THE MORE HINDU

NEW DELHI, March 27, 2012 Protests mark 10th anniversary of Bt cotton

Protests marked the 10th anniversary of the introduction of genetically modified (GM) Bt cotton in the country. Angry farmers urged parliamentarians to hold a special session to discuss the issue and ban the technology.

Charging a few seed companies, particularly Monsanto, with monopolising the seed industry and setting the agenda for the government, social activists urged policy-makers and farmers to reject the hype around Bt cotton and demanded a comprehensive review. "The crisis in the cotton belt should be closely examined and critically re-assessed," they said.

The Delhi Alliance for Safe Food held a protest demonstration at Jantar Mantar. Similar protests were held in the cotton belts of Andhra Pradesh, Madhya Pradesh, Karnataka and Maharashtra.

A technology that was meant for irrigated areas was pushed in all cotton-growing States, including rain-fed ones resulting in higher rate of suicides of cotton growers — particularly in Maharashtra. The protests, therefore, were intense and widespread in the State where farmers burnt Bt cotton in several villages according to the Vidarbha Jan Andolan Samiti. Several wives of farmers who had committed suicides joined the protests.

"Ten years ago, permission was granted to U.S. based Monsanto seed giant for experimental cultivation of [bollworm-resistant] GM Bt cotton in 10,000 hectares in different parts of the country. Today, with the push given to it, the acreage has gone up to over 12 million hectares and [the crop is] sown by 90 per cent growers, especially after Maharashtra permitted commercial cultivation trials of Bt cotton from June 2005," points Kishor Tiwari of the Andolan.

A Coalition for GM-free India report released on Sunday last said the government's own data proved that Bt cotton had resulted in stagnant yields, pest resistance and evolution of new pest and disease attacks.

"Yet, its use has spread because the creditors in the informal sector, who double up as seed agents, promote the Bt seed and deprive farmers of the traditional variety," the activists said.

In Andhra Pradesh, for example, the State government estimates show that out of 47 lakh acres planted with Bt cotton during Kharif 2011 season, the crop failed in 33.73 lakh acres (71 per cent of the area). The State government reported that 20.46 lakh farmers suffered from cotton crop failure and lost Rs.3071.6 crore.

In Andhra Pradesh and Maharashtra as well as in Madhya Pradesh, Bt cotton is considered the reason for "deep agrarian crisis."

The protesters demanded that the government rejuvenate the production of conventional cotton seeds and pro-actively advise farmers about the risks of Bt cotton. There should be strict action against false claims and misleading advertising by seed companies.

Published: March 27, 2012 00:00 IST | Updated: March 27, 2012 04:28 IST

CII workshop on zero budget natural farming

Staff Reporter

It's time to reflect on policies and perspectives that positively impact on farmers' lives to avoid exploitation, said natural farming exponent Subash Palekar here on Monday.

At the inauguration of Confederation of Indian Industry sponsored five-day workshop on Zero Budget Natural Farming Mr.Palekar pointed out that the focus must be on 'truly sustainable farm practices' that would conserve the nature of soil and other natural elements. Coming down heavily on ``so-called organic farming" and chemical farming, Mr.Palekar said that ``do nothing" policy could not be termed natural farming and organic farming was as much exploitative on the farming community as chemical farming and only the extent varied.

Claiming that organic farming was not akin to sustainable farming, Mr.Palekar noted that zero budget natural farming was far more superior in terms of sustainability and competence than the other forms of practice.

CHENNAI, March 27, 2012

A bonanza for farm sector

Rs.3,800 crore allocated; crop loan target raised



Even as the State government set an ambitious food grain production target of 120 lakh tonnes for the next financial year, it has allocated over Rs.3,800 crore for the agriculture sector, said to be the highest ever in the State budget.

Besides, the target for crop loans to be disbursed through the co-operative sector has been raised from Rs.3,000 crore to Rs.4,000 crore, which will be interest-free if repaid promptly.

State Finance Minister O. Panneerselvam, in his budget speech on Monday, said that even during 2011-12, the government had an ambitious target of 115 lakh tonnes of food grains as against 75.9 lakh tonnes achieved in 2010-11. However, there had been considerable damage to crops due to cyclone Thane and floods this financial year.

"In spite of this, I am hopeful that the food grain production will be 105 lakh tonnes during 2011-12 due to the timely and prioritized actions of this government. In the coming financial year, the government targets 120 lakh tonnes."

In a bid to usher in the second Green Revolution, he said that the government took various proactive steps for the development of agriculture and welfare of farmers. The Minister announced that the System of Rice Intensification scheme, which covered about 25 lakh acres in 2011-12, would be extended to 27.55 lakh acres in 2012-13. Sustainable Sugarcane Initiative Programme will be implemented on 15,000 acres and the System of Pulses Intensification would be implemented on 1.6 lakh acres, based on the 'whole village concept'.

An agri-market intelligence and business promotion centre would be established at Tiruchi to disseminate information on prices. Through this centre, crop and market advisory services would be rendered to farmers.

While 8.48 lakh farmers had been covered under the crop insurance scheme so far, the government had set a coverage target of 10 lakh farmers for the coming financial year.

Micro-irrigation, which benefits 1.25 lakh acres now, would be extended to 1.73 lakh acres. Besides, the government would invest an additional Rs.300 crore to improve warehousing and market facilities. "Our support to promote the agro-processing industry through private-farmers partnership will continue."

Strongly opposing what he called "ill conceived changes" in the fertiliser subsidy policy of the Centre, which had led to a steep rise in prices of fertilisers, he said that the State government was providing financial support to the Tamil Nadu Co-operative Marketing Federation (TANFED) for procuring and distributing fertilisers. In 2012-13, the present interest-free loan to TANFED would be enhanced to Rs.150 crore to ensure timely supply of fertilisers at a reasonable cost.

Referring to the crop loan through co-operative banks, Mr. Panneerselvam said it would be "interest-free for farmers who repay promptly and Rs.160 crore has been set apart for this interest subvention".

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Collector takes stock of agricultural activities

Staff Reporter

Collector Ajay Yadav reviewed the activities of the Department of Agriculture at Natrampalli block recently.

According to a press release, 20 villages were selected in the Natrampalli block for the 1,000 hectare red gram demonstration under the National Agricultural Development Programme during Kharif 2011.

Inputs worth Rs.5,000 per hectare were distributed to the farmers for Integrated Nutrient Management and Integrated Pest Management under the programme.

To improve the ground water level in the rain-fed areas, 130 farm ponds were constructed in the villages selected for the red gram demonstration. The Collector inspected the villages on the occasion.

Officials of the department assured that the farm ponds would help in recharging the ground water level and would be beneficial in rain-fed cultivation in the subsequent years, the release added.

Mr. Yadav also participated in the farmers training programme organised under the Seed Village Programme in Thekkupattu village.

Nearly 100 farmers participated in the programme. Exhibition, demonstrations and field inspections were arranged for the farmers during the training programme.

The Collector also distributed the plant protection equipment to a women self-help group, the release added. Joint Director-Agriculture K. Tamilselvan was present on the occasion.

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Biocentre for banana tissue culture soon

H.S. Narasimha Kumar

Work on the project to start immediately

A biocentre will be set up at the horticultural farm, situated near the Agricultural Produce Marketing Committee yard here, at a cost of Rs. 5.4 crore, for banana tissue culture and floriculture. This will be the fourth such centre in the State, after Bangalore, Belgaum and Shimoga.

Civil works on the project, which is expected to begin by this month-end, will be over within six to eight months.

Kadri Gowda, Deputy Director, Department of Horticulture, told *The Hindu* here on Monday that the biocentre would come up on five acres of land.

It would benefit a large number of farmers in several ways. Farmers from villages such as Yemmanabethuru, Anaji, Kurudi and Arakere, which were popularly called 'banana villages', would benefit as they would not have to go to Bangalore or Tamil Nadu to get banana seedlings, spending several days and a huge amount. More than 15 lakh banana plants were required annually in Davangere, and the farmers had to go to the horticultural farm at Hulimavu in Bangalore or a places in Tamil Nadu to buy them.

The proposed biocentre would produce over 10 lakh plants a year and meet a major part of the demand here, he said.

In addition, efforts were on by a private firm to set up a biocentre in Belavanur village at an estimated cost of Rs. 1.5 crore, of which the Union government would be providing Rs. 50 lakh under the National Horticulture Mission. These two biocentres would meet the requirement of farmers of Davangere and neighbouring districts, he said.

Hanumappa, a banana grower, said that he would save thousands of rupees once the biocentre came up. He once had to wait for more than 12 days in Bangalore to get about 200 plants from the Hulimavu biocentre, he said.

Lokeshappa and Thippanna, who own large banana plantations here, also expressed happiness over the proposal to set up the biocentre.

However, they suggested that the centre should develop plants that would yield 120 kg of banana each.

- · Proposed centre to produce 10 lakh plants a year
- · 'More than 15 lakh banana seedlings required annually'

BANGALORE, March 27, 2012

'Committed to protecting interests of toor dal farmers'

Middlemen are benefitting from government's initiative, not farmers: Gowda



Chief Minister D.V. Sadananda Gowda on Monday told the Legislative Council that the Government was committed to protecting the interests of farmers, who were hit by the slump in prices of toor dal in Gulbarga, Yadgir and Bidar districts.

Replying to a call attention notice moved by Leader of Opposition Motamma and Congress members Veeranna Mathikatti, Allama Prabhu Patil and S.R. Patil, the Chief Minister regretted that the middlemen were exploiting the farmers by forcing them to resell toor dal to Karnataka Turdal Development Board (KTDB), which had been purchased by them earlier. "It is middlemen, who are being benefitted by the government's initiative, not the farmers," he said.

Report sought

A decision on future course of action would be taken after getting a report from the authorities on the funds needed to procure the produce, role of middlemen and other things involved, in the next three days, he said.

Asserting that the Government was doing its best to protect the interest of the toor dal growers, he said that farmers were being offered higher price for their produce compared with their counterparts in the neighbouring States.

Public Works Minister C.M. Udasi, who earlier replied on behalf of Minister for Agriculture Umesh Katti, said that though the market price for the produce was Rs. 3,200 a quintal, the government was purchasing it at Rs. 4,000 a quintal in view of appeal from the elected representatives.

The government had released Rs.10 crore to KTDB in phases to procure toor dal and the produce thus procured was being used to meet the requirement of midday meal scheme.

Procurement centres

As many 16 centres were being opened in Gulbarga, Yadgir and Bidar districts to procure toor dal and Rs.1.7 crore that was available with the board initially had been spent. The procurement was stopped in view of improvement in the situation, he said.

Not satisfied with the reply by Mr. Udasi and Mr. Gowda, Congress member Allama Prabhu demanded that the government arrest the middlemen who are exploiting the farmers.

Ms. Motamma alleged that the KTDB was not functioning to the expectation of farmers. "Except one official, there was nobody to help farmers in the board," she alleged. The government that assured of commencing the procurement in February failed to keep its promise, she alleged.

- · Rs. 10 crore released to Karnataka Turdal Development Board in phases to procure toor dal
- · Government urged to arrest the middlemen who are exploiting the farmers

Published: March 27, 2012 00:00 IST | Updated: March 27, 2012 04:27 IST

'Turmeric farmers in deep crisis'



The AP Rythu Sangham leaders having a look at the turmeric at the Gandhiganj in Nizamabad on Monday. -Photo By K.V. Ramana

The rythu padayatra taken out under the aegis of the AP Rythu Sangham, affiliated to the CPI(M), from Armoor town on Sunday to ascertain the woes of the turmeric farmers, reached the Gandhiganj, here on Monday.

Padayatra

In their 30-km padayatra led by the sangham joint secretary Bonthu Chandra Reddy, the rythu sangham activists observed the turmeric crop and interacted with the farmers. The yatra was launched on the demands of MSP of Rs.12,000 per quintal of turmeric, insurance to the crop, its purchase by the government through the Markfed and Rs.1 lakh loan to each acre of the turmeric crop.

Not remunerative

Talking to reporters, Mr. Chandra Reddy said the turmeric farmers were in deep crisis as they were hardly getting Rs.3,000 per quintal of the crop as against the price of Rs.16,000 they had taken a couple of years ago. Thus, the turmeric cultivation was not remunerative to them, he said.

He said the repeated appeals of the farmers to the government on the increase of MSP fell on deaf ears. The sangham leaders submitted a memorandum to Collector D. Varaprasad on the turmeric farmers' problems.

The APRS district president Parchuri Kutumba Rao and secretary Ande Narayana Rao also participated in the yatra.

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Delhi - INDIA						
Today's Weather				Tomorrow's Forecast		
- <mark></mark> Sunny		Tuesday, Mar 27 Max Min 36.2º 19.2º		Partly Cloudy	Wednesday, Mar 28 Max Min 35º 17º	
Rain: 00 mm in 24hrs		Sunrise: 7:14				
Humidity: 53%		Sunset: 17:48				
Wind: Normal		Barometer: 1013				
Extended For	ecast for a w	eek				
Thursday	Friday	Saturday	Sunday	v Mond	ay	
Mar 29	Mar 30	Mar 31	Apr 1	Apr 2	2	
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36º 18º	35º 17º	37º 16º	38º 23	° 39° 2	20°	
Cloudy	Sunny	Sunny	Sunny	Partly Cl	oudy	



State divisions slog it out... this time for wheat! MONDAY, 26 MARCH 2012 23:46 STAFF REPORTER | BHOPAL

Seven divisions of the State have played an active role in the wheat procurement process launched in the State from March 15. Ujjain division is still on top while Bhopal division has now surpassed Narmadapuram (Hoshangabad).

As of now, wheat has been procured from 44.08 lakh and payments worth Rs 444.75 crore made to the farmers.

With the increase in the pace of procurement, the figures of last year have been left far behind now. This difference is to the tune of 1.24 lakh metric tonnes. Till March 26 last year, total 1.98 lakh metric tonnes of wheat was procured in the State whereas this quantity is 3.22 lakh metric tonnes this year. In Bhopal district alone, 8,860 metric tonnes more of wheat has been procured in comparison to last year.

This year, payment of Rs 86 crore has been made to farmers on March 26 itself. Thanks to the acceleration of payment process, Rs 444.75 crore out of a total of Rs 446.55 crore has been transferred to farmers' bank accounts till March 26.

Ujjain division is still ahead in wheat procurement where maximum 97,493 metric tonnes of wheat have been procured followed by Indore division (85,633 metric tonnes), Bhopal division (76,603 metric tonnes), Narmadapuram division (59,528 metric tonnes), Jabalpur division (1490 MT), Gwalior division (617 MT) and Sagar division (431 metric tonnes).

So far, more than half of the procured wheat i.e. 2.06 lakh metric tonnes have been safely stored in godowns. Process of transportation is going on continuously.

Food and civil supplies administration has made it clear on Monday that wheat will be procured from a farmer even after the expiry date of procurement intimated to him through SMS. It was brought to the notice of the department that at some places dates were fixed for some farmers for wheat procurement, but they could not come to the procurement centre since their crops were not ripe and therefore, could not be harvested then. It has been made clear in this connection that such farmers will be able to sell their wheat even after the expiry of the fixed date at the concerning procurement centre.

Farmers with forest rights lease have been registered earlier also. These farmers have been registered in the second phase of advance registration. Similarly, tribal farmers are also included in total 14 lakh registered farmers. The third chance to farmers having forest rights documents and other farmers who could not get themselves registered are being given on May 1 at the concerning procurement centres where they can get themselves registered and sell their wheat as well.

Business Standard

Tuesday, Mar 27, 2012

Seafood exports may come to a halt

New mandatory registration norms introduced by the Export Inspection Council confuse fishermen

George Joseph / Kochi March 27, 2012, 0:14 IST



The Export Inspection Council (EIC), under the ministry of commerce, has made it mandatory that all vessels supplying fish for export should register with it.

According to the executive instructions for approval and monitoring of fish and fishery products for export, published recently, only registered vessels can supply fish for export and exporters

should purchase raw materials from EIC-approved vessels only. The new set of instructions had came into effect from March 15.

The new orders would have a serious impact on the seafood export sector and according to exporters, these have already started coming to a halt. Under the present system, vessels are registered under the fishery departments of the states concerned.

CONDITIONS FOR REGISTRATION

According to instructions by the Export Inspection Council, the following conditions are mandatory for vessels used for fishing for export purposes:

Special requirements for vessels:

- Vessels must be designed and constructed so as to avoid contamination of fishery products with bilge water, sewage, smoke, fuel, oil, grease or other objectionable substances
- Vessels designed and equipped to preserve fresh fishery products for more than 24 hours shall be equipped with tanks or containers for the storage of fishery products at a temperature approaching that of melting ice. These tanks or containers shall be separated from the machinery space and the crew quarters by partitions, which are sufficient to prevent any contamination of the stored fish
- Equipment and material used for working shall be made of corrosion-resistant material that is easy to clean and disinfect

Hygienic practices to be followed:

 Utmost care shall be taken while catching/storing/handling of fish to avoid injury/damage to the animal

- The fishery products should not be dumped directly on the deck. Clean food grade polythene sheet may be used for receiving the fish
- As soon as the fishery products are taken on board, they must be protected from contamination and from the effects of sun or any other source of heat

The vessels can register under the Marine Products Export Development Authority (Mpeda) for getting subsidy and government aid, but this is not mandatory. There are more than 60,000 vessels engaged in fishing in the major maritime states of the country.

Anwar Hashim, vice-chairman, Mpeda, and former president of the Seafood Exporters Association of India, said, "Exporters are planning to stop purchase of fish if the registration is compulsory. There is no other way till the issue is settled. There is confusion over the registration process and power to a number of regulatory bodies creates serious problems for the industry." He added enough time should be given to implement these instructions, else the sector would slide into deep crisis.

Requirements for approval of fishing vessels are not easy to meet and a lot of facilities are newly implemented in most vessels, said Jossy, a boat owner. According to him, most of the requirements are not practical.

Due to cost escalation, the fishing industry is in deep crisis now and the catch is also limited. If exports comes to a halt, the sector will incur huge losses as the price of fish depends mainly on the demand from export units, said Kochi-based boat owners.

Jossy said severe labour shortage, increase in wages and price of diesel are other serious issues. "The mandatory requirement of registration with EIC and the pre-conditions for registration will add to our woes. Though these measures are for enhancing the quality of Indian seafood items, these seem impractical to an ailing sector like ours," he added.

Tea output to fall in Assam, West Bengal BS Reporter / Kolkata March 27, 2012, 0:20 IST



Tea production in Assam and West Bengal is set to register a sharp decline due to a prolonged dry spell and rising temperature.

Data compiled by the Indian Tea Association (ITA) shows the rainfall deficit for West Bengal was 31-42 per cent during January-March 2012 compared to the same period last year. The new arrivals at auctions slated for the next couple of weeks reflect the fall in production. Auction Sale 14 and 15 at Kolkata saw a fall of 22 per cent, in packages. For Siliguri, the drop is 25 per cent, while Guwahati tops at around 50 per cent.

"Upper Assam estates in the south bank of the Brahmaputra are also experiencing severe drought conditions, with rainfall deficit of 45 per cent in Dibrugarh and Tinsukia districts and around 38 per cent deficit in Golaghat. Categorisations made by the meteorological department for Assam and West Bengal, based on the cumulative rainfall figures, show Assam and West Bengal rain as "scanty" indicating reduction of 60 per cent as compared to last year," a release from the Association said.

The output is estimated to drop by 60 per cent up to March as compared to 2011. The crop in Assam and West Bengal up to March, as compared to 2011, is therefore expected to touch 20 million kg, as against 46 million kg for the corresponding period in 2011.

Not surprisingly, prices of good quality new season tea have been soaring. Private sales have seen an increase of Rs 60-80 a kg in prices over the opening last year.

Moreover, the overall global picture for CTC tea is not particularly rosy. Kenya has also reported severe dry conditions, which is likely to impact global production in the current financial year.

The tea industry in India closed 2011 at a level of 988 million kg, with prices averaging at around 2010 levels for both Assam and West Bengal. Companies operating in Assam and West Bengal were pushed to increasing wages and the wage component forms 28 per cent of the total production cost.

Jeera falls 0.86% on higher arrivals Press Trust of India / New Delhi March 26, 2012, 13:55 IST



Jeera prices fell by Rs 102.50 to Rs 11,880 per quintal in futures trading on higher arrivals from producing region in the spot market against lower demand.Reports of increased output this year also put pressure on jeera prices at futures market.At the National Commodity and Derivatives Exchange, April jeera fell by Rs 105.50, or 0.86%, to Rs 11,880 per quintal, with an open interest of 15,624 lots.The May spice lost Rs 90, or 0.73%, to Rs 12,172.50 per quintal, with a business volume of 9,525 lots.

Analysts said higher arrivals in the physical market against lower demand mainly led to decline in jeera prices at futures trading.

Crude palm oil up on increased demand

Press Trust of India / New Delhi March 26, 2012, 13:49 IST

Crude palm oil futures traded higher by Rs 3.40 to Rs 591.40 per 10 kg today, as speculators created fresh positions on the back of increased demand in the spot market.

On the Multi Commodity Exchange, the April crude palm oil rose by Rs 3.40, or 0.58%, to Rs 591.40 per 10 kg in a business turnover of 879 lots.

The March delivery traded higher by Rs 2.90, or 0.50%, to Rs 586.60 per 10 kg in 111 lots.

Analysts said fresh buying by speculators following increased demand in the spot market mainly helped crude palm oil prices to trade higher at futures market.

Mentha oil plunges over 3% on profit-booking

Press Trust of India / New Delhi March 26, 2012, 13:24 IST



Mentha oil futures plunged over 3% to Rs 2,107.50 per kg today, as speculators booked profits at prevailing higher levels amid sluggish demand.Adequate stocks position following increased arrivals from Chandousi in Uttar Pradesh also kept pressure on mentha oil prices.At the

Multi Commodity Exchange, the March mentha oil tumbled by Rs 66.40, or 3.05% to Rs 2,107.50 per kg in business turnover of 982 lots. The April delivery in April plunged Rs 52.50, or 2.36% to Rs 2,176 per kg in 1,211 lots. Marketmen said emergence of profit-booking by speculators and subdued demand at spot markets, mainly attributed fall in mentha prices at futures trade.

Business Line

Groundnut oil rises above Rs 2,000/15 kg



Rajkot, March 26:

Despite limited buying, groundnut oil rose to more than Rs 2,000 a 15-kg tin on Monday. Mr Ravajibhai Mandanaka, President, Gondal Oil Mills Association, said, "All the groundnut arrival mostly gets consumed by the peanuts traders for export. The price they are offering to the farmers in the open market is not viable for millers."

A 15-kg tin gained Rs 20 at Rs 2,000-2,010. Loose oil rose by Rs 10 for 10 kg to Rs 1,190-1,195. Groundnut oil has risen by Rs 80 a tin during the past four days. About 50-70 tonnes of the oil were traded across Gujarat.

During past one week, groundnut prices have increased by Rs 3000 to Rs 76,000-77,000 per tonne in Saurashtra area on heavy export buying due to high demand mainly from China.

Taking cue from groundnut oil, cotton oil also increased. Cotton oil (wash) gained Rs 7 for 10 kg to Rs 657-660 and a new 15-kg tin was up Rs 10 to Rs 1,120-1,130. About 400-500 tonnes of the oil were traded.

Sheet rubber improves on short covering



Our Correspondent

Kottayam, March 26:

Physical rubber prices continued to post moderate gains on Monday. According to observers, the arrivals were, too, low and the market strengthened on fresh buying and short covering as certain traders turned active to exploit the current situation.

Meanwhile, the trend setting Tokyo rubber futures edged higher supported by tight supplies on the physical front but weak oil prices limited gains on late trades.

Sheet rubber improved to Rs 199.50 (197.50) a kg, according to traders. The grade increased to Rs 199 (198) a kg both at Kottayam and Kochi, as quoted by the Rubber Board.

The April series closed at Rs 200.20 (200.09), May at Rs 205.49 (205.17), June at Rs 209.53 (209.25) and July at Rs 209.40 (209.97) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) firmed up to Rs 200.54 (196.92) a kg at Bangkok. The March futures expired at ¥310.5 (Rs 192.45) while the April futures improved to ¥315.5 (Rs 195.50) from ¥312.6 a kg during the day session but then remained inactive in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 199.50 (197.50); RSS-5: 197 (196); ungraded: 193 (192); ISNR 20: 196 (195) and latex 60 per cent: 131 (131).

Rice tumbles on weak domestic demand



Our Correspondent

Karnal, March 26:

Prices of aromatic rice varieties continued to tumble, while non-basmati varieties ruled unchanged on Monday. The domestic demand remained sluggish. Ample stocks amidst weak demand pulled prices of aromatic rice down, said Mr Amit Chandna, proprietor of Hanuman Rice Trading Company. Being the last week of current financial year, it is unlikely to see much trading in the market and prices may decrease further, he said.

In the physical market, Pusa-1121(steam) eased further by Rs 100 and ruled between Rs 4,200-4,300 a quintal, while Pusa-1121(sela) sold at Rs 3,800-3,870 a quintal, Rs 70 down from the previous level.Prices of Pure basmati (raw) decreased by Rs 50 and sold at Rs 4,530 a quintal, while pure basmati (sela) eased by 40 and sold at Rs 4,110 a quintal. Duplicate basmati went down by Rs 80 and sold at Rs 3,500-3,620 a quintal.Among the brokens of Pusa-1121, Tibar went down by Rs 50 and sold at Rs 2,900-3,350, Dubar decreased by Rs 30 and quoted at Rs 2,650-2,800 and Mongra at Rs 1,900-2,150 a quintal.On the other hand, non-basmati varieties continued to rule firm. Sharbati (steam) was at Rs 2,900-3,000 while the Sharbati (Sela) sold at Rs 2,700-2,800 a quintal.Sugandha (Steam) went for Rs 3,200-3,430 a quintal while PR14 (steam) sold at Rs 2,325-2,350 a quintal.

Permal (sela) sold at Rs 1,850-2,040 a quintal, Permal (Raw) at Rs 1,900-2,050 a quintal, PR-11 (sela) was at Rs 2,200-2,400, while PR11 (raw) went for Rs 2,000-2,300.

Spot turmeric gains on upcountry buys



Erode, March 26:

Spot turmeric prices increased in Erode markets on Monday as traders from upcountry and other States placed orders here.

"Turmeric prices touched Rs 4,000 a quintal after some days. Traders and stockists started buying turmeric to fulfil committed orders.

"Further the Nizamabad market will function for two days only and from Wednesday it will be closed for the financial year ending. It will would be openonly on April 2. So traders in other States placed some orders with Erode traders," said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He further said that in the morning prices in the turmeric futures maket increased by 2 per cent. So, traders quoted higher prices. Till end of this month, traders will buy some quantity to fulfil pending orders received from local masala firms and also from other States.

On Monday 20,000- odd turmeric bags arrived for sale in the four markets and over 70 per cent of the stocks were sold.

At the Regulated Marketing Society, the finger variety increased by Rs 250 a quintal due to arrival of quality produce. But in the Erode Turmeric Merchants Association, the new Number 8 variety crop fetched a low price of Rs 2436 a quintal based on its quality.

The Hybrid Salem crop increased by Rs 150 a quintal, due to demand.

At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 2,4363,969 a quintal, and the root variety at Rs 2,324-3,510.

Salem Crop: The finger variety fetched Rs 3,969-4,485, and the root variety Rs 3,474-3,489. Of the 5,427 bags that arrived, 2,609 were sold.

At the Regulated Marketing Committee, finger variety was sold at Rs 3,669-4,007, and root variety Rs 3,367-3,863. Of the 1668 bags kept for sales, 1655 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 3,372-4,089, and root variety at Rs 3,167-3,787.

All the 1302 bags of turmeric that had arrived for sale were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 3,509-4,051, and the root variety Rs 2,709-3,672. All 641 bags of turmeric put up for sale were sold.

Spot sugar static despite bullish futures



Mumbai, March 26:

Sugar prices rule almost unchanged with minor changes according to quality in Vashi market on fourth consecutive day on Monday, tracking a steady trend upper Naka and Mill level. The market is in search of a direction before the announcement of new month's free sale quota.

Sources said despite extended gains in sugar futures markets, physical markets saw steady trend as local demand was routine due to month end time. With the rising temperature across the country, improvement in demand is expected soon.

At the Vashi wholesale market, the undertone was positive.

Currently, ample supply and limited demand is arresting a surge in the market. The Government's announcement will set the future trend.

Arrivals in Vashi market were about 51-52 truckloads and local dispatches were about 50-51 loads. On Saturday evening, about 10-12 mills offered tenders and sold about 37,000 – 38,000 bags in the range of Rs 2,700-2,770 (Rs 2,700-2,770) for S-grade and Rs 2,790-2,870 (Rs 2,790-2,870) for M-grade.

The Bombay Sugar Merchants Association's spot rates were: S-grade Rs 2,850-2,925 (Rs 2,852-2,922) and M-grade Rs 2,941-3,042 (Rs 2,951-3,042). *Naka* delivery rates: S-grade Rs 2,810-2,860 (Rs 2,810-2,890) and M - grade Rs 2,910-2,990 (Rs 2,900-2,970).

Sharp fall in cloves prices likely on higher global output

G. K. Nair



Kochi, March 26:

If the projections of increased global output this year of cloves turn out to be true, then its prices are destined for a crash in June, said trade sources.

"The market is getting weaker and weaker with no sales, and mentally people are tired, so cloves future is looking very bad," a Bangalore-based dealer told *Business Line*, as reports of a bumper crop started pouring in.

Projected production this year in major producing countries is: Indonesia (70,000-80,000 tonnes); Madagascar (15,000-18,000 tonnes); Comoros (5,000 tonnes); Colombo (5,000 tonnes); and Zanzibar (4,000). Brazil and Sri Lanka are said to be having a limited crop size.

Thus, the total supply position is likely to outstrip demand pushing the prices sharply down in the domestic market, provided these projections are translated into reality, market sources said.

"In the domestic market prices can come down to Rs 500 a kg soon and as the reports of big crop spread in the markets, those who are holding huge cargo are trying to sell. But no one is ready to buy," they said. Sources said, many are holding inventories of cloves bought earlier at high prices and any crash in prices would lead to heavy loss. On the other hand, many who had sold their stocks at high prices even on the overseas markets have been waiting for the prices to fall to replenish their stocks.

All these predicaments are the outcome of tug of war between the bull and bear operators in the market, they alleged. Every day the prices are declining by Rs 10 a kg.

The Indian cloves crop is said to be 60-70 per cent of the previous crop due to the continuous dry spell in the growing areas. Mr Subramanian, a major grower in Tamil Nadu's Kanyakumari district, told *Business Line*, "we were expecting the crop to be 80 per cent of last season's output but in the absence of rains so far this year in the growing areas, the cloves withered bringing the total output to 60 per cent of what we got last year".

Now the traders are waiting for a selling pressure as many growers are expected to sell their produce for settling wages. Growers normally sell 10-20 per cent of the crop to meet their cash requirement for settlement of wages, he said.

The prices ruling at present in Nagercoil were at Rs 900-1,000 a kg, he said. Total production in the current season is estimated at 1,000-1,500 tonnes.

For the past couple of years growers were getting good prices and any fall now below remunerative levels would have a serious impact on the next crop, growers said adding the cost of inputs also increased correspondingly following the rise in prices.

Indian consumption is estimated at 12,000-15,000 tonnes and the country continued to remain a net importer.

Meanwhile, an overseas report said "with the crop finished in Madagascar and Comoros all attention is focused on the new crop in Indonesia. It is estimated that Madagascar produced around 15,000 tonne this year, most of which is already exported or is in the hands of collectors or Indian traders.

"Basically the same is true for the Comoros with a crop estimated at 4,000 tonne. Sri Lanka and Brazil are not a factor given their limited crop size. So the question is whether Indonesia will be in a position to export or end up as a net importer.

"With a crop estimated at between 70,000 and 80,000 tonne we may see a weaker market from June".

Malaysian cues buoy edible oils

Our Correspondent



Mumbai, March 26:

Edible oils jumped on Monday, tracking gains in Malaysian palm oil futures.

Imported palmolein and soya oil rose by Rs 7 and Rs 5 for 10 kg, respectively. Cottonseed refined oil increased by Rs 5 for 10 kg and groundnut oil by Rs 25 for 10 kg. Rapeseed oil was up Rs 10 for 10 kg on lower arrivals in producing centres. Sunflower oil ruled unchanged. Malaysian crude palm oil futures rose to the highest in nine months supported by higher exports and physical buying interest.

A strong dollar and firm foreign markets lifted prices, said sources. Besides, shortage of groundnuts, higher soyameal exports, lower arrivals of oilseeds and low water levels at most reservoirs ahead of monsoon aided the price rise. Volume remains need-based as the month ends.

Resellers traded about 150-200 tonnes of palmolein at Rs 608-612. Stockists did not place any new orders for indigenous oils. Liberty quoted palmolein at Rs 620-622, soya refined oil at Rs 700 and sunflower refined oil at Rs 715. Ruchi offered it at Rs 617-619, soya refined oil at Rs 705 and sunflower refined oil at Rs 705. Allana quoted it at Rs 616.

In Saurashtra and Rajkot, groundnut oil was up Rs 25 to Rs 1,880 for a *telia* tin and Rs 10 to Rs 1,230 for loose (10 kg).

Malaysian crude palm oil's April contracts settled at 3,482 ringgit (3,470 ringgit), May at 3,455 ringgit (3,436 ringgit) and June at 3,459 ringgit (3,426 ringgit) a tonne. On the National Board of

Trade in Indore, soya refined oil for April delivery closed at Rs 751.60 (Rs 746.40) while for May was Rs 748 (Rs 745).

Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,210 (1,185), soya refined oil 705 (700), sunflower exp. ref. 645 (645), sunflower ref. 710 (710), rapeseed ref. oil 845 (835), rapeseed expeller ref. 815 (805) cottonseed ref. oil 682 (677) and palmolein 610 (603).

Soyameal gains flavour on export demand



Our Correspondent

Indore, March 26:

A rise in the prices of soya de-oiled cake or soyameal and strong foreign markets on Monday perked up soya oil and soyabean in *mandis* here. Improved buying support in the export market perked up soyameal in Kandla port on Monday by Rs 200 to Rs 22,700 a quintal, while it was quoted at Rs 21,800 in the domestic market.

With only 50,000 bags of soyabean being offloaded in Madhya Pradesh, prices here ruled higher at Rs 2,750-2,830 a quintal. While 3,500 bags arrived here, 4,000 arrived in Dewas. Plant deliveries of soyabean also gained Rs 20 to Rs 2,905-2,925 a quintal on improved buying support in the export market. Beside improved demand for soyameal, bullish soya futures also lifted soyabean prices in the physical market.

Speculation pushed up soyabean futures, with prices breaching Rs 3,000. Soyabean's March and April contracts on the National Commodity and Derivatives Exchange (NCDEX) closed at Rs 2,997 a quintal (up Rs 22) and Rs 3,047 (up Rs 32).

Soya oil ruled higher on strong global cues. Soya refined ruled at Rs 705-712 a quintal (Rs 703-707) on scattered buying support. Soya solvent ruled at Rs 775-778 a quintal (Rs 770-775). Buying support for soya oil, however, remained weak at the higher rate. Soya oil futures also ruled higher on strong foreign markets, with soya refined April contract on the National Board of Trade closing at Rs 750.80 for 10 kg. On the NCEDX, soya oil's April and May contracts closed at Rs 750 for 10 kg (up Rs 3.05) and Rs 4.24 up at Rs 751.24 for 10 kg.

Kerala Govt to ensure fair prices for dairy farmers

Kochi, March 26:

The State Government will adopt measures to ensure that dairy farmers get prices linked to the cost of production, Mr K.C.Joseph, the State Dairy Development Minister, has said.

Inaugurating the State-level distribution of aid under the cattle feed subsidy scheme of the Union Government at Muvattupuzha, the Minister said that steps were being taken for achieving self-sufficiency in milk production in the State during the 12th Five Year plan.

The State, he said, has registered a 25 per cent increase in milk production as the prices were increased by Rs 5 a litre. The prices were hiked after conducting a detailed study on the subject and the Government had decided not to appeal against the Court verdict that MILMA had the right to determine the price of milk.

The Government is of the opinion that dairy farmers should get remunerative prices for the produce so as to prevent them from leaving the sector.

According to the Minister, the State was importing about 8 lakh litres of milk daily from neighbouring States. The quality of the milk being brought from other States was also a matter of concern.

The Government had sought extension of the Mahatma Gandhi National Rural Employment Guarantee Scheme to the dairy sector. The Union Government had given partial approval to the demand. The State Government will pursue the matter to get the demand accepted in full, he said.

The Minister also said that the Government has taken note of the problems being faced by the pineapple growers in the State and measures would be initiated to mitigate them.

Pepper recovers on reports of supply squeeze

Our Bureau

Kochi, March 26:

Pepper on Monday recovered marginally on reports of supply squeeze and bullish activities after remaining highly volatile.

The market opened on easier note and traded with high volatility.

Offerings

They said Vietnam was reportedly steady and it was offering only 500 GL and 550 GL pepper. Asta grade material is not being offered as it is being converted into white pepper at comparatively lower cost and selling at a premium price of \$9,500-9,600 a tonne.

Importers, they pointed out, should not forget that when Indian Asta pepper of around 1,500 tonnes were shipped out to Vietnam the authorities there suddenly imposed some barriers at a time when India had imported about 15,000 tonnes of pepper from there. April contract on NCDEX moved up Rs 320 to the last trading price of Rs 41,785 a quintal. May and June were up Rs 390 and Rs 300 respectively to the LTP of Rs 42,690 and Rs 43,190 a quintal.

Total turn over increased 1,475 tonnes to 7,387 tonnes. Total open interest declined just seven tonnes to 8,764 tonnes. April open interest dropped 136 tonnes to close at 5,732 tonnes while that of May and June moved up 125 tonnes and tonnes respectively to 2,643 tonnes and 268 tonnes.

Spot prices in tandem with the futures market trend and some buying support amid limited supply by Rs 500 to close at Rs 39,000 (ungarbled) and Rs 40,500 (MG 1) a quintal.

Indian parity in the international market was at \$8,400 a tonne (c&f) for Europe and \$8,700 a tonne (c&f) for the US.

Bt cotton benefits only false hype, say NGOs

Our Bureau



Hyderabad, March 26:

A group of farmers' associations and non-governmental organisations have asked the Government to conduct a comprehensive, independent review of 10 years of Bt cotton in India. This study is very important as efforts are on to bring biotechnology in other crops in the country.

They have termed the claims made by seed firms and agri-biotechnology firms on purported benefits of Bt cotton as false hype.

"Government agencies should stop promoting Bt cotton and revive non-Bt seed production to make traditional seed available for farmers The Government should clearly educate farmers about the unsuitability and problems of Bt cotton particularly in rain-fed areas," Mr G V Ramanjaneyulu of Centre for Sustainable Agriculture (CSA) and Mr Kiran Vissa of Rythu Swarjya Vedika, said.

Addressing a round table on 10 years of Bt cotton here on Monday, they wanted Government to promote more sustainable solutions such as non-pesticide management, crop diversity and sustainable agriculture. They called for more funds for agriculture research in public sector.

"We should ensure freedom for institutions from big corporations in setting the research priorities," they said.

Gains from bio-technology were short term. Technology is not the only solution for the problems being faced by agriculture. There is a spate of farmer suicides in 2011-12. This is more

accentuated in cotton farmers. In Andhra Pradesh, out of 47 lakh acres planted with Bt cotton during the last kharif, crop in 33.73 lakh acres failed.

"In Maharashtra, the bad performance of cotton crop has led to lowering of production estimates significantly in spite of increase in area of cotton cultivation," they said.

Stating that this was just a wake-up call for farmers, Parliamentarians, policy-makers and the media, they said the cotton crisis needed to be examined and reassessed critically in the context of a decade of introduction of biotechnology.

Myths

They said the propaganda on yield increase was a myth. In the pre-Bt cotton era beginning 2000-01, yield increase was put at 69 per cent. In the post-Bt cotton era, yield went up by 17 per cent in the first three years and declined in the subsequent two years.

"The main issue that worries stakeholders is the stagnation of productivity at an average of 500 kg lint a hectare for the past seven years," they said, quoting a paper.

Industrial policy to link agri and manufacturing sector

Our Bureau



Business Line The Tamil Nadu Finance Minister Mr O. Panneerselvam, presenting the state budget at the Assembly, in Chennai on Monday. - Photo: Bijoy Ghosh Chennai, March 26:

The Tamil Nadu government will come out with an industrial policy that will link agriculture and manufacturing sector to benefit farmers, the State Finance Minister, Mr O. Paneerselvam, announced in the Assembly today.

Presenting the State Budget, he said that value addition of agriculture output and allied sectors will also help employment generation.

The State Government is keen on increasing output in the farms and strengthening the postharvest infrastructure and value addition.

Crop loan disbursal target for 2012-13 is set at Rs 4,000 crore as compared with Rs 3,113 crore last year. The loans to be disbursed by the cooperative banks will be interest-free to those farmers who repay the loans on time. The State Government has earmarked Rs 160 crore as interest subvention to be paid to the cooperative sector.

The Government will invest over Rs 300 crore to improve warehousing and market facilities through the National Bank for Agricultural and Rural Development-RIDF loan and support tieups between farmers and agro-processing industries.

To improve water use efficiency and output, the State Government is encouraging use of drip irrigation. During the coming year, it will provide direct subsidy to farmers to enable them to choose an appropriate micro irrigation system. In 2012-13, over 1.73 lakh acres will be brought under micro irrigation through a direct subsidy of Rs 75 crore. The State Government provides 100 per cent subsidy to small and marginal farmers and 75 per cent subsidy for larger farmers.

The State Government has exempted fertilisers from the purview of Value Added Tax to bring down fertiliser prices for the farmers. The Minister urged the Centre to reconsider its fertiliser policy which is pushing up prices for farmers, he said.

Tea output to drop on dry weather

Our Bureau



Kolkata, March 26:

Tea production in North India covering Assam and West Bengal for 2012 is set to register a sharp drop due to a prolonged dry spell and rising temperatures across the two States,

according to the Indian Tea Association (ITA). Data compiled by ITA in respect of its members estimate rainfall deficit for West Bengal to range between 31 and 42 per cent during January-March 2012 as compared to the same period in 2011.

The ITA also points out that the tea estates in Upper Assam particularly those in the south bank of the Brahmaputra are also experiencing severe drought conditions with rainfall deficit of 45 per cent in Dibrugarh and Tinsukia districts and around 38 per cent in Golaghat. North Bank and Cachar covering the Barak Valley report similar trends. Crop is estimated to drop by around 60 per cent up to March as compared to 2011. The crop in Assam and West Bengal up to March 2012 can therefore, at best touch 20 million kg as against 46 million kg recorded for the corresponding period for 2011. This dry spell would undoubtedly have an adverse impact on the first flush.

The production decline is also evidenced by a drop in the fresh arrivals at the auctions centres of West Bengal and Assam covering sale 14 and 15.

According to reports, fresh arrivals at GTAC (Guwahati Tea Auction Centre) for Sale 14 is 2,487 packages (2012) as against 5,020 packages (2011) indicating a drop of around 50 per cent.

District-level weather forecasts available for 26{+t}{+h}- 30{+t}{+h} March reflect no possibility of any rain in the tea districts of Assam and West Bengal. Temperature is are predicted to touch 34°C to 38°C. Tea Industry closed 2011 with a production of 988 million kg with prices averaging at around 2010 levels for both Assam and West Bengal.

These regions have been required to increase the wage cost which forms a major component of the cost of production, up by 28 per cent in 2012.

Besides severe cash flow problems, the likely drop in production due to abnormal weather conditions would result in significant revenue loss which will not be compensated by higher prices. Erratic rainfall patterns are compelling the industry to invest in improving irrigation infrastructure in tea estates.

The cost of providing such infrastructure has been estimated at around Rs 7 lakh a hectare. The CCPA has requested the Tea Board and Ministry of Commerce for a stand-alone scheme to support irrigation under the 12{+t}{+h} Plan, a statement from ITA adds.

Cardamom rules steady despite higher arrivals

G. K. Nair



Kochi, March 26:

The cardamom arrivals last week showed a marginal increase and yet the prices ruled steady to firm on a somewhat matching demand and supply at the auctions held in Kerala and Tamil Nadu.

The money requirement before the financial year closing is said to be one of the reasons for the increased arrivals. At the same time, those growers/small dealers who did not feel to take any risk and consider the current price levels as remunerative were also selling.

This phenomenon also paved the way for an upsurge in arrivals, market sources said.

No aggressive trade

Meanwhile, the trade in general was not embarking on any aggressive buying or selling due to the financial year closing and hence activities were limited keeping the market steady, Mr P.C. Punnoose, General Manager, CPMC, told *Business Line*.

Exporters have slowed down their buying probably as a strategic move, hoping that it would bring the prices down.

However, upcountry stockists continued to cover actively anticipating a tight supply scenario in the coming days.

There has not been any rains in the cardamom growing belt for about three months. In the dry spell, plants in non-irrigated areas have started withering, they said.

Dry spell

Already one-third of the plants in Rajakkad, Rajakumari, Poopara and Santhanpara area in Kerala's Idukki district has dried up while in several other areas they have started withering. In the irrigated areas the water resources have started drying up.

"If the present dry spell continues, plants in all the non-irrigated areas would dry up," growers in Kumily said.

Arrivals on Sunday at the KCPMC auction stood at 80.6 tonnes as against 73 tonnes the previous Sunday.

The maximum price was Rs 1,221 a kg. On Sunday, the auction average declined to Rs 884.32 a kg from the previous week's Rs 896.25 a kg.

The individual auction average vacillated between Rs 880 and Rs 985 a kg last week.

Total arrivals during the current season from August 1, 2011, up to March 25, was at 15,281 tonnes and the sales at 14,829 tonnes as against 8,174 tonnes of arrivals and 7,971 tonnes of sales in the same period last year.

Weighted average price as on March 25, was at around Rs 600 a kg as against Rs1,102.75 a kg on the same date last year, according to official sources.

Prices of graded varieties were steady at previous levels. Their prices in Kumily in Rs/kg were: AGEB 1,190-1,200; AGB 950 - 960; AGS 940 - 950 and AGS 1: 920 - 930.

Open market prices of graded varieties in Bodinayakannur: AGEB 1,050 -1,100; AGB 900-925; AGS 880 -890 and AGS-1: 800-850, trade sources in Bodi said.

Negligible quantity of eight mm bold was available and it was fetching over Rs 1,200-1,300 a kg while good bulk was being sold at Rs 950-1,000 a kg and medium bulk was at Rs 900 a kg, they added.

Arabica gets no export enquiries at auction

Anil Urs



Bangalore, March 26:

Domestic traders were selective on Arabica Plantation and Arabica Cherry at the Indian Coffee Trade Association (ICTA) auctions last week.

According to auctioneer J Thomas & Company, there was no enquiry from the exporters for Arabica coffees on sale, while Robusta Parchment coffees received support from both exporters as well as domestic trade.

Arabica Plantation PB and A grade received support at current price levels, C grade price was higher by Rs 250 for 50 kg when compared to last week levels and was bought by the domestic trade, B grade on offer remained unsold.

Arabica Cherry PB and AB grade received enquiry at current price levels, C grade sold at prices similar to last levels.

Robusta Parchment coffee prices were higher by Rs 50 to 100 for 50 kg compared to last week's sale. Robusta Cherry coffees remained unsold as seller's price expectation was higher than the buyer's interest.

Arabica Plantation and Arabica Cherry BBB price were lower by Rs 50 to Rs 300 for 50 kg, Robusta Parchment BBB price was higher by Rs 140 for 50 kg when compared to last levels. Robusta Cherry BBB remained unsold.

The prices quoted for grades in 50-kg bags were:

Arabica varieties — Arabica Plantation MNEB Rs 10,400-10,425, Arabica Plantation A Rs 10,850, Arabica Plantation C Rs 9,750, Arabica Plantation BBB Rs 6,300 – 6,600, Arabica Cherry PB Rs 9,000, Arabica Cherry AB Rs 8,800, Arabica Cherry C Rs 6,700 and Arabica Cherry BBB Rs 5,705.

Robusta varieties — Robusta Parchment PB Rs 7,200 – 7,300, Robusta Parchment AB Rs 7,850 – 7,900, Robusta Parchment AA Rs 8,000, Robusta Parchment RKR Rs 7,950 and Robusta Parchment BBB Rs 5,000 – 5,640.

Gujarat to get camel milk dairy soon





Gujarat will soon get its first commercial dairy for processing of camel milk into various products in Kutch district. A proposal in this regard

Ahmedabad, March 26:

Gujarat will soon get its first commercial dairy for processing of camel milk into various products in Kutch district.

A proposal in this regard has been received by the Government from the Kutch District Cooperative Milk Union or the Sarhad Dairy.

A local union of camel breeders Kutch Unt Uchherak Maldhari Sangathan (KUUMS) has been formed to develop milk collection networks, while a Kutch-based NGO Sahjeevan has been roped in to mobilise the camel breeders and spread awareness with regard to economic and nutritional importance of camel milk. Also, the Gujarat Milk Marketing Federation (GCMMF) or Amul has agreed in principle for marketing of the camel milk which is high in nutrition and low in fat, a state government official said.

"The Government is planning to set up a dairy for commercial processing of camel milk, for which provision has been made in the 2012-13 budget," the Director of Animal Husbandry, Dr A.J. Kachhiapatel, told PTI.

He said that a proposal for setting up a milk processing unit of capacity of 2,000-2,500 litres has also been received from Sarhad dairy.

This project has been taken up with two objectives — one to provide an alternative for income generation for the local community of cattle breeders or 'maldharis' and other to increase the use of camel milk which is high in nutritional properties, low in fat and easy to digest, Dr Kachhiapatel said.

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