

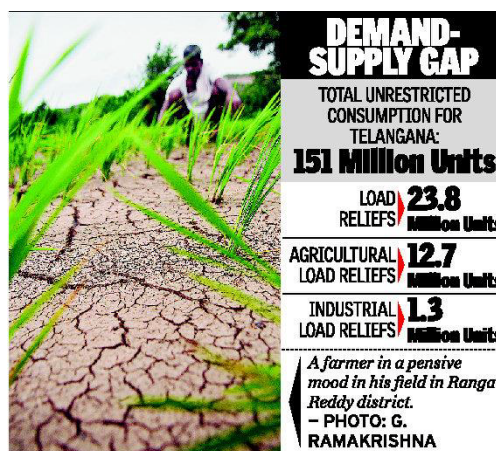
India will convince WTO: Minister

SMRITI KAK RAMACHANDRAN & B. MURALIDHAR REDDY

Asserting that India cannot compromise the interests of its farmers at the WTO, Union Minister of Commerce Nirmala Sitharaman told Parliament on Tuesday that New Delhi was confident of persuading WTO members to appreciate the sensitivities of India and other developing countries. Making a *suo motu* statement in both Houses of Parliament on India's stand in the WTO, Ms. Sitharaman said that the country would continue to try to influence the developed countries to see its viewpoint. She contended that it would be a major contribution by this institution towards "meeting the global challenge of food insecurity and would convey a strong message that the WTO is genuinely committed to the cause of development." In the Rajya Sabha, the members wanted Deputy Chairman P.J. Kurien to allow clarifications on the statement on Wednesday. Mr. Kurien said the timing for it would be decided after consultation with the government. The Minister contended that India did not agree to the Protocol of Amendment to Trade Facilitation Agreement without a commitment to find a permanent solution on public stockholding and on all other Bali deliverables, including those for the least developed countries (LDCs). She said the protocol was to be adopted by July 31, 2014 by the WTO, and after this, the agreement would automatically come into force from July 31, 2015 if ratified by two-thirds of the WTO members. "In contrast to their efforts on trade facilitation in the WTO, some developed countries have been reluctant to engage on other issues. Seeing the resistance to taking forward the other decisions, the apprehension of developing countries was that once the process of bringing the Trade Facilitation Agreement into force was completed, other issues would be ignored, including the important issue of subsidies," she said.

Four-hour supply irked Medak ryots, inciting them to protest

SWATHI V.



Combined load reliefs implemented for agriculture amounted to a total of 12.7 mu. Two units of the Narla Tata Rao Thermal Power Station (NTTPS) in Vijayawada having been under shutdown for overhaul, and one more in Rayalaseema Thermal Power Project down with technical snag, the shortage was augmented by 340 MW more.

The surge of anger among farmers in Medak on Monday, which incited them to protests, beating up of officials and smashing of vehicles, was not without its reason. For a week prior to the protests, they had been receiving only three to four hours of power supply instead of the official six. Officials from the Southern Power Distribution Company of Telangana (TSSPDCL) informed that the six-hour supply as officially announced earlier could not be maintained due to the shutdown of a 500 MW unit in Kothagudem Thermal Power Station. Two units of the Narla Tata Rao Thermal Power Station (NTTPS) in Vijayawada having been under shutdown for overhaul, and one more in Rayalaseema Thermal Power Project down with technical snag, the shortage was augmented by 340 MW more. Telangana state was reeling under a power shortage of 23.8 Million Units as on July 3, of which more than half the burden was laden on agricultural consumers. Combined load reliefs implemented for agriculture in Telangana by TSSPDCL and TSNPDCL amounted to a total of 12.7 MU.

Load reliefs

“Compare this with the industrial load reliefs at 1.3 mu, enforced through weekly power holidays. The enormous difference is self-revelatory. In a haste to earn the name as industry-friendly state, the government is not paying enough heed to farmers’ needs. The industries can afford a second power holiday as long as the Kharif operations are on,” an official remarked. Agricultural supply has been brought down from seven hours to six hours per day officially, and even that is not being given now, he said. However, with inflows to Srisailem increasing, the hydro generation has caught up since yesterday evening, making it easier for the officials. Nearly 750 MW of power is being generated from Srisailem Left Bank Canal as of now, officials informed.

Water level increasing steadily in dams

Water level has been increasing steadily in Periyar and Vaigai dams here on Tuesday thanks to moderate to heavy downpour in the catchment areas and at the dam site. However, the rainfall was nil in many parts of Theni district. Public Works Department officials have stepped up discharge from Periyar dam to improve storage level in Vaigai dam. Water level in the dam stood at 122.8 feet with a comfortable inflow of 3,270 cusecs. Storage was 3,182 mcft. With heavy inflow into Periyar dam, PWD officials started withdrawing 1,200 cusecs of water from the dam to improve storage level in the Vaigai dam. Storage level in Vaigai dam has also been increasing steadily. Water level touched 40- feet mark in the dam. Inflow rose to 908 cusecs and the discharge restricted to 40 cusecs. Storage was 1,000 mcft. Farmers in southern districts were happy over steady increase in storage level in Vaigai dam because the

PWD will release water for irrigation in over two lakh acres in Dindigul, Theni and Madurai districts only when the dam has sufficient quantum of water. Rain fall recorded at various places at 8 a.m. on Tuesday was: (in mm) Periyar 8.4, Thekkadi 7.8, Goodalur 3 and Shanmuga Nadhi Dam 1.

Rice to be auctioned on Friday

The Hassan district administration has decided to auction the rice seized by the Department of Food and Civil Supplies from a private rice mill here last year for allegedly diverting the grains meant for Annabhagya scheme.

Farmers' meet held at KAU

K. SANTOSH

A farmers' meet was held at the Kerala Agricultural University (KAU) on Tuesday. Inaugurating the meet, University Vice-Chancellor P. Rajendran said a new farming culture should be evolved to achieve self-sufficiency in food production. "Research is being carried out to enhance productivity of crops, eliminate drudgery from farming and enable nature-friendly agriculture. Farmers should make use of advanced technology to enhance productivity and ensure production of safe-to-eat food," he said. He said incidence of certain diseases was high in Kerala reportedly because of the high level of chemical and pesticide residues in the food items procured from other States. "People of Kerala spend more than Rs. 12,000 crore a year to buy food from elsewhere, and invite diseases," he said. In all, 200 farmers took part in the meet organised by KAU and Doordarshan. Prasara Bharthi Deputy Director General T. Chamiyar said Doordarshan, since its inception, had played a key role in promoting agriculture. "A new national channel exclusively for Agriculture is in the pipeline," he said.

Goat village project to be showcased at seminar

A State-level seminar will be held here on August 7 to showcase the goat village project in the district, which is one of the successful initiatives of the Kudumbasree Mission. The seminar on the flagship programmes of the Kudumbasree Mission will be attended by 400 delegates including 140 women representing various Community Development Societies in the State. Announcing this, District Co-ordinator of the Kudumbasree Mission M.V. Premarajan said at a press conference here on Tuesday that the goat village programme is a successful model of the Kudumbasree Mission. The project is one of the four successful initiatives of the mission taken up by the government for implementation across the State, he said. He said that the goat village project started with the objective of establishing 1,000 units has already involved 4,795 goat rearing farmers under 959 units. Mr. Premarajan also said that a plan to start a producer company of goat farmers in the district is in the pipeline. The company could produce goat feed and take up procurement and veterinary services, goat milk marketing as also insurance coverage, he informed. The seminar will be inaugurated by Rural Development Minister K.C. Joseph at the Jawahar Library Hall on Thursday.

Poultry farmers protest against CSE report

Warn of initiating legal action against the private lab that published report

The Kerala Poultry Farmers' Association has demanded that the Centre for Science and Environment (CSE) report on the use of antibiotics in chicken be discarded. In a press statement issued here on Tuesday, the association claimed that the report was from a private laboratory and was not authentic. The association has decided to hold an awareness campaign across the State in this regard. It will also resort to legal action against the private laboratory which released the report. The statement, issued by Baiju Kadavan, association president, slammed the Union government for ordering State governments to take follow-up action "without even examining the validity" of the CSE report. It also alleged that there was a "conspiracy" behind the report and demanded an inquiry.

Taking ryots to the world of exotic fruits

The Krishi Vigyan Kendra at Thelliyoor will be organising a two-day State-level workshop on tropical exotic fruits, 'Falam-2014,' on the KVK campus on August 7 and 8. C.P. Robert, KVK programme coordinator, said the proposed workshop was aimed at helping peasants understand the potential of cultivation of exotic fruits, especially Mangostein and Rambutan. Dr Robert said the workshop would explore different methods of production of quality planting materials, besides highlighting the importance of orchard management with emphasis to canopy management and crop regulation in fruit farming. The workshop would also help bringing together knowledge in the post-harvest management of exotic fruits. The discussions to be held at the workshop on tropical fruit production would pave the way for evolving a sustainable mechanism for converting Kerala into a 'fruit basket', he said. P. Rajendran, Vice-Chancellor of Kerala Agricultural University, will inaugurate the workshop at 10.30 a.m. on August 7. Srinath Dixit, project director of ICAR Zone-VIII; P. Rajashekharan of State Planning Board, P.V. Balachandran of Kerala Agricultural University, L. Beenakumari, Principal Agricultural Officer; R. Reghunathan Pialli, District Development Manager of NABARD; C.F. Santhoshkumar, Deputy Director of National Horticulture Board; K.Y. Yakoob, director of Christian Agency for Rural Development, and Rincy K. Abraham, organising secretary, will also address the inaugural session. Dr Robert will deliver the introductory speech and Joseph Mar Thoma, Metropolitan of Mar Thoma Church, will preside over the function. The District Panchayat president, Saji Chacko, will inaugurate the valedictory function on August 8 afternoon. The KVK will also organise an exhibition of tropical exotic fruits. As many as 100 stakeholders, including scientists and farmers from different parts of the State, are expected to attend the workshop.

Workshop on social forestry

The Department of Forests and Wildlife is organising a two-day national workshop — 'Social Forestry: Approaches, Strategies and Innovations' — here from Wednesday. Representatives of the Forest Departments in Andhra Pradesh, Gujarat,

Karnataka, Maharashtra, Tamil Nadu, and Kerala are expected to participate in the event.

A.P. contests RBI claim on crop loss

Y.MALLIKARJUN

The Andhra Pradesh government has virtually contested the claim of the Reserve Bank of India (RBI) that there was no major crop damage and production loss due to natural calamities and dashed off a letter on Tuesday marshalling facts and figures on the distress caused to farmers. The government again urged the RBI to reschedule all short-term agricultural loans, including those given against the pledge of gold ornaments in all calamity-affected areas since kharif season had already started and farmers were eagerly awaiting fresh crop loans. The letter assumes significance in the backdrop of RBI Governor Raghuram Rajan's latest remarks against farm loan waiver saying the demand and hard facts were not matching. It is learnt that Chief Secretary I.Y.R. Krishna Rao has written to the RBI pointing out that the government had declared 464 mandals as Phailin cyclone, heavy rains and floods affected in 2013. During kharif 2013, as many as 123 mandals were declared drought-hit and most of them were situated in Rayalaseema region. Mr. Rao was believed to have given comparative figures of the cultivated area under food grains and the recorded production for six years from 2008-09 to 2013-14. The Chief Secretary was stated to have observed that comparing yields to judge the status of farmers would be a totally "lop-sided approach" and to treat the issue holistically, yields, remunerative prices, inflation, increase in input costs and other factors should be considered for arriving at proper conclusion. Observing that recurrence of calamities resulted in severe distress among farmers and led to a number of suicides by farmers, he quoted statistics from National Crime Records Bureau that while Maharashtra witnessed around 3,146 suicides in 2013, the number was 2,014 in Andhra Pradesh.

Four-hour power supply caused farmers' protest

SWATHI V.

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The surge of anger among farmers in Medak on Monday, which incited them to protests, beating up of officials and smashing of vehicles, was not without its reason. For a week prior to the protests, they had been receiving only three to four hours of power supply instead of the official six. Officials from the Southern Power Distribution Company of Telangana (TSSPDCL) informed that the six-hour supply as officially announced earlier could not be maintained due to the shutdown of a 500 MW unit in Kothagudem Thermal Power Station. Two units of the Narla Tata Rao Thermal Power Station (NTTTPS) in Vijayawada having been under shutdown for overhaul, and one more in Rayalaseema Thermal Power Project down with technical snag, the shortage was augmented by 340 MW more. Telangana state was reeling under a power shortage of 23.8 Million Units as on July 3, of which more than half the burden was laden on agricultural consumers. Combined load reliefs implemented for

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Price monitoring soon to rein in vegetable prices

Chief Minister N. Chandrababu Naidu has directed the officials to set up a permanent price monitoring system to control the prices of vegetables and other essential commodities. Rates of vegetables should be updated online, said Mr. Naidu. Officials should ensure that vegetables are sold at lowest prices through Public Distribution System (PDS) and Rythu Bazaars. Currently, Andhra Pradesh has 80 Rythu Bazaars. At a review meeting here, the Chief Minister said in all 80 Rythu Bazaars are there in the state and instructed officials to modernize Rythu Bazaars and maintain cleanliness. Stating that middlemen have become beneficiaries, the Chief Minister proposed linking of farmers’ Aadhar cards to their bank accounts to curtail their interference. Proposals are being made to restore early morning buses for farmers.

A.P. to encourage fish farming as allied activity

M. L. MELLY MAITREYI

The Andhra Pradesh government has decided to give a boost to the fisheries sector by encouraging farmers also to take up fish farming as an allied activity. Agriculture Minister P. Pulla Rao said that instead of focusing only on agriculture, farmers would also be encouraged to convert part of their farm land in low lying areas into fish ponds to get more income. An income of Rs.1.5 lakh to Rs.2 lakh per acre could be generated through pisciculture, he said. Mr. Pulla Rao who held a review meeting with Fisheries department officials here on Monday said that while the fisheries sector earned a revenue of Rs.17,000 crore and produced 17 lakh tonnes of fish and prawns last year, they set a target to double the production and increase the turnover to Rs.60,000 crore in five years.

Cultivating young minds the right way

S. HARPAL SINGH



The adage *Tell me and I forget. Teach me and I remember. Involve me and I learn*, coined by famous American scientist Benjamin Franklin proves right even to this day where farmers in Adilabad district believe in involving children in agriculture. At a young age, the farmers, especially those who are poor, engage their children in activities relating to farming. And the idea is to groom them to gain proficiency in the field of agriculture at a tender age. Right from the time when children become receptive to ideas, at the age of four or five, farmers initiate them into learning on agriculture. It begins with observation when a child gets a view of the agriculture field while his/her parents plough the land. At an age of five, children are also drafted to protect crops from birds and animals. As they grow, they are made to accompany local cattle herds to nearby forests and pastures. They get to know about animal behaviour, an important aspect in the field of agriculture, as farmers are still dependent on cattle in these parts. Rearing cattle and taking care of them is not a child's play. The children learn to tend animals, milk cows and know about treating dung and its uses. The youngsters learn a great deal in the farm first-hand when they start ploughing land under the guidance of their parents. Those without landholdings, but with exceptional skills, will end up becoming farm hands with resourceful farmers in the village.

Mamata seeks action against management of tea gardens

SHIV SAHAY SINGH

Letter to Centre seeks implementation of rehabilitation package

Expressing serious concern over the situation in the closed and abandoned tea gardens of Jalpaiguri and Alipurduar districts, West Bengal Chief Minister Mamata Banerjee has written to Union Minister for Commerce and Industries Nirmala Sitharaman seeking action against the management of the tea gardens. "I seek immediate action under the relevant provisions of the Tea Act, 1953, which enables the Central Government Tea Board to hand over any closed tea units to new management to ensure their re-opening," Ms. Banerjee said her letter written last month. The Chief Minister also sought "immediate and effective implementation of the rehabilitation package announced by the Central Government for closed tea gardens". She had pointed out that the Dheklapara, Bandapani, Red Bank, Surendranagar and Raipur tea gardens were facing severe problems. "On our part, we assure that we will provide all possible administrative and regulatory support for any initiative that the Government of India may like to take," the Chief Minister said. Claiming that nearly 3,000 workers of the five closed gardens were facing uncertain future, she said the State government

had come forward with a significant set of interventions. "I am also given to understand that the Ministry of Commerce is close to finalising a special targeted intervention for infrastructure development in tea garden areas. This too needs to be expedited," Ms Banerjee said in her letter. The State Chief Secretary Sanjay Mitra in a letter addressed to Additional, Secretary, Government of India Ministry of Commerce & Industry, clearly said that "no starvation deaths have occurred in the closed tea gardens of West Bengal". "As a matter of the fact, the recent deaths in the area have occurred due to other reasons like cerebral attacks, TB and haemorrhage," Mr. Mitra wrote days after the Chief Minister's letter said. "Several government initiatives have been taken for the workers of the five closed tea gardens. A special survey is being conducted in all the gardens where every member of every household is being checked by a specially trained group of health workers," the letter added. The Chief Secretary said several malnourished children identified by ICS workers of the State were admitted to the Nutritional Rehabilitation Centre at Maynagudi (Jalpaigudi district).

A weak El Niño and the monsoon

This year, even before the monsoon began there were concerns about how it might fare. The waters of the tropical Pacific Ocean had begun warming ominously. Moreover, there was a great deal of even warmer water below the ocean surface, suggesting that a big El Niño could be brewing. The development of such an event, with surface waters of the equatorial Pacific growing warmer, could well take a toll on the monsoon. As if to vindicate the gloomy prognostications, the monsoon got off to a bad start. Rain set in over Kerala five days late and its progress northwards to cover the rest of the country was unusually tardy. The rainfall deficit soared, and India received about 43 per cent less rain than it should normally in June. The poor rains continued into early July as well. Then the heavens opened and the second half of the month saw bountiful rains across much of the country. Consequently, the July rains were only about 10 per cent below average. Nevertheless, the first half of the monsoon ended with a cumulative rainfall deficit of about 22 per cent. That is still a substantial shortfall, and rainfall records for over a century indicate that the odds favour the monsoon ending in a drought (which atmospheric scientists typically define as a season with a rainfall deficit of more than 10 per cent). The seasonal deficit this year could depend on how conditions in the Pacific evolve. Contrary to earlier expectations, a massive warming event now looks improbable. The change in wind patterns that typically accompany a developing El Niño and aid its growth has not hitherto occurred. Indeed, in the central Pacific, the region that has the greatest impact on monsoon rains over India, the waters have recently cooled to a slightly below average level. But the eastern Pacific remains warmer than usual and current forecasts continue to indicate that an El Niño, albeit probably only a weak one, is likely to develop later this year. An El Niño often leads to an early withdrawal of the monsoon and reduces the rainfall received in September. The extent to which that happens is likely to have a considerable impact on this year's monsoon deficit, given the substantial shortfall from the first half of the season. A big deficit at the end of the season, however, looks unlikely at this stage. Even so, the poor rains in June and July have already affected agricultural operations, with the area under kharif crops falling

by about 14 per cent when compared to last year. This year, given apprehensions of a drought that an El Niño might produce, the government has already initiated a number of measures to deal with such a situation. Being prepared for the worst must continue to be the motto.

Unilever initiates study on sustainable crop practices

Unilever is initiating a study to evaluate the environmental and economic feasibility of applying biological or non-pesticide methods for plant protection of tea crops in India. A statement from Unilever said this was part of the company's Sustainable Living Plan. Under this plan, it has committed that by 2020 all its agricultural raw materials would be produced using sustainable crop practices. The company is committed to raising standards in tea production by reducing or eliminating pesticides in tea growing, in partnership with its suppliers and farmers. Unilever has chosen CABI (formerly Commonwealth Agricultural Bureaux International), an inter-governmental, not-for-profit organisation, to conduct the research project. Unilever said that in the coming weeks CABI would review existing practices of crop protection and the limitations of current techniques in India. In co-operation with the Tea Board of India, the Tea Research Institutes and key industry partners, CABI would then design protocols for pilot field-trials to investigate novel approaches for biological, non-pesticide management of pests aiming at a holistic rejuvenation of the eco system, it added. The Tea Board was already doing pioneering work in the area through 'Trustea', and recently launched a new Plant Protection Code, Unilever said adding that the data and recommendations from the research would guide Indian industry and Unilever's next steps.

Mechanisation is driving agriculture in Canada's Saskatchewan

LAIQH A KHAN

The unending swathes of standing crop in myriad hues of green and yellow in the countryside of Canada's Saskatchewan province not only present a visual delight, but also indicate the robust health of the region's agriculture sector. Considered to be the backbone of the province's economy, the farmers of Saskatchewan manage to counter the cold weather conditions and scarce availability of labour to grow cereal grains like wheat, oat and barley, besides oil seeds and pulses that contributed to the more than \$11 billion in agricultural exports from the province last year. "We have to rob a crop between two snows," said Franck Groeneweg, a farmer in Edgeley, about 50kms from Regina, Saskatchewan's second biggest urban centre. With little or no agricultural activity possible during the winter months spreading from November to April, farmers typically begin seeding soon after snow melts in May followed by spraying herbicide and protecting their crop from diseases in June, July and August, before harvesting in September and October by when the cold weather begins to set in again. For a province with more than 18 million hectares of cultivated farmland populated by just over one million people, land holding among the farmers is staggeringly high. If the average land holding in India is barely two hectares, it is more than 490 in Saskatchewan. But, with it comes the challenge of managing the farmlands in the absence of farm labour. "We have to use farm equipments, which are

increasingly become bigger and expensive”, said Mr. Groeneweg pointing to a \$350,000 multi-purpose tractor, used for seeding as well as harvesting, parked in his garage along with a motley set of other farm equipments. Mr Groeneweg, who grows wheat, peas and canola on his 3,000 hectares of land, said he invests around \$2 million every year on equipments, which are phased out in turns once every five years, besides \$1.5 million on other farm inputs like seeds, fertilizers etc. For a farm of his size, Mr. Groeneweg, in his late thirties, makes do with two trainees from France, besides a retired driver. “It means a lot of work through the week during the agriculture-intensive months”. He is ably assisted by his wife Kari, who not only manages the farm book-keeping and cash flow, but is also the home educator for their four children. With farm labour difficult to come by, Kevin Price, Trading Manager at Agrocorp International, a company engaged in shipping commodities to India, said family members of farmers, who are professionals in different fields, apply leave during the summer months to work in the farm. Even though most of the farmlands are rain-fed, there is no need for irrigation as the region is blessed with cold weather conditions that leave enough moisture for the crops to sustain. If anything, crops are lost to wetness. “Last year, about 15 per cent of the crop was lost to excess moisture”, he said. Dr. Yueshu Li, Director of Malting Technology at the Canadian Malting Barley Technical Centre in Winnipeg, said the 110 days of frost-free atmosphere in the region when there is prolonged period of daylight is perfect for growing good quality barley. The low temperature keeps the crop safe from pests, he added.

Migration of farmers to Canada

Though Canada welcomes farmers to buy and establish farm operations in its agriculture-intensive provinces like Saskatchewan and Manitoba, officials in charge of Investment Attraction and Immigration said few Indian farmers had opted to take up farming in Canada. Many farmers from United Kingdom and other European countries had migrated to Canada under Farm Owner/Operator category or Young Farmer stream for those below 40 years. “Farming in Canada is capital intensive and technology driven. Farmers from Holland, Germany, UK and France, who are used to similar climatic conditions and soil, have taken up agricultural operations here. Also, farm sizes in Canada are huge compared to India”, said Ajay Pandey, Business Immigration Officer, Government of Manitoba, Canada. Canada is encouraging migration as its own farmers are retiring and their children are taking to different occupations.

Keywords: Saskatchewan, Franck Groeneweg, agriculture in Canada

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officials started withdrawing 1,200 cusecs of water from the dam to improve storage level in the Vaigai dam. Storage level in Vaigai dam has also been increasing steadily. Water level touched 40- feet mark in the dam. Inflow rose to 908 cusecs and the discharge restricted to 40 cusecs. Storage was 1,000 mcft. Farmers in southern districts were happy over steady increase in storage level in Vaigai dam because the PWD will release water for irrigation in over two lakh acres in Dindigul, Theni and Madurai districts only when the dam has sufficient quantum of water. Rain fall recorded at various places at 8 a.m. on Tuesday was: (in mm) Periyar 8.4, Thekkadi 7.8, Goodalur 3 and Shanmuga Nadhi Dam 1.

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Chennai

Chennai - INDIA

Today's Weather



Partly Cloudy

Wednesday, Aug 6

Max Min

36° | 26°

Rain: 0

Humidity: 40

Wind: normal

Sunrise: 05:54

Sunset: 06:34

Barometer: 1002

Tomorrow's Forecast



Partly Cloudy

Thursday, Aug 7

Max Min

36° | 26°

Extended Forecast for a week

**Friday
Aug 8**



36° | 27°

Partly Cloudy

**Saturday
Aug 9**



38° | 27°

Partly Cloudy

**Sunday
Aug 10**



38° | 28°

Partly Cloudy

**Monday
Aug 11**



38° | 27°

Partly Cloudy

**Tuesday
Aug 12**



38° | 27°

Cloudy

Airport Weather

Chennai

Chennai

Rain: 0

Sunrise: 05:55

Humidity: 63

Sunset: 06:34

Wind: normal

Barometer: 1006



THE  NEW
INDIAN EXPRESS

India Confident WTO Members Will Appreciate its Sensitivities

Asserting that there will be no compromise on the food security issue, India today expressed confidence that WTO members will understand New Delhi's "sensitivities on the matter" and "move forward with positive spirit". "I am confident that India will be able to persuade the WTO Membership to appreciate the sensitivities of India and other developing countries and see their way to taking this issue forward in a positive spirit," Commerce and Industry Minister Nirmala Sitharaman told Parliament. India has decided not to ratify the Trade Facilitation Agreement (TFA), which aims at easing customs norms, without getting a simultaneous agreement on the public stockpiling issue for food security purpose, as was agreed during the WTO's Bali ministerial in December last year. India has expressed its apprehensions that once TFA, which is dear to the developed countries, is implemented, they would not bother about finding a permanent solution to the food stockpile issue, which is crucial for the country's food security programme. "India is a signatory to the Bali Decisions, including TFA, and is not standing in the way of its implementation, but is seeking an equal level of commitment and progress in working on the issue of public stockholding which affects the country's livelihood and food security," the minister said. She said that a permanent solution on food security is a "must" and India cannot wait endlessly in a state of uncertainty while the WTO engages in an academic debate on the subject of food security. The government said India cannot accept the "unrealistic" proposal of the developed world on subsidies on foodgrain stockholding and wanted "timely correction of any imbalances or anomalies in the working of the system or its rules" to ensure that the WTO "works impartially and fairly in the interest of all its members and not just a select few". Sitharaman said India is an "unwavering votary" of the multilateral trading system and reiterates its commitment to the WTO. "We continue to believe that it is in the best interest of developing countries, especially the poorest, most marginalised ones among them, and we are determined to work to strengthen this institution," she said against the backdrop of the US blaming India for stalling an agreement at the recent talks in Geneva. Emphasising that India will not waver in its commitment to protect interests of consumers and producers, Sitharaman said: "Developing countries such as India must have the freedom to use food reserves to feed their poor without the threat of violating any international obligations. This is our sovereign right. It is our duty to protect our citizens' fundamental rights to life and livelihood."

NDA Govt Won't Compromise on Farmers' Interests: Jaitley



BJP today asked its MPs to convey to the public the stand taken by the NDA government to protect the interests of farmers at WTO even as it assured that the interests of the farming community would not be compromised at any cost. Giving details of the World Trade Organisation (WTO) talks and the stand adopted by India there, Finance Minister Arun Jaitley told party MPs that the government would resist and block all anti-Indian farmer moves by the international body. Speaking at the BJP Parliamentary Party meeting, Jaitley said that the government would go ahead on the Trade Facilitation principle only after a categorical assurance regarding the public stock-holding and procurement of foodgrains and the public distribution system.

India made it clear at the recent WTO General Council meeting in Geneva that it would not ratify the Trade Facilitation Agreement (TFA) until a permanent solution is found on its food security issues. "The MPs were told about India's stand at WTO and that the NDA government would never compromise on farmers' interests at any cost," BJP Vice President Mukhtar Abbas Naqvi said after the meeting. Regarding the Civil Services Aptitude Test (CSAT), the BJP MPs were, meanwhile, told about the decision taken in connection with the issue and that nothing better could be done at this stage as the controversy was created by the previous Congress-led UPA regime. Naqvi said that Parliamentary Affairs Minister Venkaiah Naidu told the MPs that the decision on CSAT was the "best available solution" so as to not disrupt the UPSC examination process. The BJP Parliamentary Party also unanimously congratulated Prime Minister Narendra Modi for his successful Nepal visit and for cementing ties between the two neighbouring countries. Naqvi said that BJP MPs lauded Modi for his initiative during the Nepal visit aimed at bringing the people of the two countries together. "Jaitley informed the meeting that the Modi government is voicing the concerns of Indian farmers at various international fora. The government is determined to resist and block all the anti-India farmer moves by WTO and other agencies," he said.

'Special Budget for Agriculture Soon'

"The state government is taking every step to make agriculture a profitable sector. As part of it, farm mechanisation is being given importance and latest technology is being promoted to get higher yield with lesser investment. Further, a special budget will be drafted soon for the implementation of the recommendations of Swaminathan Committee, with the cooperation of the Union government," agriculture minister P

Pulla Rao said. Speaking to the media here Tuesday, the minister said that the government is planning to study farming methods of other states for higher yields and taking steps to increase land fertility by allotting `300 crore. Plans were afoot to inculcate interest among the youth on agriculture and agro-based units. Despite lack of clarity on waiver of crop loan and rescheduling of loans, the government had directed the district collectors to initiate steps for sanctioning kharif crop loans to the farmers, he added.

AP, Telangana Farm Loan Wavier Calls Don't Hold Merit: Rajan

Reserve Bank Governor Raghuram Rajan today said there have been no major crop damages in areas of Andhra Pradesh and Telangana hit by the cyclone last year to merit debt waiver and came out strongly against the "moral hazards" which get played out due to such promises. He said pre-election promises were made in these states for a largesse in the form of a farm loan waiver and also explained the way such an exercise gets carried out. Generally, a district collector declares crops in his area as being affected due to a catastrophe, which automatically triggers favourable treatment of bank loans, under which the affected dud loans are not treated as bad loans, Rajan said. However, in case of Andhra and Telangana, which were hit by cyclone Phailin last year, it was discovered that there were no widespread damages to the crop that merit debt waiver, he added. "Because of a variety of factors, there was no emergency declared (by any district collector), no request for a restructuring was made and we had the full harvest coming in," Rajan said. "We have been quite categorical about the dangers of talking about waivers, about putting the idea of waivers because it creates the possibility that anticipating such waivers, both the beneficiaries as well as others who think there is a chance of benefitting stop paying for fear that they will not benefit when the time comes," he added. During the recent Assembly and general elections in Andhra and the newly created Telangana, state leaders Chandrababu Naidu and K Chandrashekhar Rao had promised farm loan waivers. While the quantum of affected farm loan in Andhra is around Rs 87,000 crore, it is over Rs 40,000 crore in the new state.

Agriculture Department Draws Flak From Scientists

STATISTICS OF PADDY PRODUCTION IN THE STATE			KRISHI FARMS REVENUE AND EXPENDITURE		
Year	Total land for cultivation (hectares)	Production (metric tonnes)	Year	Income in crores	Expense in crores
2002-03	3,11,000	6,89,000	2008-09	7.096	16.667
2003-04	2,87,000	5,70,000	2009-10	5.744	16.732
2004-05	2,90,000	6,67,000	2010-11	5.597	17.549
2005-06	2,76,000	6,30,000	2011-12	6.749	27.648
2006-07	2,64,000	6,42,000	2012-13	6.889	Not available
2007-08	2,29,000	5,28,000			
2008-09	2,34,000	5,90,000			
2009-10	2,34,000	5,98,000			
2010-11	2,13,000	5,22,000			
2011-12	2,13,000	5,21,200			
2012-13	Not available	5,18,888			



The State Agricultural Department finds itself in a tight spot after it drew flak from agricultural scientists who blamed it for the poor agricultural scenario prevailing in the state. They also pointed out that it is because of the department's mismanagement that the krishi farms are also in debt. The agricultural production in the state has been

declining at an alarming rate. Paddy production in 2002-03 was 6,89,000 metric tonnes. After 10 years, it fell down to 5,18,888 metric tonnes in 2012-13. The production of other items like coconut, arecanut, ginger, turmeric, cashew, tapioca, pepper etc has also decreased. The krishi farms which were formed in 1905 to boost agricultural production is draining exchequer, thanks to the apathy of officials concerned. Data collected by 'Express' reveals that in last five years over Rs 60 crore went down the drain. It is the amount that went into run krishi farms. The figure may go higher if the total amount spent to run these farms is calculated right from their inception. It can be seen that the amount spent is nearly double or triple the income generated by these farms. The main reason behind failure of krishi farms is non-utilisation of the farms for cultivation, insufficient infrastructure, lack of adequate number of employees, apathy of officials in implementing various agricultural projects effectively, pointed out the farmers. "It is through the krishi farms that the farmers in Kerala are supposed to get the know-how of various sophisticated cultivation methods, hybrid seeds etc. But for the last couple of years, no research has been taking place in krishi farms. Also farmers aren't being provided with hybrid seeds," said Koya Yousuf, president of the Farmers Association. "Agriculture Department has got reduced to being a centre that provides financial assistance, supplier of seeds and other equipments to the farmers. Effective utilisation of resources is not taking place at the department," said Dr K Abdul Kareem, Associate Director at the Regional Agricultural Research Station. He added that earlier the officials in the department used to get opportunities to participate in various training programs but nowadays no programmes are drawn up. "Technology transfer is not taking place here as they are least bothered about disseminating latest agricultural innovations to the farmers. The present system is not at all conducive for them to perform well," added Dr Abdul Kareem. Abdul Kareem suggested that the department should have two departments- an Extension Wing and Development Wing. This will help the officials perform well and automatically the agricultural sector will benefit from it. "Highly educated officials must come under Extension Wing and they must do works like providing technological support to farmers; teaching them various cultivation methods and methods for improving production and productivity etc. "The other department must have people to do all the desk works like seed supply, conducting surveys, moving files for financial assistance, etc," added Abdul Kareem.

Monsoon: 'Crop Loss Rs 54.3 Crore'

The south-west monsoon which was 'anomalous' in the state has led to a crop loss of `54.3 crore till August 3, says the estimate by the Directorate of Agriculture. The figures would go up once they are updated for the last two days during which the state experienced heavy rain. The monsoon affected about 4469 hectares and 20143 farmers across the state, according to the estimate as per on Monday. The heavy downpour continuing incessantly for the past few days in many parts of the state has left Wayanad district the most affected with a crop loss estimated at ` 12.98 crore and 330.72 hectares affected and leaving 3622 farmers in dire straits. Wayanad is followed by Alappuzha district with a loss of Rs 8.88 crore affecting farming in 1791.57 hectares and 532 farmers affected. Kottayam district stands third in the list with an estimated crop loss with ` 6.1 crore, affecting 1314 hectares and 425 farmers. The

loss in Malappuram district is estimated to be Rs 5.9 crore and in Kozhikode district it is Rs 4.7 crore. The area affected in Malappuram was 281.7 hectares while in Kozhikode district it was 172.6 hectares and the number of farmers affected in these districts were 3629 and 1814 respectively. The estimated crop loss in Palakkad district was Rs 4.56 crore, area affected 198.62 hectares and farmers 1130. Kannur and Kasargod districts suffered an estimated crop loss of ` 2.8 and ` 2.5 respectively with the area affected 89.9 and 61.3 hectares and farmers affected 3204 and 2773. In Ernakulam district, the crop loss was `2 Crore. Farming in 83.8 hectares suffered in the district affecting 729 farmers. In Idukki district, the crop loss amounted to ` 1.75 crore, area affected 61 hectares and farmers affected were 757. The southern districts received comparatively less rainfall in the monsoon. The Directorate proposed an assistance, as per State Disaster Response Fund norms, of ` 22.25 crore to the affected farmers. "The assistance for farmers who have insurance coverage will be disbursed by the Agriculture Department without any delay whereas for those farmers who have no insurance cover the assistance will be given by the Revenue Department," said R Ajith Kumar, Director of Agriculture.

Mettur Crosses 90-foot Mark

The storage level in the Mettur dam crossed the 90-foot mark on Tuesday morning owing to the huge quantum of inflow. While officials and farmers await an order from the State over opening of the dam for Cauvery Delta irrigation, ryots in Salem, Erode and Namakkal districts have demanded the release of water in the dam's East and West bank canals. In the wake of the heavy discharge from Karnataka dams, the storage in the dam has been going up. The water managers are reading factors like the position in Karnataka, rains in both States and possibility of sustained inflows into the Mettur dam. The Cauvery delta farmers have demanded release of water for the first crop and to prepare for second crop.



Rampaging monsoon sets up 'deep depression' over East

A rampaging monsoon is presently orchestrating a rare spectacle in the form of a deep depression – a gust away from being a cyclone – over east India. At no time in the recent recorded history has a monsoon low-pressure area intensified thrice over to become a deep depression after emerging inland from sea.

Strong flows

This shows how strong the flows are currently, despite a super typhoon (Halong) and a conventional typhoon (Nakri) have been churning up the north Pacific and have sped away to the east-northeast, which is not friendly to the Indian monsoon. The deep depression lay practically stationary over north Chhattisgarh, adjoining Jharkhand and north-west Odisha since Tuesday morning. It is now forecast to move towards the west, generally towards east Rajasthan.

Arrival of a western disturbance into north-west India might lead to interaction with the monsoon winds and scale up rains further in north-west to east India.

Trough shifts

The offshore trough along the West Coast has switched alignment from Tuesday afternoon with the southern end shifting away from Kerala to Lakshadweep. Most parts of east India, adjoining east-central, central parts, north peninsula and the West Coast saw heavy rain until this morning. India Met Department said that the monsoon was vigorous yesterday over Odisha and Konkan-Goa; and active over Gangetic West Bengal, east Uttar Pradesh, Chhattisgarh, coastal and south interior Karnataka and Kerala. Heavy to very heavy rainfall has been forecast for east and central parts, West Coast and parts of peninsular India for the next couple of days.

Long-term outlook bearish for cotton



Cotton, also called white gold, has been under the grip of bears over the last few months on growing concerns over demand and rising global inventories. Cotton No.2 futures on the ICE has declined by 37 per cent from 97.35 cents a pound by March-end. They touched a low of 61.34 cents/lb last week. Major reasons attributed to the decline are changes in China's stockpiling policy along with a sharp decline in the import demand from the largest consumer of the fibre. This, along with rising end stocks in the US to the highest levels in over six years, has caused bearish sentiments in the global cotton prices. The USDA has pegged the US 2014-15 end stocks at 5.2 million bales, the highest in six years. China's cotton imports in the first half of 2014 have also declined sharply 42 per cent to about 1.4 million tonnes. An increase in US cotton acreage along with favourable climatic conditions is also expected to result in higher production. Cotton prices in the country have mirrored the movements in global markets as we are the second-largest producing, export and consuming nation and thus, central to any changes in the world of cotton. Cotton futures prices on the MCX have declined from Rs. 21,450 a bale (of 170 kg each) in May to Rs. 17,930, down 16.4 per cent by July-end. Falling global cotton prices, record domestic output,

ample supply and declining export demand have been cited as main reasons for the decline.

Sowing picks up

The country's cotton output has rising continuously over the last few years as farmers have got handsome returns. With the area under cotton rising, the country's 2013-14 output is projected at a record 36.5 million bales, leading to a supply glut. Export demand has also been declining since the last few months adding to domestic stockpiles. According to market estimates, cotton yarn exports declined about 20 per cent in the first quarter of the current financial year to 280 million kg from 360 mkg in the year-ago period. Currently, cotton planting for the 2014-15 marketing season starting October is under way. Cotton planting started on a slow note and was 51 per cent lower year-on-year in early July due to delayed rains. However, with the revival in the monsoon from the second half of July, sowing has picked up and is currently trailing only 3.4 per cent at 10.48 million hectares vis-à-vis 10.85 million hectares a year ago.

Price outlook

Global cotton prices have declined significantly over the last few months, which may lead to emergence of value buying at lower levels. A sharp downside from here may be difficult. Prices have also fallen below synthetic alternatives such as polyester and thus, demand for this natural fibre is likely to boost prices. China's direct purchase from farmers also has come to an end and with no clarity on government support (of direct subsidies) to regions other than Xinjiang – output from the top producer may decline by three-fourths this year. Domestic supplies continue to remain abundant, which may cap sharp upside movement in prices. Going forward, the remaining two months of the South-West monsoon will play a crucial role as it may impact the country's output, and thus, have a direct impact on prices. Cotton prices on MCX (October contract) which are currently trading around Rs. 18,200 a bale, in the short term, may rebound to around Rs. 18,500-800 on short covering along with lower level of buying. However, from a medium- to long-term perspective, we expect prices to decline from higher levels considering overall weakness in global demand and prices may drop to around Rs. 16,500. Technically, prices may find strong support around Rs. 15,500, while resistance can be around Rs. 19,500 levels. The writer is Associate Director-Commodities & Currencies, Angel Commodity Broking

UP sugar millers threaten to suspend cane crushing

As the cauldron of communal trouble in Uttar Pradesh reaches boiling point, more trouble seems to be brewing for the Akhilesh Yadav Government, with private sugar mills threatening to suspend cane crushing from October. "We have given a notice of suspension of crushing operations for the next sugar season (beginning October) and have requested the State Government to quickly finalise the linkage formula (suggested by the Rangarajan Committee) by which the sugarcane price will be

automatically determined in relation to the revenue realised from sugar and its primary by-products,” CB Patodia, Chairman, UP Sugar Mills Association (UPSMA), said at a press conference here on Tuesday. Listed firms such as Simbhaoli Sugars, Balrampur Chini, Bajaj Hindusthan are among UPSMA members. “The repair and maintenance work will be stopped henceforth and staff withdrawn. Individual mills will also be submitting their notices to the State Government hereafter,” Patodia said.

Counter questions

Terming the UP millers’ threat as a “clear act of blackmailing”, VM Singh, Convenor of Rashtriya Kisan Mazdoor Sangathan, which has been fighting for the cause of sugarcane farmers in the State, said: “It is only a ploy to get more money and nothing else.” Further, if they have been facing losses, how come the number of factories in the State has increased from 35 to 99 in the past 10 years, Singh asked. Putting the ball in the State Government’s court, private mill owners, who said arrears to farmers could mount to Rs. 10,000 crore this season onward, claimed they were facing the “worst financial condition ever” and were not in a position to pay farmers and labourers unless the UP Government announced the “promised” financial assistance and stopped all coercive actions. “Our credit ratings are falling and banks have stopped lending to us. Several sugar companies have either fallen sick or are on the verge of falling sick,” said Abinash Verma, Director-General, Indian Sugar Mills Association. Incidentally, the Uttar Pradesh Government has issued notices to 52 sugar mills for not paying arrears to cane farmers and has also lodged about 60 FIRs against individual promoters, senior managements etc. Warrants are also said to have been issued in some cases. On Tuesday, the mill owners also sought import duty of at least 40 per cent and export subsidies to raise cash flows, at least for two-three years, so that arrears to farmers can be paid. “The mounting arrears are causing cracks in our relations with farmers,” said Tarun Sawhney of the Triveni Group.

Total arrears

As on July 31, the outstanding cane payments to farmers stood at Rs. 9,252 crore, of which millers in UP alone owed Rs. 5,741.74 crore, Karnataka mills Rs. 1,794.68 crore and Tamil Nadu mills Rs. 504.40 crore, Parliament was informed on Tuesday. To help clear the arrears, the Centre had notified a scheme to extend interest-free loan up to Rs. 6,600 crore in January this year. Under this scheme, the banks have sanctioned Rs. 5,914 crore till July 18, Minister of State for Food and Consumer Affairs Raosaheb Patil Danve told the Lok Sabha in a written reply. UPSMA said the cost of sugar production in UP was an average Rs. 37/kg, the highest in the country, while the price realisation at the mill gate was Rs. 31.5/kg, leading to losses of Rs. 5.50/kg. It said the SAP in UP was ‘high’ at Rs. 280/quintal, compared with about Rs. 225/quintal in Maharashtra and Karnataka, which had adopted the Rangarajan formula of ‘linkage pricing’. Sugar production for the marketing year 2014-15 is projected to rise by four per cent to 25.3 million tonnes, ahead of annual domestic consumption of around 23 million tonnes. Sugar stocks at the end of the

current 2013-14 season ending September are estimated to be around 7.5 million tonnes.

AP sugar factories hit by high VAT, export levy on molasses: KCP Sugars

KCP Sugars has said that sugar factories in Andhra Pradesh are on the verge of closure due to levy of high Value Added Tax, export fee on molasses and ban on inter-State export of alcohol for distillation. A KCP Sugars team, led by its Chief Executive Officer G Venkateswara Rao, met Andhra Pradesh Chief Minister N Chandrababu Naidu here on Tuesday to discuss the challenges faced by the industry. "The price of cogeneration of sugarcane is at Rs. 3-3.5 per unit whereas the price in other States is in the range of Rs. 5-6," the CEO said. An official press release said the Chief Minister assured the delegation that the Government would look into the issues raised by it. The company handed over a cheque for Rs. 1 crore, contributed by farmers, workers and management, for the development of the State's capital. The company agreed to set up 500 solar pump sets in the district.

Cut down on acreage, stick to crop size, tobacco farmers told

Growers in Andhra Pradesh should strictly adhere to the crop size fixed by the Tobacco Board for the current season (2014-15), as it is essential for ensuring a remunerative price for the crop, according to Tobacco Board Chairman K Gopal. At a press meet in the Tobacco Board here on Tuesday, he said the board had fixed the crop size of 172 million kg for Andhra Pradesh during the current season, the same as during the last season. He urged farmers to reduce the acreage and concentrate on quality of tobacco. He said unregistered growers and barns will not be supported by the board. Construction of new barns would not be allowed. "Regulation of crop is of the utmost importance and farmers should realise it and co-operate with the board," he added. Usage of pesticides should be reduced and only quality pesticides in recommended dosage should be used. Usage of bio-pesticides should be increased by farmers. Border/trap crops should be raised by farmers. He said the Tobacco Board was taking all steps for the welfare of the growers. The board distributed around Rs. 3.03 crores to 1,196 growers for providing loans for education, marriages and medical expenses during 2013-14. So far Rs. 11 crore was paid as death grants to farmers. Tobacco auctions in AP : The Chairman said that 176 million kg of tobacco had been sold so far at the auction floors in Andhra Pradesh and "it is estimated that 25 million kg is available in the market for sale. The average price at present is Rs. 1,19.80/kg which is higher by Rs. 5.50 compared to last year for the same quantity.

Business Standard

India to persuade WTO on pushing food security talks

India will now coax the World Trade Organization (WTO) to take forward talks regarding public stockholding for food security purposes and has narrowed its list of

demands to enable signing of the Trade Facilitation Agreement (TFA). “I am confident that India will be able to persuade the WTO membership to appreciate the sensitivities of India and other developing countries and see their way to taking this issue forward in a positive spirit,” Commerce and Industry Minister Nirmala Sitharaman told the Lok Sabha here on Tuesday. As the WTO Secretariat, based in Geneva, is observing a month-long summer break, India is planning to resume the talks once it reconvenes from September. Sitharaman said a permanent solution to India’s and other developing countries’ food stockholding and subsidies programme is a must and that it cannot wait “endlessly in a state of uncertainty, while the WTO engages in an academic debate on the subject of food security” hinting towards the two proposals made by the US on food security issue. The US, it is learnt, had forwarded a couple of communiqués to India on food stockpiling issue after the Bali ministerial, which the Indian officials rejected stating that these only underlined the food security programmes of other countries in a case study format and not a strategy on how to approach the issue. Meanwhile, India has narrowed its demands to only a couple of issues. Previously, when the WTO General Council met on July 24-25, India had put forward four demands under public stockholding for food security purposes, senior commerce department officials told Business Standard. On July 31, the deadline to sign the TFA Protocol, India’s ambassador to the WTO, Anjali Prasad, had presented a “textual proposal” to WTO Director-General Roberto Azevêdo for consideration. The options that India gave were, first, revision of the external reference price (ERP) based on which farm subsidy is calculated, by WTO norms, to a more recent period taking into account the rise in inflation. At present, the ERP of 1986-1988 is taken into consideration for calculating the amount of subsidies provided by each member country. Second, as an alternative, India had asked WTO to allow it to take advantage of the ‘Peace Clause’ till the time a permanent solution is arrived at and not restrict it till only December 2017, as was agreed in Bali. “Without a permanent solution, public stockholding programmes in India and other developing countries will be hampered by the present ceiling on domestic support, which is pegged at 10 per cent of the value of production, and is wrongly considered as trade-distorting subsidy to farmers under existing WTO rules. The existence of such a subsidy element is determined by comparing present day administered prices with fixed reference prices of the 1986-88 period which is unrealistic,” Sitharaman added. She also said India was forced to take such a stand, wherein it had to postpone the signing of TFA because there was “resistance” on the part of the developed countries to take the talks on food security forward. “Public stockholding is a widely used means to ensure food security in many developing countries where agriculture is largely rain-fed,” Sitharaman highlighted. Meanwhile, China and South Africa, who had deserted India recently, have come out in the open supporting India’s stance. However, last month India was officially supported only by Bolivia, Cuba and Venezuela. Ajay Shriram, president, Confederation of Indian Industry (CII), said, “A great amount of effort has gone into clinching a balanced Bali deal. Hence it must not be wasted and all efforts must be made to use Bali Ministerial outcomes as springboard to conclude the Doha Round, which is into its 13th year of negotiations.”

Govt to block WTO's anti-Indian farmer moves: Jaitley

The Bharatiya Janata Party (BJP) on Tuesday met to hail Prime Minister Narendra Modi's "historic" Nepal visit. The meeting was also apprised of the government's stand on the World Trade Organization (WTO) negotiations and the controversy over the Union Public Service Commission (UPSC) exams. Finance Minister Arun Jaitley told the BJP parliamentary party that the National Democratic Alliance (NDA) government was "determined to resist and block all anti-Indian farmer moves by WTO and other agencies". Jaitley and Minister of State (Commerce and Finance) Nirmala Sitharaman briefed the party about the WTO negotiations, including India's position on the Trade Facilitation Agreement (TFA). The finance minister, according to a statement issued by the party, said India was committed to the interests of India's farmers and its poor, and any progress on trade facilitation was possible "only after categorical assurance on public stockholding of foodgrain, procurement of foodgrain and the public distribution system." Jaitley told the parliamentary party that the US and European countries provide \$400 billion worth of subsidies to their farmers annually, while insisted "that we in India remove the minimum support price that we pay our farmers for agriculture produce". Jaitley suggested this was non-negotiable since removing this support could mean multifold increase in farmer suicides recorded in India every year. Sitharaman said India was committed to its pro-farmer stand, despite heavy pressure from developed nations. She said the WTO resolution at Bali Summit in 2013 was not a perfect agreement, as core principles were not incorporated in it. Sitharaman said NDA's debut Budget has announced several measures for improved trade facilitation. Parliamentary Affairs Minister Venkaiah Naidu informed the meeting that the government had taken the "best available solution" to the UPSC exam row by deciding that 20 marks for English will not be considered as part of the merit list. Naidu accused the United Progressive Alliance (UPA) government of having sown the seeds of this controversy in 2011 when it approved changes in the exam. He also said the Congress had championed the insurance Bill but was deliberately delaying it now, as it was apprehensive the credit of its passage would go to the Modi government. Naidu also said the BJP National Council would meet on Saturday, at Jawaharlal Nehru Stadium here. The meeting will give its approval to appointment of Amit Shah as the national president of the BJP. Prime Minister Modi, Home Minister Rajnath Singh, External Affairs Minister Sushma Swaraj, senior party leaders L K Advani and other party MPs attended the meeting. It unanimously passed a resolution congratulating the PM for his historic visit to Nepal. According to the press statement, "The resolution lauded the Prime Minister's stance – 'No Interference in Internal affairs of Nepal and only solicited Cooperation'— which was well received by one and all." It said Modi's support to Nepal formulating a democratic republican constitution "has helped in removing several misgivings". The resolution stated that Modi during his Nepal visit "spoke in a new language of diplomacy and has matched high expectations of Nepal and has inaugurated a fresh start in bilateral relations. This trip is historical break from an unforgettable past." It congratulated Modi for becoming the first PM to address Nepalese Parliament, to have initiated an era of meaningful friendship among Saarc nations and injected a new life in Indo-Nepal relations. "His speeches and body language shown is wonderful," the resolution stated.

Sugar mills issue threat to UP govt

The 95-odd private sugar mills in Uttar Pradesh have decided to crush no sugarcane till the Uttar Pradesh government concedes two main demands of theirs, which they've been pressing for a long while. They've said they will not begin the crushing of cane in the 2014-15 season, scheduled to start from October, unless the state government agrees to link its mandated price for the latter to the market price of sugar. And, to stop its ongoing coercive action against mills for not clearing past arrears to farmers for cane. Linking the (state-set) price of cane to that for sugar was one recommendation in the October 2012 report of the committee headed by C Rangarajan, then the chairman of the Prime Minister's Economic Advisory Council. As for the arrears to farmers, the mills say there is no way they can pay, since the floor price set for cane by the state government is so unrealistic. They allege their loss on this account is Rs 5.50 for every kg of sugar sale. In a press conference here on Tuesday, almost all the leading lights of the Rs 30,000-crore sugar sector in UP were present. And, alleged the Akhilesh Yadav government had gone back on almost all the promises made to them last year, when they'd suspended operations on the same issue.

SERIOUS BUSINESS

Around 4 million farmers directly dependent on UP sugar mills in the state

UP sugar industry produces 30% of country's sugar

96 sugar mills in the private sector contribute 92% of sugar

Sugar Industry in UP is worth over Rs 30,000 crore

Sugar mills supply 35 crore litres of ethanol and 3,200 Mw of power to the state grid

“The repair and maintenance work would be stopped henceforth and staff withdrawn. Individual mills would also be submitting their notices to the state government hereafter,” a statement said. Among those present at the meet were Kushagra Bajaj, joint managing director of Bajaj Hindustan; Vivek Saraogi, managing director of Balrampur Chini Mills; Goutam Morarka of Dwarikesh Sugar, Balram Adhlakha from Uttam Sugar, Ajit Shriram of DCM Shriram and Tarun Sawhney, vice chairman and managing director of Triveni Engineering and Industries. In India, the central government suggests a ‘Fair and Remunerative Price (FRP)’ each season for cane. State governments may choose not to follow this and to compel mills to pay a higher price for cane. UP, the country's second biggest sugar producing state (Maharashtra is first), had fixed a cane rate for the 2013-14 season which was almost Rs 50 a quintal more than the Centre's FRP. The mill heads said sugar prices had fallen in both the home and foreign markets, leading to mounting losses. Mills are estimated to have cane arrears estimated to be at least Rs 5,000 crore by the end of the current sugar season, to conclude at the end of next month.

“To stop this problem from recurring, the UP government should immediately link sugarcane prices to sugar prices for the 2014-15 season,” said Saraogi of Balrampur Chini. “In the past four years, the UP government has raised the sugarcane SAP (State Advised Price) by almost 70 per cent, while sugar prices have increased by only seven to 10 per cent. Which is why we are unable to pay the farmers,” said Abinash Verma, director general of Indian Sugar Mills Association. C B Patodia of the Association’s UP unit said factories in the state had begun crushing cane last year after an assurance by the state government. These included constitution of a committee to recommend a rational cane pricing formula by April, financial assistance of Rs 9 a quintal of cane and, above all, a stay on all coercive action by the government on mills to compel payment of arrears. However, the millers alleged, nothing had moved forward on the assurances. In a related development, representatives of cooperative sugar mills in UP are believed to have met Union food minister Ram Vilas Paswan recently. It is reported that a meeting is likely next week with both private and cooperative sugar mill executives.

India agri export stuck on global oversupply

Exports of agricultural commodities are currently depressed, due to oversupply dragging down their prices in global markets, below the level in India. Sector exporters have changed strategy to focus more on processed and directly consumable food items, from raw, uncooked ones earlier. In recent months, exports of many of the principal agricultural commodities have stopped, especially those of cotton, wheat, rice and sugar. This rapid decline in agri exports comes as the government says it is taking all possible steps to increase dollar inflow into India, to contain the current account deficit to a manageable level. “Currently, the situation is very challenging. However, the ministry of commerce is exploring new market access and the ministry of food processing is looking for exports. Hence, overall agri exports are unlikely to get much (adverse) impact,” believes Ajay Sahai, director-general of the Federation of Indian Export Organisations. Led by basmati rice, marine products, cotton and guar gum, overall agri commodities export jumped 16 per cent to Rs 268,469 crore in 2013-14 over the year. According to the Food and Agricultural Organization of the United Nations, world cereal oversupply is estimated at 36 million tonnes in 2014-15, with production and consumption at 2,498 mt and 2,462 mt, respectively. World cereal inventory is expected to rise by five per cent to 604 mt by June 2015. Prices of agri have fallen substantially in the past two months. Corn (maize) on the benchmark Chicago Board of Trade fell 13.7 per cent to \$367 a bushel (a bushel is 25.4 kg) in July from \$457.5 a bushel in May. The price in India, however, rose 8.3 per cent to Rs 1,383 a quintal in July, mainly because of deficient monsoon rainfall, which raised fear of a fall in output this year.

EXPORTS OF AGRI COMMODITIES

in ₹ crore	2011-12	2012-13	2013-14
Basmati rice	15,450	19,409	29,300
Non-basmati rice	8,659	14,449	17,493
Guargum meal	16,524	21,287	11,734
Wheat	1,023	10,529	9,257
Sugar	8,767	8,577	7,126
Fresh vegetables	2,904	3,288	5,117
Fresh fruits	2,557	3,295	4,364
Processed fruits	1,657	1,969	2,556
Pulses	1,066	1,280	1,737
Processed vegetables	1,060	1,120	1,317

Source: Ministry of Agriculture

Cotton on the InterContinental Exchange fell by 14.5 per cent to \$62.87 a pound on July 31, compared to \$77.47 a pound on May 31. In India, too, the benchmark Shankar-6 variety fell by eight per cent to Rs 11,107 a qtl from Rs 11,445 a qtl.

Also, output of corn and sugar is estimated to remain a bumper one in America and Brazil,

respectively, the major producers. India's export of cotton will be capped, amid fear of excessive supply from the United States. "Future prospects of India's cotton exports, however, would depend upon changes in Chinese policy. Many small and medium-size fabric manufacturing units in China have shut down as the local government promotes import of yarn in place of cotton. Hence, export of cotton will remain capped," said Sahai. To promote sugar exports, the government has proposed a 12 per cent subsidy. But, owing to the sustained price fall in global markets, Indian exporters face lack of supply orders.

DECCAN Chronicle

India lashes WTO, defends decision on failed trade deal



India defended on Tuesday its scuttling of a landmark worldwide trade deal, saying it needed to take a tough stand at the WTO to ensure survival of its impoverished farmers. Trade Minister Nirmala Sitharaman also lashed out at the World Trade Organization (WTO), accusing it of foot-dragging on negotiations to approve India's stockpiling of food. India's new right-wing government last week refused to ratify the long-sought global deal on streamlining customs rules, despite WTO members agreeing to the accord at a meeting in Bali last year. The Trade Facilitation Agreement, the first big global trade reform in years, needs the agreement of all 160 WTO

members. Separately, a Business 20 group representative said failure to ink the pact could mean loss of an \$820-billion injection to global gross domestic product, the Press Trust of India reported. The B20, established in 2010, gives policy proposals on behalf of the international business community to the G20 group of advanced and developing nations. "We have to be aware of the opportunity cost (from losing the Bali agreement)," said Australian B20 Sherpa Robert Milliner in New Delhi where he attended a preparatory meeting for a November G20 summit. "The estimate is that the Bali agreement could add \$820 billion to global GDP and 16 million jobs," Milliner said. India insists the trade deal should be concluded as a "package" alongside a permanent agreement on stockpiling food to feed its millions of poor people.

"India stood firm on its demands despite immense pressure," Sitharaman told parliament as lawmakers thumped their desks in approval. "India is committed to protecting the interests of our farmers against all odds," said Sitharaman, whose government came to power in May. "A permanent solution on food security is a must for us and we cannot wait endlessly in a state of uncertainty while the WTO engages in an academic debate on the subject of food security which is what some developed countries seem to be suggesting."

'Suicide and starvation'

India's stand sparked widespread international condemnation. But Sitharaman said she was confident New Delhi can persuade WTO members "to appreciate the sensitivities of India and other developing countries and see their way clear to taking this issue forward". US Secretary of State John Kerry told Prime Minister Narendra Modi during talks last week that India's position sent the wrong message on opening up the country's economy. India, which has sought since independence to eradicate hunger, buys grain at above-market prices from farmers and sells the food at subsidised prices to hundreds of millions of poor. The stockpiling is popular with poor voters in the world's largest democracy, but wealthy nations say the policy distorts global markets. Finance Minister Arun Jaitley said if the government backed down on its stand, hundreds of thousands of farmers faced suicide and starvation. Jaitley said India must be allowed to continue buying food from farmers -- who cannot compete at the global level with government-backed US and European farmers -- without fear of a WTO challenge. "Our farmers will be reduced to starvation and suicide. We can't be a party to that," he told the NDTV network Monday. WTO members gathered in Geneva last week for what was envisioned as a rubber-stamp approval of the customs deal. When the Bali deal was struck, WTO members agreed on a "peace clause" to allow India's food stockpiling with no penalties until a "permanent" solution by 2017. But Jaitley said lack of progress on stockpiling negotiations meant it was unclear when a permanent solution would be found.

India likely to sign WTO deal in September: report

India is willing to sign a global trade deal, which it has torpedoed, if other World Trade Organization members can agree to its parallel demand for concessions on stockpiling food, said senior officials in New Delhi. The deadline to sign the WTO pact to ease worldwide customs rules lapsed at midnight in Geneva on Thursday after India demanded that the group also finalise an agreement giving it more freedom to subsidise and stockpile food grains than is allowed by WTO rules. It was not

immediately clear if the latest comments by Indian officials would open a window for the deal to be resurrected. In Geneva, a trade diplomat from a developing nation said: "The trust that countries have in what India says is going to be significantly diminished." The officials in New Delhi said the deal could be signed as early as September. "It is ridiculous to say the Bali deal is dead," said a senior official at the trade ministry, referring to the Trade Facilitation Agreement (TFA) pact that was agreed on the Indonesian island of Bali last year. "We are totally committed to the TFA, and only asking for an agreement on food security," said the official, who cannot be identified under briefing rules. Another trade official said: "We expect that the (WTO) director general will call a meeting in September and we are ready to sign the deal in September itself, provided TFA and food security issues are passed together. We are quite hopeful for the deal." US Secretary of State John Kerry, who was on a visit to India, told Prime Minister Narendra Modi earlier on Friday that India's refusal to sign the trade deal had undermined the country's image. "Failure to sign the Trade Facilitation Agreement sent a confusing signal and undermined the very image Prime Minister Modi is trying to send about India," a US State Department official told reporters after Kerry's meeting with Modi. Several WTO member states voiced frustration after India's demands led to the collapse of the first major global trade reform pact in two decades. WTO ministers had already agreed the global reform of customs procedures known as "trade facilitation" in Bali last December, but were unable to overcome last-minute Indian objections and get it into the WTO rule book by a July 31 deadline. India has insisted that, in exchange for signing the trade facilitation agreement, it must see more progress on the parallel pact. India's new nationalist government has insisted that a permanent agreement on its subsidised food stockpiling must be in place at the same time as the trade facilitation deal, well ahead of a 2017 target set in Bali last year. Most diplomats had expected the pact to be rubber-stamped this week, marking a unique success in the WTO's 19-year history which, according to some estimates, would add \$1 trillion and 21 million jobs to the world economy. India calls these estimates highly exaggerated. The diplomats were shocked when India revealed its veto and the eleventh-hour failure drew strong criticism, as well as rumblings about the future of the organisation and the multilateral system it underpins. "Australia is deeply disappointed that it has not been possible to meet the deadline. This failure is a great blow to the confidence revived in Bali that the WTO can deliver negotiated outcomes," Australian Trade Minister Andrew Robb said. "There are no winners from this outcome – least of all those in developing countries which would see the biggest gains." Some countries, including the United States, the European Union, Australia, Japan and Norway, have already discussed a plan to exclude India from the facilitation agreement and push ahead regardless, officials involved in the talks said. An Australian trade official involved in the talks said officials were exhausted with the process and that there was already discussion about major reforms at the WTO and the Doha Round of trade negotiations, which began in 2001. "Some see it as a final trigger for ending Doha and pressing ahead with plurilateral reform, leave behind those that don't want to come along," he said. A Japanese official familiar with the situation said that while Tokyo reaffirmed its commitment to maintaining and strengthening the multilateral trade system, it was frustrated that such a small group of countries had stymied the overwhelming

consensus. "The future of the Doha Round including the Bali package is unclear at this stage," he said. New Zealand Minister of Overseas Trade, Tim Groser, told Reuters there had been "too much drama" surrounding the negotiations and added that any talk of excluding India was "naive" and counterproductive. "India is the second biggest country by population, a vital part of the world economy and will become even more important. The idea of excluding India is ridiculous." "I don't want to be too critical of the Indians. We have to try and pull this together and at the end of the day putting India into a box would not be productive," he added. Still, the failure of the agreement should signal a move away from monolithic single undertaking agreements that have defined the body for decades, Peter Gallagher, an expert on free trade and the WTO at the University of Adelaide, told Reuters. "I think it's certainly premature to speak about the death of the WTO. I hope we've got to the point where a little bit more realism is going to enter into the negotiating procedures," he said. "It's 153 countries. We can't all move at the same speed on the same things, and it's time to let those that want to do it, do it."



THE TIMES OF INDIA

Tamil Nadu Agricultural University students protest new arrear system

More than 50 students of the Tamil Nadu Agricultural University (TNAU) on Tuesday boycotted classes to protest against the arrear examination system introduced in March 2013. Third year students staged a protest at the university entrance at around 2pm demanding that the management allow them to write their first year arrears. The students who joined TNAU in 2012 for a four-year programme were informed that a new rule was implemented for arrear examinations in March 2013. According to the new rule, students are supposed to clear all the first year subjects to be eligible to register for third year. Similarly, they have to pass all subjects in the second year to be able to register for final year. A student said the administration has given students only one chance to clear arrears. More than 100 students from all streams are presently ineligible to enter the final year after the new rule came into force. The students submitted a letter to the agriculture dean (in-charge) regarding the issue. "We want the issue to be resolved amicably. But, we have not received any reply from the administration," a student said. The students said they will continue protesting until their demands have been met. TNAU authorities said the rule cannot be relaxed for a few students when all others are following it.

THE ECONOMIC TIMES

WTO standoff: India regrets unilateral focus of developed nations

The government has put the blame for collapse of a global customs pact at the WTO at the last minute on the developed world's refusal to show any commitment on the food security issue and pursuance of only its own interests. Last week, India had vetoed the Trade Facilitation Agreement, demanding that a permanent solution on food subsidy be reached before signing the deal. "In contrast to their efforts on trade facilitation at WTO, some developed countries have been reluctant to engage on other issues," minister of state for commerce & industry Nirmala Sitharaman told Parliament on Tuesday, adding that India was apprehensive that once an agreement on trade facilitation was reached, "other issues would be ignore". Refusing to take blame heaped on India by the US and other developed countries for stalling multilateral trade talks, Sitharaman countercharged them with prioritising only their interests. "Today, developing countries are fighting to keep negotiations focused on development, against the singleminded mercantilist focus of most of the rich developed world on market access issues," said Sitharaman, adding that India's stand has found widespread support. The minister said India tried its best to break the stalemate, but there was no response to its proposal to fast-track the food security issue. India sought deferment of the trade facilitation protocol signing to December 31, along with all elements of the Bali pact. In its last proposal on July 31, India wanted a peace clause — providing interim protection against actionable subsidies — to exist until a permanent solution was found, as against the four years interpreted by most members. At the Bali ministerial, WTO member countries had picked 10 issues from the stalled Doha round for further negotiations, including trade facilitation and the issue of public stocking for food security.

India Turns The Tables

CRITICISES DEVELOPED NATIONS' FOCUS

There is resistance to taking forward other decisions of the Bali accord	Developing nations fear other issues will be ignored if TFA comes to fore	Rich developed world has single-minded focus on market access issues
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REITERATES FIRM STAND

TF Protocol must be postponed till permanent food security solution is found	Bali outcomes were negotiated as a package & must be concluded as such
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India not standing in way of TFA, but seeks equal commitment on all issues

WTO engages in an academic debate on the subject of food security	Developing countries must have freedom to use food reserves to feed poor
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AND SAYS IT TRIED ITS BEST

India gave suggestions on timely outcome on public stockholding for food security	Even on July 31, India offered a way out on food security & TFA	We have offered practical suggestions for the way forward
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Under the current agreement on agriculture, India's food procurement programme runs the risk of exceeding the 10 per cent value of production limit based on international prices that prevailed in 1986-88. "It is regrettable indeed that today, WTO is unable to agree even to fast track negotiations on an issue of such importance to millions of subsistence farmers across the developing world, while the rich world can continue to subsidise their farmers unabatedly," Sitharaman said. "Permanent solution on food security is a must for us and we cannot wait endlessly in a state of uncertainty while the WTO engages in an academic debate on the subject of food security, which is what some developed countries seem to be suggesting, before they are ready to engage on this important issue," she told Parliament. India got the backing of Bolivia, Venezuela and Cuba, while BRIC members China, Brazil and Russia rooted for TFA adoption. Sitharaman expressed confidence that India would be able to persuade the WTO to "appreciate sensitivities of India and other developing countries and see their way to taking this issue forward in a positive spirit". She said, "Developing countries such as India must have the freedom to use food reserves to feed their poor without the threat of violating any international obligations. This is our sovereign right." The MoS said India was not opposed to trade facilitation and has autonomously taken several similar measures, such as the 'Indian customs single window project' announced in the Budget 2014-15 to facilitate trade.