

Heralding the festival of farmers



SWEET PONGAL: Sugarcane being harvested at Navinipatti near Melur in Madurai district.— Photo: S. James

Farmers warned of severe drought this year

NAMAKKAL, January 3, 2014 - The recorded rainfall in 2012 is the lowest in 28 years

The district is likely to face drought due to poor rainfall recorded in 2013. Statistics collected from the Agrometeorological Advisory Services (AAS), functioning under the Tamil Nadu Veterinary and Animal Sciences University (TANUVAS), shows that a mere 514.5 mm rainfall was recorded in Namakkal district, last year.

“The average annual rainfall recorded in Namakkal district is 900 mm. Only 502 mm rainfall was recorded in the district in 2012 – the lowest rainfall recorded in 28 years in the district. The 12.5 mm improvement in rainfall in 2013 has made this year record the second lowest rainfall in 29 years in this district.

Very poor showers for two years in succession will make the situation worse for farmers,” A. Natarajan, Head of AAS said.

He told *The Hindu* that in 2013 Namakkal recorded 12.5 mm rainfall in the winter, 50.5 mm in the summer, 224.4 mm in the Southwest and 227.1 mm in the Northeast monsoon. Rainfall in 2013 was worse than 2012 in the summer and Northeast monsoon spells.

These rains could only help farmers meet their requirements for a few days.

“A drop in monsoon rainfall will reflect with water shortage from February to May”, he added.

Ground water

“Poor rainfall in 2012 saw groundwater level going very low. Farmers who dug bore wells as deep as 1,300 feet could not fetch water.

Only good shower during monsoon could have helped in recharging the underground water table and to manage our crops and cattle better this year. But facing a worse drought this year looks inevitable”, M. Rajan a farmer of Namagiripettai lamented.

AAS officials said that they have already warned farmers of a worse drought in the district, in a meeting that was organised for them about a month ago.

“While we have asked farmers to take a few steps to face the drought and to reduce its impact, we are working on more solutions to help them face the situation better”, officials in the AAS and Krishi Vigyan Kendra added.

Drive away wild elephant damaging crops: farmers



“Mango, sugarcane and banana crops affected”

SRIVILLIPUTTUR, January 3, 2014 -

AGITATION: Farmers staging a protest at the office of Forest Ranger in Srivilliputtur on Thursday.

Farmers laid siege to the office of the Forest Ranger here on Thursday demanding action to drive away a wild elephant which has been damaging crops along the Western Ghats.

The farmers said a five-year-old male elephant had been straying into the farms along Shenbagathoppu and destroying crops. While the officials of the Forest Department were successful in chasing it deep into the forest in the first week of December, the animal returned to the farms recently.

District president of Tamizhaga Vivasayigal Sangam, N. Ramachandra Raja, complained that mango, sugarcane and banana crops raised over an area of 50 acres were damaged on Wednesday night. Following the protest, Wildlife Warden, T.K. Ashok Kumar, arrived at the spot and held talks with the farmers.

The farmers demanded that the animal be chased into the forest within two days.

“Compensation for crops damaged three years back is yet to be disbursed to farmers. In such a situation, we cannot face any more loss,” Mr. Ramachandra Raja said.

Mr. Ashok Kumar promised the agitators that a special team with additional men would be formed to prevent the animal from straying into farm lands.

The farmers also wanted the officials to remove wild boar from the list of protected species so that farmers could hunt them. “The boars travel at least 12 km deep into the farm lands from the forest. Every day, they damage maize, sugarcane, paddy and banana crops. We are not able to kill the boars as it would attract punishment under the Wildlife Act,” Mr.

Ramachandra Raja said.

A forest official said that the young male elephant was not accepted by a herd of male elephants found in the region. “We are trying to unite the elephant with a female elephant so that it does not return to the farms,” the officer said.

‘Elephants destroy 90 acres of crops’

KRISHNAGIRI, January 3, 2014 - Conservator of Forests, Dharmapuri Circle, A.K. Ulaganathan said that herds of wild elephants that are roaming in the Reserve Forest (RF) areas close to the human habitations in the district have destroyed about 90 acres of cultivable land – including 75 acres of agricultural land and 15 acres of area under horticulture – in the last two months.

He said this in a meeting that was organised in the Collectorate here on Thursday to analyse the extent of crop damage by elephants and to work out solutions to put an end to the man animal conflict. Officials from the agriculture, horticulture, revenue and the police departments were present during the meeting that was chaired by the District Collector here on Thursday. According to the Conservator, more than 125 elephants in six herds are roaming in the Reserve Forest (RF) and nearby villages in the district. “It includes about 45 elephants in the Sanamavu RF, 20 in the Noganur RF, 25 in the Thali RF, 20 in the Jawalagiri RF, 10 elephants in the Panai RF area and seven elephants in the Ulipanda RF”, he said. He said that the herds take rest in the RF areas during the day and destroy agricultural lands close to the forest area at night.

“Crops that were mainly destroyed by elephants are ragi, paddy, banana, coconut, tomatoes and cabbage. Compensation to the tune of Rs. 10 lakh was given away to 195 farmers, whose crops were destroyed during the last week of December”, he added.

The Conservator said that recently, efforts were taken to chase away the 45 elephants back to the forest.

“A female elephant gave birth to a baby elephant, making it difficult to chase them. But we have taken efforts to prevent them from entering human habitations”, he said.

“Important among them is to create more percolation ponds in the forest area and to plant three or four tiers of plantations so that elephants can feed in their natural habitat”, he said. He said that the department has suggested rejuvenating the existing ponds and tanks and to provide salt licks .

“There is a need to create more awareness among the people living in the fringe village nears the forest areas on elephants”, he added. The Collector said that the meeting was organised to plan initiatives that must be taken to avert damage to life and property due to the presence of elephants .He made an appeal to the people to stay away from the elephants and to extend their support to the related activities of the forest department.

Farmers plan picketing agitation on January 20

TIRUCHI, January 3, 2014 - Members of the Tamil Nadu vivasayigal sangams affiliated to the Communist Party of India (Marxist), Communist Party of India, the TN Horticulture Crop Producers Association, and like-minded farmers’ organisations will stage a picketing agitation in front of the collectorate in the city on January 20 demanding sanction of compensation for farmers who lost their crops due to drought during 2012-13.

A decision to this effect was taken at a joint meeting of the associations held here on Thursday.

The associations demanded sanction of compensation for banana, coconut, mango, sugarcane and other rain-fed crops which were damaged due to the drought during 2012-13. .

Earlier, representatives of the farmers’ organisations paid floral tributes to a portrait of organic farming expert Nammalvar, who passed away a few days back.

Farm training scheme for youth ends

KALPETTA, January 3, 2014 - : The Yuva Jyothi agriculture training programme, organised by the Rajeev Gandhi Institute of Youth Development in association with the M.S. Swaminathan Research Foundation (MSSRF), concluded here on Thursday.

The three-month programme was aimed at attracting youth to agriculture through innovative farming techniques to promote agriculture.

Though the programme had envisaged training for 600 youth in 12 sessions, it trained 996 youth, including 611 women in 14 sessions, the organisers said.

They were trained in precision farming , agriculture nursery preparation, making value-added products from farm produce such as ginger, coffee, pepper, turmeric, and mushroom cultivation.

TRS leader proves his mettle in farming



Fruit of hard work: TRS president K. Chandrasekhar Rao displaying the coloured capsicum grown in his farm at Erravelli in Medak district on Thursday.- Photo: Mohammed Yousuf

ERRAVELLI (MEDAK DIST.), January 3, 2014 - Telangana Rastra Samithi (TRS) president K. Chandrasekhar Rao tried to make a point or two to his political

detractors, who accuse him of biding time in his farmhouse even in the thick of political activity, by taking media persons on a guided tour to his farm fields here on Thursday. The first impression Mr. Chandrasekhar Rao's farm will leave on a visitor is that he is not just a shrewd politician who knows how to reap political benefits, but also a successful farmer who knows how to harvest riches from the soil. The sprawling 60-acre farm located about 70 km from Hyderabad in this village, 15 km off the Karimnagar highway, portends how success can be replicated in different fields with sincere and committed efforts.

"This (farm) is all what I have to show you all so that my detractors can know how I spend my spare time in fields not just as past-time hobby but as a sincere farmer with an aim to make it big in agriculture by utilising the technological advancements. I would like to present it as a model to the farming community in the neighbourhood so that at least some of them can replicate the success," Mr. Rao said while taking the reporters through his potato fields and coloured-capsicum raised in greenhouses. Stating that there was no respect for farming due to poor returns these days, the TRS chief noted that it could be proved a profitable profession, provided one puts in hard work by following modern techniques. "There is not enough encouragement from the government so that the youth can take to farming these days. Success can be replicated with government assistance in inputs and extension work," Mr. Rao noted. He explained that he had started developing the farm three years ago taking about Rs.3.5 crore loan from a bank and had made about Rs.2 crore income in the first two years. Mr. Rao is expecting over Rs.10 crore income this year from potato crop in 40 acres and coloured capsicum in 10 acres.

Title deeds given to tribal farmers

VIZIANAGARAM, January 3, 2014 - *ITDA to help ryots raise crops*

Integrated Tribal Development Agency will assist tribal farmers who received title deeds as part of the seventh land distribution programme in Kurupam Assembly constituency on Thursday, according to District Collector Kantilal Dande.

After distribution of title deeds for 3,828.34 acres of land to 2,309 tribal farmers in Kurupam, the mandal headquarters, Mr. Kantilal said that the ITDA would help farmers raise fruit-bearing trees, vegetables and other horticulture crops for three years from June. This would ameliorate their living conditions, he felt.

The Collector lauded Sub-Collector Seta Mohanty for keeping title deeds along with copies of adangal, 1B, and D-pattas ready for the distribution programme. The Sub-Collector informed the Collector that arrangements to sanction crop loans to the beneficiary farmers through banks were being considered. Kurupam MLA Janardhan Tatraju thanked the Collector for distributing lands to tribal farmers.

Grama sandarsana

Following the bandh called by Samaikyandhra Parirakshana Vedika on Friday, the re-launch of Grama Sandarsana programme has been cancelled and it will be conducted from Friday next, according to the Collector.

Agricultural insurance scheme

BHUBANESWAR, January 3, 2014 - HDFC ERGO GIC Limited would implement Modified National Agricultural Insurance Scheme (MNAIS) for Loanee and Non Loanee farmers for Rabi 2013-14. The crops to be covered are paddy, groundnut, mustard and potato. The company in a statement said it had been allowed by the State government to implement the programme which would provide insurance coverage and financial support to the farmers in the event of prevented sowing and failure of any of the notified crop as a result of natural calamities, pests, and diseases.

Agriculture mela promotes cultivation of millets

"Millets cultivation dwindles to 10 lakh acres"



GOOD FOR HEALTH: Minister for Agriculture S. Damodaran (right) inaugurating the regional agriculture mela at Killikulam on Thursday. — Photo: N. Rajesh

TUTICORIN, January 3, 2014 - In order to promote the cultivation of millets among the farmers, the Agricultural College and Research Institute (ACRI) at Killikulam organised a regional agriculture mela here on Thursday.

After inaugurating the mela, Agriculture Minister S. Damodaran said the farm area under millet cultivation had come down considerably. Stating the nutritional value of millets, he said the consumers could lead a healthy and disease-free life if they incorporated millets in their daily diet.

He said area under millets cultivation had dwindled to 10 lakh acres, whereas in 1980 millets were cultivated on 34 lakh acres. Due to various factors such as monsoon failure, shrinking farm lands and shortage of labourers, the share of agriculture in the gross domestic product had declined to 1.6 percent.

He pointed out Chief Minister Jayalalithaa was according priority to the agriculture sector and more funds were being allotted to develop infrastructural facilities like cold storage plants to preserve farm produce during the period of surplus.

Modern godowns

To facilitate farmers in the southern region, he said a market complex was being constructed in Madurai at an estimated cost of Rs. 80 crore with necessary facilities.

Besides, 88 modern godowns would be set up at various regulated markets under Rural Infrastructure Development Funds at a cost of Rs. 127.60 crore. Moreover, the farmers had been exposed to integrated farming system at model villages in all blocks across Tamil Nadu and prizes were being given to farmers for high yield of crops.

Referring to other schemes, he said funds of Rs. 13.05 crore had been set aside for the benefit of farmers with 50 percent subsidy to enhance rainfed crop production through latest technology. Farmers were exposed to red gram transplantation technique, for which a sum of Rs. 13.05 crore was earmarked. He said through technology-based education at agricultural colleges, the gap between formal education and practical knowledge would be bridged.

K. Ramasamy, Vice-Chancellor, Tamil Nadu Agricultural University, V. Subramaniam, Dean, ACRI, and Collector M. Ravikumar spoke. Souvenir of the regional agriculture mela, which was recently held in Madurai, was released.

Earlier, the Agriculture Minister along with S.P. Shanmuganathan, Tourism Minister, G.V. Markandeyan, Vilathikulam MLA, Kadambur C. Raju, Kovilpatti MLA, visited the stalls put up by Departments of Agriculture, Horticulture, Agriculture Engineering, Seed Certification and Agriculture Marketing on the premises of ACRI.

Farmers from Tuticorin, Tirunelveli and Kanyakumari attended the mela.

‘Agri friends’ put their hand to the plough



THIRUVANANTHAPURAM, January 3, 2014 - *After an interaction with students, K.P. Mohanan feels need to broaden scope of school farm clubs*

Making a point:A young participant talks to Agriculture Minister K.P. Mohanan at an interaction organised as part of the ongoing fifth Kerala Bala Krishi Shastra

Congress and Agricultural Festival in Thiruvananthapuram on Thursday. The congress will conclude on January 5.

Minister for Agriculture K.P. Mohanan scribbled furiously on a piece of paper, trying to keep up with the pace at which students – as young as six years – got on stage to question and suggest improvements to farm policies.

The Minister appreciated the nature of questions, for they were pertinent and specific – testimony to how invaluable farm activities in schools are proving to be.

The interaction was part of the fifth Kerala Bala Krishi Shastra Congress and Agricultural Festival being organised by the government and the Agri Friends Krishi Samskarika Vedi at the Kanakakunnu Palace here on Thursday. The Congress would conclude on January 5.

In his inaugural address, Mr. Mohanan said the growing presence of schools in such events was a sign that agricultural literacy and awareness among children were on the rise.

The theme for this year's congress explores how 'local-level cultivation can ensure food safety and improve hygiene'.

General queries on improving the research capacity of school-level farming projects were posed along with more specific suggestions regarding the scope for involving local institutions to convert abandoned quarries to fish farms.

S. Amrutha of VVHSS Thamarakulam in Alappuzha was among the students who expressed their ambition to become an agriculture scientist. She said she experimented with natural substances to make an emulsion from papaya fruit.

"It made for a very effective natural pesticide. There are many traditional techniques of this sort but having a forum where the science behind them can be explained will help," she told the Minister.

Since building on research-based activities was a popular demand,

Mr. Mohanan said he would charge Director of Extension of the Kerala Agricultural University P.V. Balachandran to broaden the scope of farm clubs in schools and whether seminars and workshops could be a regular feature.

The Minister said he favoured giving grace marks to students who were part of school farm clubs or the Green Cadet Corps. This was a proposal submitted to the Education Department last year, he said adding that he would pursue the matter again.

Weaving traditional knowledge and hi-tech agricultural methods into the curriculum was another matter under consideration.

He also addressed the students' concerns regarding the dearth of marketing venues.

Considering the successful yield year after year in most schools, often the problem was selling the excess produce, particularly in non-residential schools.

The 'Haritha Village' project was being developed in four panchayats, the Minister said.

Apart from this ambitious project, taluk level platforms for sale would also be developed.

Agri mall to be set up at Nedumangad

THIRUVANANTHAPURAM, January 3, 2014 - An expo of agriculture products and an agri mall for agriculture and dairy products will be set up at Nedumangad this year, Agriculture Minister K.P. Mohanan has said. He was speaking after inaugurating the Vision 2020 farmer's meet and agriculture seminar organised by the Nedumangad agriculture wholesale market here on Thursday.

He said that production, processing and distribution were equally important in the agriculture sector. The aim was to make the State a fully organic agriculture region by 2016, he said. Palode Ravi, MLA, presided. He said that a total of Rs.12.90 crore had been set aside for the development of the Nedumangad wholesale market. Out of this, Rs.10 crore would be spent on setting up the agri mall and Rs.50 lakh for a cold storage and ripening chamber.

Samba harvest to peak during Pongal

THANJAVUR, January 3, 2014 - *TNCSC pays Rs. 1,415 for grade A, Rs. 1,360 for common variety*

Samba harvest has been completed on 1000 hectares in Thanjavur and Tiruvarur districts.

"Harvest is expected to peak during the Pongal festival week," said agriculture department officials.

In Thanjavur district, harvest is in full swing at Orathanadu. The average yield is 7.1 tonnes per hectare in the district.

"The maximum yield is 8.6 tonnes per hectare and the minimum six tonnes," said the officials.

Tamil Nadu Civil Supplies Corporation (TNCSC) has opened 203 Direct Purchase Centres (DPCs) in the district for this samba season.

“The number of DPCs may go up to 400 when the harvest picks up,” said TNCSC officials. Since this kharif season has begun on October 1, 2013, TNCSC has procured 48,000 tonnes of paddy.

As samba and thaladi have been raised on 1,31,000 hectares in the district, TNCSC hopes to procure 3.5 to four lakh tonnes this samba season.

In Tiruvarur district, samba and thaladi have been raised on 1, 44,000 hectares. TNCSC hopes to procure four-lakh tonnes of samba and thaladi this year.

TNCSC has opened 252 DPCs in the district and the number will be increased depending on the need, officials said. TNCSC is paying Rs. 1,415 per quintal for grade A paddy and Rs. 1,360 for common variety. With kuruvai being raised only in pumpset-irrigated areas this year due to lack of canal water, farmers hope to compensate it in samba for which water was released from Mettur dam well in advance.

Biodiversity event at Devarahole

SIRSI, January 3, 2014 - A biodiversity study programme will be held at Devarahole, 10 km from Sirsi town in Yellapur road on Saturday from 10 a.m. The event is being organised by Village Forest committee, Agasal Bomnalli, Shri Sharadamba Rural Development Society, the Forest Department and Vrakshalaksha Andolan. Andolan president Anant Ashisar, green experts Professor B.M. Kumar Swami, Balchandra Sayimane, G.M. Bhat Vajgar, Dr. Shridhar Bhat, Dr. G.V. Hegde, N.B. Naik, scientist T.V. Ramachandra and Deputy Conservator of Forest Yatishkumar will participate in the programme.

Don't confuse GM technology with its marketing: Venki



BANGALORE, January 3, 2014 - Nobel laureate Venkatraman Ramakrishnan speaking to scientists and students at the University of Agricultural Sciences-Bangalore on Thursday.

Urging Indian scientists not to go by the claims of “non-scientists” in Europe who allegedly had a political agenda in opposing the technology for genetically modified (GM) crops, physicist and Nobel laureate Venkatraman Ramakrishnan on Thursday remarked that nothing should prevent India from implementing its own GM model to help its farmers.

Interacting with the scientists and students at the University of Agricultural Sciences-Bangalore, Mr. Ramakrishnan suggested that Indian GM model could focus on developing drought-tolerant varieties besides increasing the nutrient component of grains among other things.

“Most European scientists working in the fields of agriculture and molecular biology, and almost all the scientific societies over there are for GM technology. However, Europe is also witnessing an anti-GM movement which is essentially a political one against MNCs,” he said. He alleged that those who were part of such movements were confusing past problems of the MNCs with the GM technology itself.

“I agree that proper safety tests and field trials are essential to know if there are dangers in GM crops. But it will be a mistake to say that we are not going to use this [GM] technology at all,” he remarked.

Referring to the controversy about GM crops in India, he sought to differentiate between GM technology and the way it was being marketed. “As a scientist I ought to point out that one must not confuse the technology with the way it is being marketed.” He observed that

the opposition was mainly because some of the GM crops required a large quantum of herbicides or that certain toxins produced by GM crops might have adverse ecological consequences.

He urged agricultural universities to educate people about both the benefits as well as the potential problems of new technologies .

Horticulture complex set to serve its purpose



UDHAGAMANDALAM, January 3, 2014 - Having come into being at Charing Cross, a hub on the threshold of this hill station many years ago and served a variety of purposes, the horticulture complex of the Department of Horticulture is all set to showcase the role of horticulture in ensuring the economic well being of the Blue Mountains.

Referred to as the Horticulture Service Centre, the Horticulture Information Centre, and Horticulture Exhibition Centre, the complex had since its inception been used for conducting training programmes, seminars, and exhibitions.

It had played a pivotal role in promoting floriculture in The Nilgiris by housing a flower auction centre under the Agri-Export Zone concept and there was also a move to make it a model floriculture centre. For the last two years, the complex could not serve any purpose relating to horticulture on account of it being converted into a meeting point for functionaries of the ruling party.

With recent developments within the party resulting in a steep reduction in the use of the complex by party functionaries and cadre, it is now getting ready to serve the purpose for which it came into being.

Official sources told *The Hindu* that it would be given a facelift and used not only to promote floriculture but also tourism. Its location was also ideal for organising seminars and meetings.

Water level



The water level in Periyar dam was 114.90 feet with an inflow of 149 cusecs and a discharge of 344 cusecs. Water level in Vaigai dam was 41.21 feet with an inflow of 17 cusecs and a discharge of 60 cusecs. The combined storage in Periyar credit was 2,015 mcft. There was no rainfall recorded in the region during the last 24 hours ending at 8.30 a.m. on Thursday.

Water level in the Papanasam dam on Thursday stood at 84.50 feet (maximum level is 143 feet). The dam had an inflow of 252.11 cusecs and 305.50 cusecs of water was discharged from the dam.

The level of Manimuthar dam stood at 73.88 feet (118 feet). The dam had an inflow of 13 cusecs and 530 cusecs of water was discharged.

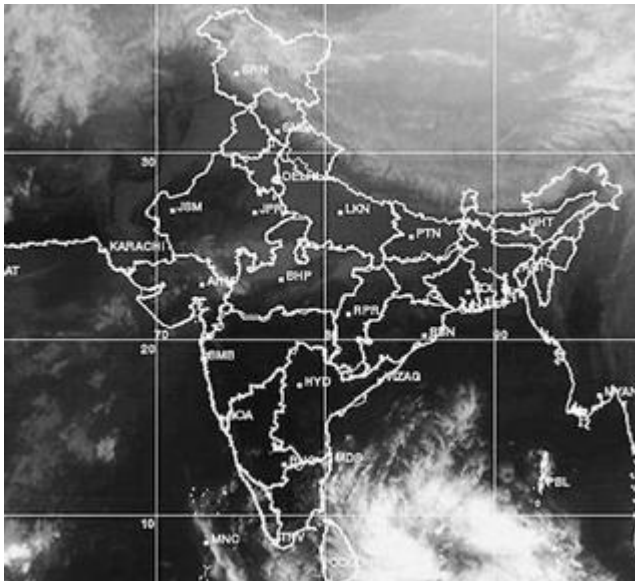
Kanyakumari - The water level in Pechipparai dam stood at 23.35 feet, 52 feet in Perunchani, 13.02 feet in Chittar I, 13.12 feet in Chittar II, 4.50 feet in Poigai and 54.12 feet in Mamabazhathuraiyaru.

The water level in Mettur dam stood at 65.5 feet on Thursday against its full level of 120 feet. The inflow was 1,166 cusecs and the discharge 9,000 cusecs. — Special Correspondent

Egg rate

The NECC has fixed egg rate at Rs. 3.60

Weather



INSAT PICTURE AT 11-30 hrs. Observations recorded at 8-30 a.m. on January 02.

ANDHRA PRADESH

Anantapur	28	18	0	0
Arogyavaram	27	16	0	0
Bapatla	30	17	0	0
Calingapatnam	29	16	0	0
Gannavaram	30	17	0	0
Hanamkonda	31	15	0	0
Hyderabad AP	27	15	0	0
Kakinada	30	18	0	0
Khammam	31	18	0	0
Kavali	28	18	2	2
Kurnool	30	17	0	0
Mahabubnagar	26	15	0	0
Machilipatnam	29	19	0	0
Narasapur	30	18	0	0

Nellore	29	21	0	tr
Nizamabad	30	16	0	0
Ongole	30	19	0	0
Ramagundam	29	13	0	0
Tirupathi AP	29	23	0	0
Tuni	30	17	0	0
Vizag AP	29	15	0	0
Vizag	30	19	0	0

KARNATAKA

Agumbe	29	11	0	0
Bangalore AP	26	15	0	0
Bangalore	26	17	0	0
Bagalkote	29	13	0	0
Belgaum AP	28	15	0	0
Bellary	30	15	0	0
Bijapur	28	11	0	0
Chitradurga	27	15	0	0
Chickmagalur	27	13	0	0
Chintamani	27	15	0	0
Gadag	27	14	0	0
Gulbarga	30	17	0	0
Hassan	29	11	0	0
Honavar	34	23	0	0
Karwar	35	20	0	0
Madikeri	25	12	0	0
Mangalore AP	34	20	0	0
Mysore	28	19	0	0
Mandya	28	16	0	0
Panambur	35	21	0	0
Raichur	29	14	0	0
Shirali	34	21	0	0

KERALA

Alappuzha	33	22	0	0
Kannur	33	22	0	0
Kochi AP	33	20	0	0
Kottayam	35	21	0	0
Kozhikode	35	22	0	0
Punalur	33	20	0	0
Thiruvanantha				
-puram AP	32	23	0	0
Thiruvanantha				
-puram City	34	22	0	0
Vellanikkara	31	24	0	0

TAMIL NADU

Adiramapattinam	29	19	tr	tr
Chennai	29	24	tr	0
Chennai AP	29	23	1	1
Coimbatore AP	29	19	0	0
Coonoor	18	9	0	0
Cuddalore	30	22	0	0
Dharmapuri	29	19	0	0
Kanyakumari	31	23	0	0
Karaikal	29	24	tr	tr
Kodaikanal	17	9	0	0
Madurai AP	31	21	0	0
Nagapattinam	29	25	tr	tr
Palayamkottai	32	21	0	0

Pamban	29	24	tr	tr
Parangipettai	30	24	0	0
Puducherry	30	21	0	1
Salem	31	19	0	0
Thanjavur	29	22	0	0
Tiruchi AP	30	21	0	tr
Tirupattur	30	21	0	0
Tiruttani	30	20	0	0
Tondi	29	21	0	0
Tuticorin	30	21	0	0
Ooty	22	7	0	0
Valparai	27	9	0	0
Vellore	30	21	0	0

LAKSHADWEEP

Amini Divi	31	24	0	0
Minicoy	32	22	0	0

OTHER STATIONS

Kolkata (Alipore)	26	14	0	0
Mumbai	29	22	0	0
New Delhi	18	5	0	0

The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (trace) and total rainfall in mm since October 01, 2013.

DRY WEATHER IN COASTAL ANDHRA PRADESH

CHENNAI: Isolated rainfall occurred over coastal Tamil Nadu. Mainly dry weather prevailed over coastal Andhra Pradesh and dry weather prevailed over interior Tamil Nadu, Rayalaseema, Telangana, Kerala, Lakshadweep and Karnataka.

The minimum temperature appreciably fell at a few places over Telangana, north interior Karnataka, at one or two places over coastal Andhra Pradesh and Tamil Nadu, rose at one or two places over rest Tamil Nadu and changed little elsewhere over the region.

They were appreciably to markedly above normal at one or two places over Tamil Nadu, Rayalaseema, above normal at one or two places over rest Tamil Nadu, Telangana, south interior Karnataka, below normal at one or two places over coastal Andhra Pradesh, Kerala, north interior Karnataka, rest Telangana and were generally normal over rest of the region. Chamrajnagar recorded the lowest minimum temperature of 11 degree Celsius in the plains of the region.

FORECAST VALID UNTIL SATURDAY MORNING: Isolated rain may occur over coastal Tamil Nadu, Puducherry and south coastal Andhra Pradesh. Mainly dry weather will prevail over interior Tamil Nadu, Kerala, Lakshadweep, north coastal Andhra Pradesh, Rayalaseema, Telangana and Karnataka.

Weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Friday, Jan 3

Max 28° | Min 22°

Rain: 0

Humidity: 55

Wind: normal

Sunrise: 06:30

Sunset: 05:52

Barometer: 1014

Tomorrow's Forecast



Partly Cloudy

Saturday, Jan 4

Max 29° | Min 23°

Extended Forecast for a week

Sunday
Jan 529° | 24°
CloudyMonday
Jan 629° | 24°
CloudyTuesday
Jan 728° | 24°
CloudyWednesday
Jan 825° | 24°
OvercastThursday
Jan 925° | 24°
Overcast

THE TIMES OF INDIA

Laser land levelers to save water, increase agriculture productivity

GANDHINAGAR: Having tasted success in south and central Gujarat, the Gujarat government now intends to promote laser land levelers in water scarcity areas of Saurashtra and North Gujarat.

The government is in the process of empanelling the companies supplying this equipment so that 50 per cent subsidy may be given to farmers coming forward to purchase it.

"In another couple of months, we should be able to shortlist the companies and give subsidies under the [Rashtriya Krishi Vikas Yojana](#) (RKVY) and [National Food Security Mission](#) (NFSM)," said an official.

The equipment in question is a laser guided machine that levels an agricultural piece of land accurately so that there is no accumulation or draining out of water. This machine resembling a tractor costs around Rs 3 lakh and farmers purchasing it go on to give it to others on daily rent.

In Gujarat it was initially introduced in sugarcane belt of south Gujarat in 2011 and after its success the farmers in central Gujarat also adopted it.

"There are around 300 such machines that the farmers in these two regions procured after we went to the fields and demonstrated them," said an official.

He said that the aim now is to take it to Saurashtra and north Gujarat in a big way. "These are two regions where there is often the problem of water scarcity and farmers want to make optimum use of water available. Accumulation of water leads to rotting of a plant while scarcity makes it perish. This leveler prevents both," said the official.

Officials said that the use of this machine also improves crop establishment, reduces the problem of weeds, improves uniformity of crop maturity and decreases the time taken to irrigate the field.

It's another feature is that it helps provide uniform moisture to the crops. Officials said that it use reduces consumption of seeds, fertilizers and fuel.

Sources said that in south Gujarat its use led to 30 per cent saving in water that was coupled with 15 per cent increase in productivity.



Counting our chickens

Agricultural GDP is underestimated due to inaccurate non-cereal data.

It started with a mundane question: what is the chicken population in India? There are glaring inconsistencies in the available data. The National Sample Survey Organisation's (NSSO's) surveys show a 20 per cent annual growth of chicken consumption between 2005 and 2010. But according to the Food and Agriculture Organisation (FAO), the production of chicken meat only rose 10 per cent a year during the same period. The FAO figure was still higher than the 7 per cent reported by the animal husbandry department — whose data feeds into the GDP calculations. So we have three different reported growth rates for chicken meat production, and no idea which is correct.

We are not counting chickens to bore you to sleep. Poultry farming, in addition to providing an affordable source of nutrition, could be creating close to a million jobs a year. The arithmetic is surprisingly simple: as per the GDP data, India consumed about Rs 30,400 crore worth of chicken in 2010. If demand was rising at 12 per cent a year, and chicken prices have risen by about 14 per cent every year, the consumption this financial year should be Rs 80,000 crore. This implies there will be Rs 17,000 crore of additional sales just this year. So, across the value chain — that is, feed producers, hatcheries and poultry farmers — more than a million additional people can earn around Rs 250 per working day. If the growth rate of demand were higher, at say 15 to 20 per cent a year, 1.5 to 2 million new jobs would have been created at the same income per day. These growth rates do matter.

Take buffaloes, for example. India exported 1.1 million tonnes of buffalo meat last year to become the largest beef exporter in the world. Buffalo meat exports are expected to grow another 20 per cent this year, which will translate into nearly 13 million buffaloes. This is where the buffalo arithmetic started to confound us. According to the 2007 livestock census, India had 105 million buffaloes, of which 85 million were female and bull calves (either too young to breed or lactating or expecting). One wonders where the buffalo meat came from. If the 2 per cent annual buffalo population growth rate as given in the national accounts was correct, by now we should have run out of them.

What raised our suspicions even further was that the largest increase in buffalo meat exports was from Uttar Pradesh while the national accounts statistics, which feed into the

GDP calculations, do not suggest such rapid growth. We believe that the export data, compiled by a handful of certified abattoirs, is more reliable. On the other hand, counting buffaloes spread across 65,000 villages is less so.

In our view, these inconsistencies in the data point towards under-reported agricultural growth, which in turn implies that the income growth at the bottom of the wealth pyramid is far more sustainable than previously thought. Also, the growth has little to do with high minimum support prices for cereals or the MGNREGA.

Until recently, we did not question the accuracy of the reported agricultural GDP. We were fully aware that 94 per cent of India's agricultural output is informal, not generated by incorporated companies. But because agriculture has been a substantial source of taxes for governments for centuries, we thought the data gathering and output measurements would be accurate. One can, for example, retrieve historical records and calculate paddy yields for 18th century Coimbatore.

But we were wrong. Not because the data on cereals is inaccurate, but because cereals, which were earlier pretty much the only taxed part of agriculture, only account for 20 per cent of India's agricultural output. There is little accurate data for the rest. Categories such as fruit and vegetables (17 per cent) and milk (17 per cent) are almost as important as cereals. In fact, when it comes to the reported incremental growth between 2005 and 2011, cereals contributed only 14 per cent, whereas animal products — including dairy, eggs, meat and fish — contributed 37 per cent, and fruit and vegetables 23 per cent. As discussed earlier, actual growth may have been even higher.

Accurate data collection is a daunting task. How do you count the chicken production in Bagodar near Giridih in Jharkhand? How do you measure the buffalo milk output in the Sector 9 khataal (dairy farm) of Bokaro Steel City? How do you measure the tonnage of tomatoes, cauliflowers and aubergines produced when consumption is almost immediate and storage facilities are limited?

Comprehensive consumption surveys as well as anecdotal evidence suggest that eating habits are changing dramatically: Indians are consuming more fruit and vegetables and animal products, and less cereals. Naturally, demand is met with rising production of these higher-value items, which in turn creates jobs and incomes, further fuelling the demand for these food items. The catalyst for this seemingly endless virtuous cycle, in our view, is the silent transformation brought about by the spread of rural roads, cellphones and the creation of rural economic clusters that we discussed in 'Hope lies low' (IE, April 12, 2013). Given the near absence of good quality, frequently available data, the national accounts team applies intelligent assumptions to estimate this growth. However, given the unprecedented nature of this change, this growth is likely underestimated because their assumptions are based on past trends. Such errors should get corrected in the next GDP series. Among other primary sources of data for this series, the livestock survey was completed in 2012, and its output should be the best available indicator of the scale of the change.

The growth in milk and meat production, and fruit and vegetable farming may have created millions of jobs in the informal economy and lifted many out of poverty. Analyses that solely rely on GDP data would not be able to capture these trends.

While the resilience of this growth is encouraging, it is no excuse for complacency. Astute observers have noted that the one animal farmer that India has for every 75 citizens is among the most inefficient in the world. We must set our aspirations higher. While such growth could result in increased prosperity over the next two to three generations, effective policies and administration could help to deliver it in a shorter timeframe.

The writer is the India Equity Strategist for Credit Suisse

Politics and Potatoes: KCR Unveils the Farmer Inside



According to him, though he had bought the 60-acre land at Erravelli long ago, he could not convert into a farm as he was busy with the Telangana movement.

Who said agriculture is not remunerative? TRS boss K Chandrasekhar Rao, who owns a 60-acre farm at Erravelli in Medak district, says no profession can match cultivation in terms of monetary benefit if done using modern technology.

A political firebrand, Chandrasekhar Rao claims he is doing wonders by adopting modern techniques in cultivation.

On Thursday, the TRS boss spared a few hours to take scribes around his farm and explained what it takes to grow crops.

In complete departure from his regular political avatar, the pink party boss, wearing a cowboy hat, described how he has been trying to prove farming is also a lucrative profession.

On the 60 acres, KCR is now growing potatoes in 42 acres and colour capsicum in 10 acres, using drip irrigation.

He is confident he would get a revenue of `10 crore this year on colour capsicum, whereas he is expecting `1.7 crore on potato.

Like every successful farmer, KCR too was attracted to agriculture during his childhood.

“My father was a farmer. He was considered the most successful farmer in our area (Medak district). Naturally, I also developed interest in agriculture as I grew,” said the TRS boss.

According to him, though he had bought the 60-acre land at Erravelli long ago, he could not convert into a farm as he was busy with the Telangana movement.

However, after his son KT Rama Rao’s return from USA seven years ago, KCR had got an opportunity to make his dream of owning a farmstead a reality.

KCR started doing farming on the land three years ago. During the initial days, he availed agricultural loan from Bank of Baroda.

Rao, who is growing crops using greenhouse technology and drip irrigation method, says at first he had obtained `1.5 crore loan from the bank to set up the greenhouse. He repaid the loan very soon as he made huge profits from the first crop itself.

MECHANISED FARMING

KCR said he would try to implement mechanised farming (which he is adopting on his farm) in Telangana to make the new state a role model for other states. According to him, governments nowadays are not creating awareness among peasants on how to avail bank

loans to implement modern technologies in farming. Hence, after the formation of the T-state, he would try to ensure that the government will encourage greenhouse cultivation. "In the T-state, mechanised farming will be implemented as a pilot project in 20 select villages in every district," he said.

FARMER-WORKER BOND

KCR says mechanised farming, along with modern technics like greenhouse and drip irrigation, allows utilising the total land area, irrespective of proper irrigation facilities. This in turn provides livelihood to workers and develops bonding between farmers and farm labourers. For instance, KCR's farmland is providing livelihood to as many as 60 families of agricultural workers. The TRS boss has provided them free accommodation by constructing quarters in the farmland, apart from purchasing cattle for them with the profit he had got from the crops.

LAND FOR DALITS

Reiterating his promise of providing three acres to each Dalit farmer in the T-state, the TRS chief said he would ensure that the government of Telangana state would provide them training in scientific agriculture methods to achieve large yield.

THE HINDU Business Line

Dearer fruit



Rain-hit: A vendor arranging strawberries at a retail market in south Mumbai on Thursday. Unseasonal rains in Maharashtra during December have affected the crop destroying almost 50 per cent of the crop and leading to short supply. At the start of the season, which stretches from November to March, prices were ruling at Rs 130 a kg. The shortage has resulted in prices now increasing to Rs 225-250. — Paul Noronha

'Tea production in most big gardens has reached a saturation point'



Kolkata, Jan. 2: A steady and judicious investment in tea estates is critical for survival of tea industry, according to M.G.V.K. Bhanu, who recently relinquished charge as Tea Board chairman..

Talking to *Business Line* here prior to relinquishing charge, Bhanu said: "When the going is good, as it is now, tea companies must set aside a sizeable portion of their surpluses for ploughing back in replantation and irrigation".

An officer of the 1985-batch Indian Administrative Service and belonging to the Assam cadre, Bhanu joined as Chairman of Tea Board in November 2011 on a five-year term.

However, he has been called back to Assam on completion of only two years. In the absence of regular investments on maintenance of tea estates, the production of green leaves would

continue to decline putting crop prospects at stake.

Production in a majority of big gardens has virtually reached the saturation point, he said.

"Garden owners in North India must take care of their workers; otherwise there will be shortage of manpower as it has happened in south Indian gardens," Bhanu said.

With alternative opportunities emerging, retaining workers was already proving to be a big challenge to growers in several states, he observed.

As small growers have started playing a crucial role in the country's tea production, accounting for an estimated 35 per cent of the total, a larger allocation of government funds to these growers, in his view, has become imperative to ensure their growth and well-being; more so when the bulk of the projected increase in the country's tea production in the coming years is to come from them.

Tea Board, he felt, would be required to pay more attention to it.

The Board, according to him, should consider larger allocation of funds also for tea promotion in the domestic market.

"The size of the country's annual tea exports has remained virtually stagnant at around 200 million kg for the past half a century or so whereas the domestic demand is booming," he said.

"Every year, an estimated 30 mkg of additional demand is being created within the country.

"However, export will continue to be important particularly for the quality and value-added tea and the focus should be on countries such as the US, Russia, Iran, Egypt and Kazakhstan.

"The opportunities held out by Pakistan should also be carefully explored.

Unfortunately, the production of quality tea is not increasing much because of the drop in plucking standards," he said adding, "the climate change too is posing a major threat".

Pepper loses sting on selling pressure

Kochi, Jan 2: Pepper futures slipped on reports of easier Vietnam market and some selling pressure.

Inter-State dealers from Wayanad and Kozhikode have bought good volumes from primary markets in Kollam, Pathanamthitta and Kottayam districts. They moved the material to Erode in Tamil Nadu. Tax benefits in the neighbouring State are facilitating the trade.

On the spot, 70 tonnes of pepper arrived from several southern and Malapuram districts.

They were traded between Rs 487 and Rs 514 a kg depending upon quality such as bulk density, dryness, area of production, etc market sources told *Business Line*.

Demand from upcountry has strengthened. Inter-State dealers were aggressive and active.

On the NMCE, January and February contracts slipped by Rs 50 and Rs 207 respectively to Rs 52,850 and Rs 52,900 a quintal.

Turnover dropped to 10 tonnes. Net open position remained unchanged at 23 tonnes.

On the IPSTA, January and February contracts fell by Rs 500 and Rs 491 respectively to Rs 52,500 and Rs 51,518.

Spot prices stayed unchanged at Rs 50,100 (ungarbled) and Rs 52,100 (garbled) a quintal.

Export price slid to \$8,650 c&f Europe and \$8,900 a tonne c&f for the US on fall in prices and weak rupee.

Weather concerns to boost coriander



Mumbai, Jan. 2: Coriander futures are seen bullish on the National Commodity and Derivatives Exchange in the next five to six sessions due to concerns over weather amid likely lower acreage for the current season, analysts said.

Coriander yield is likely to be hit by

cloudy weather in the key producer state of Rajasthan. Lesser year-ending stocks in the physical market will also support coriander prices. — **Cogencis**

Time to open up pulses export as production rebounds

Mumbai, Jan. 2: Pulses imports have slowed down considerably following a significant rebound in domestic production this year and softer, consumer-friendly prices.

Compared with 33.6 lakh tonnes of aggregate arrivals during 2012-13 fiscal, imports during the first six months (April-September) of the current fiscal were 14.2 lakh tonnes.

At the current pace of arrivals, total imports during the current fiscal are likely to be lower than 30 lakh tonnes. Currency movements have also played a part in slowing imports.

Rapid weakening of the rupee and its recovery subsequently, albeit partial, in 2013 caught many traders by surprise. The effect of slowing imports is clearly felt in the world market.

Canadian exporters are a little worried over slower pace of shipments.

Canada is India's largest supplier of pulses, mainly yellow pea. Expressing concern, Martin Chidwick of Agrimonde Pulse Inc, Canada, recently enquired: "What is happening in India that has seen our yellow pea shipping slip?" The answer is that chana (gram) harvest in 2013 was a record at 89 lakh tonnes against 77 lakh tonnes a year ago.

No wonder, chana prices have been ruling steady to soft in the last several months.

It is widely believed that flour made out of imported yellow pea is blended with chana flour. Anecdotal reports from traders suggest that offtake in the local market is somewhat sluggish.

Extended South-West Monsoon, excellent subsoil moisture and higher minimum support price have combined to boost rabi plantings.

According to the Weather Watch Group of the Agriculture Ministry, as of December 20, area under various rabi pulses was 126.8 lakh hectares, higher than 121.2 lakh hectares during the corresponding period a year ago.

In particular, acreage under gram or chana (desi chick pea) has increased to 87 lakh hectares against 83 lakh hectares last year. Moong plantings have also reverted to trend at about 2.3 lakh hectares.

Crop prospects appear bright on current reckoning. Rabi harvest has the potential to reach 120-125 lakh tonnes.

With kharif harvest estimated at 60 lakh tonnes, the annual production of pulses may total 180-185 lakh tonnes.

It may, however, fall slightly short of the annual target of 190 lakh tonnes.

With rebound in production and softer prices, the time is most opportune for the policymakers to open up pulses export, even if in a limited way.

Such as open door foreign trade policy (free import and export) will bring multiple spinoff benefits including providing price support to growers, utilisation of idle milling capacity and foreign exchange earning.

The Planning Commission's working group has projected pulses demand for 2013-14 at 217.7 lakh tonnes.

However, the actual demand may turn out to be higher because of rising rural incomes, consumer-friendly prices and current low per capita consumption.

Pineapple prices drop over 80% as winter bites N. India demand



Excess production this season adds to growers' woes

Non-contaminated fruit: Demand from within Kerala has been increasing substantially for nearly a year.

Kochi, Jan. 2: Excess production and low demand from upcountry States due to winter have dragged pineapple price to below one-fifth of the record price.

One kg of Kerala's 'Vazhakulam' pineapple, which has got a geographical indicator tag, is now sold at Rs 10, a huge fall from the record high of Rs 52 it touched some four months ago.

largest producer

Kerala is one of the largest producers of pineapple and a majority of the produce is exported to northern and western States.

There has been excess production this season, pineapple farmers say, mainly because of increased productivity.

Besides, more small farmers are now taking to pineapple cultivation due to higher prices as well as increased demand for the 'Vazhakulam' fruit.

lower offtake

However, due to cold conditions prevailing in northern States, the demand is now low. Demand usually falls during winter.

The Pineapple Farmers Association points out that around 900 tonnes of pineapple come to the wholesale market every day and around 80 per cent of them are exported to other States as well as abroad.

During the peak season, 80-90 truckloads of pineapple leave Kerala for Maharashtra, Karnataka, Tamil Nadu and other States.

But currently, this has come down to 40-50 trucks a day. However, demand from within Kerala has been increasing substantially for nearly a year.

The low price of pineapple compared to other fruits, which are mostly imported from other States, is said to be the main reason for the rise in local consumption.

There is also a general fear about imported fruits — apple, grape, guava, green bananas — as they are suspected to contain harmful pesticide residues. Pineapple is considered relatively free of pesticide residues.

Baby John, a farmer who cultivates pineapple in leased plots of land, told *Business Line* that in order to break even, a farmer needs to get Rs 15-16 a kg.

John, an association functionary, however, hopes the price would start rising once cold conditions ease in North India.

Support price for jute hiked to Rs 2,400/quintal

New Delhi, Jan 2: The Centre has hiked the minimum support price (MSP) for raw jute by Rs 100 a quintal to Rs 2,400 for the 2014-15 season. The Cabinet Committee on Economic Affairs on Thursday approved the higher MSP for TD-5 grade of jute at Rs 2,400, an official statement said. In order to incentivise farmers for production of higher grades, the premiums for TD-3 and TD-4 varieties will be maintained at 20 per cent and 8 per cent, respectively, in relation to the price of TD-5. The Jute Corporation of India will continue to act as the nodal agency to for price support operations.

Sugar output down 29%

New Delhi, Jan. 2: Sugar production till December-end in the current 2013-14 season stood at 57.39 lakh tonnes (lt), some 29 per cent lower than 80.32 lt during the same period a year ago.

The lower output, so far, is mainly on account of delayed start of crushing operations by mills due to the sugarcane pricing issues. About 476 mills have started crushing operations in the current season that began in October, against 499 in the corresponding period last season, according to the Indian Sugar Mills Association (ISMA). Total sugar production in the country is expected to be 250 lt in this season.

Maharashtra, one of the top sugar-producing State, has so far, produced 22.14 lt against 29.07 lt last year. About 154 mills have started crushing operations against 161 mills in the western State. Uttar Pradesh has so far produced 11.3 lt, some 42 per cent lower.

In Karnataka, the output is estimated at 12 lt, 26 per cent lower than last year.

In Andhra Pradesh, the output is lower by 18 per cent at 2.52 lt, while in Tamil Nadu production is down 58 per cent at 1.5 lt.

ISMA said sugar output in Tamil Nadu is expected to be lower than last year due to the lower cane availability.

With Tamil Nadu announcing unreasonably higher cane price, it remains to be seen how it impacts cane crushing further in the State, ISMA said.

Jeera turns fragrant on export inquiries



Rajkot, Jan 2: Jeera prices increased by 2.51 per cent on the futures market on good export demand. Spot jeera prices also gained.

On the NCDEX, jeera March contracts increased by Rs 351 to Rs 12,850 a quintal with an open interest of 7,128 lots.

NCDEX April contracts gained Rs 255 at Rs 12,900 with an open interest of 1,917 lots.

Analysts said that fresh positions taken

by speculators, following rising demand in the spot market, mainly pushed up futures price; but expectations of higher output capped the gains.

At the Unjha mandi of Gujarat, jeera traded higher by Rs 15-17 at Rs 2,450-2,600 for 20 kg. The average price of jeera was Rs 2,200-2,400.

In Rajkot, jeera was up by Rs 15 at Rs 2,100-2,340.

With sowing being reported higher in the growing States of Gujarat and Rajasthan and weather being conducive for the crop growth, the uptrend may be limited.

Traders anticipate exports to rise in coming months amidst reports of lower production in Turkey and Syria.

Latest reports from the Spices Board peg exports at 67,500 tonnes up by 93 per cent in volume and value during April-September 2013 compared with the same period a year ago.

Ample supplies dissolve sugar



Mumbai, Jan 2: Sugar prices on the Vashi wholesale market for S-grade dropped by Rs 18 a quintal at the lower end and increased by Rs 9 at the higher end.

But price for M-grade declined by Rs 10 and Rs 24 a quintal on either side, respectively, on Thursday on routine demand and supply.

As supply is ample and producers are continuously selling, the market is unlikely to see any sharp uptrend this month, said wholesalers.

A Vashi-based wholesaler said: "Despite start of the new month, the local demand has not improved due to ample stocks lying with stockists.

On the other hand, mills are continuously selling as they have to cope up with peak

production.

Heavy carryover stock and higher production this year weigh on the market. In the absence of demand from neighbouring States and exports, millers are forced to offload their produce in local markets.

"Arrivals at Vashi market were 58-60 truckloads (of 100 bags each) while local dispatches were 52-54 loads. On Wednesday, about 18-20 mills sold 85,000-90,000 bags at Rs 2,650-2,750 (Rs 2,640-2,740) for S-grade and Rs 2,730-2,960 (Rs 2,720-2,980) for M-grade. On National Commodities and Derivatives Exchange, February-14 was Rs 2,790 (Rs 2,790), March-14 was at Rs 2,798 (Rs. 2,797) and April-14 was at Rs 2,818 (Rs 2,816). **The Bombay Sugar Merchants Association's spot rates were:** S-grade Rs 2,832-2,981 (Rs 2,850-2,972) and M-grade Rs 2,941-3,162 (Rs 2,951-3,186). **Naka delivery rates were:** S-grade Rs 2,800-2,880 (Rs 2,800-2,880) and M-grade Rs 2,900-3,075 (Rs 2,900-3,075). **Uttar Pradesh rates were: Muzzafarnagar Rs 3,180.**

Stockists stay away from edible oils market



Mumbai, Jan 2: Poor demand kept spot edible oils market under pressure on Wednesday.

On the domestic futures market, volatility continued for the third consecutive day on aggressive buying and selling.

In Mumbai, groundnut, soyabean, sunflower and palmolein ruled unchanged. Slack demand forced local refineries to offer discounts of Rs 2-5 for palmolein to attract buyers but the

response was poor.

Rapeseed and cotton oil declined by Rs 2 and Rs 5 for 10 kg, respectively.

Sources said that stockists have bought enough quantity of edible oils in advance and the futures market has been volatile in the last 3-4 days. Hence, they kept away from taking further risks.

Towards the day's close, Liberty quoted palmolein at Rs 576 for weekly delivery and Rs 578 for January, super palmolein at Rs 600, super deluxe palmolein at Rs 620, soyabean refined oil at Rs 655 and sunflower refined oil at Rs 710.

Ruchi quoted palmolein at Rs 575 for January 10, Rs 577 for January 20 and Rs 578 for whole January; soyabean refined oil Rs 648 and sunflower refined oil Rs 675 for January.

Allana quoted palmolein at Rs 579 for January 10 and Rs 580 for whole January; soyabean refined oil Rs 650 and sunflower refined oil Rs 680.

Resellers were quoting palmolein at Rs 573 ex-JNPT.

In Rajkot, groundnut oil declined further by Rs 20 to Rs 1,240 for *telia* tin and loose (10 kg) by Rs 10 to Rs 790 (Rs 800).

Soyabean arrivals were 2.75 lakh bags and prices were Rs 3,675-3,850 in Madhya Pradesh and Rs 3,850-3,925 plant delivery.

Vikram Global Commodities (P) Ltd quoted Rs 645/10 kg for Malaysia super palmolein January delivery.

Malaysia BMD crude palm oil's settled lower by 11 ringgits. February contracts ended at MYR 2,639 (MYR 2,649), March MYR 2,649 (MYR 2,659) and April at MYR 2,652 (MYR 2,662).

The Bombay Commodity Exchange spot rates (Rs/10 kg) were: groundnut oil 800 (800), soya refined oil 648 (648), sunflower exp. ref. 630 (630), sunflower ref. 675 (675), rapeseed ref. oil 733 (735), rapeseed expeller ref. 703 (705) cottonseed ref. oil 605 (610) and palmolein 575 (575).

Hand-to-mouth buying likely in rice market



Karnal, Jan 2: The rice market witnessed a steady trend with prices of aromatic and non-basmati rice ruling flat on Thursday, despite restricted trading. With not much buying taking place in the market, rice prices were unchanged, said Amit Kumar, proprietor of Ginni Rice. Following steady domestic demand and easy availability of stocks, retail and bulk buyers are placing orders based on their requirement, he added. According to the trade experts, the market may see only hand-to-mouth buying and prices may rule with marginal fluctuation in the coming days.

In the physical market, Pusa-1121 (steam) sold at Rs 8,400-8,500, while

Pusa-1121 (sela) quoted at Rs 7,500 a quintal. Pure Basmati (Raw) quoted at Rs 12,500. Duplicate basmati (steam) sold at Rs 7,300. Sharbati (Steam) sold at Rs 4,800, while Sharbati (Sela) was quoted at Rs 4,500. Permal (raw) sold at Rs 2,300, Permal (sela) at Rs 2,350, PR-11 (sela) sold at Rs 3,100 while PR-11 (Raw) was at Rs 2,950. PR14 (steam) sold at Rs 3,200.

Paddy Arrivals

About 14,000 bags of Pusa-1121 arrived at the Karnal Grain Market Terminal. Around 5,000 bags out of total arrivals went for Rs 4,100-4,200 a quintal while the rest of the stock remained unsold.

Hopes of higher output drag mustard



Indore, Jan 2: Favourable crop report, sluggish demand continued to drag prices of mustard and its oil.

Mustard oil has declined by Rs 5 in the last one week to Rs 667 for 10 kg in Indore.

Plant deliveries of mustard oil for Jaipur line ruled at Rs 3,660-3,665 a quintal (down Rs 10 from last week) on slack demand.

Weak demand and buying also dragged mustard and raida prices in Indore mandis. Prices have dropped by Rs 100 a quintal in the last one week. Mustard was quoted at Rs 4,700-4,800, while raida ruled at Rs 3,000-3,100 in the physical market.

With the area under mustard rising and weather favourable for the crop, prospects for mustard and its oil appear bearish.

Mustard production this year is expected to be around 75 lakh tonnes against 68 lakh tonnes last year. Besides, adequate carryover stock will also keep prices of mustard and its oil on leash, said Vinod Choudhary, a local broker.

Arrival of mustard seeds across the mandis in country on Thursday was recorded at 60,000 bags (85,000 bags last week) with Rajasthan leading with 35,000 bags.

(This article was published in the Business Line print edition dated January 3, 2014)

New turmeric crop to hit markets by week-end



Erode, Jan 2: The new turmeric crop is expected to arrive in Erode markets before the end of the week. "Though growers did not get remunerative price for their produce last year following poor sales, they have raised turmeric in large tracts of land. Fresh Number 8 variety turmeric will arrive for sale in a day or two. Last year, due to the adverse weather conditions the area under turmeric declined. But many farmers sunk bore wells and

cultivated turmeric to fetch a better price. If the fine variety arrives for sale, traders will quote a higher price," said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

On Thursday, farmers were hoping that prices will increase and at least 75 per cent of the produce on offer would be bought. So, they brought 2,500 bags. Traders also quoted higher price, though only medium and poor quality were on offer. Only 45 per cent of the offerings was bought.

The hybrid variety increased by Rs 400 due to arrival of medium quality and other varieties were up by Rs 150-250 a quintal.

At the Erode Turmeric Merchants Association sales yard, the finger variety fetched Rs 4,506-5,969 a quintal; the root variety Rs 3,864-5,469.

Salem Hybrid: The finger variety was sold at Rs 5,489-6,459; the root variety Rs 4,703-5,617 a quintal. Of the 491 bags that arrived, 98 were sold. At the Regulated Market Committee, the finger variety quoted Rs 5,619-6,099 and the root variety Rs 5,019-5,934. Of the 829 bags on offer, 753 were traded.

At the Erode Cooperative Marketing Society, the finger variety fetched Rs 5,038-6,139 and the root variety Rs 5,310-5,960. All the 493 bags put up for sale found takers. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 4,569-6,072; the root variety Rs 4,290-5,611. All the 92 bags were sold.

Business Standard

Sugar output declines 29% in first quarter

Sugar output declined 29 per cent in the first three months of the current sugar year (October–September), thanks to a delay in [crushing](#) activities in [sugar mills](#) across the country.

The Indian Sugar Mills Association ([ISMA](#)) said total sugar production stood at 5.74 million tonnes (mt) in the first quarter of the current season, as compared to 8.03 mt in the corresponding period last year. Sugar mills have stepped up crushing operations, narrowing

down the deficit in the current season's output. By December 15, the production deficit was reported at 50 per cent.

Sugar mills across the country started operations towards the last week of November, more than two weeks late from the normal crushing season due to the rift between the government and the mill owners over cane prices for the current year.



However, [sugarcane](#) crushing picked up pace towards the end of December after 476 mills started operations, though this is 23 less than last year's figure, said ISMA.

In terms of number of sugar mills, Maharashtra topped the list with 154 sugar mills processing about 21.7 mt of sugarcane so far this year. Last year, 161 mills in the state processed about 27.8 mt of sugarcane. Sugar output in the state recorded at 2.21 mt this year as against 2.91 mt in the corresponding period last year.

Sugar output in Uttar Pradesh stood at 1.13 mt with 119 mills remaining operational. Total of about 12.88 mt of sugarcane has been crushed with 8.75 per cent recovery. There is a 42 per cent dip in the sugar production this year. However, 122 sugar mills were operational last year.

Karnataka and Andhra Pradesh reported 0.12 mt and 0.25 mt of sugar output respectively this year so far.

ISMA predicted this year's sugar production to be at 25 mt, almost similar to the last year's.

Amul plans to sell liquid milk in US in a year

Americans will soon be able to have [Amul milk](#) for breakfast. [Gujarat](#) Co-operative Milk Marketing Federation ([GCMMF](#)), which markets milk and [dairy](#) products under the Amul brand, plans to launch liquid milk in the [US](#) within a year.

Besides, GCMMF has ambitious plans to export milk products from the US to neighbouring Canada as well as countries in Europe in the long-run. "There is definitely a plan to launch it (liquid milk) in the US market. However, it would take some time," said R S Sodhi, managing director of GCMMF. Exports to Canada can start soon, while exports to the European countries can take a while, he added.

GCMMF is all set to start manufacturing ghee (clarified butter) and paneer (cottage cheese) at a plant in New Jersey from February this year. Kaira ([Anand](#)) District Cooperative Milk Producers Union Ltd (Amul Dairy) has entered into an agreement with a local manufacturing plant owned by a non-resident Indian to start manufacturing.



Already, Amul has tied up with a local cooperative dairy to procure milk for processing. In the long run, it can also opt for buying directly from local dairy farmers. Sodhi said: "We would pay at par with the prevalent rates in the US. Procurement prices in the US are more or less at a similar level as that in India."

Initially, it would require around 50,000 litres of milk a day. It plans to make around five tonnes of ghee a day and two

tonnes of paneer a day in the first phase, and eventually add products such as lassi, yogurt, shreekhand, besides scaling up production for ghee and paneer based on demand.

“We usually export ghee from here to the US, but it takes around one-and-a-half month to reach. Also, while there is a promising market for paneer in the US, both for households and restaurants, we cannot export from here as it is a perishable commodity,” said R K Srivastava, managing director, Amul Dairy. Amul plans to start selling fresh dairy products in US market in a few months and liquid milk in a year’s time ,he added.

According to Srivastava, no additional investment would be required for launching liquid milk. The local manufacturing unit already has the capacity to make paneer and has invested close to \$2 million for manufacturing ghee.

Amul plans to sell its products in markets such as New Jersey, New York, Boston, which have a significant Indian population. “There are around four million Indians in the area, together with around five million south Asians like Pakistanis and Bangladeshis. It is like catering to cities like Mumbai, Delhi which have a huge population,” Srivastava said.

With four million Indians (around one million families approximately) consuming even one kg of dairy product, the demand can reach 1,000 tonnes in a month from households alone. The locally made products would also be 10-15 per cent cheaper than Amul products imported from India as there is a 20 per cent duty.

Cardamom up by 0.7% on rising demand

[Cardamom](#) futures extended gains for the second straight day with [prices](#) surging 0.74% to Rs 682.40 per kg as speculators enlarged their positions tracking firming trend at spot market on rising demand.

Further, tight stocks position in the physical market following less arrivals from producing regions also supported the uptrend.

At the [Multi Commodity Exchange](#), cardamom for delivery in January gained Rs 5, or 0.74%, to Rs 682.40 per kg in business turnover of 160 lots.

Similarly, the spice for delivery in February traded higher by Rs 1.90, or 0.27%, to Rs 704.70 per kg in 45 lots.

Analysts said speculators enlarged their positions, tracking a firm trend at spot market on rising demand against tight supplies from producing regions, mainly helped cardamom prices to extend gains for the second day at futures trade.

Crude palm oil down 0.2% on low demand

[Crude palm oil](#) continued to slide for the third straight session by losing 0.25% to Rs 552.50 per 10 kg in futures trading today owing to weak demand in the spot market against adequate stocks position.

At the [Multi Commodity Exchange](#), crude palm oil for delivery in January declined further by Rs 1.40, or 0.25%, to Rs 552.50 per 10 kg in business turnover of 132 lots.

Similarly, the oil for delivery in February weakened by 30 paise, or 0.05%, to Rs 557.10 per 10 kg in 3 lots.

Analysts attributed the fall in crude palm oil futures to weak demand in the spot markets against adequate stocks position.

Jeera up 2% on rising demand

[Jeera](#) prices gained 2% to Rs 12,897.50 per quintal in futures trade today as speculators indulged in creating fresh positions driven by rising demand in the spot market.

However, expectations of higher output limited the gains.

At the [National Commodity and Derivatives Exchange](#), jeera for delivery in April gained Rs 252.50, or 2%, to Rs 12,897.50 per quintal with an open interest of 1,719 lots.

Similarly, the spice for delivery in March traded higher by Rs 250, or 1.99%, to Rs 12,785 per quintal in 7,059 lots.

Analysts said fresh positions created by speculators driven by rising demand in the spot market mainly pushed up jeera prices at futures trade but expectations of higher output capped the gains.

Potato down 0.6% on low demand, higher supply

Continuing its losing streak for the third straight session, [potato](#) prices fell by 0.63% at Rs 969.80 per quintal in futures market today as speculators offloaded their positions due to low demand.

At the [Multi Commodity Exchange](#), potato prices for delivery in March lost another Rs 6.10, or 0.63%, to Rs 969.80 per quintal in a business turnover of 54 lots.

Likewise, potato for delivery in far-month April traded lower by Rs 5, or 0.52%, to Rs 959.80 per quintal in 11 lots.

Analysts said speculators trimmed positions owing to low demand in the spot market against higher supplies from producing belts pulling down potato prices at futures trade.

Basmati rice export to Iran reaches record high

India's agriculture and processed [food exports](#) to [Iran](#) have more than doubled both in value and quantity terms, in the last one year, mainly on account of an exceptional surge

in [Basmati rice](#) exports. Consequently, this year India's export of Basmati rice export to Iran could be highest conceivable past.

In value terms, India's Basmati rice exports to Iran increased by 137%, or nearly three folds, while in terms of quantity it increased by 77%, between April and September 2013 and 2014, data from Agricultural and Processed Food Products Export Development Authority ([APEDA](#)) show.

"This year there has been a great surge in Basmati rice exports to Iran. While the quality of rice exported from India has improved, there could be other reasons for the rise in exports. It might be the reason that the Iranian government wants to stock up their inventory of rice," said R Sundaresan, Executive Director, All India Rice Exporters Association.

After US sanctions against Iran, India's export to Iran had suffered a setback. However, with Iran being a key oil supplier to India, both countries reached a new payment mechanism in 2012. Under the method, 45% of India's crude payments were made in rupees through UCO Bank.

The rupee resources were being used for making payments for Indian export. Thus, with Iran unable to procure food grains from other countries, India's rice export has witnessed a surge in volume.

About 85% of India's agriculture and processed food exports to Iran are on account of Basmati rice, which was affected after the US sanctions.

Between April and September 2013, India's total food exports to Iran was valued at Rs 7104 crore, against Rs 3043 crore in the same period last year, a rise of nearly 133%, according to Apeda. In terms of quantity, the amount of exports increased by almost 104% between April and September this year over the same period last year.

However, India's brisk export to Iran may be checked by the recent deal of six major countries (US, France, Germany, Britain, China and Russia) and Iran to ease Iran's nuclear plans in lieu of temporary relief over sanctions.

Basmati rice export to Iran (April-September)

Year (April-September)	Quantity (MT)	Value (Rs crore)
2013-14	851,859	6,166
2012-13	481,328	2,601
2011-12	301,746	1,450
2010-11	179,658	802
2009-10	263,433	1,588

Consumption growth gives relief to groundnut oil mills

Growth in [consumption](#) has given some relief to the groundnut mills of [Gujarat](#) which are back to functioning normally after almost two years. The reduction in prices of [groundnut oil](#) by around 36 per cent has led to the growth in demand.

According to industry sources, the price difference between groundnut oil and other [edible oils](#) has reduced and as a result consumption has increased almost 40-50 percent in past

two months.

"Due to higher groundnut production in Gujarat, availability of raw material for crushing has improved for groundnut oil mills which, in turn, decreased the price of the oil almost 36 per cent as compared to last year", said Samir Shah, president of Saurashtra Oil Mills Association (SOMA).

Last year, at this time, refined groundnut oil was traded at Rs 2,250 for a 15 kg tin, an all time high price.

At present, however, groundnut oil price is ruling at around Rs 1,440-1,450 for a 15 kg tin, which is a drop of around 36 per cent or Rs 800 per tin in a year's time. Similarly, loose groundnut oil prices have decreased from Rs 1,310 per 10 kg to Rs 775 per 10 kg. Samir Shah said, "With the drop in prices, people who had diverted to other edible oils, mainly cotton seed oil, are now back to groundnut oil. This has increased the consumption of the oil in past two months."

Before Diwali, hardly 50-70 tonnes were traded per day and now demand has crossed over 250 tonnes per day.

There are about 200 groundnut oil mills in Gujarat. However, since the last two years hardly 40-50 mills were in working position due to lower production of groundnut and higher prices reducing the demand of the commodity. Moreover, good export of peanuts had created scarcity of groundnut for crushing.

With increase in demand now more than 150-175 mills are in working.

Ravjibhai Mandanaka, president of Gondal Oil Mills Association said, "Main reason for higher consumption is price difference between groundnut oil and other edible oils." Difference between groundnut oil and cotton seed oil is about Rs 350 per 15 kg tin now which was about Rs 1160 per 15 kg earlier. The industry insiders said that average groundnut oil production is about 200,000 tonnes per annum which may increase to over 300,000 tonnes per year because of good groundnut production. SOMA has predicted 2.40 million tonnes kharif groundnut production in Gujarat for this year which is almost three times higher as compared to last year's 800,000 tonnes.

Egg prices in Andhra may drop after February

[Egg prices](#) in [Andhra Pradesh](#), a major producer in the country, are expected to stabilise at the current Rs 350-390 level for every 100 units (farm-gate) for the next two months.

After remaining stable at Rs 280-325 (farm-gate) for the last 4-6 months, prices breached this range in December. At the retail level, they are much higher at Rs 4.50-5 a piece now.

This comes against the onset of higher annual winter consumption demand in the state and in other parts of the country and higher input costs. As usual, every year, starting from November to mid-February the consumption of eggs goes up in the country.

However, this year, besides the usual consumption demand, farmers in the state had to pass on the increased costs of production in essential feedstock including soymeal and maize. The two agri commodities constitute around 75 per cent of the production cost.

The prices of soyabean and maize, after the fixation of minimum support price (MSP) of Rs 2,500 and Rs 1,300 per quintal, are currently available at Rs 3,300 and around Rs 1,600 per quintal.

"In the last three years, the prices of these commodities went up by 65 per cent and 50 per cent after including their MSPs. This has resulted in industry losses for the three-year period for small and marginal farmers," said AP Poultry Federation president D Sudhakar. The losses per layer bird stood at Rs 100 in the last 20-months due to factors including weak demand and higher costs, he added.

According to him, farmers get meaningful price only during these 3-4 months. For the rest of the year, their prospects depend upon market demand and bird diseases among other factors. "For the industry to sustain production at the current costs, farmers should get anything above Rs 335 for every 100 units," said a layer bird farmer in Ranga Reddy district.

The state poultry federation expects moderation in prices only from February.

AP produces 70 million eggs per day, which is equivalent to one-third production of the country. Around 50 per cent of this is consumed within the state and the rest is marketed to Maharashtra, Odisha, West Bengal and Northeast. On average, a farmer invests Rs 600 each in the 90 million birds in the state.

A senior official at the zonal office of National Egg Coordination Committee (NECC) here said: "The prices are a true reflection of the actual costs incurred by farmers." The average NECC price for the Jan-Dec period stood at Rs 311 per 100 units and the December average stood around Rs 380.

However, despite all the gloom surrounding the sector, the state government recently passed a GO for providing 50 per cent subsidy in unit power consumed by the farmers. The subsidy is for the period December-March 2014. After this, the tariff would depend on the long-term power purchase agreements inked by the APGenco.
