

THE HINDU

Rs.1,755-crore drought relief package for non-delta farmers

Assessment by high-level committee based on interactions with farmers

: A Rs.1,755-crore package of drought relief measures was unveiled on Friday for non-Cauvery delta districts in the State.

Of this package, six components were meant for about 17.9 lakh farmers, who had suffered over 50 per cent crop loss. The farmers, for a variety of crops, would receive a total compensation of Rs. 835.21 crore.

Making an announcement in the Assembly, Chief Minister Jayalalithaa said the package was based on the assessment made by a high-level committee headed by Finance Minister O. Panneerselvam after visiting 18 districts and interacting with representatives of farmers and district officials, apart from reports from the district Collectors.

A sum of Rs. 312.89 crore had been earmarked for giving compensation of Rs. 5,000 per acre to 6,25,481 farmers who raised paddy over 6,25,786 acres. As per the Central norms on disaster relief, even small and marginal paddy farmers, experiencing more than 50 per cent crop loss, were entitled only to Rs. 2,429 per acre. Insurance companies would settle claims of those farmers who had insured their crops.

Long term crops

In the case of long-term and non-mulberry crops and paddy raised on irrigated lands, about 1,01,802 farmers would receive Rs. 4,000 per acre.

A total of Rs. 50.15 crore had been set apart, covering 1,25,386 acres.

Compensation of

Rs.3,000 per acre

A compensation of Rs. 3,000 per acre would be given to 10, 05,549 farmers who raised similar crops on un-irrigated lands of 14, 14,126 acres.

This would cost Rs. 424.24 crore to the government.

As for long term crops including coconut, 50,908 farmers would be given Rs. 4,000 per acre.

A provision of Rs. 43.35 crore had been made, covering 1, 08,383 acres.

As regards 10,602 farmers who raised mulberry over 15,262 acres, a sum of Rs. 3,000 per acre would be given, totalling Rs. 4.58 crore.

In addition, to tackle the problem of fodder shortage, projects to the tune of Rs. 24.65 crore would be taken up through the Department of Animal Husbandry, Dairy Development and Fisheries in the non-delta districts. Of the total amount, Rs. 18.4 crore was meant for dry fodder and Rs. 6.25 crore – green fodder.

Drinking water

To tide over the shortage of drinking water, works for Rs. 145 crore would be executed initially. Of this amount, a sum of Rs. 40 crore each was provided for municipalities and villages, besides Rs. 20 crore for town panchayats. Chennai Metrowater would implement works for Rs. 25 crore and the Tamil Nadu Water Supply and Drainage Board – Rs. 20 crore. The works regarding municipalities and town panchayats would be carried out through the Department of Municipal Administration and Water Supply and those

concerning the villages through the Rural Development and Panchayat Raj Department.

MGNREGS

Fifty thousand farm ponds would be dug in the non-delta districts at a cost of Rs. 750 crore under the Mahatma Gandhi National Rural Employment Guarantee Scheme.

Sanction to desilt Veeranam tank meagre, says farmers' association

The Cauvery Delta Farmers' Welfare Association has thanked Chief Minister Jayalalithaa for having allotted a sum of Rs. 40 crore for desilting the Veeranam tank, and Rs. 37.20 crore for carrying out repairs to the anaicuts across the Vellar at Sethiathope and Pelanthurai.

Vice-president of the association V. Kannan said that considering the vastness of the Veernam tank, the amount sanctioned for desilting the tank bed was meagre.

However, if the amount is properly utilised, storage level of the tank could be raised.

Even though the maximum water level of the tank was 47.5 ft, whenever the storage touched 45 ft, about 700 acres of farmland on the western side of the tank faced the problem of submergence.

Mr. Kannan suggested that the soil scooped out of the tank could be utilised for raising the level of farmlands on the western side of the tank and also strengthen the tank bund on the western and southwestern sides.

President of the Kollidam Keezhanai Paasana Vivasayigal Welfare Association K.Vinayagamoorthy also said that the amount allotted for desilting was inadequate.

Farmers allege irregularities in cooperative elections

Wear black badges in protest; demand fresh polls

Alleging irregularities in the ongoing cooperative society elections and demanding its cancellation, many farmers wore black badges and attended the monthly farmers' grievance redress meeting at the Collectorate here on Friday.

Led by All Farmers' Association district general secretary K.A. Govindasamy, the farmers alleged that though they had submitted their nomination papers for the elections, they were rejected by the election officer without reason and the candidates of a particular party were declared winners.

Hence, they wanted the elections held in an 'undemocratic' manner to be cancelled and fresh elections conducted. They also demanded that a law should be enacted so that all members were given equal rights to elect the chairman and administrative officers of the society.

However, Collector K. Maharabushanam said that the meeting was to redress their grievances regarding agriculture and they could submit a petition regarding the other complaints. Later, they submitted a petition and participated in the meeting without badges.

The farmers demanded that to face the drought situation, all wells and lakes in the district should be desilted. The Collector said that there were around 3,000 wells in the district and 2,000 wells were damaged or not usable.

Of the remaining 1,000 wells, 30 had already been desilted and the storage level of water was good in them. The remaining wells would also be desilted in the coming days, he added.

The farmers urged him to release the drought relief fund immediately and also wanted the Village Administrative Officers of panchayats to reside in the same area so that there would be no delay in their services.

A farmer also said that the grant was being denied if the farmers attained the age of 60, and wanted the formalities in obtaining loans to be simplified.

Officials from various departments, members and representatives of various farmers' associations participated.

Exercise caution before kuruvasi crop, farmers urged

“Even if the southwest monsoon were to be normal (as predicted by various agencies), I would appeal farmers to exercise abundant caution before going in for kuruvasi. Even to think of kuruvasi at this stage, without observing the behaviour of monsoon, would be a monumental mistake as most of the farmers have already burnt their fingers (last year). I would prefer direct sowing to planting,” observes Mannargudi S. Ranganathan, general secretary, Cauvery Delta Farmers' Welfare Association.

Talking to *The Hindu* on Friday, he was categorical that the farmers should not have gone in for summer paddy, in the new delta area, especially when groundwater level is plummeting. However, they have raised summer paddy in about 25,000 acres. “This is not a standard practice and they should have opted for pulses which require far less water.”

He pointed out that farmers used to try summer paddy by January end-February, immediately after samba harvest, depending upon the residual moisture, and harvest it before June. This year the situation had been totally different. In some areas the harvest went on even up to March and hence it was totally inadvisable to go in

for summer paddy. “Power supply has also not been supportive. It is high time that agriculture department and Tamil Nadu Agriculture University advises farmers on what to do in the current circumstances,” he added.

Mr. Rangnathan says Tamil Nadu should be prepared to face several contingencies and uncertainties this year. “There is absolutely no water in the Mettur dam, unprecedented in the last 40 years. Even assuming the monsoon is normal; Mettur is unlikely to get water unless all the reservoirs in the Cauvery basin in Karnataka are full. Even after that it is imperative that Mettur storage should go up to a substantial level before water is released for irrigation in the delta region.”

While pleading that the “meticulously written Tribunal Award” should be properly highlighted, he observes that the moot point is who is going to monitor the release of water from Karnataka to Tamil Nadu. This is precisely why a Cauvery Management Board and a Cauvery Water Regulation Committee should be constituted at the earliest.

The Cauvery was so parched and the aquifers empty, it would take quite sometime for the water to reach the delta even if all these hurdles were crossed.

Mr. Ranganathan, who has been a champion of direct sowing since 1987, once again batted for direct sowing. “It is this method that has saved the crops even last season when drought has been at its worst. I still believe that it would be the ideal one for the ensuing season too.”

Even for that, it is essential to plough the fields for which a few showers are a must. “We had three spells of rain during March. I hope that we received a couple of more spells for ploughing itself.”

He wants the delta farmers to go in for short duration (105 day crop) varieties.

Five farmers' clubs formed

To trigger agriculture and socio-economic developments in Avinashi block, five farmers' clubs were formed by National Bank for Agriculture and Rural Development in Kanur and Ramanathapuram villages.

The clubs, named as Gandhi Uzhavar Mandram, Vivekanandhar Uzhavar Mandram, Arignar Anna Uzhavar Mandram, Poonthalir Uzhavar Mandram and Sembaruthi Uzhavar Mandram, were credit-linked to Canara Bank's branch at Karavallur.

U. Ramesh Kumar, general manager of Canara Bank, distributed RuPay cards under the Kisan Credit Card scheme to 234 farmers in the area to help them meet the cultivation expenses.

"The farmers can use the RuPay cards just like any other ATM card to withdraw money within their credit limit fixed by the bank branch besides using the cards to purchase agriculture inputs like seeds and fertilizers at private firms," Mr. Kumar said.

V.S. Sriram, Assistant General Manager of Nabard, said the Nabard would provide an assistance of Rs. 10,000 per annum for each club for a period of three years for meeting maintenance expenses and to conduct meet-the-expert programmes.

"The formation of the farmers' clubs will increase the credit flow and diversification of lending in Avinashi block," he added.

It will increase the credit flow

V.S. Sriram

Assistant General Manager, Nabard

Farm fresh vegetables at people's doorstep

A farmer gets them in his specially designed mobile sales outlet



People at a residential locality in the city buying farm fresh vegetables from a mobile counter launched by the Department of Horticulture.—Photo: A. Manikanta Kumar

The 'Farm Fresh Vegetables on Wheels' launched by the Department of Horticulture involving clusters of farmers and farming entrepreneurs is catching up with the citizens of the city welcoming it.

The state-wide programme launched on March 18 in the city had been formulated with farmers groups in a village formed into a cluster. The farmers in the cluster supply freshly harvested vegetables to the Horticulture entrepreneurs who are either from among the families of the farmers or an outsider, who collects vegetables in the early hours of each day from the vegetable farms and carry them in his specially designed mobile vegetable sales outlet given by the department of Horticulture.

The posh looking mobile outlet is given on a subsidy of Rs.2 lakh out of a total cost of Rs.5.3 lakh. A loudspeaker is fitted to the vehicle and a recorded message announces the arrival of the vehicle at the residential colonies. The entrepreneur brings the vegetables to the city by 9 a.m. to the designated residential localities.

One of the entrepreneurs selected by the department Nagi Reddy Sathyanarayana told *The Hindu* that he hailed from Adduru village in Chodavaram mandal. He is also a vegetable farmer and part of the cluster of farmers in his village. Nagi Reddy sells vegetables in the posh residential colony of Waltair Uplands and is quite happy with the success of the scheme.

Local resident Mercy Paul, a regular customer at the outlet said that she was very happy with the quality of vegetables. They are fresh and fine. The prices appear to be higher than Rythu Bazaar but the vegetables are arriving at our doorstep, she adds.

As the mobile outlet arrives women can be seen grabbing the fresh vegetables.

Welcome initiative

Rama Devi welcomed the new initiative of the government saying that she was happy for two things – one, that the vegetables were fresh, and the other was their proximity to their home. On prices she said that she did not compare but did not mind paying a little more if the two positive factors are not compromised with.

Another customer Raju felt that price list of vegetables should be displayed at the counter. There will be huge demand for these mobile outlets, especially city outskirts if quality is maintained, he added. Assistant Director Horticulture G. Prabhakar Rao told *The Hindu* that two mobile outlets have been pressed into service on a pilot basis. Two more vehicles would be arriving in the city shortly.

Afghan farmers return to opium as other options fail



*No alternative: Afghan farmers harvest raw opium on a poppy field in the village of Bawri, outside of Lashkar Gah, Helmand, southern Afghanistan.—
Photo: AP*

Like many other farmers in Helmand province, Hamidullah planted cotton last year, encouraged by British and American agricultural advisers. But there was no market for it, and he planted opium poppies again this year.

“The price of cotton is very low,” he said. “It does not cover the cost of production.”

He has been forced to sell off his cotton crop at a loss, a bit at a time, to feed his family. But he calculates that opium is 10 times as profitable to plant.

Failure

Of the two large cotton ginning plants in Helmand, one lies idle, with acres of unsold cotton stored in a field next door.

Foreign agricultural experts have been trying to persuade Helmand’s farmers to plant alternative crops for many years, but most schemes have failed.

A report by the U.N.'s Office on Drugs and Crime (UNODC) forecasts an increase in opium production this year and says this has been partly caused by the lack of agricultural assistance. It also blames this "worrying situation" on insecurity.

As international troops wind down their combat role, the increase in poppy cultivation is a significant failure for the international project, and particularly the U.K.'s role in it.

Most of the worldwide production of illegal heroin, the drug refined from opium, comes from Afghanistan, and the then-Prime Minister Tony Blair cited this as a reason for the war in 2001, calling the drug trade a part of the Taliban regime that "we should seek to destroy".

The U.K. took a lead role in counternarcotics from the beginning, and sent troops to Helmand in 2006 partly because this was the largest area of poppy cultivation.

The U.N. report predicts that this year more than 75,000 hectares in Helmand is under cultivation for opium poppies, three times as much as in 2006 — and this is expected to increase.

Plan of eradication

The new Governor of Helmand, Mohammad Naeem, has introduced an extensive programme of eradication.

This involves workers going into an area under police protection to destroy crops and smash the wells which irrigate the land.

But when I visited Helmand in December, elected local councillors in the district of Nad Ali protested against the eradication programme as, without markets for other crops, the programme could impoverish farmers and drive them into supporting the Taliban.

The U.N. report calculates that about half of Afghan opium production will be in Helmand this year, but there is an increase

elsewhere as well, including in areas such as Takhar and Nangarhar in the northeast that have recently been poppy-free.

The opium produced does not only go out along smugglers' trails through Pakistan and Iran, but also feeds a growing population of addicts in Afghanistan, now believed to be around one million strong.

Addicts openly smoke opium alongside an open sewer behind Kabul's largest mosque, the Id Gah, close to the soccer stadium in the centre of town.

One of them, Hashmat (22), said he had been smoking opium since he was 12 years old, and now spent every morning trying to scavenge aluminum cans to feed his habit.

Another, Fazal, a father of three children, said he had come to Kabul to try to kick the habit, but had failed.

A counternarcotics official in the street close to where the addicts were openly smoking said he had arrested a handful of them.

But he said he feared arresting too many because he believed they were protected by people higher up, and he thought he would lose his job.

The poppy crop corrupts much of Afghan life.

Complex challenge

Dealing with the crime connected with this low-level drug-taking is only one of the problems Afghanistan faces as the production of poppies goes up again. A Foreign and Commonwealth Office spokesman said, "The UNODC's prediction of an increase in opium cultivation levels this year is disappointing, but not unexpected given the continuing high opium prices and an improvement in the conditions for growing poppy this year. "It is critical that the report is seen in the wider context too.

“Counternarcotics efforts in Afghanistan are relatively young, and experience in other countries shows that tackling the drugs trade is a hugely complex challenge that takes decades and progress is unlikely to be consistent year on year.”

The Foreign and Commonwealth Office said the U.K. would continue to support the Afghan government's efforts to tackle opium production, including law enforcement and developing alternative livelihoods for farmers. — © **BBC News/Distributed by the New York Times Syndicate**

Uncertainty over move to link NREGS to agriculture

Uncertainty prevails on whether the Centre will clear the proposal mooted by Andhra Pradesh and a few other States to link the National Rural Employment Guarantee Scheme (NREGS) to farming operations.

Andhra Pradesh, which has emerged as a role-model in the country in implementing NREGS, joined other States in requesting the Centre to dovetail the NREGS with operations like developing the holdings of individual farmers in villages by earth works and sowing of crops.

While pressure is being mounted on the Centre to introduce a Bill in Parliament to give effect to the move, Dalit organisations and other weaker sections are up in arms against the proposal, dubbing the measure as pro-landed gentry. Any implementation of the proposal will strengthen or bring back the feudal system with Dalits being made to work under landed people at the government's cost.

Farmers' organisations contend that it will be only marginal farmers who will benefit out of the link-up and not the landed people as alleged. They say extension of NREGS to farming operations will

increase productivity of individual fields, boosting overall food-grain production.

Minister for Rural Development D. Manikya Varaprasada Rao, a Dalit leader, reportedly felt inconvenient when Andhra Pradesh sought introduction of the measure on the ground that Dalits and other weak sections would not gain out of this as they do not own any land.

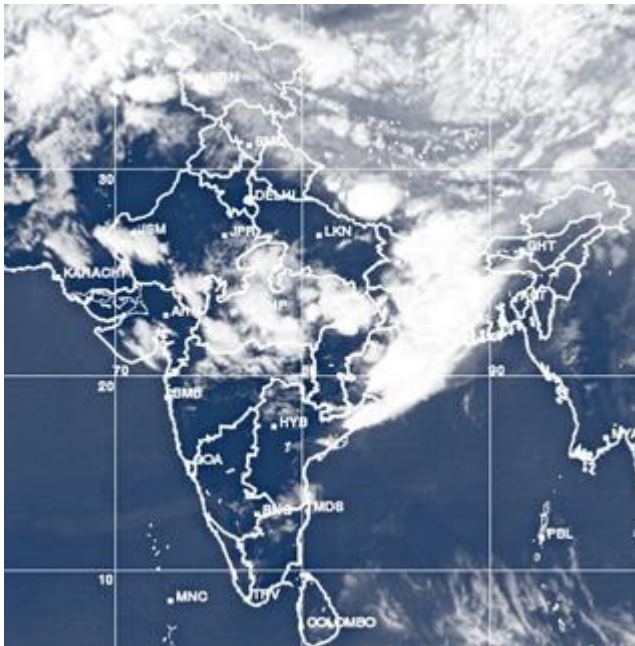
Speaking to *The Hindu*, Mr. Rao, however, denied having opposed the move and vowed to ensure its effective implementation if cleared by the Centre.

Pending Centre's nod, NREGS is being utilised to create public assets only such as bunds for tanks and village approach roads.

The Minister says this summer, migration of over 30,000 people each from Mahabubnagar, Srikakulam, Vizianagaram, Karimnagar and Nizamabad districts to cities such as Mumbai, Delhi, Ahmedabad and Hyderabad in search of gainful employment has stopped. "They remained at their villages as work is being provided at the enhanced wage of Rs.149 a day.

Meanwhile, the Centre ordered release of Rs.2,100 crore to Andhra Pradesh out of Rs.6,500 crore allocated to it for this fiscal under NREGS, following representations made by the Minister.

Weather



INSAT PICTURE AT 14.00 hrs. Observations recorded at 8.30 a.m. on April 19th.

	Max	Min	R	TR
New Delhi (Plm)	39	22	0	26
New Delhi (Sfd)	38	20	0	22
Chandigarh	36	20	0	26
Hissar	39	16	0	40
Bhuntar	29	9	0	133
Shimla	23	13	0	108
Jammu	32	20	0	34
Srinagar	21	7	0	140
Amritsar	36	17	0	5
Patiala	37	18	0	23
Jaipur	38	22	0	7
Udaipur	35	21	7	7
Allahabad	42	23	0	11
Lucknow	38	19	0	1
Varanasi	40	24	0	7
Dehradun	34	16	0	18
Agartala	32	20	0	67
Ahmedabad	38	23	5	6
Bangalore	36	23	0	22
Bhubaneshwar	39	25	tr	2
Bhopal	37	22	0	21
Chennai	38	27	0	32
Guwahati	30	18	2	48
Hyderabad	40	27	0	42
Kolkata	32	25	0	12
Mumbai	33	25	0	0
Nagpur	42	26	0	16

Patna	37	24	0	1
Pune	35	20	0	3
Thiruvananthapuram	35	26	0	105
Imphal	27	15	tr	94
Shillong	22	13	2	38

The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (tr-trace) and total rainfall in mm since 1st March.

RAIN AT MANY PLACES

RAINFALL: Rain/thundershowers have occurred at isolated places over Jammu and Kashmir and east Rajasthan. Weather was mainly dry over rest of the region.

The chief amounts of rainfall in cm are: EAST RAJASTHAN: Banswara 1.

MAXIMUM TEMPERATURES: The maximum temperatures rose appreciably in Jammu and Kashmir and changed little elsewhere. They were above normal in Haryana and Punjab and normal in rest of the region. The highest maximum temperature in the region was 42.0°C recorded at Phalodi (Rajasthan).

FORECAST VALID UNTIL THE MORNING OF 21st April 2013: Rain/thundershowers may occur at one or two places over Jammu and Kashmir during next 24 hours and increase thereafter. Rain/thundershowers may occur at one or two places over Himachal Pradesh and Uttarakhand on 20th and increase thereafter. Rain/thunder storm may occur at one or two places over east Rajasthan during next 48 hours. Rain/thunder storm may occur at one or two places over north Punjab, Haryana, Delhi and Uttar Pradesh on 21st. Weather would be mainly dry over rest of the region.

WARNING: Thunder squall may occur at one or two places over Jammu and Kashmir on 20th and 21st and over Himachal Pradesh, Uttarakhand, north Punjab, Haryana, Delhi and Uttar Pradesh on 21st.

FORECAST FOR DELHI AND NEIGHBOURHOOD VALID UNTIL THE MORNING OF 21st April 2013: Mainly clear sky.

Water level

: Water level in the Periyar dam was 112.50 feet with an inflow of 100 cusecs and discharge of 100 cusecs on Friday. The level in the Vaigai dam was 45.34 feet with an inflow of 28 cusecs and discharge of 60 cusecs. The combined storage in Periyar credit was 2027 mcft. The amount of rainfall recorded (in mm) is as follows: Thekkadi: 1.6, Gudalur: 17, Shanmuganadhi: 7, Uthamapalayam: 4, Sathiaru: 10, Manjalaru: 3 and Mettupatti recorded 15 mm rainfall, PWD officials said.

Water level in the Papanasam dam on Friday stood at 67.65 feet (maximum level is 143 feet). The dam had an inflow of 72.27 cusecs and 394.75 cusecs was discharged from the dam.

The water level in Manimuthar dam stood at 85.05 feet (118 feet). The dam had an inflow of 20 cusecs and 5 cusecs was discharged.

Kanyakumari

The water level in Pechipparai dam stood at 13.40 feet, 26 feet in Perunchani, 3.35 feet in Chittar 1, 3.45 feet in Chittar 11 and 1 feet in Poigai dam.

THE HINDU Business Line

UP mills' plan to sell sugar may pull down prices

Industry under pressure to clear dues to farmers



New Delhi, April 19: Sugar supplies are set to increase as millers may sell more of their inventory to clear cane arrears, following the Uttar Pradesh Government's action against those defaulting in payment to growers.

This may further dampen the prices of sweetener, which have been bearish for quite sometime now on surplus supplies.

The UP Government has reportedly started filing cases against some sugar mills that have not cleared the cane dues payable to farmers in the State.

Cane arrears in the State are estimated at over Rs 6,000 crore, while the all-India figure stands at Rs 11,000 crore.

UP is the largest cane producing State in the country.

“An average of 70 per cent of the arrears has already been paid by the mills,” said S.L. Gupta, Chairman of the UP Sugar Mills Association.

Realisations

He said that millers should be given some more time to clear their payment to farmers, as realisations from sugar are lower than the cost of production.

Sugar mills are losing about Rs 4-5 a kg as ex-factory prices stand at Rs 31-32 against a production cost of Rs 36 a kg, Gupta said.

Taking advantage of the recent partial de-control, sugar mills will sell more to clear of their dues, but that will affect the prices further, Gupta said.

Sops needed

Abinash Verma, Director-General of the Indian Sugar Mills Association, said that the UP Government should provide some incentives to millers, say, in terms of removing the entry tax and purchase tax on cane among others. Millers in UP pay a purchase tax of Rs 2 a quintal of cane bought from farmers and 2 per cent entry tax on sales of sugar in the State, which amounts to around Rs 60 a bag.

Cheaper imports from Pakistan and countries such as Brazil are also adding to the woes of the millers. "The Government should increase the import duty from the present 10 per cent to 60 per cent to curb the inflow of cheaper sugar," he said.

Further, Gupta said the UP Government-owned power distribution entities owe about Rs 1,500 crore to the millers since November 2012 for the power purchased from the co-generation units. If the millers receive payment on time, it should help them clear their dues partially, he added.

Of the 124 sugar mills in Uttar Pradesh, about 25 are in the co-operative sector while the others are owned by companies. Except for some 30-35 mills, the others have stopped crushing for the current season.

"Cane crushing will come to an end by this month-end and the sugar production this season is estimated higher at 7.5 million tonnes," he said.

BITTERSWEET SITUATION

- ***Cane arrears***
- ***are estimated at over Rs 6,000 crore.***
- ***Sugar mills are losing about Rs 4-5 a kg against a production cost of Rs 36.***
- ***Cheaper imports from Pakistan, Brazil pose a threat.***

Providing a link for African cotton growers with Indian buyers



Coimbatore, April 19: The International Cotton Trade (ICT) is striving to build transparency and establish direct linkage between the ginner/grower in Africa and the buyer in India.

“Partnership between ginners and spinners need to happen to improve both the trade volume and the quality of the cotton. We are not looking at huge number of spinners, but a few interested ones to

kick start the programme,” Matthias Knappe, Programme Manager (Cotton, Textiles and Clothing) at ICT, said.

ICT, a joint agency of the World Trade Organisation and the United Nations, is now on ‘Target Asia’ mission to promote the African cotton. Select spinners and few members of the Indian Cotton Federation (formerly SICA – The South India Cotton Association) met Knappe in Coimbatore recently.

While clarifying that ICT had no business interest in this proposition, but was only working to help the African countries accelerate the export of the raw fibre, Knappe said, “We are not looking at the market *per se*, but a few ‘preferred’ spinners who would be genuinely interested to procure African cotton. We can help you visit and see the ginneries and place a small order. There is no obligation whatsoever though,” he added.

Visit to africa

ICT, according to Knappe, is in the process of organising a visit of Thai and Bangladeshi spinners to West Africa this December.

Cotton Federation members evinced interest about meeting the African ginneries.

High volatility in cotton prices in the domestic market and the fact that the African cotton is available at least 2 to 4 cents per pound cheaper than the domestically available fibre is the reason for this enthusiasm (to source cotton from Africa), an ICF member told *Business Line*.

Plus points

Rate apart, logistic convenience and seasonality of the crop seems to make it a rewarding proposition. “The crop is harvested in June and shipment starts from the very next month, at the fag end of the Indian cotton season,” explained an industry source.

Meanwhile Knappe cautioned the members against signing contracts with the African ginneries “without getting to know or meeting them in person.”

While conceding that his agency would not be able to endorse all the companies in the African countries, the ICT Programme Manager said, “there are some reliable ones in Tanzania; this East African country has officially introduced contract farming this season. The opportunity is huge and so is the trade-related challenge. Meet the ginners and strike healthy relationship for sustained supplies,” he told the ICF members.

Informed sources said that India had contracted 20,000 tonnes of cotton from Africa, mostly from Tanzania this season.

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Spot rubber gains on short-covering

Kottayam, April 19: Spot rubber improved on Friday. The market strengthened on covering purchases at lower levels following a moderate recovery in Tokyo futures. But the gains were limited on buyer resistance.

Most of the traders stayed away as the National Multi Commodity Exchange remained closed on account of *Ram Navami*. The trend was mixed.

Sheet rubber firmed up to Rs 160 (Rs 159) a kg at Kottayam and Kochi, according to traders and the Rubber Board.

The TOCOM (Tokyo Commodity Exchange) rubber futures rebounded from a five-month low but ended with a 10 per cent weekly loss as a result of the weak Chinese data that curtailed the outlook for demand ahead of a seasonal pickup in output.

April futures were totally inactive but the May futures improved to ¥244 (Rs 132.47) from ¥ 234 a kg during the day session and then to ¥248 (Rs 134.61) a kg in the night session on (TOCOM). RSS 3 (spot) inched up to Rs 148.74 (Rs 148.71) a kg at Bangkok.

Spot rubber rates (Rs/kg): RSS-4: 160 (159); RSS-5: 155 (155); Ungraded: 150 (149); ISNR 20: 147 (147); and Latex 60 per cent: 105 (105).

Holland extends help to produce crop protection solutions

Bangalore, April 19: Koppert, a Dutch company specialising in biological crop protection, has partnered with Namdhari Fresh to develop crop protection suitable to Indian conditions.

The main aim of the partnership is to meet the global standards on pesticide residue and minimise the impact of pesticides on people. To achieve this, a demonstration plot on Namdhari's land in Bidadi near Bangalore has been set up to develop crop protection solutions under protected (polyhouse) conditions.

“The project is being supported by Dutch government through the public-private partnership through its FoodtechHolland,” Arie Veldhuizen, Agriculture Attaché, Royal Dutch Embassy, told *Business Line*.

“The relevance of this project is linked to India promoting integrated pest management and greenhouse cultivation to improve productivity and quality of the fresh produce, thereby to drive higher export volumes,” he added.

Gets authorisation

As part of the project, Koppert India has been granted authorisation for five biological beneficial to combat the most common pests, including thrips, spider mite and aphids, in vegetable and ornamental crops.

“Adopting biological crop protection has several benefits.

“It is a small market at present but it is growing. This system has social benefit, which is more than commercial,” explained Uday Singh, Managing Director, Namdhari group.

Koppert is experimenting on Indian soil the application of Spical (*Neoseiulus californicus*), Spidex (*Phytoseiulus persimilis*), Swirski-Mite (*Amblyseius swirskii*), Aphipar (*Aphidius colemani*), and Thripor-L (*Orius laevigatus*).

‘Huge demand’

“We see there is a huge demand for natural and biological solutions in India and the market in which the majority of the population is vegetarian,” said Robert Pathuis Director, Koppert.

“We are exploring a number of States around Karnataka — such as Tamil Nadu, Kerala and Maharashtra — to offer biological crop protection systems,” he added.

According to Wouter van Vliet, Managing Director, Larive, the agency assisting companies with doing business in emerging markets, “This initiative is a follow-up on the Memorandum of Understanding signed by the Indo-Dutch Joint Agriculture working group between India and the Netherlands signed on May 24, 2012.”

“The MoU addresses knowledge transfer in horticultural practice and the project aims to contribute directly to India’s export of fresh produce and polyhouse cultivation,” he added.

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Saptarishi Agro to shift facility to the Nilgiris

Chennai, April 19: Saptarishi Agro Industries, a listed company, engaged in button mushroom cultivation plans to shift its facility to the Nilgiris to beat the heat and the power shortage at its present facility in Kanchipuram district.

The five-tonnes-a-day production facility has been shut for over a year and a half now following high costs of operations due to the ongoing power shortage. Electricity for cooling accounts for over one-third of the production costs and availability is also a concern, said Arvind Kalra, Director, Saptarishi Agro.

The company is looking to set up a 5-7 acre facility in the Nilgiris near Ooty to take advantage of the cool climate.

It is open to acquiring or tying up with the existing units or if suitable land is available to start a greenfield facility, he said. It hopes to start with about 2-3 tonnes of daily production.

The company has accumulated losses of over Rs 25 crore. It hopes to sell the assets including a portion of the 35-acre land at the present facility to finance the new project, Kalra said.

(This article was published in the Business Line print edition dated April 20, 2013)

Higher arrivals drag turmeric

Erode, April 19: Spot turmeric prices declined on rising arrivals of medium quality crop on Friday.

“Despite reasonable upcountry orders, traders quoted lower prices and purchased limited stock of turmeric. This is due to the increased arrival of turmeric bags for sale and also arrival of medium quality turmeric. But without any hesitation the stockists purchased huge quantity of turmeric bags with an intention to stock the same,” said R.K.V. , President, Erode Turmeric Merchants Association.

On Friday only 60 per cent of the 7,200 bags that arrived was sold.

At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 4,099-8,317; the root variety Rs 4,099-6,900.

Salem hybrid crop: The finger variety fetched Rs 5,611-9,309, the root variety Rs 5,400-7,399. Of the 1,506 bags that arrived only 25 per cent was sold.

At the Regulated Market Committee, the finger variety was sold at Rs 7,289-8,490, the root variety Rs 6,209-7,412. Of 731 bags arrived, 586 found takers.

At the Erode Cooperative Marketing Society, the finger variety ruled at Rs 7,011-8,680, the root variety Rs 6,219-7,399. All the 957 bags were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 7,306-8,599, the root variety Rs 6,000-7,300. All the 127 bags were traded.

Meteorologists watch monsoon 'engine' in Indian Ocean

Thiruvananthapuram, April 19: Meteorologists are anxiously monitoring South-West Indian Ocean to learn how the massive atmospheric engine powering the Indian monsoon is slowly sputtering to life.

It all boils down to this: winds blow from an area of high-pressure area to one of lower pressure. For monsoon winds to blow towards India, there has to have a high-pressure area in the seas.

BLISTERING SUMMER

This high-pressure develops over the Mascarene Islands, east of Madagascar, off Africa, and sends in winds that turn right from Somali coast along the Equator due to Earth's motion towards Kerala coast.

While the high-pressure develops in the seas, mainland India heats up in the blistering summer causing air to move up and create a lower pressure.

The desert sands of west Rajasthan usually witness the lowest being created over land. It is this land-sea pressure differential that essentially drives monsoon flows.

MASCARENE HIGH

So any aberration/delay in ideal pressures settling down due to whatever reason could affect the onset and progress of monsoon.

A leading forecaster and former top official of India Meteorological Department told *Business Line* that the Mascarene high pressure system was expected to intensify gradually by the weekend.

For much of West Asia and over India, both the 90- and 30-day precipitation totals until now are at mostly near normal levels.

This past week, rainfall levels were at near or below normal levels over much of the monsoon region. But lack of precipitation over East China and south Japan was noticeable.

SEASONAL FEATURES

Above normal rainfall is being forecast over North-East India during both upcoming weeks. High temperatures are expected over peninsular and central parts and thunderstorms over the East. Both are seasonal features, the meteorologist said.

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Universal Commodity Exchange, 6th in the country, goes live



Ringling in: (From left) Pankaj Agrawala, Secretary, Ministry of Consumer Affairs, Food and Public Distribution; Ramesh Abhishek, Chairman, Forward Markets Commission; and Ketan Sheth, Chairman, UCX, striking the gong to launch the Universal Commodity Exchange (UCX) in Mumbai on Friday. —

Shashi Ashiwal

Mumbai, April 19: Universal Commodity Exchange, the sixth commodity platform, went live on Friday with 100 members on board. The exchange said it has another 200 application for membership under process.

Promoted by Commex Technology in joint venture with IDBI Bank, IFFCO, Nabard and REC, the exchange has started trading in 11 contracts across nine commodities - gold, silver, crude oil, chana, RSS4 rubber, mustard, soyabean, refined soya oil and turmeric.

In order to attract volumes, the exchange will charge a fee of Re 1 for every transaction totalling Rs 1 lakh for the first three months. However, it has fixed a four-slab fee structure based on the turnover.

As an inaugural offer, trading and clearing member are charged a concession membership fee of Rs 2.5 lakh against Rs 5 lakh, while a trading member have to shell out Rs 1 lakh against regular charge of Rs 1.5 lakh. The exchange will also be available on the commonly used ODIN trading platform. It has already got ready delivery centres for metals and agriculture commodities in major markets. Praveen Pillai, Chief Executive Officer of UCX, said that the exchange will focus on all the segments of commodity initially and work on specialisation after gauging the market response.

“Being the latest exchange, we may not have the first mover advantage, but we definitely know what we should not do. We have the option to learn from others mistake,” he said.

Commex Technology will be the anchor investor with 43 per cent stake, REC and Nabard owns 16 per cent each, IFFCO will hold 15 per cent and IDBI Bank 10 per cent. Commex has to progressively reduce its stake to 26 per cent.

Ramesh Abhishek, Chairman, Forward Markets Commission, said that the new exchange has to do something different from others to gain market share, particularly when there is a fall in overall turnover on commodity exchanges, low commodity prices, tight regulation and tough economic condition.

“Having said that, there is a tremendous scope in this market as there are several commodities which have huge demand and are

unrepresented in the futures platform. UCX has its work already cut out,” he said.

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Rice seen ruling firm next week

Karnal, April 19: Rice market witnessed a steady trend with prices of aromatic and non-basmati rice varieties ruling unchanged on Friday.

Amit Chandna, Proprietor of Hanuman Rice Trading Company, told *Business Line* that since the demand matched supply, prices were unchanged.

The market is moving range-bound but within a positive territory.

Demand, for full grain rice varieties and brokens of both aromatic and non-basmati varieties, is good, supporting the market and prices may rule firm the next 3-4 days.

Traders expect that market may witness some change next week, he said.

In the physical market, Pusa-1121 (steam) sold at Rs 8,200 a quintal while Pusa-1121 (sela) quoted at Rs 7,150.

Pure basmati (raw) quoted at Rs 9,000. Duplicate basmati (steam) traded at Rs 7,100.

For the brokens of Pusa-1121, Dubar quoted at Rs 4,100, Tibar sold at Rs 4,950 while Mongra was at Rs 3,100.

Similarly, non-basmati varieties remained unchanged. Sharbati (steam) quoted at Rs 5,400, while Sharbati (sela) was at Rs 5,050. PR-11 (sela) sold at Rs 3,400-3,450 while PR-11 (raw) quoted at Rs 3,100-3,150. Permal (raw) sold at Rs 2,500 while Permal (sela) went for Rs 2,400. PR14 (steam) sold at Rs 3,200.

Cotton static on weak export prospects



Rajkot, April 19: Cotton prices ruled steady on normal demand. Gujarat Sankar-6 cotton stood at Rs 37,500-37,800 for a candy of 356 kg and V 797 cotton A grade at Rs 28,500-28,800.

About 22,000-25,000 bales arrived at Gujarat and around 68,000-70,000 bales to India.

Cotton 29 MM (3.8+ micronaire) traded at Rs 38,000-38,500; 29 MM (3.6 micronaire) cotton traded Rs 37,800-38,000 in Maharashtra.

A Rajkot-based cotton broker said that demand was reported to be good at lower levels.

Mainly local mills were active in the markets to cover for requirement of lean season.

Exporters were out of the market due to weak export prospects as Indian cotton is costlier than US and African.

Beside this, China started selling new cotton through the state reserve auction, which would lower import demand from the leading cotton consuming nation.

Cotton yarn down on slow demand and selling pressure, while it was steady in other markets.

Traders said that demand slowed considerably during recent days besides this decline in raw material prices and tight cash position also weighed on yarn market.

Lacklustre demand for edible oils



Mumbai, April 19: Ample import supply and slack demand kept edible oils prices steady on Friday.

As stockists have covered more than 1,000 tonnes of palmolein and other oils the previous day, they kept away from fresh bet due to market closure for Ram Navami festival.

Malaysian palm oil futures closed lower.

Volume was thin and isolated, said a broker. During the day, 80-100 tonnes palmolein changed hands in isolated resale trade.

At the close of the day Liberty quoted palmolein at Rs 511-515; super palmolein Rs 545 and sunflower refined oil Rs 780.

Ruchi quoted palmolein at Rs 515 ex-Patalganga, soyabean refined oil Rs 675 and sunflower refined oil Rs 765.

Allana quoted super palmolein at Rs 545. Resellers were quoting at Rs 508-510.

In Saurashtra – Rajkot, groundnut oil was unchanged at Rs 1,875 for a *telia tin* and Rs 1,225 for loose 10 kg.

In Malaysia BMD, crude palm oil May futures closed lower at MYR 2,284 (MYR 2,293), June at MYR 2,293 (MYR 2,304) and July at MYR 2,294 (MYR 2,307) a tonne.

Mumbai spot rates (Rs/10 kg): Groundnut oil 1,205 (1,205), soya refined oil 675 (675), sunflower exp. ref. 685 (685), sunflower ref. 770 (770).

Rapeseed ref. oil 706 (706), rapeseed expeller ref. 676 (676) cottonseed ref. oil 645 (645) and palmolein 510 (510).

Vikram Global Commodities, Chennai, has quoted Malaysian super palmolein for Rs 547 ex-Chennai; \$915 CIF JNPT May delivery; \$917 CIF Haldia May delivery.

Masoor gains on weak arrivals, improved buying



Indore, April 19: After trading low for the past few days, masoor has once again been witnessing an uptrend on weak arrival and improved buying support from the millers.

Though local mandis on Friday remained closed on account of 'Ramnavmi,' in private trading masoor (bold) ruled at Rs 4,450, while masoor (medium) ruled at Rs 4,200-4,250.

Compared to last week, masoor is ruling Rs 100 higher. Besides weak domestic crop prospects, depreciation of rupee against dollar has made masoor import costlier, leading to rise in its prices in the physical market.

Masoor dal is ruling firm, despite rise in spot prices with masoor dal (average) being quoted at Rs 4,850-75, masoor dal (medium) at Rs 4,950-75, while masoor dal (bold) is ruling at Rs 5,100-5,125.

Urad witnessed downtrend on slack demand with urad (bold) in local mandis currently ruling at Rs 3,500-3,550; while urad (medium) is ruling at Rs 3,200-3,300.

Compared to last week, urad is down Rs 250. Last week, prices had gone up to Rs 3,800 on strong buying support and weak arrival. Urad dal, however, remained unchanged despite decline in spot urad with urad dal (medium) ruling at Rs 4,100-4,200, while urad dal (bold) at Rs 4,600-4,700, while urad mongar is ruling at Rs 5,800-6,200.

Moong also witnessed downtrend on slack demand with moong (bold) in local mandis being quoted at Rs 5,800-5,900 (down Rs 200 from last week), while moong (medium) is ruling at Rs 3,200-3,300.

Moong dal remained unchanged with moong dal (medium) being quoted at Rs 6,900-7,000, moong dal (bold) at Rs 7,300-7,400.
