

Horticulture Department to promote strawberry cultivation

Ravi.P.Benjamin

The Department of Horticulture is recommending strawberry cultivation. If the plantation is undertaken in 100 to 200 hectares by the small and marginal farmers or even by big farmers, it is sufficient to meet the local demand. It can also be sent to nearest metro cities and fruit lovers value them so much. The fruit being perishable cannot be exported without having logistic support it requires for preservation and processing etc.

Andhra Pradesh Micro Irrigation project director Ram Mohan told *The Hindu* that the climate in Agency areas in the district is suitable for strawberry cultivation. At present, the fruit is supplied by traders from northern states and is selling anywhere between Rs.100 and Rs.125 per kg.

Fruit grown locally can be sold for Rs.50 for local consumption. Fruit processing companies and even exporters are willing to have tie-up with farmers only if plantations are raised on a commercial scale.

The Horticulture Department is willing to extend all help and make all subsidies and incentives available for other horticulture crops applicable to them. ITDA is cultivating the fruit in Padmapuram gardens in Araku Valley for over a decade. The garden strawberry called *Fragaria* and *Annanassa* is a common hybrid species that is cultivated worldwide. The fruit is widely appreciated for its characteristic aroma, bright red colour, juicy texture, and sweetness. It is consumed in large quantities, either fresh or in prepared foods such as preserves, fruit juice, pies, ice creams, and milkshakes. Artificial strawberry aroma is also widely used in many industrialised food products. Strawberry was first bred in Britain and France. The first garden strawberry was grown in France during the late 18th century.

The bulk of modern commercial production uses the plastic culture system. In this method, raised beds are formed each year, fumigated, and covered with plastic to prevent weed growth

and erosion. Plants, usually obtained from northern nurseries are planted , and irrigation tubing is run underneath. Strawberry plants more than a year or two old begin to decline in productivity and fruit quality and the system of replacing the plants each year allows for improved yields and denser plantings. The other popular method, which uses the same plants from year to year growing in rows or on mounds, is most common in colder climates. It has lower investment costs, and lower overall maintenance requirements. Yields are typically lower than in plastic culture.

Strawberries can also be grown as a potted plant, and will still produce fruit. The plant will send out shoots in an attempt to propagate a new plant, and, if left alone, it will be successful in doing so, but this shoot can be cut off and placed wherever one wishes to start a new plant.

Strawberries are often grouped according to their flowering habit. Traditionally, this has consisted of a division between “June-bearing” strawberries, which bear their fruit in early summer and “ever-bearing” strawberries, which often bear several crops of fruit throughout the season.

Around 200 species of pests are known to attack strawberries both directly and indirectly. Strawberries contain fisting, an antioxidant that has been studied in relation to Alzheimer's disease and kidney failure .

TIRUVANNAMALAI, July 16, 2012

Rich output from free milch animals given to poor in Tiruvannamalai

STAFF REPORTER

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When considering quantum of milk produced by cattle heads distributed to poor under free milch animal scheme in different districts of the State, Tiruvannamalai district tops the list, District collector Vijay Pingale said.

Addressing a special grievance redressal meeting for milk producers convened at the Collectorate here on Friday Dr. Pingale said, “1,000 cattle heads have been distributed in the district under free milch animal scheme and 800 of them are producing about 4,000 liters of milk/a day now”.

“Primary Agricultural Cooperative Credit Societies have enhanced the size of the loan given to purchase milch animals into Rs.25,000. Each of the Cattle heads purchased under Dairy Entrepreneur Development Scheme is insured for three years at a cost of Rs.905 by the government. Those who got milk cattle under Pudu Vaazhvu Thittam, a rural livelihood development scheme in the district supply about 580 liters of milk/a day to Aavin,” Dr. Pingale said.

“Special officers of milk cooperative societies are monitoring secretaries and other employees of the societies to find out if they have any nexus with private companies and illegally selling the milk purchased by societies to private companies. Milk producers can inform us if they come across any such case of siphon-off,” Dr. Pingale added.

District Revenue Officer S. Valarmathi, Deputy Registrar of Cooperative Societies (dairy development) Muniraj and Joint Registrar of District Central Cooperative Bank, Jayam, were present in the meeting.

CUDDALORE, July 16, 2012

Farmers lose brinjal crop to rain

A.V.RAGUNATHAN



Rotting away:In the last few days, Cuddalore received an average rainfall of 60 mm, which is too much for the crop.— Photo: C. Venkatachalapathy

Owing to adverse weather condition, brinjal crop raised on about 500 acres in the Nanmedu area here has withered. The purple fruits have all become shrunk and shrivelled, unfit for consumption.

According to T. Siva (37), a farmer in Nanamedu, the traditional brinjal variety raised in the area is known for its quality and shelf-life. But comparing with the hybrid varieties, the yield level in this traditional variety is far less.

Mr. Siva told this correspondent that for the past two years the yield level from the traditional variety had come down drastically. Therefore, the farmers had gone in for a hybrid variety named "Sivandapatti" brinjal for which they had sourced the seeds from the Vegetable Research Station (of the Tamil Nadu Agricultural University) located at Palur near here. Mr. Siva said that normally 10 bags (800 kg) of traditional variety of brinjal could be harvested from an acre. But with the hybrid variety the yield could be 14 to 15 bags (1,100 to 1,200 kg) obtained.

Hence, the farmers had switched over to the hybrid variety. But the soil condition in the Nanamedu area did not seem suitable for this variety.

Unlike in other agricultural areas such as Panruti and Ramavaram the soil condition in Nanamedu was porous and water could not seep deeper.

Hence, whenever it rained the water would stagnate in the root region, thereby hastening the rotting process. In the last few days, Cuddalore received an average rainfall of 60 mm and the brinjal crop could not tolerate the moisture level.

Mr. Siva said that though the farmers in the area had been raising brinjal for generations they knew well that it was a gamble, particularly during the monsoon season.

Therefore, to offset the losses the farmers would apportion their lands in such a way to raise other crops like onion and groundnut.

KOCHI, July 16, 2012

'Deficient rainfall will not affect food crops'

Union Minister of State for Food and Civil Supplies K.V. Thomas has said that there was no need for concern over food crops despite a shortfall of 21 per cent in rainfall during this monsoon.

Speaking after inaugurating the agri-fest organised by the district panchayat here on Saturday,

Satellite mapping

Mr. Thomas said that the problems caused by deficient rainfall could be assessed and resolutions worked out in advance with the help of satellite mapping.

The production of paddy, wheat, and sugar will not be affected by deficient rainfall while it may impact the production of edible oil and pulses.

Sufficient stocks

Of the 840 lakh tonnes of food crops stored in Food Corporation of India godowns, 700 lakh tonnes were wheat.

Only 550 lakh tonnes of wheat would be needed for distribution through the public distribution system.

Top producer

Mr. Thomas said that the country had achieved self sufficiency in food production and was one of the top producers of food grains in the world.

India is also a major exporter of rice, wheat and sugar, he said.

Dismal state

The Minister said that the State's backwardness in food production while the North-East States made progress was a sad commentary.

The State's reluctance to utilise advancements in science and technology has led to such a situation, he said.

Shortcomings

The State had lagged behind in mechanisation leading to loss of jobs initially. Now workers are in short supply. Mr. Thomas urged the farming community in the State to effect changes in production patterns and to resort to value addition to cope with changing food habits.

Alternatives

Complaining about the low quality of food products brought from neighbouring States while not doing anything to improve production here was futile.

Mr. Thomas said that products like pokkali rice should be sold as branded products.

District panchayat president Eldhose Kunnappillil presided over the meeting.

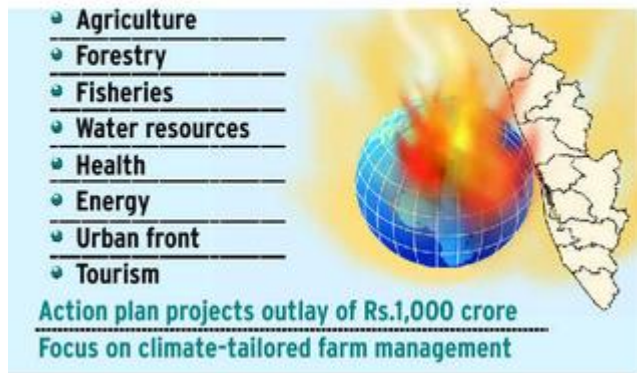
State needs to effect changes in production patterns to cope with changing food habits: K.V. Thomas

KOCHI, July 16, 2012

Kerala charts out plan to tide over climate change

K.S. SUDHI

Action plan will be submitted to Union Ministry



Introduction of a “climate-tailored agricultural management” system, preservation of ecologically important biomes, and development of water bodies are some of the strategies proposed by the State to overcome the impact of climate change. The strategies have been listed in the State Action Plan for Climate Change, prepared by the Department of Environment and Climate Change. The strategic plan, with a projected financial outlay of Rs.1,000 crore, is being circulated among various stakeholders.

Strategies have been prepared for eight sectors, including agriculture, forestry, fisheries, water resources, health, energy, urban, and tourism sectors. The action plan will be submitted to the Union Ministry of Environment and Forests. The Ministry had earlier asked all the State governments to prepare the plans for their regions.

Kerala plan

The major strategies for the food and agriculture sector include “replacement of crops with best adapted or suited crop trait and introduction of new plant variety crops such as paddy, coffee, tea, and rubber that absorb less light and can withstand high temperature and water stress.” An integrated pest management system with stress on bio-pesticide, bio-control agents, and organic methods has been mooted.

Shifts in cropping pattern and land use and management have been suggested as “small changes in climatic parameters can be often managed reasonably well by altering dates of planting, spacing,” the plan says.

A climate-tailored agricultural management system based on updated climate information for increasing efficiency and deciding sowing dates, choosing fertilizer, and chemical applications have been suggested. Diversification of agriculture, conservation of native trees, encouraging crop rotation, use of crop residues and bio-fertilizers also find mention in the plan.

It has also been suggested to “declare climate-sensitive zones having intensive farming activities like Kuttanad region as special agricultural zone.”

In the fishing sector, thrust will be on sustainable fish stock enhancement and livelihood improvement of fishermen. Programmes for planting mangroves, support for conservation measures such as trawl ban, and protection of extended marine biodiversity areas such as mangrove systems and backwaters have been mooted.

The protection and development of water bodies will be the focus areas in the water resources sector. Proposals for promoting rainwater harvesting, rejuvenation of rivers, and revival of polluted lakes and ponds and dried-up lakes have been included.

Identification of “most vulnerable area prone to vector and water and air-borne diseases, improvement in surveillance and warning system, and strengthening of health infrastructure have been included in the health sector. Public and private sector participation in renewable energy development will be encouraged in the energy sector, the plan says.

Building up proper sanitation and drainage system, preventing open dumping, and ensuring drinking water supply are the key concerns in the urban sector. Identification of special tourism zones that are vulnerable to climate change has been mentioned in the tourism sector.

Promoting ecotourism and protecting tourism-related infrastructure from extreme climate events have also been suggested.

(EAST GODAVARI DIST.), July 16, 2012

Kiran sanctions Rs. 10 crore for fish processing unit

“We have to bargain money from you to fulfil all your requisitions,” quipped Chief Minister N. Kirankumar Reddy, during his interaction with the members of women self-help groups (SHGs) here on Sunday.

After inaugurating the office building of Godavari Maha Samakhya, a consortium of women SHGs exclusively from the fishermen community, the Chief Minister interacted with the women at Chinna Boddu Venkatayapalem village here.

Though it was the last but one programme of his hectic day-long schedule on the second day of his three-day district tour, Mr. Reddy made the half-an-hour long interaction more vibrant. Cutting short the enthusiastic women from going on prolonged speeches, he wanted them to the point blank.

Sanctioning a sum of Rs. 10 crore and five acres of land instantly to the Samakhya for setting up fish processing unit in the village, Mr. Reddy said that the State government increased the budget for fishermen welfare from a mere Rs.20 crore to Rs.220 crore in the last one year. When Rakoti Chittemma, a member of the SHG, sought additional loans to the groups to meet the educational expenses of the wards of the members, Mr. Reddy pointed out that the fee-waiver was already being implemented by the government.

The members explained in detail various programmes taken up by the Samakhya for the welfare of the pregnant, neo-natal mothers, children and the aged people. "It seems there is no need of helping hand from the government to your groups," Mr. Reddy said in a lighter vein.

When the women sought direct waiver of interest on their loans without the intervention of the banks, the Chief Minister cited the excuse of shortage of funds. "The State government is spending Rs. 13,000 crore towards loans to the members of Indira Kranthi Patham. This is 50 per cent of the total loans being issued at the national level," he said amidst thunder applause from the women.

Before leaving the venue, he wanted the women to send their grievances in writing to the State government.

JONNALAGADDA (GUNTUR DT), July 16, 2012

Direct sowing of paddy gaining acceptance among farmers

P. SAMUEL JONATHAN

Farmers cultivating paddy in dry conditions in this mandal have started adapting innovating technologies to tide over scarcity of water and shortage of labour.

Direct sowing of paddy through seed-cum-fertiliser drill is finding a new acceptance among farmers in lower Krishna River basin. In paddy cultivation, conventional transplantation farming practices begin with setting up a nursery bed and after a 45-day period, the plants are transplanted in the field.

The direct sowing operation starts with the onset of monsoon. Farmers prepare the land during summer season followed by weeding. Green manure is also used to improve the soil carbon content.

The land is ploughed and levelling is carried before the onset of monsoon. Once the field is ready, farmers collect seeds and fill up the boxes in the seed-cum-fertiliser drill fitted to a tractor.

The seeds are funnelled to the soil through ductile pipes fitted to the drill. Even as the tractor ploughs the field, the sowing is done simultaneously. The operation is quick and it takes 30 minutes to sow seeds in an acre.

“I have been using the direct sowing technology for the last five years. The yield of 35 bags per acre is more than satisfactory even in adverse conditions. This technique is a boon to lands where water is delivered late to the tail end areas of canals,” says Thumma Srinivasa Reddy, a farmer.

The Department of Agriculture is encouraging more number of farmers to adapt this innovative technology. Mandal Agricultural Officer, Srinivasa Rao says that drill machines are being supplied at a subsidy of 20 per cent to farmers.

The Department is planning to extend the technology to the entire district.

Scientists at the Regional Agricultural Research Station have conducted extensive research on the direct sowing technology.

A Scientist, K. Gurava Reddy said that research under CLIMARICE-2, a joint project taken by the A.P Government and the International Water Management Agency has validated the technology.

“We have observed that the technology is helping in reduction of 20-40 per cent of water usage when compared to transplantation technology.

The scarcity of manual labour can also be overcome,” Dr. Reddy told *The Hindu* on Sunday.

hindustantimes

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Press Trust Of India

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June inflation to be 7.82%; steep rate cuts unlikely: ICICI

Inflation is likely to inch up to 7.82 per cent for June, from 7.55 per cent in May, and the Reserve Bank is unlikely to go in for steep rate cuts at the forthcoming monetary policy reviews, says a report. By observing the price movements of different sensitive commodities during the May-June period, the annual estimated inflation is likely to be at 7.82 per cent in June 2012, said brokerage firm ICICI Securities in a research report.

The June inflation numbers are scheduled to be released on Monday.

Annual inflation, as measured by the Wholesale Price Index (WPI), rose to 7.55 per cent in May 2012 (provisional) from 7.23 per cent in April 2012.

"In a scenario where WPI inflation is expected to remain over 7.5 per cent and core inflation likely to hover around 5 per cent, it's fairly unlikely that the RBI will go for steep rate cuts in the forthcoming monetary policy reviews," the report said.

Though there is clamour for rate cuts to fuel expansion, RBI is likely to be "slow and steady" as far as rate cuts are concerned, it said.

In its June 18 policy mid-quarter review, the central bank, citing inflation as the main reason, had kept the interest rate (repo rate) unchanged despite widespread anticipation of at least 0.25 per cent reduction.

"We maintain our stand that RBI is unlikely to cut repo rates more than 75 bps for FY'13, starting with a cut of 25 bps in Q2 FY'13 (Jul-Sept)," ICICI Securities said.

The Reserve Bank is scheduled to announce its quarterly review of monetary policy on July 31.

The month-on-month movement of food articles -- which are the most price sensitive -- witnessed high fluctuation in the May-June period, with agricultural food items (especially fruits and vegetables) governing the trend more than manufactured food products.

"We expect an overall annual increase of 9.08 per cent in food inflation for June 2012 with agricultural food inflation continuing in double-digits (10.72 per cent) and manufactured food inflation once again picking up to 6.10 per cent on the back of a double-digit increase in edible oil prices and sugar prices (7.2 per cent)," ICICI Securities said.

The monsoon rains, from June to September each year, are a key source of water for Indian agricultural India and have been below normal so far.

According to the Indian Meteorological Department, rainfall was deficient by 25 per cent for the country as a whole as of July 8, with 22 out of 36 regions experiencing below-normal rainfalls.

Regionally, north-west India was the worst affected with rainfalls deficient by 43 per cent. Central India and the southern peninsula are also trailing by about 30 per cent.

<http://www.hindustantimes.com/StoryPage/Print/889361.aspx>

weather

Chennai - INDIA

Today's Weather



Sunny

Monday, Jul 16

Max Min

32.2° | 25.2°

Rain: 01 mm in 24hrs

Sunrise: 5:45

Humidity: 62%

Sunset: 18:39

Wind: Normal

Barometer: 993

Tomorrow's Forecast



Rainy

Tuesday, Jul 17

Max Min

34° | 28°

Extended Forecast for a week

Wednesday Jul 18	Thursday Jul 19	Friday Jul 20	Saturday Jul 21	Sunday Jul 22
30° 26°	31° 27°	32° 27°	32° 27°	33° 27°
Rainy	Rainy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

16 JUL, 2012, 04.08AM IST, SUTANUKA GHOSAL & BIKASH SINGH, ET BUREAU

Farmers in east India to boost paddy output

KOLKATA/GUWAHATI: Farmers are making every effort to maximise paddy yield in east India which may help in picking up the slack from Andhra Pradesh, Karnataka and Tamil Nadu.

Some farmers have opted for direct seeding where paddy seed is sown and sprouted directly into the field, eliminating the laborious process of planting seedlings by hand and greatly reducing the crop's water requirements.

The Union agriculture ministry has reviewed the crop scenario in the east and is sticking to 51 million tonne of rice production from the region. However, floods in Assam and a persistent dry scenario in Manipur still continue to be a matter of worry.

As on July 13, farmers across the country have sown paddy on 9.67 million hectare as against 12 million hectare in the corresponding period last year, a drop of 19.33%.

Dr Mukund Wariar, officer in charge of Central Rain-fed Upland Rice Research Station, said: "Bihar and Jharkhand were the two states, which had received less rainfall required for preparing nurseries. But in the last one week that operation has picked up momentum."

A section of farmers in Odisha has opted for direct seedling to avoid the 'delayed monsoon' factor. Dr Trilochan Mohapatra, director, Central Rice Research Institute, said: "Under expert advice, these farmers have taken up direct seedling. Though the monsoon was delayed initially, it is picking up.

Farmers will try to transplant seedlings by the end of July if it rains or else the transplantation will spill over to August. The Union agriculture ministry has held talks with the eastern states

and there has been no downward revision in the target."

The eastern region comprises Odisha, West Bengal, Bihar, Jharkhand, Chhattisgarh, eastern parts of Uttar Pradesh and Assam. Of the total area under paddy cultivation in the country, the eastern region forms 50%. The total area under paddy cultivation is 44 million hectares. Of all the eastern states, West Bengal produces 15 million tonne which can output 10 million tonne of rice.

"We have time up to August 15, within which transplantation has to be done. North Bengal has received good rains compared to south Bengal. We are hopeful that the transplantation will be completed by mid-August," said DN Mondol, a paddy farmer and president of West Bengal Rice Mills Association.

However, the devastating floods in Assam has affected 2,54,935 hectare of farmland. This year's flood, biggest since 1988, is likely to hard hit Assam's ambitious rice production target. The state is expecting rice production of 51 lakh metric tonne (MT) this year. Last year, the state produced 50.54 lakh mt. In 2009-10, the production was at 44.08 lakh MT.

Assam agriculture minister Nilamoni Sen Deka said, "The Assam agriculture sector has suffered huge losses. The loss will be over Rs 993 crore. Definitely, our rice production will be affected but we will make up."

He added, "As soon as water recedes, we will help farmers in tilling the fields. We hope to make up the lost ground in rabi and the remaining summer paddy season."

Manipur's rain deficit has touched 67% as the state has received 166.1 mm rainfall against the normal of 509.5 mm. Nagaland's rainfall deficit is 24% as the state has received 234.2 mm against the normal of 309.6 mm.

Manipur Loumi Lup, a farmer's body in Manipur, said that around two-thirds of agricultural land in the state are has not received rain. The state has about 1.9 lakh hectares of agricultural land. The body has urged the government to declare a drought. Agriculture minister Md Abdul Nasir said the quantity of rain has been very less.



Punjab CM blames Centre for rotting of food grains

SUNDAY, 15 JULY 2012 21:59

PNS | SRI MUKTSAR SAHIB

Punjab Chief Minister Parkash Singh Badal on Sunday blamed the “apathetic” attitude of the Congress-led UPA Government at the Centre for the rotting of foodgrains in the State.

“The State Government merely acts as a facilitator of the Union Government in purchase of foodgrains, but the entire responsibility of its proper storage, lifting and movement lies on the Centre,” Badal said while speaking to the reporters on the sidelines of the second day of his ‘Sangat Darshan’ programme in Kolianwali area of the Lambi Assembly.

“However, the performance of the Union Government on the matter is dismaying as neither it has been able to store the foodgrains properly nor the freight arrangements were made in a proper manner,” he claimed.

Badal said that despite his personal requests to the top brass of the Union Government, they have hardly paid any heed in granting permission for setting up new silos for storing the grains in the State.

“The result of it is that the precious foodgrains produced after a lot of labour by the farmer gets decayed in the State,” he said.

Slamming the Congress, the Chief Minister said that the people of the country were fed up due to their “wrong policies” and the crushing defeat of the Congress candidate in Dasuya bypoll reflects the state of their mind. “There is a wave of resentment against the Congress and the party will be routed out in the next General elections,” he added.

“People are fed up of corruption, inflation and unemployment, and they will certainly teach the Congress and its allies a lesson in the Lok Sabha polls,” said Badal.

Favouring the demand of ex-servicemen to grant them ‘One Rank One Pension’, the Chief Minister said that the Army plays a vital role in safeguarding the borders of the country so the Union Government was duty bound to pay attention towards their welfare.

Replying to a query, Badal said that the State Government was fully committed to check the illegal mining in the State for which a new mining policy would be announced soon.

Punjab sets record, procures 12,934,951 tonnes wheat

Chandigarh: Punjab has set a new record in production as well as in the procurement of wheat crop. In the current Rabi season, the Government managed to procure 1.29 crore (12,934,951) tonnes wheat through its 1750 purchase centres established across the State. The wheat procured in this season is 18.41 lakh (1,841,276) tonnes more than the previous year. An official spokesman of Punjab Government said that this year the payment of Rs 16,207.67 crore was credited to the accounts of farmers for the purchase of wheat as compared to the payment of Rs 12,178.91 crore made to the farmers previous year, which is Rs 4,028.76 crore more than last season.

He said that district Sangrur stood first with the procurement of 12,21,505 tonnes of wheat, and the farmers of this district had been made payment of Rs 1,558.97 crore.

Business Standard

Monday, Jul 16, 2012

FinMin proposes changes in imported edible oil tariff

Anindita Dey & Dilip Kumar Jha / Mumbai Jul 15, 2012, 00:30

The finance ministry has proposed to revise the tariff rate for imported edible oil shortly, after almost six years of freezing it at \$ 420 per tonne.

According to officials close to the development, the rate will be linked to the market to align it with international prices. The rate hike is likely to be effected primarily for palm oil, which is mainly imported into India.

Tariff rate is the base rate upon which custom duty is charged on imports. The officials, however, cautioned that it will not have any impact on the crude or raw edible oil imported since customs duty on this category is zero. It will only have an impact on the import of refined palm oil to the extent of 7.5 per cent of the total value.

Month	2010-11	2011-12	Change (%)
Nov '11	6,68,917	8,55,363	27.87
Dec '11	7,52,688	6,69,912	-10.99
Jan '12	7,21,179	6,59,979	-8.49
Feb '12	5,49,881	8,76,669	59.43
Mar '12	4,35,735	7,27,706	67.01
Apr '12	4,75,123	9,25,334	94.75
May '12	6,64,133	8,93,921	35.05
Jun '12	8,62,550	7,83,315	-9.18

Source : SEAI

As per data compiled by the Solvent Extractors' Association of India (SEAI), share of refined oil (RBC palmolein) has increased to 19 per cent in June, while crude oil has decreased to 81 per cent and reported at 5.047 million tonnes (mt) compared to 4.31 mt during corresponding period of previous year.

Further, the SEAI report is of the view that the share of RBD palmolein is likely to increase as current Indonesian inverted duty structure encourages larger export of refined oils (nine per cent export duty) over crude oil (18 per cent export duty). Also, the gap between crude and refined palm oil has reduced to just \$28 from \$73 a year back, discouraging local refining.

Explaining this, officials said the tariff rate may be hiked to around \$900-1000 per tonne which would translate into a duty of around \$35-40 per tonne. In rupee terms, the increase in tariff value at the current exchange rate will translate into a duty of Rs 1,800-2,200 per tonne. Earlier the ministry of food had recommended for increase in import duty of refined oil.

According to officials, edible oil prices are already high in the retail market, as around 50 per cent of the demand has to be met by imports. Indonesia, from where a majority of the edible oil is imported by India, has raised the duty for export of both crude and processed refined palm oil.

However, the increase in export duty on crude oil is much more than the rise in duty on processed or refined oil, which is why Indian importers are preferring import of refined oil.

Import of vegetable (edible and non edible) oil declined in June by 9.18 per cent due to traders' shifting from fresh purchases to use existing inventory.

During November 2011 to June 2012, import of refined oil (RBD palmolein) nearly doubled to 1.21 mt, compared to 638,715 tonnes in the same period the year before.

Besides, the drastic depreciation in the rupee against the dollar has proved as a barrier for import of veg oil into India. The rupee averaged at 55.94 against the dollar in June 2012, compared to 44.81 in the corresponding month of the previous year.

Meanwhile, traders opted to use more quantity from the existing inventory instead of focusing on fresh purchases. Consequently, the overall stocks in the pipelines declined to 1.5 mt as on July 1 compared to 1.56 mt about a month ago, SEAI report suggested.

Guar seed prices up as demand rises

Dilip Kumar Jha / Mumbai Jul 14, 2012, 00:51

With the first showers of monsoon, the price of sowing quality guar seed has jumped 15 per cent in the last two days. The monsoon has entered some parts of Rajasthan, with scattered rainfall received in the eastern and southern parts of the state. Some areas bordering Madhya

Pradesh have also received marginal rainfall, which provided adequate moisture for sowing guar seed. Consequently, farmers in these areas secured their portion of the required seed resulting in the price of sowing quality seed hitting a high of Rs 145 a kg in Jodhpur, up from Rs 120 a kg two days ago.

Similarly, high yielding seeds sold by many professional bio-tech companies are currently available at Rs 180-200 a kg, a rise of at least Rs 20-25 a kg since the beginning of the week. Stockists, meanwhile, are releasing guar seed in limited quantity amid expectations of further price spurt with intensified monsoon rainfall in the coming days.

“With the price hitting an abnormally high Rs 330 a kg last year, farmers and stockists sold the entire quantity of seeds. Consequently, quality seed is in short supply, the main reason for the price spurt,” said Purushottam Isaria, president, All India Guar Gum Manufacturers Association.

Recently, the Hyderabad-based Central Research Institute for Dryland Agriculture, a national institute that carries out basic and applied research in rain-fed farming, had forecast 10-15 per cent decline in guar seed production this year, due to 72 per cent deficiency in monsoon rainfall so far this season. Further, its director B Venkateswarlu, had estimated guar seed output to decline further, to even 25 per cent.

According to Isaria, the sowing area, germination of seed and overall growth in plant depend heavily on monsoon rainfall. Since, the kharif plant requires four-five spells of three-four inches of water logging, rainfall during the overall 90-day crop remains important. The ideal season for guar seed sowing begins around July 15 for harvesting in the first week of October.

“Large farmers have already sown guar in the irrigated land early this season, especially in regions like Sri Ganganagar, Hanumangarh, Bharatpur and Alwar. But, the germination and growth of the plant were very slow due to the lack of adequate water. Hence, the yield in early sowing area is likely to remain lower,” said Ratanlal Daga, chief of organic farming, All India Akhil Bharatiya Kisan Sangh, representing four million farmers.

Around 80 per cent of the sowing area in Rajasthan is rain-fed. Jodhpur, Barmer, Bikaner and Jaisalmer are still awaiting rainfall.

According to Sanjay Periwal, a Jodhpur-based guar trader, farmers are enthusiastic about bringing more area under cultivation in the ensuing kharif season amid expectations of a higher price this year, too. Prices of both guar seed and gum unjustifiably jumped to set new records last year at Rs 330 a kg and Rs 1,000 a kg, respectively. But, these commodities declined dramatically on suspension of their trade in the future, market.

Meanwhile, the price of guar gum has slumped on absence of foreign buyers. According to trade sources, buyers are using their existing stocks, as they anticipate a further decline in prices on normal monsoon rainfall forecast this year.

Following seed, guar gum has gone up slightly in the last two days to trade at Rs 400 a kg, a rise of nearly 10 per cent in the last two days.

The ministry of consumer affairs estimated total guar seed production at 1.25 mt during the 2011 kharif season compared with 1.5 mt in the previous year. If the monsoon goes well, the output will go up to 2.5-3 mt, said Periwal. Rajasthan is the largest producer of guar, constituting around 70 per cent of India's overall output.

THE HINDU Business Line

Inflation declines to 7.25% in June

K.R. Srivats

New Delhi, July 16:

June inflation number came in at a lower-than-expected 7.25 per cent. This is also lower than the 7.55 per cent recorded in May.

This softening of inflation trend provides an improved environment for RBI to look at monetary easing on July 31, say economy watchers.

But a disappointing start to monsoon and double-digit retail inflation could come in the way of any steep policy rate cuts by the central bank, they said.

Food inflation continues to be an area of concern at 10.81 per cent in June.

Annual inflation, as measured by the wholesale Price Index (WPI), had touched 7.23 per cent in April. April inflation number has now been revised upwards to 7.5 per cent.

The other comforting factor is that manufactured products' inflation continues to show a declining trend.

For June 2012, manufactured products' inflation came in at 5 per cent, lower than 5.02 per cent in May and 5.27 per cent in April. It was 7.9 per cent in June last year.

Primary articles inflation for June 2012 stood at 10.46 per cent, lower than 10.88 per cent in May.

Crop protection sector looks for cover

K V Kurmanath



The Rs 10,000-crore crop protection industry is saddled with huge stocks from the last season, even as it is already struggling with the appreciating dollar and yuan.

AGRICULTURE INPUTS

	(% growth)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Agriculture machinery	12.54	33.24	14.95	7.07	8.91
Tractors	-1.85	-0.47	27.28	24.55	18.17
Agriculture implements	22.27	-28.57	-13.31	-34.38	-13.97
Fertilisers	-7.92	-3.93	12.69	-0.02	0.39
Pesticide consumption	13.78	29.6	10.9	N/A	N/A

While agri-cultural inputs such as fertilisers, pesticides or tractors may not immediately react to a bad monsoon, the lag effect is clearly visible in 2010-11 numbers for these inputs.

July 15, 2012:

A delayed monsoon has cast a shadow on the prospects of the pesticide industry in the country. The industry, that has been expecting to rake in higher revenues on increased product prices, now fears delayed movement in the supply chain.

Even as it struggles with the appreciating dollar and yuan, the Rs 10,000-crore crop protection industry is saddled with huge stocks from the last season.

With a not-so-great kharif season in important States such as Andhra Pradesh and a failure of rabi in some States, the industry sees a lower demand.

The industry has pegged a dip in sales in the range of 15-20 per cent as demand has slackened. A good part of it could be recouped if the monsoon is revived. But how fast and well-spread that revival would be determines the revival of its fortunes.

“The situation is alarming. Last year, we saw a deficiency of 30-35 per cent in rainfall. This had an impact on pesticides sale as farmers moved away from wheat and paddy,” Mr Pradip Dave, President of Pesticides Manufacturers and Formulators Association of India, said. A deficient rain could make way for short-term crops such as millets that need relatively lesser intake of pesticides. “A case in point is reduced interest in cotton. They have reduced it because of a not very encouraging price last year,” Mr Dave said. India consumes 0.48 kg of pesticides a hectare against the world average of 3-5 kg a hectare.

The Standing Committee Report of Ministry of Chemicals and Fertilisers estimated that the annual crop loss in the country due to pests and diseases is about Rs 90,000 crore.

“We see some complexity in product consumption because of scarce and scattered rains. There will be a change in cropping pattern. We are already witnessing a reduction in cotton acreage. These developments could impact pesticide consumption,” Mr Ankur Aggrawal, Managing Director of crop protection products company Crystal Group, told *Business Line*. The industry expects a change in the mix of production consumption in proportion to the change in cropping pattern.

A Scandinavian connection to ‘Monsoon Malabar’ coffee

A. J. Vinayak

Mangalore, July 15:

Mangalore is the home to a coffee brand, though the commodity is not grown in the region. Monsoon is an important factor in deciding the quality of this brand.

‘Monsooned Malabar’ coffee, which is a product of Mangalore, commands a good market in Scandinavian countries.

Mr K.D. Thimmaiah, General Manager, Coffee Division, Aspinwall & Co Ltd, Mangalore, told *Business Line* that ‘Monsooned Malabar’ is a speciality coffee that is mild and mellow.

The Scandinavian countries are the major market for this speciality coffee.

Of the 5,000-plus tonnes of ‘Monsooned Malabar’ coffee exported from India, Aspinwall has a share of almost 55-60 per cent, he said adding that ‘Monsooned Malabar’ Arabica garners a major share of around 4,000 tonnes while the Robusta variety takes the rest.

Export growth

To a query on the growth in the exports, he said India has been witnessing an annual growth of around 5 per cent for this speciality coffee. In terms of price, this brand commands 10-15 per cent premium in the export market compared to the normal coffee.

Asked about the domestic market, he said Indians do not prefer the taste of this brand.

Aspinwall’s ‘Monsooned Malabar’ coffee is for the export market, he said.

A majority of the 'Monsooned Malabar' is produced in Mangalore. Apart from Aspinwall, two more companies are into its production in the city.

The process

On the impact of the decline in rainfall in the recent years, he said risk is there if the monsoon fails. However, he said: "We do not require heavy downpour for this. We need the monsoon weather and the humidity for this process."

Explaining the process, Mr Thimmaiah said the crop is procured against the order during February-April.

Not all the grades of coffee are suitable for 'monsooning'. The higher grades, which coffee curers say 'AA' and 'A', are selected and stored in the warehouses.

From mid-June to mid-September, these beans are exposed to moisture-laden monsoon winds in the well-ventilated warehouses. During this period, the beans turn from green to golden brown in colour and bloat in size.

In September, the product is polished, garbled and graded. Then it is shipped out to the respective destinations in the food grade gunny bags, he said.

Origin of Monsooning

The origin of 'Monsooned Malabar', which got GI (geographical indication) tag in 2007-08, is quite interesting.

It is said that the 'Monsooned Malabar' had its genesis during the British era. The export of Indian coffee to European countries through wooden vessels used to take almost six months to sail around the Cape of Good Hope and reach the destination.

Exposed to humid conditions on the sea, coffee beans changed their size, texture and look when they reached the destinations. The Europeans loved the unique mellowness of this coffee.

The opening of Suez Canal brought down the transit time to the destinations drastically. Following this, the Europeans did not get the same feeling in the coffee.

Then it was observed that a similar ambience could be simulated from Talicherry in Kerala to Mangalore belt along western coast during the monsoon months to bring about this transformation. This led to the process called monsooning, Mr Thimmaiah said.

World agricultural commodity prices likely to remain high

G. CHANDRASHEKHAR



Contributing to biofuel: Oil palms waiting to be processed

Although global agricultural commodity prices have come off recent peaks, food price inflation remains a concern in developing countries; and over the next ten years, agricultural prices are expected to remain on a higher plateau even as energy price levels and volatility are seen to condition the outlook, according to the latest OECD-FAO Agricultural Outlook 2012-2021.

The expanding biofuels sector is set to absorb a larger share of crop production. The global production of bio-ethanol and biodiesel is projected to almost double by 2021, and will be heavily concentrated in Brazil, the US and the European Union.

In other words, there will be greater diversion of cane, corn and wheat as feedstock for bio-ethanol and oil crops (palm, soya, rape etc.) as feedstock for biodiesel.

The biofuel sector is largely driven by a system of mandate (compulsory use for consumers) and incentives (for producers). The report projects consumption of a growing share of the global production of sugarcane (34 per cent), vegetable oils (16 per cent) and grains (14 per cent) for biofuels by 2021.

Mandate-driven ethanol trade flows between the US and Brazil are expected to increase. The US is anticipated to import sugarcane-based ethanol mainly from Brazil (world's largest cane producer) to help meet domestic demand created by its mandate for advanced biofuels, while Brazil would import low priced corn (maize) based ethanol principally from the US to satisfy the demand for its large fleet of flex-fuel vehicles.

CEREALS

As for cereals, stocks are expected to get tighter over time. The stock-to-use ratios will remain below historical averages, posing the risk of future price volatility. Interestingly, the Black Sea region will play a larger role in the world wheat trade. The Russian Federation, Ukraine and Kazakhstan are expected to become much more important sources of wheat export by 2021; but high production variability in this region may have implications for global trade and world price volatility, the report has cautioned.

Larger exports of rice are projected from the least developed countries in Asia while rice imports are to increase in Africa.

OILSEEDS

Oilseeds production and exports continue to be dominated by the traditional players, but emerging exporters such as Ukraine and Paraguay are expected to increasingly contribute to global export growth. China, the dominant importer, will account for more than half of total world imports. Brazil's oilseeds production growth is expected to slow from 4.9 per cent to less than 2.0 per cent over the next ten years. As for sugar, food and fuel (ethanol) demand will sustain over the medium-term and help maintain prices at a high level. Production cycles will continue to characterise sugar markets in Asia, leading to occasional large trade fluctuations and price volatility. A key driver of the sugar market will be how Brazil's cane crop is allocated between sugar and ethanol.

Meat consumption in developing countries is set to expand. Large Asian economies, crude oil exporting countries and Latin America where income gains are expected to be significant will drive demand for meats. Poultry meat will lead the anticipated growth as the cheapest and most accessible source of meat protein, overtaking pig meat as the largest meat sector by the end of the decade. Aquaculture is set to surpass capture fisheries in food consumption. Fish production is one of the fastest growing sources of animal protein. World fisheries and

aquaculture production are expected grow by 15 per cent over the next ten years. A 33 per cent growth in aquaculture production will take it past capture fisheries as the primary source of fish for human consumption by 2018.

DAIRY PRODUCTS

While developing countries will become most important producers of milk, a modest increase in consumption of dairy products – with the exception of cheese and fresh dairy products - is expected in developed countries. By 2021, the consumption of all dairy products is expected to increase by about 30 per cent in developing countries.

Interestingly again, developing countries under the lead of India and China are projected to overtake developed countries in milk production by 2013.

Challenges galore for global agriculture next ten years

G. Chandrashekhara



To improve investments: Harvesting being done with the help of a machine

Global food security has clearly been under strain in recent years with fluctuating output, weather aberrations, rising production costs and of course food inflation that dilutes the nutrition intake of the poor.

The emerging picture for the coming decade is one of firm demand driven by a combination of expanding population, rising purchasing power and changes in food habits, especially in developing countries on the one hand, and slowing growth in global agricultural output on the

other. Add to this, newer threats such as land constraints, looming water shortage and adverse effects of climate change and you have a scenario that poses a daunting challenge. No wonder, the latest OECD-FAO agricultural outlook 2012-2021 argues that increased productivity and a more sustainable food system alone will improve global food security. According to the report, while international agricultural commodity markets appear to have entered calmer conditions after record highs last year, food commodity prices are anticipated to remain on a higher plateau over the next decade, underpinned by firm demand but a slowing global production growth.

In addition to population growth, several other factors such as higher per capita incomes, migration from rural to urban areas, changing diets in developing countries as well as requirements for biofuel feedstocks are adding to the demand pressure. At the same time, of concern is the slow supply response to higher prices emanating from traditional exporting developed countries.

Increasing productivity

Therefore, the report has emphasised that higher demand will be met increasingly by supplies that come to the market at higher cost. With farmland area expected to expand only slightly in the coming decade, additional production will need to come from increased productivity including by reducing productivity gaps in developing countries.

Anticipating that agricultural output growth will slow to an average of 1.7 per cent annually over the next ten years, down from a trend rate of over 2.0 per cent a year in recent decades, the report has cautioned that higher input costs, increasing resource constraints, growing environmental pressures and impacts of climate change will serve to dampen supply response.

sustainability concerns

Then there are sustainability concerns. A quarter of all agricultural land is highly degraded. Critical water scarcity in agriculture is a fact for many countries. Several fish stocks are overexploited or at risk. There is growing consensus that extreme weather events are becoming more frequent and climatic patterns are changing in many parts of the world.

Beyond its call for complementary policies to address productivity and sustainability, the report recognises that the private sector will play the lead role in agriculture going forward.

Governments should encourage better agronomic practices, create the right commercial,

technical and regulatory environment and strengthen agricultural innovation systems (e.g. research, education, extension, infrastructure), with attention to the specific needs of smallholders. Creating the right enabling environment also means ensuring that the business climate is conducive to domestic and foreign investments, so governments should limit trade restrictions as well as those domestic support schemes that distort incentives for production and investment in agriculture. There is a need to develop national investment schemes and increased development assistance to agriculture for research and development, innovation adoption and infrastructure development, the report has said.

Developing countries should promote agricultural infrastructure investment in rural areas to improve storage, transportation and irrigation systems, as well as electrification, information and communication systems. Investment in human capital is equally important and depends on more public spending on healthcare, education and training.

These policies should also address the reduction of food loss and food waste, pegged by a recent FAO study at roughly one-third of food produced for human consumption, in order to limit the need to increase production and conserve resources. Much of the projected growth will come from developing countries, which will increasingly dominate in the production of most agricultural commodities, and also take on a more important role in commodity trade.

As the world's third largest producer of agricultural crops, India needs to take serious note of the oncoming risks to not only to global agriculture, but also its own. Home to about 16 per cent of the world's population, the country has less than three per cent of the world's land resources and four per cent of the water resources. With robust expansion of GDP in recent years, demand pressure on natural resources has risen rapidly. Land constraints and looming water shortage are a reality. Being a tropical country, we are at a greater risk of having to face the adverse effects of global warming.

So, in the coming years, the agricultural situation may worsen unless progressive, growth-oriented policies are adopted and sustainable practices are implemented. Stepping up public investment is key. Equally important is monitoring and evaluation of outcomes. India may not exactly be food insecure today, but risks moving in the direction. Nutrition security is another issue that is closely linked to food production as well as access and affordability of food.

Increased productivity, green-growth and more open markets will be essential if the food and nutrition requirements of the future generations are to be met, observed OECD secretary

general. For consumers, especially for the millions of people living in extreme poverty, high food prices have caused considerable hardship.

“We need to redouble our efforts to bring down the number of hungry people; and must focus on increasing sustainable productivity growth, especially in developing countries, and especially for small producers”, said the FAO director general.

Broiler meat output seen at record 3.2 million tonnes in 2012

Gayathri G.



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HATCHING GAINS*

Year	Production	Consumption
2008	2.49	2.48
2009	2.55	2.54
2010	2.65	2.64
2011	2.9	2.89
2012#	2.75	2.74
2012##	3.2	3.19

#: (estimated); ##: (revised)

*: all figures in million tonnes

Source: USDA

Production up 30% on strong demand

Chennai, July 15:

Buoyed by a strong domestic demand and new production techniques by the hitherto conservative poultry industry, broiler meat production has increased over 30 per cent in the last four years.

Production increased 10 per cent from 2010 to 2.9 million tonnes in 2011. It is expected to scale further heights.

Further, the US Department of Agriculture has raised India's broiler meat output by 450,000 tonnes to a record 3.2 million tonnes (mt) this year.

"India's broiler production is revised upwards to a record figure based on a robust domestic demand fuelled by an expanding middle-class and changing tastes and preferences together with the emergence of vertically integrated poultry producers that support increasing production," the Department said.

While the global broiler meat output has been cut to 82.1 mt (83 mt) on account of higher feed and operating costs, India stands out as the lone achiever challenging its closest rival, Mexico.

Domestic consumption was 2.8 mt in 2011. It is also likely to touch a high of 3.1 mt this year, the report said.

With these record projections, the Rs 47,000-crore poultry industry is set for an uplift as the domestic broiler-market demand is set to grow at 15-18 per cent while table-egg demand will increase at 5-7 per cent.

PRODUCTION RISES

“The poultry sector has grown at more than 15 per cent in the past three years. The production capacity has gone up with large integrated players taking up contract poultry-farming,” said Mr P. Selvaraj, Vice-Chairman, Broiler Coordination Committee, the apex body for country's broiler trade.

According to data available with the National Egg Coordination Committee, egg production has increased to 266.62 lakh a day in 2010-11 from a meagre 98 lakh eggs a day in 2000-01.

South India (led by Andhra Pradesh) produces over 45 per cent of the country's poultry output while another 20 per cent comes from the Western region (led by Maharashtra). Tamil Nadu leads in poultry consumption in the country, thanks to inclusion of eggs in various mid-day meal programmes.

EXPORTS DIP

While the USDA report has not mentioned any thing on Indian poultry exports, Mr Selvaraj said that shipments have taken a hit since 2006 due to the continual outbreak of bird flu in some pockets of the country.

“But we are optimistic about the ever-increasing demand on home turf outpacing supply. Industry players are keen on catering to the domestic market and some of them are drawing up plans to enter retail market in a big way,” he said.

India is more of a live-bird market and just 2-3 per cent accounts for the frozen market i.e., processed/dressed chicken. But all this numbers is set to change in a couple of years as consumption of dressed meat is growing at a slow and steady pace providing more chances for companies to develop products for the home market, he added.

SOARING FEED PRICES

However, all is not rosy for the industry. Seasonal uncertainties, geopolitical worries and soaring feed prices continue to mar the industry's prospects. Rising prices of maize, a major ingredient in the poultry feed that forms more than 60 per cent of the production cost, is a cause for concern for the industry. Soyameal prices which stood at Rs 16,200-16,300 a tonne last year has more than doubled to Rs 38,200-38,500 this year. Any monsoonal vagaries or policy changes in export of soyabean tend to hit the profitability of broiler farms which are sensitive to feed-price fluctuations.

Food Ministry proposes 10% duty on sugar imports

PTI

New Delhi, July 15:

The Food Ministry has proposed imposing 10 per cent import duty on sugar as the country has surplus domestic production.

The zero import duty regime expired on June 30. The government had scrapped import duty on sugar in February 2009 to boost domestic supply. Before that the import duty was 60 per cent.

Sources said the Food Ministry has made recommendation to rationalise the duty structure on sugar in line with other farm commodities. It has suggested the import duty on sugar to be capped at 10 per cent.

The ministry has not proposed higher duty so that to keep the import option open to the traders in times of shortages, they added.

Before sugar export was brought under the open general licence (OGL) in May, the government had allowed export of 2 million tonnes of sugar in view of higher production. Under the OGL, traders have got nod to export 7 lakh tonnes so far.

The government has allowed exports as domestic production is estimated at 26 million tonnes in the 2011-12 marketing year (October-September), against the annual demand of 22 million tonnes.

According to sugar industry body ISMA, sugar production in the 2012-13 marketing year is expected to be higher than the demand at 25 million tonnes.