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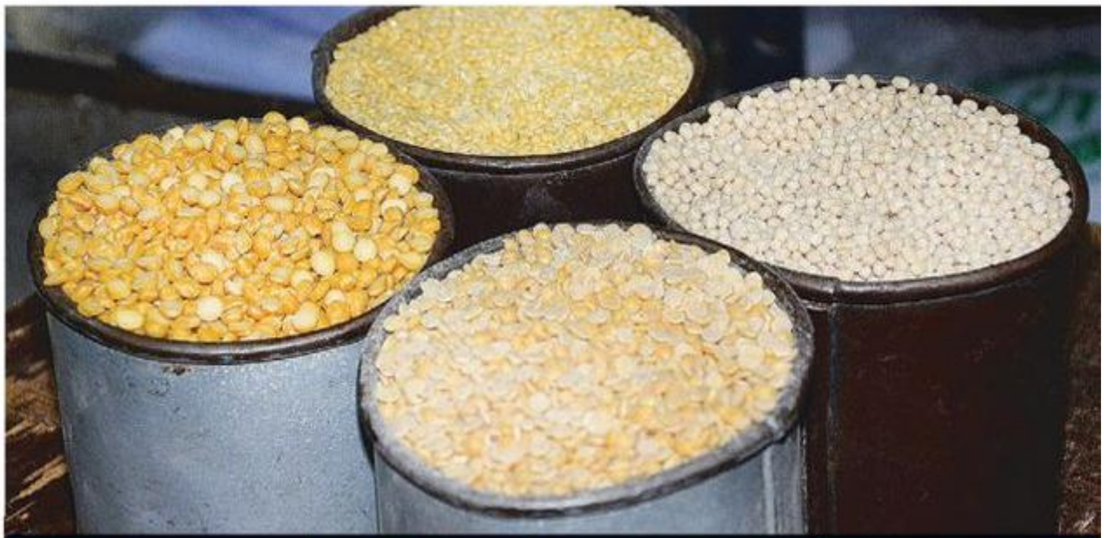
THE HINDU

TN bags Krishi Karman for pulses production

SETTING NEW RECORD

PULSES PRODUCTION IMPROVES STEADILY IN TAMIL NADU



YEAR	AREA (LAKH HA)	PRODUCTION (LAKH TONNES)	PRODUCTIVITY (KG/HECTARE)
2011-2012	6.69	3.69	551.57
2012-2013	5.11	2.13	417
2013-2014	8.80	5.07	576
2014-2015*	11	8	727

A slew of initiatives, including System of Pulses Intensification, does the trick

At a time when Tamil Nadu is hoping to make a record grain production, it has bagged the Krishi Karman Award of the Union government for its performance in pulses production during 2013-2014.

Union Agriculture Minister Radha Mohan Singh informed Chief Minister O. Panneerselvam and Agriculture Minister Agri S.S. Krishnamoorthy of this in separate letters last week. He also invited the Chief Minister to receive the award at a function to be held in New Delhi.

The award carries a trophy, a citation and a cash prize of Rs. 2 crore.

During 2013-2014, the production of pulses was 5 lakh tonnes with the productivity of 576 kg per hectare. The figures for 2011-2012 and 2012-2013 were 3.69 lakh tonnes (about 552 kg) and 2.13 lakh tonnes (417 kg). This year, the State has planned to produce eight lakh tonnes.
In recent years, the State has been focussing on increasing the production of pulses.
Among the initiatives taken by the Agriculture Department are the System of Pulses Intensification (SPI), redgram transplantation coupled with micro-nutrients and raising rice-fallow pulses with improved practices. Under the SPI, a 'whole village approach' is put into practice, both for irrigated and rain-fed areas, to enhance productivity. Last year, 1.1 lakh hectares in 1,700 villages were brought under the SPI. Taking its cue from Bellary in Karnataka and the central parts of the country, Tamil Nadu adopted redgram transplantation last year, covering 49,000 hectares.
Agriculture Director M. Rajendran attributed the fall in production during 2012-2013 to the drought.
He said sustained technological interventions were among the reasons for the record production in 2013-2014.

Co-operation Department to procure minor millets

250 tonnes of millets to be procured and marketed this year

: The Cooperation Department in the district has taken a special initiative for marketing the minor millets and conventional crop with a view to provide assured return for farmers.
Farmers in Annavasal, Viralimalai, Kundrandarkovil, and Andakulam have been producing had been cultivating minor millets.
But farmers had been complaining of poor returns as they did not have adequate marketing facility. With a view to providing more remunerative price, the Cooperation Department has decided to procure 250 tonnes of minor millets this financial year. The department will procure ragi, cumbu, varagu, kuthiraivali, thinai, and other millets from farmers through its cooperative marketing society (CMS) in Tirumayam, Aranthangi, and Alangudi.
It would coordinate through the primary agricultural cooperative credit societies in Andakulam and Kundrandarkovil. "There has been a sharp rise in demand for the conventional millets as part of growing awareness

about nutrition-rich food," says K.V.S. Kumar, Regional Joint Registrar of Co-operative Societies.

He said that farmers lacked adequate awareness on value-addition in products.

· ***Cooperative marketing societies to be roped in for the task***

· ***Success of the past initiative has motivated the department to venture into this***

Recycle waste water: forum

The Ayyan Vaikkal Ayacutdars Association has urged the district administration to take steps to recycle the waste water being let off by the Lalgudi town panchayat.

In a memorandum to Sub-Collector of Lalgudi at the divisional-level meeting held at Lalgudi on Monday, N.Veerasekaran, coordinator of the association, referred to the success story of recyling of waste water by the Tamil Nadu Agriculture University's Engineering College and Research Institute at Kumulur.

The memorandum said that sewage waters were being discharged at four places in and around Lalgudi, causing pollution to environment.

Scientists come out with new variety of red gram

GBM-2, the new bengal gram variety, is awaiting approval from the State government for commercial production.— Photo: Arun Kulkarni

After years of research and laboratory tests and farm trials, scientists at the Agriculture Research Station in Kalaburagi have come out with a new variety of red gram — GRG 811.

Dean of Agriculture College P.S. Dharmaraj and Project Director D.M. Mannur told presspersons here on Monday that after successful tests in different hotspots in the country and after getting the approval from the Indian Council of Agriculture Research, the new variety willbe released for commercial production this year.

One major benefit of the new variety is that it will be resistant to wilt and sterility mosaic disease (Goddu Roga).

Prof. Dharmaraj said that the duration of the GRG 811 was more or less same as that of the Maruti variety and could be harvested one week earlier.

The 170-day crop is best suited for deep black cotton soil and apart from being drought-resistant can also withstand moisture stress for an extended duration.

Dr. Mannur, who played a part in the invention of a new bengal gram variety GBM 2, said that it helped the crop grow more horizontally with stronger stems to enable farmers to take up mechanical harvesting.

The new variety had also undergone trials in different hot-spots in the country and has been approved by the Indian Council of Agriculture Research. The scientists are waiting for the State government's permission for commercial production.

Apart from enabling mechanical harvesting, the new variety's yield will be 15 per cent more than older varieties.

He said that another variety, MNK-1 (kabuli chenna) released in Kalaburagi some years back, is becoming popular with farmers and it is the only pulse variety which has been allowed for export by the Union government.

Prof. Dharmaraj added that they are in the advanced stage of research and farm trials of a new jowar variety, GS 23, which is better than the popular M.35-1 Maldandi variety and was resistant to charcoal rot disease.

Call for region-specific strategy for establishing technological

Three-day meet'Bio-Andhra' gets under way

Stressing the need for establishing technological projects based on the regional requirements, Union Minister of State for Science and Technology Y. Sujana Chowdary on Monday said export-orientation was the need of the hour in the agriculture and marine industries.

Inaugurating the 'Bio Andhra-2014,' a three-day international conference on marine, agriculture, phama and biotechnologies organised jointly by the Jawaharlal Nehru Technological University Kakinada and the Godavari Knowledge Park here, Mr. Chowdary said consumption remained stable with regard to the agriculture and marine produce and it would be easier for chalking out plans for their exports.

"The strategy should be region-specific. A comprehensive report on the production and consumption of the produce in a particular region will help policy makers assess the possible quantum of exports from that particular region. This planning will be of great help when it comes to identifying the markets and selling the produce for a better price," he said.

Highlighting the need for proper planning, research and resource utilisation for achieving better revenues in the international market, Mr. Chowdary said information technology would come in handy for the strategy developers to assess the opportunities and threats of the given area.

"Now, information technology is being used to spot the zones where huge quantum of fish is available in the sea. With the help of mobile phone technology, the information is being passed to fishermen to their hand devices. We are expecting similar initiatives from the youngsters, who are unfortunately spending more time on social networking websites," he said.

In-charge Vice-Chancellor of the JNTUK B. Prabhakara Rao presided over the inaugural session. Scientists from different countries and States, local elected representatives and officials were present.

Rabi may see more power cuts despite reduced cropping area

: Telangana may have to endure power cuts of considerable duration from mid-January up to April end, despite the dismal forecast about area to be sown during the Rabi season.

The Chief Minister's Office had recently written to the Telangana State Transmission Corporation (TSTransco) and the discoms seeking details of power supply to meet the Rabi demand. The power requirement is estimated to be about 140 million units on an average during the period, while the present availability is only about 122 MU.

It may be recalled that during Kharif season, the requirement had crossed 180 MU at times, and chances are that the same could be repeated during Rabi as well, unless for the reduced cropping area.

Compared to Kharif, the crop area during Rabi could come down by two-thirds, says the Vice-President of the All India Kisan Sabha Sarampally

Malla Reddy. While 15 lakh acres were sown during Kharif, Rabi could hardly see five lakh, he says.

“Even during Kharif, due to dry spell, the area sown was reduced from the normal 40 lakh acres. Of that, crops in five lakh acres were lost due to lack of water. After the Kharif experience, the area will be further reduced during Rabi, as tanks are empty and ground water levels have plummeted drastically,” Mr. Reddy said.

Despite the gloomy picture on the agricultural front, discom officials predict a minimum of two hours of daily power cuts for the city, and at least one weekly power holiday for the industry.

Power from Krishnapatnam and Hinduja power projects, if they arrive in time, could save the situation to some extent, they say.

While the commercial operations date (CoD) for Krishnapatnam Unit-I is not yet clear, the same for Unit-II is tentatively fixed for June, 2015. An agreement with HNPCL, for Hinduja power, is yet to be reached.

Proposals for 500 MW of solar power have been sent for the Chief Minister’s approval, but they are yet to be finalised.

The TEEJAC Coordinator K.Raghu feels that solar power, besides being the only viable alternative to tide over the present crisis, could also act as a cushion against future power problems. Nothing less than 3000-4000 MW of solar plants should be immediately taken up by the public sector, if the government is to save the crops by at least next Kharif, he says.

Agri-horticultural expo in Alappuzha

Revenue Minister Adoor Prakash will launch the 25th edition of the agri-horticultural and industrial exhibition at S.D.V. School ground on December 20.

The annual programme, organised by the District Agri-horticultural Society, will continue till December 28.

Arrangements in place

Addressing mediapersons here on Monday, District Collector and reception committee chairman N. Padmakumar said all arrangements were in place for conducting the programme.

Besides the exhibition, there will also be several seminars that focus on the various aspects of agriculture.

T.M. Thomas Isaac, MLA, will preside over the inaugural session. K.C. Venugopal, MP, will inaugurate the exhibition pavilion.

District panchayat president U. Prathibha Hari and Alappuzha municipal chairperson Mercy Diana Macido will also speak.
A proclamation rally will be taken out across Alappuzha town prior to the inaugural function.

Seminars on farming

The seminars, which will focus on diverse topics including family farming, urban farming and environment-friendly farming practices, will be led by experts including Kerala Horticulture Mission director K. Prathapan, Central Plantation Crops Research Institution (CPCRI) Kayamkulam Regional Station head V. Krishnakumar, Kerala Agricultural University (KAU) professors N.K. Sasidharan and V. Narayanankutty.
The exhibition will have nearly 135 stalls set up by Industries and Agriculture Departments, KAU, Coconut Development Board, Spices Board, Coir Board, Suchitwa Mission, Horticorp, Farm Information Bureau and the Jawaharlal Nehru Tropical Botanic Garden and Research Institute, among others

Farmers demand KAU research centre in Kozhikode

: The lack of a research centre under the Kerala Agricultural University (KAU) in Kozhikode is proving to be a "serious handicap" at a time when there is increasing demand for quality planting materials, including vegetable seeds and saplings.
As per data available from university sources, Kozhikode is the only district in the State without a research station for the university. An 'Information-cum-Sales Centre' functioning in a crammed two-room rented facility at Vellimadukunnu here is the sole institution under the university here. This is in stark contrast to the 60 different institutions, including research stations and other institutes functioning under the university, in Thrissur district alone. Thiruvananthapuram also has around a dozen such institutes.

Repeated demands

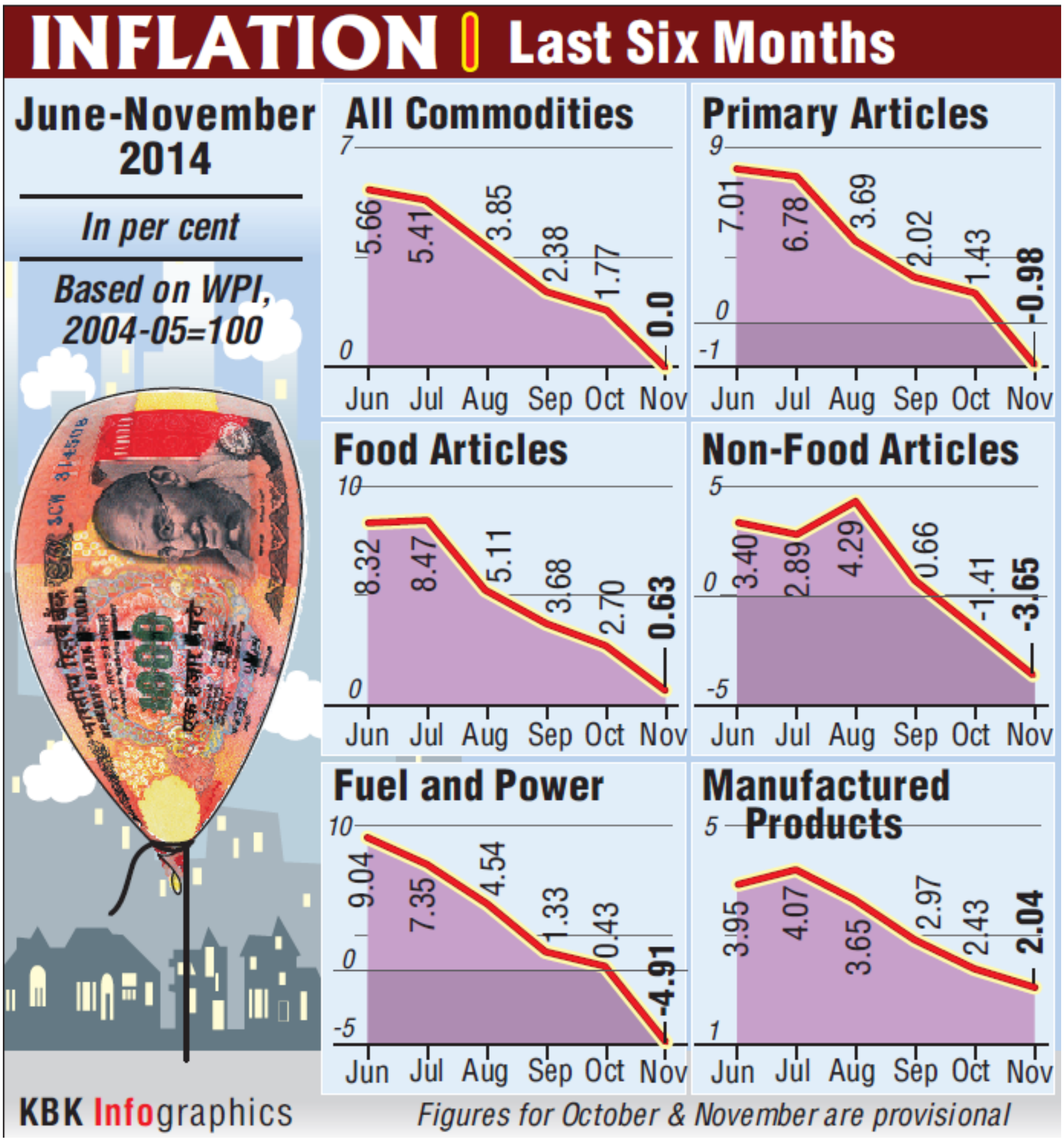
Various farmers' groups and people's representatives have repeatedly demanded the setting up of a research station in Kozhikode, which has a large farming community', especially in the rural agricultural belts like Balussery, Thamarassery, Koodaranji, Peruvayal and Mukkom. "We have been raising this demand for the last several years, but in vain," said Babu Parambath, leader of a farmers' collective here.

According to sources at the university's Information-cum-Sales Centre here, there is a great demand for planting materials from farmers. "The limited number of planting materials we bring from other stations in the neighbouring district are sold off the very next day. Besides, we have only a small room for three staff members to sit and store the entire materials," said a staff member.

Though steps were taken two years ago to make around five acres of land available for a KAU research centre from the 26 acres of land with the Agriculture Department at Vengeri here, there was no follow-up. "The land adjacent to the Vengeri Agricultural Wholesale Market here is ideal for a research station, but it should come as part of a master plan and not as an isolated entity," said A. Pradeepkumar MLA, who had brought the issue to the Minister's attention earlier.

P. Kishanchand, councillor, who is set to once again bring the issue to the Corporation Council's notice maintained that the lack of interest on the part of the university authorities was standing in the way of farmers' interest.

Wholesale inflation hits zero, lowest in over 5 years



The Wholesale Price Index (WPI) based inflation was at 1.77 per cent in October and 7.52 per cent in November 2013.

Declining for the fifth straight month, pace of wholesale inflation dropped to a six-year low of 0 per cent in November. The data reflects falling cost of production in the economy largely on the back of the sharp contraction in global prices of crude and commodities. It also reflects moderating food prices.

The data, however, shows a larger drop than the actual decline in prices owing to the favourable statistical illusion of a high base: Wholesale inflation growth in November 2013 was 7.5 per cent.

Wholesale food inflation was down to 0.6 per cent against 19.7 per cent in November 2013 with prices of cereals, rice, wheat, vegetables and onions falling. However, potatoes and milk continued to show high inflation. While potato prices grew at the rate of 34 per cent, the rate of rice in milk prices was 10 per cent. Rice and pulses too rose but at slower pace of 5.6 per cent and 4.4 per cent.

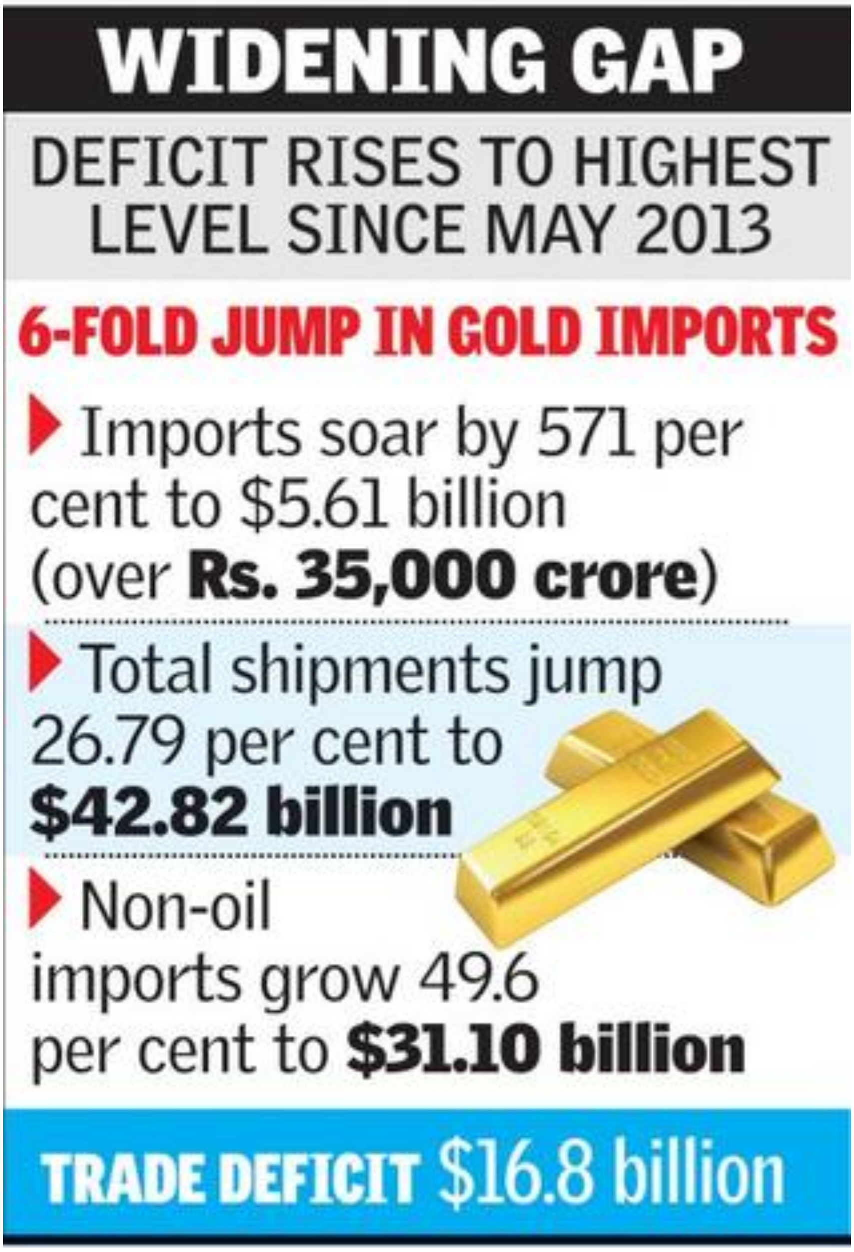
With global crude prices down nearly 40 per cent since June, wholesale inflation in fuels came in at minus 4.9 per cent against 11.08 per cent in November 2013.

The dip in producer prices comes days after consumer prices inflation abated to an 8-year low of 4.4 per cent.

Former Chief Economic Advisor Arvind Virmani told *The Hindu* that 0 per cent inflation shows that there was fundamental change in world economy. "The commodity boom is over, food prices peaked six months ago and the cycle has turned and global growth will be weak," Mr. Virmani said. He said that all the economic data for India was reflecting a sharp drop in consumption, especially with real rural wages falling. There is a strong case for the interest rates to be lowered for spurring investments and growth, he said.

"India is an inadvertent beneficiary of the global oil price fall and so the Government must find a way of converting the triple bonus [of narrowing fiscal and current account deficits and falling inflation] to be had from it into higher growth for which Government must generate sustained investments by alleviating the infrastructure bottlenecks," Aditya Birla Group Chief Economist Ajit Ranade told *The Hindu*.

Hope for growth as inflation plummets



Inflation and exports data released on Monday raised hopes of a revival in investments and growth. Declining for the fifth straight month, the pace of wholesale inflation dropped to a six-year low of 0 per cent in November.

Exports growth turned positive again – at 7.27 per cent – in November raising the hope that the $340-billion target for the current fiscal will be met.

Though the trade deficit widened to an 18-month high of $16.86 billion, the surge was in part due to a 40-per cent jump in import of machinery and transport equipment over October, signalling a possible revival in investments.

The rupee closed at an over 10-month low of Rs. 62.94 to a dollar, which will make India's exports relatively more competitive.

India grew at sub-5 per cent over the last two years. Growth recovered to 5.7 per cent during April-June, before slipping again to 5.3 per cent in the July-September quarter.

The inflation data reflects the falling cost of production in the economy, largely on the back of the sharp contraction in global prices of crude and commodities. It also reflects moderating food prices.

Deadlock on GST broken

In a last-minute compromise deal, the Centre on Monday night decided to keep petroleum out of Goods and Services Tax (GST) in return for States agreeing to entry tax being subsumed in the new tax regime proposed from April 2016, reports PTI.

On the issue of compensation to States for revenue loss because of subsuming of all indirect taxes in the GST, the Finance Ministry will seek legal opinion on how it can be accommodated in the Constitution Amendment Bill that it wants to bring in the ongoing Winter session of Parliament

"Case for interest rates to come down"

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investments by alleviating the infrastructure bottlenecks," Aditya Birla Group Chief Economist Mr Ajit Ranade told *The Hindu*.
Many sectors that had exhibited decline in exports during October recovered in November: Gems & Jewellery, Drugs & Pharmaceuticals, Engineering Goods, Cotton Yarn Fabrics and made-ups, Manmade Yarn & Fabrics, Coffee, Spices, and Carpets.

Gujarat announces Rs. 1,100-crore relief package for farmers

Farmers at a paddy plant in Ahmedabad.

The Gujarat government on Monday announced a relief package of Rs. 1,100 crore for farmers in the State.
The package includes Rs. 600 crore worth of subsidy on interest for agriculture loans and Rs. 500 crore on power bills.
"This year, the district cooperative banks and nationalized banks have disbursed loans to the tune of Rs. 2,100 crore. The interest on this amount is Rs. 1,200. The State government has decided to cover 50 per cent of the interest by paying Rs. 600 crore to the banks. Similarly, it would give Rs. 500 crore to power companies to cover 50 per cent of the total electricity bill of farmers, which stands at Rs. 900 crore," Gujarat Health Minister Nitin Patel told reporters here.

The announcement comes a day after a meeting with the RSS-affiliated Bhartiya Kisan Sangh (BKS), which has been agitating for a minimum support price for cotton.

However, Congress spokesperson Manish Doshi said the government had not addressed the main issue of minimum support price.

The Indian EXPRESS
JOURNALISM OF COURAGE

WPI inflation drops to zero on fall in food, commodity prices`

Wholesale price inflation hit zero in November, its slowest level since July 2009, as fuel inflation dropped to a five-year low and the rate of price rise in food items fell drastically due to favourable bases and declining global commodity prices, showed the official data released on Monday.

With retail inflation having hit a fresh low of 4.38 per cent in November and industrial production at a three-year low in October, the latest wholesale price index (WPI) inflation data pile on the pressure on the Reserve Bank Of India (RBI) to effect the much-anticipated rate cut to boost the economy.

Analysts say inflation will start inching up from now, as the favourable base withers off, but most agree that CPI inflation, the RBI's preferred gauge, will remain below the targetted level of 6 per cent in March.

The RBI, some analysts said, might choose to wait until the conducive base effect fades away substantially (WPI and CPI inflation started easing from December 2013 onwards). The central bank might also want to see how credibly the government stocks to its fiscal deficit reduction target in the coming Budget, given that Governor Raghuram Rajan has consistently stressed the quality of fiscal consolidation.

WPI food inflation moderated to just 0.63 per cent last month on a 28.6 per cent contraction in vegetable prices and primary article inflation hit -1 per cent. Inflation in fuel products, too, remained in the negative territory, at -4.9 per cent in November, the lowest since November 2009 and compared with 0.43 per cent in October. Manufactured products inflation, too, moderated to 2.04 per cent in November, compared with 2.43 per cent in the previous month. There was a 0.26 per cent decline in manufactured products inflation in November from the previous month, thanks primarily to the fall in prices of chemicals and basic metals.

Core WPI inflation, price rise in non-food manufactured items, further eased to 2.2 per cent last month, the lowest since September 2013 and compared with 2.5 per cent in October.
The persistent double-digit inflation in fruit this fiscal and the possibility of some kind of a supply-induced shock in the coming months due to a projected 5 per cent drop in Kharif production pose some risks to food inflation in the coming months, said Anis Chakravarty, senior director at Deloitte India. ICRA's Aditi Nayar, too, said the month-on-month rise in protein products items may continue.

THE TIMES OF INDIA

Breakfast recipe: Mexican baked eggs

Want to stay full for a longer period of time, without having to count calories? Then, try this super delicious Shakshuka, or Mexican baked eggs recipe, shared by nutritionist and freelance writer at Travellers Dietition - Kara Landau. This healthy breakfast is not only high in protein and fibre, which will appeal to your taste buds, but will leave you satiated.

Serves 1

Ingredients:

2 whole eggs
1 medium tomato, diced into large squares
¼ red onion sliced thinly
¼ medium red capsicum, cut into thin slices
2 tbsp reduced salt tomato paste
100 gms canned diced tomatoes
50 gms canned black beans, drained

Herbs and spices:

½ small red chilli
½ tsp chilli paste
1 tsp crushed garlic or 2 cloves fresh garlic
2 tbsp chopped fresh chives
½ tsp turmeric
½ tsp paprika
Sea salt and pepper to taste

Method:

1. Dice red onion, red capsicum, fresh tomato and chilli.
2. Drain black beans from the can.
3. Heat a non-stick frying pan, add onion and cook for 1 minute or until softened slightly.
4. Add chilli paste, garlic, and mix in the onion. Add red capsicum and let it cook for an additional minute.
5. Add fresh tomato and cook for 30 seconds.
6. Pour over the top of the mixture in the pan- black beans, canned tomato and tomato paste.
7. Mix all the ingredients and add dry herbs (turmeric, paprika, fresh chives, and chilli (if desired). Allow it to cook for 30 seconds.
8. Create 2 holes in the mixture to crack the eggs into (make sure the yolk does not run).
9. Allow it to cook for a few more minutes until the egg white is hard and the yolk is to your desired consistency.
10. Once done remove pan from the heat and sprinkle with salt and pepper.
11. Serve immediately.

- Some people may enjoy dipping a slice of warm wholegrain sourdough bread into the mixture as well.

Healthy snack: Moong beans sprouts dosa recipe

It is a simple and very healthy dosa (pancake) made from green moong sprouts.

I do not make dosa often and it is not because I don't like dosa, it is just that I like eating it hot, straight from the pan to my mouth. Anyway, lately I found some spouted moong beans at a grocery store and I picked it up. I wasn't sure what to do with it, as I normally eat it in a salad. After some thought I decided to grind the beans sprouts with some green chillies, ginger and garlic and use it in my dosa batter.

Ingredients:

1 cup sprouted green moong
2 cloves garlic
1 small piece of ginger
5 tablespoons semolina
5 tablespoon gram flour
3-4 green chillies
Salt to taste
1/8 cup oil

Method:
1. In a mixer grind sprouts, ginger, garlic and green chillies coarsely. Use water only to reach dosa/pancake batter consistency.
2. Mix in salt, semolina and gram flour.
3. Heat a pan/tava on high-medium heat and spread one ladle-full of batter into a dosa.
4. Drizzle some oil and let it cook on one side. Flip over the other side and drizzle some oil again. Cook both the sides well.
5. Remove from pan and serve with chutney of your choice.

Notes:

Use stuffing such as paneer, onions or potatoes to fill the dosas.

Do not grind into a fine paste. The coarse texture is better and tastier.

Recipe: Steamed fish in banana leaves
A typical Parsi delight, fish in banana leaves is cooked and rejoiced in many Indian households.
Fish is a rich protein source and has a balanced amount of essential amino acids, fatty acids, phospholipids and fatty acids optimum for development and growth. An excellent source of omega 3 fatty acids, this recipe is

served along with green pudhina chutney wrapped in steamy hot banana leaves which gives it an extra flavour and texture. An excellent dish for main course, Steamed Fish in Banana Leaves or Patrani Machhi can be cooked in 12 minutes flat.

Ingredients

- Fish of your choice. Divided in large chunks. Pomfret is a popular choice here.
- 3-4 banana leaves
- 4 tablespoons of lemon juice
- 2 tablespoon of shredded coconut
- 4 green chilles
- 1 cup fresh coriander
- 8 cloves of garlic
- A pinch of cumin seeds and salt

Method

- For the marinade, take a large bowl and mix together fish chunks and salt. Leave aside for 15 minutes.
- Now, in a grinder mix together coriander leaves, coconut, green chillies, garlic and cumin seeds to a fine paste.
- Spread banana leaves on a flat kitchen slab and lay the marinated fish on it. Now spread the chutney over it.
- Fold the banana leaves neatly and steam them in a steamer with plenty of hot water.
- Serve hot. Bon appetit!

THE HINDU BusinessLine

In a tit-for-tat, rubber growers plan to import tyres

Kochi, December 15:

Rubber growers are contemplating to boycott products of domestic tyre companies and instead go for cheaper import tyres, the same way by which the industry imports raw materials.

A move in this direction is being planned in the wake of continuous fall in prices and growers, therefore, urged the industry to purchase rubber from the domestic market, Sibi J Monippally, President of the Indian Rubber Growers Association (IRGA), said.

Riding on cheap rubber imports, all tyre companies have been generating profits in each quarter.

It is time that these companies introspect and came forward to support growers by buying from the domestic market at the landed cost of imported rubber, he added.

Quoting the bill of entry of imports, he pointed out that the landed cost of imported rubber is in the range of Rs. 135/140 per kg, whereas the domestic prices are ruling at Rs. 115.

At a time when the international prices were higher than domestic prices, growers agreed to lower the import duty to help the industry to sustain and thrive.

Today, the growing community is getting completely disillusioned by price decline and are even thinking of stopping production or moving out of the rubber value chain, he said.

The price, he said, fall may also affect the Centre's plan to extend rubber cultivation for the development of several Naxal-affected areas.

The growers association comprising UPASI, APK, IRGA, etc have filed a petition under the Provisions of Safeguard before the Directorate of Safeguards, New Delhi to protect the domestic rubber growers from un-controlled and unrestricted imports, which is hitting hard the domestic growing sector.

The Association urged the government to immediately increase the import duty to 25 per cent as an emergency measure.

The Kerala government should also facilitate more uptake of rubber from the State to improve prices by way of tax concessions and explore the possibility of rubberisation of 20 per cent of roads every year.

Gujarat farmers get Rs. 1,100-cr relief package

State government announces 50% waiver of farm loan interest, electricity bills

Ahmedabad, December 15:

Amid protests from farmers over lower realisation for their produce, Gujarat government on Monday announced a Rs. 1,100 crore relief package for all the farmers in the State. The announcement comes on the heels of a protest by farmers' body Bhartiya Kisan Sangh (BKS) seeking higher support price for cotton and groundnut in Ahmedabad on Monday.

In a meeting with ministers and senior officials of Agriculture Department, Chief Minister Anandiben Patel announced 50 per cent assistance on short-term farm loan interests and electricity bills each amounting to Rs. 600 crore and Rs. 500 crore respectively, a State Government statement said.

Besides this, the government has announced Rs. 700 crore-worth farm assistance for rabi sowing under its ‘Krishi Mela’ programme.

After the Chief Minister’s meeting, senior ministers Nitin Patel, Bhupendrasinh Chudasama and Babu Bokhiria, said that the government took into consideration the demands raised by cotton growers.

“Cotton production is expected to touch 12 million bales (of 170 kg) in Gujarat. We have been exporting cotton in large quantities. But this year, cotton production in other countries including China has been a record. Therefore, farmers were unable to get sufficient price of their crop,” said the ministers in a statement.

“Considering these issues, the chief minister has announced a uniform package for all farmers and not just the cotton growers,” the statement said.

This year, district cooperative banks and nationalised banks put together have extended loan worth Rs.21,000 crore to farmers in Gujarat. The interest payable is estimated to be about Rs. 1,100 crore, of which about 50 per cent will be borne by the tate government under the package, the statement said. On the total electricity bills, worth about Rs. 900 crore, that farmers in the State pay, the state government has decided to provide 50 per cent assistance.

Earlier on Monday, cotton growers from various parts of Gujarat took out a massive rally in Ahmedabad seeking a hike in the minimum support price (MSP) and announcement of a special package as they were affected because of lower prices.

The protest march was led by BKS representatives after their meeting with the tate government failed to yield any results on Sunday.

“There was a meeting with the state government yesterday but it ended without any result, therefore we continued with our protest march.

Cotton farmers are in distress, they need government support at this point,” said Vitthalbhai Dudhatara, co-general secretary, Guajrat Pradesh – BKS, after the rally on Monday.

At the meeting farmers had demanded to waive off farm loans and electricity bills of cotton growers, besides hiking the MSP.

Earlier in November, the farmers had submitted memorandums to respective district collectors in the cotton growing regions demanding an increase in cotton MSP to Rs. 1,000 per *maund* (of 20) kg from the current Rs. 810.

22% tea unsold at Coonoor auctions

Coonoor, December 15:

Nearly 22 per cent of the 15.50 lakh kg offered at Sale No: 50 of Coonoor Tea Trade Association auction worth Rs. 2.26 crore remained unsold for want of buyers at the asking price. For the fourth consecutive week, prices increased over the previous week. This week, they averaged Rs. 66.33 a kg against previous week's Rs. 64.72.

Among CTC teas, Homedale Estate tea, auctioned by Global Tea Brokers, topped when Badusha Tea Company bought it for Rs. 201 a kg. Chamraj topped the Orthodox market at Rs. 248 a kg.

Quotations held by brokers indicated bids ranging Rs. 40-44 a kg for plain leaf grades and Rs. 90-160 for brighter liquoring sorts. They ranged Rs. 40-48 for plain dusts and Rs. 120-190 for brighter liquoring dusts.

There was selective purchase for Pakistan in a wide range of Rs. 52-122 a kg.

Fresh buying boosts spot rubber prices

Kottayam, December 15:

RSS 4 improved to Rs. 114.50 (113.50) a kg, according to traders.

The grade closed firm at Rs. 114 (113.50) and Rs. 111 (110.50) respectively, according to Rubber Board and dealers.

The market opened steady but improved later on fresh buying and short covering as sellers stayed back following the moderate gains on the National Multi Commodity Exchange.

December futures firmed up to Rs. 115.70 (114.05), January to Rs. 114.87 (112.92) and February to Rs. 115.55 (113.33) on the National Multi Commodity Exchange.

RSS 3 (spot) increased to Rs. 98.91 (96.52) a kg at Bangkok. December futures were at ¥183.6 (Rs. 97.40) on the Tokyo Commodity Exchange.

Spot rubber rates (Rs. /kg): RSS-4: 114.50 (113.50); RSS-5: 109 (108); Ungraded: 96 (94); ISNR 20: 95 (95) and Latex 60%: 79 (78).

Cut deadline for re-export of raw

Kolkata, December 15:

The Indian Sugar Mills Association (ISMA) has asked the Government to bring down the time gap between raw sugar imports and export of refined sugar from 18 months to three months. ISMA's suggestion has been made to reduce the overall piling up of sugar inventory, which has been putting pressure on the prices.

Abinash Verma, Secretary-General,ISMA, told *BusinessLine* that under the current system (advance authorisation scheme) refiners have 18 months time after importing raw sugar at zero duty for re-exporting it in refined form.

Om Prakash Dhanuka, CMD of Riga Sugar, has alleged that this is indirect dumping of sugar. “It is depressing the domestic prices by inflating the stock.”

Dhanuka made specific allegation that Shree Renuka Sugars Ltd imported 40 lakh tonnes of raw sugar in the past two years and exported just 18 lakh tonnes of refined sugar. “Some of the imported raw sugar got into the domestic market increasing the season-end stock by about 25 per cent and depressing the sugar price in the domestic market substantially,” Dhanuka said.

When contacted by *BusinessLine* , Narendra Murkumbi, Managing Director of Shree Renuka Sugars, denied the allegation and said that Dhanuka has been making this allegations based on incorrect numbers for some time. “DGCIS has the figures of import and export figures. ISMA looked into the allegations and found out different numbers,” he said.

Dhanuka said that though ISMA came up with a different set of figures, it pitched for substantial timeframe for cutting the time to export refined sugar.

Renuka sugar is largest importer of raw sugar and exporter of refined sugar. Dhanuka said it has been importing raw sugar from its Brazilian facilities.

Dhanuka said, according to ISMA, the total raw sugar export for the year 2012-13 and 2013-14 was 25 lakh tonnes, out of which 7 lakh tonnes is under export incentive and the remaining 18 lakh is under re-export obligation of advance scheme. “Even if you take the ISMA figure as correct, 10 lakh tonnes of additional sugar has flooded the domestic market,” he said.

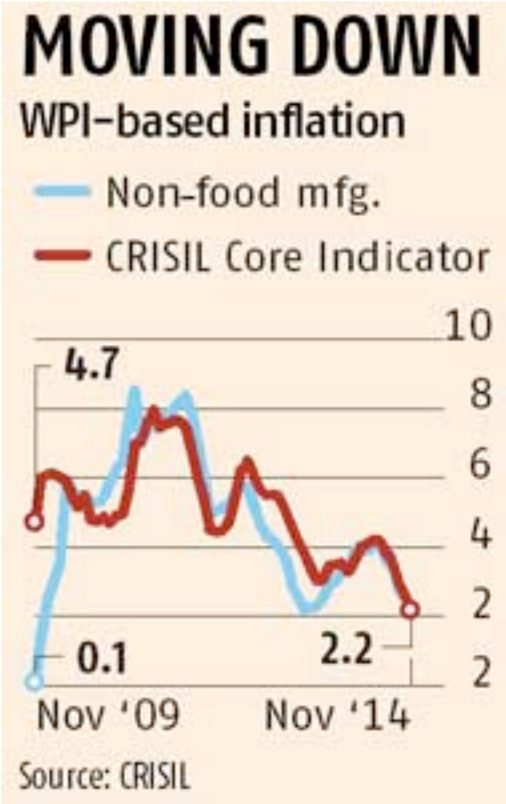
Dhanuka said that sugar industry was bleeding because of higher cane purchase price than the sugar price realisation. He urged the Government not to make clearing cane price arrears conditional for bringing in the cane-sugar price parity in the short term and raise import duty on sugar to 40 per cent from the present 25 per cent.

Business Standard

Inflation peters in November

Global factors, including fall in oil prices, pull down WPI-based inflation to 0%

Wholesale price index (WPI)-based inflation dropped to zero per cent in November, the lowest level in five-and-a half years, from 1.7 per cent in October. The sharpest fall was witnessed in the prices of primary and fuel articles, the latter due to the sharp fall in global oil prices. Prices contracted by 4.9 per cent in fuel and power and by one per cent in primary articles.



Within primary articles, non-food saw a 3.7 per cent decline in prices and inflation in food articles slowed down to 0.6 per cent. Vegetable prices saw a sharp decline of 11.8 per cent in November, offsetting high inflation in milk (10 per cent) and eggs, meat and fish (rose to 4.4 per cent). Overall food inflation fell to 0.8 per cent from 2.5 per cent in the previous month.

Fuel inflation also fell 4.5 percentage points (ppt) as petrol, kerosene, and diesel prices dropped, while inflation in electricity remained unchanged at 2.9 per cent. Crude oil prices for the Indian basket ended November at to $72 a barrel compared to $83.8 a barrel in October.

Prospects of lower oil prices over the medium term will also temper inflationary expectations going ahead. However, in the coming months, the impact of lower oil prices on inflation might be contained somewhat as it is offset by the recent increases in excise duty on petrol by Rs 3.75 a litre and diesel by Rs 2.50 a litre by the government (announced in November and December).

Core inflation - an indicator of demand-side pressure on prices - also stepped down in the month. Non-food manufacturing inflation fell to 2.2 per cent in November from 2.5 per cent in October. Inflation fell the most in chemical products by 0.4 ppt, basic metals by 0.8 ppt and rubber products by 0.5 ppt in November. Inflation in transport, equipment and parts reduced to 0.1 per cent in the month, compared to 2.7 per cent witnessed in the starting of the financial year in April.

CRISL Core inflation

Indicator (CCII) - an alternative measure of core inflation, which is calculated by removing metal prices from the prices of manufactured articles - stood at 2.2 per cent in November, compared to 2.6 per cent in October.

The reason that metals are excluded from the CCII is that metal prices are mostly determined by changing global demand-supply dynamics and volatility in exchange rate rather than domestic conditions alone.

However, in November, overall basic metals inflation was only 0.3 per cent in November (versus 1.1 per cent in October) with easing ferrous metals inflation offsetting the rise in non-ferrous metals inflation. Therefore, CCII and the non-food manufacturing inflation were at similar levels in November.

That said, CCII dropped by 0.4 ppt while the decline in non-food manufacturing was smaller at 0.28 ppt compared to the October figures. This is because CCII includes manufactured or processed food prices which fell to 1.2 per cent from 2.1 per cent in October. Manufactured food prices reflect second-round impact of inflation in primary food articles, and therefore capture domestic demand-side pressures in the economy. As inflation in primary food articles fell sharply and demand continues to remain fragile, manufacturers of food articles seem to have passed on the falling costs to consumers.

Going ahead, downward pressures on the CCII are likely to continue as food inflation remains contained with lower minimum support price increases and proactive measures taken by the government against any shocks.

Global agri-commodities prices likely to remain volatile in 2015

More supply overall could damp undue swings but second half might see oversupply, after stronger buying support in first half

Agricultural commodities are likely to remain volatile globally in 2015, with strong buying support on lows to keep prices elevated in the first half. However, global oversupply could pull these down in the second half.

A Rabobank study says the fundamentals in agri commoditiesappear more balanced through 2015, resulting in narrower trading ranges for many commodities versus 2014. On the demand side, growth has slowed in recent years. However, lower price levels should now encourage consumption growth, which will support prices. However, a strengthening dollar, uncertain Chinese demand growth, slowing biofuel demand and weakness in crude oil prices might spoil the party.

Prices of agri commodities declined by up to 20 per cent in 2014 due to huge oversupply on stagnant global demand. Delay in implementation of a biofuel policy in Malaysia pulled down the average price of crude palm oil (CPO) to an estimated 2,140 ringgit in the December quarter from 2,693 ringgit in the March quarter. Rabobank forecasts the CPO price will recover to average 2,300 ringgit in the June ’15 quarter, before falling to 2,230 ringgit in the December quarter.

“Assuming normal growing conditions for crops, moderate increases in demand will allow stocks to build for most commodities in 2015. The recent plateau in biofuel demand – driven by slower growth in mandates and the low crude oil price, combined with a reduction in global import demand – will allow worldwide supply of grains and oilseeds to outstrip demand in 2015. However, the projected lower price levels in 2015 also provide a great incentive for consumption to exceed the forecast levels,” said Stefan Vogel, global head of Rabobank’s food and agribusiness research and advisory.

On the supply side, bumper harvests in 2014 have improved world supplies of most grains and oilseeds, resulting in lower and less volatile price levels as compared to previous years. Similarly, record stock levels will continue to hang over the sugar and cotton markets in 2015.

VOLATILE TRENDS

Quarter-wise price for agri commodities

Particulars	Unit	Q3'14	Q4'14	Q1'15*	Q2'15*
Wheat (CBOT)	$c/bu	528	525	520	530
Corn	$c/bu	359	360	360	370
Soybean	$c/bu	1,145	980	970	930
Soymeal	$/tonne	395	365	370	350
Soy oil	$c/lb	34.2	32.5	32.8	33.2
Palm oil	MYR/tonne	2,221	2,140	2,250	2,300
Sugar	$c/lb	15.9	16.2	16.5	16.8
Cotton	$c/lb	66.7	63	65	65

Note: Bu= bushel, lb= pound, $c= US cents and MYR= Malaysian ringgit

*Forecast Source: Rabobank

The Food and Agricultural Organization of the United Nations estimates world cereal production in 2014 to set a new record of 2,532 million tonnes, about 10 mt higher than November's forecast and seven mt (0.3 per cent) above last year's peak.

"As we have visibility for the first half of 2015, we assume agri commodities' prices to remain volatile, with an upward bias. But, prices in the second half would largely depend upon the quantum and timeliness of the southwest monsoon rainfall. Therefore, forecasting of agri commodities prices for the second half of 2015, as of now, would be a bit early," said Naveen Mathur, associate director, Angel Broking.

Cotton prices are likely to remain subdued in 2015, as China's import demand is projected to get slower by the highest proportion since 2008-09. By contrast, both wheat and sugar would strengthen after finding a base in early 2015, as supply risk persists.

Overall, agri commodities' prices in 2015 are expected to trend lower, following improved supply. The wide price swings of previous seasons are not expected to be as pronounced in the year ahead, as stock levels have improved. However, analysts believe the commodity markets will still remain volatile in 2015, as stocks are not yet at levels to buffer a significant supply or demand shock.

Global coffee production set to drop 2.9% in FY15

In India, Coffee Board has estimated production to grow 13.1% during the current crop year

World coffee production in the ongoing 2014-15 crop year is set to decline 2.9 per cent to 141 million bags, compared to 145.2 million bags in 2013-14. The drop is attributed to drought in Brazil, the world's largest producer of beans.

According to International Coffee Organization (ICO), apex body of producing countries, the ongoing recovery in Colombia, with improved management of coffee leaf rust in Central America, is expected to mitigate the loss of Arabica. In terms of Robusta, production in Vietnam is provisionally expected to remain strong, while a significant drop is anticipated in Indonesia, given the recent low export volumes.

Production of Arabica in Brazil will be six million bags lower in 2014-15, compared to 2013-14, ICOsaid in its latest report quoting Brazilian crop forecasting agency, Conab.

In India, the sixth largest producer in the world, the Coffee Board's post-blossom forecast has pegged bean production to grow 13.1 per cent to 344,500 tonnes, compared to the final production of 304,500 tonnes in 2013-14. Meanwhile, prices slipped back in November, as widespread rains in Brazil curtailed any further price rise. All group indicators decreased, although this was less noticeable in the case of Robusta, ICO said.

The monthly average of the ICO composite indicator settled on 162.17 US cents per lb (pound), 6.2 per cent lower than the October average but higher than that of September. In terms of daily prices, the ICO composite hit a low of 158.06 cents on November 7, 2014, rising to 167.83 cents on November 19, which was significantly lower range than in previous months. Price volatility was also noticeably calmer in November, with a monthly average of 6.6 per cent, the year's lowest, ICO added.

Total exports in October 2014 came to 8.9 million bags, half a per cent higher than the previous year. For the first 10 months of this calendar year (2014), total exports were 0.7 per cent higher at 95 million bags, compared to 94.3 million a year ago.

Exports have been particularly strong from Brazil (up 15.9 per cent), Colombia (up 16.6 per cent) and Vietnam (estimated to be up 25 per cent), although estimated exports from Indonesia are less than half their level a year ago.

In terms of consumption, early indication for calendar year 2014 shows mixed messages. According to Eurosat figures, net imports into the European Union (EU) from January to June 2014 were 1.1 per cent lower than 2013, amounting to 22.6 million bags in the six-month period. "This is likely a reaction to the economic situation in many European countries. However, it should be noted this data is provisional and could be subject to revision," ICO said.

Demand in the US and Japan, on the other hand, seems to be increasing relatively strongly, it noted.

In other importing countries, preliminary data suggest that net imports into Turkey have risen significantly. Continued growth is also expected in most emerging markets in 2014, with the possible exception of Russia. Likewise, in exporting countries, full data is not yet available, but initial expectations are that demand will continue to grow at a strong rate in most producing countries. Again, this will be affected by economic growth prospects, ICO added.

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Govt to make food adulteration penalty more severe

task force set up to revisit current legislation to give its report in 45 days

NeW DeLhi: Laws to prevent food and milk adulteration will be made more stringent and a task force set up to revisit the current legislation has been asked to give its report in 45 days, Health Minister J P Nadda informed Lok Sabha Monday.

" We propose to comprehensively review the Food Safety and Standards Act, Rules and Regulations to address the concerns of courts in matters relating to food adulteration and the numerous representation received from food business operators." " It is also proposed to revisit the punishment stipulated for milk adulteration and make it more stringent," Nadda said, responding to Calling Attention by P V Midhun Reddy (YSR Cong) and Satyapal Singh (BJP).

Amid concerns voiced by law- makers over the " slow poison" in the form of food adulteration, unregulated use of pesticides and antibiotics, especially in poultry products, Nadda termed it as " serious health hazard" and said government will strengthen manpower and infrastructure to tackle the challenge.

" Time has come to revisit current laws. Two days ago, we formed a task force. It will give its report in 45 days," he said, adding that a mechanism has to be developed which is continuous so that it could deal with the problem even as new means of adulteration are reported.

Noting the growing burden of non- communicable diseases (NCD), he said contaminated food items are a reason behind it.

The poor implementation of the existing Food Safety and Standards Act was also a problem, Nadda said, blaming state governments for it.

Reddy and Singh said almost everything consumed by people from water to milk and food products were contaminated.

They expressed concern over the use of oxytocin injection to make cows produce more milk and demanded swift action to curb the menace.

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Inflation hits zero level

NEW DELHI: Declining prices of vegetables and fuel items pulled down the inflation to zero level in November, the lowest in about five and half years, exerting pressure on RBI to cut rates to boost growth.

The Wholesale Price Index (WPI) based inflation was at 1.77 per cent in October and 7.52 per cent in November 2013.

As per data released by the government today, the WPI inflation remained flat mainly on account of falling prices of vegetables, especially onion, edible oil, petrol and diesel.

In view of the moderation in WPI in- flation, which has been on declining trajectory for six months, the industry has stepped up its demand for a rate cut.

The Reserve Bank has maintained a status quo in interest rate since January.

The RBI factors in retail inflation while formulating its monetary policy.

In its policy earlier this month, RBI Governor Raghuram Rajan had hinted at a rate cut early next year if inflation continued to decline and government took steps to contain fiscal deficit.

Food inflation, which is on decline since May, fell to nearly three year low of 0.63 per cent.

Inflation in fuel and power segment fell 4.91 per cent, the lowest level since 2009.

This is probably the first time when WPI inflation has hit the exact zero level.

The last time WPI was lower than this was (-) 0.3 per cent in July 2009.

Onion price contracted 56.28 per cent as compared to a contraction of 59.77 per cent in October. In case of vegetables, the contraction was 28.57