


ARIYALUR,

## **Farmers grievances day meeting**

The monthly farmers grievances day meeting will be held at the collectorate here at 11 a.m. on June 20. The District Collector E. Saravanelraj will preside over the meeting. An official press release called upon the farmers representatives to participate in the meeting and get their grievances solved.

## **Robust agriculture pushes up TN's growth against all odds**



T.N.'S ECONOMY LOOKS UP		TAMIL NADU	
		2012-2013	2013-2014
HIGHER GROWTH RATE RIDES ON BUMPER HARVEST <small>In (%)</small>	Agriculture	(-)10.22	7.93
	Industry	5.38	1.61
	Services	5.51	8.26
	Gross State Domestic Product	4.14	6.13

Note: The figures for 2013-2014 pertain to advanced estimates (provisional)

Reversing the negative growth rate in agriculture during 2012-2013, Tamil Nadu clocked an impressive growth of 7.93 per cent in the primary sector during the recently-concluded financial year of 2013-2014, with a record harvest of foodgrains of about 103 lakh tonnes.

The State's overall growth rate (gross state domestic product) for the year was 6.13 per cent with 'Services' growing at 8.26 per cent and Industry registering a lower rate of 1.61 per cent. Compared to the country's overall growth rate, the State has done better scoring 1.2 percentage points higher.

Giving the breakup of foodgrains production in the State, sources say rice accounted for 61.92 lakh tonnes; millet – 37.77 lakh tonnes, and pulses – 3.69 lakh tonnes.

During 2012-13, the total foodgrains production was just 56.05 lakh tonnes, of which rice contributed 40.5 lakh tonnes. The rice production figure, accomplished last year, is marginally higher than what was achieved (101.52 lakh tonnes) during 2011-2012.

But, the sources point out that the figures of the just-concluded year are only provisional advanced estimates and they hope that the final figure may even go up further.

Quoting these figures, sources say the State's performance with regard to the farm sector has pushed up the overall growth rate. Besides, this had to be viewed in the backdrop of the State recording a deficient rainfall during the northeast monsoon (October-December) last year.

Against the normal rainfall of 44 cm, Tamil Nadu received 29.5 cm, a deviation of 33 per cent.

It was for the first time in the last one decade that the State experienced a deficit rainfall, as per meteorological norms.

There was one comforting factor for the State. While the realisation of the Cauvery water was more than expected thanks to rain in the catchment areas, a big thrust to water conservation, precision farming and micro irrigation and measures such as the system of rice intensification has contributed to the record production, the sources add.

### **Water fears keep Cumbum farmers away from nurseries**

Even as the government released water from Periyar dam for irrigation on June 1, a majority of the farmers in Cumbum valley feel reluctant to raise nurseries fearing that the happenings of 2013 may repeat this year as well, thanks to the poor start of southwest monsoon in Kerala and low storage in the dam.

In August last year, PWD officials stopped release of water for irrigation owing to sharp depletion of storage in the dam and monsoon failure. "We don't want to burn our fingers again because we need to shell out at least Rs.20,000 per acre to raise nurseries and complete transplantation," the farmers said.

Farmers having alternative water sources like borewells or open wells have started raising nurseries with available dam water. Nurseries were raised up to Uthapuram channel.

However, illegal tapping delayed water reaching the tail-end areas.

The situation turned worse as the officials recently decided to draw 50 cusecs from the total 200 cusecs discharged from the dam for irrigation purpose, to maintain drinking water supply.

Farmers demanded the officials to draw only 400 cusecs to meet drinking water needs while maintaining the supply for irrigation undisturbed.

A meeting convened by PWD officials with farmers at Uthamapalayam to settle the issue on Saturday did not yield any result.

When the officials ruled out withdrawal of large quantum of water from Periyar dam because of poor storage and advised farmers to use water judiciously, the farmers refused to oblige.

Later, the matter was brought to the knowledge of Collector K.S. Palanisamy who ordered that top priority should be given to drinking water supply.

Meanwhile, the PWD officials asked how they could wait for rains to meet the drinking water needs when the southern districts were reeling under water crisis.

The farmers are now pinning their hopes on improvement in rainfall in Kerala.

Water was released to irrigate 14,707 acres for the first crop in the double-crop areas of Cumbum valley on June 1 even as the combined credit was far below 4,000 mcft.

Last year, crops on 6,000 acres were saved in the first cropping season, but those on 10,000 acres withered away in the second season due to non-availability of water.

### **Summer showers: boon for some, bane for others**



The summer showers and squall, which swept the region last month, though came as a boon to the gingili cultivators of Pudukottai district, turned out to a bane for a few banana growers in Tiruchi district.

Although banana cultivation has nearly ended, a few farmers, who had raised the 'aelarasi' variety in Pachoor village, said that they could get only 50 per cent of the usual harvest as the squall had damaged the ready-to-harvest crop extensively. P.Katthan (55), who had raised the crop on 2.5 acres, said that he had incurred huge loss on various counts.

The crop he raised in March 2013 registered poor yield due to failure of monsoon and he had to make alternative arrangements for irrigating the fields. However, the sudden squall that hit Tiruchi and neighbouring districts on May 6, uprooted nearly 1,000 of the total 2,000 plantains in his field. The long-duration variety he raised has an assured market in Kerala, he said.

Despite his efforts to salvage the crop by supporting them with casuarinas, the subsequent showers and strong winds had damaged the plantains.

“Not just the quantity, the quality of the produce was also very poor.” Against the usual Rs.150 a bunch price, he was able to sell the produce for just Rs.80 a bunch. . “The bunches did not grow fully due to paucity of water,” he said adding that he did not take coverage under the crop insurance scheme.

The picture was different for the gingili farmers of Pudukottai district who had raised the crop using the summer showers in the rain-fed areas.

Kandasamy, a farmer of Karambakudi, points out that he had raised the short-duration variety using the summer showers. He expected attractive returns from the crop as the summer shower was quite adequate for its growth.

K.M. Shah Jehan, Joint Director of Agriculture, said that district's normal area was 500 hectares but about 700 hectares had been brought under the gingili crop so far.

A single village, Pandipathiram in Avudaiyarkovil taluk, accounted for 150 acres. Most farmers had raised 'SVPR 1' and 'TMV 3' varieties. He anticipated an average yield of 300 kg an acre.

A number of farmers pleaded for inclusion of the gingili cultivation in the ‘adangal’ records of the revenue department.

### **Micro irrigation, boon to horticulture production**



[The Hindu](#)S. Raja Mohamed, Deputy Director of Horticulture, inspecting a field at Valliyur in Tirunelveli district where micro irrigation facility has been installed. This district, which has witnessed fifth monsoon failure since 2009, has finally started switching over to micro irrigation techniques to minimize its irrigation water requirements while getting a decent yield in horticultural crops.

On farm scientific water management through micro-irrigation (MI) is the most suitable method to boost horticultural production especially in fruits, vegetables, flowers, say progressive farmers in the district, who suffered a lot due to water scarcity. There is high strain on availability of water for irrigation and this is forcing people towards sustainable use of water to improve productivity. MI techniques have proved successful for horticultural crops and tested successfully for even paddy, cotton, maize, sugarcane and red gram.

Micro Irrigation system scales down requirement of labour and takes care of application of fertilizers. Moreover, to attract the farming community towards MI, the government offers 100 cent per subsidy for drip irrigation to small and marginal farmers holding up to five acres of land. Area under cultivation could be doubled with introduction of drip irrigation system. Drip irrigation will not only scale down production cost and reduce water use substantially but also help farmers achieve better yield.



Ever since this subsidized scheme was introduced in 2000, 2,160 hectares were covered under MI till 2011 with a subsidy of Rs. 4.96 crore. Between 2011 and 2014, another 2,115 hectares have been brought under MI as more farmers were attracted towards this technique and 100 per cent subsidy of Rs. 6 crore offered by the State Government.

More precisely, 538.97 hectares have been covered under MI during 2012 – 2013 and 810.84 hectare during 2013 – 2014 alone. Totally, 1,337 farmers have benefited during the past two years.

“The farmers, who have cultivated bitter gourd, mango, acid-lime, cocoa, coconut, banana, brinjal, cluster beans, chillies, curry leaves under MI in 13 blocks of the district, are getting attractive yields and income while water available for irrigation is really less. So, we appeal to the farming community to switch over to the MI technique,” said Deputy Director of Horticulture, Tirunelveli, S. Raja Mohamed.

### **SW monsoon likely to be marginally better this year for Karnataka’s farm sector**



**The Hindu** According to experts, microanalysis indicates normal monsoon for the north interior subdivision and ‘positive normal’ for the south interior subdivision. File photo: K. Murali Kumar

*Microanalysis indicates ‘positive normal’ monsoon in south interior Karnataka*

The southwest monsoon, which has just entered Karnataka, is expected to be marginally better for the agricultural sector in the State in terms of quantum of rain compared with the previous year, according to experts.

“The forecast by the Indian Meteorological Department shows that the country as a whole will be affected by the El Nino effect by about 5 per cent. But microanalysis at the level of each of the three climatic subdivisions of Karnataka indicates that the prospects of agriculture is unlikely to be hit in the State,” M.B. Raje Gowda, professor of Agro Meteorology and Registrar of the University of Agricultural Sciences, Bangalore, has said.

According to the climatic sub-divisional analysis, south interior Karnataka is likely to get “positive normal” monsoon, which means 3 to 4 per cent more rainfall than the normal figures, he said. The south interior Karnataka subdivision includes the districts of Bangalore, Mysore, Shimoga, Hassan, Chikmagalur, Mandya, Chamarajanagar, Ramanagaram and Davangere.

Southwest monsoon for north interior Karnataka is likely to be normal, that is plus or minus 5 per cent of the total 100 per cent, according to Dr. Gowda.

### **7 per cent shortage**

The forecast indicates a 7 per cent deficiency in rainfall for the coastal subdivision. But considering the fact that the coastal subdivision yields high rainfall of 3,000 to 3,500 mm, a 7 per cent shortage, amounting to 200 mm, may not negatively impact the agricultural sector, Dr. Gowda observed. The forecast for the State as a whole indicates 5 per cent deficiency in the monsoon against 7 per cent witnessed during the previous year, he said.

With the analysis showing that the quantum of Southwest monsoon rains is not going to be a worry for agriculture, weather experts are now watching for the “distribution of monsoon” as that is also a crucial factor impacting agriculture. Dr. Gowda said the distribution of monsoon may also be normal this time if the pattern of pre-monsoon showers was any indication.

The performance of the southwest monsoon is crucial for the State’s agricultural sector as it accounts for 69 per cent of the calendar year’s rainfall.

### **10 days to cover State**

Though monsoon has entered Karnataka, it may take about 10 days for it to cover the entire State, Dr. Gowda said. According to him, the interior and northern parts of Karnataka will get high precipitation by the first or second week of July, setting the stage for sowing.

VILLUPURAM,

**One lakh relief for farmer's wife**

Sreenivasan, a farmer attached to a private sugar factory, who died as he was stung by a scorpion, in his farm, was given a compensation of Rs 1 lakh on Tuesday.

J. Rajendran, manager (cane) of Rajshree Sugars and Chemicals Ltd at Mundiyaambakkam, said that on that fateful day the insect bit Sreenivasan when he went to irrigate the crops.

Though he was immediately taken to the hospital he did not survive. The company had therefore obtained an insurance cover of Rs 1 lakh from the New India Assurance Co.Ltd for the bereaved family.

MANDYA,

**'Release compensation to farmer's family immediately'**

Zilla panchayat (ZP) vice-president Prabhakar has instructed the officials to take steps to immediately release compensation to the family of a farmer, who was killed by a leopard at Bekkalale village in K.R. Pet taluk in the district last year.

Mr. Prabhakar was speaking at a KDP review meeting here on Wednesday.

Swami Gowda (60) was killed by a leopard on September 12, 2013.

Mr. Prabhakar said the Forest Department had released compensation to those who were injured in man-animal conflicts, but not to Mr. Gowda's family.

Deputy Conservator of Forests Nagaraju said that the department would release the compensation after obtaining necessary documents from the departments concerned.

**Dengue cases**

Mr. Prabhakar urged the District Health and Family Welfare Department to take steps against the possible spread of diseases.

District Health Officer T.N. Mari Gowda said the department had taken steps to curb the spread of dengue and A(H1N1). Two people had died because of A(H1N1) virus and four were treated for dengue in the district, he said.



## **Infrastructure**

The ZP vice-president also urged the officials concerned to provide basic infrastructure to Kittur Rani Chennamma residential schools in the district.

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## **Management of post harvest diseases in mango**

Mango fruits are susceptible to many post harvest infestations. These diseases are mainly due to fungi and bacteria.

Harvest injury, defective handling, inappropriate temperature and humidity affect the storage life of the fruits.

Presence of blemished fruits with good ones also contributes to the decay and damage. If there is a surface bruise or injury to the fruit, micro-organisms such as bacteria, yeast and molds invade into it and cause internal decay.

High temperature and humidity accelerate process of post harvest decaying by microorganisms.

### **Some measures**

Control of diseases occurring on leaves, stems and flowers (pre-harvest) are important in reducing losses.

Similarly, post-harvest temperature management and proper handling during storage and transportation are equally important, since high temperature and injuries or wounds would lead to further losses.

Post harvest treatments do not provide complete disease control measures if pre-harvest diseases are not taken effectively.

— During flowering stage, spray with Mancozeb at 2.5 grams/litre on weekly basis to control fungal diseases.

— During flowering stage, if there is rain, it would be better to apply Prochloraz (462 gram/kg) mix along with Mancozeb at an interval of 3- 4 weeks.

### **Fungicides**

Post harvest dip treatment of fruits with fungicides can control the diseases during storage with the help of the following treatments.

Three sprays of Carbendazim (0.1per cent) or Thiophante-methyl (0.1per cent) at 15 days interval should be done in such a way that the last spray falls 15 days prior to harvest.

Treatment of fruits in Carbendazim (0.1 per cent) in hot water at 52 degree Fahrenheit for 15 minutes can also help control the infestation.

At the time of harvesting, infested fruits should be removed and destroyed manually.

— Use correct equipment at the time of harvesting fruits to avoid damage.

(Dr. A. Vijaya Bhaskar Rao is Scientist (Plant Pathology), email: av\_bhaskar12@yahoo.co.in, mobile: 098498 17896, Regional Agricultural Research Station, Warangal, Acharya N.G.Ranga Agricultural University, Hyderabad, Andhra Pradesh.)

NAMAKKAL,

**Artificial banana ripening unit opened at Mohanur after a long wait**

District Collector V. Dakshinamoorthy on Wednesday opened an Artificial Banana Ripening Unit at Mohanur in the district. The inauguration has come about three years after the completion of its construction at an estimate cost of Rs. 50 lakh.

The foundation for the unit was laid on January 3, 2011 by the then Agriculture Minister Veerapandi S. Arumugam. It was funded by the National Agriculture Development Project.

“Banana is cultivated on 5,000 acres in this district. The unit will benefit farmers here who are incurring heavy losses through conventional ripening using fumigation, where raw banana are ripened using smoke,” said G. Ajeethan, secretary of the Tamil Nadu Banana Growers Federation.

He said that some traders and farmers even use carbide stones to ripen bananas.

Ripening bananas at the ripening unit was quick and easy and not harmful for consumers. “Fruits ripened here will have better quality, taste and longer shelf life,” he added.

It takes about 20 hours for the yellow native varieties of banana to ripen, whereas it takes about 55 to 70 hours for ripening the Cavendish (green) banana in the chamber, said Mr. Ajeethan. Using the chamber would avert loss of more than 25 per cent of the fruit through the conventional ripening modes.

The unit has four chambers that can be used for ripening 20 tonnes of banana simultaneously.

## Water level

### Mettur

The water level in the Mettur dam stood at 44.38 feet on Wednesday against its full level of 120 feet. The inflow was 930 cusecs and the discharge 800 cusecs.



Chennai

Chennai - INDIA

#### Today's Weather



Partly Cloudy

**Thursday, Jun 12**

Max Min

40° | 28°

Rain: 0

Humidity: 63

Wind: normal

Sunrise: 05:42

Sunset: 06:35

Barometer: 1002

#### Tomorrow's Forecast



Cloudy

**Friday, Jun 13**

Max Min

36° | 27°

#### Extended Forecast for a week

Saturday

**Jun 14**



36° | 28°

Partly Cloudy

Sunday

**Jun 15**



36° | 27°

Partly Cloudy

Monday

**Jun 16**



37° | 28°

Partly Cloudy

Tuesday

**Jun 17**



35° | 27°

Cloudy

Wednesday

**Jun 18**



36° | 27°

Cloudy

#### Airport Weather

Chennai

Chennai

Rain: 0

Sunrise: 05:42

Humidity: 63

Sunset: 06:35

Wind: normal

Barometer: 1002



THE  NEW  
**INDIAN EXPRESS**

**Paddy MSP Based on Input Cost Sought**

SAMBALPUR: The Paschim Odisha Krushak Sangathan Samannaya Samiti (POKSSS) has petitioned the Commission of Agricultural Cost and Prices urging fixation of minimum support price (MSP) for paddy during kharif season based on existing input costs.

Citing various input costs and their prevalent market prices, the members of POKSSS stated that in absence of any profit, the farmers continue to be trapped in the vicious cycle of debt and end up committing suicide.

Pointing out that there has been no specific policy to decide on the MSP, the petition pointed out that an additional amount is added to the existing MSP and a new MSP is worked out and declared.

The petition stated that the MSP for paddy is very less which leaves farmers under the burden of debt. The debt keeps on piling over the period forcing the farmers to take the extreme step, the members pointed out.

Maintaining that the paddy cultivation was going through a bad phase and availability of agricultural labourers has become scarce due to economic mobility, the petition stated that mechanisation has added to the cost of cultivation.

Moreover, cultivation of hybrid variety of paddy, excessive use of fertilizer and pesticide have brought down the fertility of the soil.

To add to the woes, the rising price has made fertilizer and pesticide out of bounds for the farmers, the petition stated.

Explaining that agriculture is no more a lucrative means of income and farmers are distancing themselves from farming, the members said the Government has failed to compensate the farmers accordingly. Giving detailed cost of inputs and yield, they said in non-irrigated areas, the paddy yield per acre is 20 bags (15 quintals) which fetches `19,650 as per existing MSP of `1310 per quintal. But the cost of cultivation comes to around `21,885 per acre.

The situation is equally grim in irrigated and command areas where the threats of pest attack and mechanisation increase the cost of cultivation.



Due to falling profit rate, the farmers are forced to borrow money for day to day living while education of their children and social commitments are leaving them debt-ridden. When the pressure to repay the loan mounts, they are forced to commit suicide, the members explained.

Under the circumstances, the POKSSS has urged the Commission of Agricultural Cost and Prices to work out MSP based on the cost of cultivation and finalise an MSP in commensurate with the cost of cultivation.

### **Plea to Set up National-level Agricultural Organisation**

KOLLAM: An agricultural organisation, affiliated to the Congress party, urged for setting up a national-level agricultural organisation for reaching out to farmers and to publicise the welfare policies implemented by the party.

The demand was put forward by the district committee of Kerala Pradesh Karshaka Congress.

According to them, the welfare programmes initiated by the United Progressive Alliance (UPA), while they were at the helm for 10 years, for the development of farmers, were not projected during the 2014 Lok Sabha election.

The organisation observed that the developmental programmes designed for the agricultural sector by the UPA didn't get enough publicity and this could be the reason for the debacle of Congress during the Lok Sabha election. "As our country is often termed as an agrarian economy, a national-level organisation in the agrarian sector should be set up by the Congress. A request in this regard was given to the national leaders," said Munambathu Shihab, district general secretary of the Kerala Pradesh Karshaka Congress.

### **Jaya Orders Release of Water**

**Chennai:** Following representations from the farmers, Chief Minister J Jayalalithaa on Wednesday ordered release of water for irrigation from the Bhavanisagar dam in Erode district from June 12. **ANS**

### **Small growers seek minimum support price for green tea**

#### **Coonoor,**

Small tea growers have sought three assistances – minimum support price (MSP), fertiliser subsidy and bank finance to set up micro and mini factories – in the Budget to be presented next month.

The National Federation of Small Tea Growers (NFSTG) and its affiliated body Small Tea Growers' Association of Southern India (STASI) have submitted pre-Budget memorandum to Finance Minister Arun Jaitley.

“The standing committee of Parliament has recommended a subsidy to be given to small farmers to meet the increasing cost of fertilisers. Accordingly, we have requested for a 50 per cent subsidy on the price of the fertilisers,” NFSTG President Samir Roy said.

“We have asked for a MSP of Rs. 25/kg of green leaf supplied by small growers to the factories. This has to be assured to cover the rising cost of production and leaving a reasonable margin to the small farmers.

But, as this is the raw material price for the factories, we have sought for a matching MSP for the black tea manufactured by the factories”, STASI President S Ramu told *Business Line* .

### **IT helps Tea Board make its operations fool proof**

#### **Coimbatore,**

Use of information technology is helping the Tea Board to make all its operations transparent and fool proof.

It is now helping the board to get all data and statistics at a click of a button.

“Use of IT has made this possible,” says R Ambalavanan, Executive Director of Tea Board (Coonoor).

“Tea production statistics in a particular unit could not be accurately ascertained. The units did not always share tea production and sale details. So we developed an eReturns portal and made it mandatory for every factory to furnish the details every month.”

### **Cross-checking data**

“The Tea Marketing Order mandates every manufacturing unit to furnish production and sales data. To ensure compliance, the Board-recruited Factory Advisory Officers to cross-check data provided by the factories. These officers have been given a GPS handheld device each for measuring the land area. They just have to walk around the field and note the size of the holding,” Ambalavanan told *Business Line*. The Board introduced the system in South India from 2012.

“Till now, we have identified 1,421 tea gardens across the country. Of this, 249 are located in the South - 140 in Tamil Nadu. The area under tea cultivation is 4,06,654.78 hectares (all India),” he said.

### **Small growers**

Apart from identifying tea factories, the Board is also in the process of identifying small growers. The Board plans to issue smart cards to all small tea growers, he said.

“On enumeration of small growers, our aim is to rectify the problems ailing the tea sector. For instance, when growers approach the Tea Board for subsidy, it takes a while to process the application and ensure that the subsidy reaches the beneficiary.”

To hasten the process, we mooted the eGovernance portal. The small grower will have to fill in the details and submit the application. They will be able to track it online to know the status.

The implementation of the processes has taken off in the South, he said.

## **Mixed trend in sugar**

### **Mumbai,**

Sugar prices ruled mixed on Wednesday. At the lower end, it declined by Rs. 10-16 a quintal and at the higher end it increased by Rs. 14-17 on the Vashi wholesale market. Producers sold old stock at lower prices and fine variety new stocks at a small premium. *Naka* and mill tender rates were steady. The volume remained slightly higher as stockists continued covering their needs before the monsoon sets in. Arrivals at Vashi market declined to 60-61 truckloads and local offtake was 59-60 loads. Bombay Sugar Merchants Association's spot rates (per quintal): S-grade Rs. 3,022-3,172 ( Rs. 3,032-3,155) and M-grade was Rs. 3,156-3,325 ( Rs. 3,172-3,311). *Naka* delivery rates: S-grade Rs. 3,000-3,100 ( Rs. 3,000-3,100) and M-grade Rs. 3,100-3,230 ( Rs. 3,100-3,230).Our Correspondent

## **Imported edible oils fall ahead of US data**

### **Mumbai,**

#### **IMPORTED OILS SLIP AHEAD OF US DATA**

Imported palmolein and soya oil were under pressure on fears that the USDA could come up with a bearish data later in the day. On the Bombay Commodity Exchange (BCE), palmolein dropped by Rs. 2/10 kg. Cotton and rapeseed oil gained Rs. 9 and Rs. 8 each. Vikram Global Commodities (P) Ltd, Chennai, has quoted Rs. 595 for 10-kg Malaysian super palmolein June delivery. Liberty was quoting palmolein at Rs. 557, super palmolein at Rs. 570 and refined soyabean oil Rs. 645. Ruchi was quoting palmolein Rs. 551, refined sunflower oil at Rs. 638. Allana was quoting palmolein at Rs. 552/555 ex JNPT/Khapoli, refined soya oil Rs. 640. In Saurashtra, groundnut oil *Telia* tin declined to Rs. 1,080 ( Rs. 1,100) and loose (10 kg) Rs. 680 ( Rs. 700). BCE spot rates ( Rs. /10 kg): groundnut oil 730 (740), soya refined oil 640 (640), sunflower exp. ref. 575 (575), rapeseed expeller ref. 648 (640) cottonseed ref. oil 645 (636) and palmolein 551 (553).Our Correspondent

## **Rice rules flat on lukewarm trading**

### **Karnal,**

With not much trading taking place in the market, prices of aromatic and non-basmati rice varieties remained unchanged on Wednesday.

In the physical market, Pusa-1121 (steam) sold at Rs. 8,600, while Pusa-1121 (sela) quoted at Rs. 7,000. Pure Basmati (raw) quoted at Rs. 12,000.

### **Non-basmati section**

Duplicate basmati (steam) sold at Rs. 6,800. Pusa-1121 (second wand) was at Rs. 6,700, Tibar at Rs. 5,800 while Dubar at Rs. 5,000. In the non-basmati section, Sharbati (steam) sold at Rs. 4,300 while Sharbati (sela) quoted at Rs. 4,000.

Permal (raw) was sold at Rs. 2,100, Permal (sela) at Rs. 2,300, PR-11 (sela) sold at Rs. 2,400 while PR-11 (raw) at Rs. 2,500. PR14 (steam) sold at Rs. 2,600 a quintal. Amit Chandna, proprietor of Hanuman Rice Trading Company, told *Business Line* that the market is moving at snail's pace. Trading has been lukewarm over the few days.

Not only the buyers but sellers are also not participating actively in the market at present, he said.

### **No change**

The market has not seen any alteration in prices since last week and it's unlikely to see any major change in the next few days too, said experts.

## **Soya seed prices shoot up on supply shortfall**





## **Bangalore**

Ahead of the *kharif* sowing season, prices of certified soyabean seeds have shot up by over a third to around Rs. 70 a kg on reduced availability in States such as Madhya Pradesh and Maharashtra.

## **Last year crops**

Excess rains last year had damaged the soyabean crop in these States and the quality was also affected.

However, the soyabean processing industry believes that the increase in seed prices may not impact the acreage as about 80-85 per cent of growers use the seeds retained by them from last year's crop for sowing.

“The certified seed prices are hovering around Rs. 70 a kg over the last year's price of about Rs. 50 a kg. As only a small fraction of farmers buy seeds, it should not have any bearing on the acreage,” said Rajesh Aggarwal, spokesperson for the Soyabean Processors Association of India (SOPA).

Last year, soyabean was planted on some 12.03 million hectares.

“Farmers are eagerly waiting for the monsoon to set in. If rains are normal and arrive on time, we can expect a slight increase in acreage,” Aggarwal said.

However, with the delay in monsoon, the sowing could get pushed to July, he said.

A lower-than-expected crop last year resulted in a shortage of quality seeds this year. In Maharashtra, certified seed prices are ruling higher around Rs. 80 a kg.

## **Estimated shortage**

The Agriculture Ministry has pegged the shortage of certified and quality soyabean seeds at 69,616 tonnes across the country.

The total requirement of soyabean seeds for *kharif* is pegged at 3.43 lakh tonnes, whereas the availability is estimated at 2.73 lakh tonnes, according to official sources. The Ministry has recently relaxed the norms relating to germination rate to boost seed supplies. The germination standard for soyabean seeds has been lowered to 60 per cent from 70 per cent.

Farmers are being advised to plant more seeds per hectare to ensure that there is higher germination, officials said.

## **Output**

The Government has estimated soyabean output for 2013-14 at 11.94 million tonnes, lower than previous year's 14.66 million tonnes.

Prices are currently ruling at a high between Rs. 4,200 and Rs. 4,500 a quintal in markets such as Nagpur, Indore and Kota.

## **Spot rubber prices mixed; latex gains**



### **Kottayam,**

Spot rubber was mixed on Wednesday. Major counters ruled unchanged amidst scattered transactions, while latex finished higher on comparatively better demand.

According to market circles, it was difficult to find out a quantity buyer or seller in the local trading houses. Sheet rubber was quoted steady at Rs. 145.50 a kg by traders.

The grade firmed up to Rs. 145.50 ( Rs. 145) and Rs. 142.50 ( Rs. 142) respectively, according to the Rubber Board and dealers.

June futures closed at Rs. 142.60 ( Rs. 143.01), July at Rs. 144.30 ( Rs. 144.70), August at Rs. 142.50 ( Rs. 142.40), September at Rs. 141.70 ( Rs. 141.44) and October at Rs.

140.75 ( Rs. 140.82) while the rubber mini June futures declined to Rs. 141 ( Rs. 143.01) on the National Multi Commodity Exchange.

RSS 3 (spot) improved to Rs. 122.91 ( Rs. 121.22) at Bangkok. June futures closed at ₹189.3 ( Rs. 109.96) on the Tokyo Commodity Exchange. Spot rubber rates ( Rs. /kg) were: RSS-4: 145.50 (145.50); RSS-5: 141.50 (141.50); Ungraded: 137 (137); ISNR 20: 132 (132.50) and Latex 60%: 123.50 (122).

### **Cyclone ‘Nanauk’ aids onset of monsoon in N-E**

#### **Thiruvananthapuram,**

Tropical Cyclone ‘Nanauk’ has managed to pull up monsoon to Ratnagiri on the West Coast on a day it should normally have reached Mumbai further up north.

The northern limit of the monsoon linked Ratnagiri with Agumbe, Madikeri, Chennai and Cooch Behar and Gangtok in the North-East.

In this fashion, the monsoon arrived with a delay of 10 days.

#### **Tryst with east**

With the monsoon play mostly centred on ‘Nanauk,’ the weather system seems to have lost its sting over land. The crucial enabling feature of the wind shear zone higher in the atmosphere lay in tatters.

The offshore trough remained a shadow of its true self.

During active monsoon conditions, it presents itself as a well-defined and elongated area of lower pressure lying within earshot off the west coast.

But it remained a feeble formation on Wednesday, the Met said, and would continue to stay as such on Thursday as well.

This trough is expected to come back to life with the next wave of reinvigorated monsoon flows coinciding with the weakening of Cyclone Nanauk.

#### **Cloudy in Mumbai**

Mumbai remained partly cloudy for most of the day with gusts of southerly winds fanned in by Nanauk stationed 700 km west-southwest out into the sea.

Only, the gusts did not have sufficient moisture to set off monsoon rain. The rains may arrive here part of the fresh monsoon 'pulse' being generated post Nanauk's weakening.

In fact, the fresh pulse may envelop the whole of the southern half of the country.

It will extend a tongue along the east coast and whip-lash east and North-East India with rain and thundershowers.

For the week beginning Wednesday, the US Climate Prediction Centre sees wet spell centred over the East Coast covering Odisha, Seemandhra and south coastal Andhra Pradesh adjoining Chennai.

### **Rain spread**

Rain deficit is indicated for the west coast and adjoining west Maharashtra; entire Madhya Pradesh; Chhattisgarh; parts of west Bihar and west Uttar Pradesh.

The following week (June 18-24) may see the west coast (except south Kerala) witness normal rain.

### **Excess rain**

Excess rain is indicated for Himalayan foothills of Bihar and adjoining Nepal; Odisha and Seemandhra coasts; and parts of North-East India.

The eastern half of the country may variously come under moderate to heavy to very heavy rainfall during the week. Heavy rain is indicated for Bihar, Jharkhand and interior Odisha. It will be very heavy over West Bengal, coastal Odisha and adjoining coastal West Bengal.

### **China: Milky way ahead**

Opportunities for investments in production, infrastructure and technology of the dairy sector



Valentyn Volkov/shutterstock

Chinese growth in various industries in the last three decades has been well evidenced, talked and researched about. Let's look into the future for China and see where the next boom will come from and how various market participants can capture this growth opportunity.

I believe we should look to China's milk sector. This sector has seen quite rapid growth over the last few years, and it can easily outperform most other agriculture sectors in China from a return-on-investment standpoint.

To provide some context, a high milk consuming country in Europe would have per capita milk consumption of about 150 kg/person/year.

Why China?

The current Chinese consumption is less than one-third of this. In addition, in advanced nations milk (and milk products) provides some 9 per cent of dietary supplement, 19 per cent of protein, and 12 per cent of fat to a person. China currently lags behind in all of these numbers, sourced from UN's Food and Agriculture Organisation.

Most importantly, I would argue that given the size of its population, changing dietary habits (which are incentivising milk consumption), higher income levels, and a greater need for total calorific value, we should expect the demand for milk to be substantially higher in China in a decade's time than it is today.

What does this mean for the world?

First, there are only a few nations – such as New Zealand, the US and Australia – that have the capacity to export very large quantities of milk.

Second, assuming that production can keep up with the increasing demand for milk, there will still be a need for higher yielding cows and more feed to support their milk production.

Third, feed can be pasture or corn, both of which are available in abundance only in a few countries, such as Argentina, the US and Australia.

Fourth, milk is a perishable product, so if we are talking about imports into China, most of it will have to be evaporated milk in containers.



These factors will lead to an increase in milk prices, very likely resulting in a struggle for fulfilling demand in other countries such as Venezuela, Algeria, etc.

## **Infra investments**

What does this mean for investments?

The first phase of investments will be in producing milk elsewhere, such as in California or Kansas in the US, and exporting it to China.

Exporting the technology to produce milk in China itself would be the next step, so that production and consumption centres are closer to one another.

While China can make capital investments in milk production, it should also make a conscious effort to invest in pastureland or production of corn for feeding the bovines.

China currently doesn't enjoy either of these agricultural capabilities because it runs a tight ship on land usage given the water constraints, and there is a vibrant feed demand for corn towards meat production.

The opportunity not only lies in making the right investments in milk production but also in investing in technologies of feed production to achieve higher milk yielding cows.

Given the current scenario, I think the most prudent way to capture this expected growth trajectory would be for Chinese firms to make investments in milk producing nations.

This will help them achieve the appropriate milk balance and also allow them to assimilate milk production technology into their own production process.

The natural choices for these investments in my view are the US for production and India for learning the successful tactics required in feeding milk to a billion plus population.

It is clear China will be demanding more milk for domestic consumption, and to optimise its return on investment, it is time to capitalise on some of the lessons we have learned from the infrastructure boom in China and apply them to the milk sector.

The writer is based in London and is the founder and Managing Director of OpalCrest ([www.opalcrest.com](http://www.opalcrest.com)).

# Business Standard

## Barring onion and potato, agri prices sag in recent weeks



[Agricultural](#) commodities have seen a sharp fall in prices since the general election result. From May 16, most agri commodities have seen a price of three to nine per cent.

Recent projections of a lower [monsoon](#) due to the [El Niño](#) weather phenomenon has not changed this. Traders and analysts say [rabi crop](#) arrivals and fear of action on futures in essential commodities have influenced the sentiment.

"Major (new) arrivals are naturally putting pressure on wheat, chana, castor, barley and maize," said [Jagdeep Grewal](#), head of research at Kunwarji Commodities, an Ahmedabad-based broking firm active in the spot and futures market.

Soybean, spices, oils and oilseeds, maize and wheat, and the sugar and cotton cash crops are trading lower in the past three weeks. Recently, there has been some recovery in coriander, cotton and rubber. Onions and [potato](#) prices have started increasing in recent days, reportedly on hoarding by traders; both being sensitive commodities, they are likely to be affected by a monsoon deficiency.

Says Grewal, "With this seasonal factor, two more forces are keeping participants away from commodities - a good rally in the equity market and rumours of administrative action (on high prices). Due to these two forces, the El Niño forecast is unable to make a positive move in prices. A poor monsoon's impact on prices would be felt once rain deficiency is practically seen."

In the past few days, as mentioned earlier, both [onion](#) and potato prices have started moving up. Potato prices in the Agra mandi have gone from Rs 1,215 a quintal in the beginning of the month to Rs 1,380. In onion, there is an acute shortage of seeds, expected to restrict farmers from sowing more.

Onion is up in the big Lasalgaon mandi near Nashik, to Rs 1,200 a qtl from Rs 1,025 at the beginning of June. An analyst with Religare Commodities said, "In the physical markets, traders are sitting on inventories. Farmers have the options of shifting crops if the (El Niño) fears come true. They are taking solace from the fact that there is no

## FALLING APPETITE

Spot prices on NCDEX

Date	Unit	May 15	Jun 11	% change	
RBD Palmolein Kandla	₹/10 kg	595.00	545.00	-8.40	
Crude Palm Oil Kandla	₹/10 kg	551.45	508.05	-7.87	
Chana Delhi	₹/quintal	2,982.80	2,750.00	-7.80	
Turmeric Nizamabad	₹/quintal	6,209.00	5,727.25	-7.76	
Soy Bean Kota	₹/quintal	4,855.40	4,485.30	-7.62	
Rice Basmati	₹/quintal	9,200.00	8,700.00	-5.43	
Maize Feed Delhi	₹/quintal	1,350.00	1,280.00	-5.19	
Yellow Soybean Meal	₹/tonne	42,000.00	40,000.00	-4.76	
Pepper Kochi	₹/quintal	71,900.00	68,518.15	-4.70	
Ref Soya Oil Indore	₹/10 kg	725.30	693.55	-4.38	
Cotton Seed Akola	₹/kg	2,004.00	1,930.00	-3.69	
Cotton Kadi	₹/bale	20,281.90	19,612.65	-3.30	
Wheat Delhi	₹/quintal	1,552.50	1,503.75	-3.14	

Source: NCDEX

Compiled by BS Research Bureau

prediction of drought."

### **Palm oil down 0.2% on weak demand**

[Crude palm oil](#) prices fell for the third consecutive day by losing 0.22% to Rs 510.30 per 10 kg in futures market today as speculators offloaded positions due to sluggish demand in the spot market.

At the [Multi Commodity Exchange](#), crude palm oil for delivery in June fell Rs 1.10, or 0.22% to Rs 510.30 per 10 kg in a business turnover of 22 lots.

Similarly, the oil for delivery in July traded lower by a similar margin to Rs 506.50 per 10 kg in 7 lots.

Market analysts said offloading of positions by speculators on sluggish demand in the spot markets kept pressure on crude palm oil prices in futures trade.

### **Chana up 0.4% on pick-up in demand**



[Chana](#) prices rose 0.46% to Rs 2,812 per quintal in futures trade today on rising demand in spot markets.

At the [National Commodity and Derivatives Exchange](#), chana for delivery in July moved up by Rs 13, or 0.46%, to Rs 2,812 per quintal with an open interest of 1,58,990 lots.

Similarly, the commodity for delivery in June traded higher by Rs 10, or 0.37%, to Rs 2,730 per quintal in 22,470 lots.

Analysts said fresh positions created by speculators on the back of rise in demand in the spot market led to the rise in chana prices at futures trade.

### **Cardamom up 0.6% on rising demand**



[Cardamom](#) prices rose 0.62% to Rs 905 per kg in futures trading today as speculators enlarged positions on a firm trend in spot market.

At the [Multi Commodity Exchange](#), cardamom for delivery in June gained Rs 6.60, or 0.62%, to Rs 905 per kg in a business turnover of 6 lots.

In a similar fashion, the spice for delivery in July added Rs 2.10, or 0.32%, to Rs 919 per kg in 270 lots.

However, the spice for delivery in June shed Rs 2.40, or 0.25%, to Rs 970 per kg in 7 lots.

Analysts said rising demand in the spot market against tight supplies from producing regions supported the upside in cardamom prices at futures trade.

#### **Sugar up 0.1% on rising spot demand**



[Sugar](#) futures rose 0.16% to Rs 3,067 per quintal today as speculators engaged in enlarging positions amid rising demand in the spot market.

At the [National Commodity and Derivatives Exchange](#), sugar for delivery in July rose by Rs 5, or 0.16% to Rs 3,067 per quintal with an open interest of 32,450 lots.

Likewise, the sweetener for delivery in June traded up by Rs 4, or 0.13%, to Rs 3,065 per quintal in 18,900 lots.

Analysts attributed the continued rise in sugar futures to increased demand from bulk consumers in the spot market.

# THE ECONOMIC TIMES

## Tea estates across India to get refund of cess



Tea estates across the India will get refund of the tea cess which was collected since 2004. This involves substantial money.

Union Ministry of Finance, Department of Revenue, Central Board of Excise & Customs vide circular No. 978/2/2014-CX clarified that the Education Cess payable under Section 93(1) of the Finance (No.2) Act 2004 and the Secondary and Higher Education Cess under Section 138(1) of the Finance Act 2007 being paid on Tea Cess levied under the Tea Act 1953 would not be leviable.

Secretary of the Tea Association of Assam, Guwahati, Dipanjal Deka told ET that following repeated pleas by the industry, the Director, Central Board of Excise and Customs, Department of Revenue of the Finance Ministry clarified that collection of such cess was not in accordance with the rules.

Deka added, "We are yet to get the refund despite the fact that order in January this year. The department has suggested TAI to advise the members to file claim before the jurisdictional central excise authorities as contained in sec 11B of the central excise Act 1944. "

The department has directed to stop collection of the Education Cess and the Secondary and Higher Education Cess on Tea Cess under the Tea Act, 1953 from the tea producers and to make necessary arrangements for refund of Education Cess and the Secondary and Higher Education Cess so far collected from the tea producers.



## Rising temperature heats up soybean farmers' stress levels



With the heat wave still continuing in central and northern India and the Met department predicting below normal rainfall, soybean farmers from Madhya Pradesh are worried over the prospects of the upcoming kharif crop.

Monsoon wise, the next ten days are critical for soybean crop as sowing generally begins from the third week of June. Growers of groundnut, which is sown largely in Gujarat, are also worried. News of lesser rainfall has already pushed up prices of soybean seeds in the futures market.

The June contract on Tuesday appreciated to 4,438 per quintal from 4,400 per quintal on Monday. There has been a sharp increase in the October contract for the new crop.

During this time last year, October contract was trading at 3,234 per quintal but October contract for this year is now trading at 3,785 per quintal - an increase of 17%.

Madhya Pradesh, the largest producer of soybean crop, should receive rainfall of at least 3-4 inches within the next 10 days to start sowing the crop, said Rajesh Agarwal, spokesperson of Indore-based Soybean Processors Association of India (SOPA).

Agarwal also pointed out that moisture of the soil is drying up for the current heat wave which is also a matter of concern to farmers.



Processed soybean is the largest source of protein feed and a major source of vegetable oil. Soybean meal, which is extracted from soybean, is an important source of poultry and animal feed. Higher prices of soybean and a lower crop can also impact the poultry sector thus raising prices of chicken and egg prices.

"There is a concern on the monsoon front. Though it is being said that rains will be lesser this time, we have to wait and watch to see the distribution of rainfall from the sowing to the growth phase. That is extremely important for the crop. Last year, there were heavy rains during harvesting season, which had damaged the crop. Even if we have good rains in the first week of July, then sowing of the crop can be carried out. But ideally it should rain within next 10 days so that sowing can kick off by end June," added Agarwal.

The exports of oilseeds will also get affected, pointed out Kishore Tanna, chairman, Indian Oilseeds & Produce Export Promotion ..

"Definitely lesser rainfall is a matter of concern to us. There should be good rains during sowing and it should rain at timely intervals for good production. Otherwise, prices will start moving northward making soya oil costlier for consumers," he added.

The heat wave in Gujarat may also leave an impact on groundnut production. Groundnut is one of the major oilseeds that India exports.

In 2013-14, groundnut exports from India had declined by 4% from 5.35 lakh tonne to 5.12 lakh tonne. In value terms, groundnut exports declined to Rs 3,212.06 crore as compared to Rs 4,065.36 crore during FY 2013. The fall can be attributed to the global demand and supply factors.

The groundnut prices in world markets have crashed and have become almost half during the last two years. The prices which were hovering around \$2,480 per tonne has crashed to around \$1,300 due to bumper crop ..

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