

Published: January 2, 2012 00:00 IST | Updated: January 2, 2012 04:21 IST

Fishermen catch 50 per cent more using fisheries mobile service

Fishermen of over a dozen coastal villages in Raigad district of Maharashtra have been catching 50 per cent more in their nets ever since they began to use mobile sets that provide satellite data and maps on prospective fishing zones.

The fishermen of these villages receive real-time maps and data about prospective fish schools, storms, wind direction and velocity directly on these sets.

The sets were distributed under a pilot project being run by the Indian Council of Agricultural Research (ICAR), Indian National Centre for Ocean Information Services (INCOSIS), Hyderabad, and Tata Consultancy Service (TCS) in Mumbai.

“We are using satellites to get precise data and maps about prospective fish zones, wind direction and wind velocity and weather conditions, which help the fishermen a lot,” said Veerendra Veer Singh, Principal Scientist at the Mumbai Research Centre of the Central Marine Fisheries Research Institute (CMFRI), Cochin.

“A total of 13 mobile sets have been distributed to the village societies to disseminate the most up-to-date information,” Mr. Singh added.

CMFRI is an institute of ICAR.

Mr. Singh has headed the project since its inception and is currently in charge of the pilot project launched in 2010.

“Currently, 5 per cent of the fishers in selected villages are using the technology, which in turn leads to a saving of 5 lakh litres of diesel per year, costing around Rs. 250 lakh every year,” he said.

At present, 1,296 motorised and mechanised boats are operating in the 13 coastal villages covered by the project, consuming approximately 200 lakh litres of diesel per year, the CMFRI scientist said.

It is estimated that after following the advisories provided through 'mKRISHI—Fisheries Mobile Service', fishermen will save approximately 50 per cent of this diesel (i.e. 100 lakh litres of diesel per year), Mr. Singh said.

“The movement of fishes is based on temperature, food resources, water current, wind direction and wind velocity,” he said.

The fishermen have reported a 40-50 per cent in their catch, coupled with a reduction in the time they spend at sea and expenses, the CMFRI scientist said.- PTI

'We are using satellites to get precise data and maps about prospective fish zones'

Published: January 2, 2012 00:00 IST | Updated: January 2, 2012 04:17 IST

Rs.5-lakh subsidy for inland aqua culture

The government has proposed to provide subsidy for setting up inland aqua culture farm under the National Agriculture Development Programme. Eligible beneficiaries shall receive a subsidy of Rs.5 lakh to set up fish seed hatcheries. The eligibility for inland aqua culture farm would be a minimum of two hectares. Interested persons could approach the office of the Chief Administrative Officer, Assistant Director (Inland Fisheries), Fisheries Development Council, 20, Sivam Nagar, Panagal Road, Tiruvarur, for forms.

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Minister distributes milch animals

Special Correspondent

Food Minister R.Kamaraj distributed free milch animals here on Thursday.

He distributed 50 cows at Moolankudi village in Nannilam taluk, 43 goats at Abhivirutheeswaram in Koradachery taluk, and 31 goats at Regunathapuram in Valangaiman taluk. Collector C.Munianathan urged people to rear them carefully for better yield.

A.Jayalakshmi, chairperson, Tiruvarur district panchayat, panchahyat union chairpersons Sampath (Nannilam) and Parameswari (Valangaiman), revenue divisional officers Sri Raman (Tiruvarur) and Selvaraj (Mannargudi) were present.

Published: January 2, 2012 00:00 IST | Updated: January 2, 2012 04:23 IST

'NABARD harassing farmers'

Correspondent

Jansurajya Party's district chief Sanjay Patil has said that the National Bank for Agriculture and Rural Development (NABARD) should be dissolved as it was allegedly working as a recovery agent of the banks, thereby harassing farmers. Mr. Patil said that NABARD was working as an agency between farmers and banks but without helping with farmers.

In his statement, Mr. Patil said that NABARD had formed "Shetakari Mandals" which were working in banks' interests rather than the farmers' interests, and without verifying and helping farmers these Mandals were forcing them to repay loans. It is said that the NABARD had been forcing banks to accept its core banking software thereby indulging in other business which was not its prerogative.

The NABARD's board of directors had no farmers' representative even though it was established for farmers and this was more serious as there was a statutory provision to let farmers' representative be included in the board.

But this statutory provision was illegally sidetracked by the NABARD and hence it should be dissolved, Mr. Patil said.

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'Cultivate millets for higher profit'

Special Correspondent

Farmers should take to millets as a viable alternative for registering higher productivity and profitability, said Collector Jayashree Muralidaran.

Inaugurating a day-long State-level seminar on the advantages of Centrally-sponsored Initiative for Nutritional Security through Intensive Millets Promotion (INSIMP) programme at the Tamil Nadu Agricultural University–Anbil Dharmalingam Agricultural College and Research Institute at Navalaur Kuttapattu near here on Friday, the Collector expressed concern over increase in the number of patients with ailments such as diabetes and cardiac problems, and attributed it to the poor intake of millets, which are rich in fibre, nutrition and vitamins.

The Collector said that the Agriculture Department has planned to increase the area under millets particularly 'cholam' (sorghum) in the district. She appealed to the farmers to extend their cooperation and visit the demonstration plots set up by the department.

She appealed to paddy farmers to resort to cultivation of millets as an inter-crop in their fields.

Thane leaves vast stretches of crop wilting

cyclone fury: Minister for Fisheries K.A. Jayapal inspecting the damaged paddy crop at Maharajapuram village in Nagapattinam district on Saturday. O.S. Manian, M.P., is in the picture.

With the peak harvest season commencing within a fortnight, cyclone Thane has hit considerable agricultural area under samba crop.

Two days since the cyclone brushed past the coasts to jinx a potentially good harvest, farmers have begun to evaluate the damage. The vast areas of wilted fields for them would mean discolouring, pest infestation, a fall in nutritional percolation and quality of grains. With administration taking steps to gauge the extent of damage in coastal areas, farmers have placed potential area of loss at 50,000ha. According to Kaveri Danapalan, Cauvery Farmers Protection Association, the cyclone has landed yet another body blow on farmers, who are already hit by labour deficit.

To surmount labour shortage, farmers have started using mechanised harvesters. However, these harvesters with an operating cost of Rs.1,600 per hour are amenable to cost-efficiency only on dry fields. "It would take more than a fortnight for the fields to dry up, and harvesters if employed on moist fields would take two and half hours to complete harvesting per acre as against the normal one hour per acre on a dry field. This would also push up harvest costs combined with a poor harvest," Mr. Danapalan says. Few areas under thaladi crops have also been hit.

High inflation, a major concern for Govt in 2011



The year 2011 saw the government grappling with high inflation which has grave political fallouts, but found success in bringing down food inflation to less than one per cent during the fag end of the year. However, concerns still remain on prices of commodities, like oil, which impacts inflation in the manufacturing sector. Various policies and initiatives yielded fruits on food inflation front which had touched a worrying 19 per cent in early January. It finally plunged to a six-year low of 0.4 per cent in mid-December. But the main challenge is on headline inflation, which factors in manufactured products, fuel and non-food primary articles, besides food items. From January, the headline inflation stood at 9.47 per cent, it has declined to only 9.11 per cent in November, the latest available figure. In between it has not moved below the 9 per cent mark and even touched 10 per cent in September as per the revised figures. Prime Minister Manmohan Singh had in 2010 pegged headline inflation projection at 5.5 per cent for March 2011 though it ended up at 9.68 per cent. Manufactured items, constituting over 75 per cent of the Wholesale Price Index (WPI) basket which is the benchmark inflation index in India, remain close to 8 per cent. The government and RBI foresee the inflation now moving downwards after peaking. They have pegged March 2012 headline inflation at 7 per cent.



By K Ezhilarasan

02 Jan 2012 02:00:57 AM IST

Thane destroys 80 per cent crops

CUDDALORE: Farmers in the district received a major setback as around 80 per cent of crops such as paddy, sugarcane, banana, jackfruit, mango, coconut and cashew have been uprooted by the monster cyclone Thane. "Agriculture will take seven years to limp back to normalcy. We do not have any other option to run our livelihood as we are totally dependent on our lands that was ravaged by the cyclone," said farmers of Ramapuram village.

The villages situated on Caper Hill here were the worst-hit, as the cyclone directly struck this place without any hindrances because of its elevated location. Various crops planted on thousands of acres on the hill were destroyed. Farmers are expecting Rs 20,000 per acre for paddy crop, Rs30,000 per acre for banana, Rs 25,000 per acre for sugarcane, Rs10,000 per acre for coconut trees and Rs 3,000 for rose plants as compensation. Farmers expect government to waive their loans in national and co-operative banks.

"If we plant cashew and jackfruit saplings now, it will take more than seven years to give us yield. We do not have money to resume farming. We had already mortgaged our lands in banks. Hence, we cannot think of taking another loan and we cannot even sell our lands. We also borrowed money from local money lenders on interest. So, we cannot borrow money again. Now, government is our only hope," said R Dakshinamoorthy, a farmer of Ramapuram.

It was these villages that fed thousands of farmers when they took asylum on Caper Hill during the 2004 tsunami. But tsunami had destroyed only the coastal areas, Thane hit the entire district. "We cooked food and served it to fishermen for more than a week after tsunami. We gave them bunch of bananas and other crops then. Now, we do not have rice to cook. Our crops had been spoiled. Our life is gone," rued farmers of S Puthur. Sagunthala of Andikuppam breaks into tears: "We had planted mango, cashew and jackfruit trees, and in return they take care of our lives. Now we are left alone as all the trees were uprooted."

THE TIMES OF INDIA

Coffee exports rise 22% in 2011

Tweet

PTI | Jan 1, 2012, 11.37AM IST

NEW DELHI: Coffee exports rose by 22% to an estimated 3.50 lakh tonnes in 2011.

The country exported 2.88 lakh tonnes of the brew in 2010, the Coffee Board data said.

"Coffee exports in the calender year 2011 are expected at about 3.50 lakh tonnes," a Coffee Board official told PTI.

India in the current calender year till December 29, 2011, has exported 3.46 lakh tonnes of coffee worth Rs 4,859.45 crore.

In the 2010-11 fiscal, overseas shipments of the brew rose by 50% to 2.94 lakh tonnes compared to 1.96 lakh tonnes in the 2009-10 financial year.

However, Coffee Board expects exports to come down in the current fiscal.

The board estimates coffee exports in the 2011-12 fiscal to drop by 14% to 2.40-2.50 lakh tonnes from 2.94 lakh tonnes in the 2010-11 fiscal.

India mostly exports coffee to Italy, Germany, the Russian Federation, Belgium and Spain.

2 JAN, 2012, 05.45AM IST, BLOOMBERG

Wheat resumes rally on dry weather woes

CHICAGO: Wheat futures rose for the ninth time in 10 sessions on speculation that dry weather from Ukraine to Argentina will limit global grain supplies. Ukraine's winter-wheat crop is in "poor condition" after persistent dry weather, and the lack of snow cover may leave crops vulnerable to damaging cold, Telvent DTN said.

The country's grain exports fell 9.3%in December from November, UkrAgro-Consult said. A lack of sufficient rain also may hurt developing corn and soybean plants in Argentina , DTN said. "A month ago, we all thought we were going to drown in wheat from Ukraine, and now all of a

sudden, they've scaled their exports back," Jason Britt, the president of brokerage Central States Commodities, said by telephone from Kansas City, Missouri.

"With the corn and bean markets doing what they're doing, that's sure helping our exports."

Wheat futures for March delivery rose 1.2% to settle at \$6.5275 a bushel on the Chicago Board of Trade.

2 JAN, 2012, 05.40AM IST, MADHVI SALLY,ET BUREAU

Despite surplus milk production, dairies in no mood to cut prices

AHMEDABAD: With dairies overflowing with milk production, consumers would not be in for any price spike surprises during the first few months of the new year. Dairy majors are seeing a 10-15 % jump in milk procurement this season over the corresponding period of the previous year. While a few dairies have reduced the procurement prices paid to farmers, there is no immediate sign of a price cut for consumers.

Procurement by Gujarat Cooperative Milk Marketing Federation (GCMMF), the largest player that markets the Amul brand of dairy products, has gone up by 19% to 140 lakh litre. "Owing to a good procurement price and marketing, we have seen an all-time rise in milk procurement this flush season," said GCMMF MD R S Sodhi. GCMMF-affiliated district cooperatives have kept their procurement price unchanged at an average of Rs 31 a litre.

However, private players like Bhole Baba Dairy, Sterling Agro (Nova) and VRS Foods (Paras) have reduced their procurement prices in the past few weeks. Sodhi added that private dairy players , particularly in the north, cut procurement prices from . 28-30 a litre before Diwali to Rs 24 a litre as on date.

Industry experts expect flush season - during which yield goes up due to the availability of good quality fodder -- to continue till March and are seeking the removal of a ban on exports of casein and skimmed milk powder. The upcoming state elections are cited to be the major reason for dairy cooperatives not reducing procurement prices in some states. Acknowledging that the procurement price has been cut, Uttar Pradesh-based VRS Foods MD Rajendra Singh said the price has been reduced by over Rs 3 a litre since November even as the liquid milk price for consumers has not been changed.

2 JAN, 2012, 05.31AM IST, RAM SAHGAL,ET BUREAU

Guar, Pepper beat Gold in returns race last year

MUMBAI: Savvy speculators who carry out paper trades on local commodity bourses made superlative profits playing the guar counter, which beat gold by a huge margin in terms of investment returns generated in 2011. Guar gum, a derivative of guar seed grown chiefly in Rajasthan and used as a sealant by oil well drillers, yielded a stupendous 269% return against 32% by gold between December of 2010 and December of 2011.

Over the same period, guar seed shot up by 189%. "The guar crop is very narrow (India produces around 8.5 lakh tonne or 80% of the world crop) and speculators long the product made hay betting prices would rise on the back of a production shortfall and a jump in exports," said Harish Galipelli, head of research, JRG Wealth Management. But most analysts and researchers believe that over-leverage by some corporate entities and financial speculators resulted in "abnormal profits ."

There have been allegations by some brokers of stocks being cornered on the spot and futures markets by certain entities. At a time of high export demand , this has forced those guar gum exporters to pay through their noses for guar seed. Apart from increasing the margins on buyers to 30% from less than 10% a few weeks ago, Forward Markets Commission (FMC), regulator of five national and 16 regional commodity exchanges , sent a team to Rajasthan to look into the complaints.

"Our initial feedback suggests farmers have benefited from the price rise," Ramesh Abhishek, FMC chairman, told a media gathering last month. "FMC will complete its investigation in a week or two," he had said back then. Attempts to contact the FMC chairman were unsuccessful over the weekend. Traders believe guar will correct in 2012 as farmers could increase production lured by the high prices and because the commodity was "overheated." Pepper ranked second among commodities having generated a 45% return while gold came third.

Pepper, said Galipelli, rose because of a falling production over the past few years but prices could correct in 2012 on expectations of a better crop. Gold has corrected since having hit a record high of \$1,921 an ounce (31.10 grams) in September and currently trades in the \$1,500 levels. In local markets, however, the price crossed the Rs 29,000-per-10-gram mark in mid-

December because of a depreciating rupee.

Analysts feel dollar priced gold could continue to correct over the first quarter of 2012 on likely redemptions by overseas investors to meet margin pressures elsewhere but that prices could rally thereafter on worsening euro zone or US economic problems. "We expect that support to upside in gold prices will remain as economic risks may worsen, which may lead to safe haven buying for gold," said Naveen Mathur, associate director (currencies & commodities), Angel Broking. Traders who invested in cardamom lost 62%, in turmeric 52.7% and those who bet on chilli rising ended losing 23% in value terms last year. In 2010, major spices like chilli, cardamom and turmeric hit record highs, which prompted growers to raise the acreage under cultivation. Consequently , production increased, pushing the prices downwards.

2 JAN, 2012, 05.33AM IST, SUTANUKA GHOSAL,ET BUREAU

Darjeeling tea companies smile as local demand goes up

KOLKATA: Darjeeling tea producers are all set to cheer. The year 2011 has brought smiles to them as the average price of Darjeeling tea in the domestic market has shot up by Rs 35 per kg. Even the end-season Darjeeling teas, being offered at auctions now, are fetching Rs 267 per kg as against Rs 204 per kg in 2010 end -- a rise of 31%.

This augurs well for the Darjeeling tea industry which generally depends on exports for revenues. CTC and dust tea prices have risen by Rs 8 a kg compared to the previous year. Western India companies , Tata Global Beverages and HUL are active in the market which has pushed up the prices of end-season teas.

J Kalyansundaram, secretary of Calcutta Tea Traders Association (CTTA), said: "Darjeeling teas have fetched good prices this year. Even the end-season teas are fetching good prices. There is a demand for Darjeeling teas in the domestic as well as the export markets. Companies and exporters are buying Darjeeling teas."

Darjeeling tea production has increased by at least 25% compared to the previous year. "Last year, production was affected by a drought-like situation . We lost the premium first and second-flush teas, which fetch maximum revenues for tea companies. But this year, the weather has improved and this will have a good impact on the production," said Ashok Lohia, chairman of Chamong Tee.

Chamong Tee is the largest Darjeeling tea producer. Last year, Darjeeling produced 8 million kg tea, the lowest in the last decade. There is an expectation that production this year will be around 10 million kg though the final figure is yet to be published by Tea Board. The appreciation of Euro has helped Darjeeling tea exporters as most of Darjeeling teas are exported to European Union countries.

"This will be definitely a good year for the Darjeeling tea companies . We are happy that the domestic consumption of Darjeeling tea has increased," said Sanjay Bansal, chairman of Ambootia Group. Generally, 40% of Darjeeling teas, which have the unique muscatel flavour, are exported. The rest 60% are considered as rains teas and do not make much headway to export markets.

But this year, there has been no lull in Darjeeling tea offtake. The CTTA secretary said CTC and dust teas have fetched better prices even at the year-end sale. "Companies are buying tea for the present season and for the Februray-March period. They have been strong this year and bought good quantities of teas," he said.

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UP to increase sugar recovery from cane

THURSDAY, 29 DECEMBER 2011 21:12

PIONEER NEWS SERVICE | LUCKNOW

Concerned over the falling rate of sugar recovery from cane, the state government has initiated measures to check this slide by improvement in cane varieties and condition of soil. As part of these measures, 25 soil testing laboratories will be opened every year across the state with the help of private sugar mills.

The state government has agreed to release fund for soil testing labs while the infrastructure, including building and staff, will be provided by the private sugar mills. According to an estimate, the setting up of each lab would cost around Rs 20 lakh, a Cane Development department official said on Thursday.

At present, UP has 58 per cent of the total cane area of the country but it contributes only 51 per cent to the total sugar production.

This is because of a low sugar recovery rate of 9 per cent that is below the national average of 10.20 per cent.

The cane production is also low compared to leading cane growing states like Maharashtra that produce 76 metric tons per hectare. In UP, the cane production average is 58 metric tons per hectare.

As part of its initiatives, the Cane Development department has prepared a five-year working plan which aims to increase cane production to 70 metric tons per hectare and sugar recovery to 10 percent by 2014-2015.

According to sources, the nucleus seeds of high yielding cane varieties will be produced at government cane research centres and on fields of progressive cane growers. After testing and treatment of soil by the labs to be set up in private mills, these seeds will be provided to all farmers interested in sowing cane as cash crop.

“We aim at replacing varieties giving low sugar recovery with high yielding and early maturing varieties in the next five years, said a Cane Development department official.

In the ongoing crushing season, sugar recovery is below 9 per cent and, according to private sugar millers, this is adding to their losses. According to UP Sugar Mills Association, the current SAP of Rs. 235-250 per quintal is beyond their paying capacity and is proving even more costly due low sugar recovery in UP than other states.

Business Standard

Monday, Jan 02, 2012

Coffee exports may drop 10% this year

Mahesh Kulkarni / Bangalore January 2, 2012, 0:15 IST



Bad economic conditions in Europe and bumper crop in Brazil, Indonesia and Vietnam to hit exports.

After a record exports in 2011, India's coffee exports are likely to decline by an estimated 10 per cent during the 2012 calendar year. This is mainly on account of slowing demand in Europe due to the euro zone debt crisis and an economic slowdown in the West.

Indian exporters, who have ended year 2011 on a high with an export of 3,46,028 tonnes (a 20 per cent growth over the previous year), expect a sluggishness in the demand during 2012. Bumper crop in Brazil, Indonesia and Vietnam may dampen India's export prospects during 201, according to industry analysts.

As Rajesh Raja, president of Coffee Exporters Association of India, the biggest markets for the country's coffee have been Europe, mainly Italy. “We saw an outstanding performance in 2011. But this year, we expect a drop of at least 10 per cent in shipments, mainly due to the European debt crisis. We would be happy if we can settle for about 300,000 tonnes of export,” he told Business Standard.

The crop in Brazil and Indonesia is expected to be higher. This is in addition to Vietnam, which has started shipping its new crop. It has already exported 40 per cent of its crop. That will put pressure on the Indian coffee, says Raja. Indonesia will harvest its coffee in April and Brazil will do it in June.

During 2011, India's coffee exports have increased by 19.8 per cent to 346,028 tonnes, as against 288,741 tonnes. This included a re-export of 53,440 tonnes as compared to 45,365 tonnes in the previous, which is a growth of 17.8 per cent.

The rise in exports was mainly on account of a very good demand from India during the first three quarters of the year from Europe, especially Italy, which is the largest market for Indian coffee — especially for instant coffee. The instant coffee exports were up by 25.5 per cent at 45,596 tones compared to the previous year.

Karnataka Planters Association notes that the Robusta variety, especially, registered a "very good" crop in 2011. This, when there was a shortage internationally as Brazil had an off-year and Columbia witnessed a shortfall in production, notes association chairman Marvin Rodrigues. "The demand was robust from European region in the first half of the year. The prices were also ruling high during the January-March quarter," he adds.

During the year, in value terms, India's exporters earned Rs 4,859.45 crore as against Rs 2,963.60 crore in the previous year, showing a rise of 64 per cent.

On its part, the Coffee Board of India has estimated the 2011-12 crop size at 321,000 tonnes, as against 301,000 tonnes in the previous year. That is, a 6.6 per cent growth. Good rains across major growing regions in Karnataka and Tamil Nadu have resulted in higher yield. The growth has come mainly from the Arabica variety, which is pegged at 104,000 tonnes. Robusta is expected to be 217,000 tonnes as against 207,000 tonnes in the previous year.

"During 2012," says Coffee Exporters Association's Raja, "Indian exporters will also see further pressure in terms of pricing." If the prices started declining during the fourth quarter of 2011 calendar, it was because of a global financial turmoil. "The robusta prices have seen about 25 per cent fall to settle at \$1800 per tonne. The prices are

expected to further drop to around \$1,700 in the next few months," he adds.

Bad weather to cut Tur output by 40% this year

Mahesh Kulkarni / Bangalore January 01, 2012, 0:10 IST

The production of Tur (red gram) is likely to come down a third during this year on account of drought and bad weather conditions in major growing areas. Compared to last year's record output of 3 million tonnes (mt), the country is likely to harvest 2 mt this year.

Major producing states like Karnataka, Maharashtra and Andhra Pradesh have seen bad weather conditions and low rainfall during sowing. Karnataka has had drought in 100 taluks, including Tur-growing districts of Gulbarga and Bidar. In addition to lower area under sowing in these states during kharif, the yields were lower due to lack of rain and improper growth of the crop, Basavaraj Ingiri, president, Karnataka Redgram Growers' Association, said.

Karnataka contributes 15 per cent of the national Tur output at 400,000 tonnes. However, this year, the production is estimated to be half of that. In Gulbarga district alone, the sowing was done in 320,000 hectares, and of this, crop in 180,000 hectares was damaged due to lack of rain.

"Carry-over stock is 700,000 tonnes from last year and the imports are 400,000 tonnes between January and December this year. With this year's domestic production of 2 mt, the country can manage the requirements. There will be more imports starting from January 2012 and we can see import of another 700,000 tonnes next year," Bimal Kothari, vice-president, India Pulses and Grains Association, said.

Tur constitutes 14-15 per cent of the total pulses production, which is estimated at 17 million tonnes this year. During the current kharif, Tur was sown in about 3.88 million hectares across the country, a decline of 14.9 per cent compared to last year, figures compiled by Ministry of Agriculture showed.

However, the agriculture ministry does not agree with the traders as far as this year's crop size is concerned. According to a senior official in the ministry, the first advance estimates of food grain production indicate a normal production and the second advance estimates would give a

clearer picture. The ministry would announce the latter very soon, the official said.

Traders feel despite a short crop this year, there will not be a severe impact on the prices of the commodity. "We do not see a big rise in the prices as there will be more imports. Prices are around Rs 32-33 a kilogram. From January, we can expect imports from Myanmar, where there is an excess crop and that would keep the prices stable," Sri Prakash Goenka, director, U Goenka Sons Pvt Ltd, and a Mumbai-based pulses trader, said.

Ingin said farmers in Karnataka are resorting to distress sale as the middlemen are procuring at prices lesser than the minimum support price of Rs 3,200 a quintal. Prices are in the range of Rs 2,400-3,500 a quintal, depending on the quality. Before harvest, the prices were at Rs 4,200 a quintal.

Cotton arrival gains momentum

Vikas Sharma / New Delhi/ Chandigarh January 2, 2012, 0:34 IST



Arrival of cotton in terminal markets across Punjab and Haryana has picked up by almost 40 per cent in the past few days.

As against an average arrival of 25,000-26,000 bales coming across various terminal markets(mandis) in Haryana, Punjab and Rajasthan, the arrival now has moved to 35,000 bales. The prices, however, have not moved up in proportion to arrival of cotton.

As per officials from Cotton Corporation of India, the average prevailing prices of kapas ruled at Rs 4,200 per kg as against Rs 5,000 per kg last year, 16 per cent dip in prices. Rakesh Rathi, president, north India cotton association maintained mills demand has improved from the mills side.

The arrival of cotton has moved up primarily as off take by mills has improved. With mills exhausting their available stock they have entered market for fresh purchases. In addition to this, members of ginning association adds the domestic demand has started picking up as yarn realisation are moving to better from stable. These all factors are contributing towards

rise in take off of cotton from the terminal markets.

Members also believe this farmers have started realising remunerations for cotton this year would not be as high as last year, have started bringing the crop to the markets. Bhagwan Das Bansal, president, Punjab cotton factories and ginners association maintained stronger dollar also suggest things on export side could improve for cotton this year, thus helping the cause for cotton.

“We are expecting exports of nearly 1 crore cotton bales this year as well, which is similar to that of previous year,” Bansal added.

THE HINDU Business Line

Farm varsity advises maize farmers to sell their produce

Our Bureau



Coimbatore, Jan. 1:

Maize farmers, who do not have the wherewithal to store the produce on harvest, are advised to sell it immediately as farm economists do not foresee any upward movement in the price of maize till April.

After analysing the market movements that prevailed in Udumalpet market for over 15 years, sources at Domestic and Export Market Intelligence Cell (DEMIC) functioning in Centre for

Agricultural Rural Development Studies (CARDS) at Tamil Nadu Agricultural University (TNAU) perceive that the price of maize would hover around Rs 1,050 and Rs 1,100 a quintal till April.

Thereafter, the prices are expected to look up, increase by Rs 100 a quintal to Rs 1,200.

Demic has also cited trade sources of hinting about a possible supply crunch after March, leading to a spiralling increase in the price, beyond the Rs 1,200/quintal mark.

Around 11.44 lakh tonnes of maize is produced in the state annually.

The major maize growing districts are Perambalur, Dindigul, Coimbatore, Salem, Erode, Virudhunagar, Villupuram, Theni, Tirunelveli and Tiruchi, contributing to 90 per cent of the area and production.

The poultry firms in the State procure maize from Karnataka and Andhra Pradesh till end December as the Tamil Nadu crop arrivals start only from January.

Thereafter, the consuming sector (poultry industry) buy the harvested maize in bulk and build their inventory for the coming months.

Demic sources said the global demand for maize in the ethanol sector was strong to support increased production.

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(This article was published in the Business Line print edition dated January 2, 2012)

Potato sowing in Bengal improves on cheap seed prices

Shobha Roy



Bumper crop likely: Potato seeds are available in plenty on account of a bumper crop this year. The State produced about 99 lakh tonnes of potatoes in 2010-11.

Kolkata, Jan. 1:

The falling trend in potato prices in West Bengal this year notwithstanding, the sowing of the tuber in various districts of the State has been outstanding, thanks to the oversupply of seeds at a throwaway price.

The average price of seeds which is anywhere between Rs 25 and Rs 30 a kg during a normal year, was sold at as low as Rs 5 this year on account of oversupply and lower demand in the market, said Mr Ram Pada Pal, President, West Bengal Cold Storage Association. "Though it is difficult to get an estimate of the production next year, however, sowing of the tuber this crop year is almost at par with what took place last year," Mr Pal told *Business Line*.

The State produced about 99 lakh tonne of potatoes in 2010-11. "If the weather conditions are favourable then going by the sowing this year, the production of the crop will be almost at par with last year," said Mr Gopal Sadhuka, a potato farmer, who has sowed seeds in about 20 bigha of land this year. Close to 40 quintal of potatoes can be cultivated on one bigha of land.

Sowing of the tuber typically begins by the end of October or early November and is completed by December 15. Though minor harvesting begins by first week of January in a few districts like Bankura, parts of Bardhaman and Howrah, it gathers steam only by the end of January or early February and is complete by March 15.

"Seeds were available in plenty on account of a bumper crop this year. The Punjab seeds were also flooding the market but there was hardly any demand initially as farmers were not too keen on sowing potatoes due to the poor prices it fetched them this year," Mr Pal said. However, with seed prices falling to as low as Rs 5 a kg, farmers were incentivised to go ahead with the sowing.

The wholesale price of potatoes nose dived to Rs 220-240 a quintal on Saturday, against Rs 350 a fortnight ago. With the average cost of production and preservation of the tuber at Rs 500-550 a quintal, farmers have been selling the crop at a loss.

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(This article was published in the Business Line print edition dated January 2, 2012)

Pepper market ends sluggish on holiday mood

G.K. Nair

Kochi, Jan. 1:

The last week of the year 2011 as far as the pepper market was concerned was sluggish and in the hands of bear operators. The market was highly volatile with 'circular trading' and as usual moving up and down without any co-relation to market fundamentals.

Add to the high volatility in the pepper prices, was the fluctuations in the currency rates. Weakening of the rupee coupled with the fall in the futures prices reduced the Indian parity in the international markets. However, during the week overseas buyers were buy and large on holidays and hence there was no demand forthcoming except for those who were trying to fish in the holiday markets.

But, the uncertainty in the prices resultant from the futures market and currency fluctuations have put both the seller as well as the buyer in a dilemma. Exporters were not able to make any commitments while the buyers were perplexed.

Domestic demand continued to elude the terminal and primary markets as it was being met by supplies from stockists based in five major north Indian centres at prices below that of the producing centres. Even, Karantaka planters were also reportedly offering last week at Rs 310-320 a kg delivered anywhere in India on credit.

People were switching over last week. Investors were also showing interest to liquidate and to get out of the market because of the high volatility of late. Though it is the consuming season no demand from upcountry was forthcoming following supply of material by stockists in major north Indian centres such as Indore, Gwalior, Delhi, Jaipur and Nagpur, the trade here claimed.

Heavy rains since Friday night in growing districts of south Kerala would lead to stoppage of harvesting and drying and that in turn would squeeze the arrivals.

Arrivals haven't picked up due to picking of light/green pepper for the extraction industry and manufacturers of green pepper in brine apart from good buying by Sabarimala pilgrims, primary market sources said. In fact, the arrivals have been very thin at the terminal market, they said.

Activities on the futures market has been limited last week, except for circular trading which was however taking place to keep the volume up, the trade alleged.

January contract on the NCDEX last week dropped by Rs 460 to close at Rs 33,060 a quintal while Feb and Mar moved up by Rs 245 and Rs 550 respectively to close at Rs 32,855 and Rs 32,565 a quintal.

Total volume increased by 2,563 tonnes to close at 27,788 tonnes while total open interest moved up by 323 tonnes to close at 9,355 tonnes on Saturday.

Spot prices fell by Rs 700 last week to close at Rs 32,100 (ungarbled) and Rs 33,600 (MG1) a quintal on Saturday, the last day of year 2011.

(This article was published in the Business Line print edition dated January 2, 2012)

Tea exports likely to be lower in 2011

P.S. Sundar

Coonoor, Jan. 1:

The Tea Board fears that India's exports in calendar 2011 would not reach last year's level of 193 million kg (mkg).

Till October, the latest period for which data is available, exports totalled 149.97 mkg against 163.17 mkg in 2010. This fall of 13.20 mkg marked a decline of 8.09 per cent. Industry associations have projected the overall exports in 2011 to total 185 mkg, down by 8 mkg or 4.14 per cent.

"I agree that exports would be less than last year particularly because of internal unrest in most West Asian countries besides payment and uncertain off-take problems in Iran," the Tea Board Chairman, Mr M.G.V.K. Bhanu, told *Business Line* here. "Lower exports are causing concern. To boost exports, we have launched an 5-5-5 approach which lays a five-year focus on five specific initiatives in five countries, US, Russia, Kazakhstan, Iran and Egypt, at an outlay of Rs 100 crore," he said.

"The lower exports come in the context our expectation of a record one billion kg production against last year's 966 mkg. This would mean larger volume being available for domestic market. Given the steady growth in domestic consumption, we are sure that the additional volume would be absorbed," he noted.

Admitting that domestic promotion is required to augment the consumption of South Indian teas to reduce the North-South enormous price divide, he said, "We will launch media campaign

highlighting the positive health impact of tea after working out the budgetary possibilities. We will request Tamil Nadu Government to include in school curriculum lessons on tea's positive health impact. This will help to improve youth's intake.

(This article was published in the Business Line print edition dated January 2, 2012)

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