THE HINDU

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Mounting production cost crushes cane farmers

Staff Reporter

CANE FARMER'S BALANCE SHEET

Receipts	Expenses (Harvest)	Expenses (Cultivation)
Rs. 1.38 lakh.	Cutting wage - Rs. 51,000	Seeds - Rs. 16,000
	Porting wage - Rs. 5,500	Cultivation & Fertilizers - Rs. 30,000
	Lorry Charges - Rs. 6,570	
	Driver mamool - Rs. 2,000	

Mr. Thirumurugan cultivated sugarcane in a hectare; harvested 65.7 tonnes.

Doubled wages for cane-cutting workers, increased transportation charges owing to frequent diversion of cane to third party mills and excessive ‘tips' (known as ‘mamool') to lorry drivers increase farmers' expenses to about 50 per cent of the price of a tonne of sugarcane, which has been priced at Rs. 2100 this year.

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With workers of 19 public sector and cooperative sugar mills in the State on strike since April 4 and due to operational delay in private sector mills, farmers get cutting orders after a lot of delay.

Farmers are also denied an opportunity to start the next crop, the delay hugely depreciates weight of the cane and proceeds. Inflated harvest charges coupled with loses due to delayed cutting order pushes farmers into deep trouble.

Interaction with farmers across Tiruvannamalai district reveals that cane-cutting workers charge anywhere between Rs.750 and Rs. 850 per tonne plus other perks, every day against last year's Rs.400 plus perks on an average.

K. Duraisamy, district secretary, Tamil Nadu Karumbu Urpathiyalar Sangam, said, “In the Polur Dharani Sugarmill area, we paid maximum Rs.400 per tonne as wage last year. Now, it is Rs.750 or more. In the case of Dharani mill, there is a huge backlog in giving cutting orders. Normal age of cane being 12 months, several farms await cutting orders even after 16 months.

“It leads to loss in weight of cane. We have to spend increased cartage when the mill administration diverts the cane to other units of its own or third party mills as a result of backlog.

“There is a custom that lorry drivers demand ‘mamool' from farmers for every trip. Earlier, it used to be a small amount. Now, they charge farmers anywhere between Rs.500 and Rs. 1,000 per trip according to the distance.”

Thirumurugan, a farmer of Kalasapakkam, told *The Hindu* that he cultivated cane in two and an half acre and registered with Dharani Sugarmills, Polur. “I was supposed to get 80 tonnes yield, but due to delayed cutting order, I got only 65.7 tonnes. I get a bill for Rs.1.38 lakh. But, I have paid Rs.51,000 as cutting wage, Rs.5,500 as porting wage, Rs.6,570 as lorry charges and Rs.2,000 as lorry ‘mamool' for two trips,” he said. (This is apart from Rs.46,000 he spent on seeds, cultivation and fertilizers).

Thirumurgan, however, is not the worst-hit. P.Ramalingam, a farmer from Pillur which is a traditional sugarcane village near here, whose farm this reporter visited, said he cultivated six acres of cane in January 2011 and registered with Dharani Sugarmill.

Though he was expecting cutting order in December last, he is yet to get it and the crop is left drying in the farm.

“Since it is four months behind schedule, the crop has dried extensively and I may not get 10 to 15 tonnes an acre. Once I get order, I will have to shell a huge sum on harvest. But, if I have to send the cane to other mills, transportation cost will increase further,” he said.

P.Haridoss, president of the Sugarcane Farmers' Association in Cheyyar Cooperative Sugar Mill area, said that even cutting wages have touched Rs.900 in certain areas. He demands that mill should deploy cutting workers and bear the charges.

Several farmers' associations stress this demand. K.Venkatesan, State president of Sugarcane Cutting Workers' Association, told *The Hindu,* “Of course, wages have increased and we empathise with farmers. But, cane-cutting is a job with risks like itching and snake bites.

It requires enormous amount of toil and only few people come forward for this job. It is up to farmers to demand and get higher price for their cane and we will also support their cause.

We also demand that mills should bear the wage for cutting.”

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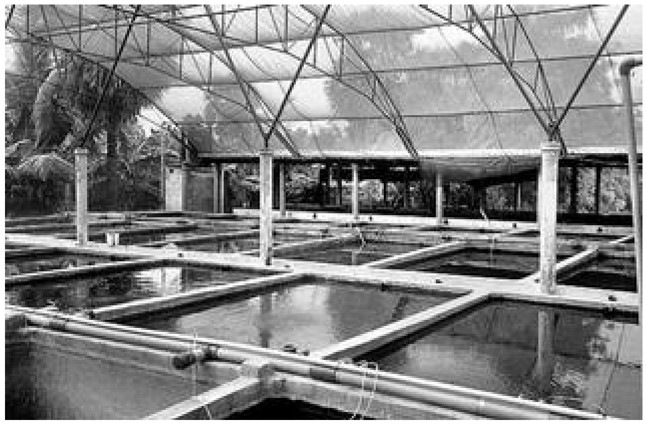
Ornamental fish farming yields colourful returns

Staff Reporter



Enhanced growth:A view of the concrete structures built to culture ornamental fishin a farm at Sawyerpuram near Tuticorin.— Photo: N. Rajesh

Ornamental fish farming has made a paradigm shift among entrepreneurs ushering in economic development. Fishes of different hues cultured in enclosed concrete tanks at Sawyerpuram has not only yielded desired results for the entrepreneurs but it has also improved the living standards of women, mostly in rural areas, according to G. Saravanan, an ornamental fish farmer, Sawyerpuram.

Since Sawyerpuram is located in a serene atmosphere with abundant natural resources and advantageously, the hinterland is not exposed to any industrial pollution, ornamental fish culture has taken a centre stage here. With salt pans prevalent in Tuticorin, a coastal district, brine shrimps (live feed to nurture ornamental fish) were naturally available here to suit small scale entrepreneurs but large scale investors would have to rely on artificial feed as well.

“Forty five different colourful species mostly exotic varieties are being nurtured in concrete tanks here. The price ranges from Rs. 20 to a maximum Rs. 3, 500 at present. To cope with the requirements of importers, selective species can also be nurtured in freshwater. Demands for such nurtured colourful fishes are on the rise in India and also in countries abroad. Hence this activity is bound to promote investments to explore business opportunities,” Mr. Saravanan said.

Women are collectively engaged in ornamental fish culture, which has turned out to be an income generating activity. Citing the benefits of aquaculture, M. Suganthi of Sakkammalpuram, said she could earn Rs. 5, 500 every month.

Apart from concrete fish tanks, earthen ponds were also set up for aquaculture besides the farm. As the earthen ponds were exposed to sunlight, fishes would attain colouration faster than in the enclosed structure. Moreover fishes in the earthen ponds would have natural feed like zooplankton and phytoplankton.

To help grow this sector, advanced techniques of breeding and nurturing ornamental fishes should be adopted here on a par with overseas countries. Technology sharing in this regard would provide enough room to culture many ornamental species, Mr. Saravanan opined.

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Farmers in Kittur oppose acquisition of agricultural land

Staff Correspondent

Farmers around Kittur town on the Pune-Bangalore National Highway face fresh threats of losing their agricultural land as the Karnataka Industrial Area Development Board (KIADB) plans to acquire land for its ‘Land Bank'.

Jagdish Bikkannavar, Kallappa S. Savadi, Veerupakshappa S. Savadi, R.Y. Mayannavar and V.R. Bhandari said the KIADB had already acquired about 660 acres of agricultural land on the outskirts of Kittur. Now, it had begun to acquire more land in survey numbers 219, 220, 221, 223, 248, 214, 252, 215, 218, 250, 250/A, 235/B, 235/A and 201.

They said the areas proposed to be acquired were close to Kittur town. The government had promised to accord taluk status to Kittur. If the government continued to acquire land, there would be little space left for the town's growth, they said.

Moreover, industrial development close to the town would result in environmental pollution, which could have an adverse impact on the historical Kittur ruins.

The farmers of Kittur and nearby areas, whose land has been identified for acquisition, recently submitted a memorandum to Deputy Commissioner V. Anbukkumar, urging him to advise the KIADB not to acquire land in Kittur.

If the KIADB went ahead with the acquisition, farmers would become landless labourers from landowners, as many of them knew nothing but agriculture, Mr. Bikkannavar said.*KIADB has acquired 660 acres on the outskirts of Kittur*

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Horticulture farmers to get assistance

Staff Correspondent

The Department of Horticulture will provide financial assistance for the rejuvenation of horticulture crops and other related activities under the National Horticulture Mission (NHM) for 2012-13.

In a press release here on Monday, the department said Rs. 15,000 would be provided to horticulturists for the rejuvenation of mango and cashew gardens.

Water sources

Farmers interested in creating water sources could avail themselves of up to Rs. 60,000 to set up farm ponds measuring 20 x 20 x 3 m; 50 per cent of the cost and a maximum of Rs. 4,67,500 for establishment of a green house for vegetables and flowers; a maximum of Rs. 10,000 a hectare to lay plastic tunnels; Rs. 50,000 a hectare for bird nets and activities such as farm mechanisation.

Assistance accounting for 50 per cent of the cost of a processing unit was also available up to Rs. 9.6 lakh.

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Farmers' conference

The Bharatiya Krishak Samaj will organise a farmers' conference at the Kalabhavan in Navanagar in Bagalkot town on Thursday.

In a release here, BKS State president Lingaraj B. Patil saidit had been organised to pressure the State and Union governments to provide adequate funds to tackle shortage and scarcity in drought-affected taluks across the State.

BKS national president Kishan Bir Chaudhary will address the growers on the occasion.

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Farmers bear the brunt as blackbuck destroy crops

Farmers in Yelburga and Koppal taluks, who have been hit hard by the drought, are yet to receive compensation for crops destroyed by blackbuck.In the past two years, standing crops worth more than Rs. 150 crore in several villages in the two taluks were destroyed by the animals, which are found in large numbers in the area.Last year, the government, which had ordered a detailed survey of the crop loss caused by blackbuck, promised that compensation would be released to the affected farmers and action initiated to curb the blackbuck menace by establishing a sanctuary for them in Koppal taluk.

But neither has the compensation been paid nor steps initiated to establish the park.Farmers in the district are already in distress owing to crop loss during the kharif and rabi seasons due to monsoon failure.The delay in payment of compensation has added to their woes. According to a recent survey by the Forest Department, the blackbuck population is on the rise in about 111 villages in Yelburga, Kushtigi and Koppal taluks. In the past two years, they destroyed standing crops on more than 20,000 hectares in these villages.According to Forest Department sources, a total of 9,918 farmers had applied for compensation for crops destroyed by blackbuck.

- *Blackbuck numbers are on the rise in 111 villages: Forest Department*
- *9,918 farmers have sought compensation for crops destroyed by the animals*

KARIMNAGAR, May 2, 2012

Farmers told to cultivate red gram

Taking stock:State Seed Development Corporation MD Christiana Z. Chongthu inspecting a seed godown on the outskirts of Karimnagar on Tuesday.- Photo: Thakur Ajay Pal Singh

Andhra Pradesh State Seed Development Corporation Managing Director Christiana Z. Chongthu has instructed the agricultural officials to encourage the cultivation of red gram in Karimnagar district to provide good profits to the farming community with less investment.

At a review meeting with the agricultural officers here on Tuesday, she said that the Karimnagar district was having ample potential for the cultivation of red gram. It can be cultivated as inter-crop along with cotton, which would be cultivated in majority of area in the district during the khariff season, she said. Red gram was having good demand in the local market also with commands good minimum support price by the government.

During the last kharif, red gram was cultivated in only 9,000 hectares, she said and informed the authorities to increase the area of cultivation of red gram in about 12,000 hectares and even more in the coming kharif season. She also assured to supply adequate quantity of red gram seeds in the district.

Joint Collector H. Arun Kumar said that they were taking all measures to encourage the irrigated dry (ID) crops in the district such as jute, green gram, maize, soyabean. He said that they had procured the required quantity of seeds and kept ready for distribution. He said that the input subsidy to the farmers would be debited into the farmers bank accounts. JD (agriculture) B Prasad and others were present.

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hindustantimes

Wednesday, May 02, 2012

HT Correspondent, Hindustan Times

New Delhi, April 30, 2012

First Published: 14:05 IST(30/4/2012)Last Updated: 01:32 IST(1/5/2012)

Pawar protests, Centre frees cotton export

India on Monday freed all restrictions on cotton export, amid pressure from farm minister Sharad Pawar and the chief ministers of cotton-growing states.

The government had in March banned exports of the fiber other than those consignments already cleared. The ban by the commerce ministry, headed by Anand Sharma, had upset Pawar, Gujarat chief minister Narendra Modi and also Maharashtra chief minister Prithviraj Chavan.

The ban came on the back of suspicion that cotton from the country was being hoarded abroad after shipments crossed 8.4 million bales (170 kg each), the official estimate of exportable surplus.

This March 5 ban that was only partially lifted later, with the commerce ministry clarifying that there was no blanket ban although no new licences for exports would be granted.

Pawar had written to Prime Minister Manmohan Singh recently, sharply criticising both the commerce ministry and the KV Thomas-headed food ministry for curbing exports of cotton and exports, which he claimed, had deprived farmers of precious earnings at a time of high global prices.

A high-level meeting headed by the Prime Minister to address issues raised by Pawar was deferred to parliamentary work on Monday, sources said.

"A decision has been taken to remove suspension of cotton exports registration. Registration of cotton exports will be allowed by the government," textiles minister Anand Sharma said.

http://www.hindustantimes.com/StoryPage/Print/848398.aspx

THE BAN STORY

- The export ban had upset cotton-producing states such as Gujarat and Maharashtra. HT PHOTO

- The ban came on the back of suspicion that cotton from the country was being hoarded abroad after shipments crossed 8.4 million bales, the official estimate of exportable surplus
- Pawar had written to PM and said the ban had deprived farmers of precious earnings at a time of high global prices

weather

Delhi - INDIA

Today's Weather

Clear

Wednesday, May 2

Max	Min
36o	21o

Rain: 0 mm in 24hrs
Humidity: 29%
Wind: Normal
Sunrise: 7:14
Sunset: 17:48
Barometer: 1007

Tomorrow's Forecast

Sunny

Thursday, May 3

Max	Min
37o	20o

Extended Forecast for a week

Friday	Saturday	Sunday	Monday	Tuesday
May 4	May 5	May 6	May 7	May 8
38o | 22o	39o | 21o	40o | 23o	41o | 23o	43o | 26o
Sunny	Sunny	Sunny	Sunny	Partly Cloudy

Business Standard

Wednesday, May 02, 2012

'King of Fruits' going beyond reach of most this year

Gururaj Jamkhandi / Chennai/ Dharwad May 02, 2012, 0:50 IST

The rains that lashed northern Karnataka during April this year may have brought some respite to the people from the scorching heat. However, the same showers have dealt a severe blow to the mango lovers who were looking forward to tasting the various varieties of mangoes this season at an affordable price.

The ‘King of Fruits’ will not be available to the common man at affordable prices. The rains have played spoilsport as far as mangoes are concerned. Dharwad is known for its mango groves and nearly 12,000 hectares is under mango trees with a special breed ‘aapus’.

The raw mangoes have started to wither due to the recent hailstorm which lashed the rural areas. The farmers who had suffered crop losses due to drought-like situation were hoping that their loss would be made good by mango. However, the rains have dashed their hopes.

The first yield was expected in about 10 days. But, as the taluk had been hit by a hailstorm, almost 70 per cent of the crop has been damaged. The breed is unique as it flowers once in two years. Last year, the farmers did not get a good yield. Hence, they were expecting better yield this season.

The farmers, who grew mangoes in Mugad, Nigadi, Mavinkopp, Murkatti, and Salakinkopp region have complained of huge losses. However, the information from the Horticulture Department is completely different. The officials stated that due to hailstorm, only 10 per cent to 15 per cent of the fruits have been lost. But the farmers put the extent of the loss at 70 per cent.

“The mango plantation was given on contract for Rs 2 lakh, and even Rs 10,000 advance was taken. However, now the contractors are not willing to pay the promised amount as the yield has been damaged,” says Nagappa, a mango grower.

A dozen good quality alphonso is priced Rs 250-Rs 300 at retail shops.

“Dharwad is known for exporting the ‘aapus’ to the West and even Australia. But this time the exporters are finding it extremely difficult to meet the demand. Till last year, nearly 20,000 boxes of mango arrived in March,” said fruit vendor Javali.

The situation is not likely to ease and it is expected that by the middle of the season the wholesale price of six dozen mangoes, that was anywhere between Rs 1,000 to Rs 2,500 last year, will be around Rs 4,000.

Cotton shortage ahead, warns industry

Dilip Kumar Jha / Mumbai May 2, 2012, 0:11 IST

Despite India being the world's second-largest cotton producer, next only to the US, the import of this natural fibre is likely to set a new record this year, with the government's decision to allow unrestricted export.

Although the quantity of import would depend on the lean-season demand from textile mills, the Confederation of Indian Textile Industry (Citi) believes arrivals into the country would be higher this year due to inadequate availability from domestic sources. According to D K Nair, secretary-general of Citi, India would have to import cotton equivalent to a couple of months consumption, especially in the lean season.

Before the unrestricted export decision, the Cotton Advisory Board's estimate of total imports needed was 0.6 million bales (a bale is 170 kg) during the cotton year (October 2011–September 2012), as compared to 0.5 million bales in the corresponding period last year. Estimated overall domestic consumption is 25.2 million bales during the current cotton year as compared to 26.7 million bales in the previous one. It is now estimated that the domestic textile industry would require an average of two million bales of imported cotton to meet its requirement this year. Based on industry estimates, the overall quantity of import may surpass the previous record of 2.5 million bales in 2002-03.

"The way the rupee has fared in the past few months, imported cotton would be costlier than the realisation on export from India. Hence, not only cotton and yarn prices would go up, but the cost of readymade garments would also shoot up sharply," said V Y Tamhane, secretary general, Mill Owners Association, a city-based body of textile mills.

Citi has urged the government to cancel its decision and suspend further registration for cotton export. According to S V Arumugam, its chairman, the country does not have any exportable surplus and no further shipments should be permitted from the current year's crop. The CAB has estimated an overall closing stock of cotton at 2.5 million bales this cotton year, as against five million bales earlier stipulated by the group of ministers on the issue as the minimum closing stock required. The CAB had earlier identified the exportable surplus at 8.4 million bales. Against that, 11.5 million bales had already been shipped before the recent decision on unrestricted export.

The industry was driven into a crisis last year because of wide fluctuations in the prices of both cotton and yarn, and restrictions imposed by the government on cotton yarn export. A majority of textile mills made huge losses and the industry was finding it difficult to repay loans. “In fact, we have requested the government and the Reserve Bank to relax the norms and allow repeated rescheduling of term loans by textile mills to help the industry to tide over the crisis. Mills are not in a position to buy their requirements on a long-term basis because they do not have necessary funds. However, the demand for yarn and other textile products is now recovering and the requirement for cotton in the industry would increase in the coming months. Rupee depreciation has already made cotton exports lucrative and imports costly. With further erosion expected in the rupee, the situation would be precarious during August-September,” says Citi. Meanwhile, cotton prices continue to rise in the domestic market. The benchmark Shankar-6 variety of cotton rose today to Rs 9,814 a quintal, up one per cent from Rs 9,729 a quintal yesterday.

“There is complete uncertainty in the domestic textile industry due to frequent change in government policy. First, the government decided to ban cotton export and then opened up partly and now fully. It should adopt a long-term policy to help formulate a sustainable business decisions for textile manufacturers. Policy decisions on short-term basis may not help the industry at all,” said Bharat Malkan, a Mumbai– based cotton yarn trader.

Govt lifts ban on export of cotton, new registrations on

Committee to review demand-supply situation after three weeks to prevent abnormal rise in prices

BS Reporter / New Delhi May 1, 2012, 0:57 IST

The commerce ministry has decided to lift the ban on export of cotton and allow traders to apply afresh for registration. The ban was lifted barely hours before Prime Minister Manmohan Singh was scheduled to chair a meeting on export of farm products, including cotton. However, the Prime Minister’s meeting was later postponed.

“After a comprehensive review it was decided that suspension of new registrations for exports be revoked and exports be permitted,” an official statement said after a high-powered committee comprising Agriculture Minister Sharad Pawar, Commerce and Textiles Minister Anand Sharma and Chairman of the Prime Minister’s Economic Advisory Council C Rangarajan held an emergency meeting earlier today to review the domestic demand-supply situation. This was held against the backdrop of a strong letter from the agriculture minister to the prime minister, apprising him of difficulties that cotton growers in his home state Maharashtra were facing because of the ban.

The committee will also review the demand-supply situation after three weeks to ensure prices do not abnormally flare in the domestic market. Officials in the agriculture ministry estimate the country can export another 2-2.2 million bales of cotton, besides the 12 million bales, already shipped. (1 bale =170 kg)

CONVOLUTED YARN
March 5: Govt bans cotton export to ease supplies for domestic textiles industry March 12: Govt allows export of those quantities already registered with DGFT April 9: A high-powered meeting decides to keep the cap intact. Does not allow fresh registration for export April 10: Agriculture Minister Sharad Pawar writes to PM protesting the govt's anti-farmer export policy April 18: The Cotton Advisory Board under the textiles ministry raises production estimate for 2011-12 to 34.7 million bales April 24: Agriculture ministry ups 2011-12 production estimate to 35.2 million bales April 30: Govt decides to lift the cap on export. Allows fresh registrations. Formal notification in a day or two

The government had banned the export of cotton on March 5, after the domestic textile industry complained of a squeeze in the supply of the crucial raw material, citing export of raw cotton in large quantities by foreign trading companies operating in India. However, within 10 days of the ban being imposed, the government eased some of the curbs and allowed export of those quantities of cotton for which registrations were already complete.

Thus, 2.5-3 million bales of cotton, already registered with the Directorate General of Foreign

Trade (DGFT), could be shipped out. However, no fresh export contracts were allowed.

The clamour for more export grew after the Cotton Advisory Board (CAB) under the ministry of textiles and the department of agriculture both raised their 2011-12 production estimates. While CAB raised it by 500,000 bales, the agriculture ministry pushed it by almost 1.1 million bales in its third advance estimates."The revised production estimate clearly shows the country could export another two million bales, as demand from textile mills has also dropped, in comparison to earlier expectations," a senior agriculture ministry official had told Business Standard.As an interim measure, the textiles ministry has directed state-run Cotton Corporation of India (CCI) to build reserves of one million bales this season to ensure smooth supply to cash-starved textile mills. The season runs from October to September.To build the reserves, CCI will start procuring around one million bales from June at market rates. The purchase and subsequent storage could cost the government an additional subsidy of Rs 4,000 crore.Following the ban, cotton prices had dropped below the minimum support price of Rs 3,100 per quintal in some places. However, prices recovered after the government started purchasing cotton to build reserves.

THE HINDU Business Line

Cotton increased on export demand

Rajkot, 1 May:

After central government allow cotton export, demand for export started to increase that moved up the cotton price by Rs 200-300 per candy in Gujarat on Tuesday.

Gujarat Sankar-6 cotton price was increased Rs 200-300 to Rs 34500-35000 per candy of 356 kg. Kalyan variety cotton was traded on Rs 25500-26000 per candy. Kapas price was gained Rs 20-22 to Rs 815-820 per 20 kg in local and Kadi delivery kapas was stood at Rs 845-860 per 20 kg.

About 15000-18000 bales cotton arrived in Gujarat and 85000 bales arrived in India.

The government had yesterday decided to allow further cotton exports for 2011-12 marketing year ending September, on the back of higher production estimates.

Rajkot based cotton broker said, “Export demand has increased in past two days and mills are also buying. For a short term cotton price will move upward and during this week it may reach to Rs 36000 per candy.

India has asked the state-run Cotton Corporation to maintain a buffer stock of 1 million bales between June and August, a government statement said Monday. It said the buffer stock is to be used for supplying local textile mills in case they faced a shortfall.

Meanwhile, the textile industry feels that the government's decision to allow cotton exports will lead to a rise in its prices and a decline in domestic availability, the industry said today. The textile sector also fears that the rising cotton prices would put further pressure on margins of companies which have still not come out of their sluggish phase.

Edible oil rule weak

Mumbai, May 1:

Edible oil prices rule slightly weak on Tuesday tracking weak global market previous day.

The Bombay Commodity Exchange was closed on account of Maharashtra Day.

While Malaysian palm oil market was also closed for holiday. Hence, the presence of traders was thin in market with no fresh activities.

Stockist also closed shutters as there were no loading – unloading of the materials. On expectation of improvement in local demand under current remain steady. Price will take lead from how demands improve, said traders.

Analyst said Malaysian palm oil market was closed for a holiday. Malaysian BMD CPO futures ended lower on Monday as slower US growth raised fears of a weaker global economic outlook, although losses were limited by strong export numbers and tight global oilseed supply.

US economic growth cooled in the first quarter, dampening investor sentiment, but also raising expectations that the Federal Reserve may start another round of monetary easing.

Sources said Malaysian palm oil exports jumped close to 10 per cent from a month earlier, but it was not enough to lift futures. At domestic level continues weakness in Indian rupee against US dollar makes import parity – cost higher. Currency factor currently dominate on local prices despite poor demand.

Refiners were forced to raise the price of imported oils while resellers offering lower rates to book profits of recently rally. Hence, the volumes in physical market become very thin. Now with the start of the new month, demand is expected to improve.

In the absence of any cue and presence of traders – broker isolated volume took place in palmolein in resale, he said.

Previous day evening Liberty quoted palmolein at Rs 666–667, soyabean refined oil Rs 740 and sunflower refined oil Rs745. Ruchi quoted palmolein at Rs 660, soya refined oil at Rs 733 and sunflower refined oil at Rs 738. Allana's rate for Palmolein was Rs 666. Bunge quoted palmolein Rs.665 for 1-20 May. Resalers were offering palmolein at Rs 658- 659. Saurashtra – Rajkot groundnut oil was Rs 1,985 (Rs 1,970) for Telia tin and Rs 1,300 (Rs 1,290) for loose – 10 kg.

On Monday, Malaysia's crude palm oil May contracts settled lower at MYR 3,472 (MYR 3,486), June at MYR 3,474 (MYR 3,509) and July at MYR 3,471 (MYR 3,505) a tone. Tracking weak foreign market On National Board of Trade – Indore, Soya refined oil futures rule weak on

Tuesday. A May-12 soya oil futures decline to Rs 773 (Rs 775) and June-12 was Rs 782.50 (Rs 783.50).

In Mumbai market, nominal rates were (Rs / 10 kg): groundnut oil was 1,260 (1,255), soya refined oil 728 (730), sunflower exp. ref. 670 (670), sunflower ref. 740 (740), rapeseed ref. oil 815 (820), rapeseed expeller ref. 785 (790) cotton ref. oil 702 (704) and palmolein 659 (660).

Wheat arrivals to remain sluggish

Our Correspondent

Karnal, May 1:

Wheat arrivals dropped drastically to around 80,000 bags on Tuesday at the Karnal Grain Market Terminal against around 1.50 lakh bags till last weekend.

About 90-95 per cent of the total production has already arrived in the market and arrivals are expected to remain sluggish, said market sources. Procurement is happening at a decent pace and considering the low storage space, officials are now using the available vacant spaces in the grain market to store the procured wheat, they added.

New wheat was quoted at Rs 1,285 a quintal, which is also the minimum support price.

Flour Prices

Despite sluggish domestic demand, flour prices continued to rule flat and quoted at Rs 160 for a 10-kg bag. Branded flour such as Shakti Bhog and Ashirwad were quoted at Rs 200 and Rs 215 for a 10 kg bag, respectively. On the other hand, Chokar prices were down by Rs 10 and were sold at Rs 590 for a 49-kg bag.

Millers move to stock up drives chana to record

Indore, May 1:

Millers and stockists are building chana inventories on fears of a poor crop. This has driven chana prices to record on the spot and in the futures market.In the last one week, chana prices have increased by Rs 300 a quintal from last week's Rs 3,650-75.Chana (kanta) soared to Rs 3,925-50 (Rs 3,850-75) a quintal in private trade on Tuesday following scarce arrivals. Chana (desi) ruled at Rs 3,750-75, chana (Mausmi) ruled at Rs 4,000-4,200, chana (Vishal) at Rs 3,700-50, while chana (Annagiri) ruled at Rs 3,600-3,700. Chana dal also perked up by Rs 250-300 a quintal with chana dal (average) being quoted at Rs 4,675-4,700 (Rs 4,550-75), chana dal (medium) at Rs 4,775-4,800 (Rs 4,650-75), while chana dal (bold) ruled at Rs 4,950-75 (Rs 4,800-25).Dollar chana ruled stable at Rs 7,000-8,000 a quintal on scattered buying support. In container also, dollar chana ruled stable despite drop in export demand. Dollar chana 42/44 count ruled at Rs 8,600 , 44/46 count ruled at Rs 8,500, 46/48 count ruled at Rs 8,400, while dollar chana 58/60 count ruled at Rs 7,250.

Sugar rules firm on hope of higher demand

Mumbai, May 1:

Sugar prices ruled steady with a firm undertone on Tuesday on expectations of higher demand. The Bombay Sugar Merchants Association was closed on account of Maharashtra day; most godowns were shut too. On Monday evening millers saw brisk sales as stockists covered, on expectations of higher local demand.

The sentiment remained firm on expectations of a positive outcome on the exports front in a meeting to be held in Delhi soon. There were no loading and unloading of goods in the market.

Mr Jagdish Rawal of B. Bhogilal and co, said, the sentiment was steady as traders expect improvement in retail demand in the beginning of the month.

Producers are refusing to sell at lower prices on hopes of the government's allowing more exports considering higher output. The Government has already allowed 30 lakh tonnes of exports this year, in three tranches of 10 lakh tonnes.

Sugar industry is demanding permission for more exports.

Even the Agriculture Ministry is supporting the demand. In domestic market till now there is ample supply to meet the demand.

Sources said prices at the Vashi terminal market higher by Rs 5 for fine variety; lower by Rs 5 for normal variety in ready and naka delivery levels.

Mill tender rates were expected higher by Rs 5-8 on expectation of higher demand in beginning of month.

Hope of improvement in bulk consumer demands due to higher temperature is expected to keep overall sentiment firm. Millers are not very keen to huge stocks expecting higher prices.

According to the Agriculture Ministry, sugarcane has been planted in 46.40 lakh hectares compared to 44.00 lakh hectares last year till April 27. It is 2.40 lakh hectares more than last year. Normal area for sugarcane crop is 47.45 lakh hectares.

In world market, on Monday August -12 futures was down by $2.20 to $574.60 ($576.80) and October-12 futures decline by $3.40 to $567.40 ($570.80) a tonne.

On Monday evening about 18-20 mills offered tenders and sold 78,000-80,000 bags in range of Rs 2,775-2,890 (Rs 2,780-2,880) for S-grade and Rs 2,880-2,970 (Rs 2,880-2,960) for M-grade.

Nominal spot rates: S-grade Rs 2,905-2,960 (Rs 2,910-2,955) and M-grade Rs 3,010-3,120 (Rs 3,002-3,111).

Naka rates: S-grade Rs 2,865 -2,920 (Rs 2,865-2,910) and M-grade Rs 2,970-3,055 (Rs 2,960-3,050).

Most small tea growers in Assam, Bengal don't have proper land titles

Santanu Sanyal

They could be deprived of incentives without valid documents

Kolkata, May 1:

The Tea Board survey of small tea growers in Assam and West Bengal reveals that the majority of them have no proper documents in support of either ownership or lease of the land they use.

In Assam, only 4,773 out of 68,500 small growers and in West Bengal 1,107 out of 22,000 have valid documents.

Registration with Board

Institutional finance is not available to growers without valid documents. Any bank, even before looking at a small grower's loan application, usually asks for Tea Board registration, which is granted on presentation of valid documents in support of the land title.

The Tea Board registration makes a small tea grower also eligible for the Board's various incentive schemes, such as 100 per cent grant for leaf collection, purchase of weighing machine and bags, storage, 50 per cent transport subsidy and assistance for purchase of inputs.

In Assam, the bulk of an estimated 1.2 lakh hectares under small tea growers is government fallow land. Also, in many cases, the size of the holding is less than the threshold of two hectares needed for Tea Board assistance. Many farmers grow tea in their homesteads.

The Assam Government has formed a committee for issuing some sort of NOC (no-objection certificate) to the growers occupying government land. However, the Government has expressed its helplessness regarding forest lands encroached upon for growing tea.

In West Bengal, in 2001, the then government had issued an administrative order declaring June 30, 2001as the cut-off date for issuing NOCs for lands to be used for growing tea. But the order was never strictly enforced. As a result, the number of small growers in the State went up from around 8,000 to more than 22,000. Many paddy fields were converted into tea gardens.

The present State Government, it is learnt, is planning to revive the order to enforce it from June 1.

Mr Bijoy Gopal Chakraborty, President, Confederation of Indian Small Tea Growers Association (CISTA), welcomed the Assam Government's initiative to bestow land rights on growers occupying government land.

West Bengal, he said, must change the cut-off date. “Where will the 14,000-15,000 growers, who have emerged in the last 10-11 years, go? It was a question of livelihood for them”, he said. He also urged the Tea Board to undertake a fresh survey to cover those left out in the earlier survey.The small tea growers account for an estimated 26-27 per cent of the country's total tea production.

Form SHGs

Meanwhile, the Tea Board, in a bid to help small growers without clear land titles, has urged them to form self-help groups to be registered as societies which, in turn, will be eligible for the board's assistance.

The picture regarding small growers in other tea-growing States such as Tripura, Himachal Pradesh, Kerala and Tamil Nadu will be clear once the findings of the survey, currently in progress, are available, said Tea Board sources.

No mismanagement in maintaining wheat, rice stocks: Govt

New Delhi, May 1:

The Government today said there had been no mismanagement in maintaining buffer stocks of wheat and rice as only a meagre quantity of foodgrains got damaged last fiscal in the FCI storages. It also said the prices of these two key grains have been stable in the past year.

“There has been no mismanagement and carelessness in maintaining the wheat and rice buffer stocks,” the Food and Consumer Affairs Minister, Mr K.V. Thomas, said in a written reply to the Rajya Sabha on Monday.

It is evident from the stock of wheat and rice being 199.52 lakh tonnes and 333.50 lakh tonnes respectively, as on April 1, 2012, he said.

This is against the buffer norms of 70 lakh tonnes for wheat and 142 lakh tonnes for rice, Mr Thomas said. Further, the Minister said the prices of these two key foodgrains have been almost stable between April 2011 and April 2012.

Maharashtra farmers can soon hope to sell fruits, vegetables directly

Rahul Wadke

Mumbai, May 1:

Farmers in Maharashtra can now hope to sell their horticulture produce to any person or a company of their choice.

A draft notification issued by the Maharashtra Government gives them relief from mandatorily selling their horticulture produce through Agricultural Produce Marketing Committee (APMC) yards.

This also means companies in agri-business, food processing and organised retail sector are in for a bonanza. The notification, paving the way for free movement of fruits and vegetables within and outside the State, will delist fruits and vegetable from the AMPC Regulation Act.

The Agriculture Produce Market Committee yards are controlled by a committee that is an autonomous body. Price discovery for vegetables and fruits is done by the committee. This, in turn, helps farmers to sell to traders.

Mr Kishore Toshniwal, Managing Director of Maharashtra State Agriculture Marketing Board, told Business Line that once the notification is issued, then farmers will be able to sell their produce without any hindrance. It will also help reduce wastage of agriculture products and help curb inflation, he said.

Companies will also be able source the products at the farm gate itself. They can also set up cold storages, chains and processing plants close to farms, he said.

“The delisting of fruits and vegetables does not mean that committee controlled market yards will cease to function. It will be there for farmers wanting to sell their produce through the prevailing system,” Mr Toshniwal said.

The State Government has invited comments and suggestions on the draft notification. It would be then revised before a final notification is issued, he said.

Urea production falls below target by 9%

New Delhi, May 1:

Urea production in March stood at 17.28 lakh tonnes (lt), nine per cent below the 18.93 lakh tonnes target set for the month.

“In March, production of urea was 17.28 lt against the target of 18.93 lt,” an official release said on Tuesday.

However, the output of Di-ammonium Phosphate (DAP), another important crop nutrient, during March was higher at 3.10 lt against the target of 3.03 lt, it added.

“Further, sale of urea in the current season up to March 31, was about 151.16 lt which is lower by 3.15 per cent as compared to the sale of 156.08 lt in the corresponding period of the previous year,” it said.

During March, about 21.25 lt of urea was dispatched to various States and the availability of the crop nutrient during the month was about 24.94 lt, the statement added.

The availability of DAP and muriate of potash (MoP) in March had been about 18.56 lt and 7.28 lt, respectively. India imported 1.59 lt of urea from OMIFCO, Oman.

The country also imported 0.25 lt of DAP and 1.18 lt of MOP.

Buying interest sustains uptrend in cashew

G.K. Nair

Kochi, May 1:

The cashew market witnessed an uptrend last week with prices climbing up a few more rungs. The rise was 10-15 cents a kg for different grades.

Business was done for W240 up to $4.05 a lb; W320 up to $3.60; W450 up to $3.40; SW320 up to $3.35; LP up to $2.20/lb (f.o.b.).

Buying interest last week outstripped selling interest. At the end of the week, most shellers withdrew and the few, who were offering were quoting 5-15 cents higher than the last traded levels, Mr Pankaj N. Sampat, a Mumbai-based dealer told *Business Line*.

The Indian domestic market, he said, continued to be quiet but stocks in consuming centres are being used up.

With prices increasing, stockists may soon have to start building inventories before the peak consumption season beginning July, he said.

In fact, during April, kernel prices moved up by 10-12 per cent, while raw cashew nut (RCN) prices moved up by 12-15 per cent. Most of the increase in kernel prices has been due to concerns of RCN supply and resultant covering of shorts for nearby positions by kernel buyers, he pointed out.

There was no significant forward business although there have been some enquiries and limited trades for third quarter shipments.

Buyers from the US and EU seem to be reluctant to book forward positions despite supply side concerns as they are not sure whether demand will pick up in the second half, after a 15-20 per cent decline in the last two quarters.

The view is that if prices move up further, the interest from retailers could be lower. Cashew has seen extreme volatility in the last 15-18 months. Also, they hope that RCN arrivals will improve in May and prices will ease.

RCN prices up

RCN prices also continued to move up and in fact, the primary reason for the increase in kernel prices in the last three weeks has been raising concerns on supply side. Price movement has been from $1,225-1,250 a tonne to $1,350 a tonne for Tanzania, from $1,050 to $1,225-1,250 for Benin and from $875-900 to $1,025-1,050 for Ivory Coast(IVC).

Apart from the lower crop and yields in Ivory Coast, possible delays in movement of Guinea Bissau RCN is also causing concern, he said.

The next six weeks will be crucial, he said. Although supply concerns are pushing the market up for both RCN and kernels now, things could change if arrivals pick up during May. If that happens, that would have a sobering effect on the market which would then settle around the middle of the current range.

Since the market is very delicately poised, prudent course for both shellers as well as buyers would be to take some position for the next few months to avoid being caught with a thin book if market moves against them.

By late May/early June, supply prospects should be clearer and there should be some indication of demand trends. Based on that, he said, people will consider longer cover.

Slide in prices bring tears to onion farmers

Our Bureau

Coimbatore, May 1:

Onion farmers, particularly those engaged in cultivation of small onions are shedding tears over the steep slide in the price of the produce. The steep drop in price level has been attributed to a significant increase in crop area and production.

Studies show that the price of the small onion dropped from Rs 20 a kg a year ago to around Rs 7-11 a kg at present. “Good crop productivity coupled with a 30 per cent increase in the area under small onion has resulted in a sharp decline in the price levels,” say Farm Varsity sources.

The Domestic and Export Market Intelligence Cell (DEMIC) functioning in the Centre for Agricultural and Rural Studies at TNAU analysed the crop price movement based on the prices that prevailed in the Dindigul market.

The trend further revealed that the best quality produce would sell at around Rs 9-12 a kg while the rest between Rs 7 and Rs 9 a kg from April to July. Thereafter, the prices could firm up, say Varsity experts.

Storage may not help

While indicating an improvement in the price levels from July, experts advised the farmers against storing the produce now, considering the storage loss, cost of storage and other incidentals. “Since storage will not yield higher net prices, farmers are recommended to sell small onion upon harvest,” the DEMIC expert said.

Andhra Pradesh, Karnataka and Tamil Nadu are the three major small onion producing States in the country. The price of the produce is benchmarked based on the arrivals from Karnataka

According to National Horticultural Research and Development Foundation, the area and production of onion in Tamil Nadu in 2010-2011 were 33,800 ha and 3,38,900 tonnes respectively, wherein over 70 per cent of the area is under small onion.

Trade sources expect better arrivals in the market yard this year compared to the last.