

THE HINDU

Rs. 9.87 crore released for farmers under CRF: Ikkeri

Deputy Commissioner V.P. Ikkeri has said that a total of Rs. 9.87 crore has been released under the Calamities Relief Fund (CRF) towards input subsidy amount for farmers who incurred losses due to drought in the district last year. The amount would be released to all eligible farmers by the respective tahsildars in the next 10 days.

In a release issued here on Wednesday, Mr. Ikkeri said that 89,325 farmers from all taluks in the district except Holalkere, would receive compensation as those areas were declared drought-affected by the State government the last year.

Payout review

A meeting about the input subsidy amount was held during April this year. It was decided that the amount calculated as per existing norms – Rs. 7.25 crore – would not be sufficient to cover the farmer's losses. The authorities increased the amount to Rs. 4,500 per hectare in order to help the farmers better. The total area affected by drought is about 47,846 hectares, out of which 10,052 hectares lies in Challakere taluk, 12,166 hectares in Chitradurga taluk, 9,234 hectares in Hiriyur taluk, 12,743 hectares in Hosadurga taluk and 3,651 hectares in Molkalmuru taluk.

The compensation amount would be released to beneficiaries through RTGS or cheques, the release added.

Farmers ready to dump Bt cotton



The much awaited crop loan waiver could provide scope for farmers, especially in the tribal areas of Adilabad, to take up commercial cultivation of the weather and disease resistant indigenous varieties of food grains and vegetables instead of continuing with the calamitous cotton.

The only requirement is a little hand-holding exercise by the government in finding markets for the free-from-chemicals local varieties which, are actually in great demand among the ever increasing number of health conscious people everywhere.

A survey done by *The Hindu* in agency areas has revealed that tribal farmers are ready to chuck away Bt cotton if they have an alternative. The farmers have sufficient quantity of seed of numerous desi varieties of millets, pulses and vegetables needed for cultivation to be taken up on a commercial scale, albeit smaller in size.

The current practice of agriculture in tribal villages is to sow cotton, soyabean and indigenous varieties in a ratio of 50:40:10. While cotton and soyabean are supposed to bring them money the other crops are meant for personal consumption and are a source of continuing yields of desi seeds.

Ghumnoor (B) village in Sirpur (U) mandal, with a cumulative agricultural debt running beyond Rs. 1 crore, is prepared to host a pilot project if the government comes up with a proposal. The 90-farmer families cultivate about 1,000 acres but are left with debts at the end of every season owing to Bt cotton.

“We will certainly go for alternative crops if the government assures us about marketing our produce,” asserts village sarpanch Kanaka Gangaram. “We welcome any move to save us from the expenses on chemicals which are turning our fields into unproductive units,” he adds as he expresses concerns of tribal farmers.

Village Patel, Kanaka Manku, says the adivasi farmers are ill equipped to find markets on their own. “The government can lend us support by deploying the Girijan Cooperative Corporation (GCC) to purchase our produce,” he suggests.

There is no denying the fact that there is a healthy market for organically produced indigenous food crops in urban areas. “Yes, we will buy such produce especially millets in bulk,” assures Ram Babu of the Aahar Kuteer restaurant in Begumpet, Hyderabad which specialises in food made of millets.

“We will also be spared of the ill effects of chemicals on health of our people. Villagers are falling ill owing to inhalation of the poisonous pesticides,” the sarpanch adds.

Adilabad tribal farmers keen on raising disease resistant indigenous varieties of food grains and vegetables

Officials’ indifferent attitude irks paddy farmers



The ineffective management of paddy procurement by district administration continued to haunt the farmers as they were forced to stay in government-setup paddy procurement centres in Nalgonda district for nearly a month to sell their produce. Over 50 per cent of the farmers were forced to sell their produce to millers at much less than MSP.

Of the 10 lakh tonnes of yield the district expected to get during the Rabi, the farmers have sold 7.26 lakh metric tonnes so far, but as many as 3.15 metric tonnes of paddy was purchased by the millers at mill points because most of the farmers went to the rice mills directly to sell their produce due to inordinate delay at the government procurement agencies.

The Hindu has visited various IKP procurement centres at Sandenapalli, Tatikal and other villages in the district where the farmers said nearly fifty per cent of the paddy farmers in their village sold their produce directly to miller who was offering up to Rs. 150 less than MSP Rs. 1,345.

The remaining farmers who sold their produce at IKC centres were guarding their produce for up to a month as the administration has failed to expedite the procurement.

The district millers are learnt to have been delaying the unloading of the vehicles carrying the paddy procured by government agencies, but the administration has made no efforts to resolve the issue by conducting a meeting with millers and the staff concerned so far.

The intensity of the problem was such that, the market yards were closed several times due to delay in lifting the procured paddy.

Speaking to *The Hindu* , Anji Reddy, a farmer from Kanagal mandal, has said that they had arrived at Nalgonda market yard a week ago, but they are yet to sell their produce.

Meanwhile, the marketing officials have locked the market yard, till May 25 as there is no space in market due to delay in transporting the procured paddy to mills.

Another farmer Sudharshan has said that it was not only the failure of administration, but it appears the officials and millers have colluded to loot the farmers as it the administration has not taken any initiative to expedite the process of transportation.

However, the same millers purchase the paddy within hours when a farmer visits the mill directly at Rs 150 less than the MSP.

Due to delay in procurement, the paddy was damaged as district experienced torrential rains on May 3, 4, 8 and 19. “ Earlier we used to hear of farmers suffering loss due to standing crop damage in rains, but this time the paddy brought to the markets was damaged in great quantity, the farmer lamented.

When contacted, Assistant Civil Supplies Officer, K.Venkateshwarlu has said that the rice millers storage points were exhausted with the heavy inflow of paddy, but he had no answer why the same millers were purchasing the paddy from farmers directly.

Knowledge sharing tools a big help to small farmers

AGRI-TECH INITIATIVE
Self Employed Women's Association of India and ICRISAT join hands to improve productivity and profitability of small farmers

Millions of smallholder farmers worldwide could improve their yields, incomes and resilience if only they had better access to appropriate information and knowledge that helps them make informed choices about farming practices
WILLIAM DAR

We are hoping to empower smallholder farmers by allowing them access to advanced scientific and technical knowledge, weather information and appropriate advisory and knowledge services
REEMA NANAVATHY

The Self Employed Women's Association (SEWA) of India and the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) joined hands to carry out Information and Communication Technology (ICT)-based knowledge sharing platforms and other agricultural innovation initiatives, to improve productivity and profitability of small farmers.

The partnership was sealed recently with the signing of a Memorandum of Understanding (MoU) between SEWA and ICRISAT, prompting the launch of a series of innovative ICT platforms that aim at revitalising agricultural extension and education in rural areas and provide better access to knowledge and information by smallholder farmers.

Platforms

These platforms, developed by ICRISAT, include the SEWA KSICConnect, a virtual learning exchange and knowledge transfer series; the SEWA AgED Open Courseware that promotes open online courses for enhancing skills of SEWA members; the ICRISAT Radio SEWA; and the ICRISAT Video SEWA that will provide agro-advisories on agricultural innovations developed by ICRISAT. All these will be carried out through farmers' groups and farmer field schools established by SEWA. "Millions of smallholder farmers worldwide could improve their yields, incomes and resilience if only they had better access to appropriate information and knowledge that helps them make informed choices about farming practices," said Dr William Dar, ICRISAT Director General, during the agreement signing and launch of the ICT platforms.

Food security

"Working with partners and stakeholders like SEWA, ICRISAT has developed and supported many information systems that have helped smallholder farmers become more food secure and resilient," Dr Dar added. He has also announced ICRISAT's support in scaling up the institute's scientific solutions and innovations through SEWA's institutional mechanism.

Empowering small farmer

“With ICRISAT partnership, we are hoping to empower smallholder farmers by bringing innovative ICT tools in their hands, allowing them access to advanced scientific and technical knowledge, weather information and appropriate advisory and knowledge services” said Ms. Reema Nanavathy, director, SEWA.

Food processing park to benefit over 1 lakh farmers

The State has got investments to the tune of Rs.500 crore in the agro products sector from the Biyani Group-owned Future Consumer Enterprise Limited, said Finance Minister Amit Mitra here on Wednesday.

Pointing out that 30 to 40 per cent of total agricultural production went waste in the State , he said “the first phase of Food Processing Park in Kharagpur in the State’s Paschim Medinipur district will benefit 1.50 lakh farmers”, adding that he was hopeful that the project in its second phase would benefit close to 3 lakh farmers. Seven acres of land was allotted for the project and around 25 companies would take part in this project.

According to the Trinamool Congress Website, the State Government received 14 investment applications for the second and third phase of the project. A famous fast food chain was allotted space in the third phase of the project. The decisions were taken at a Cabinet meeting earlier in the day.

The proposed “Mega Food Park” would come up at Vidyasagar Industrial Park in Kharagpur and it would generate 15,000 jobs, added Mr. Mitra.

The State government also received 32 applications for the 1.25 lakh sq ft of commercial space in the Gems and Jewellery Park, Domjur in Howrah district.

“We have already cleared five applications in this regard.

The rest will also be cleared soon,” Mr. Mitra told journalist’s at the makeshift State Secretariat Nabanna, adding that the State government was also planning to build another tower there as applications for the total currently available space has already been received.

Biyani group invests Rs. 500 crore in agro products sector

IISR releases farmer friendly technologies

In the recent annual Institute Research Committee meeting of Indian Institute of Spices Research (IISR), Kozhikode, new technologies suitable for spice growers were identified.

In the technology transfer session new and promising technologies were discussed with representatives of Kerala Agricultural University, Thrissur, Spices Board, Kochi, Directorate of Arecanut and Spices, Kozhikode and Department of Agriculture, Kerala and recommended for spices growers. The details of the recommended technologies are as follows:

High yielders

A high yielding cardamom hybrid with average yields of 985 kg/ha has been identified. The hybrid was evolved by crossing high yielding local cultivar with ‘katte’ virus resistant variety.

A novel transplanting technique in ginger by using single bud sprouts (about 5 g) has been standardized. The technique involves raising transplants from single sprout seed rhizomes in pro-trays and planting in the field after 30 days.

The advantages of this technology are production of healthy planting materials and reduction in seed rhizome quantity and eventually reduced cost on seeds. The cost of production is 70 paise.

Potting medium

Partially composted coir pith and vermicompost (75:25) enriched with trichoderma (in talc form) is an ideal potting medium for black pepper nursery for healthy planting material production using plug-trays. The cost of production is Rs. 6.50 paise/plant.

Application of dried coconut leaves as mulch in ginger beds after removing the petiole at the time of planting enhanced yield by 10 per cent. Application of paddy straw in ginger beds at the time of planting + green leaves recorded 36 per cent increased yield compared to recommended green leaf mulch application.

Drenching with carbosulfan 0.1 per cent at 50 ml /poly bag containing 1.5 kg potting mixture is recommended for plant parasitic nematodes in black pepper rooted cuttings in the nursery.

(Dr.T. John Zachariah, Head Division of Crop Production& PHT, Indian Institute of Spices Research, Marikunnu, Calicut-673012, Kerala, Ph; 0495-2731410, Fax: 2731187, mob:9446071410.)

Srikakulam needs an agricultural varsity



Naira Agriculture College, located on the outskirts of Srikakulam, has the potential to become an agriculture university, according to experts and public representatives. The college, which was established in 1989, is equipped with state-of-the-art infrastructure

and amenities. The institution spreads across 255 acres where several crops are grown as part of studies taken up by students. As many as 500 students attend undergraduate and postgraduate courses at the college.

Acharya NG Ranga University, located in Rajendranagar, has become part and parcel of Telangana. In this backdrop, the residual Andhra Pradesh needs an agricultural university. The idea of upgrading the college to a university was mooted by former Union Minister Killi Kruparani. Incidentally, the Union government is likely to accept the proposal as part of the North Andhra package, which was announced at the time of bifurcation. However, officials feel it might not be feasible considering the huge infrastructure required.

The Union government is likely to upgrade either Bapatla or Tirupati college to university, as they have better facilities and infrastructure, according to officials. Uttarandhra Journalist Forum (UJF), which submitted a memorandum on north Andhra issues to the Union government, feels that the establishment of an Agricultural University in Srikakulam will boost research activity in backward areas. UJF president M.R.N. Varma has asked the government to sanction a veterinary university for Visakhapatnam and a horticulture university for Vizianagaram, apart from an agricultural university for Srikakulam. “Farmers from backward classes can learn new techniques with the help of professors and students if an agricultural university is set up,” Mr. Varma says.

Mamata changes Agriculture Minister, pulls up others

State Agriculture Minister Moloy Ghatak, who resigned recently after the Trinamool Congress lost Asansol Lok Sabha seat, was replaced by Minister for Agriculture Marketing Arup Roy on Wednesday.

The decision was taken after a meeting of the Cabinet during the day.

Mr. Roy will hold the dual charge of State's Agriculture department and Agriculture Marketing. Mr. Ghatak was asked to put in his papers after the Trinamool Congress lost the Asansol Lok Sabha seat, of which he was in charge. There were reports that infighting in the ruling party was one of the factors which resulted in the party's loss in Asansol.

Meanwhile, Tourism Minister Krishnendu Narayan Chowdhury and Minister of Social Welfare Sabitri Mitra were summoned to the Secretariat. According to reports, they were pulled up by the Chief Minister for the poor performance of the ruling party in Malda district.

Trinamool Congress district president of Murshidabad district and Minister Subrata Saha was also reprimanded by Ms. Banerjee for the poor show of the Trinamool Congress in the district during the Lok Sabha polls.

While the Trinamool Congress won 34 of the 42 seats in the State, it did not get any seat in the Malda and Murshidabad district.

'Why is distribution of wheat stock not being carried out?'

Fair price and retail shop dealers have complained that stocks of wheat stored in the godowns and warehouses of the Karnataka State Food Corporation (KSFC) have remained undistributed for two months now.

Speaking on the sidelines of a press conference here on Tuesday, president of the Karnataka State Government Fair Price Dealers' Association, T. Krishnappa, said wheat stock had been stored in the godowns at the district levels and district managers had said the stock would not be distributed until July.

However, the dealers are unsure as to why distribution is not being carried out. The KSFC has been entrusted with the responsibility of ensuring that wheat does not rot in the warehouses, they said.

Commissioner of the Food and Civil Supplies Department, Harsh Gupta, said it was a conscious decision to distribute rice and store the wheat in their godowns for three months, following which the wheat would be lifted in June and distributed later.

This, he said, was because the wheat had been purchased at a high rate of Rs. 22 per kg.

‘No issue’

“Wheat can be stored for up to two years as long as necessary precautions have been taken to preserve it. The wheat is being stored in the KSFC godowns for three months and, if required, fumigation will be carried out to preserve the stock. There is no issue of the stock going bad,” he said.

Earlier, the members raised several complaints against the orders of the Food and Civil Supplies Department, including the compulsory use of biometric weighing scales at all fair price shops.

The dealers said their commission was increased from Rs. 31 to only Rs 36 for every 100 kg of rice and demanded a further increase.

They also opposed the work timings, which is 8 a.m. to 8 p.m. at present, and claimed they were not making profits due to the increased expenditure on transportation, rent and labour.

Dealers threaten to protest

They opposed the large-scale distribution of food grains and other items to supermarkets like FoodWorld and D-Mart, making them incur losses. They also alleged that food inspectors were harassing them by demanding that Aadhar cards be produced, even though it was not mandatory anymore. They have threatened to go on a protest if their demands are not met.

Pilot basis

Mr. Gupta said orders were issued on a pilot basis and he would see how dealers comply with orders for another month before taking a decision about implementing the orders on a long-term basis.

Mango, jackfruit mela from tomorrow



Many varieties of mangoes and jackfruit will be on display and sale at Lalbagh from May 23. While the exhibition will be on till May 30, the mela will continue till June 15.

Mango varieties such as Badami, Malgova, Mallika, Sindhura, Raspuri, Neelam, Dusheri, Sakkaregutti, Totapuri, Banganapalli and Benishaan will be on sale, along with jackfruit varieties such as Swarna, Lalbagh Madhura, Lalbagh Bheema, Mottam Varika, Toobugere and Janagere. These fruits will be sold at discount of 25 per cent.

Of the 90 stalls that will be put up at the mela, mangoes will be sold in as many as 75 stalls, while jackfruit will be sold at the remaining 15 stalls.

The mela will be held from 8 a.m. to 7 p.m. G. Satish, director of Horticulture Department, told reporters here on Wednesday that the department was hoping to sell around 600 tonnes of mangoes at the mela.

Naturally ripened

The mela has been organised with the objective to connect farmers directly with consumers without any middlemen, and for making naturally ripened fruit available to the public.

While the State is known for mango production, Bangalore gets mangoes from Kolar, Ramanagaram and Chickballapur, said R. Jayaprakash, managing director of the Karnataka State Mango Development and Market Corporation.

He said that due to the lack of adequate rainfall, mango production in the State was just around four lakh tonnes. The State's average mango production is around 10 lakh tonnes.

“Due to low production, the prices of the seasonal fruit are high. A price fixation committee has been formed to assess the quality of produce and fix prices for mango varieties to be sold during the mela,” he said.

‘EU not major market’

Asked about the ban on import of mangoes by the European Union, he said that the EU was not a big market for India. “Of the 8,000 tonnes exported from India, a majority goes to the Gulf countries.” He also refuted allegations that the sale of mangoes had dropped in the city.

Rice mills threaten shutdown

The Karnataka State Rice Millers Association on Wednesday threatened to shut down operations if the government failed to clear Rs. 62 crore due to rice mills for the supply of levy rice under the Anna Bhagya Scheme.

Briefing presspersons after a meeting, association executive president Vishwaradhya said that the 1,600 rice mills in the State are determined to observe a “mill bandh” agitation if their dues are not settled within a week.

This has caused concern among growers as paddy has started arriving at rice mills for hulling and the threat by rice mills to stop operations may trigger a crisis.

Cash crunch

He said that the rice mills were facing cash liquidity crunch in carrying out their daily business as the government has not paid all their dues towards the supply of levy rice for the scheme in the last three months.

About 80 mills were on the verge of closure as their money was held up with the government, he said.

He said that Chief Minister Siddaramaiah has not given them an appointment for a meeting, though they wanted to bring the issue to his notice.

Association secretary N. Srinivas Rao said that the rice mills had supplied rice worth Rs. 388.78 crore for the scheme.

The government had paid Rs. 326.73 crore, while the balance is yet to be cleared, he noted.

Gale destroys banana crops



Around 25,000 banana crops were destroyed in a gale in villages near Sirumugai on Tuesday.

According to officials of Horticulture Department, the gale that was accompanied by rain destroyed crops in Lingapuram, Kandhavayal, Mokkaimedu, Uppupallam, Varapallam, Moolaiyur and a few other villages.

Sources from Mettupalayam said that more than a lakh banana crops could have been destroyed. The crops would have been ready for harvest in another two months.

The Department officials said that in Lingapuram alone, they had estimated that around 25,000 banana crops were damaged. Most of those crops were on the Public Works Department land that was on lease. Crops that were on *patta* land and were damaged would account for only 25 per cent of the total damaged crops.

They said that they had begun assessing the damage of the crops on the *patta* land as only those would be taken in to account for arriving at the loss. Crops that were on the land leased from the PWD and were damaged would not be taken into account for compensation.

On Thursday, Revenue Department officials in Mettupalayam along with village administrative officers of the revenue villages concerned will undertake a field visit to

assess the damage and prepare a report. Once the report reaches the district administration, it will forward the same to the State Government for compensation.

Groundnut seed to be distributed in June

The officials of the Agriculture Department have decided to undertake the distribution of groundnut seed to farmers from the first week of June.

The department has set a target of 1.36 lakh hectares for raising groundnut crop in the district out of 2.11 lakh hectares coming under khariff season.

The government has earmarked 1.06 lakh quintals of groundnut seed for distribution among farmers in the district. The farmers have to pay the entire amount for purchasing the seed, while the cash transfer facility will be extended from this year to avail subsidy.

The officials said that seed distribution would be barred to those farmers who do not produce the bank account and details of pattadar passbooks.

The agriculture authorities said that in case of distribution of sub-standard seeds, action would be taken against the staff concerned and the seed agencies.

It was also noted that in a few parts of the district, soil samples were yet to be taken.

Congress wants Naidu to waive farm loans forthwith

Andhra Pradesh Congress Committee president N. Raghuvveera Reddy has demanded that Chief Minister-designate of Andhra Pradesh N. Chandrababu Naidu immediately take steps to waive the farm loans as promised by him during the election campaign. "Before Mr. Naidu takes oath as the Chief Minister, the process of waiver of farm loans should be completed and ensure that new loans are disbursed to the farmers," Mr. Reddy told reporters after a delegation of APCC leaders called on Governor E.S.L. Narasimhan at Raj Bhavan on Wednesday.

He said farmers had stopped repaying the loans under the impression that they would be waived. “They had not renewed the loans and because of this, the farmers are now being denied loans. Failure to give clarity on loan waiver has caused this problem,” he said. Mr. Reddy urged the Governor to take steps to talk to the bankers and see that farm loans were renewed till the new Government waived the existing loans.

In another memorandum to the Governor, the APCC chief wanted him to pay personal attention to the issue of private medical managements planning to hold their own entrance examination. He urged the Governor to see that the existing system of entrance was continued as it fulfilled the government’s objectives and operational issues of private management. He reasoned that there are approximately 5,500 seats in the MBBS in united AP of which 2,050 are in the government sector .

‘Before Mr. Naidu takes oath as the Chief Minister, the process of waiver of farm loans should be completed and ensure that new loans are disbursed to the farmers’

Water level

TIRUNELVELI

Water level in the Papanasam dam on Wednesday stood at 52.80feet (maximum level is 143 feet). The dam had an inflow of 18.87 cusecs and 204.75 cusecs of water is discharged from the dam. The level of the Manimuthar dam stood at 67.79 feet (118 feet). The dam had an inflow of 8 cusecs and no water is discharged.

Kanyakumari

The water level in the Pechipparai dam stood at 20.50 feet, 45.50feet in Perunchani, 7.94 feet in Chittar 1, 8.03 feet in Chittar 11, 6 feet in Poigai and 54.12 feet in the Mamabazathuraiyaru dam.

MADURAI

The water level in Periyar dam stood at 114.1 feet (permissible level is 142 feet). The inflow was three cusecs and the discharge 100 cusecs. The level in Vaigai dam was 33.01 feet (71 feet). The inflow was 71 cusecs and the discharge 40 cusecs.

Rain wreaks havoc

Heavy rain coupled with strong wind in Melur uprooted a large number of trees on Wednesday. Revenue officials said banana plantations and around 2,000 palm trees were destroyed and roof of 30 to 50 houses damaged. The city experienced drizzle since 7 p.m.

Chennai

Chennai - INDIA

Today's Weather



Thursday, May 22

Max Min

Sunny

36° | 30°

Rain: 0

Sunrise: 05:42

Humidity: 56

Sunset: 06:28

Wind: normal

Barometer: 1004

Tomorrow's Forecast



Friday, May 23

Max Min

Partly Cloudy

38° | 28°

Extended Forecast for a week

Saturday

Sunday

Monday

Tuesday

Wednesday

May 24

May 25

May 26

May 27

May 28



38° | 27°

38° | 28°

36° | 28°

37° | 28°

37° | 28°

Partly

Partly

Partly

Partly

Partly

Cloudy

Cloudy

Cloudy

Cloudy

Cloudy

Airport Weather

Chennai

Chennai

Rain: 0

Sunrise: 05:42

Humidity: 56

Sunset: 06:28

Wind: normal

Barometer: 1004



Business Standard

Raw cashew output may fall 30% on crop damage



Raw [cashew](#) prices are likely to rise this year, as the domestic production is estimated to go down at least 30 per cent. The prices have gone up 12-14 per cent to touch Rs 85 a kg in several growing regions in Konkan, Maharashtra and Karnataka.

Prices of [raw cashew](#) nut range between Rs 80 and Rs 85 a kg in the Konkan and Maharashtra regions, while in coastal Karnataka and Kerala they vary between Rs 65 and Rs 70 a kg. While the prices are more or less in the same range as in the last year in coastal Karnataka and Kerala after touching a high of Rs 80 in March, the prices in Konkan and Maharashtra are still ruling at Rs 85 a kg, after unseasonal rain damaged the grown up crop in these areas in April and early May.

Last year, [Phailin](#) cyclone damaged cashew orchards in about 50,000 hectares in the Ganjam district of Odisha and Srikakulm in Andhra Pradesh. The unseasonal rain between April and May this year affected the harvesting in the [west coast](#) areas. Overall, the crop loss is estimated at 30 per cent over the last year's production of 750,000 tonnes.

“Initially, prices soared in Karnataka and cooled as the harvesting season progressed. In Maharashtra and Konkan, prices still remain at Rs 80-85 per kg levels. Currently, the

sentiment is low because of unseasonal rain that damaged the grown up crop. We expect this year's production to slip 30 per cent," said Walter D'Souza, former chairman of Cashew Export Promotion Council of India and a cashew processor in Mangalore. He said the current year production could come down by at least 200,000 tonnes.

However, the Directorate of Cashew and [Cocoa](#) Development ([DCCD](#)) said the new plantations would compensate for the loss in Andhra Pradesh and Odisha. Orchards planted after 2000-01 have started yielding nuts, said Venkatesh N Hubballi, Director, DCCD.

"The cashew tress that were damaged due to the Phailin cyclone were old and were low-yielding. It was not a very big loss in terms of output. We had planted new trees, which are now bearing fruits. We estimate the current year's production to be 700,000 metric tonnes — about six-seven per cent less than that of the previous year," he said.

Indian processing industry requires about 1.4 million tonnes of raw cashew nuts annually. For 2013-14, India imported 758,111 tonnes valued at Rs 4,458 crore.

[More basmati sowing possible this year](#)



After last year's surge in the price of [basmati](#) rice, its sowing by farmers this year in the north is expected to be higher.

The price of basmati rose from Rs 2,200-3,300 a quintal in 2012-13 to Rs 3,300-3,400 a qtl in 2013-14, due to high demand abroad.

Sources in the [Agriculture](#) and Processed [Food Products](#) Export Development Authority ([Apeda](#)) said there were indications of a rise in sowing, with informal estimates pointing to a five to 10 per cent rise.

The sources said more supply might also undermine the price. Also, export demand might not rise at the same pace as Iran has made the procedure for imports by its traders more cumbersome, said an Apeda official. About a third of India's export normally goes to Iran.

However, other markets are expected to respond well and the projection for basmati export is four million tonnes as compared to 3.75 mt last year. There is an El Niño threat on kharif crops this season, with the meteorological department predicting a possible five per shortfall in monsoon rain.

BASMATI FACT SHEET			
Year	Exports in mn tonnes	Average realisation in \$/tonne	Kharif acreage in mn hectares
2010-11	2.2	997	1.6
2011-12	3.2	925	1.8
2012-13	3.5	1,050	1.8
2013-14	3.8	1,300	1.8
2014-15E	4.0	1,200	1.9

E: Estimates Sources: Apeda

Rice traders expect the return on basmati rice to farmers might be between Rs 2,500 and 3,000 a qtl. Farmers are expecting about Rs 4,000 a qtl on the basis of the past two years. The major basmati growing states of Punjab and Haryana have an efficient irrigation system but a dwindling water table and escalating fuel cost makes it unviable for farmers to resort to extensive use of tubewells.

Tea output rises 8% to 1,224.5 mn kg in 2013-14



India's [tea production](#) in 2013-14 increased by eight per cent to 1,224.48 million kg on account of higher output in [Assam](#) and West Bengal. Tea production in 2012-13 was 1,135.07 million kg, according to [Tea Board of India](#) data.

The combined output of Assam and West Bengal rose 6.52 per cent to 980.01 million kg in the previous financial year from 920.01 million kg a year earlier.

Assam and West Bengal are the major producing states, accounting for 80 per cent of India's total output.

Production in the southern states of Tamil Nadu, Kerala and Karnataka was up 13 per cent at 244.47 million kg.

India is the world's second largest producer and biggest consumer of tea.

Chana remains weak on increased supply, low demand



[Chana](#) remained weak for the third day in a row and prices shed 0.37 per cent to Rs 2,964 per quintal in futures market today as speculators offloaded positions, triggered by increased supplies from producing regions.

Expectations of bumper production this year further fuelled the downtrend, traders said.

At the National Commodity and Derivative Exchange, chana for delivery in June fell by Rs 11, or 0.37 per cent to Rs 2,964 per quintal with an open interest of 1,46,750 lots.

The July contract shed Rs 9, or 0.30 per cent to Rs 3,031 per quintal in 63,620 lots.

Refined soya oil up 0.42% on spot demand

[Refined soya oil](#) prices rose by 0.42 per cent to Rs 671.50 per 10 kg in futures trading today as speculators created fresh positions, supported by pick-up in demand in the spot market.

At the National Commodity and Derivatives Exchange, refined soya oil for delivery in July rose by Rs 2.80, or 0.42 per cent to Rs 671.50 per 10 kg with an open interest of

1,22,400 lots.

The June contract traded higher by Rs 2.45, or 0.36 per cent to Rs 689.40 per 10 kg in 1,43,570 lots.

Analysts said fresh positions created by speculators largely in tandem with rising demand in the spot market against restricted arrivals from producing regions mainly led to rise in refined soya oil prices at futures trade.

Sugar sheds 0.73% on sluggish demand, higher supply



[Sugar](#) prices drifted by 0.73 per cent to Rs 3,008 per quintal in futures trade today as speculators reduced positions due to sluggish demand in the spot market against higher supplies.

However, a likely drop in output restricted the losses.

At the National Commodity and Derivatives Exchange, sugar for delivery in June fell by Rs 22, or 0.73 per cent to Rs 3,008 per quintal with an open interest of 51,510 lots.

The July contract shed Rs 21, or 0.69 per cent to Rs 3,011 per quintal in 23,570 lots.

Analysts said besides subdued spot demand, large supplies from millers, put pressure on sugar prices at futures trade here.

Cardamom extends losses on higher supply, weak demand



Continuing its losing streak for the third straight day, [cardamom](#) futures prices fell by 0.81 per cent to Rs 940 per kg today as speculators offloaded positions driven by higher supplies against subdued spot demand.

At the Multi Commodity Exchange, cardamom for delivery in July fell by Rs 7.70, or 0.81 per cent to Rs 940 per kg in business turnover of 158 lots.

The June contract traded lower by Rs 3.90, or 0.40 per cent to Rs 965 per kg in 555 lots.

Analysts said offloading of positions by speculators amid higher supplies from producing regions against sluggish demand in the spot market, mainly kept pressure on cardamom prices at futures trade.

Rubber glut seen persisting two more years on slowdown



A sixth year of global surplus could depress rubber prices through 2016, as maturing trees boost production and slowing growth reduces demand in [China](#), the biggest consumer, according to an industry adviser.

Supply will outpace demand by 316,000 tonnes in 2016, compared with 483,000 tonnes in 2015, according to the London-based The Rubber Economist. The adviser increased its forecast for this year's glut by 78 per cent in March as output in Thailand, the largest grower and exporter, surpassed predictions. The International Rubber Study Group also raised its estimate saying production will increase as trees planted between 2006 and 2008 mature.

Futures in Tokyo, the global benchmark contract, have tumbled 26 per cent this year, touching a four-year low in April. Lower prices may boost earnings at tire makers including Pirelli & C SpA and Bridgestone Corp (5108), while squeezing profits for small farmers who account for about 80 per cent of world supply. China's economy is forecast to grow 7.3 per cent this year, the weakest pace since 1990, based on the median estimate in a Bloomberg survey.

“The [natural rubber](#) market may remain in surplus until 2016,” Prachaya Jumpasut, managing director of The Rubber Economist, said in an e-mailed response to questions

from Bloomberg. “Prices may remain bearish until then, unless demand picks up faster than I anticipate in China and other major consuming countries.” Futures on the Tokyo Commodity Exchange settled at ¥203.4 a kg (\$2,015 a tonne) on Wednesday, down 62 per cent from a record in 2011, and fell into a bear market in January as stockpiles in China climbed.

China reserves

Inventories in Qingdao, China’s main rubber-trading hub, reached a record 270,000 tonnes as of May 16, according to Qingdao International Rubber Exchange Market.



Imports could expand 10.7 per cent this year to 4.26 million tonnes, slowing from last year’s growth of 14.3 per cent, the Association of Natural Rubber Producing Countries said this month.

“We’re in a period of, I would say, instability in the industry,” Stephen

Evans, secretary-general of IRSG, the Singapore-based inter-governmental group, told a conference yesterday in Singapore. “It’ll probably last for another year or two until we see a shift in global economic performance.”

While a looming El Niño may not be enough to reduce the glut, the weather event that brings drought to the Asia-Pacific region might curb the decline in prices, according to Prachaya. The El Niño during 1997-1998 slowed production growth to 0.4 per cent in 1997 from 6 per cent in 1996, he said. There’s no evidence of any impact during occurrences in 1982-1983 and 1987-1988, according to Prachaya.

El Niño

“The impact of drought and El Niño on production will not be enough to counter the current large and rising amount of natural rubber surplus,” Prachaya said. “But, it may help to slow down the declining price trend.” Futures rose as much as 1.3 per cent on Wednesday on speculation that Thailand’s plan to reduce state stockpiles of 200,000 tonnes could be delayed after the military imposed martial law.

Global demand in 2014 may grow close to the IRSG’s lowest estimate of four per cent, said Lekshmi Nair, its senior economist.

“What might support rubber prices is, obviously, increased demand,” Evans said. “What is stopping everybody getting excited about the possibility of the US and European recovery is that China is apparently slowing down.”



Areca growers' hopes rise with new Govt at Centre

There is no need for the arecanut growers to worry about the future of arecanut as the Modi Government will protect the interests of farmers, according to the Central Arecanut and Cocoa Marketing and Processing Cooperative (Campco) Ltd.

K Padmanabha, President of Campco, said that there has been a threat of ban on arecanut and also cases of illegal import of the commodity from other countries.

Health concerns

In a case related to a gutkha company, the Additional Solicitor General – on behalf of the Union Ministry of Health and Family Welfare – had filed an affidavit in the Supreme Court last year where it was stated that arecanut consumption was harmful to health. This had led to a fear among farmers that the commodity could be banned.

He said that the new Government should withdraw the affidavit related to arecanut consumption that has been already submitted before the court.

He criticised the UPA Government on the illegal import of arecanut during its regime.

The cooperative, with elected representatives from arecanut-growing regions of the State, will meet the PM-elect once he takes charge to explain the condition of the arecanut sector, he said.

Nilgiris farmers waiting for drought relief

large number of small-time farmers in the Nilgiris are waiting for drought relief from the State and Centre.

“Tamil Nadu Government had announced last year that all districts other than Chennai were hit by drought conditions. Small farmers in the Nilgiris cultivating all kinds of crops expected fiscal support for survival. However, till now, we have not received any assistance. So, we have urged the government to extend drought relief to us immediately to tide over the crisis,” Thumboor I Bhojan, President of Hill District Small Growers’ Welfare Association, said.

“The Centre had announced subsidy to support the education of the children of small-time tea growers. Tea Board has been vested with the responsibility to distribute the subsidy. However, small growers are unable to benefit because of impractical conditions laid to claim the benefit.

At a time when growers are facing economic crisis because of drought conditions, denying this facility is making life difficult for the them. So we have appealed for liberalising the rules to enable small farmers benefit,” he said.

The Association has also urged the government to promote organic cultivation in the Nilgiris. “We have urged state and central Governments to declare the Nilgiris as organic district. Trees that will help to bring in rain must be grown in reserved forests. Ponds must be developed in forests to store rain water,” Bhojan said.

Supply concerns sustain rubber despite lack of buying by tyre-makers

Physical rubber prices were steady on Wednesday.

An almost similar trend in domestic futures and the disappointing reports from the global trendsetters kept the sentiments neutral during late trading hours.

There were no enquiries from the tyre sector but the market managed to sustain at the prevailing levels on supply concerns.

Sheet rubber finished flat at Rs. 145 a kg, according to the traders and the Rubber Board. The grade was quoted unchanged at Rs. 142 by dealers. June futures closed at Rs. 148.89 (Rs. 148.70), July at Rs. 149.90 (Rs. 150.22), August at Rs. 149 (Rs. 149.48) and September at Rs. 148.50 (Rs. 148.30) on the National Multi Commodity Exchange.

RSS 3 (spot) firmed up to Rs. 123.44 (Rs. 122.53) at Bangkok. May futures closed at ₹192.8 (Rs. 112.30) on the Tokyo Commodity Exchange.

Spot rubber rates (Rs. /kg): RSS-4: 145 (145); RSS-5: 142 (142); Ungraded: 138 (138); ISNR 20: 137 (137) and Latex 60%: 116 (116).

Industry wants cess on imported rubber to go

Rubber industries have asked for immediate discontinuation of cess on imported rubber citing that there is no law which authorises the Customs department to levy rubber cess.

According to All India Rubber Industries Association (AIRIA), the cess can be levied only on rubber produced in the country under the Rubber Act and excludes imported rubber from the purview of the Act.

Levying cess

No such notification as to the levy of the cess as an additional duty under Customs Tariff Act has been issued.

Also, there are no provisions in the Foreign Trade Policy regarding levy of rubber cess on imported rubber.

AIRIA has already sought clarifications on the issue from the Rubber Board.

In its communication, the Rubber Board has concurred that under the Rubber Act, only the rubber produced in India attracts cess and that the Board is the designated authority to collect the same. The notification issued by the Commerce Ministry regarding imposition of new rubber cess on August 29, 2011 also talks about cess on rubber produced in India only.

Growing gap

In view of the widening gap between domestic rubber production and consumption, the import of rubber in significant amount is inevitable.

According to Rubber Board figures, the gap between domestic production and consumption widened to 1,33,400 tonnes in 2013-14.

While the Association have been asking for duty-free rubber import to the extent of domestic deficit, any cess on imported rubber will be counterproductive and affect the competitiveness of the rubber sector, said Niraj Thakkar, President AIRIA.

Accordingly, AIRIA has asked both the Finance and the Commerce Ministry to issue necessary instructions to the field formations to release the rubber consignments without insisting on payment of rubber cess with immediate effect.

Volume down at Coonoor tea sale

A volume of 11.56 lakh kg of tea is up for sale at the Coonoor Tea Trade Association auction to be held on Thursday and Friday.

Of this, a volume of 7.57 lakh kgs belong to the leaf grades and 3.99 lakh kgs belong to the dust grades. As much as 10.64 lakh kgs belong to CTC variety where as only 92,000 kgs are of orthodox variety.

In the Leaf auction last week, among corporate buyers, Hindustan Unilever Ltd and Tata Global Beverages Ltd bought better liquoring varieties .

In the Dust auction, Godfrey Philips bought medium varieties and Indcoserve showed some interest in the smaller grades.

There was better demand for brighter liquoring teas from upcountry buyers.

Overall, internal buyers were found to be less active and the exporters chose mostly plainer grades.

Poultry-feed seen unchanged

Prices of poultry feed products are likely to remain unchanged for the next few days.

Aditya Mishra, a commodity expert, told *Business Line* that too much fluctuation in prices of key ingredients kept feed prices unchanged. “We were waiting for the prices to stabilise and feed products may continue to rule without alteration for the next few days,” he said.

Soyameal dropped by Rs. 1,800 and sold at Rs. 43,000 a tonne, while bajra went up by Rs. 200 and sold at Rs. 14,000. Maize improved by Rs. 10 and sold at Rs. 1,400 a quintal. Rice bran oil was at Rs. 56 a kg, DCP was at Rs. 32.80, MBM went down by Rs. 2 and was at Rs. 47, DRB went down by Rs. 50 and was at Rs. 9,800 while mustard de-oiled cake dropped by Rs. 300 and was at Rs. 15,800 a tonne.

Layer concentrate 25 per cent was sold at Rs. 1,565 while Layer concentrate 35 per cent was at Rs. 1,245. Pre-starter mash was sold at Rs. 1,735 while broiler concentrate quoted at Rs. 2,285 for a 50-kg bag.

Broiler dropped by Rs. 14 and was at Rs. 78 a kg, egg went up by 3 paise to Rs. 2.48, while chick was down by Rs. 3 at Rs. 15.

Why there is no perfect strategy for hedging in commodity markets

The key to optimal decision making is to understand the tradeoffs that are occurring



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Inventories for storable commodities have always played a crucial role in price formation. It acts as a buffer that helps absorb shocks to demand and supply affecting spot prices.

However, there is a possibility of a stock-out implying that the basis can surge in times of shortages. In case of importable commodities, such situations are sometimes created by squeezing the supply lines for a time period.

On the other hand, larger processors of soyabean, mustard and maize hold commodities to reduce costs of adjusting production over time and also to reduce marketing costs by facilitating production and delivery scheduling and avoiding stock outs.

If marginal production costs increases with the rate of output and if the demand fluctuates, processors can reduce their costs over time by selling out inventory during high-demand periods and replenishing inventories during low-demand periods. Selling out of inventory during high-demand periods can reduce the adjustment costs.

Processors most often try to determine their own production levels with the expected inventory drawdown or build-ups.

However, the information on the real stock and inventory level is never available from a reliable source in India.

It is mostly hearsay or a trade rumour. Prices and inventory level fluctuate considerably from time to time which may partly be predictable due to seasonal production and the unpredictability part is generally brought by the market players in response to demand expectations.

Very often the decisions are made in light of two prices – a spot price for sale of the commodity itself, and a price for storage.

Thus there are two inter-related markets for a commodity, the cash market for immediate, or “spot,” purchase and sale and the storage market for inventories held by both producers and consumers of the commodity. Because inventory holdings can change, the spot price does not equate production and consumption.

Instead, it characterises the cash market as a relationship between the spot price and “net demand,” i.e., the difference between production and consumption.

Total demand in the cash market is a function of the spot price and other variables such as weather, aggregate income and random shocks reflecting unpredictable changes.

Processors and consumers often seek ways of hedging in the markets in response to the price volatility.

Whether this is done by way of financial instruments such as futures contracts or by physical instruments such as inventories depends on the appetite of entities in the value chain.

Rarely is there one perfect strategy, hence the key to optimal decision making is to understand the tradeoffs that are occurring in deciding on the actual strategy.



Sugar mills get Rs 2,751-crore loan boost from banks

Loans worth Rs 2,751-crore were disbursed to sugar mills by mid-May, out of a total of Rs 6,600 crore approved by the government in December to be offered to the cash-starved mills with a 12% interest subvention, official and industry sources said on Thursday.

As many as 353 mills applied for the loans until May 15, of which loans to the tune of Rs 4,200 crore were sanctioned by then, they added. Banks are required to complete the process of sanctioning loans by June and the disbursement by September.

The loans with interest subsidy are to be used exclusively for clearing dues for cane purchases during the marketing year through September 2013 as well as this year.

As of March 31, sugar mills owed farmers Rs 15,000 crore for cane purchases, with Uttar Pradesh accounting for around 70% of the dues, according to the data by the Indian Sugar Mills Association (ISMA). Mills usually clear cane dues using proceeds from sugar sales or working capital loans or reserves.

However, there has still not been any rethink on relaxing the "stringent" eligibility criteria for availing of loans as sought by the sugar industry, and loans are being sanctioned only to those fulfilling all the norms, said the bankers. Industry executives have said many mills, which are already stressed and are in need of subsidised loans more urgently than some others, may not get the relief.

While some banks are charging higher interest rates, even up to 15%, from mills falling in the high-risk band, others are considering them ineligible, said a banker.

In January, the department of financial services had written to the Indian Banks' Association, saying lending would be subject to various norms relating to security, future cash flows for the life of loan (five years), establishing the viability and debt servicing capacity, conduct of loan including the restructuring guidelines as notified by the RBI for the sugar industry from time to time.

Mills whose loan accounts have turned NPA are also covered under the scheme provided the state government concerned gives its guarantee for their new loans.

Public sector bank (PSB) officials said that other than providing the interest subvention to eligible mills, the loans are being treated like any other ordinary loans.

They said banks were making sure that loans would be given only to those mills with a good repayment record. As several banks are already saddled with NPAs owing to an economic slowdown, banks don't want to take any chance with defaulters. For their part, mills say the government should ease the eligibility criteria for availing of loans.

Earlier this year, sugar mills, especially in Uttar Pradesh, had expressed their inability to clear cane arrears due to an unprecedented liquidity crunch stoked by a drastic mismatch between prices of sugar and cane. So, in December, the cabinet committee on economic affairs decided to offer the interest-free loans and interest burden, estimated at Rs 2,750 crore over five years, would be borne by the Centre from the Sugar Development Fund. Mills will have to repay the loans in five years, with a moratorium on repayment in the first two years.

However, the delay in crushing in Uttar Pradesh and some other parts of the country by almost a month affected sugar production as many farmers sold cane to other consuming industries, including jaggery makers.

The country would produce 23.8 million tonnes of sugar in 2013-14, down 5.3% from a year before, according to an ISMA forecast. However, the production level this year would still exceed an expected consumption of 23.5 million tonnes, keeping supplies steady. Still, the drop in output may slightly improve realisation of mills, already running at huge losses, on sugar sales, as they will be in a better position to cut a glut in the market following years of surplus production.

Horticulturalists told to go in for mixed cropping to deal with rain deficit

In its first advisory as part of dealing with a possible deficit monsoon, the agriculture ministry has recommended a series of measures for farmers, including zero tillage, mulching, mixed cropping and use of drip and sprinkler irrigation for horticultural crops such as vegetables and fruits.

Besides the ministry has suggested farmers to grow less water intensive legume crops such as beans, peas and lentils in case there is a rain deficit. “We have suggested cultivation of legume crops in case of a deficit as they improve nitrogen in the soil,” an official with the agriculture ministry told FE.

“In vegetables crops, cluster bean, lima bean, chili, drumstick, brinjal, okra are suitable for rain-fed cultivation. Among these, legume vegetables can be recommended for

contingency crop-planning in an eventuality of late monsoon,” the ministry noted in its advisory.

The advisory includes specific measures for the crops and soil preparation in case of monsoon delays ranging from 15 to 30 days and also for terminal drought situation.

The ministry suggested that depending on actual rainfall and soil characteristics, at least 10% of the runoff water should be collected in farm pond for lateral usage during prolonged dry spell.

For retaining the organic matter content of the soil in case of deficiency in the rainfall, the farmers have been suggested to take up green manuring, crop rotation and promotion of agro forestry. “Vegetables being a short duration crop, vermi-composting can be followed for quicker usage of available organic matter in the soil and improving the soil moisture holding capacity,” the advisory noted. In crop specific recommendations for fruit crops such as mango, banana and pomegranate and plantation crops such oil palm, the ministry suggested measures including usage of drip irrigation, mulching of the soil surface and crop residue recycling to build organic carbon reserves to improve soil health and water-holding capacity to cope with dry spells.

“Fruits and vegetables give higher returns to the farmers compared to grain crops, thus we have suggested measures for each of the crop in case of delay or deficit in monsoon rains,” the official said.

Mainly attributed to the NHM launched in 2005, the production of horticultural crops increased from 145 million tonne in 2001-2002 to 268 million tonne in 2012-13. The area under horticulture crops has increased from 16.6 million hectare to 22.25 million hectare during the period.

India at present is the second-largest producer of fruits and vegetables in the world, contributing 11% and 13% of the total global production of fruits and vegetables.

Last month, the IMD in its first forecast said the monsoon is likely to be 95% of the long period average (LPA) or just below the 'normal' range of 96-104% of LPA.

Neighbour's envy, owner's pride: Indian bananas find flavour in Pak

Pakistan is turning out to be a lucrative export market for the banana growers of Maharashtra's Jalgaon district, which accounts for around two-thirds of the fruit's total production in the state.

Though India ranks No 1 in the world in banana production and Maharashtra tops the tables locally, exports from India have been negligible so far.

“There is a good demand for bananas from Pakistan. Moreover, banana growers in Jalgaon would not like to take the risk of exporting their produce to Europe,” Dnyandev Mahajan, chairman of MahaBanana told FE. According to Bhagwat Patil, president, Banana Growers Association of India (an association of some 5,000 member farmers), the demand from Pakistan for bananas from India has been good unlike other markets where a lot of precautions are required. In the last two years, Pakistan has turned out to be a good market for this crop, he said, adding that around 2,000 truckloads of bananas have been sent to this market last season. This season, around 90 truckloads are being sent to Pakistan on a daily basis, Mahajan said. Every truckload contains around 1.5 tonnes of bananas. Farmers have been getting a price of Rs 1,000 per quintal.

The Directorate of Agriculture Marketing and the Maharashtra State Agricultural Marketing Board (MSAMB) established "Mahabanana" organisation at Jalgaon to overcome constraints in export of banana from India. With the help of MSAMB, Mahabanana has undertaken trial export of banana to Dubai for a couple of years. Mahajan however, pointed out that the exports to Dubai were not taking off as planned and therefore the organisation has been focusing on Pakistan this year. According to MSAMB officials, the organisation had begun box packing of bananas to Pakistan where it was earlier sold in a loose form. This helps farmers get a better price. Planting of the crop has just begun and the peak season begins from June until Diwali, he said. Last season, however, the crop was badly hit due to rains and unseasonal hailstorms as a result of which production was hit by 50% due to black spots, he added. This year, apart from Pakistan, most of the crop from Jalgaon is being sold in states like Uttar Pradesh,

Uttarakhand, Jammu & Kashmir, Punjab, Haryana and Jharkhand. This season around 3,25,000 tonnes of the crop is expected to be produced.

The Agricultural and Processed Food Products Export Development Authority (Apeda) believes that India has tremendous export potential for bananas and has therefore declared eight traditional banana growing districts in Maharashtra as agricultural export zones (AEZs), covering the districts of Jalgaon, Dhule, Nandurbar, Buldhana, Hingoli, Parbhani, Jalna, Nanded and Wardha.

Apeda has also opened a couple of export facilitation centres at Jalgaon and Hingoli. However, farmers have been shying away from these centres since the rates have been pretty high, a local farmer said. Maharashtra has around 80,000 hectares of land under banana plantation, of which about 50,000 hectares is in Jalgaon.

Jeera market to remain firm on robust demand

The jeera market is likely to remain firm due to a robust demand and reluctance by farmers to sell at lower prices.

Traders believe that the market has bottomed out and is likely to firm up as domestic demand increases in the days to come. A global shortage of the commodity is also helping in the sentiments. Jeera is a winter crop sown from October and the yield mainly depends on the rains.

India is the world's largest producer and consumer of jeera. While India consumes 75-80% of the commodity produced, the other producing countries export most of the product.

Sudha Acharya of Kotak Commodities feels the market has reached its bottom and will now move up . "Demand is good from both the domestic and export market. Farmers are reluctant to sell below Rs 10,900 a quintal and this should give some support to the market," she added. Geo-political tensions in Syria and Turkey have led to a supply crunch in the global markets raising concerns from the two major exporting countries. Export orders are diverted to India. Production is also expected to fall in Syria and Turkey due to crop failure. Exports of Jeera between April–December of 2013 stood at 96,500 tonne , higher by 89% as against 50,944 tonne between April-December 2012.

During the FY 13, jeera exports stood at 86,500 tonne for Rs 1150.56 crore, which is an increase of 95 and 90 % in volume and value over the preceding fiscal.

Spot price at Unjha on Wednesday evening stood at Rs 11,182 per quintal. The spice board data shows jeera prices at Chennai on May 10 at Rs 137.50 per kg compared to Rs 160 per kg last year. Tensions in Syria and Turkey may provide some support as India is a major supplier in the global market. The new crop in Syria and Turkey is harvested in August–September but with tensions escalating in the region, the supply could be hampered. Besides India, jeera is cultivated in Iran, Turkey and in Syria mainly for exports.

Angel Commodities reports that India's jeera exports have crossed 1, 00, 000 tonnes during the last fiscal. The reports also adds that jeera futures are expected to trade on a positive note as domestic as well as overseas demand may continue to support prices. However, comfortable supplies may cap sharp gains.

The Telegraph

calcutta, india

Tea output up 6%

A STAFF REPORTER

RICH FLAVOUR	
<i>2013-14 output (in million kg)</i>	
Total Assam	623.26
Dooars	179.79
Terai	124.64
Darjeeling	9.00
Total Bengal	313.43
Total India	1205.40

Calcutta, May 21: Domestic tea production rose 6.19 per cent to 1,205.40 million kg during 2013-14 on the back of a higher crop quantity in Bengal and Assam.

Total output stood at 1,135.07 million kg during the previous fiscal.

Assam Valley produced 574.81 million kg compared with 535.57 million kg in 2012-13, while Cachar's output dropped to 48.45 million kg from 52.57 million kg a year ago.

Assam's total contribution increased 5.97 per cent to 623.26 million kg from 588.14 million kg in the financial year ended March 2013.

Bengal's contribution rose 9 per cent to 313.43 million kg from 287.32 million kg in the previous year.

The Dooars produced 179.79 million kg against 160.16 million kg, while Terai recorded 124.64 million kg against 117.07 million kg. Darjeeling saw its share decline to 9 million kg from 10.09 million kg in the last fiscal.

“Last year, we had a good crop, a good weather and healthy exports. We saw a record crop. The adverse effect of weather has only been felt from April this year,” said Sujit Patra, joint secretary of the Indian Tea Association.

The combined contribution of Assam, one of the largest tea producing states, and Bengal stood at 936.69 million kg against 875.46 million kg.

Tamil Nadu, Kerala and Karnataka together produced 244.44 million kg, up 1.13 per cent from 241.69 million kg during 2012-13.

DECCAN Chronicle

Farmers, engineers to meet on Mullaiperiyar



Madurai: To strengthen the arms of the TN government in restoring the level of the Mullaiperiyar dam to 142 feet in accordance with the top court order, Periyar-Vaigai farmers' association is considering approaching court to preempt any move from the Kerala forest department to hamper restoration work.

“In case of operating the shutters manually to lower them to restore the level, the Kerala forest department should allow men and materials to the dam site. But even under normal circumstances, the forest personnel do not permit our engineers to carry out annual maintenance works,” says K.M.Abbas, the association president.

Farmers benefitted by Mullaiperiyar water, senior engineers and retired judges are meeting at Madras University in Chennai on Thursday to deliberate on the issues relating to the dam. “We will take a decision on moving either the Kerala or Madras high court seeking a specific order to the Kerala forest department not to act in a manner that would disrupt restoring the level at the meeting,” Mr Abbas said.

The meeting will also discuss the nine demands including strengthening of the baby dam to restore the level to its original 152 feet, laying road from Vallakadavu to the dam site and providing electricity to the dam and decide on the next course of action.

Both the farmers and the PWD engineers are looking up to chief minister Jayalalithaa to issue an order to close the 13 vents to store water up to 142 feet. On May 7, the Supreme Court struck down a law enacted by Kerala and restrained it from obstructing the TN government to restore the water level.

Soon after the order, Ms Jayalalithaa appointed R. Subramanian, chairman of Cauvery Technical Cell, as the TN representative to the apex court-appointed committee tasked with supervising restoration of water to 142 feet. She sent a letter to the Union water resources ministry requesting appointment of representatives by the Centre and Kerala. The latter recently appointed its retired PWD engineer Kurien. The Centre is expected to select its representative soon.

Given that Kerala has appointed its representative after change of guard at the Centre, Tamil Nadu hopes that the situation is favourable for implementing the order and the Congress-led Kerala government has no other option but to abide by the directive this time.

Meanwhile, the Periyar division of the PWD is ready to close the vents either manually or with the help of generators any time. “We are given to understand that the 3-member committee, once fully formed, will inspect the site before our government issues an order to lower the shutters. If the order is issued before the onset of the monsoon expected in the beginning of June, then storage can be increased,” a PWD engineer said.

THE ECONOMIC TIMES

Chana futures remain weak on increased supply, low demand



NEW DELHI: Chana remained weak for the third day in a row and prices shed 0.37 per cent to Rs 2,964 per quintal in futures market today as speculators offloaded positions, triggered by increased supplies from producing regions.

Expectations of bumper production this year further fuelled the downtrend, traders said.

At the National Commodity and Derivative Exchange, chana for delivery in June fell by Rs 11, or 0.37 per cent to Rs 2,964 per quintal with an open interest of 1,46,750 lots.

Similarly, the commodity for delivery in July shed Rs 9, or 0.30 per cent to Rs 3,031 per quintal in 63,620 lots.

Sugar futures fall 0.73 per cent on sluggish demand, higher supply



NEW DELHI: Sugar prices drifted by 0.73 per cent to Rs 3,008 per quintal in futures trade today as speculators reduced positions due to sluggish demand in the spot market against higher supplies.

However, a likely drop in output restricted the losses. At the National Commodity and Derivatives Exchange, sugar for delivery in June fell by Rs 22, or 0.73 per cent to Rs 3,008 per quintal with an open interest of 51,510 lots.

The sweetener for July contracts also declined by Rs 21, or 0.69 per cent to Rs 3,011 per quintal in 23,570 lots.

Analysts said besides subdued spot demand, large supplies from millers, put pressure on sugar prices at futures trade here.