

# THE HINDU

ERODE,

## **Erode farmers bank on Southwest monsoon**

Overcast skies and bursts of rain over the last few days have raised hopes among farmers in the district about availability of adequate water for cultivation from the South West monsoon.

All the same, they are apprehensive about strong winds accompanying the rain playing spoilsport.

Farmers who find themselves in adverse circumstances caused by two to three years of drought, shortage of farm labourer, increasing input costs, and declining rates of procurement of produces hope against hope that rainfall from the South West monsoon would extricate them from debt trap.

The farmers have, over the years, availed themselves of loans from all possible avenues: from the primary agricultural cooperative banks, KCC (Kisan Credit Card) crop loan, and jewellery loan.

The difficulty begins for farmers when they are unable to cough up money for repayment on the due date after which the burden gets much heavier on account of computation of higher interest rates and penalties.

“In such situations, farmers find themselves forced to secure money at high rates of interests from private entities to repay the loans that they have not been able to settle due to the drought conditions.

Based on the repayment, the farmers are provided credit again within a short duration. But, there is no way to settle the loans if there is no adequacy of water for cultivation,” V.M. Velayutham, president, Kalingarayan Pasana Sabhai, said.

A cause for solace for the farmers in Erode is the heavy rainfall being recorded in The Nilgiris.

Last year, there was large inflow into the Bhavani Sagar Dam owing to heavy rains in The Nilgiris.

The rains in the catchment areas for two months preceding August 15 when water is usually released from Bhavani Sagar Dam for cultivation, has been the lifeline for farmers in Erode district.

Last year, surplus water from the Pilloor dam in The Nilgiris was released into the Bhavani Sagar Dam paving way for farmers to cultivate rice, sugarcane, turmeric, and coconut.

This year, too, farmers expect the same to happen.

ANANTAPUR,

### **Rain brings smile to Anantapur farmers**



An overflowing Uravakonda lake in Anantapur district on Thursday.- PHOTO: R.V.S. PRASAD

The recent rains have meant a sigh of relief for the people and officials of the district alike, as the immediate drinking water scarcity is expected to be addressed.

In all, the district received an average of 34.6 mm rainfall as against a normal of 6.4 mm for the month of June, which has meant a deviation to the extent of more than 400 per cent over normal rainfall.

Guntakal mandal received the highest quantum of rainfall at 91 mm, leading to overflowing of Boodagavi tank in the Uravakonda mandal, which is fed by supply channels in the border areas of Guntakal and Uravakonda mandals.

The Uravakonda mandal itself registered 32 mm of rainfall as against a normal of 7.7 mm.

Guntakal town witnessed heavy showers leading to a power shutdown for over half-a-day as the electricity department tried to resurrect and reconnect electric poles and wires which came crashing down due to gales.

The Gavisiddeswara rivulet in the D Hirehal mandal witnessed heavy flows even as the D. Hirehal and its adjoining mandals of Rayadurgam and Bommanahal received 47.4 mm, 51.2 mm and 32 mm of rainfall as against a normal of 5.8 mm, 5.5 mm and 6.1 mm respectively.

On the other hand, even as several villages plunged into darkness due to the power shutdown on account of severed electric lines and uprooted electric poles at several places across the district, the Vedavathi - Hagari river experienced copious inflows in Bommanahal mandal.

In the perennially water starved mandals of Nallamada and Obula Devara Cheruvu, the Malakavemula Cheruvu and the Nallamada Kunta received inflows, although the lack of maintenance of the Nallamada Kunta meant that the water could not be stored.

Meanwhile, mango farmers sustained losses, although not very heavily due to the winds which meant that fruits dropped off the trees have to be sold at relatively lower prices.

## CHITTOOR

### **Soil testing vital for good yield, farmers told**

With the khariff season setting in, officials of the district agriculture department sought the farmers not to miss conducting soil tests. The field level officials have been undertaking the awareness campaigns on soil tests in various villages for the last few days, and interacting with the farmers.

As many as 2,500 hectares of agriculture land is brought under the soil tests. As part of the programme, five farmers will be selected from each village and they would be provided with seed at fifty percent subsidy.

The officials expressed serious concern at the gradual decline of agriculture in villages each year. In upland areas, the farmers are forced to take up mango plantations due to water scarcity. All the farmers were appealed to make use of the soil tests under the aegis of the Icrisat scientists.

*‘As part of awareness, five ryots will be selected from each village and provided seed at fifty percent subsidy’*

WASHINGTON,

### **Drones to power farmers check crop progress**



Photo: AP

Drones — or unmanned aerial vehicles — would soon help farmers check the progress of their crops and determine where they may need to replant or direct pesticide applications.

Crop researchers at University of Illinois are experimenting with two drones to take aerial pictures of crops growing in research plots on university’s south farms.

“As the crop gets up and going, we will fly over it. We are also looking at doing some scans over our herbicide studies to see if the drone photography can help us identify where crops are stressed by postemergence herbicide applications,” said Dennis Bowman, a crop sciences educator with University of Illinois.

Both drones are multirotor helicopters, or quadricopters.

Using rechargeable lithium polymer batteries, each drone can make flights of about 10 to 15 minutes.

The computers in the drones are similar to those used in smartphones.

“Standard pictures and videos taken with drones can tell us a lot,” Bowman said.

“It probably is not going to tell us what the problem is but it will tell us where problems are so that we can target our scouting in those specific areas and determine what might be occurring,” he said.

The drones also may be deployed in the battle against Palmer amaranth, an invasive weed.

Palmer amaranth is becoming increasingly resistant to herbicides and spreads so prolifically that it could drastically reduce farmers’ yield potential in affected fields.

DHARWAD,

**Two institutes coming to boost research and development in agriculture, food and health sciences**

The State government has announced funding to set up two international standard institutes to boost research and development in the field of agriculture, food and health sciences.

The proposed institutes will come up in Dharwad and Bangalore.

The International Centre for Agriculture Development would be set up in Dharwad and be administered by the University of Agricultural Sciences, Dharwad.

The other institute — Karnataka Centre of Excellence in Foods for Health — would be set up in Bangalore and be administered by the University of Horticultural Sciences (UHS), Bagalkot, stated a release by Rajendra Poddar, Head, Project Planning & Monitoring Cell, UAS, Dharwad.

Both institutes will be set up in collaboration with the Texas A&M University’s Vegetable and Fruit Improvement Centre’s (VFIC) Foods for Health Initiative, and the Borlaug Institute for International Agriculture. An advisory board will be formed immediately under the co-chairmanship of D.P. Biradar and Bhimu Patil for the institute at Dharwad.

Another advisory board under the co-chairmanship of B. Raju, acting vice-chancellor, and Bhimu Patil will be formed for the institute in Bangalore.

SALEM,

### **Preparations in full swing for Yercaud Flower Show**

*Over five lakh cut flowers to be used for floral arrangements*



Workers removing weeds and waste from the Yercaud Lake on Thursday.—PHOTO: E. LAKSHMI NARAYANAN

The final stage preparations for the 39<sup>th</sup> Yercaud Flower Show that will be conducted on Saturday and Sunday is in full swing atop the hill. Officials of various departments are busy with arrangements to attract tourists for the two-day event.

“We will be using more than five lakh cut flowers for floral arrangements at Anna Park – the main venue for the flower show.

About 25 varieties of flowers from Bengaluru, Hosur, Ooty and Kodaikanal, will be used for the arrangements,” officials in the Horticulture Department told *The Hindu* on Thursday.

They added that the varieties include gladiolus, gerbera, anthurium, bird of paradise, coronation, liliun, tuberose, orchids, stadis, chrysanthemum, limonium. “We expect the flowers to reach Yercaud on Thursday night. It is because they will remain fresh only for three to four days”, officials said.

Over 20 varieties of flowers are in full bloom in 20,000 flower pots. The flowers in pots include a huge collection of marigold in 6,700 pots, 2,700 pots of salvia, 2,200 pots of zinnia and other flowering plants like aster, vinca, celosia, cosmos, gomephrema, Ooty-



Petunia, gazania, hydrangia, daisy, snap dragon, balsam, poppy, ageratum, sweet william, coriopsis and geranium.

About 2,000 pots of plants such as balsom hybrid, cactus, succulents, ferns orchids and a few other flowering plants from Ooty and Bengaluru are on display at the glass house.

A private firm has started clearing the weeds and other wastes from the lake on Thursday.

### **More solar-powered systems to refill waterholes in forests**

The government plans to establish more solar-powered systems to refill waterholes for animals in reserve forests.

Under a pilot project, 30 systems were installed in the Anamalai, Sathyamangalam, Mudumalai and the Kalakkad-Mundanthurai Tiger Reserves, and in 26 places in the reserve forests across the State last fiscal, and they have proved to be successful in refilling the waterholes, according to Forest Department officials.

The government had sanctioned Rs. 2.81 crore for the installation of solar-powered pumpsets. Under the fodder bank scheme, the department has developed fodder reserves. The scheme was aimed at preventing wild animals from straying into human habitations, Chief Wildlife Warden Lakshmi Narayanan has said.

MANDYA,

### **Over 1.5 lakh coconut trees hit by caterpillar infestation in Mandya**

*Rs. 35.47 lakh has been released to tackle the disease: board*



**CAUSE FOR CONCERN:**Deputy Director of Coconut Development Board Vijaykumar Hallikeri (second from right) inspecting the coconut trees hit by black-headed caterpillar infestation at Lokasara in Mandya taluk on Thursday.

Deputy Director of Coconut Development Board Vijaykumar Hallikeri has said that the board has released Rs. 35.47 lakh to tackle the black-headed caterpillar infestation that has hit coconut trees in the district.

Speaking to presspersons at Lokasara village in Mandya taluk on Thursday, Mr. Hallikeri said that the black-headed caterpillar infestation had hit at least 1.52 lakh coconut trees in the district.

### **Survey conducted**

The board had conducted a survey in the district to assess the impact of the disease on coconut trees and to know the extent of damage, so as to take appropriate action in the matter.

### **Support given**

The Shimsha River-Belt Coconut Producers' Federation, the Sugar Land Coconut Producers' Federation, the Shinmaya Coconut Producers' Federation, the Swamy Vivekananda Coconut Producers' Federation and the Gaganachukki-Bharachukki Coconut Producers' Federation had extended support to the board in the task of identifying the disease-affected trees, Mr. Hallikeri said.

### **Extent of damage**

At least 10 to 30 per cent of coconut trees had been hit by the black-headed caterpillar infestation in Mandya district. The board was initiating measures, including conducting awareness programmes, to tackle the infestation and to curb its spread, Mr. Hallikeri said.

He appealed to coconut growers to take guidance/help from the board to fight the infestation.

Deputy Director of Horticulture Rudresh, technical officer Simi Thomas, M.K. Singh and other officials were present.

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- *‘A survey has been conducted to assess the impact of the disease’*
  - *‘Several measures have been initiated to check its spread’*
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KOPPAL,

**‘MNREGS can be used for horticulture’**

The State government has provided an opportunity for farmers belonging to the Scheduled Castes and Scheduled Tribes and those with small and marginal holdings, to take up horticulture and afforestation on their land, Krishna Udupudi, Chief Executive Officer, Koppal Zilla Panchayat, has said.

They could make use of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS), he pointed out.

He said the zilla panchayat had planned to implement the programme all over the district as part of the World Environment Day and Vanamahotsava and ensure that the farmers with small holdings were benefited.

Those farmers with job cards and keen to take up horticultural crops/afforestation, could make use of the scheme.

In fields that had irrigation facilities, the farmers could take up planting of mango, sapota, pomegranate, lemon, curry leaves, guava, drum sticks, fig.

On dry land, farmers could take up planting of blue berries, goose berries, tamarind, neem, honge, teak, silver oak and the like.

Mr. Udupudi appealed to the elected representatives to extend their support and cooperation for the movement to be launched as part of the World Environment day, besides motivating small and marginal farmers, especially from Scheduled Castes and Scheduled Tribes, to take up horticulture and afforestation programmes on their land.

***Small farmers can use the scheme for afforestation***

KOZHIKODE,

**An 'organic' community for city**

*Niravu 'Organic Village' brings together organic farmers, buyers*



The logo of Niravu organic village

Baiju Sreedhar is a resident of Kottuli in the city. In the eight-cent land around his house, he cultivates a few varieties of vegetables. Mr. Sreedhar is averse to using chemical fertilizers or pesticides on his vegetables as he grows them for his “own use.”

He often finds that an entire bunch of plantain or the ash-guard that grows in abundance is more than what he needs for his family’s use. “Same is the case with the mangoes that the couple of mango trees bear ever year,” he says.

Many like Mr. Sreedhar, however, do not know where to sell these surplus produce. “This is a situation many face in a modern-day city life,” says Babu Parambath, a green activist and project coordinator of ‘Niravu,’ a residential forum at Vengeri here.

According to him, Mr. Sreedhar can take a membership with Niravu’s Farmers’ Club, if he is serious about his approach to organic cultivation.

“He can be a typical farmer to cooperate with the ‘Organic Village’ concept, officially launched by Niravu here on the eve of World Environment Day.

It envisages to create a network of organic farmers (even if they are nominal farmers with a few cents of land around their house with only one or two produces) to create a pool of different produces for marketing among prospective buyers. “We already have 80

members in our club, which is aided by NABARD,” says Mr. Parambath. All of them cultivate one or another variety of vegetables in their yard, all organically, he says.

The Niravu Organic Village concept visualises an expansion of its Farmers’ Club membership to all prospective farmers in-and-around the city, whose produces will be thoroughly monitored by an expert committee and periodically tested at the Pesticide Residue Research and Analytical Laboratory under the College of Agriculture in Vellayani.

The members can post the details of their produce on the Niravu website <http://www.niravu.com>, where prospective buyers can give their orders.

“The online marketing will be launched only on the 1st of the Malayalam month of Chingam,” says Mr. Parambath. “We are scouting for an appropriate outlet to be set up in the city for the produces of the Niravu Organic Village, which has been already registered as a brand.”

#### KOZHIKODE, **Mulberry farming**

Applications have been invited from individuals interested in mulberry farming. Farmers will be provided financial assistance for planting and setting up the worm sanctuary, equipment and irrigation. Those interested can contact 0495-2371283 or 9447517885, a press release said.

#### NAGERCOIL,

#### **Farming activity picking up**

*Water released from dam as per schedule*

Agriculture operations are picking up in different parts of the district following release of water from the Pechipparai dam on June I accompanied with widespread rain and rainwater in all water bodies.

Collector S. Nagarajan released the water from the dam as per the schedule.

Initially 200 cusecs of water was released for the benefit of farmers to undertake agriculture operations. As there was sufficient water in all water bodies, farmers could make use of water from tanks and ponds. So, Public Work Department officials closed the release of water from the dam within two days.

Farmers have raised nursery on over 500 hectares of land with the help of water from tanks and ponds and they are expected to continue to raise nurseries on another 400 hectares to transplant them during the first Kannipoov season.

Joint Director for Agriculture (in-charge) P.Ilango said that the department had fixed a target of raising paddy on 7,000 hectares of land in the first season. However, the area of paddy cultivation would be increased in the first season following comfortable storage in dams and other water bodies. The department has distributed 110 tonnes of certified seeds so far which could fulfil 70 per cent needs of farmers.

The district witnessed 317.7 m.m. of rainfall during March, April and May last year. The current year witnessed 417 m.m. of rainfall during the same period. It has facilitated adequate storage in all dams including Pechipparai, Perunchani, Chittar I, Chittar II, Poigai and Mambazathuraiyaru dams. The comfortable storage position in dams and water bodies would be helpful to farmers even in the tail-end areas to undertake agriculture operations and get very good yield by judiciously making use of available water.

Regarding fertilizers, he said that the Agriculture Department has adequate stock in all extension centres and urged the farmers to make use of this opportunity.

Meanwhile, the district witnessed widespread rainfall in the district, which brought cheers to the farming community.

THANJAVUR,

**Sugar mills asked to pay arrears within two weeks**

The District Collector, N.Subbaiyan, directed the Arooran Sugar Mills Pvt. Ltd. at Thirumandankudi near Kumbakonam and Ambiga Sugar Mills Ltd. at Kottur near Kumbakonam to pay the arrears the mills owed to sugarcane farmers immediately. At a meeting with officials of the sugar mills on Tuesday, the Collector said that stern action would be taken if the arrears were not paid within two weeks. If they fail to pay within the stipulated time they would have to pay the arrears with interest, the Collector said. He also recalled the letter written by the former Collector of Thanjavur, Bhaskaran, in this connection.

BANGALORE,

### **Union government allocates 20.5 lakh tonnes of fertilizer to State**

*Nutrients will be supplied to 75 lakh farmers through network of 13,200 licensed dealers*

The Centre has allocated 20.5 lakh tonnes of fertilizer to Karnataka during the current kharif season to ensure adequate quantity of nutrients to farmers.

The State set a target of kharif acreage at 74 lakh hectares. As on June 5, sowing had been completed on 4.1 lakh hectares, covering 6 per cent of the target, following summer showers in different parts of the State.

Officials in the Agriculture Department told *The Hindu* on Thursday that the Centre had allotted 4 lakh tonnes of diammonium phosphate (DAP), 2 lakh tonnes of muriate of potash (MoP), 8 lakh tonnes of urea and 6.5 lakh tonnes of nitrogen, phosphorous and potassium (NPK) fertilizer during the kharif season.

Nutrients would be supplied to around 75 lakh farmers through a network of 13,200 licensed dealers across the State. The Centre supplied 4.31 lakh tonnes of fertilizer in April and May.

Now, the department has kept stock of 6.32 lakh tonnes of fertilizer, including last year's stock of 3.52 lakh tonnes.

### **Meeting held**

Officials of the department held a meeting here and instructed all district-level officials to take steps to ensure adequate supply of fertilizer to farmers in all taluks. Companies supply fertilizer to each district through railway wagons and trucks. The Joint Director and Fertilizer Inspector of each district will ensure quality fertilizer by conducting tests in laboratories. There are seven fertilizer laboratories in the State.

As Union Minister for Chemicals and Fertilizers Ananth Kumar and Railway Minister D.V. Sadananda Gowda are from Karnataka, officials ruled out any shortage of fertilizer in the State during the current kharif season.

The department has been monitoring movement of fertilizer through a mobile-based fertilizer monitoring system (mFMS) and have cracked down on illegal stocking by traders and charging prices higher than the maximum retail price (MRP). Labels of MRPs

have been pasted on each fertilizer bag to ensure fair trading. Officials said that at present, a 50 kg bag of urea cost Rs. 285, a 50 kg bag of MoP cost Rs. 828 to Rs. 899 and a 50 kg bag of DAP cost Rs. 1,180 to Rs. 1,268.

A total of 10.71 lakh quintals of seeds have been procured from different agencies to distribute at subsidised prices to farmers.

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- *As on June 5, kharif sowing has been completed on 6 per cent of target area*
  - *Officials told to ensure adequate supply of fertilizer to farmers in all taluks*
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*Nutrients will be supplied to 75 lakh farmers through network of 13,200 licensed dealers*

BANGALORE,

### **Sugarcane Act to be amended**

*'Amendments will plug loopholes in the law'*

The State government is all set to amend the Karnataka Sugarcane (Regulation of Purchase and Supply) Act, 2013 to plug loopholes in the law and enable its effective implementation.

### **Loopholes**

Minister for Cooperation H.S. Mahadev Prasad, who was given the Sugar portfolio recently, told presspersons here on Thursday that amendments to the Act would be placed in the coming legislature session.

“Although the Act has incorporated some recommendations made by the Rangarajan Committee appointed by the Union government to advise on sugar decontrol, it has certain loopholes because of which we are unable to implement it effectively,” he said.



MYSORE,

**Workshop on vermicompost production held at Mysore zoo**



Mysore zoo executive director B.P. Ravi explaining vermicompost production to the participants of a workshop in Mysore on Thursday.— PHOTO: M.A. SRIRAM

Many persons, including farmers, got first-hand information on vermicompost production at the Mysore zoo here on Thursday.

Mahanteshappa, Joint Director of Agriculture, Mysore, inaugurated the workshop and called upon farmers to make use of vacant spaces around their homes to produce vermicompost. He said the agriculture and horticulture departments would provide subsidy to farmers who wished to produce vermicompost. The Raitha Samparka Kendras were equipped to pass on information to farmers on vermicompost production and farmers must make use of the facility, he said, adding that the Agriculture Department provides a subsidy of Rs. 4,000 to establish vermicompost units.

Zoo Executive Director B.P. Ravi explained about the origin of vermicompost production at the zoo [in 2004] and on how it transformed into a successful venture. He also responded to the queries of those who attended. The participants also interacted with zoo staff who were engaged in vermicompost production.

Vermicompost, known as the ‘farmers’ friend’, is used for general crops and plantation crops. It is a growth promoter and helps provide hormones required for plant growth. It increases the blotting capacity of soil and has no side-effects. The black-coloured, granular, lightweight and humus-rich compost is ready in about 30 days, according to the zoo staff.

The zoo claims that its vermicompost had 1.52 per cent of nitrogen (the required standard of nitrogen in vermicompost is 0.8 – 1.20 per cent) which was useful for agriculture, horticulture crops and ornamental plants. The zoo’s product has been registered with the Department of Weights and Balances.

PALAKKAD,

**Palakkad sees intense tree-planting drive**

Over 4.3 lakh tree saplings were planted in Palakkad district on Thursday as part of World Environment Day observance.

The district authorities and Forest officials had kept ready about 1.35 lakh, to be distributed among the general public.

C.P. Mohammed, MLA, inaugurated the district-level drive under the participatory environmental protection programme of the State government, at Pattambi.

At the District Jail, Palakkad, all inmates planted saplings. Jail Superintendent R. Mohan led the drive.

At the Civil Station, District Collector K. Ramachandran led the drive.

At the Women's ITI, Malampuzha, each student planted at least one sapling.

The Palakkad Bar Association also organised a tree-planting drive.

NCC cadets of Sree Narayana College, Alathur, planted the saplings given away by Principal G. Hariprakash.

HYDERABAD,

**'Seeds will be available at village-level'**

The first government of Telangana State would make seed available to farmers at village-level itself instead of supplying them at mandal headquarters, as was done all these years, Minister for Agriculture Pocharam Srinivas Reddy stated here on Thursday.

Chief Minister K. Chandrasekhar Rao reviewed the government's preparedness for the kharif season in his office. Minister for Agriculture Pocharam Srinivas Reddy, Minister for Finance Eetela Rajender and officials of the Agriculture Department participated in the meeting.

Speaking to reporters after the meeting, Mr. Srinivas Reddy said their government was totally prepared for the agriculture season and was taking all measures to prevent any scarcity of seed and fertiliser. The demand for cotton and soybean seed was high and about 1.10 lakh quintals of soybean seed was already positioned at mandal and village-

level out of the requirement of 1,79,500 quintals. The government had also procured sufficient quantities of paddy and other seeds, he said adding that out of 17.14 lakh tonnes of fertilizers required for kharif season, 6 lakh tonnes was already positioned at dealer and mandal level. The remaining quantity would be in position after the sowing operations, he noted.

On subsidy given on seed, the Minister said the government would extend 33 p.c. subsidy on all seeds and the farmers would have to pay the amount only for the remaining portion of the seed price.

### **Water level**

#### **Mettur**

The water level in the Mettur dam stood at 42.46 feet on Thursday against its full level of 120 feet. The inflow was 6,173 cusecs and the discharge 800 cusecs.

Chennai

Chennai - INDIA

### Today's Weather



Partly Cloudy

**Friday, Jun 6**

Max Min

36° | 28°

Rain: 0

Humidity: 51

Wind: normal

Sunrise: 05:41

Sunset: 06:33

Barometer: 999

### Tomorrow's Forecast



Partly Cloudy

**Saturday, Jun 7**

Max Min

37° | 29°

### Extended Forecast for a week

Sunday

**Jun 8**



37° | 28°

Cloudy

Monday

**Jun 9**



38° | 28°

Partly Cloudy

Tuesday

**Jun 10**



37° | 29°

Partly Cloudy

Wednesday

**Jun 11**



37° | 29°

Partly Cloudy

Thursday

**Jun 12**



36° | 28°

Partly Cloudy

### Airport Weather

Delhi

Delhi

Rain: 0

Sunrise: 05:23

Humidity: 32

Sunset: 07:16

Wind: normal

Barometer: 999



**Pre-Budget talks: Jaitley assures to boost agriculture growth despite resource crunch**

Promises to raise public investment in the sector



Sowing growth Union Finance Minister Arun Jaitley with agriculture scientist MS Swaminathan during the pre-Budget meeting with representatives of the agriculture sector in New Delhi on Thursday. Kamal Narang

Concern over contraction of growth in agriculture and allied sectors, which employ the largest number of people, was high on the Government's priority list, Finance Minister Arun Jaitley said here on Thursday.

At a pre-Budget consultation with agriculturists, Jaitley assured them that despite resource constraints, the Government would try its best to boost the sector.

**Manifesto**

In its manifesto, the BJP has promised to increase public investment in agriculture and rural development and ensure a minimum of 50 per cent profits over the cost of production, welfare measures for farmers above 60 years of age, expansion of rural credit facilities, among other things. Farm sector experts flagged issues which included timely decision on minimum support price, the need for an efficient procurement policy, and timely completion of irrigation projects. Some experts also sought a dedicated television channel for farmers to spread awareness about latest technologies and other market information.

The other suggestions included use of information technology, new marketing technologies, setting up of soil health testing facilities in each panchayat, making animal husbandry a profitable occupation and strengthening agriculture research and extension facilities.

Apart from Government representatives, those who attended the meeting included MS Swaminathan, eminent agricultural scientist; S Ayyappan, Director-General, Indian Council for Agriculture Research; Ramesh Chand of National Centre for Agricultural Economics & Policy Research, Keshav Das of Gujarat Institute of Development Research; P Chengal Reddy, Secretary-General of Consortium of Indian Farmers Association; and Siraj Chaudhary, Chairman of Cargill India Pvt. Ltd.

### **Bulk buyers reluctant to buy rice**

The rice market continued to tumble on account of sluggish domestic demand and ample availability of stocks. In the physical market, Pusa-1121 (steam) dropped Rs. 400 and was sold at Rs. 8,600 a quintal, while Pusa-1121 (sela) was quoted at Rs. 7,000 a quintal, down Rs. 500. Pure Basmati (raw) eased by Rs. 150 and was quoted at Rs. 12,000/quintal. Duplicate basmati (steam) was down Rs. 200 and was sold at Rs. 6,800/quintal. Pusa-1121 (second wand) was sold at Rs. 6,700, Tibar at Rs. 5,800, and Dubar at Rs. 5,000/quintal. In the non-basmati section, Sharbati (steam), down by Rs. 300, was sold at Rs. 4,300, while Sharbati (sela) was quoted at Rs. 4,000/quintal, down Rs. 200. Our Correspondent

### **Global food prices up 4% in Jan-Apr this year**

International prices of food increased 4 per cent between January and April 2014, mainly because of growing weather concerns and import demand, says the World Bank's latest 'Food Price Watch.'

"This spike in prices puts an end to a downward trend sustained since August 2012," said a World Bank release, urging governments to keep a close watch on the global El Nino conditions, the consequences of Ukraine tensions, and the weather in the US.

The latest 'Food Price Watch' also flags concern over the role food prices and shortages could have on food riots, stressing on why monitoring prices was important not only for food security and welfare, but also for political stability and security concerns.



The sharpest increase in prices was seen in wheat and maize which rose 18 per cent and 12 per cent, respectively, according to the report, which says the increase took place despite continued projections of record grain harvests, stronger stocks expected in 2014 and 2013 bumper crops.

### **Stable prices**

Overall, domestic prices were mostly stable between January and April 2014, but saw fluctuations between countries, such as monitored markets in Ukraine, Ethiopia, Sudan and Kyrgyzstan saw some of the largest wheat price increases, while in Argentina and Pakistan, prices declined.

The hike in maize prices was the most in countries such as Ukraine and Russia, but was down markedly in Mozambique. Rice prices rose in Myanmar and Somalia, but declined in Thailand and Cambodia.

Ana Revenga, Acting Vice-President for the Poverty Reduction and Economic Management Network of the World Bank Group, said, “Over the next few months, we must watch these prices carefully, making sure that any further increases do not put additional pressure on the least well-off around the world.”

### **Record horticulture crops output likely this year**

Production seen rising to 281 million tonnes; area under onion at new high  
A record production of horticulture crops is projected for the current season that ends this month, thanks to the area under the crops rising to a new high.

This has helped control the prices of some of the major fruit and vegetable crops, particularly onion, tomato and potato.

According to the Agriculture Ministry, horticulture crops were planted on 25.30 million hectares, a new high this season, against 23.69 million hectares a year ago.

Production, going by the second estimates, is likely to rise to 280.70 million tonnes (mt) against 268.84 mt. The output of key horticulture crops such as banana, onion, tomato and potato was higher.

According to the Office of the Economic Advisor in the Ministry of Commerce and Industry, the wholesale price index of fruits and vegetables rose to a high of 330.3 in

November last year due to shortfall in supplies of onion, potato, tomato and chilli. Following improvement in supplies, the index eased to 225.1 in April.

Potato makes up about 16.5 per cent of the total horticulture production in the country, with its output estimated at 46.39 mt this season against 45.34 mt. Shortage of potatoes in November-December resulted in prices surging to Rs. 30 a kg in retail outlets as unseasonal rains affected the crop. The wholesale price index of potato surged to 317.9 in November but eased to 227.2 in April. Production of banana, which makes about 10 per cent of horticultural crops production in the country, is projected at 27.57 mt against 26.50 mt a year ago.

Banana prices have been ruling almost steady over the last few months with the index rising to 266.9 in November.

It eased marginally to 263.7 in April. But for unseasonal rains, onion production could have topped the magical 20 mt-mark. Onion output is estimated at a record 19.29 mt against 16.8 mt a year ago. Last year, onion production dropped from 17.5 mt a year ago.

The area under onion was at a new high of 1.2 million hectares this year (1.05 million hectares) as the vegetable's prices topped Rs. 100 a kg in retail outlets in August and November.

A look at the price index shows that prices have dropped over 70 per cent in September when it peaked to 845.6 and dipped to 240.4 in April.

Production of tomato, which has dropped below onion for the first time this year, is seen at 19.10 mt against 18.22 mt a year ago. Its prices, too, had surged in November, with the index soaring to 503.5 in November. By March, it had plunged to 169.2.

Output of flowers and crops such as coconut and arecanut increased, while that of cocoa and cashewnut dropped.

Led by dried chilli, cardamom and turmeric, production of spices increased to 5.8 mt (5.7 mt a year ago), but there was cause for concern with the output of pepper, garlic and coriander dropping.

The index of pepper surged to a new high of 661.9 in April and its prices in retail outlets are currently ruling between Rs. 800 and Rs. 1,000 a kg.

Similarly, production of brinjal also increased to 13.88 mt against 13.44 mt.

### **Coconut oil falls by Rs. 30/kg**

#### COCONUT OIL FALLS RS. 30/KG

Coconut oil prices decreased sharply by Rs. 28-30 a kg due to the sudden drop in copra prices in all markets. “Due to decrease in coconut oil prices, oil crushers are in a quandary as they have huge stocks of coconut oil with them. Within a week’s time, coconut oil pricea dropped to Rs. 1,830 for a 15 kg loose packagainst Rs. 2,180 to Rs. 2,200. This fall was due to the sudden drop in copra prices in all markets,” said RM Palanisamy, a coconut oil trader. Copra is selling at Rs. 8,400-8,500 a quintalagainst Rs. 10,300 a quintal five days ago. He said the price of palm oil also decreased to Rs. 5,600 a quintal and palm kernel at Rs. 8,600-9,000 a quintal.Our Correspondent

### **Pepper continues to fall on poor demand**

#### PEPPER CONTINUES TO SLIDE

The pepper market continued to witness a downtrend, with both spot and futures markets ending lower on Thursday. Some selling pressure was witnessed in the spot market with 25 tonnes arriving at the terminal market. The entire quantity was bought by leading exporters for Rs. 675, Rs. 685 and Rs. 695 a kg, market sources told *Business Line* . Spot prices fell further by Rs. 500 a quintal to Rs. 67,600 (ungarbled) and Rs. 69,600 (garbled) on limited activities.GK Nair

### **Bearish trend continues in sugar**

Sugar prices extended their bearish trend on Thursday on selling pressure, after taking a breather in the previous session.

Spot rates were down by Rs. 14-17 for S-grade and Rs. 10-28 for M-grade at the Vashi wholesale market. The moral was weak in the physical market but prices in the futures market rose by Rs. 33-40 on hopes the government will announce support for the industry.

Arrivals at the Vashi market declined to 56-58 truckloads and local offtake was 54-55 loads. On Wednesday evening, 18-20 mills offered tenders and sold 44,000-46,000 bags

at a lower price of Rs. 20 at Rs. 2,840-2,950 ( Rs. 2,860-2,970) for S-grade, and Rs. 2,950-3,080 ( Rs. 2,970-3,100) for M-grade.

Bombay Sugar Merchants Association's spot rates were: S-grade Rs. 3,016- 3,145 ( Rs. 3,030-3,162) and M-grade Rs. 3,172-3,285 ( Rs. 3,200-3,285). Naka delivery rates were: S-grade Rs. 2,930-3,030 ( Rs. 2,950 - 3,050) and M-grade Rs. 3,050-3,180 ( Rs. 3,080-3,210).

### **Dry spell hits Assam, Bengal tea output**

The Indian Tea Association (ITA) said on Thursday that “very adverse weather conditions” in April and May took a toll on the North Indian – Assam and Bengal – tea production.

It estimated that output shortage in its member plantations could be 23.35 million kg (mkg) over the corresponding months in 2013.

According to ITA estimates, its member tea estates produced 59 mkg in April- May against 82.35 mkg in the same period a year ago.

It further said that if the output of estates other than those of its members, small growers, and bought-leaf factories are taken in to account, the shortfall might reach 50 mkg. In a statement, ITA said that in April and May all tea districts in Assam Valley witnessed unprecedented production decline because of the dry spell.

Crop in Assam Valley has declined by around 40 per cent during April and 30 per cent during May. Poor availability of leaf affected manufacturing operations in many tea estates, ITA said. “All the major tea groups have reported significantly lower leaf and production. Similar trends are prevailing in the small growing sector. It is feared that with this crop decline and poor weather conditions it would be very difficult to make up the decline particularly when El Nino threat is looming large”, ITA observed.

In the context of domestic demand growth of three per cent (25 to 30 mkg) a year, a wave of fresh demand may hit the tea market pushing up tea prices.

Escalation in the cost of field and factory inputs, rise in pest infestation, impending wage revision, would increase the cost of production, ITA said.

## **Agri Science Congress in Karnal**

The 12th Agricultural Science Congress, organised by the National Academy of Agricultural Sciences (NAAS), will be held in Karnal during February 3-6, 2015. The theme is ‘Sustainable Livelihood Security for Small Holder Farmers,’ said S Ayyappan, President, NAAS, at its foundation day celebration here on Thursday. Focussing on family farms, Ayyappan said, “2014 is the ‘Year of Family Farming’ based on the significant contributions made by family farmers.” “Although family farming has contributed immensely to enhance agricultural production and reduce rural poverty, it is experiencing new challenges due to globalisation and trade liberalisation,” he said. Our Bureau

## **Buyer resistance saps spot rubber**

Spot rubber resumed its downward journey on Thursday. The market declined on buyer resistance, though there was no visible selling by dealers or growers.

According to observers, the local trading houses are suffering from acute short supplies but the wide gap with the international prices continued to put further pressure on the commodity.

Sheet rubber weakened to Rs. 144.50 ( Rs. 145) a kg, according to traders and the Rubber Board. The grade slipped to Rs. 141.50 ( Rs. 142), as quoted by the dealers. June futures declined to Rs. 142.65 ( Rs. 143.94), July to Rs. 141.90 ( Rs. 143.29), August to Rs. 138.48 ( Rs. 140.59), September to Rs. 138 ( Rs. 139.16) and October to Rs. 137.25 ( Rs. 140.83) while the rubber mini June futures dropped to Rs. 142 ( Rs. 143.94) on the National Multi Commodity Exchange. RSS 3 (spot) improved to Rs. 119.61 ( Rs. 119.06) at Bangkok. June futures closed at ¥183 ( Rs. 105.89) on the Tokyo Commodity Exchange.

Spot rubber rates ( Rs. /kg) were: RSS-4: 144.50 (145); RSS-5: 140 (142); Ungraded: 135 (137); ISNR 20: 132 (134) and latex 60%: 120 (120).

## **50% turmeric unsold in Erode**

With traders yet to receive fresh orders from North India for turmeric, over half of the produce brought to Erode markets on Thursday went unsold. At the Erode Turmeric Merchants Association sales yard, the finger turmeric was sold at Rs. 4,219 to Rs. 6,177 and root variety Rs. 3,900 to Rs. 5,891. The finger turmeric was sold at Rs. 5,603 to Rs. 6,594 and root variety Rs. 5,436 to Rs. 6,194. Out of the arrival of 535 bags, only 74 found takers. At the Regulated Market Committee, the finger variety fetched Rs. 5,616-6,568 and the root variety Rs. 5,379-6,236. Out of the arrival of 392 bags, 287 were sold. Our Correspondent

## **Monsoon may set in today, rains seen lashing TN too**

The Met Department expects the monsoon to set in over Kerala by Friday, with conditions continuing to remain favourable to host the event along the southwest coast.

Onward progress of rains, at least initially, has a bias to the east with some parts of Tamil Nadu, Bay of Bengal during and the north-eastern States forecast to be the likely track.

An offshore trough along the Karnataka-Kerala coasts, a major monsoon feature, however, continued to be a feeble formation even on Thursday.

The helpful east-west shear zone of monsoon turbulence higher in the atmosphere too persisted.

But a land-based trough stayed anchored to the previous day's alignment from southwest Madhya Pradesh to north interior Karnataka offered resistance to the monsoon flows from the Arabian Sea.

It is expected that the land-based trough would weaken with the onset of the monsoon.

Meanwhile, the India Met Department joined others in the watch for a rain-driving circulation (low-pressure area/depression) in the Arabian Sea off the Kerala-Karnataka coasts by the weekend.

### **Along coast**

This will ratchet up monsoon flows and lead to heavy rains along the south-west coast and interior peninsula. Initially forecasts suggest that the system may drive along the



coast for sometime before steering off course out into the sea towards Karachi/Persian Gulf. Its behaviour and track would need to be tracked closely for its implications for the monsoon. A track along the coast would do a world of good for its orderly progress.

But if it were to steer off course and head out into the sea, it would mean that the monsoon flows and moisture embedded in them would get directed away from India.

For instance, the US Navy model says it could become a cyclone over central Arabian Sea and guide itself towards the Persian Gulf.

It may progressively weaken in strength as it approaches for a landfall and striking a pause off the coast of Oman by June 14, this forecast said.

A couple of other US models also favoured the intensification of the system in the central Arabian Sea, a safe distance away from India's west coast.

The European Centre for Medium-Range Weather Forecasts begged to differ by picking up a low-pressure area curling its way along the west-coast towards Konkan-Mumbai during this period. It did not indicate strengthening of the system and merely said the monsoon flows would get strengthened, thanks to its pulling power.

### **FCI should procure rice, not paddy**



Long-term stocking of paddy is challenging for millers. nakorn\shutterstock.com

The Food Corporation of India (FCI) and State Government Agencies under current dispensation first procure paddy and then get it custom-milled from rice millers by paying fixed tolling charges. This system is exposed to massive abuse that needs correction by the new Government without affecting farmers' interests.

Total paddy (un-milled rice) production in the country is about 160 million tonnes, including 16 million tonnes of basmati paddy.

Currently, all official agencies procure about 49-53 million tonnes of non-basmati paddy, equal to 32-35 million tonnes of milled rice every year. More than 107 million tonnes of paddy of non-basmati and basmati rice is annually traded between farmers/millers/traders privately. Farmers are thus fully familiar with open market operations.

India's output of grains, oilseeds, sugarcane, fruits, vegetables, spices and cotton output is about 800 million tonnes. Ninety per cent of the produce is transacted by farmers privately. Thus, it is factually incorrect to argue that farmers will be hurt if state sponsorship of paddy procurement is dismantled.

### Gross misappropriation

Currently, FCI official agencies make payment to farmers for the procurement of paddy at minimum support price (MSP), while stocks are stored with rice millers under Custom Milling of Rice (CMR) agreement. As of April 1, , millers held about 15 million tonnes of paddy alone, costing Rs. 20,000 crore at a MSP of Rs. 13,450 a tonne.

Millers act as bailees of state agencies – having possession but not ownership of paddy. Since long-term stocking of paddy is challenging they generally sell paddy or milled rice in the market and replenish the FCI when demanded, by purchasing it back from the market.

Commercially, the transaction may be squared up on tonne-to-tonne basis and not on grain-to-grain basis – that means paddy supplied by FCI may not milled for FCI, but rice bought from the market is finally lodged with FCI.

This amounts to unchecked misuse of official funding and leakages.

Between 1995 and 2005, Punjab, Haryana and Andhra Pradesh were prime producers of surplus rice. FCI agencies procured paddy and then despatched milled rice to deficient regions. Since 2005, there is a remarkable turnaround. Paddy is harvested by more than 10 States with West Bengal, Uttar Pradesh and Andhra Pradesh being the leading provinces.

Rice production has scaled up from 85 million tonnes to 103 million tonnes during the period. In the last 25 years, India has not imported any rice on Government account. For

the last three years we are the world's largest exporter of rice. Sufficiency of paddy/rice is thus affirmed.

Paddy is a water guzzler and results into depletion of water table. Its state-sponsored over-production is unreasonable specially when need and necessity of procuring and storing large volumes in north and then moving it elsewhere, is diminished.

### **Remedy**

FCI should limit itself to procurement of “milled rice” and dispense dealing with paddy purchases, which should be left to millers. Procedurally, FCI may need to work out a fresh/revised Custom Milling of Rice agreement (CMR-REV) in which responsibility of paddy procurement at MSP will be of millers. Obligation of FCI will be to source predetermined tonnage of milled rice at a price notified and based upon MSP of paddy. Banks can finance “approved” millers based upon letter of comfort from FCI\state agencies. Present procedure of distribution and subsidisation to targeted beneficiaries will continue as per PDS entitlements.

### **Selective intervention**

Vested groups will cry wolf – saying that farmers will realise below-MSP from millers under the proposed arrangement. To offset such a fear, Government can vest itself with power of price intervention to raise price to MSP, as in the case of maize.

This may be necessary for two-three years to keep millers in check and for farmers to plan alternatives. If farmers can trade 720 million tonnes of agri items privately, paddy cannot be an exception. China, Indonesia, Philippines – dealing with subsidised distribution of grains – source rice and not paddy.

### **Benefits**

This systemic change means that official agencies will remain insulated from the paddy operations, bungling and diversion in market; double handling will cease. Transportation cost will be economised. Greed for growing water-guzzler paddy will decline. Instead, alternate cropping pattern will be incentivised. Rice reform will mean 50 per cent restructuring of FCI operations.

The writer is a trade analyst

# Business Standard

## Tea prices set to increase on lower production



Adverse weather conditions in north India ([Assam](#) and [north Bengal](#)) are likely to result in a sharp rise in [tea](#) prices, the [Indian Tea Association \(ITA\)](#) on Thursday.

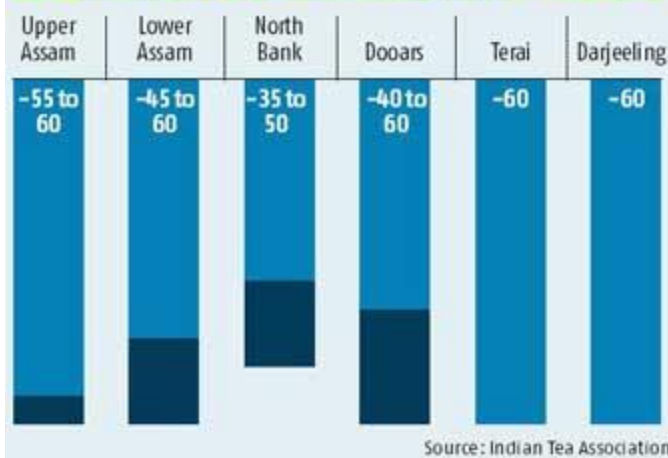
In April, all producing districts in the Assam valley had recorded a 40 per cent fall in production compared to a year earlier; for May, the decline was 30 per cent.

“This could translate into an overall decline in the north Indian crop by about 16 million kg in April and 14 million kg in May, an unprecedented decline of 30 million kg in two months, compared to the corresponding period of 2013. The estimates are based on ITA members’ crops; if other estates and bought leaf factories/small growers are taken into account, the shortfall might stand at 50 million kg,” said a release issued by the association.

Also, there has been a rise in the cost of field and factory inputs. The impact is clear—production costs will increase, and so will prices. “The impending wage revision, effective from April 2014 in the north Bengal tea sector, will further increase the cost of production. Further deterioration in conditions could jeopardise the viability of many estates in Assam and north Bengal,” ITA said.

“This kind of a shortfall in the months of April and May hasn’t been seen in a long time. The market will react; prices need to do better,” said Aditya Khaitan, managing director of McLeod Russel. Representatives from the sector said at the auctions here this week, the quantities were low and prices were higher by Rs 15-18 a kg.

## SHORTFALL IN RAINFALL SO FAR (in %)



Till March, all tea districts, barring Darjeeling and Terai, had registered an increase in the crop. Subsequently, when rains were imperative, the situation deteriorated. ITA is apprehensive it will be difficult to make up for the decline in the crop, as the threat of the El Niño is looming large. More, domestic demand has been growing at three per cent every year. “It is likely the demand for replenishment of tea will increase in the coming months,” ITA said.

The situation in south India, too, isn’t very different. Officials of the United Planters’ Association of South India said in April, the crop had fallen by 3.7-4 four million kg

## Wheat procurement nearly over, stands at 27.6 mt



wheat procurement by government agencies has come to an end in the major sourcing states, for a total of 27.6 million tonnes, slightly more than last year’s 25.09 mt.

The opening stock in April was 17 mt. After meeting the annual [public distribution requirement](#) of 30 mt, the opening balance might be 14 mt in April 2015, say [Food Corporation of India](#) sources. With apprehensions of a monsoon deficit due to the [El Niño effect](#), a 14 mt buffer indicates a comfortable stock, he added.



Export demand is likely to be subdued as the rupee has been appreciating against the dollar. The procurement agencies have also improved scientific storage, so the government might not encourage export to dispose of stock to save it from damage, said the official.

Punjab, Haryana and Madhya Pradesh registered a total procurement of 25.2 mt. Among the other important contributing states, only Rajasthan and Uttar Pradesh are further open to procurement, till the end of this month. Since arrivals are low, they are likely to add only up to 200,000 tonnes, said the official.

The procurement target envisaged by the Union food ministry for 2014-15 was 31 mt. Punjab bought 11.6 mt; the target was 11 mt. Madhya Pradesh's target was eight mt; it procured 7.1 mt. Haryana's target was 6.5 mt and it procured 6.49 mt, for the central pool. Rajasthan surpassed the target of 1.8 mt; it has got 1.96 mt till now. Procurement is still on there but arrivals are now at a tepid pace. Uttar Pradesh has procured a meagre 40,000 tonnes against the target of three mt, apparently due to active participation of private traders. All other states met their targets.

### **Madhya Pradesh tries to address soya seed shortage**



[Madhya Pradesh](#), the sole [soya seed](#) supplier across the country, is struggling to meet the demand this kharif season. Authorities have admitted the shortage of seeds is alarming, adding the only way to address this was motivating farmers to increase the acreage of other kharif crops. Authorities say this season, 80 per cent of the total seed production has been damaged.

Madhya Pradesh grows 2.5 million quintals of [soya bean](#) seeds. Of this, 1.5 million quintals are used in this state. However, this time, heavy rains have hit seed production. The state government is trying to hold meetings with private seed suppliers and control

illegal stocking, as well as the sale of fake seeds. “We need at least 1.5 million quintals of seed for Madhya Pradesh alone; the demand from other states such as Maharashtra and Karnataka isn’t less than a million quintals. This year, heavy rains have triggered a shortage of seeds in the market. We have a few options — either we motivate farmers to opt for other kharif crops such as maize and paddy, or reduce the seed-sowing quantity, which is higher than the required quantity,” Rajesh Rajora, principal secretary, farmers’ welfare and agriculture development department, Madhya Pradesh, told Business Standard. “Import is not an option,” he added. For the soya crop, the seed-sowing rate is about 75 kg a hectare. The farmers welfare and agriculture development department feels if farmers cut seed-sowing to about 50 kg a hectare, the country’s demand for seeds will be met.

“In Madhya Pradesh, we will also introduce castor seed and guar crop this year. The farmers will not only get higher prices, but also record a change in the crop pattern,” Rajora said. This year, soya acreage in MP is estimated at 6.6 million hectares. “The chain has been disturbed due to inclement weather. We have secured permission to grow 7,500 qtls of breeder seed from 750 kg of nuclear seed, which we have in stock at our agri universities. We will also grow 75,000 quintals of foundation seeds from the 7,500 qtl breeder seed and, later, 750,000 certified seed from the foundation seed,” Rajora said, adding, “It will be ready by the 2015 kharif season.”

<b>SOYA STATISTICS</b>			
<b>Year</b>	<b>Acreage in million hectares</b>	<b>Yield per hectare</b>	<b>Production in million tonnes</b>
2008-09	5.3	1,120	5.92
2009-10	5.45	1,180	6.43
2010-11	5.55	1,222	6.78
2011-12	5.79	1,123	6.5
2012-13	6.06	1,363	8.26

Source: Madhya Pradesh Agriculture Department

This programme “only takes place in state-owned farms or farms allowed to grow certified seeds”, Rajora said.



## **Milk production in 2013-14 rises by 6% to 140 million tonnes: NDDB**



[Milk production](#) is estimated to have increased by 6 per cent to about 140 million tonnes in 2013-14 fiscal helped by normal monsoon and increase in demand for dairy products.

Milk production in India, the world's largest producer and consumer, stood at 132.4 million tonnes 2012-13, as per National Dairy Development Board ([NDDB](#)) data.

"Milk output during the year 2013-14 is estimated at 140 million tonnes," an NDDB official said.

Among states, Uttar Pradesh continued to remain the leading milk producer, followed by Rajasthan & Gujarat.

Whereas, the per capita demand was maximum in Punjab followed by Haryana in 2013-14, the official added.

"In last few years, there has been continuous increase in milk production in the country as demand for dairy products has risen substantially," National Dairy Research Institute (NDRI) Director A K Srivastava said.

## **Marine exports body eyes \$6 billion revenues**



Buoyed by a 60 per cent rise in marine product exports at Rs 30,213.26 crore (\$5.10 billion) in the financial year 2013-14, exporters body [Mpeda](#) has set a higher dollar revenue target of \$6 billion for the current financial year.

Marine Products Export Development Authority (Mpeda) chairman Leena Nair said increase in production of vannamei [shrimp](#) coupled with strict quality control measures and increase in infrastructure facilities for production of value-added items would help achieve the target.

A sharp increase in the production of Vannamei shrimp helped achieve higher exports during the last financial year.

According to Nair, exports crossed all previous records in quantity, rupee and \$ terms. Exports last year totaled 983,756 tonne valued at Rs 30,213.26 crore (US\$5.10 billion). Compared with the exports previous year, it is 5.98 per cent higher in terms of quantity, a 60.23 per cent growth in rupee terms and dollar-wise it's up 42.60 per cent.

The unit value realisation of marine products during 2013-14 was up 34.55 per cent at a record \$5.09 a kg as against \$3.78/kg last year.

### **Major export markets**

[Southeast Asia](#) continued to be the largest buyer of Indian marine products with a share of 26.38 per cent in dollar terms, followed by the US with 25.68 per cent, European Union at 20.24 per cent, Japan at 8.21 per cent, China (5.85 per cent) and West Asia (5.45 per cent).

Exports to Southeast Asia showed a positive percentage growth of 11.47, 84.67 and 62.72 in terms of quantity, rupee and dollar respectively.

Exports to the US registered a growth of 19.94 per cent in quantity and 72.06 per cent in dollar realisation, led by 34.81 per cent volume growth and 92.40 per cent dollar-wise in the export of frozen shrimp. Vannamei shrimp exports to the US saw a 59.63 per cent jump in volumes and 135.71 per cent in dollar realisation.

### **Frozen Shrimp accounted for 64 per cent**

Frozen shrimp continued to be the major export item accounting for a share of 64.12 per cent of the total dollar earnings. Its exports during the period grew 31.85, 99.54 and 78.06 per cent in quantity, rupee and dollar value respectively. The unit value realisation of frozen shrimp at 35.05 per cent. Overall export of shrimp during 2013-14 was at 301,435 tonnes, worth \$3.2 billion. USA is the largest market (95,927 tonne) for frozen shrimps exports in quantity terms, followed by European Union (73,487 tonne).

### **sugar up 0.6% as demand picks up**



[Sugar](#) prices rose by 0.60% to Rs 3,025 per quintal in futures trading today as speculators created positions supported by rising demand in the spot market.

However, ample supplies restricted the rise.

At the [National Commodity and Derivatives Exchange](#), sugar for delivery in June rose by Rs 18, or 0.60% to Rs 3,025 per quintal with an open interest of 36,730 lots.

In a similar fashion, the sweetener for delivery in July contract traded higher by Rs 16, or 0.54% to Rs 2987 per quintal in 24,490 lots.

Analysts said the rise in sugar prices at futures was mostly supported by rising demand from bulk consumers but ample supplies from mills restricted the gains.

### **Chana up 0.1% on rising demand**



Amid rising domestic demand and restricted arrivals from producing regions, [chana](#) prices rose for the third-day by adding 0.10% to Rs 2,921 per quintal in futures trade today as speculators enlarged positions.

At the [National Commodity and Derivatives Exchange](#), chana for delivery in July added another Rs 3, or 0.10% to Rs 2,921 per quintal with an open interest of 1,16,670 lots.

Similarly, the commodity for delivery in June contract edged up by Rs 2, or 0.07% to Rs 2,857 per quintal in 76,060 lots.

Analysts said speculators said apart from a firming trend at spot market on rising demand, restricted arrivals from producing regions also influenced chana prices at futures trade.



### **Coconut oil prices to decline on good supply, poor demand**

Coconut oil prices have moderated a bit from the recent high as demand continues to remain sluggish. Traders expect the market to decline more as supply from Tamil Nadu improves in the days to come.

Coconut oil prices in the wholesale market of Kochi had touched R159 per kg while the retail market touched R180 per kg. India is the world's biggest buyer of vegetable oil, importing nearly 60% of its 16-17 million tonne annual consumption. "Oil prices have come down by R10 per kg to R145 and are likely to decline as supply improves from neighbouring states. At the same time last year, the market for coconut oil was trading at

R65-70 per kg. We believe the commodity cycle has seen its peak and is likely to fall now,” Talat Mehamod, member of Coconut Oil Merchants Association and trader at the terminal market of Kochi, said.

He believes that more copra and oil will come to the market as the market corrects itself. The monsoon rains expected any time now may give some support to the market as drying of copra would take more time, he added.

Kerala is the main coconut growing state with an area of 10.20 lakh hectares and production of 5,911 million nuts, followed by Tamil Nadu, Karnataka and Andhra Pradesh. The four states account for 90.8 % of the total production in India.

Dorab E Mistry, oil industry expert, estimates that both palm and coconut oil market will come under pressure in the coming oil year due to good supply.

# The Telegraph

calcutta, india

## **Sweetener for sugar underway**

(PTI): The government today said it was examining the possibility of giving additional interest-free loans of Rs 4,400 crore to cash-starved sugar mills to clear dues to cane farmers.

It is also looking at hiking the sugar import duty to 40 per cent from 15 per cent to curb cheap imports and increase ethanol blending in petrol to 10 per cent to improve the liquidity of mills.

“The main concern raised was how to clear Rs 11,000 crore sugarcane dues to farmers at the earliest. A suggestion has been made to extend loans given equivalent to the excise duty paid by the mills in the past three to five years,” food minister Ram Vilas Paswan told reporters after an informal meeting with other cabinet ministers.

“Each minister has given suggestions. We have not yet taken any decision. We will discuss among ministries and with the Prime Minister what we can do best for the benefit of both farmers and mills. A cabinet note will be prepared accordingly,” he added.

In December, the government had approved Rs 6,600 crore interest-free loans to the

industry exclusively for clearing cane arrears. It decided to give loans via banks equivalent to the excise duty paid by the mills in the past three years.

A senior food ministry official said if loans against excise duty were extended by two years it would mean that mills could get additional interest-free loans of Rs 4,400 crore from banks. This will improve their cash flow.

### **A talk on saving forests**

#### **OUR CORRESPONDENT**



PP Bhojvaid speaks at the CMPDI lecture in Ranchi on Thursday. (Hardeep Singh)

A forester and a miner are believed to be professional antagonists, but both are supposed to protect forests.

While the former restores degraded forests, the latter creates new ones to compensate for green cover lost in mining exercises.

Director of Dehradun-based Forest Research Institute P.P. Bhojvaid shared interesting insights such as these while addressing employees of Central Mines Planning and Design Institute (CMPDI) in Ranchi on Thursday.

CMPDI had invited Bhojvaid to deliver a lecture on forests and environment at Mayuri auditorium to mark World Environment Day.



Bhojvaid said there were three more reasons behind environmental degradation. Migration of people from rural belts to urban areas was one of them, he added.

“If 85 per cent of our population lived in rural areas half a century ago, only about 52 per cent inhabit villages now,” revealed the forest expert.

He further said population growth had adversely affected the environment. Bhojvaid went on to say that poverty was the third reason behind environmental degradation.

## THE ECONOMIC TIMES

### **Concerns of agriculture sector high priority for government: Arun Jaitley**



NEW DELHI: Finance minister Arun Jaitley has promised expeditious measures to boost agriculture's share in the country's economic output, terming revival of agriculture sector as a key priority for the government.

"The concerns of the agriculture sector are high on the priority of the government-....Despite the constraints of the economy as it exists today, the government will try its best to boost this sector," Jaitley on Thursday said in his opening remarks at the ministry's first pre-budget consultation with the representatives of the agriculture sector.

Leading agriculture experts asked the government to boost investment in the sector, upgrade farm technologies and issue bonds to fund incomplete irrigation projects, besides focusing on market reforms in the budget. "Several experts made recommendations to improve the sector. Some of the points of the BJP manifesto came up for discussion. We listened to all the suggestions," Jaitley said.



A dedicated 'Kissan TV' channel to apprise farmers of technological developments, an efficient procurement policy, a higher minimum support price, priority for farm mechanisation and the linking of rivers figured in the demand charter of agriculture experts.

Minister of state for finance Nirmala Sitharaman and senior officials of the ministries of finance and agriculture were also present at the meeting, a finance ministry statement said. "The BJP manifesto on agriculture is very comprehensive and it calls for greater investment," said agriculture scientist MS Swaminathan, who attended the two-hour meeting.

Swaminathan emphasised the need to conserve soil, water and biodiversity in the backdrop of climate change and recommended mandatory harvesting of rainwater with the support of the Mahatma Gandhi National Rural Employment Guarantee Act. He recommended setting up soil monitoring centres with modern equipment in every block.

### **Agri-commodities prices drop, food inflation may cool off too**



Food prices are on the decline as vegetables, pulses, sugar and cooking oils have become cheaper by up to 10 per cent in the past month, bringing relief to consumers and policy makers who have battled relentless food inflation for years.

Prices of agri-commodities in the spot as well as futures markets have dropped 1 per cent to 10 per cent in May, compared to April, while vegetables are cheaper by 5 per cent-10 per cent over the same period as supply has increased, with most parts of the country getting normal to heavy premonsoon showers, and the ban on export of pulses have kept prices under control.

Analysts say the falling prices will reflect in food inflation numbers. "Going by the trend, it is expected that food inflation should cool off. We are expecting that June inflation numbers will be softer," Anis Chakravarty, senior director and chief economist, Deloitte India told ET.

"Global prices of agri commodities have shown a significant drop. In India, supply prospects are bright. But one thing is very peculiar in India as the impact of a price decrease always lags. For instance, if prices decline in May then the impact is felt in the next month. This is largely because of inadequate market linkages though in recent times it is showing improvement," he added.

The moderation in food prices will help combat the impact of the expected weakness in this year's monsoon. Analysts say the fear of the El Nino phenomenon, which usually weakens the monsoon, is looming large over the farm sector.

"It is true that agri commodity prices have come down. But it has to be seen that whether it brings down retail inflation as most of the times middlemen take away the benefit. But definitely, wholesale price index should come down. The worry is now whether there will be good rains during the Kharif season. If rain is delayed or there is less rainfall prices will start surging northwards," said Dharmesh Bhatia, deputy vice president (research) at Kotak Commodities Services.

The price chana, the most consumed pulses in India, fell 5.35 per cent in May. The drop has been significant in the futures market in May and prices have come down by 8.6 per cent.

Prices of edible oil complex comprising crude palm oil and soya oil have also dropped, making cooking oil cheaper for Indians.

In May, price of CPO in the spot market has dropped by 7.71 per cent while soya oil fell 6.68 per cent. Sugar prices have fallen by 4.69 per cent in May visa-vis April and the sweetener has dropped by 6.78 per cent in the futures market.

Turmeric, an essential spice for Indian dishes, has witnessed the biggest drop with prices coming down by 8.69 per cent in the spot market and 9.52 per cent in the futures market. Jeera, however, has shown a 4 per cent increase in prices in May.

Mandis have witnessed higher arrivals of major commodities like castor seed, chana, turmeric, maize, rape mustard seed (RM seed). Lower oilmeal exports in the current fiscal have also pushed down prices of soybean seeds.

"Vegetable prices have also fallen by 5 per cent -10 per cent. Some of the vegetables have even shown a 25 per cent drop in May," said traders in Delhi's Azadpur mandi.

Globally too, food prices have fallen for a second month in May as the cost of dairy, grains and vegetable oils declined, the UN's Food & Agriculture Organization said.

An index of 55 food items dropped 1.2 per cent to 207.8 points from a restated 210.3 points in April, the Rome-based United Nations agency wrote in an online report today. World food prices are down 3.2 per cent from a year earlier.

### **Farmers bet on dwarf coconut seedlings in the country**



The rising popularity of tender coconut as a health drink amidst a widespread drop in coconut production in south India has boosted the demand for dwarf coconut seedlings in the country.

The dwarf palms, which produce nuts in a relatively short period, are increasingly being favoured by coconut farm owners. The steady growth in the requirement has caught the Coconut Development Board unawares as it is struggling to meet the mounting demand.

Given the pace at which dwarf coconut seedlings are bought, it wouldn't be surprising if a

significant share of the current crop of tall coconut palms is replaced by their shorter varieties in the next five to ten years.

"Everyday, thousands of dwarf palm seedlings are sold and the buyers are not confined to just south India. They come from Maharashtra, Gujarat, Assam and Odisha," says MK Singh, farm manager of demonstration-cum-seed production farm of Coconut Development Board (CDBat Mandya in Karnataka).

According to him, Tamil Nadu was the biggest buyer till now, but Kerala seems to have stepped up pace. Last year, the Mandya farm sold 2.21 lakh seedlings. "The drought in 2013 affected the availability of seedlings which are grown with care as quality is important," Singh adds.

Dwarf palms grow to an average height of 30 to 35 feet and start bearing fruit after three years. Tall palms grow to 80 feet or more and takes more time to produce nuts. The short ones are relatively diseasefree and productivity is higher. And in some states like Kerala, it offers a practical solution to the problem of shortage of labourers to pluck coconuts.

One can manage to pluck nuts from dwarf palm using a ladder. Tender coconut has benefitted immensely from the new trend of people moving away from soft drinks to healthier drinks. Besides domestic consumption, a large chunk is being sold overseas too.

But tender coconuts account for only a small share of total coconut production. "In Kerala, around 5 lakh dwarf seedlings have been supplied in the last few years. Still it accounts for hardly 2% of the total number of palms," points out TK Jose, CDB chairman.

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HYDERABAD: The state government had made necessary arrangements for distribution of seeds and fertilisers in the Telangana state for the Kharif season which will commence with the onset of monsoon.

Briefing mediapersons after a review meeting held with chief minister K Chadrachar Rao and the officials concerned here on Thursday, agriculture minister Pocharam Srinivas Reddy said that monsoon would strike Telangana by next week and the government was ready to distribute the necessary agricultural inputs.

“Already, the required paddy seeds have been dispatched to villages for distribution among the farmers and now we are concentrating on supply of soybean seeds as the cultivation of soybean has significantly increased in Telangana. There is a need for 1,79,500 quintals of seeds and we have already stocked 1.10 lakh quintals,” he said.

The minister said that unlike the way the previous government had done, seeds were being sent now directly to villages and the task of distribution would be taken up by cooperative societies. “We want to complete the distribution of the seeds by June 10. Mandal revenue officers, development officers and other officials concerned have been asked ensure that no irregularities happen. Further, unlike by previous regime which had deposited subsidy in the bank accounts of farmers, we want the farmers to pay the amount minus 33 percent subsidy for the seeds bought,” he said.

Stating that there was a total requirement of 17.44 lakh tonnes of fertilisers, the minister said that till date 6.5 lakh tonnes of fertilisers had been stocked in villages for distribution. “The rest will be distributed in a phased manner as it will be required after crops are sown. We will ensure transparent and timely supply of fertilisers and see that farmers are not subjected to any inconvenience,” he explained and advised farmers to wait till the monsoon sets in and not to resort to premature sowing.

Apart from review of agriculture, the chief minister also reviewed issues pertaining to energy and forest departments with the ministers and officials concerned. The review of the three subjects, which commenced at around 2 pm, continued till 7:30 pm. According to sources, the chief minister wanted to take stock of each and every department, particularly the key departments like energy, agriculture and finance.

According to forest minister Jogu Ramanna, the main purpose of the review meeting was to familiarise themselves with the departments and get information on various key issues to enable them to take policy decisions.