

'Agriculture sector facing challenges with rising demand for food items'



The Indian Council of Agricultural Research (ICAR) is asking the Government to invest one per cent of the total agricultural Gross Domestic Product in agricultural research for the XII Five Year Plan," S. Ayyappan, Director General of ICAR, said here on Wednesday.

Delivering the convocation address of the Tamil Nadu Agricultural University, he pointed out that the agricultural research system at the national level was so strong that it was able to provide for the 122 crore population.

"Though India ranks high in production of certain commodities, the agriculture sector is facing many challenges with rising demand for food items and relatively slower supply response. The technological breakthroughs achieved in the 1960s are gradually waning. The agricultural scenario in Tamil Nadu too faces similar challenges even though its contribution to the agricultural development of the country is enormous," Mr. Ayyappan said.

Tamil Nadu contributed to the country's seven per cent of rice, five per cent of coarse cereals, nine per cent of maize, four per cent of oil seeds, and nearly 12 per cent of sugarcane. It produces 13 per cent of the country's bananas, 25 per cent of loose flowers, five per cent of milk, and 18 per cent of eggs. Namakkal was the egg basket of the country. The main challenges the State faced included holding a large chunk of rainfed area, erratic monsoons, and the only State to have faced the tsunami.

The Director General added that the ICAR was planning to set up a Centre for Disaster Management in the State. The Government was investing Rs. 10 lakh on a graduate, Rs. 15 lakh on a postgraduate, and Rs. 25 lakh on a Ph.D. scholar. Hence, the role of agricultural graduates was very vital to agriculture and the farmers.

Elaborating the way ahead for ICAR, the Director General said it would be a five-pronged approach: enhancing input use efficiency and reducing production costs, building resilient agriculture, overcoming abiotic and biotic stresses, promoting farm mechanisation, and improving post-harvest management.

Governor K. Rosaiah gave away awards to the rank holders and degree certificates to the candidates.

Biodiversity expo from today

An exhibition featuring the biodiversity of the Western Ghats, tribal health traditions, ethnic dishes, native species of livestock, cut flowers, ornamental fish, handicrafts and folk arts will be the highlight of the National Biodiversity Congress to held under the auspices of the Kerala State Biodiversity Board (KSBB) here on Friday.

The ticket fare for the exhibition to be held at Kanakakunnu Grounds is Rs.20 for adults and Rs.10 for children.

Traditional farmers and conservationists from different parts of the State will come together and share their experience and knowhow on conservation and agro-biodiversity at a special session as part of the expo.

'Crop-based growers' groups should bargain for better prices'

'It is better for farmers to enter the market as a group rather than individuals'



Abdul Aziz: 'Use group power and ICT'. — Photo: K. Murali Kumar

Noted economist Abdul Aziz believes that setting up farmers' organisations on the lines of the Federation of Karnataka Chambers of Commerce and Industry (FKCCI) will empower them to bargain for better prices for their produce and beat middlemen.

"There is a dire need to float crop-based organisations of farmers to increase farmers' bargaining power in the market. It is always better for farmers to enter the market as part of a group rather than individually. This could be an organisation of groundnut growers or tur dal growers or areca growers. The basic idea is to organise farmers on the basis of the crops being grown by them," Prof. Aziz told *The Hindu*.

But these organisations should not be cooperative unions as that would involve a lot of formalities such as registration process, besides paving the way for government as well as political interference. Instead, they should be general bodies of farmers completely managed by farmers themselves.

"Ideally, farmers themselves should form such organisations. But as it would amount to expecting too much from them, I suggest that NGOs with good track record and some concerned individuals and university teachers lend a helping hand."

He suggests that the government link the produce of the growers' organisations with the facilities for processing and value addition to get better prices. Similarly, growers' organisations should insist that government start an industry that makes use of the produce or take up value addition and processing. "We need such organisations if you want to prevent the recurrence of unfortunate incidents like farmers from Kolar dumping their tomato produce on Bangalore roads in despair following crash in prices." Prof. Aziz stressed the need to create awareness among farmers through Information and Communication Technology (ICT) on not only the price situation but also about the possibility of exploitation by middlemen. Forming such farmers' groups and price awareness would go a long way in helping farmers to get remunerative prices.

He also moots the concept of forming similar organisations to promote non-farming activities in rural areas. "This should include rural artisans such as potters, weavers and the like to explore better markets as well as remunerative prices for their products."

Debt-ridden farmer commits suicide

A farmer committed suicide at Guvvlegi village in Chegunta mandal late on Wednesday night. B. Rajaiah (38), who had migrated to Ankapur in Nizamabad district for livelihood and returned back recently. After returning, he dug borewells in the farm but they failed. Unable to find a way out of the debt trap, he committed suicide by consuming pesticide. Based on a complaint lodged by his wife Balamani, the police registered a case. – Staff Reporter

Minister allays fears of cotton growers

‘State will ensure purchase of maximum produce by CCI’



Help at hand: Minister for Agriculture Kanna Lakshmi Narayana interacting with a cotton farmer at the newly opened procurement centre in Guntur on Thursday. —Photo: T. Vijaya Kumar

Allaying concerns over falling prices of cotton and uncertainty over the quality of the produce, Minister for Agriculture Kanna Lakshmi Narayana on Thursday assured the farmers that the Centre and State governments would ensure that the Cotton Corporation of India would procure maximum cotton produced in the State.

Addressing farmers after opening a Cotton Procurement Centre on the premises of the agricultural market yard here, the Minister said a record output of 75 lakh bales was expected this season.

“The government has been considerate to scale up procurement through the CCI and an assurance to this effect has already been given by the Union government.”

With the CCI expected to buy at least 50 per cent of the expected production, farmers need not worry over the fall in prices.

General Manager of CCI, Guntur region, S.K. Panigrahi, said the new procurement centre on the chilli yard premises was the 10th in the district. The CCI had already procured 2.90 lakh quintals in the district. The procurement in Piduguralla alone was to the tune of 99,199 quintals.

The CCI had said that the daily procurement limit was pegged at 1,500 quintals. Registration slips would be distributed among growers a day before the procurement.

Special Grade secretary Narahari was present.

Recent farm loans too may get debt relief

The government is considering a proposal to enable farmers who had taken loans from cooperative institutions and other lenders after January 18, 2007, to draw the benefit of debt relief under the Kerala Farmers' Debt Relief Act of 2006.

Responding to a calling attention from Janata Dal (Secular) MLA M.V. Sreyams Kumar in the Assembly on Thursday, Agriculture Minister K.P. Mohanan noted that the Act had set January 18, 2007, as the cut-off date for a loan to be eligible for relief under the Act. "We are considering whether this cut-off date can be removed from the Act or extended [to cover farm loans taken subsequently]," Mr. Mohan said.

He noted that, considering the farm crisis and farmers' suicides reported from Wayanad last year, the government had brought loans taken by the farmers of the district till October 31, 2011, under the purview of the Debt Relief Commission.

He said the commission had received 4,10,549 applications for debt relief and had issued orders on 3,08,889 applications. The commission's office had been strengthened by posting three agricultural officers on special duty there.

An officer of the rank of additional secretary too had been posted at the commission's office as law officer to handle day-to-day legal issues.

The government was also examining a proposal to post six office assistants at the commission's office on deputation from government departments.

Medha Patkar extends support to farmers



Social activist Medha Patkar on Thursday lent her support to farmers losing land to Bangalore-Mysore Infrastructure Corridor being implemented by the Nandi Infrastructure Corridor Enterprise here.

Speaking at a rally at Freedom Park, Ms. Patkar said that several politicians and Chief Ministers of various parties had worked with many bureaucrats over the years to illegally notify land for the project.

“Managing director of Nandi Infrastructure Corridor Enterprise (NICE) Ashok Kheny has misused the special powers that he had been granted. Many violations are happening in the name of infrastructure,” she alleged.

The total extent of land required for the project is 20,193 acres, of which 13,237 acres of private land is required. However, the private land notified is 20,145 acres, she said. Ms. Patkar said that those affected most include people from minorities and Dalits, which is why the National Alliance of Peoples' Movements has decided to support residents and farmers in their struggle.

Earlier, Ms. Patkar visited Chikkathogur near Electronics City, Govindshettyalya and Pilliyahalli. Many residents in the area whose houses had been demolished also shared their grievances at the campaign.

The campaign was jointly held with the support of Dalit Sangharsh Samiti (Samyojaka), Karnataka Prantha Raita Sangha, National Alliance of Peoples' Movements and Samata Sainik Dal, among others.

Farmer ends life

Fakirswami Ningappa Huliyaal (36) , a farmer of Siddanakoppa near Katur in Mundgod taluk, allegedly committed suicide by consuming poison on Wednesday. He cultivated paddy in four acres and had taken loans from Katur Cooperative Society and Primary Land Development Bank. He was worried about repayment of loans, it is said. The Mundgod police have registered the case.

Farmers irked over dam water release to industries



TALE OF WOE: Farmers staging a road roko on Srivaikundam -Tiruchendur Road on Wednesday.— Photo: N. Rajesh

Farmers blocked traffic at Pudhukudi junction in Srivaikuntam on Wednesday protesting against the release of Tamirabarani dam water to industries.

Spearheading the agitation, D. Udhayasuryan, Chairman, Tamirabarani Project Committee, said the purpose of releasing water from Tamirabarani, Manimuthar and Servalar dams was to ensure irrigation of 86,000 acres under paddy cultivation in Tuticorin and Tirunelveli districts.

As per the directive of Chief Minister Jayalalithaa, water should have been released to raise crops on 46,000 acres in Tuticorin and 40, 000 acres in Tirunelveli for a period of 137 days from November 15. But unfortunately, the directive has not been implemented properly. Farmers, who are already frustrated over the failure of Southwest and Northeast monsoons, find that the major amount of water released from the dam is being supplied to industries.

TWAD Board officials unmindful of the precarious situation are keen on supplying water for industrial purposes under the 20 MGD scheme. Hence, efforts should be made to ensure water supply as promised by the Chief Minister, Mr. D. Udhayasuryan said. Vehicular traffic was

affected for an hour. RDO G. Latha reached the spot and assured remedial measures. Later, the crowd dispersed. DSP, Srivaikuntam, M. Mani, said cases were filed against fifty persons involved in the road roko.

“Declare Tuticorin a drought-hit district”

Grievance meet at the collectorate sees farmers seeking compensation of Rs.15, 000 an acre



Dried hopes: Farmers staging a protest in Tuticorin on Thursday.— Photo: N. Rajesh

Farmers relying on rain-fed cultivation appealed to Collector Ashish Kumar to declare Tuticorin district as a drought-hit region.

At the farmers' grievances redressal meet that was held here on Thursday, the farmers sought compensation for crops that had withered due to failure of monsoon.

Farmers from Ettayapuram taluk, Ottapidaram, Kovilpatti and Vilathikulam came to the collectorate carrying the withered maize crop and walked up to the Collector's podium and sought his intervention in the matter.

They demanded a compensation of Rs.15, 000 per acre for land where pulses and millets had been sown.

V. Subbaraman, vice president, Ottanatham village panchayat, appealed to the authorities to write off loans taken from cooperative banks and nationalized banks as they were unable to repay them. He also demanded supply of seeds and fertilizers to farmers, who were hopeful of a good monsoon in the coming days.

K.P. Perumal, district secretary, Tamil Nadu Vivasayigal Sangam, demanded a compensation of Rs. 25, 000 per acre of paddy field that had also dried up.

The Collector in his reply said that steps would be taken to provide compensation after an assessment was made.

Some farmers also claimed there was a delay in settling insurance benefits for the crop loss accounted in 2010-11.

They also sought extension of deadline for remitting insurance premium this year.

D. Udhayasuryan, Chairman, Tamirabarani Project Committee, said industries should be prohibited from drawing water from reservoirs meant for drinking and agriculture purposes.

The livelihood of farmers would be adversely affected if the authorities failed to curtail the use of water especially from Srivaikuntam anaicut under the 20 MGD scheme. As many as 46, 100 acres of paddy field were drying up for want of water, it was pointed out.

Stating that the subject was taken up at the recently concluded Collectors' Conference, the Collector said that a desalination plant has been sanctioned for the district and it would provide water for industrial operations.

The project would be taken up soon and it would be completed within two years.

D. Ranjithsingh Dhanraj, Joint Director of Agriculture, asked the farmers to adopt system rice intensification method to use water judiciously. Muthupandi, Executive Engineer, Public Works Department, Tamirabarani River Basin and M. Kanagaraj, Personal Assistant to Collector (Agriculture) were present.

Farmers lock up KIADB officials

Farmers from Dharwad, Bellary and Bagalkot districts held a protest outside the Karnataka Industrial Areas Development Board (KIADB) Special Land Acquisition Office here on Thursday against the alleged delay in distribution of compensation for their land acquired by the government.

The farmers shouted slogans against the KIADB officials and locked them inside the office.

They alleged that the officials were not releasing the cheques issued to them by the government as they wanted to be bribed. They picked an argument with Special Land Acquisition Officer S.S. Sampagav when he tried to pacify them. The farmers said KIADB had acquired hundreds of acres of land in the three districts and the government issued the cheques towards payment of compensation months ago. The officials handed over the cheques to those who paid bribes, they charged. "I have been running from pillar to post to collect the cheque. Every time I have to come down from Bellary. Let them release the cheque or give back our land," E. Govindappa said. The farmers did not agree to any request by KIADB officials and continued their protest till around 8 p.m. However, police officials from the Vidyagiri station convinced the farmers to open the locks. Later, police officials mediated between officials and farmers. Mr. Sampagav promised the farmers that verification of documents would be completed by Tuesday and cheques would be distributed on December 28. The farmers warned that the officials would have to face severe consequences if they failed to keep their word.

Paddy in 3,150 hectares hit

The Agriculture Department in its report to the government has said paddy crop in 3,150 hectares is facing threat for want of water in the district.

The report says that crop in 1,000 hectares at Kollengode; 700 at Alathur; 500 at Malampuzha; 350 at Chittur; 300 at Shoranur; 200 at Palakkad; 50 at Kuzhalmannam, and 50 hectares at Sreekrishnapuram was affected.

The report said water from reservoirs was being made available for paddy cultivation under strict regulations till the end of January.

Officials said raw coconut would be procured from farmers from December 25. Krishi Bhavans in areas with large-scale cultivation of coconut would start the procurement in the first phase.

The government would procure coconut only from the farmers who had registered with the krishi bhavans.

weather

Chennai

Chennai - INDIA

Today's Weather



Partly Cloudy

Friday, Dec 21

Max Min

29.6° | 22.9°

Rain: 0

Humidity: 79

Wind: normal

Sunrise: 06:26

Sunset: 05:47

Barometer: 1013

Tomorrow's Forecast



Cloudy

Saturday, Dec 22

Max Min

31° | 23°

Extended Forecast for a week

Sunday Dec 23	Monday Dec 24	Tuesday Dec 25	Wednesday Dec 26	Thursday Dec 27
31° 23° Cloudy	26° 23° Overcast	26° 24° Overcast	25° 23° Overcast	26° 23° Overcast

Airport Weather

Delhi

Rain: 0

Humidity: 66

Wind: normal

Sunrise: 07:09

Sunset: 05:29

Barometer: 1016



THE HINDU Business Line

TODAY FARM NEWS

21.12.2012 A.M

20thdec 2012 P.M

Coonor tea association to take trade delegations upcountry

To mark its Golden Jubilee year, Coonor Tea Trade Association (CTTA) will take trade delegations to different parts of the country for garnering support to the quality teas offered in its auctions in 2013.

A delegation of producers, buyers, auctioneers and small growers led by CTTA Chairman Sunil Goyal has just returned after interactive sessions with traders in Ahmedabad and Mumbai.

“We introduced samples of the wide range of teas which will be auctioned through CTTA to a large cross-section of traders, wholesalers, retailers and blenders.

“We received positive feedback and since Gujarat and Maharashtra are the hub of quality-conscious markets in western India, we look forward to forceful support from them to our teas in 2013”, Goyal told *Business Line*.

Downtrend continues in spot rubber

Spot rubber lost further on Thursday. Declines in the domestic futures and the absence of genuine buyers kept the commodity under pressure during the day.

Meanwhile, the Key TOCOM rubber futures also turned weak as crude oil and global stocks dropped after the talks to avoid a fiscal crisis in the US failed to materialise.

Sheet rubber surrendered to Rs 159.00 (Rs 161.00) a kg according to traders.

The grade moved down to Rs 160.00 (Rs 162.00) a kg both at Kottayam and Kochi as reported by the Rubber Board.

The trend was partially mixed.

The January series declined to Rs 158.40 (Rs 161.87), February to Rs 160.65 (Rs 164.23) and March to Rs 162.99 (Rs 166.91) a kg while the April, May and June series remained inactive on the National Multi Commodity Exchange (NMCE).

RSS 3 (spot) slipped to Rs 173.32 (Rs 173.82) a kg at Bangkok.

The December futures expired at ¥267.5 (Rs 174.78) a kg while the January futures dropped to ¥268.1 (Rs 175.17) from ¥272.7 a kg during the day session but then finished unchanged in the night session on the Tokyo Commodity Exchange (TOCOM).

The spot rubber rates Rs/kg are: RSS-4: 159.00 (161.00); RSS-5: 153.00 (155.00); Ungraded: 147.00 (149.00); ISNR 20: 149.00 (150.00) and Latex 60%: 105.00 (105.00).

Lower price for cotton set to cut into cottonseed demand



Lacklustre demand for cotton is likely to cast its shadow on the demand for cottonseed next kharif season. Industry experts foresee a certain downward trend in the seed sales next year if the present situation continues in the cotton sales season. The industry is forecasting a flattish uptake from farmers next year, if the cotton prices improve to Rs 5,000 a quintal.

Unlike in the past, the seed industry is saddled with huge inventories this time. The carry-over stock is put at two crore packets (of 450 gm each) as against the likely demand of four crore packets next year. The estimated production for this seed production season is pegged at 3.5 crore-4 crore.

Andhra Pradesh, a major contributor to the seed production, has witnessed some strain in the rabi season (the seed production season for major crops) because of the Nilam cyclone in the sowing season.

The drought-like conditions and lack of power too contributed to the farmers woes.

“The cottonseed belt of Mahboobnagar district was adversely impacted this season,” Ramakrishna, President of Seed Growers’ Association, which is affiliated to the CPI(M), said.

P. Sateesh Kumar, Former President of Seedsmen Association, said the cotton acreage saw a dip of 10 per cent in the North. In Maharashtra too, the acreage fell by 3-4 per cent. Andhra Pradesh alone witnessed a record acreage of 52 lakh acres this year, surpassing the paddy area.

Andhra Pradesh is a major player in the seed industry with a total production of 40.50 lakh quintals of seed last year.

Though paddy and groundnut had lion’s share of 15.20 lakh and 12.66 lakh quintals, the production of cottonseed doubled last year from 22,000 quintals to 41,200 quintals.

The hopes of farmers were dashed following series of dry spells and the clone in the kharif. As a result, the yields and production came down significantly.

The market prices for cotton too are not encouraging, forcing them to sell the commodity below the minimum support price in some mandis.

“If the situation remains the same in the next few months, the prospects would not be very promising for the seed industry next season,” he said.

The drop in acreage in the North was attributed to the sudden spurt in the interest in guar.

“We have seen traction in Andhra Pradesh too. We are told farmers in Anantapur went for this crop that is in huge demand,” Sateesh Kumar said.

A top executive of seed company, who doesn’t want to be named, said that the situation could change the cotton prices go up to Rs 5,000 towards end of the buying season.

Ace offers sops for cotton delivery

In a bid to boost cotton delivery, Ace Derivatives and Commodity Exchange has offered to waive off testing and assaying charges for participants who deposit their goods in the exchange-accredited warehouses and deliver the same on its platform. Further, Ace will also forego labour charges for loading and unloading of goods subject to maximum of Rs 4,000 for a lot of 100 bales and one month warehouse rent. The concessions will be applicable for cotton goods deposited in the exchange accredited warehouses from December 21 and remain in force till further notification, said Ace in a press release. The special concession scheme is to encourage hedgers' participation and promote delivery in cotton contracts, it said.

Bayer Group biologics as the way to cut pesticide residue

Partnerships are the key to the success of the global vegetable food value chain," top officials of Bayer CropScience, one of the three subgroups of German conglomerate Bayer AG, with annual sales of close to €7.3 billion, told a gathering of about 200 industry experts and international vegetable food chain representatives.

The occasion was the inaugural of the Vegetable Future Forum here.

Horticulture crops fruits and vegetables account for the largest share of the company's crop portfolio and the company is a global leader in fruits and vegetables crop protection.

India is the world's second largest producer of fruits and vegetables. Yield, quality and chemical residue are among the issues these crops face.

Asserting that 'biologics' was the way forward to address these issues, company officials explained that a combination of modern chemistry or chemical solutions and 'innovative biological pest management solutions based on natural microorganisms or microbial extracts' will help improve vegetable production, yield and quality.

Importantly, use of biologics will result in a reduction in pesticide residue on crops.

For Bayer CropScience, offering biologics as a strategic addition to its product portfolio became possible with the acquisition of AgraQuest in the third quarter of this year for \$425 million.

AgraQuest is a leading company with strong technology platform and promising pipeline of products for the market. The company owns reputed brands such as Serenade, Sonata and Rhapsody.

“Molecular biology, small molecules and biologics can be efficient solution providers for unmet customer needs”, company officials said adding the grower benefits from higher yield and improved quality.

Bearish futures, slack offtake turn sugar sour

Sugar prices on the Vashi market extended further loss on Thursday tracking bearish futures markets and eased physical demand. Spot prices declined by Rs 4-5 for S-grade, while M-grade ruled unchanged. Naka level S-grade sugar dropped by Rs 10-15 and M-grade by Rs 20.

Mill tender rates for M-grade dipped by Rs 20. Volume remained normal on ample supply from mills. Sentiment was calm at lower level.

Sources said continuous supply from mills in absence of bulk demand business became routine this month. Neighbouring States buying is lacking since long in Maharashtra forcing producers to concentrate on local markets. Prices in other centres are ruling at par with Maharashtra. Vashi market carries ample inventory stocks of more than 100 truckloads hence stockists keep away from building new inventory. Though freight rates have increased by Rs 5-10 a bag, they have had no effect on the prices due to poor demand.

In Vashi market, arrivals were 64-65 truckloads (each of 100 bags) while dispatches were 62-63 loads. On Wednesday about 15-17 mills offer tenders and manage to sell about 64,000 - 65,000 (each of 100 kgs) bags to local traders at the rates of Rs 3,170-3,250 (Rs 3,170-3,250) for S-grade and Rs 3,240-3,340 (Rs 3,260-3,340) for M-grade.

On National Commodities and Derivatives Exchange, January futures dropped by Rs 16 to Rs 3,253 (Rs 3,269), February to Rs 3,308 (Rs 3,323) and March to Rs 3,360 (Rs 3,358).

Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,312-3,391 (Rs 3,316-3,391) and M-grade Rs 3,412-3,561 (Rs 3,412- 3,561).

Naka delivery rates were: S-grade Rs 3,270-3,300 (Rs 3,280-3,315) and M-grade Rs 3,350-3,450 (Rs 3,350-3,480).

Export buying lends flavour to jeera



Jeera prices on futures market improved on fresh export enquiries, though spot jeera was stable.

According to market sources, upcountry and Bangladesh demand continued.

Trading activities are slow due to announcement of results to the Gujarat Assembly Elections.

On the National Commodity and Derivatives Exchange (NCDEX), jeera December contract was up by Rs 30 to Rs 14,925 a quintal with an open interest of 906 lots, while January delivery gained Rs 65 to Rs 15,875 with an open interest of 13,605 lots. NCDEX accredited warehouses jeera stocks dropped by 94 tonnes to 2,597 tonnes.

Jeera medium was traded at Rs 2,375-2,475 for 20 kg, NCDEX quality raw quoted at Rs 2,680-2,780 at Unjha market in Gujarat. Arrival stood at 4,000 bags.

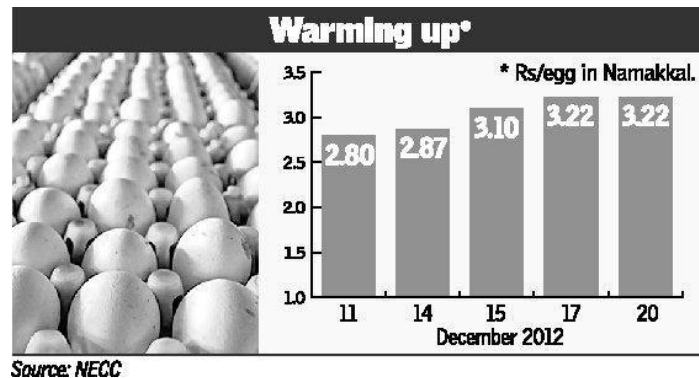
A trader said that fresh enquiries are coming from Bangladesh for the Indian origin jeera.

Export demand should rise in the coming days as supplies from Syria and Turkey are negligible in the global market.

According to markets sources, about 75 per cent of the export target has been achieved due to a supply crunch in the global markets.

Higher stocks for delivery on the exchange warehouses may pressurise prices.

Poultry products hatch gains on winter, retail demand



With the onset of winter and pick-up in retail demand, poultry producers are a cheerful lot as product prices continue to rise.

On Thursday, the National Egg Coordination Committee (Namakkal zone) increased the price of an egg by 33 paise to Rs 3.22 (Rs 2.87).

Meanwhile, Palladam-based Broiler Co-ordination Committee (BCC) has increased the rates of cull birds by Rs 4 a kg to Rs 62. Broiler prices touched a record Rs 75/kg in April last year.

Spiralling input costs, pick-up in consumption due to winter and spurt in confectioneries' demand on account of Christmas are the reasons for its decision to increase the price.

Prices of egg feed are now ruling at Rs 22 a kg against Rs 15 last year and that of broiler feed are at Rs 2,486-2,475-kg bag against Rs 1,849 last year.

"Poultry prices are likely to increase in the coming days because of the approaching Christmas and New Year festivals besides the winter season," NECC sources said.

NECC has hiked layer rates (for birds of 1.3 kg) to Rs 40 (Rs 36).

Namakkal and Palladam prices are the benchmarks for eggs and chicken respectively in the country.

Shipments rise

On the export front, egg shipments from India increased to 736.82 lakh in November this year against 302.28 lakh in the same period last year. This is mainly because of exporters tapping newer markets such as Afghanistan and Morocco.

Mustard oil up despite weak demand



Mustard oil gained marginally today on improved demand and weak arrival. In *mandis* here, it was up Rs 4 on Thursday to Rs 756 for 10 kg. In Neemuch and Moorena also, mustard oil rose to Rs 750 (up Rs 3) and Rs 760 (up Rs 5) respectively. In Rajasthan, mustard oil gained Rs 10 each in Kota and Jaipur at Rs 760 and Rs 775 respectively, while it was quoted Rs 15 up in Shree Gangar Nagar at Rs 765. In Gujarat, it rose by Rs 5 to Rs 755 on improved buying support. Though prices have risen, demand remains, as palm, super palm and cottonseed oils are cheaper, said trader, Kailash Agrawal.

Due to tepid trade today because of *mandis* elections, mustard oil ruled flat at Rs 4,500 a quintal. Weak buying pulled down mustard seeds' December and January contracts on the National Commodity and Derivatives Exchange to Rs 4,110 (down Rs 38) and to Rs 4,240 a quintal (down Rs 8). Compared with last week, the contracts have dropped by Rs 40 and Rs 48. However, plant deliveries of mustard for Jaipur line on Thursday were quoted at Rs 4,350-4,370 a quintal (against Rs 4,240-4,270 last week).

Because of higher sowing, mustard output is estimated to rise this year to 65-70 lakh tonnes against 59 lakh tonnes last year. Till December 14, mustard was reported to have been sown in 63.61 lakh hectares, 3 per cent more area compared with the last year during the same period.

On Thursday, 70,000 bags of mustard seeds arrived all over the country: 4,000 in Madhya Pradesh, 6,000 in Uttar Pradesh, 42,000 in Rajasthan, 8,000 in Punjab and Haryana, 4,000 in Gujarat and 6,000 elsewhere.

Turmeric rises despite higher arrivals



Spot turmeric rose by Rs 200 a quintal on Thursday despite higher arrivals and lower demand from other States.

“Sales dropped as over 5,500 bags arrived. Poor quality pulled down the hybrid variety by Rs 400 a quintal. But in Erode and Gobichettipalayam Cooperative Societies, prices increased by Rs 200 a quintal,” said Erode Turmeric Merchants Association President R.K.V. Ravishankar.

Though export purchases fell due to lower demand from other States, stockists were buying as usual. Prices will hover about Rs 6,000 a quintal for some time, traders said. Farmers said they still have more than 25 lakh bags. At the Erode Turmeric merchants Association sales yard, the finger variety was sold at Rs 4,299-5,899 a quintal, the root variety at Rs 3,819-5,377.

Salem hybrid crop: The finger variety was sold at Rs 4,891-7,017, the root variety Rs 4,609-5,709. Of the 1,287 bags that arrived, 502 were sold.

At the Regulated market Committee, the finger variety was sold at Rs 4,709-6,139, the root variety at Rs 4,699-5,599. All the 768 bags kept for sale were sold.

At the Erode Cooperative Marketing Society, the finger variety fetched Rs 5,081-6,184, the root variety at Rs 4,859-5,679. All the 547 bags kept for sale were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 3,899-6,072, the root variety at Rs 3,189-5,172. All the 101 bags kept for sale were sold.

Business Standard

TODAY FARM NEWS

21.12.2012 A.M

Cardamom rises as demand picks up

Cardamom prices rose by Rs 5.50 to Rs 1005.50 per kg in futures market today as speculators created fresh positions, driven by rising demand in spot market against lower arrivals from producing belts.

At the Multi Commodity Exchange, January cardamom rose by Rs 5.50, or 0.55% to Rs 1005.50 per kg in business turnover of 345 lots.

The February contract edged up by 60 paise, or 0.06% to Rs 1044.90 per kg in 80 lots.

Market experts said fresh positions created by speculators, driven by a rise in demand in the spot market amid lower arrivals from producing belts mainly helped cardamom prices to trade higher at futures trade.

Chana remains up on strong demand

Chana prices maintained their upward march for the third straight day and gained Rs 18 to Rs 4,175 per quintal in futures trade today as traders enlarged their positions following upsurge in demand in the spot market.

However, hopes of higher output this year limited the gain.

At the National Commodity and Derivatives Exchange, chana for delivery in December month gained Rs 18, or 0.43%, to Rs 4,175 per quintal, with an open interest of 3,800 lots.

January contract edged up by Rs 9, or 0.22% to Rs 4,029 per quintal in 82,240 lots.

Traders said speculators enlarged their positions following upsurge in demand in the spot market and kept chana futures remain higher for third day.

Pepper down 1.38% on weak export demand

Pepper prices moved down by Rs 490 to Rs 35,070 per quintal in futures trade today as speculators trimmed their positions on weak export demand.

At the National Commodity and Derivatives Exchange, pepper for delivery in March month fell by Rs 490, or 1.38% to Rs 35070 per quintal with an open interest of 550 lots.

Similarly, the spice for delivery in the February contract declined by Rs 395, or 1.10% to Rs 35,375 per quintal in 2348 lots.

Marketmen attributed the fall in pepper futures to weak export demand, triggering offloading of positions by speculators.

Potato recovers on spot demand

Potato prices recovered by Rs 4.10 to Rs 674 per quintal in futures trade today as speculators created fresh positions, driven by a rise in demand in the spot market.

However, easy availability of stocks in the physical market due to increased arrivals from producing belts limited the gain.

At the Multi Commodity Exchange, April contract recovered by Rs 4.10, or 0.61% to Rs 674 per quintal in business turnover of 3 lots.

The March delivery traded higher by Rs 3.30, or 0.47% to Rs 711.90 per quintal in 16 lots.

Market analysts said improved demand in the spot market due to ongoing marriage season mainly helped potato prices to trade higher at futures market.

Ace offers concession to cotton depositors

Ace Derivatives and Commodity Exchange (Ace), a Kotak Mahindra Group-anchored commodity exchange, announced the launch of a special concession scheme to encourage hedgers' participation and promote delivery in its cotton contract. The exchange facilitates waiving off testing and assaying charges in addition to labour charges for loading and unloading

of goods up to Rs 4,000 per lot of 100 bales and rent for the first month of deposit to initial depositors of cotton. The scheme will be effective from December 21.

Wheat up 0.5% on short-covering

Supported by covering-up of short positions by speculators and a pick up in spot demand, wheat prices rose 0.50% to Rs 1,620 per quintal in futures trade today.

At the National Commodity and Derivatives Exchange, wheat for delivery in December edged higher by Rs 8, or 0.50%, to Rs 1,620 per quintal in an open interest of 680 lots.

January wheat gained Rs 2, or 0.13%, to Rs 1,597 per quintal, having an open interest in 13,580 lots.

Marketmen attributed the rise in wheat prices at futures trade to covering-up of short positions by speculators amid a pick up in demand from flour mills in spot markets.

Sugar remains low on weak demand, high supply

Continuing to slide, sugar prices fell further by 0.52% to Rs 3,252 per quintal in the futures trade today as speculators reduced exposure amid weak demand from bulk consumers and ample supplies in the spot market.

At the National Commodity and Derivatives Exchange, sugar for delivery in January declined by Rs 17, or 0.52%, to Rs 3,252 per quintal, with an open interest of 30,290 lots.

February sugar shed Rs 14, or 0.42% to Rs 3,309 per quintal, in an open interest of 14,600 lots.

Marketmen said continued fall in sugar futures prices was mostly due to reduced offtake by bulk consumers as demand usually declines during the winter season amid higher supply in the spot markets.

Cotton yarn prices spurt on seasonal demand

Cotton yarn prices jumped 14 per cent in two weeks on a sudden spurt in demand from both the domestic as well as international markets.

The benchmark variety of cotton yarn for 30's combed, shot up to Rs 200 a kg today, from Rs 175 a kg about a fortnight ago in the spot Ludhiana market. In Mumbai's popular yarn market, the commodity was traded at Rs 195 a kg versus Rs 170 a kg about two weeks ago.

"Export of cotton yarn has been on a rise due to bulk demand coming in from India's inherent buyer, China. Also, seasonal domestic demand has started picking up. Rising demand has supported the textile raw material price to move northward," said Bharat Malkan , a Mumbai-based cotton yarn trader.

FLYING HIGH

Registration of contracts for cotton yarn export

Month	In mn kgs
Mar	64.227
Apr	62.811
May	74.455
Jun	82.419
Jul	94.507
Aug	83.055
Sep	64.269
Oct	94.462

Source:DGFT

Generally, the demand for cotton apparel hits the roof during the summer season. To meet this surge in demand, apparel manufacturers require adequate raw material stocks at least four months in advance. In India, the summer season sets in during March and the demand for cotton textiles coincides with that. Hence, apparel manufacturers have already started preparing for the coming summer season demand.

Meanwhile, yarn manufacturers and traders found this favourable opportunity after months of downward trend. With global economies in a shaky mode, international demand for apparel was also in the doldrums till recently.

Yarn traders and exporters hope the trend will continue till the end of the current year, on uninterrupted buying from China and increased potential for imports from Bangladesh, another major buyer of Indian cotton yarn.

“We feel cotton yarn prices will move higher from these levels in the coming months, due to constant good demand from the domestic industry, as well as from China,” said Rajneesh Bhatia, COO, yarn division, Trident.

Export of cotton yarn to China is expected to continue its uptrend, as cotton in that country is priced nearly 20 cents a pound higher than in the international markets. Besides, wages are on the rise. As a result, China is now cutting on spinning activities and focusing more on value-added items.

Bangladesh is also importing cotton yarn from India in a big way. It does not produce cotton or cotton yarn and only focuses on manufacturing finished products.

The Cotton Advisory Board has pegged the target for cotton yarn export at 920 million kg for the current year. Last year, India exported 827.68 million kg, according to the Directorate General of Foreign Trade (DGFT). In October, cotton yarn export registration went up 47 per cent to 94.46 million kg compared to 64.26 million kg in September, according to DGFT.

Earlier, the textile commissioner had said cotton exports this year would stand at seven million bales, compared with 12 million bales (a bale is 170 kg) last year, as China, which accounts for about 65 per cent of India's cotton exports, was cutting imports by half.

The other reason for prices moving up is lower availability, as mills in the south are unable to operate to capacity due to lack of power.

Quality issue in warehoused pepper

The Kerala unit of the Food Safety and Standards Authority of India (FSSAI) has sealed the entire quantity of pepper stored in six warehouses at Kochi, Kerala, about 5,000 tonnes worth

Rs 18 crore, after saying it found traces of mineral oil in the stock. The warehouses were accredited by the National Commodity & Derivatives Exchange (NCDEX).

FSSAI acted on complaints by a couple of participants in the exchanges. Said an FSSAI official from Kochi, “We have sent the sample of pepper to the laboratory and the report is awaited. We have asked the warehouse keepers not to engage in any trading without our permission.” Chillies and other spices stocked in these godowns have also been blocked for delivery.

Used to improve pepper’s appearance, mineral oil’s use here is prohibited globally. Tasteless and odourless, it is used in baby lotions, cold creams, ointments and cosmetics. Following the global norm, the Indian government has prohibited its use in food articles.

PEPPER TROUBLE

- Food Safety and Standards Authority of India seals six NCDEX-accredited warehouses
- Finds traces of ‘mineral oil’ - a prohibited substance — in pepper deposited in various godowns
- No mention of mineral oil in contract specification
- FMC to look into such statutory issues now

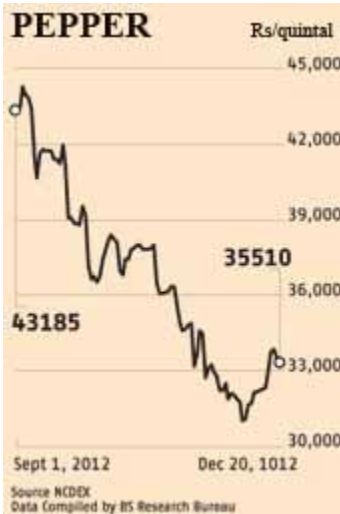
However, a clause prohibiting use of mineral oil was not mentioned in the contract specification designed by the exchange and approved by the commodity derivatives market regulator, the Forward Markets Commission (FMC). It was assumed the global norm would be obeyed. Though most export specifications specifically mention ‘free from oil wash’, the local specifications usually do not.

“The exchange has sent its officials to look into the matter. We are in touch with FSSAI for further course of action,” said an NCDEX official.

Late last month, FMC investigated the issue on complaints by a Mumbai-based commodity manufacturer and trader. Its officials inspected and found the pepper stored in these warehouses conforming to the quality specified in the contract specification. Hence, the regulator gave a clean chit.

An FMC official said, "The complaint lodged with us was primarily with regard to high moisture content and light berries in the product. We found no truth in this complaint. Apparently, the complainant is sitting with high stocks, which it bought at very high prices. Since, the price has

crashed since then, the complainant is furious."



Pepper prices have fallen around 15 per cent in the past three months, to trade at Rs 35,450 a quintal today for delivery in February 2013 on the NCDEX, from Rs 41,500 a qtl on September 20.

Ramesh Abhishek, the chairman of FMC, said, "The mineral oil issue has been raised for the first time. We would look into all standards set by various agencies, including FSSAI and other statutory bodies, and take a view soon."

Traders fear no delivery of pepper on the NCDEX platform, as the exchange does not have any in any other warehouse.

Agriculture department expects up to 55% fall in crop production

AURANGABAD: Water scarcity in the region has started impacting crops. The agriculture department has said that crops would see a dip in production due to non-availability of water. Production of sugarcane, maize, cotton, jowar, bajra and tur along with other crops will fall by 30 to 55 %.

Of the total area of 23,000 hectares under sugarcane cultivation in Aurangabad district, 5,000 hectares has been taken up for fodder and only 18,000 hectares of sugarcane cultivation is available. From this area the agriculture department is projecting a total output of 1,080,000 metric tonnes of sugarcane in the current season. In the last season, the total output of sugarcane from 23,000 hectares area was close to 14,49,000 metric tonnes. In 2010-11, the production of sugarcane was 11,50,000 metric tonne from 17,700 hectares.

The department's official said a drop in the production was due to scanty rainfall. "Farmers had planned for sugarcane at the beginning of the season, but reduced the area under cultivation because of non-availability of fodder," he said. Farmers get immediate cash on selling fodder moreover they had projected poor crop ahead in the season.

Similarly, in the current season, cotton cultivation was done on 4,43,000 hectares area and the production is expected at 2,21,500 metric tonne. Cotton production in the district had touched 4,06,395 tonnes mark in 2011-12. The total area under cotton cultivation in last season was 3,79,100 hectares. In 2010-11, the production was at 4,81,540 metric tonne from 3,32,900 hectares..

Maize production was also hit. Its production is expected to come down from 5,10,142 metric tonne in 2011-12 to half in 2012-13. Last year, maize was grown in 1,47,100 hectares land as compared to 1,30,000 hectares.

Debt-ridden farmer commits suicide in Kanpur

KANPUR: Mahendra Singh (30), a farmer, committed suicide allegedly by hanging himself after his father failed to repay the loan taken for buying a tractor. The incident took place at Pichaura village under the limits of Rajpur police station in Kanpur Dehat district on Wednesday.

According to reports, Mahendra's father Bharat Singh had borrowed a loan from the bank for purchasing a tractor. He bought the tractor, but could not repay the loan as the vehicle developed some kind of major technical snag following a mishap, which pushed him into a severe financial problem.

The suicide came to light after the house inmates discovered Mahendra's body hanging from the ceiling of his room. He was rushed to the hospital but attending doctors declared him brought dead.

Victim's relatives admitted before the investigating cops that Mahendra's father Bharat Singh had obtained a loan of Rs 3.14 lakh from the Bank for purchasing the tractor.

"We have enquired his family members and found that Mahendra was under severe depression following a notification from the bank informing his father Bharat Singh that if the latter fail to repay the loan, his property would be attached," said SP, Kanpur Dehat Ram Kishun.