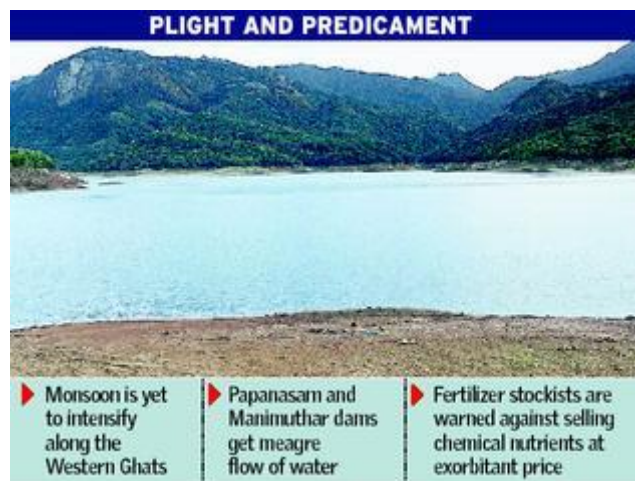


## **Farm varsity students take up field visits**

A group of students from Tamil Nadu Agriculture University's Anbil Dharmalingam Agricultural College and Research Institute who are currently camping in the district for a three-month camp for understanding the nuances of agriculture are exposed to various facets of agriculture, horticulture, and sericulture in the district. They visited the Krishi Vigyan Kendra at Vamban on Thursday and understood the problems confronting farmers in the district. The students inspected jasmine farm in the area and understood the minute details in its harvest. M. Ashokan, Professor and Head of Krishi Vigyan Kendra, explained the advantages of new techniques in raising the horticultural crop which fetched attractive returns, if properly maintained. V. Krishnamurthy, Assistant Professor, spoke on the efficacy of drip irrigation. Fertiliser input played an important role in boosting the yield, he said and added that farmers managed the nutrient deficiency, particularly the sulphates of zinc, ferrous, and manganese. A practical demonstration on the application of nutrients in jasmine was held in which the scientists from Krishi Vigyan Kendra explained the problems caused by pest and its prevention. Later, addressing groundnut farmers, Mr. Ashokan referred to the problems faced by groundnut growers. Mr. Ashokan advised them to raise the drought-tolerant varieties such as 'Co-6' and 'Co-7' introduced by the Tamil Nadu Agriculture University. He said the response to the training programme was overwhelming, indicating a growing awareness among farmers about the soil conservation management.

## **Anxious farmers waiting for southwest monsoon**



With the southwest monsoon playing truant this year, a majority of agriculturists are not keen on starting operations for 'kar' paddy, the first crop season of every fiscal. As the monsoon is yet to intensify along the Western Ghats, particularly in the catchment areas, farmers away from the hilly region are very much anxious that the dry spell might dash their hopes of going in for 'kar' paddy cultivation. Since Papanasam and Manimuthar

dams are getting only trivial flow owing to dry spell, release of water from Manimuthar dam, which commenced on June 1 with just 40 cusecs, could not be increased beyond 75 cusecs. With this small discharge of water, only 2,756 acres of land in Zamin Singampatti, Ayan Singampatti, Vairaavikulam, Ermaalpuram, South Paappaankulam, Moolachchi and South Kallidaikurichi, all hamlets situated close to the dam under Ambasamudram taluk, is getting benefited. Papanasam dam is getting 337 cusecs of water while Manimuthar dam, the largest reservoir in the district, has been getting just three cusecs for the past several days. This is the main reason that has tied the hands of the water managers here from increasing the discharge from Manimuthar dam though farmers from Tuticorin and a few parts of Tirunelveli are making repeated appeals to the officials to release water in all channels to start the preparatory work for 'kar' season. 'Kar' season farming operations are yet to take off even at North Kallidaikurichi area though it is sitting prettily right on the bank of the Tamirabharani.

## **Second phase**

While the 'fortunate farmers' having their ranches close to Manimuthar dam are getting ready for the second phase of the paddy season, farmers in few other areas have decided to test their luck with the water available in their wells and with the small quantity of water in the tanks following the unexpected rain in May. Meanwhile, the Department of Agriculture has warned the fertilizer stockists against selling the chemical nutrients at an inflated price. According to R. Gajendra Pandian, Assistant Director of Agriculture (Quality Control), the selling price and the available quantity of each fertilizer should be kept clearly in the depot and the information board should be updated every day. Licences of the fertiliser stockists, who are found to be selling these products above the maximum retail price printed on the bags and adulterated chemical nutrients and pesticides, will be cancelled permanently under the existing norms.

## **Farmers' grievances day meeting**

The monthly farmers' grievances day meeting will be held at the collectorate hall here at 10.30 a.m. on June 26. M. Mathivanan, Collector, will preside over the meeting. An official press release called upon the farmers and their representatives to participate in the meeting and get their grievances solved.

## **Desilt tanks, say farmers**

Many farmers have urged the district administration to desilt tanks ahead of monsoon showers at a grievances redressal meeting here on Thursday. According priority to Srivaikuntam dam, the lifeline of farmers, Collector M. Ravikumar, who presided, said desilting works would be taken up soon. A team of officials inspected the dam and submitted a report to the government, he said. V. Krishnamurthy, farmer from Ettayapuram demanded crop insurance benefits since majority of farming community had experienced crop failure and could not repay loans obtained from banks. Joint Director of

Agriculture, N.K. Dhakshinamoorthy, said such benefits for 2012-13 were expected to be released soon from the insurance company. Cultivators of maize, black gram and green gram in the rabi season would soon receive the insurance benefits, he said. Meanwhile Mr. Dhakshinamoorthy said National Mission for Sustainable Agriculture was launched this year and it would primarily benefit rainfed farmers. P. Murugesan of Pudur alleged that there were irregularities in marketing milk to procurement centres. The stakeholders in milk producers society had been experiencing a lot of difficulties and sought the Collector's attention, he added. Mr. Ravikumar said a meeting would be convened exclusively for dairy officials here on June 23. Earlier, the farmers were exposed to activities by members under the common livelihood groups formed through 'Pudhu Vazhvu Thittam.'

### **Rs. 282.10 crore target set for agricultural loan**

A target of Rs. 282.10 crore has been set for crop loan disbursement during 2014-15. The loans would be disbursed through the Cooperatives Department's agricultural societies and banks. Last year, Rs. 265.97 crore was disbursed as agricultural loan, State Cooperatives Minister Sellur K. Raju said at a review meeting here on Wednesday. While the target for loan disbursement has been increased by a little over Rs. 16 crore, farmers anticipate a favourable monsoon for complying with the repayment schedules for their earlier loans. Earlier this month, water was released from the Kodiveri Dam for irrigation of 25,504 acres in the old ayacut area wetted by the Arakkankottai-Thadapalli channels. Farmers in Gobichettipalayam, Anthiyur and Bhavani areas have commenced cultivation of paddy, turmeric, and sugarcane crops. In expectation of good rains, the farmers in LBP (Lower Bhavani Project) ayacut area expect the State Government to order release of water on August 15 from the Bhavani Sagar Dam. Last year, the release was delayed by about 10 days. Yet, it was a major cause for relief for the farmers who were in debts due to the failure of monsoons in the preceding few years. The short-term agricultural loans are forwarded through the cooperative societies to the farmers for sowing, weeding, transplanting, applying inputs such as seeds, fertilisers and insecticides. Loans are also disbursed under the Kisan Credit Card scheme, implemented by commercial banks, cooperative banks and regional rural banks. KCC holders are also covered under personal accident insurance scheme against accidental death or permanent disability. Since 2013-14, all crop loans up to Rs. 3 lakh are being disbursed at the interest rate of 7 per cent per annum. The Central Government also provides interest subvention of 3 per cent per annum to farmers making prompt repayments.

### **Onion price up by Rs. 10 per kg**

The onion price in Bangalore has gone up by nearly Rs. 10 a kilo in the wholesale market over the last fortnight and is likely to increase further, according to onion traders at the Agriculture Produce Marketing Committee (APMC). The retail price of good quality onion, which was in the range of Rs. 10 to Rs. 15 a kilo, is now above Rs. 25. The increase, they say, is due to a shortage of supply from Maharashtra even as supply from

Karnataka has almost come to an end. While a quintal of onion was traded between Rs. 1,000 and Rs. 1,200 till about the beginning of June, it is currently being traded around Rs. 2,500. S. Balakrishna, vice-president of Bangalore Onion and Potato Merchants Association, said that the current price is almost comparable to that in the corresponding period last year when heavy rainfall damaged crops. A quintal of good quality onion last June cost about Rs. 3,000. “Since January this year, the price of onion has been hovering around Rs. 1,000 a quintal (Rs. 10 a kilo), but saw a rise since the first week of June. About 30 per cent of the onion crop in Maharashtra, the biggest supplier, has been lost due to hailstone,” he said. The price, Mr. Balakrishna said, could go up further during marriage season when demand for good quality onion goes up. “The big onion used in hotels and marriages come to us from Maharashtra. The current stock may not be sufficient to meet the demand,” he said, adding that high prices may prevail till August-September.

**Ensure quality of rice to cardholders’**

Cooperative Minister Sellur K. Raju on Thursday instructed the cooperative societies to ensure that they opened the fair price shops on time. He also directed them to provide quality rice cardholders. Chairing a review meeting here, he said that the cooperative societies must work with the Food Cell to prevent diversion of rice and pilferage. Around 200 elected heads of cooperative societies took part in the meeting. Coimbatore district had a total of 1,180 fair price shops run by cooperative societies. The Minister also told the societies to expeditiously disburse the loans. He also inspected a farm fresh vegetable outlet at Saibaba Colony, one of the ten opened in the district this year

**Profit falls on small catch of big fish**



Though Dakshina Kannada saw a record catch of fish and other marine animals in the past year, the total value of the catch has surprisingly dropped this year. Between April 2013 and March 2014, the Fisheries Department noted a record catch of 1.48 lakh tonnes

arriving at ports and harbours in the district. While this marks an increase of more than 7 per cent — that is, an increase of more than 10,000 tonnes over last year — the corresponding value of catch when it hit the market dropped marginally by 1.4 per cent to Rs. 827.85 crore. Officials attributed this to a decline in value of commonly consumed oil sardine and squids, and drastic decline in the catch of high-value cuttlefish, and common threadfin breams. Oil sardines remain the largest caught fish variety, with an estimated 36,297 tonnes of it — or Rs. 100.27 crore worth — in the district. While this represents a slight decline of nearly 4 per cent in production when compared to last year, its value has fallen by more than 30 per cent — that is, from an average cost of Rs. 38.40 per kg of the fish last year to Rs. 27.60 per kg this year. The biggest dip in profits and catch for fishermen comes from cuttlefish, where catch declined by nearly half to 4,943 tonnes; and subsequently, the revenue fell to Rs. 80.78 crore from Rs 155.79 crore last year. The rise in the catch of squids this year (12 per cent rise to 6,853 tonnes) led to a drop in market value (an average of Rs. 147.52 per kg this year, compared to Rs. 167 last year) and brought no additional profits to fishermen. Attributing the decline of big fish to overfishing and pollution of the coast, Vasudev Bloor, All-India Secretary of National Fishworkers' Forum said: "There has to be stricter enforcement of the breeding period. The government has reduced the fishing holiday from three months to 57 days. And even in this, 25 HP motorboats — the government limits the motor size to 10 HP — conduct fishing in the monsoon. Overfishing is an issue." Furthermore, he said, the government has to bring out a law to ensure the mesh size of nets was limited. "In India, the mesh size is smaller than in foreign countries. Because of this, a lot of young fish and fishling are caught," said Mr. Vasudev. However, Deputy Director (Fisheries) M.D. Prasad said the decline in catch of big varieties such as cuttlefish were seasonal and varied from year to year. "Small varieties like *Oratosquilla* (used for manure) are increasing in catch, but we can't say species such as cuttlefish are reducing. These are annual variations," he said.

### **"Improve inland fish production"**



APPRECIATION: Baskaran Manimaran, Vice-Chancellor, Tamil Nadu Fisheries University, presenting an award to a farmer in Tuticorin on Thursday. — Photo: N. Rajesh

The Tamil Nadu Fisheries University, Nagapattinam, has celebrated its second foundation day at Fisheries College and Research Institute (FCRI) here on Thursday.

Baskaran Manimaran, Vice-Chancellor, inaugurated the programme. Initially, gold fishes were released into a bowl to stress the idea of ‘enhancing fisheries,’ the theme of the consultation meeting. In his presidential address, he recalled the spirit of late M.C. Nandheesha, former Dean of FCRI and Special Officer of Tamil Nadu Fisheries University, who had initiated a contest for documentation of fisheries innovation. He spoke on the current status of inland fish farming, challenges faced by the industry and various measures to be implemented by the university to enhance and improve inland fish production. V.V Sugunan, former Assistant Director General of Indian Council of Agricultural Research, New Delhi, urged the farmers to adopt advanced techniques of aquaculture or sea farming, which serves as an important economic activity. He released a souvenir and the first copy was received by A.R.T. Arasu, former Principal Scientist and Head, Fish Culture Division, CIBA (Central Institute of Brackish Water Aquaculture), Chennai. D. Sukumar, Professor, Department of Fish Processing Technology, presented an overview on farmers’ Innovation. Thirty six farmers and fishermen from various parts participated in the ‘Farmers Innovation Contest.’ Top innovators including C. Johnson and P. Vasantha Ramakrishnan from Kombudurai and Arumuganeri, K. Ilancheliyan and B. Surya Kumar from Sirkazhi, K. Krishnakumar from Chennai and A. Nazir Hussain from the Andaman and Nicobar Islands were rewarded with citations and cash prize of Rs. 3,000, each.

### **Glitches, rules scupper vegetable cargo exports**



Perishables constitute nearly 90 per cent of the cargo exported from Tiruchi Airport.—  
File PHOTO:R.M. RAJARATHINAM.

Export of vegetables from the Tiruchi Airport has been on the downswing over the past three weeks owing to frequent off loading of cargo by airlines citing technical reasons and load restrictions in passenger aircraft. Perishables constitute nearly 90 per cent of the cargo exports from the airport. Vegetables, including onions, coconuts, and drumsticks are exported from Tiruchi and neighbouring districts through the airport to Singapore, Kuala Lumpur, Kuwait, Dubai, and Colombo. On an average, 14 tonnes of perishables were exported from here a day mostly by Sri Lankan Airlines, Air Asia, and Tiger Airways. However, daily exports have come down to 10 tonnes now as cargo

consignments are off loaded frequently, often at the last minute, sources in the airport said. In the absence of exclusive freight services, exports from the airport are “controlled” depending on the availability of space in passenger aircraft. “But of late, consignments are being off loaded and airlines cite lack of space because of full passenger load or technical reasons such as fuel load and even the strong seasonal winds,” says a representative of a forwarding agency in the city. Normally, Airbus A320 aircraft operated by most airlines here used to carry up to 2.5 tonnes of cargo a flight. But now, most of them are able to carry only about 1.50 to 2 tonnes. At times, entire cargo consignments are left behind and some flights go without carrying any of the booked cargo, sources said. Forwarding agents say the “uncertain situation” was posing a major problem to perishables exporters as delays could cause heavy losses. “As they are not sure of the consignment reaching (the destination) in time, some exporters are now diverting their consignments to Kochi and other airports,” said another representative of a forwarding agency. There are allegations that some traders were carrying their products (such as textiles) as extra baggage rather than booking the consignments as cargo. While some agents plead for introduction of exclusive freighter services, airport authorities say this may not be viable as imports are poor even though export volume is good. An official of an airline said it is the pilot’s call to decide on the quantum of cargo load to be carried in a flight. “The priority is passengers and their baggage. Of late, most flights are running full. Some times aircrafts need to carry more fuel depending on climatic conditions and pilots have to take this into account too,” he said. The cargo terminal at the airport handled a record 4,773 tonnes of cargo in 2013-14, registering 63 per cent growth over the previous year, to be ranked first among the non-metro airports managed by the Airports Authority of India. Twenty per cent growth in volume was expected this year, but this would depend on the uplift capacity of the airlines, sources said.

### **Horticulture varsity to come up at Kadiyam**



Workers watering plants a nursery in Kadiyam. —Photo: S. Rambabu

The State government is all set to start a horticulture university in Kadiyam from 2014-15 in this 100-year old highly fertile and abundantly irrigated nursery fields. The temperate is moderate and with high relative humidity, the main factor contributing to the plant

protection in the area. “The largest cluster of nurseries in the country has sought a research and training centre in Kadiyam to help them meet international standards for taking up direct exports. They have also sought market development assistance from the government. There are about 1,200 nurseries ranging from one-fourth an acre to 100 acres located in the area, creating employment directly or indirectly to nearly 70,000 people, and generating an annual turnover of Rs. 180 crore,” district Collector Neetu K. Prasad said. The area of Kadiyam nurseries cluster is about 3,000 acres spread in the villages of Kadiyam, Kadiyapulanka, Burrilanka, Veeravaram, Pottilanka, Venkayyammappeta, Domireddypalli and others. The nursery growers have developed numerous varieties of fruits, flowers, ornamental, indoor and outdoor plants over the decades. Some rare plants are grown at these nurseries, and of late aromatic and medicinal plants have been introduced at some nurseries. Prices of each plant range from Rs. 5 to Rs. 5,000. Traders from different States come to Kadiyam for purchase of plants. “Mostly traders from Karnataka, Tamil Nadu, Maharashtra, Gujarat, Kerala, Delhi and West Bengal are purchasing our plants in a big quantity every year,” told Pulla Anjaneyulu, president of Sir Arthur Cotton Kadiyam, Kadiyapulanka and Burrilanka Nursery and Growers Welfare Association. “Out of our total production, 60-70 per cent plants go to other States,” he revealed. “Major plant traders from Mumbai, Pune and Bangalore procure plants from Kadiyam nurseries and export to other countries with attractive packing and get high margins,” said Palla Subrahmanyam of Sri Satyanarayana Nursery Gardens. This year owing to severe summer, small farmers of the nurseries are facing tough times. “Half of the nurseries are facing acute water shortage and the temperature, from last one week, is forcing labour to abstain from work, Mr. Subrahmanyam added.

### **Horticulture crop cultivation picking up in Penna delta**



A farm worker plucking jasmine flowers at a field in Damaramadugu near Nellore.

Regardless of high risk factor involved in their cultivation, horticulture crops like jasmine plantations are increasingly grown in parts of the Penna delta in the vicinity of Nellore city in recent years. The demand for horticulture produce has been on the increase with the consumption of fruits and flowers among the health conscious urban populations going higher now. Jasmine plantations are among the most preferred horticulture crops



that the farmers are inclined to take up nowadays. These plantations are coming up nearer to the Penna river and also in interior areas in the delta depending on the convenience of the farmers. The jasmine is grown in Damaramadugu, Rebala, Duvvuru, Mudivarthi and other places in larger numbers. High investment is needed for jasmine crop with the farmers requiring to invest Rs. 25,000 and more per acre. While the expenditure is constantly increasing, the returns are not steady with rises and falls being reported over the years. Cost of cultivation is increasing because of higher labour costs, says a horticulture farmer. In good market conditions, the traders are giving Rs. 60 per kg. But it comes down to Rs. 30 per kg. when there is no demand, he says. The agricultural workers are to be paid Rs. 10 per kg. towards plucking costs. The workers are needed throughout the year for plucking and other aspects of cultivation, he said.

### **Panel to free encroached lands of Dalits**

The lands of dalits which were encroached will be freed and handed over to them again and a committee is being formed to examine the issue, Rajampet RDO Vijaya Sunitha said on Thursday. She addressed a gram sabha at Reddivaripalle in Hastavaram panchayat in Rajampet mandal under the presidentship of sarpanch Syamala. Dalits said they were given agricultural land ranging from 80 to 180 acres of agricultural land in benami names in Tallapaka and Madanagopalapuram villages and upper castes occupied the lands and got the names changed in the registers concerned. Repeated representations to officials yielded no result, they alleged. APREGs assistant programme officer, Indira Kranthi Patham para-legal official, surveyor, revenue inspector and VRO would be members of the committee. She directed the committee to make a household survey as per survey numbers to ascertain who occupied the lands of Dalits and submit a report by June 22. She warned of stern action if lands belonging to the poor were encroached upon. The RDO directed the registration office to submit a report on how they registered DKT lands. Hastavaram vice-sarpanch Uma Maheswar Reddy said as the agricultural lands given to Dalits was near the polytechnic, crores worth of land deals are going on and the lands of poor were divided into plots and sold at about Rs. 3 lakh per cent. Agricultural lands are being converted into plots and upper castes occupied thousands of acres, he alleged. Rajampet Tahsildar Chandrasekhar Reddy, surveyor and village revenue officers participated.

### **Region-specific fodder cultivation mooted**



Farmers undergoing training on raising of fodder crop at Krishi Vigyan Kendra in Pudukottai on Thursday. Farmers should cultivate district-specific and region-specific fodder so as to enhance milk production, said scientists of Krishi Vigyan Kendra at Vamban village near here on Thursday. They explained the efficacy of a few new fodder species released by the Tamil Nadu University of Veterinary and Animal Sciences. Inaugurating the training, M. Asokhan, professor and head of KVK, said the district accounted for a meagre 150 hectares of land under fodder cultivation against the total irrigation area of 1.65 lakh hectares. The growing demand for fodder had been a challenge to the livestock owners and farmers, he added. Noorjejan, assistant professor, said intensive measures should be taken to step up fodder cultivation. He pointed out that several species such as 'Co 31' and 'Napier cross grass' were ideally suited for the district. A demonstration on cultivation of 'Co 31' was organised and farmers were explained the procedure to be adopted for planting the seeds.

### **Special camps on kuruvai package in 354 villages**

<b>MOTIVATING FARMERS</b>			
	<b>Thanjavur</b>	<b>Tiruchi</b>	<b>Ariyalur</b>
<b>Camps planned</b>	<b>354</b>	<b>67</b>	<b>41</b>
<b>Camps completed</b>	<b>25</b>	<b>12</b>	<b>10</b>
<b>Allocation (Rs. in crore)</b>	<b>9.19</b>	<b>1.47</b>	<b>1.02</b>

A total of 29,593 beneficiaries have been selected under the Kuruvai special package scheme in 25 villages in Thanjavur district and more camps will be held for selection of eligible farmers under the scheme, said Sandeep Saxena, Agriculture Secretary. Reviewing the arrangements for the Kuruvai cultivation for Thanjavur, Tiruchi, and Ariyalur districts with farmers' representatives here on Wednesday evening, Mr. Saxena said that awareness camps were held throughout the district to sensitise farmers to the special salient features. It had been planned to organise camps at 354 villages out of which 25 had been completed. About 8,907 hectares had been covered under Kuruvai cultivation in the district — 3,167 hectares under normal cultivation and 5,790 hectares under system of rice intensification (SRI). It has been planned to bring 22,000 hectares under this crop season. A sum of Rs. 9.19 crore had been allotted for Thanjavur district under the special package. As many as 2,320 beneficiaries had been identified in Tiruchi district in a dozen villages. More camps would be held in 55 villages. Twenty eight hectares had been covered — 15 under normal and 30 under SRI. About Rs. 1.47 crore had been allotted for this purpose for Tiruchi district. About 2,500 hectares had been planned to be covered in this district. Referring to the implementation of the programme in Ariyalur district, Mr. Saxena said that 500 beneficiaries had been covered in 10 villages. More camps would be held in 31 centres. A total of 620 hectares had been covered — 20 under normal and 600 under SRI cultivation. A sum of Rs. 1.02 crore had been allotted to the district. It had been planned to bring 510 hectares under Kuruvai here.

## **Kharif sowing hit by delayed monsoon**



With less rainfall, sowing target in Yadgir taluk hasn't been met.— File Photo: Santosh Sagar

The delay in the onset of monsoon has affected the sowing operations in the district. Till date, the sowing of green gram crop has been completed only in 2,022 hectares (ha) as against the target of 31,000 ha fixed by the Agriculture Department. Sources in the department told *The Hindu* here on Thursday that out of the total 2,022 ha sown, 1,800 ha was sown in Yadgir taluk against the target of 21,000 ha; followed by 110 ha in Shahapur taluk (8,700 ha target) and 112 ha in Surpur taluk (1,300 ha target). The sowing of red gram has also been affected, and against a target of 57,600 ha, sowing in only 343 ha was completed. While the farmers have time till the end of June to finish sowing green gram, red gram sowing can be extended till the end of July. The district has received just 12.7 mm rainfall against the normal of 117 mm till June 15, with a shortfall of 104 mm. During the month of May, the district experienced more than the normal rainfall – 72.9 mm against the normal rainfall of 37 mm.

## **Training in mushroom farming**

A class on mushroom cultivation will be held at the Kakkanad office of Vegetable and Fruit Promotion Council on June 24 from 10.30 a. m.

## **The fee**

Those who wish to attend the class may reach the office on the day and pay a fee of Rs.300 and attend the class. The class is scheduled to end at 3 p. m., says a press release here. For more details contact: 0484-2427455.

## **Water level**

### **Mettur**

The water level in the Mettur dam stood at 44.03 feet on Thursday against its full level of 120 feet. The inflow was 333 cusecs and the discharge, 796 cusecs.

Chennai

Chennai - INDIA

## Today's Weather



Sunny

**Friday, Jun 20**

Max Min

38° | 29°

Rain: 0

Humidity: 56

Wind: normal

Sunrise: 05:43

Sunset: 06:37

Barometer: 1004

## Tomorrow's Forecast



Partly Cloudy

**Saturday, Jun 21**

Max Min

40° | 29°

## Extended Forecast for a week

Sunday

**Jun 22**



39° | 29°

Partly Cloudy

Monday

**Jun 23**



39° | 29°

Partly Cloudy

Tuesday

**Jun 24**



40° | 29°

Partly Cloudy

Wednesday

**Jun 25**



40° | 28°

Cloudy

Thursday

**Jun 26**



40° | 29°

Cloudy

## Airport Weather

Delhi

Delhi

Rain: 0

Humidity: 45

Wind: normal

Sunrise: 05:23

Sunset: 07:21

Barometer: 996



# THE NEW INDIAN EXPRESS

## Govt Inertia Blamed for Rise in Prices of Onion, Potato



**BHUBANESWAR:** The State Government is caught napping while prices of potato and onion are skyrocketing in the market for no valid reason.

While the wholesale price of potato and onion at Aiginia 'mandi' is Rs. 1500 and Rs. 1600 per quintal respectively, the two vegetables are sold at exorbitant prices in the retail market. The price of potato varies from Rs. 20-22 per kg in different markets of the city while onion is sold at Rs. 25-26 per kg. Secretary of Aiginia Potato Merchants Association Shakti Sampad Mishra told this paper that there is no reason for the hike in the prices of the two vegetables when their wholesale prices have remained stable. Lack of enforcement by the Government is to be blamed for the rising prices, he said. Onion was selling at Rs. 20-24 a kg till a couple of days ago. The retail price of the edible bulb in the city market has gone up by Rs. 2 a kg. Ideally, onion should be available at Rs. 20 a kg, Mishra said. The State Government, however, attributed the sudden rise in onion price to factors at the source point. The current price rise is attributed to loss of onion crop in Nasik, the major onion producing area. One among 10 major onion producing States of the country, Odisha had produced 4.32 lakh tonnes of onion in 2013-14 as against 4.19 lakh tonnes in 2012-13. Balangir alone had produced 1.23 lakh tonnes accounting for more than 28 per cent of State's production. Similarly, Kalahandi and Nuapada districts had produced 31,888 tonnes and 11,414 tonnes respectively. The Government has not only failed in checking the unbridled price rise of the two vegetables but also in protecting the interests of onion growing farmers of western Odisha district, who are selling their produce at throw away prices. An official of the Horticulture Department told this paper that farmers are forced to sell onions at `5 a kg while the prevalent retail market price of onions is `25-26 per kg. Since there is no effort from the Government to procure onions from farmers, they have no option but to sell the produce to the middlemen at whatever price they offer, the officer said. Lack of storage and marketing facilities has become a bane to farmers and consumers alike.

## **Farmers Start Farm Work after Brief Spell of Rain**



ROURKELA: The brief spell of rain on Tuesday in nine of 17 blocks of the rain-fed Sundargarh district raised hope of farmers as tilling and sowing activities for ensuing rabi crop were started in expectation of normal monsoon. The rain in Nuagaon, Bisra, Lathikata, Bonai, Lahunipara, Gurunida, Koida, Hemgir and Lefripara blocks softened the farm land allowing a section of farmers to start tilling. Besides, the farmers in the areas having access to irrigation have started sowing seeds. District Emergency Officer (DEO) Sumita Singh said the district has received an average rainfall of 40 mm in nine blocks but rest eight blocks of Tangarpali, Sundargarh, Rajgangpur, Kuanmunda, Subdega, Bargaon, Kutra and Balishankara continued to experience dry spell. An agriculture officer said though Tuesday's rain was not of much help, it was a moral booster for farmers who have started preparing farm field to sow seeds during next rain. Till now, less than 20 per cent of the total 3.13 lakh hectares (ha) has witnessed farm activities, which will pick up momentum in a fortnight, he said. Sundargarh Zilla Parishad (ZP) president Pitrus Toppo said during his visit to interior pockets of Balishankar, Subdega and Lefripara blocks, he found the farmers engaged in preliminary farming activities including tilling and sowing. Quoting the version of the Deputy Director for Agriculture (DDA), the ZP president informed that in the first phase, around 10,200 quintals of subsidised seeds have been supplied to all 17 blocks. Seeds are distributed through 45 Large and Multi-Purpose Cooperative Societies and 22 private dealers. He, however, apprehends shortage in supply of seeds in the district. However, expecting normal monsoon, the district agriculture strategy committee during the meeting in May had set a target to produce 6.98 lakh tonnes of paddy and 45,800 tonnes of non-paddy crops including 17,137 tonnes of different kinds of millets and 28,665 tonnes of pulses. Paddy cultivation covers 2.14 lakh ha and rest 99,000 ha are meant for non-paddy crops. The district claims to have irrigation area of 77,636 ha. As per preliminary estimate, 27,462 quintals of seeds and 14,176 tonnes of fertiliser will be required for the ensuing rabi season in the district. Officials of Agriculture, Irrigation, Watershed Mission of Soil Conservation and Agriculture Technology Management Agency have been advised to work in tandem to bolster agriculture production. Stress has also been laid to encourage crop diversification.

## Arrival of Avian Guests Cheers Farmers



DHENKANAL: The arrival of migratory birds at Sadangi forest has brought cheer among the farmers in the district who believe that it forebodes a good harvest. As a part of their annual journey, Asian Openbill storks have arrived at Sadangi forest, about 35 kms from district headquarters. A septuagenarian farmer of Sadangi village Samasika said locals welcome the storks and help in their protection every year as their stay boosts confidence among the farming community. “We were unhappy when they did not come five years ago and crop failed in that year,” said a farmer. Social activist Sisir Satpathy said Forest department needs to create watch towers in the area and promote the spot for tourist attraction. Asian Openbill storks, scientifically known as *Anastomus oscitans* having a height of two and a half feet, arrived at Sadangi forest in the first week of June. A forest official said before the storks arrive, a group of other birds comes in advance to explore food sources and climatic condition. This year, they had come in last week of May and around 120 storks arrived on June 10. Before they arrive, forest officials take steps for their protection in the forest range, the official said. Forest officials informed that these large birds come from different places of India, Sri Lanka, Southeast Asia and other places. They arrive here in first week of June and leave the place by the end of December. During their seven-month stay, they breed and return after their babies birds learn to fly, said PK Sahoo, Divisional Forest Officer (DFO). Last year, two persons were arrested and forwarded to jail on charges of poaching the storks. Sahoo said, “We are quite vigilant on their safety as their visit encourages farmers and tourists. Our patrolling is going on round the clock.”

THE HINDU  
**BusinessLine**

## Poppyseed prices may surge as import ban continues

Poppyseed importers have appealed to the Narcotics Control Board, Gwalior, and the Union Ministry of Finance to issue permits for importing 10 full container load (fcl) i.e., 180 tonnes from each origin to cater to the domestic demand and also to arrest the price rise in the domestic market. An importer told *Business Line* that since 1998, permits are issued for imports of poppyseed from Turkey, China, Czech under OGL and permits are issued against contracts by the NCB. Trade sources said that for the past three months, three big importers have hoarded huge stocks of one lakh bags of poppyseed of Turkey

origin and they seem to be behind the ban on imports so as to push up prices.”Poppseed prices have jumped from Rs. 300-400 a kg during last week and they are likely to cross Rs. 500 soon,” some of the upcountry traders said. Due to the ban, small importers are jobless while consumers are forced to pay through their nose, and that in turn, adds to inflation. India is a net importer of this commodity and the annual imports are estimated at around 35,000 tonnes, mainly from Turkey. The indigenous production used to be at around 20,000 tonnes. But, this year the crop has been very low due to unfavourable weather conditions and reduction in area for growing poppyseeds from the NCB. Therefore, “if imports are delayed, poppyseeds prices will zoom up to Rs. 600-700 a kg,” some others in the trade claimed. Meanwhile, the Customs authorities have decided not permit any more import of poppyseed from Turkey as the quantity of the commodity imported already equals the output of that country. Consequently, “50 full container load (fcl) of Turkey goods are allegedly held up in Nava Seva port,” market sources said. At the same time, “a miscellaneous application seeking interim relief” relating to import of poppyseed is pending in the Allahabad High Court. A decision on the PIL filed on Apr 10 is said to be still pending”, they said.

### **Farmers take to ultra-high density cashew farming**

Deranna Rai, a farmer from Bettampady village in Puttur taluk, said was planning to plant rubber on a five-acre land in his village in 2010. The earth moving equipment had prepared four acres of land for this purpose. Then he met scientists from the Directorate. They persuaded him to take up ultra-high density cashew planting in the remaining one acre. Accepting the suggestion, he planted around 440 cashew plants on an acre of land that year. (In the ultra-high density method, 440 plants are planted with a spacing of 3 metres x 3 metres on an acre of land. In the traditional system, 60-65 plants are planted on an acre of land, and the harvesting starts from the third year in this system.) In the first year, Rai got around 0.75 kg of raw cashew nuts a tree amounting to 330 kg an acre. After three years of planting, he harvested around 2 kg of raw cashew nuts a tree, amounting to around 800 kg from an acre of plantation. “After deducting all the expenses, my net profit is Rs. 40,000 from cashew alone this year,” he said, adding that now he feels he should have planted cashew in the remaining land then. Deranna Rai is among three farmers, including a woman, who heeded to the suggestions of the scientists to take up ultra-high density and high density cashew farming a few years ago. Today they are happy as they get good productivity from their farms. The success stories were narrated at a farmers’ meet organised by the Puttur-based Directorate of Cashew Research as part of its Foundation Day on Wednesday. Satyabhama, the successful woman from Manchi village of Bantwal taluk in Dakshina Kannada district, said she followed ultra-high density planting with 440 plants on an acre of land three years ago. She got around one kg a tree from the second year of planting itself. Now she is harvesting around 1,100 kg of raw cashew nuts. Satyabhama uses cow dung in her plantation. Vittappa, a farmer from Honnali taluk of Davangere district, said that he took up high-density cashew planting with a spacing of 5 metres x 5 metres on 1.25 hectares



of land in 2004. Around 500 plants were planted then, and the fruit-bearing started in 2006. He said that yield has gradually increased from 1 kg of raw cashew nuts a tree to 9 kg a tree since then. In 2014, he got a profit of Rs. 720 a tree at the rate of Rs. 80 a kg for raw cashew nuts. After deducting all expenses, he earned a profit of Rs. 2 lakh a hectare, he added. PL Saroj, Director of Directorate of Cashew Research, said that there is good scope for ultra-high density cashew farming as the domestic demand for cashew nut exceeds the production.

### **Cheaper Black Sea wheat hits Indian shipments**

VISHWANATH KULKARNI

Indian consignments \$25-30 a tonne costlier in the global market



Exports of wheat from India have slowed down in recent weeks as buyers, mainly from the Far-East, are switching over to the cheaper grain from the Black Sea region where harvest has begun in countries such as Russia and Ukraine.

### **High supplies**

Trade sources said the Indian wheat is currently expensive by at least \$25-30 per tonne compared with the Black Sea region. The higher than expected supplies has made the wheat cheaper from Black Sea aided by a depreciating currencies in countries such as Ukraine and Russia. Also, the political turmoil in Ukraine has not had a major impact on the shipments from the region. On f.o.b basis, the Black Sea wheat is being contracted at around \$245-250 per tonne for delivery in July, August and September by buyers in Philippines and South Korea, whereas the Indian wheat is traded at around \$270.

### **Other options**

“If India has to remain active in the export market, then it has to calibrate prices in line with the Black Sea region,” said Tejinder Narang, grains trade analyst. He said that India should look at encashing opportunities in neighbouring countries such as Bangladesh, which imports as much as three million tonnes annually.

## **Procurement targets**

So far, the Indian wheat exports are estimated to be around two million tonnes. Bulk of these shipments have been done by the private trade, while the state trade agencies have shipped out wheat approved for exports last year. The NDA Government is yet to take a call on allowing wheat shipments from the Central pool stocks, which stood at 41.5 million tonnes on June 1, more than twice the buffer and strategic reserve norms. According to the Food Corporation of India, the Government agencies have so far procured 27.92 million tonnes against last year's 25.02 million tonnes. With the procurement season almost ended, the overall figures may stand at around 28 million tonnes, short of the targeted 31 million tonnes for the year. Wheat exports for 2013-14 stood lower at 5.55 million tonnes against 6.51 million tonnes in the previous year. The wheat shipments were valued at \$1.56 billion ( Rs. 9,257 crore) during 2013-14 as against \$1.93 billion ( Rs. 10,529 crore).

## **Spot rubber gains with futures**

Spot rubber prices improved on Thursday. The local market strengthened tracking the moderate gains in the domestic and international futures. According to reports, TOCOM rubber futures firmed up further to a three-week high as firm oil prices supported prices. Sheet rubber improved to Rs. 145.50 ( Rs. 145) a kg, according to traders and the Rubber Board. It firmed up to Rs. 142.50 ( Rs. 142), as quoted by the dealers. The trend was mixed. July futures improved to Rs. 146.20 ( Rs. 144.25), August to Rs. 145.31 ( Rs. 143.40), September to Rs. 143.85 ( Rs. 141.50) and October to Rs. 142.39 ( Rs. 140.13) for RSS 4 on the National Multi Commodity Exchange. RSS 3 (spot) inched up to Rs. 127.93 ( Rs. 127.41) at Bangkok. June futures closed at ¥199.9 ( Rs. 117.98) on the Tokyo Commodity Exchange. Spot rubber rates ( Rs. /kg) were: RSS-4: 145.50 (145); RSS-5: 141 (140.50); Ungraded: 137 (136); ISNR 20: 132 (132) and Latex 60%: 123 (123).

## **A 10-point roadmap for FCI reform**



The Prime Minister in his recent address in Parliament highlighted the need to “unbundle FCI operations into procurement, storage and distribution for greater efficiency.” Can this bold agenda get translated into something that is meaningful, realistic and doable?

The FCI is a peculiar animal – neither a public sector company nor a Government department. Strangely, the Food Corporations of India Act, 1964 lays down that all its operations will be financed by the Government of India. FCI does not have a profit and loss account. While a company is answerable to its shareholders and a Government department accountable to Parliament, the FCI is accountable in its present form to no one! FCI's operations have become inefficient with operating costs significantly higher than those in the private sector. Its monolithic and monopolistic character has stifled private trade in food grains. Can changing the way FCI works fundamentally significantly alter the grain markets? A 10 point roadmap for reform that does not alter either the minimum support price (MSP) or public distribution system (PDS) policies and yet radically transforms the grain market is outlined below.

- \* Break up FCI into two commercial public sector companies – the National Grain Procurement Corporation (NGPC), and the Logistics and Distribution Corporation of India (LDC).
- \* Each of these agencies would have extensive engagement of the private sector.
- \* Storage capacities of the FCI would either be handed over to the Central Warehousing Corporation (CWC) or leased to credible private sector providers on a competitive basis.
- \* NGPC, the new procurement entity would be a company under the Companies Act with annual profit and loss accounts. The procurement cost of foodgrains would be determined by an expert body which would benchmark costs based on efficient market norms.
- \* The NGPC would discharge its role in a competitive framework and both State Agencies as well as the private sector will be treated equally.
- \* Once stocks required for meeting the needs of the PDS and buffer stocks are procured, the central pool MSP operations will cease. The private sector would, however, continue to procure on commercial lines at market prices and farmers reimbursed the difference between the market prices and MSP through direct cash transfer.
- \* Procured stocks will be stored with the CWC, State Warehousing Companies (SWCs) as well as private warehousing companies with storage rates and preservation services being the main determinant for taking decisions on the allocation among the three categories of warehouse service providers.
- \* NGPC and the LDC would enter into a commercial contract each year fixing the quantity to be procured and handed over to the LDC as well as the cost that would be charged. LDC will have the freedom to explore alternate sources for the grain if the costs charged by the procurement entity are not competitive.
- \* The LDC would be reimbursed the difference between the procurement cost and the central issue price.
- \* Both the NGPC and the LDC would become very lean and efficient commercial entities and outsource activities to efficient agencies in the private sector or to State Government agencies who will be allotted these activities in a transparent, competitive framework.

It is expected that the above reform measure that can be introduced within 24 months would without dismantling the basic MSP regime or the PDS issue prices be able to streamline the procurement and distribution system and cut down the overall food subsidy by 15 per cent, i.e. cut down the overall food subsidy bill annually by Rs. 10,000 crore. These set of reforms would also break the monopoly of the State in the foodgrains market and introduce the much needed efficiencies.

### **Pre-budget note: Small tea growers seek more funds**

The Confederation of Indian Small Tea Growers Association (Cista) has urged Finance Minister Arun Jaitley to allocate adequate funds in the Budget specifically for the Small Tea Growers Directorate under Tea Board. It has also urged him to roll out small tea growers' development scheme. In a pre-Budget memorandum, Cista said that the Small Growers' Directorate - constituted on the lines of ones in Kenya and Sri Lanka - will ensure better execution and monitoring of various tea production and promotional schemes. It will also help initiate a pilot programme to develop an alternative market for small tea growers. This, in turn, will help small tea growers produce better quality green tea leaves and ultimately upgrade themselves from mere green leaf producers to made-tea producers. However, all these objectives can only be achieved if adequate fund is made available, a release from the confederation said. The memorandum also emphasised the need for introducing plantation credit cards for small tea growers which will help them in getting loans from banks and subsidies from Tea Board. It also sought announcement of subsidised fertiliser quotas for small tea growers in view of rising urea and potash prices; introducing green tea leaves under the crop insurance scheme of Agriculture Insurance Company of India Limited and exemption of excise duty on micro and mini tea processing machineries.

### **Pusa rice tops ₹9,000/quintal**

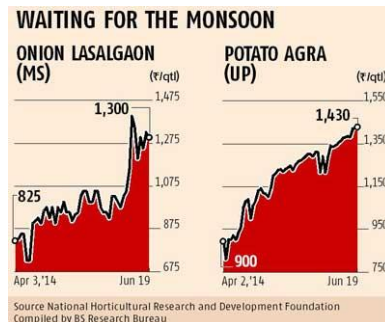
The rice market was mixed on Thursday. While prices of Pusa 1121 and PR varieties improved on fresh buying, Sharbati varieties dropped on slack demand. Amit Kumar, proprietor of Ginni Rice, told *Business Line* that marginal change in Pusa-1121 varieties' price was expected but further uptrend was not anticipated. It has again crossed the levels of ₹9,000 and any major uptrend from here is unlikely. Some fresh buying pushed PR varieties up too, he added. "Traders expect the market to rule around current levels over the next few days without any major fluctuation. In spite of recent uptrend, market sentiments are still not positive," said Amit Kumar. In the physical market, Pusa-1121 (steam) improved further by ₹150 and sold at ₹9,000-9,100, while Pusa-1121 (sela) quoted at ₹7,250-7,300 a quintal, up ₹200. Pure Basmati (raw) quoted at ₹12,000. Duplicate basmati (steam) sold at ₹7,000. Pusa-1121 (second wand) was at ₹6,700, Tibar at ₹5,800 while Dubar at ₹5,000 a quintal. In the non-basmati section, Sharbati (steam) dropped by ₹300 to ₹4,000 while Sharbati (sela) quoted at ₹3,800 a quintal, ₹200 down. PR varieties improved by ₹100-250 a quintal. Permal (raw) was at ₹2,250-2,300, Permal (sela) at ₹2,400, PR-11 (sela) sold at ₹2,500 while PR-11 (raw) at ₹2,600. PR14 (steam) sold at ₹2,800 a quintal.

# Business Standard

## Kharif sowing of onion delayed as rains elude



Onion sowing for the kharif season has been delayed by a few weeks in the absence of rain in most of the grower states, such as Karnataka, Andhra, Madhya Pradesh, Gujarat and Maharashtra. The stock available at the season's opening is 3.9 million tonnes, 80 per cent higher than last year. Monthly consumption is estimated at 1.2 mt, enough for about three months. R P Gupta, Director, National Horticultural Research and Development Federation, said: "In kharif onion growing states, the rains generally arrive by early June. Three weeks have passed and farmers are waiting. This means the fresh crop will arrive (only) in October-November." He said there was also a shortage of quality seeds. At the big Lasalgaon mandi near Nashik, Maharashtra, onion was Rs 13 a kg on Thursday, marginally below Wednesday's. Supplies continue from cold-storage stocks, keeping prices in check. Ajit Shah, president of Indian Horticulture Exporters Association and a large exporter of onion and potatoes, said: "China and Pakistan are selling onion cheaper than India's price. Any report of an unfavourable monsoon would mean prices will shoot up." Gupta of NHRDF said, "If the price starts moving up on shortage, the government should not waste time in importing." He also suggested some curbs on export were necessary. On Wednesday evening, the Forward Markets Commission banned fresh positions in potato futures, resulting in June contract prices down four per cent to Rs 1,271 a quintal. In the wholesale market, prices have been stable.



## Decision taken in the backdrop of rising prices of potato and other essential commodities



Commodity markets regulator FMC has curbed futures trading in potato contracts for July, August and September in order to check prices by disallowing fresh positions and hiking deposit amount on buyers. The Forward Markets Commission (FMC) has taken this decision in the backdrop of rising prices of potato and other essential commodities, which could be aggravated by the likelihood of a sub-normal monsoon. Currently, potato trading is active only on the commodity bourse MCX, while it is negligible on NCDEX. Following FMC's directive, MCX in a circular said it has disallowed fresh positions in July, August and September contracts of potato with effect from June 18. To restrict buyers, MCX has also hiked the margin money from 5% to 30% of the value of the commodity. "Further, 25% special margin (cash) shall be imposed on long (buy) side for all contracts of potato with effect from June 23," the exchange circular said. A trader is allowed to participate in futures only after he deposits this margin amount with the exchange. Analysts said that FMC has taken a precautionary measure even as there is no co-relation between price rise in retail market and futures market. Potato prices in June contract trading at MCX are ruling at Rs 1,270 per quintal, while it stood at Rs 945 per quintal in January. Trading volumes in June contract stood at 3.2 lakh tonnes last month. On June 17, the government had announced a slew of measures to check rising prices of essential commodities. It slapped a minimum export price (MEP) of USD 300 per tonne on onion and will soon fix MEP for potato to curb exports. The government had also decided to release additional 50 lakh tonnes of rice in the open market besides asking state governments to initiate crackdown on hoarders and black-marketeers. Both wholesale and retail prices of potato are on rise even as the domestic production is estimated to be higher by 2.3% at 46.4 million tonnes in 2013-14.

# THE ECONOMIC TIMES

## Poor rain unlikely to impact GDP growth much: Morgan Stanley



Trends in monsoon rainfall will be critical for the overall inflation outlook. While food inflation has softened over the last few months. NEW DELHI: Even as country braces for likely deficient monsoon, its impact on GDP may not be very significant. The decline in farm output as a result of shortfall in rains is unlikely to reduce GDP growth rate in 2014 by more than 0.5 percentage points, says global research firm Morgan Stanley in its latest report. Indian Meteorological Department has predicted a shortfall of 7% in monsoon in 2014. The production of pulses and oil seeds, the report points out, may be worst affected, leading to rise in prices of these items and to bridge the demand-supply gap, the country will have to depend on imports. Trends in monsoon rainfall will be critical for the overall inflation outlook. While food inflation has softened over the last few months, a poor monsoon may reverse the trend. Monsoon rains have an important bearing on inflation with primary and manufactured articles contributing 24.3% weight in overall wholesale price index and 47.6% in the new Consumer price Index. While the countrywide shortfall in rains is expected to be around 7%, the spatial (region-wise) distribution forecast shows that monsoon deficiency in North-West India may be 8% with a 71% probability. But being the most irrigated region in the country, it currently boasts of full reservoirs. So, according to the report, the region that comprises of Punjab, Haryana and Western UP and produces most of the Kharif crops should see a near-normal production. While South and Central India have an even chance of a normal monsoon, the Eastern and North-Eastern regions are projected to receive normal or excess rainfall. However, the report says, the reservoir levels of South and Central India are not very assuring. If El Nino fears were to come true, the report says, there will be downside risks to Morgan Stanley's estimate of agricultural growth at 2.4% in 2014-15. With agriculture accounting for only 15% of GDP, one percentage point reduction in agricultural growth rate will lead to 15 basis points (100 basis points make one percentage point) decline in

GDP growth. Therefore, even if there is no growth in the agricultural sector, the direct impact on GDP growth will not be of more than 0.5 percentage point, predicts report.

### **Centre asks onion-producing states to ensure smooth supply**

NEW DELHI: Blaming "speculative hoarding" for the spurt in prices of essential food items, the Centre today asked onion producing states like Maharashtra to ensure uninterrupted supply of the kitchen staple to keep prices under check.



Narendra Modi for the second day today reviewed price situation with senior Cabinet colleagues Agriculture Minister Radha Mohan Singh and Food Minister Ram Vilas Paswan. Prime Minister Narendra Modi for the second day today reviewed price situation with senior Cabinet colleagues Agriculture Minister Radha Mohan Singh and Food Minister Ram Vilas Paswan. Transport Minister Nitin Gatkari, who hails from Maharashtra, and Water Resources Minister Uma Bharati were also present in the meeting. After the meeting, Paswan told reporters here, "All efforts will be made to ensure there is no shortage of onion, potato and tomato anywhere in the country". He said he had discussions with Maharashtra Chief Minister Prithviraj Chavan, who has assured adequate supply of onion to consumer states. The Maharashtra CM has informed that there is no shortage of onion in the state, Paswan said. Blaming speculative hoarding for the recent fluctuation in prices, the Food Minister said production of these commodities is good and there is no reason for rise in prices. Paswan made a presentation about working and key challenges being faced by the two departments -- Food and Consumer Affairs -- to the Prime Minister. The PM was briefed about how to unbundle Food Corporation of India (FCI) to improve procurement, storage and distribution of foodgrains, challenges in implementing the Food law, leakage in the Public Distribution System and the need to impose uniform taxes on wheat and rice at state level, sources said. Paswan also informed the need to amend the food law to extend the deadline for its implementation across the country, they added. As regards to controlling prices of essential items, sources said the Centre has limited powers to crack down on hoarders and black-marketeers.



### **Maharashtra adds to storage capacity to check onion prices**

Maharashtra has decided to create additional storage capacity for onion crop. Every year, there is a shortage of onions during the monsoon and post-monsoon periods and so the state government has established 'onion chawls' (warehouses) for storing the crop in anticipation of a bumper harvest. Milind Akare, MD, Maharashtra State Agriculture Market Produce Committee (MSAMB), said this year, an additional 12 lakh mt of onion will be cultivated in the state, because of which storage capacity will be required to prevent hoarding that may result in spike in onion prices. The government has set up facilities for 15 lakh mt of onions. This includes 8 lakh mt that has been set up through grants from the government and 7 lakh mt from private sources. The country has storage facilities for around 39 lakh mt. The per month demand of onion in the country is about 12 lakh mt. Early this week, Lasalgaon Agriculture Market Produce Committee (APMC), a major trading centre for onions, and 13 other wholesale markets in Nashik were closed over a row between traders and manual labourers over wage hike.

This resulted in onion prices rising in some parts of the country, which led to the Centre urging the state government to intervene and resolve the dispute.

The state government has taken lesson from this experience. Onion prices have not seen sharp movements in the last few days as feared due to supplies continuing from cold storage stocks. Radhakrishna Vike Patil, state agriculture and marketing minister, has, however, indicated that sudden raids will be conducted to prevent onion hoarding by traders. Following the strike by traders at Nashik, Maharashtra CM Prithviraj Chavan had warned that strict action will be taken against those who indulge in hoarding.

The Union agriculture ministry has also asked states to take stringent action against hoarders as the prices of onions, potatoes and tomatoes continue to rise.

Senior officials at the Centre pointed out that although production of onions, potatoes and tomatoes is higher than last year, a shortfall in supply is either due to hoarding or mismanagement by onion-producing states.

Akare said the government is also encouraging onion processing and the industries for onion paste, onion flakes and irradiation are coming up in Jalgaon, Nashik, Dhule, Ahmednagar and Pune.