

## Call to strengthen operations of community radio stations



**Erode:** Community Radio Stations have been providing a voice to the voiceless for over a decade now, catering to the local community through programmes relevant to educational, developmental, social and cultural needs of the residents.

The eagerness of community radio stations to strengthen societal relevance of their programmes was reflected amply at an experience-sharing workshop for community-radio operators at the Kongu Engineering College here on Sunday and Monday.

Promoting development in society: The Community Radio Studio run by Kongu Engineering College in Erode district, has been making its presence felt in the surrounding villages with programmes of socio-economic relevance.-  
PHOTO: M.GOVARTHAN

The workshop for community radio stations of Southern states, organised by the Community Radio Association of Tamil Nadu and Puducherry and Kongu Community Radio, also focussed on operating on a sustainable model.

Speakers at the workshop emphasised the imperative need for policy makers to envisage a support mechanism to sustain operations of the 170 functional Community Radio Stations in the country, including 28 functioning in Tamil Nadu and three in Puducherry.

Community radio stations need to operate sustainably to make continuous contribution to the society, S. Kuppaswamy, Principal, Kongu Engineering College, said, mooting seed-money support by the Information and Broadcasting Ministry.

College Correspondent V.K.Muthusamy added that the workshop was a stock-taking exercise to move ahead in the service of community.

According to R.Sreether, Community Radio Expert and Practitioner, Community Radio Stations were beset with financial problems.

Nevertheless, sharing of success stories invigorated the resolve of the community radio operators to chart a new course.

The speakers consisting of E.James Rajasekaran, President, Community Radio Association Tamil Nadu and Puducherry; G.Jakir Hussain, Secretary; Gnanajothi, Chief Co-ordinator Kongu Community Radio Station; Fr.Thomas Therakkam President, Community Radio Association South Zone; Archana Kapoor, General Secretary Community Radio Association; Pinky Chandran, Secretary, South Zone Community Radio Association; E.James Rajasekaran, President, Tamil Nadu and Puducherry Chapter Community Radio Association, shared the best practices in running the community radios in the interests of the downtrodden community through effective documentation of success stories.

### **Technical issues**

Technical issues pertaining to clash of radio signals, and the range of transmitters were also discussed at the workshop.

Swaminathan, Secretary, SIMCA (South Indian Music Companies Association) explained copyright issues faced by the Community Radio Stations.

Ms. Archana Kapoor said Community Radio Stations could count on the support provided by the Central Ministries under the aegis of Panchayati Raj, Consumer Rights as also the Department of Science and Technology and other agencies.

K.Thangaraj, Founder President, Community Radio Association Tamil Nadu & Puducherry, engaged the participants on future activities of Community Radio Stations.

The participants felt that the difficulties experienced by individual Community Radio Stations to generate content could be brought down through programme exchange.

Delivering the valedictory address on Monday, M.S.Mathivanan, Chairman SSM Educational Institutions, explained how community radio stations could function as catalysts for India's socio-economic progress.

***Participants share their experiences to motivate others***

## **Controlling rising prices**



*Both macro policies like monetary tightening by the RBI as well as commodity-specific measures implemented by the government have to be used to deal with inflation*

Onion prices more than doubled in the last two weeks and retail food inflation rose to 9.5 per cent in May as against 8.64 per cent in April, giving the new government more reason to worry. As the urban working class bears the brunt of the rising and fluctuating food prices, Finance Minister Arun Jaitley quickly announced measures to stem the price rise of onions. These included fixing a minimum export price (MEP) of U.S. \$500 per MT, distributing onions through the Public Distribution System, and advising State governments to delist fruits and vegetable from the Agricultural Produce Market Committee (APMC) Act.

As much as these short-run measures are necessary, the problem is more deep-rooted. Several interrelated determinants such as low agricultural productivity and yield, global price changes, scarcity of resources such as land and water, domestic price policies such as Minimum Support Prices, and stocking and trade policies (both international and domestic) have played a role in the increase of prices.

With increase in income there has been a decline in intake of wheat and rice, but an increase in demand for foods of high value such as milk, fruits and vegetables, meat, egg and fish. The increase in income has been generalised with MNREGA substantially increasing rural wages. Also, supply constraints such as lack of proper storage and warehouse facilities, which have resulted in post-

harvest losses to the tune of 30-60 per cent, have amplified the effects on prices, especially of perishable items. This is quite stark given the mammoth stocking of food grains, especially in light of changing preferences away from cereals. In the case of grains, the extravagant stocking policy works at cross purposes with limited movement of grains in the market.

### **A long-term view**

Food price inflation in India clearly underscores the need for understanding the heterogeneities across food commodities. This knowledge could be important to inform macroeconomic policy. For example, the assumption in standard macroeconomic models — that changes in relative prices of food and fuel represent supply shocks — may not hold for many commodities as we see them right now. Further, with a persistent upward trend in inflation, taking a long-term view rather than focusing only on recent inflation episodes seems imperative. In all this, one thing that is reasonably clear is that it may not be sufficient to identify the sources for high prices at a broad level. Both macro policies like monetary tightening by the RBI as well as commodity-specific measures implemented by different branches of the government (trade policies and domestic interventions in food markets) have to be used to deal with inflation. The questions to ask are: Why have interest rate policies not been as effective as intended? Is food demand interest rate sensitive? Do food prices lead to generalised price changes leading to inflation as macroeconomists know it? Overall, combining both macro as well as micro perspectives may be crucial to design policies to rein in inflation. Inflation in India demands the need for a Jaitley-Rajan fellowship.

### **Remedial options**

Faced with the current scenario, what are the remedial options? For one there seems to be little reason to not liquidate excessive wheat and rice stocks. In distributing released stocks, the government should think about an incentive overhaul along the lines of what was done in Chhattisgarh. The small State is a leading example of a well-functioning PDS system where leakages have been checked because of measures like colour coding of transport vehicles and raising the commission of PDS shopkeepers. Over time, there must be a gradual movement toward a cash transfer system. This depends on development of backend facilities such as bank outlets.

In food items with a high value, a case-by-case approach is needed. While onions could be facing a problem of excessive hoarding due to expectations of inflation, in commodities like milk the cost push might be playing a role. Dairy products such as oil cake and molasses are increasingly being diverted to alternative uses or markets. Milk has been the prime driver of inflation for many years and though its demand has been rising substantially (different estimates show that it is the food item with the highest income elasticity), there are supply side issues that need to be explored for finding the right policy mix.

Given the current government's paradigm of accepting short-term pains to incur long-term gains, it should seize this opportunity of high food prices. Investing in the private sector in cold chain or processing units needs to be encouraged. This will create rural jobs that are not farm-related, and create more efficient value chains, giving a better deal to farmers and consumers alike. Over the long run, streamlining wholesale markets under Agricultural Produce Market Committees, reducing limitations on private-sector procurement and storage, and checking on double taxation in interstate movement, need to be considered.

Finally, as a weak monsoon is being predicted, we must think of the long run. It is about time we gear up toward climate-smart agriculture (drought-resistant crops, conservation agriculture, etc.) to increase yields and income of farmers. This will increase farmers' productivity while providing the much-needed price stability to consumers. The promise of *acche din* for consumers and the agricultural industry need not be a far cry.

*(Devesh Roy is research fellow and P.K. Joshi is Director for South Asia, International Food Policy Research Institute.)*

## **TNAU suggestion for Adi Pattam cultivation**

The Agro Marketing Intelligence and Business Promotion Centre at the Tamil Nadu Agricultural University has suggested that farmers take up cultivation of maize, sorghum, gingelly, groundnut, and small onion in the 'Adi Pattam'.

In a release here, the centre has said that its analysis of the last 20 years' price in the Udumalpet regulated market, and trade survey have revealed that the price of maize a quintal will be around Rs. 1,480, and during the harvest season (October-November 2014) it is likely to be around Rs. 1,400.

## **Control pests, friendly way**

Officials of the Agriculture Department, and students of the Tamil Nadu Agricultural University carried out a demonstration of environment friendly pest control measures to farmers in Pollikalipalayam village to help them improve the yield.

Official sources said the visit to the village provided rural work experience to the TNAU students, and helped them understand the threat posed by pests to the farmers in the region.

The farmers were taught to use pheromone traps, and yellow sticky traps, when the infestation was severe.

"The pheromone trap can be used against all pests, and is fit for mass trapping. The rubberised septa hung from a plastic cap inside the trap has to be loaded with synthetic 'sex lures' to attract pests. The insect gets trapped in the polythene sleeve inside the instrument," the officials said. The officials told the farmers that yellow sticky trap was effective against whitefly, aphids, and thrips which pose threat to vegetables like tomato, onion, and brinjal.

"A total of 12 evenly spaced yellow sticky traps are sufficient to keep the pest population under the specified level within a hectare of area under cultivation," officials said.

## **After fuel, vegetable prices soar**

*Price of onions has nearly doubled over the past fortnight*



Just as Chennai residents have adjusted their household budgets to accommodate the recent fuel price hike, they now have further worry in the form of soaring vegetable prices.

The price of onions has nearly doubled over the past fortnight and is now between Rs. 36 and Rs. 40 in retail markets.

Shanthi Subramanian, a resident of Nolambur, said shopkeepers have removed the price tags of a few vegetables like beans (Rs. 90/kg) and broad beans (Rs. 60/kg). “I hosted lunch for eight persons a few days ago. I spent Rs. 875 on vegetables alone. Even a bunch of coriander leaves is priced at Rs. 22,” she said.

Traders at the Koyambedu wholesale market said the soaring heat and lack of rains have led to poor yield. On Thursday, Chennai experienced a maximum temperature of 39.2 degrees Celsius, three degrees more than the normal temperature. Delay in the onset of sea breeze resulted in a hot July day.

Of late, Koyambedu market has been getting 300 lorry loads of produce daily, about 100 truck loads less than usual.

Hailstorm that hit Maharashtra — from where Chennai receives a major share of produce — a few months ago, damaged onion crops.

For the past few days, onion prices have been steadily rising in the wholesale market. On Thursday, the wholesale price of onions stood at Rs. 30/kg.

However, traders said there is no hoarding in the market and there is not much difference between wholesale and retail prices.

In the retail market, the prices of green chilli and potato have jumped to Rs. 45/kg and Rs. 34/kg, respectively, an increase of Rs. 10 from more than a fortnight ago. Cauliflowers, carrots, brinjals and drumsticks are also expensive.

S. Chandran, a wholesale trader, said the prices have gone up by a minimum of 10 per cent due to fewer arrivals from other States. The recent hike in fuel prices has also added to escalating costs. The same trend will continue for a month until the rains resume.

## **Cotton farmers asked to buy seeds from licensed centres**

VELLORE: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.

## **Programme for farmers held**

SALEM: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 backyarder 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.

UDHAGAMANDALAM

## **All about roots and shoots**

## *Diploma course on supervising gardens launched in Ooty*

The growing demand for people with knowledge of gardening and allied activities was highlighted at the launch of a diploma course in supervising gardens, held here on Wednesday.

Inaugurating the course, which will be conducted under the aegis of the Department of Horticulture and Plantation Crops, the Nilgiris Collector P.Sankar stressed the need for efforts to reduce the gap between shortage of skilled hands to create and maintain gardens at many places and lack of jobs for people with knowledge of gardening at other places.

Pointing out that it will be a one year course, he said that the students will be paid a monthly stipend of Rs.1,000.

Stating that they will be familiarized with not only various aspects of gardening but also ways to add value to the vocation, he expressed the confidence that they will be sought after.

Adverting to the potential of the course to generate self employment opportunities, Mr.Sankar said that with low investments, the trained persons can expect high incomes.

Urging the students to make optimum use of the course, he said that they should give importance to changing technologies.

Speaking to *The Hindu*, Deputy Director of Horticulture, N.Mani, said that the course, which would be monitored by the Farmers Training Centre (FTC), would include theory and practical classes.

Stating that the minimum qualification was 12th standard, he said that 25 girls from various parts of the district have enrolled.

B.Anitha, Head, Horticulture Research Station (HRS), who will be one of the trainers, said that the students will be in demand, particularly in the private sector.

Students E.Vaishnavi and P.Latha said that even if it was a three-year course without stipend, they would have joined, as they were aware of its immense potential.

KOZHIKODE

## **A success story in vegetable 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.

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.

### **Focus on marketing**

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 a fund of Rs.30,000 under the new scheme.

Officials say that the project will contribute a great deal in supporting individual farming activities and indirectly result in the gradual increase in production.

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- *Number of active farming clusters goes up to 160*
  - *Area under vegetable farming touches 1,677 ha*
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KOLLAM

**District panchayat farming organic vegetables for Onam**

## *Plan to distribute 16,000 kits of vegetables*



The district panchayat plans to distribute more than 16,000 kits of 10 organically grown vegetables for Onam.

Planting of saplings in this connection was inaugurated by district panchayat president S. Jayamohan at the Government Agricultural Farm at Anchal here on Thursday.

25 acres at the Anchal farm is being utilised for the initiative and land in other farms will also be used. Each kit will contain 4 kg vegetables. Bitter gourds, long beans, okras (Venda), eggplants (Vazhuthana), chillies, ash gourds (Kumbalanga), cucumbers, ivy gourds (Kovakka), snake gourds, and pumpkins are the ten vegetables.

### **Precision farming**

Development standing committee chairman of the district panchayat, Biju K. Mathew, said that the vegetables will be grown using precision-farming methods. Pesticides would not be used. The kits would be distributed through the various farms and other institutions of the local body, Mr. Jayamohan said.

Those interested in purchasing the kits should register their names at the respective agricultural offices in their panchayats from the first of the Malayalam month of Chingam. Mr. Jayamohan said the price of the kits would be lesser than that in the markets during Onam.

The inaugural function was presided over by Mr. Mathew. Chadayamangalam block panchayat president Sivadasan Pillai and Agricultural Officers Joyce and Sathyan spoke.

**KARNATAKA**

## **White arecanut price at an all-time high**

The price of white arecanut is at an all-time high, with two varieties registering 80 per cent and 56 per cent rise in the price in six months.

White arecanut price has maintained an upward trend since January. The price of 'chol' variety (old stocks, harvested in 2012–13), which was between Rs. 180 and Rs. 185 a kg, has gone up to Rs. 280 to Rs. 290 a kg now (80 per cent increase).

The price of fresh arrivals (harvested during 2013–14) has gone up from Rs. 150 to Rs.160 a kg to Rs. 270 to Rs. 280 a kg (56 per cent increase).

Central Arecanut and Cocoa Marketing and Processing Cooperative Ltd. (CAMPCO) attributed the trend to crop loss in 2013 rainy season due to fruit rot disease, reduction in the imports, and the recent demand from pan masala industries for blending it with the red variety.

M. Suresh Bhandary, managing director of CAMPCO, told *The Hindu* that the last highest price for white arecanut was in 2010–11 when the chol variety fetched Rs. 260 a kg and fresh arrivals got Rs. 220 a kg. This, however, did not continue for more than four months, he said.

Mr. Bhandary said that imports from Indonesia, Thailand and Malaysia had been hit due to crop loss there. Hence there was a short supply both from the foreign segment and the domestic sector. Pan masala manufacturers recently switched over to white arecanut as the price of red variety shot up to Rs. 550 to Rs. 560 a kg, he said.

Mr. Bhandary said the price was likely to remain stable or go up further as this year's arecanut crop from Indonesia, Thailand and Malaysia, and from the domestic sector would arrive in the market only in November. He said there was a shortage of 30,000 quintals in the total arecanut procurements (both white and red varieties) of CAMPCO in the first quarter of this fiscal when compared to the corresponding period last year.

Ramesh Kainthaje, a member of G.V. Joshi committee on revision of production cost of arecanut, said the boom in the price had not helped a large section of farmers who suffered losses because of fruit rot disease. It had helped only large farmers who had the capacity to holdback stocks, he said.

Manchi Srinivasa Achar, president, All India Areca Growers' Association, Puttur, concurred with this.

***The price of two varieties has risen***

***by 80 p.c. and 56 p.c. in six months***

New Delhi

**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.

MYSORE

## **Mysore farmers to get sops to set up fishponds**

Fishermen in the district are being encouraged to set up their own fishponds under the National Mission for Protein Supplement scheme.

The district has plenty of freshwater resources to develop aquaculture and hence, the Fisheries Department has come up with the idea.

Lands that are not suitable for agriculture, along with other 'D' group lands, can be utilised for construction of fishponds. This requires a maximum of 12.5 acres.

The unit cost per hectare of water spread area is Rs. 4 lakh and the department will provide 40 per cent of the cost as subsidy to fishermen belonging to the general category and 50 per cent to Scheduled Castes and Scheduled Tribes beneficiaries.

The department will provide Rs. 1.6 lakh per hectare to a beneficiary under the general category and Rs. 2 lakh to SC and ST beneficiaries.

H.S. Chandrashekar, Senior Assistant Director, Fisheries Department, told *The Hindu* on Thursday that fish farmers would be supplied with fingerlings at a meagre price. The department has fish farms in Karimuddanahalli, Nagu, Kabini and as many as six varieties of fishes are being reared there, he said. The fingerlings would be sold to farmers at a nominal price of Rs. 200 to Rs. 400 per thousand fingerlings.

Mr. Chandrashekar said there are over 10,000 fishermen in the district, including 6,600 working fulltime. There are over 103 tanks in the district, which have been leased out to farmers, he said.

A sum of Rs. 500 per hectare would be collected from farmers. Tanks would be leased out once in five years. Last year, the total fish production crossed over 6,094 tonnes in the district.

Fish farmers are being given a 'net kit' and other accessories by the department, he said.

Mr. Chandrashekar said apart from motivating farmers to take up fisheries, programmes were being organised to create awareness about the health benefits of consuming fish.

BELGAUM

## Sugar factory to clear dues of farmers

The management of Malaprabha Sahrakri Sakkare Karkane Niyamit, M.K. Hubballi, has promised to clear the dues of sugarcane growers for the crushing season 2013-14 soon.

The managing director of the company said the factory had procured 3,45,702 tonnes of sugarcane during the year.

The factory had paid Rs. 2,000 a tonne to growers, which was in addition to Rs. 400 a tonne towards the cost of harvesting and transportation from the field to the factory site.

The total bill for the sugarcane procured from growers was Rs. 82.96 crore, of which the factory had paid Rs. 74.86 crore.

The remaining dues would be cleared after selling the stocks of sugar.

## Water level at Mettur

TIRUCHI: 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.

# hindustantimes

Chennai

Chennai - INDIA

Today's Weather



Sunny

**Friday, Jul 4**

Max    Min

37° | 28°

Rain: 0

Humidity: 55

Wind: normal

Sunrise: 05:46

Sunset: 06:39

Barometer: 1004

Tomorrow's Forecast








Partly Cloudy

**Saturday, Jul 5**

Max    Min

39° | 29°

Extended Forecast for a week

Sunday Jul 6	Monday Jul 7	Tuesday Jul 8	Wednesday Jul 9	Thursday Jul 10
				
38°   28° Partly Cloudy	36°   28° Cloudy	36°   27° Partly Cloudy	36°   26° Cloudy	34°   25° Cloudy

Airport Weather

Rain: 0      Sunrise: 05:27  
Humidity: 79      Sunset: 07:22  
Wind: normal      Barometer: 999



# THE HINDU BusinessLine

## Truant rains hit kharif planting in AP, Telangana

Sowing of major crops yet to begin in most parts of the two States



Overcoming odds A farmer prepares his field for sowing on the outskirts of Hyderabad. Sowing has been completed in only 11 per cent of the normal area under kharif crops. PV SIVAKUMAR

## **Hyderabad :**

Nothing seems to be rolling in favour of farmers in Telangana and Andhra Pradesh this year. As they wait for a decision on waiver of loans, lakhs of farmers are also looking at the skies praying for rain.

Sowing has not begun in most parts of both these States. Wherever it has, farmers are desperately looking for a few showers to protect their crops.

All the major crops of paddy, maize, groundnut and cotton have been hit. This might hit the overall productivity and production.

As the monsoon has failed to spread evenly as per schedule, the deficit in some parts of the States ranges from 50 to 90 per cent.

Farmers in Telangana have been able to plant only in 11 per cent of the total area of 40 lakh hectares under kharif. "About 8,000 hectares of area under maize in Mahboobnagar district are withering," a senior official in the Agriculture Department told *Business Line* .

The coverage of foodgrains is just 75,000 hectares, one-third of the usual area that should have been covered by now.

The situation in the neighbouring Andhra Pradesh, is no better.

Farmers there have covered just seven per cent of the normal area of 42 lakh hectares. By this time, plantings should have been completed in at least 20 lakh hectares.

Nellore, the only district where the coverage is better, too has reported a 25 per cent drop in plantings.

"The monsoon is inactive. Isolated showers were received, resulting in agricultural operations being affected. We have an overall deficit of 57 per cent in rainfall," an official of AP Agriculture Department said. Plantings of foodgrains have been completed in only 50 per cent of area of 1.51 lakh hectares as paddy, the predominant kharif crop in the coastal areas, has been sown only in 42,000 hectares (80,000 hectares).

According to India Meteorological Department, monsoon is 54 per cent deficient in coastal Andhra Pradesh and 82 per cent in Telangana. Surprisingly, it is 8 per cent excess in the Rayalaseema region.

On the other hand, the Central Water Commission data shows poor storage level in Nagarjuna Sagar and Srisailem reservoirs. While storage level is zero in Srisailem, in Nagarjuna Sagar the water level is only four per cent of the capacity.

On the other hand, the levels in Sriramsagar, Somasila and Lower Maniar are higher than last year.

Last year, the rabi crop in Andhra Pradesh and Telangana was affected as these regions were battered by at least three cyclones.

## India, Malaysia step up palm oil trade

Imports up by 7 per cent in Jan-April quarter



### **Mumbai :**

With Malaysian palm oil accounting for some 27 per cent of the total palm oil imported by India, edible oil continues to feature in bilateral trade between the two countries.

According to Malaysian Minister of Plantation Industries and Commodities, Amar Douglas Uggah Embas, this will be facilitated by the Malaysia-India Comprehensive Economic Cooperation Agreement signed in February 2011. Malaysian palm oil imports by India were valued at \$1.96 billion in 2012. During January-April this year, import of palm oil and its products were up 7 per cent compared to the same period a year ago.

“The implementation of the agreement since July 2011 has further strengthened bilateral trade, which is likely to touch \$15 billion by 2015,” he said at a Malaysia Palm Oil Trade Fair and Seminar here recently.

Some measures include exploring the possibility of establishing a research office for joint research activities and commercialisation of new palm-based products.

“There are also opportunities for the private sectors of Malaysia and India to explore collaborative investment in downstream operations including higher value-added palm derivatives such as oleochemicals, pharmaceuticals, processes food and speciality products,” the minister said.

## NCDEX making inroads into Bihar’s maize market



From doing odd jobs for traders to setting up a two-room full-fledged office of his own in a span of two years, 24-year-old Karan Kumar has come a long way. Kumar has emerged as the face of young graduates who are gearing up to hook Gulab Bagh on to the online trading platform.

Kumar is among the few young traders spotted by NCDEX, an online commodity futures exchange, when it arrived in the sleepy town to inaugurate its maize contract two years ago.

Kumar delivered 3,500 tonnes of maize on the NCDEX trading platform last year and hopes to increase this substantially this year. While Karnataka and Andhra Pradesh grow maize in the kharif (summer) season, it is planted as rabi (winter) crop in Bihar. Maize output in Bihar is expected to be higher at 10 lakh tonnes this year against 8 lakh tonnes last year. Maize prices have increased from Rs. 800 a quintal to Rs. 1,150 in the last two years as traders' now benchmark it to NCDEX prices.

The buoyancy in trade has led to increase in warehousing capacity in Gulab Bagh to 12 lakh sq feet from one lakh sq feet.

Real estate prices have zoomed to Rs. 1 crore an acre from Rs. 30-40 lakh as lands near the mandi are being developed as warehouse hubs.

### **Huge potential**

Leading commodities players including Cargill, Glencore, Louis Dreyfus Commodities, Godrej Agrovet, Amrit Feeds and Suguna Feeds have hired warehouses to stock maize. New hotels have sprung up to accommodate traders coming from Delhi, Mumbai, Rajasthan and Gujarat.

While things may look rosy today, it was not an easy task two years ago for Pradeep Kumar, head of NCDEX Business Group, to make the mandi work for six days. Since the market was open only for two days, maize prices were always under pressure due to bunching of arrivals, he said.

“The potential in Gulab Bagh is huge as it also harvests good wheat and paddy crops. We have not even scratched the surface,” he said. Currently, big traders aggregate the produce from 10-15 small farmers and sell them in the mandi, but farmers are aware of NCDEX prices, says Kumar.

### **Infra worries**

Jai Prakash, Purchase Officer, Glencore India, said the company has booked warehouse capacity for 10,000 tonnes and bought 5,080 tonnes, so far. “The quality of maize arrivals is not matching our specification. It deteriorated after the recent rain,” he said.

Anand Kumar Pandit, who has been in the trade for the last 10 years, hopes that the infrastructure in the mandi will also improve along with the growing business.

On a day, about 5,000 trucks arrive and it becomes difficult even to enter the market if it rains, he rues.

Creaking infrastructure and security has become a big issue ever since the Government moved the market from the APMC administration, he said.

The writer was in Gulab Bagh in Bihar's Purnia district at the invitation of NCDEX

The writer was in Gulab Bagh in Bihar's Purnia district at the invitation of NCDEX

## **Bengal updates weather stations for location-specific forecast**

### **Kolkata :**

In a pioneering effort, the West Bengal Government is planning to roll out location-specific weather forecasting and pest and disease-related advisory for nearly 60 lakh farmers across the State.

Earlier, the advisories had little relevance to the farmers as they were drawn from general information released by the Indian Meteorological Department.

As the first step, the Indian Meteorological Department has created a network of 147 modern weather stations that automatically disseminate real-time data directly to the collection centre, using mobile GPRS technology.

The data is fed from the State agricultural farms, district agriculture departments and the range officers (in charge of a cluster of districts).

Private weather forecasting agency, ExpressWeather, is handling the operation and maintenance of the weather stations. In the next step, the State meteorological department and ExpressWeather will collate this real-time climate information with the high resolution satellite data to provide a location-specific weather forecast.

“In the view of changing weather conditions, the use of live data improves the reliability of the services by 10-12 per cent,” a State official said.

The State is now conducting a trial run in four blocks – Mohit Nagar, Falakata, Kumargram and Malbazar – in North Bengal.

“Once the model is perfected, we plan to roll out such services across the State,” he said.

## **Volume hits year's high at Coonoor tea auction**

### **Coonoor :**

A volume of 22.17 lakh kg is being offered at Sale No: 27 of the Coonoor Tea Trade Association auction, ending on Friday. This is the highest volume to be offered so far this calendar; 3.27 lakh kg more than last week.

Of this, 15.36 lakh kg belongs to the leaf grades and 6.81 lakh kg to the dust grades. As much as 20.75 lakh kg belongs to CTC variety and only 1.42 lakh kg to the orthodox variety.

A volume of 1.66 lakh kg of tea unsold in previous weeks is being re-offered this week.

In the leaf auction last week, among corporate buyers, Hindustan Unilever bought brighter liquoring varieties. Tata Global Beverages and Duncans Tea showed interest on good medium bolder broken. In the Dust auction, HUL, Tata Global Beverages and Duncans Tea did not operate.

Godfrey Philips was selective on medium smaller grades. Indcoserve was active on good medium smaller grades. Although there was good demand for brighter liquoring teas from upcountry buyers, internal buyers were less active. Exporters, meanwhile, chose mostly plainer grades.

## **Storm brewing in the Pacific casts shadow on monsoon in India**

### **Thiruvananthapuram :**

As predicted, a tropical depression has sprung up over north-west Pacific with forecasts favouring its intensification into a powerful typhoon (cyclone) early next week.

Being the most prominent feature in the larger Asian monsoon system, the brewing typhoon would expectedly have a drag effect on the Indian monsoon as well.

### **Powerful storm**

Global models assess that the depression would go on to become a Category-3 storm on the five-step Saffir-Simpson scale for storm intensity by Monday (July 7). This is the maximum strength that the typhoon would be able to rustle up; it is forecast to wind down in strength over the two days that follow. The monsoon rain in India, which is making a delayed entry into North-West India, is shown as taking a hit from the typhoon.

The rains may start to dry up as early as from Sunday, starting from Rajasthan and Gujarat and progressively from west Madhya Pradesh. But the West Coast, Central and adjoining peninsular India, East India and the Bay of Bengal will continue to receive rain since the flows headed for north-west Pacific pass over these areas.

Just as the West Coast would witness heavy to very heavy rains thanks to the presence of the Western Ghats, the hills and rugged terrain of Myanmar would also witness spells of heavy rain.

The northern limit passed through Veraval, Surat, Nasik, Wasim, Damoh, Lucknow, Aligarh and Bikaner on Thursday. India Met Department said that conditions are favourable for its further advance into the rest of Rajasthan and Madhya Pradesh over the next three days.

# Why Google's Skybox buy is worrying commodity investors

The data that it provides can result in unfair advantage to those with deeper pockets



3Dsculptor/shutterstock

## **Chennai :**

Last month, Google acquired start-up firm Skybox Imaging for \$500 million. The acquisition is considered a steal compared with the \$19 billion that Facebook paid to own WhatsApp.

In buying the US firm cheap, Google has earned the wrath of commodity investors, particularly those who do not have deeper pockets.

The reason: they fear that Skybox's satellite technology could result in the manipulation of the commodities market.

## **What's so special?**

What's special about Skybox's satellite technology? It plans to put a constellation of 15 satellites about 300 km above earth in two years' time to take pictures of any part of the globe twice a day. In five years, the firm will have 24 satellites covering the breadth and width of the earth and will capture real-time videos of things, for example, a vehicle speeding through a highway.

The satellites will capture images of high resolution meant for commercial purposes. Currently, there are only nine satellites that can deliver images with such resolution but they are being utilised by the US security agencies for defence purposes.

## **The finer details**

The advantage with such high resolution is that it can provide minute details of production, be it coal, iron ore or crude oil. For example, it can provide images of oil tankers that can tell us the pace of production by a particular country. The images can tell us the speed of an oil tanker movement by sea, giving indications of whether it will reach on time or be delayed.

Images from agricultural fields can provide details of how planting is progressing or what a crop's health is.

Skybox currently has subscribers, including investors, for its data which include satellite imagery of oil shipments, pipeline activities and storage site.

According to the *Wall Street Journal*, an analyst at UBS has said that if he can buy satellite images of parking lots at Wal-Mart stores, he can project the company's sales figures before the quarterly earnings report are announced.

Similarly, measurement of density of trucks outside Foxconn in Taiwan can let us know when the next iPhone is due.

Skybox can turn out to be the next in-thing that can have an impact across a spectrum of industries, starting from equities and commodities to corporate intelligence.

Experts point out to global positioning system (GPS) as an example for the Skybox's potential. Initially, GPS was seen as a tool for defence purpose. Today, it has found varied uses, including movement of people and traffic.

Similarly, Skybox could lead to numerous apps and services, which, experts feel, no one can even think of now.

Skybox, according to its website, has plans to provide data and other services along with Google. It says it will revolutionise access to information. All these point to the potential for providing service at a fee.

### **Investors worried**

These prospects have left many investors and market players worried. Last week, a US consumer protection body, Public Citizen, asked the US regulators to review the acquisition of Skybox. It said that the satellite technology could help manipulate commodity markets.

The watchdog said that satellite images of oil, gas and power infrastructure is already helping deep-pocketed firms such as banks and hedge funds gain advantage in trading intelligence.

Though other firms provide such data to traders, Google is seen gaining an unfair advantage through its huge customer base.

Public Citizen contends that Skybox's technology could exacerbate the unfair advantage that already exists for bigger players in markets. Google and Skybox haven't commented yet anything on this charge.

Besides this, charges of invasion of privacy have also been raised against Skybox. Along with the potential and Google's scope to gain from a cheap buy, the unfolding scenario will be worth watching.

### *THE SATELLITE ADVANTAGE*

- *Speed of an oil tanker on sea*
- *Crop health in plantations*
- *Project any retail sales figure based on parking data*
- *Predict any offering from a corporate based on the plant activity*

## **MCX-natural gas nearing important support level**

### **BL Research Bureau:**

The natural gas futures contract traded on the Multi Commodity Exchange plunged 2.5 per cent last week. The contract has been trading in a broad range of Rs. 253-295 per mmBtu since March. It is now heading towards the lower end of this range. A reversal from Rs. 253 will keep the sideways movement intact. In such a scenario, short-term traders can go long with a stop-loss at Rs. 249 for the target of Rs. 267. Investors with a medium-term perspective can hold this long position for a higher target of Rs. 285.

A breakout on either side of the Rs. 253-295 range will decide the next leg of move. A strong breach of Rs.295 will turn the outlook bullish and the contract can target Rs. 310. On the other hand, the outlook will turn bearish if the contract declines below Rs. 253. The ensuing targets on such a break will be Rs. 240 andRs. 230.

**MCX-crude oil:** Last week's bullish view for the MCX-crude oil futures contract to breach Rs. 6,500 has gone wrong. The contract has, on the contrary breached Rs. 6,300 per barrel last week. Failure to break Rs.6,500 has increased the probability for a sideways movement between Rs. 5,950 and Rs. 6,500 in the short-term. On the daily chart, the 55-, 100- and 200- day moving averages are flat suggesting that a sideways consolidation is more likely. The contract is currently poised at the mid-point of this range.

Hence the immediate outlook is unclear. Intermediate resistance for the contract is available in the Rs.6,350-6,400 zone. Failure to breach this level can drag MCX-crude oil futures lower to Rs. 6,000-5,950 in the coming sessions. Short-term traders can avoid trading in this contract until a clear signal emerges.

# **Business Standard**

# Onion may bring more tears ahead

## **Only two months' stock left, new crop to arrive in October**

With stocks to cover two months of consumption and a new crop delayed by at least a month, the [onion](#) crisis is likely to become acute in September.

The National Horticultural Research and Development Foundation estimates the onion inventory across the country at 2.4-2.5 million tonnes. India eats 1.2 million tonnes of onions a month and the current stock will last till the end of August.

The next onion crop is expected to be delayed by at least a month because of late sowing. Early kharif onion should begin arriving in mandis towards the end of September.

Though Food Minister [Ram Vilas Paswan](#) claims the country has enough onions in stock, there will be a gap in supply for a month. Traders said onion prices would skyrocket in September.

"Our estimates suggest the onion inventory should be 2.4-2.5 million tonnes with farmers and stockists after accounting for spoilage, which is equivalent to two months of consumption," said R P Gupta, director of the Nashik-based National Horticultural Research and Development Foundation. "The problem will aggravate in September, when the existing stocks finish. The government should start importing," he added.

Atul Shah, director of the Agricultural Produce Marketing Committee at Pimpalgaon, said onion sowing was late by a month, leading to a month's delay in [harvesting](#). Imposing stocking limits would improve supply and correct prices for a while, but the real crisis would be in September, he added.

The Centre on Wednesday brought onions and potatoes under the [Essential Commodities Act](#), which imposes stocking limits and permits action against hoarders. The Centre has asked major onion-producing states to prescribe holding limits. Wednesday's announcement had an impact on prices. While the price fell seven per cent to Rs 1,875 a quintal in Maharashtra's Lasalgaon mandi, Asia's largest onion market yard, the price in Kolkata shot up by 3.26 per cent to Rs 2,375 a quintal. In Delhi, the price of onion moved up to Rs 1,988 a quintal on Thursday from Rs 1,950 the previous day.

The Centre's threat of action against hoarders had no impact as arrivals in the Lasalgaon mandi fell to 1,050 tonnes on Thursday from 1,225 tonnes the previous day.

Traders in Lasalgaon were disappointed with the government's decision to bring onion and potato under the Essential Commodities Act. "The government does not protect farmers when onions are sold at Rs 1-2 a kg during the peak harvesting season. There is a hue and cry when farmers get a few rupees extra in a shortage," said Sanjay Sanap, a trader in Lasalgaon.

# Global milk powder prices fall, dairies focus on domestic sales

**India produces 500,000-600,000 tonnes of the powder a year, of which 90,000-120,000 tonnes are exported**

With prices of [skimmed milk powder](#) (SMP) softening in the international market, major dairy players plan to focus on the domestic market this year, which, in turn, is also likely to witness further easing in SMP prices owing to an over-supply. What is significant here is that weak SMP prices would keep the prices of liquid milk in check for the coming few quarters.

With exports of SMP slowing down, there would be an excess supply of milk in the market, which otherwise, would have been used to make SMP for exports. Industry insiders feel that this would result in stable milk prices in the coming months.

India produces 500,000-600,000 tonnes of SMP a year. Of this, 90,000-120,000 tonnes are exported, says R G Chandramogan, chairman and managing director of [Hatsun Agro](#). Last year, India exported 120,000 tonnes; this year, however, exports might see a fall, dairy companies say.

Gujarat Cooperative Milk Marketing Federation ([GCMMF](#)), which owns and markets the Amul brand of milk and milk products and is a leading SMP exporter, had seen its exports treble to about Rs 530 crore, primarily due to selling milk powder on international auction platform Global Dairy Trade. R S Sodhi, managing director of GCMMF, said, "While the country had exported around 120,000 tonnes of SMP last year, this year exports will hardly stand at 30,000 tonnes."

Last financial year, Amul had exported about 20,000 tonnes of SMP. Sodhi says this financial year, exports will be significantly lower.

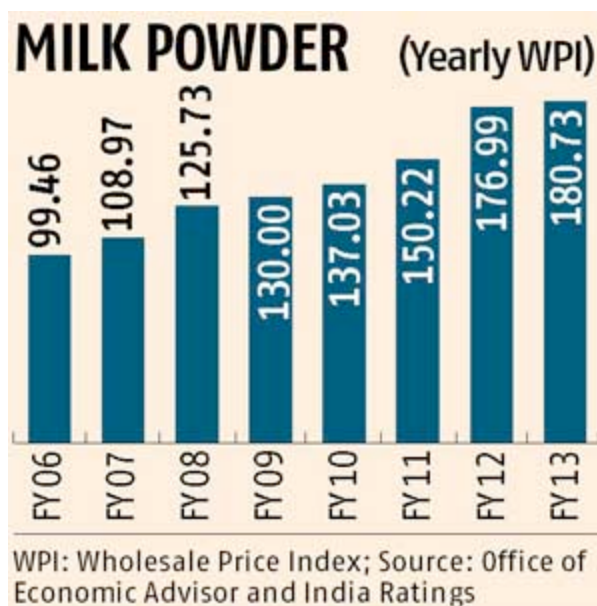
SMP prices in the international market stand at about Rs 220 a kg, while prices in the domestic market are Rs 250-260 a kg. Sodhi says with supply increasing in the domestic market, prices will further drop. "By September, we expect prices in the domestic market to be about Rs 230 a kg. Two months ago, prices were about Rs 290 a kg," he says.

Hatsun Agro, which focused on value-added products such as curd and ice creams last year, feels this year, it might focus on SMP sales due to the excess availability of milk in the domestic market. "We expect to sell around 18,000 tonnes of SMP in the local market this year," Chandramogan said.

Devendra Shah, chairman and managing director of Maharashtra-based [Parag Milk Foods](#), says, "Since the last two months, we are selling 80-90 per cent of our production in the local market. Our



production is 1,800-2,000 tonnes a month.” He expects the trend to continue for at least another two quarters. Typically, SMP is required by food processing such as chocolates, ice cream; during lean months, it is also used for milk reconstitution.



A fall in SMP prices and a subsequent dip in exports will exert pressure on liquid milk prices in the domestic market. And, factors such as higher milk procurement and expectations of more correction in international prices in the future will also play a part.

Therefore, dairies feel prices of liquid milk will be under check, giving consumers a much needed respite from the spiralling inflation.

There is adequate milk availability in the domestic market, with dairies across regions reporting a 10-14 per cent rise in procurement, even in the lean summer months. This situation has also been boosted by the availability of excess milk, which

would have otherwise gone into making SMP for export markets. Even if a delayed monsoon affects fodder prices, the increasing availability could offset the rise in input costs.

## Higher realisations drive basmati sowing in North

### Rising exports on falling exchange rate of rupee against US dollar and increase in demand in West Asian countries are other reasons

All-time high realisations for basmati last year have driven farmers in Punjab, Haryana and western Uttar Pradesh to channelise all resources to ensure there’s no fall in basmati acreage this year, even if rainfall is below normal.

Paddy sowing has already commenced in some regions and is set to pick up pace after July 10. Last kharif season year, farmers recorded about 35 per cent profits on basmati compared to the previous kharif season, primarily due to rising exports, a fall in the rupee against the dollar and a rise in demand in West Asia.

A senior official in the Agriculture and Processed Food Products Exports Development Authority said demand for Indian basmati had risen in the past three years, resulting in a substantial increase in exports. This helped farmers get up to Rs 4,000 a quintal for the commodity last year. This year, it is expected export will remain stable and supplies will rise, as paddy growers are diversifying from

non-basmati to basmati. This, however, might result in lower prices.

Ashwani Arora, director of LT Foods Ltd (Daawat basmati brand), said, "Commodity prices are dictated by demand-supply; with farmers growing more rice and new varieties of higher yields (PUSA 1509) introduced, traders project a higher supply this year. So, a farmer who earned Rs 4,000 a quintal last year might get Rs 3,400-3,500 a quintal this year."

He added the cost of growing new basmati varieties was lower, in terms of the expenditure on pest-control measures. The new varieties are short-duration ones (80-day cycle) compared to earlier varieties and irrigation and supervision costs, too, are lower. As such, basmati remains the favourite compared to other competitive kharif crops (non-basmati paddy and maize). Arora expects a 5-10 per cent increase in export demand, primarily from new markets in Australia, the US and other developed countries.

"Even if the price of basmati slides 20 per cent compared to last year, we are on the safer side with basmati paddy," says Raj Kumar Phor, a paddy grower from Karnal (Haryana). "Growing vegetables is unviable. We can store paddy at our end, in case of tepid response from traders, and still can make both ends meet. But growing any other [kharif crop](#) or vegetables, in the absence of market linkages, does not make business sense."

Considering the dwindling water table and deteriorating soil health, the state agriculture departments of Punjab and Haryana have been projecting to a five per cent fall in the area under paddy this year.

<b>BASMATI RICE</b>			
Year	Export (million tonnes)	Average realisation (\$/tonne)	kharif acreage (million hectares)
2010-11	2.2	997	1.6
2011-12	3.2	925	1.8
2012-13	3.5	1,050	1.8
2013-14	3.8	1,400	1.8
2014-15E	4.0	1,400	1.9

E= Estimates Source: APEDA

The export demand for this year is projected stable and supplies are expected to go up as the paddy growers are diversifying from non-basmati to basmati. Although this may result in lower basmati price this year.

Ashwani Arora, Director, LT Foods Limited (Daawat brand basmati) also looks forward to a mellowing down of price. "Commodity prices are dictated by demand-supply and with farmers growing more rice and new varieties of higher yield (PUSA 1509) introduced, the traders perceive higher supply

this year. So the farmer who earned Rs 4000 a quintal last year may have to be complacent with Rs 3,400- Rs 3,500 per quintal this year."

Adding to this Arora said that the cost of growing new basmati varieties is lesser in terms of expenditure made on pest control measure. Since it is short duration variety (80-day cycle) as compared to earlier varieties and irrigation and supervision costs too, are lower. So basmati paddy remains favorite over other competitive kharif crops (non-basmati paddy and maize).

Arora expects a 5%-10% increase in the export demand owing to demand from new markets in Australia, U.S.A. and other developed countries where people are adapting to Indian foods and resettlement of Indian diaspora.

Even if the price of basmati slides by 20% over the last year, we are on the safer side with basmati paddy, says Raj Kumar Phor, a paddy grower at Karnal (Haryana). Growing vegetable is completely unviable. We can store paddy at our own end if there is a tepid response from the traders and still can make our both ends meet. But growing any other kharif crop or vegetable does not make a business sense in the absence of market linkages.

Taking stock of the dwindling water table and deteriorating soil health the state Agriculture Departments in Punjab and Haryana have been projecting to cut area under paddy (a water guzzling crop) by 5% year-on-year, the absence of ready market for the alternative kharif crop (maize) has been a major roadblock in the diversification.

## 1500-2000 tons of potatoes exported to Pak every day: Exporters

**They pointed out that the crop in Pakistan had got damaged because of frost in winter season which caused massive shortage in its availability for consumption**

Amid spiraling prices of [potato](#) in several parts of country, as much as 1,500 to 2,000 tonnes of potatoes are being exported to Pakistan per day through Attari-Wagah land route in the wake of scarcity of the main vegetable crop in the neighbouring nation, say exporters.

"Exporters are sending as many as 70-80 truck loads of potatoes (carrying 1,500-2,000 tonnes) per day to Pakistan as there is a huge demand for this crop in the neighbouring country," Amritsar-based vegetable exporter Anil Mehra told PTI today.

"This year, there is a huge shortage of potato crop in Pakistan which prompted Pakistani government to allow duty free import of potatoes from India," Mehra said.

Exporters pointed out that the potato crop in Pakistan had got damaged because of frost in winter season which caused massive shortage in its availability for consumption.

Mehra said Pakistani government had allowed duty free import of potatoes till July this year from India.

Notably, the [exports](#) order for Indian potatoes from Pakistan came after a gap of more than one year.

Exporters are sourcing potatoes from several markets in Punjab and Haryana in order to meet the requirement of export demand.

Potato price in Punjab and Chandigarh is ruling at Rs 25- 30 per kg in retail market.

Despite Centre slapping a minimum export price ([MEP](#)) of \$450 per tonne on potatoes to boost its availability and rein in prices, there has been no impact on potato export to Pakistan.

"There is no impact of MEP (on potatoes) on its export to the neighbouring country. Demand continues to remain strong from Pakistan," said another exporter.

Meanwhile, potato growers in Punjab had criticised the Centre's decision of imposing stock holding limit on potato crop, saying it can have an adverse impact on upcoming potato crop.

"If you put restriction on keeping potato crop by imposing stock holding limit, it is going to have an adverse impact on potato output. Stock holding limit will hit the availability of potato seeds which are required by potato growing states for sowing potato crop in winter season.

"It will lead to another crisis," Jalandhar-based Confederation of Potato Seed Farmers ([POSCON](#)) President Sukhjeet Bhatti said.

The Centre yesterday brought potatoes and onion under the purview of Essential Commodities Act and imposed stock holding limits on these crops.

Punjab is a major producer of potato seeds and it supplies seeds to several states, including Karnataka, Madhya Pradesh, West Bengal, etc.

## Cardamom up by 1.8% on strong demand

### **Speculators enlarged positions amid positive cues from spot markets**

[Cardamom prices](#) shot up by 1.78% to Rs 939.10 per kg in futures trade today as speculators enlarged positions amid positive cues from spot markets.

At the [Multi Commodity Exchange](#), cardamom for delivery in July rose by Rs 16.40, or 1.78%, to Rs 939.10 per kg in a business turnover of 656 lots.

Similarly, the spice for delivery in August gained Rs 8.80, or 0.97%, to Rs 919 per kg in 200 lots.

Analysts said besides strong demand, tight supplies from producing belts in the spot market, pushed up cardamom prices at futures trade.

## Potato down 2% as govt puts stock holding limits

## **Govt yesterday decided to bring onion and potato under the purview of the stock holding limits under the Essential Commodities Act, 1955**

Potato futures traded 2.06% lower at Rs 1,311 per quintal today after speculators trimmed positions as the government imposed stock holding limits in a bid to improve availability and rein in prices.

At the [Multi Commodity Exchange](#), potato for delivery in August plunged by Rs 27.60, or 2.06%, to Rs 1,311 per quintal in a turnover of two lots.

Analysts said offloading of positions by speculators following the government's decision to impose stock holding limits on potato in a bid to improve availability and curb rising prices weighed on potato futures.

The government had yesterday decided to bring onion and potato under the purview of the stock holding limits under the Essential Commodities Act, 1955.

"With this, we are giving right to state governments to take stern action against hoarding and black marketing," Law Minister Ravi Shankar Prasad said yesterday.



## **Now, Maharashtra farmers to directly sell produce in Punjab**

In the next two weeks, farmers from Maharashtra will be seen directly selling their produce in Punjab. As part of an initiative of the Vegetable Growers Association of India (VGAI), farmers will open outlets at various parts of the country to directly sell their produce. Shriram Gadve, president of VGAI, said the involvement of farmers in the selling process had been low due to various reasons. "Lack of knowledge about the marketing chain and the absence of infrastructure have been major roadblocks for farmers," he said.

Also, due to the involvement of commission agents and traders at various levels, farmers are often deprived of the true price of the produce. "This initiative aims to address both the parameters and also allow free movement of agricultural goods in the country. In the first phase, which will be rolled out in the next two weeks, onions and pomegranates from

Maharashtra will be sold directly in Chandigarh. The work to create backward linkages and setting up of delivery chains are almost over,” said Gadve.

While the Maharashtra chapter of VGAI will take care of the backward linkages and supply chain, the Punjab chapter will help in manning the outlets. Apart from outlets, warehouse and other infrastructure will also be a part of the project. Small Farmers Agri Business Consortium (SFAC), a government-promoted society, Gadve said was helping in identifying shops, warehouses and other necessary back-end infrastructure.

“43 farmers produce organisations will be a part of this move,” said Gadve. Talking about the initiative, Punit Singh, head of the Punjab chapter of VGAI, said major issues facing farmers was the lack of assured supply and quality of products. “With both being taken care of, we aim to market the initiative in a proper manner so that it is successful,” he said. Singh added that farmers from Punjab would soon directly market their goods like basmati rice, muskmelon and kinnu in Maharashtra.

After Chandigarh, the initiative will be taken up Delhi. Organisers said this would also be publicised in Karnataka and Andhra Pradesh. “We aim to have north-south and south-north exchange of agricultural goods,” said Gadve.

Both the officials added that the necessary permissions for the initiative were in place and the state government was in support of it.