

ERODE, June 18, 2012

## **Turmeric farmers demand revision of procurement price**

*'Price announced by the State not remunerative'*

Disappointed over the procurement price announced by the State Government for turmeric, farmers associations in the district are demanding an upward revision.

The State Government had announced a few days ago that it would procure turmeric from the farmers through the Tamil Nadu Co-operative Marketing Federation (TANFED) at the rate of Rs. 4,000 a quintal.

The associations claimed that the rate was not remunerative as growers were spending more than Rs. 8,000 towards the cultivation of the spice.

Lower Bhavani Farmers Association President S. Nallasamy said the government's announcement would not have any significant impact as the price of turmeric was already hovering around Rs. 4,000 a quintal in the open market. This initiative once again demonstrated the government's lack of commitment in addressing the problems of farmers, he charged.

District Secretary of Tamil Nadu Farmers' Association T. Subbu alleged that the government did not take into account the previous market trends of turmeric trade before announcing the procurement price. The yellow spice was selling at Rs. 15,000 to Rs. 17,000 a quintal during 2010-11. "Giving Rs. 4,000 a quintal would leave many of the farmers suffer heavy loss," he said.

Turmeric Farmers' Association of India President P.K. Deivasigamani said that his association was not pleased with the government's announcement.

"The government's efforts will not benefit the growers. The Tamil Nadu government should note that the neighbouring Karnataka offers Rs. 5,000 a quintal of turmeric. The government should consider an upward revision of turmeric procurement rate," he stressed.

Mr. Deivasigamani further said that the association had convened a national-level conference in July this year to announce a floor price for turmeric in an attempt to regulate the market for the spice on the lines of National Egg Co-ordination Committee.

Most of the farmers associations in the district wanted the government to revise the turmeric procurement price to Rs. 10,000 a quintal.

ERODE, June 18, 2012

**Learn about price trends of agri products in NCDEX, farmers told**



NCDEX vice-president V.V. Ganesan speaking at an investor awareness programme in Erode on Saturday.— PHOTO: M.GOVARTHAN

The farming community should take advantage of the wealth of information provided by the National Commodity and Derivatives Exchange (NCDEX) Limited to get better price for their produces, its vice-president V.V. Ganesan has said.

Mr. Ganesan, who was speaking at the Investor Awareness and Education Seminar on Agribusiness and Commodities organised by *The Hindu* Business Line in association with the Forward Markets Commission and NCDEX here on Saturday, said farmers could learn a lot about the price trends of various agricultural products in the exchange and make informed decisions. This would help them get better prices for their produces, he explained.

Helping the participants to understand the basic concepts of commodity trading, Mr. Ganesan said the NCDEX offered a platform for the farmers, sellers, consumers, buyers, exporters and importers to discover price of commodities for a future date and help them manage the price risk. "However, NCDEX is neither a buyer nor a seller. It only facilitates the buyers and sellers in commodity trading," he said.

Mr. Ganesan said that the trading was conducted on the NCDEX platform via more than 42,000 terminals and the delivery was facilitated through accredited warehouses.

People often think that there would be no physical delivery of commodities traded in the exchange. This perception was totally wrong. NCDEX had facilitated the delivery of over 90,000 tonnes of commodities last year alone, Mr. Ganesan said.

The NCDEX was a well-disciplined, insulated and transparent commodities exchange, which was monitored closely by the government, he added.

He advised the participants to avoid speculation while trading in commodities. Both the buyers and sellers should take informed decisions. In the globalised environment, one could not work out the price of a commodity by considering the domestic supply and demand alone.

“We should consider the demand and supply of the commodity across the globe before taking a decision,” he said.

India has a huge potential for growth in the commodity trading. Areas including food, textile and clothing, housing and infrastructure and energy would witness a tremendous growth in the next few years, said G. Chandrasekhar, Commodities Editor of *The Hindu Business Line*.

Mr. Chandrasekhar also highlighted the benefits of commodities trading and the growth opportunity.

KODAIKANAL, June 18, 2012

### Indian gaurs damage standing crop



The damaged solar electric fences at forest area near Poolathur on Kodaikanal hill.— PHOTO: G. KARTHIKEYAN

Standing crops, including coffee, coco, orange, hill banana and butter fruit trees, have been damaged by wild animals, particularly Indian gaurs, in Poolathur and nearby villages on Lower Kodaikanal hill, thanks to collapse of solar electric fence.

Owing to poor maintenance, the fence, put up by officials in Poolathur Perumpallam forest beat at a cost of Rs.19 lakh in 2005, had become useless. Batteries, solar panels and other equipment were stolen.

With no power supply to the fence, wild animals raid private farms and destroy standing crops in large scale. The population of Indian gaurs have increased manifold in the hill station. They have started migrating to lower hills from upper hill for food and water.

“We struggled for years to make forest department to commission solar electric fence near our village,” said local farmers. Social activist S. Gokulakrishnan had approached the court seeking direction to the government to erect a fence along reserve forests in lower Kodaikanal, particularly near Poolathur, in 2005.

The court had directed the government to erect solar fence along reserve forest. In 2006, the Forest department had put up solar electric fence at Poolathur covering seven km between reserve forest area and private farms, the farmers said.

Mr. Gokularishnan said forest officials had initially maintained the fence well.

### **Decade-old struggle**

“Our decade-old struggle to protect the standing crops was in vein. We made several appeals to forest officials to repair the fence. But there was no response,” he said.

*The population of Indian gaurs have increased manifold in the hill station*

NEW DELHI, June 18, 2012

### **Monsoon making rapid progress**

After a sluggish start, the south-west monsoon is on the upswing, covering newer areas by the hour.

Director-General of India, Meteorological Department, L.S. Rathore told *The Hindu* on Sunday that the system had already covered about 40 per cent of the total geographical area of the country and the coverage could go up to at least 50 per cent by Monday evening.

The rapid progress means the deficiency of rainfall at the all-India level has come down to 36 from 42 per cent on Wednesday [June 13]. Central India is the biggest beneficiary, as the system has been mainly active in the region: the deficiency in the region has come down to 49 per cent from a whopping 65 per cent in the past four days.

In the southern peninsula, the deficiency has dropped from 57 to 51 per cent and in the east and the northeast, it has gone down from 17 to 12 per cent over the same period.

In the northwest region, where the monsoon is yet to register its presence, however, the deficiency has gone up from 52 to 61 per cent.

“The situation should improve in the north-west region also very soon. The way the system is marching forward, it should not be long before it reaches this region too,” Dr. Rathore said.

Asked about Delhi, where the normal date for the monsoon to set in was June 29, he said conditions were getting favourable for the system to reach the city. He, however, declined to comment on when it would happen.

“Please wait for some days. Conditions are becoming ripe. The moisture level in the area is slowly going up and the western disturbance over north Pakistan and neighbourhood is persisting.”

Noting that forecasts could be made with a certain level of confidence for only three days and that there could be an “outlook” at the most for a further period of four days, he said: “As of now, there does not seem to be a possibility for the system to reach Delhi during this time frame. Let us wait for some more time.”

Over the past 24 hours, the monsoon has advanced into the remaining parts of Konkan, interior Karnataka and Andhra Pradesh, and has covered some more parts of West Bengal and Sikkim, most parts of interior Maharashtra and some parts of south Gujarat, Chhattisgarh and Orissa.

BIJAPUR, June 18, 2012

## He took a radical approach to farming

FIROZ ROZINDAR

*Basagonda adopted INM system to cultivate papaya*



Basagonda Muttappanavar says marketing is critical. He ensures that the fruit is ready to be sold during Ramzan when Muslims eat it.

Around three years ago when Basagonda Muttappanavar decided to join his father in farming, he had a dream: to bring about a radical change in farming methods.

### **Confident**

Being the son of a farmer, the 27-year-old agriculture graduate was confident of turning the not-so-profitable land into a dividend-rich farm.

Basagonda decided to cultivate Taiwan-786 variety of papaya on 4 acres of their 45-acre farm at Managuli village, around 12 km from Bijapur city.

“In just 15 months, I have made a profit that is more than double the average profit made by any papaya grower,” he says.

The secret of his success, says Basagonda, is his adoption of the Integrated Nutrient Management (INM) system and having knowledge of the market. He says that most farmers

incur heavy losses despite spending a lot of money because they fail to adopt new methods and gain proper knowledge of the market.

Elaborating on the INM system, he says it is a technique of integrating organic and chemical fertilizer in an optimum blend to get a higher yield.

“I have studied that chemical fertilizer is not bad for plants if used in the right quantity and at the appropriate time,” he says.

### **Faced resistance**

Basagonda says he faced resistance from his father, Dundappa Muttappanavar, when he decided to introduce new techniques.

“It is the thinking of many farmers like my father who do not wish to change the way they take up farming,” he said.

But now, Basagonda has dispelled his father's doubts by cultivating over 80 tonnes of papaya and earning a profit of Rs. 2.45 lakh in 15 months.

According to him, papaya is one crop which can make a farmer rich in a short period of time.

“All one needs to do is spend around Rs. 50,000 on cultivating papaya on 1 acre of land and wait for six months. After which, farmers start reaping profits every week for over 15 months,” he says.

Basagonda says marketing is critical. He ensures that the fruit is ready to be sold during Ramzan when Muslims eat fruits such as papaya. To ensure the fruit is ripe and ready to be sold during Ramzan, he has adopted artificial ripening technique innovated by the Indian Institute of Horticulture Research, Bangalore.

“The method is not just cost-effective, but also has no adverse impact,” he said.

### **Father thankful**

Mr. Dundappa Muttappanavar thanks his son for changing the way he takes up farming.

“We used to work hard and earn less, but now we work less and earn more profits,” he says.

Basagonda, who wishes that more youths take up farming, believes that even with limited land, production can be enhanced if youths with the right knowledge and spirit take up farming.

Basagonda can be contacted on 9663372026.

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- *INM system is a technique of integrating organic and chemical fertilizer in an optimum blend*
  - *‘Farmers incur losses because they do not adopt new methods and gain knowledge of the market’*

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GULBARGA, June 18, 2012

### **Consumer forum awards compensation to farmers**

*31 of them from Aland taluk had lost their crops owing to poor quality seeds*

The Gulbarga District Consumer Disputes Redressal Forum in a landmark order has directed the Karnataka State Seeds Corporation and the Agriculture Department to pay compensation of Rs. 10,000 each to 31 farmers from Madhiyal village in Aland taluk who lost their black gram crop because of poor quality seeds supplied by a Raitha Samparka Kendra.

Dismissing the plea of the government agencies including the Agriculture Department that farmers could not be considered consumers and that they had no locus standi to file a complaint in the forum, Chairman of the forum S.M. Reddy and members Gopemma and K.H. Sriramappa, in their order passed on May 30, directed the Managing Director of the Karnataka State Seeds Corporation, the Manager of the Raitha Samparka Kendra at Nimbarga in Aland taluk in the district, the Joint Director of Agriculture and the Assistant Director of Agriculture in Aland taluk to compensate the affected farmers in two months.

### **Funds released**

The forum also released Rs. 98,000 deposited by the department to be paid as part payment of compensation.



Vaijnath Zalki, who appeared on behalf of the affected farmers, said here on Saturday that the farmers had purchased the black gram seeds from the Raitha Samparka Kendra at Nimbarga.

### **'Proof'**

He said material evidence and proof to show that the crops failed due to the poor quality seeds was presented before the forum.

The evidence included the statement of agriculture scientists from the Agriculture Research Station in Gulbarga who visited the farmers' fields concluded that the crops could not bear flowers or pods owing to the poor quality of the seeds.

### **Private company**

He said the Commissioner of the Agriculture Department, in his reply to an RTI application filed by Mr. Zalki, had said that the crops failed due to poor quality seeds supplied by a private seeds company to the Karnataka State Seeds Corporation, which in turn gave it to the Raitha Samparka Kendra.

The seeds company has been blacklisted.

### **Deadline**

Mr. Zalki said that the farmers had been awarded compensation of Rs. 10,000 per acre for the loss of crops, but the forum had ordered payment of Rs. 5,000 each as compensation to the farmers within eight weeks.

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- *Raitha Samparka Kendra at Nimbarga in Aland taluk supplied the seeds*
  - *The private company that originally supplied them has been blacklisted*
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June 18, 2012

**'Desertification is nearly as critical as climate change'**



• SLOWING THE THREAT: China's 'great green wall' project has started showing results.—  
PHOTOS: K.P.M. BASHEER



• MANSOUR N'DIAYE: 'More than two billion hectares of degraded land in various parts of the world can be rehabilitated.'

*The sands across the world are crawling, turning vast stretches of land into desert each year. Their relentless march, invading villages, farmlands and water bodies, has made millions of people ecological refugees across the world. Desertification is not just an ecological issue but also one of shrinking food and water supplies, a loss of jobs and mass migration. June 17 is annually observed as World Day to Combat Desertification. Dr. Mansour N'Diaye, Chef De Cabinet of the United Nations Convention to Combat Desertification (UNCCD) secretariat, spoke to K.P.M. Basheer on the need for setting a sustainable development goal of "zero net*

*land degradation by 2030” at the Rio+20 meet. The interview took place during a visit organised by the UNCCD to Chifeng, a city in the Inner Mongolia Autonomous Region of China. A large part of Inner Mongolia's territory is desert. The desert storms emerging from there reach up to Beijing. Excerpts:*

How do you assess the threat of desertification?

Desertification is a huge global environmental problem — like climate change. Desertification adds to, and worsens the impact of climate change. Currently, some two billion people are affected by desertification and the degradation of land; 41 per cent of the landmass worldwide is prone to desertification. The major deserts in the world are expanding at an alarming rate. Deserts in China, Mongolia and Africa are all invading their neighbouring regions. In your own country, the deserts in western India are expanding. Hundreds of thousands of hectares in the arid and semi-arid regions and drylands around the world are becoming sand dunes every year. This means fewer and fewer hectares are available for agriculture, livestock rearing and allied activities that offer livelihood sources to hundreds of millions of world population, especially the poor. Desertification cuts on the availability of food and water even as the global population is increasing. It also causes disasters such as sandstorms which wipe out large swathes of habitable lands. Aquifers vanish and biodiversity is greatly reduced.

If we do not rehabilitate the degraded lands and stop the march of the deserts, there will be huge global shortages of food, water and fuels and unprecedented mass migrations.

What causes desertification?

Land degradation and desertification is a long process. They involve a host of issues such as deforestation, over-grazing, over-cultivation, logging, pressure of population, industrialisation and poor land-use practices. A naturally dry climate, long spells of droughts and heavy winds add to the anthropogenic causes.

What will be the role of the upcoming Rio+20 conference in the fight against desertification?

The Rio+20 role will be very crucial as world leaders can take a bold decision of setting a sustainable development goal for “zero net land degradation.” We are pushing for an agreement on zero net land degradation by 2030. Setting up of an Intergovernmental Panel on Land and

Soil will be very helpful in speeding up efforts to check desertification. Desertification is nearly as critical as climate change and international initiative on climate change and biodiversity loss should have linkages and synergies with steps against desertification. Unfortunately, people are not as aware of the impact of desertification as they are of climate change. The Rio+20 meeting can bring in desertification on the sustainable development agenda. It can also agree to give more legal teeth to the UNCCD.

Steps to check desertification and rehabilitating degraded lands are expensive and time-consuming. How can poor countries rise to the challenge?

Of course, the battle against desertification calls for long-term commitment and investment. There is no alternative. Regional, sub-regional and country-level plans are necessary for Africa and Asia to reclaim deserts and restore them to fertile farmlands. Developing countries need to integrate their poverty eradication programmes with strategies to fight desertification. They could also earmark a certain share of their annual budgets for the efforts. The soil and land preservation efforts should be prioritised and mainstreamed. The funds for climate change mitigation and adaptation could be dovetailed to the anti-desertification programme. In Africa, several countries have come together to form a 12,000 sq.km “great green wall” extending from Senegal to Djibouti with the participation of local communities. People's participation is crucial in reclaiming lands. China's “great green wall” project is on a massive scale and is now starting to show results.

What are some of the ways to rehabilitate degraded lands?

More than two billion hectares of degraded land in various parts of the world can be rehabilitated. The techniques include agro-forestry and farmer-managed natural regeneration. Small community initiatives like closure of degraded lands for grazing, curtailing farming, growing fast-growing plants, raising tall trees that serve as a barrier against winds and sandstorms are very effective. National governments could consider building large green belts, prioritise forestry programmes and launch projects of fixing and stabilising sands. In China, where deserts comprise 27 per cent of the landmass, lots of money has been invested in anti-desertification programmes. The country has realised that desertification — and its spin-off, the sandstorm — has to be tackled to sustain its economic development.

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*Interview with Dr. Mansour N'Diaye , Chef De Cabinet of the United Nations Convention to Combat Desertification secretariat*

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## **Subsidy-based schemes to boost horticulture**

Special Correspondent

The Horticulture Department has taken special efforts to promote horticulture activity during the 'Aadi pattam' season through effective implementation of various subsidy-based schemes, and also for promoting drip irrigation.

Under the Integrated Horticulture Development Programme, high-breed and quality seeds of horticultural crops would be distributed by the Assistant Director of Horticulture.

The National Horticulture Mission would encourage the cultivation of high density mango, tissue culture banana, cashew, chillies, turmeric and flowers. Special incentives in the form of subsidy-based agricultural implements and inputs would be distributed to farmers as well.

In a press release on Thursday, Collector Anu George said that under the hi-tech productivity component of the National Agriculture Development Programme, hybrid seeds and horticultural inputs would be distributed.

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## **Water released for irrigation**

Staff Reporter

The Kalingarayan Anaicut in Erode district was thrown open for irrigation on Saturday.

A massive sheet of water gushed out from the anaicut as Collector V.K. Shanmugam lifted open the sluice gates and showered flower petals on the flowing water.

The Collector said water would be released in the canal for about 10 months. The public works department had initially let out 200 cusecs of water into the canal. The discharge of water would be increased gradually to 584 cusecs based on the demand from the farmers, he said.

The release of water into the canal would enable farmers to irrigate a little over 15,700 acres of land in the district. A majority of the farmers in the ayacut take up paddy and cash crops,

including sugarcane and turmeric. Many farmers had already begun preparing their lands for the cultivation of paddy.

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## **New vegetable scheme to augment farmers' income**

Special Correspondent

It has been decided to promote vegetable cultivation in a big way with private-public participation in Villupuram district, according to K. Rasu, Deputy Director of Horticulture.

He told *The Hindu* that potential villages would be identified and Farmer Producers' Organisations (FPOs) established under the new proposal to be named "perimetro vegetable scheme."

These FPOs would be provided the requisite expertise and technical know-how to raise quality vegetables. The produce would be collected and marketed by the Vegetable Collection Centres to be set up at important places.

From these collection centres, vegetables would be transported in refrigerated vans to retail outlets, including Chennai. Mr. Rasu said that through this endeavour, productivity and quality of vegetables could be enhanced to a substantial level.

Post-harvest losses could also be brought down to a great extent. These measures would augment the income of farmers, Mr. Rasu said.

He also noted that it would also free farmers from the clutches of middlemen, who would be procuring vegetables for wholesale dealers. Thangavel, Managing Director of Tamil Nadu Horticultural Producers' Cooperative Enterprises, in a meeting held here recently highlighted the objectives of the scheme.

It would be implemented by the Department of Horticulture and Plantation Crops in coordination with the Tata Consultancy Services (TCS) in the district.

District-level training on modern technical practices in vegetable growing would be imparted to members of FPOs.

Mr. Rasu pointed out that TCS representative Suresh had noted that his company, as part of corporate social responsibility, would take concerted efforts to improve vegetable production and provide marketing avenues.

Murthy, a member of the National Horticulture Board and president of the Kodaikanal Vegetable Growers' Association, promised to render help in formation of farmers' clusters and to bring in foreign experts to train farmers.

According to Mr. Murthy, losses suffered by farmers on account of pests, diseases and mishandling of vegetables was about 30 to 40 per cent of the total produce, amounting to Rs. 70,000 crore annually.

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## **Second phase of vegetable farming project launched**

Staff Reporter

The second phase of a project aimed at bringing prosperity to the district through vegetable farming was launched here on Friday.

The project is being implemented by the State Horticulture Mission.

The highlight of the second phase, considering the tremendous response the project has evoked in the district, is the decision to increase the subsidy component for the beneficiaries under the project. The subsidy component has been raised from 50 per cent to 75 per cent. This means that during the second phase, the beneficiaries need to pay only Rs.400 for a unit of 20 seeds compared to Rs.800 charged during the first phase.

The initial beneficiaries under the project will now be given a kit comprising an additional unit of 10 seeds, bio-fertilizer, and pesticides free of cost. Besides, defective vegetable saplings supplied during the first phase will be replaced for free.

The project aims at enabling households in the district to have a feast this Onam using vegetables produced in their backyards.

A harvest festival will also be held during Onam, Mr. Pareed said. The Horticulture Mission is also planning to expand the project to interested government organisations, schools, and such other places. Those interested may contact the District Horticulture Mission through the residents' associations concerned. For details contact: 94470-02211, 94463-77733.

Mon, 18 Jun 2012

weather

Chennai - INDIA

## Today's Weather



Cloudy

Monday, Jun 18

Max Min

38.5° | 29.2°

Rain: 00 mm in 24hrs

Sunrise: 6:35

Humidity: 51%

Sunset: 18:03

Wind: Normal

Barometer: 1005

## Tomorrow's Forecast



Rainy

Tuesday, Jun 19

Max Min

36° | 28°

## Extended Forecast for a week

Wednesday Jun 20	Thursday Jun 21	Friday Jun 22	Saturday Jun 23	Sunday Jun 24
32°   28°	35°   27°	34°   28°	33°   27°	32°   27°
Rainy	Rainy	Rainy	Rainy	Rainy

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18 JUN, 2012, 05.47AM IST, PTI

## Cotton & sugarcane output to fall in 2012-13: CMIE

MUMBAI: Although foodgrain production is expected to grow in 2012-13, the cotton and sugarcane output is projected to fall, economic think tank CMIE has said.

"In 2012-13, production of foodgrains is projected to grow by 0.6% to 247.6 million tonnes. Higher output of rice and wheat, along with a recovery in production of coarse cereals and pulses, is expected to boost overall production," Centre for Monitoring Indian Economy (CMIE) said in its monthly report.

The acreage of cotton and sugarcane is expected to decline. According to the tentative sowing report, acreage of sugarcane has scaled up by over two percent to 48.6 lakh hectares as of May 8. Though sugarcane cultivation has been higher, but it expects the cultivation to slow down in the subsequent period, CMIE said.

CMIE expects sugarcane production to fall by 0.9% to 342.5 million tonnes in FY'13, mainly due to a fall in the acreage. In FY 12, a sharp increase in cotton acreage had resulted in record production of 35 million bales. However, this excess production was not matched with similar demand during the corresponding marketing season. As a result, cotton prices plunged, causing losses.

CMIE expects these losses to motivate cotton growers to turn to alternative crops in the current season. Cotton production is projected to decline by 7.8% to 32.2 million bales in FY 13.

Major oilseeds production is projected to recover by 3% in FY 13, after being hit in the preceding year. Kharif sowings have started, but on a sluggish note for sesame and sunflower seeds.

The groundnut production is projected to recover in FY 13, following a steep decline in comparison to the preceding year. Groundnut cultivators turned to alternative crops in anticipation of higher returns in FY 12. Consequently, production fell by an estimated 17% to 6.9 million tonnes.

India's May CPI inflation at 10.36%: govt

**Agencies** Posted online: Mon Jun 18 2012, 11:21 hrs



**New Delhi** : Indian annual consumer price inflation remained unchanged in May at 10.36 percent, government said in a statement on Monday.

In April, consumer prices provisionally rose 10.36 percent.

Consumer price-based food inflation, however, accelerated to 10.66 percent in May from 10.18 percent in April.

Inflation as measured by India's benchmark wholesale price index accelerated to 7.55 percent in the year to May, driven by double-digit rises in food and fuel prices.

Unlike other central banks, the Reserve Bank of India uses mainly the wholesale price index for monitoring inflation.

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## Fertiliser ministry seeks bigger role for PSU boards in foreign buys

Anindita Dey / Mumbai June 17, 2012, 0:11 IST

To expedite formation of joint ventures (JVs) and overseas asset acquisitions by public sector fertiliser companies, the Ministry of Chemicals and Fertilisers has recommended boards of these companies be empowered to take decision independently.

This follows a decision by the ministry to simplify existing guidelines/procedures for public sector units (PSUs) to leverage opportunities to acquire assets overseas in a competitive manner and at a faster pace.

“This is to encourage Indian companies to establish JV production facilities with buy-back arrangements in countries with rich resources of raw materials/feedstock to make up for scarcity of such resources in India,” said official sources.

An official close to the development said a PSU board’s power to take a call would be linked to a specified amount based on the company’s status. Boards of maharatna companies would be allowed to take decisions on projects worth up to Rs 5,000 crore, navratnas up to Rs 3,000 crore and miniratnas up to Rs 2,000 crore. If a project cost was above the limit, the case would be referred to the empowered committee of secretaries and then, to the Cabinet, he said.

Citing the example of ONGC Videsh, the ministry recommended its overseas asset exploration unit, Urvarak Videsh Ltd, be strengthened with more resources, to enter into direct negotiation with mine owners and gas suppliers. The recommendations have been made to the government in the wake of acute scarcity of domestic resources for non-urea fertilisers like rock phosphate and potash.

To avoid competition among Indian companies for same overseas assets, which eventually pushes up the price, the ministry suggested the creation of a centralised agency in public-private partnership mode for co-ordination.

For better pricing of assets, the sources said, it had already been decided by an inter-ministerial committee to leverage lines of credit given to various countries for bargaining and securing concession on pricing while acquiring lease of assets or concessional rights or setting up of projects. Countries that have rich reserves of natural gas and rock phosphate and where India proposes to leverage lines of credit for projects are Ethiopia (\$166.2 million line of credit from India), Senegal (\$25 million), Mozambique (two lines of credit — \$20 million and \$25 million), Syria (\$25 million) and National Bank of Uzbekistan (\$10 million).

Some of the overseas projects top on the government's agenda are urea projects in Ghana and Indonesia through state-run Rashtriya Chemicals and Fertilizers; acquisition of stake in Belarus-based Belaruskali, one of the world's largest producers and suppliers of potash; JV for potash exploration in Ethiopia; and long-term offtake arrangement for rock phosphate with Togo, Nigeria, Egypt, Australia, Peru, Argentina and Brazil. The government will also revive talks to set up an integrated fertiliser plant in Mozambique and a JV for either composite ammonia-urea and phosphate or an ammonia-urea project in Algeria. Apart from Oman India Fertiliser Company, a JV of Oman Oil Company and Indian co-operative firms KRIBHCO (Krishak Bharati Cooperative Ltd) and IFFCO (Indian Farmers Fertiliser Co-operative Ltd), no other JV predetermined the price for long-term offtake or gave any price preference, said the sources.

They said talks were going on for proposed JVs — SPIC India-ETA Dubai for urea, KRIBHCO-NWCF for urea and ammonia in Australia, IFFCO- Legend International Holdings for rock phosphate in Australia, IFFCO- Grow Max Agri Corp for Potash in Canada. Other than Oman Fertiliser, the existing JVs are for phosphoric acid and include IFFCO-ICS Senegal, SPIC-JPMC Jordan, Chambal Fertilisers Ltd (CFL)-Tata Chemicals-OCP Morocco, and CFL-Gujarat State fertiliser corporation- GCT-Tunisia.

### **Fertiliser ministry wants urea out of GST**

**Explains rationale for this exemption and for zero customs duty on plant & machinery import for the sector**

**Anindita Dey / Mumbai June 17, 2012, 0:08 IST**

The Ministry of Chemicals and Fertilisers has sought to exempt urea fertiliser from the proposed Goods and Services Tax (GST) and to remove customs duty on import of plant and machinery for fertiliser projects.

Non-urea fertiliser is mostly imported, which is why the GST proposal has only urea in mind, though it speaks of the entire sector, said officials.

A ministry report on the duty structure on fertiliser and its inputs, says the government distributes urea much below the cost of import or production. Taxes and duties are levied on the maximum retail price (MRP) fixed by the government, which covers only 25-40 per cent of the cost. The inputs for urea production are, however, taxed at full cost, resulting in a tax incidence on the inputs far in excess of that on the finished fertiliser.

Thus, under the proposed GST, the input tax credit will far exceed the tax payable on fertiliser, meaning the input credits will be far more than what could ever be availed on the outputs. Thus, it would block large amounts of input tax credit of fertiliser companies with the government on a recurring basis, even if there is provision of periodic cash refund. Currently, there are no provisions for refund of unadjusted credits in GST, except for refunds on exports. Hence, goes the argument, the sector (meaning, urea) should be exempt from GST.

Also, it notes, a number of crucial inputs for urea manufacturing like natural gas, electricity generation and petroleum products are out of the GST ambit. Besides, the GST model seeks to exempt the food, health and educational sector. Fertiliser, goes the added argument, is a crucial input for foodgrain and should be also exempt from GST.

On import of plant and machinery, the ministry feels exemption from customs duty would not only reduce the overall cost of fertiliser but also the subsidy burden on the government. This is because it would relieve the industry from blockage of large funds by first paying the import duty and then claiming its reimbursement by way of subsidy. The government levies one per cent excise duty on fertiliser without input tax credit and five per cent excise duty with input tax credit, so that it could be brought under GST as and when it is implemented. Major inputs for fertiliser production continue to remain exempt from excise duty. On the other hand, state governments levy a host of taxes in manufacture of urea like sales tax, additional sales tax, value added tax (4-12 per cent across states), excise duty, entry tax and octroi.

Besides, the report says, taxes and duties paid by fertiliser manufacturers cannot be passed on to the consumer as the MRP of urea is fixed by the government. Thus, these taxes should form part of the concession rate for reimbursement. This is because the manufacturers get reimbursement of these taxes and duties through fixation of concession rates and in case such

taxes are not recognised at some level, it results in a direct loss to the manufacturing unit. For example, non-reimbursement of turnover tax, purchase tax and other taxes levied by some states are neither recognised in the earlier regime of Retention Pricing Scheme or the new scheme in vogue since 2010.

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# THE HINDU Business Line

## Tea growers urge Govt to tweak pre-harvest insurance scheme

Santanu Sanyal



*Big growers unsatisfied with Govt's 'one-size-fits-all' approach*

Kolkata, June 17:

Big tea growers, even as they welcome the Union government's current initiative to provide insurance coverage to pre-harvest crops, have reservations about the way it is being done. They made their position clear at a meeting of all stakeholders held here recently by the Tea Board.

The Union Government, along with Tea Board and public sector Agriculture Insurance Company of India Limited (AICI) is working on a weather-induced insurance scheme to protect small

growers particularly from the probable loss they might suffer due to the damage to crops caused either by drought or excessive rainfall.

The big growers raised several issues at the meeting. First, they felt that the small growers should not be singled out for extending the benefit of premium subsidy under the proposed insurance scheme when the big growers were being asked to pay hefty premium. But the government's argument is that the proposed subsidy will be under the Price Stabilisation Fund Trust (PSFT) tailored for small-growers only. Besides, unlike small growers, the big growers have the capacity to pay.

Under PSFT, the government will provide subsidy on the premium to be paid by a small grower. If the grower is located in the north-east, the central subsidy will be 75 per cent of the premium amount with another 15 per cent coming from the respective State Governments and the grower coughing up a meagre 10 per cent. For SC/ST growers located in regions other than the north-east, the Central subsidy, State subsidy and grower's contribution will be 60 per cent, 15 per cent and 25 per cent respectively and for the growers (non SC/ST) in other regions, the corresponding figures will be 50 per cent, 25 per cent and 25 per cent.

AICIL has offered four variants of premium schemes depending on whether the crop damage is due to high temperature, or high temperature with high humidity, or high temperature with low humidity or excessive rainfall. However, it was felt that the classification should be narrowed down to two, namely, high temperature and excessive rainfall.

Accordingly, a committee comprising representatives of the growers, Tea Research Association and AICIL came out with the recommendation that in tea a producing area less than 3 mm rainfall in a day will be considered a dry day and above 3mm a wet day. Thus, if the total rainfall between February and May covering roughly 120 days generally known as dry period, is less than 360 mm, the period will be considered for insurance claims. Similarly, at least four hours of sunshine is needed every day during the monsoon months, i.e., between July and September. If the sunshine hours are less than that, the period will be treated as excessive rain period eligible for insurance claims.

Not everybody present at the meeting was convinced of the rationale of such an argument. This was because in tea growing areas, the variations in weather condition are wide contributing to the production of wide varieties of tea with different flavours, tastes and colours of the tea liquor and there are variations even from one garden to another depending on location and other factors. It would, therefore, be too simplistic to bring all of them under a straight-jacket formula.

Finally, there could be crop losses also due to hailstorms, often localised, and attacks by pests or elephants, and these factors too should be considered for insurance coverage.

The core committee, therefore, has been asked to fine tune the scheme.

### **Tea wilts on dry spell in Assam, Bengal**

Our Bureau

Kolkata, June 17:

Deficient rainfall and severe heat have dealt a double blow for the tea crop in Assam and West Bengal this year.

According to a crop summary from various districts of Assam and West Bengal for May provided by the Indian Tea Association, the crop is coming forward slower than usual.

The tea crop in Upper, central and lower Assam have been hit by excessive heat and dry weather. The ongoing drought condition reflects weak prospects for the crop this month, the crop summary said.

In certain districts of Assam such as Cachar and Karimganj, however, the crop outturn has been good due to seasonable weather. Rainfall has also been much above normal thereby improving prospects of a good crop.

In West Bengal, while no report was available for the districts of Central Dooars, Terai and Darjeeling; the crop has been bad in eastern and western Dooars.

“Weather has been unseasonable and rainfall has been deficient so far in Kalchini in Eastern Dooars. Crop prospect looks bad,” the summary said.

In Western Dooars, the crop harvested will be lower than last year and will vary from 10-20 per cent from garden to garden, the crop summary said.

### **Ernakulam horticulture project**

Kochi, June 17:

The second phase of a project aimed at bringing prosperity to Ernakulam district through vegetable farming was launched here. The project is being implemented by the State Horticulture Mission. The subsidy component for beneficiaries has been raised from 50 per cent to 75 per cent.



During the second phase, the beneficiaries need to pay only Rs 400 for a unit of 20 seeds compared with Rs 800 charged during the first phase.

The initial beneficiaries under the project will now be given a kit comprising an additional unit of 10 seeds, bio-fertiliser, and pesticides free of cost. Besides, defective vegetable saplings supplied during the first phase will be replaced for free.

## Greening India's agricultural economy

G. Chandrashekar



Pro-farmer, eco-friendly: Natural manure from vermi-compost avoiding use of chemical fertiliser adds to food safety initiatives.

June 17, 2012:

That India faces the daunting challenge of feeding its large and growing population with rising purchasing power amid current low level of per capita food availability has by now become a clichéd statement.

With a population of over 120 crores (1.2 billion) expanding at about 1.5 per cent a year and, thereby, adding roughly 1.8 crore (18 million) mouths to be fed year after year, the demand for

food can only keep rising. Even as food and nutrition security remains under stress, it is imperative that the poor are lifted out of their poverty soon. The vantage position of agriculture to deliver 'growth with equity' is by now well recognised.

At the same time, demands on resources are set to propel higher, driven by demographic pressure and emerging constraints in the availability of natural resources such as water and land. So, can we have a 'Green economy' that pursues growth while also promoting sustainable development through more efficient use of resources?

In a recent policy brief titled 'Ensuring Food and Nutrition Security in a Green Economy', the International Food Policy Research Institute (IFPRI), has pointed out that the objective of a green economy is to simultaneously work toward economic development, environmental protection and greater social welfare.

In particular, it can be achieved by reducing reliance on fossil fuel and non-renewable resources. Like many emerging economies, India is already facing the serious challenge of satisfying the basic needs of people - provision of adequate and nutritious food, water, energy and housing at affordable prices.

### **Food prices rise**

While population growth and rising incomes drive demand for food higher, rapidly changing food habits especially among the burgeoning middleclass are set to transform the composition of the traditional food basket. Importantly, with supply growth trailing demand growth and production costs escalating, food prices will rise significantly. This is sure to have adverse consequences for the poor, whose food and nutrition intake already stands diluted. With higher incomes, the emerging middleclass can afford to consume more fruits and vegetables, and more meat which requires much more water and land to produce.

### **Food safety risks**

In addition, as people demand more perishable and processed foods, food safety risks along the supply chain increase. These risks may also increase with more intensive crop and livestock farming through contamination with chemicals or pathogens, the IFPRI report pointed out. Interestingly, while intensifying food production can boost the country's food security and serve the poor, it can also cause land degradation, water pollution, depletion of water resources, and new pest problems.

### **mono-cropping impact**

Under Indian conditions, the frontline States of Punjab and Haryana are classic examples of how grain mono-cropping over long years has resulted in soil degradation and alarming decline in water table. Indeed, experts assert, an ecological disaster is waiting to happen. The unintended consequences highlight the need for adequate agricultural extension, effective regulation, careful pricing policies, the correction of inappropriate incentives, and policy responses that make intensive agriculture compatible with sustainable management of natural resources and the environment, the policy brief has asserted.

This is significant for India in that our farm policies must discourage sustained mono-cropping of grains and encourage crop rotation, enforce water use efficiency by pricing it appropriately and more efficient nutrient use as also have a more rational, well-dispersed national procurement policy for fine cereals.

### **Pro-poor, agriculture**

Experts argue that agriculture in a green economy has immense potential to address the unsustainable use of natural resources for food production; and a strategy to develop a green economy can support poverty reduction as well as food and nutrition security, if it is both pro-poor and pro-agriculture because, in low-income countries, the agriculture sector employs almost two-thirds of the labour force and generates about a third of the gross domestic product. As for India, nearly 55 per cent of the population is said to be dependent directly or indirectly on agriculture and allied activities for a living and the contribution of this sector to GDP is about 16 per cent.

Smallholders represent the bulk of the poor and half of the world's hungry; they also depend on natural resources and ecosystem service for their livelihoods; and so a sustainable management through a green economy is bound to directly benefit them, experts point out. According to IFPRI, an integrated approach to economic development, sustainable use of natural resources and food production will avoid solutions with adverse consequences for any one sector.

### **Triple-win situations**

In agriculture, such 'triple-win' situations can be achieved through practices that reduce negative environmental effects while increasing productivity and smallholder income. Important technologies include plant breeding and slow-release fertilisers that increase nutrient-use

efficiency, integrated soil fertility management, precision agriculture, integrated pest management, and further expansion of alternative wet and dry irrigation for rice production (particularly in Asia). For a green economy, there are additional factors to be considered. To fully reflect the value of natural resources and set appropriate incentives, the full cost of environmental degradation as well as all benefits of ecosystem services should be taken into account by decision makers. New indicators to evaluate cross-sectoral impacts - food and nutrition, agriculture and natural resources - are necessary. Multiple stakeholders, especially smallholders, consultations are critical. The transition to a green economy is an opportunity to reconcile economic needs with environmental concerns while promoting food and nutrition security for poor and vulnerable people in one coherent policy framework. By giving agriculture a central role in the green economy and managing this transition effectively, the nation can accelerate its efforts directed at hunger eradication and lifting people out of poverty.

### **Cotton and sugarcane output to fall in 2012-13: CMIE**

Mumbai, June 17:

Although the foodgrain production is expected to do well, the cotton and sugarcane production is projected to fall in 2012-13, economic think tank CMIE said.

“In 2012-13, production of foodgrains is projected to grow by 0.6 percent to 247.6 million tonnes. Higher output of rice and wheat, alongwith a recovery in production of coarse cereals and pulses, is expected to boost overall production,” Centre for Monitoring Indian Economy (CMIE) said in its monthly report here.

The acreage of cotton and sugarcane is expected to decline and limit production of non-food crops to levels lower than last year.

According to the tentative sowing report, acreage of sugarcane has scaled up by over two percent to 48.6 lakh hectares as of May 8. Though sugarcane cultivation higher, it expects it to slow down in the subsequent period, CMIE said.

CMIE expects sugarcane production to fall by 0.9 per cent to 342.5 million tonnes in FY 13, mainly due to a fall in the acreage.

In FY 12, a sharp increase in cotton acreage had resulted in record production of 35 million bales. However, this excess production was not matched with similar demand during the corresponding marketing season. As a result, cotton prices plunged, causing losses.

CMIE expects these losses to motivate cotton growers to turn to alternative crops in the current season. Cotton production is projected to decline by 7.8 per cent to 32.2 million bales in FY 13.

Major oilseeds production is projected to recover by three per cent in FY 13, after being hit in the preceding year. Kharif sowings have started, but on a sluggish note for sesame and sunflower seeds.

The groundnut production is projected to recover in FY 13, following a steep decline in the preceding year. Groundnut cultivators turned to alternative crops in anticipation of higher returns in FY 12. Consequently, production fell by an estimated 17 percent to 6.9 million tonnes. However, a demand-supply mismatch has led to a steep increase of over 20 per cent in groundnut prices during January-May 2012.

“We expect these conditions to motivate cultivators to increase sowing of groundnuts. Groundnut production is projected to scale up by over 16 per cent to eight million tonnes in FY 13,” CMIE report said.

Though major crop production is projected to fall by 0.6 per cent, the overall agriculture sector is expected to grow by 2.4 per cent in FY 13. An anticipated growth in output of livestock, forestry and fisheries, alongwith a modest four per cent rise in production of minor crops is expected to lift growth of the agriculture sector, it said.

### **Global coffee exports rose to \$24.3 bn in 2011: ICO**

New Delhi, June 17:

The global coffee export earnings rose by almost 46 per cent to a record \$24.3 billion last year on the back of rising shipment volume, which grew by about 8 per cent to 104.2 million bags in the same period.

Global trade stood at \$16.7 billion in 2010, whereas the export volumes were 96.9 million bags (of 60 kg each), International Coffee Organisation (ICO) said in its latest report.

“The value of total exports during calendar year 2011 is estimated at a record level of \$24.3 billion for an export volume of 104.2 million bags compared with \$ 16.7 billion for a volume of 96.9 million bags in 2010,” it added.

Market analysts have attributed the growth in coffee trade to the rise in consumption of the brew.

Global coffee consumption rose by 1.7 per cent to an estimated 137.9 million bags in 2011 from 135.6 million bags in the 2010 calendar year, ICO data said.

Global demand continues to show signs of buoyancy on the back of increased domestic consumption both in exporting countries and in emerging markets, analysts added.

According to ICO, world consumption increased by 53.5 per cent from 89.8 million bags in calendar year 1990 to almost 138 million bags in 2011. The most significant changes were recorded in the case of emerging markets and exporting countries. In emerging markets, consumption rose from 11.3 million bags in 1990 to around 24.7 million bags in 2011. Domestic consumption in exporting countries rose to 42.4 million bags in 2011 compared with 19.4 million bags in 1990, it noted. Coffee is one of the most traded commodities globally after petrol. According to the government-run Coffee Board of India, the total global trade is valued at around \$120 billion annually.

## Syngenta bets big on India's rice, vegetable seeds biz

M.R. Subramani



Hopeful: Mr Michael Mack, CEO, Syngenta. — M.R. Subramani

*To offer seeds that will ensure disease-free crop*

Itapolis (Brazil), June 17:

Syngenta, the Switzerland-based agri-business company, is looking to play a big role in India's vegetable and rice production.

“Vegetable business is big in India. It is getting bigger. We would like to integrate vegetable seeds business with crop protection chemicals and offer them to growers there,” said Mr Michael Mack, Chief Executive Office of Syngenta.

## **Betting on retail trade**

What offers hope to Syngenta is that India is moving into an advanced retail trade with the Indian Government keen on allowing foreign direct investment in the retail sector (though it has run into Opposition hurdles currently).

“We would like to offer seeds that will ensure disease-free crop and produce uniform size vegetables,” Mr Mack, who was here in connection with the company's inauguration of Plene facility for sugarcane, told *Business Line* on the sidelines.

## **Strategy by September**

According to Syngenta officials, the company is likely to announce its strategy for the vegetable business in September this year.

Syngenta has already come up with a novel offering Tegra in rice cultivation.

## **Tegra method**

Under the Tegra offering, it develops paddy seedlings in consultation with the grower by developing it on a special platform in a tray.

It also offers to help farmers with its expertise until the crop is ready for harvest. The advantage of this system is that it cuts labour costs for planting, consumes less water and gives a better yield.

“Tegra is coming along nicely in India. We are learning a lot, including the rice seed business. We are also learning about distribution and becoming a lot aware about small holders,” Mr Mack said.

## **Sugarcane division**

Though sugarcane accounted for only \$170 million of the company's \$13.3 billion sales, Syngenta aims at increasing it to \$500 million in four years and \$1 billion as soon as possible.

It is a sector where the Basel-based company sees scope for better growth.

Asked about introducing the new Plene technology in India, Mr Mack said that there are no immediate plans.

## **Key crops**

“In theory, it is the same kind of economics. But sugar industry in India is not as big or developed as in Brazil. But we will strive to give the basic technology that is of value to Indian growers,” he said.

The Syngenta CEO said the firm had a global strategy for key crops such as corn and soyabean and it included India and China.

## **Asian focus**

Asked about its focus on Asia-Pacific region that accounted for \$2 billion in 2011, lower compared with other regions, Mr Mack said: “It is the region where people are and people are turning prosperous. We see a lot of opportunity in the Asia-Pacific region and see the next piece of growth there.”

## **Euro crisis**

On recession and Euro crisis' impact on Syngenta, he said it would affect everyone but the company would be affected a lot less in view of demand for food.

Syngenta that has a market capitalisation of \$26 billion, reported an earnings before interest, tax and depreciation (EBITDA) of \$2.9 million, a growth of 16 per cent in 2011.

## **Misdirected farm subsidies**

*There can be no case for incentivising cultivation of a water-guzzling crop like paddy, or encouraging the use of urea over other fertilisers.*

Subsidies and other programmes of government intervention often run the risk of being misdirected, apart from aggravating existing market distortions. There can be no better examples here than decisions to hike the minimum support price (MSP) of paddy by 15-16 per cent and slash subsidies on all fertilisers, with the exception of urea. Take the MSP first. With rice stocks in public godowns currently more than 2.5 times the country's normative buffer and strategic reserve requirements, the right signal that ought to have been sent to farmers is to reduce paddy acreage. This is more so when India is desperately short of edible oil and pulses, with their combined imports crossing \$10 billion in 2011-12. The case for discouraging cultivation of a water-guzzling crop like paddy becomes even stronger, given a not-so-good monsoon so far.



Yet, the Government, last week, raised the MSP for this year's paddy by Rs 170 a quintal, over the existing Rs 1,080-1,110 range, depending upon the grades grown.

The MSP should ideally cover only the farmer's actual paid-out costs and, maybe, also the imputed value of family labour.

Adding opportunity cost of land and other notional expenses does not make it a 'support' price — below which the farmer incurs losses. The Commission for Agricultural Costs and Prices has projected the paid-out costs, inclusive of family labour, for the 2012-13 paddy crop, at below Rs 850 a quintal.

Paying an MSP above this level can be justified only if a crop is specially deserving of promotion, which certainly does not apply to paddy today: Its MSP should have been frozen.

True, the Government has also hiked the MSPs for pulses and oilseeds by 30-40 per cent. But the notable increase in the MSP of paddy, in combination with more assured procurement, would render the latter irrelevant, and add to the already overflowing public foodgrain inventories.

Even worse is the decision to 'defer' a urea price increase, when subsidies on all other fertilisers have been lowered by up to a third, for this fiscal compared to the previous year.

As a result, since April 2010 — when prices of non-urea fertilisers were decontrolled — the cost of a 50-kg bag of di-ammonium phosphate has zoomed from under Rs 470 to Rs 1,200.

It has shot up even more, from Rs 225 to Rs 850, for muriate of potash. Urea, by contrast, has seen only a marginal rise from about Rs 245 to Rs 270.

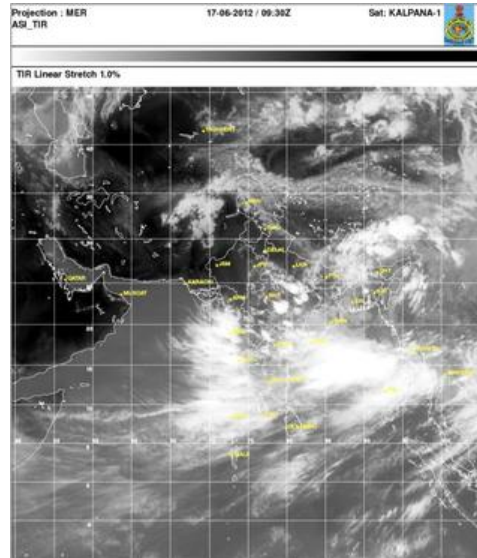
This highly skewed subsidy regime has led to farmers consuming more urea.

With the nutrient balance in Indian soils already heavily tilted in favour of nitrogen, its effects are the same as an MSP procurement system that actually encourages mono-cropping of rice and wheat.

It is high time the Government wakes up to the fiscal and environmental implications of such policy-induced distortions.

## Monsoon enters Mumbai, a week behind schedule

VINSON KURIAN



### THIRUVANANTHAPURAM, JUNE 17:

The monsoon has entered Mumbai, a week behind schedule, on Sunday.

Its bold up-country lunge of the northern limit of the monsoon coincided with the peaking of typhoon 'Guchol' in the northwest Pacific.

### WEAKENING STORM

The storm will start weakening from early morning on Monday, slowly setting the stage for southwesterly flows to consolidate over the Bay of Bengal.

The churn is forecast to strengthen an existing cyclonic circulation into a low-pressure area, which would anchor the flows and drive rains into east India.

An India Meteorological Department (IMD) update said on Sunday that the monsoon has entered the Konkan, interior Karnataka and Andhra Pradesh.

It has fully covered the Bay of Bengal, more parts of West Bengal, Sikkim, most of interior Maharashtra as also parts of extreme south Gujarat, Chhattisgarh and Orissa.

The northern limit passed through Veraval, Navsari, Akola, Brahmapuri, Kanker, Keonjhar, Midnapore, Burdwan, Malda, Bagdogra and Gangtok.

### **BEST PHASE YET**

This made for the best overnight progress of the monsoon thus far during this season after it made a delayed onset along the west coast and totted up a 42 per cent deficit. The IMD assessed conditions are favourable for further advance into Gujarat, Chhattisgarh, entire Maharashtra, Orissa, West Bengal and Sikkim by Wednesday. Some parts of Madhya Pradesh, Jharkhand and Bihar may also get covered during this phase. A warning valid for next two days said that heavy rains are likely over Konkan, Goa, coastal Karnataka, Kerala, Orissa, West Bengal and Sikkim.

### **OFFSHORE TROUGH**

On Sunday, the offshore trough lay extended along the entire length of the west coast from Gujarat coast to Kerala. This is an elongated trough of low pressure along the west coast, and is normally considered a harbinger of an active phase of the monsoon. But the track of the low-pressure area would need to be tracked closely once it crosses land and drags in the current.

Some of the weather models do not show much progress for the 'low' into the farming heartland of the country.

### **Directorate of Rice Research, CCMB to scale up promotion of new rice variety**

#### **HYDERABAD JUNE 17:**

The Directorate of Rice Research and Centre for Cellular and Molecular Biology (CCMB) are scaling up promotion of a new rice variety that they had jointly developed.

The two organisations had developed the new rice variety known as improved Samba Mahsuri by using the market assisted selection method.

The feature of the variety is that it possesses 100 per cent resistance to bacterial leaf blight (BLB) disease that causes considerable yield loss.

A joint statement issued by the organisations said they have chalked out a programme involving distribution of five tonnes of seeds to 500 rice farming households at the rate of 10 kg an acre. The seeds will be supplied to the farmers free-of-cost.

The Krishi Vigyan Kendras have identified farm households in Nalgonda, East Godavari, West Godavari, Guntur and Kurnool districts to clarify any doubts amongst farmers regarding use of these seeds. The crop will be monitored during various growth stages.

During Kharif 2013 and 2014, about 1500 focus group meetings are planned in the bacterial leaf blight endemic areas of Andhra Pradesh, Karnataka, Tamil Nadu and Chhattisgarh to promote this rice variety, the statement said.

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