

Farmers must also start marketing their produce

M. J PRABU



Experience sharing: With other growers. Photo: Special Arrangement

Though natural or organic farming is nothing new in the country, the number of farmers who have started taking it up seriously has seen a positive rise in the last some years. “Though exact figures are not available to indicate the number of cultivators in this system of farming one thing we can be sure of is that compared to a decade back, today, both farmers and consumers are very much aware about the importance of pesticide-free crops. In fact in every village across the country farmers are aware of the importance of organic cultivation,” says Dr. Dr.R.Vaidyanathan, Head, Oilseeds Research Institute, TNAU, Tindivanam, Tamil Nadu.

Attitude

Be it 10 acres or as little as two acres, the drive to do sustainable farming stems from the farmers’ attitude. Escalating inputs costs, especially, are creating a mindset among growers to try and see whether this method could help them cut down on expenses. If it does help, then they continue to do it, serving as guides for others desirous of doing the same, according to Dr. Vaidyanathan. Mr. K. Somu is one such small farmer whose farm (3.40 acres) in Villipuram attracts several visitors everyday from different parts of the state to see and experience personally the magic of this system. The progressive farmer is cultivating fodder crops like sorghum, bajra and trees for wood and bamboo (for preventing soil erosion) along the borders of his farm. The crops are grown in a three tier system. Tree crops like coconut, arecanut, oilpalm and different fruit trees are grown as main crops and in between them intercrops such as turmeric, pineapple, banana, papaya, curry leaf, amla, sweet lime and orange are grown. Creepers liker pepper and betelvine are planted around the coconut and arecanut trees.

Irrigation

Apart from these about 100 varieties of herbal and medicinal plants are also grown. All the crops are irrigated using drip, sprinkler and rain gun irrigation. Weed control is managed by using natural mulches such as banana leaves, coconut leaves, newspapers

etc and Pongam cake, castor and mahua cake are applied to the soil to protect the crops from soil born pest, disease and nematodes. Some of the produce from his farm are converted into value based products and seem to have a good market at his farm gate itself. "Farmers must change their mind that they are for just growing crops. The marketing world today is tough and competitive. People are on the lookout for good quality products and don't mind the expense on travel if they get a good product.

Marketing

"I am easily able to market my products in my farm and in a separate organic outlet opened at the Government established Farmers market (Uzhavar Sandhai) in my area. My organic fruits like papaya and others are sold out in a day at the outlet and I get the money back the next day," he says. Along with him, about 100 farmers in the region have started a registered farmers federation unit called Vedapuri Organic Farmers Federation to market their produce. "Though there is a notion that organic food is priced at a higher cost than others a visit to the local rice retail shop would prove that in retail shops best quality raw rice grown conventionally is sold for anything between Rs. 45-55 depending on the area, location and size of the shop. Whereas, if you buy the same rice wholesale (75 kgs bag) from an organic farmer the cost per kg works out to be Rs. 50 a kg," says Mr. Somu. A farm must be an integration of different activities, according to Mr. Somu. Birds, animals, crops, fruit trees, honey bees etc all have a role in food production. Honey bees especially are one of the main agents in aiding good yield especially for fruiting trees.

Honey bees

"I have about 10 honey bee boxes and today at about two km from my farm you can see different wild flowering plants on both sides all because of these bees. Eliminating one or all of them and talking about growing food is like setting one's own house on fire," he says with a smile. Mr. Somu is presently doing his III rd year B.FTech (Bachelor of Farm Technology) at the Open and Distance Learning (ODL) programme from TNAU. For more details interested farmers can contact Mr. Somu at Kanni Nilam Garden, Srinivasapuram, Kumalam Post, via Pallinelliyanur-605107, Vikravandi Taluk, Villupuram district, Mobile No: 09442086431 and Dr.R.Vaidyanathan on Mobile: 9442472103, email: kvkvtm@tnau.ac.in, kvkvtm@yahoo.co.in

Managing mealy bug menace in cotton

J. JAYARAJ

M. KALYAMASUNDARAM

The occurrence of solenopsis mealy bug, *Phenacoccus solenopsis* on cotton was reported from Gujarat during 2004-2007. Since then, the insect has become a serious pest in cotton growing states in India. The yield loss due to this pest was estimated to be up to 50 per cent. Even the Bt cotton fields were also reported to be heavily infested

with this species of mealy bug. This mealy bug is favoured by dry weather and many records refer to heavy attacks following periods of prolonged drought.

Appearance

The mealy bug is cottony in appearance, soft bodied, oval shaped covered with white mealy wax. It feeds on young shoots and leaves. Affected plants appear sick and black, resulting in reduced fruiting capacity. Heavy infestations often kill the shoots completely. Clustering of mealy bugs is usually seen under surface of leaves as a thick mat with waxy secretion. Excess excretion of honey dews promotes the growth of sooty mould, interfering with photosynthesis. The mealy bug lays around 500 eggs from which the first instar called the crawlers emerge. They all move to suitable places in the plant, get fixed and start sucking the plant sap causing damage. Nymphal period lasts for about 15 days and the adults survive up to 35 days.

Management methods

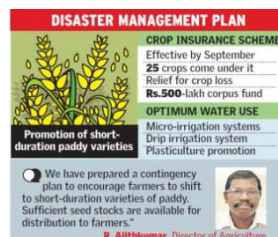
- Maintain field sanitation. Remove alternate weed hosts.
- Collect and destroy the infested twigs and branches or even uproot the severely infested plants.
- Monitor the incidence regularly and look for crawler emergence.
- Dust with 2 per cent methyl parathion. Spray profenofos 50EC , chlorpyrifos 20EC , quinalphos 25EC or dimethoate 30EC at 2ml/lit.
- Apply Neem oil 2 per cent, Neem Seed Kernel Extract 5 per cent or Fish oil rosin soap at 25g/litre of water. In nature, many lady bird beetles, green lacewing flies, parasitoids and entomopathogenic fungi effectively control this mealy bug.

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Keywords: solenopsis mealy bug, Phenacoccus solenopsis, cotton cultivation

Contingency plan to tackle truant monsoon

T. NANDAKUMAR



Focus on short-duration crops, insurance

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.”

Calamities

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. 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.

Keywords: southwest monsoon, crop failure, crop loss

Think raisins when grapes go sour

M. AHIRAJ



Post-harvest processing saved this grape cultivator

Renukappa has been cultivating Thompson seedless grapes on five acres of land at Somasagar village in Kanakagiri hobli of Koppal district for the past eight years. But untimely rain accompanied by hailstorms and gusty winds, which lashed the region in the beginning of the year, made grape cultivators a worried lot.

Price slashed

The crop, which was ready for harvesting, was damaged and the procurement price was slashed from Rs. 30 to Rs. 15 a kg. Unsure of what to do, Renukappa approached the Department of Horticulture for a remedy. Based on their advice, he set up a post-harvest processing unit to convert grapes into raisins and managed to earn a handsome amount. Renukappa was the first in the hobli to set up the unit and benefit from it. "I got a good price of Rs. 240 a kg for 'A' grade raisins," he told *The Hindu*. "As the procurement price was also very low, I decided to take up post-harvest processing and add value to the grapes grown on five acres of land. A shed with 15 tonne rack capacity was set up using angulars and nets by spending Rs. 4 lakh, to dry the grapes," he said. According to Renukappa, the process of converting grapes into raisins, though labour intensive, is not cumbersome. The process takes around 11 days. Once the raisins are ready, they are taken to Bijapur for gradation. Later, they are packed and sold in the market. Each kg of raisins requires at least 4 kg of grapes, he added.

Financial assistance

Sashikant Kotimani, Deputy Director, Department of Horticulture, said that grapes are being cultivated on around 200 hectares of land in the district. The department has been extending technical help and financial assistance for grape cultivation and also encouraging post-harvest processing and value-addition units. "The response has been very encouraging with many farmers willing to establish post-harvest processing units," he said. Renukappa can be contacted on 9448250439.

Keywords: Horticulture, Thompson seedless grapes

Biodiversity survey finds rare species in laterite hills



The biodiversity of the midland laterite hillocks of Blathur, near Irikkur, has drawn the attention of green activists as a survey conducted earlier identified several species of flora and different species of butterflies. The first phase of the 'Blathur Biodiversity Study' recorded 450 species of flowering plants in the area. The survey was conducted jointly by the Society for Environmental Education Kerala (SEEK), Kerala Sasthra Sahithya Parishad (KSSP), and local Wikipedia activists. The second phase of the survey, which has just begun, will cover the laterite hills of Oorathur and Kallyad. SEEK secretary V.C. Balakrishnan said the biodiversity-rich laterite hills of Blathur should be declared 'Laterite Biodiversity Heritage Site' to ensure their protection. He said that the laterite hills in the area served as a reservoir of water. Reckless laterite mining in the area, including in 'puramboke' lands, was causing major threat to their ecosystem, he added. The green activists who are now involved in the second phase of the survey have identified 50 more flowering plants, including

Strobilanthes integrifolius, which flowers once in seven years. They also include rare and endemic flowering plant species such as Andrographis atropurpurea and Humboltia brunonis.

500 flowering plants

So far, they have sighted 500 flowering plants, 95 butterfly species, including the rare species Blue Pansy, 40 species of dragonflies and damselflies, 60 species of birds and 20 species of amphibians, among others. The survey is part of a year-long initiative to study the biodiversity of the midland laterite hills in the area to draw people's attention to the importance of conserving them.

Keywords: Biodiversity survey

Onions now an essential commodity

The Cabinet Committee on Economic Affairs (CCEA) on Wednesday approved the inclusion of onion and potato under the purview of stock holding limits under the Essential Commodities Act, 1955. Briefing journalists after the CCEA meeting, Law and Justice and Telecom Minister Ravi Shankar Prasad said State governments will decide on the stock limit for onion and potato based on local conditions. The notification will be issued on Thursday and will remain in force for a year. The government on Wednesday hiked the minimum export price of onion to \$500 per tonne.

Programme for farmers held

A programme to popularize scientific technologies among the farmers was held in R. Pudupatti in Rasipuram in Namakkal on Wednesday. Organised as part of National Science Day celebrations by the Department of Veterinary and Animal Husbandry Extension of Veterinary College and Research Institute demonstration on detection of early mastitis, milking machine, low cost feed preparation by using locally available feed ingredients were calculated and advised to farmers. Pamphlets and books related to dairy farming, goat farming and backyard poultry were distributed to the farmers at free of cost. K. A. Doraisamy, Dean of the institute delivered special address and distributed nutritious feeds for cows to the farmers. –Staff Reporter.

Cotton farmers asked to buy seeds from licensed centres

With sowing of cotton seeds having commenced in Tirupattur, Kandili, Natrampalli and Alangayam blocks of Vellore district, cotton farmers in the district have been asked to purchase cotton seeds only from sale centres licensed by the government. P.J. Gunasekhar, Deputy Director of Seed Inspection, Vellore, said in a release that the farmers were advised to obtain due receipts for the seed purchases. They should not buy seeds at prices in excess of the maximum retail price mentioned in the BT seed packets. He requested farmers to inform the Office of the Deputy Director of Seed Inspection, II Floor, Joint Director of Agriculture Office Complex (opposite to the E.V.R. Thanthai Periyar Government Polytechnic College), Sivaramapuram, Vellore-632002 (Ph: 0416-2264562) if they came across dealers selling cotton seeds at prices in excess of the MRP, and also about unlicensed dealers.

Coffee seedlings to be grown under job scheme

The district administration is planning to grow 50 lakh coffee seedlings under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in Wayanad district next fiscal. The seedlings will be raised at various nurseries under all grama panchayats in the district with technical assistance of the Coffee Board, M.S. Swaminathan Research Centre, and the Krishi Vijnan Kendra, Ambalavayal, C.V. Joy, programme coordinator, MGNREGS, said. The project plans to ensure quality coffee seedlings to small-scale farmers in the district, Mr. Joy said. As many as eight lakh coffee seedlings had been raised in 12 nurseries under the project this fiscal and it would be planted utilising manpower under the job scheme on the land of small-scale farmers free of cost, he said.

Rejuvenation of ponds

The employment guarantee scheme would also focus on rejuvenation of ponds and rivulets, construction of new ponds, sanitation works in tribal colonies, construction of check-dams in streams on forest fringes, and restoration works of elephant trenches this fiscal, he added. The district had spent Rs.13.19 crore under the MGNREGS so far, Mr. Joy said.

Inland fish harvest melas in Wayanad

The Fisheries Department is organising inland fish harvest melas in the district during the period of ban on trawling. The shortfall in fish supply caused by the trawl ban would be made good by the melas, B.K. Sudheerkishan, Assistant Director-in-charge, Fisheries Department, said. It would also help fish farmers get good price for their produce, he added. The department expects an average production of 510 tonne of inland fish from 170 hectares of water bodies in the district this year. It has a target of 570 tonne next fiscal. District panchayat president N.K. Rasheed will inaugurate the mela at Thekkumthara at 2.30 on Thursday.

Kozhikode's success story in farming

Production touches 19,291 tonnes in 2013-14

The area under vegetable cultivation and the number of active farming clusters in the district have shown a considerable increase resulting in a striking increase in the total quantity of production in the last fiscal. As per the official records of the District Agriculture Department, production of vegetables, which stood at 4,140 tonnes in 2011-12, witnessed a multi-fold rise in the last fiscal with production touching 19,291 tonnes with a steady increase in the area under cultivation. Total production in 2012-13 was 6,224 tonnes. The area under vegetable farming is 1,677 hectares as per the consolidated figures released at the end of the last fiscal. In 2011-12, the area under vegetable cultivation was 460 hectares and in 2012-13, 707 hectares.

Crucial role

Farming clusters, comprising both women and men, played a crucial role in the change in the production scenario. At present, no fewer than 160 farming clusters — each with at least 20 to 30 members — are part of the farming network as against the 60 clusters when the project was formally launched in 2010-11. “The situation in the district is truly an encouraging one as our efforts are finding results. Currently, we have a highly industrious group of farmers, who find it as an opportunity to venture into monsoon, winter and summer vegetable farming,” says M. Abdul Latheef, Deputy Director of Agriculture. He says that it is summer farming — approximately in 250 hectares — that tops the chart with high yield. The department is planning to invest more time and funds to strengthen the existing clusters with special focus on marketing of farm produce. Efforts are on to form of a marketing system like that of the Vegetable and Fruit Promotion Council, Keralam. In addition, 2014-15 will witness the formal enrolment of “ungraded clusters” — where individuals take-up small-scale farming without any external funding or support — with the approved farming clusters. Such clusters will be eligible for an aid of Rs.30,000. Officials say that the project will contribute a great deal in supporting individual farming activities and indirectly result in the gradual increase in production.

Number of active farming clusters goes up to 160

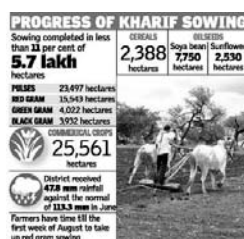
Area under vegetable farming touches 1,677 ha

Farmers’ action forum to be formed

A joint action forum of farmers in the Alathur Lok Sabha constituency will be formed at a meeting to be held at the collectorate here on Thursday. P.K Biju, MP, has said he has convened the meeting to elicit views of farmers on floating the forum and to get adequate representation to their demands in the ensuing Union Budget. Besides farmers, officials of the Agriculture, Irrigation, Dairy Development, Veterinary, Fisheries, Power, and Soil Conservation departments as well as bank officials and agriculture scientists will attend the meeting, which will be held at 11 a.m. – Special Correspondent

Gulbarga farmers’ hope rests on red gram

They lost chance to cultivate short-duration cash crops due to delayed monsoon



The hope of Gulbarga farmers, who have lost the chance to cultivate short-duration cash crops such as green gram, black gram and sesamum owing to the inordinate delay in the onset of monsoon, now rests on red gram, the mainstay of growers in the district. Farmers have been deprived of the opportunity to cultivate black gram on nearly 35,000 hectares of land, green gram on around 16,000 hectares and sesamum on over 7,200 hectares in the district. Black gram sown in 3,932 hectares, green gram in 4,022 hectares, and sesamum sown in 200 hectares have either failed to germinate or the germinated crops are withering due to lack of moisture. Sources in the Agriculture Department told *The Hindu* here on Wednesday that such farmers would now shift to red gram, sunflower or soya bean. Farmers have time till the first week of August to take up red gram sowing. If the predictions of the India Meteorological Department turns out to be true, there would be scattered to fairly widespread heavy rain in the first and second weeks of July, and the area under red gram would go up from 3.62 lakh hectares to over 4 lakh hectares, sources said. They said that sowing had been completed in less than 11 per cent of the total 5.7 lakh hectares in the kharif season. So far, sowing had been completed in 61,926 hectares, including 25,561 hectares covering commercial crops such as sugarcane and cotton in the irrigated belt. Pulses have been sown in 23,497 hectares and cereals in 2,388 hectares. Among pulses, red gram dominates the scene and has been sowing in 15,543 hectares, followed by 4,022 hectares of green gram and 3,932 hectares of black gram. Among oilseeds, soya bean has been sown in 7,750 hectares against the target of 14,000 hectares and sunflower in 2,530 hectares against the target of 30,000 hectares. Against the normal rainfall of 113.3 mm during the crucial month of June, the district received only 47.8 mm rainfall. The shortfall of rainfall has been uniform in the seven taluks.

Monsoon delay upsets EG farmers

Agriculture Dept. advises ryots to go for direct sowing method



Delayed monsoon coupled with a steady drop in water levels in the Godavari has left paddy farmers from East Godavari district a worried lot. Going by the crop schedule, the farmers, who are sceptical about the current kharif season, have to finish the nursery works and get their fields ready for transplantation. The scenario at the ground level is different this time. Barring farmers from the Konaseema region, the others are yet to commence the nursery works. The two reasons are delayed monsoon and insufficient release of water from the Godavari. Paddy has to be transplanted in 2.2 lakh hectares in the district during the kharif season, for which nurseries have to be ready in 75,000 hectares. However, nurseries are being grown only in an extent of 5,150 hectares so far. Against the normal rainfall of 120.2 mm in June, the district registered just 23.2 mm last month. This has severely hit farming operations in the district. On the other hand, water levels in the Godavari are going downward. In July

last year, the officials discharged 3 lakh cusecs a day into the Bay of Bengal. But now, they are not able to release the required 12,000 cusecs a day into the canals in East and West Godavari districts. On an average, 8,000 cusecs of water a day is being released into the canal, which is insufficient for farmers to go ahead with their work. "The trend is alarming, and farmers are not ready for a gamble. At a time when the input costs are skyrocketing and there is no assurance from the government about the waiver of crop loans, as promised during the elections, from where the farmers get the investment in this uneven climatic condition?" asks K. Trinadha Reddy, a progressive farmer from Ramachandrapuram. The Agriculture Department is advising farmers not to go for nurseries at this juncture, but to opt for direct sowing method. "We will wait and watch the scenario till the end of July. It is well and good if the rainfall is sufficient. Otherwise, we have to go for a contingency plan for upland and agency areas," says N. Vijay Kumar, in-charge Joint Director, Agriculture Department.

Sewage treatment plant to supply water for irrigation

An eco-friendly sewage treatment plant capable of treating 2.2 million litres of sewage per day was on Wednesday inaugurated by Union Minister for Agricultural Radha Mohan Singh. The plant, set up with the aim of addressing water shortage at the government farm research fields, was set up by the Water Technology Centre of the Indian Agricultural Research Institute. It will treat sewage from the Krishi Kunj Colony adjoining the IARI's campus at a cost of Rs.1.2 crore. It has the potential to irrigate 330 acre of IARI farmland. According to a statement from IARI, the facility has already resulted in considerable savings by significant reduction in purchasing contaminated surface water to meet irrigation demand of its farmlands. "...It will not only build water-level in the receding ground water aquifers of the IARI and hence reduce total energy required for pumping ground water but also help improve soil quality and agricultural productivity of the IARI farmlands," the statement added.

Water level

Mettur

The water level in the Mettur dam stood at 47.15 feet on Wednesday against its full level of 120 feet. The inflow was 6,884 cusecs and the discharge, 2,000 cusecs.

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Chennai

Chennai - INDIA

Today's Weather



Sunny

Thursday, Jul 3

Max Min
38° | 29°

Tomorrow's Forecast








Partly Cloudy

Friday, Jul 4

Max Min
38° | 26°

Rain: 0
Humidity: 63
Wind: normal
Sunrise: 05:46
Sunset: 06:39
Barometer: 1005

Extended Forecast for a week

Saturday Jul 5	Sunday Jul 6	Monday Jul 7	Tuesday Jul 8	Wednesday Jul 9
				
37° 25° Partly Cloudy	37° 25° Cloudy	36° 24° Cloudy	35° 25° Cloudy	35° 23° Cloudy

Airport Weather

Delhi

Rain: 0
Humidity: 79
Wind: normal
Sunrise: 05:27
Sunset: 07:23
Barometer: 1001



THE  NEW
INDIAN EXPRESS

India Hikes Minimum Export Price of Onions by 67 Percent



The government Wednesday hiked the minimum export price of onions by 67 percent to \$500 per tonne in a bid to discourage exports and improve local supplies as its prices surged in domestic markets. After the increase, the minimum export price of onions translates to Rs.30 per kg. Onion prices have soared in the domestic markets in the recent weeks and it is now sold for Rs.20-30 per kg in retail markets. The decision to hike the minimum export price was unanimously taken by an Inter-Ministerial Committee at a meeting here June 30. "Keeping in view the rising retail and wholesale prices and delayed monsoon, the Committee unanimously decided to fix the minimum export price at \$500 per tonne which translates to Rs.30 per kg with a view to arrest domestic price rise and augment domestic supply," a commerce ministry statement said. The previous minimum export price of onions was \$300 per tonne.

Vegetable Prices Pinch as Rain Turns Erratic



Vegetable prices have skyrocketed in North Odisha due to the untimely rain in May and delayed monsoon. While the price of potato and onion has doubled, that of other vegetables has gone up by 30 per cent. Although prices tend to move southwards during the season because of a spurt in supply, sources in the Agriculture Department termed the price escalation ‘unprecedented’ due to incessant rain in May for three consecutive days and absolutely no rain in June in the vegetable growing areas of the region. Potato is now priced between Rs 17 and Rs 20 a kg while onion is selling at Rs 20 to Rs 25. Ginger and garlic are expensive at Rs 120 per kg and `60 a kg respectively. Brinjal, ladies finger and wax gourd are sold at Rs 30 to Rs 40 a kg. Prices of vegetables like tomato, capsicum, cabbage, cauliflower and bitter gourd have also gone up drastically. While beans and coriander leaves are priced between Rs 100 to Rs 150 a kg each, tomato is priced at Rs 30, capsicum is available at Rs 50 to Rs 60 followed by cauliflower which is selling at Rs 40 per piece. Bitter gourd is selling at Rs 30 to Rs 40, carrots Rs 30 and papaya Rs 20 to Rs 22 a kg each. A local, Ananta Barik, said like the humidity, the prices of potato, onion and other vegetables have gone up. “It is difficult to meet the demands of my seven-member family. This month I have spent nearly Rs 1200 on vegetables only,” he said. Vegetables from Remuna and northern blocks flood Balasore markets during these days. However, crops in at least 2,000 acres were damaged during the rain last month. Cabbage, brinjal and other vegetables that were ready for harvest got spoilt. Apart from the damage to local crop, the traders attribute price rise to the corresponding hike in the neighbouring States of West Bengal and Andhra Pradesh from where the vegetables are imported. Attributing the rising prices to short supply, a vegetable trader Baidhar Dhamudia said the price would remain high in July and August and it might come down gradually once there is sufficient rain.

Onion Selling at Rs 40/kg, APMC Blames It On Reduced Supply



Onion prices have increased from Rs 18 to Rs 40 a kg in a span of two weeks. Traders in and around Russell Market and KR Market said the rise is due to Ramzan. Agricultural Produce Market Committee (APMC) secretary Chandra Mohan said the crops have failed in Maharashtra due to hail storm and, as a result, there is short supply. “On Wednesday, APMC received only 35,000 bags of onions of 50 kg

each. Our harvest from Challakere and Chitradurga will start only from July-end and by August we can expect good supply from Tamil Nadu as well,” he said. However, the rates may not skyrocket like last year and there is no reason to panic, he added. S Balakrishna, Vice-President of APMC Onion and Potato Merchants’ Association said: “the rates for medium size onions are Rs 35/kg at HOPCOMS and naturally in private markets, it will cost a bit more.” “The rise is because of the increase in transportation and fuel charges and also due to the commission paid at APMC yards by trucks. The local onions were sold at `15 per kg in May end and 15 days ago it was Rs 17. Now the rates are at Rs 24 for good quality onions. It will increase by the time it reaches the retail shops,” he said. He said the yard on Monday received 45,000 bags of onions and each bag contained 50 kg onions. “The 30,000 bags of onions are from Nashik and this time the crop is 30 per cent less owing to hailstorm. About 15,000 bags of onions are locally produced and they are supplied from Bijapur and from August end. The rates will normalise when new onions from Challakere and Chitradurga arrive,” he said. Arifa Chaudry, a home maker at Frazer Town, said the rate of onion increase during Ramzan traditionally as it is used in most dishes. “Other vegetable prices also have increased. But still it will not dent the festive spirit. I purchased onions from Russell Market at the retail price and it cost Rs 18 two weeks ago and now it is Rs 40.” HOPCOMS Director Nagini Chandrashekar observed that the rates are reasonable. “At HOPCOMS, we get only four tonnes of onions and the transport charge, labour charge and taxes all put together, onion is sold at 35 per kg our outlets.”

Onion Prices Soars up at Nashik APMC

Delayed monsoon and thin arrivals in the market drove onion prices up by Rs 200-300 per quintal here today, Agriculture produce Market Committees (APMC) sources said. Onions were sold at Nashik's one of the biggest wholesale markets, APMC Lasalgaon, in the of Rs 2,400- 2,500 per quintal, up by Rs 200- 300, market sources said. An average price ranged between Rs 1,850 and Rs 1,950 at Lasalgaon market. Prices shot up in last one month owing to delay in monsoon (almost by a month) and less arrivals in the market due to lower onion production, which was affected due to hailstorm in during March and April, committee sources added. Good quality onion is being sold in retail markets at Rs 30- 40 per kg, which was sold at Rs 15- 20 per kg, last month. The current arrival of onion in the APMC markets in Nashik district is kharif production, which has been adversely affected this year due to hailstorm.

Frail Rain in TN Sending Vegetable Prices North



The price of vegetables is witnessing a steep rise in the state, on account of the poor rainfall in Tamil Nadu. This has resulted in a drastic fall in the vegetable inflow to

Kerala. Though the prices of vegetables had remained steady till April, but by May, the graph started to climb. The price of onion, tomato, cabbage, carrot, cucumber, pumpkin, curry leaves and coriander leaves have seen a sharp rise in the past one month. The price of cabbage has touched `35 per kg while that of beetroot has gone up to `50 per kg. Carrot is priced at `50 per kg. The price of big onion has gone up to `35 per kg from `28 per kg a few days back. "The big onion mainly comes from Pune to Kerala. The price of onion in Pune market has increased to `22 per kg, which is reflecting in the prices here," said Arunkumar, manager, Vegetable and Fruit Promotion Council, Palakkad. He said that the domestic production of bitter gourd and snake gourd has increased. "Bitter gourd is now priced at `44 per kilo while snake gourd is priced at `35 per kg. Apart from these two items, the prices of vegetables which are coming from other states, have increased considerably," he added. Meanwhile, the price of fruits too has gone up, with retailers viewing the Ramzan season as the reason for this. "The price of fruits has also increased. For instance, the price of pineapple, which was sold at `35 per kilo, has now increased to `50 per kg. The price of 'nenthran' banana too has increased to `40, while 'njalipooovan' banana, which comes mainly from other states, is sold at `42 in the wholesale market," said Shaji, a Kochi-based wholesale trader. Meanwhile, Arunkumar said that the prices of lady's finger and chilli is expected to decrease in the coming days as the domestic harvest season of both the crops is expected to begin this month.

Give Solar-powered Motors, Say Farmers

The Vellore unit of the Tamil Nadu Vivasayigal Sangam affiliated to the All India Kisan Sabha has appealed to the State to distribute free solar-powered motors for farmers, so that they could pursue farming without power interruption. A resolution to this effect was adopted at the 17th district conference of the sangam held at Natrampalli on Tuesday, chaired by union president of the sangam S B Sampathkumar. State general secretary Dr Duraimanickam inaugurated the conference. State executive member R Mullai said, on the intra-state river link project proposed, which includes diverting excess water from Thenpennai river to Palar, the conference has sought a slight deviation in the route to benefit the tanks in Natrampalli and Tirupattur taluks. During the Assembly session, the State should pass a resolution seeking the Centre to constitute a 'Palar authority' to implement link projects to revive Palar. The State should approach the SC to stall the efforts taken by the Chandrababu government in AP to revive the construction of a reservoir across Palar river. The conference also appealed to the State and the Centre to present a separate budget for agriculture. The other demands included a pension of `3000 per month for elderly farmers, formation of tripartite committee by the State government to decide price for farm commodities and changing nomenclature of agriculture department to farmers welfare department.

Develop physical market for commodities

It will help futures market, suffering from lack of multiple pricing points, succeed



Futures exchanges apparently have difficulty in predicting the success or failure of futures contracts. Only 15 per cent of the contracts that are introduced survive before they get delisted. Physical market size, risk-reduction ability of the contract, cash price variability and liquidity costs influence the volume of trade and open interest of futures contracts. During 1994-98, 140 new commodity derivatives were introduced across the world. During 2005-13 almost the same number were introduced in Indian commodity futures. In India, major farm commodities such as cotton, oils and oilseeds and jute have lost their importance in the futures market arena. A few other agricultural commodities such as guar, chana, castor, cottonseed oil cake, rubber and mentha oil display volumes though metals (precious and base) and energy products continue to preponderate on the commodity futures scene. The attributes of commodity that are considered crucial for qualifying for futures trade are: Commodity should be durable and it should be possible to store it; units must be homogeneous; commodity must be subject to frequent price fluctuations with wide amplitude; supply and demand must be large; supply must flow naturally to market and there must be breakdowns in an existing pattern of forward contracting. Though the attributes mentioned above answers the question whether commodities are suitable for futures trade, however, it does not answer a more important complementary question whether the market will adopt a commodity contract for trade or not. The economic utility of a commodity futures contract for effective price discovery and efficient price risk management depends on wide participation of the physical trade in the commodity and also non-commercial participation, giving it a desired equilibrium. Lack of multiple pricing points in physical market and supplier concentration often causes contract failure. Energy futures contracts without the participation of the energy players (crude and natural gas producers and users) would have sufficient ingredient for failure. A market deserted by hedgers is unlikely to survive for long, as it will surely be neglected by speculators. Without getting into the argument of “chicken or the egg”, we need to appreciate that a futures market for any commodity presupposes a close correlation between the prices in physical market. And if the landscape of the country for the commodity has a controlled price mechanism or an oligopolistic market structure, the futures contract will have very remote chances of success beyond a certain time,

however well the contracts may have been designed. It is important that the country should direct its efforts toward developing active physical cash market with multiple players and multiple pricing points, the success of futures market will follow naturally. The writer is a commodity commentator

Conditions favourable for monsoon to advance into MP, UP

The low-pressure area over West Bengal has started interacting with the western disturbance to bring monsoon rains over the hills in North-West India and parts of adjoining plains. The India Met Department said that rain has occurred at most places over Himachal Pradesh and Uttarakhand in North-West India and Bihar, Jharkhand, West Bengal and Sikkim in East India.

Northern limit

But the northern limit of monsoon failed to make further progress after it broke the 15-day jinx to get a peep into parts of the North-West. Conditions are favourable for its advance into some more parts of Madhya Pradesh, remaining parts of Uttar Pradesh, Haryana (including Delhi), Punjab and some parts of north Rajasthan during the next two days. Many places over Jammu and Kashmir, east Uttar Pradesh, Assam, Meghalaya, Odisha, Konkan, Goa, and coastal Karnataka received heavy overnight rainfall on Wednesday. But the rain was confined to few places over west Uttar Pradesh, Nagaland, Manipur, Mizoram, Tripura, Tamil Nadu and Lakshadweep. Isolated places over Haryana, Delhi, east Madhya Pradesh, Gujarat, coastal Andhra Pradesh and north interior Karnataka witnessed passing showers.

Pacific churn

Global models suggested that the 'low' over East India may continue to be active until the weekend before weakening over Odisha. This is also the time around when the ground will have been prepared for the initiation of a cyclone/typhoon in the north-west Pacific, east of the Philippines. These models hinted that a preparatory low-pressure area may take shape by the weekend. It would go on to become a strong typhoon in the East China Sea. The system would concurrently become the prominent feature in the entire Asian monsoon system and would start pulling in flows from the Arabian Sea.

Heavy rain

These flows would be dragged into place over the West Coast first, before residual flows are hauled over peninsula, south Bay of Bengal, and onward into South China Sea/north-west Pacific. Heavy to very heavy rain is likely over the West Coast right from Konkan-Mumbai down to north Kerala during the next week, according to a US Climate Prediction Centre.

Cotton board pegs this season output at record

The Cotton Advisory Board has estimated cotton output to rise seven per cent to 390 lakh bales (of 170 kg each) in the cotton season ending September 2014. The crop output was 365 lakh bales (lb) last year. With the opening stock of 35 lb the total supply is expected to touch 433 lb (419 lb). The record output projections by the CAB on Wednesday puts mill consumption at 252 lb (250 lb). Imports are likely halve to 8 lakh bales (15 lakh bales) and exports are pegged at 114 lakh bales (101 lakh bales) this year. The total demand may touch 401 lakh bales against 385 lakh bales in the same period last year. Kiran Soni Gupta, Textile Commissioner, said there has been a substantial increase in cotton production largely due to higher yield, especially in Gujarat which recorded a yield of 758 kg/hectare against last year's 633 kg/hectare. "The all India average yield has gone up to 565.36 kg/ha (518.03 kg/ha). There is lot of scope to increase the yield further," she said speaking to media after the Board meeting.

Soil health

The Indian Council of Agricultural Research is propagating high density cropping in cotton and best farming practices to improve production and yield. The Government is considering setting up cottonseed bank and breeding more seeds to improve availability, she said. "While there are concerns over deterioration of soil due to use of high yielding seed variety, it was largely felt that the decision on use of cottonseed should be left to farmers. Moreover, agriculture is a State subject and the Union Government has little role to play," said Gupta.

Monsoon woes

On delay in monsoon, Gupta said a few members of the Board had expressed concern over the delay, but they were confident that sowing would pick up once the rain revives. Cotton sowing has been deferred in parts of Maharashtra due to the delay.

Coffee Board to strengthen research

The Coffee Board has taken steps to include growers associations, eminent growers, and experts in the field of agriculture to strengthen coffee research at its Central Coffee Research Institute. The research programmes of the CCRI are formulated once in five years and take into account the requirement of the industry at the beginning of each Plan. This was necessary as the changing requirements are not incorporated into the research programmes as there is no structured platform for regular interaction interface between the researchers and the stakeholders. Jawaid Akhtar, Chairman, Coffee Board, said, "Now to cater to the changing requirements of the coffee plantation sector, we have formed regional consultative forums (RCFs)."

“The RCFs will be co-ordinated by the research station concerned in that region. Four RCFs have been constituted, two for Karnataka state and one each for Kerala and Tamil Nadu,” he said.

Poultry sector may hatch better profits in Q2

Rising input cost may play the spoilsport



The Rs. 58,000-crore Indian poultry industry is expected to report higher margins despite realisations being volatile and wide disparity in supply-demand. High feed costs will also remain a concern. “The outlook for the Indian poultry industry appears better for the second quarter as supplies are affected by the hot weather. The market is expected to remain volatile,” Rabobank said in its quarterly report. The industry was battered by higher input costs and oversupply in the first quarter. Strong performances in 2010 and 2011 had resulted in sizeable investments in capacity expansion, especially in the broiler segment, leading to oversupply. Efforts of key integrators in the poultry industry to control supply through hatching holidays, initiated at the fag end of 2012, resulted in improved realisations in the final quarter of 2012-13 fiscal, although these were not for a longer period.

Feed woes

One of the biggest challenges facing the industry is the rising cost of soyameal. Its price increased 40 per cent from \$548/tonne in January to \$780/tonne in May. “This was an unwelcome cost as we were already reeling under surplus output and weak prices due to economic downturn,” said R Lakshmanan, Chairman, Broiler Coordination Committee. Feed costs account for 70 per cent of the total production cost. Though the industry has been experimenting with alternative feed ingredients such as bajra, jowar and rice bran, the scope for substitution remains limited. It is even feared to affect productivity. The substitutes aren’t cheaper either. “The production cost comes to Rs. 67-68 a kg while we are able to sell at Rs. 64-65. We are unable to pass on the costs to the customers as we find resistance from buyers,” he said. “But the second quarter will be marginally better since there will be a good demand for animal protein in summer,” Lakshmanan said.

Global outlook

The global outlook for the industry, however, remains bullish driven by relative price support from high beef and pork prices. Demand recovery and a more balanced supply and demand situation in most regions of the world will also support the trend. This will lead to an improvement in profitability for the global poultry industry. “Under improved global market conditions, led by the North American region, a slight increase in global chicken prices is expected,” said Rabobank analyst Nan-Dirk Mulder. Global feed prices are expected to decline in the third and fourth quarter based on current fundamentals and a good crop outlook for wheat and soybeans. In India, however, “delay in monsoon has changed sentiments, and further progress of monsoon continues to be a very crucial factor. With the central India already lagging behind, the undertone remains bullish. The coming months could be volatile with the price direction depending on monsoon and sowing progress,” says Vinita Advani, Research Analyst at Geojit Comtrade Ltd. Despite this positive outlook, the possible return of volatility in feed prices remains a threat to the poultry industry in the wake of ongoing concerns about the situation in Ukraine and the potential threat of an El Nino event.

Now, an app to alert potato farmers on weather & pest attacks



Over 40 lakh potato farmers in West Bengal may now have a different set of tools to help them minimise the damage of blight attack. Bengal is the second-largest potato growing State in the country. Blight is a fungal infection that causes major damage to the crop. The propensity of the attack varies with weather conditions. In the last harvesting season, Bengal lost nearly five per cent of its crop to a blight attack. ExpressWeather, a Kolkata-based private weather forecasting agency, has tied up with the Central Potato Research Institute (CPRI), Shimla, to develop a mobile and web-based weather application that will alert farmers on changing climate conditions and the possibility of pest attacks or diseases. A similar app will be launched next year for mustard farmers. The app runs on Android operating system (for mobile phones) and the fee-based application for potato farmers will be rolled out in the coming sowing season towards the year-end. Launches in UP, the largest potato-growing State, will be finalised once the State Government helps facilitate the local weather data that is to be simulated with the agronomical information sourced from CPRI. “We have decided to roll out the services in West Bengal first, as the infrastructure is available,” Angshujyoti Das, MD & CEO of ExpressWeather told *Business Line*.

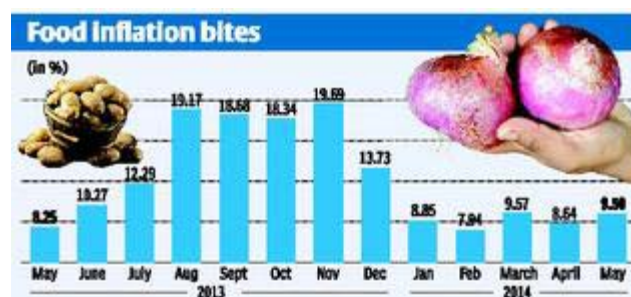
Upgraded observatories

The State Government has recently replaced its age old observatories with 147 state-of-the-art automatic observatories that directly send real-time weather data to the collection centre. The local weather information is simulated with the satellite data for accurate location specific forecasting. ExpressWeather (and other such private agencies) already offer specific climate based services to grape, pomegranate, cotton farmers in Maharashtra, Karnataka. Banks and corporates involved with in the agri sector are major users of private weather data.

Beneficiaries

In West Bengal, PepsiCo India is already using such data to give necessary advisory to its contracted farmers producing process grade potato. According to Das, its forthcoming services will broaden the scope of utility of such data depending on the variety of seed, sowing time, and location. "In the same locality of five km radius, the probability of attack may vary depending on sowing pattern and use of agri-inputs. Again, other things remaining same, the possibilities of damage may differ depending on location-specific change in weather conditions," he said. To be available at Rs. 99 a month, the app will keep the farmer informed about the possibilities for the entire three month season. Das estimates that a mere 20,000 subscribers (0.4 per cent of the potato farmers in the state) a year will help him recover the costs.

Centre brings onion, potato under Essential Commodities Act



In an apparent bid to douse the raging fire of rising onion and potato prices, the Centre on Wednesday brought these two vegetables within the purview of stockholding limits under the Essential Commodities Act, 1955. With this move, the ball is clearly in the court of State governments to take up de-hoarding operations and control the prices of onions and potatoes and improve availability. "The Cabinet now expects State Governments to take firm measures against hoarding," Ravi Shankar Prasad, Union Law and Telecom Minister, told newsmen after the Cabinet Committee on Economic Affairs (CCEA) meeting here on Wednesday, which cleared the proposal to bring onions and potatoes under the stockholding limits. The move followed a decision earlier in the day to hike the minimum export price (MEP) of onions to \$500 a tonne from \$300 a tonne. A higher MEP would mean that exports will become costlier and no longer profitable for traders. On June 26, the Government had imposed an MEP of \$450/tonne for potato. Once the Centre's notification is issued, States can take action

to impose stockholding limits, said Prasad, adding that this would help tackle the problem of hoarding and rising prices. States can use this window for one year from the date of the Centre's notification, he added. "We have sufficient supply. There is no need to panic. We are taking measures to improve supply and control prices," Prasad said, adding that the Government was hopeful "the rain gods would smile on India soon."

Stockholding limit

A stockholding limit ensures that traders cannot stock more than a prescribed quantum. If it is found that traders are holding more than the prescribed limit, they can be fined and, in some cases, even prosecuted. Currently, stock limit provisions exist for various foodgrains and cereals under the Essential Commodities Act.

Additional rice allocation

The CCEA also gave its nod for additional allocation of 50 lakh tonnes of rice for distribution to Below Poverty Line and Above Poverty Line families for the July 2014 to March 2015 period. This will mitigate the problems of people affected by food price inflation, particularly in States where the National Food Security Act has not been implemented so far. The allocations have been approved in view of the persistent demand from States and Union Territories for more foodgrains to meet their targeted public distribution system requirements, an official release said.

Minimum export price of onions hiked again



The Government has increased the minimum export price on onions to \$500 per tonne as the prices of onions in the domestic market continue to rise. This means that onions, which are priced below Rs 30 per kg, will not be allowed to be exported from the country. On June 17, an MEP of \$300 per tonne was imposed on onions, but it had not helped to arrest the prices. "The Inter-Ministerial Committee, at their meeting on June 30, observed that the wholesale and retail prices of onion are going up in producing and consuming mandies, and despite MEP at \$300 per tonne, there is no appreciable decline in the exports of onion," the Commerce Ministry said in a press statement issued today. Keeping in view the rising retail and wholesale prices and delayed monsoon, the committee has unanimously decided to fix the MEP at \$500 per tonne, it added.

Wholesale prices

Onion prices have risen 40 per cent in the last two weeks to Rs 18.50 per kg at the country's largest wholesale market in Lasalgaon, Nashik. In Delhi's wholesale market, Azadpur, the prices are ruling at about Rs 20-25 per kg. The rise in prices is partly due to hoarding as there are speculations that a weak monsoon would affect the kharif crops.

Business Standard

Govt moves to rein in onion, potato prices



The Narendra Modi government on Tuesday decided to bring onions and potatoes under the Essential Commodities Act(ECA) to curb black marketing and hoarding, blamed for recent surge in prices. This will empower states to impose caps on stocks of these two vegetables for traders. While onions were re-included in the Act 10 years after it was delisted by the previous United Progressive Alliance (UPA) regime, potatoes got included on the list for the first time. The decision was taken by the Cabinet Committee on Economic Affairs. Stockholding limits, which will be set by state governments, will prohibit individuals from storing onions and potatoes beyond the prescribed ceiling. The Act is aimed at ensuring easy availability of essential food items and protecting consumers from exploitation by unscrupulous traders. The law provides for regulation and control of production, distribution and pricing of commodities. "With this, we are giving the right to state governments to take stern action against hoarding and black marketing," Law Minister Ravi Shankar Prasad told reporters here. He said the government now hoped states would act against hoarding and black marketing of onions and potatoes. A notification in this regard will be issued on Wednesday. The minister said any decision on banning export of onion and potatoes would depend on the circumstances then. The order will be in force for one year after which it will be reconsidered. Six state governments - Delhi, Chhattisgarh, Madhya Pradesh, Mizoram, Tripura and West Bengal - had demanded re-introduction of onions and potatoes in the ECA to help them take action against hoarders. These were removed from the Act in 2004 by then agriculture and food minister Shreshth Pawar. In the previous NDA government, the order was enforced from 1999 to 2004.

PINCHING POCKETS

Retail price of onion (₹/Kg)			Retail price of potatoes (₹/Kg)		
Centre	June 17	July 2	Centre	June 17	July 2
Delhi	23	29	Delhi	24	28
Mumbai	29	30	Mumbai	31	28
Kolkata	22	30	Kolkata	17	17
Chennai	26	28	Chennai	26	23

Source: Department of Consumer Affairs

At present, pulses, edible oils and oil seeds are under stock limits till September 2014. Storage curbs on rice and paddy will remain till November this year.

Earlier in the day, the government had raised the minimum export price (MEP) on onion to \$500 a

tonne (Rs 29,755) from \$300 a tonne (Rs 17,853) to improve domestic supplies, 17 days after it brought back the MEP. Last month, exports of potatoes were also curbed by imposing an MEP of \$450 a tonne. To augment supply of grains to weaker sections, CCEA also cleared a decision by a high-level committee under Finance Minister Arun Jaitley to immediately allocate five million tonnes of rice for below and above poverty line families between July 2014 and March 2015 in those states where the Food Security Act is not applicable. The rice will be distributed through public distribution system (PDS). The additional rice, which will be over and above the normal PDS allocation, will be released from July to March. "We have sufficient supply. There is no need to panic. We are taking all possible measures to improve supply and control prices," Prasad said. Stating that there were complaints that prices are rising despite adequate supply in the country, Prasad said the CCEA discussed the emerging situation "seriously". Hoping that monsoon rains would improve from next week, Prasad said good rain will wash away concerns of drought-like situations in certain parts of the country. "Let's not panic. Rain gods will be smiling on India. Today (on Tuesday) it rained heavily in Delhi and Mumbai. The government hopes the rain will be okay in the coming weeks," Prasad said. Meanwhile, in the national capital, retail prices of onion are in the range of Rs 25 to 30 per kg, up from Rs 15 to 20 a kg in May. The wholesale price at Lasalgaon in Nashik is Rs 18.50 per kg, up by about 80 per cent from June 1 levels. Onion production is estimated to have risen to 19.2 million tonnes during 2013-14 crop year (July-June) from 16.8 million tonne in 2012-13.

World Bank project worth Rs 1,000 cr to boost Himachal horticulture

A nod is awaited from the World Bank for an ambitious Rs 1000 crore project to boost horticulture sector in Himachal Pradesh. This is expected to add Rs 1,500 crore to the GSDP of the state, a top state government official said Wednesday. The project aims to double fruit production in five years and check the erratic production pattern. Rs 800 crore will be funded by the World Bank and the remaining Rs 200 crore will be shared by the state and central governments. Sources said a World Bank team would visit the state later this month for preparing an appraisal mission and would meet a cross section of people involved with the project. The HP Horticulture Produce, Marketing & Processing Corporation (HPMC) will be the coordinating agency along with concerned departments and agencies. The project is a comprehensive proposal covering production, post harvest management. Setting up of cold chains, processing

and marketing and R&D activities across the entire state. It covers established crops and new crops like hazel nut and olive which have a huge potential to grow here. Apple production is proposed to be raised from the present eight tonnes to 40 tonnes per hectare. Along with setting up automatic packaging, cold stores, processing plants and better marketing facilities. Large nurseries will ensure assured supply of latest varieties of root stocks and other plant material to farmers mostly from foreign abroad as they have fast growing apple varieties. The project also covers floriculture and a modern clock based auction centre of flowers is proposed with the help of APMC Delhi and a Dutch firm. Help of the Parmar horticulture university at Solan will also be taken to set up R&D units on the campus and in the countryside .

Karnataka constitutes Agri price panel



The Karnataka government today announced the constitution of the much-awaited Agriculture Price Commission (APC) which will fix a fair price for agriculture produce in the state. The state cabinet had given its nod for constituting the commission in November 2013, and chief minister Siddaramaiah had also mentioned about it in his budget speech on February 14 this year. The commission will fix the remunerative prices for agriculture crops. It would suggest to the government suitable measures as and when prices of agricultural produce decline. According to a government order issued by the Department of Agriculture, T N Prakash Kammaradi will be chairman of the APC. Two representatives each from the farming community and the state's departments of agriculture and cooperation would be members. Hanumanagowda Belagurki and Narasimhappa would represent farmers on the board while principal secretaries of the departments of agriculture and cooperation would be members. Commissioner of agriculture would be member secretary of the commission, a statement said. The commission will have a term of three years. It will have the powers to intervene to help the farmers whenever prices of any agricultural produce crash. The commission would also have the mandate to prepare region-wise crop pattern and fix minimum price for various crops. Agriculture minister Krishna Byregowda said on the floor of the assembly in November last year the commission would evolve a balanced and integrated price structure for agricultural and horticultural commodities for producers as well as consumers. It would help in establishing a well-organised marketing system for handling agricultural commodities and create adequate market infrastructure for storage, transportation and efficient processing.

Cotton yield pegged higher this year



The average cotton yield in 2013-14 has increased by nine per cent to 565.36 kg per hectare (ha) compared to 2012-13 as the quality of the seeds has improved despite the area under cotton falling to 11.73 million ha compared to 11.98 million ha in 2012-13. The Cotton Advisory Board, which met on Wednesday, has pegged cotton production on the higher side this year at 39 million bales compared to 36.5 million bales last year. The cotton area in north India has decreased to 1.3 million ha compared to 1.5 million ha. Central India has also seen acreage under cotton drop to 7.1 million ha from 7.2 million ha. Gujarat has seen a fall in area to 2.4 million ha from 2.6 ha. However, Maharashtra saw a rise in acreage and it went up to 4.1 million ha from 3.8 million ha. The acreage under cotton has remained stagnant at 3 million bales. “There has been a remarkable increase in productivity, and the focus currently is on breeder seeds. Seeds should be accessible to the farmers,” said textile commissioner Kiran Soni Gupta. Exports of cotton increased to 11.4 million bales compared to 10.1 million bales last year, according to CAB estimates. Imports of cotton also decreased to 800,000 bales compared to 1.4 million bales last year. China imports more than 65 per cent of India's cotton. This year so far it has imported 6.2 million bales. The other major importers of Indian cotton are Bangladesh, Turkey, Vietnam and Pakistan. India, imports extra-long staple cotton, which is not available domestically. Mill consumption of cotton has more or less remained stagnant at 25 million bales, while small-scale units' consumption has increased marginally this year to 2.5 million bales from 2.3 million bales last year. Total demand for cotton this cotton year is pegged at 40.1 million bales compared to 38.4 million bales last year.

Coffee exports dip 2.6%



Coffee exports from India have seen a marginal decline of close to 2.6 per cent to 182,553 tonnes during January-June, reflecting the depressed sentiment among exporters as the news of a better-than-expected crop in Brazil resulted in price drop.

The rupee appreciation combined with lower availability of beans locally left the exporters with much lesser quantity to export also caused dip in exports. During the first six months of the last year, coffee exports stood at 187,494 tonnes. “The shipments have declined in the first six months in line with our expectations. We have projected a decline of 5-10 per cent in exports this year due to lower crop in the season ended March. Rupee appreciation bothered exporters to an extent. The other main worry is that prices came down to around 170 cents per lb after reaching a high,” said Ramesh Rajah, president, Coffee Exporters Association. He said the news of Brazil not going to reap a lower crop impacted the sentiment, as everybody were expecting that Brazil will go for a lower crop and the prices will continue to rise. In value terms, exporters earned \$486.40 million as against \$518.42 million in the same period last year. In rupee terms, the exports were valued at Rs 2,969.71 crore as against Rs 2,766.16 crore with an average unit value of Rs 162,676 per tonne, an increase of 10.3 per cent over the corresponding period last year. Coffee prices remained highly volatile in April and May, with the ICO composite indicator recording its highest monthly average in two years at 170.58 cents per lb in April. It, however, declined 3.9 per cent in May to settle at 163.94 cents per lb.

THE FINANCIAL EXPRESS

Hands tied, knee jerk: Stock limits put on onion, potato



The Centre on Wednesday took the extreme step of bringing onions and potatoes under the Essential Commodities Act, 1955 and letting states impose stock holding limits, following apprehensions that hoarding was causing a spurt in their retail prices. Significantly, both these commodities were under the Act from 1999 to 2004.

The move, aimed at empowering state governments to undertake de-hoarding operations and control the prices of these vegetables, was taken by the Cabinet Committee on Economic Affairs (CCEA). States will now be free to set their own stock holding limits, mainly for retailers, with regard to the storage of these two commodities. Union Law and Telecom Minister Ravi Shankar Prasad said a notification would be issued by Thursday and would be applicable for one year. He said six states — Delhi, Chhattisgarh, Madhya Pradesh, Mizoram, Tripura and West Bengal — had asked the government to take this decision. However, Congress-ruled Maharashtra, a large producer of onions, said it made little sense to hoard onions since their shelf life is just a couple of months. “Onion is not gold. It can’t last long, and there is no major hoarding,” Chief Minister Prithviraj Chavan told The Indian

Express. Stating that the state government helps farmers create storage facilities for onions, he said, “This helps in stabilising prices, and blunts fluctuations”. Prasad said the decision to include these vegetables under the Essential Commodities Act only gave state governments the right to take stern action against hoarding and black marketing. “We have sufficient supply. There is no need to panic. We are taking all possible measures to improve supply and control prices.” Some farmer organisations, however, said if states imposed limits, it would only aggravate the situation and lead to higher prices. “Onions and potatoes cannot be stored indefinitely. They last for just three-four months,” said Ajay Vir Jakhar, Chairman of Bharat Krishak Samaj, a farmers’ forum. A crackdown will only lengthen the gap between now and the arrival of the next crop because these vegetables would be forced to hit the market immediately. The price rise in onions and potatoes, however, is not abnormal. A careful analysis of the trends in retail prices of vegetables shows that price rise in summer is a norm for most vegetables. The jumps are based on local factors, rather than any endemic shortage. The prices soften as Monsoon spreads across the country. Meanwhile, the government said the decision is expected to help the efforts

DECCAN Chronicle

Kerala village to implement UN family farming year



Kulasekharapuram, a small panchayat on the border of Kollam district is all set to implement the United Nation’s call to observe 2014 as International Family Farming Year, raising the slogan of self-sustainability in food production. The panchayat has two villages, Adinad and K.S. Puram and as many as 12,230 families in 23 wards. The agricultural office of the panchayat had identified the fact that extensive cultivation alone was not enough for food security. This concept was promoted in each family in the panchayat and a budget of Rs 5,80,000 was set apart for the venture. “In 2010-11 when paddy production came down extensively, we promoted upland paddy cultivation on each and every available cent of land in this panchayat. It was from this experience that we got the motivation to take up this project,” said V.R. Binesh, Agricultural Officer, K.S. Puram. The panchayat committee has organised meetings of prominent personalities in the village and gramasabhas in 23 wards to select a 30-member squad. The squad will be divided into groups and 150 houses will be assigned to each group. Three such groups will be assigned to a ward to distribute seeds and pamphlets. The Oachira Farmers Extension Organisation (OFEO) will provide training as well as saplings in grow bags on demand, for Rs 60 per bag. Street plays will be staged at select junctions in the wards to spread awareness against the use of harmful

pesticides while cultivating vegetables. The excess vegetables from households will be procured by the panchayat to be sold in an organic vegetable outlet at Oachira. The 'Mission 90 days' project to be inaugurated on July 31, envisages a harvest by Onam.



Government puts stock limits on onions & potatoes to check prices



Stepping up its efforts to combat inflation, the Narendra Modi government on Wednesday imposed control orders on onions and potatoes under the Essential Commodities Act of 1955, so anyone holding stocks of these two food items beyond limits specified by states will be liable for prosecution and possibly, even imprisonment. The Cabinet Committee on Economic Affairs' (CCEA) decision assumes political significance not just in the context of the government's attempts to rein in inflation, but also because it means a reversion to the system prevalent in the Atal Behari Vajpayee government that was overturned by the UPA regime soon after it came to power in 2004. Several states, including Mamata Banerjee-led West Bengal, had asked the Centre to take this step to enable them to fight inflation by cracking down on hoarders trying to create an artificial scarcity in these commodities, union law, justice and telecom minister Ravi Shankar Prasad said. "The government was getting complaints that despite adequate supplies, onions and potato prices are shooting up. We have also received complaints about hoarding and six states had asked for invoking the Essential Commodities law," Prasad said after the cabinet meet on Wednesday. The notification to bring potatoes and onions under the law, whose enforcement is the responsibility of state governments, will be issued on Thursday, for a period of one year. Apart from West Bengal, the state governments of Delhi, Chhattisgarh, Madhya Pradesh, Mizoram and Tripura had demanded the move. The objective of control orders under the Essential Commodities Act, like the one cleared for potatoes and onions by the Modi Cabinet, is to enable states to undertake effective de-hoarding operations by fixing stock limits in respect of these commodities in view of rising prices. Each state can set its own stock limit, by taking into account their local demand-supply situation. The government will take a view on extending the control orders for these two vegetables for a longer period next year, said the minister. Taking a dig at the UPA government for bringing onions and potatoes out of the 1955

law's purview in 2004, Prasad said: "Between 1999 and 2004 (the previous NDA government's tenure), onions and potatoes were under the Essential Commodities Act. There was a state of confusion after that." "We are ending the indecision on this issue and now states have the power to act on hoarders, which we hope they will take firm, effective and prompt action against," the minister said. Onion prices shot up 80% in June at the Lasalgaon APMC, a key wholesale market for the vegetable in Maharashtra.