THE HINDU

Published: July 18, 2012 00:00 IST | Updated: July 18, 2012 05:03 IST

# Panel to conduct workshop on agriculture policy issues

Special Correspondent

A high-level committee constituted for formulating the State's agricultural policy will hold a workshop at the Kerala Agricultural University on July 21 on policy issues.

## Priorities

In its previous meeting held in Thiruvananthapuram on July 5, the committee had suggested the need for a workshop to take stock of realities, perceptions and priorities in the sector as a prelude to formulating the policy.

"The topics to be discussed at the workshop pertain to major aspects of agriculture. There will be presentations on issues such as food security, agricultural education and research, production and distribution of bio-fertilizers and bio agents, pesticide use and organic farming, pricing and market intelligence, soil health and strategies, integrated farming, value addition and 'agripreunership' development, climate change and effective technology," said P.V. Balachandran, Director of Extension, KAU.

## Committee members

The committee includes K. Krishnankutty, former MLA; R. Heli, former Director of Agriculture; E. Vadivel, professor at Tamil Nadu Agricultural University; P.V. Balachandran, Director of Extension, KAU; P. Rajasekharan of the State Planning Board; R. Ajithkumar, Director of Agriculture; A.K. Madhavachandran, Deputy Director (Planning) with the Department of Agriculture.

*The topics to be discussed at the workshop pertain to major aspects of agriculture.*

CUDDALORE, July 18, 2012

# Adverse weather squeezes brinjal crop dry

BITTER SCENE: Brinjal crop in Cudddalore withering. — Photo: C. Venkatachalapathy

Owing to an 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 past 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 in their wisdom would apportion their lands in such a way to raise other crops like onion and groundnut.

Moreover, the ruling prices for brinjal was very less as the farmers were getting hardly Rs. 3 a kg that fell far short of the cost incurred in raising the crop. During the samba season, the farmers in Nanamedu would raise the paddy crop, he added.

BIDAR, July 18, 2012

## Training for farmers

Zilla panchayat president Baburao Karbari inaugurated a training programme for sugarcane farmers in Lakhangao village in Bidar district on Tuesday. Resource persons K. Srikumar, Vinod Gouda and Ashutosh Deshpande of the Agrisri Institute spoke about reducing the cost of cultivation, economic use of water and increasing yield and profits.

MANGALORE, July 18, 2012

## Banks told to take a closer look at crop loans

CREDIT REVIEW:Hemantha Bhide (second from left), Lead District Chief Manager, addressing at DLRC meeting in Mangalore on Tuesday.— PHOTO: H.S. MANJUNATH

There is a difference in the data provided by the lead bank in the district and the State Level Bankers Committee (SLBC) about the Kisan Credit Card (KCC) scheme, said Prasad Rao, Assistant General Manager (AGM), the National Bank for Agriculture and Rural Development (NABARD), here on Tuesday.

He was speaking at the 146th District Level Review Committee (DLRC) meeting of the Dakshina Kannada district, which discussed the progress of the fourth quarter of 2011-12.

He said the numbers were diverging and that it was a serious matter, which required the attention of banks. As on March 31, according to lead bank returns, the amount of crop loans in 2011-12 was Rs. 566.34 crore. There were 40,600 farmer borrowers and each farmer got, on average, Rs. 1.40 lakh. But according to the SLBC data, the amount of crop loans was Rs. 534.71 crore, there are 67,525 farmer borrowers and each farmer gets Rs. 79,189. From January to March this year, there was a sudden surge in the amount borrowed.

“Why this off-take at a time when it is not required?” he said. Crop loans are issued to farmers overlooking scale of finance, which is a very serious issue.

Mr. Rao said that banks should visit their branches as there were discrepancies in crop loans. Banks would have to take stock of all branches and report to the lead bank.

He asked whether banks were ensuring that the amounts given were being utilised for the intended use. He said that subvention amounts must reach the beneficiary and asked whether banks followed norms of Reserve Bank of India (RBI) and NABARD while giving crop loans. “Is credit for agriculture going in the right direction?,” he said.

Another issue that was discussed was about monitoring of lead bank returns (LBR).

Of the 175 bank branches in the district’s four blocks (except Mangalore), 71 branches have not submitted a single return. These include 33 Vijaya Bank branches in Sullia, three of five Corporation Bank branches and two of 11 Vijaya Bank branches in Puttur. Bank branches in Bantwal had a “very bad” record and there are “chronic, perennial defaulters”, which have been defaulting despite being told about the issue every month in the last two years. “Submission rate is very low, (only) 50 to 60 per cent of branches (across various banks) give the LBR data,” he said.

Mr. Rao said that the amount for a group could be increased to Rs.95,000 and to Rs.6,000 for a single borrower. There are 3,633 groups with 51,000 members. The amount could be increased to Rs.15,000 to Rs.20,000 a person, and up to Rs.2.5 lakh per group. J.S.Shenoy, Deputy General Manager, Syndicate Bank, said that despite 2012 not being a good year with gross NPAs of the banking industry increasing to 2.5 per cent from 1.92 per cent in 2010-11, “our district has come out with flying colours. Deposits have grown by 28.24 per cent to Rs.21, 665 crore from Rs.16, 585 crore,” he said.

KALPETTA, July 18, 2012

Poor rain dashes hopes of farmers in Wayanad

The deficient monsoon has cast a shadow on the lives of farmers in Wayanad.

Usually, the middle of July is the busiest time for them as farming works, such as transplanting paddy and planting pepper, coffee, cardamom and rubber, are taken up. But farmers have not been able to start those works with the poor rain.

Though this is the time to finish transplanting of paddy, many farmers are yet to sow the seeds in their nurseries, K. Narayanan, a farmer at Panamaram, a major paddy-growing area in the district, says.

Those who have already done the sowing when it rained in June-end are in a quandary now as the transplanting cannot be done now. “If the situation continues, many of us will be forced to prepare paddy nurseries anew or keep the fields fallow,” he says.

Many farmers will give up paddy cultivation as it is not a lucrative crop, especially with the rocketing prices of fertilizers and increasing labour costs, Wilson Parekkara, secretary, Armad-Murani Padashekhara Samithi, says.

Data with the Regional Agriculture Research Station, Ambalavayal, show that the district got 257 mm of rainfall from June 1 to July 17 as against the 685 mm during the corresponding period last year. The station recorded a total rainfall of 531 mm from January 1 to July 17 as against 1,041 mm during the corresponding period last year, K.M. Sunil, Assistant Professor, Agriculture, at the station, says.

KOCHI, July 18, 2012

**Consumerfed may get direct allocation of foodgrains**

KOCHI BUREAU

A proposal from the Kerala State Co-operative Consumer Federation Limited (Consumerfed) to get direct food allocation from the Centre, as part of efforts to make market intervention more effective, has received in-principle approval.

Consumerfed presented the proposal at a high-level meeting on Monday in Thiruvananthapuram, sources in the apex consumer organisation said.

They said that more clarity on the proposal was likely to emerge at a follow-up meeting slated for next week in Delhi. Consumerfed, the apex body of the consumer co-operatives in the State, plans to bring out value-added products using its share of food grains from the Centre and to sell it through its marketing network across the State on a no-profit, no-loss basis.

Consumerfed has sought annual allocation of 25,000 tonnes each of rice and wheat and 10,000 tonnes each of sugar and edible oil.

At present, the Union government allocation of foodgrains goes to the State Civil Supplies Department.

Consumerfed has also sought assistance for two other proposals — to launch 50 mobile supermarkets and to operate 10 refrigerated vehicles for transportation of vegetables. Both the proposals evoked favourable responses.

PALAKKAD, July 18, 2012

## Planters contest stand of Forest Department

The Nelliampathy Planters Association in a statement here on Monday alleged that the “Forest Department officials are misinterpreting the law without examining the facts and terms and conditions of various deeds” on the takeover of leased out estates at Nelliampathy.

The statement by the chairman of the association said “the reasons for cancellation of the lease are alleged violation of lease conditions and the Forest Conservation Act, 1980. But except in one case, all leasehold rights are transferable”.

“There is no prohibition for lessees to avail bank facilities for cultivation against security of leasehold rights and standing crops. Each lease deed has its own terms and conditions stating the circumstances under which the lease can be cancelled. But forest officials are not specifying the violation of any specific conditions in the lease deed.”

### No new lease

“As regards the Forest Conservation Act of 1980, the same is enacted to prevent further deforestation and it only prevents the State government from giving new forestland on lease for non-forestry activities such as cultivation and mining. The Act has no application to land already opened up for plantation before the same was enacted in 1980. If this Act is applicable to the existing leased plantations, even the harvesting of crop is a non-forestry activity,” the statement said.

### Transfer

It said “this Act applies only to new lease or renewal of lease expired. But the Forest Department is conveniently concealing the fact that Section 2 of the Act applies only to the State government and authorities and not for transfer of leasehold rights of the land already cultivated”.

“As regards writ petitions filed by lessees against whom the Forest Department has initiated steps for lease cancellation, the Kerala High Court has rendered judgments in favour of the lessees.”

The statement said that from 1850 onwards, Cochin and Travancore States were granting land for planting commercial crops.In fact, they were encouraging establishment of commercial crops. Travancore granted the land after realising the prevailing market price.At the same time, Cochin State was granting the land on perpetual lease with quit rent, which was more or less at par with the land tax collected by the Travancore State.

### Perpetual lease area

“The total area given on perpetual lease was 9,491.2 acres. In all the deeds, it is also clearly mentioned that the lessee shall include his successors in interest and assigns. In the lease deeds, there is no condition regarding the utilisation of land or the crop that can be cultivated. At the same time, there is a clause that trees in the area so granted can be cut and used for lessee’s own purpose and if any timber or tree is taken out from the estate ‘Kutti Kanam’ (seignorage) is to be paid,” the statement said.

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- *Say officials are misinterpreting the law*
- *‘All leasehold rights are transferable’*

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SANGAREDDY, July 18, 2012

### Rain brings relief to farmers

Farmers engaged in paddy transplantation at Sangareddy in Medak district.—PHOTO: MOHD ARIF

The rain in the last 48 hours has brought relief to farmers of Medak district. Though the rain was not heavy, it was sufficient for the seed to grow and withstand for two weeks.

On Tuesday evening, it rained in some mandals of the district raising their hope.

At some places, the farmers started transplantations of paddy.

At other places, the dry crops already sown a few weeks ago got strengthened. "This rain will benefit 80 per cent of the farmland where agriculture activities have already commenced.

The activities have started in about 3 lakh acres so far," said K. Vijay Kumar, in-charge agricultural officer. He said that another three or four more spells of rain in the next two weeks would benefit the farmers.

**'No irrigation facility'**

"We have been waiting for the rains for the past three weeks. The rains in the last two days gave us some hope. We have to depend only on rain as there is no irrigation facility in the district," said Yadagiri, a farmer.

VISAKHAPATNAM, July 18, 2012

**Plans afoot to boost oil palm production**

RAVI.P.BENJAMIN

*Edible oils are being imported from Malaysia and Indonesia*

State and central governments are trying to bring down the quantum of edible oil imports by encouraging oil palm cultivation on a massive scale in the state. India, according to latest figures, is importing edible oils from Malaysia and Indonesia to the tune of 8.84 lakh tonnes. The rupee devaluation has added to the woes of the country resulting in further increase in imports.

The area expansion in oil palm cultivation not only brings down imports of edible oils but it also a highly profitable proposition to the farmers as the government is pumping in huge subsidies and incentives for drastically shooting up area of oil palm cultivation every year.

Three oil palm processing plants are operating in the districts of Srikakulam, Vizianagaram and Visakhapatnam and catering to the requirements of a section of the oil palm farmers in the region. The plants processing capacity ranges from 1 lakh to 5 lakh tonnes. Besides other companies including Agro Cooperative Corporation, Foods Fats and Fertilizers, Palm Tech and Ruchi Soya have also tie-up arrangements with oil palm farmers in different mandals in the 3 districts. The very objective of the establishment of the processing plants is to create a friendly environment to farmers planning to diversify to oil palm.

Oil palm plantations are spread in 4,000 hectares in the district and 6,000 hectares in Vizianagaram and 2,000 hectares in Srikakulam district. On an average 25 to 30 tonnes of oil palm fruit per hectare can be harvested while the actual oil content after processing of the fruit is 5 tonnes per hectare. The estimated average yield of oil palm fruit in the 12,000 hectares in the region is 300,000 tonnes and 60,000 tonnes of processed oil.

Additional Director of Horticulture G. Prabhakar Rao told *The Hindu* that the reason why the government is encouraging the nation to grow oil palm was its four-fold rate of production of oil per hectare over all other edible oils including gingelly and groundnut oil etc. The quantum of other oils produced in 4 lakh hectares can be produced in 1 lakh hectares itself in case of oil palm.

## Quality training

The Oil Palm Research Station at Pedavegi village in West Godavari district offers training of the highest order covering the entire gamut of oil palm cultivation including assistance for planting materiel, cultivation costs, drip irrigation, development of seed gardens, leaf nutrients analysis laboratories, testing of oil palm genotypes under varied environmental conditions, assistance for diesel pump sets and installation of drip irrigation system. The average life of the plant is 30 years and from 5th year onwards the plant starts producing matured fruit and generating profits for the farmers. For the next 25 years the farmers will be on an earning spree.

The government through the department of Horticulture has increased incentive payment of Rs.23,000 per hectare to Rs.30,000 this financial year. Also a subsidy of Rs.10,000 subsidy per hectare and free plants distribution to farmers up to 15 hectares. The incentives include Rs.30,000 per hectare for four years and Rs.7,000 per hectare to farmers growing vegetables as an inter-crop in their oil palm plantations. Besides, Rs.15,000 for setting up a compost yard for producing organic manure and Rs.50,000 financial assistance to SC and ST farmers for sinking borewell and Rs.10,000 for purchasing a agriculture pump set.

The oil palm processing plants have tie-up with farmers to transport the harvested fruit right from the farms as the fruit has to be processed within 24 hours of harvesting it. The processed oil is sent to refineries for further treatment and purification. Kakinada in East Godavari has more than 30 edible oil refineries which not only refines domestically produced oil but also imported crude oil from Malaysia.

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- ***Oil palm plantations are spread in 4,000 hectares in the Visakhapatnam district***
- ***On an average 25 to 30 tonnes of oil palm fruit per hectare can be harvested***

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# hindustantimes

Wed,18 Jul 2012

**weather**

Chennai - INDIA

**Today's Weather**

Rainy

Wednesday, Jul 18

| Max | Min |
|---|---|
| 35° | 28° |

Rain: YES
Humidity: 0
Wind: 0

Sunrise: 0
Sunset: 0
Barometer: 0

**Tomorrow's Forecast**

Cloudy

Thursday, Jul 19

| Max | Min |
|---|---|
| 32.2° | 26.5° |

Extended Forecast for a week

| Friday | Saturday | Sunday | Monday | Tuesday |
|---|---|---|---|---|

<table>
<tr><td>Jul 20</td><td>Jul 21</td><td>Jul 22</td><td>Jul 23</td><td>Jul 24</td></tr>
<tr><td>30° | 26°</td><td>31° | 27°</td><td>32° | 27°</td><td>32° | 27°</td><td>33° | 27°</td></tr>
<tr><td>Rainy</td><td>Rainy</td><td>Rainy</td><td>Rainy</td><td>Rainy</td></tr>
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the pioneer

## Rainwater harvesting potential remains untapped

TUESDAY, 17 JULY 2012 23:54

VYAKHYA CHANDOLA | DEHRADUN

Though the construction of rainwater harvesting tanks is prescribed for houses in the building bylaws of the Mussoorie Dehradun Development Authority (MDDA), most building owners in the city are openly flouting the provision with impunity, providing for these provisions only on paper. Housing societies and residential complexes, which have sprung up in the city, don't fare any better.

MDDA's attempts to promote use of environment friendly methods like rainwater harvesting, use of non- conventional energy sources and providing more open spaces for groundwater recharge and plantation have proved to be fruitless.

Talking to The Pioneer, MDDA Secretary Bansidhar Tiwari said, "It is compulsory for owners of residential, commercial and Government buildings to incorporate a rainwater harvesting system in the building."

Responding to a question on action taken against the erring building owners, Tiwari said, "We haven't filed any case or initiated action against anyone violating this provision."

An ever growing population, increasing demand for water, increasing urbanisation and covering up of ground surface has led to the groundwater level going down. Rain Water Harvesting

(RWH) is a method of collection and storage of rainwater and surface runoff in unlined and lined surface reservoirs, which can later be utilised for groundwater recharge, adding to the groundwater.

Other uses for such water include gardening, cleaning, washing and other day-to-day uses. Designing a rooftop rainwater harvesting system entails slanting the roof appropriately, preferably towards the direction of storage and recharge and designing gutters or down pipes.

Among the several factors that influence the rainwater harvesting potential of a site, eco-climatic conditions and the catchment characteristics are considered to be the most important.

Scientists and researchers have time and again underlined the potential of rainwater harvesting in Dehradun, owing to its favorable rainfall pattern (average annual rainfall is approximately 2000 mm) and hydro-geological conditions (movement of groundwater) as the terrain is favorable and accepts rainfall.

According to Meteorological Department Director Anand Sharma, “There is huge potential for rainwater harvesting in Dehradun as it is a high rainfall area.

Average rainfall in the month of July alone is 700 millimetres. It has rained around 303 millimetres this July.”

In the mountainous areas, rainwater can be harvested by the construction of check dams which have been constructed in the Thano area of Raipur for rainwater harvesting with positive results.

In the urban areas, rainwater can be harvested by channeling water from rooftops to pits and storage tanks.

A small 10 by 10 feet surface can collect approximately 150 to 220 litres of water from one inch rainfall.

Anita Dobhal, a nature lover who has installed a rainwater harvesting system in her house says, “We think we are doing our bit for the environment.

We have a ground pit to recharge the groundwater.

There should also be awareness drives to educate people about the practice of rainwater harvesting.”

THE ECONOMIC TIMES

18 JUL, 2012, 06.59AM IST, SIDHARTHA,TNN

## Five agri commodities under FMC lens

NEW DELHI: The Forward Markets Commission (FMC), the regulator for commodities futures, has initiated moves to check any price rise due to speculation in agricultural goods in the wake of deficient rains and is keeping an eye on price movement in five commodities — soyabean, soya oil, rapeseed mustard (RM) seed, chana and potato.

"We will step in as soon as we are required to take any action . We have initiated steps over the past few weeks that have ensured that speculative transactions do not take place," FMC chairman Ramesh Abhishek told TOI over the phone. Sources said the regulator was following price movements in the five commodities and any unusual trend would attract action.

Commodity futures trading is essentially meant to help farmers and traders hedge their risks on a commodity, say wheat or rice, with contracts maturing a few months away. On Monday, the regulator announced an increase in the special margin for RM seed and soyabean. Together with the mandatory delivery requirements for most agricultural commodities, FMC expects speculative transactions to come down.

Market players said compared to the situation a few months ago when a handful of market players had built speculative position, the situation has changed, which is showing in lower open-interest positions and lower volumes. Open interest refers to contracts that are outstanding.

A few months ago, FMC had changed the rules to club the positions taken by related entities to counter complaints of speculation. For long, commodities trading has been blamed for rise in price of farm goods and with monsoon being deficient, some increase has been witnessed.

Government officials concede that there may be some pressure on pulses such as tur and moong but overall, the situation is not as grim. In addition, some food products such as potatoes and chana had witnessed lower production during the winter season and are witnessing an increase in prices.

On Tuesday, agriculture minister Sharad Pawar said rice and wheat stocks were comfortable although he is keeping his fingers crossed on the pulses and oilseeds front.

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Business Standard

Wednesday, Jul 18, 2012

## Poor rains, better global prices to stoke basmati cultivation

Vikas Sharma / Chandigarh July 18, 2012, 0:51 IST

A weaker monsoon and higher prices in the global markets are encouraging more farmers in north India to sow basmati rice, instead of the usual variety of paddy.

P S Rangi, member, Punjab State Farmers Commission, says the basmati area in Punjab this year could reach 750,000-800,000 hectares (ha), the highest till now. It was 680,000 ha last year. Punjab is targeting 2.8 mn ha under paddy this year.

In adjoining Haryana, agricultural officials say the area under basmati is likely to gain, with sowing of other varieties of paddy lagging till now (basmati takes less water). They expect the area under basmati to be 60-65 per cent of the total paddy area (it is targeting 1.2 mn ha under paddy). UP farmers also sow basmati and the area there is also likely to go up from last year's 150,000 ha.

Last year, poor prices fetched by basmati growers on account of a weak export market, had left many basmati growers in Punjab and Haryana dejected. However, this year's monsoon in Punjab and Haryana has been 65 per cent deficient till July 15, an important criterion. The water requirement is almost half in basmati as compared to other varieties.

Also, says M P Jindal, president, Rice Exporters' Association, the price of basmati has improved in international markets after the minimum export price imposed on it by a government order was removed. Prices for some premium basmati varieties are now $1,100-1,150 a tonne, as against $800-900 a tonne earlier.

## Maharashtra sugar output to drop 15%

Sanjay Jog / Mumbai July 18, 2012, 0:50 IST

Scanty rainfall, mainly in the sugarcane-growing districts of Maharashtra, will lead to a drastic fall in sugar production in 2012-13. According to estimates of the sugar commissionerate, production is expected to be 7.5-7.6 million tonnes (mt), compared to 8.99 mt in 2011-12, a drop of 15 per cent.

Sugarcane availability for crushing will also drop to 65 mt compared to last year's 77.1 mt. The average recovery is expected to fall to 11.50 per cent compared to 11.63 per cent in 2011-12.

The commissionerate and Federation of Cooperative Sugar Factories in Maharashtra, a representative body of 170 factories, said production could dip further if the situation worsens. Sugar Commissioner Vijaykumar Singhal, who had convened a meeting of members of 120 cooperatives on July 25, said, "The situation is grim. A portion of sugarcane production has either got damaged due to lack of rainfall or used as fodder. Also, sowing has come down to 925,000 hectare, compared to last year's 102,000 hectare."

He said if the situation worsens, it would be difficult for factories to go for crushing this year and for some factory owners to bear the increased conversion cost. Further, low rainfall would also impact the per-hectare yield.

Vijaysinh Mohite-Patil, chairman of the Federation of Cooperative Sugar Factories in Maharashtra, hoped rainfall in the coming months could improve the situation. "So far, one mt of sugar has been exported from Maharashtra. An additional 200,000 tonnes will be exported in the months to come."

Indian Sugar Mills Association (Isma), an apex body of private sugar mills, admits there will be a seven-eight per cent fall in Maharashtra's sugar production.

Abhinash Verma, director general, Isma said, "We have projected an all-India sugar production of 25 mt against 26 mt in 2011-12. Sugar production is expected to be down in Maharashtra and Karnataka. According to our projections, Maharashtra's production will fall to 7.6 mt, while that of Karnataka will reduce to 3.4 mt against 3.8 mt in 2011-12. However, the reduction in sugar production in Maharashtra and Karnataka will be partially compensated by improved production in Uttar Pradesh and Tamil Nadu."

## Potato declines 0.43% on subdued demand

Speculators offload their positions, tracking a weak spot market trend on subdued demand

**Press Trust of India / New Delhi July 17, 2012, 15:53 IST**

Potato prices declined by Rs 6.60 to Rs 1,520 per quintal in futures trading today as speculators offloaded their positions, tracking a weak spot market trend on subdued demand.Adequate stocks availability in the physical market due to increased arrivals from producing region also put pressure on potato futures.At the Multi Commodity Exchange, the October contract for potato fell by Rs 6.60, or 0.43%, to Rs 1,520 per quintal, with a business turnover of four lots.The August contract traded lower by Rs 3.30, or 0.25%, to Rs 1,316.70 per quintal, in 25 lots.Marketmen said speculators offloaded their positions on the back of a weak trend in the spot market on lower demand against adequate stocks position mainly kept pressure on potato prices at futures trade.

## Mentha oil extends gains on increased industrial demand

Increased demand from pharma sector in spot mkt amid lower supply has kept mentha oil prices firm at futures trade

**Press Trust of India / New Delhi July 17, 2012, 15:03 IST**

Mentha oil extended gains for the second day in a row with prices rising by Rs 12.50 to Rs 1,343.20 per kg in futures trading today on increased demand.

At the Multi Commodity Exchange, the August contract for mentha oil added Rs 12.50, or

0.94%, to Rs 1,343.20 per kg, with a business turnover of 331 lots.

The July contract gained Rs 11, or 0.84%, to Rs 1,318 per kg, with an open interest of 1,014 lots.

Marketmen said increased demand from pharmaceutical industries in the spot market amid lower arrivals from Chandausi in Uttar Pradesh mainly kept mentha oil prices firm at futures trade.

## Vanilla surges on global output fall

George Joseph / Kochi July 17, 2012, 0:28 IST

A serious shortage in the production of natural vanilla in major producing countries, such as Madagascar and Mexico, has suddenly raised demand and the price of the commodity across the globe.

Though its cultivation has almost vanished in India, after a high around a decade earlier, global buyers are actively in search of whatever there is of it. According to M C Saju, director, Vanilla India Producing Co Ltd (Vanilco), there were a number of enquiries from Europe, especially from Italy, during the past couple of weeks. Vanilco has an 11-tonne stock of vanillin, the extract of processed vanilla beans.

In two months, the price of processed beans has risen from $25 to $40-45/kg. There is every likelihood of a further rise, with a 90 per cent drop in Mexican production and a 40 per cent drop in Madagascar's. A major chunk of the enquiries are through Mumbai-based exporters and global takers want to procure volumes of up to 100 kg of the essence, he said.

## Talks on for MSP prop to pulses, oilseeds

Food ministry, Nafed want full subsidy for this mandate would also like state governments to bear part of the burden

Anindita Dey / Mumbai July 17, 2012, 0:24 IST

Work has begun to see if it's possible to entirely subsidise a National Agricultural Cooperative

Marketing Federation of India Ltd (Nafed) programme to keep up the prices of oilseeds and pulses.

Nafed was recently told to buy the entire market stock of pulses and oilseeds at the government-set minimum support price (MSP) if these dip. Food Corporation of India has a similar mandate in the case of rice and wheat.

The Union ministry of food and consumer affairs has started consultations with other ministries on how to subsidise Nafed to do this. Currently, there are two schemes under which procurement is done of these commodities. One is by the National Cooperative Consumers Federation of India Ltd (NCCF), which distributes pulses and edible oil at a subsidised rate to the public distribution system. NCCF is reimbursed at the rate of 25 per cent of the cost of procurement. There is also a scheme, where Nafed procures and distributes pulses but is reimbursed only 15 per cent of the procurement cost.

Since neither scheme ensures the agencies in question can recover their cost of procurement and distribution, the ministry and Nafed want this ensured, said officials.

While the ministry of food will run the scheme, it needs concurrence from other ministries, especially its finance counterpart. The Centre has also started discussions with states from where the procurement is to be done, to share the cost of the subsidy if all the expenses are to be reimbursed.

Official sources said this was one reason why the government had held back the MSP decision on pulses for 2012-13. Officials said this needed reworking, due to the declining trend in their prices and expectation of robust production, close to the 18.1 million tonnes of last year; in addition, in anticipation of demand, there have been imports. The earlier high prices had hit retail consumption, leaving a lot of stock in the market. The monsoon's revival, said officials, augured well for pulses' sowing, since it acts as a substitute crop for many farmers if there are delayed monsoon conditions.

For arhar and moong, the ministry of agriculture had backed the recommendation of the Commission for Agricultural Costs and Prices, of Rs 4,000 per quintal for arhar as against Rs 3,200 last time, and Rs 4,500 per qtl for moong, as compared to Rs 3,500 earlier.

Spices Board unveils mobile tele-network

BS Reporter / Chennai July 17, 2012, 0:14 IST

The Spice Board of India announced the launch of a programme to connect with farmers on a mobile tele-network for direct interface. It has also set up a community of spice farmers in Tamil Nadu in collaboration with Iffco Kissan Sanchar Limited (IKSL), enlisting around 6,000 farmers under the Tamil Nadu Spices Community, in the initial stage to benefit the programme.

Through the mobile tele-network, the spices farmers would be informed daily about the prices and schemes, projects and announcements from the board through voice messages. The farmers would benefit from voice messages related to various aspects of spices cultivation, processing, marketing and exports, while the Board would stand benefit in terms of direct interface with the vast section of growers in Tamil Nadu through the mobile network in a short time.

Launching the programme in Coimbatore at Tamil Nadu Agricultural University A Jayathilak, chairman, Spice Board of India, said, “In a country where close to 60 per cent of the 1.21 billion population still depend on agriculture for a living, the spoken message service can be a boon to farmers in distant areas. This will be of a great use to illiterate farmers who are not technologically equipped thus leading to better involvement and participation of the farming community with the board.”

It would also have a helpline, where farmers can seek solution to their farm-related problems from the experts.

IKSL would issue green cards to the farmers free of cost during enrollment as member of the spices communities and these SIM cards could help the farmers in receiving the voice messages daily from the Board.

Starting from Tamil Nadu, the service would be extended to Kerala, Karnataka, Sikkim, North Eastern States, Rajasthan, Gujarat and Madhya Pradesh. The farmers could also contact the call centres for more deliberations. IKSL would also transmit messages on weather conditions and weather forecasts. There are opportunities for phone-in programme through which farmers can interact with the experts for announced specialty. It would also have some quiz programmes in which farmers can participate and win some prizes also.

"We are launching this programme when efforts are being made for large scale backward linkages of exporters with the farmers. Simultaneously the board is also taking initiatives to bring in traceability of spices produced , processed, value added and exported," said Jayathilak.

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THE HINDU Business Line

## Profit-taking caps turmeric futures' gains

Suresh P. Iyengar

Turmeric output this year is expected to fall by 30 per cent due to lower rains in growing regions.

Mumbai, July 18:

Turmeric futures on the National Commodity and Derivatives Exchange Ltd gained 0.22 per cent to Rs 5,278 a quintal. Consistent profit-booking at higher levels capped major gains.

Reports of rainfall at Nizamabad in Andhra Pradesh and parts of Tamil Nadu may benefit the upcoming turmeric crop. This development may lead to a fall in prices.

Overall, turmeric output this year is expected to fall by 30 per cent due to lower rains in growing regions. The area under cultivation may also come down as farmers shift acreage to other remunerative crops.

Spot prices were quoted at Rs 4,800 a quintal at Nizamabad. Arrivals were at about 4,000 bags.

## Pepper falls on correction

G. K. Nair
Kochi, July 17:

The pepper market dropped on correction after moving up sharply on Tuesday. All the active contracts ended substantially below the previous closing.

There was liquidation in both July and Aug. Small and medium players were said to be moving out. Some were selling off their sales outside the exchange platform also.

Activities were down as is evident from the fall in turnover.

The stocks held in the accredited exchange warehouses were reportedly at 1,646 tonnes. Since the weather continues to remain sunny there is a likelihood of another 200 tonnes being deposited in the exchange before the maturity of July contract on Monday, market sources told *Business Line*.

No stocks of July contract will expire on August 5 and hence those who will take delivery will get valid stock, they said.

On the spot, some 45 tonnes were traded at Rs 401, 405 and Rs 407 a kg, depending on the quality, grade and area of production.

July contract on the NCDEX decreased by Rs 630 a quintal to the last traded price (LTP) of Rs 42,500 a quintal. August and September fell by Rs 775 and Rs 540 respectively to the LTP of Rs 43,020 and Rs 43,470 a quintal.

### Turnover

Total turnover decreased by 1,787 tonnes to 5,639 tonnes. Total open interest fell by 122 tonnes to 5,979 tonnes.

July and August open interest dropped by 32 tonnes and 124 tonnes to 273 tonnes and 4,906 tonnes. July contract is maturing on July 20 and with three days more and the material available for July delivery is only 273 tonnes.

Spot prices in tandem with the futures market trend dropped by Rs 400 a quintal to close at Rs 40,100 (ungarbled) and Rs 41,600 (garbled) a quintal.

Indian parity in the international market was at $7,975 a tonne (c&f) Europe and $8,275 a tonne (c&f) for the USA.

Leading US brokers were making propaganda claiming that MG 1 was being offered at lower levels at a time when other graded pepper is traded on the exchange was fetching higher prices, they claimed.

### Overseas trend

Indonesia and Vietnam pepper markets were reportedly steadier/firm. Lampong showed an upward swing with the prices of Lampong Asta moving up to $6,300 a tonne (fob) while C1 was quoted at $6,550 a tonne (fob) depending upon shipper.

Vietnam FAQ 500 G/L was at $5,950 a tonne and FAQ 550 G/L 6200 a tonne (fob) HCMC.

Brazil B1 560 G/L was quoted at $6,050 and B Asta at $6,250 a tonne (fob).

## Groundnut oil declined Rs 15 per tin on lower demand

Rajkot 17 July:

As demand started to reduced due to high price last week, groundnut oil was declined Rs 15 per tin on Tuesday. While cotton oil was remained stabled.

Groundnut oil loose was decreased Rs 10 to Rs 1,205-1,210 per 10 kg and groundnut oil new tin was declined Rs 15 to Rs 2,060-2,065 per 15 kg. Teliya tin was traded lower by Rs 14 to Rs 1,850-1,851 a 15 kg. About 100-120 tonnes groundnut oil was traded in Saurashtra mills.

With this groundnut price also declined due to lower domestic and export demand. Groundnut bold price was stood at Rs 865-1,031 per 20 kg in Rajkot. Around 20,000-22,000 bags groundnut arrived in Saurashtra and Gujarat.

Groundnut oil miller said, “last week price was gained due to irregular monsoon but at the end of the week some good rain in production areas save the groundnut crop. Moreover demand declined as price gone up. Price may decline further in this week due to less buying activity.”

With sustainable demand cotton oil was remained unchanged on Rs 1185-1195 per 15 kg tin. Cotton oil wash was traded on Rs 705-710 per 10 kg. About 150-200 tonnes cotton oil was traded from mills.

## Chana dips on profit booking but prospects bright

Our Correspondent

Indore, July 16:

Chana, which had touched a new high on Monday with its prices going as high as Rs 5,050 a quintal, declined to Rs 4950 a quintal on Tuesday. This was caused by profit booking at the higher rate.

Chana (desi) on the other hand ruled at Rs 4,800 a quintal. With the monsoon turning weak over Madhya Pradesh and elsewhere in the country, depleting stock of domestic chana have made stockists go on buying spree, anticipating a further rise in chana prices. The higher price of imported Australian chana at the Mumbai port, which was quoted at Rs 5,100 a quintal, also added to the bullish trend in chana.

However, notwithstanding marginal decline on Tuesday, chana (kanta) prices in the past fortnight have gone up by almost Rs 400 a quintal and it is bound to reach a new high in the coming days, amid report of almost 33 per cent area of the country facing the threat of drought in the wake of scarce rainfall.

With lower crop output this year and a steep decline in carryover stock, chana prices in the local mandis are expected to go as high as Rs 5,500 a quintal in the coming days, a good six months before new chana crop reaches mandis, said chana trader, Mr Sanjay Bansal.

Compared to last year, chana prices have risen by over 65 per cent this year. As against Rs 2,680 a quintal last year, chana prices this year have already crossed Rs 5,000 a quintal and going by the existing scenario, it is bound to go higher in the coming days. This will be fuelled by the heavy demand for chana ahead of the festive season next month, said another trader.

Rise in spot chana has also perked up chana dal with its prices in the past one week going up by Rs 300 a quintal. On Tuesday, chana dal (average) ruled at Rs 6,050-75 a quintal against Rs 5,700-25 a week back.

Similarly chana dal (medium) ruled at Rs 6,150-75 a quintal (Rs 5,850-75 a quintal a week back), while chana dal (bold) quoted at Rs 6,350-75 ( Rs 6050-Rs 6100 a quintal a week back).

Improved buying support for both in the domestic and export market has also pushed up dollar chana in the past couple of days by about Rs 400 a quintal. In local mandis, dollar chana on Tuesday ruled at Rs 7,400-8000 a quintal (up Rs 200).

Similarly, in the container, dollar chana in the past one week has gone up by Rs 100 a quintal with price of dollar chana (42/44 count) being quoted at Rs 8,450 a quintal, 44/46 count at Rs 8,350, while dollar chana (46/48 count) ruled at Rs 8,250 and 58/60 count ruled at Rs 7,400 a quintal.

Arrival of dollar chana remained weak at 600-700 bags.

## Rubber skids on weak demand from tyre sector

Kottayam, July 17:

Spot rubber showed a mixed trend on Tuesday. The undercurrent appeared weak as there were no genuine buyers is in the market. According to sources, the commodity remained under pressure on imports and weak demand from the tyre sector while limited supplies rescued the market from steep falls.

Sheet rubber weakened to Rs 185 both at Kottayam and Kochi from Rs 186 and Rs 185.50 a kg respectively according to traders and the Rubber Board. RSS 4 declined at its August series to Rs 181.30 (183.06), September to Rs 180.71 (182.12) and October to Rs 179.90 (180.32) a kg while the November and December series remained inactive on the National Multi Commodity Exchange.

RSS 3 (spot) dropped to Rs 172.70 (173.15) a kg at Bangkok. The July futures for the grade improved marginally to ¥238.6 (Rs 166.13) from ¥238.5 during the day session but then finished unchanged in the night session on the Tokyo Commodity Exchange.

**Spot rates were (Rs/kg):** RSS-4: 185 (186); RSS-5: 179 (179.50); ungraded: 173.50 (174); ISNR 20: 179 (179) and latex 60 per cent: 131 (131).

## Edible oils rule steady on rising demand

Mumbai, July 17:

Edible oil market saw mixed trend on Tuesday with a steady rise in selected oils. Rapeseed (Mustard) oil and cotton refined extended their gains by Rs 10 and Rs 14 for 10 kg on firm reports from production centres. Backed by higher demand, selling pressure eased. Soyabean refined oil rose by Rs 2 and groundnut oil by Rs 5. Sunflower and palmolein ruled steady as demand rose.

Volume was thin and need-based, tracking the bearish Malaysian Palm oil and domestic futures markets. The morale turned cautious and slightly weak on expectations on the formation of cloudy weather or rain in the main production centres this week. A leading broker said that traders are watching the possibility of an El Nino weather pattern returning to Southeast Asia, as it could hurt palm oil output for top producers Indonesia and Malaysia.

He added that demand may shift to refined palm oil as it is trading at a discount of above $200. According to sources, tracking the weak Malaysian palm oil futures domestic refineries have lowered the rates for palmolein. During the day Vaibhavi sold about 150-200 tonnes of palmolein at Rs 615 while 150-200 tonnes were resale traded at Rs 615-616. The analyst said that the firm undercurrent of the market is based on the US' and India's weather while weakness will be led by easing palm oil exports from Malaysia and the progress of monsoon in India. Overall, the weather will remain in focus.

Demand is expected to be buoyant ahead of festivals in Asian countries, which celebrate key holidays from August to November.

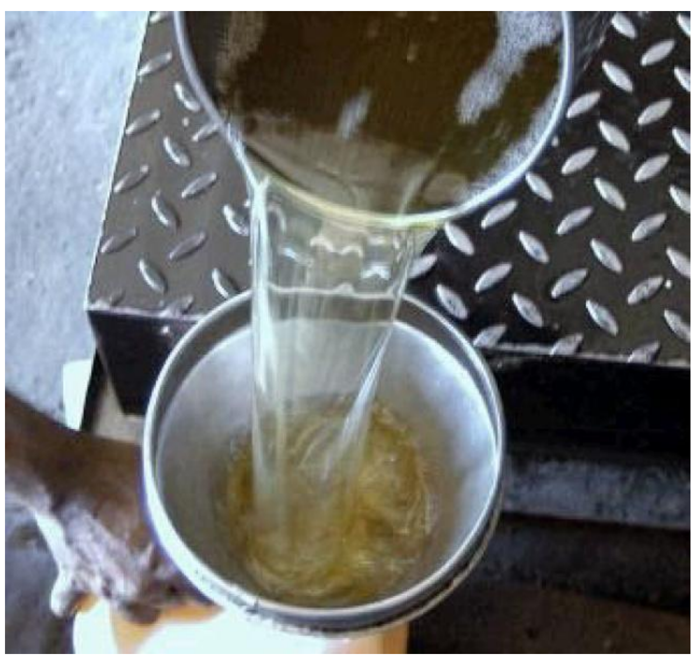
Towards the end of the day, Liberty was quoting palmolein at Rs 624-628, Super palmolein at Rs 672, Soya oil at Rs 765 and Sunflower refined oil at Rs 765. Ruchi quoted palmolein at Rs 615– 620 for July and Rs 624-628 for August. Soya refined oil was at Rs 760 for July and Rs 764–768 for August. Sunflower refined oil was at Rs 760 for July and Rs 764-768 for August. Allana's rate for Palmolein was Rs 623 for August 1-10. Bunge's rate was Rs 620 for July and Vaibhavi quoted palmolein at Rs 615.

In Saurashtra-Rajkot, on higher demand, groundnut oil increased by Rs 10 to reach Rs 1,890 for *Telia* tin and up by Rs 5 to Rs 1,230 for loose - 10kg.

Malaysia's crude palm oil August contracts settled higher at MYR 3,042 (MYR 3,100), September at MYR 3,056 (MRY 3,114) and October at MYR 3,062 (MYR 3,122) a tonne.

Bombay Commodity Exchange's spot rates (Rs/10 kg): groundnut oil Rs 1,195 (1,190), soya refined oil Rs 757 (755), sunflower exp. ref. Rs 700 (700), sunflower ref. Rs 760 (760), rapeseed ref. oil Rs 880 (870), rapeseed expeller ref. Rs 850 (840) cotton ref. oil Rs 749 (735) and palmolein Rs 618 (618).

## Coconut oil steady as traders retain stocks



Kochi, July 17:

The coconut oil market remained steady in Kerala this week. Prices in Kerala and Tamil Nadu stood at the same level of Rs 62 a kg and Rs 58.75 a kg quoted last week.

Mr Prakash B. Rao, Vice-President, Coconut Oil Merchants Association (COMA), said that demand is sluggish with buyers staying away from the market. Despite low demand, prices have not declined due to the steady prices of competing oils such as palm oil and palm kernel oil.

He pointed out that Onam demand in the State has not picked up yet. People are holding stocks in anticipation of a price rally for both copra and coconut oil in the festival season. They are not ready to sell at low prices, he said.

Copra prices – both in Kerala and Tamil Nadu – are ruling at last week's rate of Rs 4,200/ quintal and Rs 4,000/ quintal, respectively.

The substitute oils such as palm oil and palm kernel oil are trading at Rs 63 and Rs 70/ kg, respectively.

Mr Bharat N. Khona, former Board Member, COMA, pointed out that the market would go strong in the next couple of weeks. If it remains like this, it would definitely build confidence among upcountry buyers, he said.

## Festival demand

Mr Thalath Mahamood, President, COMA, said sellers are holding on to the price in anticipation of Onam and Ramzan festival demand which falls in August. Usually coconut oil demand will increase in Kerala due to higher consumption in households in festival season, he said.

Meanwhile, the Coconut Development Board said in a statement that Nafed had enhanced facilities in its godowns in Palakkad to store copra procured under the Minimum Support Price scheme. The agency increased facilities to store additional 1,500 tonnes at Muthalamada and 500 tonnes at Kalmandapam godowns.

Sources in CDB said farmers and coconut producers' societies favour more facilitation from State level procurement agencies to speed up the copra procurement process. It is pointed out that procurement under MSP is a little slow.

## Sugar surges ahead of festival season demand

Mumbai, July 17:

Sugar prices on the Vashi market shot up by another Rs 100 a quintal on Tuesday, rise of more than Rs 200 in the last two days and more than Rs 350-400 this month tracking higher rates at upper level. Mill tender rates increased by Rs 30-50 and pushed up naka rates by Rs 90-100 ahead of festival season. Sentiment was firm in the physical market but was steady in futures market due to profit booking .

A Vashi-based wholesaler said sugar prices in the physical market crossed the Rs 3,500-mark on good demand from local and upcountry buyers.

The new crushing season will start from October, and supply will be totally dependent on stocks lying with producers or in inventory pipeline. Usually, the Government increases the quota for festivals. Some traders are also demanding immediate ban on sugar exports and futures trading to curb price rise in the physical market.

Despite taking steps to increase higher supply in domestic markets to control prices, the Government on Monday has imposed 10 per cent duty on import of sugar.

In Vashi market, arrivals were 54-55 truck loads and local dispatches were 52-53 truck loads. On Monday about 22-23 mills offered tender and sold about 84,000–85,000 bags (each of 100 kg) to local stockists in the higher range of Rs 3,200-3,280 (Rs 3,170-3,230) for S-grade and Rs 3,320-3,400 (Rs 3,290-3,310) for M-grade.

**Bombay Sugar Merchants Association's spot rates:** S-grade Rs 3,376-3,441 (Rs 3,270-3,350) and M-grade Rs 3,430-3,511 (Rs 3,320-3,411).

***Naka* delivery rates:** S-grade Rs 3,350 -3,390 (Rs 3,250 -3,300) and M-grade Rs 3,390-3,450 (Rs 3,290-3,370).

## Wheat spot, futures prices remain range bound

Our Correspondent

Karnal, July 17:

After a good rally over the last three weeks, Indian wheat spot and futures remained range bound on Tuesday.

According to market experts, wheat futures are likely to witness some correction in the coming days as some position holders may go for profit booking after the recent rally.

On the National Commodity and Derivatives Exchange, wheat for August delivery increased by Rs 7, to Rs 1,388 a quintal, it had touched a high at Rs 1,410 earlier on Tuesday. Spot prices at the MCX increased by Rs 5.7 to Rs 1,304.9 a quintal.

Market may remain range bound this week but it is expected to move in a positive territory as market sentiment is still largely positive, said experts.

In the physical market, after witnessing a fall last weekend, dara and desi wheat varieties managed to maintain their previous levels.

Dara quoted at Rs 1,190-1,200 a quintal. Only 35 tonnes of dara variety arrived from Uttar Pradesh and the stocks were directly offloaded at the mills. Mill delivery was at Rs 1,190-1,195 a quintal while delivery at the chakki was at Rs 1,200 a quintal.

Similarly, desi wheat varieties ruled flat, Tohfa sold at Rs 2,210 a quintal, Bhojan King quoted at Rs 2,100, while the Nokia variety traded at 2,020 a quintal.

### Flour Prices

With a steady trend in wheat, flour was ruling at the same prices of Rs 1,190 for a 90-kg bag. Chokar too remained unchanged and sold at Rs 610-620 for a 49-kg bag.

## Margins on soy complex hiked

Our Bureau

Mumbai, July 17:

The Forward Markets Commission has increased the special margin on soy bean, rape mustard seed and yellow soy bean meal. Prices of these commodities have gone up sharply in the futures markets.

The special margin on the buy side of yellow soy bean meal has been doubled to 20 per cent in all the running contracts and yet to be launched contracts from Thursday, said a press release by Ace Commodities.

Similarly, special margin on soy bean buy side was enhanced from five per cent to 20 per cent from Wednesday. Investors have to now set aside 15 per cent special margin instead of five per cent when buying RM Seed.

## Global black tea output falls

P. S. Sundar

Coonoor, July 17:

Led by India, the global black tea production in the first five months of current calendar has fallen by 64.29 million kg (mkg) over the same period of 2011, reveals an analysis of the latest data available from trade bodies.

“According to our compilation, global black tea production has dropped to 575.45 mkg from 639.74 mkg last year,” Mr Rajesh Gupta, Director, Global Tea Brokers and publisher of annual Global Tea Statistical Diary, told *Business Line.*

The highest shortfall of 27.79 mkg has occurred in India with production dipping to 215.82 mkg. Here, North India has lost 17.93 mkg to produce 128.81 mkg and South India, 9.86 mkg to produce 87.01 mkg.

The second highest loss of 21.53 mkg has occurred in Kenya where production has totalled 127.98 mkg.

Uganda lost 8.86 mkg to total 12.65 mkg and Sri Lanka 5.29 mkg to total 135.63 mkg.

Only Bangladesh (0.94 mkg) and Indonesia (0.70 mkg) have posted a marginal increase.

All other producing countries have recorded a lower production attributing adverse weather as the principal cause. Trading sources contend that most countries will not be able to recoup the loss in coming months which means the global tea bowl will be short by 60-65 mkg when the year ends.

## Deficient rains, a crushing blow for Maharashtra's grape farmers

Alka Kshirsagar

About 10-15 per cent of Maharashtra's grape farmers face the prospect of not getting any yield this year. — P.V. Sivakumar

Pune, July 17:

With the rains playing truant and dams running dry, around 10-15 per cent of the grape farmers in Maharashtra may have to contend with no yield this year and are, in fact, struggling to keep their vines alive.

For the remaining, the next two weeks would determine whether the rains will rescue their crop or their yields too would suffer a setback.

The areas most severely affected are parts of the Sangli-Solapur-Osmanabad belt where even the mandatory April pruning has not been done. “There was no pruning done in areas such as Latur, Jat, and parts of Osmanabad due to water shortage. These people are in trouble,” an expert who spoke on condition of anonymity, said. “These farmers will get no yield this year,” he observed, placing the number of farmers in this situation at between 10 and 15 per cent of the total.

The segment of farmers whose fate still hangs in the balance are those from the hitherto water-rich Nashik zone, where the drying up of dams has created an unprecedented water scarcity.

Though rains have been delayed in the Nashik region for the last two years, they arrived nevertheless, and the acute condition this year is frightening as they have never experienced it before.

The predicament of farmers in some parts of the Sangli-Solapur belt, is similar, but with a difference. The perennial water shortage has fostered an irrigate-using-tankers culture, and many own water tankers which ferry water from dams. “Dams around these regions are bone-dry, so irrigation is not an option now,” the expert said, adding that the resulting salinity would create further problems.

With around two lakh acres under cultivation, Maharashtra produces over 90 per cent of the country’s grapes. Nashik, Sangli, Solapur and Pune are the major grape-producing zones. The season stretches from October to April, and the total production of fruit in the State stood at around 15 lakh tonnes last year.

## Govt forecasts record foodgrain output for 2011-12

Vishwanath Kulkarni

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- **BUMPER HARVEST**

(in million tonnes)

| Crop | 2011-12 (4th Advance Estimates) | 2010-11 (Final Estimate) |
|---|---|---|
| Wheat | 93.90 | 86.87 |
| Rice | 104.32 | 95.98 |
| Coarse cereals | 42.01 | 43.68 |
| Pulses | 17.21 | 18.24 |
| Oilseeds | 20.78 | 21.92 |
| Cotton* | 35.2 | 33 |
| Sugarcane | 357.66 | 342.38 |

*million bales of 170 kg each

New Delhi, July 17:

The country's foodgrain output touched an all-time high of 257.44 million tonnes (mt) in 2011-12, according to the Government's latest estimates.

This represents a 5.17 per cent growth over the final output of 244.78 mt in 2010-11.

The fourth advance estimates, released on Tuesday, pegged the foodgrain output 5 million tonnes higher from the earlier projections of 252.56 mt in April. The revised estimate comes a day after the Agriculture Minister, Mr Sharad Pawar, admitted that poor monsoon this year had posed a challenge to sustain growth in foodgrain production in the past two years.

The deficit in monsoon so far, estimated at 23 per cent, has impacted sowing of crops such as rice, coarse cereals and pulses.

The upward revision is primarily led by a record harvest of wheat, which currently stands at 93.90 mt. In the previous year, wheat output stood at 86.87 mt.

Good rain and a prolonged winter aided the bumper wheat harvest in 2011-12, from which the Government has procured over 38 mt.

## Rice output

The production of rice stood at 104.32 mt in 2011-12, against the targeted 102 mt.

In 2010-11, rice production stood at 95.98 mt.

The spread of Green Revolution to eastern States such as Bihar, West Bengal, Chhattisgarh, Jharkhand and Odisha has been driving rice output in recent years.

In the past five years, the country's rice output increased by 8 per cent from 96.69 mt in 2007-08 to 104.32 mt in 2011-12.

The production of pulses rose by 2 lakh tonnes over the target to 17.21 mt, but remained lower than last year's 18.24 mt.

Similarly, production of oilseeds was lower by about 2.4 mt over last year. Total oilseeds production stood at 30 mt in 2011-12 (32.47 mt).

Cotton output stood at 35.2 million bales (of 170 kg each) in 2011-12, against 33 million bales in the previous year. Sugarcane output has been pegged at 357.67 mt (342.38 mt).