

3,000 cusecs of Cauvery water released

KARUR, April 4, 2014 - Water released from Mettur Dam to meet the drinking water requirements of the people in Salem, Namakkal, Erode, Karur, and Tiruchi regions trickled across Karur district heading towards Tiruchi.

The towns en route would now have something to quench the parched throats of the public even as scorching summer sends the mercury level up by the day.

The sluices of the Mettur Dam were lifted on Tuesday to allow discharge of 3,000 cusecs to meet the drinking water requirements of people residing in the towns along the course of the River Cauvery.

The State government resorted to the extreme step following persistent demand from the public of the region and taking into account the increasing demand for potable water in the regions depending on the river.

Since there has been no flow down the river for quite some time now and with the sun beating down mercilessly over the past month, the water absorption rate is pretty high in the river bed hindering rapid forward movement towards Tiruchi. PWD sources hinted that water might reach Tiruchi in another three days. While it is normal for the PWD authorities to release water in the River Cauvery during summer to meet the drinking water requirements every summer, this year has been particularly harsh on the people and cattle that have been enduring rain-less monsoon for successive years. That apart, the demand for drinking water has risen sharply over the years as many towns such as Ramanathapuram, Madurai, Pudukottai, Manapparai, and Vedasandur, far removed from the riverside were being provided potable water through combined water supply schemes implemented over the past decade.

Meanwhile, farmers in the Kattalai High Level Channel, South Bank Canal and Krishnarayapuram Channel are pleasantly surprised at the meagre flow of water down their irrigation channels at this part of the year. "We will be able to provide lifeline to our withering banana, sugarcane and beetle vine crops that have depended on the river water. "Also the groundwater level will rise and the bore wells might start yielding again," says a farmer C.Andiappan of Krishnarayapuram.

Some also see politics in water release in the midst of the political campaign when Chief Minister Jayalalithaa is set to tour Tiruchi and Thanjavur on Saturday.

☐ ***Water might reach Tiruchi in three days***

☐ ***Water absorption rate on river bed is pretty high***

Water level at Mettur

The water level in the Mettur dam stood at 47.48 feet on Thursday against its full reservoir level of 120 feet. The inflow was 679 cusecs and the discharge 3,000 cusecs.

Weather

Chennai - INDIA

Today's Weather



Sunny

Rain: 0

Humidity: 66

Wind: normal

Friday, Apr 4

Max 33° | Min 26°

Sunrise: 06:04

Sunset: 06:20

Barometer: 1005

Tomorrow's Forecast



Sunny

Saturday, Apr 5

Max 33° | Min 27°

Extended Forecast for a week

Sunday
Apr 6



32° | 26°
Sunny

Monday
Apr 7



38° | 26°
Partly Cloudy

Tuesday
Apr 8



39° | 26°
Partly Cloudy

Wednesday
Apr 9



29° | 25°
Overcast

Thursday
Apr 10



28° | 25°
Overcast

THE TIMES OF INDIA

European environment satellite set for launch



Sentinel-1A, a satellite designed to scan the Earth with cloud-penetrating radar, is set to lift off at 2102 GMT on Thursday aboard a Soyuz rocket from Kourou, French Guiana, the European Space Agency (ESA) said.

PARIS: Space technicians were preparing on Thursday for the launch of the first satellite in an ambitious European project to monitor Earth for climate change, pollution and deforestation and help disaster relief.

Sentinel-1A, a satellite designed to scan the Earth with cloud-penetrating radar, is set to lift off at 2102 GMT on Thursday aboard a Soyuz rocket from Kourou, French Guiana, the European Space Agency (ESA) said.

The 2.3-tonne satellite is the first in a string of hi-tech eyes in the sky that will build on the

success of Envisat, a landmark satellite in Earth monitoring, whose mission ended in 2012.

Six satellites will be built and launched under the 3.786-billion-euro (\$5.19-billion) Copernicus project, a joint undertaking of ESA and the European Union (EU).

The goldmine of data expected to be thrown up by the satellite constellation will be more accessible to the public than any previous Earth-monitoring programme.

The potential applications go beyond stewardship of the environment. They could help shipping firms, farmers and construction companies, too.

"Copernicus is the most ambitious Earth observation programme to date," ESA said.

"It will provide accurate, timely and easily accessible information to improve the management of the environment, understand and mitigate the effects of climate change and ensure civil security."

Sentinel-1A will be followed by a partner, Sentinel-1B, due to be launched towards the end of next year.

Operating 180 degrees apart, at an altitude of about 700 kilometres (437 miles), between them the pair will be able to take a radar picture of anywhere on Earth within six days.

Radar scanning has a range of uses, from spotting icebergs that could threaten shipping to rogue logging, trails of oil pollution and evidence of ground subsidence.

It also has a use in disaster relief. By mapping areas stricken by flood or earthquake, it can help emergency teams identify the worst-hit areas and locate roads, railway lines and bridges that are still passable.

The others in the series are Sentinel-2, which will deliver high-resolution optical images of forests and land use; Sentinel-3, providing ocean and land data; and Sentinels 4 and 5, which will monitor Earth's atmospheric composition - the basic component in fine-tuning understanding about greenhouse gases.

Sentinel-1A is being hoisted by the tried-and-trusted Soviet-era workhorse under an agreement with Russia to provide Europe with a medium-payload launcher, alongside the Ariane-5 heavy lifter and the lightweight Vega.

It will be the seventh time that Soyuz - deployed at a specially-built facility - will be launched from Kourou.

Sentinel-1A is scheduled to separate from the rocket's upper stage 23 minutes and 24 seconds after launch.

After that, it will unfold a pair of giant solar "wings," each 10 metres (32.5 feet) long, to gain power from Sun, and deploy a 12-metre-long radar antenna.

Copernicus was previously called the Global Monitoring for Environment and Security (GMES) programme.

After the scheme's future was hammered out in a budget wrangle, it was renamed last year in honour of the 16th-century Polish astronomer who determined that the Earth orbited the Sun, and not the other way round, as convention had it at the time.

Western Ghats manifesto seeks public hearings on Gadgil, Kasturirangan reports to avoid



The manifesto wants to bring critical issues afflicting the 1,600 km mountainous stretch along the west coast to the fore.

MANGALORE: The second citizen's manifesto on Western Ghats released by the Save Western Ghats Movement" has demanded holding of public hearings on Gadgil and Kasturirangan Reports to avoid undue politicization and spread of misinformation around the reports.

The manifesto wants to bring critical issues afflicting the 1,600 km mountainous stretch along the west coast to the fore.

The first manifesto released in 2009 had positive impact as it led to formation of MPs Forum on Western Ghats.

Pandurang Hegde, who started the south-India version of Chipko (hug the trees) environment movement 'Appiko' said the Gadgil versus Kasturirangan reports have brought Western Ghats on the boiling point of political controversy.

The second Citizens Manifesto on Western Ghats seeks to put the entire issue into perspective, as much for the candidates seeking elections as the electorates of the region.

The demands are as follows: Western Ghats be declared/protected as Water Towers of South India; to stop destruction of natural forests and mining; bottom-up process of conservation by empowering Gram Panchayats; evolving of supportive policies to practice sustainable ecological agriculture and horticulture; banning of Genetically Modified (GM) crops leading to GM Free Western Ghats and promoting sustainable Tourism and alternate energy that helps build local economies.

With Yettinahole and Nethravathi River Diversion Projects causing a commotion in the coastal part of the state, the movement has demanded halting of river diversion and dam building projects in Western Ghats.

There are 32 parliamentary constituencies coming under Western Ghats region from Maharashtra, Goa, Karnataka, Kerala and Tamil Nadu. The activists of Save Western Ghats will campaign in these constituencies impressing upon major political parties as well as candidates to work towards meeting these demands.

Hegde said the movement members request the candidates to commit towards holistic policies to conserve the Western Ghats through active participation in MPs Forum for Western Ghats in Lok Sabha for reforming the polices that impact the region.

This is the second people's manifesto is being issued on ecologically important mountain range like Western Ghats. This is prepared after consulting 150 non-government and

research organisations and 9,000 people from five states.

Hegde hoped to get support from all the major political parties contesting from this region to the manifesto.



Everyone wants to grow basmati

SUMMARY

Punjab looks at increasing area to meet demand, but fear is price crash.



Punjab is looking at increasing the area under basmati in the coming paddy season, a plan stressed at the recently held Kisan Melas across the state. This is because of a surge in the demand for basmati seeds among the farmers.

“As of now we have not fixed any target, but we do expect an increase in the area under basmati,” said Dr Mangal Singh, director for agriculture. “It also depends on the availability of the seeds. Though the demand has been huge, we need to see whether we will be able to cater to that much demand; only a limited quantity of seeds can be given.”

Indeed, Punjab Agriculture University could not supply basmati seeds to all who were asking for them. In contrast, less than 25 per cent of the non-basmati stock was consumed.

Dr H S Randhawa, director (seeds) of PAU said, “Last year farmers made a huge profit from basmati. Hence, this year everyone has been seeking to grow for this variety. The varieties highest in demand have been PUSA 1121, PUSA PB 1509 and PB basmati.”

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He added, “We had around 1,000 quintals basmati seeds ready with us. The entire stock was consumed and the farmers were even asking for more. The season will start from June, and farmers are expected to purchase the seeds from us after wheat harvesting.”

The demand for seeds crossed over 20,000 quintals in fairs organised in Ludhiana, Faridkot, Bathinda, Gurdaspur and other areas.

The non-basmati varieties seeds on display were PR 121, PR 122, PR 123, PR 111 and PR 114. Around 250 quintals of PR 111 and 600 quintals of PR 114 were available but they remain with the PAU.

In the last season, the prices of normal basmati varieties increased from Rs 1,500 per quintal to Rs 3,000, while high quality basmati was sold at Rs 6,000 per quintal as against the previous session’s Rs 3,400.

Last year, the demand in the international market was high and the Punjab government had even waived the 2 per cent each market fee and rural development fund, apart from a 3 per cent Punjab infrastructure development fund on sale of basmati, which saved farmers taxes. They preferred to sell their stock in Punjab mandis rather than going to neighbouring states.

Going by the heavy demand for basmati seeds, experts say it is likely prices will come down because availability will exceed demand. Though farmers were cautioned about this, the demand remained high.

Apart from basmati varieties, the fairs saw PAU sell 13,500 vegetable kits meant for kitchen gardens. The skyrocketing prices of vegetables have been forcing people to grow vegetables at home, say PAU experts. However, looking at the demand, they too have increased the prices of seed packets from last year's Rs 50 to Rs 80 this season.

Weather sinks almond hopes

SUMMARY

Jammu and Kashmir contributes around three per cent to the national fruit produce. During 2012-13, it exported 5476.08 tonnes dry fruits .

With the weather in the valley continuing to be rainy, extending beyond the usual winter months that end in February, farmers and apple growers are worried about the impact this will have on the crop this year. The worst hit so far, according to farmers, is the almond crop.

"Almond trees have suffered hugely, with branches breaking down under the weight of continuous snow and rain," says Shabir Ahmad, an almond grower in Tahab area of south Kashmir's Pulwama district. "We don't expect the crop to be good this year."

The apple crop, on the other hand, hasn't seen any significant impact of rainfall, Shabir adds, the reason being that the trees haven't begun to flower yet.

The Kashmir valley, where 6 lakh households with 30 lakh people are involved in horticulture and allied trades, has seen continuous, heavy precipitation this year that has continued even with the onset of spring. The weather is not expected to have as much impact on the agriculture sector as on horticulture, with farmers saying much damage has already been caused to horticulture crops, which need a dry season for the flowers to blossom.

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Jammu and Kashmir contributes around three per cent to the national fruit produce. During 2012-13, the state exported 5476.08 tonnes dry fruits — almond and walnut, both in shell and kernel — and earned Rs 204.75 crore.

"Due to the heavy rainfall, all blossomed flowers on the almond trees fell off," says Sheikh Ashiq Hussain of Mattan in south Kashmir's Anantnag district. Sheikh, who also grows apples, says if the rainfall continues, apple would not be ready in the right season either.

"The apple market is driven by season. If we fail to supply apples at the right time, we will suffer huge losses."

The state horticulture department acknowledges the impact of rainfall on crops but says a more pressing worry is a delay in the plantation of trees because of continuous rainfall. "We are concerned about the delay in plantation," says Sonam Narboo, director for horticulture.

Narboo adds that due to recent avalanches in Kulgam and other areas, there have been reports of damage to various trees including almond. "Around eight to 10 per cent of horticulture has been affected by the continuous rainfall," Narboo says.

Horticulture is a fast growing sector of the economy. According to the latest Jammu and Kashmir Economy Survey Report, horticultural produce accounts for almost 45 per cent of the returns in agriculture.

"The blossoming of flowers got delayed due to heavy rainfall because the fall in temperature restricted the process of plants coming out of dormancy," says Akhtar Hussain, deputy director for horticulture. "There have been damages to the crop but the blossoming of flowers is not complete yet."

Hussain says if the weather continues like this very long, the losses will be huge. "All we can do is hope the weather will become favourable for plants."

Beyond traditional farming



The Punjab government and PAU are stressing this and have made “subsidiary occupations” the theme of Kisan Melas.

SUMMARY

Crops not enough to sustain them, farmers make it work with dairy, fishery, and implement hiring.

When Harinder Singh of Bhamri village in Kadian block of Gurdaspur district graduated in 2008, his family wanted him to take up postgraduation and go abroad to improve his prospects. Harinder, however, had other ideas – he insisted that he would stay on in the village and follow the family occupation of farming. His family argued that their five acres of land would not be able to sustain him, especially at a time when agricultural yield was falling and farmers were leaving for other occupations.

Six years later, Harinder has been proved right. In this period he has earned around Rs 30 lakh and is an example to others in the field. His secret, he says, is “agriculture and subsidiary occupations” that have raised his income far beyond what traditional agriculture would have earned from his small land. “I began with traditional farming on our five acres in 2008, started attending every camp and Kisan Mela being organised by Punjab Agriculture department and Punjab Agriculture University, and collected knowledge about modern farming techniques as well as subsidiary occupation with agriculture,” said Harinder.

Not that the fears of Harinder’s family were baseless. According to experts, Indian agriculture employs 60 per cent of the population but its contribution to GDP is a mere 14 per cent. In coming years, only an estimated 40 per cent people will remain in agriculture owing to crises in the field and diminishing income, said Kulwant Singh Ahluwalia, a member of the PAU board of management, himself an agriculture expert and progressive farmer, at a Kisan Mela held recently. Around 61 per cent of farmers who participated in a survey said they would readily quit farming should they get alternative jobs in urban areas. Farming, according to them, has become a problem of high production cost and low income — with very little promise of change.

In this scenario, the role of progressive farmers such as Harinder becomes crucial. Their success not only defies the prevalent beliefs but also proves that supplementing traditional agricultural practices with auxiliary or subsidiary occupations is sustainable and yields higher returns.

The Punjab government and PAU are stressing this and have made “subsidiary occupations” the theme of Kisan Melas. Subsidiary occupations involve dairy farming, fishery, beekeeping, custom hiring on farm implements and piggery among others, and training programmes for these are conducted through Krishi Vigyan Kendras (KVKs) throughout the state.

Harinder, for instance, operated a custom hiring centre for farm implements. "I created a shed on a small portion of my land, purchased farm machinery for Rs 10 lakh to Rs 3.30 lakh from state subsidy and the remaining as loan from a bank on soft terms — and started giving out farm implements such as tractor, laser leveller, rotavator and spray pump on rent to farmers who could not afford high-end agricultural machinery and equipment," said Harinder. He earned Rs 6 lakh in the very first year besides his regular earnings from traditional agriculture. "I rent out a tractor-laser leveller at Rs 600 per hour, and rotavator and multi-bed planter at Rs 1,000 per acre," he said. He repaid his loan with a year. "To raise income from agriculture and horticulture crops, farm machinery is the need of hour of every farmer. Farm mechanisation through upgrade of technology saves around 15 per cent seed, and 30 per cent water and fertiliser each and increases the yield," said Dr Amrik Singh, agriculture development officer, Gurdaspur.

Another farmer from Gurdaspur, Maninder Singh, whose family owns four acres, said this is insufficient for a livelihood from the traditional crop cycle of wheat and paddy. Maninder proudly said he earns Rs 8 to 9 lakh annually by adopting subsidiary occupations. "I farm on three acres and on one acre, I have created a fish pond for fishery, a 3,000 sq ft poultry shed to keep 3,000 birds and a shed for 10 cattle heads including a buffalo and cows," he said. Another farmer, Madan Gopal, owns 2.5 acres and has set up a processing unit for turmeric powder and a cattle shed for 10 animals, besides sowing organic vegetables and pulses. "I earned around Rs 7 lakh from turmeric cultivation when the rate was good and, at present, earn Rs 2.5 to 3.0 lakh per acre from it," he said.

Surinder Singh, a foreign-returned farmer, runs a piggery in Paprali village in Ropar district, besides traditional farming. In four years, his small unit of 20 piglets and 20 adult pigs has expanded to 500 ready-to-sell pigs and more than a hundred for breeding. "One can start earning within five to six months as sows deliver piglets twice a year. A sow can deliver 10 to 12 piglets at once. Also, an adult pig of 10 to 11 months is sold between Rs 35,000 and Rs 40,000," he said. State director for animal husbandry Dr Harjinderjit Singh Sandha said they were providing subsidy for this venture and there is a huge demand for pig meat.

Discussing the role of subsidiary occupations in enhancing agri-based income, Dr M S Gill, director for extension education, PAU, said it is the need of the hour and the university has been providing farmers with the latest technology through its various KVKs.

THE HINDU Business Line

US prospective plantings report has potential to tame inflation

Mumbai, April 3: Amid ongoing weather concerns, the prospective plantings report of the US Department of Agriculture offers the potential to boost global agricultural trade this year.

The prospective planting report, released recently, estimates that the total acreage for the eight major US crops including corn, wheat, soyabean and cotton may top 255 million acres. This is the second highest level since 2007 and some 2 million acres below the levels seen in 2012.

This comes at a time when speculative long positions are being built on the bourses and prices of major crops have spiked by 10-12 per cent. The report comes as a relief for grain handlers and traders.

Strong selling

The continued higher acreage in the US combined with the expectation of trend-line yields in 2014 is likely to deliver higher carryover stocks in 2014, most notably in corn.

This will also mean there will be strong near-term selling of large on-farm stocks. The prospective plantings report suggests a six per cent year-on-year increase in the US soyabean acreage to a record 81.5 million acres.

The US is the world's largest producer of soyabean (89 million tonnes). However, bean inventories have dropped to a decade's low. Cotton acreage is expected to be up by seven per cent with acreage seen at 11 million acres.

For wheat, the expectation is that acreage may be down by one per cent to 55.8 million acres. Corn plantings are likely to drop 4 per cent, at 91.7 million acres.

Weather influence

Despite this, there is pressure on corn prices because inventories are 30 per cent higher and there is expectation of a large carryover stocks. Subject to normal weather, record harvests of soyabean, cotton and corn is likely in the US in the coming months.

It will rein in food inflation and provide relief to food import-dependent countries. It will also support the grains and oilseeds origination business of large agribusiness corporates. Speculative funds currently at play will exit the market when prospects of large harvests and softer prices crystallise.

Subject to normal weather, the US is likely to have record harvests of soyabean, cotton and corn in the coming mont

Cashew market turns buoyant in March

Kochi, April 3: The cashew market witnessed buoyancy in March with reasonable activity in kernels and good activity in raw cashew nut trade, after a sluggish trade in February.

At the end of the month, however, the market was steady with selling interest being lower in the first quarter.

The domestic market has also been ruling steady within a narrow range with periodic bursts of activity. It was evident from the shipments in February, when exports dropped to 7,009 tonnes (valued at Rs. 315.43 crore at a unit value of Rs. 450.04 a kg) against 7,972 tonnes (valued at Rs. 298.69 at the unit value of Rs. 374.67 a kg) in the same period a year ago.

Even though there was a decline in volume, the value realisation increased because of the rise in unit value and the exchange rate, Sasi Varma, Executive Director and Secretary, Cashew Export Promotion Council of India, told *Business Line*. Import of cashew kernels has plunged due to the higher import duties.

Last week, the range of offers for the second quarter was W240 \$3.60-3.75, W320 \$3.15-3.30, W450 and SW320 \$2.95-3.05, SW360 \$2.75-2.90, SSW \$2.45-2.55, splits \$2.40-2.55, pieces \$1.65-1.75/lb (f.o.b). Offers for second half were a few cents higher.

After a decline in February, raw cashew prices have moved up a tad in the last two weeks. Current prices are at around \$850-875 c&f for Nigeria, \$950-975 c&f for IVC, \$1,075-1,100 c&f for Ghana and around \$1,150 c&f for Benin.

These prices are 10-15 per cent higher compared with the same period last year (kernel prices are 3-5 per cent lower, however).

Such disparity cannot be sustained – something has to change, Pankaj N Sampat, a Mumbai-based dealer said.

“Shipments of West African raw cashew have started. During April, we will see whether flow from Ivory Coast will be smooth despite restrictions on movements.

Initial reports indicate that efforts to enforce quality standards are bearing fruit,” he said.

A reasonable and gradual price increase in second half of the year is possible unless the raw cashew prices drop significantly during April-May.

Decline in raw cashew prices after May will not have any major impact.

Spot pepper zooms to new record

Kochi, April 3: Non-availability amid strong demand drove spot pepper prices to a new record on Thursday.

Prices, on both the national and regional exchange, increased substantially. Cash and carry sales have stopped both in Karnataka and Kerala due to elections.

Sellers withdraw

Buyers are running around for the material but there are no sellers.

Sellers have withdrawn from a rising market, market sources told *Business Line*. Some of the primary market dealers in Idukki said that Tamil Nadu based dealers have bought at Rs. 560 a kg, while some trading in small quantity has taken place for Rs. 550 a kg, they said.

On the NMCE, April contracts increased by Rs. 1,676 a quintal to Rs. 57,526 a quintal. May contract was not traded. On the IPSTA, April and May contracts went up by Rs. 1,000 each to Rs. 55,342 and Rs. 55,292. On the spot, there was neither any arrival nor any offtake, they said.

Spot prices shot up by Rs. 1,000 to Rs. 53,500 (ungarbled) and Rs. 55,500 (garbled) on demand amidst tight supply.

Exports up

Export prices rose to above \$9,500 a tonne c&f Europe and \$9,750 a tonne c&f US.

Prices, on both the national and regional exchange, increased substantially.

Sunflower oil may turn dearer if Ukraine crisis continues: Ruchi Soya



Hyderabad April 3: Sunflower oil prices, which have been tracing a downward course in the last few months, could increase if the political crisis in Ukraine, the world's leading producer of sunflower seeds, continues for another few months.

Sunflower oil prices are currently quoting between \$930 and \$940 a tonne, while palm oil prices are ruling around \$910 a tonne.

"Ukraine registered a good crop last year. As we are still getting last year's crop, there has not been a problem yet (from Ukraine). But if the crisis continues beyond the new crop season (July-August) and harvest period (September-October), there could be disruptions in shipments from Ukraine, which could firm up the prices about six months from now," Satendra Aggarwal, Chief

Operating Officer of Ruchi Soya Industries, said.

The Rs. 30,000-crore company is one of India's leading importer and maker of edible oil, with a share of 18 per cent in the Indian edible oil market, that is estimated at 18 million

tonnes. Ruchi and Anand Wilmar dominate the market with a combined share of over 36 per cent.

Market share

Sunflower oil has a share of about 10 per cent of edible oil imports of about 10.5 million tonnes. India imports between 1.2 and 1.4 million tonnes of sunflower oil, mostly from Ukraine and Russia. The sunflower oil market is estimated at Rs. 18,000 crore and expected to grow 10 per cent every year on a compounded basis till 2016-17.

“As sunflower oil prices fell, the price difference with soya oil narrowed, boosting its consumption. We also saw palm oil import declining due to the price spread in favour of soft oils. Hence we may end up importing more (sunflower) this year,” Aggarwal said.

Bridging gap

The price difference between sunflower and palm oil has also narrowed to about \$30 a tonne from \$100 a tonne a few months ago and \$400 a year ago.

Imports of sunflower oil totalled 1.45 million tonnes last fiscal, up from 1.1 million tonnes in the previous year. This year, imports may cross the 1.5 mt mark, if there are no breaks in shipments from Ukraine.

Export prospects set to keep wheat prices firm



Bright outlook A woman bundles wheat after harvest on the outskirts of Bhopal in Madhya Pradesh. AM. Faruqui

New Delhi, April 3: As prolonged winter and unseasonal rain delay wheat harvest across major growing regions in North India, the price of the foodgrain is ruling firm across key markets amidst strong

demand.

A large section of the trade expects wheat prices to rule firm and hover above the minimum support price level of Rs. 1,400 a quintal in the largest producing State of Uttar Pradesh, where the Government procurement mechanism is traditionally weak. The modal price or rate at which most trades take place in markets such as Bareilly and Etawah were Rs. 1,600 and Rs. 1,520, respectively, on Thursday.

“Arrivals have been thin, but there is a good demand from millers and exporters,” said a trader at Shahjahanpur who procures for multinational exporters.

With the political crisis in Ukraine affecting exports from the Black Sea region, India has emerged as a major source for wheat shipments.

“It’s a big crop. Some States have declared bonus and that’ll keep the prices higher. We are waiting for the main arrivals to start in UP,” said Pravin Dongre, Chairman of the Indian Pulses and Grains Association. “Internationally it is a bull market and the prices will stay supported,” Dongre said, suggesting that Government should take advantage by allowing more exports.

Volatile weather

The Government has projected wheat production at 95.6 million tonnes, but the crop size is expected to be lower on account of unseasonal rains and hailstorms affecting the crop in Madhya Pradesh, Rajasthan and Maharashtra. Rains still continue in the Punjab, Haryana and parts of Uttar Pradesh.

“Arrivals in UP have a higher moisture of over 15 per cent and we are waiting for the main arrivals,” said Adi Narayan Gupta, former president of the millers body.

Trade sources said that with Rajasthan announcing a bonus of Rs. 150 a quintal, there could be a flight of produce from the neighbouring Uttar Pradesh to the desert state. May and

June contracts on NCDEX are ruling firm at Rs. 1,558 and Rs. 1,574, respectively. “Prices are likely to rule firm,” said MK Dattaraj, Managing Director of Krishna Flour Mills, in Bangalore. “UP could be a real game changer. If there is a shortfall in output, we are in for a higher price,” Dattaraj said adding that clarity on the situation is likely to emerge by May. Though millers like Dattaraj have bought some quantity from Rajasthan and Madhya Pradesh, exporters who are active have procured the entire produce in Gujarat.

Procurement delay

The Centre intends to procure about 31 million tonnes of wheat this year, up from 25 million tonnes last year. The procurement, which normally starts on April 1, has been delayed by three to four weeks this year.

As on March 1, the wheat stocks in the Central pool stood at 20.83 million tonnes, much higher than the strategic buffer and reserve norm.

Copra shortage boosts coconut oil

Erode, April 3: Coconut oil prices touched a record Rs. 1,980-2000 for 15-kg loose pack on Thursday at Kangeyam in Tamil Nadu’s Erode district. Kangeyam is the production hub for coconut oil, housing over 100 copra crushing units.

“The current price of Rs. 2,000 is a record price. No one expected prices to zoom to such levels, but this trend will not remain for long. They will come down over the next few days. Even at these levels, no miller in Kangeyam and Uthukuli is ready to sell,” said RM Palanisamy, coconut oil dealer of Erode.

Price dilemma

Last year, coconut oil touched a high of Rs. 1,600. Coconut oil sales have plunged as a result. Crushing units say that for the past three months coconut oil sale has been poor. Further, they said due to scarcity of copra, the price of coconut oil has increased.

Some popular coconut oil companies holding huge stocks, are in a dilemma about increasing the prices of their product in the market, as they feel that the price may come down soon. Wholesale traders say that they have to sell the coconut oil at Rs. 160 a kg in retail if they purchase at current price. palm oil, which is ruling at Rs. 62 a kg in the wholesale market and Rs. 65 in retail outlets. Still, Biscuit firms are buying palm kernel which is selling at Rs. 100 a kg.

Meanwhile the copra is selling at Rs. 9,500-9,600 a quintal. Edible copra is being sold at Rs. 10,200 in Erode. Kerala coconut oil crushers are buying all the copra by paying up to Rs. 9,800 .

Due to scarcity of copra, the price of coconut oil has increased.

Business Standard

Agri exports outpace other commodities'

Growth in India’s [agricultural exports](#) has exceeded the rise in exports of other products. Through the past few years, these products have consistently seen a rise in their share in the export basket, primarily due to the huge stocks resulting from bumper output, as well as favourable government policies.

According to data from the commerce ministry, in 2010-11, agricultural exports stood at

\$17.35 billion, in 2011-12 \$27.43 billion, in 2012-13 \$31.86 billion and in the first 11 months of 2013-14, it stood at \$29.3 billion.



During this four-year period, overall exports recorded 93 per cent growth. The share of agricultural commodities in India's overall export basket rose to 10.66 per cent in 2012-13 from 7.06 per cent in 2009-10.

"Agricultural exports growth will continue in the future, too, with improved prospects and favourable long-term policy support," Commerce Minister [Anand Sharma](#) had said on the sidelines of a Business Standard awards function here on Saturday.

Sharma said from now, basmati rice would incorporate the new Pusa 1121 variety. Various promotional efforts in major importing countries made the Pusa 1121 variety a preferred choice. Also, the Centre had signed free trade agreements with a number of agricultural product-deficient countries. The government also allowed exports of foodgrains and other agricultural commodities on a quota basis, with a positive response.

Recently, India had allowed limited exports of pulses to Maldives. It has already been

announced subsidy for sugar had resulted in a spurt in exports.

Buffalo meat and guar gum are other major products seeing significant growth in the export basket. Though guar gum prices have fallen in the past year, its exports have risen in volume terms.

LEADING THE WAY

Exports in \$ million

	Non Agri	% growth	Agri#	% growth	% of total
2005-06	95,872	24.12	7,219	14.71	7.00
2006-07	117,700	22.77	8,714	20.71	6.89
2007-08	149,576	27.08	13,556	55.57	8.31
2008-09	170,767	14.17	14,528	7.17	7.84
2009-10	166,134	-2.71	12,617	-13.15	7.06
2010-11	233,790	40.72	17,346	37.48	6.91
2011-12	278,537	19.14	27,427	58.12	8.96
2012-13	268,383	-3.65	32,017	16.74	10.66
2013-14*	252,541	4.74	29,280	1.85	10.39

*Growth over 2012-13 (Apr-Feb); #Agri & allied products
Source: Ministry of Commerce (DGCIIS, Kolkata)
Compiled by BS Research Bureau

"The growth momentum in India's agricultural exports is expected to continue in the next few years, with an increased share of processed food, including mango pulp, dried and preserved

vegetables, meat and poultry items. Factors such as reduced transaction costs, time, better port gate management and fiscal incentives contributed to this upward trend. With continued focus on issues such as food safety and compliance with international standards, we can surely reach new heights," said Piruz Khambatta, chairman and managing director, Rasna, and chairman, Confederation of Indian Industry's national committee on food processing.

According to the World Trade Organization, global export and import of agricultural and food products stands at \$1.66 trillion and \$1.82 trillion, respectively, of which India's shares are 2.07 per cent and 1.24 per cent', respectively. This indicates India is a net exporter of agricultural products. The country ranks 10th in terms of global agricultural and food exports.

In recent years, the government's policy impetus has provided stability to agricultural exports. Given sufficient stocks of foodgrains in the central pool, the government has allowed exports of wheat. Also, efforts have been taken to promote horticulture exports. "Though these measures are in the right direction, a consistent long-term trade policy, with tariff in a narrow band, might be required to acquire international presence in commodities, wherein it has comparative advantage," Economic Survey 2012-13 had stated.

Sharma said the government was working on a long-term policy for sustainable growth in agricultural commodities. Currently, India is the world's largest rice exporter and second, in terms of wheat exports. Horticulture exports have also seen good growth. To achieve the desired growth, "India needs to change the cropping pattern, with a larger focus on north India", Sharma had said.

R S Rawat, secretary-general, Associated Chambers of Commerce and Industry of India, said, "The government must take policy reforms to support growth in agricultural commodities. To achieve the \$70-billion export target for 2017 will not be too ambitious, with the possibility of policy implementation increasing productivity and promoting diversity of crops and specialised items to meet specific demands abroad."

Among agricultural commodities, exports of basmati rice have risen 46 per cent to \$3.47 billion in the first nine months of this financial year, compared with \$2.37 billion in the year-ago period. Exports of non-basmati rice rose seven per cent to \$2.13 billion in the April-December 2013 period from \$1.99 billion in the year-ago period. Exports of dairy products recorded 138 per cent growth in April-December 2013 at \$435.93 million, against \$183.24 million in the corresponding period last year. Due to declining global wheat prices, India's realisation from wheat exports fell 5.24 per cent — from \$1.24 billion to \$1.17 billion.

FAO: Global food prices at 10-month high in March



Global [food](#) prices rose 2.3 per cent to a 10-month high in March, owing to a sharp rise in the prices of agricultural commodities (resulting from unfavourable weather conditions in the US and Brazil) and geopolitical concerns related to the Russia-Ukraine standoff.

Data compiled by the United Nations' Food and Agricultural Organization ([FAO](#)) showed its food price [index](#) rose 4.8 points to an average 212.8, the highest since May 2013. "As expected, the index was influenced by unfavourable weather conditions in the US and Brazil and geopolitical tensions in the Black Sea region," said Abdolreza Abbassian, senior economist, FAO.



Now, however, the concerns related to disruptions in grain shipments from Ukraine have subsided. Also, markets had started to discard the negative impacts the difficult domestic economic conditions might have on harvests this year, said an FAO study said.

FAO's food price index, based on the prices of a basket of internationally-traded food commodities, saw price increases in all segments, except dairy, which fell for the first time in four months (2.5 per cent). The highest gains were seen in the case of sugar (7.9 per cent) and [cereals](#) (5.2 per cent).

FAO also reported a higher estimate for world cereal production in 2013, raising its forecast by six million tonnes (mt) to 2 521 mt. This reflects the higher estimates for production of coarse grains and [rice](#) in several countries. The

forecast for ending stocks has also been raised and it is expected world trade will increase by a significantly higher amount than expected earlier. "It is too early to make accurate production forecasts for cereals, as many crops are yet to be planted and weather remains the key factor influencing harvests," said FAO's Abbassian.

It is estimated global wheat production will stand at 702 mt this year, down two mt from FAO's first forecast in March and two per cent lower than last year's record harvest. Global rice production is expected to record a modest 0.8 per cent rise at 500.7 mt (milled basis), as growth is likely to be dampened by falling global prices and fears of the El Niño weather phenomenon. Though the outlook for rice is slightly better, the growth in production might not be sufficient to match the growth in population. As a result, inventories could see a decline in the next season.

India's soymeal exports to Iran hit as sanctions on Tehran ease



India's near-monopoly in [soymeal exports](#) to [Iran](#) has been diminishing and exports could drop by nearly a third as [Tehran](#)'s nuclear deal with the West paved the way for rival south American suppliers to boost their trading with the oil-rich country, industry officials said.

The south Asian country's total soymeal exports would drop due to lower purchases Iran in the 2013-14 year ending September 30 and force Asia's biggest soymeal exporter to rationalise prices for other buyers like Japan and Vietnam.

"Iran has emerged as the largest buyer of soymeal in the recent past, mainly due to sanctions from the West and barter trade opportunities with India in rupee terms," said Dinesh Shahra managing director of [Ruchi Soya Industries](#).

"With Iran and west reaching to some sort of settlement, Iran has opened up doors for other destination. This has left Indian meal with huge premiums having very limited buyers even in Iran," he said.

India's soymeal exports to Tehran rose fourfold in just three years to 2012-13. But in the current year exports to Tehran are likely to drop by 30 per cent from last year's record 964,255 tonnes, Shahra estimates.

The landmark deal struck between the Islamic Republic and six world powers in November eased some of the sanctions on trade with Iran that had slashed the Opec member's oil exports by more than half and narrowed its options to secure food and agriculture goods to just a few countries.

The sanctions had forced India to trim oil purchases from Iran, but it remained a loyal and large customer. In 2012 as sanctions stalled dollar payments, it started settling part of its oil debt in rupees and Iran was using those to buy goods from India.

That trade in rupees gave India an edge over other soymeal suppliers such as Argentina and Brazil who do not have such huge debts with Tehran and quickly the south Asian country established a near-monopoly in exports.

Iran's difficulties in securing soymeal from other producers due to the sanctions also

prompted Indian exporters to seek hefty premiums over global prices, sometimes as high as 20 per cent.

"The premium needs to be rationalised or we will lose share to other suppliers," said Rajesh Agrawal, chief co-ordinator at the Soybean Processors' Association of India (SOPA), a trade body.

On Thursday, India was quoting soymeal at \$620 per tonne free-on-board basis, compared with \$580 for rival south American supplies. But now reducing the premium quickly is difficult as soymeal availability is stretched due to a drop in soybean supplies.

"Farmers are slowly releasing soybeans in the market due to lower production. Without a substantial rise in soybean supplies, soymeal prices won't come down," Agrawal said.

India's soybean output in 2013-14 is estimated to have fallen by 4.4 per cent from the previous year to 10.23 million tonnes after heavy rains damaged the crop.

The hefty premium, sometimes as high as \$90 per tonne, is forcing buyers to other destinations, said Shahra of Ruchi Soya.

In February, India's soymeal exports to Iran plunged 63 per cent from a year earlier, while total exports during the month dropped 68 per cent, according to SOPA data.

"As Iran is making fewer purchases, we need to attract traditional buyers like Japan, Vietnam and Indonesia by offering soymeal at competitive price," said an oil miller based in central Indian city Indore.

Crop geneticists sequence genome of peanut

The International [Peanut](#) Genome Initiative ([IPGI](#)), a multi-national group of [crop geneticists](#) working in cooperation for several years, has successfully sequenced the genome of peanut.

The new peanut genome sequence will be available to researchers and plant breeders across the globe to aid in the breeding of more productive, more resilient peanut varieties, according to the Hyderabad headquartered International Crops Research Institute for Semi-Arid Tropics ([Icrisat](#)).

Understanding the structure of the peanut's genome is expected to lay the groundwork for new varieties with traits like added disease resistance and drought tolerance.

Peanut (*Arachis hypogaea*), also called groundnut, is an important crop both commercially and nutritionally. Globally, farmers tend about 24 million hectares of peanut each year, producing about 40 million tonnes.

While the oil and protein rich legume is seen as a cash crop in the developed world, it remains an important sustenance crop in developing nations.

Scott Jackson, director of the University of Georgia (UGA) Institute of Plant Breeding, Genetics and Genomics at the College of Agricultural and Environmental Sciences, serves as chair of the IPGI, which brings together scientists from the United States, China, Brazil, India and Israel to delineate peanut genome sequences.

“The peanut crop is important in the United States, but it’s very important for developing nations as well. In many areas, it is a primary calorie source for families and a cash crop for farmers,” Jackson stated in a press release on Thursday.

“Rich in protein and edible oil, peanut is central to the financial and nutritional well-being of hundreds of millions of farmers and consumers across the semi-arid tropics of Asia and sub-Saharan Africa,” director general of Icrisat, William Dar, said.

Peanut is one of Icrisat’s mandate crops, along with chickpea, pigeon pea, sorghum and pearl millet.

Rupee gain worries seafood exporters



The sea food exporters from the state are worried over strengthening of [rupee](#) against [dollar](#) fearing drop in volume of their shipment, which has become costlier for the buyers.

“Exporters are worried over fast strengthening of rupee against the dollar. It has gained by about five per cent in last three to four days,” said Gorachand Mohanty, president, The [Seafood](#) Exporters Association of India ,

Odisha region.

It may have a cascading effect on the exports in 2014-15, he added.

Exporters said, marine products exports may touch about \$4 billion in the 2013-14.

The rupee reversed last year’s losses of more than 11 per cent and hit an eight-month high of Rs 59.57 to against the US dollar on Wednesday.

“Prices of sea foods have fallen due to declining demand from the United States. Better production prospective in Thailand has added to the woes,” Mohanty said.

The cold wave in the United States has led to decline in demand for the aquaculture shrimps as importers were unable to sell their products in the wake of declining demand from the consuming units.

This has led to piling of the inventory in the destination country.

The temperature had plunged to even -52 degree Celsius in January as the bone-chilling weather gripped the United States, a key market for the Indian shrimp industry. USA is the third largest buyer of Indian marine products, after South East Asia and European Union, with a share of 21.29 per cent in terms of value realisation as per MPEDA figures in 2012-13.

The prices of aquaculture shrimps of 16-20 grade has fallen from \$18 per kilogram to about \$15 and prices of 31-40 grade has come down to \$10 per kilogram by March end from \$13 in January, exporters said.

Strengthening of rupee will definitely have impact on the exports. This may bring down the volume of exports and foreign exchange realisation from the sale, said Prava Ranjan Patnaik, managing director, [Falcon](#) Marine exports limited, a leading exporter of the country.

Exports of all goods will be affected including the seafood sector with rupee gaining against

the dollar, said Ramesh Mohapatra, president, Utkal Chamber of Commerce and Industry (UCCI) and a leading sea-food exporter.

Turmeric up 1.2% on spot demand



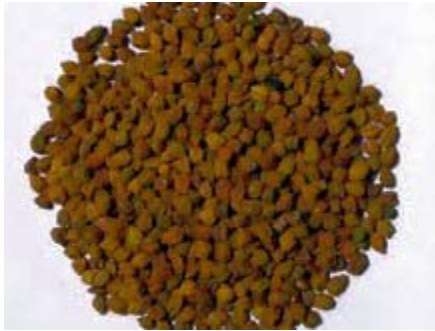
[Turmeric](#) prices traded higher by 1.24% to Rs 6,354 per quintal today as speculators created fresh positions, supported by rising demand in the spot market.

At the [National Commodity and Derivatives Exchange](#), turmeric for delivery in April rose by Rs 78, or 1.24%, to Rs 6,354 per quintal with an open interest of 9,360 lots.

Similarly, the spice for delivery in May moved up by Rs 76, or 1.20%, to Rs 6,400 per quintal in 9,070 lots.

Analysts said fresh positions built-up by speculators after demand picked up in the spot market mainly led to rise in turmeric prices at futures trade.

Chana down 0.4% on sluggish demand



[Chana](#) prices declined by 0.40% to Rs 3,255 per quintal in futures trading today as speculators reduced positions on sluggish demand in the spot market.

At the National Commodity and Derivative Exchange, chana for delivery in April fell by Rs 13, or 0.40%, to Rs 3,255 per quintal with an open interest of 45,630 lots.

Similarly, the commodity for delivery in May contract traded lower by Rs 13, or 0.39%, to Rs 3,308 per quintal in 68,200 lots.

Analysts attributed the fall in chana prices at futures trade to sluggish demand in the spot market against adequate stocks position.

Sugar up 0.3% on lower output, rising demand



[Sugar](#) prices rose by 0.37% to Rs 3,218 per quintal in futures trade today as speculators enlarged positions, triggered by a fall in output.

Also, rising demand from bulk consumers supported the upside.

At the [National Commodity and Derivatives Exchange](#), sugar for delivery in April rose by Rs 12, or 0.37%, to Rs 3,218 per quintal with an open interest of 26,870 lots.

The sweetener for delivery in May also traded higher by Rs 10, or 0.31%, to Rs 3,245 per quintal in 48,340 lots.

Market analysts said speculative positions created by participants after country's sugar production dipped 7% till March this year, influenced the sweetener prices at futures trade here.

Besides, increased demand from bulk consumers such as soft-drink and ice-cream makers, also influenced sugar prices, they said.

Meanwhile, the country's sugar production has dropped by 7% to 21.5 million tonnes in the first six months of the current marketing year due to lower output in key producing states, according to industry body ISMA.

Coriander declines 0.73% on higher supply, low demand



[Coriander](#) prices fell 0.73 per cent to Rs 9,546 per quintal in futures trading today as speculators trimmed positions, driven by lower demand in the spot market against higher supplies from producing belts.

At the National Commodity and Derivatives Exchange, coriander for delivery in April fell by Rs 70, or 0.73 per cent, to Rs 9,546 per quintal with an open interest of 15,960 lots.

The May contract traded lower by Rs 71, or 0.73 per cent, to Rs 9,722 per quintal in 42,410 lots. Market analysts said reducing of positions by speculators due to subdued demand in the spot market against higher supplies from producing belts mainly pulled down coriander prices at futures trade.

Jeera gains 0.7% on spot demand



[Jeera](#) prices gained 0.70 per cent to Rs 10,005 per quintal in futures trade today after speculators enlarged positions supported by rising spot demand.

However, expectations of higher output capped the gains.

At the National Commodity and Derivatives Exchange, jeera for delivery in April gained Rs 70, or 70 per cent, to

Rs 10,005 per quintal with an open interest of 7,242 lots.

May jeera moved up by Rs 60, or 0.60 per cent, to Rs 10,110 per quintal in 6,459 lots.

Analysts attributed the rise in jeera futures to pick-up in demand in the spot market but expectations of higher output limited the gains.

Palm oil up 0.4% on rising demand



Continued its rising streak for the fourth straight session, [crude palm oil](#) rose further by 0.46% to Rs 569 per 10 kg in futures trade today as speculators engaged in enlarging positions on rising spot market demand.

At the [Multi Commodity Exchange](#), crude palm oil for delivery in April added Rs 2.60, or 0.46%, to Rs 569 per 10 kg in a business turnover of 161 lots.

Similarly, the oil for delivery in May gained Rs 1.20, or 0.23%, to Rs 561.20 per 10 kg in 45 lots.

Analysts said besides rising demand in the spot market, restricted supplies from producing regions mainly led to a rise in crude palm oil prices at futures trade.

Cardamom down 0.1% on sluggish demand



[Cardamom](#) prices weakened by 0.12% to Rs 900 per kg in futures trading today as speculators reduced holdings due to sluggish demand in the spot market.

At the [Multi Commodity Exchange](#), cardamom for delivery in May declined by Rs 1.10, or 0.12%, to Rs 900 per kg in a business turnover of 357 lots.

Similarly, the spice for delivery in April shed 80 paise, or 0.09%, to Rs 855 per kg in 224 lots. Analysts said offloading of positions by speculators, triggered by sluggish demand in the spot market against adequate stocks position, mainly led to decline in cardamom prices at futures trade.

Potato down 0.3% on profit-booking



[Potato](#) prices fell by 0.37% to Rs 1,268.50 per quintal in futures market today as speculators booked profits after recent gains.

At the [Multi Commodity Exchange](#), potato for delivery in April declined by Rs 4.70, or 0.37% to Rs 1268.50 per quintal in business turnover of 44 lots.

The potato for delivery in May contract also traded lower by Rs 2.90, or 0.22% to Rs 1,335 per quintal in 185 lots.

Analysts attributed fall in potato prices at futures trade to profit-booking by speculators at prevailing higher levels but 'Navratras' festival demand, limited the fall.
