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Forward Bloc to protest anti-farmer policies

Special Correspondent

The All India Forward Bloc will hold week-long demonstrations protesting the anti-farmer policies of the Centre and highlighting the plight of Sri Lankan Tamils among other issues, its general secretary Debabrata Biswas said here on Sunday.

Talking to reporters at the end of a two-day southern regional workshop of the party's farmers' wing, he said that a three-member high-level committee, comprising Barun Mukherji, MP, G. Devarajan and P.V. Kathiravan (Usliampatti MLA) would tour Sri Lanka on June 12 to study the plight of the Tamils there.

"To explain the plight of farmers, who are committing suicides owing to factors such as non-availability of subsidy, high cost of fertilisers, pesticides and seeds, we will be holding demonstrations on our Founder's Day (June 22) in New Delhi and Tamil Nadu.

In Sri Lanka, we will study the present status of the Sri Lankan Tamils and bring it to the notice of the State and Central governments," said Mr. Kathiravan.

The week-long protests will be held in New Delhi and Tamil Nadu

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Demand for veterinary courses increasing: VC

M.K. Ananth

"Demand for veterinary courses has been drastically increasing over the last few years along with demand for veterinarians," Vice Chancellor of the Tamil Nadu Veterinary and Animal Science University (TANUVAS) Dr. R. Prabakaran said.

He said that the increase noticed in demand is identical to the increase in sale of applications.

"The varsity sold nearly 3,100 applications for the Bachelor of Veterinary Science in 2010, which increased to 5,900 (by 84 percent) in 2011. This year sale of applications started on May 15 and we have already sold 7,950 applications till June 1 – which is 40 percent more than 2011 and 256 percent more than 2010 – and more applications will be sold till June 15," the Vice Chancellor said.

Talking about demand for other courses he said that 460 applications have been sold for the Bachelor of Fisheries Science - 380 in 2011 - while the number of applications sold for the B.Tech. Food Technology and other courses has also increased sizably.

The last date for submitting applications forms is June 18 and rank list will be published by the university on July 4, followed by counselling on July 25 and 26.

"First year classes will commence in the second week of August," he added.

He noted that the number of seats in the two existing veterinary colleges in the State has been increased from 226 to 260 from the academic year.

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Mettur level

The water level in the Mettur Dam stood at 79.42 feet on Sunday, against its full level of 120 feet. The inflow was 1,731 cusecs and the discharge, 1,164 cusecs.



■ Mon,04 Jun 2012

weeter

Chennai - INDIA

Today's Weather

Partly Cloudy

Monday, Jun 4

Max Min

42.8° | 28.9°

Tomorrow's Forecast

Rainy

Tuesday, Jun 5

Max Min

38° | 29°

Rain: 00 mm in 24hrs Sunrise: 6:35
Humidity: 53% Sunset: 18:03
Wind: Normal Barometer: 1002

Extended Forecast for a week

Wednesday Jun 6	Thursday	Friday	Saturday	Sunday
	Jun 7	Jun 8	Jun 9	Jun 10
		٩	٩	٨
38° 30°	38° 30°	37º 29º	38º 30º	39° 30°
Partly Cloudy	Partly Cloudy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

4 JUN, 2012, 08.57AM IST,

Due to low output estimates and abysmal stocks, chickpea set for a price rise

Naveen Mathur



Chana or <u>chickpea</u> is a highly nutritious, protein-rich pulse crop and is the third most important legume cultivated globally. Its two global varieties are desi chana and kabuli chana, with the latter's share being only 10-15% in the global output.

While the <u>kabuli chana</u> is generally consumed as a whole grain, the desi type is also used as de-hulled splits or flour called gram flour.

In India, pulses are an inherent component of the predominantly vegetarian culture, chana being one of them. Apart from its significant presence in the physical market, the <u>commodity</u> has also been shining in the Indian commodity bourses since the latter's inception.

The global demand and supply for chana is mainly influenced by <u>India</u> as it is the world's largest producer and consumer of the pulse. The global production of chana has increased by around 36% during the past 10 years and, according to <u>FAO</u> (Food and Agriculture Organisation), the global chickpea output was 109.18 lakh tonne in 2010. This was primarily due to the 18% rise in acreage and 15.4% rise in yield.

As the largest producer of chickpea, India accounts for over 70% share in global production, followed by <u>Australia</u> (6%), Pakistan (5%), <u>Turkey</u> (5%) and Myanmar (4%). In terms of productivity, India's yield at 911 kg per hectare (2010) is far behind the world average of 1,219 kg per hectare. In terms of trade, global chickpea export stands at around 12 lakh tonne, with Australia accounting for a major chunk, while India leads the importers' list with a 45% global share.

In India, chana accounts for over 43% share in the domestic pulse output. It is grown as a rabi crop, whose sowing takes place between October and December, while the harvesting commences in the month of January and continues till May.

In an effort to meet the rising demand for pulses in the country and to reduce the dependency on imports, the government has made a substantial hike in the minimum support price (MSP) of chana from Rs 1,015 in 1999-2000 to Rs 2,800 per quintal in 2011-12. The area under cultivation has increased by over 40% in the past 10 years, but the yield continues to remain low due to the vagaries of weather. The domestic output has increased by over 35% in the past 10 years and touched a record level of 82.2 lakh tonne in 2010-11. However, consumption continues to outpace supplies, resulting in imports which average 1.8 lakh tonne in the past five years. The exports of pulses, except for kabuli chana, is banned by India.

Chickpea statistics

The chana output has declined by nearly 10% this year.

	Chana MSP (₹/qtl)	Area (lakh ha)	Production (lakh tonne)	MSP	% change Area	Production
2006-7	1,445	82.46	63.3	0.70	10.00	13.00
2007-8	1,600	79.08	57.5	10.70	4.10	9.20
2008-9	1,730	84.48	70.6	8.10	6.83	22.80
2009-10	1,760	84.38	73.5	1.70	0.12	410
2010-11	2,100	91.86	82.2	19.30	10.93	3.10
2011-12	2,800	89.62	74.0	33.33	2.44	9.98

Source: Ministry of Argriculture and Angel Research



Figures are in ₹/quintal. Source: Reuters

Chickpea prices historically follow a seasonality pattern, wherein the prices start declining with the start of harvesting in January/February and bottom out when it reaches its peak by April/May. However, a divergent performance has been observed in the current season, with the prices reaching a historical high of Rs 4,352 per quintal in the month of May.

Since the beginning of April, chana prices have gained around 18% due to the sharp drop in output by 10% in 2011-12 to 74 lakh tonne from 82.2 lakh tonne last year. A 2.4% decline in acreage to 89.62 lakh hectare, coupled with a reduction in yield due to the unfavourable weather, has resulted in a lower output.

Commodities	Unit	Price(₹)	Change(%) 1-week 1-year	
METALS				
Aluminium	₹/kg	111	0.50	-6.62
Copper	₹/kg	419	-0.05	0.31
Gold	₹/10 g	29,183	0.57	29.67
Nickel	₹/kg	924	-2.96	-11.39
Silver	₹/kg	53,768	0.50	-7.15
Zinc	₹/kg	107	1.95	5.77
FOOD PRODUCT	S	""		
Almond	₹/kg	419	-1.76	20.43
Barley	₹/100 kg	1,301	-3.06	-0.29
Cardamom	₹/kg	1,255	-7.06	92.66
Chickpea	₹/100 kg	4,302	3.04	76.31
Potato	₹/100 kg	1,051	-0.06	85.19
Maize	₹/100 kg	1,095	-0.14	-6.21
Sugar	₹/100 kg	2,824	-0.74	9.46
Turmeric	₹/100 kg	3,714	-2.65	-52.17
Wheat	₹/100 kg	1,304	-0.31	6.25
ENERGY				
Crude oil	₹/barrel	4,918	-2.19	8.14
Natural gas	₹/mmBtu*	135	-11.56	-33.72
OTHERS				
Lead	₹/kg	109	-0.37	-4.87
Rubber	₹/100 kg	19,521	0.85	-12.68
Coconut oil	₹/100 kg	5,876	-5.83	-42.93

Prices are rounded off, Data as on 31 May; *mmBtu = 1 million British thermal unit

Additionally, the weakness in the Indian rupee (compared with dollar) has fuelled the upside in the chickpea prices since a declining rupee makes imports costlier.

Tips for first-time investors

While investing in *chana*, one should not only monitor the demandsupply scenario but also the government policies. The import of pulses and currency movement also drives the prices. Besides, the weather during the sowing and harvesting period plays an important role in determining the prices.



Trading strategy

The NCDEX Chana July prices are currently trading at about ₹4,225 per quintal and are expected to trade between ₹4,000 and ₹4,550 per quintal in the medium term.

Given lower output estimates and considering the negligible stocks from last year, chana supplies may fall short of consumption demand, thereby supporting the upside in the prices in the medium term. However, chickpea being an essential commodity, sharp gains may be capped as the government might intervene in order to curb the rising prices.

Business Line

Agrimant to expand its presence in TN

L N Revathy

Coimbatore, June 3:

Farm and garden care equipment maker Agrimant is looking to expand its presence in Tamil Nadu.

The company is scouting for partners/investors at the district or taluk level in the State to expand its presence.

As part of its promotional efforts, Agrimart, part of the Ratnagiri Impex Group, participated in the Agri Intex Fair in Coimbatore.

Mr V. Muralidharan, Retail Adviser, Agrimart, said the company has in the last 12 years been advocating the small and marginal farmers to take to mechanised farming practices. "It's not been easy; but now, because of non-availability of farm labour and spiralling cost of farm hands, there is some level of acceptance," he said, referring to the use of mechanised equipments in farming.

He observed that Kerala topped in implementation of farm mechanisation. "It is pathetically low in Tamil Nadu. People are willing to buy the equipment only if it is entitled to a subsidy, but this is not so in Kerala and elsewhere. There, a group of farmers come together, bargain and buy the equipment," Mr Muralidharan told Business Line.

Stating that the company had around 250 types of farm implements, ranging from Rs 15,000 to Rs 1.5 lakh, he said "these are multi-purpose machines and available with accessories such as power weeder, power tiller, pole pruner, harvester, land mower and so on. It does not involve huge investment and the savings is phenomenal," he added.

To a query on savings, he said "manual weeding is not only time consuming, but labour intensive. With the use of power weeder, it would be possible to complete the job in one-tenth the time."

The company has a network of 400 dealers and 100 Agrimant stores across the country.

Prolonged dry spell, delay in monsoon trigger worries

Vishwanath Kulkarni

ALL-INDIA WEIGHTED RAINFALL

(in mm)

	Actual	Normal*	% departure
Post Monsoon (Oct-Dec 2011)	65.8	127.2	- 48
Winter (Jan-Feb 2012)	38.8	40.9	- 5
Pre-Monsoon (Mar-May)	89.4	128.8	-31
Total	194	296.9	-35

^{*} Long Period Average

New Delhi, June 3:

The prolonged dry spell is triggering worries among policy makers in New Delhi, compounded by the delay in the arrival of the South-West monsoon.

The epicentre of this worry has been a contiguous stretch, extending from Saurashtra, Kutch, Gujarat, western Madhya Pradesh, western Marathawada, Vidarbha, Telangana and north interior Karnataka, that has seen a prolonged dry spell post-monsoon last year.

This entire belt is the country's key crop area for crops such as soyabean, cotton, groundnut, pulses, coarse grains and even sugarcane.

"The rains are delayed and the earth is really parched. We are hoping for a good spell of rains," said Dr Ashok Gulati, Chairman, Commission for Agriculture Costs and Prices (CACP).

"However, I am more worried about the break in rains – about a month later with the likely appearance of El Nino. If El Nino appears, it could spell a disaster for farmers. It is not a panic situation, but we are watching it closely," Dr Gulati said.

El Nino triggered by warmer conditions in the Pacific Ocean induces drought-like conditions in countries including India.

The prolonged dry spell in the past seven-eight months has also resulted in reduced water storage across various reservoirs in the country. According to the Central Water Commission, the current water storage in the 84 major reservoirs decreased to 32.70 billion cubic metres (BCM), lower than last year's level of 39.84 BCM. However, the current storage is more than the average of last 10 year's storage of 25.28 BCM.

"Although the delay in arrival of monsoon by five days is not a gap, it is still a cause of worry," said Mr B.V. Mehta, President, Solvent Extractors Association of India.

The prolonged dry spell has hit the early sowing of oilseeds mainly groundnut in Gujarat. The early sown groundnut, mainly done using stored water, accounts for about 30 per cent of the normal crop area. As oilseeds have fetched higher prices last year, Mr Mehta expects the total area to go up by 3-5 per cent this year.

On the possible occurrence of El Nino, Mr Mehta said the prolonged dry spells during monsoons have been predicted "we are keeping our fingers crossed".

Punjab farmers to get more power supply in paddy sowing season

PTI

Chandigarh, June 3:

Punjab's State-owned power utility said on Sunday it has made arrangements to supply an additional 2,000 MW of uninterrupted power to farmers ahead of the paddy sowing season.

The power utility has managed to buy the power under a short-term purchase arrangement from different sources, including Power Trading Corporation and Shri Cement at Rs 3.91 a unit compared to last year's Rs 4.04 a unit, said Mr Arun Verma, Director (Generation), Punjab State Power Corporation Ltd.

Paddy sowing in Punjab starts from June 10 and the power required to draw underground water to water the crop is considerable.

Ministry proposes Rs 100/quintal bonus to paddy farmers for 2012-13

PTI

New Delhi, June 3:

The Agriculture Ministry has proposed a Rs 100 per quintal bonus to paddy farmers over and above the support price of Rs 1,250 per quintal recommended for 2012-13 crop year.

In a proposal moved for the Cabinet Committee on Economic Affairs' consideration, the Ministry has accepted the recommendation of the Commission for Agriculture Costs and Prices (CACP) on minimum support price (MSP) for paddy and other kharif crops.

CACP is a statutory body that advises the Government on farm pricing policy.

However, the Ministry has separately proposed a bonus of Rs 100 per quintal over and above the paddy MSP for 2012-13.

"A bonus of Rs 100 per quintal has been recommended over and above the paddy MSP for 2012-13 keeping in view the rising cost of production, squeezing of farmers' margins and to further incentivise paddy growers," sources said.

The bonus proposal would cost the government's exchequer Rs 2,621.31 crore assuming procurement of 39.3 million tonnes in 2012-13, they added.

The Ministry wants the CCEA to consider the proposal of paddy MSP and bonus before sowing picks up later this month.

According to sources, the Ministry has proposed 15.7 per cent increase in paddy MSP for 2012-13 crop year (July-June).

It has suggested an MSP of Rs 1,250 and 1,280 per quintal for 'common' and 'A' grade varieties of paddy for 2012-13 against Rs 1,080 and Rs 1110 per quintal, respectively, in the last year.

Paddy is grown in both kharif (summer) and rabi (winter) season. The kharif sowing begins with the start of the south west monsoon in June and harvest starts from October.

On account of a sharp increase in paddy MSP and good monsoon, the country is estimated to have produced a record 103.41 mt of rice in 2011-12 crop year.

Coir exports up 19% at 3.82 lakh tonnes in FY'12

PTI



New Delhi, June 3:

Exports of coir and its products rose by 19 per cent to 3.82 lakh tonnes in the last fiscal, the Coir Board of India said.

In value terms also, it rose by 19 per cent to Rs 956.83 crore in the same period.

The country had exported 3.21 lakh tonnes of coir and its products worth Rs 807.07 crore in the 2010-11 fiscal.

Coir is used to make rope, mattress, rugs and carpets among others.

The Coir Board has set an export target of Rs 2,000 crore for the 12th Five-Year plan period (2012-2017).

Coir product making is an important cottage industry, contributing significantly to the economy of the major coconut growing states of Kerala, Tamil Nadu and Andhra Pradesh.

India exports coir and its products to over 97 countries, with the US being the largest market.

Countries like the UK, Germany, the Netherlands, Italy, Belgium, Australia, France, Spain, Canada, Japan, Greece, Sweden, South Africa, UAE, Portugal, and Denmark are the other major markets of coir and coir products.

India and Sri Lanka are two major coir producers in the world and account for around 90 per cent of about 3.50 lakh tonnes global production of the item.