

## Poor rain puts pepper crop in peril



An erratic southwest monsoon has dashed the hopes of farmers in Wayanad district, a major coffee, pepper and ginger growing region in the State. The rainfall data of the Regional Agriculture Research Station (RARS) of Kerala Agricultural University, Ambalavayal, show that the district had 197.2 mm of rainfall from June 1 to June 30, as against 646.22 mm during the corresponding period last year. The average rainfall in the district during the period was 270 mm to 300 mm, P. Rajendran, Associate Director of Research, RARS, told *The Hindu*. The station recorded a total rainfall of 499 mm, including the summer showers, since January 1, 2014, as against 964.4 mm last year, he added.

### **Crucial role**

Monsoon rain has a crucial role in the production of pepper as it is a water-assisted pollinating plant. The flowering as well as the pollination of a pepper vine usually takes place during the southwest monsoon but in many parts of the district, especially major pepper growing areas such as Pulpally, Mullamkolly, and Poothadi grama panchayats, the flowering was very low owing to the dearth of timely rain. In those areas which had a scanty summer rain, the pepper spikes emerged, but fell before pollination due to the prolonged drought-like situation, K. Vijayakumar, a farmer at Eriyappalli near Pulpally, said. Deficient monsoon not only affected the production of pepper but also other crops such as coffee, ginger, cardamom, and paddy next year, the farming sources said. "This is the time to sow the paddy seeds but most farmers are yet to start the Nanja (first crop) cultivation in the area," P. Wison, president, Arumattu-Murani Padashekhara Samiti, said. "If the situation continues we will be forced to keep our paddy fields fallow," he added.

### Minor millets to help double food production

S. SUNDAR



New trend: Director of Agriculture M. Rajendran inspecting a farm where a minor millet was raised near Watrap on Monday. PHOTO: S. SUNDAR

The State government would promote minor millets in a big way with an aim to increase food production by two times and increase farmers' income by three times, Director of Agriculture M. Rajendran said. "The Chief Minister is keen to bring back the traditional crops that had higher nutritional value than (paddy) rice and fetched higher income for farmers," Mr. Rajendran told *The Hindu*. He was in Watrap in Virudhunagar district on Monday to inspect farms where cultivation of 'kuthiraivaali,' one of the minor millets, has been taken up. The Department of Agriculture would increase the quantity of certified seeds of millets to be distributed to farmers from the present 3 per cent to 33 per cent. "All these days, we were concentrating only on distributing certified seeds for paddy and groundnut. Farmers were left to farm-saved seeds for minor millet cultivation as only three per cent of certified seeds were given by the department out of the total seeds required for cultivation. The farm-saved seeds lead to lesser yield," he said. A combination of certified seeds and best farming practices would result in farmers getting not less than three times of the regular yield in minor millets when compared to the traditional cultivation of millets. "And this is going to fetch at least two times the returns they used to get in cultivating paddy," Mr. Rajendran said. The farmers would be greatly benefited by cultivating minor millets since they required very less water, he noted. He expected that the production of millets would increase from 37 lakh tonnes to 45 lakh tonnes this year. Millet cultivation would help increase food production by three times against the backdrop of shrinking area of cultivation owing to industrialisation, migration of labour and scanty rainfall. The higher price the millets fetched than paddy could be sustained in the longer run due to increased demand. At present, millets were being imported from Karnataka and Andhra Pradesh. The Department of Agriculture would create a market for millets for their higher nutritional value through a sustained campaign for which the Chief Minister had allotted Rs. 10 crore, he added. Earlier, interacting with farmers, he said his Department would give machinery, at least five processing units, to the Watrap region so that farmers got a higher price by selling millet rice instead of whole grains. "Instead of selling the grains for Rs. 20 to Rs. 25 a kg, they will get Rs. 80 a kg," he said. Various value-added products such as 'variety rice' made of 'kuthiraivaali' rice, idli, dosa, chappathi, murukku, halwa and cookies were displayed at the farmers' meet.

### **Delayed, weak monsoon caused heat wave: study**

B. MADHU GOPAL

Delay in onset and a subsequent weak monsoon have resulted in coastal Andhra Pradesh experiencing heat wave conditions for about 12 days in the month of June this year.

### **Two spells**

The heat wave occurred in two spells for nine days between June 7 and 17 due to delay in onset of the South-West monsoon and the second spell from June 23 to 25 due to weak monsoon conditions, according to a study conducted by P.V. Rama Rao,

retired Director in the India Meteorological Department (IMD). He obtained the maximum temperatures over coastal AP and the departure from normal temperatures during June 1 to 21, from the IMD, and plotted them on a chart. Severe heat wave was experienced in East Godavari with many places in the district recording more than 7 degree Celsius above normal. Heat wave was felt for only four days in Srikakulam district, severe heat wave was experienced in Vizianagaram district for three days and Visakhapatnam district experienced severe heat wave for six days and overall heat wave conditions for nine days. West Godavari district experienced heat wave for 12 days, between June 7 to 25, and severe heat wave was reported at a few places for five days. Krishna and Guntur districts also reported heat wave on almost all the days, while severe heat wave was reported at a few places for two and three days respectively in the two districts. Prakasam and Nellore districts had heat wave only for five and four days respectively during the above period. "There was no heat wave in coastal AP on June 9 as rain was received on the previous night. Similarly, no heat wave was experienced on June 14, as a cloud mass moved over coastal AP from West Central Bay and reduced the temperatures below 40 degrees at many places. There was no heat wave from June 18 to 22 due to the advancement of the South-West monsoon over Coastal AP on June 18," says Mr. Rama Rao.

### **Row over incentives to SC, ST dairy farmers**

The Karnataka government's proposal to provide an additional incentive of Rs. 2 a litre of milk for Scheduled Caste/Scheduled Tribe dairy farmers created a furore in the Legislative Assembly on Monday. There were heated exchanges between Chief Minister Siddaramaiah and Leader of the Opposition Jagadish Shettar, with other BJP members joining in. Trouble began when Mr. Shettar expressed concern over the move to provide additional incentive only to SC/ST farmers. He said the move would amount to discriminating farmers on the basis of caste, and that all farmers, irrespective of their caste, should be given the incentive. Law and Parliamentary Affairs Minister T.B. Jayachandra explained that such a proposal was taken up only for SC/STs as the expenditure was to be borne from the funds reserved for their welfare under the Karnataka Scheduled Caste Sub-Plan and Tribal Sub-Plan Act, which has made it mandatory for all departments to earmark funds for SC, ST welfare in proportion to their population. Making it clear that the issue was still at the proposal stage, he said the government was also considering providing assistance for about 30,000 SC, ST farmers to buy cows. Intervening during the reply, Chief Minister Siddaramaiah tried to stress the fact that the government was yet to issue a notification regarding the proposal and that objections to it were unreasonable. This evoked a sharp reaction from Mr. Shettar, who accused the government of creating friction among different castes through discriminatory policies. Angered by his statement, Mr. Siddaramaiah shot back: "It is the BJP that indulges in creating friction among different communities. You are trained in such strategies." Amid the din, Mr. Shettar taunted the Chief Minister saying the Congress had lost the Lok Sabha elections mainly due to such an "appeasement" policy. Replying in a similar manner, Mr. Siddaramaiah said the BJP too had lost power in the State as "people were upset with its leaders indulging in corrupt activities".

At this juncture, BJP member Vishveshwara Hegde Kageri wondered if the Chief Minister had genuine concern for the welfare of Dalits, he must appoint Karnataka Pradesh Congress Committee president G. Parameshwara, who is a Dalit, as Deputy Chief Minister. Mr. Siddaramaiah replied: “First you prove your commitment to Dalit welfare by appointing a Dalit as your party State president.”

### **Support from JD(S)**

The verbal exchange stopped after Speaker Kagodu Thimmappa intervened. However, the Opposition party Janata Dal (Secular) made it clear that it would support the move to provide additional incentive to SC, ST dairy farmers.

### **Farmers protest ‘release of water’ from Kabini dam**

About 80 to 100 farmers, who were staging a protest in the office of Command Area Development Authority (CADA) here on Monday, were taken into preventive custody. They were released later. When the farmers, hailing from parts of Mysore and Chamarajnagar districts, attempted to lock up the office of the Chief Engineer, CADA, claiming that water had been allegedly released from the Kabini dam to Tamil Nadu, the police intervened and took them into custody. Earlier, over 150 farmers belonging to the Kabini Raitha Hitarakshana Samiti gathered outside the CADA office protesting against the alleged release of water from the dam. However, police personnel reportedly prevented the protesting farmers from barging into the Chief Engineer’s office on the first floor of the office building. A verbal argument broke out between the farmers and the police. The protesters, led by Samithi President Kurubur Shanthkumar, finally managed to approach the Chief Engineer’s office, but he was not present. However, the protesters insisted that either the Chief Engineer or the Superintendent Engineer meet them and clarify on the issue. Subsequently, Superintendent Engineer Shivamurthy approached the farmers and requested them to submit a memorandum. But, the farmers sought an explanation on the release of water. Unhappy with the reply, the farmers blocked him from going out of the office and raised slogans against CADA officials. Upset over the officials’ failure to clarify on the matter, the farmers attempted to lock up the office, following which the police intervened.

### **Help for farmers to tackle truant monsoon**

T. NANDAKUMAR

**DISASTER MANAGEMENT PLAN**

**CROP INSURANCE SCHEME**  
Effective by September  
25 crops come under it  
Relief for crop loss  
Rs. 500-lakh corpus fund

**Promotion of short-duration paddy varieties**

**OPTIMUM WATER USE**  
Micro-irrigation systems  
Drip irrigation system  
Plasticulture promotion

☐ We have prepared a contingency plan to encourage farmers to shift to short-duration varieties of paddy. Sufficient seed stocks are available for distribution to farmers.

**R. Ajithkumar, Director of Agriculture**

With the southwest monsoon playing truant, the government is working on a disaster management plan to help farmers tide over the possibility of crop failure and the

consequent loss. The Department of Agriculture is focussing its efforts on the paddy sector, likely to be the worst affected by a poor monsoon. "With the initial monsoon spell tapering off, transplanting paddy shoots from the nurseries has become difficult," observes R. Ajithkumar, Director of Agriculture. "Amid reports that the monsoon may pick up over the next two months, we have prepared a contingency plan to encourage farmers to shift to short-duration varieties of paddy. Sufficient seed stocks are available in Kerala for distribution to farmers." Another part of the disaster management package involves a comprehensive crop insurance scheme for farmers, slated to come into effect by September. As many as 25 crops including paddy, coconut, rubber, cashew, spices, banana, tea and coffee, and vegetables are covered under the scheme which provides relief assistance for crop loss due to natural calamities such as drought, flood, landslide, earthquake, coastal erosion, cyclone, storm, lightning, forest fire, and rampaging wild elephants. The government has earmarked a budgetary support of Rs.500 lakh for the corpus fund. Mr. Ajithkumar said the department was trying to bring as many farmers as possible into the scheme in view of the weak monsoon and its impact on the availability of water for farming

### **Micro-irrigation**

Installation of micro-irrigation systems to ensure maximum utilisation of available water forms is the third component of the package. "Farmers will be encouraged to switch over to drip irrigation systems," Mr. Ajithkumar said. The department is also working on a proposal to promote plasticulture in a big way to address the shortage of water in the event of an extended break in the monsoon. The technique involves the use of thin plastic films to avoid evaporation loss from the soil and prevent weed growth.

### **Panel formed to implement sustainable agriculture**

The district mission committee has been formed to implement National Mission for Sustainable Agriculture here. The committee headed by Collector M. Ravikumar as chairman would monitor its implementation to ensure that purpose of the mission was served. The mission was launched to make a sustainable growth in agriculture through integrated farming system and to conserve natural resources through appropriate soil and water conservation measures, Collector M. Ravikumar said here on Monday. Agriculture, Animal Husbandry, Horticulture, Fisheries, Rural Development and Forest officials would be involved in the committee. Besides, representatives of farmers' associations, voluntary organisations and banks were also in the committee as members, he said. Joint Director of Agriculture N.K. Dhakshinamoorthy, when contacted, said farmers would be exposed to fibre and livestock based cropping system on rainfed tracts with subsidies. Under the system, cotton, pulses and fodder crop would be cultivated on cluster basis. Kovilpatti, Kayathar, Vilathikulam and Pudur blocks had been identified for the programme. Organic farming would also be taken up with inputs of vermicompost, biofertilizers and manure to farmers, he said.

## B.Sc Agriculture, most sought-after



On the first day of the counselling for admission to undergraduate courses in the Tamil Nadu Agriculture University on Monday, candidates overwhelmingly chose B.Sc. Agriculture course. A statement released at the end of the first day's counselling said it all – 102 students opted for the undergraduate course. Of those, 84 candidates chose to study in Coimbatore, 11 in Madurai and seven in Tiruchi. One student chose B.Tech. Biotechnology, two chose B.Tech. Horticulture and two candidates chose B.Tech. Food Process Engineering. Students who chose B.Sc. Agriculture said they opted for the course for a variety of reasons – one wanted to pursue higher studies, one wanted to land in a good job and another wanted to take up civil services examination. B. Pavithra of Namakkal, who was the second candidate to get the allotment order, said that she was interested in agriculture research as she thought that it was a not-so-sought after field of study. The third candidate who got the allotment order R. Monica said that she chose not to go for engineering courses and chose agriculture course because her mother had learnt from the media that job openings for agriculture courses were aplenty. She chose to study B.Sc. Agriculture was that she wanted to take up civil service examination. "I find a number of civil service officers in Tamil Nadu who had agriculture degree. This gives me the hope that I too will be one among them." The first candidate to get the allotment order was A. Loganayaki, who chose to study B.Tech. Food Process Engineering. As a candidate who had studied computer science and not biology at the Plus Two, it was one among the few courses that was open to her, she said. The candidates got their appointment order from the Registrar R. Rabindran. Chairman of admission committee, S. Mahimairaja said that it was the first academic year for which the University administration had made completely online the admission process. This enabled the smooth functioning of the counselling session. Mr. Rabindran said that 27,737 candidates submitted application forms. Of those, 530 were rejected. Of the others, 25,534 candidates were from the academic stream and the rest from the vocational stream. The Phase I of the counselling will go on till July 11. The counselling for students from the vocation stream will be held on July 11.

## Vegetable prices go up



Inadequate rainfall and low yield of crops have pushed up prices of some vegetables here. With reduced supply, prices of some vegetables have seen an increase over the corresponding period last year. The prices of coriander leaves, raddish and knol khol have all breached their previous highs. “Scanty rainfall has resulted in low vegetable yield thus affecting the supply of some vegetables to the city. While prices of some vegetables have gone up substantially, that of a few vegetables like lemon has come down. The average cost of lemon has been around Rs. 70 a kg whereas its average cost last year was around Rs. 80 a kg,” said a source in the Horticulture Department. The official also pointed out that the cost of many other vegetables, which have been in good supply, has been higher this year by around Re. one or Rs. two a kg. This, he attributed to the fluctuating cost of transport and also increased cost of cultivation. While the average price of onion has been Rs. 37 a kg, the average price of brinjal and tomato has been Rs. 28 and Rs. 16 respectively, which was almost the same last year. President of the K.R. Market Traders’ Association G.M. Diwakar said vegetable prices have gone up in the last two or three weeks, and that it is likely to remain high at least till the end of July. “A kg of peas shot up from Rs. 200 to Rs. 260, and the retail price of traditional variety of beans has touched Rs. 80 a kg,” he added. Meanwhile, an official of a leading vegetable chain said the high cost of vegetables also has pushed away many pushcart vendors out of business, though temporarily. “Investments for pushcart vendors go up drastically and their margins have to be high. In the hot condition, moisture level in vegetables comes down resulting in losses to vendors since vegetables lose weight.” he said.

## Flowers are dearer

The prices of flowers have also increased in city in the past fortnight, and inadequate rainfall has been blamed for it. The cost of a kg of jasmine has gone up from around Rs. 120 to around Rs. 200 while the cost of chrysanthemum has increased from around Rs. 120 to around Rs. 160, said V. Balakrishna, vice-president of the Bangalore Flower Merchants’ Association.

Chennai

Chennai - INDIA

## Today's Weather



Cloudy

Rain: 0

Humidity: 75

Wind: normal

## Tuesday, Jul 1

Max Min

35° | 27°

Sunrise: 05:46

Sunset: 06:39

Barometer: 1005

## Tomorrow's Forecast



Cloudy

## Wednesday, Jul 2

Max Min

36° | 28°

## Extended Forecast for a week

Thursday  
Jul 3



37° | 28°

Cloudy

Friday  
Jul 4



37° | 28°

Cloudy

Saturday  
Jul 5



35° | 28°

Cloudy

Sunday  
Jul 6



36° | 27°

Cloudy

Monday  
Jul 7



36° | 27°

Cloudy

## Airport Weather

Delhi

Delhi

Rain: 0

Sunrise: 05:26

Humidity: 66

Sunset: 07:23

Wind: normal

Barometer: 1002



THE  NEW  
**INDIAN EXPRESS**

## Dithering on Loan Waiver Hurting Farmers: Roundtable

YSRC state farmers cell convener and Indian Council of Agricultural Research (ICAR) member MVS Nagireddy asked the government to immediately address the needs of farmers by waiving off all agricultural loans as farmers had been facing a lot of problems in starting cultivation due to lack of investment. Speaking at a farmers



roundtable held by Bharatiya Kisan Sangh (BKS) here Monday, Nagireddy pointed out that farmers were worried due to the delay in monsoon and the bankers' refusal to give fresh loans against pending loans. Though farmers are facing a lot of problems in starting cultivation in the kharif season, the government is not taking any measures to address them, he said. At the roundtable attended by farmer leaders, the focus was on farm loan waiver as many wanted the government to quickly come up with a decision as further delay would hurt farmers severely. "Though bankers are pressurising farmers for loan repayments, the government is not even instructing them to wait till a decision on the waiver is taken," complained Chelasani Anjaneyulu, district president of Telugu Rythu Sangham. Apart from the loan waiver issue, farmer leaders threw light on lack of support price and release of Krishna water for irrigation on the occasion. Rythu Samaikya Sangham president Yerneni Nagendranath said that farmers were not satisfied with the recent announcement of minimum support prices for agricultural produces. He urged the government to announce a new price policy, which was promised during the election campaigning, as the recently announced MSPs are not remunerative enough. In view of water shortage for the kharif season, he stressed the need to release water to the Krishna delta. Bharatiya Kisan Sangh state secretary Kumaraswamy, BKS president Rambabu, Institution of Engineers' representative Seshagiri Rao and CPI leader Ramakrishna were among other leaders who participated in the roundtable.

### **Medicinal Plant Farming Yet to Take Off**

The long-pending demand of Ayurvedic medicine manufacturers for cultivating medicinal plants as a government initiative has not yet materialised owing to various factors. According to sources, the manufacturers are demanding the State Medicinal Plant Board to grow herbal plants since the cultivation on their farms proved futile. "The farmers are not keen to grow herbal plants as they don't yield much profit compared to other cultivations. Only a very few opt for growing medicinal plants. It has, therefore, been suggested as an initiative under the Board," a source said. It has been suggested to utilise the barren land under the possession of the Forest Department, after cutting down old eucalyptus trees. The manufacturers complain of scarcity of more than 40 types of medicinal plants in the state. It has been reported that the State Medicinal Plant Board has spent around Rs 45 crore for cultivation of medicinal plants since its inception in 2002. However, the Medicinal Plant Board said that a concrete project had not been put forward by the manufacturers rather than raising the demand. "Those who apply for cultivating medicinal plants should have their own land. We can assist them financially and can provide them with saplings," Board Chief Executive Officer K G Sreekumar said.

## **Business Standard**

### **Ruckus in House over dole to SC/ST milk farmers**

Pandemonium prevailed in the Karnataka Legislative Assembly today after BJP members objected to the government's proposal to increase the incentive from Rs 4 per litre to Rs 6 per litre on the milk supplied by SC and ST dairy farmers. Raising the

issue, Opposition BJP Leader Jagadish Shettar said, the government was creating a wedge among the people, especially dairy farmers by providing an additional incentive to SC and ST dairy farmers. “Providing monetary incentive based on a person’s caste is an obnoxious step,” he said. Instead, the government should think of alternative means to economically empower SC and ST dairy farmers, Shettar said. “We are not against the government empowering SC and ST people. It can extend the incentive to all dairy farmers irrespective of their communities,” he said. Responding to Shettar, Chief Minister Siddaramaiah said the government was not dividing people or dairy farmers on caste basis. In fact, it is the BJP which divides people on the basis of caste and religion. Congress does not do that. BJP is anti-Dalits and anti-minority,” he said. His remarks provoked BJP with its members and those from Treasury benches locked in a verbal duel, causing pandemonium. Amidst ruckus, former Minister Vishweshwar Hegde Kageri (BJP) said, “If the Congress is really pro-Dalits and concerned about their welfare, it should make Karnataka Pradesh Congress Committee President G Parameshwara the Deputy Chief Minister.” “The Congress is not ready to make Parameshwara the Deputy Chief Minister and yet it claims to be pro-Dalits. How fair is that?” questioned Kageri, which again led to more heated exchanges.

### **Walkout on paddy procurement in Kerala Assembly**



CPI-M led LDF opposition members in Kerala today staged a walkout in the House protesting government's "failure" to pay arrears to farmers for paddy procured from them during the current season even as chief minister Oommen Chandy said dues would be cleared by July 16. Replying to a notice for an adjournment motion on the matter by LDF, Chandy said an amount of Rs 186 crore was pending to be paid to farmers and it would be paid by July 16. Chandy said there was a record procurement of 535,000 tonnes of paddy from farmers during the current season. In a bid to avoid delay in payment, government was planning to make payment through banks at the time of the procurement itself, he said, adding, talks with banks in this regard was progressing. Food Minister Anoop Jacob said a proposal to set up a revolving fund to ensure prompt payment to farmers for paddy procured was under the consideration of the government. The fund would have a corpus amount of Rs 350 crore. Seeking leave for the motion K K Vijayadas (CPI-M) alleged that the government was insensitive to the problems concerning farmers. Farmers were not paid for their paddy till now even though it had been procured four months back and they were in great difficulty, he said. In protest against government apathy towards farmers issue, LDF members led by their leader V S Achuthanandan trooped out of the House.

## **Odisha retailers told to trim margin as potato, onion prices soar**



The state government today stepped in to check sudden spurt in potato and onion prices by asking traders to trim profit margins. “We have asked onion and potato traders not to keep profit margin unreasonably high. They have been told to keep the margin between wholesale and retail prices of onion and potato at Rs 3.50 per kg and Rs 2.50 per kg respectively,” said Madhusudan Padhi, Food Supply and Consumer Welfare secretary with the state government. The price of onion has gone up by 11.22 per cent within one month and 87.15 percent over the same month last year. The vegetable is currently traded at around Rs 30 per kg in the retail market. Similarly, potato prices are up by 18.60 percent from last month and 59 per cent over the previous year’s rate. The retail price of the tuber variety currently rules at around Rs 20 per kg. Odisha buys potato mostly from West Bengal, the top producer and onion from Maharashtra. The rates of both the vegetable have gone up across the country due to supply problems. However, the government said, there was higher price differences between wholesale and retail rates of the vegetables. In key wholesale market, potato is traded at Rs 1,500 per 100 kg while onion is priced at Rs 2,400 per 100 kg. The huge gap between wholesale and retail prices of onion in the market has taken the government by surprise despite an advisory sent to officials to crack down on hoarding and speculation. “We will issue notification soon regarding retail prices of onion and potato for the benefit of consumers,” Padhi added, saying there is enough supply of the commodity. Meanwhile, the state government has agreed to exempt ‘mandi tax’ to contain the price surge. State cooperation secretary, Bishnupada Sethi today ordered issue of notification regarding withdrawal of fees being collected by Regulated Marketing Committee (RMC) from vegetable and fruit traders. RMC was collecting one per cent fee from vegetables and fruits for allowing the traders to conduct business in its premises. However, the government said except for onion and potato, it has no control over price rise of other green vegetables. The rates of many green vegetables at key markets have gone up by 50 per cent within a week.

## **Sugar up 0.4% on summer demand, tight supply**



Sugar prices rose 0.35% to Rs 3,160 per quintal in futures trade today as speculators enlarged positions, supported by summer season demand against tight supplies in the spot markets from millers. Besides, a slew of measures announced by the government last week to bail out the cash-strapped mills, supported the upside. At the National Commodity and Derivatives Exchange, sugar for delivery in August rose by Rs 11, or 0.35%, to Rs 3,160 per quintal with an open interest of 25,770 lots. Likewise, the sweetener for delivery in July gained Rs 9, or 0.29%, to Rs 3,121 per quintal in 28,980 lots. Analysts said the rise in the sweetener's prices was mostly due to summer season demand from bulk consumers against tight supplies by millers in the spot markets amidst a slew of measures announced by the government for cash-strapped mills. Meanwhile, the government last week raised import duty to 40% from 15% besides additional interest-free loan of Rs 4,400 crore for sugar mills.

# THE HINDU BusinessLine

## **Cardamom auctions suspended for a week**



Kochi, June 30 Cardamom prices gained on short supply at auctions held last week, as auctioneers decided to suspend auctions for over a week. Arrivals on Sunday were slightly higher as they were at the last auction, yet the average price went up on good buying interest, market sources told *Business Line*. One of the auctioneers said on Monday they had reduced the suspension period and it would now be for a week from Tuesday. Following the announcement of suspension of auctions, upcountry buyers were actively covering, they said. Ten per cent of the material in the arrivals was from the new crop, they said. Ramzan buying has slowed due to inadequate stocks, they said. According to growers, weather conditions have not improved as expected in major cardamom growing tracts such as Kumily, Kattappana and Vandanmettu. The deficient southwest monsoon has created apprehensions about a possible delay in the new crop, traders in Bodinayakannur said. At the KCPMC auction on Sunday, arrivals were up at 85 tonnes from 43.5 tonnes the previous Sunday and the entire quantity

was sold out, Mr P C Punnoose, General Manager, CPMC, Kumily said. The maximum price was Rs. 1,097 a kg and the minimum Rs. 418 a kg. During the current season of the crop ending in July, arrival is estimated at 21,134 tonnes against 15,040 tonnes during the same period a year ago.

### **20% tea unsold at Coonoor auctions**

Tea worth about Rs. 4 crore remained unsold at Sale No. 25 of the Coonoor Tea Trade Association auctions as there were no takers for about 20 per cent of the 18.9 lakh kg on offer at the asking price. Vigneshwar Estate topped the CTC market at Rs. 184 a kg, followed by Homedale Estate and Shanthi Supreme at Rs. 182 a kg each. . In all, 139 marks got Rs. 125 and more a kg.

### **Orthodox varieties**

Among the orthodox ones, Kodanad topped at Rs. 232 a kg followed by Kairbetta at Rs. 224 a kg. Some 37 marks got Rs. 125 and more a kg. Quotations held by brokers indicated bids ranging from Rs. 50-52 a kg for plain leaf grades and Rs. 100-160 for brighter liquoring type. They ranged Rs. 52-60 for plain dusts and Rs. 120-180 for brighter liquoring dusts. With subdued export and internal demand, CTC leaf lost up to Rs. 5 a kg. Some invoices of CTC dusts suffered withdrawal despite losing up to Rs. 5 a kg.

### **Monsoon revives but Gujarat, Rajasthan may miss out**

The India Met Department expects a low-pressure area to form over the East but located over the Bangladesh coast. The causative upper air cyclonic circulation had shifted base from over sea (Northwest Bay) to a location over land overnight on Monday.

### **Not ideal location**

A land-based low-pressure area may not have been the ideal thing that the monsoon wanted at this stage, but has to make-do with it now. The location most preferred from the monsoon point of view is around the Head Bay of Bengal. Its projected coordinates mean that most parts of Rajasthan, Gujarat and west Madhya Pradesh would have to wait for any meaningful rain. The 'low' will preside over a revival of monsoon mainly over East and North-East India; along the Himalayan foothills and the West Coast. A Met report said that conditions were becoming favourable for advance of the monsoon into more parts of Uttar Pradesh and some of Uttarakhand, Himachal Pradesh, Jammu and Kashmir, Punjab, and Haryana during next four days. This will come about as the 'low' fans moisture-laden south-easterly winds from the Bay into the region. The preparatory trough across the plains of North-West and East India now extends from Punjab and cuts through Haryana, Uttar Pradesh, Bihar, Jharkhand and West Bengal before dipping into East-central Bay of Bengal. The trough is expected to gobble up the 'low' over Bangladesh and embed it so that its play becomes concentrated within

so that parts of the plains also benefit from rain. Meanwhile, an east-to-west 'shear zone' of monsoon turbulence has come back into position in the higher levels of the atmosphere over peninsular India. This zone signals the revival of monsoon and also represents the region where the monsoon is most active with a rub-off impact on the ground level. As is expected, the current location of the 'low' would mean that the heavy to very heavy rain from it would get concentrated to East and North-East India.

### **Heavy in east**

West Bengal, Jharkhand, Bihar and Odisha in East India; the West Coast; and parts of the plains of North-West India would receive monsoon showers until July 7. Heavy to very heavy rain were recorded over the East and North-East during the 24 hours ending on Monday morning. Centres receiving very heavy rainfall included Siliguri (25 cm); Cherrapunji (17 cm); and Panagarh (12 cm); and Darjeeling (10 cm).

### **Tobacco farmers fume over plan to tax cigarette more**

Tobacco farmers in Karnataka are worried over the proposal to increase tax on cigarette and the resultant impact on their livelihood. "Karnataka tobacco farmers are concerned on the recommendations of Union Ministry of Health for steep increase in tax on cigarette in the forthcoming budget," BV Javare Gowda, President, the Federation of Karnataka Tobacco Growers Association, told *Business Line*. About one lakh small and marginal farmers in Mysore, Hassan and Chamrajnagar districts of Karnataka are dependent on Flue Cured Virginia (FCV) tobacco crop for their livelihood. Apart from growers, nearly 10 lakh farm workers are dependent on this rain-fed commercial crop. "FCV tobacco in Karnataka is grown under rain-fed conditions. Farmers in this region do not have any other remunerative alternative crop," said Gowda. "Whenever news of increase in taxation and ban on the crop comes up, we (farmers) feel this kind of information or decisions will jeopardise the prospects of thousands of small and marginal farmers," Gowda added. He further said that during extreme weather conditions as being experienced this year and also during crop year 2011-12, FCV was the only crop that gave returns to the farmers.

### **Taxation**

T Vikram Raje Urs, Secretary of the Association, explaining the impact of cigarettes taxation and its impact on farmer livelihood, said, "Domestic cigarette industry normally buy more than 50 per cent of the tobacco on the auction platforms and plays supportive role in ensuring remunerative prices to the farmers in view of fluctuating export demand." Further cigarettes accounts to just 15 per cent of total tobacco consumed in India and the rest accounts for beedies, chewing tobacco, Khini, etc. "Indiscriminate increase of excise duty on cigarettes will ruin farmers' livelihood. Reduction in legal cigarette production will reduce the tobacco purchases of domestic manufacturers, impacting market prices for farmers also due to abnormal increase in excise duty, illicit cigarette in India has been growing enormously and is now the 5th largest smuggled cigarette market in the world," explained Urs.

## ‘Amul, Mother Dairy have not formed a cartel’



The National Dairy Development Board (NDDDB) recently saw a change of guard with T Nanda Kumar, the first-ever person from the Indian Administrative Service, taking over as the Chairman of the apex dairy sector body. He replaced Amrita Patel who was at the helm of NDDDB since 1998. NDDDB is currently implementing the World Bank-funded National Dairy Project that seeks to scale up milk output. It is looking to replicate the dairy co-operative model in the fruit and vegetables segment, Nanda Kumar told *Business Line* sharing his future plans in an interview. Justifying the recent hike in milk prices, the NDDDB Chairman said farmers had to be paid well to remain in dairy business, while ruling out extending financial support to the private sector at this stage. Excerpts:

### **How is the roll-out of National Dairy Plan progressing?**

We started a little late. Initially, there was little difficulty in getting States aligned to the objective. Some parts of the project such as genetic intervention will take time, but I think we will be on target when we finish as we are expediting the roll out this year.

### **What are your future plans for NDDDB?**

NDP Phase I is being rolled out. There is one concern on the quality of processing as many of the dairies were set up 20-30 years ago. We need to look at their efficiencies in terms of use of energy and water and in terms of quality of output. The second phase of NDP would have addressed it. We are now exploring the possibility of advancing it. We would like this INAPH – Information Network for Animal Productivity and Health – a software system to be rolled out across the country, even in regions outside the project. INAPH will generate animal-specific data such as the milk yields, breeds, calving intervals which would help in genomics. Is there any role for private sector in NDP? Any plans to fund the private companies that are investing in developing the back-end? We believe that farmers must have a choice to sell where they want to. In NDP, we are confined to co-operatives and producer companies; primarily because that's the way the project has been designed. I don't see that changing during the course of this project. It is still the co-operative sector which provides liquid milk to consumers in large quantities. There aren't many private players in the liquid milk business. That is largely because the operational margins are

lower in milk business compared to dairy projects. As a national organisation, we have a commitment to consumers to ensure liquid milk supplies. I am not sure whether private producers will really want to do that. NDDDB has limited funds and to take private sector as partner in NDP is not feasible.

**Inflation in milk has been a big concern in recent times. There is a perception that large players such as Amul and Mother Dairy seem to have formed a cartel?**

The problem is even Amul and Mother Dairy are not getting enough milk for liquid milk supplies. The cost of production is going up and farmers are demanding a higher price. It is not really a cartelisation, but responding to farmers' cost of production. If we don't increase prices at farm level, they might just give up dairying. If dairying has to remain a profitable business, then farmers have to get a remunerative price. This is also linked to the income security of farmers. Dairy is the only industry where 75-85 per cent of the consumer rupee goes to farmer. There is no really a cost of intermediation that we can play around with. If we don't increase the prices, we might be putting the entire growth of milk in jeopardy.

**Will NDDDB intervene in controlling the prices considering that Mother Dairy is your subsidiary?**

No. We don't intervene in pricing. Mother Dairy is another commercial company. We don't subsidise it and we cannot. It has to work on commercial principles.

**So, what will be the future role of Mother Dairy?**

Mother Dairy is just one dairy which will stay in Delhi. They may be asked to take a larger role in fruits and vegetables, a new area where we need intervention. I do not see a possibility of Mother Dairy going to other parts of the country and doing milk business, except for specific interventions. NDDDB, on its part, would like the States federation to come up strongly and have their marketing in their States.

**There is a demand from certain quarters that the Government should not be in milk business. Will you look at divesting Mother Dairy?**

Mother Dairy is not the Government. NDDDB also does not have Government money.

We don't depend on budgetary support. We don't take any taxpayers money.

As of now we haven't thought about divesting.

It is just a Delhi-based dairy company and essentially I don't see a larger role for them in the rest of India except for in fruits and vegetable and edible oil. I don't see disinvestment in Mother Dairy as something of great importance at this stage. By divesting also, we don't see a great change happening.



### **Ginger dips on higher imports from Nigeria**

Ginger prices dipped from a recent rally due to higher imports from Nigeria. Shortfall in domestic supply and crop failure in Ethiopia helped the ginger market scale above Rs 300 a kg, also leading to a lower conversion into dry ginger. India is among the leading producers and consumers of ginger in both fresh and dried form. “Without imports, the domestic prices would have gone up further. Failure of Ethiopian crop added to the pressure. Higher imports of fresh ginger to Bangladesh and Pakistan also helped the market firm up,” P Nandakumar, a trade consultant said. Indian traders are trying to cover from Nigeria due to the lower supply in the domestic market. According to the data provided by the state-run Spices Board, Indian ginger is quoted at \$ 5.29 per kg during the week ending June 20 in the New York market as against \$ 3.75 per kg during the same week of last year. Export of ginger in the current fiscal has fallen by 21 % during the April-December period to 10,800 tonne.

## **DECCAN Chronicle**

### **Budget to cut subsidy on urea**



The Narendra Modi government’s first Budget is all set to lay a roadmap to cut down excessive expenditure on urea subsidy and imports of edible oil and pulses, which together account for over Rs 1,60,000 crores each year. Also, the Budget will unveil the Agricultural Price Stabilisation Fund in a more robust manner to insulate farmers from adverse impact to their incomes and also to curb inflationary pressure. With Prime Minister Narendra Modi clearly stating that he seeks a major turnaround in agriculture, the Budget, to be presented by finance minister Arun Jaitley on July 10, will seek to make a substantial allocation of funds for the farm sector. “The government spends Rs 80,000 crores each year on subsidy for urea. There is an assessment this can be cut down by a minimum of 50 per cent, as farmers overuse them. The Budget will make significantly higher allocations to ensure that soil health cards are issued to farmers in a time-bound manner,” a source said. Barring Tamil Nadu and Maharashtra and upto some extent Gujarat, other states have not done enough work in this regard. Furthermore, India spends Rs60,000 crore and Rs 12,000 crore each year on import of edible oils and pulses respectively.

**Andhra Pradesh High Court: States can’t waive farmer loans**



The Hyderabad High Court on Monday made it clear that neither the AP nor the Telangana state governments had the power to waive the loans that farmers had borrowed from banks. The court, however, said that it would not intervene in the issue at this stage as it was premature. A division bench comprising Chief Justice Kalyan Jyoti Sengupta and Justice P.V. Sanjay Kumar was dealing with a plea by Mr Adusumilli Jayaprakash, former TD MLA of Vijayawada, seeking a direction to the Telangana and AP governments not to proceed further with the waiver of agricultural loans availed from banks. Mr M.V. Durga Prasad, counsel for the petitioner, submitted that in AP, the TD had promised total waiver of loans not only to farmers, but also loans to self-help women's groups. The TRS, has promised waiver of farmer loans of up to Rs 1 lakh. He said after coming to power, AP issued GO Ms. No. 31, on June 10 to appoint an expert committee, stating that it desired to waive agricultural crop loans given to farmers, women's self help groups and handloom and powerloom weavers.

### **Kerala facing food fall**



Planting paddy on large swathes in expectation of copious rains and abundant harvests during Thiruvathira Njattuvela, according to conventional wisdom, between June 21 and July 4, has been a practice in Kerala. But try telling this to GenNext and you will draw a blank. The story is that the Zamorin of Malabar once remarked: "Aliens may take away our spices and other valuable crops but they cannot rob us of our Thiruvathira Njattuvela". This was when someone told him that the Portuguese had pilfered valuable spices from the royal storehouse. Thiruvathira Njattuvela marks an important period on the Malayalam calendar, evoking memories of the hoary agrarian traditions and myths and legends that sustained the people. Njattuvela means planting njaaru or saplings in the paddy field. But this time farm scientists feel the scanty rainfall during the Thiruvathira Njattuvela bodes ill; days of shortage are ahead. A 'drought-like situation' looms. Kerala Agriculture University met chief, Dr. B Ajith

Kumar, says the monsoon this year does not favour farming. This is the 12th instance in the past 113 years when June has recorded over 30 percent rain deficit. Idukki and Palakkad are reeling under extreme dry weather conditions and the deficit here was 56 and 52 per cent respectively till June 30. Even Thiruvananthapuram stares a huge deficit. The State received 404 mm rainfall between June 1 and 18, as compared to normal precipitation of 564.41 mm as per statistics available at Vellayani agriculture met centre. Dr. P V Balachandran, director of extension, Kerala Agriculture University, said the deficit rainfall might upset seasonal rice production and vegetable cultivation. Palakkad, the rice bowl of Kerala, could be the most affected. "Direct seeding into dry soil needs uninterrupted rainfall. Even though the majority of farmers have already done direct seeding, drought-like situation deprives sensitive saplings of moisturized temperature". Kuttanad, another granary, has been able to hold fort, somewhat. "But in both places, less rainfall promotes a high weed population, which damages the entire crop as paddy needs to grow in the watershed", said Dr. Ajith Kumar. In Palakkad, many farmers have decided to forgo the second crop because of poor rainfall. According to Mr Sujith Lal of Chittur, a textile engineer-turned-organic farmer, this time paddy may wilt with deficit rain. If monsoon fails to pick up, the crop is gone," he said. Rubber growers' hopes rest on the rest of the southwest monsoon. "Coupled with the price fall, a deficit monsoon would affect the latex industry", says Mr Robin John of Kanjirapilly. Normal monsoon helps us with a good yield but this time it doesn't look good, he said. It's also scary for altitude crops such as pepper, cardamom and coffee. Pepper flowering depends on good monsoon and this gives high yield, cheering up high-rangers, whose acres are more susceptible to seasons. Munnar fears a crop loss of 20 percent, informs an official of Tea Board of India. Many tea estates have suspended plucking. Looks like no crop will be spared as a good part of the monsoon has played truant so far.

## **THE TIMES OF INDIA**

### **Goa Dairy milk price hiked from Tuesday**

In a surprise move, Goa Dairy has hiked the price of milk by Rs 2 to 3 a litre of all variants with effect from Tuesday. With the new tariff, the rates of Goa Dairy milk would be: standardized milk Rs 40, cow milk Rs 36, toned milk Rs 33 and full cream milk Rs 48 per litre. Rates of standardized milk, cow milk and toned milk variations have been raised by Rs 2 per litre while rate of full cream milk has been raised by Rs 3 per litre. The half litre packet of standardized milk that was available for Rs 19 will now be sold for Rs 20. Similarly, a half litre packet of cow milk will now cost Rs 18 from earlier price of Rs 17. The rate of toned milk's half litre packet has been raised to Rs 16.50 from earlier Rs 15.50, while a one litre packet of full cream milk will now cost to Rs 48 from earlier Rs 45. Dairy managing director NC Sawant claims they have raised the prices of standardized, cow and toned milk variants after three-and-a-half-years. The price of full cream milk was raised in January 2014, just six months ago, to Rs 45 from the earlier Rs 42. Sawant said the rise in operational costs has led the dairy to hike the prices. He said the purchase rate would also be increased. Farmers accuse Punjab State Power Corporation Limited of not ensuring 8-hour power supply. Demanding eight-hour uninterrupted power supply for agriculture pumpset (AP) connections for transplanting paddy, various farmer organizations held

dharnas in Barnala district on Monday. Farmers rued that power was supplied only for four-five hours by Punjab State Power Corporation Limited (PSPCL), which was not enough for their needs. They also demanded release of tubewell connections on priority those having land up to five acres, cut in fee from Rs 3,200 to Rs 1,200 per horsepower for increasing load of motors for borewell connections. Farmer outfit BKU (Dakaunda) vice-president Manjit Sing Dhaner said, "Despite making tall claims about power generation, Punjab government has miserably failed to provide eight-hour uninterrupted supply to the agriculture sector. Farmers are forced to spend huge amounts on diesel to run tubewells as they are getting around four-five hours of power only." He said that SAD-BJP government had politicized release of tubewell connections and those should be given to all farmers having land up to five acres. Jamhuri Kisan Sabha secretary Malkit Singh Wazidke said that PSPCL had arbitrarily fixed fee to increase load of AP connection motors at Rs 3,200 per horsepower, which should be lowered Rs 1,200 per HP.

### **Veggie prices shatter 'achhe din' dream**

Onion's ability to bring tears to the eyes is again assuming symbolic connotations as prices keep soaring in markets across the city. And, as in previous occasions of such steep hikes, its acrid vapours are not without the whiff of manipulation. When onions are available in the wholesale market just for Rs 16 per kg, retail prices are anything between Rs 30 and Rs 35. As the price of this very basic of ingredients of the Indian kitchen rises, matters are being made worse for middleclass pockets by the rise in prices of vegetables. Price of potatoes has soared to Rs 18 and there is the real possibility that it will rise further. The 'achhe din' that people had started dreaming of before the polls now seems a distant possibility. To make the matter worse, chief minister Mamata Banerjee's initiative to control vegetable prices by setting up of 'fair price' shops - the last resort for aam aadmi - in Municipal markets is not yielding results. "We are selling onions at Rs 800 per sack (50 kg). A few days back, prices had soared to Rs 930 but that has come down because of huge amount of onions coming in from Rajasthan and Nasik. The price is likely to come down further," said Haradhan Das, a wholesale trader at Sealdah market on Monday. Gopal Kundu, a retailer at Lake Market, painted a different picture. "We are buying at Rs 24 or Rs 26 and have no alternative but to sell at Rs 30 or more." Arup Roy, minister for Agricultural Marketing, smells a rat though. "There are people involved and they are neither wholesalers nor retailers, and they are jacking up prices," Roy told TOI. "We had a meeting on June 23 where the chief minister instructed the task force to become more active and nab those who are creating this artificial crisis. There is no shortage of onions and the difference in price between the wholesale and the retail market is surprising. We are putting our best effort to streamline the price of vegetables and onions in the city," he added. Mangalmay Halder, a vegetable trader in Lake Market, disagreed. He felt onion prices might shoot up further during the year. "There is a shortage in supply and that is pushing onion prices up," he said. While retailers in Lake Market are buying onion at a price of Rs 30 per kg, they are selling it at Rs 35 now. "Even a week back we were buying at Rs 25 per kg and was being sold at Rs 30," he said. According to Uttam Mukherjee, a supervisor at Kolay market, wholesale prices have gone up from Rs 16-20 per kg to Rs 25-30 in last one week. But Gurupada

Sinha, one of the traders in Posta Bazar, said onion prices have been soaring for last few weeks. "Even during the last week, onion was priced at Rs 700 per 40-kg bag. Within a week it is hovering around Rs 1,000 now," he said. According to him, while there was a good crop in Maharashtra at the beginning of the year, the harvest got damaged due to sowing time. "We have been facing a shortage so far. I think situation will be eased a little after a month or so. We will have crop from the southern states then," he said. Also surprising is that prices of vegetables differ from market to market. When brinjal is being sold at the Manicktala market for Rs 40 a kg, it is Rs 50 at the College Street Market and Rs 55 at Lake Market. This is true for other vegetables like striped gourd, ridged gourd, ladies finger, chilli, cauliflower, cabbage, papaya and tomato. "If the retailers purchased it directly from the wholesaler the price would have been same all over but the main problem is created by the middleman. These people make the market unstable. We are trying to raise a team that will make regular visits to the retail markets and check prices. Once the mechanism starts functioning we will be able to streamline prices," promised Roy.

## THE ECONOMIC TIMES

### **Delayed monsoon hits India's dairies, souring inflation outlook**



Jai Prakash Sharma looked gloomily into the chilling tanks at the Mewat milk cooperative: they are only half full these days, thanks to a delay in country's annual monsoon rains that has robbed cattle fodder of nutritious moisture. "If there are not sufficient rains in the next few days, some farmers may start selling animals for slaughtering," said Sharma, manager of a cooperative in Haryana that supplies milk to the country's capital, New Delhi. As dairy farmers fret over the risk to earnings due to the vagaries of the monsoon, the squeeze in supplies of milk is adding to inflationary pressures that Prime Minister Narendra Modi's government inherited when it came to power in May. Even without unpredictable weather, ensuring supplies of dairy products is emerging as a long-term policy headache in a country of 1.2 billion people where a sustained period of rising incomes has changed diets and lifted demand for protein. Country's much-acclaimed dairy co-operative model helped it to emerge as the world's largest milk producer in what became known as a "white revolution". But a system that relies on millions of farmers each owning a few low-yielding cattle, is now not enough, as India's cows' average milk yield of 2 to 3 litres per day is about one-tenth of the global average. Earlier this month the government imposed export restrictions on a raft of farm commodities and ordered a crackdown on hoarding to control rising food prices, after wholesale price inflation hit a five-month high. Soaring prices of basic goods such as milk and potatoes lifted retail food

inflation in May to 9.40 per cent and there are fears of worse to come, with rains so far 42 per cent below normal due to the sluggish progress of the monsoon towards agricultural belts in the northwest. Prices for dairy products, which account for nearly one-sixth of the goods in the retail food price index basket, rose by more than 11 per cent in May from the same month a year earlier. High food inflation could persuade the Reserve Bank of India's (RBI) to prolong its hawkish monetary policy even if weather conditions eventually improve and supply pressures ease, HSBC said in a recent research report. "To be sure, the RBI cannot address food inflation via interest rates," it said. "But the RBI still needs to contain inflation expectations in the interim, and prevent second-round effects from driving up core prices." According to dairy industry estimates, India is facing a 1.5-2.0 per cent gap between supply and demand this summer despite total milk production increasing to 140 million tonnes in financial 2013/14, up per cent from the previous year. At the Mewat cooperative outside the capital, Sharma said that his dairy has been unable to meet demand, even after raising prices paid to farmers by 30 per cent.

### **Onion rates up 40 per cent at Lasalgaon market despite minimum export price**



Onion prices have shot up 40 per cent in the last two weeks to Rs 18.50 per kg at Lasalgaon, the country's largest wholesale market for the edible bulb, despite the imposition of minimum export price (MEP) on the vegetable to check its domestic rates from going up. Prices have increased due to speculation amid anticipation of weak monsoon affecting Kharif (summer-sown) crops, National Horticultural Research and Development Foundation (NHRDF) Director RP Gupta said. The impact of rise in Onion prices at Lasalgaon in Nashik is being felt at Delhi's Azadpur market where they are ruling at Rs 15-25 per kg depending upon the quality, traders said. Average rate of onions at Lasalgaon have soared to Rs 18.50 per kg from Rs 13.25 per kg on June 18, as per NHRDF. On June 17, the Centre had imposed a MEP of \$300 per tonne on onion to curb overseas sales and control rising retail prices. In last one month, prices have jumped by 90 per cent to Rs 18.50 per kg as against Rs 9.75 per kg on May 30. "Onion prices have gone up purely on anticipation of drought as there has not been any decline in the supplies," Gupta said. About 39 lakh tonnes of rabi onion is stored in the country but that may not be sufficient if Kharif crop gets affected on account of deficient monsoon, he added. The Met department has predicted a below normal monsoon this year, posing threat to Kharif crops including rice. Monsoon rains are key for the farm sector as about 40 per of agriculture land is irrigated through rain water. The domestic demand during the lean period from June to November is met through stored rabi (winter) crops and fresh kharif (summer) crops. Onion production is estimated to have risen to 192 lakh tonne during 2013-14 crop

year (July-June), from 168 lakh tonne in 2012-13. Exports meanwhile fell to 13.58 lakh tonnes last fiscal from 18.22 lakh tonnes in 2012-13. Onion is predominantly a rabi crop grown throughout India. During the kharif season it is grown mainly in Maharashtra, Karnataka, Gujarat and Andhra Pradesh.



### **Onion rates up 40 per cent at Lasalgaon market, despite MEP**



Onion prices have shot up 40 per cent in the last two weeks to Rs 18.50 per kg at Lasalgaon, the country's largest wholesale market for the edible bulb, despite the imposition of minimum export price on the vegetable to check its domestic rates from going up. Prices have increased due to speculation amid anticipation of weak monsoon affecting Kharif (summer-sown) crops, National Horticultural Research and Development Foundation (NHRDF) Director R P Gupta said.

The impact of rise in onion prices at Lasalgaon in Nashik is being felt at Delhi's Azadpur market where they are ruling at Rs 15-25 per kg depending upon the quality, traders said. Average rate of onions at Lasalgaon have soared to Rs 18.50 per kg from Rs 13.25 per kg on June 18, as per NHRDF. On June 17, the Centre had imposed a minimum export price (MEP) of USD 300 per tonne on onion to curb overseas sales and control rising retail prices. In last one month, prices have jumped by 90 per cent to Rs 18.50 per kg as against Rs 9.75 per kg on May 30. "Onion prices have gone up purely on anticipation of drought as there has not been any decline in the supplies," Gupta said. About 39 lakh tonnes of rabi onion is stored in the country but that may not be sufficient if Kharif crop gets affected on account of deficient monsoon, he added. The Met department has predicted a below normal monsoon this year, posing threat to Kharif crops including rice. Monsoon rains are key for the farm sector as about 40 per of agriculture land is irrigated through rain water. The domestic demand during the lean period from June to November is met through stored rabi (winter) crops and fresh kharif (summer) crops. Onion production is estimated to have risen to 192 lakh tonne during 2013-14 crop year (July-June), from 168 lakh tonne in 2012-13. Exports meanwhile fell to 13.58 lakh tonnes last fiscal from 18.22 lakh tonnes in 2012-13. Onion is predominantly a rabi crop grown throughout India. During the kharif season it is grown mainly in Maharashtra, Karnataka, Gujarat and Andhra Pradesh.

