

Good rainfall buoys farmers

H.S. NARASIMHA KUMAR



Farmers preparing paddy nurseries in Mysore following good rainfall the district has received over the last eight days.— PHOTO: M.A. SRIRAM

AVERAGE RAINFALL in Mysore district from January to July 13 has been 360.4 mm

THIS YEAR'S average is 327.7 mm

TOTAL TARGETED SOWING AREA in Mysore district: 4.19 lakh hectares

SOWING completed on 2.13 lakh hectares

'The rain has rejuvenated crops being cultivated in the district'

All the seven taluks of Mysore district have received good rainfall over the last nine days and there may not be a fall in the yield of crops, including commercial crops, if the rain continues for the next seven to 10 days. According to senior officials of the Agriculture Department, farmers have been encouraged by the widespread rain in the last few days and have started preparing paddy nurseries in the district. Shivakumar, Deputy Director of Agriculture, told *The Hindu* that Mysore district has received an average rainfall of 327.7 mm from January to July 13, as against the normal average rainfall of 360.4 mm for the period. He said the district had received 91 per cent of normal rainfall till July 13. Mr. Shivakumar said Mysore district was receiving rain almost every day from July 6, when the district had received an average rainfall of 19.3 mm, and it had received an average rainfall of 9.8 mm on July 13. Describing the rain as 'life saving', he said the rain had rejuvenated crops cultivated in the district and brought cheer to the farming community. The total targeted sowing area in the district is 4.19 lakh hectares and sowing had been completed in over 2.13 lakh hectares. Since there is good spell of rain over the past eight days, standing crops would be rejuvenated and farmers would get the expected yield out of it, Mr. Shivakumar said. He said farmers may transplant paddy by the second

or third week of August. Farmers have taken up sowing of ragi, maize, hybrid jowar and pulses in many parts of the district, he said.

Asked for a separate budget; got a TV channel: farmers

“We have been asking for a separate budget for agriculture on the lines of Railway Budget but the Union Government gave us a separate TV — Kisan TV,” said C. Nallasami, secretary of Federation of Tamil Nadu Agriculturists Associations. He said that unless a separate budget was presented for the agriculture sector, which is the largest employment provider in the country, focus would not be given to aspects related to irrigation, and other yield enhancement activities. The federation said that the Annual Budget did not make any mention towards promoting usage of ethanol blended petrol in the country. Mr. Nallasami said that the government should come out with steps to encourage more people take up agriculture related works besides offering attractive support prices to farm produces.

Agri Intex from July 18

Coimbatore District Small Industries’ Association will organise the 14th edition of Agri Intex, an agricultural trade fair, at the CODISSIA Trade Fair Complex here from July 18 to 21. Chairman of the event G. Devaraj told presspersons here on Monday that the event would have 258 stalls, including five international companies and 30 firms from north Indian States. In an effort to address three major problems, namely, power, drought and labour shortage, faced by farmers in the State, the event would focus on solar water pumping, micro irrigation, precision farming, mechanisation and urban agriculture. The expo will also enable industries in Coimbatore to develop in manufacture of agricultural implements. Apart from a conference on Next Generation Agricultural Conference on July 19, two concurrent events – Food Intex and Animaex – will be organised. Agriculture Minister S.S. Krishnamoorthy will inaugurate the conference. Tamil Nadu Agricultural University, which is a supporter of the event, will showcase technologies developed by the University, have a demonstration of horticulture precision farming, irrigation methods, mushroom cultivation, etc and organise seminars. The exhibition will be open from 10 a.m. to 6 p.m. and over a lakh visitors are expected.

Better pay, privileges sought for salesmen in fair price shops

Over 700 members of Tamil Nadu State Primary Cooperative Bank All Employees Association took out a rally here on Monday to convey to Chief Minister Jayalalithaa their long-pending demands for 100 per cent subsidy to the fair price shops run by Primary Agricultural Cooperative Banks and better pay for the salesmen. The Primary Agricultural Cooperative Banks that were administering about 800 fair price shops, accounting for 80 per cent of such shops in the district, were making heavy losses due to partial release of subsidy by the State Government. For the years 2010-11, 2011-12 and 2012-13, the State Government had reimbursed only 69, 57 and 43 per cent respectively, despite the fact that the PACBs were running the fair price shops with a service motive,

S.M. Mesappan, District Secretary, Tamil Nadu State Primary Cooperative Bank All Employees Association, said. Alongside releasing the complete subsidy, the Government should ensure pay parity for its salesmen with their counterparts in the fair price shops run by the Tamil Nadu Civil Supplies Corporation, Mr. Mesappan emphasised.

Memorandum

The over 700 members of the association submitted the memorandum of their demands to the district administration, after their rally from MGR Statue to Sampath Nagar, for forwarding the same to the Chief Minister. The Primary Agricultural Cooperative Banks that play an instrumental role for the success of government's welfare schemes must not be allowed to suffer, Mr. Mesappan said. The loss-making PACBs were not withholding salaries for the salesmen in its fair price shops in the interests of the common man, he said.

Price

The other demands included inclusion of the salesmen of fair price shops and members of the association in the State's health insurance scheme, pension for all employees of fair price shops and PACBs, abolition of fines imposed on the salesmen, introduction of the system of supplying commodities in packets, and enhancement of commission to Rs. 60 per quintal for rice, Rs. 20 for sugar, Rs. 70 for wheat, Rs. 50 for dal, Rs. 50 for palm oil, and Rs. 70 for kerosene.

Farmers' meet on July 18

The monthly farmers' grievance day meeting will be held on Friday, according to Collector S. Jayandhi.

Meeting with farmers today

The district administration has convened a meeting of farmers' leaders and officials to sort out grievances of farmers on Tuesday. It will be held at the Deputy Commissioner's office

Assistance for dairy farmers

Dairy Development Department has accepted applications for providing financial assistance to dairy farmers under the Devilkulam block panchayat to start dairy units, grass cultivation and purchase dairy-related equipment. Those interested should contact the Dairy Development Office at the block panchayat office, said a release here. — Staff Reporter

Heavy rain destroys crops, houses

MITHOSH JOSEPH



Marooned: Residents had a difficult time at the flooded Kattuvayal colony near East Nadakkavu in Kozhikode on Monday. —Photo: S. Ramesh Kurup

Crops in nearly 10 hectares of land were damaged in the strengthening monsoon downpour in various parts of the district. On Monday, the Revenue Department estimated a total loss of Rs. 17.37 lakh in various incidents. Twenty-three houses were partly damaged in the heavy shower. As per the Revenue officials' report, the agriculture sector alone suffered a loss of Rs. 13.34 lakh on Monday. Over 90 farmers lost their crops in heavy rain. Vadakara Taluk witnessed the highest number of damage to houses and other properties. Over 10 houses were affected by incessant rain. Some of the house owners approached the people's representatives seeking government aid to repair their houses. Revenue officials said six houses were partly damaged in Koyilandy taluk in the heavy rain. In Kozhikode and Thamarassery taluks, five houses were damaged, they added. The loss to damaged houses alone would come to around Rs. 3 lakh. In Kozhikode city, the compound wall of the Central Marine Fisheries Research Institute was partly damaged. In several locations, the pavements, drainages and side roads were submerged in rain water. Coastal residents, especially those living on the West Hill-Konnad stretch of the beach, faced the threat of sea erosion. As the sea remained turbulent, many fishermen did not venture out. For mitigating monsoon related calamities, a district-level control room has started functioning at the Collectorate. People can contact the control room on 0495-2371002 for any emergency.

Vegetable prices shoot through the roof

BIJU GOVIND

Rates have gone up more than 20 per cent in one month



Expensive: A scene from the Central market in Kozhikode on Monday. —Photo: S. Ramesh Kurup

Steep increase in prices of vegetables appears to have made the monthly household budget of the common man go awry. A quick glance at the price list of vegetables at markets showed that rates have gone up more than 20 per cent in the last one month. Essential vegetables such as onions and potatoes have almost touched Rs. 40 a kg in the retail market in spite of the Centre announcing that these vegetables would be brought under the Essential Commodities Act. The rates of some of the vegetables even at the wholesale market have also gone up. Households will be forced to cut down on vegetables, says P.A. Jaiprakash, former member of the food advisory committee. Tomatoes are sold at Rs 40 a kg at outlets while the wholesale rate is quoted at Rs 25 kg. A red-skin variety commands Rs 750 a box. The difference in prices at the wholesale and retail market is huge. The wholesale and retail rates in brackets are as follows. Retail prices vary from shop to shop. Carrots are now pegged at Rs 60 a kg (Rs 65); beans, Rs 50 (74); green chillies, Rs 58 (60); beetroot, Rs 45 (52), drumstick, Rs 45 (76), cauliflower, Rs 30 (38); yam, Rs 27 (35); snake gourd, Rs 20 (34); bottle gourd, Rs 20 (32); bitter gourd, Rs 30 (48); okra, Rs 25 (36); potato, Rs 23 (36); onion, Rs 28 (36); cabbage Rs 20 (22); ginger, Rs 110 (140); banana raw Rs 32 (35); ash gourd, Rs 14 (24); pumpkin, Rs 20 (26); ridge gourd, Rs 35 (49) and cucumber, Rs 8 (28). A. Pavithran, wholesale vegetables merchant, says that prices of vegetables have gone up owing to the climatic conditions in the neighbouring States. Kozhikode depends on Coimbatore, Ooty and Pollachi in Tamil Nadu and Bangalore, Mysore and Gundlupet in Karnataka for vegetables. Mr. Jaiprakash says that vendors at the retail market sell vegetables according to their whims.

Government urged to hold talks with farmers' groups



The HinduA farmer puts forth his suggestions at a meeting organised in the city on Saturday to review arrangements to host the State-level Farmers' Day celebration from August 16. Photo: K. Ragesh

Implementation of K. Kasturirangan panel report

Various farmers' organisations have called upon the Agriculture Department and the State government to hold 'serious discussions' on the impact of the K. Kasturirangan commission report on the farmers' fraternity. The suggestion was placed at a State-level meeting chaired by Minister for Panchayats and Social Welfare M.K. Muneer here on Saturday. The meeting reviewed the arrangements made to host the State-level Farmers' Day celebration from August 16. Farmers' forums owing allegiance to various political parties unanimously came in support of the idea. "They are unlikely to consider it as some of the officials have already made the observation that the topic will lead to heated arguments that could affect the celebrations," a farmers' organisation leader from the district said. Government officials were more concerned over celebrating the event in the name of farmers than focusing on their problems and anxieties, another leader said. A few others criticised the plan of the department to limit the celebrations to the city. They urged people's representatives to take note of the issue and hold promotional rallies and campaigns in rural areas. The subcommittees constituted to steer the State-level event presented the detailed estimates at the review meeting. Officials said Rs.55.50 lakh would be spent during the four-day event. Additional funds required to host the event would be mobilised through sponsorships, they added.

Logo released

Dr. Muneer released the logo of the event by handing it over to Purushan Kadalundi, MLA. The department shortlisted the logo from the nine entries it received from various professional and amateur artists.

Chennai

Chennai - INDIA

Today's Weather



Cloudy

Tuesday, Jul 15

Max Min
34° | 27°

Rain: 0

Humidity: 62

Wind: normal

Sunrise: 05:49

Sunset: 06:39

Barometer: 1004

Tomorrow's Forecast



Cloudy

Wednesday, Jul 16

Max Min
33° | 27°

Extended Forecast for a week

Thursday
Jul 17



34° | 27°
Partly Cloudy

Friday
Jul 18



34° | 27°
Partly Cloudy

Saturday
Jul 19



33° | 27°
Cloudy

Sunday
Jul 20



33° | 27°
Cloudy

Monday
Jul 21



33° | 27°
Cloudy

Airport Weather

Delhi

Delhi

Rain: 0

Sunrise: 05:32

Humidity: 79

Sunset: 07:20

Wind: normal

Barometer: 999



Rain Relief for Farmers

Low pressure induced rain lashed all parts of the district throwing normal life out of gear, but bringing relief to the farmers. Within the last 24 hours, Koraput recorded 12 cm rain and the amount was 250 mm in the last four days. Farmers have started seedling process for the ensuing crop season. Water level in Upper Kolab dam reservoir has increased from 1.70 metre to 845.70 metre following the rain. Officials of the dam reservoir said more water would be released into the dam from the catchment areas, increasing the water level further in the next 24 hours. They added that rise in water level would help farmers reach the Kharif paddy target of one lakh acres of land.

Sops for Dairy Farmers

The State Government on Monday announced an incentive of Rs 2 per litre of milk to milk producers to sustain the increasing cost of cattle feed. Announcing this in the Assembly, Minister for Agriculture, Fisheries and Animal Resource Development Pradip Maharathi said milk farmers registered under Odisha State Cooperative Milk Producers' Federation (Omfed) are getting less money than those from other States. While dairy farmers of other States are getting Rs 22.07 to Rs 28.85 per litre, Odisha milk producers are given Rs 20.17 per litre. As the increasing cost of cattle feed is making the business unremunerative, the farmers have been demanding more incentive from Omfed. The Minister said the milk producers of Karnataka and Haryana are given an incentive of `4 a litre by their governments while in Rajasthan, the incentive is Rs 2 per litre. The demand of the milk producers for higher incentive was under consideration of the Government. It has been decided that the incentives of the farmers will be directly deposited in their account. This will benefit over 2.72 lakh farmers of the State. Omfed, having majority stake in the milk market of the State, had hiked the milk price in February. The price of a litre of toned milk is Rs 30, while that of double toned milk, it is Rs 28. The Federation had then said that the hiked amount would directly go to the milk farmers. The farmers, who were given `20.50 per litre of milk with 4 per cent butter and 8.5 per cent cheese content, were paid Rs 22.50 after the hike. Replying to demand discussion of the department, the Minister said milk production of the State in 2013-14 was 18.61 lakh tonnes, while plans are afoot to increase the production level to 20 lakh tonnes in the current financial year. While the annual production of egg in 2013-14 was 2,381 million, target has been set to increase the production to 2,600 million in the current fiscal. The annual budget of the two departments was passed through a voice vote. However, the Opposition Congress members staged a walkout protesting the budget provisions.

Don't Free Fruits, Vegetables from APMC Ambit'

The farmers in the State seem to be supporting the government's decision on not implementing the Union government's direction on delinking of some vegetables and fruits from the Agriculture Produce Marketing Committee's (APMC) ambit. The farmers said the State government is right in organising 'Raitha Angala' (Farmers' ground) events, instead of following the Union government's directive, as they serve as an opportunity to sell their produce directly to customers at retail prices. The APMCs will only collect user fee for the facility, they added. Karnataka Rajya Raitha Sangha working president K T Gangadhar said the Union government is planning to amend the APMC Act and this is not favourable to small-time producers and sellers. "The produces, their weight and prices are all guaranteed at APMCs and secretaries appointed take responsibility. The delinking of some vegetables and fruits from APMCs may have a negative impact on the market," Gangadhar said. Agreeing with Gangadhar, Organic Farming expert from Kolar K R Hullanachegowda said the State government is right in not de linking as it may result in loss to farmers. "The farmers bring their produces from different places and give them to APMC for a price. Middlemen will come in if intervention happens in this process. The farmers may gain little by selling their produce outside, but they can also be dumped," he said. Gangadhar said the idea of delinking some vegetables and fruits from APMCs will only benefit big sellers and 'malls'. "From the beginning, APMCs have focused on production and the need for better marketing approach was never felt. Instead of amending the APMC act to delink farmers' produces, the Central government should look at strengthening the Act which will benefit both big, small and marginal farmers," he added. Meanwhile, Mahabalagiri Bhat, chief general manager, (Marketing) APMC, said, the idea was proposed as vegetables and fruits are perishable items and they may go waste if not sold in time. Since AMPC has decided to give place to farmers at its premises to sell their produce, the farmers will not pay the market fee, instead they only pay user fee whenever they come. A source said, APMCs across the State will hold 'Raitha angala' on the lines of 'Uzhavar Sandhai' in Tamil Nadu which aims to eliminate middlemen. Traders at other markets see no point in this exercise. The idea of not to take off a few vegetables and fruits from APMC ambit is very well appreciated. "The concept of 'Raitha Angala' may not be feasible. The people who come to buy at retail shops buy in less quantities and bargain a lot. Sometimes, the produces will not be sold and they may go waste and we incur losses," Amjad Nawab, a retail vegetable trader at Russell Market, said.

Uncertainty Crops up over Rescheduling of Farm Loans

At a time when mixed signals are emerging from the Reserve Bank of India (RBI) on the possibility of rescheduling of crop loans, Andhra Pradesh Agriculture and Marketing Minister P Pulla Rao said they were expecting a positive response from the apex bank on Tuesday on the issue of rescheduling of crop loans. Speaking to reporters in Guntur on Monday, the Agriculture Minister said that RBI governor Raghuram Rajan was expected to come back to the country from foreign trip on Tuesday. Soon after his return, the RBI governor might take a decision on the rescheduling of crop loans, he added. Hence, the

AP government was expecting a letter from the RBI giving its nod to its proposal of rescheduling of crop loans on Tuesday, Pulla Rao said. However, conflicting signals are emerging on whether the RBI would really accept the plea of AP government for rescheduling of farm loans. Though the TDP leaders are claiming that they are confident that the RBI would give its nod for the rescheduling of crop loans, sources in the RBI said they had not given any assurance to the AP government in this regard. Concerned officials in the RBI only asked the AP government to approach the apex bank with proper details with regard to the crop loan waiver, sources added. "We have not given any assurance either to the AP government or Telangana government with regard to rescheduling of crop loans.

THE HINDU BusinessLine

Double whammy



Drought and rain Tomato prices have soared from around ₹18-25 a kg at retail outlets in New Delhi a month ago to about ₹45-55 /kg . The spike is being attributed to supply disruptions. Supplies were initially hit by a prolonged dry period and now due to rains.

Kamal Narang

Seeking VAT refund, exporters keep off Coonoor tea sale

PS SUNDAR

Exporters refrained from buying at Sale No: 28 of Coonoor Tea Trade Association auctions last week, expressing difficulty to pay value-added tax and then wait for refund. They contend that huge sums paid as VAT are yet to be reimbursed. Some domestic buyers also supported their stand. Consequently, only 45 per cent of the year's highest offer of 23.36 lakh kg was sold. Tea worth Rs. 8.85 crore remained unsold. Average

prices, however, rose by a Rs. 1/kg. Homedale Estate tea, auctioned by Global Tea Brokers, topped the CTC market with Gujarat Tea Processors and Packers Ltd buying it for Rs. 190 a kg. Vigneshwar Estate and Deepika Supreme got Rs. 179 each, Hittakkal Estate Rs. 178 and Shanthy Supreme Rs. 176. In all, 100 marks got Rs. 125 and more per kg. Among orthodox teas, Kairbetta got Rs. 225, Chamraj Rs. 216 and Corsley Rs. 202. In all, 27 marks got Rs. 125 and more a kg. Quotations held by brokers indicated bids ranging Rs. 44-48 a kg for plain leaf grades and Rs. 100-160 for brighter liquoring sorts. They ranged Rs. 48-52 for plain dusts and Rs. 120-175 for brighter

Cardamom retains flavour as demand matches supply

GK NAIR



Cardamom prices ruled steady as demand matched supply on resumption of auctions after a week-long suspension. At the auctions held on Monday in Bodinayakannur, average prices ruled between Rs. 725 and Rs. 771 a kg, market sources told *Business Line*. They said a good buying interest was seen while arrivals were thin. Arrivals were low. Everybody was buying, albeit small quantities. Exporters actively tried to corner whatever exportable variety was available. Upcountry dealers bought small lots of 500 kg, 700 kg and 1,000 kg. Exporters bought an estimated 15 tonnes last week. Supply of exportable grade material was thin as the first round harvesting has begun. Therefore, of the current arrivals only 30 per cent of the capsules are from the new crop. According to growers, weather conditions have improved as the growing regions in the State have been receiving incessant rains since last week. At the Kerala Cardamom Processing and Marketing Company auction on Sunday, 40 tonnes of cardamom arrived and the entire quantity was sold out. The maximum price was Rs. 1,042 a kg and the minimum Rs. 512. The auction average was Rs. 769.21 against Rs. 809.48 a fortnight ago.

Higher arrivals

During the current season ending this month, arrivals are 21,348 tonnes (15,648 tonnes). Sale are 20,705 tonnes against 14,996 tonnes. The weighted average price as on July 13 was Rs. 646.62 (Rs. 728.29) a kg. Prices of all graded varieties (Rs./kg): AGEB 950-960; AGB 790-800; AGS 760-770 and AGS -1:740-750.

Coimbatore to host farm expo from July 18

The 14th edition of Agri Intex 2014, an agricultural trade fair, is scheduled to be held during July 18-21 at the Codissia Trade Fair complex here. The event, aimed at transforming Indian agriculture, is being organised jointly by the small industries association Codissia and the State farm University. Over 235 exhibitors have registered for participation, including exhibitors from Italy, Israel, Japan, China and Germany.

Soil-less farming

Tamil Nadu's Minister for Agriculture SS Krishnamoorthy will inaugurate the expo. Briefing reporters, G Devaraj, Chairman, Agri Intex, said that there would be display of Hydroponics (soil-less agriculture), a workshop on Hydroponics, seminars on relevant topics for the benefit of the farming community, farm research programme to create awareness, and targeted business networking for companies looking for new business opportunities and so on.

Basmati exports set to spread fragrance in US

VISHWANATH KULKARNI

Basmati exports to the US are poised for a jump this year with the controversy over the pesticide residue coming to an end. After detecting traces of tricyclazole – a fungicide, the US had rejected consignments of Indian basmati since 2011. The US Environmental Protection Agency has recently fixed the import tolerance for tricyclazole in Indian rice at 3 parts per million (ppm). This is much above the levels detected in Indian basmati consignments (0.12 ppm) in August 2011 by the US authorities. Tricyclazole is a systemic fungicide used by all major rice growing countries including India to control 'blast', a disease that results in heavy yield loss. The safety profile of Tricyclazole, registered in 23 countries, is well documented. While the European Union has a maximum residue limit (MRL) of 1 ppm, Japan has allowed MRL of 3 ppm for the fungicide. The US has fixed the MRL based on the review of the data generated and filed by Dow AgroSciences LLC, the owner of the molecule. "We now expect basmati volumes to increase as more players will start exporting to the US," said Rajen Sundaresan, Secretary of the All India Rice Exporters Association. Tricyclazole traces detected in basmati were clearly well within the maximum and safety limits prescribed by other OECD nations such as Japan and the European Union. Yet, the US rejected shipments as the fungicide – meant to be used for rice in tropical countries – was not registered in that country and there was no minimum level (despite a US company owning the molecule). Since the US did not have any maximum limit, it followed the Indian cap of 0.02 ppm which was set at a default value many years ago, to screen Indian basmati consignments into the US. But when the issue arose in 2011, the presence of tricyclazole residues in basmati grain was above this limit of 0.02 ppm. Detection of tricyclazole traces resulted in losses for the Indian rice industry. Indian rice exporters took up the issue with the US authorities jointly with Dow.

On September 19, 2012, Dow submitted to EPA an Import Tolerance Petition comprising of over 12,000 pages of scientific and technical evidence supporting a tolerance level of 3.0 ppm of tricyclazole in rice. This data drew upon Japan's experience with this fungicide. "Residue data from Japan was chosen because it has the most conservative good agricultural practices (GAP). By using the residue data from the most conservative GAP, Dow's proposed tolerance supported the worst-case scenario for residues, and all other uses, as the expected residues will be well below the proposed tolerance," said Suresh Ramachandran, Country Manager, Dow AgroSciences India Pvt Ltd. Back in India, fresh data were generated in India by Dow, based on which the Food Safety Standards Authority of India (FSSAI) revised the MRL from 0.02 to 3 ppm in 2013. Ramachandran said Dow's support to Indian rice industry was voluntary. Dow had previously volunteered and supported the registrations of Dicofol, an acaricide of choice for the tea planters as well, he said. "Fixing MRL would encourage rice exporters to ship more basmati even as consumption is seen moving from the ethnic to mainline markets in the US," said Jai Oberoi, Associate Director at LT Foods Ltd. The US authorities had also detected traces of other fungicides such as isoprothiolane, buprofezin and carbendazium in the Indian shipments, though tricyclazole was the most visible of all. "We are looking forward to work with other chemical makers like Nichino and BASF in resolving the issue," he said.

Buyer resistance saps spot rubber

ARAVINDAN

Spot rubber declined on Monday. Tapping has come to a halt following widespread rains but still, the commodity lost further on buyer resistance. Sheet rubber weakened to Rs. 142 a kg. The grade slid to Rs. 142.50 (Rs. 143) and Rs. 139.50 (Rs. 140) respectively, according to the Rubber Board and dealers. July futures improved to Rs. 141.99 (Rs. 140.03) while the August futures declined to Rs. 141.50 (Rs. 142.03) and September to Rs. 140.88 (Rs. 141.65) for RSS 4 on the NMCE. July futures closed at ¥189 (Rs. 111.18) on the Tokyo Commodity Exchange. Spot rubber rates (Rs. /kg): RSS-4: 142 (142.50); RSS-5: 134 (135); Ungraded: 131 (132); ISNR 20: 124 (125) and Latex 60%: 108.50 (110.50).

Monsoon set to shift to top gear over the next 3 days

VINSON KURIAN

The India Met Department has said that the renewed monsoon spell would help it cover the entire landmass over the next three days. It is yet to enter parts of Madhya Pradesh, Gujarat and west Rajasthan. This would happen as a northwest Pacific typhoon and a resident low-pressure area over Odisha combine to drive the monsoon to top gear for the first time after it made a weak and delayed onset almost 45 days ago.

Declared typhoon

On Monday afternoon, tropical storm Rammasun in northwest Pacific has strengthened into the latest typhoon (cyclone) and is eying north and adjoining central Philippines for a landfall. It will weaken thereon, but will wade into South China Sea where it will re-intensify and make a second landfall over south-east China/Vietnam by the weekend. From here, a remnant wave is likely to drift in over Laos-Thailand-Cambodia-Myanmar into Bay of Bengal to form another low-pressure area, according to initial forecasts. This will signal another round of rains for East and North-West India on the trail of an ongoing spell being overseen by the resident 'low' over coastal Odisha. The strengthening of Rammasun from last night has witnessed a ramp up in monsoon flows from the Arabian Sea and across the Indian peninsula into the south Bay of Bengal. The 'low' over Odisha has been holding itself up even as a torrent of flows bypassed it to be pulled away into Rammasun. Heavy to very heavy rainfall lashed the west coast overnight on Monday as the flows blasted furiously into the heights of the Western Ghats to lift up moisture only to get cooled and pour down in torrents. Moderate to heavy rain lashed parts of central and peninsular India as also East India. In contrast, a heat wave gripped north Madhya Pradesh, north-east Rajasthan and parts of Haryana.

Two-week outlook

Meanwhile, model outlook for rainfall over the next two weeks suggests that key States in North India may continue to remain outliers in terms of expected distribution. Met subdivisions of Jammu and Kashmir, Himachal Pradesh, Punjab, north and west Rajasthan and parts of North and West Gujarat would see less than optimum rain. In central India and the South, a similar trend would prevail over south Madhya Pradesh, Maharashtra (except the coast), Karnataka (except the south interior and coastal) and south Kerala.

Rain surplus

Met subdivisions which are likely to benefit from very heavy to heavy rainfall during the ongoing spell and the Rammasun-induced spell would be as follows: South and east Gujarat, Mumbai-Konkan-Goa, coastal Karnataka, north Kerala, Madhya Pradesh, Chhattisgarh, Odisha, Jharkhand, Gangetic West Bengal, south Uttar Pradesh, south Bihar. Moderate rain gains are indicated for east Rajasthan, Delhi, Haryana, Uttarakhand, north Uttar Pradesh, north Bihar.

bl15 com soybean

SOYAMEAL MAY PERK UP

Both soyabean and soya oil witnessed a sluggish trend on slack physical demand and weak foreign cues with soya refined in Indore mandis on Monday declining to Rs. 635-45

for 10 kg, while soya solvent declined o Rs. 605-10. Even as arrival in Indore mandis continues to be on the lower side, soyabean traded low on weak foreign and buying support with its prices in Indore mandis at Rs. 3,850-4,000 a quintal. According to Mahesh Purohit, a local soya oil manufacturer, demand in soyabean will likely to pick up on increased demand from poultry farms. Plant deliveries ruled firm at Rs. 4,050-4,100 (down Rs. 50 from last week) . Soyameal ruled stable at Rs. 36,550-700 a quintal on subdued demand.Our Correspondent

Business Standard

Vegetable prices set to remain high



Spiralling vegetable prices are likely to remain firm for at least a month, till the new seasonal crop comes to the wholesale markets. The delayed rainfall this monsoon season will mean a proportionate delay in sowing, harvesting and supply. Data from the National Horticultural Research and Development Foundation (NHRDF) showed the price of onion has risen about five per cent in the past three weeks, to trade at Rs 18.50 a kg at the benchmark Lasalgaon (near Nashik) mandi. Arrivals fell to 1,000 tonnes on Monday, compared with 1,735 tonnes three weeks ago. Potato prices at the Agra mandi were Rs 16.20 a kg on Monday, compared with Rs 15 a kg three weeks earlier. Arrivals were 720 tonnes, compared to 980 tonnes on June 26. Tomato was Rs 42 a kg on Monday, compared to Rs 14 a kg three weeks earlier. Capsicum and green peas also moved up to sell at Rs 32 a kg and Rs 80 a kg from their respective levels of Rs 22 a kg and Rs 62 a kg three weeks before. "Harvesting of the kharif crop will be delayed by a month due to delay in the monsoon rain. For now, arrivals of most of vegetables have declined. Unless the new season crop hits mandis, which is expected in a month, vegetable prices will remain high," said Avinash Patil, head of the vegetable section at the wholesale market in Vashi, Navi Mumbai. Traders have shifted focus from the main vegetables to supplements. "Today traders are bringing tomato all the way from Bangalore to sell in Maharashtra.

RISING FAST

| Vegetable | Jun 26 | Jul 14 | Chg (%) |
|---------------------|--------|--------|------------|
| Tomato | 14.00 | 42.00 | 200 |
| Carrot | 18.00 | 22.00 | 22 |
| Capsicum | 22.00 | 32.00 | 45 |
| Green peas | 62.00 | 80.00 | 29 |
| Green chilly | 18.00 | 44.00 | 144 |
| Coriander* | 35.00 | 55.00 | 57 |
| Onion | 17.50 | 18.50 | 6 |
| Potato | 15.00 | 16.20 | 8 |

Price in ₹ kg, *for a big bunch

Source: Agricultural Produce Marketing Committee, Vashi & NHRDF

In comparison with 300 tonnes of daily consumption for Mumbai and nearby towns, total arrivals are just 200 tonnes,” he added. Prices of some vegetables, however, remain subdued due to fear of government action on stockpiling. Bhindi fell 33 per cent in nearly three weeks to trade at Rs 24 a kg at the Vashi APMC on Monday, from Rs 36 a kg on June 26. Cauliflower fell 40 per cent to Rs 12 a kg on Monday. “Consumers will have to bear with high prices at least for one more month,” said Sanjay Bhujbal, a vegetable stockiest at Vashi. “We have urged the government to create its own supply chains, where co-operatives can intervene, with budgetary support from the government,” said Virendra

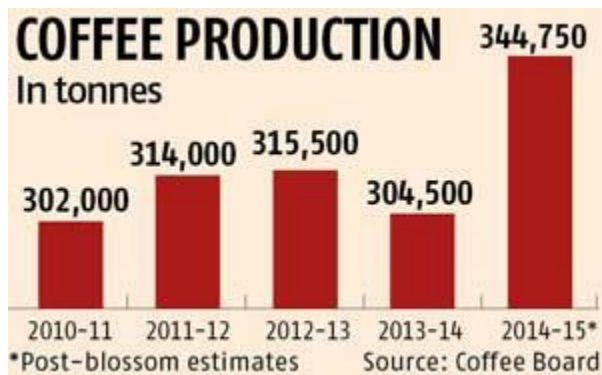
Singh, chairman of the National Co-operative Consumers’ Federation of India.

Record coffee bean output likely



Despite widespread attack of the White Stem Borer (WSB) pest in all growing regions, the Coffee Board, estimates India's coffee production for 2014-15 at a record 344,750 tonnes - an increase of 13.2 per cent over the final estimate for 2013-14. Although the Board projected an all-time high output of 347,000 tonnes for 2013-14, the final production came down to 304,500 tonnes, with 102,200 tonnes of Arabica and 202,300 tonnes of Robusta beans. Compared to 315,500 tonnes in 2012-13, the production was down by 3.5 per cent. For the current year, the pest has already affected 50 per cent of the Arabica plantations and the production loss could be the worst ever, if the monsoon continues to play truant. The Board has projected Arabica output at 105,500 tonnes and Robusta at 239,250 tonnes for 2014-15 crop. "Our estimates are based on the conditions that prevailed during post-blossom period in April. The blossom showers were adequate this year, though the distribution was not uniform and there was a slight delay in receiving the backing showers in certain pockets. This year is an "on-year" for Robusta crop and the conditions are very good for the crop presently. The pest could come under

control if there is a very good shower in the remaining months of monsoon. However, it will be known only in September, when we come out with post-monsoon estimates," Jawaid Akhtar, chairman, Coffee Board, told Business Standard. He said last year, the Robusta crop suffered losses due to a heavy monsoon between July and September, after two months of drought earlier in the year. However, this year, the conditions might change with the monsoon rains in July and August.



Akhtar said coffee areas were facing long dry spell, followed by blossom showers. Agreeing with the Board, Ramesh Rajah, president, Coffee Exporters' Association, said the Robusta crop has in excellent condition and depending on how the rains continue in the remaining days, the final production would vary. As WSB is rampant this year, the production of Arabica could come down by 10,000-15,000 tonnes, he said. Planters have

expressed surprise over the estimates for the current year. "Last year was an 'on-year' for Arabica and still it suffered losses due to WSB initially and later with heavy monsoons. This year, it is an 'on-year' for Robusta. With WSB surfacing, the Arabica production at the most could be in the range of 60,000 tonnes," said Nishant R Gurjer, former chairman, Karnataka Planters Association.

Bad economics remains the bane of sugar sector



Bad economics, more than anything else, has blighted the Indian sugar sector. With cane payment arrears piling up to about Rs 13,350 crore (Uttar Pradesh alone accounts for Rs 10,000 crore), farmers should, by now, have realised arbitrary imposition of high premia over fair and remunerative price (FRP) at the state level is proving ruinous for the sugar economy. The United Progressive Alliance government did not help the cause of the sector, the source of livelihood of about 50 million farmers and thousands of workers engaged in about 530 crushing mills and the tertiary sector, by making sugar imports easy in a glut situation. Due to imports and bumper production since 2010-11 leaving unmanageable stocks with mills, in January, the ex-factory price of sugar collapsed to Rs 750 a quintal less than production cost. Prices have improved since then, though these are

still considerably below production costs. The losses of mills, therefore, continue to rise. Periodic situations such as these compromise the capacity to clear cane bills despite the fact that mills have statutory obligation to clear farmer dues within 14 days of receiving cane supplies.

DELICATE CONSTITUTION

Due to imports and bumper production since 2010-11 leaving huge stocks with mills, in January, the ex-factory price of sugar collapsed to Rs 750 a quintal less than production cost. The Centre announced an additional grant of interest-free loans of Rs 4,400 crore to factories for settlement of cane dues; it also raised import duty from 15 per cent to 40 per cent. It extended export subsidy of Rs 3,300 a tonne till September and announced increasing blending of cane by-product ethanol with petrol from five per cent to 10 per cent.

Fortunately, the heavily-in-the-red sector has started receiving the right kind of attention from the National Democratic Alliance government. The Centre announced a slew of steps, including an additional grant of interest-free loans of Rs 4,400 crore to factories for settlement of cane dues; raising import duty from 15 per cent to 40 per cent which, however, is much lower than the World Trade Organisation-bound import duty of 60 per cent; extension of export subsidy of Rs 3,300 a tonne till September, ending uncertainty of its renewal every two months; and increasing blending of cane by-product ethanol with petrol from five per cent to 10 per cent. Food Minister Ram Vilas Paswan rightly says higher import duty will not have any bearing on domestic prices, as a "sugar-surplus India is not import-dependent." Now, he might seek duty-free imports under the advance licence scheme be passed through the motion of re-export in a much shorter span, compared to the current 18 months. The stock market's immediate reaction was positive. "No doubt the incentives will herald better times for the sector. But for its sustainable good health, the government will have to give effect to the recommendation of the Rangarajan committee that the revenue in the sugarcane value chain be shared between farmers and milling units in the ratio of their relative costs," says Om Prakash Dhanuka, former president of Indian Sugar Mills Association (Isma). The committee said the ideal value-sharing ratio was 70 per cent for farmers and 30 per cent for mills. Also, the value is to be the cumulation of the revenue derived from sugar and its three major by-products - bagasse, molasses and press mud. For the cane sugar price linkage formula to work seamlessly, farmers are to be guaranteed FRP payments, irrespective of the sugar market behaviour. In case the revenue garnered from sugar and its by-products sales in a particular season warrants higher payments to farmers, they will be entitled to a second

payment. Isma says the linkage system is working well in Brazil, the world's largest sugar producer. Also, farmers and crushing units in Thailand are benefiting from the safety net the government of that country has created on the linkage platform. The Thai government has a cane and sugar fund to bail out farmers and mills in a bad season. The challenge for India is to get states such as Uttar Pradesh to accept FRP and the linkage formula and discontinue the practice of fixing 'state-advised prices'. Paswan has sent out a strong message to errant states, saying the "unremitting UP crisis is its own making". While fixing cane FRP for a season, the Commission for Agricultural Costs and Prices considers three factors - production costs, the risk involved in growing cane and the remunerative return to farmers. The government has fixed FRP for the sugar season starting October this year at Rs 220 a quintal, linked to a basic recovery of 9.5 per cent, a rise of Rs 10 compared to 2013-14. India has about five million hectares under cane cultivation. Unless cane growers are remunerated adequately, they will be provoked into committing their land to other crops. This, however, is not the reason why some states arbitrarily fix very high rates for cane, without considering the capacity of mills to pay. State-level politicians extend patronage to secure votes of millions of farmer families. No wonder sugar remains among the most politicised commodities. Introduction of value sharing between farmers and factories holds the promise of ridding the sugar economy of many of its ills. Along with this, the government should also consider the fixing minimum support prices for sugar, with a provision that whenever prices tend to soar, it will intervene. A buffer stock will be created from whatever the government procures in a bearish market. This buffer will prove useful in case of shortages.

THE FINANCIAL EXPRESS

Scanty rainfall to hit output of spices, cause rise in prices

Lower monsoon rains on the Indian subcontinent are likely to impact the production of major spices, leading to a surge in market prices. India is the leader in the production of chilli, turmeric, jeera, ginger and pepper and also the biggest consumer of most spices.

The southwest monsoon is seen shorter by 41% from the normal in Kerala with most southern states also seen lower. Karnataka is running short by 45%, according to data provided till July 8 by the Karnataka State Natural Disaster Monitoring Centre. Water level in reservoirs is also precariously low when compared to previous years. Plantation crops like pepper, cardamom, rubber, tea and coffee are monsoon sensitive, with production directly dependent on timing and quantum of rain. While too much of rain damages most cash crops, too short a monsoon also leads to lower crop production. "Weak rainfall in Tamil Nadu, Andhra Pradesh and Maharashtra discouraged fresh sowing of turmeric. Low rains in Telangana have already adversely affected sowing for the new crop. Planting of chilli, which normally starts in August, will depend on rain. Meanwhile, the adverse monsoon is unlikely to influence rubber in the immediate run but will severely impact yield in the next season," CP Krishnan of Geojit Comtrade said. "Prices of pepper, jeera, turmeric, chilli and coriander are hovering at high levels because of concerns over a drop in acreage in the current year due to weak monsoon. The price of

cardamom is likely to stay firm if the monsoon weakens further,” Krishnan added. Faiyaz Hudani of Kotak Commodity Services believes the next 20 days would be critical and the market would move based on how much the monsoon recovers. “Overall, the rainfall is shorter but it has been improving in the last few days. If it is still shorter by a large margin after August 15, all kharif crops would be severely affected and the market would rally,” he said.

THE ECONOMIC TIMES

Dry weather results in price rise of vegetables



Retail prices of vegetables, particularly tomato, and onions have started rising sharply because of the dry weather although wholesale rates moderated in June, except in the case of potatoes, which have climbed 42.5 per cent in a year. Onion prices in wholesale markets were down 10.7 per cent last month, but they have firmed up at the retail level. Retail prices of tomatoes have doubled to Rs 55-Rs 60 a kg in many parts of the country, while in Delhi's Azadpur Mandi it was being supplied at Rs 6-Rs 29 a kg depending on the quality. Traders said supplies from Himachal Pradesh, Haryana and Punjab had slowed down leading to rise in prices. They said tomato in the northern market was now coming from Bangalore and Maharashtra. "Tomato prices have increased in the past four days to Rs 55-60 a kg from Rs 30 a kg. Prices have increased in the wholesale market also," said Sonu Singh from Balaji Food Mart in Mayur Vihar of New Delhi. Wholesale price data for June shows that potatoes topped the food inflation chart, rising an annual 42.5 per cent in June. The price build up of potatoes since March is 57.8 per cent. Onion prices in the wholesale market dropped 10.7 per cent from a year ago, while in May the fall was only 0.83 per cent from a year ago. Wholesale prices of vegetables also dropped 5.89 per cent in June. When we compare the buildup of prices from March for this year and the last year, we see that buildup for potatoes increased from 45.5 per cent last year to 57.84 per cent in 2014-15. Similarly, the buildup for prices of onions has also increased to 24.3 per cent in 2014-15. Some food articles, such as

vegetables and fruits have also showcased a drop in their buildup of of onions has also increased to 24.3 per cent in 2014-15. Some food articles, such as vegetables and fruits have also showcased a drop in their buildup of prices. The buildup of vegetables has fallen from 54.5 per cent in 2013-14 to 36.9 per cent for 2014-15 and for fruits, the buildup has fallen from 4.76 per cent to 0.27 per cent this year.

Monsoon showing signs of revival, rain deficit marginally dips in central India: Skymet

With monsoon showing signs of revival for the last one week and further advancement, the rain deficit has marginally decreased in central India, a region that has witnessed scanty rainfall since June, a private forecasting agency today said. "Rain deficit in Central India has come down from over 60 per cent last week to 57 per cent till July 13 due to some good showers observed in the last few days, though it is still the highest in the country as compared to other sub divisions. "More rain in the next two days may further reduce the deficit but it may still fail to cover up the excessive deficit that June brought to the region," Skymet, a private forecasting agency, has said. Until now, central India has received 137.6 mm of rainfall as against normal precipitation of 303.3 mm. Northwest India, another region that witnessed high deficiency of rainfall in June, has recorded 73.1 mm of rainfall as against normal precipitation of 156.5 mm. "Activity is shifting towards central India and some parts of northwest plains. Conditions are favourable for further advance of southwest monsoon into remaining parts of west Madhya Pradesh, many more parts of Gujarat, east Rajasthan and some more parts of west Rajasthan," the Indian Meteorological Department had yesterday said. The agency has added that it is expected to be rainy for the next 48 hours due to a weather system (low pressure) which is seen extending from east Madhya Pradesh up to Odisha coast. Rain in central India is also expected to increase further in the next 48 hours, becoming fairly widespread with some isolated heavy showers likely in Madhya Pradesh, Vidarbha and Chhattisgarh. Good rain is also expected in the national capital which will also have high humidity. The IMD too has predicted heavy rainfall in the western coast, parts of southern peninsula and north east. "Heavy to very heavy rainfall would occur at isolated places over Konkan and Goa, coastal Karnataka and Kerala, isolated places over west Madhya Pradesh, Andaman & Nicobar Islands, Arunachal Pradesh, Assam, Meghalaya, subHimalayan West Bengal, Sikkim, Odisha, South Interior Karnataka, Coastal Andhra Pradesh, and Telangana," the IMD has said. The MET department has also added that temperature in Uttar Pradesh and central India is expected to fall by 2-3 per cent.