 1,285 per quintal is already quite high, leaving very little room for any further hike in support price,” a senior official said.

He added the MSP of mustard, another major crop grown during rabi has been recommended to be increased by Rs 500 per quintal to Rs 3,000 a quintal.

In 2012-2013, the MSP of wheat was raised to Rs 1,285 per quintal, around 15 per cent more than the previous year.

Though the sharp increase in MSP propelled farmers to grow more and the country harvested a record of over 92 million tonnes of wheat, critics flayed the move. They said high MSP had

rendered Indian wheat uncompetitive in global markets and also contributed to pushing up the inflation.

When the purchase price of wheat in the domestic market was around Rs 13,000 per tonne, the overseas market was around \$230-\$240 per tonne (Rs 12,742 -13,290 per tonne, assuming an exchange rate of Rs 55), leaving little margin in exporting wheat from India, traders said.

“It is only in the last few weeks, that Indian wheat has become competitive in global markets, after world prices moved beyond \$300 per tonne,” a leading trader said.

Inability to export in significant quantities despite opening up of the trade, makes the government the sole buyer of almost 90 per cent of wheat produced in the country. This compounded the storage problem and also inflated the food subsidy bill.

“In the current situation it, it will not be prudent to further inflate the food subsidy bill, which is already touching Rs 75,000 crore annually,” officials said.

Since September 2011, when India, for the first time, allowed export of wheat by private traders under the Open General License (OGL), private traders managed to export just over 2 million tonnes of the commodity.

As on August 1, 2012, India’s wheat stocks in the central pool was estimated to be around 47.5 million tonnes, which is 136 per cent more than the required quantity, according to buffer stocks and strategic reserve norms. The total foodgrain stocks in the central pool during the same period was around 76.1 million tonnes, more than double the required quantity.

Recently, the government allowed the export of around 2 million tonnes of wheat from its central pool stocks to ease the pressure on storage after a gap of more than six years.

Poor monsoon likely to dampen kharif yield in Gujarat

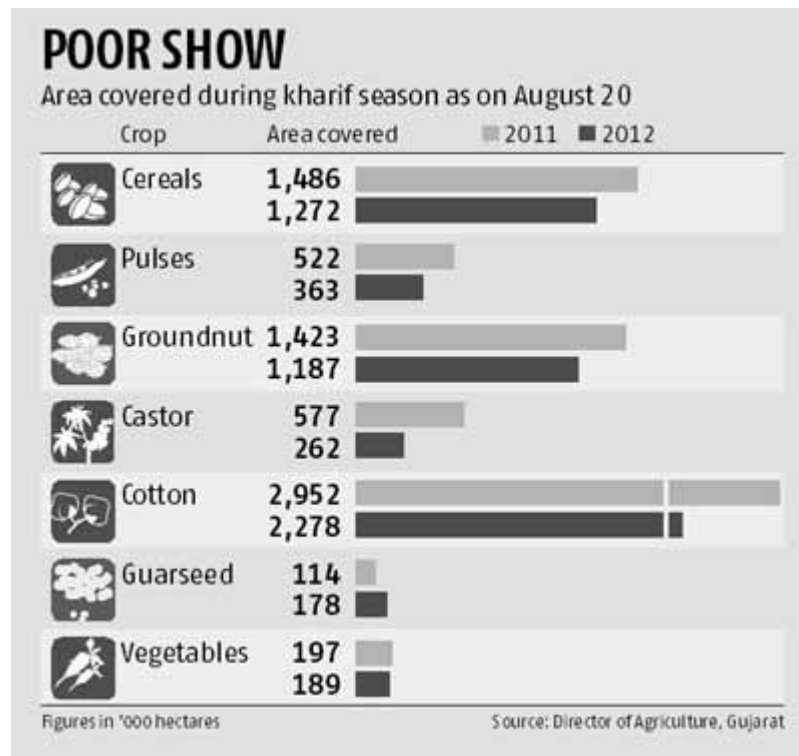
About 70% crop failure reported in groundnut and cotton from Saurashtra, Kutch regions

Rutam Vora & Vimukt Dave / Ahmedabad/rajkot August 25, 2012, 0:09 IST

Poor monsoon this year has taken a toll on kharif crops in Gujarat, especially cotton and groundnut, as government officials estimate nearly 70 per cent failure in these two crops.

With majority of the crop failure reports coming from the Saurashtra and Kutch regions, farmers in the scarcity-hit areas feel the situation is more serious than it appears.

Till date, 74 per cent sowing has taken place in 6.5 million hectares in Gujarat for the ongoing kharif season, against normal sowing of 8.8 million hectares. Last year, during the same period, sowing was done on over 8.3 million hectares.



“About 70 per cent of groundnut and cotton crop have failed this kharif season and if it does not rain over the next few days, the figure could cross 85 per cent,” a state agriculture official said. As on August 20, groundnut was sown on about 1.2 million hectares against 1.4 million hectares during the same period last year. Most of the groundnut sowing has taken place in Saurashtra region, which has received a mere 20 per cent rainfall this year. The situation in Kutch is worse as the district has received just nine mm or two per cent of the season’s average rainfall.

About 2.3 million hectares has been covered under cotton against 2.9 million in the same period last year. Cotton is mainly cultivated in scarcity-affected Saurashtra region, consisting of seven districts - Rajkot, Amreli, Surendranagar, Jamnagar, Junagadh, Porbander and Bhavnagar.

“In Amreli district, over 55-60 per cent of groundnut crop has already failed, while crop failure in cotton is estimated at about 30-35 per cent. There is a threat on the remaining crop as well if there is no rainfall in the coming days,” said an official at the Amreli district agriculture office.

However, farmers do not agree with government figures. Some farmers in the affected regions claim the cotton crop has completely failed, while groundnut crop failure is estimated at over 80 per cent. They said there is an urgent need for showers to save the remaining crop.

Ganeshbhai Bhimani, a farmer from Chatara village of Tankara taluka in Rajkot, said, “The crops which have survived are of those farmers who have water sources like borewell and groundwater irrigation facilities. We are trying hard to irrigate our crops through such sources, but we are not sure of success as groundwater sources are unreliable.”

The situation has been aggravated with reports of 11 farmer suicides from some districts of Saurashtra region. With families of the dead holding crop failure as a reason behind the alleged suicide of the farmers, the issue has acquired political colour with both the ruling BJP and opposition Congress blaming each other.

According to agriculture experts, crop conditions in Saurashtra and Kutch are critical, while there is some relief in the northern and southern parts of the state, where canal irrigation is available.

“The entire stretch between Banas Kantha district to Valsad district is saved as they have canal irrigation to meet their water requirements. Lately, though, this area has received rainfall to cope up with farm requirements. But, the monsoon has not been too good here as well. So, there could be serious problems for the winter crop,” said Vyas Pandey, agrometeorologists and professor at the Anand Agriculture University (AAU).

He said the Saurashtra and Kutch regions continue to be critical as dams and small reservoirs in that region have dried up due to lack of rainfall.

Sources maintained that scanty rainfall in the key growing area for cotton and groundnut has not only affected the sowing, but is also likely to affect the yield. According to farm experts, crop conditions for paddy and sugarcane in south Gujarat, have turned worrisome, as both these crops require high quantum of water.

“Cotton yield is likely to be lower by around 25 per cent for 2012-13. It is more likely that farmers may take up only two picking for cotton, which is generally a three-picking crop,” said N M Sharma, managing director, Gujarat State Cooperative Cotton Federation.

“Cash crops have been affected, but, pulses, millet and soya are doing well. However, in south Gujarat, crops such as paddy, sugarcane and banana are in bad shape. There are the possibility of damage, though, officially nothing has been declared,” said M V Patel, professor and head of department, agronomy, at AAU.

THE HINDU Business Line

Banks may shower more farm loans owing to deficit monsoon

R. Ravikumar



Karaikudi (TN), Aug 25:

Considering the monsoon deficit, the Union Government has set a Rs 5.75-lakh-crore farm loan target for public sector banks for the current financial year. In fact, “the banks are hopeful of even exceeding the target and crossing Rs 6 lakh crore,” said Finance Minister P.

Chidambaram after inaugurating a new Rural Training Centre at Amaravathipudur in Karaikudi (part of his constituency, Sivaganga).

Chidambaram said the current year target was 20 per cent more than that of the previous year. In 2011-12, the target was fixed at Rs 4.5 lakh crore; again the banks exceeded that by Rs 25,000 crore.

Non-farm income

This loan comes at an interest rate of 7 per cent. This will further come down to 4 per cent if the farmers service the loan well, he said.

Elaborating on the training centre, he said that, as farmers cannot depend only on agricultural income, they have to look at non-farming sources too to ensure regular income flow. This centre would train farmers in various activities such as poultry farming, sheep rearing, tailoring and mobile handset repair.

The centre has been jointly sponsored by Nabard , Indian Bank and Indian Overseas Bank. Besides sharing the running expenses , the three sponsoring banks have shared the cost of construction of the new campus as well.

For Tamil Nadu alone, the PSU banks have set a target of Rs 51,000 crore towards farm loans (against Rs 36,000 crore last year), said M. Narendra, Chairman and Managing Director of Indian Overseas Bank.

Of this, 60 per cent will go toward crop loans, and remaining for use in buying tractors, constructing cold storage facilities and mechanisation.

Briggs & Stratton eyes \$50-m sales turnover in three years

Bangalore, Aug 25:

US-headquartered Briggs & Stratton, a producer of air-cooled gasoline engines for outdoor power equipment, plans to expand the capacity at its Coimbatore plant.

According to company officials, the New York Stock Exchange-listed firm had sales of \$2 million last year in India.

Briggs & Stratton, which had global revenues of \$2.1 billion last year, had acquired Coimbatore-based Premier Power Products in a \$3-million deal in 2011-12.

The company currently has a capacity to manufacture 7,800 units, which would be scaled up to 22,000 by 2015-1. It aims to reach annual sales turnover of \$50 million in the next three years.

“One of India’s great challenges in the next 50 years will be a transformation in the efficiency of its agriculture sector to support the growth of urban development, as the global economy opens up for the Indian entrepreneur,” Briggs & Stratton’s Managing Director (Europe, the Middle East and African region) Roger Jann told reporters here.

Jann said the company is looking at inorganic growth in India as well, eyeing acquisition of small and mid-sized companies making agriculture and construction equipment and generators.