

Talks fail to break Cauvery deadlock

The bilateral talks between the Chief Ministers of Karnataka and Tamil Nadu in Bangalore on Thursday, to work out a formula to share the available waters in the reservoirs across the Cauvery, as suggested by the Supreme Court, failed with both States sticking to the positions adopted before the apex court and the Cauvery River Authority.

Tamil Nadu Chief Minister Jayalalithaa, who flew down to Bangalore accompanied by Minister for Public Works K.V. Ramalingam and Chief Secretary Devendranath Sarangi, apparently walked out of the meeting in under 45 minutes. “There is no point in continuing with the discussions when Karnataka says it will not release a single drop of water. We need at least 30 tmcft of water for another 15 days to save the standing crops,” she told reporters.

Chief Minister Jagadish Shettar said, “Karnataka is in the grip of a serious water shortage in the Cauvery basin. While the present storage is around 37 tmcft, the drinking water requirement is 20 tmcft.

Another 10 tmcft has to be released into the river (2.5 tmcft a month) between February and May for ecological reasons. We are left with only 7 tmcft for irrigation. I suggested that we reassess the situation a fortnight later and, if need be, the next round of talks could be held in Chennai.”

Following the failure of talks, both the States have decided to move the Supreme Court. The next round of hearing in an Interlocutory Application filed by Tamil Nadu is on Friday, in which the lower riparian State has demanded that the shortfall of 52.5 tmcft in water releases during the southwest monsoon period be made good.

Ms. Jayalalithaa said the situation in the Cauvery delta was grim, and the present storage in the Stanley reservoir in Mettur was only 6.34 tmcft (apart from 5 tmcft of dead storage and another 5 tmcft required for drinking water), which would suffice for only six days. The standing ‘samba’ crop is under serious threat.

Minister for Water Resources Basavaraj Bommai, who participated in the discussions, said, “While the monsoon has ended here, it is imperative for us to judiciously use the available water. On the contrary, the northeast monsoon is still active in Tamil Nadu, and the State can hope to receive good inflows. There is distress in both States, calling for a fresh assessment at the end of the northeast monsoon.”

Among the others who participated in the discussions were Deputy Chief Minister R. Ashok, Minister for Law and Parliamentary Affairs S. Suresh Kumar, Chief Secretary S.V. Ranganath, Principal Secretary (Water Resources) D. Sathyamurthy and Principal Secretary to the Chief Minister Pradeep Kharola.

Principal Secretary to the Chief Minister of Tamil Nadu Rammohan Rao was also present along with several irrigation advisers to the TN government.

Now, monsoon hopes pinned on December

Not all hope is lost. The northeast monsoon may revive in the city by the first week of December.

Chennai, which receives the most rains in November, has suffered a prolonged dry spell this month.

The weather observatories in Nungambakkam and Meenambakkam recorded just 5 cm and 7 cm of rains, well below the average of 38 cm for the month. This is the least rainfall Chennai has recorded in November, the wettest month in the year, over the last 43 years.

With the southwest monsoon failing to bring enough rainfall to the city, Chennaiites were looking forward to the northeast monsoon. However, this season beginning October, Chennai has registered only 47 cm so far against the average of 69 cm.

Officials of the Meteorological department said previously, the November rains had been poor in 2003 and 2007. Only 9 cm rainfall was recorded in both years.

Nungambakkam recorded less than 10 cm of rains in November only thrice since 1969 and Meenambakkam only twice in 43 years. However, a good spell of showers in December compensated for the lack of November rains in 1983 and 2007.

“We are hoping the same trend repeats this year too,” said an official.

A weak system over the Bay of Bengal is expected to bring rainfall particularly to coastal Tamil Nadu from December 4 onwards.

The rain spell may last three or four days, the official said.

Coimbatore Airport to get plant quarantine

Airports Authority of India is gearing up to open a plant quarantine facility at the Coimbatore Airport within the next ten days. The facility would help in speedy examination of the export material and issue a certification.

Whenever a perishable item or a flora is exported, it would have to be subjected to examination for presence of parasites, fungus and other virus to prevent communicable diseases. Only when certified by the plant quarantine facility, the importing countries accept such assignments, airport sources said.

Coimbatore accounted for export of vegetables from Coimbatore, the Nilgiris, Dindigul besides roses from Hosur, other varieties of flowers from Dindigul and Madurai. On average 30 tonnes are being exported every month from Coimbatore to destinations in Middle East and Singapore.

Cargo

At present, Coimbatore Airport on an average handled 280 tonnes of cargo export (all items put together) and the import was 11 tonnes.

The export quantity is likely to witness a fall this month owing to power supply related problems and is likely to close to 150 to 180 tonnes maximum.

Airport Director K. Peter Abraham said that in the existing airport cargo unit, 700 sq ft has been assigned for the plant quarantine facility and officials have been posted for the same.

Officials pointed out that on an average there are seven flights a week to Sharjah and Singapore. There could be an export of 2 to 2.5 tonnes per day based on the carrying capacity of the aircraft used by the airliner operating services to Middle East and Singapore.

This would translate into an average export of perishable commodities to an extent of 60 tonnes per month as against the present 30 tonnes per month, thus giving a fillip.

Farmers express shock

Farmers of Tamil Nadu have expressed shock and dismay over the failure of talks between the Chief Ministers of Tamil Nadu and Karnataka on the Cauvery row held in Bangalore on Thursday.

They termed “inhuman” the refusal of Karnataka to release water to Tamil Nadu. The food security and livelihood of farmers of Cauvery delta districts were under threat, they said and hoped that the Supreme Court, which would hear the matter on November 30, would come to the rescue of Tamil Nadu farmers.

Mannargudi S. Ranganathan and Mahadhanapuram V. Rajaram, general secretary and working president of the Cauvery Delta Farmers’ Welfare Association, observed that Karnataka could have as well told Tamil Nadu Chief Minister Jayalalithaa not to visit Bangalore if it was determined not to give water to the State which is facing one of the worst seasons in its history.

There would be a “total crop failure” if rains were also failed in the next few days. The delta, which had been an irrigated area, had now become a “rainfed area,” thanks to Karnataka and the Centre, they lamented. They expressed the hope that Tamil Nadu would impress upon the Supreme Court on Friday the grave situation prevailing in the delta, including farmers’ suicides due to withering crops, and get a favourable order for release of water. “Otherwise farmers would be left with no other option but to launch a major struggle from December 7,” they added.

Cauvery V. Dhanaplan, general secretary of the Cauvery Delta Farmers’ Protection Association, observing that the failure of talks was quite expected, asserted that any more talks would be an exercise in futility. He was unhappy that the Supreme Court had failed to take any categorical stand on the Cauvery water row, on the Mullaperiyar imbroglio and on the Palar issue. “The Centre is silently watching the situation, a grave threat to the integrity of the nation. The delta, which ensures 52 per cent of food for the State, is in distress and needs water for at least 60 to 90 days to save the crop. It is the duty of the Prime Minister to save the e crops.”

Water level

Water level in the Papanasam dam on Thursday stood at 71.40 feet (maximum level is 143 feet). The dam had an inflow of 746.92 cusecs and 964.75 cusecs of water was discharged from the dam.

The water level at Manimuthar dam stood at 64.17 feet (118 feet) with an inflow of 64 cusecs and 35 cusecs of water was discharged from the dam.

Entire Sikkim to take to organic farming by 2015

At a time when the area under organic cultivation in the country is yet to cross 1 per cent of the total agricultural land, the small hilly State of Sikkim has stolen the show as its entire agriculture is set to go organic by 2015.

The State has only around 60,000 hectares of farmland and already 40 per cent of it is under organic cultivation.

“What is important here is that 40 per cent of the State’s farmland is under certified organic cultivation. We have a stringent mechanism to monitor and certify the genuineness of organic produce,” Sikkim State Cooperative Supply and Marketing Federation Ltd. (Simfed) managing director Brijendra Swaroop said on Thursday.

He was talking to *The Hindu* on the sidelines of the ongoing international organic trade fair here.

Banned

As part of its plan to make the entire State take to organic cultivation by 2015, Sikkim has banned the use of chemical fertilizer and pesticides from 2003 itself. Going organic has twin advantages of protecting the health of people by avoiding chemical fertilizer and pesticides, and getting premium value for the produce, according to Mr. Swaroop. “As we are a small State, the landholdings of our farmers are also very small. Hence we need to maximise agricultural income to ensure them a decent living. Organic farming has come as an appropriate option for us as we can send our produce to niche markets not just in India but also abroad to get maximum returns for farmers.”

What is novel about Sikkim's experiment is that it is using organic farming as a tool to bring about economic development of farmers. A systematic marketing and procurement network has been put in place by setting up the apex body of Simfed, which provides forward and backward linkages.

"Simfed has about 170 grass-roots level multipurpose cooperative societies which buy agricultural produce from farmers on their doorstep. After setting aside certain quantum for domestic consumption, the remaining produce is either sent to niche markets in other States or foreign countries. A premium of about 25 per cent is offered to organic produce with respect to prices," Mr. Swaroop explained.

"The marketing and payment system is transparent. We have a policy of making payments within 15 days of receiving consignments," he said.

The main crops under organic cultivation in Sikkim include cardamom, orange, ginger, different varieties of beans, paddy, baby corn and sweet corn.

Organic tourism

Organic farming is adding to the tourism potential of the State and providing additional income to farmers as the Sikkim government has also taken up organic tourism. Nature tourism is being promoted by setting up home stays in villages that have been declared "completely organic". Under this concept, tourists are served organic food and also taken on a visit to fields where organic cultivation has been taken up, according to Mr. Swaroop, who added that tourists can also buy organic produce directly from farmers.

[Restructure State seeds corporation, says MP](#)

Bangalore North Lok Sabha Member D.B. Chandre Gowda on Thursday urged the government to restructure the Karnataka State Seeds Corporation (KSSC) on the lines of the ones in Andhra Pradesh and Maharashtra.

Speaking at a foundation stone-laying ceremony for Beeja Raja Seeds Complex of the corporation here, Mr. Chandre Gowda said that KSSC needs to function independently to help farmers in times of crises.

Speedy decisions

Such corporations in the neighbouring States function independent of the bureaucratic set-up and have taken speedy decisions, Mr. Chandre Gowda noted.

Several odds

Despite the several odds, the KSSC has been functioning effectively, he noted. He said that he would strive to help the corporation with regard to any assistance required from the Union government.

Karnataka Krishi Mission Chairman S.A. Patil also urged the government to restructure the corporation soon.

Chief Minister Jagadish Shettar laid the foundation stone.

'The future is in the commodities market'

Food, textiles and clothing, housing and infrastructure, energy, healthcare, education and leisure and entertainment are going to be the major sectors of growth in the future in India, G. Chandrashekhar of *The Hindu BusinessLine* said here on Thursday.

He was delivering a lecture on 'Commodities as driver of India's economic growth' in the Hedgers and Prospective Hedgers Awareness and Education Seminar on agribusiness and commodities price risk management at Chandravadan Desai Hall of Karnataka Chamber of Commerce and Industry (KCCI) here.

The event is part of an ongoing initiative by *The Hindu BusinessLine*, Forward Markets Commission, National Commodity and Derivatives Exchange, State Bank of Mysore, and the KCCI, Hubli.

Elaborating on the opportunities and benefits through futures trading, Mr. Chandrashekhar said the future was in the commodity market. With the internal and external trade reforms creating an environment of free trade, he said, India was gradually integrating with the global market. Considering this development, it was a must for stakeholders to have a global view of the market.

Mr. Chandrashekhar said India, with its huge population of youngsters, had an edge over many developed countries. Fifty-three per cent of the Indian population was less than 25 years, 31 per cent less than 15 years and 80 per cent less than 45 years. “This also means that there is a huge population to consume products,” he said.

Mr. Chandrashekhar said the demographic dividend for the country could be earned through investing in health and education.

He said that rising incomes, population growth and the current low per capita availability would combine to drive commodity consumption and the skewed pattern of the current consumption offered a tremendous growth opportunity. “As a result, trade in food, fibres, metals and energy commodities is set to expand manifold leading to India gradually becoming a major producer, processor, consumer, exporter and importer of wide range of commodities,” he said.

He also elaborated on how hedging in the futures market could help various stakeholders and how awareness about it could help the farmers to earn profit for their produce through proper planning.

Elaborating on commodity futures market, Davey Cherimulla of NCDEX, briefed about how the futures market exchange functioned and how it had grown in India despite several restrictions at various points of time. “From a total of Rs. 5.74 lakh crore in 2004-05, it has grown to Rs. 119.48 lakh crore in 2012-13,” he said. Mr. Cherimulla said hedging in the futures market would help companies to protect themselves against the adverse movements in the prices of raw materials or products and the farmers to protect against the adverse movement in the prices of their produce.

Deputy General Manager of SBM N.V.L. Ratan briefed about the role of banks in agribusiness and the loans extended to the farming sector.

Earlier, inaugurating the programme, N.P. Javali, president of KCCI, lauded *The Hindu BusinessLine* for taking up the initiative. Joint Secretary C.N. Karikatti was present.

[A mushroom for Kerala climate, palate](#)

Rising temperature, poor rainfall and increasing pest attacks are worries that confront mushroom farmers in Kerala even as a new local isolate of milky mushroom (*Calocybe indica*) promises rich rewards with its potential for round-the-year yields.

The Kumarakom isolate of the milky mushroom is sweeter and tastier, said A.V. Mathew, veteran mushroom researcher, attached to Regional Agricultural Research Station, Kumarakom. The isolate answers the need for a Kerala variety of mushroom, suited to our climatic conditions, he told *The Hindu* over the phone.

Dr. Mathew said the isolate had not been formally released to farmers though some had already tried it out and found it attractive.

He said every vegetable was seasonal. There were mushroom species suited to rainy and summer seasons. White oyster mushroom (pleurotus) was more suited to the rainy season marked by high humidity and low temperature, while milky mushroom thrived on slightly higher temperature and lower humidity levels.

The new development comes as good news for farmers, who are eyeing a growing market for mushrooms. On Wednesday, 40 farmers from around Aroor gathered for a day's workshop on mushroom farming at the house of Shijaji Thankachan, a home-maker and successful mushroom farmer.

Dr. Mathew felt that despite its immense potential, mushroom cultivation was confined to about a 1,000 farmers across Kerala. Hundreds of trainings sessions were conducted in the State in a month. However, there was a paucity of farmers to exploit the available potential of mushroom both as a food item and a nutraceutical produce, he says.

Farmers to get pension, arrears by December 5

Agriculture and Animal Husbandry Minister K.P. Mohanan has said that the government would ensure the disbursal of the increased pension amount and arrears to all eligible farmers by December 5.

He was inaugurating the construction works of the pig breeding unit of the Animal Husbandry department at Kappadu near Kanjirappally on Thursday.

Mr. Mohanan pointed out that a delay had crept into process of pension distribution. This was mainly due to the fact that there had been certain obstacles in bringing cooperative banks under the ambit of the government scheme. Such banks are preferred over others by most farmers in rural areas, he said.

He said that the government had launched the procurement of various crop products through Krishi Bhavans in an attempt to arrest the fall in their prices. In the initial phase of the project, the procurement of coconuts will be completed by the end of December and farmers will be provided remuneration instantly through the Krishi Bhavans.

He also directed the concerned officials to ensure the completion of the work within two years and also prevent inconvenience to the local inhabitants during the functioning the unit.

The Minister also assured the leaders of civic bodies that 20 per cent of piglets bred in the unit will be distributed among beneficiaries in the locality.

N. Jayaraj, MLA, presided over the function. Animal Husbandry Department director K.G. Suma, district panchayat member Mariamma Joseph and district animal husbandry officer S. Gopalakrishnan also spoke on the occasion.

Later on the day, Mr. Mohanan inaugurated the foundation-laying ceremony of the proposed knowledge extension centre of the Livestock Management Training Centre at Thalayolaparambu.

In his address, Mr. Mohanan stressed on the need to incorporate emerging technologies in agriculture and animal husbandry sectors in order to improve productivity and achieve self-sufficiency. He added that it would be possible to attract the youth by ensuring the modernisation of the functioning of these sectors.

113 farmers to get subsidy for greenhouses

The Kerala Horticultural Mission has given sanction to the Agriculture Department to give subsidy to 113 applicants for setting up high-tech greenhouses to cultivate vegetables and fruits throughout the year in the district.

Three farmers in each grama panchayat are given subsidy for taking up high-tech farming. Setting up a 400 sq m greenhouse requires Rs. 3.75 lakh. As much as 75 per cent of the cost is given as subsidy, routed directly to the bank accounts of the farmers, officials say. The department helps farmers take loans from banks.

An acre of plantain, chilli, tomato, cucumber or other horticultural crops earn a profit of Rs.75,000 to Rs.2.5 lakh a year, attracting many educated young farmers in the district to high-tech farming.

Last year, more than 700 farmers took up high-tech precision farming in the State, and of them, 500 were in Palakkad. This year, 550 new farmers have entered the field in the district, more than half of them at Muthalamada, Vadakarapathy, Eruthiampathy and Perumatty in Chittur taluk.

K. Krishnankutty, one of the first farmers to adopt precision farming in the State, says, “the high profit and the technology used for precision farming are attracting many professionals to modern farming.”

The Kudumbasree units have entered the field in a big way to cultivate banana, tomato, chilli, cucumber and so on. They have built 12 greenhouses in Chittur taluk, he says.

An agro service centre was opened by M.S. Swaminathan, veteran agriculture scientist, in Chittur in May. The high-tech precision farming started in the district four years ago is getting popular as more and more farmers from different parts of the State have shown interest in taking up cultivation, particularly of vegetables, because of high productivity and good profit, Mr. Krishnankutty says.

Nearly 800 farmers have registered with the Vegetables and Fruits Promotion Council, Keralam, and other agencies in Chittur taluk alone. The high-tech precision farming uses “Fertigation,” an improved method of supplying nutrients through the drip system with water-soluble fertilizers. By adopting this practice, there is a 25 per cent saving on fertilizers and complete utilisation of applied nutrients by the plants, officials say.

[Highlight issues relating to agriculture, media urged](#)

Media houses should find viable economic models for a sustained coverage on issues relating to farm distress and innovations in agriculture, MLC K. Nageshwar said here on Thursday.

“In the face of professional and contextual challenges, media organisations should find alternative economic models to ensure continuous coverage of issues relating to agriculture,” Professor Nageshwar said at the two-day national seminar on ‘Agricultural Innovations -Role of Mass Media’, held by the Department of Journalism and Mass Communication at Acharya Nagarjuna University.

Admitting that the main stream media had many constraints while reporting on such issues, Prof. Nageshwar suggested that media organisations could take steps to build a literary movement and capture a sizeable captive audience base to consume news about agriculture related issues.

“News is a commodity and every news story should have a readership and audience. Issues relating to agriculture would find a place in newspapers and TV channels if there are people to watch it,” he said, calling upon the civil society to take the lead in ensuring continuous viewership.

Chief Editor of The Hans India and HMTV K. Ramachandramurthy said the onus was on the government to support media organisations, which had been reporting extensively.

“The government could release more advertisements to those papers and channels that are covering agriculture related issues,” he observed.

Earlier, ANU Vice-Chancellor K.V. Rao inaugurated the workshop. He urged mediapersons to highlight the plight of farmers and take the recent innovations in farm mechanisation to the doorstep of every farmer.

Reminiscing that radio had played a key role in disseminating information about best farm practices during 60s-80s, Dr. Rao asked the mass media to take up the gauntlet and focus on those issues.

Principal of University College of Arts and Commerce and Coordinator of Department of Journalism T. Umamaheswara Rao, Head of Department J. Anitha, and assistant professors — John and Madhu Babu — were present.

Efforts on to increase aquaculture

Officials of Fisheries Department are initiating efforts to start a 'pen fish culture centre' in the interior area of Kandaleru reservoir to increase aquaculture growth in the district. Officials say fish seed rearing would be taken up in select reservoirs as it was found to a viable alternative to nurseries that are usually raised on ground.

Dairy farmers look for bailout package



Farmer leaders at a round-table in Ongole on Thursday to discuss the crisis facing the dairy sector. —Photo: Kommuri Srinivas

On the warpath



- Farmer organisations to chalk out an agitation programme on December 7
- Farmers advised to rear cows instead of buffaloes as they yield milk for longer duration
- Scientist calls for strengthening R&D to develop high-yielding cattle
- Weakening of coop movement responsible for plight of dairy farmers: APRS leader

Round-table urges State to take corrective steps to end 'artificial lack of demand'

Dairy farmers under the banner of the Andhra Pradesh Rythu Sangam on Thursday resolved to agitate to exert pressure on the State government to bail them out of the present crisis.

Farmer representatives at a round-table here demanded that corrective steps being taken by the government to end the “artificial lack of demand for milk and its byproducts.”

Presiding over the conference, CPI(M)-led APRS District Secretary N. Ranga Rao said, “We will call on district Collector Anita Rajendra and Municipal Administration Minister M. Mahidhar Reddy on Monday to impress upon them to take corrective steps.”

The APRS, along with like-minded farmer organisations, would chalk out an agitation programme on December 7 demanding that the government come to the rescue of dairy farmers by tying up with the Tirumala Tirupati Devasthanam, which procured milk from Karnataka and other temples coming under the Endowment Board, he said.

Progressive farmer K. Ramavathar suggested that farmers go for rearing cows instead of buffaloes, which yielded milk for a longer duration, and grow fodder in their own lands instead of purchasing from the market as part of cost cutting measures.

Agriculture scientist T. Kamalakar Rao opined that research and development should be strengthened further to develop high-yielding cattle to improve productivity and enable farmers reduce cost of production.

Market intervention

The State government should allocate funds for market intervention to purchase milk, offering a remunerative price for farmers and arrange for supply of milk and its byproducts at subsidised rates to people up to the village level, said Telugu Rythu district president K. Venkaiah. The milk collected by private dairies should be diverted to the cooperative dairy for converting it into skimmed milk powder and reconvertng it into milk during summer. Farmers in drought-prone district mainly depended on the dairy sector for an alternative livelihood. The weakening of the cooperative movement over a period was responsible for the present plight of dairy farmers, opined CPI-led APRS district secretary V. Hanuma Reddy.

The State government, which encouraged dairying by providing milch animals at subsidised rate, had slowly withdrawn itself from marketing of milk and its byproducts by allowing mushrooming private dairies, complained M. Ramakrisna of the Gorella Mekala Kaparla Sangham. While the input cost of dairy farming went up sharply, the purchase price had been slashed by Rs.2 by the cooperative dairy and by Rs. 4 by private dairies in the district, lamented N.G. Ranga Kisan Samastha secretary Ch. Seshaiah. Milk should be supplied to anganwadi and midday meal centres as also social welfare hostels and private college hostels, felt All India Democratic Women's Association State joint secretary K. Subbaravamma.

Weakening of the cooperative sector by encouraging private dairies indiscriminately was responsible for the present crisis, opined CITU district secretary Ch. Srinivasa Rao. It was an irony of sorts as farmers were faced with rejection of milk even as a majority of children went without milk, pointed out CITU district president G. Srinivasa Rao.

While Prakasam District Cooperative Milk Producers' Union procured 80,000 litres of milk, 63 private dairies procured 5.50 lakh litres of milk from farmers.

New food security scheme for the poor from Dec. 15

United Progressive Alliance chairperson Sonia Gandhi has been urged by Delhi Chief Minister Sheila Dikshit to inaugurate the Dilli Annashree Yojana food security scheme under which initially about two lakh families would be paid a sum of Rs. 600 per month from December 15.

The Delhi Government, which had set aside Rs. 150 crore for this scheme in its annual Budget, said on Thursday that this is the first such initiative by any State government to go beyond the traditional definition of poverty and provide citizens with food security through cash transfers.

In Delhi, the ambit of the scheme is also being expanded from the existing four lakh BPL/AAY ration card holders to cover six lakh vulnerable households that have been identified through a survey based on new scientific parameters.

A Government note said about two lakh households will be getting a monthly amount of Rs 600 from April 1, 2012.

It added that on launch of the scheme on December 15, the accounts of the beneficiary families would directly be credited with a sum of Rs 4,800, comprising assistance for the last eight months.

The Government said the scheme would thus facilitate transfer of cash benefit direct to the bank accounts of the beneficiaries using Aadhar-enabled no-frill bank accounts.

“Apart from completely eliminating the leakages in the current Public Distribution System, the new scheme would provide an option to spend the money as per the need. Large number of families putting up in the slum areas, resettlement colonies and JJ clusters would benefit with this scheme,” it added.

The implementation of the scheme is being done through the Samajik Suvidha Sangam or Mission Convergence and the money would be transferred into the account of the senior most woman member of the beneficiary household.

The Delhi Government claimed that it has facilitated opening of such accounts on the mere presentation of a copy of Aadhar card and hence there would be no requirement of submitting address proof or arranging an introducer for the accounts.

The government has tied up with the six major banks for this purpose.

In all, 827 branches would be operating the accounts in which the financial assistance would be transferred.

Tea Board sets quality norm for exports

In a bid to exercise stringent control on the export and import quality of tea, the Tea Board of India has said that from February 2013, international trading of tea would be allowed only if it conforms to the parameters laid down by the Food Safety and Standards Authority of India .

The stipulation follows the various quality issues that have cropped up in recent years regarding Indian tea. “The Tea Board of India has taken firm steps to protect and enhance the image of Indian tea globally, and to ensure that only tea worthy of the tagline ‘Indian tea’ is exported,” a Tea Board release said, adding that random testing would be carried out to check quality. The Tea Board of India has established a Tea Council of North India and another for South India to put in place an online mandatory mechanism to track all exports and imports and ensure that quality norms are enforced. The mechanism is being designed by NSE-IT, and it would be hassle-free and paperless. Details would be posted on the website of the Tea Board from January 1, 2013, the release said. Even as India struggles to hold its markets for its best-known commodity exports, quality issues have plagued exporters with complaints flowing in, especially from quality conscious countries such as Iran and Japan, alleging presence of contaminants such as iron filings, artificial colour, and pesticide residue levels.

Company to hold organic farmers' fair twice a week

Banuli Krishikara Producer Company Ltd., a firm set up by Banuli Krishikara Balaga that includes a group of progressive farmers who market organic food products, is planning to hold ‘Savayava Krishikara Santhe’ (organic farmers’ fair) twice a week, to encourage farmers to go in for organic farming and provide the best price for the produce to consumers.

K. Venkatesh, managing director, Banuli Krishikara Producer Company Ltd., said: “There is a good market for organic food, but people do not get them regularly. Also, the price of such products was high. Therefore, we plan to set up a platform for organic farmers to sell their produce directly to consumers and establish a strong marketing link to get good returns,” he said.

The balaga has over 150 farmers from Mysore, Mandya and Chamarajanagar districts. Farmers from Ramanagaram, Hassan, Kodagu and Bangalore Rural districts have joined hands with the balaga whose primary focus is direct-to-consumer market link.

Despite the demand for farm-fresh organic food products, not many farmers have taken up organic farming. “The balaga is making efforts to encourage farmers to adopt organic farming and make organic food available easily and adequately to consumers. One such effort is Raitha Santhe, which would be held twice a week beginning next month,” Mr. Venkatesh said.

He said the company gave training to farmers interested in organic farming and guided them on availing resources for it. Several members of the balaga were now successful organic farmers. The balaga planned to increase the base of growers to open more retail outlets, he said.

The company opened its first retail outlet, Banuli Organics, at Jayalakshmpuram here six months ago where organic foodgrains, organic fruits and vegetables were sold.

Farmers themselves brought their produce to the outlet, and there is no middlemen. They get good price for their produce and consumers get farm-fresh food at competitive prices, he said. Eight traditional varieties of rice, medicinal varieties of rice, varieties of millets, oilseeds, homemade soaps and other products were available at the balaga’s organic outlet.

“There were plans to expand the initiative to neighbouring districts,” he said.

The company also supplied seeds to interested farmers for growing traditional rice varieties. It had a seed bank with nearly 50 varieties of rice. It got millets from farmers of north Karnataka region.

On why organic food costs more than the regular food, Mr. Venkatesh said: “We give more returns to farmers to encourage them to continue growing food organically. Moreover, transportation costs were borne by farmers, and therefore the products cost more,” he said and added that the balaga planned to organise moonlight dinner every month to promote organic food and its benefits.

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They termed “inhuman” the refusal of Karnataka to release water to Tamil Nadu. The food security and livelihood of farmers of Cauvery delta districts were under threat, they said and hoped that the Supreme Court, which would hear the matter on November 30, would come to the rescue of Tamil Nadu farmers. Mannargudi S. Ranganathan and Mahadhanapuram V. Rajaram, general secretary and working president of the Cauvery Delta Farmers’ Welfare Association, observed that Karnataka could have as well told Tamil Nadu Chief Minister Jayalalithaa not to visit Bangalore if it was determined not to give water to the State which is facing one of the worst seasons in its history.

There would be a “total crop failure” if rains were also failed in the next few days. The delta, which had been an irrigated area, had now become a “rainfed area,” thanks to Karnataka and the Centre, they lamented. They expressed the hope that Tamil Nadu would impress upon the Supreme Court on Friday the grave situation prevailing in the delta, including farmers’ suicides due to withering crops, and get a favourable order for release of water. “Otherwise farmers would be left with no other option but to launch a major struggle from December 7,” they added.

Cauvery V. Dhanaplan, general secretary of the Cauvery Delta Farmers’ Protection Association, observing that the failure of talks was quite expected, asserted that any more talks would be an exercise in futility. He was unhappy that the Supreme Court had failed to take any categorical stand on the Cauvery water row, on the Mullaperiyar imbroglio and on the Palar issue. “The Centre is silently watching the situation, a grave threat to the integrity of the nation. The delta, which ensures 52 per cent of food for the State, is in distress and needs water for at least 60 to 90 days to save the crop. It is the duty of the Prime Minister to save the e crops.” Aarupathy P. Kalyanam, general secretary, Federation of the Farmers’ Association of Delta Districts, said “if Karnataka had agreed to release at least 4.81 tmcft as ordered by the Cauvery Monitoring Committee, it would have been a consolation.” He wanted the Supreme Court to put an end to this annual ordeal by clearly defining the “season” and “distress sharing formula.” Besides, Karnataka should not be allowed to go in for summer irrigation, the root cause of the current problem. Karnataka should not be allowed to have full control over the Cauvery which is an inter-State river and Central government should invoke Article 355 to direct Karnataka to release water. V. Durai Manickam, general secretary of the Tamil Nadu Vivasayigal Sangam affiliated to CPI, said that talks had failed 22 times in the past. Karnataka should have considered the emergency situation that prevailed in Cauvery delta and helped to save standing samba crop.

K. Balakrishnan, Chidambaram MLA and former general secretary of Tamil Nadu Vivasayigal Sangam affiliated to CPI(M), said the Tamil Nadu Chief Minister should convene an all-party meeting to discuss the issue now.

Second case of farmer's suicide within four days

In yet another case of distress suicide within a span of four days, a Dalit marginal farmer hanged himself from a tree here at Magizhi village in Thirupoondi on Thursday.

Fifty-eight-year old Selvaraj of Karunkani Panchayat of Keezhayur had returned distraught from his fields after his attempts to irrigate his fields with the below minimal water in the channel failed.

Selvaraj had spent around Rs.50,000 for cultivating his marginal holding of two acres that included an acre of leased land. After his directly sown fields were lost in the October rains, Selvaraj had raised nurseries the second time. Early in the day, he had tried to borrow from money lenders.

Speaking to *The Hindu*, Subhash Chandra Bose, son of Selvaraj, said his father had wanted money to hire a diesel engine to pump out the already bare minimal water in the branch channel to his field. However, his borrowers refused money.

According to Ravichandran, panchayat president of Karunkani, the panchayat had been demanding a check dam on Vellayar to serve as a reservoir for farm works.

“The excess inundation in October could have been stored for these lean days,” he says.

Speaking to *The Hindu* at Magizhi, A.V. Subramanyam, District Secretary, Tamizhaga Vivasayigal Sangam, said that the last time such distress suicides were reported was in 2002, when 19 people died due to farm distress. Things are grim this year, he said.

According to V.P. Nagai Maali, CPI (M) MLA for Keezhvelur, who visited the family, marginal farmers have suffered the most by pinning hopes on agriculture and making borrowings to cultivate their marginal holdings. The second death, followed by the failure of talks in Bangalore has sapped the confidence of farmers here.

Rally for Cauvery water on Dec. 8

Cauvery Urimai Meetpu Kuzhu has decided to organise a massive rally in Thanjavur on December 8 condemning what it termed the indifferent attitude of the Central government in the Cauvery water issue, and calling for its intervention to get due share of Cauvery water from Karnataka to Tamil Nadu. C.Murugesan of Cauvery Urimai Meetpu Kuzhu told presspersons on Tuesday that the rally would begin at Tholkappiar Sadukkam and end at Abraham Pandithar Road.

A public meeting would also be held.

Mr.Murugesan said when farmers were expecting that Supreme Court would find a solution to the issue, it had asked the Chief Ministers of Tamil Nadu and Karnataka to meet and talk. But an emergency situation prevails in the Cauvery delta districts as samba crop is withering. Suicide by farmers has also been reported. The Centre should intervene and get water from Karnataka. Reducing the discharge from Mettur dam from 10,000 cusecs to 2000 cusecs is another blow.

Declare Tiruvarur drought-hit



airing views:A farmer speaking at grievances day meeting in Tiruvarur on Thursday.Photo:B.Velankanni Raj

Farmers of Tiruvarur district have appealed to the State government to declare Tiruvarur district as drought hit and pay a compensation of Rs 25,000 per acre to farmers.

They said that kuruvai could not be raised for want of canal water and the standing samba is also facing water crisis now. Farmers of the district lost heavily this year, they said speaking at the farmers' grievances day meeting here.

P.R.Pandiyan, Tiruvaur district assistant secretary of Tamil Nadu Vivasayigal Sangam said that PWD should manage turn system of water release properly. Vennar should get priority in water release over Cauvery and other rivers as Vennar irrigates tail end areas in Tiruvarur district. At a time when farmers are facing water problem, even the available water was not properly released into canals, he alleged.

S.Nadarajan, District Collector presided over the meeting. Agriculture Department officials participated.

200 acres of land under greening of watershed programme



R. Vasuki, Additional Secretary, Agriculture, Government of Tamil Nadu visiting Thumberi village at Natrampalli on Thursday

The Department of Agriculture, Vellore will cover a total of 200 acres of land under the greening of watershed programme at Thumberi village in Natrampalli. Mango plantation with drip irrigation would be taken up here.

R. Vasuki, Additional Secretary, Agriculture, Government of Tamil Nadu visited the village on Thursday and launched the programme. A meeting with the beneficiaries was held to explain the features of the programme. Collector P. Sankar was present on the occasion.

She told the beneficiaries that, under the scheme, the selected lands of farmers would be developed and free fruit saplings would be given. To maintain the planted saplings, one bore

well would be provided for every 10 acres of land and free electricity and drip irrigation would be provided, according to a press release.

K. Tamilselvan, Joint Director of Agriculture, Vellore said greening programme was a sub-scheme under the District Watershed Development Agency. "The watershed development programme was taken up four to five years through a non government organisation. As a follow-up action, the Department is taking up efforts for greening of the watershed. Four clusters of 50 acres each have been formed, totaling to 200 acres. Subsidy of Rs. 14 lakh will be given per cluster," he said.

The Department of Agriculture, along with other departments such as Horticulture, Agriculture Engineering, Agriculture Marketing, Sericulture, Fisheries, Social Welfare, District Rural Development Agency, Education, Animal Husbandry and Aavin will implement their regular department schemes focusing on the village to the tune of Rs. 2.05 crore, he added.

"Watersheds are mainly for rain-fed crops. Here, the farmers would create water-harvesting facility. The water stored would be used for irrigation purposes," he said. Sub-Collector of Tirupattur Shilpa Prabhakar, Member of Legislative Assembly-Vaniyambadi Govi. Sampath Kumar and Project Director of District Rural Development Agency N. Srinivasan were present.

Wholesale egg price falls

In a bid to clear more than eight crore eggs that got stagnated during Diwali, the National Egg Coordination Committee (NECC) has dropped the wholesale price of egg by 35 paise from Rs. 3.10 to Rs. 2.75 on Wednesday.

This drastic price drop is not quite common, as the usual rate reduction in a maximum of 15 paise a day.

"It would take three days to bring price egg to what was fixed on Wednesday. But the price drop was an exemption as we had to boost sale of egg in the retail, where the price of egg is based on price fixed by NECC. It is expected to come below Rs. 3 in a couple of days and boost egg sale," Chairman of the NECC Namakkal Zone Dr. P. Selvaraj told *The Hindu* .

He said that there was a slowdown in egg sale after bird flu outbreak in Karnataka in the last week of October.

“Before it was back to normal, the Diwali holidays resulted in stagnation of eggs. The stocks could not be cleared till date as the Iyappa season in Kerala and Karthigai in Tamil Nadu when many devotees turn vegetarians began, due to which the stocks could not be immediately cleared,” he observed.

The NECC Chairman said that on the other hand, sale of egg in Kerala – the second big egg market for eggs from Namakkal – dropped by about 25 percent from the little more than one crore eggs that used to be consumed in Kerala every day, after the bird flu outbreak, due to short term consumer resistance.

Delay

Dr. Selvaraj said that this was one of the important reasons for delay in clearing eggs.

He also attributed the price drop to uncertainty in the egg export market in the post bird flu scenario.

“However the price will not drop further and will start picking up again after the stocks are cleared,” he added.

President of the Tamil Nadu Poultry Farmers Association R. Nallathambi said that picking up of winter in North India has led to increase in demand for eggs in those States.

“We are confident that the drastic price drop will increase movement of eggs to Bombay (Maharashtra) and other North Indian States,” he said.

Meanwhile the NECC has advised poultry farmers to sell 65-week-old hens for meat.

“This is because they steadily lay eggs till they are 72 weeks old. The culling of birds seven weeks in advance will reduce production that will match market requirements. Doing so will help farmers realise better price for their eggs without much delay,” an NECC source said.

[MP urges Centre to come to rescue of Nilam-hit ryots](#)

Vijayawada MP Lagadapati Rajagopal in a Zero Hour submission made in Parliament on Thursday appealed to the Centre to release Rs.1,500 crore as National Calamity Contingency Fund for farmers who were badly affected by Nilam cyclone, according to a release here on Thursday.

Mr. Rajagopal urged the government to send a Central team to assess the damage at the earliest. He said standing crop in 8 lakh hectares in 19 districts of the State was damaged. Crops such as paddy, cotton, chilli, maize, and 10 others were damaged in 14 districts, severely in five districts.

The loss estimated by the State government was Rs.1,710 crore. He said cotton farmers in Vijayawada parliamentary constituency were badly hit.

The Cotton Corporation of India flatly refused to purchase cotton that was so badly damaged.

Urging the government to direct the Textile Ministry to instruct the CCI to purchase whatever cotton was available, quality notwithstanding, to bail out the farmers, he said the Rs.6,000 per hectare given to farmers who suffered losses was highly insufficient. There was a need for the FCI and the CCI to move in and buy paddy and cotton from the farmers, he said.

Minister on 10-day visit to United States

Minister for Agriculture Kanna Laskshminarayana left for the US on a 10-day official visit on Thursday. He will visit several agriculture universities and research stations and interact with scientists and other officials. He will also visit agriculture fields and interact with farmers to discuss the technology useful for small and marginal farmers in the State. Agriculture Commissioner K. Madhusudhana Rao, A. Janaiah of ANGRAU and others were accompanying the Minister.

Clucking in triumph



INCOME YIELDING OCCUPATION: Chicks feed on grass, fodder, insects and leftovers. PHOTO: Rohit Jain Paras

Dalit and poor families in Bharatpur district of Rajasthan are taking up backyard poultry farming in a big way as a viable livelihood option to compensate for losses in agriculture and raise their standard of living. Poultry farming has reached small and nondescript villages in several panchayat samitis in the district, thanks to the intervention of civil society groups.

The initiative began as part of an action plan to help out households living below poverty line by improving their socio-economic conditions. About 2,000 youths were provided one-day training at different panchayat samitis two years ago and the interested families were supplied with 100 chicks of Chrysler breed each at a nominal registration fee.

Lupin Human Welfare & Research Foundation, working in Bharatpur for the past several decades, is extending support to the villagers in starting the high income yielding occupation. Initially the foundation studied geographical location of villages in the region as well as demand in the market to check out the viability of the venture. Youth were sent to Ajmer, considered the State's centre of poultry farming, to learn the techniques and become self-sufficient.

Foundation's executive director Sita Ram Gupta says 22 fishermen in Jeeraheda village of Kaman panchayat samiti were the first to get 2,000 chicks. Thereafter, 1,000 chicks were given to 10 BPL households in Nagar panchayat samiti, 1,200 to 11 households in Rupbas, 5,400 to 54 households in Kumher, 500 to five households in Nadbai, 2,000 to 20 households in Sewar and 1,600 to 16 households in Bayana panchayat samiti.

Chicks of Chrysler breed generally feed themselves on grass, fodder, insects and leftover food in and around the home. Reared in the open space adjacent to houses, they are sturdy with good resistance to diseases and can also protect themselves against the attacks of stray dogs and

other animals. Mr. Gupta says this quality has helped the villagers look after fowls well and get eggs from them regularly.

Chicks gain weight fast, putting on two kg within the first two months of their life. Dalit families in Kanchapura village of Kumher panchayat samiti are earning huge profits through the sale of fowls, produced in as many as 14 units, at the rate of Rs. 200 a kg. There is significant consumption of non-vegetarian commodities in the region and the demand is high throughout the year.

Hens of Chrysler breed start laying eggs when they are five months old. Poultry farmers get about 250 eggs from a hen in a year and sell them at Rs. 10 to Rs. 15 each, which is three times the rate of regular eggs. Mr. Gupta says there is a heavy demand for fowls and eggs in the markets of Agra, Mathura, Aligarh, Gurgaon and Delhi where the products are sold at good profit margins.

An average household starting poultry farming with 100 chicks easily earns Rs. 25,000 to Rs. 30,000 annually after about two months, according to Mr. Gupta. Backyard poultry farming, requiring negligible investments, has come as a boon to the villagers confronting high costs of living, unemployment and increasing prices of agricultural inputs.

While loans have been arranged for the youth who have constructed sheds from the Small Industries Development Bank of India (SIDBI), an intelligent planning for the business has attracted brokers, agents and businessmen from big towns situated near Bharatpur. Chicks are being supplied at 75 per cent subsidy to the needy households.

The initiative has improved the quality of life of villagers and connected them with other enterprises in the region, such as dairy operations, bee-keeping, training for security guards and women's self help groups. Mr. Gupta affirms that the civil society groups would continue to support villagers for betterment of their lives.

Business Standard

[Cabinet continues unrestricted export of wheat, non-basmati rice](#)

The Cabinet has decided to continue unrestricted [export of wheat](#) and [non-basmati rice](#).

“The Cabinet Committee on Economic Affairs ([CCEA](#)) has approved the continuation of the unrestricted export of wheat and non-basmati rice, in view of the adequate availability of wheat and non-basmati rice in the domestic market. The proposal was moved by the Department of Commerce,” a statement released after the meeting said.

However, a PTI report said that the government has also approved export of an additional 2.5 million tonnes of wheat from the central pool, bringing the total of such exports to 4.5 million tonnes.

“The CCEA has approved an additional export of wheat from [FCI godowns](#). The Cabinet did not mention any specific quantity for exports but there was an agreement to review exports once the shipments touch 25 lakh tonnes,” PTI said quoting an unnamed source.

In August, it had first approved export of two mt of wheat, for the first time in seven years. Of these, tenders have been floated for sale of about 1.8 mt, of which almost one mt has been sent out.

As on November 1, the wheat stock in the central pool is estimated at a little over 40 mt, almost three times more than the required quantity. Experts and market watchers feel India should immediately allow export, in tranches, of five to seven mt in the next few months to take advantage of favourable market conditions. “Prices in the global market are expected to stay over \$300 a tonne in the next few months, providing the country a golden opportunity to liquidate its inventories at good prices,” said a leading trader.

Prices are expected to stay stable because of low supplies from America, the world’s biggest exporter, and also from Australia, Ukraine, Russia and Argentina because of poor weather. Traders said India’s latest wheat sale could easily fetch around \$320 (Rs 18,000) a tonne in the international markets.

Liquidating the wheat through exports would also help compensate the government’s additional carrying cost. Officials said the current economic cost of wheat in government warehouses was around Rs 19,000 a tonne, including the taxes paid. The price the government is expected to get by selling wheat is around Rs 17,000 a tonne.

“The ideal way would be to keep on exporting 1.5-2 mt in small lots or else the international markets would crash, if India or, for that matter, any other country flood the international market,” the trader said.

In August, when India floated its first tender to export from central stocks, the international market was weak at around \$296 a tonne. Now, these are around \$320 a tonne. Two government-owned trading companies, unlisted [PEC Ltd](#) and [State Trading Corporation of India](#), got the highest bids at \$324 a tonne and \$322.22 a tonne, respectively, in their latest export tenders.

The country produced a record 93.9 mt of wheat in the 2011-12 crop year (July-June), almost eight per cent more than the previous year. Apart from the government’s Food Corporation of India, traders have also shipped a little over three mt of the grain since September 2011.



[Cauvery row: No headway between TN, Karnataka CMs](#)

Talks between chief ministers of Tamil Nadu and Karnataka on [Cauvery water](#) sharing row, held at the suggestion of the [Supreme Court](#), on Thursday failed to break the ice with both sides sticking to their known hard positions.

After more than an hour-long meeting, Tamil Nadu chief minister [J Jayalalitha](#) said she had demanded a “bare minimum” requirement of 30 tmcft of water but Karnataka flatly refused, saying it could not release even a single drop of water.

Expressing state’s inability, Karnataka chief minister [Jagadish Shettar](#) said there was a distress in the state and it was not in a position to release water to Tamil Nadu. The meeting came as a follow up to the apex court’s suggestion to both the chief ministers to meet and arrive at an

amicable solution to the “sensitive” water dispute, dogging both the states for decades. This was the second time in 15 years that chief ministers of the two states had bilateral talks on the water row after 1997 when [M Karunanidhi](#) and [JH Patel](#) met in Chennai.

“...So, we will go back to Supreme Court tomorrow and inform it about the outcome of on Thursday’s meeting...” Jayalalithaa told reporters.

Shettar said Karnataka had only 37 tmcft of water in its reservoir of which 20 tmcft was required for drinking water supply to Bangalore, other cities and some rural areas. The state also explained the severe drought situation faced by it.

Making a strong pitch for release of water, Jayalalithaa said she told her counterpart that if there was no further release from Karnataka, the “samba” crop would wither and die. “And that will be a calamity for the farmers of Tamil Nadu,” she said, insisting Karnataka should spare 30 tmcft “which is the bare minimum requirement to save our standing samba crops and this should be released over the next 15 days.”

“But despite all our discussions, despite all our pleadings, the Karnataka government was firm in saying that it could not release even a single drop of water. So this is the outcome of the meeting. Karnataka has flatly refused to release any water to Tamil Nadu,” she said.

As the wrangling between the two states persisted over sharing water during the distress period, the Supreme Court had on Monday suggested that both chief ministers should give talks a try and meet in a congenial manner and discuss the issue in the larger interest of farmers of both states.

[Junagadh Agriculture University](#) (JAU) has estimated 33 per cent lower cotton production for Gujarat as compared to last year.

A recent [agricultural economic study](#) report of JAU noted that in spite of lower production, prices of cotton is expected to remain stable due to large stockpiles in China and at international level.

According to the study, cotton sowing in India during the current [kharif season](#) is estimated at about 11.6 million hectares and the production is expected to be 5 per cent lower than last year at about 33.4 million bales.

This is mainly due to lower rainfall in Gujarat, especially in the Saurashtra region - key cotton growing area.

"In Gujarat, cotton production is expected to be 33 per cent lower than last year at about 8 million bales from an area of 2.47 million hectares in current year 2012-13. However, cotton price is expected to remain stable due to large stockpiles in China and at the world level," said Maganlal Dhandhalya, associate research scientist at JAU.

The econometric analysis of cotton price in consultation with Domestic and Export Market Intelligence Cell (DEMIC) and Tamil Nadu Agricultural University (TNAU), Coimbatore revealed that the prices of cotton during November, 2012 to January, 2013 may remain in the range of Rs 800 to 940 per 20 kg.

"The cotton prices were quoted at around Rs 850 per 20 kg in the last season, and is expected to remain at the same level this year too. In Gujarat, prices may be a little higher as compared to other states, as cotton ginning millers have to import from other states," Dhandhalya said.

JAU study also noted that according to International Cotton Advisory Committee (ICAC) report, global cotton production is estimated to be around 25.63 million tonnes in 2012-13, which is 6 per cent less than the previous year and consumption is expected to be about 23.46 million tonnes.

Besides, there is also estimated to be a record carryover stock of 13.97 million tonnes of the last year 2011-12.

This will further lead to increased stocks at the end of this year to about 16.14 million tonnes.

Higher cotton stock around the world may result in low export of Indian cotton at about 7.5 million bales as against 12.7 million bales last year, the study noted.

[Govt to export extra 25 lakh tonnes of wheat from own stocks](#)



Sitting on huge reserves of foodgrains, the government today allowed additional exports of up to 25 lakh tonnes of wheat from its own stocks to clear the surplus in godowns and ease storage crunch.

The Cabinet Committee of Economic Affairs (CCEA) also decided to continue exports of wheat and non-basmati rice through private trade. The ban on exports of these items through private trade was lifted in September last year in view of bumper output.

Later in July, the government had allowed exports of 20 lakh tonnes of wheat from government stocks through PSUs such as MMTTC, STC and PEC till March 2013. Of this, 15 lakh tonnes have been contracted and 8 lakh tonnes shipped out so far.

Through private route, 30.8 lakh tonnes of wheat and 73.4 lakh tonne of non-basmati rice have been exported so far.

"The CCEA has approved an additional export of wheat from FCI godowns. The Cabinet did not mention any specific quantity for exports but there was an agreement to review exports once the shipments touch 25 lakh tonnes," a source said.

The CCEA allowed exports of additional quantity of wheat from the central pool as global prices are lucrative, the source added.

Wheat shipments from India have got higher price of up to \$322 per tonne in the contracts entered by PSUs so far.

Exports of surplus wheat will ease storage problems. The government at present has a wheat stock of 40.5 million tonnes, almost double the stipulated buffer stock requirement of 21.2 million tonnes.

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

India is exporting wheat mainly to neighbouring Bangladesh, South Korea, Thailand, Vietnam, Indonesia, Yemen, and Oman.

Wheat production stood at a record 93.9 million tonnes in 2011-12 crop year (July-June). The country is all set for a bumper wheat crop this year as well.

Vanilla output may drop 90% to 25 tonnes this year

After a decade of strong presence in the [agriculture sector](#) of [Kerala](#), [Karnataka](#) and [Tamil Nadu](#), [vanilla cultivation](#) is fast depleting in India. According to the latest projections by farmers from these states, this year's total production would be roughly 25 tonnes, 90 per cent less than the 260 tonnes last season. Karnataka is expected to have the highest beans output of 10-15 tonnes, while five tonnes are expected from Kerala.

Ten years ago, a large number of farmers in Kerala and Karnataka had shifted widely to vanilla cultivation, thanks to the huge demand from abroad and a whopping increase in prices. During the 2001-04 season, the average production increased to 1,200 tonnes, as one kg of green beans fetched over Rs 3,500 in the [global markets](#).

The continued crop failure in Madagascar, the world's largest producer of natural vanilla, resulted in a paradigm shift in the agriculture practices of these southern states. At that time, the total vanilla planted was about 1,000 hectares. During the 1999-2000, the area under vanilla cultivation globally was 37,525 hectares with a total production of 4,403 tonnes. After Madagascar, the major producing countries are Indonesia, Mexico, Comoros, Tahiti and Seychelles.

[M C Saju](#), director, Vanilla India Producer Company Limited ([Vanilco](#)), a farmer initiative constituted to market the processed beans, told Business Standard that vanilla is now being grown in some parts of Kannur and Wynad districts in Kerala. "We can't quantify the acreage now, as this is being cultivated in fragmented, small areas." The situation is the same in Karnataka and Tamil Nadu, he added.

Most farmers abandoned this on lack of demand for natural vanilla and a heavy drop in prices. One kg of synthetic vanilla costs only Rs 600-700, while one kg of natural vanilla extract (vanillin) costs over Rs 20,000. This huge difference in prices has upset the global natural vanilla market.

Cardamom export likely to be just half of last year's



Last year, India produced a bumper crop of 21,000 tonnes. This year's is expected at only 14,000 tonnes because of delayed rain and crop damage

[Cardamom export](#) this year is expected to see a fall of at least 50 per cent, due to lower production. About 2,000 tonnes is available for export and even if more stocks meant for local consumption is diverted, it will be around half of last year's export of 4,650 tonnes (worth Rs 363 crore). Apart from lower output, pricing is an issue. The export price of the major competitor, [Guatemala](#), is lower than India's.

The [Spices Board of India](#) has fixed an export target of 4,000 tonnes for 2012-13, split between 3,000 tonnes of the small variety and 1,000 tonnes of the large one.



Last year, India produced a bumper crop of 21,000 tonnes. This year's is expected at only 14,000 tonnes because of delayed rain and [crop damage](#). With 2,000 tonnes of carryover stock, the availability will be around 16,000 tonnes. With a home consumption of 13,000-14,000 tonnes, the export surplus will be a little over 2,000 tonnes.

In the first four months of the current financial year, export was

already down 50 per cent, at 485 tonnes as against 966 tonnes in the same period last year.

The main export destination for India is the North Africa and West Asia region, with Saudi Arabia the biggest importer. The US and Europe are not looking at India for imports, as our prices are high. It recently fell due to the gutkha ban in many states. However, recently, when auctions reopened after a month's closure, the price of cardamom started to climb and has moved up to Rs 1,150 a kg for the eight-mm variety from Rs 950 a kg a fortnight earlier, up 21 per cent.

"The price of the spice won't go higher than these levels, as the higher price will not be viable for further demand and the old crop has started to enter the market," said [Moolraj Ruparel](#), a Mumbai-based exporter.

THE HINDU Business Line

200 quintal rice for flood-hit people rots in Odisha

Nearly 200 quintals of rice continues to rot in a warehouse of a block headquarters in Odisha's Kendrapara district.

The cereal, now unfit for human consumption, was procured as part of relief materials for free distribution to flood-affected people in Rajkanika block.

Warehouses in Sihopada and Nahunipada gram panchayat house the rotten and worm-infested rice.

"It's an act of criminal negligence on part of the authorities concerned. The food grain should have reached the flood-affected people during the 2008 year flood. But it did not reach them. The rice was hoarded in godowns for strange reasons. Later, it was brought to the notice of local officials. But the rice was not disposed of and as a result it rotted," Debendra Sharma, district Congress committee President, said.

Rajkanika Block Development Officer Basudeb Mahali said, "Rice could not be distributed then as the local administration then had surplus stock rice. The matter had been informed to the district food and civil supplies department and Women and Child Welfare Department."

Instructions were issued to divert the materials for mid-day meal scheme for school children. But the authorities concerned did not act on time. As a result, the food stock has now turned unfit for human consumption. The quantity of rice that has got damaged in the panchayat godowns is nearly 196 quintals, he said.

"An inquiry has been ordered into the incident. Those found guilty would be taken to task," Kendrapara Collector Durga Prasad Behera said.

Sundarbans farmers reshape land to deploy irrigation technique

Hit hard by the adverse impact of climate change, farmers in the remote islands of Sundarbans are trying out unique sustainable agriculture means by reshaping their land.

The new farming technique involves converting a part of agriculture land into a pond for irrigation and pisciculture. By using rain water harvesting and vermicompost, made from earthworms, agricultural productivity of the land is increased.

58-year-old farmer Arun Maity of Ramganga village in South 24 Paraganas district said with high levels of salinity in soil and water, it was difficult to survive with traditional farming and irrigation techniques.

"A majority of the crops these farmers cultivate are highly sensitive to changes in temperature or unseasonal rainfall," says a recent report by the Delhi-based research body Centre for Science and Environment (CSE).

An archipelago of more than a hundred islands, Sundarbans is a UNESCO World Heritage site, famed for hosting the world's largest mangrove forest and the Royal Bengal Tigers.

As returns from agriculture have started dwindling due to climate change in the vulnerable forest-villages, farmers are slowly adopting the technology of land shaping where agriculture marries pisciculture.

Fed by rain water harvesting, the pond is used to keep fish and prawns throughout the year. The pond catches rainwater, which is vital for domestic use and irrigating the agricultural field adjacent to it during the dry winter and summer seasons.

With financial and technical assistance from Sundarban Social Development Centre (SSDC) and international NGO, Save the Children, a number of farmers are using the land shaping technique.

“Rain water is sweet and so can be used for irrigation. But the soil here is salty so we don’t dig the pond too deep,” says Maity.

Due to small land holdings and limited potential to develop irrigation facilities in the absence of electricity to operate motor pumps, it is difficult to practise multi-cropping.

Now, with the availability of water supply throughout the year and by using green manure and vermicompost, the farmers can grow multiple crops, fruits and vegetables.

Trade enquiries keep aromatic, non-basmati rice firm

Aromatic and non-basmati rice varieties ruled unchanged on Thursday.

The market witnessed an uptrend earlier this week and trade inquiries are supporting the market at current levels, said Amit Kumar, proprietor of Ginni Rice. Prices have increased rapidly over the last one month and the market sentiment is positive. Traders expect prices to fall a little next week, he added.

Among aromatic varieties in the physical market, Pusa-1121 (steam) sold at Rs 6,000-6,200 a quintal, while Pusa-1121 (sela) sold at Rs 5,150-5,375.

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

Among non-basmati varieties, 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 40,000 bags of PR variety arrived and sold at Rs 1,150-1,225 a quintal; around 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 2,550-2,650.

About 25,000 bags of Pusa-1121 arrived and quoted at Rs 2,450-2,740; and around 7,000 bags of pure basmati arrived and sold at Rs 3,250-3,300.

Lower seed stocks may keep mustard oil steady



Lower demand at the higher rate has dragged down mustard oil in Madhya Pradesh *mandis* in the past one week.

Mustard oil in *mandis* here on Thursday declined by Rs 10 to Rs 775 for 10 kg, while it was down Rs 5 each in Neemuch and Moorena at Rs 780 and Rs 770 respectively. In the past one week, mustard oil has declined by Rs 17 in *mandi* here, while it is down Rs 15 in Neemuch and Moorena.

In Rajasthan, however, it ruled flat, quoting at Rs 780 each in Kota and Sri Ganga Nagar and at Rs 795 in Jaipur. In Gujarat, it declined by Rs 10 to Rs 770. Compared with last week, mustard oil is down Rs 15 each in Kota, Ganga Nagar and Jaipur.

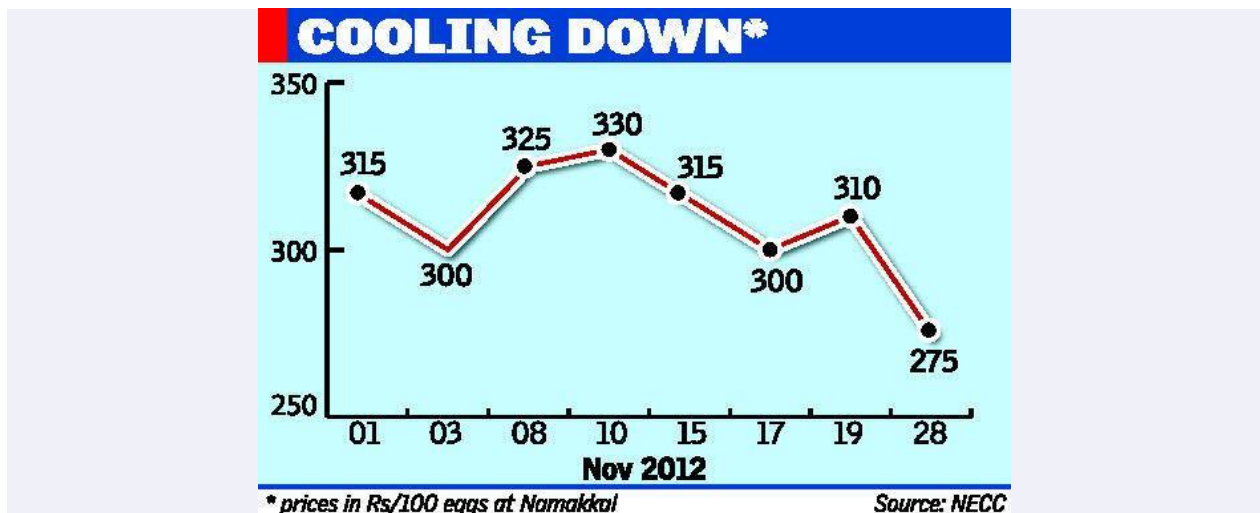
Nevertheless, any major fall in prices is unlikely, as mustard seeds stocks have dropped and demand increases during the winter. Prices may fall only if crop yield is higher this year, said a trader.

Mustard seeds in Madhya Pradesh have ruled stable for the past couple of days despite subdued demand. They were ruling at Rs 4,500-4,600 a quintal in *mandis* here, while the best quality seeds were at Rs 4,700. Compared with last week, mustard seeds have declined by Rs 200 a quintal, while black mustard ruled stable at Rs 4,000-4,100.

Seeds futures have been up the last two days. On Thursday, the December and January contracts on the National Commodity and Derivatives Exchange closed at Rs 4,218 (up Rs 81) and at Rs 4,263 (up Rs 97) respectively. Plant deliveries of seeds ruled higher at Rs 4,410-4,435 a quintal on rise in demand from crushers.

Arrival of seeds in the country on Thursday declined to 65,000 bags: 4,000 in Madhya Pradesh; 6,000 in Uttar Pradesh; 40,000 in Rajasthan; 7,000 in Punjab and Haryana; 3,000 in Gujarat; and 5,000 elsewhere.

As stocks surge to 8 crore, eggs get crushed



Prices of eggs at the wholesale level have been cut by 35 paise to Rs 2.75 a piece to clear the backlog of over 8 crore eggs piled up on account of Sabarimala season.

P. Selvaraj, Chairman, National Egg Coordination Committee (NECC), Namakkal zone, said that there was a slowdown in poultry consumption after the bird flu outbreak in Karnataka. Sale

of egg in Kerala — the second biggest market for eggs from Namakkal — has dropped by about a fourth from its usual one crore eggs a day after the bird flu outbreak. Added to this were the onset of Sabarimala season and the austere month of Karthigai when people abstain from non-vegetarian food. Meanwhile, there is a pick-up in consumption in the North on the onset of winter and the trade is confident that this price cut will boost offtake and things will look up soon. The NECC has advised poultry farmers to sell 65-week-old hens for meat, as it feels that the culling of birds seven weeks in advance will reduce production that will match market requirements and help farmers realise better profits. NECC's prices for layer birds has inched up to Rs 40 (Rs 39), while the Broiler Coordination Committee has trimmed the cull bird prices to Rs 47 (Rs 50) owing to over-production and subdued demand.

[Sugar rebounds on inventory buying](#)



Sugar prices bounced back on Thursday, as stockists began purchases to fulfil the new-month retail demand. Besides, the Union Government has extended the deadline to December 10 for sales of the unsold 2 lakh tonnes from the October-November quota. This has helped mills to delay sales, as they expect higher demand from next week, said traders.

Prices on the Vashi wholesale spot market improved by Rs 20 a quintal tracking Rs 40-50 jump in *naka* trades due to lack of sales in the resale market. Mill tender rates inched up by Rs 30-40 on higher demand. Futures were also firm. Stockists were refraining from buying in the last few days, as demand was low and supplies from mills were high. Local freight rates may improve due to shortage of trucks for lifting sugar from producers.

After Diwali, spot prices had dropped by Rs 55-60 a quintal on poorer demand. Prices in Maharashtra are on a par with other main producing centres in Uttar Pradesh and Karnataka.

A commodity analyst said the 70 lakh-tonne non-levy quota for December-March is more than sufficient. As there is still no scope for exports, the market will depend on local demand and progress in crushing. The farmers' agitation for higher cane price has already delayed the crushing season by a fortnight.

The Union Government revised the output lower to 230 lakh tonnes in the current marketing year, just sufficient to meet the demand.

At the beginning of the 2012-13 marketing year (October-September), the Food Ministry had pegged output at 240 lakh tonnes against 260.6 lakh tonnes last year.

On the National Commodities and Derivatives Exchange, January contracts were up to Rs 3,318 (Rs 3,301), February to Rs 3,339 (Rs 3,316) and March to Rs 3,353 (Rs 3,335) till noon.

In Vashi, arrivals were higher at 67-68 truckloads (each of 100 bags) and local despatches were 64-65 truckloads.

On Thursday evening, 10-12 mills offered tenders and sold nearly 75,000-80,000 (each of a quintal) bags to local traders at Rs 3,310-3,360 (Rs 3,290-3,350) for S-grade and Rs 3,360-3,430 (Rs 3,340-3,420) for M-grade.

The Bombay Sugar Merchants Association's spot rates were: S-grade Rs 3,432-3,492 (Rs 3,412-3,492) and M-grade Rs 3,496-3,701 (Rs 3,476-3,701).

Naka delivery rates: S-grade Rs 3,400-3,450 (Rs 3,350-3,400) and M-grade Rs 3,450-3,550 (Rs 3,420-3,500).

Pepper gains on buying support

The pepper market gained on good buying support from upcountry domestic markets on Thursday. All active contracts closed above the previous day's closing.

Some hundred tonnes of pepper were sold by investors at Rs 373-378 a kg and domestic traders covered.

“There was good domestic demand from North India,” market sources told *Business Line*. Besides, there was squeezing by speculators/operators, they said.

They said there was no premium for hedgers and investors as the difference between spot and the December delivery has narrowed down. On the other hand, since January has not been listed on the exchange, goods deposited now would be valid only till January 5.

There have been no arrivals from the primary market for past about two weeks as the growers withdrew from the declining market, they said. Spot pepper was thus not available in Kerala and Karnataka.

December contract on NCDEX increased by Rs 995 a quintal to close at Rs 38,270 a quintal. February and March moved up by Rs 225 and Rs 205 respectively to close at Rs 34,270 and 34,205 a quintal.

TURNOVER

Total turnover decreased by 2,539 tonnes to close at Rs 5,935 tonnes. Total open interest increased by 128 tonnes to close at 8,451 tonnes showing additional buying.

December open interest decreased by 210 tonnes to 8,358 tonnes while that of February and March went up by 328 tonnes and 7 tonnes respectively to 1,703 tonnes and 332 tonnes.

Spot prices moved up in tandem with the futures market trend moved up by Rs300 a quintal and closed at Rs 37,300 (ungarbled) and Rs 38,800 (MG 1) a quintal.

Firmer futures market coupled with strengthening of the rupee against the dollar pushed up the Indian parity to \$7,250 a tonne (c&f) for Europe and \$7,550 a tonne (c&f) for the US.

Wheat futures firm up on Govt move to raise exports



The recent spike in global wheat prices has encouraged the Government to open up exports and it has resumed talks with potential buyers such as Iran.

CHENNAI, NOV 29:

Wheat futures traded higher on Thursday with the near-month December contract topping Rs 1,600 a quintal on account of the Government's move to step up exports from its over-flowing reserves.

A potent combination of dry weather in the US and drought in the Black Sea region seem to be working in favour of Indian wheat. The recent spike in global wheat prices has encouraged the Government to open up exports and it has resumed talks with potential buyers such as Iran.

On the NCDEX, the January and February series gained 0.5 per cent each at Rs 1,591 and Rs 1,580 respectively. In the spot market in Delhi, the benchmark prices ruled unchanged at Rs 1,580.

Global scenario: US wheat futures rallied after the US Department of Agriculture gave a record-low rating to the country's wheat crops that were hit by drought dampening the export demand.

Poor prospects for supply from other export powerhouses such as Russia and Ukraine are also seen as catalysts. The wheat crop in both Russia and Ukraine has suffered severe damage this summer and Russia may have to import. This will fuel demand for Indian wheat.

On the CBoT, December wheat dropped 0.2 per cent to \$8.74-1/4 a bushel by 0436 GMT.

Cabinet nod for more wheat, rice exports

The Cabinet Committee on Economic Affairs has approved the continuation of the unrestricted export of wheat and non-basmati rice.

This is in view of the adequate availability of wheat and non-basmati rice in the domestic market, an official statement said.

The proposal was moved by the Department of Commerce. Sources said additional wheat exports of up to 2.5 million tonnes (mt) would be allowed from the Government's stocks.

The Government is sitting on a huge pile of wheat stocks pegged at 40.57 mt as of November 1 about thrice the buffer and strategic reserve at this point in time. The Government's latest move would help fetch better realisations as global wheat prices have firmed up as drought in countries such as Russia, Ukraine, the United States and Australia has slashed output hurting supplies.

The Government had earlier allowed exports of 2 mt from the Central pool stocks, of which over 7.5 lakh tonnes has already been shipped out of the country. State-run firms PEC, MMTC and STC have issued tenders for export of 1.5 mt so far. On Thursday, PEC Ltd received the highest bid at \$328 a tonne from a buyer in West Asia for shipments from the west coast.

Govt rice buying up 8%

Rice procurement by Government agencies has crossed 12 million tonne (mt) so far in the kharif marketing season (KMS) 2012-13, starting October.

This is about 8 per cent higher than 11.08 mt in the corresponding period last year. Total paddy procurement in the first two months of KMS 2012-13 stood at 17.63 mt, up by a tenth over last year's 16 mt.

This increase is led by higher procurement in the key States of Punjab and Haryana. In Punjab, paddy procurement was up by 11 per cent at 12.66 million tonnes. The procurement process is still on in Punjab, whereas in neighbouring Haryana it is almost complete.

Haryana has procured about 31 per cent more paddy this year at 3.81 mt against 2.91 mt in corresponding last year.

The Government agencies had procured 35 mt of rice in 2011-12 season and are targeting 40 mt in the current season. Rice stocks in the Central Pool as on November 1, stood at 28.95 mt, four times the buffer and strategic reserves of 7.7 mt as of October 1.

Global black tea output down 2.71%

With the October official production data of Sri Lanka and Malawi having been released, the total global black tea output so far this calendar has slid by 2.71 per cent over last year, reveals an analysis of the latest data available with producers and traders bodies.

“According to our compilation, the total black tea production has fallen to 1,455.84 million kg (mkg) from 1,496.36 mkg”, Rajesh Gupta, Director, Global Tea Brokers and publishers of annual Global Tea Statistical Diary, told *Business Line*.

This marks a decline of 40.52 mkg or 2.71 per cent over last year.

Till October, Sri Lanka produced 268.70 mkg – 1.30 mkg less than last year. Malawi’s output was down by 2.40 mkg to total 36.90 mkg.

Kenya led the losers with a loss of 11.82 mkg to total 247.95 mkg. India’s output was down by 10.46 mkg to total 772.60 mkg. Uganda lost 8.98 mkg to dip to 21.99 mkg and Indonesia, 6.30 mkg to reach 40.20 mkg. Tanzania and Zimbabwe posted marginal decline.

Bangladesh was the only country to report an increase in production. Here, the output rose by 3.25 mkg to soar to 43.63 mkg.

Rubber prices seen remaining soft on subdued demand

Prices of natural rubber, which is now hovering around Rs 171/kg, is likely to remain soft in the short run on subdued demand.

A study carried out by the Agricultural Market Intelligence Centre (AMIC) of Kerala Agricultural University cited weak demand, economic slowdown, widening gap between domestic as well as global price, more dependence on import, growing inventory levels and soft crude oil prices as the reasons for prices to remain subdued.

K. Satheesh Babu, Professor and Principal Investigator, AMIC, pointed out that the domestic spot price of rubber is outpriced compared to its international price, compelling the corporate houses to resort to large scale imports.

It is reported that this imported rubber would constitute nearly one-fourth of the net consumption of natural rubber in India during the FY 2012-13 due to the widening gap between domestic and global prices, he said.

The build up of inventory due to the decision of the Tripartite Rubber Council (comprising Thailand, Indonesia and Malaysia) to impose a production and export cut from October 1 to March 2013 proved not only ineffective, but also provided ample room for non-member countries such as Vietnam to take advantage of the situation.

He said that the huge stock that has accumulated as a result would prove counterproductive and add pressure on rubber prices in the coming days when the peak production phase is to set in.

Besides, the sluggish demand in the automobile sector on account of the global slowdown had also impacted the tyre manufacturing segment very hard.

This has resulted in drop in production and sale of by 28.1 per cent and 23.8 per cent respectively in October, he said.

According to the revised rubber output by the Association of Natural Rubber Producing Countries, the production during the current year could be higher by 5.13 per cent over the last year, pegged at 108.6 lakh tonnes (103.3 lakh tonnes).

Food Ministry puts on hold PDS sugar price hike

The Food Ministry has decided to put on hold its proposal to hike retail price of sugar sold through the ration shops as the government is considering the Rangarajan report on sugar decontrol.

Since 2002, sugar is being sold at Rs 13.50 per kg in ration shops, while the government buys it from mills at about Rs 22-23 per kg.

According to a senior government official, “The Food Ministry has started examining the recommendations of the Rangarajan report on sugar decontrol. The issue of raising the central issue price (retail price) of sugar would be discussed along with the report’s suggestion on removal of levy sugar mechanism“.

Among various recommendations, the Rangarajan report has suggested removal of levy sugar mechanism under which mills are required to sell 10 per cent of their production to the government at cheaper rate for supply through ration shops.

The report suggested the government to buy sugar meant for ration shops distribution at ex-mill price from the open market and allow states to fix the retail price.

Presently, the Ministry has sought views of the state governments on recommendations of the Rangarajan report.

Sugar production in the country is estimated to be 23 million tonnes this year just sufficient to meet the demand.

Last year, production had stood at 26 million tonnes.

Small growers to get expert help from tea body



Small tea growers will soon have the assistance of development officers (DOs) and factory advisory officers (FAOs) who would be part of the 100-strong team being built by the Tea Board for its small tea growers’ directorate to be located at Dibrugarh, Assam.

KOLKATA, NOV 28:

Come April, 41 development officers (DOs), all agriculture graduates, and 22 factory advisory officers (FAOs), all graduate engineers, will fan out into the country's tea-growing districts where small tea growers are concentrated. The Tea Board is putting in place the proper manpower structure required to tackle the myriad problems facing the small growers.

There are about two lakh small tea growers in the country and more than 600 bought leaf factories. The tasks of the DOs and FAOs will be not only to teach the growers how to produce better quality crops and how to form self-help groups but also, through proper coordination with bought leaf factories, advise them on how to get a fair price for their produce. On average, each DO would have to handle about 5,000 growers and each FAO 25 to 30 factories.

These DOs and FAOs would be part of the 100-strong team being built by the Tea Board for its small tea growers' directorate to be located at Dibrugarh, Assam. The directorate would also have 18 assistant directors, five deputy directors, four joint directors and one director, in addition to a few accountants and other staff.

The small growers produce nearly 300 million kg annually or roughly 30 per cent of the country's total production. But most of them suffer from problems such as uneconomic holding size, primitive cultivation practices and the not-so-satisfactory quality of their produce. As a cumulative effect of all this, the yield is low and the price of produce unremunerative. Through the small tea growers' directorate, which is still to start functioning, the Tea Board aims to address these issues.

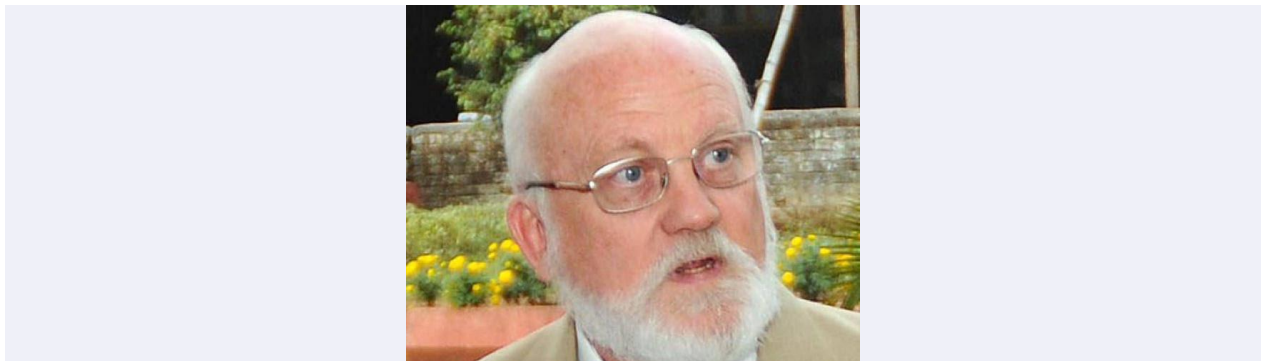
The marketing of tea produced by small growers particularly poses a problem. The growers sell green leaves to bought leaf factories which, in turn, process the leaves and sell the made tea in the market. In other words, the growers do not get to know the price at which the made tea is sold. They would, therefore, often complain of unremunerative prices for their crops. The indifferent quality of crops cannot attract high prices, retort the factory owners.

The Tea Board, with the help of the respective State Governments, is also trying to set up district-level monitoring committees in tea-growing States to monitor production, movement, processing of green leaves produced by small growers and marketing of made tea by bought leaf factories. Such committees, already functioning in Assam and West Bengal, it is claimed, have helped arrest the decline in the price of tea produced by small growers.

Meanwhile, a section of small growers in Tamil Nadu have gone to court demanding not only the scrapping of the price-sharing formula worked out by the Tea Board originally in 2004 and subsequently finetuned in 2008, but also the introduction of minimum support price on the lines for similar schemes already in force for jute and sugar.

The court, it is learnt, has not agreed to the demand for minimum support price but has urged the Tea Board to work out a “scientific pricing formula with a human approach after taking into account the social-economic conditions”. Accordingly, the Tea Board has asked the Institute of Costs and Works Accountants of India to study the cost structure of small gardens in the State and is weighing the option of involving an institute such as the Madras Institute of Economics to study other aspects.

[Second green revolution to help meet rising global food needs: Robert Zeigler](#)



[The Hindu](#) File Photo of Dr. Robert S Zeigler, Director General of International Rice Research Institute

NEW DELHI, NOV 29:

A second Green Revolution in agriculture will help meet the challenges of rising global food demand, said Robert S. Zeigler, Director General of the International Rice Research Institute (IRRI).

Delivering the 24th Coromandel Lecture on “Cutting Edge Rice Science for Food Security, Economic Growth and Environmental Protection in India and Around the World,” Zeigler said the world needs to produce an additional 114 million tonnes of rice by 2035 to meet the rising demand and ensure food security.

At present, the world rice output and consumption is around 460 million tonnes, Zeigler said stating that “there is no global surplus.”

“To meet growing food needs and face the parallel challenges of improving nutrition and reducing poverty under a changing global climate, a second science-based Green Revolution in agriculture is already under way” Zeigler said on Wednesday evening.

The IRRI and its collaborators in the new Global Rice Science Partnership (GRiSP) are already tapping into the other ongoing revolutions in genetics, molecular biology and plant physiology to develop better traits that are resistant to climate change, use less water and produce more, Zeigler said.

Stagnant area, declining water table coupled with labour shortage and drop in yield growth to less than a per cent are among the major constraints to boost global rice output.

“Raising overall yield growth rates back to near 2 per cent is critical to future global food security” Zeigler said. The past gains in rice production that provided adequate supplies over the past 30-40 years were a result of annual yield growth exceeding 2 per cent combined with area expansion.

Stating that climate change will affect rice farmers in the years to come, Zeigler said that IRRI and its partners in India and elsewhere have been working on developing climate-ready rice varieties that are tolerant to flooding, drought and salinity.

He further said that IRRI has taken the initiative to develop a global rice information gateway - an information hub that provides real time crop condition reports, short-to-medium term projections on output, consumption, trade and prices under different trade policy regimes. Such an initiative will help the timely information needs that have become an urgent matter in these times of low stocks.

Chinese feed additives firm eye Indian market

Chinese animal feed ingredients company ABCA, an arm of AB Agri, has set its eyes on India that has an estimated market of about Rs 8,000 crore.

Feed additives account for about 30 per cent of the Rs 2,300-crore animal health and related products market in India.

AB Agri is the agricultural division of Associated British Foods plc with total sales of £11.1 billion. This division contributes £1.12 billion.

Top executives of the group including James Charteris-Hough (Managing Director), Kim Huang (Technical Sales Director of South East Asia) of ABCA, and David Yiend, Chief Executive Officer of AB Agri, had attended the poultry equipment manufacturers conference here on Wednesday.

The Chinese firm has announced a team for India, which will be lead by Romila Iyer, Business Manager for South Asia. “She will be responsible for ABCA activities in the Indian sub-continent,” Kim said.

On the Indian opportunity, he said though it was difficult to put a number to the total opportunity, the company was looking at increasing the demand. “The total market demand is going to increase in the next few years,” he said.

In the first phase, the company would import products (such as yeast and other food additives) from China, the UK and Australia. “We may look at manufacturing these products in India,” James said.

He, however, has not indicated a timeline for starting the manufacturing activity in India.

Agriculture Minister on 10-day US trip

Andhra Pradesh Agriculture Minister Kanna Lakshminarayana has left for the United States on Thursday on a 10-day official trip.

During his stay, he will hold discussions with officials of the US Agriculture Department, academicians and scientists of various universities. “He will hold talks with officials of the University of Maryland on the progress of the agreement Acharya N G Ranga Agricultural University (ANGRAU) signed with it,” a statement from Agriculture Industry said.

On December 4 and 5, he would take part in deliberations on the draft memorandum of understanding between the university and University of Mississippi. He would invite representatives of different universities to attend the World Agriculture Congress scheduled to be held in Hyderabad in November next.

The Minister is accompanied by the Commissioner for Agriculture Madhusudan Rao and Prof. Janaiah of ANGRAU.

Listless trade drags turmeric



Erode, Nov. 29:

Spot turmeric continued to slide on Thursday on lack of orders from other States. Sales were poor, too.

“Uncertainly prevails in the market. Traders quoted lower and bought negligible quantities. Farmers, too, brought limited stocks. This is the first November ever when prices and sales have dropped so low,” said Erode Turmeric, Merchants Association President R.K.V. Ravishankar.

He said prices and sales were low in other centres also. Only 4,700 bags arrived, of which 45 per cent was sold. Stockists purchased 10-20 per cent of the stocks.

Only the medium variety arrived. The hybrid variety fell due to quality.

At the Erode Turmeric Merchants Association, the finger variety was sold at Rs 3,799-5,399 a quintal, the root variety at Rs 3,659-4,565.

Salem hybrid crop: The finger variety was sold at Rs 5,599-5,959, the root variety at Rs 4,611-5,039. Of the 1,128 bags that arrived, 138 were sold.

At the Regulated Market Committee, the finger variety was sold at Rs 4,169-5,447, the root variety at Rs 4,869-4,969. Of the 1,115 bags that arrived, 1,009 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 4,089-5,720, the root variety at Rs 3,769-5,079. All the 740 bags that arrived were sold.

Rice procurement up 8% at 12 mt

Rice procurement by Government agencies has crossed 12 million tonne (mt) so far in the kharif marketing season (KMS) 2012-13, starting October. This is about 8 per cent higher than 11.08 mt in the corresponding period last year. Total paddy procurement in the first two months of KMS 2012-13 stood at 17.63 mt, up by a tenth over last year's 16 mt. This increase is led by higher procurement in the key States of Punjab and Haryana. In Punjab, paddy procurement was up by 11 per cent at 12.66 million tonnes. The procurement process is still on in Punjab, whereas in neighbouring Haryana it is almost complete. Haryana has procured about 31 per cent more paddy this year at 3.81 mt against 2.91 mt in corresponding last year. The Government agencies had procured 35 mt of rice in 2011-12 season and are targeting 40 mt in the current season. Rice stocks in the Central Pool as on November 1, stood at 28.95 mt, four times the buffer and strategic reserves of 7.7 mt as of October 1.

Trade enquiries keep rice firm



Karnal, Nov. 29:

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

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Won't give a drop to TN, says Karnataka

Talks between the Chief Ministers of Tamil Nadu and Karnataka at Bangalore on Friday on sharing the Cauvery river water during the current distress period failed to break the deadlock, with the latter refusing to release "even a drop of water" for the standing samba crop in delta districts.

Talking to mediapersons here after returning from Bangalore, Jayalalithaa said: "The talks were held at the instance of the Supreme Court, which had observed that the discussions should take place in a give and take atmosphere. When Karnataka flatly refuses to give any water, what is that we can take. In the current situation, we are the lower riparian State. So, Karnataka has to

give and we have to take water. But they flatly refused. We will go back to the SC tomorrow and tell it that this is the outcome of the talks.”

Though Karnataka Chief Minister Jagadish Shettar said there was distress situation in his State, Jayalalithaa charged that despite having 30 tmcft of water in surplus, Karnataka refused to give water for standing crops on 14.93 lakh acres in Tamil Nadu. During the talks, Jayalalithaa had pushed for the release of a bare minimum of 30 tmcft of water in the next 15 days, but Karnataka made it clear that it was in no position to do so.

Shettar said the reservoirs in the Cauvery basin in Karnataka had a storage of only 37 tmcft. Of this, 20 tmcft is required for drinking water needs of Bangalore, other cities and rural areas and after letting out 10 tmcft for “environmental purposes”, it’s left with only 7 tmcft for irrigation. However, Jayalalithaa said: “At the moment, according to our information and by their own admission, Karnataka has got 38 tmcft of water.”

THE ECONOMIC TIMES

No decision on sugar cane 'state advised price' in UP

LUCKNOW: [Sugar cane](#) crushing is at season's peak in Uttar Pradesh but the [Akhilesh Yadav](#) government is yet to announce the state advised price (SAP) for cane making the farmers restless.

The inordinate delay in announcing the price at which mills are mandated to buy cane from farmers has led to farmers making distress sales and mills going slow on crushing. The uncertainty about the cane price is compounded by the fact that two crucial stakeholders - more than 40 lakh farmers and millers -- have vastly divergent view on what the cane price should be for the 2012-13 crushing season.

The crushing season starts from October 1 in Uttar Pradesh and SAP is usually announced by the first week of November. SAP was announced on November 8 in 2011 and on November 2 in 2010.

Farmers are now desperate to harvest cane and clear their fields for the sowing of wheat crop.

Wheat is usually sown from October end to early December and any further delay in the announcement of cane price could lead to a significant reduction in wheat acreage. Farmers have started making distress sales to kolhus and khandsaris at prices much below what they got last year.

Prof [Sudhir Panwar](#) of [Kisan Jagriti Manch](#) said kolhu and jaggery units were buying cane at prices of Rs 200-220 per quintal taking advantage of the situation. He said that the element of uncertainty regarding cane price suited millers. He said the cane SAP should be fixed at Rs 300 per quintal for the 2012-13 season keeping in view the increase in diesel, fertiliser and labour costs.

India top rice exporter in 2012

EW DELHI: It's game India for [rice](#) exports this year. The country toppled Thailand for the first time in three decades to emerge as the top rice exporter but the latter won the day in sugar exports.

According to the US Department of Agriculture's latest report, India exported 9.75 million tonne rice in 2012, beating Thailand, which could ship only 6.5 million tonne, slipping to the third slot after Vietnam.

In 2011, Thailand had exported 10.7 million tonne rice while India, which opened rice export only in September last year, managed to ship 4.8 million tonne.

However, in sugar exports, Thailand maintained its second spot with an expected shipment of 7.7 million tonne in 2012. On the other hand, India could ship only 3.67 million tonne after the export was freed up from quota restrictions in July this year.

India has always had a price advantage over Thailand, which sells at a premium in the world market. The international price of Thai rice ranges between \$530 and \$540 per tonne while the

same Indian variety fetches anything between \$375 and \$385 in global markets. "The steep variation in Thai and Indian rice varieties is mainly because of the Thai government's high support price to farmers. The government paid farmers 15,000 baht per tonne for 100% white paddy and 20,000 baht for fragrant paddy to fulfill its election promise.

Imports of edible oil & pulses to cost more

KOLKATA: Edible oil and pulses imports are set to become costlier as the [rupee](#) has weakened against the dollar over the last few weeks. Prices of these two essential commodities may witness an upward revision in the domestic market this winter. Prices of soft oils such as soya bean oil and [sunflower oil](#) are expected to go up by Rs 2-4 per kg from December.

[Pulses prices](#) may also follow a similar price movement.

"In the last one month, prices of soya bean oil have increased by Rs 6 per kg due to the volatility in the exchange rate. The rupee, which was at 52-53 level against the dollar in the beginning of the month, has depreciated to 56 level in recent weeks. Our calculations have gone haywire. We have already increased prices by Rs 2-3 per kg and there will be another Rs-2 rise within the next one week," said [Angshu Mallik](#), COO of [Adani Wilmar](#), which markets oil under the Fortune brand name.

Mallik added that though there has been a good crop this year, it will not be enough to meet the domestic demand.

"Imports are bound to increase in the current oil marketing year (November 2012 - October 2013)," he said. In fact, India has imported 10 million tonne of edible oil in the previous marketing year, which is almost a 20% increase over the last year.

Though palm oil is cheaper in the market, it solidifies during winter. Consumers have to depend on soft oils such as soya bean oil, sunflower oil and mustard oil.

"Sunflower oil has become costlier by \$30 -\$40 per tonne as global supply has dwindled by 1.3 million tonne. Sunflower oil has become costlier than soya bean oil and therefore prices at the retail end will also go up by Rs 2-4 per kg shortly," said GG Patel, partner, GGN Research Company, which deals with agro commodities.

THE TIMES OF INDIA

Krishi community radio to train farmers

To create awareness and to provide information on the set up of community radio, Krishi (agriculture) [community radio](#) of [University of Agricultural Sciences](#), Dharwad (UAS) is planning to conduct a national-level training programme.

[Krishi community](#) radio will hold the national-level model training programme on "Operationalizing Krishi Community Radio Station" voice of the voiceless- a national level training programme from January 17 to 24, 2013.

S Devendrappa, programme officer of krishi community radio of UAS, said that resource persons will impart awareness on how to set up community radio in agricultural universities, educational institutions and in NGOs in the country.

The programme will also focus on the techniques of programme production which includes production techniques and post-production techniques as well as editing software and sound editing techniques. [UAS](#) will invite resource persons from University of Agricultural Sciences, Dharwad, Karnatak University, Dharwad for the programmes and local farmers to share their experience on the benefits gained from krishi community radio and provide ideas on programmes which helps farmers.

UP govt to hold 3-day Kisan fest in every district

Agriculture production commissioner (APC) Alok Ranjan said that a three-day [Kisan Mahotsav](#) would be organised all districts of the state in order to provide information to the farmers about various farmers oriented government schemes being run for them in the state. He said that besides agriculture, information about schemes being run by other government departments like animal husbandry, horticulture, fisheries, sericulture, minor irrigation, rural development etc would also be given to the farmers.

Traders seek more time: Traders' leader Chandra Kumar Chhabra in a letter sent to petroleum minister has demanded increase in the time of KYC (know your customer) for LPG consumers for one more month. He has also requested the minister to make the process simple and consumer-friendly. He said that in the state capital alone about 30%-40% consumers have not been able to complete the KYC process, therefore LPG consumers should be given a month's time to enable them to complete the KYC process.

International meet of chief justices: City Montessori School, Lucknow is organising 13th international conference of chief justices of the world from December 7 to December 10 at CMS Kanpur Road auditorium. Around 200 chief justices, judges of supreme and constitutional court, legal luminaries and renowned peace promoters from over 66 countries of the world are expected to attend the conference.

Association thanks CM: [UP PCS Association](#) (Administrative Branch) has expressed its gratitude to chief minister [Akhilesh Yadav](#) and senior leaders of the [Samajwadi Party](#) for promoting several PCS cadre officers to the IAS cadre. Sriprakash Singh, secretary of UP Prantiya Civil Sewa Sangh said that the SP government has also granted selection grade and highest pay scales to PCS cadre officers. He said that now it is the responsibility of PCS officers to do their utmost in implementing the people oriented schemes of the government with honesty and dedication.

Photo exhibition held: A photo exhibition was organised at State Lalit Kala Academy on

Thursday, which was inaugurated by Prof Jai Krishna Agarwal, former principal, Arts College Lucknow. Federation International De Art Photography, France conferred international photography honour to the photographs of Rupak De, principal chief conservator of forests, Subir Roy and Aruna Singh.

Rail Mela: [Uttar Railway Mahila Kalyan Sangathan](#) is organising a three-day Rail Mela-2012 at Railway Stadium, Charbagh from Friday. Mala Rai, president of the sangathan said that this mela is being organised to financially help the needy family members of railway employees.

Health camp: Hindustan Aeronautics Ltd (HAL), Accessories Division, Lucknow, under its corporate social responsibility organised a mega health camp at village Bania Kheda gram panchayat, Katauli, Malihabad. More than 700 villagers were examined by a team of doctors and para-medical staff of HAL Hospital and medicines were given to them free of cost.

Five officials milked Rs 2 crore from public distribution system

The Karnataka Food and [Civil Supplies Corporation Limited](#) (KFCSCL) has ordered suspension of five officials for alleged [misappropriation](#) of levy [paddy](#) and [rice](#) meant for supply under the [public distribution system](#) (PDS).

KFCSCL has estimated a loss of Rs 2 crore to the state exchequer by collecting sub-standard rice from the rice mills meant to supply rice to the Corporation, allegedly with the connivance of these five officials.

Those suspended are district manager Ramachandra H Rao, office manager BR Gopalakrishna and senior assistant S Ramadas at the corporation's Shimoga district office, senior assistant VJ Javaraiah of the Chamarajanagar office, and senior assistant SS Somanath of Mandya office.

KFCSCL managing director CK Shivanna said these officials had connived with the rice mills in procuring sub-standard rice after hulling the paddy procured from farmers for minimum

support price. "The officials had intentionally procured low quality rice from the market to supply to the corporation. The rice is meant for PDS outlets and the corporation incurred losses estimated at Rs 2.08 crore from the districts of Mandya, Chamarajanagar and Shimoga," Shivanna's orders issued separately to these officials in September said.

The issue came to light after Shimoga-based NGO Janaspandana Vedike sought information through an RTI application.

The Vedike stated that there was need for a full-fledged investigation into the PDS rice scandal to unearth similar irregularities in other districts. The NGO noted that the scam was related to paddy procurement in 2011-2012 under the levy system, meant for the PDS scheme.

Poll-bound Karnataka can't give in now

On Thursday, Karnataka and [Tamil Nadu](#) came together for discussions only because the [Supreme Court](#) directed them to. At present, the situation in Karnataka is politically emotive as the state will be going for assembly elections shortly. Karnataka chief minister Jagadish Shettar cannot be seen sacrificing the state farmers' interests. Even a slightest concession to Tamil Nadu will have the [Cauvery](#) basin farmers and opposition parties pouncing on him. Besides, it wouldn't be wise on his part to agree to any of Tamil Nadu's demands.

A similar situation exists in Tamil Nadu. [Jayalithaa](#) hails from Karnataka and she's had to strike a tough stand as the DMK is waiting for an opportunity to attack her. Consequently, with both states taking a tough stance, negotiations were expected to break down. So it comes as no surprise that talks between the two CMs failed, and the ball is back with the judiciary.

Cauvery is a holy river for both states, and the water that flows down isn't just water. It's a river imbued with feelings and culture, hence, emotional and political issues get mixed up.

When the Cauvery agreement was signed in 1924, it was between the Madras Presidency and

the Mysore Maharaja, who was not a sovereign authority. He could not have bargained and Karnataka, which was called Mysore then, was not ambitious about irrigation projects. On the other hand, Tamil Nadu had gone ahead with its irrigation projects. Apart from Krishnaraja Sagar dam, Kabini, Harangi and Hemavathy were created later. KRS contributes 40 tmcft of the total 114 tmcft in the Cauvery basin -- just half of Almatti dam which holds 227 tmcft.

Therefore, it's a very difficult situation to be resolved politically and can be done only by the courts. Karnataka's argument on water sharing is based on the present (no water available) whereas Tamil Nadu's is based on the future (next crop).

Q2 FY13 GDP grew at 5.3% versus 5.5% in Q1: ET Now poll

The [Gross Domestic Product](#) (GDP) for the second quarter of the current financial year likely grew at 5.3%, a tad lower than 5.5% in the first quarter, says an ET Now Poll. The consensus estimates of the poll range between 5% to 6%.

The [agricultural sector](#) of the economy may have grown at 2.8% versus 2.9% in Q1. While the [industrial sector](#) grew at 0.7% versus 0.8%, the [services sector](#) growth is may have remained at 7.4% like the previous quarter.

Agricultural growth is expected to have remained low owing to poor kharif crop. According to the poll, the mining sector output would have been better in the second quarter and the electricity output would have remained strong.

The participants of the poll estimated a growth rate range of 5.5-6.5% for [GDP](#) of the entire fiscal year and acknowledged the need for more action on policy front by government.

Economists forecast that the FY13 [fiscal deficit](#) will overshoot the government target of 5.3%. High current account deficit will continue to impact the rupee.

India's economy could gather pace in the new year, putting behind a dismal year, [Goldman Sachs](#) said in a report released on Thursday. Goldman Sachs said [Indian economy](#) is expected to expand 6.5% in 2013 thanks to an improvement in external demand and pick-up in reforms, and further accelerate to 7.2% in 2014.

Its upbeat assessment was based on "easing financial conditions, in part driven by some reduction in policy rates, a continuation of reforms boosting confidence, and a normal agricultural crop."

The investment bank pegged 2012 growth at 5.4% and listed a number of measures to accelerate the economy.

"While allowing [FDI in retail](#), the Goods and [Services Tax](#), direct cash transfer of subsidies, and dedicated freight corridor will help, we believe further reforms on fiscal consolidation, financial liberalisation and infrastructure growth will be needed to sustain an improvement in trend growth," the note said.

However, the investment bank warned that the near-term outlook was "difficult" because of weak growth, [high inflation](#), and the twin deficits - fiscal and current account - that makes a quick recovery in investment cycle "unlikely".