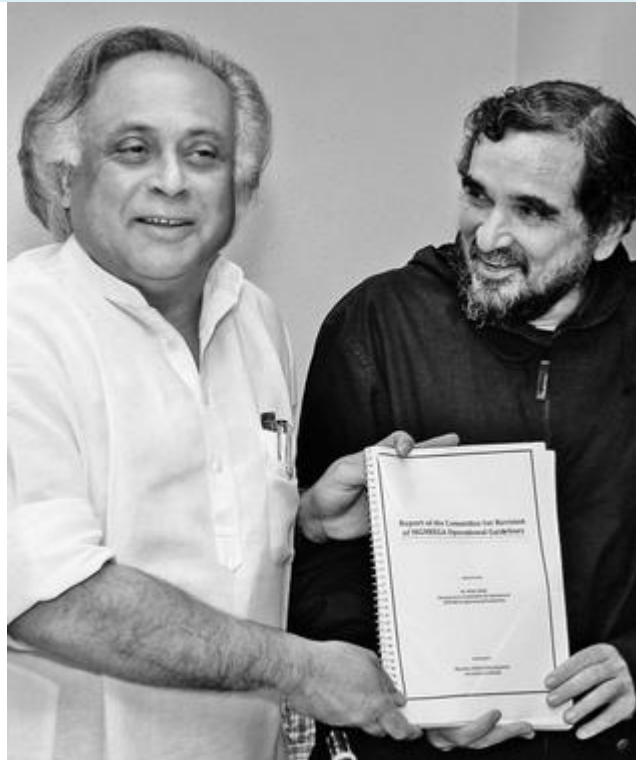


NEW DELHI, February 23, 2012

Farmer-friendly rural job scheme from April 1



Rural Development Minister Jairam Ramesh with Planning Commission member Mihir Shah showing the report of the Committee for Revision of Mahatma Gandhi National Rural Employment Guarantee Act at Krishi Bhawan in New Delhi on Wednesday.— Photo : Shiv Kumar Pushpakar

Even while turning down demands for a moratorium on MGNREGS jobs during the agricultural season, the Centre on Wednesday approved new works that aim at boosting the farm sector.

Rural Development Minister Jairam Ramesh released here a report, authored by Planning Commission member Mihir Shah, suggesting revision of the guidelines to strengthen the job entitlement programme that has run into rough weather of late.

The new avatar of the Mahatma Gandhi National Rural Employment Guarantee Scheme, coming into existence on April 1, will allow farmers who qualify for support under MGNREGS to hire hands for eight man-days per acre for transplantation and for another four man-days at two intervals for weeding.

Through this provision the Centre seeks to solve the problem of small and marginal farmers who not only find it difficult to get hands but also pay higher wages demanded by workers. They are unable to match the wages paid under MGNREGS. Now the government will pay for those working on agricultural land owned by eligible farmers.

Petitions received

Both Mr. Ramesh and the Planning Commission member said the Shah-led committee had received several petitions to freeze the scheme during the agricultural season but these were turned down and instead it was decided to accept the proposal to converge MGNREGS activities with farm work.

Out of the 30 new works approved, almost 90 per cent were agriculture related. Mr. Ramesh stressed that 75 per cent of employment was provided under MGNREGS outside the agricultural season and hence the anxiety in some quarters was unfounded.

However, among others, Union Agriculture Minister Sharad Pawar had written to Prime Minister Manmohan Singh complaining that jobs under MGNREGS hit agricultural activities.

Unemployment allowance

In another development, to safeguard the interests of manual labour, receipt of application has been made mandatory and inability to provide job would automatically generate an unemployment allowance under the electronic system to be managed by the States. Refusal by authorities to accept application for jobs has been made punishable.

The States will have to approve the annual plan, for works to be taken up, at the gram sabhas to be held on August 15, in a bid to prevent distress migration. The States have been permitted to make an interim 75 per cent wage payment if delay is unavoidable.

To eliminate misuse of funds, any panchayat or MGNREGS functionary found in possession of job cards will be hauled up.

Published: February 23, 2012 00:26 IST | Updated: February 23, 2012 00:26 IST

Rearing farm animals helps in times of economic distress

M. J. Prabu



The Hindu R.Prabakaran, Vice chancellor of TANUVASU. - Photo: N. Rajesh

Easy to rear on farms, the animals' economic returns are encouraging

Farmers don't need a veterinarian to tell them to rear some animals like pig, goat or poultry to boost their income.

“They have been doing it for centuries. But they definitely require our assistance and suggestions to maintain their animals in a healthy condition.

“This becomes more imperative, after the recent Thane cyclone devastated several hundred hectares of fields in Cuddalore and Villupuram areas in Tamil Nadu. Though the government acted swiftly to bring some remedial measures to the people — a vast majority of them being farmers — the role of our University in it assumes importance,” says Tamil Nadu Veterinary and Animal Sciences University (TANUVASU) Vice-Chancellor, Dr. R. Prabakaran.

Sudden change

Hundreds of jack and cashew trees got uprooted, acres of paddy destroyed, and in one day the farmer found himself penniless — with nothing to support him.

Though steps are being taken to replant better hybrid and high yielding trees it will take a minimum of 3-4 years for them to yield and start giving some income to the affected farmers.

“But today a farmer needs money, that too as soon as possible. In agriculture it is not possible to earn fast. It takes time and needs patience. But if farmers decide to rear animals like goats, sheep, turkey, guinea fowls and pigs, their income will come quicker,” he says.

To rear these animals, farmers don't need to invest much.

These animals can be reared in open places, in backyards and require minimal care and attention. But their economic returns are quite encouraging.

“In fact the demand for guinea fowls in Kerala is so huge that our farmers must opt to start rearing them apart from broilers and layers.

“Present demand for the birds is nearly five lakhs and we hardly supply 3,000 birds. The rest comes from Orissa and other states. A one-day-old chick cost Rs. 45 from private dealers,” he adds.

Prepared to guide

“Our University is ready to help interested farmers to set up such vocations. We are prepared to guide and help them right from starting a new venture to getting financial assistance.

“All farmers need to do is to call, fix an appointment and come over to meet us personally,” he explains.

According to Dr. Prabakaran if farmers start rearing poultry, they can get a reasonable remuneration to see them through difficult times.

For instance, poultries start yielding income from the sixth or seventh month onwards to provide the much needed financial support. Tanuvas has developed new breeds of goat and poultry birds that can usher in good income for the affected farmers.

Supplement income

“Farmers need not despair as new avenues are open to them and they can try to supplement their income until crop prospects are revived and improved,” says, Dr. Prabakaran.

The Government, for its part, is distributing free milch cows, goats and sheep to help these farmers, and has instructed the University to start conducting exhibitions on different aspects of livestock rearing, maintenance, and more importantly the marketing channels for the same - once every three months in different regions.

The main objective of organizing such exhibitions is to increase the awareness about the need for rearing some animals to increase income among farmers.

“While there is no doubt that information relating to farm animals and their maintenance is available both on the net and at several institutes of our university, the sad fact is that not many patronize them,” rues Dr. Prabakaran.

“These regular exhibitions promise to break all that. It is like a proactive action from the scientists to reach the farmers doorsteps and offer all information and guide to him,” he says hopefully.

Several exhibits

The first exhibition is going to be held at Srirangam, Tiruchi, from Feb 24 to 26th and is expected to become popular among farmers. Several stalls are going to be set up, with an aim to provide every opportunity to the livestock farmers to gain knowledge about scientific technologies appropriate to be adopted in the region. “Well organized 50 concept based stalls are going to be set up complete with charts, pamphlets, books, CDs and experts for the farmers to interact with.

Live exhibits will also be displayed. Seminars and guest lectures on profitable micro entrepreneurial livestock enterprises are also going to be held on all the three days.

Interested readers can call Dr. R. Prabakaran on mobile: 94440-81208, phone: 044-25551574 and 25551575 or email him at karanmgk@gmail.com to get guidance.

Published: February 23, 2012 00:26 IST | Updated: February 23, 2012 00:26 IST

'Use new frontiers in nano-technology'

'Tread the path with dedication'

The new frontiers in nano-technology, for precise and result oriented delivery systems, can help us, in many specialized areas of agriculture and health.

Issues like environmental safety and sustainability, through integrated pest management approaches are very important.

Awareness required

“Increased global awareness, and trade-linked compulsions on good agricultural practices, is required for Global gap standards, for our farmers and entrepreneurs alike,” said Mr. Harish Rawat, Union Minister of State for Agriculture, Food processing Industries and Parliamentary Affairs.

He inaugurated the second International conference on ‘agrochemicals protecting crops health and natural environment — role of chemistry for sustainable agriculture organized at Pusa Campus recently.

More demand

“Demand of food grains in our country would be 257.35 million tons in 2016-17 and 294.97 million tons in 2026-2027.

The use of chemicals in agriculture and its adverse impact on the ecosystems is further complicating the overall scenario of food production, safety and sustainability.

“We have to tread the path with utmost dedication and commitment,” he added.

Mr. Rawat also felicitated agricultural experts and Industrialists in the conference.

Earlier, Prof. V.L. Chopra, Former Member of Planning Commission urged to look into three major areas of concern — increasing load of agricultural chemicals causing soil and environmental problems, gradual increase in use of pesticides and lack of general awareness.

Need for attention

He stressed the need for greater attention of scientists and academicians to address these issues.

The conference was jointly organized by the Indian Agricultural Research Institute, (IARI), Society for the promotion of Sustainable Agriculture and Indian Council of Agricultural Research.

Senior officials of ICAR, National and International organisations and representatives of pesticide industries participated in the conference, according to a press release.

February 23, 2012

Farm query

Is there any website that gives complete details for a farmer right from seeds to marketing?

Punyakodi, *Tamil Nadu*

You can browse the site <http://agritech.tnau.ac.in/index.html> of the Tamil Nadu Agricultural University, Coimbatore. The site gives exhaustive details on seed, machineries, government subsidies, crop planning, marketing and several areas of farming. It also gives a exhaustive details on farmers associations and their products. To speak Dr. E. Vadivel, Principal Investigator of the portal you can contact the office of e-Extension Centre, Directorate of Extension Education, TNAU - 641 003, email: info@tnau.ac.in, phone: 0422-6611383.

Published: February 23, 2012 00:00 IST | Updated: February 23, 2012 05:58 IST

Agriculture students roped in for survey on Tiruchi farmers

Special Correspondent

Move aims to identify requirements for doubling productivity

keeping an eye:J.Sekar, right, Joint Director of Agriculture, and A.Tajudeen, Dean, Agricultural Engineering College, Kumulur, inspecting the collection of data by students in Pullambadi block. The agriculture department has roped in students of the agricultural and agricultural engineering colleges of Tamil Nadu Agricultural University in the district to expedite the survey to create a database on farmers in the district.

The baseline survey has been taken up by the government to identify the requirements of farmers for doubling their productivity and income, and also to bring out an integrated farmers' handbook, sources in the agriculture department said.

The survey would come up with a comprehensive database of small, marginal and big farmers to include information on their land holdings, ownership/tenancy rights, cropping pattern, and

their average productivity and income over the past three years. The fertility status of the farmers' fields or the village would also be recorded.

Assistant agricultural officers, agricultural officers, deputy agricultural officers, and assistant directors of agriculture are already engaged in conducting the survey across the district. However, to expedite the process and compilation of data, 104 students from Anbil Dharmalingam Agricultural College and Research Institute (ADARC), Navalurkuttapattu, and 101 students from Agricultural Engineering College, Kumulur, are involved in carrying out the survey, during weekends. The exercise would also serve as a learning experience for the students.

The students would be collecting details from farmers on the extent of area cultivated, crop cultivated, irrigation details, normal yield obtained, crop rotation details, area under horticulture crops, cattle, sheep, goat, and hens owned, agricultural machinery owned, fodder cultivated, and details on subsidiary income from sericulture, fisheries, and plantations.

The students are currently engaged in the exercise at Kambarasampettai, Mutharasanallur, Pazhur, Allur, and Kadiyakuruchi village of Andanallur block; Koyathoppu, Thayanur, Ariyavur and Nachikuruchi in Manikandam block; and Kumulur, Reddimangudi, Peruvalappur, Mudhuvathur, Azhundhalaipur, PKAgaram, Sirugalapur, Garudamangalam, Melarasur and Kallagam in Pullambadi block. Soil samples were being collected from the villages.

J.Sekar, Joint Director of Agriculture, and A.Tajudeen, Dean, Agricultural Engineering College, Kumulur, inaugurated, and inspected the survey by the students. The exercise is being supervised by R.Chandrasekaran, Deputy Director of Agriculture (central schemes), S.Saba Natesan, Deputy Director of Agriculture (state schemes), Ponnusamy, Deputy Director of Agriculture (farmers training centre), and faculty members of the colleges.

Once the project is completed, appropriate interventional measures are expected to be implemented by the State government. The farmers' handbook would contain the entire database of the district farmers, and also suggest measures to increase their productivity. According to indications, touch-screen kiosks are likely to be installed at the village level for farmers to access the database.

Works on agricultural commercial complex for banana to start soon

S.Ganesan

Tenders for the Rs.4 crore project finalised; foundation stone laid by the CM

Tenders for the construction of the agricultural commercial complex for banana and other vegetables at Thiruchendurai, sanctioned at a cost of Rs.4 crore, has been finalised, and the work is expected to commence shortly.

The foundation stone for the project, to be executed by the District Agricultural Market Committee, was laid by Chief Minister Jayalalithaa during her recent visit to Srirangam constituency.

According to sources, the complex would have a cold storage with a capacity of 1,000 tonnes, where banana and vegetable growers could store their produce.

It would also house about 15 shops for traders, a grading hall, and offices. The facility would be provided with generator for power back-up and borewells to meet the requirements of farmers.

To be located off the Jeeyapuram-Kuzhamani Road, close to the banana belt of Musiri-Kulithalai in Tiruchi and Karur district, the facility is expected to come as a boon for farmers as they could now preserve and store their produce.

They could directly sell their produce to traders, without having to depend on middlemen, as the facility would provide an interface between traders and farmers.

With banana and vegetables being highly perishable products, farmers would not have to resort to distress sale if the market prices were not remunerative.

They could store their produce for a few days for the prices to appreciate.

The district administration has already made available the land, about 1.70 acres, for the construction of the building.

The facility would come up within the next four to five months, officials indicated.

Meanwhile, work on the construction of a cold storage for vegetables at Thuvrankurichi, sanctioned at a cost of Rs.1 crore under the National Agriculture Development Programme, has begun.

-
- *To be located near Musiri-Kulithalai banana belt*
 - *To house 1,000-tonne cold storage facility*
-

Published: February 23, 2012 00:00 IST | Updated: February 23, 2012 05:59 IST

“Avail farm loan from cooperative banks”

Staff Reporter

Farmers wishing to avail themselves of medium term (agriculture) loan and loan for micro irrigation could approach the 182 primary agricultural cooperative banks in the district on February 28, 29 and March 1.

The Collector, M. Balaji, said that the farmers need to submit the filled-in application forms along with photograph and address proof at the nearest PACB. The applications forms are available at all the PACBs.

The farmers can also get a pledge loan of a maximum of Rs. 3 lakh against the agricultural produce at a rate of 70 per cent of the market value of the produce.

The Collector would organise a special meeting to discuss the loan disbursement at PACB Credit Facility at 3 p.m. at the Collectorate on February 27, a statement said.

Earlier, the Collector inspected the direct procurement centres of paddy at different places.

COIMBATORE, February 23, 2012

Banana fest on Feb. 26

AJK College of Arts and Science will organise a ‘Banana Fest’ here on February 26 at CODISSIA Trade Fair Complex.

With the exclusive theme the banana food festival will be held from 5.30 p.m. to 9.30 p.m., and will include a host of events, according to Secretary of the college Ajeet Kumar Lal Mohan.

“It will be to showcase the varieties of bananas and the many dishes that can be made using those. As many as 20 local varieties and a few more imported varieties will be used by students to make the over 100 dishes,” he said.

Students from three departments would be involved in the fest.

Those from the Catering Science and Hotel Management Department would be preparing the dishes at the venue. They would use all parts of the banana plant for the dishes.

Taste buds

Vaazha poo (banana flower) vada, biriyani, chips, cutlet, pizza, burger, soup, rasam, salad, idli, dosai, ice cream, aapam, milkshakes, and many more would be available to be savoured by the taste buds.

Students of the Department of Costume Design and Fashion would put up a fashion show where girls, boys and children would walk the ramp in clothes made out of banana fibre.

Cultural programmes

The fest would also feature cultural programmes, magic show, and other entertainment. The students of AJK Institute of Management would be responsible for the whole event management.

The fest will be inaugurated by M. Krishnan, Chairman of Sri Krishna Sweets (P) Limited, and President of the Indian Chamber of Commerce. Officials from hotels in the city are expected to be present for the inauguration.

Entry fee would be Rs. 20. *The Hindu* is the media partner for the fest.

-
- *The festival will showcase varieties of bananas and many dishes that can be made*
 - *The entry fee will be Rs. 20*
-

ALAPPUZHA, February 23, 2012

Dairy farmers' meet

The district-level meet of dairy farmers will be held at Paravur in Punnapra in the district on February 24 and 25. Addressing a press conference here on Wednesday, Karumadi Murali, chairman programme committee said that Union Minister of State for Power K. C. Venugopal will inaugurate a dairy farmers' meet on February 25. Dairy Development Minister K. C. Joseph will inaugurate a seminar and honour the best dairy farmer on the occasion.

ALAPPUZHA, February 23, 2012

New fish species sighted



Attractive: The 'Puntius madhusoodani,' a new species of barb fish reportedly discovered from the Manimala river during a river fish monitoring programme of the State Biodiversity Board.—

Photo: Special Arrangement

A new species of barb, christened *Puntius madhusoodani*, has been reportedly discovered from the Manimala river in Pathanamthitta district during a river fish monitoring programme of the State Biodiversity Board.

The programme, conducted by K. Krishna Kumar, F.G. Benno Pereira, and K.V.

Radhakrishnan, resulted in the collection of four specimens, which they said could not be readily assigned to any of the known species under the fish genus Puntius, following which a detailed

analysis was done and the fish was described as a new species. The results of the analysis have been published in the *Biosystematica*, an international peer reviewed biannual journal on animal taxonomy, diversity, ecology, and zoogeography. As per the study, the new species could be distinguished from all its congeners by the presence of one pair of short maxillary barbels, a smaller snout, a dorsal fin nearer the tip of the snout, absence of an ubiquitous spot at the dorsal fin base, and the branched rays of the dorsal and anal fin that were tinted with black.

The *Puntius* genus has over 140 species, comprising small to medium-sized barbs found in stagnant pools to fast flowing streams of tropical Asia and which, due to their attractive appearance, are popular as aquarium pets and are extensively traded. Currently, over 60 species of the *Puntius* genus are known from India, including *Puntius Denisonii*, popular as 'Miss Kerala.'

Taxonomic studies

A recent increase in taxonomic studies of the genus led to the description and re-validation of several species, especially from the southern Western Ghats, and as part of which the recent river fish monitoring programme was held. The new species has been named after B. Madhusoodana Kurup, honouring his contribution to taxonomy and conservation of freshwater fishes in Kerala.

Currently known only from the Manimala river, further studies are awaited for more details on the prevalence of the *Puntius madhusoodani*.

PALAKKAD, February 23, 2012

Steps sought to make paddy cultivation remunerative

Call to examine factors leading to paddy field reclamation

The Desheeya Karshaka Samajam in a memorandum submitted to the Assembly Committee on Agriculture, which held a sitting here on Tuesday, urged the government to take steps to make paddy cultivation remunerative, instead of imposing draconian laws on retaining paddy fields.

The memorandum said that the State government had introduced the Kerala Conservation of Paddy Land and Wetland Act, 2008, to prevent the conversion and reclamation of paddy fields in the State. But the government had not examined the factors that led to conversion of paddy

fields. Farmers were forced to convert paddy fields or shift to other crops as paddy cultivation was not remunerative.

Farm crisis

The paddy farmers were the worst affected due to the crisis in farm sector. Many paddy farmers had committed suicide in Palakkad and other paddy cultivating districts. If the government wanted to conserve paddy fields, steps should be taken to make paddy farming remunerative, the memorandum said.

'Form databank'

The farmers' forum urged the government to conduct a survey to form a databank on the actual area under paddy cultivation in the State, before implementing the Act. The Act was being implemented based on old data, which did not give a real picture of the area under paddy cultivation.

Area shrinks

The memorandum said that the State had eight lakh hectares under paddy cultivation in 1970 which shrunk to two lakh hectares now. The government should examine the real reasons for the situation that threatened the food security of the State, the memorandum said.

-
- *Assembly panel on agriculture holds sitting in Palakkad*
 - *Survey to assess actual area under cultivation sought*
-

HYDERABAD, February 23, 2012

Farmers to sell paddy in Maharashtra

The Federation of Independent Farmers' Associations, which recently sold rice and paddy, defying State Government's restrictions on movement of rice and paddy outside the State, will now undertake sales in Maharashtra on February 26.

FIFA president and Lok Satta Party leader Jayaprakash Narayan will lead the Satyagraha March from Pocharam village in Nizamabad district to Esgi in Nanded district of Maharashtra on February 25. Party working president D.V.V.S.Varma said that the farmers were forced to undertake the march as the State Government failed to ensure minimum support price for paddy, leave alone a fair and remunerative price. It also prohibited farmers from selling their produce outside the State where prices were ruling higher by about Rs.200 a bag. The Satyagraha march was to protest the State Government's ruinous policy which resulted in farmers losing hundreds of crores of rupees in the last couple of years. The FIFA would also undertake sales later in Tamil Nadu and Orissa.

Published: February 23, 2012 00:00 IST | Updated: February 23, 2012 05:30 IST

Organic farming gaining ground in Haryana

Special Correspondent

Over 295 acres of land in Kaithal, Karnal and Kurukshetra districts have achieved 100 per cent organic certification.

Stating this here on Wednesday, senior officers of the Haryana State Cooperative Supplies and Marketing Federation said organic farming is rapidly gaining ground in the State.

They said that HAFED had been providing "hand-holding support" for organic farming for a total area of 2,500 acres in Karnal, Kaithal, Kurukshetra, Jhajjar, Sirsa and Mewat districts which included free field advisory services and organic certification.

JAIPUR, February 23, 2012

New seed processing plant coming up

Tilam Sangh cooperative society in Rajasthan has supplied 67,852 quintals of certified seeds to farmers across the State during the current financial year. It has earned a net profit of Rs.5 crore till January in 2011-12.

Stating this at a review meeting here on Wednesday, Registrar of Cooperative Societies P. S. Mehra pointed out that plants established in Kota and one each at Fateh Nagar and Sriganaganagar were preparing high-quality certified seeds of wheat, soybean, mustard, groundnut, *jowar*, *moong* and gram. Mr. Mehra said a new seed processing plant would be

established shortly in Bikaner to augment the State's share in seed production. He asked the Cooperative Department's officers to make preparations for procurement of wheat on minimum support price slated to begin next month.

The Registrar said the department would remain in touch with the agricultural universities to get the latest information on the improved seed varieties and ensure a better role for cooperative institutions in improving agricultural production.

Tilam Sangh Managing Director Veerbala Joshi said the institution was also selling soybean, groundnut and mustard oil to consumers in various towns.

Copyright © 2012, The Hindu

hindustantimes

Thu, 23 Feb 2012

weather

Delhi - INDIA

Today's Weather



Clear

Thursday, Feb 23

Max Min

30.1° | 12.8°

Rain: 00 mm in 24hrs

Sunrise: 7:14

Humidity: 88%

Sunset: 17:48

Wind: Normal

Barometer: 1011

Tomorrow's Forecast



Partly Cloudy

Friday, Feb 24

Max Min

28° | 12°

Extended Forecast for a week

Saturday Feb 25	Sunday Feb 26	Monday Feb 27	Tuesday Feb 28	Wednesday Feb 29
27° 12°	27° 13°	29° 13°	28° 12°	30° 13°

Partly Cloudy

Sunny

Sunny

Sunny

Sunny



Subsidies, new entitlements paint gloomy fisc outlook

ENS Economic Bureau Posted online: Thu Feb 23 2012, 00:40 hrs

New Delhi : The Prime Minister's Economic Advisory Council paints quite a gloomy picture of the country's fisc, especially with new entitlements kicking in during 2012-13 on account of the Food Security Bill and Rashtriya Madhyamik Shiksha Abhiyan.

While it is sure the government will breach the fiscal deficit target this year, it seems to be equally certain that the additional spending commitments will render it impossible to meet the 4.1 per cent of GDP target for 2012-13. This target was set out in the medium-term fiscal policy statement of this year's Budget.

"The fiscal situation is a cause of serious concern. Since 2007-08, there has been a steady deterioration in the situation and at present, it is not very different from the precarious position that existed in 2001-02. It is also important to note that the problem is not structural and needs to be remedied without much loss of time," it said.

Clearly, the single-most important message that the Council has for the government is to get its act together and rein in the fisc over the medium term. It has strongly recommended slashing and phasing out of subsidies by deregulating diesel prices and decontrolling urea prices.

Subsidies combined with extra spending on food, health and education can force the government to borrow more and have a negative fallout on the financing needs of the private

sector. For instance, universalising healthcare, as recommended by a Plan panel committee, itself will entail extra spending of at least one percentage point of GDP in the medium term.

“The medium term challenges are formidable. The Thirteenth Finance Commission has set the target of containing the fiscal deficit at 3 per cent of GDP for the Central government by 2014-15 and that would require compressing the fiscal deficit by about 2.5 percentage points over the next three years,” the EAC said in its review of the economy.

According to the council, the consolidated deficit of the Centre and states at 5.4 per cent of GDP by 2014-15 and making additional provision for public spending on education, healthcare and food security would require an adjustment of almost 5 to 6 percentage points of GDP in the next three years which is a formidable task.

“In fact, the Twelfth Plan has to be formulated in this constrained fiscal environment and it poses serious difficulties in making adequate allocation to the much needed physical infrastructure. Achieving the targeted level of fiscal adjustment without compressing expenditures on much needed infrastructure, will require significant increase in revenues and phasing out subsidies and transfers,” it said.

Uphill task

* PMEAC recommends slashing and phasing out of subsidies by deregulating diesel prices and decontrolling urea prices* Consolidated deficit of Centre and states at 5.4% of GDP by 2014-15 and making additional provision for public spending on education, healthcare and food security would require an adjustment of almost 5 to 6 percentage points of GDP in the next three years



Expedite foodgrain movement, Haryana urges Centre

WEDNESDAY, 22 FEBRUARY 2012 21:59

PNS | CHANDIGARH

Haryana has expressed serious concern over the slow movement of foodgrain stock and severe paucity of storage space ahead of wheat procurement season starting from April.

Left with the “swelling” stock of wheat and rice in the wake of inadequate storage space, the Haryana Government has asked Centre to accelerate the shifting of old foodgrain stock out of the State and quicken the process of creation of new scientific godown for smooth procurement of crop.

“Haryana has urged the Union Government to direct the Food Corporation of India(FCI) to move more quantity of foodgrain to other States and speed up grain transportation. Moreover, new scientific storage space should also be built up in the State,” official sources said here.

Sensing that the State would be left with highest ever foodgrain stocks levels after buying wheat in Rabi Marketing season 2012-13, the State has pointed out that the procurement agencies would not have “make shift arrangement” for storage of current as well as new crop in April, the sources added.

Haryana, which contributes about 30 per cent of wheat to the Central kitty, is saddled with over 80 lakh tonne of food grain stock including 66.79 lakh tonne of wheat, 12.54 lakh tonne of rice and 90,000 tonne of bajra against the covered storage capacity of 48.55 lakh tonne in the State.

Indicating insufficient storage space, a whopping 68 per cent (45.42 lakh tonne) of wheat stock is stored in open and rest is stored in covered godowns in Haryana. Rice is always stored in covered space.

Haryana is targeting to procure 70 lakh tonne of wheat in Rabi marketing season 2012-13 in comparison to lifting of record purchase of 69.28 lakh tonne in last season.

Like in Punjab, stock movement from Haryana through rail network is also going on at snail’s pace, with State demanding transportation of at least 13 lakh tonne of food grain comprising 10 lakh tonne of wheat and 3 lakh tonne of rice per month.

Stating that the current movement of crop was “extremely low”, Haryana government has pointed out that at present, the average monthly movement stands at 2.80 lakh tonne of wheat and 1.30 lakh tonne of rice. Last season, the average monthly movement of wheat was 5.22 lakh tonne.

The State has also emphasised on the creation of new scientific storage capacities to preserve food grain beyond a reasonable period. Haryana has sought creation of ‘Silos’ with storage capacity of 10 lakh tonne. The FCI has identified storage gap of about 40 lakh tonne in the State.

Business Standard

Thursday, Feb 23, 2012

Oil retreats, dragged by weak Europe economy data

Reuters / London February 23, 2012, 0:38 IST

Oil eased slightly on Wednesday from a nine-month high as weak economic data in Europe and China cast doubt on the outlook for global growth and prospects for fuel demand.

Brent crude for April delivery fell 33 cents to \$121.33 a barrel by 1203 GMT. The contract settled at \$121.66 on Tuesday, its highest since May.

US crude for April was down 60 cents to \$105.69 a barrel. The March contract, which expired on Tuesday, closed at \$105.84 a barrel, the highest settlement for front-month Nymex crude since May 4.

The euro zone's service sector shrank unexpectedly this month, reviving fears the economy could sink into recession, Markit's Eurozone Services Purchasing Managers' Index showed on Wednesday.

China's manufacturing sector contracted in February for a fourth straight month as new export orders dropped sharply in the face of the euro area debt crisis, stirring fears about fuel demand in the world's second-largest oil user.

Evidence that the poor economic situation is directly impacting the fuel market came from Singapore Airlines, which cut its cargo capacity by 20 per cent as persistent weakness in demand and high jet fuel prices piled pressure on its profitability.

However Brent was not far off nine-month highs, and investors were still upbeat on the outlook for oil.

"There's relatively little responsiveness to negative data, and there is not a huge appetite to take a bearish stance," said Nick MacGregor, oil analyst at Redmayne Bentley.

Seed companies reap rich harvest on Bt cotton wave

Bt cotton has doubled the seed industry and boosted the fortunes of seed firms. But yields still need to improve

Sanjeeb Mukherjee / New Delhi February 23, 2012, 0:23 IST

In the last 10 years, *Bacillus thuringiensis* (Bt) cotton and its impact on farmers has perhaps been the most talked about topic in Indian agriculture since the 'Green Revolution' of the 1960s and 1970s. Not only has farmers' income from growing Bt cotton risen by almost 67 per cent in the last one decade—the crop was first introduced in 2002—but Bt has made India a front-ranking, cotton-growing country of the world. Almost 95 per cent of India's total cotton production of over 32 million bales today comes from Bt cotton (1 bale=170 kilograms). From being a lowly fifth-largest cotton producer largely known for its low-quality fibre, India is now the world's second-largest grower of cotton, only behind China, clocking an average annual output of around 30 million bales.

The surge in Bt Cotton has ushered another equally important development—the coming of age of Indian seed companies whose fortunes have flourished alongside the boom in Bt Cotton. Be it Ankur Seeds of Nagpur, Ajeet Seeds of Aurangabad, Rasi Seeds in Tamil Nadu or Kaveri Seeds of Hyderabad—all of these companies have grown their businesses manifold ever since Bt technology was introduced in India. Some others like Advanta Seeds of Hyderabad and Delhi-based Kohinoor Seeds Field India have even expanded their operations into Europe, Africa and Asia.

At Rs 9,000 to Rs 10,000 crore, India's seed market is today one of the biggest in the world, and double the size of what it was before Bt muscled its way into the Indian agricultural terrain. Of the Rs 10,000 crore market, almost 40 per cent is dominated by Bt cotton. In other words, the entire rise in size of Indian seed market has been because of Bt cotton. "Before 2002, cotton seeds comprised just around 10 to 15 per cent of the Indian seed market, which now stands at almost 40 per cent," Dr Ramasami, chairman-cum-managing director of Tamil Nadu-based Rasi Seeds Ltd told Business Standard. What was once considered a small and inconsequential seed business is now counted amongst the fastest-growing industries in the country.

Year	Area#	Production*	Yield**
1950-51	5.88	3.4	99
1960-61	7.61	6.0	134
1970-71	7.60	5.7	127
1980-81	7.82	7.8	169
1990-91	7.43	11.7	267
2000-01	8.57	14.0	278
2001-02	8.73	15.8	308
2002-03	7.66	13.6	302
2003-04	7.63	17.9	399
2004-05	8.78	24.3	470
2005-06	8.67	24.1	472
2006-07	9.14	28.0	521
2007-08	9.41	30.7	554
2008-09	9.40	29.0	524
2009-10	10.31	30.5	503
2010-11	11.14	33.9	517
2011-12	12.19	34.5	481

*#In million hectares; *In million bales. One bale =170 kilograms;*

***Yield in kilograms per hectare; Note: Bt cotton was introduced in India In 2002*

Source: Cotton Advisory Board

Booming business

However, even though Monsanto has given licence to around 44 seed companies in India,

almost 70 to 80 per cent of entire Bt cotton seed market is dominated by just 7 to 10 big companies. What has enabled some of them to succeed while others languish? “Just having Bt licence will not benefit a seed company as the technology is same for all. What makes the difference is how companies have used the technology to manufacture their own proprietary products that suit the needs of Indian farmers,” said Dr Sateesh Kumar, director of Prabhat Agri-Biotech Ltd, which is part of the Rs 3,500 crore Nuziveedu Group. Evidence shows that only those companies which had a sound research and development base and invested in their proprietary products managed to make the best use of Bt licence from Monsanto.



Prabhat’s turnover has risen from around Rs 30 to Rs 35 crore annually to almost Rs 100 to Rs 105 crore in the last 10 years even though it has been in the seed business since 1992. Kumar said top line of seed companies have also grown because Bt cotton is priced more than traditional hybrid cotton seed. “But, much of this price of cotton seed goes towards paying royalty to Monsanto,” he said.

Before the introduction of Bt, Rasi Seeds Ltd was an Rs 100-120 crore seed company primarily dealing in hybrid cotton seeds. Today, its annual turnover has grown to almost Rs 450 crore, of which 70 to 75 per cent comprises of Bt cotton seeds. It has branched off into producing hybrid corn, rice, bajra, has built value-added infrastructures like three research stations in Bangalore, Gurgaon and Kullu (Himachal Pradesh) , a seed-processing plant spread over 35 acres of land and forayed into molecular breeding and transgenic apart from adding a new division for vegetable seeds. “Yes, we have been immensely benefited from

Bt,” accepts Ramasami of Rasi seeds.

Cotton has also been the main growth driver of Ajeet Seeds Ltd of Aurangabad. The company initially clocked an annual turnover of Rs 70 to Rs 80 crore and had a share of around 3 to 4 per cent of the cotton seed market. In the last 10 years, not only has the company’s turnover risen to around Rs 250 crore, but it now holds almost 10 per cent share of the entire cotton seed market in the country. “Only those who had sound research base like Ajeet can manage to survive and grow in this competitive market,” Sameer Mulay, MD Ajeet Seeds said. He said from 40,000 square feet of seed-processing his company now boasts of having almost 200,000 square feet of seed-processing area.

It’s easy to see why Bt cotton has become a farmer’s favourite. Gyanendra Shukla, director of Mahyco Monsanto Biotech, says that research and experience have shown that the fibre from cotton bolls grown from Bt seeds is of superior quality than traditional cotton. Almost 80 per cent of Bt cotton is medium to long staple which has good international demand, while earlier, this was around 50 to 60 per cent. In the normal cotton varieties, the bolls (the pod which hosts the cotton fibre) do not open properly and are very fragile leading to low-quality cotton. The Bt cotton plant, on the other hand, is resistant to bollworm, one of the main scourges of cotton plants in India. Today, a farmer does not need to spray any insecticide to control bollworm during the entire life span of the Bt crop, while earlier he would have to spray it at least 10-20 times.

Yet, despite its phenomenal success, civil society activists have blamed Bt cotton cultivation for the hundreds of farmer suicides in Andhra Pradesh and Maharashtra in the last few years. The seed is expensive—around Rs 950 per packet in some parts of the country (1 packet is 450 grams), while the same quantity of hybrid non-Bt cotton seeds cost around Rs 350 to Rs 500. The fact that Bt seeds do not give the same result and uniformity when replanted exposes farmers to price hikes. Companies contend that Bt seed prices are higher than normal seeds as much of the cost goes towards paying licence fee to Monsanto, while the fact remains that any hybrid seed when replanted cannot retain the same vigour.

What next for seed firms?

Indian seed companies will not be able to rest on their laurels for too long. Fact is, yields from Bt cotton have been stagnating around 500 to 550 kilograms per hectare from the

2002-03 levels of around 250 to 300 per hectare. To jump to the next level of yields ie 750 to 1,000 kgs per hectare, seed companies need to devise technological solutions to new problems like sucking pests. Also needed are seed varieties which are resistant to drought as it is being increasingly felt that cotton cultivation is suffering because of falling ground water levels particularly in Maharashtra and Andhra Pradesh.

There is also the urgent need to help seed companies develop their own research and development facilities considering only 7 to 10 companies dominate the field. Plus, Bt technology needs to spread to other crops as well, since cotton occupies just 8 per cent of total cultivable land in India.

Another big challenge that the seed industry faces today is the need for a proper scientific regulatory mechanism which leads to proliferation of fake and uncertified seeds. According to a rough estimate, around 5-7 per cent Bt seeds sold by small regional players in northern India and in Gujarat are fakes. Experts say that Intellectual Property Right mechanism also needs to be strengthened to enable seed companies get global recognition for the seeds that they develop. Alongside, price control regimes a progressive seed policy which boosts investment in research needs to put in place—a must for this fairy tale story to continue.

THE HINDU
Business Line

Seed shortage drives mustard oil to record



Mumbai, Feb. 22:

Indigenous edible oils extended gains while imported oils ruled steady on Wednesday. The market was cautious on making new commitments due to lack of demand. Rapeseed/mustard oil rose to a new high of Rs 815 for 10 kg by further gaining Rs 25, while sunflower oil increased by Rs 15 along with cotton refined oil increased by Rs 3. Imported palmolein and soya oil ruled steady tracking bearish futures markets. Groundnut oil also ruled unchanged in line with decline in Saurashtra market. With volume being need based in the physical market, the sentiment remained cautious .

Market sources said that absence of fresh local demand kept the undertone cautious in the wholesale market. Indigenous edible oils extended their gains due to shortage of seeds and lean period. Rapeseed/mustard oil crossed the Rs 800-mark while groundnut oil is already ruling near Rs 1,100. High price of this oils will lead demand to divert to lower price palmolein.

Currently, cotton oil is witnessing active volume in producing centre – Gujarat due to price parity. Sources said volume in Mumbai was thin and isolated. A meagre 150-200 tonnes of edible oils were traded in resale.

In Mumbai, resellers quoted palmolein at Rs 572 for JNPT and Rs 577-578 for Mumbai. Liberty quoted palmolein at Rs 581-582. Ruchi quoting palmolein at Rs 578, soya refined oil at Rs 682 and sunflower refined oil at Rs 691. Allana's palmolein was Rs 580 and Mewah quoted palmolein at Rs 579. In Saurashtra – Rajkot, groundnut oil was down by Rs 10 to Rs 1,700 for *Telia* tin and by Rs 5 to Rs 1,110 for loose - 10kg. In Madhya Pradesh soyabean arrivals were 1-1.25 lakh bags and soyabean prices were Rs 2,470-2,520 a quintal.

Malaysia's crude palm oil March contracts settled at MYR 3,216 (MYR 3,234), April at MYR 3,241 (MYR 3,260) and May at MYR 3,250 (MYR 3,268) a tonne. **Bombay Commodity Exchange spot rates (Rs/10 kg):** groundnut oil 1,080 (1,080), soya refined oil 682 (682), sunflower exp. ref. 640 (625), sunflower ref. 701 (690), rapeseed ref. oil 815 (790), rapeseed expeller ref. 785 (760), cotton ref. oil 645 (642) and palmolein 574 (574).

Rice unchanged on ample stocks

Karnal, Feb. 22:

Prices of aromatic and non-basmati rice quoted with nominal variations on Wednesday with trading being slack.

Ample stocks and easy availability against low offtake in the markets kept prices of almost all rice varieties unchanged, said Mr Praveen Kumar, a rice miller. There is no bulk buying in the market as traders are already having huge stocks with them and they are not even getting fair margins by selling on current levels. As the mercury rises, demand will increase, he said.

In the physical market, Pusa-1121(steam) quoted at Rs 3,920-4,000 a quintal while Pusa-1121(sela) sold at Rs 3,400-3,500 a quintal.

Duplicate Basmati sold at Rs 3,200-3,300 a quintal. Pure Basmati (Raw) sold at Rs 4,400-4,500 a quintal, while Pure Basmati (Sela) was at Rs 3,950-4,000 a quintal.

Among the brokens of Pusa-1121, Tibar sold at Rs 2,800, Dubar was at Rs 2,420 while Mongra was trading at Rs 1,950 a quintal.

Sharbati (steam) at Rs2,800-2,830 while the Sharbati (Sela) sold at Rs 2,700-2,750 a quintal.

Permal (sela) sold at Rs 2,000-2,125 a quintal, while Permal (Raw) quoted at Rs 2,000-2,150 a quintal. Sugandha (Steam) was trading at Rs 3,200 a quintal while PR14 (steam) was trading at Rs 3,300 a quintal.

Branded rice such as Sri Lal Mahal and Lal Quila were quoted at Rs 9,100 and 9,000 a quintal, respectively.

Profit-taking crushes castor futures



Rajkot, Feb. 22:

Castor futures declined on Wednesday as market participants and shippers booked profits on projections of a record crop this season to October. Prices of spot castor moved up marginally.

On the Rajkot Commodity Exchange (RCX), castor March contract declined by Rs 43 to Rs 3,679 a quintal. RCX on Wednesday launched new June contracts and it ended at Rs 3,745 a quintal. Spot RCX castor, however, moved up by Rs 25 to Rs 3,807.50 for 100 kg.

On the National Commodity and Derivatives Exchange, March contracts dropped by Rs 61 to Rs 3,863 a quintal, with an open interest of 13,370 lots, while April contracts declined by Rs 85.50 to Rs 3,807 with an open interest of 4,670 lots.

About 35,000-37,000 bags of castor arrived in Gujarat and the price was Rs 760-770 for a *maund* of 20 kg. About 4,200-4,300 bags of castor arrived in Saurashtra and the price was Rs 725-750 for a *maund*.

A study conducted by Nielsen for the Solvent Extractors' Association of India (SEA) has estimated a record castor seed production of 1.61 million tonnes (mt) for 2011-12 season (November-October), showing a 30 per cent growth over 1.25 mt recorded last year.

In its Castor Crop Survey, SEA said that the total area under castor crop for 2011-12 increased by 34 per cent over last year to 1.15 million hectares.

Gujarat is the main contributor to the rise in acreage and production. The area in Gujarat has increased 44 per cent this year, while production is seen up 36 per cent.

Pulses go off the boil on slack demand

Indore, Feb. 22:

Tur and its dal ruled flat on subdued demand. In the local mandis, tur (Maharashtra) ruled flat at Rs 3,700-3,725 a quintal, while tur (Nimari) quoted at Rs 3,000-3,200 a quintal.

With large carryover stock and pressure of arrival of both new and imported tur, prices were static. Besides lack of enthusiastic buying support and poor parity has added to the bearish sentiment. Given poor demand in pulses, any major fluctuation in prices of tur in the near future seems unlikely. Since arrival of new tur started hitting local mandis in January its prices have dropped by over Rs 500 a quintal. Tur may witness some correction in the coming days with new arrivals (Gulabi) from Khategaon region of the State next month, said Mr Sanjay Bansal

Tur dal also ruled flat on weak demand with tur dal (full) being quoted at Rs 5,300-5,400 a quintal, tur dal (sawa no.) ruled at Rs 4,500-4,600, while tur marka quoted at Rs 6,000-6,100 a quintal.

Weak demand dragged down urad with prices of urad (best quality) being quoted at Rs 3,400-3,500 a quintal, while urad (medium) ruled at Rs 2,800-3,000. According to traders, with cheap availability of imported urad and prospective arrival of new urad from Myanmar next month, urad would continue to witness bearish sentiment. In addition to this, poor demand will also add cushion to bearish sentiment in urad. Similarly, urad dal ruled steady on weak demand with urad dal (average) being quoted at Rs 3,750-3,800, urad dal (bold) at Rs 4,400-4,450, while urad mongar ruled at Rs 5,300-5,350 a quintal.

Limited offtake drags spot sugar

Mumbai, Feb. 22:

Spot sugar prices declined further by Rs 15-20 a quintal in the physical market on Wednesday due to limited local demand.

Naka rate fell Rs 10-20, tracking millers selling of old season stocks at lower rates. Mill tender rates dropped by Rs 10-15 on routine support of demand. The volume eased at the retail level due to month-end, said traders.

A wholesaler said that arrivals in Vashi wholesale market arrivals were higher than dispatches. Lack of demand from neighbouring States forced mills to sell their produce within the State.

With production being higher this year, mills now have ample stocks. Market players are expecting the start of summer to lead to higher demand in the coming days. This month, sugar prices have been range-bound as producers are reluctant to sell at lower rates.

Another trader said that the market witnessed weak trend because mills are selling last year season's produce at lower rates, while they hold price for new season's produce. In the absence of demand from eastern and southern side, Maharashtra's mills are forced to sell at local markets.

Arrivals in Vashi were 48-50 truckloads and local dispatches were around 44-45 truckloads. On Tuesday, 19-20 mills offered tenders and sold about 85,000 – 88,000 bags in the range of Rs 2,730-2,800 (Rs 2,740-2820) for S-grade and Rs 2,840-2,900 (Rs 2,850-2,910) for M-grade.

The Bombay Sugar Merchants Association's spot rates: S-grade Rs 2,876-2,932 (Rs 2,882-2,942) and M-grade Rs 2,986- 3,042 (Rs 2,992- 3,062).

Naka delivery rates were: S-grade Rs 2,840 - 2,880 (Rs 2,840 - 2,880) and M - grade Rs 2,940-3,000 (Rs 2,940-3,020).

Heavy arrivals pound turmeric

Our Correspondent



Erode, Feb. 22:

Spot turmeric prices dropped by Rs 300 a quintal on Wednesday following heavy arrivals. Sales were conducted smoothly in all the four markets in Erode.

“After the closure of turmeric market for three days, the sale commenced on Wednesday and 18,000 and odd bags of turmeric arrived for sale. After placing 900 samples at the Erode Turmeric Merchants Association sales yard, about 300 odd samples of turmeric were placed in a private premises near the Association sales yard. Traders quoted lower price and purchased 50 per cent of stocks that arrived,” said Mr R.KV. Ravishankar, President, Erode Turmeric Merchants Association.

Bulk buyers are yet to receive fresh orders from North India and the prices in turmeric futures, too, decreased. He said that the exporters are expecting to receive orders from first week of March.

Traders said that since the prices are dropping now, they are buying and if the market improves, they will sell to North Indian traders. Even when good quality of hybrid Salem crop arrived for sale, traders quoted lower price and the hybrid Salem crop decreased by Rs 500 a quintal. At the Erode Turmeric Merchants Association sales yard, the finger variety fetched Rs 2,646-4,365 a quintal, the root variety Rs 2,649-4,019.

Salem Crop: The finger variety was sold at Rs 3,866-4,800, the root variety Rs 3,738-4,106. Of the 3,916 bags that arrived, 1,805 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 2,850-4,659, the root variety at Rs 2,500-4,139. All the 273 bags of turmeric that arrived were sold. At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 3,609-4,399, the root variety at Rs 3,519-4,199. Some 1,220 bags were sold against arrival of 1,392.

Pepper shoots up on bullish reports

G. K. Nair



Kochi, Feb. 22:

Pepper prices continued to head north on rumours of potential default and reports of firmer markets overseas coupled with tight supply situation in Vietnam despite the beginning of harvesting there over a week ago.

Consequently, all the active contracts touched the second upper circuit levels at the closing. Good domestic demand has also aided the price rise.

Upcountry dealers who had exhausted their stocks hoping to cover after the beginning of the current season also started buying.

Thus there appeared a demand supply mismatch with the former outstripping the latter at the moment, market sources told *Business Line*.

The market opened on a firmer note and then declined in the mid forenoon session and touched the lowest levels.

Rumours spread by some of the players pushed up the price and then traded with volatility and then declined and moved up at the beginning of the closing session and touched the highest price.

In mid closing session it dropped and recovered again and ended in the closing minutes touching the second circuit levels.

Non-arrival of pepper here from the primary markets amid good buying activities by interstate dealers directly from the doorsteps of growers and primary market dealers in main growing districts of Idukki and Wayanad in Kerala at terminal market prices on cash and carry basis has also aided the bull operators to push up the market further.

March contract on NCDEX increased by Rs 1,285 a quintal to Rs 33,375.

Apr and May shot up by Rs 1,300 and Rs 1,305 respectively to close at Rs 33,765 and Rs 33,905 a quintal.

Turnover gains

Total turn over increased by 1,070 tonnes to close at 11,787 tonnes.

Total open interest went up by 133 tonnes to 6,886 tonnes showing purchases.

Mar open interest dropped by 44 tonnes to 4,539 tonnes showing liquidation while Apr increased by 186 tonnes to end at 1,516 tonnes indicating additional buying.

May declined by 12 tonnes to 544 tonnes.

Spot soars

Spot prices also shot up by Rs 800 on tight supply situation amid good buying support and in tandem with the futures market trend to close at Rs 32,400 (ungarbled) and Rs 33,900 (MG 1) a quintal.

Indian parity in the international market has also increased corresponding to \$7,100 a tonne (c&f) Europe and \$7,400 a tonne (c&f) for the US.

Overseas trend

According to an overseas report Vietnam market was steady at previous levels. The prices quoted were Faq 500 G/L \$6,250 a tonne and Faq 550 G/L \$6,550 a tonne (both fob HCMC).

Lampong Asta was at \$6,950 a tonne CFR New York and sterilized was offered at \$330 a tonne extra, it added.

As far as Brazil is concerned, the report said “only one quote was there after the Carnival holidays at \$6,600 a tonne (fob) for B1 560 G/L. European market was reportedly quiet.

Vietnam farmers are reportedly not very keen to sell now and the current crop is estimated at 1.2 lakh tonnes, another report claimed.

Lack of export orders squeezes tamarind prices

M.R. Subramani



Chennai, Feb. 22:

Tamarind prices have dropped by about 30 per cent following higher production and lack of export orders. Besides, traders' reluctance to build inventories in the face of a declining trend has led to an overall bearish trend in the market.

“Though the crop in Tamil Nadu is only 80 per cent of its normal, it is a bounty in Andhra Pradesh, Karnataka and Chhattisgarh,” said Mr O.M.S. Raja, a tamarind dealer from Madurai.

Currently, fair average quality tamarind (seedless) is quoted at Rs 50 a kg against Rs 80 a kg in October. Fine quality is ruling at Rs 90 (Rs 120).

In markets closer to growing regions of Andhra Pradesh, unprocessed tamarind is ruling at Rs 1,100-1,500 a quintal.

This is against Rs 2,800-3,400 quoted in September when tamarind prices peaked.

Wholesale trades in Chennai are quoting Rs 85-86 a kg now against Rs 147 in October, said Mr S.N. Veerasamy, a wholesale merchant in Chennai. “During the same time last year, we got tamarind at even lower prices. The problem this time is that we are not in a position to build inventories,” he said.

A bearish trend is prevailing since the trade is expecting further fall in prices, said Mr Raja.

“There are other reasons for this trend. Last year, we exported tamarind to Malaysia and other Far-East countries since the Thailand crop was affected by floods,” he said.

“In fact, right from the beginning of last year, we began to export. But this year, no one abroad seems to be ready to buy at any rate,” said Mr Raja.

“This is affecting some farmers who had taken trees on contract from the Forest Department and State Governments based on last year's price. No one seems to be interested in buying now,” he said.

Tamarind is listed among other spices by the Spices Board and during April-December of the current fiscal, their exports were up at 28,200 tonnes fetching Rs 2,519.58 crore against 16,875 tonnes earning Rs 1,215.97 crore. Other spices also include asafoetida, cassia and saffron. However, as a single commodity tamarind exports totalled 17,500 tonnes valued at Rs 800 crore during 2010-11 against 12,200 tonnes valued at Rs 470.55 crore.

“We are not interested in building inventories since cold storages have increased the rentals to Rs 14,000 a year for 10 tonnes from Rs 11,000. Loading and unloading charges have been raised to Rs 10 from Rs 6 a bag,” said Mr Veerasamy.

As a result, now if a trader wants to move tamarind from the cold storage to his warehouse, he has to foot Rs 18 for a bag of 50 kg from Rs 12 earlier. “In these circumstances, we think it is better not to stock up tamarind,” said the Chennai wholesale trader.

Mr Raja, on the other hand, has another angle to traders' reluctance to build inventories. “In places such as Salem, Krishnagiri and Dharmapuri Customs authorities had raided cold storages on information that smuggled goods were being hidden there. This has embittered traders who sold tamarind bought at Rs 100 a kg for Rs 40,” he said.

As a result, farmers bringing tamarind are the sufferers, said Mr Raja.

“Unless the Government steps in to buy farmers, prices are set to drop another Rs 20 a kg,” he said.

According to Spices Board statistics, Tamarind production during 2008-09 was 8.92 lakh tonnes from an area of 1.94 lakh hectares against 8.26 lakh tonnes from 1.75 lakh hectares. Karnataka is the largest producer followed by Tamil Nadu.

Volume drops at Coonoor tea auction

P. S. Sundar



A tea garden near Coonoor. (file photo)

Coonoor, Feb. 22:

A volume of 10.83 lakh kg has been catalogued for Sale No: 8 of the auctions of Coonoor Tea Trade Association (CTTA) to be held tomorrow and Friday.

It is about 18,000 kg lower than last week's offer, but as much as 1.23 lakh kg more than the offer this time last year.

Of the 10.83 lakh kg on offer, 7.64 lakh kg belong to the leaf grades and 3.19 lakh kg belong to the dust grades. As much as 10.22 lakh kg belongs to CTC variety and only 0.61 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.30 lakh kg belong to orthodox while 7.34 lakh kg, CTC. Among the dusts, only 0.31 lakh kg belong to orthodox while 2.88 lakh kg, CTC.

In the 10.83 lakh kg offer, fresh teas account for 9.69 lakh kg and as much as 1.14 lakh kg comprise teas remaining unsold in previous auctions. This week, quotations held by brokers indicated bids ranging from Rs 48 to 55 a kg for plain leaf grades and Rs 85 to 141 a kg for brighter liquoring sorts. They ranged Rs 56 to 59 a kg for plain dust grades and Rs 85 to 139 for brighter liquoring sorts. On the export front, Pakistan bought selectively for Rs 53-57 a kg and the CIS, for Rs 53-81.

Haryana asks Centre to speed up movement of food grain; new capacity

Chandigarh, Feb 22:

Haryana has expressed serious concern over the slow movement of foodgrain stock and the severe paucity of storage space ahead of the wheat procurement season starting from April.

Left with a “swelling” stock of wheat and rice in the wake of inadequate storage space, the Haryana Government has asked the Centre to accelerate the shifting of old food grain stock out of the State and quicken the process of creating new scientific godowns for the smooth procurement of crop.

“Haryana has urged the Union Government to direct the Food Corporation of India to move more quantity of food grain to other States and speed up grain transportation. Moreover, new scientific storage space should also be built in the State,” official sources said here.

Sensing that the State would be left with the highest ever food grain stock levels after buying wheat in the rabi marketing season 2012-13, the State has pointed out that the procurement agencies would not have “makeshift arrangements” for storage of the current as well as the new crop in April, sources added.

Haryana, which contributes about 30 per cent of wheat to the Central kitty, is saddled with over 80 lakh tonnes of food grain stock, including 66.79 lakh tonnes of wheat, 12.54 lakh tonnes of rice and 90,000 tonnes of bajra, against the covered storage capacity of 48.55 lakh tonnes in the State.

Indicative of the insufficient storage space, a whopping 68 per cent (45.42 lakh tonne) of wheat stock is stored in the open and the rest in covered godowns in Haryana. Rice is always stored in a covered space.

Haryana is targeting to procure 70 lakh tonnes of wheat in the rabi marketing season 2012-13 in comparison to lifting of a record purchase of 69.28 lakh tonnes in the last season.

Like in Punjab, stock movement from Haryana through the rail network is also going on at snail’s pace, with the State demanding transportation of at least 13 lakh tonnes of food grain, comprising 10 lakh tonnes of wheat and 3 lakh tonnes of rice per month.

Stating that the current movement of crop was “extremely low”, the Haryana Government has pointed out that at present, the average monthly movement stands at 2.80 lakh tonne of wheat and 1.30 lakh tonne of rice. Last season, the average monthly movement of wheat was 5.22 lakh tonne.

The State has also emphasised on the creation of new scientific storage capacities to preserve food grain beyond a reasonable period. Haryana has sought the creation of ‘silos’ with storage capacity of 10 lakh tonne.

FCI has identified a storage gap of about 40 lakh tonnes in the State.

Global coffee consumption up at 136.5 million bags in 2011: ICO



ICO expects the global coffee consumption to rise on the back of rising number of consumers in exporting countries.

New Delhi, Feb 22:

World coffee consumption rose almost 2 per cent to an estimated 136.5 million bags in 2011 on the back of rising consumers in exporting countries and growing demand in emerging markets.

The global consumption stood at 135 million bags in 2010, according to the International Coffee Organisation (ICO) data.

“This increase can be attributed to growing demand in emerging markets, rising domestic consumption in exporting countries and the resilience of coffee consumption to the current economic crisis,” ICO said in its report.

More specifically, in Brazil economic growth, combined with better income distribution and relatively low unemployment rates, has encouraged the increase in coffee consumption, it added. ICO expects the global coffee consumption to rise on the back of rising number of consumers in exporting countries. Demand prospects for coffee continue to be promising, particularly given the growth of niche markets in traditional consuming countries and the arrival of new consumers in emerging markets and exporting countries, it noted.

“In many other countries, particularly in India, the proliferation of coffee bars is a sign of the dynamism of coffee consumption,” it noted.

According to the government-run Coffee Board of India, consumption of the brew grew 6 per cent to 1,08,000 tonnes in 2010 against 1,02,000 tonnes in 2009.

Tanfed nominated to launch copra price support operations in TN



Kochi, Feb. 22:

The Tamil Nadu Co-operative Marketing Federation Limited (Tanfed) has been notified as the State-level designated marketing agency in Tamil Nadu to undertake copra procurement under the price support scheme for the 2012 season, according to the orders issued by the Tamil Nadu Government through the Food and Consumer Protection Department.

Accordingly, Tanfed will procure milling copra at the rate of Rs 5,100 a quintal (Rs 51/kg) and ball copra at the rate of Rs 5,350 a quintal (Rs 53.50/kg) under the price support scheme for 2012.

Earlier, the Union Government had announced the minimum support price for procurement of copra under Price Support Scheme (PSS) on February 3. Based on the order, the Registrar of Co-operative societies had requested Tanfed to start procurement operations in Tamil Nadu immediately. Nafed, the national level nodal agency will also enter into an agreement with Tanfed for the procurement as was done earlier, a press release issued here said.

Meanwhile, Mr Rajeev Gupta, Managing Director of Nafed, visited the Coconut Development Board and held discussions on procurement operations during 2012 season with Mr T.K. Jose, Chairman, CDB and senior officers of the Board. The visit assumes significance in view of the continuous fall in the prices of milling copra and coconut in Kerala and Tamil Nadu.

Mr Gupta assured all support of Nafed for expediting the procurement operations agencies under minimum support price.

