THE HINDU

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‘Set up welfare board for farm labourers'

Special Correspondent

The All-India Agriculture Workers' Union has demanded that the State Government allocate separate funds in the budget to set up a welfare board for agricultural labourers.

AIAWU State unit president Nityanandaswamy, who is also the State secretariat member of the CPI(M), told presspersons here on Friday that Karnataka should emulate its neighbours such as Andhra Pradesh, Tamil Nadu and Kerala, that had introduced an Act to protect the interests of the farm labourers, apart from establishing welfare boards.

Mr. Nityanandaswamy said that in the absence of such a board, the farm labourers, who constituted more than 25 per cent of the population in the State, were migrating to bigger cities in search of employment.

However, he added that studies had revealed that the migration of agricultural labourers was not an issue in Andhra Pradesh, Tamil Nadu or Kerala because of the presence of the Act and the welfare boards that protected their interests. Mr. Nityanandaswamy said even in the farm budget presented last year, the Government had not provided separate allocation for the welfare of agricultural labourers. “Successive governments in the State have neglected the interests of the agricultural labourers. This will not be accepted any more,” he said.

He said that the failure of the State Government to implement the Mahatma Gandhi National Rural Employment Guarantee Act had added to the woes of the agricultural labourers. The funds available under the MNREGA should have been utilised to provide mandatory 100 days of employment to the agricultural labourers when they were out of jobs, he said. Mr. Nityanandaswamy said the State Government should also provide houses under various schemes to the homeless agricultural labourers. Fifty per cent of the cost of the houses should be provided as subsidy, and the remaining 50 per cent as loan at subsidised interest rates, according to him.

The agricultural labourers in the State would participate in a ‘Vidhana Soudha Chalo' programme on February 27 in Bangalore to draw the attention of the State Government to the problems they were facing. Mr. Nityanandaswamy said that the Central Committee of the AIAWU would be meeting in Bangalore on February 26 and 27 to discuss various issues concerning agricultural labourers.

- *‘The Government's failure to implement MNREGA properly has added to their woes'*
- *Successive governments have neglected the interests of farm labourers: Nityanandaswamy*

KOLLAM, February 18, 2012

Cattle-feed subsidy may be raised

Minister for Dairy Development K.C. Joseph said that the government was seriously considering increasing the subsidy on cattle feed. He said this while inaugurating the district dairy farmers meet and seminar at Anchal near here on Friday.

The Minister said that various schemes would be implemented during the 12th Five Year Plan to increase milk production in the State. The aim was to attain self sufficiency in milk production. He said that the increase in the price of milk had come as an encouragement to dairy farmers. After the milk price was raised, milk production in the State had gone up by 25 per cent. Yet the State continued to import about 7 lakh litres of milk a day. To help dairy farmers, the State government had requested the Union government to bring dairy sector under the Mahatma Gandhi National Rural Employment Guarantee Scheme.

The government had also suggested to the bankers to extend to the dairy farmers loans provided to the agricultural sector. He wanted the grama panchayats to ensure that the MGNREGS was utilised for constructive purposes rather than mere creation of jobs.

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Expert calls for paradigm shift in agriculture research

‘Undue emphasis being laid on genetically modified crops'

Sage advice:Center for Sustainable Agriculture Executive Director G.V. Ramanjaneyulu addressing a seminar at Regional Agricultural Research Station in Guntur on Friday.—Photo: T. Vijaya Kumar

The Green Revolution in India was possible due to import of advanced technologies from developed countries, mainly the U.S., and a dominant role played by the government, which extended remarkable assistance to farmers in producing crops and selling them at remunerative price. In the post-Green Revolution scenario, India continued to adopt technologies that were best suited for large land holdings such as those in the U.S., where agriculture was heavily subsidised and the regulatory agencies played their role to perfection.

“The situation in India is altogether different. Research is being done from the government's own perspective rather than on the basis of ground realities, which is reflected in the sordid plight of farmers,” said G.V. Ramanjaneyulu, Executive Director of Centre for Sustainable Agriculture (CSA), Hyderabad.

Pest management

Addressing a seminar on ‘Agricultural research in post-Green Revolution era – Need for a paradigm shift' organised by the Jana Vignana Vedika at the Regional Agricultural Research Station (RARS) at Lam here on Friday, Mr. Ramanjaneyulu said at a time when the food basket needed to be diversified for feeding the billion plus population and for sustaining the agriculture sector, paddy, cotton, maize, and groundnut constituted 80 per cent of the crops cultivated in India.

Instead of focusing on ‘pest management', scientists were harping on ‘pesticide research', whereas the emphasis ought to have been on finding new ways of reducing the usage of pesticides whose harmful consequences were very well known.

Mr. Ramanjaneyulu expressed regret that enough thought did not go into the reasons for farmer suicides which, according to the National Crime Records Bureau, numbered a staggering 2,56,913 in a span of 15 years (1995-2010).

Undue emphasis was laid on genetically modified crops, which might be high-yielding but not disease-resistant in the long run. Fertilizer subsidy bill topped Rs. 1,00,000 crore, as farmers preferred using these chemicals oblivious to the rising demand for organic foods.

A lot of research was required to be done keeping such crucial things in mind as otherwise agriculture was not going to be sustainable in the medium to long terms, Mr. Ramanjaneyulu observed.

RARS Associate Director K. Sankar Reddy and N. Venugopala Rao of Jana Vignana Vedika spoke.

- *India continues to adopt technologies best suited for conditions prevailing in the U.S, he says*
- *Executive Director of CSA says enough thought has not gone into reasons behind farmer suicides*

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Negative growth in agriculture sector

Services sector pushes up the overall growth

The agriculture sector known for its resilience and posting high growth rates in spite of adversities in the recent past has registered a negative growth (-1.54) as per the Advances Estimates presented in the Assembly on Friday.

According to the Socio Economic Survey for 2012-13, the sectoral composition of the Gross State Domestic Product (GSDP) has witnessed a considerable change in the past few years with marked shift from agriculture to services.

The share of agriculture declined from 25.1 per cent in 2004 to 19.2 per cent in 2011. The contribution of industry, however, improved marginally from 24.3 per to 25.7 per cent during the period. Interestingly, the share of services increased significantly from 50.6 to 55.1 per cent.

Services sector comprising trade and hotels, transport by other means, communications, banking insurance, real estate and business, community, social and personal services continued to be the growth engine for pushing up the overall growth. It registered a healthy 9.8 per cent growth with communication, banking and insurance taking the major share. With faster, sustainable and more inclusive growth being the theme of the XII Plan, the State is targeting double digit growth during the period setting ambitious targets of 6 per cent for agriculture, industry (10.5) and services (11.5).

Notwithstanding these adversities, the Provisional Census 2011 revealed certain favourable trends. A significant decline is observed in the rate of growth of population during 2001-11 from 14.6 per cent in 1991-2000 to 11.1 per cent 2001-10. With a population of 8.47 crore, the State accounts for seven per cent of country's population making it the fifth most populous State. Another positive development is the change in the sex ratio. It is up from 978 in 2001 to 992 in 2011 and higher than country's 940 in 2011. The government claimed credit for this favourable trend in sex ratio by attributing it to its sustained efforts in educating the people, especially those in the rural areas.

The overall literacy rate has gone up from 60.47 per cent in 2001 to 67.66 per cent in 2011 with male literacy moving up from 70.32 per cent to 75.56 per cent and that pertaining to females from 50.43 per cent to 59.74 per cent.

- *the Provisional Census 2011 reveals certain favourable trends*
- *A significant decline is observed in the rate of growth of population*

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Nutmeg farmers make merry

Staff Reporter

'Grenada's poor run, bad weather in Indonesia will keep demand steady'

Bad weather conditions in Indonesia, the world's largest grower, destruction of plantations in Grenada and irrepressible growth in demand in South America and Europe have made nutmeg farmers the men about town in India's spices country.

Nutmeg fetches an average Rs.700 a kg in the domestic market and mace commands between Rs.1,400 and Rs.1,500 a kg, said Muthuramalingam, a farmer in Pollachi, where farmers are held back from extending traditional inter-crop of nutmeg trees into full-scale plantations because of paucity of water and electricity. In Kerala's Angamaly-Kalady belt, the bastion of nutmeg cultivation in India, farmers are complaining of a new plant disease but still manage to smile because the average price of nutmeg rules around Rs.700 a kg, growing nearly three times in as many years. P. D. Zachariah, President of Nutmeg Growers' Association, representing about 10,000 farmers who plant nutmeg among other crops in mostly small plots, said that farmers were being richly rewarded by the current market conditions. However, the farmgate price was still unsatisfactory, he said.

According to Spices Board figures, acreage under nutmeg is a little over 16,000 hectares, spread over Kerala, Tamil Nadu, Karnataka and southern Maharashtra. Annual production is estimated at over 11,000 tonnes. About 10 per cent of the produce is exported as domestic demand continues to be robust.

Exports

The market trend is best reflected in export figures released by the Spices Board. India exported 2,100 tonnes of nutmeg and mace worth nearly Rs.98 crore during 2010-11. The volume soared to 2,900 tonnes between April and December 2011, fetching Rs.187 crore.

Demand

Jojan Malayali of Bafna Enterprises, a spices exporter, said that Indian nutmeg price ruled between Rs.750 and Rs.800 a kg f.o.b. (freight on board). Chairman of World Spice Organisation Philip Kuruvilla sees demand holding up given the current market conditions. He said Indian nutmeg was now being accepted in the European market after a bad spell of high rate of rejection.

Business Standard

Saturday, Feb 18, 2012

Trading ban on pulses will go only after Act tweak

BS Reporter / Mumbai February 18, 2012, 0:22 IST

The three-year ban on futures trading in pulses will stay for some time. The Forward Markets Commission on Friday said a decision on restarting futures trade in tur and urad will be taken only after the Forward Contracts Regulation Act (FCRA) is amended.

The amendments to FCRA — which seek to provide more powers to the commodities market regulator and clears the way for options trading in commodity futures — have been pending in Parliament. An ordinance to amend the Act lapsed after it failed to get Parliament nod within the six-month window, following which government reintroduced the amendment Bill.

“The parliamentary standing committee report is already out, indicating the price rise has no links with futures trading,” FMC Chairman Ramesh Abhishek told reporters here on the sidelines of a Global Pulses Conclave. The government, he said, is awaiting passage of the FCRA amendment Bill before taking any decision on lifting the trading ban on tur and urad.

Chana is the only pulse traded on the futures market. Both tur and urad were banned from futures trading in January 2007 to curb rising prices. There are five national — MCX, NCDEX, NMCE, ICEX and ACE — and 16 regional commodity exchanges in the country.

THE HINDU Business Line

Palm oil may test resistance level

Gnanasekaar . T

February 18, 2012:

Malaysian palm oil futures on BMD exchange ended sharply higher on Friday due to weather concerns in South America and hopes that a possible solution to the Greece crisis can be seen shortly. Concerns of a smaller soyabean crop in drought-hit Brazil and Argentina lifted CPO prices posting sharp gains. However, slowing demand and on-going concerns over the debt crisis could weigh on prices going forward. In signs of slowing demand, cargo surveyor SGS said Malaysian palm oil exports during February 1-15 fell by 4.3 per cent compared to almost 15 per cent from a month ago. Energy prices were higher supported by supply concerns as European buyers sought alternatives to sanctions-hit Iranian oil and the prospect of a revival in demand as Greece edged closer to a bailout deal.

CPO May futures rose higher perfectly in line with our expectations. As mentioned in the previous update, a test of the strong trendline resistance at 3,225 Malaysian (MYR) a tonne looked likely. A close above 3,240 MYR/tonne has opened the possibility of rise higher towards 3,700 MYR/tonne in the coming months. Initial resistance is at 3,350 MYR/tonne, from where a corrective decline can be seen. Support is seen at 3,215 MYR/tonne followed by important support at 3,175 MYR/tonne. Unexpected decline below 3,075 MYR/tonne could however, dent our bullish view.

We believe the impulse that began from 1,427 MYR/tonne, which hit 4,486 MYR/tonne ended and a prolonged corrective move has possibly ended at 1,335 MYR/tonne. In the big picture, a new impulse began from 1,335 MYR/tonne and the third wave with a projected objective of 3,900 MYR/tonne has been met. A corrective wave “B” has met one potential target near 3,465 MYR/tonne. A wave “C” kind of a decline ended at 2,755 MYR/tonne itself. A possible new impulse has begun now with immediate near-term targets in the 3,350-65 MYR/tonne range and long-term targets at 3,700 MYR/tonne. RSI is in the neutral zone now indicating that it is neither overbought nor oversold. The averages in MACD have gone above the zero line of the indicator indicating a bullish reversal. Only a cross-over again below the zero line again could hint at resumption in the down trend.

Therefore, look for palm oil futures to test the resistance levels.

Supports are at MYR 3,215, 3,175 and 3,085. Resistances are at MYR 3,270, 3,350 and 3,425.

(The author is the Director of Commtrendz Research and also in the advisory panel of Multi Commodity Exchange of India Ltd (MCX). The views expressed in this column are his own and not that of MCX. This analysis is based on the historical price movements and there is risk of loss in trading. He can be reached atgnanasekar_thiagarajan@yahoo.com.)

Mixed trend at Chennai foodgrains market

PTI

A storekeeper checks foodgrains at a market in Hyderabad. An RBI survey in 1Q FY12 suggests that households expect WPI inflation to rise to 12.7 per cent by the end of FY12.

Chennai, Feb 18:

Prices of tur dal, urad dal and moong dal declined while wheat and sugar went up at the wholesale foodgrains market here this week.

Tur dal opened the week at Rs 6,400 and declined by Rs 200 per quintal to end the week at Rs 6,200. Moong dal opened the week at Rs 6,000 per quintal, down by Rs 200 per quintal, from last week and maintained the same rate till the week-end.

Urad dal fell Rs 200 per quintal to Rs 5,200 on Monday and later recovered by Rs 100 per quintal to end at Rs 5,300.

On the opening day of the week, wheat went up by Rs 50 per quintal to Rs 1,800 and maintained the same rate until today.

Sugar opened higher by Rs 50 to Rs 2,900 and later receded to end at Rs 2,880. Gram dal firmed up by Rs 100 per quintal to Rs 4,300 and declined by Rs 100 to its previous week's level of Rs 4,200.

Maida (90 kg) at Rs 1,550 and sooji (90 kg) at Rs 1,850 remained unchanged.

Commerce Ministry for scrapping minimum export price for basmati rice

Arun S.

Vishwanath Kulkarni

RISING SHIPMENTS

	Quantity (million tonnes)	Value (Rs crore)
2010-11	2.18	10,578
2009-10	2.01	10,889
2008-09	1.55	9,477

Source: Apeda & DGCIS

New Delhi, Feb. 18:

The Commerce Ministry is in favour of abolishing the minimum export price (MEP) on aromatic basmati rice in the backdrop of non-basmati rice shipments being allowed without any price restrictions.

"There should be no MEP now. It might have made sense earlier when there was a ban on non-basmati exports. We now favour exports of both varieties having the same dispensation," a senior Commerce Ministry official said.

Rice exporters have been persistently demanding that MEP on basmati exports be scrapped or be brought in line with the prevailing global prices, which have crashed in the past one year by 30-40 per cent from a high of $1,100 a tonne on higher output.

MEP reduced

At a recent Empowered Group of Ministers meeting, the MEP on basmati was reduced to $700 a tonne from $900 earlier.

The MEP was introduced a couple of years ago to prevent shipments of non-basmati rice in the guise of basmati exports. However, in the present scenario, where the basmati prices have crashed and shipments of non-basmati are allowed without any price curbs, the concept of MEP fails to hold any logic, the official said.

The Empowered Group of Ministers also decided to allow further shipments of non-basmati rice and review the shipments by late March. So far, over 2.3 million tonnes of non-basmati rice has been exported by India since the ban was lifted in September 2011.

The cut or elimination of MEP will help exporters boost shipments and achieve the targeted 2.5 million tonnes in the current financial year.

This is at time when payment delays from buyers in Iran (the largest market for Indian basmati exports) have made the exporters nervous. Iran accounts for about half India's basmati shipments, exported both directly and indirectly through Dubai.

A Delhi-based rice exporter said the cut in MEP to $700 a tonne was a fair move at this juncture as the prices of some of the 15 notified basmati varieties were ruling at that level and needed some support.