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Negative growth in agriculture sector

Special Correspondent

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.

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Cattle-feed subsidy may be raised

Staff Reporter

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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'I'll help get water for drinking, irrigation'



H.D. Kumaraswamy

The former Chief Minister H.D. Kumaraswamy has assured the people of central Karnataka, including Tumkur district, that he will fulfil their dream of getting irrigation projects and drinking water for the region during the lifetime of his father and Janata Dal(S) president H.D. Deve Gowda. After inaugurating the valedictory programme of “Janapara Janata Jatha” at the Government Junior College Grounds here on Friday, Mr. Kumaraswamy told the gathering that his duty is to provide water for irrigation and drinking purposes and put an end to the problems they were facing for several years now. He said that there is no question of betraying farmers. If Janata Dal(S) comes to power, he will waive farmers' loans in the State. Mr. Deve Gowda urged activists of the party in the district to remain united. He said that it is possible for the party to win all the 11 seats in Tumkur district only if they forget their differences and stayed united.

More than 25,000 people participated in the programme.

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'EMPRI to report on ways to deal global warming'



Finding ways: Anant Ashisar, Chairman, Western Ghats Task Force, inaugurating a seminar at Horticulture College Sirsi on Friday.

Global warming will have adverse effect on the ecology of Western Ghats in due course of time, said Western Ghats Task Force Chairman Anant Ashisar.

He was speaking at the inauguration of a seminar on "Impact of global warming on Western Ghats" held at Horticulture College Sirsi on Friday.

Water-level in the sea would increase because of melting of ice in the Himalayas. A number of animals and plants would become extinct. An action plan being prepared by the Environmental Management Planning Research Institute (EMPRI) on how the changes would affect agriculture, horticulture, and forest in Malnad area, and action that needed to be taken, he said.

There was a plan to hold "Phalavraksha mela" (a mela on fruit bearing plants) and recently it was found that cultivation of ginger had adverse effects on the ecology and a sub-committee would be formed to study the issue, he said.

Conservation centres

There were 600 wildlife conservation centres in India which were playing a major role, he said.

Resource persons B.M. Kumarswami, writer Shivanand Kalave, Sujitkumar Dongre, R. Vasudeva, and Laxman R.H. spoke.

Dean B.S. Janagoudar welcomed the gathering.

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Business Standard

Feb 25, 2012

Rapeseed-mustard output likely to decline 12% this year

Vikas Sharma / Chandigarh February 25, 2012, 0:08 IST

Rapeseed-mustard output may decline 12 per cent this year on unfavourable weather and frost, traders say.

Lower acreage followed by a frosty winter would limit the rapeseed-mustard crop size to six million tonnes (mt) this year.

According to early indications from a field survey of farms and traders by the Solvent Extractors Association (SEA), the total area under mustard was 7.24 million hectares in 2010, while the output was 6.85 mt. The Mustard Oil Producers Association (Mopa) along with SEA, is currently conducting a survey to determine the rapeseed-mustard output. The report is expected on February 26. According to initial estimates, traders believe acreage to be 6.6 million hectares and output around six mt this year. However, D P Khandelia, chairman, SEA Rapeseed-Mustard Promotion Council, said the output may slip below six mt to around 5.5 mt. Rajasthan is the main producer of rapeseed-mustard, which is a rabi crop with nearly half of the total crop sown in the state. Frost has damaged the rabi crop in some states. In Haryana, it damaged the mustard crop in some districts and the state government is making efforts to get compensation from the Centre for its farmers. However, traders maintain oil percentage in the crop would be 1.5 per cent more this year compared to the previous year, owing to harvesting after the complete crop cycle. Weather this year has been helpful in ensuring the rapeseed-mustard crop complete its cycle, which has improved the oil percentage. This would help offset loss in production to some extent.

Turmeric strengthens on higher demand

Press Trust of India / New Delhi February 24, 2012, 15:31 IST



Turmeric futures prices strengthened by Rs 46 to Rs 4,820 per quintal today on increased buying by traders following pick-up in spot demand.

However, higher domestic supplies and estimates of a bumper crop restricted the gain. At the National Commodity and Derivatives Exchange, the June contract for turmeric gained Rs 46, or 0.96%, to Rs 4,820 per quintal in an open interest of 2,800 lots. The April contract moved up by Rs 30, or 0.63%, to Rs 4,786 per quintal in 16,425 lots.

Analysts said increased buying by traders after a rise in demand in the spot market mainly helped turmeric futures prices to strengthen.

Potato up 0.88% on spot demand

Press Trust of India / New Delhi February 24, 2012, 15:26 IST



Rising trend in Potato futures prices today remained unabated for the fourth straight day by adding Rs 6.90 to Rs 794.90 per quintal on rising spot demand. At the Multi Commodity Exchange, the March contract added Rs 6.90, or 0.88%, to Rs 794.90 per quintal in business turnover of 245 lots. In a similar fashion, the potato for delivery in April gained Rs 6.80, or 0.85%, to Rs 806 per quintal in 69 lots. Analysts said rising demand in the spot market due to ongoing marriage season amid fall in mainly maintained an upward trend for the fourth straight sessions in futures trading.

THE HINDU Business Line

Mixed trend in Chennai foodgrains market



Chennai, Feb 25:

Prices of gram dal, wheat and sooji went up while urad dal and sugar declined in the foodgrains market during the week ending today.

Gram dal opened the week stronger by Rs 100 to Rs 4,300 per quintal and maintained the trend to finish at the same rate today. Wheat opened the week at its last week's rate of Rs 1,800 per quintal and firmed up by Rs 50 on Friday to close at the same level.

Sooji (90 kg) too rose Rs 50 on Friday and ended the week at the same level against its previous close of Rs 1,850.

However, urad dal moved down by Rs 100 per quintal to Rs 5,200 on Monday from its previous closing rate and held on to it till the week-end. Sugar declined by Rs 30 per quintal on the opening day at Rs 2,850 and closed the week at the same price.

Tur dal at Rs 6,200, moong dal at Rs 6,000 per quintal and maida (90 kg) at Rs 1,550 remained unchanged from their previous week closing rates.

Palm oil may test resistance

Gnanasekaar . T

February 25, 2012:

Crude palm oil (CPO) futures on Bursa Malaysia Derivatives exchange ended higher on Friday but concerns over economic growth due to higher energy prices capped gains. Energy prices rose above \$125 a barrel on Friday for a fifth straight weekly gain, on concern over cuts in Iranian supply. Apart from worries of Iran supply disruptions, economic data showing that US consumer confidence hit its highest point in a year this month added support to the energy markets. Malaysian palm oil exports for the first 20 days of February fell 2 per cent and 0.6 per cent from a month ago, according to cargo surveyors Intertek Testing Services and Societe Generale de Surveillance, respectively. However, there was an improvement compared with a 14 per cent decline for the first 15 days of the month.

CPO May futures rose higher perfectly in line with our expectations. As mentioned in the previous update, a close above 3,240 Malaysian (MYR) a 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 now seen in the 3,245-50 MYR/tonne zone followed by important support at 3,215 MYR/tonne. Favoured view expects prices to find support in the 3,240-45 MYR/tonne and subsequently rise higher towards 3,350 MYR/tonne levels. Unexpected fall below 3,230 MYR/tonne could postpone the bullishness temporarily.

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 3,245, 3,215 and 3,175. Resistances are at MYR 3,300, 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 at gnanasekar_thiagarajan@yahoo.com.)

US lawmakers upset over Iraq buying basmati rice from India

Business Line Twelve Congressmen have fired off a letter to Iraq's Trade Minister Mr Khair Alla Babaker pressing him to get Iraqis back on the American long-grain variety.

Houston, Feb 25:

US Congress members from the largest rice-growing states are on warpath, asking Iraq to resume buying US long-grain rice, instead of from India.

"We liberated their country for one thing," said Texas Congressman Mr Ted Poe. "We would think they would consider the US in trade since we spent billions of dollars not only to liberate their country, but to rebuild their infrastructure."

Twelve Congressmen have fired off a letter to Iraq's Trade Minister Mr Khair Alla Babaker earlier this week pressing him to get Iraqis back on the American long-grain variety.

The letter said that there was a 77 per cent drop in rice sales to Iraq between 2010 and 2011, even though "not long ago, Iraq represented the largest market for US rice".

The Iraqi Grain Board has said it decided to buy cheaper basmati rice from India. Baghdad has not bought US rice since late 2010.

Iraq's Trade Ministry has said that much of the shift is a function of the Iraqi public preferring India's basmati rice, which the US does not produce.

There is no law keeping the US out of Iraq's rice market, but American farmers simply are not growing the right kind of rice for the Iraqi dinner plate.

The Iraqi move comes as US farmers struggle with drought, unusual heat, rising production costs, dropping prices and a shrinking export market.

The 12 legislators from Arkansas, California, Louisiana, Mississippi, Missouri, Texas and Virginia say the rice industry has worked closely with Iraq to develop a relationship, including conducting meetings and workshops with Iraqi Grain Board officials, and touring with them at US rice fields and mills.

No NGO influenced my decision to put a moratorium on Bt Brinjal: Minister



Mr Jairam Ramesh. (file photo)

KOCHI, FEB 26:

The Union Minister, Mr Jairam Ramesh, today said no NGO influenced his decision to put a moratorium on Bt Brinjal, a statement that comes against the backdrop of the Prime Minister, Dr Manmohan Singh, raising questions about the role of foreign-funded NGOs in blocking the use of genetic engineering.

“Green Peace, a foreign-funded NGO, accused me of propagating the line of Monsanto during a public hearing in Bangalore. So on Bt Brinjal, since I was directly involved, I can confidently say no NGO influenced my views,” Mr Jairam Ramesh, who is on a three-day Kerala visit, told reporters here today.

He said his position on Bt Brinjal was determined by the positions of state governments, the lack of consensus among the scientific community, the fact that the tests were not completed and there was no independent professional mechanism which will instil confidence in the public.

“I did not ban Bt Brinjal. I decided let’s put moratorium. Let’s fulfil all these four conditions and then revisit the whole issue,” he said. His remarks came in response to a question about allegations that some NGOs based in Scandinavian countries funded the protests against Bt Brinjal. His remarks also came against the backdrop of the Prime Minister’s comments that some NGOs based in the United States and Scandinavian countries were not “fully appreciative” of the development challenges India faces. Mr Jairam Ramesh said as Environment Minister he enforced the moratorium on Bt Brinjal on February 9, 2010 after going through a seven-month process of public consultation.

He said consultations were held with scientists, NGOs, civil society organisations and farmers’ organisations in which around 8,000 people participated.

“I wrote to all Chief Ministers, I wrote to 50 scientists across the world. Firstly, states opposed Bt Brinjal.

Secondly, there was no scientific consensus on the need for Bt Brinjal, why Bt brinjal, and in fact, Father of Green Revolution M.S. Swaminathan himself had raised questions on where we were going,” he said. He said Chief Ministers like Mr Nitish Kumar (Bihar), Mr Naveen Patnaik (Odisha), Mr Narendra Modi (Gujarat), Mr Shivraj Singh Chauhan (Madhya Pradesh) and Mr B.S. Yeddyrupaa (Karnataka) have then raised questions about Bt Brinjal.

“I cannot ignore states. Ultimately in agriculture, we have to take states along with us,” he said.