THE HINDU

Tur and cane farmers urge State to protect their interests

Tur and Sugarcane farmers of the State taking out a rally in Bijapur on Thursday.— Photo: Rajendra Singh Hajeri

BIJAPUR, January 10, 2014 - Members of Tur and Sugarcane Growers Action Committee took out a protest rally in Bijapur on Thursday urging the government to protect the interests of tur and sugarcane farmers.

In a memorandum submitted to the government through the district administration, the committee said owing to the Union government's decision to grant 15 per cent exception on import duty on tur, domestic producers of the grain were suffering an enormous loss.

It said big traders were importing sub-standard tur — while getting exemption benefits, they sold the same tur in India at a higher price, which went against the interest of tur growers of the country.

Demanding the government to first withdraw the exemption and impose 30 per cent import duty on all traders who import tur, the memorandum said that only such a move would help local farmers make some profit.

Opposing the government's move to offer Rs. 5,000 per quintal minimum support price to tur, the agitators said the M.S. Swaminathan committee report had suggested the government to offer at least Rs. 6,450 per quintal for tur.

Though the protestors welcomed the government's decision of opening a tur procurement centre in Bijapur district also, they urged the State to earmark at least Rs. 100 crore for a Tur Development Board.

The memorandum said as per the government order, each farmer could sell only 20 quintals of tur at the centre. They demanded the government to increase the quantity to at least 50 quintals which would allow the even bigger farmers to sell tur at the centre. They also urged the government to relax the norms in procuring tur from farmers at procurement centres.

The memorandum said despite the government directing sugar factory owners to pay Rs. 2,650 per tonne to farmers in a single instalment, several factory owners to violating the order.

The memorandum urged the government to cancel licenses of such factories. They also urged the government to impose 30 per cent import duty on traders importing sugar.

Allotment for agriculture poor: panchayat chief

Palakkad district panchayat presidentT.N. Khandamuthan inaugurating Polima-2014 at the Stadium bus stand ground on Thursday.

The low priority given by the State Planning Board to agriculture in the annual plan will affect food production in the State, District Panchayat president T.N. Khandamuthan has said.

Inaugurating a five-day-long Polima-2014 Agriculture-Flower Exhibition at Stadium bus stand ground here on Thursday he said the State Planning Board had allotted 50 per cent of the plan fund for infrastructure development. The productive sector, including agriculture, was given just the remaining 50 per cent.

Mr. Khandamuthan said the District Panchayat had increased its annual allotment for agriculture sector from Rs.10 crore toRs.15crore in the 2014-15 annual plan. The district panchayat had also increased the subsidy for paddy farmers from Rs.2,500 to Rs.4,000 per hector.

He said in an agriculture-dominated district like Palakkad where half of the paddy of the State was produced from its nearly one lakh hectors of and, priority should be given to agriculture

Presiding over the function, District Collector K. Ramachandran said agriculture was facing serious crisis in Kerala due to change in climate, increasing number of farmers leaving agriculture, declining profit from cultivation etc.

He said more investment should be brought to agriculture. The sector needed “money, mind and manpower” for its development as a major vocation, the Collector said.

To bring more people to agriculture, subsidy and incentives would have to be increased. The dairy sector also should attract more people since it was also part of agriculture sector, the Collector said.

The Principal Agriculture Officer K. Ajithkumar presented the agriculture plan for the district.

Ten farmers were given award for their contributions for the development agriculture at the function.

Agriculture festival

THRISSUR, January 10, 2014 - Makarakoithu, an agriculture festival organised by Paatasala in association with the Kerala Folklore Academy, Thanal and the Save Our Rice campaign, will be held at Arangottukara, near Wadakkanchery on Friday, Saturday and Sunday. Seminars on agriculture, exhibitions and theatre performances will be held as part of the festival. P.K. Biju, MP, will inaugurate the festival. K. Radhakrishnan, T.N. Prathapan, Mullakkara Ratnakaran, and V.T. Balram MLAs will participate in the programme.

Uzhavar mandram opened

CHIDAMBARAM, January 10, 2014 - Registrar of Annamalai University N. Panchanatham inaugurated a ‘uzhavar mandram’ at Kanchivai near Kumaratchi recently. He said that cooperation of people was a must for development of villages. He hoped that the mandram would take up issues concerning farmers as well as residents and strive for improving their lot.

Cattle shandies allowed to function again in Erode

ERODE, January 10, 2014 - *Closed following outbreak of Foot and Mouth Disease*

The district administration has permitted opening of cattle shandies that were closed last November following outbreak of Foot and Mouth Disease (FMD).
Cattle shandies at Karunkalpalayam in Corporation limits and in other places in the district would start functioning with effect from January 10, in the interests of the farming community, District Collector V.K. Shanmugan said in a press release.
A ban on functioning of the cattle shandies was imposed on November 12, 2013, in the wake of deaths of FMD-affected cows, and the district administration also set up check posts at Bannari, Kodumudi and Vengamedupudur to curb transport of cattle.
To bring FMD under control, the Animal Husbandry Department conducted special camps in villages to vaccinate the affected animals.

Immunised

So far, 3.59 lakh heads of cattle in the district have been immunised against Foot and Mouth Disease, the release said.
Local bodies where the cattle shandies function have been instructed to monitor the shandies for the next two months.
Likewise, the district administration has advised buyers at the shandies to buy animals only after ruling out FMD symptoms, and to keep the newly-bought animals isolated for 15 days before integrating them with the rest of the herd for grazing.
Calves over four months must be vaccinated. The sixth round of free vaccination would be conducted throughout the district during the first week of March, the release said.

- ***Ban on functioning of cattle shandies was imposed on November 12 last year***
- ***Local bodies have been asked to monitor functioning of shandies for two months***

Tomato price plummets to Rs.2 a kg in Krishnagiri

KRISHNAGIRI, January 10, 2014 - *We are not getting even the production cost, say farmers*

Tomatoes being graded at the Royakottai wholesale market on Thursday.–Photo: N. Bashkaran.

Spurt in production of tomatoes in the neighbouring states of Andhra Pradesh and Karnataka has affected the local market in Krishnagiri and Dharmapuri districts.
R.K. Nanjappa, owner of a tomato auction centre in Royakottai told *The Hindu* that the prices of tomato in Royakottai, Palacode and Hosur markets started plummeting from mid-December and it would continue until February mid week, when the tomato arrival from Mysore and Andhra Pradesh would considerably come down.
Vegetable traders from Chennai and Kerala preferred the tomatoes from Andhra and Mysore. Hence the price in the local markets has drastically reduced and is now priced at Rs.2 a kg.
‘618, Siva and Sagar’ were the favourite varieties in the market. Good quality tomatoes of these varieties were sold at the auction for Rs. 80 to Rs. 100 for a 25 kg plastic tub.
The small sized tomatoes in these varieties were sold for Rs. 50 to 60 per tub. The other varieties produced in the district were 505, 106 and 501.
Tomatoes from Royakottai and Palacode markets are purchased by the traders from Kumbakonam, Aranthangi, Pudukottai, Salem and Dindigul.

S. Venkatraj (40) , a farmer of Alasatti village near Denkanikottai said that farmers are not getting even the cost of production. A farmer has to spend Rs. 40,000 per acre including plucking charge of Re. 0.50 per kg. The farmers have to spend Rs. 15 per plastic tub of tomato (25 kg) for transportation from the field, Rs. 10 as commission charge at the auction centre and pay Rs. 2 per tub to the auction centre per day.

"If one has to calculate the expenses, farmers are not getting even the production cost'' said Mr. Venkatraj.K. Ramamurthy of the same village, who has cultivated tomatoes in four acres, has decided to utilise them for cattle in his field instead of spending on additional expenses for transportation.

Mr. Nanjappa said that five vegetable auction centres are functioning in Royakottai. The daily arrivals were around 7000 plastic tubs (25 kgs) which are auctioned here. More than 1000 people are directly and indirectly employed here such as in loading, unloading, segregating of tomatoes, stacking in plastic tubs and so on, he added.

V. Narayanan, partner of a vegetable auction centre said that besides tomatoes, other vegetables are brought here for auction. The rates of vegetables sold through action in the market per kilo were as follows :Chow Chow between Rs. 3 to 5, Carrot Rs. 12-16, Brinjal Rs. 2.50, Green Chilly Rs. 8-12, Beans Rs. 12-15, Avarai Rs. 5-8 and Cabbage per gunny bag Rs. 80-120.

Water Level

Madurai - The water level in Periyar dam stood at 114 feet on Tuesday with an inflow of 161 cusecs and a discharge of 344 cusecs. The water level in Vaigai dam was 40.72 feet with an inflow of 5 cusecs and a discharge of 60 cusecs. The combined storage in Periyar credit was 1,830 mcft. The rainfall recorded in the region during the 24 hours ending 8.30 a.m. on Thursday was (in mm): Thekkady – 19, Uttamapalayam -3, Vaigai Dam -1.6, Manjalaru Dam-4, Sothuparai – 2, Sathiyar Dam -3, Melur-3, Madurai- 3, Pulipatti – 6.2 and Kodaikanal recorded 14 mm rainfall.

The water level in Mettur dam stood at 59.78 feet on Thursday against its full level of 120 feet. The inflow was 620 cusecs and the discharge 6,000 cusecs.

Water level in the Papanasam dam on Thursday stood at 88 feet (maximum level is 143 feet). The dam had an inflow of 4,173.10 cusecs and 394.75 cusecs is discharged from the dam. Level of Manimuthar dam stood at 75.20 feet (118 feet). The dam had an inflow of 4,077 cusecs and no discharge.

Community radio should focus on social development : Sarath Kumar

R. Sarath Kumar displaying the flex banner of the VIT Community Radio at the VIT University in Vellore on Thursday.Photo : C. Venkatachalapathy

Community radio should focus on programmes aimed at development of the society and youth, who form a large chunk of India's population, said R. Sarath Kumar, film actor, Tenkasi MLA and president of the All India Samathuva Makkal Katchi (AISMK).

Inaugurating the VIT Community Radio (CR) 90.8 and the Multimedia and Animation Studio at the VIT University here on Thursday,

Focus of agriculture

Mr. Sarath Kumar said that if the youth enamoured by professions such as engineering, medicine or acting, neglect agriculture, , then famine is not far away in India.

The community radio should be effectively used for addressing the problems of agriculture and the eco-system.

Deploring the suicidal tendencies among the youth who tend to take the fatal decision when they face failure in exams or love, the AISMK leader said community radio should air programmes which would properly guide the youth.

The scope for animation was higher in India, with the entertainment industry deciding to spend Rs.65,000 crores on animation in the next few years, he said.

Guidance from media

G. Viswanathan, VIT Chancellor who presided said that radio and television should not confine themselves to entertainment programmes but should provide useful messages to the public.

They should play an effective role in weaning youth away from taking a wrong path.

K. Chidambaram, Director, VIT CR said that the VIT CR, named as `VIT Panbalai 90.8' would initially target the villages around the University and broadcast three hours of informative radio programmes daily.

It will inject the participatory culture in the minds of youth and children with more informative programmes.

This will act as a platform to improve the communication skills of the students and provide a better understanding of current social scenario by enabling them to produce and participate in the programmes which will include interactions with the community people for their empowerment.

Studio

A studio has been set up at a cost of Rs.40 lakhs for the community radio.

The Multimedia and Animation Studio has been set up at the School of Information Technology & Engineering (SITE) at a cost of Rs.75 lakhs with advanced infrastructure on an area of about 1800 square feet.

The studio will be a practical arena for the students of B.Sc. Multimedia and Animation. It would also provide high end training sessions in the areas of drawing, graphic designing, web designing, 2d animation, 3D modelling, architectural visualisation, game designing & development, 3D animation, visual effects, video production and composting, he said.

Sankar Viswanathan, Sekar Viswanathan and G.V. Selvam, VIT Vice-Presidents spoke. V. Sankaran, Dean, SITE welcomed the gathering.

Scents of the soil

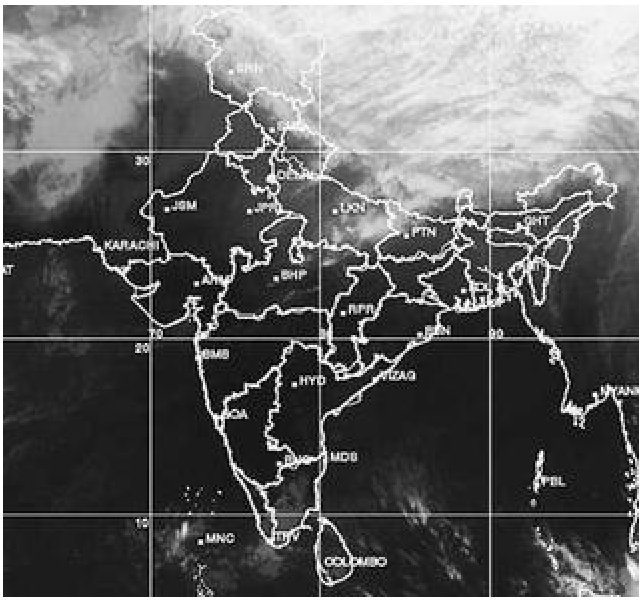
SHOPPING For the harvest festival, Sankranti, Grameena Angadi presents indigenous weaves and organic ellu-bella

Grameena Angadi, as part of its endeavour to protect and promote the handlooms of Karnataka, has a special sale for Sankranti. This unique shop in Jayanagar, which stocks indigenous products of the State works with close connection with the farmer and the weaver. The shop not only has traditional weaves and handicrafts of Karnataka but they also have organic products.

As a run up to Sankranti, they have a new stock of saris from all over the State and offer a 20 percent discount on them. You will find saris in stunning colours and range from –

Bagalakote, Koppala, Dharwad, Hubli, Gadag, Bijapur and more. They are even selling freshly harvested, organic “ellu-bella”. Apart from this, they have bedspreads, razhais, kurtas for men, women and children.
A packet of “ellu-bella” will be given to all those who pick a sari at the store. The sale is on till January 20.
Grameena Angadi is locate on 11th Main, 4th T Block, Jayanagar. For details, call 9448324727, or email:grameena_angadi@yahoo.co.in

Weather



INSAT PICTURE AT 11-30 hrs. Observations recorded at 8-30 a.m. on January 09.

ANDHRA PRADESH				
Anantapur	30	17	0	0
Arogyavaram	29	17	0	0
Bapatla	29	18	0	0
Calingapatnam	27	19	0	0
Gannavaram	31	20	0	0
Hanamkonda	30	17	0	0
Hyderabad AP	29	18	0	0
Kakinada	30	22	0	0
Khammam	31	19	0	0
Kavali	29	19	0	2
Kurnool	31	18	0	0
Mahabubnagar	28	17	0	0
Machilipatnam	29	21	0	0
Nandyal	30	17	0	0
Narasapur	30	22	0	0
Nellore	31	22	0	1
Nizamabad	32	17	0	0
Ongole	31	20	0	0
Ramagundam	31	15	0	0
Tirupathi AP	31	19	0	0
Tuni	31	21	0	0
Vizag AP	29	21	0	0
Vizag	29	21	0	0
KARNATAKA				
Agumbe	32	10	0	0
Bangalore AP	27	15	0	0
Bangalore	28	16	0	0

Bagalkote	32	13	0	0
Belgaum AP	30	14	0	0
Bellary	32	15	0	0
Bijapur	30	15	0	0
Chitradurga	30	17	0	0
Chickmagalur	29	15	0	0
Chintamani	31	—	—	—
Gadag	30	16	0	0
Gulbarga	32	17	0	0
Hassan	29	11	0	0
Honavar	36	21	0	0
Karwar	36	19	0	0
Madikeri	27	15	0	0
Mangalore AP	35	21	0	0
Mysore	29	16	0	0
Mandya	30	16	0	0
Panambur	36	21	0	0
Raichur	30	19	0	0
Shirali	32	19	0	0
KERALA				
Alappuzha	32	25	tr	0
Kannur	34	23	0	0
Kochi AP	32	23	tr	0
Kottayam	32	23	0	0
Kozhikode	33	25	0	0
Punalur	29	22	tr	tr
Thiruvanantha				
-puram AP	25	22	7	10
Thiruvanantha				
-puram City	25	22	8	13
Vellanikkara	33	26	0	0
TAMIL NADU				
Adiramapattinam	26	22	2	12
Chennai	30	23	0	tr
Chennai AP	29	21	0	1
Coimbatore AP	30	22	0	0
Coonoor	21	13	3	3
Cuddalore	30	21	0	tr
Dharmapuri	28	18	0	0
Kanyakumari	25	22	53	85
Karaikal	27	25	2	7
Kodaikanal	13	11	14	17
Madurai AP	25	23	2	10
Nagapattinam	28	25	1	7
Palayamkottai	25	22	10	26
Pamban	26	25	3	42
Parangipettai	30	23	0	0
Puducherry	30	21	0	1
Salem	29	19	0	0
Thanjavur	27	22	0	1
Tiruchi AP	28	21	tr	tr
Tirupattur	29	18	0	0
Tiruttani	31	19	0	0
Tondi	25	23	11	43
Tuticorin	27	22	12	20
Ooty	21	10	0	0
Valparai	28	14	0	0

Vellore	29	20	0	0
LAKSHADWEEP				
Amini Divi	33	26	0	0
Minicoy	31	25	2	2
OTHER STATIONS				
Kolkata (Alipore)	24	11	0	0
Mumbai	31	22	0	0
New Delhi	21	7	0	0

The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (trace) and total rainfall in mm since January 01, 2014.

DRY WEATHER

IN A.P.

CHENNAI: Northeast monsoon has been vigorous over south Tamil Nadu.

Rainfall occurred at many places over south Tamil Nadu. Isolated rainfall occurred over north Tamil Nadu and Kerala. Mainly dry weather prevailed over Lakshadweep and dry weather prevailed over Andhra Pradesh and Karnataka.

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

They were above normal at one or two places over Telangana, coastal and north interior Karnataka, Kerala, Tamil Nadu, below above normal at one or two places over rest Tamil Nadu and were generally normal over the rest of the region.

Bidar recorded the lowest minimum temperature of 12 degree Celsius in the plains of the region.

Weather Forecast Valid Until Saturday Morning: Rain or thundershower would occur at a few places over Lakshadweep. Isolated rain or thundershowers may occur over south Tamil Nadu and Kerala. Mainly dry weather will prevail over north Tamil Nadu, Puducherry and Andhra Pradesh and Karnataka.

hindustantimes

Weather

Chennai - INDIA

Today's Weather

Clear

Friday, Jan 10

Max Min

29° | 23°

Rain: 0
Humidity: 78
Wind: normal

Sunrise: 06:33
Sunset: 05:57
Barometer: 1015

Tomorrow's Forecast

Clear

Saturday, Jan 11

Max Min

29° | 23°

Extended Forecast for a week

Sunday	Monday	Tuesday	Wednesday	Thursday
Jan 12	**Jan 13**	**Jan 14**	**Jan 15**	**Jan 16**
29° | 23°	29° | 23°	29° | 23°	28° | 23°	28° | 23°
Partly Cloudy	Clear	Clear	Clear	Sunny

The Indian EXPRESS

Exotic blossoms, now homemade

Rahul Gupta stands amid gerbera plants in his poly house in Jalandhar. (Express)

Summary - Non-traditional flower varieties take root in Punjab, but farmers wish they had more help from govt.

Exotic flowers such as gerbera, carnation and lilium, so far imported, are now being grown in Punjab under a poly house farming scheme of the National Horticulture Mission, which grants 50 per cent subsidy on the cost of planting and setting up the poly houses.

Around the world, carnations and liliums are in demand for the preparation of bouquets, while gerbera is popular in decoration. Punjab's tradition has been marigolds, sunflowers and gladioses. Now farmers have tried an Indo-Israel technique in poly house farming and the experiment has clicked with the non-traditional varieties despite the odds — extreme weather and hardly any financial support from the government. Himachal Pradesh and Haryana gives comparatively large subsidies over and above the 50 per cent subsidy under NHM.

The NHM scheme has been available for four or five years in the state but few took to it initially because of a high initial cost. Until three years ago, Punjab had just a couple of floriculture poly houses; now, nearly 25 poly houses have come up, most of them in 2013. Another 20 poly houses are under construction.

Under the scheme, two types of poly houses about three to four metres high are being set up in Punjab. Called "naturally ventilated" and "hi-tech poly house employing sand-and-pad system", these seek to maintain the temperature between 25 and 30°C, which is ideal for full bloom. Most of Punjab's poly houses are of the "naturally ventilated" kind. The flower beds, made as long as desired, are separated by pathways 1 to 1.5 feet wide for easy movement and drainage.

"The construction and plantation cost for a 1,000 sq m, naturally ventilated poly house is around Rs 9.35 lakh while the cost for a hi-tech one the same size is Rs 14.65 lakh. NHM provides 50 per cent subsidy on both types of poly houses," says horticulture director Dr Lajwinder Singh Brar. "Apart from this, growers have to spend on labour, pesticides, fungicides themselves."

A 2,000 sq m unit can fetch a net income of Rs 4-5 lakh, which translates into Rs 8-12 lakh per acre per year, while a farmer barely makes Rs 50,000 per acre in wheat or paddy cultivation. "Floriculture units save on groundwater as drip irrigation is used here, increase the productivity of land and also fulfil the government's objective of encouraging diversification," says Dr Lajwinder.

The flowers can be planted round the year but in Punjab this is done mostly during September-October. Gerbera and carnations are three-year crops. The first flowers come three months after plantation and these are high-cash crops, says horticulture development officer Dr Lal Bahadur. "Farmers can recover their entire investment within two years if they are able to get a good market."

"It's a wonderful business and I extended it from one acre to three, opening three poly houses one acre each, in the past two years," says Rahul Gupta. "But in Punjab, the cost is high compared to costs in Haryana and Himachal Pradesh. The returns on investment in the first season are 50 to 55 per cent there, against 30 to 40 per cent in Punjab. Apart from NHM subsidies, those state governments too provide subsidies."

Kulwaran Singh Atwal, vice president of the Punjab Poly House Owners' Association, has a 1.25-acre (4,500 sq m) polyhouse in which he started growing gerberas one-and-a-half years ago. Winner of the "innovative in diversified farming" award from Punjab Agriculture University, Ludhiana, he also grew liliums and carnations but found these needed power supply round the clock to maintain the right temperatures amid Punjab's extremes.

"Gerberas can be grown in a naturally ventilated poly house throughout the year, though production is low in extreme winter," says Atwal. "For carnations and liliums, we need hi-tech poly houses where the temperature is maintained by running foggers every half-hour during extreme summers. That is possible only if we get power round the clock."

Manjit Singh, who has started gerbera cultivation and whose family owns four poly houses on 8,000 sq m, says he cultivated even carnations for two years by setting up a hi-tech unit on a half-acre plot in Jugral village in Jalandhar. He says they need government support in marketing as well as re-plantation after every three years, not just a one-time subsidy, pointing out that plantation of gerberas on 1,000 sq m costs Rs 1.5 to 2 lakh.

Atwal says the market for these imported varieties is good in Punjab but only during the wedding season; otherwise the major market is Delhi.

Apart from poly house floriculture, Punjab has 2,060 hectares currently under commercial floriculture and these produce 10,055 tonnes fresh and cut flowers.

Like Gupta, Atwal stresses the need for state subsidy. "We are getting 50 per cent subsidy from NHM but to be in competition we need subsidy from the Punjab government too," Atwal says. "Haryana provides 15 per cent and Himachal Pradesh 90 per cent. Haryana even gives subsidy for drip irrigation. Punjab farmers are investing 50 per cent while those in Haryana and Himachal are investing just 35 and 10 per cent for growing same varieties. They can afford to charge less than Punjab farmers do in markets such as Delhi… Even Bihar is giving 90 per cent subsidy."

Gupta suggests the government open tissue culture labs to provide bulbs to farmers who are now getting these from Bangalore and Pune at high rates.

Though a poly house survives many years, the net and the poly shee
ts need to be replaced after some years and the government should provide subsidy on that too, farmers say.

- See more at: http://indianexpress.com/article/india/india-others/exotic-blossoms-now-homemade/#sthash.iZb1N2rX.dpuf

THE HINDU Business Line

Downtrend continues in pepper

Kochi, Jan. 9: Pepper prices continued to drop on slack demand. Upcountry demand weakened following the severe cold in most north Indian States, market sources told *Business Line*.

They said that in the overseas markets, particularly in the US, the cold snap has affected trading activities, as buyers stayed indoors. Availability continues to be thin. The material currently being traded is from the southern districts of Kerala and is of low bulk density containing high moisture.

On the spot, 10 tonnes of pepper were traded. Inter-State dealers bought fresh pepper at Rs 493-503 a kg. On the NMCE, January and February contracts fell by Rs 195 and Rs 703 a quintal, respectively, to Rs 51,505 and Rs 51,000. Turnover decreased to 8 tonnes.
Net open position declined to 21 tonnes.
On the IPSTA, January and February contracts fell by Rs 500 and Rs 1,000 a quintal, respectively, to close at Rs 49,000 and Rs 47,518 a quintal. There were no sellers and buyers quoted very low prices. No transaction took place.
Spot prices fell further by 200 a quintal to close at Rs 49,300 (ungarbled) and Rs 51,300 (garbled).

Arecanut production cost up 30%

Mangalore, Jan. 9: Arecanut's cost of production has increased by over 30 per cent since 2010, according to a study by the Mangalore-based Arecanut Research Development Foundation (ARDF).
An expert committee set up by the foundation in 2013, has fixed the production cost of white arecanut at Rs 168 a kg and red arecanut at Rs 197 for 2012-13. The committee's report in 2010 had fixed the production cost of white arecanut at Rs 114 and red arecanut at Rs 148.
Another committee was set up in 2013 as arecanut growers sought revision in the cost of production.
Committee's Chairman G.V. Joshi, professor at the Nitte-based Justice K.S. Hegde Institute of Management, told *Business Line* that the labour and input costs have gone up significantly over the years.
Joshi, who headed the committee in 2010 too, said the previous report was the basis for this one also.
Quoting the field work done by his team members, he said the labour cost has gone up significantly from 2010 to 2013.
Stating that the skilled labour in arecanut sector is in short supply, he said a skilled labour commanded around Rs 750 a day in 2012-13 against Rs 400 in 2009-10.
The lack of skilled labour was the main complaint from farmers when the committee members conducted the study, he said. The cost of manure, which was Rs 20 a plant then, has gone up to Rs 40 a plant.
The cost of copper sulphate has gone up from Rs 100 a kg in 2009-10 to Rs 180 in 2012-13, he said. Farmers spray copper sulphate solution to arecanut plants to guard them from fruit-rot disease. The committee has taken a broad view of the sector while accommodating various regional variations before coming out with the cost study, he said.
The production cost for 2013-14 will be studied separately as farmers suffered huge production loss due to fruit-rot disease in plantations during the Monsoon, he said.
K. Padmanabha, President of the Central Arecanut and Cocoa Marketing and Processing Cooperative (Campco) Ltd and Trustee of ARDF, said that the report would be submitted to the Karnataka Government soon.
A Web site will be launched soon to give a clear picture on the benefits of arecanut, he said.

Spot rubber declines further

Kottayam, Jan.9: Spot rubber declined further on Thursday. The market opened steady but lost ground on late trades following reports from domestic and international trendsetters. The absence of buyers, in the local markets kept the sentiments, under pressure, during closing hours. Meanwhile, latex (60%) shed the overall gains partially on buyer resistance after improving continuously for the past couple of sessions.

Sheet rubber dropped to Rs 156.50 from Rs 157 and Rs 158 a kg respectively, according to the Rubber Board. The grade quoted weak at Rs 153.50 (Rs 155).

January futures concluded the session at Rs 156 (Rs 155.46), February at Rs 158.49 (Rs 158.04), March at Rs 161 (Rs 160.51), April at Rs 164.50 (Rs 164.56) and May at Rs 167 (Rs 165.64) for RSS 4 while June futures remained inactive on the National Multi Commodity Exchange.

RSS 3 (spot) declined to Rs 147.62 (Rs 149.02) at Bangkok. January futures closed at ¥265.5 (Rs 157.12) on the Tokyo Commodity Exchange. **Spot rubber rates Rs/kg**: RSS-4: 156.50 (157); RSS-5: 148 (149); Ungraded: 144 (145); ISNR 20: 155 (156) and Latex 60%: 133 (135.50).

Cashew exports value rises 25% in H1

Kochi, Jan 9: Cashew kernel exports are likely to be higher during the current financial year with shipments in the first half increasing 18 per cent in volume and 25 per cent in value.

Exports increased as cashew usage grew world over and its prices were lower than other tree nuts, according to sources. Sasi Varma, Executive Director and Secretary, Cashew Export Promotion Council of India (CEPCI) told*Business Line* that during April-November 2013, total shipments were 80,196 tonnes valued at Rs 3,346.14 crore at a unit value of Rs 417.24 a kg.

Against this, exports during the same period a year ago were 67,771 tonnes valued at Rs 2,673.39 crore at the unit value of Rs 394.47 a kg.

He said imports of raw nuts in April-November this fiscal were lower at 6,28,224 tonnes valued at Rs 3,439.79 crore at the unit value of Rs 54.75 a kg. (6,97,235 tonnes valued at Rs 4,133.17 crore at the unit value of Rs 59.28 a kg).

Due to the market being dull for kernel in the last two month and high raw cashew nut prices, about 10 per cent higher than the kernel parity, many processors have run out of stocks or cut processing so that stocks last longer.

Lower raw cashew buying in the last two months could also result in a rush to buy the 2014 crop, especially if there is any large kernel buying in the next few weeks. This could lead prices continuing to rule high.

Range of offers were $1,000-1,200 a tonne for West Africa (2013 crop); $1,250-1,350 for Indonesia; $1,200-1,300 for Mozambique and $1,425-1,450 for Tanzania.

The Northern crop, which constitutes over 75 per cent of the world production, is good this year.

Coffee exports may increase on demand rebound from Europe

Shipments up 37% since October; re-exports too rise

New Delhi, Jan. 9: The pick-up in coffee exports since October will help shipments in the current fiscal exceed last year's levels, says the Coffee Board. Coffee exports in 2012-13 stood at 2.98 lakh tonnes.

"Exports have picked up since October and we expect total shipment in the current financial year to cross last year's levels," said Coffee Board Chairman Jawaid Akhtar.

He was speaking to reporters after announcing the launch of the fifth edition of the India International Coffee Festival to be held in Bangalore during January 21-25.

The stability in prices witnessed in recent months coupled with the rebound in demand from traditional buyers in Europe is seen aiding exports.

Since October, coffee exports are up 37 per cent at around 66,264 tonnes against last year's 48,346 tonnes in the same period.

However, since April shipments in the current fiscal are up 6 per cent at 2.22 lakh tonnes against 2.09 lakh tonnes in corresponding last year.

"Exports of value-added and instant coffees have risen sharply in recent years, resulting in higher margins and realisations," said J.S. Deepak, Additional Secretary, Commerce Ministry.

Re-export of coffee has also picked up and is likely to exceed last year's level of 90,000 tonnes in 2013-14. Akhtar said domestic consumption continues to rise at 5-6 per cent annually, driven by both in-home and out-of-home consumption.

Domestic consumption is estimated at around 1.2 lakh tonnes. The rising popularity of chains such as Café Coffee Day, Barista Lavazza and Costa Coffee among the younger generation has made coffee drinking more fashionable.

Anil Bhandari, Chairman of the India Coffee Trust, said the coffee festival is expected to attract over 1,000 delegates, including from overseas. Every alternate edition of the bi-annual event would be organised in the producing region, mainly Bangalore, Bhandari said.

The previous edition of the coffee fest was held in Delhi in 2012.

CCEA okays hike in import duty on refined edible oils

New Delhi, Jan. 9: The Cabinet Committee on Economic Affairs (CCEA) has approved the hike inimport duty on refined edible oil imports to 10 per cent from 7.5 per cent at present, Information and Broadcasting Minister, Manish Tiwari, said here on Thursday.

The hike will expand the duty differential between imports of crude oil and refined oils to 7.5 per cent from the present five per cent, thereby, protecting domestic refiners and farmers.

Currently, the import duty on crude oil is 2.5 per cent, while the refined edible oils attract a duty of 7.5 per cent.

The lower duty differential of five per cent had led to higher imports of refined oils, leading to under utilisation of domestic refining capacity.

In the oil year ending October 2013, edible oil imports stood at 10.38 million tonnes.

During November, the imports of refined oils were up 173 per cent at 2.08 lakh tonnes against 76,519 tonnes in the corresponding last year.
Total edible oil imports during November were up 37 per cent at 9.27 lakh tonnes against 6.76 lakh tonnes last year.

Pulses body asks Govt to open up exports

New Delhi, Jan 9: The pulses trade has reiterated its demand to lift the ban on exports, as some pulses are ruling below the minimum support price levels on higher output.
"The moment exports are allowed, the trade will get dynamic and the milling industry will stand to benefit and the market will find its balance," said Pravin Dongre, Chairman of the Indian Pulses and Grains Association.
Further, allowing exports will give a floor to the market as prices of pulses such as chana and tur are ruling below the support levels, he said. If this trend of prices ruling below the support levels continues for another year, it may force farmers to shift to other crops such as rice, wheat or cotton, Dongre said.
The Government had allowed exports of pulses in 2001 but banned shipments, except for kabuli chana (chickpea) in 2007 after a sharp increase in prices.
However, domestic production has increased in recent years as also consumption.
"The Government should open up exports, but impose quantitative restrictions to ensure adequate domestic availability," said Bimal Kothari, Vice-Chairman of the association.
Kothari said export demand exists for pulses, such as chana, processed lentils, moong and tur from countries in West Asia and South Asia.
India is the largest producer of pulses – estimated at 19 million tonnes in 2013-14 and is also the largest consumer.
The country is expected import around 3.2 million tonnes, about 10 per cent lower than last year's 3.5 million tonnes.
Dongre also announced that The Pulses Conclave 2014, the second edition of the global pulses and trade event, will be held in Goa from February 19 to 21. The conclave, a platform for the Indian and global stakeholders to converge and connect, will seek to refocus the attention of Indian policy makers on the sector in terms of processing, distribution, value-addition and nutritional aspects. The conclave is expected to attract over 1,000 delegates, including overseas participants.
He said the United Nations has declared 2016 as the International Year of Pulses, a move that would raise the level of awareness globally on the role pulses can play in advancing health, nutrition, food security and environmental sustainability.

Import duty hike supports edible oils market

Mumbai, Jan. 9: Edible oil prices ruled steady on Thursday despite higher arrivals as the Government decided to increase the Customs duty on refined edible oils by 2.5 per cent.
Prices were up at the start of the day

itself as speculation was rife about the duty hike in the market. However, slack demand and cautious trading kept activities limited in the physical market.
Palmolein, soyabean oil, cotton oil and sunflower oil ruled steady. Higher selling pressure at producing centres dragged groundnut and mustard oils by Rs 10 and Rs 4, respectively.
Malaysian palm oil futures dropped to their lowest in almost two months on Thursday, stretching losses into a sixth straight session, as a stronger ringgit curbed buying interest.
From the start on Thursday, talk of import duty hike by the Cabinet , kept players away from the taking fresh risk. Only needy buyers bought 80-100 tonnes of palmolein in isolated trade.
Towards the close of the day, Liberty quoted palmolein at Rs 570; super palmolein at Rs 590; super deluxe palmolein at Rs 610; soyabean refined oil at Rs 645; and sunflower refined oil at Rs 700. Ruchi quoted palmolein at Rs 570; soyabean refined oil at Rs 638; and sunflower refined oil at Rs 670.
Allana quoted palmolein at Rs 568-570; soyabean refined oil at Rs 645 and sunflower refined oil at Rs 670.
At Rajkot, groundnut oil dropped by Rs 30 to Rs 1,190 (Rs 1,220) for *telia* tin and loose (10 kg) declined by Rs 30 to Rs 750 (Rs 780).
On the National Commodities and Derivatives Exchange, February contracts were up Rs 3 at Rs 675.35 (Rs 672.35); March Rs 3.15 at Rs 670.15 (Rs 667.00) and April Rs 1.90 at Rs 669.60 (Rs 667.70).
Vikram Global Commodities (P) Ltd has quoted Rs 605/10 kg for Malaysia super palmolein January delivery.
Malaysia BMD crude palm oil February contracts settled lower at MYR 2,522 (MYR 2,529); March at MYR 2,539 (MYR 2547); and April at MYR 2,550 (MYR 2,556).
The Bombay Commodity Exchange spot rates (Rs/10 kg) were: groundnut oil 780 (790), soya refined oil 640 (640), sunflower exp. ref. 610 (615), sunflower ref. 670 (670), rapeseed ref. oil 728 (732), rapeseed expeller ref. 698 (702) cottonseed ref. oil 605 (605) and palmolein 565 (565).

Weak demand pulls down jeera

Rajkot, Jan. 9: Jeera price fell in futures and spot markets on Thursday following weak demand.
Moreover, expectations of higher production and large stocks put pressure on prices.
On the National Commodity and Derivatives Exchange, jeera March contracts decreased by Rs 20 to Rs 12,525 a quintal, with an open interest of 6,705 lots.
April jeera contracts declined by Rs 15 to Rs 12,610 a quintal, with an open interest of 2,058 lots.
About 4,000-4,500 bags of jeera arrived at the Unjha Agriculture Produce Marketing Committee yard. Prices for premium quality jeera dropped by Rs 5-6 to Rs 2,600-2,700 for a maund of 20 kg, while average quality jeera traded at Rs 2,350-2,550/20 kg.
In Rajkot APMC, jeera was sold for Rs 2,100-2,350/20 kg.
Selling by stockists may increase in the near future and arrival is likely to rise, leading to drop in jeera price in the coming days.

Stocks from the old crop are large and production is also likely to be higher than last year. Supplies from the new season crop may hit the market from mid-February.
PTI reports from New Delhi: Jeera common and best quality declined by Rs 100 each to Rs 12,000-12,500 and Rs 16,000-16,300 per quintal. Traders said subdued demand from retailers and stockists amid adequate stocks pulled down jeera prices on the kirana market here.

Outlook turns bearish for mustard

Indore, Jan. 9: Mustard and mustard oil prices continued to be sluggish on demand outstripping supply.
In Indore, mustard oil ruled at Rs 657 (down Rs 10 from last week) on Thursday. Plant deliveries of mustard oil for Jaipur line declined to Rs 3,615-20 (down Rs 40 from last week) on slack demand, while plant deliveries for Kota line were quoted at Rs 3,544 a quintal.
Weak demand and buying have dragged mustard and raida prices in Indore mandis in the last one week by Rs 100. Mustard in the physical market quoted at Rs 4,600-Rs 4,700 a quintal. Raida ruled at Rs Rs 3,100. Given the rise in sowing area and favourable crop report, a bearish trend is likely in mustard and mustard oil in the coming days.
According to a trade sources, given the rise in sowing area, production of mustard in the country this year is expected to be around 75 lakh tonnes against 64 lakh tonnes last year. Besides, adequate carryover stock (10-12 lakh bags) is also likely to keep both mustard and mustard oil prices on leash, said Devendra Khandelwal, a Kota-based mustard broker.
Due to better soil moisture, the area under mustard seeds has increased to 69.7 lakh hectares.
Arrival of mustard across the mandis on Thursday was recorded at 83,000 bags (60,000 bags last week) with Rajasthan leading with 40,000 bags, followed by Uttar Pradesh with 11,000 bags, Punjab/Haryana with 9,000 bags, Madhya Pradesh 8,000 bags and Gujarat 5,000 bags, while 10,000 bags were offloaded elsewhere in the country.

Sugar mills continue to push sales to ease stocks

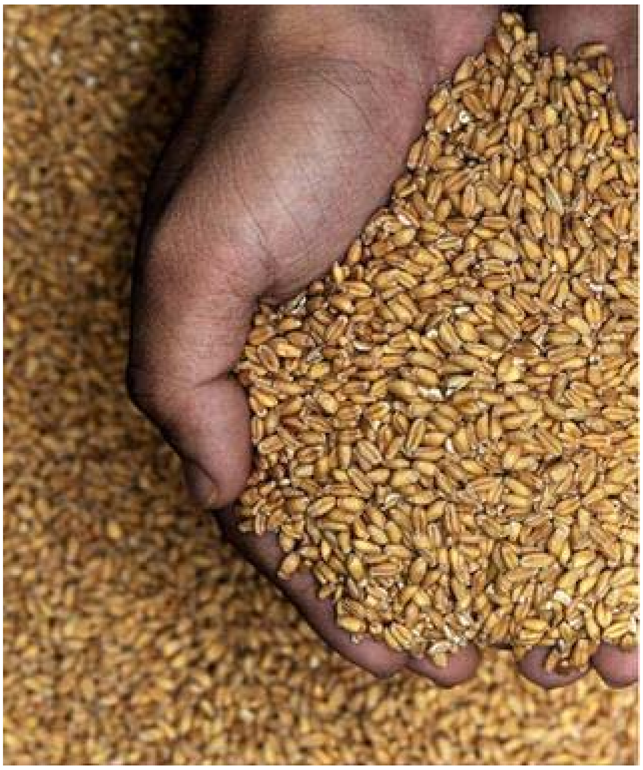
Mumbai, Jan. 9: Sugar prices on the Vashi wholesale market dropped further by Rs 5-18 a quintal on Thursday due to slack demand and ample supply. Naka was traded Rs 30-50 lower on the higher selling. Mill tender rates fell by Rs 10 for S-grade and Rs 10-55 for M-grade. Producers continued to sell at a discount to ease inventory burden, but enough stocks at the market level kept activities routine and need based. Domestic futures market also extended loss in the absence of positive cues.

“ Sugar prices have been bearish for a long time on limited demand in the domestic and export markets. Higher inventory at the mill and market levels has put pressure. Currently, sugarcane crushing has picked up across the country and producers want to ease their inventory burden as they need cash.
As winter season is on, temperatures have fallen below normal in many parts of the country. Demand for sugar usually drops during winter.
Arrivals at the Vashi market were 60-61 truckloads (each 100 bags), while local dispatches were 59-60 truckloads. On Wednesday, 16-17 mills offered tenders and sold 39,000-40,000 bags at Rs 2,620-2,700 (Rs 2,620-2,710) for S-grade and Rs 2,720-2,880 (Rs 2,730-2,900) for M-grade.
The Bombay Sugar Merchants Association’s spot rates were: S-grade Rs 2,782-2,965 (Rs 2,800-2,950) and M-grade Rs 2,936-3,082 (Rs 2,941-3,092). *Naka* **delivery rates were:** S-grade Rs 2,730-2,830 (Rs 2,760-2,865) and M-grade Rs 2,830-3,000 (Rs 2,810-3,055).
Uttar Pradesh rates were: Muzzafarnagar Rs 3,170.

New turmeric crop fetches Rs 5,100/quintal

Erode, Jan. 9: The new turmeric crop has begun to arrive in Erode markets and it fetched a good price.
“As expected, two bags of new turmeric arrived on Thursday. The new crop went for Rs 5,100 a quintal, which is good. Farmers are now happy that turmeric is selling above Rs 6,200 a quintal after a few months. They brought more for sale. On Thursday, 6,200 bags arrived and 70 per cent was sold,” said R. K. V. Ravishankar, President, Erode Turmeric Merchants Association.
Growers said they have started harvesting the new crop and they would bring more only after Pongal, as the crop requires to be boiled, dried and polished. Prices increased by Rs 100 a quintal on Thursday. Traders, who have reasonable upcountry orders on hand, procured to meet their requirements. Only traders and exporters purchased. At the Erode Turmeric Merchants Association sales yard, the finger variety fetched Rs 4,611-6,414 a quintal; the root variety Rs 4,370-6,039.
Salem Hybrid: The finger variety was sold at Rs 5,694-7,071; the root variety Rs 5,480-6,434. Of the 1,456 bags that arrived, 760 were sold.
At the Regulated Market Committee, the finger variety was sold at Rs 5,690- 6,461; the root variety Rs 5,279-6,180. Of the 1,546 bags on offer, 1,048 were picked up.
At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 5,219-6,349; the root variety at Rs 4,889-6,169. Of the 1299 bags put up for sale, 1,259 were traded.
At the Gobichettipalayam Agricultural Cooperative Marketing Society, finger variety was sold at Rs 5,061-6,289; the root variety Rs 4,697-6,072. All 329 bags on sale were picked up.

Wheat to rule at current levels the next few days



Karnal, Jan. 9: Restricted trading, coupled with ample availability of stocks, pulled dara wheat prices marginally down, while flour continued to rule firm on steady demand on Thursday.
Radhey Shyam, a trade expert, told *Business Line*that following routine demand and ample stocks, wheat prices ruled in a tight range. A fluctuation of Rs 10-20 a quintal will not make any difference in the market, he said.
According to trade experts, there is only need-based buying in the market now. It is unlikely to see any major alteration. Wheat may continue to rule around current levels over the next few days.
In the physical market, dara wheat dropped by Rs 10 to Rs 1,590-1,600 a quintal. Around 900 bags of wheat arrived and stocks were directly offloaded at the mills.
Mill delivery was at Rs 1,590, while delivery at the chakki was Rs 1,600. A mixed trend was witnessed on the National Commodity and Derivatives Exchange. Wheat for January delivery moved up by Rs 4 to Rs 1,681 with an open interest of 3,440 lots. The grain hit a low of Rs 1,674 earlier in the day. January contracts have some support at Rs 1,672, while resistance is at Rs 1,686. February contracts dropped by Rs 9 to Rs 1,647. In the spot market, wheat improved by Rs 25 to Rs 1,585. Flour Prices
Following steady domestic demand, flour continued to rule flat and was sold at Rs 1,850. Similarly, choker was unchanged at Rs 1,475.

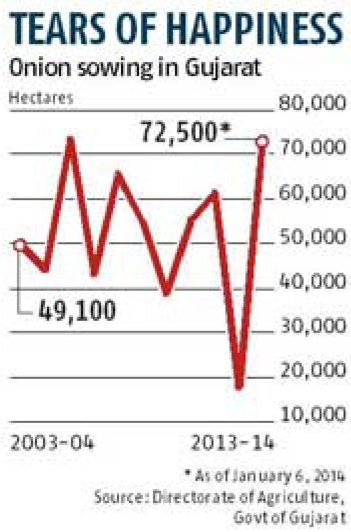
Business Standard

In onions, Gujarat farmers smell gold

Following a sharp spike in retail onion prices towards the end of 2013, a large number of farmers in Gujarat are moving towards the crop this year — onion sowing in the state has increased 417 per cent compared with the same period last year.

As on Monday, the rabi onion had been sown on 72,500 hectares, compared with 14,000 hectares during the corresponding period last rabi season. Onions are cultivated in both kharif and rabi seasons.

R S Gupta, director of Nashik-based National Horticulture Research and Development Foundation (NHRDF), says other major states that grow the rabi onion, such as Maharashtra, Madhya Pradesh, Odisha and West Bengal, are likely to see a 15-20 per cent increase in sowing area.



Among the key reasons for a shift towards onion are a high level of moisture conservation in the soil — because of a late monsoon withdrawal — and the record prices the commodity fetched in 2013.

A report of the Gujarat agriculture department shows sowing of onions in the state this year has been the second-highest since 2003-04 — behind only 2005-06, when it was planted on 73,300 hectares.

Onion sowing in 2012-13 across India, according to the second advance estimates, had stood at 992,000 hectares. The total production during that year was 16.8 million tonnes. This financial year, the production according to the government's first estimates could be 19 million tonnes, said NHRDF's Gupta.

Maharashtra is the country's biggest onion grower; it is followed by Gujarat, Uttar Pradesh, Odisha, Rajasthan, Madhya Pradesh, Karnataka, Bihar, Haryana, Tamil Nadu and Andhra Pradesh.

"It has been seen over the years that when a particular crop fetches good prices, farmers tend to turn to that crop the next season. The same thing has happened with onion," said Deepak Patel, secretary of the Ahmedabad Agriculture Produce Marketing Cooperative (APMC).

Last year, retail prices of onion had touched Rs 100 a kg in a few urban centres, forcing the government to intervene. The National Agricultural Cooperative Marketing Federation of India had issued tenders to import at the end of August. However, even after imports of 400 tonnes, prices had not cooled until December.

But the increase in sowing, and the likely production rise thereof, could suppress prices.

"There was an unusually long period of high prices for onion last year. This could be a trigger for Gujarat farmers to go for the crop this rabi season. Though we have been cautioning farmers associated with us that high production will not fetch them good prices and, in fact, could prove counter-productive, they have gone ahead," APMC's Patel added.

Potato down 2.7% on weak spot demand

Potato prices fell by 2.77% to Rs 911.30 per quintal in futures trade today as speculators offloaded their positions due to low demand in spot markets.

The trading sentiment weakened further as traders offloaded their positions due to low demand in the domestic markets in the midst of adequate stocks.

At the Multi Commodity Exchange, potato prices for April contract fell by Rs 26, or 2.77%, to Rs 911.30 per quintal, with a business volume of 216 lots.

The potato for delivery in March declined by Rs 16.80, or 1.75%, to Rs 939.30 per quintal, with a trading volume of 329 lots.

Market experts said traders offloaded their holdings at existing higher levels, tracking a weak spot market trend on fresh supplies, mainly pulled down potato prices.

Palm oil down 0.2% on weak overseas cues

Crude palm oil prices fell 0.29% to Rs 539.80 per kg in futures trade today after speculators offloaded their holding driven by weak trend in domestic as well as overseas markets.

At the Multi Commodity Exchange, crude palm oil for delivery in January fell by Rs 1.60, or 0.29%, to Rs 539.80 per 10 kg, with trading volume of 67 lots.

The prices for delivery in February declined by Rs 1.40, or 0.25%, to Rs 544.70 per 10 kg, with a trading volume of 35 lots.

Meanwhile, the palm oil for March delivery fell as much as 0.90% to 2,524 ringgit ($770) a metric tonne on the Malaysia Derivatives Exchange today, the lowest price for the most active contract since Nov. 12.

Traders said offloading of positions by participants due to a weak trend at spot markets following comfortable stocks position, mainly led to a fall in crude palm oil futures prices.

Cardamom up 2.3% on pick up in demand

Cardamom prices rose 2.36% to Rs 724.40 per kg in futures trade today after traders and speculators created fresh positions in the commodity due to higher demand at the spot market on hopes of improved export demand.

The sentiment improved further on restricted supplies and increased demand also supported the uptrend.

On the Multi Commodity Exchange, cardamom for the January contract rose by Rs 16.70, or 2.36%, to Rs 724.40 per kg with a trading volume of 96 lots.

The spice for delivery in February higher by 0.50 paise, or 0.07%, to Rs 713.20 per kg, with a business volume of 534 lots.

Market analysts said rising spot and exporters demand against restricted arrivals from producing regions, mainly influenced cardamom prices at futures market.

Pulses improts may drop by 11% in 2013-14

India's imports of pulses might drop by around 11% to 3.2 million tonnes during 2013-14 because of good domestic harvest, depreciation of the rupee, confusion over duty structure and logistical problems in Canada, a senior industry official said.

Despite good harvest, reduction in imports could push up domestic prices of pulses by at least 10% from the current levels from the end of January onwards, Pravin Dongre, chairman of Indian Pulses and Grains Association told reporters.

He said that chana imports from Australia which was around 600,000 tonnes in 2012-13 are expected to fall to around 120,000-130,000 tonnes in 2013-14 while that from Russia are likely to come down from around 100,000 tonnes to 80,000-90,000 tonnes.

"There is also a huge problem with movement of pulses in Canada due to unprecedented winter, which is affecting imports to India," Dongre said. Official figures showed that India imported around 1.4 million tonnes of pulses between April to September 2013-14.

He said government's confusion over import duty on pulses has also dissuaded traders from entering into long-term contracts.

As domestic prices are expected to fall, players have called for lifting ban on exports so that the rates could stablize.

"We want the government to immediately lift the ban on exports of all kinds of pulses, which will give good price to farmers and stop prices from falling below the Minimum Support Price," Dongre said.

Rajesh Agarwalla of Premier Pulses and a leading importer also said that government should consider selling pulses through the Public Distribution System (PDS) under the Food Security Act so that there is fixed demand.

Pulses production in India is expected to be around 18.45 million tonnes in 2013-14 crop year (June-July) as against 18 million tonnes last year.

Rubber output drops 10% in Apr-Dec

The production of natural rubber has fall 10 per cent during April-December in the current financial year, according to the Rubber Board, at 627,000 tonnes against 697,200 tonnes a year ago.

This might affect availability in four-five months. Board sources said production this financial year would be 870,000 tonnes. Intensive rain and widespread in fall are the reasons for the decline in production.

The Board had projected a production of 960,000 tonnes and consumption of 1,020,000 tonnes (deficit: 60,000 tonnes). According to growers, production is likely to drop to 800,000 tonnes.

In 2012-13, India had produced 912,200 tonnes, a per cent rise on a year ago. Despite lower production in April-December during 2013-14, consumption did not slack much: Only a two per cent fall. It dropped to 728,080 tonnes, compared to 742,480 tonnes a year ago.

Imports, one of the main sources of supply, shot up to 264,576 tonnes in April-December this financial year against 173,441 tonnes a year ago, a growth of 40 per cent. The final import figure in 2012-13 was 217,364 tonnes. It is almost certain imports would cross 300,000 tonnes, despite the recent duty rise.

There is a price advantage in the overseas markets. Local markets on Tuesday quoted Rs 160 for 1 kg of RSS-4 grade. But in Bangkok, the tag was only Rs 149. So the trend set in the case of imports in the current fiscal might continue into the January–March period also.

India wheat crop reaching 100 mt widens global glut

Wheat production in India, the world's second-largest grower, will probably climb to a record, as all-time high domestic prices boost planting, adding to global grain surpluses.

The harvest could total 100 million tonnes (mt) in the marketing year starting April 1, Agriculture Commissioner J S Sandhu said on Thursday. Output had fallen 2.5 per cent to 92.5 mt a year earlier from a record 95 mt in 2011-2012, according to the agriculture ministry.

Crop prices from wheat and corn to canola are slumping as record harvests from the US to Brazil expand global grain inventories. The Standard & Poor's GSCI Index of eight crops fell to the lowest since July 2010 on Wednesday, extending its biggest annual drop since 1981. Record output might force India to accelerate exports from state reserves to make room for the new crop, extending a decline in global food costs tracked by the United Nations.

"Exports will pressure global prices," said Vedika Narvekar, chief manager at Mumbai-based Angel Commodities Broking. "Exports will largely depend on the crop in the US and Russia. Domestic prices will be stable."

Wheat futures tumbled 22 per cent in 2013, as world production climbed 8.4 per cent to a record 711.4 mt versus consumption of 699 mt, according to the US Department of Agriculture (USDA). Futures fell to $5.8675 a bushel on Wednesday, the cheapest since December 2011, and were at $5.8825 in Chicago on Thursday.

'Exports difficult'

Prices in India rallied to an all-time high on December 27, after the government increased the minimum price for farmers to a record. The February delivery contract fell one per cent to Rs 1,640 ($26.4) a quintal on the National Commodity & Derivatives Exchange in Mumbai on Thursday.

"The international market is not very promising for at least six months," said Abdolreza Abbassian, a senior economist at the UN's Food & Agriculture Organization. "If India's output increases, as it looks, global prices will fall below local prices, making exports difficult."

Area for wheat in India may reach a record of 31 million hectares this year, said Sandhu. Sowing increased 5.6 per cent to 30 million hectares as of Janu-ary 3, compared with 28.6 million a year ago, according to the ministry. The average yield of wheat in India is three tonnes a hectare and the crop is planted from October and harvested in April and May.

Monsoon, winter

"The crop will get the benefit from a normal winter predicted," said K K Singh, head of

Agromet division at India Meteorological Department. "More than average monsoon rains and its late withdrawal provided adequate moisture."

State stockpiles totalled 31 mt on December 1, compared with 37.7 mt a year ago, according to the Food Corp of India. The government raised the minimum price paid to growers to an all-time high of Rs 1,400 a quintal for the 2013-2014 crop. The government purchases rice, wheat and oilseeds from farmers at guaranteed prices and sell these to the poor at subsidised rates through state-run shops, to prevent distress sales in the open market.

Wheat shipments from India could drop five per cent to 6.5 mt in 2013-2014, according to the USDA. Exports totalled 2.8 mt between April 1 and December 13, according to ministry estimates.

FY14 marine product exports set to rise 23% to Rs 26,750 crore

Export of marine products is expected to touch $4.3 billion (Rs 26,750 crore) in 2013-14, an increase of 23 per cent compared to a year ago. The increase comes despite the US, Canada and Japan's stringent regulations in recent months. One major contributor to growth is new markets and another value-added products, said an officer at the Marine Products Export Development Authority, under the commerce ministry.

After announcing the 19th edition of the Indian International Seafood Show, January 10-12, in Chennai, Chairman Leena Nair said the Indian seafood sector had grown 20-22 per cent in three years, despite major hurdles. In the last two years, the sector saw the countervailing and anti-dumping duty by the US, as well as quality regulation from Canada and Japan.

N Ramesh, director, marketing, added the $4.3-billion goal during the current financial year was achievable.

Value-added products are gaining momentum, said Nair. These were five per cent of the seafood exports three years ago, but now are 17 per cent. The target is to increase it to 30 per cent and then 50 per cent in three-five years, said Ramesh. Abraham J Tharakan, president, Seafood Exporters Association of India, said over the years the sector had added capacity to export value-added products. India has been exporting these to China and Thailand, where they are converted into ready-to-eat and ready-to-cook products. Ramesh said in two-three years the sector had entered markets such as Africa, Commonwealth of Independent States and southeast Asia. These form 16 per cent of the export turnover.

SEAFOOD SHIPMENTS

	2011-12	2012-13	Growth (%)
Quantity (tonnes)	862,021	928,215	7.68
Value (₹ cr)	165,97.23	18,856.26	13.61

Source: MPEDA
