THE HINDU

TODAY FARM NEWS

27.11.2012 A.M

Diversion of farm lands worrying, says M.S. Swaminathan

Eminent agricultural scientist and Rajya Sabha member M.S. Swaminathan on Monday regretted that youngsters were apathetic to farming and that large tracts of prime agricultural lands were being used for non-agricultural purposes.

Delivering the first of the Dr. Verghese Kurien memorial lecture series organised by the Institute of Rural Management, Anand, Dr. Swaminathan said “disinterest of the younger generation in farming and the consequent diversion of prime farm land for non-farm purposes” was a matter of concern.

He advocated group launches of agri-clinic-cum-agri-business centres throughout the country that would address the needs of farming families.

Dr. Swaminathan spoke on “The Cooperative Pathway of Enhancing Rural Livelihood and Nutrition Security.” He pointed to various problems confronting agriculture and the lessons it could learn from the dairy sector.

“The achievements of our dairy sector,” he said, “show that small-scale dairy farming need not be a handicap if the technologies of production by the masses and of mass production can be integrated in a suitable manner.”

Dr. Swaminathan, who is also considered the father of the ‘Green Revolution’ in India, underlined the need for interdisciplinary attention, among other things.

The lecture was attended by Dr. Kurien’s widow Molly and daughter Nirmala, the IRMA alumni, faculty and staff, and senior employees of the Gujarat Cooperative Milk Marketing Federation, the National Dairy Development Board and the National Cooperative Dairy Federation of India (NCDFI) and other sister organisations at Anand.

The memorial lecture will be an annual feature. Dr. Kurien, known as the father of India's 'White Revolution,' died in September.

MLA faults decision to stop milk purchase

Congress MLA from Dubbak Cheruku Muthyam Reddy on Monday lashed out at the government decision to stop procurement of milk by the State-run dairy federation.

At a press conference here, Mr. Muthyam Reddy wondered how the government could stop procurement on the ground of excess milk production.

He said the government should have established bulk milk chilling centres at the mandal headquarters.

Nagarjuna Agrichem resumes operations

Nagarjuna Agrichem Private Limited, which was shut down after a major blast in the plant on June 30, resumed its operations on Monday. Boilers were lighted in the presence of NACL Vice-President K.G. Vadivelu and DGM P.Kanaka Rao and other officials in the morning. It would take a couple of weeks for the company to resume full-scale operations, according to sources. Security was stepped up in and around the plant located at Arinam Akkivalsa, 12 km from here. Meanwhile, the NACL Vyatireka Porata Samiti decried the heavy deployment of police.

The agitation of 2,000 NACL workers for the reopening of the factory forced the district administration to give its nod.

Water released for irrigation

Water from the Pilavakkal Periyar and Kovilar dams was released for irrigation on Monday.

Collector T.N. Hariharan opened the sluice gates of the dams. A total of 2,967.79 acres of land would be indirectly irrigated through nine tanks in Kansapuram, Kodikulam and Watrap area. Similarly, another 174.69 acres of land would be directly irrigated with the water from the dams.

The storage in the Periyar dam was 118.63 mcft (192 mcft). The inflow was 5.17 cusecs. The storage in the Kovilar dam was 31.99 mcft (133 mcft) and its inflow was 19.54 cusecs. Water from the dams could be released for irrigation at the rate of 150 cusecs considering the combined storage in the dams.

Srivilliputtur MLA, V. Ponnupandi, Watrap Panchayat Union Chairperson, Kanagammal, Deputy Collector (Training), Anusiyadevi, Upper Vaippar Basin Division, Executive Engineer, Sekar, Assistant Executive Engineer, Raja, were among those who were present.

Cotton exhibition

Awadh Hathkargha Hastshilp Evam Gramodyog Samiti will organise a traditional handloom exhibition 'Cottonfab 2012' at Valluvar Kottam from November 23 to December 3, 2012.

SOS to save standing samba crop

The farmers of the Veeranam tank ayacut areas have sent an SOS to Chief Minister Jayalalithaa requesting her to unfailingly arrange for the supply of three-phase electricity for 12 hours continuously to the farm sector to save the standing samba crop on about 75,000 acres.

They have also urged the government to immediately stop tapping of water from the Veeranam tank for Chennai. In the representation, K.V. Elangeeran, president of the Veeranam Paasana Vivasayigal Sangam, has stated that as the tail-end delta farmers and the ayacutdars of the Veeranam tank could not get the Cauvery water for irrigation, on the advice of the State government they took to direct sowing of the samba paddy crop.

But owing to failure of the northeast monsoon and lack of water for irrigation, the standing crops were facing the imminent threat of perishing. He pointed out that the day the water was released from the Mettur Dam (one September 17) the government stopped the three-phase power supply to the farm sector. Even then the ayacutdars had sent a representation to the government requesting it to ensure uninterrupted power supply till the water reached the tail-end delta region.

But the request was not conceded. But now need has arisen to save the crops and therefore, the government should supply three-phase electricity to the farmlands till February 15.

Take away emus from us, farmers tell government

The victims of multi-crore emu scam once again took to streets on Monday. This time, they did not urge the authorities to take steps to retrieve their investment. Instead, they wanted the government to provide feed or take the emu birds away from them.

Unable to bear the cost of rearing the emu birds, more than 100 investors gathered at the Collectorate and submitted a petition to District Collector V.K. Shanmugam urging the administration to supply feed for the birds free of cost. If the government could supply the feed, then it should take care of the birds. We are not able rear the birds, the petitioners, who were members of the recently-formed All Emu Farmers Welfare Association, said.

“The emu birds eat so much everyday and we are not able to buy feed for them with out meagre income. We do not know the real market value of these birds,” said S. Ramalingam, a farmer said.

“The government supplies feed to the birds at the Susi Emu Farms in Perundurai. It should help the farmers rearing the birds as well,” Durairaj, a farmer from Paramathi Velur said.

A few investors said there were very few takers for the birds in the local market. Disposing them off soon was not an easy option.

Traders who buy the birds in the local market were offering Rs. 2,000 or less for a fully grown bird. We invested Rs. 1.50 lakh to rear six birds and owners of the emu firms claimed that each bird was worth over Rs. 20,000, they said.

Two weeks ago, a few frustrated investors abandoned more than 70 birds on a field near Gobichettipalayam.

The contract emu farming firms allegedly swindled more than Rs. 300 crore from 15,000 investors in the district and the Economic Offences Wing police registered more than 20 cases against the promoters of emu farms.

Farmers’ grievance meeting

The monthly grievance meeting for farmers will be held from 10.30 a.m. at the conference hall of the Collectorate here on November 30. The Collector will chair the meeting, while officials from various departments concerned will also be present.

"Meet PM on Cauvery issue"

PMK founder S. Ramadoss has expressed the view that Chief Minister Jayalalithaa must meet Prime Minister Manmohan Singh and urge him to prevail upon Karnataka to release 65 tmc ft of water to save the samba crop.

Addressing a press conference at Neyveli on Monday, Dr. Ramadoss said that owing to the failure of the southwest monsoon and denial of the Cauvery waters the Tamil Nadu farmers lost the kuruvai crop.

The situation still continued to be grim because the onset of the northwest monsoon too was not up to the expectations. Therefore, it had cast severe doubts over the prospects of the samba crop.

Dr. Ramadoss noted that the recurring crop failures had pushed the farmers into deep debt. Such a predicament landed Rajangam, a farmer in Nagapattinam district, in a debt trap forcing him to commit suicide.

The farmer could not even repay the bank loan of Rs. 1 lakh.The PMK leader called upon the State government to give a compensation of Rs. 10 lakh and a job to an eligible member of his family

Training on hybrid seeds production

A day-long training on production of hybrid paddy seeds would be held at Krishi Vigyan Kendra at Vamban on November 27 (Tuesday). In a release on Monday, C. Manoharan, Collector, said that although paddy was being cultivated in a large area in the district, the productivity was far less. Utilisation of hybrid quality seeds would go a long way in enhancing the productivity. Farmers could contact the professor and head of Krishi Vigyan Kendra by dialling 04322-290321.

Court direction disappoints farmers

The farming community in Tamil Nadu has expressed disappointment over the Supreme Court's direction to the Tamil Nadu and Karnataka Chief Ministers to hold talks again on the vexed Cauvery water issue.

“We are shattered by the direction as it will be an exercise in futility,” many farmer leaders told *The Hindu* . Mannargudi S. Ranganathan, general secretary of the Cauvery Delta Farmers’ Welfare Association, who was the first to move the apex court in 1970s, wondered whether the proposed meeting between the two Chief Ministers would prove efficacious. “They will not be able to come to any understanding at the present condition of estrangement,” he asserted.

There is absolutely no time to indulge in discussions on legalities and it is imperative that Karnataka should release at least 20 thousand million cubic feet (tmcft) immediately to save the standing crops on lakhs of acres. This could be an “interim arrangement”.

Any further in delay in supply of water would be extremely detrimental to the standing crops and would result in their total deterioration and crop loss. “We would like impress this point on the judges, Prime Minister, and Chief Ministers,” he added.

Mahadhanapuram V. Rajaram, working president of the CDFWA, and Cauvery V. Dhanapalan, general secretary of the Cauvery Delta Farmers’ Protection Association, said the apex court “has set the clock back by 40 years and thus virtually nullified the existence of the Cauvery River Water Disputes Tribunal, the Cauvery River Authority and the Cauvery Monitoring Committee. It is only after umpteen rounds of talks that Tamil Nadu has been knocking at the doors of the apex court”, they pointed out. When such imbroglios could be sorted out at the international level, why the issue between two States should drag on for so long, they wondered.

Aarupathy P. Kalyanam, general secretary of the Federation of Farmers’ Associations of Delta Districts, contended that the Supreme Court should have directed the Centre to compensate the loss of crops on several lakhs of acres in Tamil Nadu, as it is its failure to get water to Tamil Nadu from Karnataka which resulted in the current predicament. Besides, the current direction of the Supreme Court might lead to the upper riparian States exploiting the lower riparian States. The very integrity of the nation is at stake, he observed. He pleaded that the apex court to define the irrigation year and give a categorical direction to Karnataka in this regard.

Rajachidambaram, general secretary of the Tamilaga Vivasayigal Sangham, said the apex court’s direction “is a total disappointment because we were expecting that it would order Karnataka to release at least 50 per cent of the deficit (52 tmcft).” The apex court’s direction was a “serious setback” to Tamil Nadu, he added.

Water level

Water level in the Papanasam dam on Monday stood at 71.80 feet (maximum level is 143 feet). The dam had an inflow of 504.86 cusecs and 604.75 cusecs of water is discharged from the dam.

The level of Manimuthar dam stood at 64 feet (118 feet) with an inflow of 221 cusecs and 35 cusecs of water is discharged from the dam.

Kuditini farmers take BTPS staff 'hostage'

The agitation launched by land losers of Kuditini village against alleged failure of Karnataka Power Corporation Ltd. to fulfil its promise of providing employment to their (land-losers) family took a serious turn when the employees of the Bellary Thermal Power Station (BTPS) were confined in a playground for over three hours.

However, they were released later after the authorities concerned promised to take up the issue with KPCL and ensure fulfilment of their demands.

The agitators, who had initially planned to block the National Highway 63 that passes through Kuditini, launched road blockade by squatting on road, which brought vehicular movement to a standstill.

Meanwhile, more than six busses ferrying about 150 personnel of BTPS from Bellary, were stopped by the agitators, who went on to confine the BTPS staff to the adjacent school playground, to pressure the authorities concerned to concede their long-standing demand.

The agitators did not budge when the police tried to convince them and get the BTPS staff released.

The BTPS employees, including women, alleged that they were forcibly detained from 9.30 a.m. “A few employees, who are diabetic, were not allowed to have some food before taking medicines,” a BTPS employee complained.

The agitators criticised the government, especially the authorities concerned, for not keeping their promise.

“Whenever we stage protests, the authorities agree to fulfil our demands, but later, they keep on postponing the process of recruitment under some pretext.

More than 1,000 acres of land belonging to 350 families was acquired for BTPS. So far, only about 150 persons have been recruited. All others are being rejected by stating that they are not eligible,” Venkataramana Babu, member of an association fighting the cause of land-losers, said.

U. Basavaraj, convener of the association, alleged that KPCL was cheating farmers by not providing employment to members of displaced families.

However, the agitation was withdrawn and the BTPS staff released only after Sashikant Senthil, Assistant Commissioner Sashikant Senthil and tahsildar Sashidhar Bagali, along with KPCL officials, assured them that the matter would be taken up with higher ups and convene a joint meeting of the Managing Director of KPCL, the Deputy Commissioner and farmers, at the earliest.

New variety of milk launched

Mallikarjun Biradar, Chairman of the Gulbarga-Bidar Cooperative Milk Producers’ Union, has released the Karnataka Milk Federation’s (KMF) new variety of milk ‘Samrudhi’, which contains higher fat and cream, to compete with the private players dominating the market with their milk variants.

Releasing ‘Samrudhi’ to markets in Gulbarga and Bidar districts here on Monday, Mr. Biradar said that the new variant contained 6 per cent fat and 9 per cent SNS, and will cost Rs. 35 a litre.

Mr. Biradar said that milk production in Gulbarga and Bidar districts had surpassed the demand.

“The KMF dairy here is overflowing with milk, and every day, around 12,000 litres of milk remains unsold and is used to produce milk byproducts. The present production of milk in the two districts is around 74,000 litres, of which 69,000 litres is sold and remaining 5,000 litres used to prepare curds,” he said.

He said that several measures had been launched to market the excess milk. Twenty-three milk parlours were being opened in all bus stands in Gulbarga and Bidar districts, he added.

Switch to new paddy varieties, ryots told

As the MTU-3626 (Bondalu) variety of paddy seed is not available on a large scale, farmers from East Godavari district have been advised to cultivate MTU-1010 (Cotton Dora Sannalu) and MTU-1001 (Vijetha) varieties for the ensuing Rabi season.

After reviewing the Rabi crop situation with the agriculture officials here on Monday, Collector Neetu Prasad said that paddy could be cultivated in an extent of 1.7 lakh hectares during the Rabi season.

All crops put together, the total extent of cultivable land would be 2.37 lakh hectares, she said.

Stressing the need for keeping available the seed, fertilizer and pesticide to farmers, Ms. Neetu asked the officials to ensure that there should not be any shortage of inputs. She said that the fertilizer buffer stock was available in the district and wanted the farmers to make use of the farm mechanisation.

She said that the enumeration of crop loss due to the recent cyclone was in progress in the district and the relief would be disbursed to all the eligible very soon.

The Collector said that it was decided to disburse crop loan to the tune of Rs. 50 crore against the Loan Eligibility Cards during the Rabi season. Joint Director of Agriculture D. Prameela and other officials were present.

Farmers asked to go for alternative crops

Agriculture Commissioner K. Madhusudhan Rao on Monday urged department officials to impress upon the farmers the need for alternative crops during rabi in view of poor storage in the reservoirs across the river Krishna in the state.

Farmers coming under the Nagarjunasagar project and Krishna Western delta in Prakasam district usually grow

paddy.

Mr Rao who was here to review the seasonal condition in the Nilam visited cyclone-affected mandals in the district, said farmers should be encouraged to grow maize and Bengalgram which required less water.

Farmers pin hopes on northeast monsoon

Knee deep:Agricultural labourers collecting seedlings near Pudukottai.

Farmers have been pinning hopes on the northeast monsoon to stabilise in course of time, particularly during the post-Karthigai festival to benefit their ‘samba’ crop. Agricultural labourers have been brisk in a few areas in preparing the seedlings to be transplanted in the paddy fields.

Although the samba season commenced last month, a number of farmers refrained from cultivation, due to poor storage in irrigation tanks. Further, the scanty discharge of waters from the Mettur Dam did not reach the tail-end areas in the district.

Agriculture Department officials too have been motivating farmers to resort to short duration samba varieties so as to ensure time management in cultivation. “Transplantation activity has been brisk in areas where irrigation is well assured,” say S. Sivasankaran, Joint Director of Agriculture. About 65,000 hectares had been brought under cultivation against the usual 90,000 hectares. “We are confident of further increasing the area under samba cultivation if monsoon set in promptly,” he says.

G.S. Dhanapathy, a progressive farmer, points out that paddy cultivators were anticipating showers to stabilise during the monsoon. Worse was the plight of samba growers who had raised the crop about a month ago, as they have to apply fertiliser, particularly urea, by this time. “Many farmers think twice for their crop protection technique through urea application. Apart from incurring additional expenditure, application of urea also needs additional water”, he says explaining the scanty availability of water. The power shutdown has further crippled agricultural operation, he says.

Krishi Vigyan Kendra of IISR bags award

The Krishi Vigyan Kendra (KVK) of the Indian Institute of Spices Research (IISR) has won the award for the best KVK in the South Zone for the year 2011.

The award was given by the Indian Council of Agricultural Research, New Delhi, for the KVK’s outstanding contribution in the field of extension education.

IISR Director M. Anandaraj and KVK Programme Coordinator T. Arumuganathan received the award from Union Minister for Agriculture and Food Processing Industries Sharad Pawar at a function held at Ludhiana recently.

The award committee also praised the activities of the KVK such as technology transfer programmes in agriculture and allied sectors and training programmes for unemployed women and youth such as mechanized coconut climbing and fresh water fish culture.

The award includes a certificate, citation, and cash prize of Rs.4 lakh.

Orissa farmers reap rich benefits from KAU training

15 farmers are being trained in plant propagation methods

Specialised skills:Farmers from Orissa being trained by Kerala Agricultural University's Central Training Institute.— Photo: By special arrangement

A training module developed at Kerala Agricultural University's Central Training Institute (CTI) is helping farmers of tribal villages of Orissa.

In the second phase of the programme, 15 farmers are being trained in organic farming and plant propagation methods at CTI here. The programme is being conducted by the CTI and People's Rural Education Movement (PREM), an NGO, with the financial support of AXIS Bank Foundation.

In the first phase of the programme, four batches of farmers, including one of women, trained by the CTI made vast tracts of barren land in Orissa cultivable.

According to the CTI, some of the women trainees have been elected to local bodies.

The farmers were trained in various aspects of scientific cultivation, management and protection of crops grown in the region, processing and value addition. The first phase of the programme began in May 2011. In September 2012, a team of four scientists from KAU visited Ganjam, Gajapati and Kandhamal districts of Orissa and evaluated farming activities.

Balakrishna Badatya, a farmer from Ganjam, said vast tracks of barren land had been converted to lush green farms. In the Hidukama village of Gajapati district, the training had led to zero migration of villagers in search of livelihood, according to the CTI. Rajendra Dora, a CTI trained farmer from Gajapati district, said the youth trained by KAU had a renewed interest in farming.

The farmers have reportedly adopted crop rotation, and mixed farming, and ensured timely vaccination of livestock.

Farmers claimed that the training had helped them bring down the mortality rate of cattle.

Cyclone damage

The Agriculture Department has pegged the extent of crop damage caused by the recent cyclone ‘Nilam’ at 25,000 hectares. – Page 6

HindustanTimes

TODAY FARM NEWS

27.11.2012 A.M

Weather

Chennai

Chennai - INDIA

Today's Weather

Tuesday, **Nov 27**

Max	Min
31.0°	23.8°

Partly Cloudy

Rain: 0
Humidity: 84
Wind: normal

Sunrise: 06:13
Sunset: 05:39
Barometer: 1014

Tomorrow's Forecast

Wednesday, **Nov 28**

Max	Min
31°	23°

Partly Cloudy

Extended Forecast for a week

Thursday Nov 29	Friday Nov 30	Saturday Dec 1	Sunday Dec 2	Monday Dec 3
31° | 22°	32° | 25°	32° | 25°	32° | 25°	32° | 25°
Partly Cloudy	Overcast	Overcast	Overcast	Overcast

Airport Weather

Delhi **Delhi**

Rain: 0
Humidity: 59
Wind: normal

Sunrise: 06:53
Sunset: 05:24
Barometer: 1016

THE HINDU Business Line
TODAY FARM NEWS
26.11.2012 P.M
27.11.2012 A.M

26nd nov 2012 P.M

Punjab asks Monsanto to set up R&D centre for maize

CHANDIGARH, NOV 26:

The Punjab government on Monday asked US-based genetically modified seed developer Monsanto to set up research and development centre here to produce high-yielding hybrid seed varieties of maize crop.

Punjab Chief Minister Parkash Singh Badal raised this demand during a delegation of the company led by Vice President, Global Vegetables and Asia Commercial, Consuelo E Madere called on him here, said an official release.

During the deliberations, the Monsanto CEO India Region D Narain apprised the Chief Minister that the company had developed heat tolerant hybrid maize varieties for the northern region especially Punjab.

He said the company had focused on developing maize varieties for the kharif season in order to provide a viable alternative to paddy in the state.

He also assured Badal that company would also make all out efforts to develop high yielding soya bean seeds in its endeavour to boost diversification of agriculture in the state.

Assuring all possible assistance to the company, the Chief Minister directed the Vice Chancellor (VC) Punjab Agricultural University (PAU) Ludhiana to provide technical data and logistic support to enable the company to produce quality hybrid seeds best suited to climatic conditions of the state.

Badal also constituted a high level committee headed by the Chairman of Punjab Farmers Commission Dr G S Kalkat with Financial Commissioner Development (FCD) GS Sandhu, Adviser to Agriculture Dr Balwinder Singh Sidhu and Director Agriculture Mangal Singh Sandhu as members.

The committee would work out the modalities for developing high yielding varieties and maize seed in tandem with the Monsanto company and help it to set up research cum seed testing centre at the earliest, release said.

The Committee has also been mandated to suggest self sustaining marketing mechanism to ensure hassle free marketing of maize to the farmers.

The Punjab government has planned to shift 4 lakh hectares to maize crop as part of state's crop diversification plan under which it intends to reduce paddy area from 28 lakh hectare to 16 lakh hectares in next 6 years.

'Punjab's first agriculture policy by mid-Dec'

The Punjab Government is likely to roll out the State's first agriculture policy by mid-December, aimed to make the farming profession economically viable by suggesting measures to raise farmers' dwindling income and promote crop diversification.

"The farm is expected to come out by mid-December," official sources said.

"The draft of the agriculture policy is ready and it has been circulated among experts of different fields to elicit their views and opinions so as to incorporate them in the policy," sources said.

The focus of the first agriculture policy for the State will be to recommend ways on how to improve farmers' income especially small and marginal ones who have small landholdings.

Another area of focus will be to push the State Government's agenda of crop diversification so as to encourage farmers to bring down area under paddy and protect natural resources such as water and soil fertility.

“It is the need of the hour to overcome the stagnation in the agriculture sector, besides improving the economic lot of rural masses by making agriculture profession remunerative and economically viable,” a Punjab Agriculture Department official said.

The State Government had formed a 10-member committee under the chairmanship of Punjab State Farmers’ Commission Chairman, G S Kalkat, for framing an agriculture policy.

The other committee members include BS Dhillon, Vice-Chancellor Punjab Agricultural University, Ramesh Chand, Director of National Centre for Agricultural Economics and Policy Research, New Delhi, AS Sidhu, Director of Indian Institute of Horticultural Research Bangaluru.

Punjab Agricultural University, Director Extension, M S Gill , said, “The economic condition of almost 32 per cent of farmers, including small and marginal ones (who have less than 5 acres of land) is quite worse and there is an urgent need to look at increasing their income.”

The average earning of a farmer in Punjab is almost Rs 50,000 an acre from wheat and paddy which is not sufficient in the wake of rising cost of production, including fertilisers.

“Even as every year, there is an increase in MSP of food grain crops but this increase is offset by similar or more rise in input cost. So a farmer is left with lesser returns which make this profession unviable,” said Gill.

AP poultry farmers suffer loss as demand for chicken falls

Andhra Pradesh poultry farmers have suffered significant losses in the last few weeks, as prices of chicken plummeted due to a fall in demand.

This reflects the trend in the poultry sector in the rest of the country also, according to the Andhra Pradesh Poultry Federation.

Farmers are currently selling live chicken at Rs 43-45 a kg, while the cost of production is about Rs 60 a kg in the State.

“In fact, the price had fallen to Rs 27 a kg at the farm level some weeks ago. We expect the demand to pick up in the coming weeks, nudging up prices,” D. Sudhakar, President of the Federation, told *Business Line*.

At the retail level, prices of dressed chicken in most parts of the State have fallen to Rs 80 a kg from about Rs 120 two months ago.

This is part of a nation-wide trend, with the domestic poultry industry smarting under spiralling prices of key feed ingredients such as maize and soya meal. The price of soya cake has surged from about Rs 1,800 a quintal three months ago to about Rs 4,000 now, industry players say.

Increase in prices of these inputs is attributed to the recent rise in exports, which is tightening domestic supplies.

Andhra Pradesh produces 3.5 crore live birds every month, which is one-third of the country's production, apart from six crore eggs a day. The poultry industry in the State is estimated at Rs 20,000 crore.

The industry is now trying to imbibe new technology to reduce production costs and increase profitability.

Against this background, the State poultry industry is organising a two-day international exhibition of poultry equipment in Hyderabad from November 28. “We expect the exhibition to record a footfall of 20,000 visitors, as against 18,500 visitors last year. This year, 225 exhibitors from India and 13 from overseas will put up stalls,” Sudhakar said.

Pepper prices drop on slack demand

KOCHI, NOV. 26:

Pepper prices fell on Monday as buyers stayed away anticipating prices to drop significantly when the new crop hits the market after mid-Dec. All active contracts declined and ended below the previous day's closing.

"There were no buyers on anticipation of new arrivals and at the same time sellers were also not seen", market sources told *Business Line*.

Meanwhile, bear operators were actively trying to pull the market down. There was no arrival of farm grade pepper and hence no trading activities took place in the ready market. However, green pepper is being harvested in Pathanamthitta, Kollam and Thiruvananthapuram districts of Kerala so as to cater to the demand from the industry which manufactures dehydrated green pepper and green pepper in brine. The immature green pepper is reportedly being sold at Rs 115-120 a kg.

Similarly, in Pattiveeran Patti area in Tamil Nadu also green pepper is being plucked and sold. December contract on the NCDEX decreased by Rs 490 a quintal to close at Rs 37,965 a quintal. February and March contracts were down by Rs 140 and Rs 90 respectively to close at Rs 34,950 and Rs 34,395 a quintal.

Total turnover increased by 1,576 tonnes to 2,584 tonnes. Total open interest went up by 271 tonnes to 8,206 tonnes.

December open interest rose by 269 tonnes to 6,496 tonnes while that of Feb remained unchanged. March moved up by two (2) tonnes to close at 319 tonnes.

Spot prices in tandem with the futures market trend fell by Rs 300 a quintal, despite no activities on the spot, to close at Rs 37,300 (ungarbled) and Rs 38,800 (garbled) a quintal.

Indian parity in the international market was at $7,100 a tonne (c&f) for Europe and $7,400 a tonne (c&f) for the US.

Weak futures, demand pull down sugar

Spot sugar prices dropped further by Rs 10-15 a quintal on Monday tracking weak futures and lower demand. In Vashi, the agricultural produce marketing committees shut down for a day in support of the ongoing indefinite bandh called by grain markets. Mill tender rates fell by Rs 10-20 a quintal, as stockists bought less on Saturday. Futures on the National Commodities and Derivatives Exchange (NCDEX) were down Rs 15-17 a quintal till noon, biggest fall in nearly a month, on talk of the Union Government extending the period for mills to sell sugar on the open market to four months of one. The talk was that mills would have to sell about 70 lakh tonnes of non-levy sugar between December and March.

Mills can sell quota anytime in the four months, said Bombay Sugar Merchants Association President Ashok Jain.

Lack of retail demand and poor buying by neighbouring States has forced Maharashtra mills to offload in the local markets, a wholesaler said. However, local demand has come down after Diwali. Markets in Vashi currently have about 100 truckloads. On Saturday, tenders offered by a few Maharashtra mills did not get a good response.

A commodity analyst said considering monthly requirement of 17-18 lakh tonnes, the 70 lakh tonnes quota should be sufficient. But before that, mills have to offload 40 lakh tonnes of non-levy quota declared for October-November before the month ends.

December contracts on the NCDEX were down to Rs 3,292 (Rs 3,308), January to Rs 3,300 (Rs 3,314) and February to Rs 3,315 (Rs 3,332).

Arrivals in Vashi were not unloading as the markets were closed. On Saturday evening, five to seven mills offered tenders and sold less than 10,000 bags (each of a quintal) to local traders at Rs 3,300-3,370 (Rs 3,310-3,380) for S-grade and Rs 3,340-3,450 (Rs 3,350-3,450) for M-grade.

Nominal spot rates: S-grade Rs 3,415-3,510 (Rs 3,421-3,512) and M-grade Rs 3,480-3,700 (Rs 3,492-3,721).

Naka **delivery rates:** S-grade Rs 3,360-3,410 (Rs 3,370-3,420) and M-grade Rs 3,410-3,480 (Rs 3,430-3,500).

Aromatic rice steams up on offtake

The rice market witnessed a mixed trend on Monday. Prices of a few aromatic varieties went up on buying interest, while all other aromatic and non-basmati varieties remained unchanged.

Buying interest pushed a few aromatic varieties further up, said Amit Chandna, proprietor of Hanuman Rice Trading Company. Prices are likely to go up Rs 100 a quintal within 15 days, said market experts. Low stocks are driving up prices, experts say. Stocks are not ready yet and rice mills are executing old contracts only at present, sources said.

In the physical market, Pusa-1121 (steam) went further up Rs 50 and sold at Rs 6,000-6,200 a quintal while Pusa-1121 (sela) sold at Rs 5,150-5,375, Rs 25 up.

Pure basmati (raw) quoted at Rs 7,000-7,100, while pure basmati (sela) sold at Rs 5,500-5,650. Duplicate basmati (steam) improved by Rs 50 and traded at Rs 5,000-5,200.

PR and Sharbati varieties ruled unchanged. PR-11 (sela) sold at Rs 2,550-2,650, while PR-11 (raw) quoted at Rs 2,600. Permal (raw) sold at Rs 2,100-2,250, while Permal (sela) fetched Rs 2,200-2,300.

Sharbati (steam) quoted at Rs 3,800, while Sharbati (sela) was at Rs 3,500.

PADDY ARRIVALS

About 50,000 bags of PR variety arrived and sold at Rs 1,150-1,220 a quintal, 5,000 bags of Sharbati arrived and quoted at Rs 1,800-1,850, and around 10,000 bags of DB variety arrived and sold at Rs 2,500-2,670.

About 25,000 bags of Pusa-1121 arrived and quoted at Rs 2,450-2,730, and around 6,000 bags of pure basmati arrived and sold at Rs 3,250-3,350.

Weak rupee, firm futures heat up edible oils

Edible oils remained bullish on Monday tracking a weak rupee and firm futures. The rupee plunged to 55.71 against the dollar, lowest in over two and a half months, on persistent dollar demand and rising concerns of about the 'fiscal cliff' in the US and the Euro-Zone debt crisis.

Groundnut oil rose by Rs 10 for 10 kg and cottonseed refined oil by Rs 5 for 10 kg. Imported palmolein and soyabean refined oil improve by Rs 3 and Rs 5 each. Sunflower and rapeseed oil ruled steady. Local refineries have increased their rates for edible oils following the fall in the rupee's value, higher demand and firm futures markets. Malaysian palm oil futures close higher on Monday on expectations stocks might grow at a slower pace with the market also focusing on Greek financial aid deal.

A commodity analyst said data from a cargo surveyor showed Malaysian exports declined at a much slower pace, putting some pressure on stocks and supporting palm oil prices that have fallen by 24.2 per cent so far this year on roiling financial markets. If exports maintain its 2 per cent drop for the full month, it means that although the inventory is poised to go higher, it may be growing at a slower rate than expected.

At home, the bullish sentiment continued in main producing areas, especially in groundnut and cotton oil in Gujarat. Tight supply of nut seeds for crushing and demand for cheaper substitute are supporting futures. About 25,000-30,000 bags of groundnuts arrived in Saurashtra.

Soyabean arrivals in Madhya Pradesh were 3.25-3.50 lakh bags and in Rajasthan and Maharashtra about 1-1.25 lakh bags. Lower arrivals pushed up soya futures further.

A broker said during the day, 2,000-2,200 tonnes of oils were traded in Mumbai. Liberty sold about 550-600 tonnes of palmolein, 150-200 tonnes of super palmolein, 100-150 tonnes of soyabean refined oil and 50-80 tonnes of sunflower refined oil. Ruchi sold 800-900 tonnes of palmolein and 100-150 tonnes of soyabean refined oil. In the resale market, 80-100 tonnes of palmolein were sold at Rs 514-515.

At the end of the day, Liberty was quoting palmolein at Rs 520-522, super palmolein at Rs 572, soya refined oil at Rs 705 and sunflower refined oil at Rs 780. Ruchi quoted palmolein at Rs 518, soyabean refined oil at Rs 700 and sunflower refined oil at Rs 771. Allana offered palmolein at Rs 516 and super palmolein at Rs 570. In Saurashtra and Rajkot, groundnut oil was Rs 1,950 (Rs 1,950) for a *telia* tin and Rs 1,270 (Rs 1,270) for loose (10 kg).

On the National Commodities and Derivatives Exchange, soyabean refined oil's December contracts were up to Rs 732.30 (Rs 725.65), January to Rs 725.05 (Rs 717.80) and February to Rs 717.35 (Rs 710.65).

Malaysia's crude palm oil's December contracts settled at MYR2,265 (MYR2,267), January at MYR2,385 (MYR2,355) and February at MYR2,432 (MYR2,395) a tonne.

The Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,250 (1,240), soya refined oil 700 (695), sunflower exp. ref. 705 (705), sunflower ref. 775 (775), rapeseed ref. oil 847 (850), rapeseed expeller ref. 817 (820) cottonseed ref. oil 680 (675) and palmolein 516 (513).

Turmeric loses colour as upcountry orders dry up

Poor upcountry orders pulled down spot turmeric by Rs 200 a quintal on Monday.

“Exporters bought limited quantities of quality turmeric by quoting lower prices. Because of such low demand, local traders too placed tenders for lower quantity,” said Erode

Turmeric Merchants Association President R.K.V. Ravishankar.

He said low demand has kept prices at Rs 5,500-5,600 a quintal. “We are waiting for orders from North India. If the orders don’t come before December 10, fresh orders will be received only in the last week of January. So everyone is praying,” he added.

Farmers said they were holding back stock hoping prices will rise and the Union Government will fix a minimum support price of Rs 9,000 a quintal. Now they are left with more than 20 lakh bags. So some are selling even at the current prices to meet their expenses at home.

Though quality hybrid variety arrived, prices decreased by Rs 500 a quintal for want of demand. At the Erode Turmeric Merchants Association sales yard, the finger variety fetched Rs 3,809-5,395 a quintal, the root variety Rs 3,696-4,835.

Salem hybrid crop: The finger variety was sold at Rs 5,561-6,011, the root variety at Rs 4,870-5,190. Of the 1,001 bags that arrived, 129 were sold.

At the Regulated Market Committee, the finger variety was sold at Rs 4,299-5,464, the root variety at Rs 4,343-5,093. Of the 366 bags that arrived, 304 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 3,950-5,686, the root variety at Rs 3,888-5,009. All the 494 bags of kept for sale were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 4,039-5,501, the root variety at Rs 3,569-5,249. All the 93 bags kept for sale were sold.

Soya oil climbs on local buying

Bullish trend continued in soya oil on improved domestic demand and slack demand for soya de-oiled cake or soyameal in the export market.

Soya refined on Monday soared to Rs 707-710 for 10 kg (almost Rs 30 higher over last week). Soya solvent rose to Rs 670-675 (Rs 25-30 higher over last week) on strong demand in the physical market. In the resale market, soya oil fetched Rs 703-704. Strong foreign markets also pushed up soya oil. Soya oil futures traded higher on strong global cues and upbeat projections by Chicago Board of Trade . On the National Board of Trade, soya refined's December contract closed higher at Rs 731.60 for 10 kg after it opened at Rs 726 in the morning. On the National Commodity and Derivatives Exchange (NCDEX), its December and January contracts closed at Rs 730.35 (up Rs 4.70) and Rs 721.50 (up Rs 3.25).

Poor parity in soyameal on account of weak export demand and improved demand in the physical market due to beginning of marriage season have led to a bullish trend in soya oil, said local soya-oil-maker Mukesh Purohit.

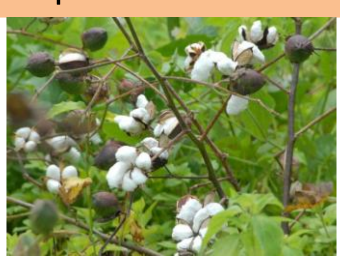
On the other hand, soya seeds remained stable in the past week. In *mandis* here, seeds quoted at Rs 3,160-3,230 a quintal, while plant deliveries of soyabean ruled at Rs 3,270-3,320. Soybean ruled at Rs 3,150-3,200 in *mandis* here.

Soyabean futures traded lower despite strong global cues on lack of buying support. The December and January contracts on the NCEDX closed at Rs 3,355 a quintal (down Rs 18) and Rs 3,281 a quintal (down Rs 15).

In State *mandis*, 2-2.5 lakh bags of soyabean arrived, including 7,000 bags in Indore and 12,000 bags each in Ujjain and Dewas.

Soyameal continued to trade lower on lack of buying support both in the export and domestic market. On the Kandla port, it was quoted at Rs 28,500 a quintal, while it was Rs 26,500 in the domestic market.

Cotton seen low as mills reduce purchases



Cotton remained under pressure, as demand fell and arrivals increased on Monday. *Kapas* or raw cotton also declined.

The Sankar-6 variety declined by Rs 200 to Rs 32,900-33,200 a candy of 356 kg in Saurashtra. The V-797 variety was offered at Rs 28,000-28,200 a candy.

Mills are buying less as demand for yarn has dropped and export offtake is also low, said a Rajkot-based cotton broker. Prices may remain low this week, he added

Kapas declined by Rs 5-7 to Rs 830-860 for a *maund* 20 kg in Rajkot, while Maharashtra *kapas* was traded at Rs 800-850 for a *maund* in Gujarat. About 35,000 bales of 170 kg each arrived in Gujarat, including around 12,000 from Maharashtra. Overall, about 1 lakh bales arrived in the country.

Arrivals till November 18 in the season that started on October 1 stood at 2.26 million bales, 29 per cent less than in the same period last year. In the last two weeks, 964,000 million bales arrived. So far, 5.6 lakh bales have arrived in Gujarat during the season against 11 lakh bales in the same period last year.

Pepper futures open lower at Rs 38,150/quintal


:

Pepper futures on the National Commodity and Derivatives Exchange Ltd continued its downtrend on Monday.

December contract opened lower at Rs 38,150 a quintal against the previous close of Rs 38,355. It hit a high of Rs 38,350 and low of Rs 37,880.

Pepper for December delivery on NCDEX was trading lower by 0.82 per cent at Rs 38,040 at 1.25 p.m.

Traders have been reducing the inventory on expectations of higher crop output next year. Fresh crop arrivals may start from December. Thus, further fall in prices is expected in the coming days.

Pepper production is expected to increase by 10,000 tonnes to 55,000 tonnes.

UN to launch new round of talks on global warming

As nearly 200 countries meet in oil-and-gas-rich Qatar for annual talks starting tomorrow on slowing global warming, one of the main challenges will be raising climate aid for poor countries at a time when budgets are strained by financial turmoil.

Rich countries have delivered nearly $30 billion in grants and loans promised in 2009, but those commitments expire this year. And a Green Climate Fund designed to channel up to $100 billion annually to poor countries has yet to begin operating.

Borrowing a buzzword from the US budget debate, Tim Gore of the British charity Oxfam said developing countries, including island nations for whom rising sea levels pose a threat to their existence, stand before a “climate fiscal cliff’’.

“So what we need for those countries in the next two weeks are firm commitments from rich countries to keep giving money to help them to adapt to climate change,” he said.

Climate financing

Creating a structure for climate financing has so far been one of the few tangible outcomes of the two-decade-old UN climate talks, which have failed in their main purpose: reducing the emissions of heat-trapping gases that scientists say are warming the planet, melting ice caps, glaciers and permafrost, shifting weather patterns and raising sea levels.

The only binding treaty to limit such emissions, the Kyoto Protocol, expires this year. So, agreeing on an extension is seen as the most urgent task by environment ministers and climate officials’ meeting in the Qatari capital.

However, only the European Union and a few other countries are willing to join a second commitment period with new emissions targets. And the EU’s chief negotiator, Artur Runge-

Metzger, admitted that such a small group is not going to make a big difference in the fight against climate change.

“I think we cover at most 14 per cent of global emissions,” he said.

The US rejected Kyoto because it didn’t cover rapidly growing economies such as China and India. Some hope for stronger commitments from US delegates in Doha as work begins on drafting a new global treaty that would also apply to developing countries including China, the world’s top carbon emitter.

That treaty is supposed to be adopted in 2015 and take effect five years later.

Climate financing is a side issue but a controversial one that often deepens the rich-poor divide that has hampered the UN climate talks since their launch in 1992. Critics of the UN process see the climate negotiations as a cover for attempts to redistribute wealth.

‘Agri-market revolution needed to improve the lot of farmers’

Spreading light: Dean of Agriculture at the University of Agriculture Sciences L.B. Hugar inaugurates the awarness and education seminar on 'Agri-business and commodity price risk mangement' hosted by The Hindu Business Line in cooperation with Forward Markets Commission and NCDEX in Raichur on Saturday.

RAICHUR, NOV. 24:

There is a need for a market revolution on the lines of the green revolution to improve the economic conditions of the farmers, said L.B. Hugar, Dean of Agriculture, University of Agricultural Sciences (UAS), Raichur.

Addressing a seminar to create awareness and education on ‘Agri-Business and Commodity Price Risk Management’, sponsored jointly by *The Hindu Business Line*, Ministry of Consumer

Affairs, Forward Market Commission, and the National Commodity and Derivatives Exchange (NCDEX) in Raichur, Hugar said farmers need help in overcoming the problems, especially related to markets, and in getting remunerative and assured prices to their produce.

‘NEGLECTED LOT’

Hugar lamented that despite the farmers playing a crucial role in the success of the green revolution and helping the country attain self-sufficiency in foodgrain production, they continue to face problems.

“The hands that fed the millions by increasing foodgrain production continued to remain hungry and exploited due to the failure of the successive governments to ensure that farmers get remunerative prices for their produce and addressing other problems faced by the farming community.”

Hugar said the foodgrain production increased from 50 million tonnes prior to the green revolution to 250 to 300 million tonnes, thanks to the sheer hard work and perseverance of the farmers, but the problems faced by the farmers 50 years ago remain unaddressed even today, albeit in different dimensions.

MARKET MECHANISM

He said there was a need for changing the market mechanism in agriculture with more transparent and farmer-friendly market atmosphere. “Agriculture produce market continues to remain traditional in its approach without changing with the times.”

For reasons best known to authorities, transparency in agriculture marketing and related issues remain unexplored.

Hugar said the authorities should adopt advances in information technology for modernising the agriculture marketing system.

He said that the futures market trading is one modern way of marketing which can provide answers to the traditional problems of the farming community.

Stakeholders, including representatives from trade and industry, progressive farmers and students from the agriculture university participated in the seminar.

RISK MANAGEMENT

G. Chandrasekhar of *The Hindu Business Line* spoke on ‘Commodities as Driver of India’s Economic Growth.’ He said that in order to meet the challenges in the economic front in the changed environment of reforms oriented economy, there is a need for the stakeholders to have a global view of the market and reduce the risk perception in trading.

Assistant Manager of the NCDEX Nilesh Pinjarkar gave an insight into the working of the NCDEX and how it helped the farmers to get remunerative prices and gave access to markets all over the country.

AUDIENCE QUERIES

Later the experts, including Chandrasekhar and Pinjarekar, replied to queries raised by participants during the open house discussion.

V. Sudarsanam, professor of BRB College, sought to know whether the NCDEX would start their operations in Raichur and Pijarekar and Chandrasekhar said that the NCDEX would consider the proposal and take necessary steps.

President of the Raichur Chamber of Commerce and Industry Jawahar Jain welcomed and Secretary Trivikram Joshi proposed a vote of thanks.

Federation of Karnataka Chamber of Commerce and Industry and Raichur Chamber of Commerce and Industry supported the initiative taken for the first time in Raichur by *The Hindu Business Line*. State Bank of Mysore was the banking partner of the initiative.

Coonoor tea turnover hits 19-week high

Buoyancy continued for the third consecutive week at the auctions of Coonoor Tea Trade Association which ended on Friday with the turnover rising to 19-week high.

The market faced pressure for brighter liquoring teas from upcountry buyers as they had to pay around Rs 152 a kg for North Indian CTC teas while they could obtain CTC teas in Coonoor auction for Rs 89 a kg. Similarly, they had to pay Rs 176 a kg for North Indian orthodox teas while they could buy orthodox teas at Coonoor auction for Rs 94.

Due to increased demand, the overall prices rose to an average of Rs 92.42 a kg from Rs 89.27 last week. This was the highest price obtained since May 31.

In all, 13.91 lakh kg was sold against 12.50 lakh kg last week. This was the highest volume sold in 17 weeks.

Consequently, the turnover rose to Rs 12.86 crore from Rs 11.16 crore last week. This marked an increase of as much as Rs 1.70 crore or 15.23 per cent in one week, reveals an analysis of the market reports. This was the highest turnover in 19 weeks.

Farmer's innovations benefit cardamom growers

An Idukki farmer's innovative approach has yielded results benefiting many cardamom growers in Kerala and its neighbouring States.

The farmer-scientist, Rejimon Joseph Njallaniyil's innovation of a high-yielding hybrid variety “Njallani Green Gold” cardamom has nearly revolutionised the cardamom cultivation in the country, of late, many planters in Kumily and Vandanmettu told *Business Line*.

A good majority of the growers – both small and medium – has planted this variety “and we are benefited by it”, they said.

Of late, he has come out with three new planting methods and around 95 per cent of the cardamom farming community, they said, has whole-heartedly accepted the findings, and consequently could raise the production by five-fold.

MORE YIELD

"Today about 90 per cent of the total area under cardamom cultivation in Kerala is under "Njallani'" and the Indian Cardamom Research Institute confirms that the variety yields more than that of the traditional varieties. As against a conventional yield of 200 kg/hectare, Njallani yields 1,500 kg or even more, official sources said.

According to Regimon, "all the Spices Board award winning farmers over the past one decade are cultivating Njallani variety with an yield of about 3,000 kg a hectare".

DIFFERENT METHODS

He said the three methods – *Ottachimpan* (single sucker) planting method, *Pathiyan* (channel) planting method and *Kuzhiyilla* (pitless) planting method – have been accepted by fellow farmers. The "pitless" planting method cuts down the labour cost significantly as it costs only Rs 1,500 for a planting of 1,000 suckers, whereas the traditional system would cost around Rs 25,000, he said.

COST CRITERION

The gestation period for single sucker method is two years against four years needed for the traditional method. The cost involved for planting for single sucker method is estimated at Rs 30,000 a hectare whereas, under the traditional method it would come to around Rs 1.8 lakh, he claimed.

All the three methods are cost-effective apart from enhancing productivity, added Rejimon Joseph who has won the first price from the National Innovation Foundation, India at the National Level for his new cardamom variety "Njallani".

'4.5 lakh bales cotton registered for exports this season'

NEW DELHI, NOV. 26:

Cotton export registrations for the 2012-13 season stood at 4.5 lakh bales as of November 5, Commerce Minister Anand Sharma said on Monday.

The corresponding figures for 2011-12 were not available. However, the country's total cotton exports for the 2011-12 season stood at a record 129 lakh bales (of 170 kg each).

For cotton season 2012-13, the Cotton Advisory Board (CAB) has estimated a production of 334 lakh bales and an exportable surplus of 70 lakh bales.

"There is a decline in international cotton prices due to overstocking and lower global mill demand during the last cotton season. Domestic cotton prices have followed the global price decline trend, but less steeply, so that the differential between international and domestic prices has narrowed considerably and at times become negative," Sharma told the Lok Sabha in a written reply. The Commerce Minister said there was no ban on exports for 2012-13. Cotton exports are currently on Open General License subject to a prescribed procedure of registration.

The CAB has pegged the domestic cotton consumption at 260 lakh bales for the 2012-13 season. The Government had recently hiked the minimum support price (MSP) for medium staple cotton by 29 per cent to Rs 3,600 a quintal. For long staple cotton, the support price has been increased by 18 per cent to Rs 3,900.

The Government has formed a contingency plan to procure 90 lakh bales for the 2012-13 season and expects to start 288 procurement centres in nine cotton growing States. The Cotton Corporation of India has already raised working capital requirement up to Rs 15,000 crore for MSP operations.

Cardamom prices top Rs 800/kg on upcountry demand

KOCHI, NOV. 26:

The cardamom market gained last week on good buying support from the domestic market at auctions last week.

Exporters were seen hesitant to buy, as the average price crossed Rs 800 a kg. However, an estimated 20 tonnes of cardamom were bought by them.

Meanwhile, upcountry buyers were active as the demand for the winter and wedding season has started picking up. The positive trend is attributed to emptying of pipelines in North Indian markets following the boycott of auctions for over a month recently by the traders in protest against raising the minimum bidding rates. Revival in demand from upcountry markets was visible in recent days, market sources told *Business Line.*

In the meantime, arrivals last week soared to around 495 tonnes which the trade attributed to release of stocks piled up during the suspension of auctions for over six weeks. The arrivals last week had influenced the sentiments in the market negatively for the time being which, the trade claimed, was momentary given the overall crop situation this season.

According to market sources, arrivals are expected to be normal as the crop this season is estimated to be 50 per cent of the output last season. It is, in fact, evident from the arrivals and sales so far in the current season, which is nearly 50 per cent of the arrivals during the same period in the last season. Now, third round of picking is over and the remaining crop would be harvested in two or three rounds of picking and that might last till Feb next year.

Besides, unfavourable weather conditions – the current dry spell, following deficient rains during the South-West and North-East monsoon have also created a bullish sentiment in the market.

At the Sunday auction conducted by the KCPMC, total arrivals surged to 95.5 tonnes from 76.7 tonnes the previous Sunday and the entire quantity was sold out. The maximum price was at Rs 1,096 a kg and minimum was at Rs 515. Auction average price increased to Rs 835 (Rs 778.74), P.C. Punnoose, General Manager, CPMC, told *Business Line*. Good quality material arrived yesterday and hence the bulk fetched around Rs 800 a kg, he said.

Total arrivals and sales during the current season from Aug 1 to Nov 25 were at 4,137 tonnes and 3,928 tonnes respectively. Where as, they in the corresponding period the previous season were at 7,743 tonnes and 7,546 tonnes, official sources said.

The weighted average price as on Nov 25 stood at around Rs 748.97 against Rs 574.99 on the same date last year.

Prices of graded varieties (Rs/kg): AGEB 1,000-1,010; AGB 785-795; AGS 750-760; and AGS - 1: 725-735.

Millets body plans nation-wide campaign

The Millet Network of India (MINI), which has been promoting usage of millets, will soon begin a nation-wide campaign to bring pressure on law makers.

The MINI members would write letters to Members of Parliament and other people's representatives in their respective geographies.

The MINI is an umbrella association of non-governmental organisations, agri-economists, scientists and intellectuals who are strongly pitching for promotion of millets and bring them back to the kitchens of India.

"The Public Distribution System is one of the most important affirmative action programs launched by the Government.

In 2010-11, more than 56 million tonnes (mt) of food grains (read rice and wheat) were procured and more than 52 mt was the off-take. This accounts for more than 25 per cent of the total food grain production," a MINI draft, which will be despatched to the MPs, has said.

"One of the offshoots of the rice and wheat-driven PDS is that people have slowly stopped cultivating traditional landraces of foodgrains. This makes people completely dependent on markets and the centralised PDS for their food needs," the network said.

Mixed trend in spot rubber

Spot rubber showed a mixed trend on Monday. Leading counters were flat as sentiments remained neutral following a weak trend in domestic futures, while ISNR 20 improved on fresh demand and latex slipped on buyer resistance.

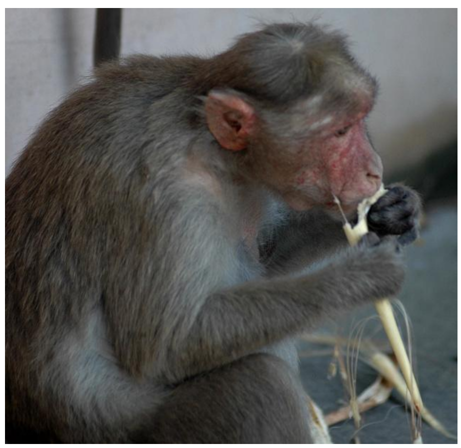
Sheet rubber closed steady at Rs 175 a kg according to traders. The grade finished unchanged at Rs 174 a kg at Kottayam and Kochi as quoted by the Rubber Board.

The December series weakened to Rs 176.50 (178.28), January to Rs 178.75 (180.55), February to Rs 181.40 (183.34) and May to Rs 189.50 (192.33) a kg, while the March series improved to Rs 184 (183.31) and April series remained inactive on the National Multi Commodity Exchange.

RSS 3 (spot) increased marginally to Rs 166.79 (166.31) a kg at Bangkok. The November futures expired at ¥249 (Rs 169.49) , while the December futures dropped to ¥247.7 (Rs 169.61) from ¥249.4 during the day session and then to ¥245.6 (Rs 167.19) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 175 (175); RSS-5: 170 (170); ungraded: 165 (165); ISNR 20: 162.50 (161) and latex 60 per cent: 111 (112).

Monkey menace driving Vizag farmers to despair



The recent heavy rains and floods have caused much distress to farmers of S. Rayavaram mandal in Visakhapatnam district. But that has proved the least of their worries. Monkeys and the tricks they are up to are a bigger nuisance.

Monkeys are ruining the produce on the field besides articles and food items at home. The menace has assumed such maddening proportions that the distraught farmers staged a dharna in front of the District Collector’s office here on Monday, seeking the help of authorities.

According to farmers and others who participated in the dharna, monkeys come in groups and destroy all standing crops, climb coconut trees and drop the nuts, uproot plants, snatch food being taken to the fields, and enter houses and take away anything in sight.

A farmer complained that he had spent Rs 8,000-10,000 on raising corn and was expecting Rs 20,000-25,000 or so on his crop. But half of that is now lost because of the monkeys. Another farmer said there was also a great risk to infants and children, and even to adults, as the monkeys are getting increasingly aggressive.

The residents of S. Rayavaram, Aggivaram, Agraharam, Lingarajupalem, Gondrubilli, Uttarapalli and other villages in the vicinity made an attempt to rein in the pests, but in vain. Apart from raising a hue and cry and shooing away troops of monkeys, they raised black monkeys, bigger in size, to drive away the smaller ones. But the trick did not work.

The farmers said they have been faced with this problem for the past two years and that it has aggravated due to rise in monkey population.

AP Rytu Sangham's district secretary A. Balakrishna submitted a memorandum to Visakhapatnam Collector Seshadri urging him to take suitable steps to help the farmers. The District Collector assured them that he would contact Wild Life officials to address the problem.

Farm exports surge after ban on non-basmati rice, wheat goes

AGRI-TRADE BALANCE (in $ billion)

	2009-10	2010-11	2011-12
Exports	10.56	14.73	23.97
Imports	10.70	10.63	14.29

Source: DGCIS

Shipments more than double in three years while imports rise 40%

NEW DELHI, NOV. 26:

Removal of ban on shipments of non-basmati rice and wheat last year helped India emerge as a net exporter of agricultural commodities. Exports of agricultural products have more than doubled in the past three years, while imports have grown by about a third in the same period.

Besides, the surge in shipments of sugar, spices, coffee and tea has helped India boost its agri-exports in recent years. The agri-exports have grown from $10.56 billion in 2009-10 to $23.97 billion in 2011-12. In the same period, the import of various agri-products has grown from $10.70 billion to $14.27 billion.

RICE EXPORTS

Non-basmati rice exports have seen a significant jump to $1.72 billion in 2011-12 from $76 million in 2009-10. The Government opened up exports of non-basmati rice and wheat for private trade in September 2011.

Since then the non-basmati rice shipments surged to 3.9 million tonnes (mt) for the year-ended March 2012, helping India emerge as the largest exporter of rice.

The basmati shipments grew to 3.17 mt valued at $3.2 billion in 2011-12 against 2.37 mt valued at $2.49 billion in the previous year. The total rice shipments from India exceeded 7 million tonnes in 2011-12.

“The Government is taking steps to encourage exports of agriculture products including foodgrains through various measures and incentives under the Foreign Trade Policy,” the Minister of State for Commerce D. Purandeswari, told the Lok Sabha in a written reply.

“Incentives are granted after considering various factors including stocks of agriculture products available in the country, surplus over and above the buffer stock norm and the strategic reserve requirements, if any, the concerns of food security, availability to common man at reasonable prices and remunerative returns to the grower and price competitiveness in the international market,” she said.

SUGAR EXPORTS

The exports of sugar have shot up from 44,746 tonnes in 2009-10 to over 2.74 million tonnes in 2011-12. The value of sugar exports stood at $1.83 billion in 2011-12 as against $1.19 billion in the previous year. In 2009-10, the sugar exports stood at a mere $23 million in value terms.

Coffee, tea, spices, groundnuts, guargum and wheat are the other agri-products that saw a significant jump in past three years. Coffee exports have more than doubled in the past three years to $952 million in 2011-12 from $429 million in 2009-10. Similarly, the export of export of spices doubled from $1.3 billion in 2009-10 to $2.75 billion in 2011-12.

IMPORTS

Imports of agri-products into the country are mainly led by edible oils, pulses, cashew nuts, spices and fruits among others. The vegetable edible oils account for a large chunk of agri-imports and stood at $9.66 billion, up from $5.6 billion in 2009-10. The cashew imports have increased to $1.13 billion up from $639 million. The import of pulses has come down marginally from $2.07 billion in 2009-10 to $1.85 billion in 2011-12.

Hike in import duty on white sugar likely

NEW DELHI, NOV 26:

The Food Ministry has recommended a hike in import duty on white sugar to 20 per cent in order to check flooding of the sweetener in the domestic market, a senior government official said on Monday.

At present, import duty on white sugar as well as raw sugar is at 10 per cent each.

“We have recommended increasing import duty on white sugar to 20 per cent and maintain 10 per cent duty on raw sugar,” the official said.

The Finance Ministry is yet to take a call on this issue, the official added.

Last month, Agriculture Minister Sharad Pawar had said the government will take a call on revising the import duty structure of sugar only after three months taking into account the progress made in crushing.

Crushing operation has begun from October and mills have produced two lakh tonnes more sugar at 9.84 lakh tonnes in the first one—and— half—month period of 2012—13 marketing year, according to the industry data.

On sugar exports, the official said the free sugar export policy has expired in September and this will be reviewed in the next month.

As much as 1.3 million tonnes of sugar has been shipped so far and not many shipments are expected to happen now.

However, “if traders want to export, they can come take permits from the Food Ministry for shipments,” said the official.

Sugar production in the country is estimated to be 24 million tonnes this year, against 26 million tonnes in 2011—12 marketing year (October—September). The annual demand is 22 million tonnes.

Govt okays non levy sale by sugar factories for December-March period

NEW DELHI, NOV 26:

The government on Monday asked sugar factories to sell seven million tonnes of sweetener in the open market between December and March.

The Food Ministry, which oversees the sugar sector, has allocated quota to mills for the next four months as against the practice of quarterly release. It has also not imposed any condition requiring mills to sell a minimum quantity every month out of the total quota.

“The Central Government has decided to make available quantity of 70 lakh tonnes of non-levy quota for open market sale, for the months of December, 2012 to March, 2013,” an official statement said.

The relaxation given to mills is seen in the context of the government moving towards removing controls on the sector.

The Rangarajan panel has suggested doing away with the regulated release mechanism and levy sugar system. The government is considering this report and has sought views of States in this regard.

Through regulated release mechanism, the Centre fixes sugar quota that every mills can sell in the open market (called non-levy sugar) as well as through ration shops (known as levy sugar).

In the levy sugar system, mills are required to contribute 10 per cent of their production to government at cheaper rates for running the ration shops.

India, the world's second largest sugar producer, had produced 26 million tonnes of sugar in 2011-12 marketing year (October-September). In the ongoing 2012-13, the output is expected to decline to 23-24 million tonnes. The annual domestic demand is 22 million tonnes.

Govt may allow wheat export to clear surplus stocks

NEW DELHI, NOV 26:

The government is likely to allow export of an additional 1.5 million tonnes of wheat from its godowns in order to clear surplus stocks.

In July, the government had allowed export of 2 million tonnes of FCI wheat through PSUs such as MMTC, STC and PEC by March 2013. Of this, 1.5 million tonnes has been contracted 8 lakh tonnes shipped so far.

“We have moved a cabinet note for export of an additional 1.5 million tonnes of wheat from the central pool.The proposal may come up for discussion soon,” a senior government official said.

The export of surplus foodgrains will ease storage problems as the government currently has wheat stock of 40.5 million tonnes, which is double the stipulated buffer stock requirement of 21.2 million tonnes.

The foodgrains stocks have piled up in the government godowns due to record production and procurement in the last two consecutive years.

Much of the FCI wheat have so far been exported to neighbouring Bangladesh besides South Korea, Thailand, Vietnam, Indonesia, Yemen, Oman, Jakarta, among others.

Wheat shipments from India have fetched higher price in the range of $300—319 per tonne.

Cotton production put at 334 lakh bales for 2012-13 season

Cotton export registrations for the 2012-13 season stood at 4.5 lakh bales as of November 5, Commerce Minister Anand Sharma said on Monday.

The corresponding figure for last year was not available. However, the country’s total cotton exports for the 2011-12 season stood at a record 129 lakh bales.

For cotton season 2012-13, the Cotton Advisory Board has estimated a production of 334 lakh bales and pegged the exportable surplus of 70 lakh bales.

“There is a decline in international cotton prices due to overstocking and lower global mills demand during the last cotton season. Domestic cotton prices have followed the global price decline trend, but less steeply, so that the differential between international and domestic prices has narrowed considerably and at times become negative,'' Sharma told the Lok Sabha in a written reply.

The Commerce Minister said there is no ban on cotton exports category for 2012-13 season. Cotton exports are currently on open general licence subject to a prescribed procedure of registration.

Export tax on rice can be counter-productive

Despite exporting 10 million tonnes in 2011-12, rice inventories are rising.

India's rice exports touched 10 million tonnes (mt) in 2011-12, while major rice-exporting nations — Vietnam and Thailand — have trailed with 7 mt and 6.5 mt respectively. The reasons: Free trading environment in India since last year, a price advantage and Thailand's policy aberration. Short-term uncertainty on continuation of India's export programme also prompted buyers to source 10-15 per cent more tonnage from India.

These elements are pivotal to India's success story. But prospects of maintaining the same tempo appear doubtful in 2012-13.

Policymakers have recently suggested imposition of export tax of 5-7.5 per cent on rice for partial recovery of loss of precious water consumed in paddy production and hidden subsidy in power utilised for irrigation. (Moisture content of rice is 13-14 per cent maximum, but paddy is highly water-intensive).

Conservation of water and energy has economic and ecological merits and must be tackled on a priority basis, but regulating them through the tariff route may not be the right way forward.

The broad-break up of India's 10 mt export is — basmati 2 mt; non-basmati 7 mt; 1121 rice variety to Iran 1 mt. Price of basmati and 1121 rice ranges from $1000-$1600 f.o.b/tonne.

Export duty of, say, 7 per cent works out $70-112/tonne. Non-basmati variety is valued between $380 and $450 f.o.b/tonne and corresponding duty component will be $27-32/tonne.

ACCOUNTING ADJUSTMENTS

Export tax may provoke traders to under-invoice to their overseas subsidiaries for marginalising duty and re-billing to the buyers. Discounted prices may also be contracted with understanding of appropriate adjustments. Even $10-15/tonne difference on 10,000 tonne cargo benefits buyers by $100,000-150000 (or Rs 55-80 lakh) or 1-1.5 per cent of f.o.b value. And this is not a trivial amount. Average margin in commodity trade does not exceed 2 per cent in best cases.

Official exports will reflect lower net realisation and encourage circular flow of money through alternative channels. If export duty is levied, millers and MNCs will be tempted to tie up with exporters having subsidiary companies in Dubai, Singapore or elsewhere.

Alternatively, if direct duty @ $25-30/tonne is applied for non-basmati and @ $50-80/tonne for basmati, it may induce manipulative declaration of basmati as non-basmati, and accounting jugglery. Why invent abuse-prone policies that will put both trade and Government agencies in disrepute?

THAI ABERRATION

India's export buoyancy of 2011-12 is largely attributed to "Thai aberration" which may be corrected in 2012-13. Commercially, Thai white rice price of $555/tonne f.o.b is unviable for export by $100/tonne and that too because of cheaper inward flow of paddy from Cambodia and Vietnam.

Thailand 's annual production is 21 mt. As of November 2012, it is carrying overpriced ballooning stocks of 14 mt of rice (at $780-$800/tonne) — 67 per cent of yearly output — which are creating intense "holding" pressure on Thai Government. The balloon has to burst.

The only way of liquidating this massive stockpiling would be to align prices closer to Indian and Vietnam quotes or abandon the present format of pledging scheme. Net effect: Thai Government will have to release the discounted paddy sooner than later. This will flood the market and that is when Indian rice exports will be hit.

DECLINING DEMAND

Iran, the major importer of 1121 basmati rice, is seeing continuous devaluation in its currency. Iranian imports will be automatically rationed in the coming months both due to payment defaults and higher landed prices.

Nigeria is flush with excess stocks imported before July to take advantage of duty increase from 30-50 per cent and now from 50-100 per cent from January 2013. About 1.5 mt of excess rice have been shipped and stored in Nigeria on speculation of import duty. Future demand from Nigeria will be subdued. Of late, Pakistan and Myanmar are shipping 25 per cent broken rice at $10/tonne less than Indian offers through MNCs to West Africa.

SUSTAINABILITY DOUBTFUL

One year's good performance of India's rice exports cannot be taken to mean that this is here to stay. Export momentum can be restrained in the coming months. Assuming the continuation of the current conditions (including the Thai aberration), rice exports may not exceed 7-7.5 mt next year. Should Thailand apply a "correction", exports may dip to 5 mt.

Weather, politics and currency movements all over the world are grey areas. Markets swing from one extreme to another. In the unpredictable bureaucratic and political set up, modifying or withdrawing even modest duty of 5-7 per cent when Indian prices are non-responsive, will be difficult and time-consuming.

Rice shipments from open market can be allowed, free from any export tax. There has been no "rice inflation" despite exporting 10 mt. Rice inventories with the Government agencies are rising; all exports are from privately-held inventories.

Exports are generating economic activity and helping farmers, where central/state procurement is lagging or lacking. Conservation of water and energy may be encouraged by reviewing wheat-rice centric production and procurement policies both at the Central and State level.

(Narang is a commodity analyst. Rakesh Singh is a rice trader with Emmsons International Ltd. New Delhi.)

Business Standard

TODAY FARM NEWS

27.11.2012 A.M

Nabard raises concern over rising NPAs in SHG lending

On the one hand, the number of self-help groups (SHGs) obtaining a loan from banks has been coming down over the years, indicating weakening of the movement in India. On the other, increasing bad loans from SHG portfolios are keeping commercial banks from lending to them.

The National Bank for Agriculture and Rural Development (Nabard) has already raised an alarm over rising non-performing assets (NPAs) in SHG lending, in

its recent report called Status of Microfinance in India, 2011-12.

The number of SHG borrowers declined by around four per cent, from 11.96 million to 11.48 million between March 2011 and March 2012, according to the Nabard report. Also, in percentage terms, the gross NPA from SHGs increased from 4.72 per cent as on March 2011 to 6.09 per cent as on March 2012.

BAD ASSETS

(₹ crore) as on ■ Mar 31, 2011 ■ Mar 31, 2012

Agency	Loan outstanding	Amount of NPA	%of NPA
Public sector banks	21,412	1,019	4.76
	24,406	1,518	6.48
Private sector banks	470	47	10.10
	1,403	74	5.30
RRBs	7,430	272	3.67
	8,613	426	4.95
Cooperative banks	1,907	134	7.04
	1,916	130	6.84
Total	31,221	1,474	4.72
	36,340	2,212	6.09

NPA: Non-performing assets

Source: Nabard

However, the amount of fresh loans issued to SHGs by banks rose 13.70 per cent to Rs 16,535 crore in 2011-12, against Rs 14,548 crore in the previous year.

The report points out the cautious attitude of commercial banks towards SHGs. While commercial banks accounted for 63 per cent of the savings of the SHGs, their share in fresh lending against total lending to SHGs was just 60 per cent. In contrast, while regional rural banks had a savings share of just 20 per cent from SHGs, their share of fresh lending to them was close to 30 per cent.

“What causes more concern is the fact that the number has been declining over the past three years, although the rate of decline has come down from nearly 24 per cent to four per cent this year,” the report said.

Moreover, the number of SHGs having loans outstanding against banks declined by nine per cent during the year to Rs 43.54 lakh, against Rs 47.87 lakh in the previous year.

All states barring Karnataka, Puducherry and Himachal Pradesh recorded a decline in the number of SHGs.

In absolute terms, the gross NPA against loans to SHGs increased from Rs 1,474 crore at the end of March 2011 to Rs 2213 crore in March 2012.

The gross NPA against loans to SHGs stood at Rs 2,212 crore in March 2012, against a total outstanding of Rs 36,340 crore.

“This is a matter of concern for the micro finance sector and the causes for declining recovery rate needs to be analysed and remedial action initiated urgently,” the report said.

The report also noted that commercial banks are losing interest in lending to micro finance institutions (MFIs). In the past year, fresh lending to MFIs declined by 38 per cent.

Chavan to seek Pawar, FM intervention on I-T notices to co-op sugar units

Augar sugar cooperative factories in Maharashtra have started receiving recovery notices from the income tax department for early years, even as they are under pressure from farmers' unions to pay the first advance of Rs 3,000 a tonne for sugarcane.

The tax demands issued by the I-T office in Pune for 2008-09 and 2009-10 are for Rs 2,000 crore. State Chief Minister Prithviraj Chavan is expected to rush to Delhi, seeking intervention from Agriculture Minister Sharad Pawar, Finance Minister P Chidambaram and the Central Board of Direct Taxes chairman, for an interim stay.

Incidentally, one of the notices has gone to the Karmayogi Shankarrao Patil Cooperative Sugar Factory in Pune district, founded by state cooperation minister Harshvardhan Patil’s uncle. About 30 factories from Pune and Solapur districts have received notices and more in the rest of Maharashtra are expected to get these.

Patil told Business Standard: “The Karmayogi Shankarrao Patil factory got a notice three days ago, demanding tax payment of Rs 1.5 crore per month till April next year. If the factory fails to do so, the department has said its bank account will be sealed, a situation wherein it won’t be in a position to make any cane payment. Ultimately, the factory will have to be closed.”

Patil said the demand is for tax on payments made over and above the statutory minimum price to cane farmers, later termed the Fair and Remunerative Price (FRP). According to the minister, the department’s view is that the payment made by factories above the FRP is profit.

THE TIMES OF INDIA

TODAY FARM NEWS

27.11.2012 A.M

TN farmers face second crop failure: Counsel

NEW DELHI: Tamil Nadu's counsel in the Cauvery case C S Vaidyanathan on Monday said there has been a huge shortfall in the release of Cauvery water by upper riparian Karnataka. Tamil Nadu's farmers are staring at a possible failure of the second crop, he told a Supreme Court bench of Justices D K Jain and Madan B Lokur.

The bench said if the CMs of Karnataka and Tamil Nadu don't try to find a solution, there would be one application after another from both states, without any move towards a permanent solution.

Vaidyanathan accused the Centre of shrugging off its responsibility in finding a permanent solution. To this, the bench said: "It is best that the chief ministers talk and find a solution. We cannot be asking the Cauvery River Authority, headed by the Prime Minister, to meet often."

Set up agri clinics to address farmers' needs

VADODARA/ANAND: Agri-clinic-cum-agri-business centres that address the needs of farming families should be set up across the country. Father of India's Green Revolution professor M S Swaminathan advocated this on Monday.

Eminent geneticist and member of Parliament in Rajya Sabha, professor Swaminathan said this while delivering the first Dr Verghese Kurien Memorial Lecture at the Institute of Rural Management Anand (IRMA).

IRMA has constituted the memorial lecture series which will be held annually to mark the birth anniversary of its founder chairman and Father of White Revolution Dr Kurien.

On Monday, which was Kurien's 91st birth anniversary, Swaminathan delivered the first lecture of the series on 'The Cooperative Pathway of Enhancing Rural Livelihood and Nutrition Security'.

Paying homage to Kurien, who passed away on September 9 this year, Swaminathan touched on various anomalies assailing the agricultural sector and the lessons it can learn from the dairy sector.

"The achievements of our dairy sector show that small scale dairy farming need not be a handicap if the technologies of production by masses and of mass production can be integrated in a suitable manner," he said.

Expressing regret over the "disinterest of the younger generation in farming and the consequent diversion of prime farm land for non-farm purposes", Swaminathan advocated that the programme that Government of India had launched to enable farm graduates to start agri-clinics and agri-business centres, should be restructured.

"Ideally, a group of four to five farm graduates, who have specialised in agriculture, animal husbandry, fisheries, agri-business and home science, could jointly launch an agri-clinic-cum-agri-business centre in every block of the state. The multi-disciplinary expertise available within the group of young entrepreneurs will help them serve farm families in a holistic manner. Such as integrated centre can be named - Agricultural Transformation Centre," he said.

The lecture was attended by Molly Kurien, Nirmala Kurien, alumni, faculty and staff of IRMA apart from senior employees of the Gujarat Co-operative Milk Marketing Federation, National Dairy Development Board, Amul and other sister organizations at Anand.

More allegations rock 24X7 water project

NAGPUR: Fresh controversy involving 24X7 water supply project erupted when CPI leader Jammu Anand, who is also the union leader at the Nagpur Municipal Corporation (NMC), alleged of a huge scam. He demanded scrapping of the project and also asked NMC to take over the entire water works of the city from the private operator.

Anand in a memorandum submitted to mayor Anil Sole revealed that according to the data collected by him from NMC the project is a big loss both for NMC and also the citizens.

Anand said that the private water operator Orange city water limited (OCWL) is submitting daily reports claiming to supply 640 million litres of water per day (MLD) in the city. However, NMC's data revealed that the water storage capacity available in the city is just of 110 MLD.

NMC staffers say that water is stored in all storages twice a day. "Even then the amount of water stored will come up to 220 MLD only. Then on what basis is OCWL claiming to supply 640 MLD when there is no storage capacity available in the city," he said.

Anand added that NMC pays OCWL at the rate of Rs 7.90 per unit for 250 MLD which come to Rs 72 crore per annum. "Why is OCWL accepting payment for just 250 MLD when it claims to be supplying 640 MLD," he questioned.

Anand said that the number 640 MLD is linked with financial matter. "NMC is spending crores on raw water, electricity and treatment of water. This means that NMC is incurring huge loss," he said.

Anand said that the financial data available from NMC revealed another story. "NMC's total expense on water supply was Rs 90 crore per year. Now, the expense has increased to Rs 135 crore, since it handed over the water supply to the private operator. NMC should make it clear as to how the expense increased. NMC roped in the private operator claiming that it would help improve water supply and save losses. However, there is no difference in the whole scenario," he said.

The union leader also said that NMC executed the 24X7 project after implementing the pilot project in Dharampeth Zone. "NMC used to supply 41 MLD water to the pilot project area before the execution of project. The water supply increased to 97 MLD. But NMC has not achieved a single target set up both by itself and also the Central government. The cost of the project has increased to a great extent, much more than that approved by the Central government. All this proves that the pilot project was failure. Besides this, OCWL comprises of two companies- Veolia water (India) limited and Vishvaraj environment limited on 50-50% share basis. We hope that the mayor will probe all these points and bring facts before the public," he said.

NCP leader and former corporator, Vedprakash Arya too highlighted several points and asked the civic body to scrap the project.