

WASHINGTON, June 14, 2012

## Israeli wins World Food Prize

NARAYAN LAKSHMAN



File photo shows Dr. Daniel Hillel at a soil and water monitoring station in Israel. Photo: AP/ The World Food Prize Foundation

*Dr. Hillel has pioneered a method of bringing water to crops in arid land regions*

While leading nations of the world are engaged in conflicts over the entire range of physical resources, from rare earth minerals to oil, this week the U.S. recognised the importance of a resource that matters much more to the vast numbers of the poor the world over — water.

It was recognition of the importance of efficient water use in agricultural practices that undergirded the announcement of this year's winner of World Food Prize (WFP), Israeli scientist Daniel Hillel.

Dr. Hillel was given the prestigious award, established in 1987 by Nobel Peace Prize winner and Green Revolution champion Norman Borlaug, for pioneering a “radically innovative way of bringing water to crops in arid and dry-land regions.”

Speaking at a ceremony on Tuesday at the State Department, Secretary of State Hillary Clinton said in her keynote address: “We have tried to focus the government's attention and the world's attention on the importance of getting ahead of what will be a devastating crisis if we are not smarter and more purposeful in addressing these issues.”

She added that it was especially fitting that the WFP honoured an individual who understood the critical role water played in agriculture and the importance of “using every last drop efficiently.”

A selection committee of experts from around the world oversees the nomination and selection process, and is chaired by renowned Indian agricultural scientist Professor M.S. Swaminathan, who was the first World Food Prize laureate.

Announcing Dr. Hillel's selection, President of the World Food Prize Foundation Ambassador Kenneth Quinn emphasised the broader contributions to regional peace that emerged from the scientist's work.

## **BRIDGING DIVISIONS**

“Dr. Hillel's work and motivation has been to bridge such divisions and to promote peace and understanding in the Middle East by advancing a breakthrough achievement addressing a problem that so many countries share in common: water scarcity,” he said.

Dr. Hillel will be formally presented with the \$250,000 award in October in Des Moines, Iowa.

Dr. Hillel's path-breaking work, which could well be of high relevance to agriculture-dominated economies such as India, comprises a method known as micro-irrigation, which is said to maximise efficient water usage in agriculture.

It does so via the application of water in small but continuous amounts directly to plant roots, dramatically cutting the amount of water needed to nourish crops, maintaining their consistent health and resulting in higher yields to feed more people, the WFP Foundation said.

This reflects a major shift from prevailing methods in many developing countries, where farmers typically apply large amounts of water in brief periodic episodes of flooding to saturate their fields, followed by longer periods of drying out the soil.

In a statement released after his selection, Dr. Hillel said: "The task of improving the sustainable management of the Earth's finite and vulnerable soil, water, and energy resources for the benefit of humanity while sustaining the natural biotic community and its overall environmental integrity is an ongoing and increasingly urgent challenge for our generation and for future generations."

June 14, 2012

**Farmer's Notebook: Using local inputs helps cut cost and also increases yield**



**CHANGED OUTLOOK:** A training session in progress. Photo: M.J. Prabu

*Until a decade back several farmers had mounting debts to be repaid*

Drought, financial strain and scarcity of labour all make the life of a farmer difficult. The choices for a farmer are quite bleak. He can neither get a job in the town nor sell his lands as it would mean the end of life for him.

“The only option available for him is to use inputs that are not costly, at the same time increase yield and also make use of his family labour (if possible) to work in the fields,” says Dr. J.H.S. Ponnaya, President, Suviseshapuram and neighbouring development organisation (Sands) an NGO in Tirunelveli.

Sands has been conducting training programmes in different villages in and around Tirunelveli for farmers in making their own inputs.

### **Street plays**

They have also been conducting street plays to highlight the efficiency of these natural inputs that can help farmers.

Until a decade back, several farmers in and around this region had either sold off their fields or left them barren because for them farming proved too costly and the government was just not pro-active in its outlook to help them.

But today more than 27-odd villages are successfully cultivating different crops and vegetables and make their own inputs, according to him.

Mr. Jason Dharmaraj, a farmer in the area, says that he used to trudge many miles some years back for potable water. “what can be said about crops? When we did not have even water to drink how could we water our crops? he asks and adds, “we left our fields fallow for some years and went to nearby towns to work.

“But after some time the pull of our native soil was strong and we came back to do farming,” he says.

### **Training**

Mr. Dharmaraj undertook training from Sands on making his own inputs and today like several other farmers in the area vouches for the efficiency of farm yard manure and Panchagavya (simple inputs that can be easily made by farmers and found effective in increasing crop yield.)

In fact Sands has been advocating the use of both these inputs among farmers for the last decade. "Especially in a drought prone area like ours we find that both these local inputs are quite encouraging and effective. In addition to increasing crop yield they also prevent water erosion on the fields," says Dr. Ponnaya.

Many of the farmers in the region had debts ranging from a few hundred to thousands some time back.

They could not pay the retail fertilizer shop as rainfall was scarce, and crops failed.

### **Accumulating interest**

"Naturally the interest on their debts also accumulated. Added to this burden was the responsibility of taking care of their family. So one could easily imagine how difficult it could have been for them," says Dr.Ponnaya.

And he adds, "We felt that the solution lay in using an efficient alternative that could be beneficial and at the same time eco-friendly to the farmer.

We found out that panchagavya (a combination of milk, ghee, curd, rotten fruits) and farm yard manure made with locally available materials is bet suited for our farmers and encouraged them to use it.

Today hundreds of farmers in this region and surrounding areas are using it and experiencing personally its benefits."

"I use these inputs for my one acre field and find it useful. More importantly it helps me save some money and also increases yield," says Mrs. Madha Dhanasekaran, another farmer.

### **Changed outlook**

“We find that the outlook of the farmers has changed today. They are willing to adopt any good practice that is pocket-friendly and at the same time effective.

“If one farmer succeeds, then there are many in line wanting to try it out. This is how we have been able to make these practices popular here,” smiles Dr. Ponnaya

To know more readers can contact , Dr. J.H.S. Ponnaya, President, Suviseshapuram and neighbouring development organisation (Sands),Suviseshapuram (via) Ittamozhi-627652, email: sands\_suviseshapuram@yahoo.com, phone: 04637-278173, mobile: 9444582911.

Published: June 14, 2012 00:00 IST | Updated: June 14, 2012 08:46 IST

## **Farm officials told to familiarise themselves with gadget**

Special Correspondent

The Agriculture Production Commissioner and Secretary, Department of Agriculture Sandeep Saxena has asked the block-level officials of the agriculture department in Vellore district to familiarise themselves with the use of the tablet, the digital gadget equipped with the Farm Crop Management System (FCMS) software. He has asked the assistant directors of agriculture, agricultural officers, assistant agricultural officers and deputy agricultural officers to do this within 45 days in order to interact with the farmers on a routine basis, monitor their crop growth, and to advise them suitably for adopting strategies that may bridge the yield gap and improve their income.

The Tamil Nadu government has decided to implement the FCMS initially in six districts—Vellore, Virudhunagar, Tiruchi, Tiruvarur, Erode and Coimbatore—in collaboration with the IIT-M Rural Technology Business Incubator. Vellore is the first district where the pilot project is being taken up.

### **Scientific cultivation**

Speaking at the valedictory function of the two-day Sensitisation Programme on FCMS for Extension Functionaries in Vellore district here on Wednesday, Mr. Saxena said that one of the objectives of the system is to empower the farmer to take up cultivation in a scientific way so that agriculture becomes a sustainable livelihood option. Drawing inspiration from Thiruvalluvar's ` *Thirukkural* ', which speaks of scientific agriculture 2000 years ago, he said that

while agriculture was so advanced at that time, a lot of breakthroughs were made in recent times too in agricultural technology.

“Today we have shrinking land resources, more mouths to feed from the shrunken land area, global warming, shift in weather patterns and dwindling water resources, all of which have made us think of alternative strategies to sustain agriculture. The challenge before us is to bring farmers to the level of scientists. The nearly 80 lakh farmers in the state are dependent on 10,000 agricultural officers. Through FCMS, we are using the power of technology to address the problems in extension”, he said.

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## **Management of powdery mildew in sunflower**

Mallikarjun Kenganal

*Avoid high plant densities*

Sunflower is one of the largest produced oilseed crops in the country annually. Though it is grown on a large scale for oilseed production in India the crop suffers huge losses due to many pest and disease outbreaks.

Especially during the flowering and grain formation stages sudden outbreak of diseases like the powdery mildew infects crop growth and yield.

### **Symptoms**

The disease produces white powdery growth on the leaves. White to grey mildew appears on the upper surface of older leaves.

As plants mature black pin head sized are visible in white mildew areas.

Infested leaves lose lustre, curl, become pale in colour and die.

The disease appears on the upper surface of leaves in the form of pale yellow or pale brown minute discoloured specks from which powdery mass radiates to all sides of leaves.

Heavily infested leaves dry and shed prematurely.

Soon these specks get covered with whitish powdery mycelial growth which increase in size and develop to cover much of the plant area with white powdery growth.

Gradually, the infection spreads to other parts of the plant. The disease is prevalent more under dry conditions especially at the end of the winter months.

### **Management**

- Reducing the likelihood of a disease outbreak is more effective than trying to control the disease once it is established.
- Avoid growing crops in situations of high humidity.
- Morning watering limits the build-up of humidity in the crop overnight.
- Avoid high plant densities which leads to heavy infection.
- Application of sulphur dust at 25-30kg/ha or calixin 1 ml/litre is found effective in reducing the disease incidences.
- Under high incidences spraying of difenoconazole 1ml/litre is very effective.

(Mallikarjun Kenganal is assistant professor, Agricultural Extension Education Centre, University of agricultural sciences, Raichur, email: mallikarjun\_nss@rediffmail.com, mob: 09845364708.)

Published: June 14, 2012 10:26 IST | Updated: June 14, 2012 10:26 IST

### **90% subsidy for compost plants**

#### **Staff Reporter**

In an effort to give a major boost to the pipe composting scheme and encourage more people to avail of the scheme, the State government has issued an order increasing the subsidy for composting plants to 90 per cent. As per the order issued on Wednesday, the State government's subsidy share for the scheme has been increased to 75 per cent from the existing 50 per cent while the local body concerned will contribute 15 per cent.

As of now, the total amount fixed per pipe composting unit (consisting of two pipes) is Rs.893. As per the new Government Order increasing the subsidy amount, beneficiaries will have to pay only around Rs.90 to install composting units in their households.

A meeting convened by Local Self-Government Department Principal Secretary James Varghese on Wednesday also decided to directly involve accredited agencies of Suchitwa Mission in PVC pipe procurement and distribution in order to avoid delay in implementing the pipe composting scheme. A senior government official said that the city Corporation, which had



fallen under the scanner for causing major delay in implementing the scheme, would be directed to give advance amount to the accredited agencies that would then buy pipes in bulk.

The government had already transferred Rs.5.75 crore to the Corporation for the project. "The amount was granted to install one lakh pipe compost units in the city in March. When the Corporation said that the amount was insufficient due to price hike, the government agreed to bear the extra amount of Rs.80 per unit. Despite all this the Corporation was able to install only around 10,000 units. In this context and considering the serious public health situation in the city, the government has decided to intervene and expedite the implementation of the scheme," the official said.

### New beneficiaries

"One of the reasons that led to the delay was the involvement of too many intermediate agencies. This will now be solved by directly involving accredited agencies that will buy the pipes and get them installed with the aid of agencies such as Kudumbasree. We expect to clear the backlog in the project within a week. New beneficiaries can avail the subsidy by contacting their ward councillors."



■ Thu, 14 Jun 2012

weather

### Chennai - INDIA

#### Today's Weather



Partly Cloudy

Thursday, Jun 14

Max Min

38.4° | 29.3°

**Rain:** 00 mm in 24hrs

**Sunrise:** 6:35

**Humidity:** 70%

**Sunset:** 18:03

**Wind:** Normal

**Barometer:** 1005

#### Tomorrow's Forecast







Rainy

Friday, Jun 15

Max Min

35° | 27°

## Extended Forecast for a week

Saturday Jun 16	Sunday Jun 17	Monday Jun 18	Tuesday Jun 19	Wednesday Jun 20
				
33°   28°	32°   27°	31°   27°	31°   27°	30°   27°
Rainy	Rainy	Rainy	Rainy	Rainy

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# THE ECONOMIC TIMES

## Commodities

13 JUN, 2012, 06.34PM IST, PK KRISHNAKUMAR,ET BUREAU

### Spices Board to showcase Indian spices at London Olympics

KOCHI: Spices Board will showcase Indian spice products at London Olympics. Leading spice processing and exporting companies from the country will participate in special India promotion campaign in London Olympics on August 1 and 2.

A delegation comprising around seven companies led by Spices Board chairman Dr A Jayathilak will attend the campaign. MTR, Pravin Masalewale, Sanex Agencies will be among the companies that will participate in the campaign. The focus will be on value added and ready-to-eat spice products.

The board hopes to promote Indian spices through consumer packets branded spices of India. There will be about seven stalls which will provide facilities to do sales and thus facilitate sale of authentic Indian spices and spice products. The promotional packets will have pepper, cardamom, nutmeg and cumin , grown in the country.

Under the special India promotion campaign, there will be about 40 stalls set up on the South Bank Centre in London.

13 JUN, 2012, 06.27PM IST, SUTANUKA GHOSAL,ET BUREAU

### **Presidency Impex inaugurates its first sesame oil production facility in West Bengal**

KOLKATA: Presidency Impex Pvt Ltd on Wednesday inaugurated their first sesame oil production unit at Uluberia in West Bengal. The total investment in the project is to the tune of of Rs 60 crore.

Official figures suggest that West Bengal produces the largest sesame oilseeds in India and that too of a better quality than other states. However, since there are not many plants to convert it into oil the harvest has to be sent out to other parts of the country. The company says that due to this the farmers here do not get the right value for their produce.

Presidency Impex claims to pay local farmers twice the amount they used to receive earlier. Also, producing the oil locally and exporting it would mean more revenues for West Bengal.

Nowadays, to stay healthy people use olive oil to cook food which comes at a price of Rs.400-500 a litre. But studies suggest that using sesame oil helps a person to deal with a number of health related problems like high blood pressure, gastric, cholesterol among others.

Mr. Vishwanath Agarwal, director, Presidency Impex said: "In the first phase the company is starting the crushing unit. The second phase will see a refinery unit and in the third phase we will come up with solvent extention plant. The total investment for this project will be about Rs 60 crores providing employment to 200 people. The unit will have a production capacity of 60 tonne per day at present."

13 JUN, 2012, 06.25PM IST, PK KRISHNAKUMAR,ET BUREAU

### **Rubber Board declares Rs 5 lakh award for developing mechanized tapping knife**

KOCHI: As part of its efforts to bring about technological innovation in the field of tapping to address the problem of shortage of skilled tappers in the sector, Rubber Board has declared a cash award of Rs 5 lakh to those who develop a mechanized rubber tapping device.

Scarcity of skilled tappers is one of the major challenges faced by the rubber sector. Kerala accounts for over 90 % of the rubber production in the country. Unlike other crops, harvesting of rubber is a complex procedure and lack of technical skill will affect growth, yield and even the

longevity of the tree.

According to Rubber Board spokesman, a mechanized tapping knife can even be handled by unskilled people and can make revolutionary changes in rubber harvesting. Leading rubber producing countries are making efforts to develop such a mechanized device. Malaysia, a major rubber producing country, had developed a mechanized tapping tool in collaboration with Japan. But it was not commercially feasible.

Rubber Board intends to take up research for further development and commercialization of any mechanized rubber tapping device invented, in collaboration with the inventor. The board feels that such a tool will help even unskilled persons to effectively take up tapping as career.



Landless to lakh a month: Farmer buzzes to a good life

Raakhi Jagga Posted online: Thu Jun 14 2012, 03:25 hrs



**Ludhiana** : Thirty-year-old Pardeep Kumar has become a source of inspiration to farmers in Punjab, Haryana, Himachal Pradesh, J&K and Rajasthan. From being landless 10 years ago, Kumar has built a successful bee keeping business, which earns him more than a lakh in a month.

The Class XII graduate from Badal village in Mukstar, says he began with 6 bee nest boxes but now has more than 6,000 of them, spread across five states.

The progressive farmer has also been imparting training to youngsters to ensure that they earn a good income even if they don't have any land holding.

The journey, Kumar says, has not been smooth. His family had been through trouble as his father had expired some 20 years ago. When he was about 21, the progressive farmer says he underwent bee keeping training at Bhatinda Krishi Vigyan Kendra about 10 years back and today he is well settled.

“I started work with investment of about Rs 35,000 and my monthly income used to be less than Rs 800 a month. I used to shift the honey bee boxes to the neighbouring states as per the flowering season. This increased the productivity and today I have more than 6,000 boxes. I have employed 7 workers. Each one of us handle 70-100 boxes efficiently. About 50 kg of honey yield comes from one box,” Kumar says.

He, however, does not process the honey but sells his produce to processing companies like Kashmir Appearies in Doraha and Shakti Enterprises in Malerkotla.

Apart from this, he has signed a contract with the Mukstar horticulture department, to sell 2,000 honey bee boxes to farmers in various states at Rs 3, 000 per box. If he achieves this target, Kumar will get an additional Rs 3 lakh as subsidy.

DC Paramjit Singh says: “ We are giving 50 per cent subsidy to the farmers on the purchase of honey bee boxes”.



### **State's mango growers take to distress sales**

WEDNESDAY, 13 JUNE 2012 23:13

AKSHAY ROUT | JAJPUR

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Mango growers of Jajpur district and its nearby areas are resorting to distress sale of their produce in the domestic market. The two primary reasons for the distress sale are the failure to identify market linkages for mangoes and the availability of good quality mangoes from the neighbouring State of Andhra Pradesh.

“Though we see a good demand for local varieties in the market, the price realisation is not matching even the sowing costs,” said a mango farmer, Hari Behera of Balichandrapur.

Market linkages are very critical for organically grown fruits like mangoes. Primarily, the whole process has to be linked initially and then go back for production.

This year, Jajpur district as well as other parts of the State saw a reasonably good harvest of mangoes. The price has crashed by almost 60 per cent to 70 per cent compared to the last year, said Anadi Pradhan, a mango grower of Chhatia.

The farmers’ woes, with the glut in production of mangoes, have brought to focus the lack of support to the post-harvest management facilities and fruitful utilisation of the surplus through processing capacity, said president of Krusak Sabha Umesh Chandra Singh.

To the consumers, however, the glut has come as a boon in view of the sharp fall in the prices. “Large numbers of customers prefer to take good quality mangoes from Andhra Pradesh and Karnataka. The markets are flooded with truckloads of mangoes from these States compelling local mango growers to sell their produce at lower prices,” said Maheswar Pradhan, a mango grower of Nalipur.

The price of local varieties mangoes has fallen from `10 to `8 per kilogram. The cost of the mangoes from Andhra Pradesh and Karnataka is as high as `15 to `20, but they are preferred by customers because of their better quality.

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## Business Standard

Thursday, Jun 14, 2012

**Govt plans to export 100,000 tonnes of wheat as stocks swell to new highs**

**Sanjeeb Mukherjee / New Delhi June 14, 2012, 0:30 IST**

India’s grain storage problem continues, even as the government mounts a strategy to reduce inventories before the monsoon enters the northern parts of the country in July. Officials said work in on for a note to the cabinet to liquidate around 1,00,000 tonnes of wheat from central stocks, following the suggestion by a committee headed by C Rangarajan, chairman of the

Prime Minister's Economic Advisory Council. The panel had advised subsidised export of two million tonnes of wheat.

In the first phase, the trading arm of the government, State Trading Corporation, floated an open tender to export wheat from the central pool and received around seven bids. The highest was for \$228-230 per tonne (around Rs 12,850 per tonne, assuming the current exchange rate of Rs 55.8 against a dollar. The bid was around Rs 5,300 a tonne less than the cost incurred in procurement, storing and transportation of wheat.

"The cabinet will discuss the price quoted by various bidders and decide on whom to award it to," officials said. The Rangarajan committee had estimated the government would have to bear an additional subsidy of almost Rs 1,500 crore if it wanted to export grain, particularly wheat, from the central pool as the Centre's expense of purchasing, storing and transporting the cereal was much higher than the probable rate that it would fetch in the international market.

The panel also recommended supplementing subsidised exports through selling grain at cheap rates in the home markets.

Foodgrain stock in the central pool is now estimated to be 82 million tonnes, much more than the available storage space of 68 mt.

Grain stocks till last week were almost 150 per cent more than the quantity mandated in the buffer and strategic reserve norm set by the government.

According to official data, wheat procurement till June 10 this year is already more than the total purchases made in the 2011-2012 crop marketing season that runs from April to March, while rice purchases are already more than the norm.

Till last week, government had purchased almost 36 mt of wheat from farmers for the central pool, 28 per cent more than the total procurement of 2011-2012.

## Maharashtra sugar industry bats for decontrol

Sanjay Jog / Mumbai June 14, 2012, 0:21 IST

Maharashtra's Rs 26,000-crore sugar industry, which contributes nearly 30 per cent to India's total sugar output, would formally make a case for decontrolling the sector.

As a first step, the industry wants the government do away with the levy obligation and procure sugar to be distributed through the Public Distribution System (PDS) from the open market.

Officials from the industry are scheduled to meet members of an expert committee on sugar, headed by the Prime Minister's Economic Advisory Council Chairman, C Rangarajan, on June 14. Industry officials are set to urge for removing sugar from the Essential Commodities Act, especially since most sugar consumption is accounted for by the commercial segment.

A senior official of the Federation of Cooperative Sugar Factories in Maharashtra, a representative body of over 170 mills, told Business Standard, "Liberalisation and reforms were adopted by India from the late 90s. However, sugar and the sugarcane sector remained totally ignored. This sector continues to be highly controlled by the government. Nearly 1.25 million sugarcane growers and farm families come under the sugarcane and sugar sectors. Sugarcane growers earn about Rs 18,800 crore a year by way of cane prices. We, therefore, hope with the Rangarajan committee's positive recommendations, the sugar sector would be in a position to ensure the pace of growth in its resources is ahead of the demand on it."

According to the federation, during the sugar season, the Centre procures 10 per cent of sugar with prescribed prices as levy sugar. However, these prices are well below open market prices and the cost of production. "During the 2011-12 crushing season, Maharashtra produced 89.6 million tonnes of sugar, and 10 per cent levy obligation comes to 890,000 tonnes. On account of this, at an average levy price of Rs 1,893 per quintal, the loss stand at Rs 767.87 crore, owing due to the difference between average open market realisation and levy prices. This results in cane prices being lower by Rs 100 per tonne," the official said.

State Cooperation Minister Harshvardhan Patil, who is set to make a presentation on the issue on behalf of the Maharashtra government, also supported the federation's demand for decontrol. He said there was a need to remove the release mechanism to ensure in complying



with the release orders, factories were not forced to sell sugar below the cost of production.

The federation official said all regulations on the sale and distribution of sugar, including the release mechanism and stock holding limits on bulk consumers and traders, should be done away with.

The sugar industry in the state would also make a case for de-linking the Sugar Development Fund interest rate from the bank rate. It would also pitch for interest to be charged at only four per cent.

According to the federation, linking the SDF interest with the bank rate was irrelevant, as the industry contributed to the SDF. Since Maharashtra's contribution to SDF was about 70 per cent, the allotment of loans to cooperatives should be proportionate to their contribution, the industry said.

#### **Foodgrain stocks up 26% at 82.32 million tonne as of June 1**

Wheat at 48.97 mn tonne, rice at 32.14 mn tn as of June 1

**Press Trust of India / New Delhi June 13, 2012, 16:04 IST**

The government's foodgrain stocks has risen by 26% to 82.32 million tonnes as of June 1, 2012, from 65.37 million tonne in the year-ago period.

The stocks of wheat rose to 48.97 million tonne as of June 1 from 37.83 million tonne in the same period last year, Food Corporation of India (FCI) said on its website.

Rice stocks rose to 32.14 million tonne from 27.64 million tonne in the same period, it added.

Wheat and rice reserves with the government are, however, more than double than the required norm as of July 1.

As per government rules, the strategic and buffer stock of wheat and rice by June 30 should be 31.9 million tonne, which includes 26.9 million tonne as buffer stock and another 5 million tonne as strategic reserve.

FCI, the nodal agency that undertakes procurement and distribution of foodgrains, has maintained maximum foodgrain stocks in northern and southern parts of the country.

The government's grains inventory has build up due to record production and procurement in last few years.

The country is poised for an all time record harvest of rice and wheat at 103.41 million tonne and 90.23 million tonne respectively, in the 2011-12 crop year (July-June).

### **Differing views on bonus to growers**

**Cabinet may decide on crop support prices today rise likely to be less than CACP recommendations**

**Anindita Dey / Mumbai June 14, 2012, 0:20 IST**

The Union ministry of food and consumer affairs has opposed the agriculture ministry's proposal to offer a bonus on commodities to growers along with fixing of the minimum support price (MSP) for kharif crops.

According to sources, the cabinet is expected to meet tomorrow to take a decision on the final MSPs of crops.

The prime minister's office had much earlier ruled out any possibility of a bonus in addition to an MSP rise for crops. It had said a bonus could be considered if the MSP did not take into account any sudden increase in cost of production or any external factor not factored in by the CACP.

While the ministry of agriculture has supported the suggestions on MSPs by the Commission for Agricultural Costs and Prices (CACP), it is also firmly in favour of a bonus for crops, especially rice and pulses. The food ministry is staunchly against a bonus in at least those commodities where there is government procurement, such as rice for the kharif season. Sources said the CACP has recommended a 15 per cent rise in paddy MSP, above the general trend of eight to 12 per cent. The only exception was 2008-09, when the paddy MSP had gone up year over year by 32 per cent. Incentives are given to expand the stock of a commodity and India has a comfortable stock of rice, to the extent that we are net exporters of non-basmati varieties. More,

the food ministry has raised a concern on storage of grain, where there is a big problem. A bonus along with a higher MSP for rice will mean over-production and a difficulty in stocking.

The ministry of finance has suggested to the agricultural ministry to use a mix of policies to push up production rather than having only MSP as a tool for farmers to raise production of a particular crop. It has suggested a more gradual approach to raising MSPs of kharif crops, rather than a steep rise which inflates the base, difficult to maintain year after year. The finance ministry's concern, official sources said, was on the rising inflation and added burden on the already tight budgetary conditions.

While the CACP has proposed a 15-53 per cent rise across kharif crops, official sources said the increase could be sustained in the range of 10-25 per cent across crops, barring one or two where production needs to be enhanced or farmers have faced huge losses due to unfavourable weather conditions, as with groundnut.

As against a 15 per cent rise suggested for rice, the MSP may go up by 10-12 per cent. In millets, while the reported recommendations are for a 20-53 per cent rise, the highest being for jowar, the final MSP may be 20-22 per cent for both jowar and bajra and 10-12 per cent for maize.

Official sources said in edible oil, the MSP of only groundnut was likely to go up by 18-25 per cent. For sesame, sunflower and soybean, it will be 15-20 per cent, for pulses by nine to 25 per cent -- moong by 19-20 per cent, urad by 18-25 per cent and tur by nine to 12 per cent. For cotton, as against a recommended MSP of Rs 3,600-3,900 per quintal, the government may stick to Rs 3,200-3,500 across varieties, a change of 14-16 per cent over the current MSP of Rs 2,800-3,300 per quintal.

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# THE HINDU Business Line

## Castor gains on less inflow

Our Correspondent



Rajkot, June 13:

Spot and futures prices of castor seed rose on Wednesday as arrivals declined. Moreover, traders expected government agencies buying also supported the market.

A Rajkot-based castor trader said, "Selling by farmers are restricted as price went down in the past and as a result arrival of castor is on the decline. Though, it may improve on some buying expectation and overseas demand."

According to brokers, some rumours in the market that government agencies may come to market to buy castor seed in coming days. On the Rajkot Commodity Exchange, castor seed June contract gained Rs 37 to Rs 2,987 a quintal and September contract by Rs 45 to Rs 3,164.

On the National Commodity and Derivatives Exchange (NCDEX) castor seed July contract gained Rs 48 to Rs 3,029 a quintal, with an open interest of 33,050 lots. NCDEX August castor contract rose Rs 52 to Rs 3,093 for 100 kg with an open interest of 17,080 lots.

Arrival of castor declined to 50,000 bags from previous day's 60,000-70,000 bags in Gujarat ruling at Rs 560-590 for 20 kg. About 5,000 bags arrived in Saurashtra region quoting Rs 530-570.

## Sugar extends gains on local demand

Our Bureau



Mumbai, June 13:

Sugar prices on Vashi market on Wednesday, extended gains further by Rs 10–15 a quintal. Naka rates increased Rs 20 for S-grade and Rs 10 for M-grade.

Mill tender rates were up by Rs 15-20 on support of fresh buying inquiry from eastern side and higher demand from local traders. Mr Mukesh Kuwadia, Secretary of Bombay Sugar Merchants Association, told *BusinessLine*, “Market improved on support of fresh buying inquiry from eastern side and higher local demand. Demand from neighbouring States also expected to rise coming days”.

In Vashi market, arrivals were 54-55 truck loads while local dispatches were about 50-52 truck loads. On Tuesday 18- 20 mills offer tenders and sold about 58,000 – 60,000 bags to local traders in the range of Rs 2,785-2,850 (Rs 2,770-2,840) for S-grade and Rs 2,860-2,950 (Rs 2,840-2,930) for M-grade.

**Bombay Sugar Merchants Association's spot rates:** S-grade Rs 2,926-2,986 (Rs 2,910-2,981) and M-grade Rs 3,011- 3,161 (Rs 3,001-3,151). Naka delivery rates: S-grade Rs 2,890 -2,930 (Rs 2,870-2,910) and M-grade Rs 2,960-3,030 (Rs 2,950-3,020).

## Imported oils up despite negative global cues

Our Correspondent



Mumbai, June 13:

Imported palmolein and soya oil increased by Re 1 and Rs 3 each for 10 kg on Wednesday, despite lower Malaysian palm oil futures closing. Rapeseed oil rose by Rs 3; . Groundnut oil lost Rs 10 and cottonseed oil declined by Rs 2 . Sunflower oil ruled unchanged. About 4,500-5,000 tonnes of palmolein were traded on Monday and Tuesday. Bearish foreign markets and reports of continuous rain in main oilseed producing areas of Saurashtra have kept stockists away from the market.

A wholesaler said For edible oils, there is no indication of any straight bullish trend yet. The progress of monsoon in the country will also matter for the trend. At present, favourable import parity will keep supplies of imported oils ample. Liberty sold about 100-150 tonnes of palmolein at Rs 602 but quoted it at Rs 604-605 at the end of the day. It sold soya oil at Rs 700 and sunflower refined oil at Rs 720. Ruchi quoted palmolein at Rs 600, soya refined oil at Rs 700-

705 and sunflower refined oil at Rs 720. In Saurashtra and Rajkot, groundnut oil ruled unchanged at Rs 1,900 for a *telia* tin and at Rs 1,250 for loose (10 kg).

**Malaysia's crude palm oil's** July contracts settled at MYR 2,946 (MYR 2,959), August at MYR 2,950 (MYR 2,965) and September at MYR 2,955 (MYR 2,961) a tonne. On the National Board of Trade in Indore, soya refined oil's June contracts closed lower at Rs 721 (Rs 722) and July closed at Rs 727.20 (Rs 729.40).

**The Bombay Commodity Exchange spot rates (Rs/10 kg):** groundnut oil 1,190 (1,200), soya refined oil 700 (697), sunflower exp. ref. 650 (650), sunflower ref. 715 (715), rapeseed ref. oil 800 (797), rapeseed expeller ref. 770 (767) cotton ref. oil 669 (671) and palmolein 600 (599).

### Offtake by stockists, millers lifts tur

Our Correspondent



Indore, June 13:

Tur ruled firm on scattered buying support from the millers. In the spot, tur (Maharashtra) ruled at Rs 4,050-4,100 a quintal, while tur (Indore variety) ruled at Rs 3,000-3,300. In the past two-three days prices of tur (Maharashtra) Indore delivery has risen by Rs 50 a quintal with rise in tur prices in Maharashtra and improved buying support from the stockists as well as the millers. However, as compared to its prices a week, tur prices are stable. If traders are to be believed, future of tur appears to be bullish with rise in demand in the coming days and decline in stock of domestic tur.

According to Mr Sanjay Bansal, an Indore-based pulse trader, with change in weather condition and decline in day temperature, tur prices may gain Rs 100-150 a quintal on renewed buying

support. Tur dal also ruled stable on subdued buying support with tur dal (full) remaining flat at Rs 5,750-5,800, tur dal (sawa no.) at Rs 5,050-5,100, while tur marka ruled at Rs 6,500-6,600.

**Moong** and its dal also ruled stable even as demand remained slack. In the spot, moong (best quality) ruled at Rs 3,800-3,900 a quintal. Moong (medium), on the other hand, ruled at Rs 3,400-3,500 a quintal. According to traders, with increased yield of summer crop in Uttar Pradesh and increased supply, demands for moong from Madhya Pradesh to other States has declined. As a result of this, moong prices in the past few days have by and large remained stable notwithstanding decline in arrival with about 500-700 bags of new moong being offloaded in local mandis on Wednesday. Traders have however, ruled out any further decline in moong prices at its current level.

Similarly moong dal ruled steady on subdued demand with moong dal (medium) being quoted at Rs 4,800-4,900 a quintal, while moong dal (bold) ruled at Rs 5,100-5,500 and moong mongar quoted at Rs 5,000-5,300.

### Spot rubber rules steady

Our Correspondent



Natural rubber production down by 3 per cent to 58,000 tonnes in May 2012.

Kottayam, June 13:

Physical rubber prices closed steady on Wednesday. Sheet rubber was quoted unchanged at Rs 184.50 (184.50) a kg according to traders. The grade finished steady at Rs 185 a kg both at Kottayam and Kochi as reported by the Rubber Board.

The June series slipped to Rs 183.50 (183.58), July to Rs 185.02 (186.35), August to Rs 184 (185.55) and September to Rs 181.52 (183.30) while the October series improved marginally to Rs 180.05 (180) a kg on the National Multi Commodity Exchange.

RSS 3 (spot) firmed up to Rs 188.44 (186.27) a kg at Bangkok. The June futures increased to ¥249.1 (Rs 173.81) from ¥248.4 a kg during the day session and then to ¥252.5 (Rs 176.21) in the night session on the Tokyo Commodity Exchange.



**Spot rates were (Rs/kg):** RSS-4: 184.50 (184.50); RSS-5: 180 (180); ungraded: 175 (175); ISNR 20: 181 (181) and latex 60 per cent: 129 (129).

## Poultry feed prices remain steady

Our Correspondent



Karnal, June 13:

Despite a steady trend in the prices of key ingredients of feed products, prices of poultry feed products decreased by Rs 10-20 for a 30-kg and 50-kg bag, on Wednesday.

Mr Subhash Sharma, Financial Head, Sarvottam Poultry Feed Supply Centre Pvt Ltd, told *Business Line* that, despite a fall in the prices of soyameal, prices of poultry feed products were kept unchanged as we were waiting for the soyameal prices to stabilise because there was too much volatility in its prices in recent past. Now, prices of almost all ingredients have been almost unchanged since June 1, he added.

Soyameal prices continued to rule around its previous level and quoted at Rs 3,100 a quintal. Similarly, other key ingredients of poultry feed products maintained their previous levels. Maize sold at Rs 1,170 a quintal, bajra was at Rs 1,080 a quintal, fish oil quoted at Rs 68 a litre, while DCP was at Rs 37-38 a kg.

## Poultry feed products

Prices of broiler concentrates feed and broiler starter mash went down by Rs 20 each and quoted at Rs 1,560 and Rs 1,240 for a 50-kg bag, respectively.

Broiler pre-starter concentrate 30 per cent decreased by Rs 20 and sold at Rs 1,370 for a 30-kg bag, layer concentrate decreased by Rs 10 and quoted at Rs 1,200 for a 50-kg bag.

Prices of Pre-lay mash eased by Rs 15 and quoted at Rs 800, while broiler finisher sold at Rs 1,220 for a 50-kg bag, down Rs 20 from previous levels.

Meanwhile, after witnessing a good uptrend last week, broiler and egg witnessed some correction while chick remained unchanged. On Wednesday, broiler prices went down by Rs 10 and quoted at Rs 100 a kg. The price of an egg decreased by 5 paise to Rs 2.60, while chick ruled flat and sold at Rs 10-12.

### **Turmeric price touches Rs 4000 a quintal**



Erode, June 13:

The price of turmeric touched Rs 4,000 a quintal on Wednesday. "After three months, the price of finger variety turmeric touched Rs

4,000 a quintal in one of the markets at Erode. (The previous highest price was Rs 4149 per quintal, which was sold on March 6, 2012. After that, the prices started declining below Rs 4,000

a quintal). In the Erode Cooperative Marketing Committee, 1,267 bags of turmeric arrived for sale.

One bag in a lot (each lot contains maximum 15 bags of turmeric) with superfine variety kept for sales. One of the bulk buyers, after verifying the quality, had quoted Rs 4,015 per quintal for the crop and purchased all the 15 bags. But the prices in other markets remained below Rs 4,000 a quintal", said traders. Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association, said the prices of turmeric had increased slightly.

On Wednesday, quality goods arrived in all markets and so stockists, quoting increased prices, purchased the same. He said TANFED would buy 15 quintals of turmeric at Rs 4,000 a quintal, from the stockists, who are also turmeric farmers. It is stated that the Government had ordered the TANFED to procure the turmeric from farmers at Rs 4,000 a quintal between June 1 and June 30. For the past 12 days no action was taken for the procurement. Officials of the Horticulture Department had consultations with TANFED and some co-operative marketing societies about procurement of the same.

The officials also said that, so far, no place was selected to store the procured varieties. They also said no ID card was given to the turmeric farmers till date. So, it is possible that from June 18 they will commence procurement till June 30 (only ten working days).

The farmers expressed doubts whether TANFED would grant the amount on the same day or a week later. The officials said they would give the cheque within three days. The farmers said such delay in payment would lead to problems. They wanted that the cheque should be given immediately after the purchase.

Meanwhile, on Wednesday, 13,000 bags of turmeric arrived for sales, but only 7,000 were sold. Of this the stockists have purchased 80 per cent stocks. At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 2,310 to Rs 3,589 a quintal, and the root variety between Rs 2,236 and Rs 3,435 a quintal.

**Salem Crop:** The finger variety was sold at Rs 3,489-3,909 a quintal, and root variety Rs 3,195-3,515 a quintal. Of the arrivals of 1927 bags of turmeric, 1,002 were sold. At the Regulated Marketing Society, the finger variety was sold at Rs 3,172-3,708 a quintal, and root variety Rs 3,099-3,478 a quintal.

Of the 1,595 bags of turmeric kept for sales, 1,484 were sold. At the Erode Cooperative Marketing Society, finger variety fetched Rs 3,019-4,015 a quintal, and root variety Rs 2,985-

3,559. All 1,267 bags of turmeric kept for sales were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, finger variety was sold at Rs 3,272-3,919 a quintal, and root variety Rs 3,022-3,527 a quintal. All 518 bags of turmeric kept for sales were sold.

### Sesame oil unit set up at Uluberia

*The second and third phases will include a refinery unit and a solvent-extension plant.*

Kolkata, June 13:

A sesame oil production unit, was set up on Wednesday, at Uluberia in Howrah district of the State. The Rs 10-crore crushing unit was inaugurated by Mr Sultan Ahmed, Union Minister of State for Tourism, in the first phase of the project. The 60-tonne a day crushing capacity unit will be set up at an estimated cost of Rs 60 crore by the city-based Presidency Impex. According to the company Director, Mr Biswanath Agarwal, said that the first phase of the plant would start with the setting up of a crushing unit. The second and third phases will include a refinery unit and a solvent-extension plant. Sesame oil is said to be good for controlling high blood pressure, gastric, cholesterol and other health-related problems. West Bengal, is one of the highest sesame producing states in India. While nearly seven lakh tonnes of sesame is produced in the country, the State alone accounts for nearly a third or two lakh tonnes of sesame production. However, following the absence of plants to convert it into oil, the harvest was sent out to the other parts of the country. This resulted in lower payments to farmers, according to a release issued by the company.

### Highest volume on offer at Coonoor tea auction



A tea garden near Coonoor. (file photo)

Coonoor, June 13:

The rising trend in the offer for Coonoor Tea Trade Association auctions continues this week. After hitting a 20-week high volume of 12.79 lakh kg offered for last week's sale, the volume offered for Sale No: 24 to be held on Thursday and Friday totals 16.57 lakh kg – the highest volume to be offered so far this year.

It is as much as 3.78 lakh kg more than last week's offer and about 37,000 kg more than the offer this time last year.

Of the 16.57 lakh kg on offer, 11.91 lakh kg belongs to the leaf grades and 4.66 lakh kg belongs to the dust grades. As much as 15.64 lakh kg belongs to CTC variety and only 0.93 lakh kg, orthodox variety. In the leaf counter, only 0.50 lakh kg belongs to orthodox while 11.41 lakh kg, CTC. Among the dusts, only 0.43 lakh kg belongs to orthodox while 4.23 lakh kg, CTC.

The substantial portion of this huge volume comprises fresh teas totalling 15.86 lakh kg. Only 71,000 kg comprises teas which had remained unsold in previous auctions. Last week, 162 CTC marks got Rs 100 and more with Homedale Estate tea, auctioned by Global Tea Brokers, topping at Rs 165 a kg.

### **Bt cotton cultivation boosts farm income, productivity: Study**

K V Kurmanath



Hyderabad, June 12:

Since the start of Bt cotton cultivation in the country (2002-03), the average income of farmers has increased by almost four-fold. Also, in the major cotton-growing States, the average yield has gone up by 4.95 per cent, the area under cultivation by 4.91 per cent, and production by 9.25 per cent.

Hybrid Bt cotton seeds have had a “significant influence” on farming choices in Andhra Pradesh. A study conducted by the Council for Social Development (CSD) for Bharat Krishak Samaj has found that the growth in cotton area and productivity in the State between 2002 and 2011 increased by 9.45 per cent and 2.32 per cent, respectively.

Cultivation of hybrid Bt cotton has seen the average income of farmers increasing by almost six times, with average net returns at Rs 64,114 a hectare.

CSD conducted the study in the nine cotton growing States of Punjab, Haryana, Rajasthan, Maharashtra, Madhya Pradesh, Andhra Pradesh, Karnataka, Tamil Nadu and Gujarat. It surveyed 1,050 farmers and 300 agricultural labourers, with inputs from secondary data sources such as the Ministry of Agriculture and the Economic Surveys.

### Tech needed to boost crop yields: Exim Bank study

Our Bureau



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Mumbai, June 13:

Crop yield per hectare in India is among the lowest compared to global averages due to structural weaknesses, finds a study by Exim Bank.

While India with 158 million hectares (mh) of arable land produces only 249 million tonnes (mt) of cereals, China with 110 mh produces 483 mt and the US with 163 mh produces 420 million tonnes of cereals. The per hectare yield of rice in India, the world's second largest producer, is at 2178 kg, while it is 6582 kg in China and 6521 kgs in Japan.

The agriculture sector in India is heavily dependent on input usage such as energy, water, fertilisers and pesticides. Appropriate strategies need to be adopted for sustainable management of these resources to counter negative impact on crop production, said the study.

To achieve sustainable resource management, the policy framework needs to be geared towards providing long-term solutions, stimulating technology and capital investment, said the report titled 'Technological interventions in Indian agriculture for enhancement of crop productivity'.

Though India is one of the largest producers of tractors its usage in farms are relatively low. In contrast, Bangladesh appears to be more mechanised due to relatively high usage of two-wheeler tractors.

Overuse of fertilisers and pesticides, and declining organic content due to intensive cultivation are also largely responsible for soil degradation. For instance, over use of urea turns soil acidic; more energy is required to cultivate such degraded land, and a higher proportion of rain water is lost as run-off.

Increased use of fertilisers has also led to pollution of water resources, both surface and ground water, resulting in poor quality of irrigation water, having negative impact on crop growth and productivity.

In India, about 85 percent of farmers are using farm-saved seeds that lose its vigour and thereby the productivity over a period. The genetic gains in seeds achieved during the Green Revolution period has also been decelerating. While the use of hybrid seeds in Indian agriculture has been growing, there has been low penetration of hybrid seeds in case of staples.

### Coffee growers seek tax exemption for value addition

Anil Urs



#### ▶ Arresting the aroma

Coffee growers discouraged by Rule 7B are forced to sell coffee at the farmgate without processing or value addition. Although grown and cured by the producers, it is still an agricultural product and does not take a different form like roasted or grounded. This scenario has led to deterioration of coffee quality.

Bangalore, June 13:



Growers have sought full exemption from paying tax on sale of coffee grown and cured by them.

As of now, 25 per cent of the income derived from such a sale is taxed in line with Rule 7B of the Income Tax Rules, 1962. The growers who recently met the Parliamentary Standing Committee on Commerce said instead of getting benefit for value addition, they are being taxed.

The issue relating to Rule 7B came up before the Parliamentary Standing Committee on Commerce, headed by its Chairman, Mr Shanta Kumar, in Bangalore.

Coffee Board members and few senior Karnataka Government officials led by the Chief Secretary, Mr S.V. Ranganath, apprised the committee about the drawbacks of Rule 7B.

“At the meeting, problems faced by the coffee industry especially on account of Rule 7B was discussed in detail,” Mr A. Nanda Belliappa, Coffee Board member and coffee grower from Somwarpet (Kodagu), told *Business Line*.

“Coffee growers discouraged by Rule 7B are forced to sell coffee at the farmgate without processing or value addition. After introduction of Rule 7B, no grower is selling coffee through Indian Coffee Trade Association (ICTA) auctions. This scenario has led to deterioration of coffee quality in India,” said Mr Bose Mandana, former chairman of Coffee Board and a senior coffee planter from Suntikoppa (Kodagu).

The Kodagu Coffee Growers' Co-operative Society (KCGCS) which has 13,000 small growers as its members, rues that only a handful of them are processing coffee and selling it through ICTA due to Rule 7B. “Growers are not getting the value addition benefit; instead they are taxed for it. Rule 7B may have helped few corporates, but definitely not coffee growers,” explains Mr Mandana.

According to Mr Belliappa, “We have told the parliamentary panel that after curing by the grower it is still an agricultural product. It does not take a different form like roasted or grounded.”

“The panel took stock of the impact of Rule 7B on the industry and I am sure they are convinced that it is hurting the industry and has assured us that it would be taken up with the Union Commerce and Finance ministry,” he added.

## Training programme on value-added papaya, tomato products

L. N. Revathy



Coimbatore, June 13:

The farm university here is conducting a two-day training on 'Novel Food Products from Papaya and Tomato' on June 18 and 19.

Preparation of various value-added products from processing of papaya and tomato are to be covered in the programme.

The training would cover plain and blended beverages, jam and jelly, sauces, chutneys, candy, cheese and soup, details for obtaining FPO licence for establishing a fruit processing unit, finance and marketing techniques etc.

## Fresh Pacific storm proves nemesis for monsoon

Vinson Kurian

Thiruvananthapuram, June 13:

The Indian monsoon has apparently stumbled on another tropical storm brewing in the northwest Pacific.

A named tropical storm 'Guchol' has taken shape to the east of the Philippines, and is on course to become a typhoon (tropical cyclone) by the weekend.

This, it appears, is what is holding back the monsoon to what is the second lull phase after it made a delayed onset over mainland India.

London-based Tropical Storm Risk Group sees 'Guchol' taking a north-northeast track off the Philippines and Taipei, a similar track to typhoon 'Mawar' earlier this month.

'Guchol' would be in the reckoning with typhoon status at least until Monday. The forecast track for its onward movement would have ramifications for monsoon flows headed for India.

This is the third time that the monsoon has had to contend with a cyclone/typhoon during the short time since onset.

Earlier 'Mawar' in the same ocean basin had intervened in the onset phase, followed close on its heels by tropical cyclone 'Kuenta' in the southwest Indian Ocean post onset.

These systems take away moisture and flows outside of the territorial waters and do not allow helpful low-pressure areas/monsoon depressions to take shape in the Bay of Bengal.